



HUABAO INTERNATIONAL HOLDINGS LIMITED

華寶國際控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號：00336)



Annual Report

2021

年度報告

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ms. CHU Lam Yiu (*Chairlady & CEO*)
Mr. LAM Ka Yu (*Co-Chairman*)
Mr. XIA Liqun (*Vice Chairman & President*)
Mr. POON Chiu Kwok (*Vice President & Company Secretary*)
Ms. LAM Ka Yan
Ms. CHOY Man Har

Independent Non-executive Directors

Mr. LEE Luk Shiu
Ms. MA Yunyan
Mr. Jonathan Jun YAN

AUDIT COMMITTEE

Mr. LEE Luk Shiu (*Chairman*)
Ms. MA Yunyan
Mr. Jonathan Jun YAN

REMUNERATION COMMITTEE

Mr. LEE Luk Shiu (*Chairman*)
Ms. MA Yunyan
Mr. XIA Liqun

NOMINATION COMMITTEE

Ms. CHU Lam Yiu (*Chairlady*)
Mr. LEE Luk Shiu
Ms. MA Yunyan
Mr. Jonathan Jun YAN
Ms. LAM Ka Yan

COMPANY SECRETARY

Mr. POON Chiu Kwok *FCG, HKFCG, FCPA (Aust.)*

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISOR

Herbert Smith Freehills

公司資料

董事會

執行董事

朱林瑤女士 (*主席兼首席執行官*)
林嘉宇先生 (*聯席主席*)
夏利群先生 (*副主席兼總裁*)
潘昭國先生 (*副總裁兼公司秘書*)
林嘉妍女士
蔡文霞女士

獨立非執行董事

李祿兆先生
麻雲燕女士
Jonathan Jun YAN先生

審核委員會

李祿兆先生 (*主席*)
麻雲燕女士
Jonathan Jun YAN先生

薪酬委員會

李祿兆先生 (*主席*)
麻雲燕女士
夏利群先生

提名委員會

朱林瑤女士 (*主席*)
李祿兆先生
雲燕女士
Jonathan Jun YAN先生
林嘉妍女士

公司秘書

潘昭國先生 *FCG, HKFCG, FCPA (Aust.)*

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師

法律顧問

史密夫斐爾律師事務所

Corporate Information

PRINCIPAL BANKERS

China CITIC Bank Corporation Limited
China Merchants Bank Co., Ltd.
China Minsheng Banking Corp., Ltd.
Hang Seng Bank Limited
Industrial Bank Co., Ltd.

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 3008
30th Floor, Central Plaza
18 Harbour Road
Wanchai
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL SHARE REGISTRAR

MUFG Fund Services (Bermuda) Limited
4th floor North Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

BRANCH SHARE REGISTRAR

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

The Stock Exchange of Hong Kong Limited: 00336

COMPANY WEBSITE

www.huabao.com.hk

公司資料

主要往來銀行

中信銀行股份有限公司
招商銀行股份有限公司
中國民生銀行股份有限公司
恒生銀行有限公司
興業銀行股份有限公司

總部及香港主要營業地點

香港
灣仔
港灣道18號
中環廣場30樓
3008室

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th floor North Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

股份代號

香港聯合交易所有限公司：00336

公司網址

www.huabao.com.hk





Financial Highlights

財務摘要

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Revenue	營業額	3,882,683	3,854,058
Gross profit	毛利	2,296,662	2,442,407
Gross profit margin	毛利率	59.2%	63.4%
Operating profit	營運盈利	1,114,477	902,792
EBITDA margin ^{##}	EBITDA率 ^{##}	43.5%	43.4%
EBIT margin	EBIT率	28.7%	23.4%
Selling and marketing expenses to sales	銷售及市場推廣開支佔銷售比率	7.5%	8.2%
Administrative expenses to sales	行政開支佔銷售比率	21.7%	21.3%
Profit for the year	本年度盈利	895,784	668,439
Adjusted profit for the year [±]	經調整後之本年盈利 [±]	1,189,054	1,163,937
Profit attributable to the equity holders of the Company	本公司權益持有人應佔盈利	675,131	418,399
Adjusted profit attributable to the equity holders of the Company [±]	經調整後之本公司權益持有人應佔盈利 [±]	968,401	913,897
Basic and diluted earnings per share (RMB cents)	每股基本及攤薄盈利(人民幣分)	21.70	13.46
Adjusted basic and diluted earnings per share (RMB cents) [±]	經調整後之每股基本及攤薄盈利(人民幣分) [±]	31.12	29.41
Net cash generated from operating activities	營運活動產生之現金淨額	1,413,246	1,455,231
Net cash [*]	淨現金 [*]	2,578,651	3,627,366
Total equity	總權益	15,718,819	13,694,249
Final dividend per share (HK cents)	每股期末股息(港仙)	2.0	9.0
Total dividend per share for the year	每股年度股息(港仙)	8.4	15.0
Dividend payout ratio for the year ⁺	年度派息率 ⁺	32.3%	95.7%
Debt ratio [#]	負債比率 [#]	6.9%	22.8%
Current ratio (times)	流動比率(倍)	4.2	4.6
Liquidity ratio (times)	速動比率(倍)	3.7	4.2
Inventory turnover (days)	存貨周轉率(日)	199	228
Trade receivables turnover (days)	應收賬款周轉率(日)	87	91
Trade payables turnover (days)	應付賬款周轉率(日)	65	73

^{##} "EBITDA margin" equals to "Earnings before taxes, interest, depreciation, amortisation, share-based compensation expenses and impairment of goodwill" divided by "Revenue"

^{##} 「EBITDA率」等於「除稅、利息、折舊、攤銷、以股份為基礎之酬金及商譽減值前的盈利」除以「營業額」。

[±] Excluding impairment of goodwill of RMB293,270,000 for the year ended 31 December 2021 and RMB495,498,000 for the year ended 31 December 2020.

[±] 撇除截至2021年12月31日止年度之商譽減值人民幣293,270,000元及2020年12月31日止年度之商譽減值人民幣495,498,000元。

^{*} "Net cash" means "Short-term time deposits" plus "Cash and cash equivalents" minus "Borrowings".

^{*} 「淨現金」等於「短期定期存款」加「現金及現金等價物」減「貸款」。

[#] "Debt ratio" means "Total borrowings (include current & non-current borrowings)" divided by "Total Equity (exclude non-controlling interests)".

[#] 「負債比率」等於「總貸款(已包括流動及非流動貸款)」除以「總權益(不含非控制性權益)」。

⁺ "Dividend payout ratio for the year" is calculated based on the "Basic and diluted earnings per share".

⁺ 「年度派息率」是以「每股基本及攤薄盈利」計算。



CORPORATE PROFILE

Huabao International Holdings Limited and its subsidiaries (the "Group"), consisting of flavours and fragrances segment, tobacco raw materials segment, aroma raw materials segment, condiments segment, is mainly engaged in the R&D, production, distribution and sales of flavours and fragrances, tobacco raw materials, aroma raw materials, as well as condiments. The Group also makes diversified investments around its core businesses. It is an industrial holdings group based on China's taste-based consumer goods market.

集團簡介

華寶國際控股有限公司及附屬公司（「本集團」）下設香精板塊、煙用原料板塊、香原料板塊及調味品板塊，主要從事香精、煙用原料、香原料、和調味品的研發、生產和銷售，並圍繞核心產業鏈進行多元化投資，是一家基於中國味覺系消費品市場的實業控股集團。





Company Profile and Corporate Culture

The Group is a market leader in China's flavours & fragrances industry. It owns many famous flavour brands, including "Huabao Flavours" on the A-Shares platform, "Hedon", "Huabao", "H&K", "Tianhong", "Huafang", "Owada", "Amber" and so on. The Group has internationalised product development and manufacturing capabilities, owns production bases in regions such as Shanghai, Guangdong, Jiangsu, Yunnan, Jiangxi, Fujian, Hong Kong and Botswana in Africa, etc., has a R&D centre in Holzminden, Germany, a state-level enterprise technology centre in Shanghai, and R&D departments in Guangdong, Yunnan and Fujian. Member(s) of the Group takes on leadership roles in a number of industry associations which are relevant to flavours and fragrances business, including the Vice Chairman of China Food Additives & Ingredients Association, Deputy Director of China Association of Fragrance & Flavour and Cosmetic Industries, Deputy Director of China Association of Bakery & Confectionery Industry, and Chairman of Shanghai Food Additive & Batching Association.

The Group is also one of the market leaders in China's tobacco raw materials field, where its production capacity and sales account for a significant market share and its production technology and product quality have taken the leading position at domestic level and reached advanced international level. Guangdong Jinye, a subsidiary of the Group, is one of the RTL R&D bases authorised by the STMA. In November 2012, the second phase of RTL production line of Guangdong Jinye was completed, put into production and accepted by the STMA, which became the first landmark of paper-making RTL production line certified by the STMA. Its production technology has been recognized by the STMA to have reached the highest technology level in terms of domestic paper-making RTL production, while its major technical parameters have also reached advanced international level. In 2016, the "Key Laboratory for RTL Technology Research in Tobacco Industry", which was jointly founded by Guangdong Jinye and Guangdong Tobacco, was recognized as the sole key laboratory in the RTL field in China. In terms of new materials, Shanghai Huabao Biological Technology Co., Ltd. has developed rapidly in the cigarette new materials field, which is represented by tobacco flavour capsule and core line. Newly established bases Jiangxi Huabao Xinhui Technology Co., Ltd. in 2017, as well as Yunnan Dianhua Benxiang Technology Co., Ltd. which was established by joint venture with Yunnan Tobacco New Materials in 2018, became two flavour capsule business bases. Both of the bases expanded the Group's flavour capsule production capacity. In 2021, the Group has completed the construction of a factory in Indonesia, which will mainly produce HNB RTL to seize the opportunity of global development of HNB cigarettes.

集團簡介及企業文化

本集團為中國香精行業的領導者，旗下擁有A股上市平台華寶股份及「喜登」、「華寶」、「孔雀」、「天宏」、「華芳」、「澳華達」、「琥珀」等一系列知名香精品牌。本集團擁有國際化的產品研發和生產實力，在上海、廣東、江蘇、雲南、江西、福建、香港及非洲博茲瓦納等地設有生產基地，在德國霍爾茨明登設有研發中心，在上海擁有國家級企業技術中心，另在廣東、雲南及福建設有研發部門。本集團成員在相關行業組織中擔任多個領導職位，包括中國食品添加劑和配料協會副理事長、中國香精香料化妝品工業協會副理事長、中國烘焙食品糖製品工業協會副理事長和上海市食品添加劑和配料行業協會會長等。

本集團也是中國煙用原料領域的領導者之一，其生產能力及銷售額同樣在行內佔有重要市場份額，而且其生產工藝及產品質量均達到國內領先和國際先進水平。本集團的下屬公司廣東金葉是國煙局再造煙葉研發基地之一。二零一二年十一月，廣東金葉二期再造煙葉生產線竣工投產，並通過國煙局驗收，成為國內首條獲得認證的造紙法再造煙葉標誌性生產線，其生產工藝獲國煙局評定為國產造紙法再造煙葉技術最高水平，主要技術指標亦已達國際先進水平。二零一六年，廣東金葉與廣東中煙共建的「煙草行業再造煙葉技術研究重點實驗室」獲得國煙局認定，成為再造煙葉領域唯一重點實驗室。新材料方面，上海華寶生物科技有限公司在以煙用膠囊、芯線等為代表的捲煙新材料領域發展非常迅速。二零一七年新設的江西華寶芯管科技有限公司及二零一八年與雲南中煙新材料合資成立的雲南滇華本香科技有限公司成為煙用膠囊業務的兩大新基地，全面拓展煙用膠囊產能。於二零二一年本集團已經完成了位於印度尼西亞工廠的建設，該工廠將主要生產加熱不燃燒再造煙葉以把握加熱不燃燒捲煙全球發展的機遇。

Company Profile and Corporate Culture

The Group is also one of the leading enterprises in China's aroma raw materials field. The principal products include many natural aroma and synthetic aroma products. Its production capacity and sales account for a significant market share in the industry, and its production technology and product quality have reached the leading domestic and international level. The Group acquired Jiangxi Xianghai in 2017 and completed the production process optimization in 2021. The acquisition played a positive role in the establishment and layout of the Group's aroma raw materials segment. The Group, by virtue of its own industry advantages of the leading position and strong scientific research strength, plans to build a leading aroma raw materials production base in Asia and even the world.

In 2018, the Group made strategic adjustments to its business. Through the acquisition of Jiahao, the Group entered into the compound condiment market that is of great growth room, and also further completed the Group's business structure and sources of income. At present, the Group has successfully established an industry chain with full coverage from raw materials, processing, to consumption, which brings the Group's competitive strength in taste-based fast-moving products industry to a new level. The Group will also combine its industry expertise and integration capability with the social capital, through the multi-capital platforms, multi-collaboration channels, as well as multi-investment collaboration models, to create more value for the shareholders.

集團簡介及企業文化

本集團還是中國香原料領域的領先企業之一，主要產品包括多種天然香料和合成香料。其生產能力和銷售額在行業內佔有重要市場份額，生產工藝及產品質量均達到國內外領先水平。本集團於二零一七年收購江西香海，並於二零二一年完成優化生產工藝流程，對本集團香原料板塊的建立和佈局起到了積極的作用。本集團將憑借自身在行業領先的地位優勢和強大的科研實力，打造亞洲乃至全球領先的香原料生產基地。

二零一八年，本集團對業務進行戰略性調整。透過收購嘉豪，本集團進入具備巨大增長空間的復合調味品市場，進一步完善本集團業務結構，為股東創造更多收入來源。目前，本集團成功完成了「原料、加工、消費」一體化的全產業鏈覆蓋，在味覺系消費品市場的競爭實力進一步增強。本集團將繼續通過多資本平台，多合作渠道，及多種投資合作模式將我們的產業知識、整合能力與社會資本結合，為股東創造更大價值。



VISION 願景

Flavour Your Life
美味生活引領者

SPIRIT 精神

Innovative, pragmatic,
loyal and cooperative
創新、務實、忠誠、協作

CORE VALUES 核心價值觀

Client first, value creation and
shared achievements
客戶至上、價值創造、共享共贏

STRATEGY 戰略

- Adhere to the “concentric diversification strategy” and develop into the world’s leading taste-based consumer product industrial holdings group
- Consolidate the existing market of flavours and fragrances and explore new markets with product and technology innovation
- Seize the opportunity of integration in aroma raw materials industry and strives to achieve the goal of “Being the global leader in the aroma raw materials industry”
- Closely monitor international markets and expand the market of tobacco raw materials
- Consolidate the Group’s leading role in the niche segment in the condiment industry, leverage enriched product mix to build condiment business as the Group’s growth point
- 堅持「同心多元化戰略」，發展成為全球領先的味覺系消費品實業控股集團
- 穩固香精業務的存量市場，透過產品及技術創新，開拓增量市場
- 抓住香原料行業整合的機會，向「成為全球領先的香原料龍頭企業」這一目標奮進
- 密切關注國際市場，拓展煙用原料市場範圍
- 鞏固在調味品市場細分領域的領先地位，利用更為豐富的產品結構，推進調味品業務成為本集團業績增長點

President's Report

Dear shareholders,

In 2021, due to the repeated outbreak of the Pandemic, the global economy experienced a number of unfavourable factors such as supply chain crisis, rising logistics costs and higher raw material prices, which affected the operation and development of enterprises. Under the business environment where the Pandemic was recurring, we increased our investment in digitalization and safety protection of employees, formulated strategies to cope with supply chain crisis, and calmly addressed the challenges faced by the Group during its operation. With the efforts of all employees, the Group achieved a revenue of approximately RMB3,883 million, representing a year-on-year increase of 0.7%, and the profit attributable to equity holders of the Company amounted to approximately RMB675 million, representing a year-on-year increase of 61.4%.

The Group's revenue from the flavours and fragrances segment and tobacco raw materials segment was mainly derived from the traditional tobacco-related business. Under the circumstances that the traditional tobacco market was stable but lack of growth, our R&D, production and sales teams cooperated to research the technologies and market of innovative tobacco-related products to explore new growth points. In the field of HNB cigarettes, we have developed suitable flavour products, together with our RTL production lines with slurry and dry techniques, to achieve the mass production of HNB RTL, and have achieved product sales. At the same time, through continuous investment in R&D, we have produced the innovative HNB filter products with independent intellectual property rights, which equipped us with the ability to provide overall solutions in the field of HNB cigarettes. In the field of electronic atomization products, we continued to pay attention to industrial development and changes in domestic policies and carried out active technology reserves so that we could be well prepared for the implementation of policies and the orderly development of the industry in the future. In addition, we proactively carried out business internationalization and landed in overseas markets. The initial construction of the RTL factory in Indonesia has been completed, and we have formed partnerships with international customers, and initially have the ability to serve global customers. We have been keeping up with the steps of consumption upgrade and proactively deployed the innovative tobacco business, laying a solid foundation for the Group's future development.

In the segments other than tobacco-related businesses, our revenue in aroma raw materials, condiments, food flavours, and fragrances recorded a year-on-year increase. For the aroma raw materials segment, the construction of the production base of Jiangxi Xiang Hai has been fully completed and would be put into production in 2022. In the condiments segment, we saw higher product sales, improved brand awareness and an increase in revenue. The food flavours and fragrances business have been constantly innovating and their competency is increasing day by day. At the same time, we have actively invested in the industrial chain of "green, nutritious

總裁報告書

各位股東，

2021年，受到疫情反覆影響，全球經濟經歷了供應鏈危機、物流成本上升、原材料價格上漲等一系列不利因素，影響了企業的經營和發展。在疫情反覆的經營環境下，我們提升了在數字化建設、員工安全防護方面的投入，制定了應對供應鏈風險的策略，有效應對了集團在經營過程中面對的挑戰。在全體員工的努力下，集團實現銷售收入約人民幣38.83億元，同比增長0.7%；歸屬於公司權益持有人的盈利約人民幣6.75億元，同比增長61.4%。

集團的香精板塊和煙用原料板塊收入主要來源於傳統煙草相關業務。在傳統捲煙市場穩定但缺乏增長的情況下，我們聚焦於新型煙草領域，我們的研發、生產和銷售團隊協作配合，分析新型煙草相關產品的技術和市場，開發了新的增長點。在加熱不燃燒捲煙領域，我們研發出了合適的香精產品，配合我們的稠漿法和干法再造煙葉生產線，實現了加熱不燃燒再造煙葉的量產，並且已經與煙草客戶達成合作，實現產品銷售。同時，通過持續不斷的投入研發，我們已經生產出了具有自主知識產權的新型加熱不燃燒濾棒產品，具備了在加熱不燃燒捲煙領域提供整體解決方案的能力。在電子霧化產品領域，我們持續關注產業發展以及國內政策的變化，進行積極的技術儲備，為未來政策落地及行業有序發展做好準備。另外，我們積極佈局業務國際化，落地海外市場，在印尼的再造煙葉工廠已經初步建設完成，並與國際客戶形成合作關係，初步具備了服務全球客戶的能力。我們緊跟消費升級的步伐，通過積極佈局新型煙草業務，為集團明天的發展打下堅實基礎。

非煙草相關板塊方面，我們的香原料、調味品、食品用和日用香精業務收入同比增長。香原料板塊，江西香海生產基地已經全部完成建設，並會在2022年投入生產。調味品板塊產品銷量增加，品牌知名度提升，收入反彈。食品用和日化香精業務不斷推陳出新，競爭力與日俱增。同時，我們圍繞「綠色、營養、健康」的產業鏈進行了積極的投資佈局，通過控股、合營等方式與產業鏈上的優秀公司進行合作，共同打造了我們為食品客戶提





President's Report

and healthy", and collaborated with outstanding companies in the industrial chain through controlling shareholding and joint ventures to jointly create our capabilities to provide integrated solutions in natural ingredients, flavours, nutrition and functions to food customers. As the economy of China keeps growing, customers' demand for high-quality raw materials and condiments has been increasing. By continuously improving our technologies, product mix and marketing strategies, we have gained the trust of our customers and strengthened the relations with them.

Despite the prolonged Pandemic, the trend of consumption upgrade remains unchanged. The consumers' demand for healthy, delicious and nutritious products has remained the same as it used to, in either the tobacco-related segments or non-tobacco related segments. We have developed the innovative tobacco-related products, manufactured the natural aroma raw material products and introduced salt-reduced seasonings to cater for the demand of consumers and improve their health, sensual enjoyment and consumption experience.

Since China is becoming the world's largest market of consumer goods, the competition in the country is inevitably fiercer, but there are also many opportunities. It is necessary for enterprises to make more efforts in their business sectors to provide higher-quality products and services to target customers and help them solve problems and add value to them, so as to improve their brand loyalty. I believe that, as long as we are oriented by consumer demand and keep improving our product R&D capabilities, service quality and management level, we will be able to provide more deliciousness to consumers' lives, and grasp development opportunities to drive up our performance.

With a clear development strategy and sufficient capital reserves, I am full of confidence in the Group's development in the coming year. On behalf of the Board, I would like to extend my gratitude to all shareholders, customers, business partners, management and employees. Next, we will work together to ride the wind and waves.

XIA Liqun

President

Hong Kong, 25 March 2022

總裁報告書

供天然的配料、風味、營養及功能的綜合解決方案的能力。隨著中國經濟不斷發展，客戶對優質原料和調味品的需求與日俱增。我們不斷改善技術、產品組合、營銷策略，贏得了客戶的信任，穩固了客戶關係。

雖然疫情持續時間長，但這並沒有改變消費升級的趨勢。無論是煙草相關板塊，還是非煙草相關板塊，消費者對產品「健康」、「美味」、「營養」的訴求一如既往。我們研發的新型煙草相關產品，生產的天然香原料產品，和推出的減鹽類的調味品，都是為了滿足消費者的訴求，提升他們的身體健康、感官享受和消費體驗。

中國即將成為全球最大的消費品市場，在這片土地上的競爭必然更加激烈，但是機會同樣很多。企業要取得成功，就必須在自己的業務領域深耕細作，向目標客戶提供優質的產品和服務，幫助他們解決問題、增加價值，提升他們的品牌忠誠度。我相信，只要我們以消費者需求為導向，不斷提升產品研發能力、服務質素、管理水平，我們就能夠為消費者的生活增添美味，抓住發展機遇，推動業績增長。

集團發展戰略清晰，資金儲備充足，我對集團新一年的發展充滿信心。在此，我代表董事會對各位股東、客戶、業務夥伴、管理層、員工致以感謝。接下來，讓我們一起努力，乘風破浪。

夏利群

總裁

香港，二零二二年三月二十五日

Management Discussion and Analysis

INDUSTRY OVERVIEW

Overview of the tobacco industry

During the Reporting Period, the STMA developed the 14th Five-Year Plan for the Tobacco Industry and related special plans, and established the direction and target for high-quality development of the industry. While cigarette brands and specifications were streamlined and refined, key brands continued to develop and market prices remained stable. According to the data from National Bureau of Statistics, the cigarette production volume in China reached 48.3648 million cases in 2021, representing an increase of 1.3% year-on-year. The tobacco industry has paid a total of RMB1,244.2 billion to the treasury department, representing an increase of 3.36% year-on-year.

During the Reporting Period, significant progress has been made in the supervision of e-cigarettes. In particular, the STMA has formulated the National Standards for Electronic Cigarettes (Draft for Comment), which sets the standards and regulations for smoking paraphernalia, atomization and emissions of e-cigarettes. The Administrative Measures for Electronic Cigarettes (Draft) subsequently issued entry threshold for regulating product marketing process and import and export management in each section of the e-cigarette industry chain. Such regulations have been introduced to define the scope of supervision over e-cigarettes, which not only protect the health and legal rights and interests of consumers more effectively, but also are able to change the chaos in the e-cigarette industry, so as to enable the industry to develop in a regulated and orderly manner in the future. In terms of HNB cigarettes, since the harm reduction effect is recognized by foreign regulators, international tobacco companies have changed their development strategies and invested more funds in the R&D and improvement of HNB cigarettes, in order to increase the proportion of related products in future sales. In China, consumers have a deeper understanding of HNB products through offline experience stores. Meanwhile, investors are increasingly interested in the HNB cigarette industry chain with increasing investment opportunities.

Overview of the food and beverage industry and daily-use chemical industry

Although the Pandemic repeatedly broke out in 2021 due to variation, the PRC government has maintained normal operation of various production and economic activities by adopting elaborated anti-epidemic measures. According to the National Bureau of Statistics, the economy in China grew by 8.1% year-on-year and consumer demand rebounded, together with an increase in the demand for food and beverages. During the Reporting Period, the gross output of the agricultural product processing industry with enterprises of designated size or above grew by 7.7% year-on-year, while that of the food processing industry grew by 8.0% year-on-year. The output value of the alcohol, beverage and refined tea processing industry grew by 10.6% year-on-year.

管理層討論及分析

行業概況

煙草行業概況

報告期內，國煙局制定了《煙草行業「十四五」規劃》和相關專項規劃，確立了行業高質量發展的方向和目標。捲煙的品牌和規格精簡優化，重點品牌持續發展，市場價格保持穩定。根據國家統計局數據，2021年中國捲煙產量達到4,836.48萬箱，同比增加1.3%；上繳財政總額人民幣12,442億元，同比增長3.36%。

報告期內，電子煙在監管上取得重大進展。國煙局制定了《電子煙國家標準（徵求意見稿）》，對電子煙的煙具、霧化物以及釋放物等設定了標準和規定。隨後出台的《電子煙管理辦法（意見稿）》則對電子煙產業鏈各個環節的准入門檻、產品上市流程和進出口管理進行了規範。這些監管條例的出台明確了對電子煙的監管範圍，在更好保障消費者的健康和合法權益的同時，也能夠改變電子煙行業魚龍混雜的亂象，使行業在未來規範、有序地發展。加熱不燃燒捲煙方面，由於加熱不燃燒捲煙的減害作用得到國外監管機構的認可，國際煙草公司轉變發展策略，投入更多資金用於研發和優化加熱不燃燒捲煙產品，以提升相關產品在未來的銷售佔比。在中國境內，消費者透過線下的體驗店對加熱不燃燒捲煙產品的認識更加深入。與此同時，投資者則對加熱不燃燒捲煙產業鏈的投資機會和興趣與日俱增。

食品飲料和日化行業概況

受到新冠病毒變異影響，疫情在2021年不斷反覆。儘管如此，中國政府通過採取周密的防疫措施，使各項生產和經濟活動維持正常運行。根據國家統計局數據，中國經濟按年同比增長8.1%，居民消費需求反彈，對食品飲料的需求也相應回升。報告期內，規模以上農副食品加工業增加值同比增長7.7%，食品製造業增加值同比增長8.0%，酒、飲料和精製茶製造業增加值同比增長10.6%。





Management Discussion and Analysis

During the Reporting Period, the development of the food and beverage industry was characterized by healthy products, segmented consumption scenarios, diversified flavours and popularity of plant-based products. Consumers require food and beverage products to have fewer additives and retain more nutrition, and expect to be able to consume such products in different scenarios such as work, leisure and sports, as well as to diversify their tastes. Plant-based foods and beverages are starting to appear more frequently in various supermarkets, restaurants and online stores, and consumers' interest and acceptance of "plant-based" products have gradually increased. The food and beverage industry is developing toward a trend that reflects consumers' pursuit of health, deliciousness and sustainability. Flavour and fragrance manufacturers are required to improve their capabilities in the supply chain, R&D and seasoning according to consumers' needs, so as to provide consumers with natural, healthy and cost-effective products and solutions.

In the daily-use chemical industry, various fragrance products that are able to give a better and pleasant mood are popular among consumers due to their increasing demand for room comfort. Due to the booming pet market, deodorant and cleaning products for pets have become a bright spot in the daily-use chemical industry. In addition, as Chinese consumers attach more importance to oral health, oral care products are sold through online stores and live-broadcasting platforms, many domestic and foreign brands have engaged in the competition for oral care fragrances.

Overview of the condiment industry

According to the National Bureau of Statistics, the revenue of the catering industry in the first half of 2021 was RMB2,171.2 billion, representing a year-on-year increase of 48.6%, while the revenue in the second half of the year was RMB2,518.3 billion, representing a year-on-year increase of 1%. The revenue of the catering industry in the second half of the year grew much more slowly as compared with the same period last year, mainly because the recovery of the catering industry was disrupted by the repeated occurrence of the Pandemic. The total revenue of the catering industry in 2021 amounted to RMB4,689.5 billion, representing a year-on-year increase of 18.6%, which was roughly flat as compared with that of RMB4,670.0 billion in 2019.

管理層討論及分析

報告期內，食品飲料行業的發展呈現出產品健康化、消費場景細分、風味多元化以及植物基產品風靡的特點。消費者要求食品飲料產品減少添加、保留營養，並且能夠在工作、休閒、運動等不同場景中消費產品，同時能夠使口味多元。植物基食品和飲品開始更加頻繁地出現在各類超市、餐廳和線上商店中，消費者對「植物基」產品的興趣和接受度逐步提高。食品飲料行業的發展趨勢反映出消費者對健康、美味及可持續發展的追求，香精香料製造商需要根據消費者的需求，提升在供應鏈、研發和調味方面的能力，向客戶提供天然、健康和具備性價比的產品和解決方案。

日化行業方面，受到消費者對空間舒適感需求的提升，各種能夠改善和愉悅情緒的香氛產品受到消費者的歡迎。由於寵物市場興旺，適用於寵物的除臭和洗護類產品成為日化行業的一個發展亮點。此外，隨著中國消費者對口腔健康的重視，口腔護理產品透過線上店、直播平台銷售，國內外眾多品牌加入到爭奪口腔護理用香精的競爭當中。

調味品行業概況

根據國家統計局數據，2021年上半年，餐飲行業收入人民幣21,712億元，同比增長48.6%；2021年下半年，餐飲行業收入人民幣25,183億元，同比增長1%。餐飲行業下半年收入同比增速大幅放緩，主要是由於疫情反覆擾亂了餐飲行業復甦的步伐。餐飲行業在2021年全年的收入達到人民幣46,895億元，同比增長了18.6%；與2019年的人民幣46,700億元相比，餐飲行業的收入則基本持平。

Management Discussion and Analysis

Benefiting from the recovery of catering demand in the downstream market, the business environment for condiment enterprises was improved, and the market demand for condiment products rebounded. Nonetheless, as the prices of commodities and raw materials rose due to global inflation, the production cost of condiment enterprises increased as a result, and their profit margin did not increase with the rebound in demand. In order to mitigate the cost pressure, some condiment enterprises announced price increases. However, for those smaller businesses with weaker brand and product power, increasing price resulted in the loss of distributors and customers, while those condiment enterprises with strong comprehensive competitiveness would have stronger pricing power and occupy more market shares.

Although the Pandemic had a negative impact on the catering industry, the demand and habits of consumers for dining out remained unchanged. The catering industry will continue to develop towards a standardized, chain and diversified trend with a bright future, and will continue to be the industry that has the highest demand for condiments, bringing development opportunities for condiment enterprises.

RESULTS

During the Reporting Period, the Group achieved a revenue of approximately RMB3,883 million (2020: approximately RMB3,854 million), representing a year-on-year increase of 0.7%; the gross profit margin was approximately 59.2% (2020: 63.4%), representing a year-on-year decrease of 4.2 percentage points; operating profit reached approximately RMB1,114 million (2020: approximately RMB903 million), representing a year-on-year increase of 23.4%; operating profit margin was approximately 28.7% (2020: 23.4%), representing a year-on-year increase of 5.3 percentage points. The profit attributable to the equity holders of the Company amounted to approximately RMB675 million (2020: approximately RMB418 million), representing a year-on-year increase of 61.4%, while the basic earnings per share was approximately RMB21.70 cents (2020: approximately RMB13.46 cents), representing a year-on-year increase of approximately 61.2%.

During the Reporting Period, based on the applicable accounting principles on a prudent basis, the management recognised an impairment of goodwill of RMB293,270,000 for the CGU of the RTL as of 31 December 2021. For details of the goodwill impairment of RTL CGU, please refer to the section "Analysis of RTL CGU's goodwill impairment". The Board considers that the valuation methodology and key assumptions used in the impairment tests on goodwill of RTL CGU have been consistently adopted by the Company, and are fair and reasonable. Meanwhile, the basis of the calculation and the key assumptions used have been projected and determined by the management based on the past performance of RTL CGU, and in conjunction with the management's knowledge and experience of the market and the actual situation, which are fair and reasonable.

管理層討論及分析

受益於下游餐飲需求的反彈，調味品企業的經營環境得到改善，市場對調味品產品需求回升。儘管如此，受到全球通脹影響，大宗商品和原材料價格上升。這導致調味品企業的生產成本增加，調味品企業的利潤空間並未隨需求的反彈而擴大。為了緩解成本壓力，部分調味品企業宣佈漲價應對。然而，對於那些規模較小、品牌力和產品力較弱的企業而言，漲價導致經銷商和客戶的流失。綜合競爭能力強的調味品企業將具備更強的定價能力，佔有更多的市場份額。

雖然餐飲業受到疫情的負面衝擊，但疫情並沒有改變消費者外出就餐的需求和習慣。餐飲行業標準化、連鎖化、多元化的趨勢會繼續，餐飲行業的發展前景依然廣闊。餐飲行業仍將是對調味品需求最大的行業，為調味品企業帶來了發展的機會。

業績

報告期內，本集團實現銷售收入約人民幣38.83億元（2020年：約人民幣38.54億元），同比增長0.7%；毛利率約59.2%（2020年：63.4%），同比下降4.2個百分點；營運盈利約人民幣11.14億元（2020年：約人民幣9.03億元），同比增長23.4%；營運盈利率約28.7%（2020年：23.4%），同比增長5.3個百分點；本公司權益持有人應佔盈利約人民幣6.75億元（2020年：約人民幣4.18億元），同比增長61.4%；每股基本盈利約人民幣21.70分（2020年：約人民幣13.46分），同比增長61.2%。

報告期內，基於審慎及適用會計原則，管理層對截至2021年12月31日再造煙葉CGU的商譽確認了人民幣293,270,000元減值。有關再造煙葉CGU之商譽減值詳情，請參閱「再造煙葉CGU商譽的減值分析」章節。董事會確認在再造煙葉CGU之商譽減值測試中所採用的估值方法及關鍵假設是公司一直沿用的，乃公平合理。同時，計算的基準和使用的關鍵假設是由管理層根據再造煙葉CGU過往業績、其對市場的瞭解和經驗，並結合實際情況而預測和制定的，乃公平合理。





Management Discussion and Analysis

Excluding the goodwill impairment of approximately RMB293 million of RTL CGU in the current year and the goodwill impairment of approximately 495 million of Jiahao CGU in 2020, the Group's operating profit would be approximately RMB1,408 million (2020: approximately RMB1,398 million), representing a year-on-year increase of 0.7%; operating profit margin would be approximately 36.3% (2020: approximately 36.3%), which would be the same as compared to last year. The profit attributable to the equity holders of the Company would be approximately RMB968 million (2020: approximately RMB914 million), representing a year-on-year increase of 6.0%, while the basic earnings per share would be approximately RMB31.12 cents (2020: approximately RMB29.41 cents), representing a year-on-year increase of 5.8%.

BUSINESS REVIEW

During the Reporting Period, through the joint efforts of all colleagues, the Group has achieved relatively good development and achievements in various business segments such as flavors, tobacco raw materials, aroma raw materials and condiments. At the same time, the group practiced the corporate mission of "green, nutritious and healthy", and actively carried out investment layout in the industrial chain of related industries. On the one hand, through investment and cooperation with related enterprises in the industrial chain such as Hunan Jiapin Jiawei Technology Development Group Co., Ltd., Shanghai Yifang Agricultural Technology Co., Ltd., and Yunnan Nongken Plateau Food Co., Ltd., the group has initially completed the layout in fruit ingredients and functional solutions in natural animal and plant extracts, jams, fruit pieces, and popping beads, which effectively complemented and created synergies with the Group's core business, and created the Group's capabilities to provide food customers with natural ingredients, flavors, nutrition and functions, and integrated solution capabilities. On the other hand, the Group focused on the innovative tobacco field, invested in the establishment of Shenzhen Collaborative Innovation Research Institute dedicated to mastering core technologies with independent intellectual property rights, and formed a joint venture with outstanding supply chain companies in this field by investing in shares and jointly establishing joint ventures, aiming to strengthening the Group's layout in the innovative tobacco field and enhance its customer service capabilities.

管理層討論及分析

在扣除本年度再造煙葉CGU商譽減值約人民幣2.93億元和2020年嘉豪CGU商譽減值約人民幣4.95億元之影響後，本集團營運盈利約人民幣14.08億元（2020年：約人民幣13.98億元），同比上升0.7%；營運盈利率約36.3%（2020年：約36.3%），與去年同期相等；本公司權益持有人應佔盈利約人民幣9.68億元（2020年：約人民幣9.14億元），同比上升6.0%；每股基本盈利約人民幣31.12分（2020年：約人民幣29.41分），同比上升約5.8%。

業務回顧

報告期內，通過全體同仁的共同努力，本集團在香精、煙用原料、香原料及調味品等各個業務板塊均取得了比較好的發展和成果。同時，集團踐行「綠色、營養、健康」的企業使命，積極在相關行業產業鏈進行了投資佈局。一方面，通過對湖南省嘉品嘉味科技發展集團有限公司、上海奕方農業科技股份有限公司、雲南農墾高原食品有限公司等產業鏈相關企業的投資與合作，集團初步完成了在天然動物和植物提取物、果醬、果粒、爆珠等水果配料和功能性方案的佈局，與集團核心業務形成有效的互補與協同，打造本集團為食品客戶提供天然的配料、風味、營養及功能的綜合解決方案的能力。另一方面，本集團聚焦新型煙草領域，投資成立了致力於掌握具有自主知識產權核心技術的深圳協同創新研究院，並且與該領域的優秀供應鏈企業以投資入股、共同設立合資公司的方式形成深度合作，進一步強化本集團在新型煙草領域的佈局，提升客戶服務能力。

Management Discussion and Analysis

Review of flavours and fragrances business

During the Reporting Period, revenue of the flavours and fragrances business of the Group amounted to approximately RMB1,927 million (2020: approximately RMB2,085 million), representing a year-on-year decrease of 7.6%, and accounting for approximately 49.6% (2020: 54.1%) of the Group's total revenue. Operating profit of the segment amounted to approximately RMB1,104 million (2020: approximately RMB1,259 million), representing a year-on-year decrease of 12.3%; and EBIT margin recorded approximately 57.3% (2020: 60.4%), representing a year-on-year decrease of approximately 3.1 percentage points. The decrease in the revenue and EBIT margin from the business segment was mainly due to the changes of the demand of downstream market and the adjustment in product mix.

(1) Flavours

In terms of tobacco flavours, the Group has maintained a stable cooperative relationship with customers and customized products for customers according to the characteristics of their products to improve the aroma and taste of the products. Since HNB cigarettes have been increasingly concerned by the market and consumers, the Group has optimized the flavouring and production process according to the characteristics of HNB cigarette cartridge, and developed and tested tobacco flavours suitable for HNB products. Based on the test results, the Group has re-analyzed the HNB tobacco flavour and improved the raw materials and formulations, so as to enhance the performance of the product in practical applications.

In order to better develop the food flavours business, the Group has established a laboratory in Tianjin, focusing on the R&D of savoury flavours that are popular with northerners, and has developed new customers. The Group has vigorously developed meat products and savoury flavours used in wet and spicy snack foods, greatly increasing the sales. In terms of sweet flavours, the microcapsule paste flavours pioneered by the Group are highly competitive in the market due to their outstanding temperature resistance and serialization of flavours, which are recognized by customers. According to the characteristics of plant-based meat, the Group has introduced a temperature-resistant product that can remove the bean smell, enabling the plant-based meat products to maintain the taste of real meat, which is popular with and recognized by customers.

管理層討論及分析

香精業務回顧

報告期內，本集團香精業務銷售收入約人民幣19.27億元（2020年：約人民幣20.85億元），同比減少7.6%，佔整個本集團的收入約49.6%（2020年：54.1%）。板塊營運盈利約人民幣11.04億元（2020年：約人民幣12.59億元），同比減少12.3%；EBIT率約57.3%（2020年：60.4%），同比減少約3.1個百分點。板塊收入和EBIT率減少主要是由於下游市場需求變化以及公司產品結構調整所致。

(1) 食用香精

煙用香精方面，本集團與客戶保持穩定的合作關係，根據客戶產品的特點，為客戶定制產品，提升客戶產品的香氣和口感。加熱不燃燒捲煙越來越受到市場和消費者關注，本集團針對加熱不燃燒捲煙煙彈的特點，優化調香和生產工藝，開發出適用於加熱不燃燒捲煙產品的煙用香精產品並進行測試。根據測試的結果，本集團對加熱不燃燒煙用香精產品進行再分析，改進原料和配方，提升產品在實際應用中的表現。

為了更好的發展食品用香精業務，本集團在天津成立了實驗室，重點研發受到北方人歡迎的鹹味香精，並開發了新客戶。本集團大力發展肉製品和休閒濕辣用鹹味香精，使銷售額得到了很大的提升。甜味香精方面，本集團首創的微膠囊膏體香精以優秀的耐溫性能和風味可系列化的特點，在市場具備很強的競爭力，贏得客戶的青睞。根據植物肉的特點，本集團推出耐溫和能夠祛除豆腥味的產品，使植物肉產品能夠保持原肉的口感，受到客戶的歡迎和認可。





Management Discussion and Analysis

As the strategic point of the Group's global industry chain layout, Huabao Asia Pacific in Singapore had completed the construction and team establishment of the R&D centre, and it had officially started operation. In the future, Huabao Asia Pacific will play an important role in establishing a global technology and innovation platform, introducing international advanced technology and talents, exporting high-quality products overseas, and the overseas layout of the industrial chain. During the Reporting Period, Huabao Asia Pacific had established business relationships with food manufacturers in many Southeast Asian countries, which laid the foundation for future exposure to overseas markets.

(2) *Fragrances*

During the Reporting Period, Xiamen Amber vigorously developed hotel customers and provided them with fragrance products that could improve the hotel environment according to their needs. Taking the advantage of the R&D and product competitiveness in respect of incenses, the Group has successfully entered into cooperation agreements with some chain hotels. The "Lemon", "Lavender" and "Red Pomegranate" flavours introduced by the Group have been well recognized by customers. In addition, the Group has cooperated with overseas fragrance companies to jointly develop new fragrance products, covering various sectors such as fabric washing and personal care, so as to enhance the Group's R&D capabilities.

(3) *Investment progress of the proceeds raised by the flavours and fragrances segment*

In April 2021, the Group adjusted the use of the funds raised from the initial public offering of Huabao Flavours in 2018 and the implementation plans for the investment projects in order to better respond to the industry changes and the Company's development. The Group will continue the construction of "Huabao Yingtan Flavours and Ingredients Production Base Project" ("Huabao Yingtan Project"), cease the "Lhasa Pure Land Healthy Food Project" and transform the "Huabao H&K Food Flavours and Food Technology Development Project" into the "Huabao Technology Innovation Centre and Supporting Facilities Project" ("Huabao TechInno Project"), as well as launch the new "Huabao Digital Transformation Project" ("Huabao Digital Project").

管理層討論及分析

作為公司佈局全球產業鏈的重要戰略支點，位於新加坡的亞太華寶完成研發中心項目建設和團隊組建，正式啟動運營。亞太華寶未來將在建立全球化科創平台、引入國際先進技術與人才、優質產品的海外輸出以及產業鏈的海外佈局方面起到重要的作用。報告期內，亞太華寶已與東南亞多國的食品生產商建立商務往來，為未來輻射海外市場奠定基礎。

(2) *日用香精*

報告期內，廈門琥珀積極開發酒店客戶，並根據酒店的需求，為他們提供能夠提升酒店環境的香氛產品。利用在香薰領域的研發和產品競爭力，本集團成功與一些連鎖酒店達成合作協議。本集團推出的「超級檸檬」、「爆香熏衣草」、「爆品紅石榴」都受到客戶的好評。此外，本集團和海外的香精公司展開合作，聯合開發新的香精產品，涵蓋織物洗滌、個人洗護等各個板塊，提升本集團的研發能力。

(3) *香精業務募集資金投資進度*

為了更好地應對行業變革和公司發展的需要，2021年4月本集團對2018年華寶股份首次公開募股資金用途和項目實施方案進行了調整。本集團將繼續建設「華寶鷹潭食品用香精及食品配料生產基地項目」（「華寶鷹潭項目」），終止「華寶拉薩淨土健康食品項目」，將「華寶孔雀食品用香精及食品技術研發項目」調整為「華寶股份科技創新中心及配套設施項目」（「華寶科創項目」），並新建「華寶股份數字化轉型項目」（華寶數字項目）。

Management Discussion and Analysis

As at 31 December 2021, the cumulative amount dedicated for the Huabao Yingtan Project was approximately RMB158 million (31 December 2020: approximately RMB101 million), representing an investment progress of approximately 15.29% (31 December 2020: 9.75%); the cumulative amount dedicated for the Huabao TechInno Project was approximately RMB1.68 million (31 December 2020: not applicable), representing an investment progress of 0.37% (31 December 2020: not applicable); the cumulative amount dedicated for the Huabao Digital Project was RMB3.53 million (31 December 2020: not applicable), representing an investment progress of 5.89% (31 December 2020: not applicable). As of 31 December 2021, the balance of unused IPO Proceeds (including accumulated interest income received) amounted to approximately RMB1,685 million (31 December 2020: approximately RMB1,682 million). As of 31 December 2021, the IPO Proceeds utilized amounted to approximately RMB832 million (31 December 2020: approximately RMB770 million), accounting for approximately 36.0% of the total proceeds from the initial public offering in 2018 of RMB2,310 million.

Phase I of the Huabao Yingtan Project has been completed, and the construction of phase II is in progress. The Huabao TechInno Project is in the process of planning and designing and going through the approval procedures for change of land status, filing and environmental impact assessment with relevant government authorities, and the expected time to be in production of the project has been changed from 31 December 2022 to 31 December 2025. A number of software modules are needed to be developed for the Huabao Digital Project and the time horizon is long so the expected time of the project to be in production has been changed from 31 December 2023 to 31 December 2024.

管理層討論及分析

截至2021年12月31日，華寶鷹潭項目累計投入約人民幣1.58億元（2020年12月31日：約人民幣1.01億元），投資進度為15.29%（2020年12月31日：9.75%）。華寶科創項目累計投入約人民幣168萬元（2020年12月31日：不適用），投資進度為0.37%（2020年12月31日：不適用）。華寶數字項目累計投入約人民幣353萬元（2020年12月31日：不適用），投資進度為5.89%（2020年12月31日：不適用）。截至2021年12月31日，尚未使用的募集資金餘額（包括累計收到的利息收入）約人民幣16.85億元（2020年12月31日：約人民幣16.82億元）。截至2021年12月31日，已使用的募集資金金額約人民幣8.32億元（2020年12月31日：約人民幣7.7億元），佔2018年首次公開募股資金約人民幣23.1億元約36.0%。

華寶鷹潭項目一期建設工程已完成，項目二期建設工程正在進行中。華寶科創項目正在規劃設計及向政府有關部門辦理土地性質變更及備案、環評等批復手續中，並將項目的達成預定可使用時間由原計劃的2022年12月31日調整至2025年12月31日。華寶數字項目需要開發大量軟件系統模塊，週期較長，所以決定將其預定可使用時間由原計劃的2023年12月31日調整至2024年12月31日。





Management Discussion and Analysis

Review of the tobacco raw materials business

During the Reporting Period, revenue of the Group's tobacco raw materials business was approximately RMB565 million (2020: approximately RMB622 million), representing a year-on-year decrease of 9.0%, and accounting for approximately 14.6% (2020: 16.1%) of the Group's total revenue. The operating loss of the segment amounted to approximately RMB80.09 million (2020: operating profit approximately RMB250 million), representing a year-on-year decrease of approximately 132.1%. Excluding the goodwill impairment of the RTL CGU, the operating profit of the segment would be approximately RMB213 million, representing a year-on-year decrease of approximately 14.6%. The decrease in revenue of the segment was mainly attributable to the traditional RTL oversupply and the decline in the sales price of cigarette capsules. Operating loss was mainly due to the goodwill impairment of RTL CGU.

(1) RTL

During the Reporting Period, the traditional RTL supply exceeded the demand and the clients' procurement demand decreased, which led to the drop in the demand for traditional RTL and resulted in a decline in the production and sales of traditional RTL. Due to the high fixed cost of RTL production, the decrease in production has caused the fixed cost not effectively diluted, resulting in a decrease in the gross profit margin of RTL.

Under the unfavourable business environment of the traditional RTL business, the Group focused on the development of the HNB RTL business. In the domestic market, the Group has completed the construction of production lines for manufacturing of HNB RTL with three techniques, namely drying technique, slurry technique and granules technique, which are able to meet the customers' demand for various products. The Group has achieved the mass production of HNB RTL to meet customers' demand. In the overseas market, the Group has completed the construction of a factory in Indonesia, which will mainly produce HNB RTL, and has signed cooperation agreements with international customers. The factory is the first foreign factory of the Group to produce HNB RTL, with the designed annual production capacity of 1,000 tonnes. After the factory is fully put into operation, the Group's annual production capacity of HNB RTL will increase to approximately 2,600 tonnes. The factory is currently in trial operation and is expected to be officially put into production in the first quarter of 2022. After the commencement of official production, the factory will provide high-quality HNB RTL to international customers. The Group will gradually expand production capacity based on business development to meet market demand. In addition, the modified papermaking RTL production line can also produce RTL products suitable for HNB cigarettes. Through ongoing investment in the R&D, global deployment and the in-depth cooperation with international customers, the Group has consolidated its technical advantages in the supply chain of HNB tobaccos, so that it will be able to seize the opportunities for the development of HNB cigarettes globally in future.

管理層討論及分析

煙用原料業務回顧

報告期內，本集團煙用原料業務銷售收入約人民幣5.65億元（2020年：約人民幣6.22億元），同比下降9.0%，佔整個本集團的收入約14.6%（2020年：16.1%）。板塊營運虧損約人民幣8,009萬元（2020年：營運盈利約人民幣2.50億元），同比下降132.1%。如果剔除再造煙葉CGU的商譽減值影響，板塊營運盈利約為人民幣2.13億元，同比減少約14.6%。板塊收入下降主要由於傳統再造煙葉供過於求及煙用膠囊銷售價格下降。營運虧損主要由於再造煙葉CGU商譽減值所致。

(1) 再造煙葉

報告期內，傳統再造煙葉供過於求以及客戶採購需求減少，造成對傳統再造煙葉的需求下滑，導致傳統再造煙葉產量和銷量下降。由於生產再造煙葉的固定成本較高，產量下降使固定成本未能得到有效攤薄，導致再造煙葉的毛利率下降。

在傳統再造煙葉業務經營環境並不理想的情況下，本集團將焦點集中在加熱不燃燒再造煙業業務的發展上。在國內，本集團完成建設干法、稠漿法以及顆粒法三種工藝生產加熱不燃燒再造煙葉的生產線，這三種不同工藝的生產線能夠滿足客戶對不同產品的需求。本集團已經實現加熱不燃燒再造煙葉的量產，並滿足客戶需求。在國外，本集團已經完成了位於印度尼西亞工廠的建設，該工廠將主要生產加熱不燃燒再造煙葉，並已經與國際客戶簽訂了合作協議。該工廠設計年產能為1,000噸，為本集團第一個生產加熱不燃燒再造煙葉的國外工廠，該工廠全面投產後本集團生產加熱不燃燒再造煙葉年生產能力將增加至約2,600噸，該工廠現正進行試營運階段，預計在2022年第一季正式投入生產。在正式投產後，該工廠將向國際客戶提供優質的加熱不燃燒再造煙葉。集團會根據業務開發情況，逐步擴大產能，滿足市場需求。此外，經過改造的造紙法再造煙葉生產線也可以生產適用於加熱不燃燒捲煙的再造煙葉產品。通過持續的研發投入、全球佈局以及和國際客戶的深入合作，鞏固本集團在加熱不燃燒捲煙供應鏈領域的技術優勢，本集團能夠在將來把握加熱不燃燒捲煙全球發展的機遇。

Management Discussion and Analysis

(2) Tobacco new materials

In terms of cigarette capsules, with the advancement and popularity of capsule making technology, more and more players have tapped into the capsule market, leading to fierce competition and oversupply in the industry. The lower selling price of capsule products resulted in a decrease in revenue. The Group has shifted its technologies and production capacity for manufacturing of cigarette capsules to food capsules, and sold capsule products to food and beverage customers in order to increase its revenue. For cigarette filters, Hunan Jishou has developed the binary compound-structured cooling cigarette filter, smooth cellulose acetate cigarette filter for filling and other cigarette filters that are used in HNB cigarettes. These filter products have been supplied to some customers for testing. According to customers' feedback, Hunan Jishou has improved and upgraded the filters used for HNB cigarettes to enhance the performance and competitiveness of the products.

Analysis of RTL CGU's goodwill impairment

As at the end of the Reporting Period, the Company engaged a valuer to conduct an impairment test on goodwill of RTL CGU as at 31 December 2021. According to the test results, an impairment of goodwill of approximately RMB293 million was recognized for the RTL CGU.

Background of the goodwill impairment of RTL CGU

In November 2010, the Group acquired 100% equity interest in Guangdong Jinye Group, which was principally engaged in the R&D, production and sales of RTL in the PRC, from independent third parties at a consideration of approximately RMB1.147 billion. Guangdong Jinye Group has become the RTL CGU of the Group since then. Guangdong Jinye Group is one of the few designated production bases authorized by the STMA specializing in the manufacturing of RTL and is also one of the largest RTL manufacturers in the PRC. The completion of acquisition marked that the Group had strategically entered the sector of traditional RTL with broad development prospects.

管理層討論及分析

(2) 捲煙新材料

煙用膠囊方面，隨著製作膠囊技術的進步和普及，越來越多的競爭者進入到膠囊行業，使行業競爭激烈，供過於求。膠囊產品的銷售價格下跌，導致產品銷售收入下降。本集團將生產煙用膠囊的技術和生產能力轉向生產食品用膠囊上，向一些食品飲料類客戶銷售膠囊產品，以增加業務收入。濾棒方面，湖南吉首開發了二元復合結構降溫濾棒、灌裝用光潔醋纖維段濾棒等適用於加熱不燃燒捲煙的濾棒，這些濾棒產品已經供給部分客戶進行測試。根據客戶的反饋，湖南吉首對加熱不燃燒捲煙專用濾棒進行改良升級，以提升產品的性能和競爭力。

再造煙葉CGU商譽的減值分析

於報告期末，本公司聘請了評估師為再造煙CGU於2021年12月31日的商譽進行減值測試。根據評估師測試結果，再造煙葉CGU確認商譽減值約人民幣2.93億元。

再造煙葉CGU商譽減值的背景

2010年11月，本集團以約人民幣11.47億元向獨立第三方收購廣東金葉集團100%股權，廣東金葉集團自此成為本集團的再造煙葉CGU。廣東金葉集團主要在中國從事煙草薄片的研發、生產及銷售。廣東金葉集團是當時少數幾家國煙局定點許可的專業從事煙草薄片生產基地之一，也是國內當時最大的煙草薄片生產商之一。收購事項的完成標誌著本集團戰略性進入發展前景廣闊的傳統再造煙葉領域。





Management Discussion and Analysis

Changes had taken place in the traditional RTL industry after 10 years of development. On the demand side, the market demand for traditional RTL continued to decline. Firstly, the STMA has continuously promoted the de-stocking of tobacco leaves for the past few years, by increasing the use of natural tobacco leaves and reducing the use of traditional RTL, an additive, in the production of cigarettes, which resulted in a shrinking market size of traditional RTL. Secondly, since innovations in the tobacco industry are emerging endlessly, slim, short and medium cigarettes are well received by consumers, which are smaller in size as compared to those in traditional size, resulting in less usage of traditional RTL. In addition, with the increasing voices for tobacco control and smoking ban in the society, the sales of cigarettes have only maintained a stable level in recent years. In the absence of growth momentum in sales of cigarettes, the demand for traditional RTL has not increased.

Although the demand for traditional RTL declined, the production capacity of the traditional RTL industry remained high under such business environment. On the supply side, the annual production capacity of the traditional RTL was approximately 180,000 tonnes, which far exceeds the annual demand of the traditional RTL industry, resulting in an oversupply in the industry.

Reasons for the recognition of goodwill impairment of RTL CGU

Based on the audited accounts of the Group for the year ended 31 December 2021, the revenue of the Group's RTL CGU decreased by approximately 20% to approximately RMB351 million from approximately RMB438 million for the corresponding period last year. When the Group negotiated with customers for the upcoming year's traditional RTL business at the end of 2021, it was aware that the customers' future purchase intention was lower than the Group's expectation. The impact of the oversupply in the traditional RTL industry has gradually emerged over the past few years. Based on the results of the Group's discussion with customers at the end of 2021, the management of the Group re-evaluated the supply and demand situation of the traditional RTL industry and considered that the oversupply in the traditional RTL would remain for a relatively longer period of time, while based on the principle of prudence and conservatism, a conservative forecast on the future sales of the traditional RTL was made with the expectation that the RTL CGU would incur an impairment loss on goodwill.

管理層討論及分析

經過10年的發展，傳統再造煙葉市場發展發生變化。從需求端看，市場對傳統再造煙葉的需求持續下滑。首先，國煙局在過去幾年持續推進煙葉去庫存工作，在生產捲煙的時候增加使用天然煙葉，減少對傳統再造煙葉這種添加品的使用，造成傳統再造煙葉的市場規模萎縮。其次，煙草行業創新層出不窮，細支煙、短支煙、中支煙受到了消費者的歡迎。相較於傳統規格的捲煙，這些類型的捲煙產品規格較小，因而對傳統再造煙葉的使用量減少。除此之外，隨著社會控煙、禁煙的呼聲越來越高，捲煙的銷量在最近幾年僅維持平穩的水平。在捲煙銷售量缺乏增長動力情況下，對傳統再造煙葉的需求沒有增長。

在傳統再造煙葉需求下滑的經營環境下，傳統再造煙葉行業的產能卻仍然維持在很高的水平。從供給端看，傳統再造煙葉行業的年產能約18萬噸，這一產能遠超過傳統再造煙葉行業每年的需求量，造成行業供過於求。

確認再造煙葉CGU商譽減值的原因

根據本集團截至2021年12月31日止年度的經審核賬目，本集團的再造煙葉CGU的銷售收入由去年同期約人民幣4.38億元減少約20%至約人民幣3.51億元。本集團於2021年年底與客戶洽談下年度傳統再造煙葉的業務時，知悉客戶的未來採購意向遜於本集團預期。傳統再造煙葉行業供大於求的影響在過去數年逐步顯現。基於本集團於2021年年底與客戶的溝通結果，本集團管理層對傳統再造煙葉行業供需情況重新做了評估，認為傳統再造煙葉行業供大於求仍將維持一段較長時間，基於審慎和保守的原則，對傳統再造煙葉未來的銷售做了保守的預測，並預計再造煙葉CGU將出現商譽減值虧損。

Management Discussion and Analysis

Goodwill Impairment Test

In accordance with HKAS 36, the Company performed a goodwill impairment test on RTL CGU on 31 December 2021 (the valuation benchmark date), and conducted a value analysis to determine the recoverable amount of RTL CGU. According to the standard, the recoverable amount of the CGU is determined on the higher of the fair value less the costs of disposal ("FVLCO") and value in use ("VIU"). In the goodwill impairment test carried out by the valuer, FVLCO and VIU of RTL CGU was assessed by using market approach and income approach respectively. According to the result of the test, VIU was higher than that FVLCO and therefore VIU was adopted to be the recoverable amount of RTL CGU, which was RMB293,270,000 lower than the carrying amount of RTL CGU. As a result, goodwill impairment loss of RMB293,270,000 was recognised in the consolidated income statement of the Group for the year ended 31 December 2021.

The methodology, key assumptions and basis used in calculating the VIU of RTL CGU

The Company has engaged the valuer to carry out an impairment test on goodwill of RTL CGU as at 31 December 2021. The valuer used the income approach to access the VIU in the goodwill impairment test, which was consistent with the valuation methodology used in the impairment test of RTL CGU for end of the last year. It was based on a five-year net cash-flow projection of RTL CGU and cash flows beyond the five-year period were calculated using the terminal growth rate, and the present value of such net cash-flows were calculated using an appropriate discount rate.

The key assumptions and basis used in calculating RTL CGU's VIU were as follows:

1. Forecast growth rate – as determined by the management based on past performance, the latest external economy and business environment, combined with their projections of market development;
2. Terminal growth rate – long-term average growth rate of RTL CGU as estimated by the management;
3. Budgeted gross profit margin – as determined by the management based on the past performance and the expected development of the market;
4. Pre-tax discount rate – the discount rate for impairment test, with reference to the actual situation of RTL CGU, the market condition of the same industry and its specific risk premium, calculated with the applicable cost of equity capital and cost of debt capital to come up with weighted average cost of capital ("WACC") based on the company's capital structure.

管理層討論及分析

商譽減值測試

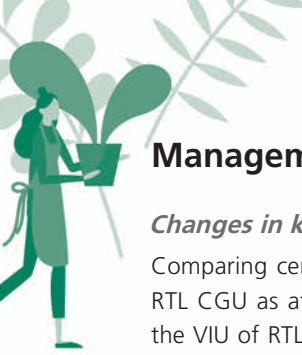
本公司根據香港會計準則第36號進行商譽減值測試，對再造煙葉CGU於2021年12月31日為評估基準日進行了價值分析以評估再造煙葉CGU的可收回金額。根據準則，現金產生單位的可收回金額為公允價值減去處置費用（「FVLCO」）及其使用價值兩者中取較高者。在評估師進行的減值測試中，分別使用市場法和收益法來評估再造煙葉CGU的FVLCO和使用價值。根據測試的結果，使用價值的金額比FVLCO的金額為高，再造煙葉CGU的可收回金額因此採用了使用價值的金額，而此金額比再造煙葉CGU的賬面價值低人民幣293,270,000元。為此，在截至2021年12月31日止年度的本集團綜合收益表中確認商譽減值損失人民幣293,270,000元。

計算再造煙葉CGU的使用價值所採用的方法、關鍵假設和基準

本公司聘請之評估師為再造煙葉CGU於2021年12月31日之商譽進行減值測試。評估師採用收益法來評估再造煙葉CGU的使用價值，與再造煙葉CGU去年底所做的減值測試所採用的評估方法一致。此乃基於再造煙葉CGU的五年期的淨現金流量預測，超逾五年期的現金流量使用永續年增長率計算，並以合適之折現率來計算該淨現金流之現值。

在計算再造煙葉CGU的使用價值所採用的關鍵假設和基準如下：

1. 預計增長率 – 管理層根據過往業績，最新的外圍經濟和行業經營環境，並結合其對市場發展的預計而確定；
2. 永續年增長率 – 管理層預計再造煙葉CGU的長期平均增長率；
3. 預計毛利率 – 管理層根據過往業績及其對市場發展的預期而確定；
4. 稅前貼現率 – 按再造煙葉CGU的實際情況，並參考同業市場數據及其特定風險溢價，計算適用的權益資本成本及債務資本成本，再按公司資本結構計算加權平均資本成本（「WACC」），作為減值測試的折現率。



Management Discussion and Analysis

Changes in key assumptions

Comparing certain key assumptions used in determining the VIU of RTL CGU as at 31 December 2021 against those used in assessing the VIU of RTL CGU as at 31 December 2020, major changes are as follows:

Key assumptions

關鍵假設

Forecast five-year sales growth rate
五年預計銷售增長率

Reasons for change

The sales of the RTL CGU of the Group dropped approximately 20% from approximately RMB438 million for the year ended 31 December 2020 to approximately RMB351 million for the year ended 31 December 2021, which was mainly due to the significant decline in sales of traditional RTL of about 27.2% as compared with the corresponding period last year. When the Group discussed with customers for the upcoming year's traditional RTL business at the end of 2021, it was aware that the customers' future purchase intention was lower than the Group's expectation. Therefore, the management of the Group re-evaluated the supply and demand situation of the traditional RTL industry and considered that the oversupply situation in the traditional RTL industry would remain for a relatively longer period of time. As a result, the management downward adjusted the forecast sales for the period between 2022 to 2025 by 11.5% to 22.7% from the forecast for the same period made at the end of 2020. Due to a reduced base amount for 2021, the corresponding forecast sales growth was adjusted to 3.9% to 20.6%.

管理層討論及分析

關鍵假設的變動

評估師於釐定再造煙葉CGU於2021年12月31日之使用價值時，與評估再造煙葉CGU於2020年12月31日之使用價值時所採用的若干關鍵假設有以下主要變動：

VIU assessment as at 31 December 於12月31日之使用價值評估

	2021 2021年	2020 2020年
Forecast five-year sales growth rate 五年預計銷售增長率	3.9% to 20.6% 3.9% 至 20.6%	3.0% to 5.8% 3.0% 至 5.8%

變動原因

本集團的再造煙葉CGU的銷售收入由截至2020年12月31日止年度約人民幣4.38億元減少約20%至截至2021年12月31日止年度約人民幣3.51億元，主要由於傳統再造煙葉的銷售收入比去年同期大幅下跌約27.2%。本集團於2021年年底與客戶洽談下年度傳統再造煙葉的業務時，知悉客戶的未來採購意向遜於本集團預期。因此，本集團管理層對傳統再造煙葉行業供需情況重新做了評估，並認為傳統再造煙葉行業供過於求的情況仍將維持一段較長時間。據此，管理層下調預測期間2022年至2025年銷售收入，相比2020年底對此預測期間的預測銷售收入下調了11.5%至22.7%。由於2021年的基數下降，其對應的預測銷售增長率相應調整為3.9%至20.6%。

Management Discussion and Analysis

管理層討論及分析

Key assumptions

關鍵假設

VIU assessment as at 31 December

於12月31日之使用價值評估

	2021 2021年	2020 2020年
Budgeted gross profit margin 預計毛利率	49.1% to 54.3% 49.1% 至 54.3%	54.5% to 58.6% 54.5% 至 58.6%

Reasons for change

Due to the reduced forecast sales of traditional RTL and the gross profit margin of which was higher than the gross profit margin of other products in the same CGU, the composite gross profit margin of the RTL CGU will decline since the sales of traditional RTL with relatively higher gross profit margin accounted for a lower proportion in the CGU. Therefore, the management downward adjusted the budgeted gross profit margin for the forecast period between 2022 to 2025 by approximately 5.0 to 5.7 percentage points, from 54.5% to 58.6% of the forecast made at the end of 2020 to 49.1% to 54.3% of the forecast made at the end of 2021.

變動原因

由於預測傳統再造煙葉銷售收入減少，而其毛利率比CGU內的大部分產品的毛利率高，毛利率高的傳統再造煙葉銷售金額在CGU內佔比將會下降，令到再造煙葉CGU的綜合毛利率下降。因此，管理層將2022年至2025年的預測毛利率向下調整約5.0至5.7個百分點，由2020年底對此預測期間的預測54.4%至58.6%下調至2021年底對此預測期間的預測49.1%至54.3%。

Key assumptions

關鍵假設

VIU assessment as at 31 December

於12月31日之使用價值評估

	2021 2021年	2020 2020年
Pre-tax discount rate 稅前貼現率	Pre-tax discount rate of 16.5% (approximately equivalent to post-tax discount rate of 14.5%) 稅前貼現率16.5% (約等於稅後貼現率14.5%)	Pre-tax discount rate of 15.3% (approximately equivalent to post-tax discount rate of 13.4%) 稅前貼現率15.3% (約等於稅後貼現率13.4%)

Reasons for change

The valuer determined the post-tax discount rate based on WACC. Considering the increased risk resulted from the oversupply situation of the traditional RTL industry would remain for a relatively longer period of time, RTL CGU's risk premium was increased by 1%. The equity risk premium also increased during the period. After considering these factors and the combined effect of other factors, the post-tax discount rate was calculated as 14.5%, which was increased by 1.1 percentage points as compared with the post-tax discount rate of 13.4% adopted at the end of 2020. With reference to the post-tax discount rate, the valuer calculated the corresponding pre-tax discount rate according to pre-tax cash flows through an iterative process.

變動原因

評估師是採用WACC作為稅後貼現率，考慮到傳統再造煙葉行業供過於求的情況仍將維持一段較長時間導致風險上升，因此將再造煙葉CGU風險溢價上調1%。同時股本風險溢價在此期間也有所上升；經綜合其他因素計算的稅後貼現率為14.5%，比2020年底採用的稅後貼現率13.4%增加了1.1個百分點。參考採用的稅後貼現率，評估師通過一個迭代的過程，按稅前現金流計算對應的稅前折現率。



Management Discussion and Analysis

RTL Business Prospects

Although the Group recognized an impairment of goodwill on Guangdong Jinye CGU, it also proactively took measures to find new growth points. In the past few years, HNB tobacco has attracted the attention and received the popularity of consumers around the world due to its much less harmful effect. The tobacco leaves used in HNB tobaccos are tailor-made HNB RTL, which can release the aroma of tobacco leaves without burning them, thus reducing the harmful ingredients in smoke and satisfying consumers' demand for taste and health. According to the forecast of a professional market research company, the global market share of HNB tobaccos will continue to increase in the future, and may probably replace traditional tobaccos. As the Group has noted the development trend and changes in the RTL industry, it has put more efforts in the R&D of HNB RTL, built factories overseas and successfully explored international customers. The Group believes that, leveraging on its experience, technologies and talents, the Group is well positioned to develop the HNB RTL business and improve the performance of the RTL business.

Review of the aroma raw materials business

During the Reporting Period, the Group's aroma raw materials business recorded a revenue of approximately RMB714 million (2020: approximately RMB639 million), representing a year-on-year increase of approximately 11.8%, and accounting for approximately 18.4% (2020: 16.6%) of the Group's total revenue. Operating profit of the segment reached approximately RMB59.096 million (2020: approximately RMB47.909 million), representing a year-on-year increase of approximately 23.4%; and EBIT margin was 8.3% (2020: 7.5%), representing a year-on-year increase of approximately 0.8 percentage point. The increase in revenue and profit of the business segment was mainly due to higher sales volume of the products resulting from the rising demand of downstream market and the release of production capacity.

In 2021, the recovery of domestic and foreign customer demand released the production capacity of the Group's aroma raw materials, and the production volume of the products increased compared with the same period last year. Due to the increase in production volume and the dilution of fixed costs, the profit and profit margin of the segment recorded a year-on-year increase.

管理層討論及分析

再造煙葉業務前景

雖然本集團對再造煙葉CGU確認了商譽減值，但本集團也積極採取措施，為業務尋找新的增長點。過去幾年，加熱不燃燒煙憑其進一步減害的功效受到全球消費者的關注和歡迎。加熱不燃燒煙所使用的煙葉為特製的加熱不燃燒再造煙葉，這種再造煙葉能夠在不燃燒的情況下，釋放出煙葉的香氣，降低煙氣中的有害成分，滿足消費者對口感和健康的需求。根據專業市場調研公司的預測，加熱不燃燒煙在全球的市場份額在接下來將不斷提升，並有可能取代傳統捲煙。本集團已經注意到再造煙葉行業的發展趨勢和變化，大力研發加熱不燃燒再造煙葉，在海外建設工廠，並成功開發國際客戶。本集團相信，憑借本集團的經驗、技術和人才，本集團能夠很好的發展加熱不燃燒再造煙葉業務，提升再造煙葉業務的表現。

香原料業務回顧

報告期內，本集團香原料業務銷售收入約人民幣7.14億元（2020年：約人民幣6.39億元），同比上升11.8%，佔整個本集團的收入約18.4%（2020年：16.6%）。板塊營運盈利約人民幣5,909.6萬元（2020年：約人民幣4,790.9萬元），同比增加23.4%；EBIT率8.3%（2020年：7.5%），同比增加約0.8個百分點。板塊收入和利潤增加主要是由於下遊客戶需求反彈導致產品銷量增加以及產能逐步釋放。

2021年，國內外客戶需求復甦，使本集團香原料產能得到釋放，產品的產量較去年同期上升。由於產量上升，固定成本得到攤薄，香原料板塊的利潤以及利潤率同比錄得上升。

Management Discussion and Analysis

As stated in the 2018 and 2019 annual reports of the Company, the Group completed the acquisition of Jiangxi Xianghai in September 2017, and improved the production technology and process to reduce production cost and enhance the price competitiveness of products. During the Reporting Period, the plant construction and equipment installation of Jiangxi Xianghai were fully completed. With the designed annual production capacity of 8,500 tonnes, the Group's annual production capacity will be significantly increased to approximately 10,000 tonnes per annum after the completion of plant construction and equipment installation. As a new production base for aroma raw materials segment, Jiangxi Xianghai will become one of the main production bases of the Group in the future.

Government authorities and regulators impose strict safety requirements on enterprises in the chemical industry. Jiangxi Xianghai has established an intelligent production center to improve production safety and efficiency, organized employees to study the New Production Safety Law in depth to increase their awareness of production safety, and formed a "Voluntary Fire Team" to enhance the ability to respond to safety incidents. By taking these measures, Jiangxi Xianghai has established a sound safety system, which has ensured the safety of employees and strengthened the company's capability of sustainable production, thus laying a solid foundation for future business development.

Review of the condiment business

During the Reporting Period, the revenue of the Group's condiment business was approximately RMB676 million (2020: approximately RMB503 million), representing a year-on-year increase of 34.6%, and accounting for approximately 17.4% (2020: 13.0%) of the Group's total revenue. The increase in revenue from the segment was mainly due to the rising demand as the catering industry recovered. During the Reporting Period, the operating profit of the segment was approximately RMB137 million, as compared to the operating loss of approximately RMB432 million for the same period last year, which was mainly attributable to the goodwill impairment of the condiment segment of approximately RMB495 million in 2020, and there was no such expense during the Reporting Period. Excluding the impact of goodwill impairment, the operating profit of the condiment segment in 2020 would be approximately RMB63.008 million, the operating profit of the condiment segment during the Reporting Period would increase by approximately 117.2% year-on-year.

管理層討論及分析

如2018年及2019年公司年度報告所述，本集團於2017年9月完成了對江西香海的收購。並進行優化生產工藝及流程，以降低生產成本，提升產品的競爭力。報告期內，整個江西香海的廠房建設和設備安裝工作已經完成。江西香海設計年產能約為每年8500噸，廠房建設和設備安裝工作完成後，本集團香原料板塊年產能達到約每年10,000噸，作為香原料板塊新的生產基地，江西香海將在未來成為本集團主要的生產基地之一。

政府部門和監管機構對化工行業的企業實施嚴格的安全要求，江西香海建設「智慧生產中心」提高生產安全和效率，組織員工深入學習《新安全生產法》提升員工安全生產意識，並組建了「義務消防隊」提升應對安全事故的能力。通過這些措施，江西香海建立起完善的安全制度，保證了員工的生命安全，強化了公司的可持續生產能力，為未來發展業務打下堅實的基礎。

調味品業務回顧

報告期內，本集團調味品業務銷售收入約人民幣6.76億元（2020年：約人民幣5.03億元），同比增長34.6%，佔本集團收入約17.4%（2020年：13.0%），板塊收入增加主要是由於餐飲行業復甦導致需求回升。報告期內，板塊營運盈利約人民幣1.37億元，去年同期錄得營運虧損約人民幣4.32億元，主要是2020年調味品板塊商譽減值約人民幣4.95億元所致，而報告期內並沒有此支出。撇除商譽減值影響，調味品板塊2020年營運盈利約人民幣6,300.8萬元，而調味品板塊在報告期內的營運盈利同比上升約117.2%。





Management Discussion and Analysis

In 2021, the effective anti-pandemic measures taken by the government and people in China have greatly eased the Pandemic as compared with 2020. As the catering industry in the form of gathering consumption saw a recovery in 2021, the demand for condiments picked up. By taking the opportunity arising from the recovery of the catering industry, the Group has improved its revenue and profit through the targeted product mix, management of sales channels and marketing strategies.

管理層討論及分析

2021年，中國政府和人民採取有效的防疫措施，使新冠疫情較2020年大幅緩解。以聚集性形式進行消費的餐飲業在2021年迎來復甦，對調味品的需求回暖。本集團抓住餐飲行業復甦的機會，通過有針對性的產品組合、銷售渠道管理和營銷策略，提升了銷售收入和利潤。



Jiahao hosted themed marketing activity to promote products to professional chefs 嘉豪舉辦主題營銷活動，向專業廚師推介產品

In terms of product structure, the Group has two product types: umami-enhancing and flavour-enhancing products. For umami-enhancing products, the Group has launched chicken sauce, chicken powder and chicken essence products with various flavours based on different taste preferences in different regions around the country, so that the dishes of customers can meet the local consumers' requirements for umami. Regarding flavour-enhancing products, since salty, fragrant, hot and spicy flavours are very popular across the country currently, the Group has intensified the R&D and analysis on these flavours, and introduced mustard, juice, gravy and sauce which have been well received by customers. Through product segmentation, the Group has consolidated its strength in the area of umami making and improved its competitiveness in the condiment sector.

產品結構上，本集團將產品分為提鮮和提味兩個類別。在提鮮類別的產品方面，本集團根據中國不同地區口味偏好的差異，推出不同風味的雞汁、雞粉和雞精產品，讓客戶烹飪的菜餚能夠適當地消費者對鮮味的要求。在提味類產品方面，「鹹、香、麻、辣」是目前風靡全國的主流口味，本集團加大對這些口味的研發和分析，推出的芥辣、果汁、肉汁和調味汁受到客戶的好評。通過對產品的細分，本集團鞏固自身在調鮮領域的實力，並提升在調味領域的競爭力。

Management Discussion and Analysis

In terms of sales channels, due to repeated outbreak of the Pandemic, the catering industry was facing more uncertainties, and catering companies had to suspend operation due to the spread of the Pandemic. In order to reduce this risk and better manage the inventory level, distributors purchased goods in a more conservative manner. The Group understood the situation of distributors and proactively developed industrial customers and specialized take-away customers to expand its sales channels. As of 31 December 2021, the Group's condiments business had sales channels covering all provinces, autonomous regions and municipalities in the country except for Taiwan province. The flagship store of the Group on Tmall mainly sells products to some cooks and individuals following the theme activities of the platform.

As to marketing strategy, the Group has planned a series of activities based on the two popular cuisines, i.e. Sichuan and Hunan dishes, prevailing in the market to introduce to customers how to enhance the flavour of dishes by using the Group's products. The Group has cooperated with outstanding emerging brands in the fields of Hunan and Sichuan cuisines to create dishes that can be quickly replicated, so as to help customers improve their operating efficiency and reduce their operating cost. The food solutions provided by the Group have not only been recognized by customers, but also won the praise of consumers.

The Group is confident of the future development of the catering market and condiment market in China in the long run. With the increasingly fierce competition in the condiment industry, the Group will consistently review the Group's overall business development condition and the capital market's sentiment, and adopt flexible strategies to further the development of Jiahao, and make preparations for establishing diverse capital platforms for the business.

Review of R&D

During the Reporting Period, the Group's investment in R&D was approximately RMB251 million (2020: approximately RMB265 million). R&D expenses accounted for approximately 6.5% (2020: 6.9%) of revenue, representing a decrease of approximately 0.4 percentage point as compared to that for the corresponding period last year. All (2020: 100%) of the R&D expenses were expensed, with no R&D cost capitalised (2020: Nil).

管理層討論及分析

銷售渠道上，由於疫情反覆，餐飲行業經營面臨的不確定性增大，餐飲企業因為疫情擴散而不得不暫停營業。為了減低這一風險、更好的管理庫存水平，經銷商在進貨時更加謹慎。本集團理解經銷商的處境，主動開發工業客戶、專營外賣客戶來擴大銷售渠道。截至2021年12月31日，本集團調味品的銷售渠道已經覆蓋除台灣省外全國所有的省、自治區和直轄市。本集團在天貓開設的旗艦店則主要跟隨平台的主題活動，向部分廚師以及個人銷售產品。

營銷策略上，本集團以市場流行的川菜和湘菜兩大菜系為基礎，策劃了一系列活動，向客戶介紹如何使用本集團的產品為菜品提鮮增味。本集團與在湘菜和川菜領域出色的新興品牌合作，打造可以快速複製的菜品，幫助客戶提升經營效率，縮減經營成本。本集團提供的菜品解決方案不僅得到客戶的認可，同時也收穫了消費者的口碑。

本集團對中國餐飲市場和調味品市場的長期發展前景充滿信心。隨著調味品行業的競爭日趨激烈，本集團會不斷審視整體業務發展情況和資本市場氣氛，採取靈活策略推動嘉豪業務的發展，為嘉豪搭建多元化資本平台作準備。

研發回顧

報告期內，本集團投入研發費用約人民幣2.51億元（2020年：約人民幣2.65億元）。研發費用佔銷售收入的比例約為6.5%（2020年：6.9%），與去年同期相比減少約0.4個百分點。研發費用當中全數（2020年：100%）作為費用支出，並無任何研發成本已資本化（2020年：無）。





Management Discussion and Analysis

In terms of flavours and fragrances, the Group continued to maintain its leading position in the flavour and fragrance industry in China. Huabao Flavours, the subsidiary controlled by the Group, won the awards of “Top 10 Enterprises in the Flavour and Fragrance Industry in China”, “Top 100 Light Industry Technology Enterprises in China, etc.. Huabao Flavours was granted a total of 33 utility and invention patents, including, among others, “A kind of fragrant walnut oil microcapsule and its preparation method”, “A kind of moisturizing essential oil lotion and its preparation method and application”, and etc. In 2021, the Group reached a strategic cooperation with SAP, by integrating the Group’s profound historical accumulation in the field of fragrance, leading technological advantages and systematic theoretical system, as well as SAP’s core advantage in the field of machine learning and artificial intelligence. With the help of the SAP business technology cloud platform, the labeling and modeling of the fragrance, characteristic fragrance and emotional expression of the raw materials was achieved, and the classic fragrance type and training model are used to continuously adjust and optimize the formula and material combination to enable the model to intelligently create fragrance. The extended application of the intelligent fragrance creation technology can not only accurately meet the needs of customers for fragrance, but also greatly improve the efficiency of fragrance customization and sampling, and provide a feasible solution for the upgrade of the business model of C2M and C2B2M in the field of taste. In the future, the Company will continue to deepen the intelligent fragrance creation technology, and will further explore innovative applications in the field of food flavours.

In respect of tobacco raw materials, the Group has further increased investment in R&D in innovative tobacco-related fields. In May 2021, the Group established the Collaborative Innovation Research Institute in Shenzhen, bringing in a number of international and domestic experts and talents to strengthen the pod materials, smoking sets, electronic technology, physics and chemistry, etc., seeking breakthroughs in core technologies, and master core technologies with independent intellectual property rights. During the Reporting Period, the Group applied for a total of 29 patents, including, among others, “A method and product for preparation of RTL using the thick slurry technique”, “A RTL production system by drying technique and paper-making technique”, and “Cooling elements used in HNB cigarettes and HNB cigarettes”, of which 24 patents were granted, including, among others, “A smoke cooling device for HNB tobacco and HNB cigarettes” and “A production device for solidifying plant-based sections of HNB tobaccos” granted in China, “A device for manufacturing RTL by dry technique and paper-making technique” granted in Brazil and “A filter tip of HNB cigarettes, HNB cigarettes and how to use it” granted in Russia. Such patents applied for and granted reflect the Group’s competitiveness in the HNB tobacco materials, laying a solid foundation for the development of innovative tobacco business of the Group both at home and abroad.

管理層討論及分析

香精方面，本集團繼續保持在中國香精行業的領先地位，集團之控股子公司華寶股份獲得了《中國香精行業十強企業》、《中國輕工業科技百強企業》等榮譽，於報告期內共獲得33項實用新型及發明專利，包括《一種濃香核桃油微膠囊及其製備方法》、《一種保濕美容精油水及其製備方法和應用》等。2021年，本集團與思愛普(SAP)達成戰略合作，通過融合本集團在調香領域的厚重的歷史積澱、領先的技術優勢和系統的理論體系以及SAP在機器學習和人工智能領域的核心優勢，借助SAP業務技術雲平台，實現了原料的香韻、特徵香調及情緒表達的標注建模，並利用經典香型及訓練模型，不斷調整優化配比和材料組合，實現模型“智能創香”。智能創香技術的延展應用，不僅可以精準滿足客戶的香精需求，大幅提升香精的定制和出樣效率，也為味覺領域C2M、C2B2M的商業模式升級提供了可行的解決方案。未來，公司將繼續深化智能創香技術，並將進一步探索食品香精領域的創新應用。

煙用原料方面，本集團進一步加大對新型煙草相關領域的研發投入。於2021年5月，本集團在深圳成立了協同創新研究院，引進了多名國際、國內專家人才，加強在新型煙草領域的煙芯材料、器具、電子技術、物理化學等方面的基礎研究，在核心技術上尋求突破，掌握自主知識產權的核心技術。報告期內，本集團一共申請專利29項，包括《一種利用稠漿法製備再造煙葉的方法及產品》《幹法造紙法再造煙葉生產系統》《用於加熱不燃燒煙支的冷卻組件和加熱不燃燒煙支》等。本集團一共獲得24項專利，包括在中國境內獲得的《加熱不燃燒煙煙氣降溫裝置和加熱不燃燒煙支》《加熱不燃燒煙植物固型段的製作設備》，以及在巴西獲得的《一種幹法造紙法生產再造煙葉的設備》和在俄羅斯獲得的《加熱不燃燒捲煙濾嘴、加熱不燃燒捲煙及其使用方法》。這些專利的申請和獲得體現出本集團在加熱不燃燒捲煙用材料方面的競爭力，為本集團在國內外發展新型煙草業務奠定了穩固的基礎。



Management Discussion and Analysis

As regards aroma raw materials, Guangdong Zhaoqing was granted the invention patent of “A method for recovering ethyl maltol from ethyl maltol production wastewater”, and Yancheng Chunzhu was granted a total of 12 invention and utility model patents, including the invention patent of “A preparation method of cinnamyl cinnamate” and the utility model patent of “A recyclable filter device for synthesizing fragrances”. In terms of condiments, Guangdong Jiahao was granted the invention patent of “A preparation method of boilable chicken powder seasoning for hot pot”, which has further improved the production technology and level of umami-enhancing products.

Human Resources and Corporate Culture Construction

As at 31 December 2021, the Group employed a total of 3,583 (2020: 3,458) employees in mainland China, Hong Kong, Germany, Indonesia, Singapore and other places.

In 2021, the Group has taken specific measures to improve its human resources policies and corporate culture construction, to reserve talents for the Company’s business development and enhance the motivation of employees at all levels.

In respect of human resources, according to the actual development of each business segment, the Company has implemented a specific share incentive scheme for some business segments. The share incentive scheme has strengthened the sense of responsibility and mission of the management, core technical personnel and outstanding employees for the Company’s business development, and motivated them to work hard by aligning their personal development with the Company’s interests. Regarding the job level system, the Group has further streamlined its in-house levels and promotion paths, so that employees clearly understand the opportunities and potential for their career development, allowing them to set clear targets at work. In the recruitment and training of management trainees, the Group visited various universities to establish connections with them and introduced to graduates its corporate vision, brands and strategies, in order to attract outstanding students to join the Group as management trainees. For those management trainees recruited, the Group has formulated a comprehensive training plan which enables the trainees to fully understand the Company’s development history, business, culture and organizational structure, and to dedicate them into work as soon as possible after the training, so as to contribute to the development of the Group. As to employees’ welfare, the Group conducted questionnaires to understand employees’ needs for benefits. Based on the results of the questionnaires, the Group has analyzed the welfare needs of employees and developed an improvement plan for welfare schemes, so as to provide better protection for employees in the future and thus to enhance their sense of belonging to the Company.

管理層討論及分析

香原料方面，廣東肇慶獲得了《一種從乙基麥芽酚生產廢水中回收乙基麥芽酚的方法》的發明專利；鹽城春竹共獲得12項發明和實用新型專利，包括《一種桂酸桂酯的製備方法》的發明專利，《一種合成香料用可循環使用過濾裝置》的實用新型專利。調味品方面，廣東嘉豪獲得了《一種火鍋用耐煮雞粉調味料的製備方法》的發明專利，繼續提升了“提鮮”類產品的製造工藝和水平。

人力資源及企業文化建設

於2021年12月31日，本集團在中國內地、香港、德國、印尼、新加坡等地共聘用員工約3,583人（2020年：3,458）。

2021年，本集團採取具體的措施，優化公司人力資源政策和企業文化建設，為公司業務的發展儲備人才，增強各級別員工的工作動力。

人力資源方面，公司根據各業務板塊發展的實際情況，有針對性的在部分業務板塊實施股權激勵計劃。透過股權激勵計劃，本集團增強了管理人員、核心技術骨幹、優秀員工對公司業務發展的責任感、使命感，將他們個人的發展和公司利益結合在一起，提升大家工作的積極性。在職級體系上，本集團進一步梳理了內部職級和晉升通道的路徑，讓員工能夠清晰的瞭解職業發展的機遇和空間，使員工在工作時目標更加清晰。在管理培訓生的招聘和培養上，本集團走訪各個大學，與大學建立聯繫，向畢業生介紹本集團的企業願景、品牌和策略，以吸引優秀學生成為本集團的管理培訓生。對於成功被招募的管理培訓生，本集團制定了完善的培養計劃，以讓培訓生充分瞭解公司的發展歷程、業務、文化、組織架構。培訓完成後，培訓生能夠迅速融入到工作中，為本集團的發展獻言建策。在員工福利上，本集團通過問卷的方式瞭解員工對福利的需求。根據問卷結果，本集團對員工的福利需求進行分析，制定出福利計劃的改善方案，從而在未來為員工提供更好的保障，增強員工對公司的歸屬感。



Management Discussion and Analysis

As regards corporate culture, the Group enhances the communication between the Company and its employees and shortens the distance between employees through culture discussions, award evaluation, corporate communication, brand optimization and sports events. For culture discussions, all business departments of the Group held seminars to express their opinions on the Group's vision of "The Leader of Delicious Food", so as to deepen their understanding of the position and mission of the Group as a leading flavours and fragrances company, thus providing better services for customers and consumers through hard work and more efforts. For award evaluation, the Group has specially set up the "Huabao Award" to recognize outstanding employees at different levels, and to pass on their spirit of diligence, pragmatism and pursuit of excellence to more employees, so as to inspire all employees' motivation to work. For corporate communication, the Group has further improved its press release system, and communicated the Company's recent development to its shareholders, investors, analysts, employees, suppliers and other parties caring about us through the Company's website and WeChat public account, so that they get more knowledge of the Group's products, services and culture. Regarding brand optimization, the Group made uniform promotion and visual designs for external publicity, enabling it to have a uniform external image and enhancing the communication strength and influence of its brand. In addition, the Company also shot promotional videos in both Chinese and English to introduce the Group's vision and business more vividly. Moreover, the Group also organized a badminton match and encouraged all its employees to participate in the event. The intense match not only improved the physical health of employees, but also increased the opportunities for communication between them, as well as enriched their lives.

Digital Transformation

Facing the challenges and opportunities of the digital economy era, as well as the needs of the rapid development of the industrial chain, the Group signed strategic cooperation agreements with SAP, Siemens, etc. With the help of the world's leading cutting-edge technology, management ideas and successful experience, the Group aims to build an innovative digital management platform for consumer goods industry clusters that take flavor and fragrance as the core, laying a digital foundation for the effective implementation of the group's concentric diversified development strategy focusing on "green, nutrition, and health".

管理層討論及分析

企業文化方面，本集團通過文化研討、獎項評估、企業傳播、品牌優化和體育賽事活動來加強公司與員工之間的溝通，縮短員工互相之間的距離。文化研討方面，本集團各個業務部門都召開了研討活動，對本集團“美味生活引領者”的願景發表自己的意見，從而加深理解本集團作為領先香精香料公司的地位和使命，通過自己辛勤的勞動更好的服務客戶和消費者。獎項評估方面，本集團特別設立“華寶獎”，表彰不同層級的優秀員工，將他們勤奮踏實、追求卓越的精神傳遞至給更多的員工，激勵大家工作的動力。在企業傳播上，本集團進一步完善了公司的新聞宣傳制度，並通過公司網站和微信公眾號向關心公司的股東、投資人、分析師、員工、供應商等傳遞公司最新的動態，讓他們更好的瞭解本集團的產品、服務和文化。在品牌優化上，本集團統一了對外宣傳的宣傳設計和視覺方案，讓公司的對外形象統一，提升公司品牌的傳播力度和影響力。公司還拍攝了中英文的宣傳片，更加生動的介紹本集團的願景和業務。此外，本集團還特別組織了羽毛球賽事，邀請本集團所有員工報名參賽。激烈緊張的比賽不僅提升了員工的身體健康，也增加了員工之間的交流機會，豐富了員工的生活。

數字化轉型

面對數字經濟時代的挑戰與機遇，以及產業鏈快速發展的需求，本集團與SAP、西門子等簽署戰略合作協議。借助全球領先前沿技術、管理思想與成功經驗，搭建以香精香料為核心的味覺系消費品產業集群的數字化管理創新平台，為集團聚焦“綠色、營養、健康”的同心多元化發展戰略的有效落地奠定數字化基礎。

Management Discussion and Analysis

In 2021, the Group completed the overall plan for digital transformation and built an operation platform centered on SAP ERP digitalization to meet the integration of the Group's strategic management and control business and finance. Based on different management models, operation platforms adopt different financial management models to timely monitor and manage risks so that they could provide an international, systematic and standardized digital platform for the business operations of various business segments. Through the construction of the digital operation platform, the Group has initially achieved the integration of financial resources and the visualization of financial data. In addition, the Group has comprehensively sorted out and reshaped its internal R&D management system. Through the standardized management of R&D data, the group achieved in-depth mining of technical assets; through closed-loop process driving, the Group achieved multi-disciplinary and cross-regional collaborative R&D; in the future, through the connection with ERP and other systems, the Group will connect research, supply, production and sales in the industry chain and effectively enhance the Group's operational efficiency. At the same time, the Group has also established a team of digital management talents to prepare a talent pool for future digital projects.

Digital transformation is one of the core engines of the Group's strategic development, and the construction of the first phase of the plan had been successfully completed in 2021. The Group will continue to deepen the digital construction work, and continuously improve the Group's management and control and empowerment capabilities, supply chain operations and external collaborative innovation capabilities. Internally, the Group will focus on the reconstruction of the R&D system, realize the effective connection between the R&D system and various business sectors, and deeply empower efficient production and intelligent manufacturing; Externally, the Group will establish a data center, connect suppliers, customers and consumers, and jointly create a digital ecological platform for a delicious life.

管理層討論及分析

2021年，本集團完成了數字化轉型總體規劃，搭建以SAP ERP數字化為核心的運營平台，滿足集團戰略管控業務和財務的一體化穿透。根據不同的管控模式，運營平台採用不同的財務管控模式，實時深度的風險管控，為各個事業板塊業務經營提供國際化、系統化、標準化的數字化平台。通過數字化運營平台的建設，集團初步實現了財務資源的一體化和財務數據的可視化。另外，集團對內部研發管理體系進行全面梳理和重塑。集團通過對研發數據的標準化管理，實現對技術資產的深度挖掘；通過閉環的流程驅動，實現多學科、跨地域的協同研發；未來通過與ERP等系統的對接，打通研、供、產、銷全鏈路，實現企業整體運行效能的再度提升。同時，集團也建立了數字化管理人才的梯隊，為未來的數字化項目做好了人才儲備。

數字化轉型是本集團戰略發展核心引擎之一，2021年已經順利完成了一期規劃的建設。本集團將不斷深化數字化建設工作，持續提升集團管控與賦能能力、供應鏈運營和外部協同創新能力。對內，集團聚焦研發體系的重構，實現研發體系與各業務板塊的有效銜接，為精益生產和智能製造深度賦能；對外，集團建立數據中台，連接供應商、客戶與消費者，共同打造美味生活數字生態大化平台。





Management Discussion and Analysis

Outlook

Entering 2022, the intensification of geopolitical conflicts will lead to rise in commodity prices and inflation, the operating costs of enterprises will further rise, consumers' spending power, consumer confidence and willingness to consume will decline, and the risks and uncertainties of global economic recovery will increase. In China, due to the recurring of the Pandemic, the pace of normalization of economic activities has been interrupted again, business production and consumer demand have also been negatively affected to a certain extent, and the pressure on economic recovery has also increased. Overall, the pressure on the global and Chinese economies in 2022 should not be underestimated.

Under such macroeconomic situation, the Group will actively adopt various strategies to cope with the challenges brought about by changes in the external environment, and at the same time continue to optimize strategies to stabilize the Group's development.

The Group embraces the vision of "flavour your life" and undertakes the mission of "green, healthy, and nutritious", and continue to implement the concentric and diversified strategy in the taste-based consumption market. In terms of business, the Group will focus on the development of the products and services related to innovative tobacco products, and further the Group's development in those non-tobacco related business segment such as foods, beverages, fragrances, aroma, and condiments by the combination of organic growth and merger and acquisitions. In terms of market layout, the Group steadily further its domestic business and also proactively improve its business in Asia, Africa, and other countries and regions to serve international clients better and faster. In terms of management, the Group will further its digital management, establish digital management platform, connect internal and external resources, realize the effective exchange of resources of online and offline resources so that the Group could boost its management and operation efficiency to further improve the Group's business.

For flavours and fragrances business, the Group will enhance the ability to screen aroma raw materials and flavouring technology according to the characteristics of tobacco products, to launch competitive products and stabilize the customer base. For HNB tobacco flavours that are concerned by the market, the Group will strengthen the communication with customers and develop products that meet their needs, and for testing by customers. Through unremitting efforts, the Group's revenue of food flavours and fragrances have gradually increased for the past few years with a good development momentum. The Group will enhance its capacity in savoury flavours for meat products and wet and spicy products and focus on the research on temperature resistance technology of sweet flavours. For daily-use chemical fragrances, the Group will focus on expanding the markets in Northern China and Eastern China, and meanwhile put more efforts on the exploration of e-commerce and live broadcasting customers.

管理層討論及分析

展望

進入2022年，地緣政治衝突加劇導致大宗商品價格和通脹上升，企業的經營成本將進一步增加，消費者的消費能力、消費信心和消費意願下降，全球經濟復甦風險增大，不確定性增多。在中國，由於疫情反覆，經濟活動恢復正常化的步伐又再次被打斷，企業生產和消費者需求也受到一定的負面影響，經濟復甦壓力也有所增加。整體而言，2022年全球及中國經濟面臨的壓力都不可小覷。

在此宏觀經濟形勢下，集團會積極採取各項策略應对外部環境變化帶來的挑戰，同時不斷優化策略，穩定集團發展。

集團以「美味生活引領者」為願景，以「綠色、健康、營養」為使命，持續推進在味覺系消費品領域的同心多元化戰略。在業務上，集團將聚焦發展新型煙草相關的產品和服務，同時透過內生和外延併購相結合的方式，推進在食品、飲料、日化、香原料和調味品這些非煙草業務板塊的發展。在市場佈局上，集團穩定推進國內市場業務，同時積極推進在亞洲和非洲等其它國家和地區的業務，更好地服務國際客戶。在管理上，集團繼續推進管理數字化，搭建數字化管理平台，打通內外部資源，實現線上線下資源有效互通，提升管理和經營效率，推動公司業務向前發展。

香精業務方面，本集團將根據捲煙產品的特點，提升篩選香原料的能力和調香技術，推出具有競爭力的產品，穩定客戶群。對於市場關注的加熱不燃燒煙用香精，本集團會加強與客戶的交流，開發出符合客戶需求的產品，供客戶進行測試。經過不懈努力，本集團的食品用香精和日化用香精在過去幾年的收入逐步增長，發展勢頭良好。本集團會提升在肉製品和濕辣領域的鹹味香精的能力，重點研究甜味香精的耐溫技術。對於日化用香精，本集團會重點拓展華北和華東市場，同時加大開發電商和直播類的客戶。

Management Discussion and Analysis

For tobacco raw materials business, the Group mainly will focus on the application field of innovative tobacco. In terms of products, on the one hand, the Group will continue to deepen and strengthen its achievements in the layout of HNB cigarette products, continue to invest in R&D around pod materials, filter rods, smoking sets to strengthen customer cooperation; With the implementation of relevant policies on electronic atomization products in China, the Group will also extend its layout in this field, and accelerate its development through its own expansion and parallel cooperation with related enterprises. In terms of market layout, the Group will continue to steadily promote the development of domestic business, and at the same time, more actively and rapidly promote the layout in other overseas countries and regions, and increase overseas investment. At present, the RTL factory constructed by the Group in Indonesia has been put into production. With this factory as the base, the Group will increase its efforts to develop and serve international customers, and enhance the brand awareness and sales volume of its products overseas. In addition, the Group will further expand the construction of overseas production bases, increase the production capacity of RTL, build the production capacity of other related products in the innovative tobacco field, and build an international service team to provide overall solutions for international customers.

For aroma raw materials, the Group will enhance the awareness and capability of all subsidiaries in the segment in respect of production safety, to ensure safe operation in the segment. With the increasingly fierce competition in the industry, the Group will improve its brand power and maintain the bargaining power of its products while ensuring the product quality. The production base of Jiangxi Xianghai has been fully completed. Leveraging on the modern facilities and production lines of the production base, the Group will improve the production efficiency and quality of its products.

For condiments business, it is expected that the repeated outbreak of the Pandemic may be normalized, which will lead to higher demand of catering customers for pre-made dishes and related condiments. As a condiment supplier, the Group will provide catering customers with products that can immediately enhance umami and flavour according to their needs, so as to improve the efficiency of customers in making dishes. Meanwhile, the Group will consider selling products to retail customers to observe the needs of end consumers more closely, and improve its products and marketing strategies based on the feedback.

管理層討論及分析

煙用原料業務方面，本集團主要聚焦於新型煙草的應用領域。在產品上，一方面本集團將繼續深化和加強在加熱不燃燒捲煙產品佈局方面已經取得的成績，圍繞煙芯材料、濾棒、煙具等環節持續研發投入，加強客戶合作；另一方面，隨著我國對電子霧化產品相關政策的落地實施，本集團亦將延伸在該領域的佈局，通過自身拓展、和相關企業進行合作並行的方式加快發展。在市場佈局上，本集團將繼續穩定推進國內業務的發展，同時更加積極快速的推進在海外其他國家和地區的佈局，加大海外投資。目前，本集團在印度尼西亞建設完成的再造煙葉工廠已經投入生產，以該工廠為基地，本集團將加大開發和服務國際客戶的力度，提升產品在海外品牌知名度和銷量。另外，本集團將進一步擴大對海外生產基地的建設，在適當時機增加再造煙葉產能、建設新型煙草領域其他相關產品的生產能力，打造國際化服務團隊，為國際客戶提供整體解決方案。

香原料方面，本集團會強化板塊各子公司安全生產的意識和能力，讓板塊能夠安全運營。隨著行業競爭越來越激烈，本集團會在穩固產品質量的同時，提升品牌力，穩定產品的議價能力。江西香海生產基地已經全面完工，本集團會充分利用生產基地現代化的設施和生產線，提升產品的生產效率和質量。

調味品方面，本集團預期疫情反覆可能會常態化，這會增強餐飲客戶對預制菜和和相關調味品的需求。作為調味品供應商，本集團會根據餐飲客戶的需求，為他們提供能夠快速提鮮、提味的產品，提升客戶的出菜的效率。同時，本集團會探索在零售端銷售產品，以更近距離的觀察終端消費者的消費需求，並根據反饋改善本集團的產品和營銷策略。





Management Discussion and Analysis

USE OF THE PROCEEDS FROM SHARE PLACEMENT

On 20 December 2021, the Group completed the “top-up” share placement to place 122,090,000 shares at the placing price of HK\$17.88 per share, raising net proceeds of approximately HK\$2.16 billion. The proceeds raised are mainly used as follows: (1) approximately HK\$1,522 million for repayment of bank loans (“Bank Loans Repayment”); (2) approximately HK\$300 million for acquisition of or investment in business(es) which leverage on the competitive advantage of the Group should suitable opportunities arise (“Acquisition and/or Investments”); and (3) approximately HK\$338 million for general working capital requirements and expansion of existing businesses (“General Working Capital”).

As at 31 December 2021, the Group has utilised approximately HK\$1,274 million of the proceeds mainly for Bank Loans Repayment, representing approximately 59% of the net proceeds, and the unutilised proceeds amounted to approximately HK\$886 million. As at 31 December 2021, all of the unutilised proceeds were deposited in licensed banks in Hong Kong.

Intended use of the proceeds

In HK\$ million

Intended use of proceeds	Net proceeds	Actual use of proceeds	Unutilised
			proceeds as of 31 December 2021
融資款項計劃用途	融資款項淨額	融資款項實際用途	截至2021年12月31日未使用融資款項
Bank Loans Repayment	償還銀行貸款	1,522	257
Acquisition and/or Investments	收購及／或投資	300	300
General Working Capital	一般營運資金	338	329
Total	總計	2,160	886

管理層討論及分析

股份配售融資用途

2021年12月20日，本集團完成「先舊後新」股份配售，配售價每股港幣17.88元，配售股數122,090,000股，融資淨額約港幣21.6億元。融資款項用途主要為：(1)約15.22億港元用於償還銀行貸款（「償還銀行貸款」）；(2)約3億港元用於收購或投資得以利用本集團競爭優勢的業務（如有合適機遇）（「收購及／或投資」）；(3)約3.38億港元用於一般營運資金的需求及現有業務擴張（「一般營運資金」）。

於2021年12月31日，本集團已使用融資款項12.74億港幣，主要用於償還銀行貸款，佔融資淨額約59%，未使用融資款項約8.86億港幣。截至2021年12月31日，所有未使用的募集資金均存放於香港持牌銀行。

融資款項計劃用途

單位：百萬／港元

Management Discussion and Analysis

FINANCIAL REVIEW

Analysis of annual results for the year ended 31 December 2021

Revenue

The Group's revenue amounted to RMB3,882,683,000 for the year ended 31 December 2021, representing a slight increase of 0.7% as compared with RMB3,854,058,000 for the corresponding period last year. The increase in the revenue was mainly due to the successful prevention and control of the Pandemic in China after the outbreak of the Pandemic in the early 2020, the catering industry began to recover since the second half of 2020. As a result, revenue of condiment segment in the current year reached RMB676,481,000, representing an increase of 34.6% as compared with the corresponding period last year. Meanwhile, due to the macroeconomic recovery and the rebound in demand from downstream customers, revenue of aroma raw materials reached RMB714,026,000, representing an increase of 11.8% as compared with the corresponding period last year. However, due to the changes in demand from downstream customers, revenue of flavours and fragrance segment declined by 7.6% year-on-year to RMB1,926,749,000. Also, due to the oversupply in the traditional RTL industry and intense competition in the cigarette capsule industry that resulted in a declining sales volume and price of capsule, revenue of tobacco raw materials declined by 9.0% year-on-year to RMB565,405,000. As a result, the increase in revenue was offset largely.

Cost of goods sold

The Group's cost of goods sold amounted to RMB1,586,021,000 for the year ended 31 December 2021, representing an increase of 12.4% as compared with RMB1,411,651,000 for the corresponding period last year.

Gross profit and gross profit margin

For the year ended 31 December 2021, gross profit of the group amounted to RMB2,296,662,000, representing a decrease of approximately 6.0% as compared with RMB2,442,407,000 for the corresponding period last year. The decrease in gross profit was mainly attributable to the decrease in gross profit margin of the current year. The Group's gross profit margin for the current year was approximately 59.2%, representing a decrease of approximately 4.2 percentage points as compared with 63.4% for the same period last year. It was mainly attributable to the changes in products' mix of the Group and the adjustments of selling price of products in response to the fierce competition in the market.

管理層討論及分析

財務狀況回顧

截至2021年12月31日止年度的業績分析

營業額

截至2021年12月31日止年度，本集團的營業額達到人民幣3,882,683,000元，較去年同期的人民幣3,854,058,000元稍微增加了0.7%。營業額的增加，主要是由於新冠肺炎疫情自2020年年初在全國爆發後，中國成功實現對疫情的防控，餐飲業在2020年下半年開始復甦，以致調味品板塊在本年度營業額較去年同期大幅上升了34.6%至人民幣676,481,000元；同時，由於宏觀經濟恢復，下遊客戶需求反彈，香原料的營業額同比增加了11.8%至人民幣714,026,000元。但由於下游市場需求變化，香精的營業額同比減少了7.6%至人民幣1,926,749,000元；以及傳統再造煙葉行業供過於求及煙用膠囊行業競爭激烈導致膠囊銷售量和價格下滑，煙用原料的營業額同比減少了9.0%至人民幣565,405,000元，而抵銷了大部份升幅。

銷售成本

截至2021年12月31日止年度，本集團的銷售成本為人民幣1,586,021,000元，較去年同期的人民幣1,411,651,000元增加了12.4%。

毛利和毛利率

本集團的毛利由截至2020年12月31日止年度的人民幣2,442,407,000元下降至截至2021年12月31日止年度的人民幣2,296,662,000元，減少約6.0%。毛利的下跌，主要由於本年度毛利率有所下降。本集團本年度的毛利率約為59.2%，比去年同期的約63.4%下降了約4.2個百分點，主要因為本集團產品結構有所變化及調整產品價格以面對激烈的市場競爭環境所致。





Management Discussion and Analysis

Other income and other gains – net

For the year ended 31 December 2021, other income and other gains (net) of the Group was RMB248,519,000, representing an increase of RMB148,022,000 as compared with RMB100,497,000 for the corresponding period last year. The increase in other income and other gains was mainly due to the fair values gain on financial assets at fair value through profit or loss reached approximately RMB104,568,000 in the current year, representing an increase of RMB90,763,000 as compared with RMB13,805,000 of the corresponding period last year. The increase of the fair values gain on financial assets at fair value through profit or loss was mainly due to increase in investment of wealth management products and the related fair values gain and increase in fair values of fund investments in the current year. Also, the currency exchange loss of this year decreased by RMB57,518,000 year-on-year. It was mainly due to the Group's secured long-term loan was fully repaid during the current year (balance as at 31 December 2020: RMB1,692,855,000). Such loan was borrowed and settled by the Company in RMB, whereas the functional currency of the Company was HKD. The exchange rate of RMB against Hong Kong dollar rose during the current year and last year, thus currency exchange loss was incurred. However, as the remaining balance of such loan was reduced in the current year, the currency exchange loss generated was reduced accordingly.

Selling and marketing expenses

The selling and marketing expenses of the Group comprised mainly travelling expenses, advertising and promotion expenses, salaries and office expenses, etc. For the year ended 31 December 2021, the selling and marketing expenses of the Group was RMB292,244,000, representing a decrease of 7.8% as compared with RMB317,001,000 for the corresponding period last year. Selling and marketing expenses for the current year accounted for approximately 7.5% of the total revenue, representing a decrease of 0.7 percentage point as compared with approximately 8.2% for last year. The decrease in such ratio and the decrease in the selling and marketing expenses were mainly attributable to the Group's proactive control of expenses and the delivery expenses of goods being accounted for in the cost of goods sold.

Administrative expenses

For the year ended 31 December 2021, the Group's administrative expenses amounted to RMB841,663,000, representing an increase of 2.6% as compared with RMB820,221,000 for the corresponding period last year. It was mainly attributable to the increase in employee benefit expenses during the current year. Administrative expenses for the current year accounted for approximately 21.7% of the total revenue, which was basically the same as approximately 21.3% for the year ended 31 December 2020.

管理層討論及分析

其他收入及其他收益－淨額

截至2021年12月31日止年度，本集團的其他收入及其他收益（淨額）為人民幣248,519,000元，較去年同期的人民幣100,497,000元大幅增加了人民幣148,022,000元。其他收入及其他收益的增加主要是由於本年度錄得以公允價值計量且其變動計入損益之金融資產公允價值變動收益約人民幣104,568,000元，比去年同期的人民幣13,805,000元增加了人民幣90,763,000元。以公允價值計量且其變動計入損益之金融資產公允價值變動收益增加主要因為本年度投資銀行理財產品的金額及相關收益增加，和基金投資的公允價值上升。同時，本年度的貨幣匯兌虧損同比減少了約人民幣57,518,000元，主要因為本集團的有抵押長期貸款於本年度全部償還（2020年12月31日結餘：人民幣1,692,855,000元）。該貸款是由本公司借入並以人民幣結算款，而本公司的功能貨幣是港元，在本年度和去年度人民幣對港元匯價上升，故產生匯兌虧損。但由於該貸款在本年度餘額減少，所產生的匯兌虧損也減少。

銷售及市場推廣開支

本集團銷售及市場推廣開支主要包括差旅費、廣告及宣傳費、薪金及辦公費用等。本集團截至2021年12月31日止年度的銷售及市場推廣開支為人民幣292,244,000元，較去年同期的人民幣317,001,000元下跌了7.8%。而本年度的銷售及市場推廣開支所佔營業總額的比例為約7.5%，較去年度的約8.2%稍微下降了約0.7個百分點。該比例和銷售及市場推廣開支的下降主要是因為本報告期間本集團積極控制費用和運輸費用調整至銷售成本核算所致。

行政開支

截至2021年12月31日止年度，本集團的行政開支為人民幣841,663,000元，與去年同期的人民幣820,221,000元上升了2.6%，主要因為本報告期僱員及福利開支有所增加。而本年度的行政開支所佔營業總額的比例為約21.7%，與截至2020年12月31日止年度的約21.3%基本持平。

Management Discussion and Analysis

Operating profit

For the year ended 31 December 2021, the Group's operating profit was RMB1,114,477,000, representing an increase of approximately 23.4% as compared with RMB902,792,000 for the year ended 31 December 2020. It was mainly because Jiahao's goodwill impairment of RMB495,498,000 was recognised in the same period last year, whereas RTL's goodwill impairment of RMB293,270,000 was recognized in the current year. The operating profit margin was approximately 28.7%, representing an increase of 5.3 percentage points as compared with approximately 23.4% for last year.

If the goodwill impairment of the current year and last year were both excluded, the operating profit for the current year would increase by 0.7% as compared with the corresponding period last year; the operating profit margin for the current year would be approximately 36.3% and similar with that for the corresponding period last year, which was mainly due to an increase in other income and other gains (net) for the current year as compared with the same period last year, but it was largely offset by the decrease in gross profit.

Income tax expenses

For the year ended 31 December 2021, income tax expenses of the Group was RMB251,593,000, representing a decrease of 10.3% as compared with RMB280,382,000 for the corresponding period last year. Income tax rate of the current year was approximately 21.9%. If the goodwill impairment loss of the current year and last year were both excluded, income tax rate of the current year would be approximately 17.5%, representing a decrease of approximately 1.9 percentage points as compared with approximately 19.4% for the last year, which was mainly attributable to the decrease in withholding income tax on dividends distribution by subsidiaries in mainland in the current year.

Profit attributable to the equity holders of the Company

For the year ended 31 December 2021, the profit attributable to the equity holders of the Company was RMB675,131,000, representing an increase of RMB256,732,000 as compared with RMB418,399,000 of the same period last year, or an increase by 61.4%. It was mainly due to the goodwill impairment of the current year was decreased by RMB202,228,000 as compared with the same period last year. If the goodwill impairment of the current year and last year were both excluded, profit attributable to the equity holders of the Company for the current year would increase by approximately 6.0% as compared with the same period last year.

管理層討論及分析

營運盈利

截至2021年12月31日止年度，本集團的營運盈利為人民幣1,114,477,000元，較截至2020年12月31日止年度的人民幣902,792,000元，增加了約23.4%，主要因為去年同期確認了嘉豪商譽減值人民幣495,498,000元，而本年度確認了再造煙葉商譽減值人民幣293,270,000元。本年度的營運盈利率約28.7%，比去年同期的23.4%上升了5.3個百分點。

如果同時撇除了本年度和去年度的商譽減值的影響，本年度的營運盈利比去年同期上升了0.7%；本年度的營運盈利率約為36.3%，與去年同期的相若，主要因為本年度的其他收入及其他收益（淨額）同比增加，但被毛利的下跌抵銷了大部份升幅。

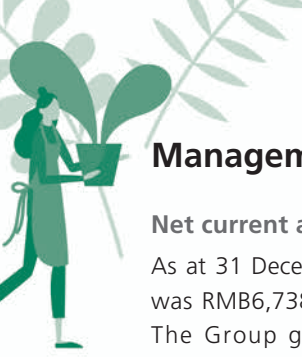
稅務開支

截至2021年12月31日止年度，本集團的稅務開支為人民幣251,593,000元，較去年度的人民幣280,382,000元，減少了10.3%。本期所得稅率約為21.9%。如果同時撇除了本年度和去年度的商譽減值的影響，本年度所得稅率約為17.5%，較去年度的約19.4%減少了約1.9個百分點，主要由於本報告期國內附屬公司因分派股息而產生的預提所得稅有所減少。

本公司權益持有人應佔盈利

截至2021年12月31日止年度，本公司權益持有人應佔盈利為人民幣675,131,000元，較去年同期的人民幣418,399,000元，上升了人民幣256,732,000元，上升了61.4%，主要因為本年度的商譽減值較去年度的減少了人民幣202,228,000元。如果同時撇除了本年度和去年度的商譽減值的影響，本年度本公司權益持有人應佔盈利較去年同期上升了約6.0%。





Management Discussion and Analysis

Net current asset value and financial resources

As at 31 December 2021, the net current asset value of the Group was RMB6,738,947,000 (31 December 2020: RMB7,145,001,000). The Group generates its working capital mainly through its operating activities to maintain a sound financial position. As at 31 December 2021, the Group's cash and bank balances amounted to RMB3,553,409,000 (31 December 2020: RMB6,335,596,000), over 60% of which was held in RMB. In addition, the fair value of the Group's investment in bank wealth management products that remain outstanding as at 31 December 2021 amounted to RMB3,256,499,000 (31 December 2020: RMB540,492,000) was classified as financial assets at fair value through profit or loss.

Bank borrowings and gearing ratio

As at 31 December 2021, the Group had bank borrowings of RMB962,774,000 (31 December 2020: RMB2,708,230,000), approximately RMB459,950,000 of which was denominated in RMB and approximately RMB502,824,000 of which was denominated in HKD, all of which were unsecured loans and due within one year. The Group had secured loan of RMB1,692,855,000 as at 31 December 2020 which had been fully repaid during the year ended 31 December 2021. For the current year, the average annual interest rate of the secured loan was 5.7% (year ended 31 December 2020: 5.7%), and the average annual interest rate of the unsecured loans were 2.9% (year ended 31 December 2020: 2.6%). As at 31 December 2021, the Group's gearing ratio (total borrowings, include current and non-current borrowings, divided by total equity (excludes non-controlling interests)) was 6.9%, which was decreased significantly by 15.9 percentage points from 22.8% as of 31 December 2020. It was mainly resulted from repayment of approximately RMB1,693 million secured loan related to the acquisition of Jiahao during the current year.

Investing activities

The Group's investing activities included the purchase of property, plant and equipment, financial assets investment and merger & acquisition activities related to the strategical development strategies. For the year ended 31 December 2021, the net cash used in investing activities amounted to RMB2,095,235,000, mainly used in the purchase of wealth management products. For the year ended 31 December 2020, the net cash generated from investing activities amounted to RMB1,175,188,000.

管理層討論及分析

流動資產淨值和財務資源

於2021年12月31日，本集團的流動資產淨值為人民幣6,738,947,000元（2020年12月31日：人民幣7,145,001,000元）。本集團主要透過經營業務提供營運資金，維持穩健財務狀況。於2021年12月31日，本集團的銀行及庫存現金為人民幣3,553,409,000元（2020年12月31日：人民幣6,335,596,000元），其中超過60%是以人民幣持有。此外，本集團於2021年12月31日仍未到期的銀行財富管理產品之公允值為人民幣3,256,499,000元（2020年12月31日：人民幣540,492,000元），此項以公允價值計量且其變動計入損益之金融資產列示。

銀行貸款及負債比率

於2021年12月31日，本集團的銀行貸款總額為人民幣962,774,000元（2020年12月31日：人民幣2,708,230,000元），當中人民幣貸款約為人民幣459,950,000元而港幣貸款約為人民幣502,824,000元，全部為無抵押貸款，並於一年內到期償還。本集團於2020年12月31日的有抵押貸款為人民幣1,692,855,000元，已於截至2021年12月31日止年度全數償還。於本年度內，有抵押貸款之平均年息率為5.7厘（截至2020年12月31日止年度：5.7厘），而無抵押貸款的平均年息率為2.9厘（截至2020年12月31日止年度：2.6厘）。於2021年12月31日，本集團之負債比率（總貸款（包括流動及非流動貸款）除以總權益，不含非控制性權益）為6.9%，較於2020年12月31日的22.8%大幅下降了15.9個百分點，主要由於本年度全數償還了用於收購嘉豪食品的有抵押貸款約人民幣16.93億元。

投資活動

本集團的投資活動主要包括購買物業、機器及設備；金融資產投資和與戰略性發展策略有關的收購兼併活動。截至2021年12月31日止年度，投資活動所用的現金淨額為人民幣2,095,235,000元，主要是購買銀行理財產品所致。而截至2020年12月31日止年度，投資活動所產生的現金淨額為人民幣1,175,188,000元。

Management Discussion and Analysis

Financing activities

For the year ended 31 December 2021, the net cash used in financing activities amounted to RMB672,724,000, mainly comprised of proceeds from shares placement of approximately RMB1,763,888,000, payment of cash dividends of approximately RMB394,705,000 paid to shareholders of the Company and cash dividends of RMB206,075,000 paid to non-controlling interests, repayment of bank loans of RMB3,284,355,000 and addition of bank loans of RMB1,557,156,000. For the year ended 31 December 2020, the net cash used in financing activities amounted to RMB1,031,641,000.

Trade receivables turnover period

Trade receivables turnover period is calculated on the basis of the average amount of trade receivables as at the beginning and at the end of a relevant financial period divided by the total revenue for the corresponding period and multiplied by 360 days. The Group generally offers its customers a credit period of approximately 0-180 days, depending on the business volume of, and the length of business relationship with the customers. For the year ended 31 December 2021, the Group's average trade receivables turnover period was 87 days, which basically remained the same as 91 days for the corresponding period last year.

Trade payables turnover period

Trade payables turnover period is calculated on the basis of the average amount of trade payables as at the beginning and at the end of a relevant financial period divided by the cost of goods sold for the corresponding period and multiplied by 360 days. Credit periods granted by suppliers to the Group ranged from 0-180 days. For the year ended 31 December 2021, the Group's average trade payables turnover period was 65 days, representing a decrease of 8 days as compared with 73 days of the corresponding period last year.

Inventory and inventory turnover period

As at 31 December 2021, the Group's inventory balance amounted to RMB897,226,000, representing an increase of RMB42,480,000 as compared with the balance of RMB854,746,000 as at 31 December 2020. For the year ended 31 December 2021, the Group's inventory turnover period (calculated on the basis of the average amount of inventory balances as at the beginning and at the end of a relevant financial period divided by the total cost of goods sold for the corresponding period and multiplied by 360 days) was 199 days, decreased by 29 days as compared with 228 days of the corresponding period last year. The decrease of such ratio was mainly due to the effective management of inventory.

管理層討論及分析

融資活動

截至2021年12月31日止年度，本集團融資活動所用的現金淨額為人民幣672,724,000元，主要包括配售新股所得約人民幣1,763,888,000元、向本公司股東支付約人民幣394,705,000元之現金股息、向非控制性權益支付人民幣206,075,000元之現金股息、償還銀行貸款人民幣3,284,355,000元及新增銀行貸款人民幣1,557,156,000元。而截至2020年12月31日止年度，融資活動所用的現金淨額為人民幣1,031,641,000元。

應收賬周轉期

應收賬周轉期乃通過將有關財政年度之期初及期末經扣除撥備的應收貿易賬款平均金額除以相應期間的營業總額再乘以360天計算。本集團一般給予客戶約0至180日的信貸期，根據客戶業務量的大小和業務關係時間長短而定。截至2021年12月31日止年度，本集團的平均應收賬周轉期為87日，與去年同期的91日基本保持穩定。

應付賬周轉期

應付賬周轉期乃通過將有關財政年度之期初及期末的應付貿易賬款平均金額除以相應期間的銷售成本再乘以360天計算。供應商給予本集團的信貸期介乎0至180日。截至2021年12月31日止年度，本集團的平均應付賬周轉期為65日，比去年同期的73日下降了8天。

存貨和存貨周轉期

本集團的存貨結餘於2021年12月31日為人民幣897,226,000元，比2020年12月31日的人民幣854,746,000元，上升了人民幣42,480,000元。在截至2021年12月31日止年度，本集團的存貨周轉期（將有關財政年度之期初及期末的存貨平均結餘除以相應期間的銷售成本總額再乘以360天計算）為199日，與去年同期的228日下降了29天。該指標的下降，主要是本集團有效管理庫存所致。





Management Discussion and Analysis

Foreign exchange and exchange rate risk

The principal businesses of the Group are located in Mainland China and the majority of the sales revenue is denominated in RMB, with the exception of only a certain amount of imported raw materials and equipment which are denominated in foreign currency such as USD or EUR, etc.. The Group's bank deposits are mainly denominated in RMB, USD and HKD. Management concurs with the views of the People's Bank of China on the RMB exchange rate, that is, the RMB exchange rate has the capability to continuously remain basically stable within reasonable range of equilibrium.

Pledge of assets

During the year ended 31 December 2021, the Group's equity interest in Guangdong Jiahao Foodstuff Co., Ltd. and its land and buildings in Zhongshan China used as collateral for the secured bank loan had been released. Meanwhile, the secured bank loan was fully repaid by the Group as at 30 June 2021 and the related pledged equity interest in Jiahao Foodstuff Limited was formally released in July 2021. Apart from the above-mentioned, the Group had no pledged assets as at 31 December 2021.

Capital Commitments

As at 31 December 2021, the Group had capital commitments in respect of the purchase of property, plant and equipment, intangible assets, investments in a jointly controlled entity and financial assets at fair value through profit or loss, contracted for but not provided in the financial statements amounted to approximately RMB251,181,000 (31 December 2020: RMB177,040,000).

Contingent liabilities

According to the information available to the Board, the Group had no contingent liabilities as at 31 December 2021.

管理層討論及分析

外匯及匯率風險

本集團的主要業務均在中國，收入絕大部份業務都以人民幣結算，僅部份進口原料及設備以美元或歐元等外幣結算。本集團持有的銀行存款主要為人民幣、美元及港幣，管理層認同中國人民銀行對人民幣匯率的看法，即人民幣匯率有條件繼續在合理均衡水準上保持基本穩定。

資產抵押

在截至2021年12月31日止年度，廣東嘉豪食品有限公司之股權及其位於中國中山的土地及樓宇作為本集團有抵押貸款之抵押已經被解除。同時，本集團於2021年6月30日已經全數償還有抵押貸款，而有關的嘉豪食品有限公司的股權質押也於2021年7月正式被解除。除此以外，本集團於2021年12月31日沒有其他被抵押的資產。

資本承擔

於2021年12月31日，本集團就已訂約購買的物業、廠房及設備、無形資產、於共同控制實體之投資及以公允價值計量且其變動計入損益之金融資產之投資但並未於財務報表撥備的資本承擔約人民幣251,181,000元（2020年12月31日：人民幣177,040,000元）。

或然負債

根據可供董事會查閱的資料，本集團於2021年12月31日並無任何重大的或然負債。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷



Ms. CHU Lam Yiu
朱林瑤女士

EXECUTIVE DIRECTORS

Ms. CHU Lam Yiu, aged 52, the Chairlady of the Board, CEO, Executive Director and the Chairlady of Nomination Committee of the Company. Ms. Chu has been a member of the Board since March 2004. Ms. Chu is the mother of Mr. LAM Ka Yu (the Co-Chairman of the Board and an Executive Director of the Company) and Ms. LAM Ka Yan (an Executive Director and a member of the Nomination Committee of the Company). Ms. Chu is also a director of the Company's principal subsidiaries marked with "C1" as set out in Note 33 to the consolidated financial statements. Ms. Chu has extensive experience in formulating strategies and making executive decisions on business operation, investments and market development. She was a member of the Fourth and Fifth Chinese People's Political Consultative Conference Committee (Shenzhen, Guangdong Province). Ms. Chu, through the corporations controlled by her, is the beneficial owner of Company as set out on pages 91 to 92 of this annual report headed under Directors' Interests in Shares, Underlying Shares and Debentures.

執行董事

朱林瑤女士，52歲，本公司董事會主席、首席執行官、執行董事及提名委員會主席，自2004年3月起出任董事會成員。朱女士為林嘉宇先生（本公司董事會聯席主席及執行董事）及林嘉妍女士（本公司執行董事及提名委員會委員）之母。朱女士亦是載於綜合財務報表附註33內有「C1」符號之本公司主要附屬公司的董事。朱女士擁有企業營運、投資及市場拓展之策略制定及決策方面之豐富經驗。彼曾擔任中國人民政治協商會議廣東省深圳市第四及第五屆委員會委員。朱女士，透過受其控制的公司，實益擁有本公司股份，詳情已載於本年報第91至92頁標題為董事於股份、相關股份及債券之權益。

Mr. LAM Ka Yu, aged 29, the Co-Chairman of the Board and an Executive Director of the Company. Mr. Lam has been a member of the Board since November 2013. Mr. Lam is the son of Ms. CHU Lam Yiu (the Chairlady of the Board, CEO, Executive Director and Controlling Shareholder of the Company), and the brother of Ms. LAM Ka Yan (an Executive Director and a member of the Nomination Committee of the Company). Mr. Lam is also a director of the Company's principal subsidiaries marked with "L1" and the legal representative of those companies marked with "L2" as set out in Note 33 to the consolidated financial statements. Mr. Lam was educated in the United Kingdom and the United States of America. For corporate management experiences, Mr. Lam is currently a managing director and legal representative of a private company, which is engaged in e-commerce business in China. He previously served as a director and the general manager of a company which is engaged in advertising media business in China.

林嘉宇先生，29歲，本公司董事會聯席主席及執行董事，自2013年11月起出任董事會成員。林先生為朱林瑤女士（本公司董事會主席、首席執行官、執行董事及控股股東）的兒子並為林嘉妍女士（本公司執行董事及提名委員會委員）之胞兄。林先生亦是載於綜合財務報表附註33內分別有「L1」及「L2」符號之本公司主要附屬公司的董事及法定代表人。林先生於英國及美國接受教育。就企業管理經驗方面，林先生目前於一家主要在中國經營電子商務業務的私人公司擔任董事長及法定代表人，彼曾於一家在中國經營廣告傳媒業務的公司擔任董事及總經理職務。



Mr. LAM Ka Yu
林嘉宇先生



Biographical Details of Directors and Senior Management 董事及高級管理層履歷



Mr. XIA Liqun
夏利群先生

Mr. XIA Liqun, aged 55, an Executive Director, Vice Chairman, President and a member of the Remuneration Committee of the Company. Mr. Xia has been a member of the Board since September 2006. Mr. Xia is also a director of the Company's principal subsidiaries marked with "X1" and the legal representative of those companies marked with "X2" as set out in Note 33 to the consolidated financial statements. Mr. Xia holds a Bachelor's degree in economics and is a certified accountant, certified tax specialist and certified appraiser in China. Mr. Xia has over 20 years of financial and corporate management experience. He previously worked in domestic accounting firms in China and was a senior management member of a foreign invested enterprise in China. Mr. Xia is currently the honorary chairman of the Shanghai Food Additive & Batching Association.

夏利群先生，55歲，本公司執行董事、副主席、總裁及薪酬委員會委員，自2006年9月起出任董事會成員。夏先生亦是載於綜合財務報表附註33內分別有「X1」及「X2」符號之本公司主要附屬公司的董事及法定代表人。夏先生持有經濟學學士學位及中國註冊會計師、註冊稅務師及註冊評估師資格。夏先生擁有逾二十年財務及企業管理方面經驗。彼曾任職於中國內地會計師事務所和擔任中國之外商投資企業高層管理職位。夏先生現擔任上海市食品添加劑和配料行業協會名譽會長。

Mr. POON Chiu Kwok, aged 59, an Executive Director, Vice President and the Company Secretary of the Company. Mr. Poon has been a member of the Board since March 2004. Mr. Poon was awarded the postgraduate diploma in laws by the University of London. He holds a Bachelor's degree in laws, a Bachelor's degree in business studies and a Master's degree in international accounting. He is a fellow of CPA Australia Ltd., The Chartered Governance Institute, and The Hong Kong Chartered Governance Institute and a member of its Technical Consultation Panel, China Focus Group and a fellow member of the Hong Kong Securities and Investment Institute and its associate instructor. Mr. Poon has extensive experience and knowledge in areas of compliance, corporate finance and corporate governance of listed companies.

潘昭國先生，59歲，本公司執行董事、副總裁及公司秘書，自2004年3月起出任董事會成員。潘先生獲倫敦大學授予法學研究生文憑；擁有法學學士學位、商業學學士學位和國際會計學碩士學位。彼為澳洲會計師公會之資深註冊會計師、特許公司治理公會及香港公司治理公會資深會士，香港公司治理公會的技術諮詢小組、中國大陸關注組成員，彼亦是香港證券及投資學會資深會員及其特邀導師。潘先生於上市公司之合規、企業財務及治理方面擁有多年經驗。



Mr. POON Chiu Kwok
潘昭國先生

Biographical Details of Directors and Senior Management 董事及高級管理層履歷



Ms. LAM Ka Yan
林嘉妍女士

Ms. LAM Ka Yan, aged 24, an Executive Director and a member of the Nomination Committee of the Company. She has been a member of the Board since February 2022 where she is involved in the formulation and implementation of the Group's strategy and involved in the strategic direction and positioning of the Group's innovative businesses. Ms. Lam had joined the Group in July 2020 where she was engaged in the sales and marketing of the Group's condiment segment. Ms. Lam is the daughter of Ms. CHU Lam Yiu (the Chairlady of the Board, CEO, Executive Director and Controlling Shareholder of the Company), and the sister of Mr. LAM Ka Yu (the Co-chairman of the Board and an Executive Director of the Company). Ms. Lam obtained a bachelor's degree in economics from Columbia University (U.S.).

林嘉妍女士，24歲，本公司執行董事及提名委員會委員，自2022年2月起出任董事會成員，並參與本集團之戰略制訂和實施及參與本集團創新產業之戰略方向及定位。林女士於2020年7月加入本集團，當時參與本集團調味品板塊之銷售和營銷工作。林女士為朱林瑤女士（本公司董事會主席、首席執行官、執行董事及控股股東）的女兒並為林嘉宇先生（本公司董事會聯席主席及執行董事）之胞妹。林女士持有美國哥倫比亞大學之經濟學學士學位。

Ms. CHOY Man Har, aged 55, an Executive Director of the Company. She has been a member of the Board since February 2022. Ms. Choy joined the Group since 2006 and has held various positions within the Group. She has been the deputy chief financial officer of the Group since 2018 and was mainly responsible for the financial reporting and financial management of the Group. Ms. Choy has over 30 years of experience in accounting and financial management related disciplines. Before joining the Group, Ms. Choy worked in quasi-governmental organizations in Hong Kong. Ms. Choy holds a bachelor degree in Business Administration of the Chinese University of Hong Kong and is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom, a fellow member of the Hong Kong Institute of Certified Public Accountants, and a fellow member of The Chartered Governance Institute and The Hong Kong Chartered Governance Institute.

蔡文霞女士，55歲，本公司執行董事，自2022年2月起出任董事會成員。蔡女士自2006年加入本集團，曾於本集團擔任多個職務。2018年起任本集團副首席財務官，主要負責本集團的財務報告和財務管理工作。蔡女士擁有逾30年會計及財務管理相關經驗。加入本集團前，蔡女士曾在香港的半官方機構工作。蔡女士持有香港中文大學工商管理學士學位，為英國特許公認會計師公會資深會員、香港會計師公會資深會員、英國特許治理學會資深會員及香港公司治理公會資深會員。



Ms. CHOY Man Har
蔡文霞女士



Biographical Details of Directors and Senior Management 董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS



Mr. LEE Luk Shiu
李祿兆先生

Mr. LEE Luk Shiu, aged 64, an Independent Non-executive Director, the chairman of both of the Audit Committee and Remuneration Committee and a member of the Nomination Committee of the Company. Mr. Lee has been a member of the Board since May 2006. Mr. Lee is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Lee has over 30 years of experience in commercial accounting and corporate finance. Mr. Lee has principally engaged in corporate finance and regulatory aspects in the Hong Kong Stock Exchange. He was an assistant vice president of the Listing Division of the Hong Kong Stock Exchange, and his duties included regulating and monitoring the Hong Kong listed companies in relation to their compliance with the Listing Rules and processing new listing applications. He also served as a senior consultant of an investment bank for more than 5 years.

獨立非執行董事

李祿兆先生，64歲，本公司獨立非執行董事、審核委員會和薪酬委員會主席及提名委員會委員，自2006年5月起出任董事會成員。李先生為英國特許公認會計師公會資深會員及香港會計師公會會員。李先生在商業會計及企業融資方面擁有超過三十年經驗，曾主要從事香港聯交所之企業融資及監管事宜。李先生曾任職香港聯交所上市科助理副總監，其職責包括規管及監督香港上市公司有關遵守上市規則的情況及處理新上市申請之程序。彼亦曾擔任一間投資銀行的高級顧問逾五年時間。

Ms. MA Yunyan, aged 60, an Independent Non-executive Director and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Ms. Ma has been a member of the Board since September 2004. Ms. Ma graduated from the Law School of Peking University in 1984 and obtained qualification as a lawyer in China in 1986. She is the senior Partner of Shu Jin Law Firm. She is a member of the First ChiNext Listing Committee of the Shenzhen Stock Exchange (appointed in June 2020), and was a member of the Fourth, Eighth and Ninth Listing Committee of Shenzhen Stock Exchange. From August 2009 to August 2011, she was a member of the Growth Enterprises Board Public Offering Review Committee of China Securities Regulatory Committee. She has been dedicated to teaching and doing research in the Law School in relation to international commerce and investment aspects for 10 years. She has years of experience in the legal field in relation to the capital markets, including investment, merger and acquisition, issuance of securities, etc., and has lead-managed the issuance of shares and convertible bonds and major restructuring of numerous companies listed in PRC and Hong Kong.



Ms. MA Yunyan
麻雲燕女士

麻雲燕女士，60歲，本公司獨立非執行董事、審核委員會、薪酬委員會及提名委員會委員，自2004年9月起出任董事會成員。麻女士於1984年畢業於北京大學法律系，1986年於中國內地取得律師資格，為廣東信達律師事務所高級合夥人。彼於2020年6月獲聘任為深圳證券交易所第一屆創業板上市委員會委員，亦曾擔任深圳證券交易所第四屆、第八屆以及第九屆上市委員會委員。彼由2009年8月至2011年8月止擔任中國證券監督管理委員會創業版發行審核委員會委員。彼曾經從事國際商務與投資領域的法學教學、研究工作共十年時間。彼多年從事投資、收購合併、證券發行等資本市場的法律業務，曾主辦了多家於中國及香港上市之公司的股票、可換股債券發行以及重大重組。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷



Mr. Jonathan Jun YAN
Jonathan Jun YAN先生

Mr. Jonathan Jun YAN, aged 59, an Independent Non-executive Director and a member of each of the Audit Committee and Nomination Committee (appointed in February 2022) of the Company. Mr. Yan has been a member of the Board since May 2019. Mr. Yan graduated from University of Technology, Sydney with a Master of Management. Mr. Yan previously served as the Director of the MBA (Mandarin International) Education Centre of the University of Technology, Sydney from 1998 to 2000, the General Manager of Insearch Consulting (Shanghai) Ltd. from 2001 to 2005, the General Manager of Ecole Fashion Consulting (Beijing) Ltd. from 2006 to 2013 and the Director of Global Finance Development Education Center of PBC School of Finance, Tsinghua University from 2013 to 2020. Mr. Yan is the president of China Global Philanthropy Institute (CGPI) since September 2020.

Jonathan Jun YAN先生，59歲，本公司獨立非執行董事、審核委員會及提名委員會（於2022年2月獲委任）委員，自2019年5月起出任董事會成員。嚴先生畢業於悉尼科技大學，管理學碩士。嚴先生於1998年至2000年在悉尼科技大學商學院擔任中文國際MBA教育中心主任；於2001年至2005年任英世企諮詢（上海）有限公司總經理；於2006年至2013年任意國時尚管理諮詢（北京）有限公司總經理；於2013年至2020年任清華大學五道口金融學院全球金融發展教育中心主任並於2020年9月至今擔任深圳國際公益學院院長。

SENIOR MANAGEMENT

Ms. YUAN Xiaoqin, aged 53, a president of Huabao Flavours, joined the Group since August 2006. Ms. Yuan is also a director of the Company's principal subsidiaries marked with "YX1" and the legal representative of those companies marked with "YX2" as set out in Note 33 to the consolidated financial statements. Ms. Yuan holds an MBA degree and is a qualified engineer. Before joining the Group, Ms. Yuan served as an executive in a Hong Kong listed state-owned enterprise. She has over 20 years of experience in senior management position. Ms. Yuan is currently the deputy director of China Association of Fragrance Flavour and Cosmetic Industries, deputy director of China Association of Bakery & Confectionery Industry, chairman of the Food Additives and Ingredients Industry Association in Shanghai City and consultant of the Federation of Industry and Commerce in Chaoyang District, Shantou City. She was a representative of the People's Congress in Shantou City, Guangdong Province and a member of the National Committee of the Chinese People's Political Consultative Conference in Chaoyang District, Shantou City.

高級管理層

袁肖琴女士，53歲，華寶股份總裁，自2006年8月起加入本集團。袁女士亦是載於綜合財務報表附註33內分別有「YX1」和「YX2」符號之本公司主要附屬公司的董事及法定代表人。袁女士持有工商管理碩士學位及工程師資格。袁女士在加入本集團前，在一家香港上市的中國國有企業擔任管理職務，擁有超過二十年的高層行政經驗。袁女士現兼任中國香料香精化妝品工業協會副理事長、中國焙烤食品糖製品工業協會副理事長、上海市食品添加劑和配料行業協會會長、汕頭市潮陽區工商業聯合會顧問。彼曾擔任廣東省汕頭市人民代表大會代表及汕頭市潮陽區政協委員。



Ms. YUAN Xiaoqin
袁肖琴女士

Biographical Details of Directors and Senior Management 董事及高級管理層履歷



Mr. ZHAO Dexu
趙德旭先生

Mr. ZHAO Dexu, aged 45, a vice president of the Group, joined the Group since July 2020. Mr. Zhao is also a director of the Company's principal subsidiaries marked with "ZD1" and the legal representative of those companies marked with "ZD2" as set out in Note 33 to the consolidated financial statements. Mr. Zhao graduated with a Master's degree in Computer Science from The Brandenburg University of Technology Cottbus-Senftenberg in Germany and had previously worked in Germany. Mr. Zhao was selected as a member of China's "Thousand Talents Plan" (Xinjiang Project), as an "overseas high level talent" of Jiangsu Province and as a "high-end foreign talent" in Shanghai. He was presented the "2012 Best Value CIO Award" in 2012 and was named as one of China's digital transformation leader in 2018 and 2019. Since 2019, he also serves as the sixth batch of postgraduate advisor of Jiangsu Province and an industry professor of Jiangsu University. Before joining the Group, Mr. Zhao held executive position in large diversified organizations. He has extensive experiences in the fields of corporate management, strategic and information management.

趙德旭先生，45歲，集團副總裁，自2020年7月起加入本集團。趙先生亦是載於綜合財務報表附註33內分別有「ZD1」和「ZD2」符號之本公司主要附屬公司的董事及法定代表人。趙先生畢業於德國科特布斯勃蘭登堡工業大學，獲計算機科技學碩士學位，並曾在德國工作。趙先生曾入選中國「千人計劃」新疆項目、江蘇省海外高層次人才及上海市外籍高層次人才。趙先生於2012年獲選「2012年度最具價值CIO」並於2018年度及2019年度為中國數字化轉型領軍人物。由2019年起，趙先生同時兼任江蘇省第六批研究生導師類產業教授及江蘇大學產業教授。趙先生在加入本集團前，曾在多家大型多元化控股集團擔任高管職務。彼在企業管理、戰略與企業數字化轉型等領域擁有豐富經驗。

Mr. CHOY Man Fai, aged 58, a vice president of Huabao Flavours, joined the Group since August 2006, responsible for the technical aspect of marketing and sales of tobacco flavours. Mr. Choy is also a director of the Company's principal subsidiaries marked "FC1" as set out in Note 33 to the consolidated financial statements. He holds a diploma of applied chemical technology of Hong Kong Polytechnic University. Mr. Choy served as a marketing manager in a number of world renowned flavours and fragrances companies. Mr. Choy has over 20 years of experience in flavours and fragrances marketing and management.

蔡文輝先生，現年58歲，華寶股份副總裁，自2006年8月起加入本集團，負責煙用香精市場與銷售的技術工作。蔡先生亦是載於綜合財務報表附註33內有「FC1」符號之本公司主要附屬公司的董事。彼持有香港理工大學應用化學技術工藝專業文憑。蔡先生曾任職於多家國際知名香精香料公司市場銷售管理職位。蔡先生擁有超過二十年香精香料市場行銷及管理方面經驗。



Mr. CHOY Man Fai
蔡文輝先生

Biographical Details of Directors and Senior Management 董事及高級管理層履歷



Mr. Alan DAVIES
Alan DAVIES先生

Mr. Alan DAVIES, aged 74, the chief flavourist of Huabao Flavours and general manager of Aromascape Development Centre in Germany, joined the Group since February 2007. Mr. Davies is also a director of the Company's principal subsidiaries marked with "AD1" as set out in Note 33 to the consolidated financial statements. Mr. Davies holds a Higher National Diploma in food science of Grimsby College of Technology, United Kingdom. Mr. Davies served as a senior flavourist in charge of creation and applications in a number of world renowned flavours and fragrances companies and tobacco factory, including BBA, Carreras Rothmans, Dragoco and Symrise. Mr. Davies has over 35 years of experience in tobacco flavours.

Alan DAVIES先生，74歲，華寶股份首席調香師，德國Aromascape研發中心總經理，自2007年2月起加入本集團。Davies先生亦是載於綜合財務報表附註33內有「AD1」符號之本公司主要附屬公司的董事。Davies先生持有英國Grimsby College of Technology的食品科學高級國家文憑，亦曾任職多家國際知名的香精香料公司和煙廠，包括BBA、Carreras Rothmans、Dragoco及Symrise，期間擔任高級調香師及主管開發和應用，Davies先生擁有超過三十五年的煙用香精香料經驗。

Mr. REN Miao, aged 42, a vice president of Huabao Flavours, joined the Group since September 2016. Mr. Ren is also a director of the Company's principal subsidiaries marked with "RM1" as set out in Note 33 to the consolidated financial statements. Mr. Ren graduated from Taiyuan University of Technology with a bachelor's degree in Machinery Design, Manufacturing and Automation. Prior to joining the Group, Mr. Ren held several executive positions such as marketing director, vice president, etc. at various companies, and has extensive practical experience in marketing strategy management.

任淼先生，現年42歲，華寶股份副總裁，自2016年9月起加入本集團。任先生亦是載於綜合財務報表附註33內有「RM1」符號之本公司主要附屬公司的董事。任先生畢業於太原理工大學機械設計製造及其自動化專業，本科學歷。任先生在加入本集團前曾在多家企業擔任行銷總監、副總裁等高級。



Mr. REN Miao
任淼先生

Biographical Details of Directors and Senior Management 董事及高級管理層履歷



Mr. GAO Xu
高旭先生

Mr. GAO Xu, aged 38, the president of Tobacco Raw Materials Business Division and general manager of the Company's subsidiaries namely, Shanghai Huabao Biological Technology Co., Ltd., Guangdong Golden Leaf Technology Development Co., Ltd. ("Guangdong Jinye") and Hunan Jishou Minzu Materials Co., Ltd, joined the Group since April 2007. Mr. Gao is also a director of the Company's principal subsidiaries marked with "GX1" and the legal representative of those companies marked with "GX2" as set out in Note 33 to the consolidated financial statements. Mr. Gao holds a bachelor's degree in Food Science and Engineering from Nanjing University of Finance and Economics and a master's degree in Food Science from Jiangnan University. Since joining the Group in 2007, Mr. Gao has held different positions, namely technician of tobacco flavour market service center, deputy general manager of Yunnan Tianhong Flavor and Fragrance Co., Ltd., assistant to the chairman of Guangdong Jinye, vice president of Tobacco Raw Materials Business Division and president of Tobacco Raw Materials Business Division. He has extensive operational and managerial experience in tobacco raw materials.

高旭先生，現年38歲，本公司煙用原料事業部總裁，兼任本公司附屬公司上海華寶生物科技有限公司、廣東省金葉科技開發有限公司（「廣東金葉」）及湖南吉首市民族煙材有限公司總經理，自2007年4月起加入本集團。高先生亦是載於綜合財務報表附註33內分別有「GX1」和「GX2」符號之本公司主要附屬公司的董事及法定代表人。高先生畢業於南京財經大學食品科學與工程專業，獲工學學士學位，後就讀於江南大學食品科學專業，獲工學碩士學位。高先生自加入本集團以來，歷任煙用香精市場服務中心技術員，雲南天宏香精有限公司副總經理，廣東金葉董事長助理，煙用原料事業部副總裁，煙用原料事業部總裁等職務。高先生在煙用原料相關領域有豐富的經營管理經驗。

Ms. LI Xiaojun, aged 52, a vice president of Huabao Flavours, joined the Group since June 2000. Ms. Li is also a director of the Company's principal subsidiaries marked with "LX1" and the legal representative of those companies marked with "LX2" as set out in Note 33 to the consolidated financial statements. Ms. Li holds a bachelor's degree and is a qualified Intermediate Accountant. After joining the Group, Ms. Li served as a financial manager in the Group and presidents of several subsidiaries. Since August 2020, she is also the chairman of Xiamen Amber Daily Chemical Technology Co., Ltd. (a subsidiary of the Group listed on the National Equities Exchange and Quotations). Ms. Li has about 20 years of extensive experiences in the field of corporate management.

李小軍女士，52歲，華寶股份副總裁，自2000年6月起加入本集團。李女士亦是載於綜合財務報表附註33內分別有「LX1」和「LX2」符號之本公司主要附屬公司的董事及法定代表人。李女士擁有本科學歷及中級會計師資格。李女士加入本集團之後，歷任集團財務經理及下屬企業總經理。她亦由2020年8月至今擔任廈門琥珀日化科技股份有限公司（本集團下屬公司並於全國中小企業股份轉讓系統上市）董事長，在企業營運方面擁有逾二十年豐富經驗。



Ms. LI Xiaojun
李小軍女士

Corporate Governance Report

Corporate governance refers to the rules and incentives by which the management of a company is directed and controlled to maximize the profitability and long-term value of the firm for shareholders while taking into account the interest of other legitimate stakeholders (UK Cadbury Report 1992). The Board recognises the importance and benefits of good corporate governance practices and has adopted certain corporate governance and disclosure practices aiming at a high level of transparency and accountability. The Company is committed to continuously improving its corporate governance practices as part of its own corporate culture.

CORPORATE GOVERNANCE

Throughout the financial year ended 31 December 2021 (the "Financial Year"), the Company had complied with the code provisions in the CG Code and, where appropriate, adopted the recommended best practice as set out in the CG Code, except for code provisions A.2.1 and A.4.1:

Code provision A.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. CHU Lam Yiu ("Ms. Chu"), Chairlady of the Board and Executive Director of the Company, took up the position of CEO since 9 April 2013. As the Board meets regularly to consider matters relating to business operations of the Group, the Board is of the view that the above arrangement will not impair the balance of power and authority of the Board and the executive management. The effectiveness of corporate planning and implementation of corporate strategies and decisions will generally not be affected.

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term and subject to re-election. The INEDs of the Company were not appointed for a specific term as they are subject to retirement by rotation no later than the third annual general meeting of the Company since their last appointment or re-election and are eligible for re-election in accordance with the Company's bye-laws. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those set out in the CG Code.

Enhancing corporate governance is not simply a matter of applying and complying with the CG Code but about promoting and developing an ethical and healthy corporate culture. The Directors will continue to review and, where appropriate, improve the standard operations of the Company on the basis of the experience and regulatory changes to enhance the confidence of the Shareholders, and to safeguard Shareholders' interest for assuring healthy business developments.

企業管治報告

企業管治乃引導及監控公司管理層之規則及動力，以為股東取得已兼顧其他合法持份者之權益的最大企業盈利及長期價值(英國Cadbury報告1992)。董事會重視良好企業管治常規之重要性及益處，並已採納若干企業管治及披露常規，力求提高透明度及問責水平。本公司將不斷致力於提升企業管治作為本身企業文化之一部份。

企業管治

於截至2021年12月31日止財政年度(「本財政年度」)整年內，本公司已遵守企業管治守則之守則條文，並在適當的情況下採納企業管治守則所載之建議最佳常規，惟守則條文第A.2.1條及第A.4.1條除外：

守則條文第A.2.1條規定，主席與行政總裁的角色應有區分，且不應由一人同時兼任。儘管本公司董事會主席兼執行董事朱林瑤女士(「朱女士」)自2013年4月9日起兼任首席執行官職務，惟董事會定期舉行會議討論有關本集團業務營運的事項，故董事會認為有關安排將不會削弱董事會與執行管理層之間之權責平衡，公司的規劃、策略的執行及決策的效率大致上將不會受到影響。

守則條文第A.4.1條規定，非執行董事之委任須有指定任期，並須接受重新選舉。本公司之獨立非執行董事並無指定任期，但須根據本公司之公司細則於其上次獲委任或重選後不遲於本公司隨後舉行之第三屆股東週年大會上輪值告退，並符合資格膺選連任。因此，本公司認為已採取充分措施，以確保本公司企業管治常規不比企業管治守則所載之規定寬鬆。

提升企業管治水平並非僅為應用及遵守企業管治守則，乃為推動及發展具道德與健全的企業文化。為保證業務健康發展，董事將按經驗及監管條例之變動，持續檢討並在適當的情況下提升本公司之規範運作，以加強股東信心和保障股東利益。





Corporate Governance Report

Changes in Information in respect of Directors

In accordance with Rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) between 20 August 2021 (being the date of approval of the Company's 2021 interim report) and 25 March 2022 (being the date of approval of this annual report) are set out below:

1. Mr. WU Chi Keung ceased to be an independent non-executive director of the Company with effect from 30 September 2021;
2. Ms. MA Yunyan was appointed as a member of the Nomination Committee with effect from 30 September 2021; and
3. Mr. POON Chiu Kwok ceased to be an independent non-executive director of Honghua Group Limited with effect from 1 December 2021;
4. Ms. LAM Ka Yan was appointed as an executive director of the Company and as a member of the Nomination Committee with effect from 14 February 2022;
5. Ms. CHOY Man Har was appointed as an executive director of the Company with effect from 14 February 2022; and
6. Mr. Jonathan Jun YAN was appointed as a member of the Nomination Committee with effect from 14 February 2022.

THE BOARD

Board Composition

The Company has a well-balanced Board. As of date of this report, the Board comprises six Executive Directors and three INEDs. The members of the Board are as follows:

Executive Directors

Ms. CHU Lam Yiu (Chairlady and CEO)
Mr. LAM Ka Yu (Co-Chairman)
Mr. XIA Liqun (Vice Chairman and President)
Mr. POON Chiu Kwok (Vice President and Company Secretary)
Ms. LAM Ka Yan
Ms. CHOY Man Har

Independent Non-executive Directors

Mr. LEE Luk Shiu
Ms. MA Yunyan
Mr. Jonathan Jun YAN

企業管治報告

董事資料更新

根據上市規則第13.51B(1)條，按照第13.51(2)條(a)至(e)及(g)段要求，於2021年8月20日（為通過本公司2021年之中期報告當日）至2022年3月25日（為通過本年報當日）期間，本公司的董事資料變動載列如下：

1. 胡志強先生不再擔任本公司獨立非執行董事，自2021年9月30日起生效；
2. 麻雲燕女士獲委任為本公司提名委員會委員，自2021年9月30日起生效；
3. 潘昭國先生不再擔任宏華集團有限公司獨立非執行董事，自2021年12月1日起生效；
4. 林嘉妍女士獲委任為本公司執行董事及提名委員會委員，自2022年2月14日起生效；
5. 蔡文霞女士獲委任為本公司執行董事，自2022年2月14日起生效；及
6. Jonathan Jun YAN先生獲委任為本公司提名委員會委員，自2022年2月14日起生效。

董事會

董事會成員

本公司有一個均衡的董事會。於本報告日期，董事會由六名執行董事及三名獨立非執行董事組成。董事會成員如下：

執行董事

朱林瑤女士（主席兼首席執行官）
林嘉宇先生（聯席主席）
夏利群先生（副主席兼總裁）
潘昭國先生（副總裁兼公司秘書）
林嘉妍女士
蔡文霞女士

獨立非執行董事

李祿兆先生
麻雲燕女士
Jonathan Jun YAN先生

Corporate Governance Report

There is no relationship (including financial, business, family or other material relationship) between any members of the Board, except for Ms. Chu being the mother of both Mr. LAM Ka Yu and Ms. LAM Ka Yan (all are Executive Directors of the Company). Biographies of the Directors are set out on pages 41 to 45 of this annual report. The present Board has experience, expertise, and qualifications in aspects of production and operation, management, accounting and finance, legal and regulatory both in Hong Kong and China. One out of three INEDs possesses recognised professional qualification in accounting. The INEDs bring independent judgment, professional knowledge and experience appropriate for the Board's deliberations. All Directors have relevant qualifications in relevant field of expertise and have exhibited personal and professional ethics and integrity. The diversity of experiences and backgrounds enable the Board to enhance better corporate governance and performance standard and to bring in valuable contributions and objective advice for the development of the Group's businesses.

During the Financial Year, the Board met the requirements of the Listing Rules relating to the appointment of independent non-executive directors representing at least one-third of the Board, with at least one independent non-executive director possessing appropriate qualification, or accounting or related financial management expertise (in compliance with Rule 3.10 of the Listing Rules). During the Financial Year, two of the INEDs, Mr. LEE Luk Shiu ("Mr. Lee") and Mr. WU Chi Keung ("Mr. Wu"), both retired by rotation and, each being eligible, offered themselves for re-election at the AGM held on 18 May 2021.

Mr. Lee joined the Company since May 2006 and has been serving as an INED for more than nine years. Mr. Lee is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Lee has over 30 years of experience in commercial accounting and corporate finance. Throughout Mr. Lee's directorship with the Company, Mr. Lee has participated in numerous Board meetings to give impartial advice and exercise independent judgement, served on various committees of the Board, but has not engaged in any executive or management role in the Company. Taking into consideration of his independent scope of work in the past, the Board (including the INEDs other than Mr. Lee) considered that the long service of Mr. Lee would not affect his exercise of independent judgement and was satisfied that Mr. Lee has the required character, integrity and experience to continue fulfilling the role of an INED.

企業管治報告

董事會成員之間並無任何關係(包括財務、業務、家屬或其他重大關係),除了朱女士為林嘉宇先生及林嘉妍女士(均為本公司執行董事)的母親。董事履歷載於本年報第41至45頁。現時之董事會於生產營運、管理、會計及金融、法律以及香港和中國規管方面具有經驗、專長及資格。三名獨立非執行董事當中一名擁有認可的會計專業資格。獨立非執行董事為董事會議事提供適當專業的知識、經驗及獨立判斷。所有董事在其專業範圍內擁有相關資歷,並顯示了個人專業操守和誠信。董事會的多元化經驗及背景可提升良好企業管治表現及標準,並為本集團業務發展帶來寶貴貢獻及客觀建議。

於本財政年度內,董事會符合上市規則有關委任佔董事會成員人數至少三分之一的獨立非執行董事,並且其中至少一名獨立非執行董事須具備適當的專業資格,或具備相關適當的會計或相關的財務管理專長之規定(遵守上市規則第3.10條的規定)。於本財政年度內,其中兩位獨立非執行董事,李祿兆先生(「李先生」)及胡志強先生(「胡先生」),於2021年5月18日舉行的股東週年大會上輪值告退,惟彼等符合資格,並願膺選連任。

李先生於2006年5月份加入本公司,擔任獨立非執行董事已經超過九年。李先生為英國特許公認會計師公會資深會員及香港會計師公會會員,李先生於商業會計及企業融資方面擁有超過三十年經驗。於擔任本公司董事職務期間,李先生參與董事會會議,給予中肯建議及作出獨立判斷,並於不同的董事會委員會任職,惟從未參與本公司任何執行管理事務。考慮到彼於過往年度之獨立工作範疇,董事會(包括獨立非執行董事,李先生除外)認為李先生之長期服務不會影響其作出獨立判斷,並信納李先生具備繼續履行獨立非執行董事之角色所需品格,誠信及經驗。





Corporate Governance Report

Mr. Wu joined the Company since August 2013. Should Mr. Wu be re-elected as director of the Company at the 2021 AGM, Mr. Wu would have been serving as the independent non-executive Director of the Company for more than nine years. Mr. Wu is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and an associate of the Hong Kong Institute of Certified Public Accountants. Mr. Wu has over 30 years of experience in financial audit, corporate restructuring and merger and acquisitions. Throughout Mr. Wu's directorship with the Company, Mr. Wu has participated in numerous Board meetings to give impartial advice and exercise independent judgement, served on various committees of the Board, but has not engaged in any executive or management role in the Company. Taking into consideration of his independent scope of work in the past, the Board (including the INEDs other than Mr. Wu) considered that the long service of Mr. Wu would not affect his exercise of independent judgement and was satisfied that Mr. Wu has the required character, integrity and experience to continue fulfilling the role of an INED.

As such, the Board (including the INEDs other than Mr. Lee or, where appropriate, Mr. Wu), considered Mr. Lee and Mr. Wu to be independent under the Listing Rules despite the length of each of their service. The Board (including the INEDs other than Mr. Lee or, where appropriate, Mr. Wu) believes that the continued tenure of Mr. Lee and Mr. Wu would bring considerable stability to the Board and that Mr. Lee's and Mr. Wu's understanding of the Company's operations and business, their compliance experiences, and their continuous participation in professional development training to update each of their professional knowledge will enable them to continue to contribute new perspectives as well as impartial and independent views to the Board.

The Company has complied with the code provision A.4.3 of the CG Code that the election of each of Mr. Lee and Mr. Wu as INEDs was subject to separate resolutions. Mr. Wu resigned as an independent non-executive Director on 30 September 2021.

The Company has received, from each of the INEDs, an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all the INEDs are considered to be independent pursuant to the Listing Rules.

企業管治報告

胡先生於2013年8月份加入本公司。如果胡先生在2021年的股東週年大會上的董事重選成功連任，則他在本公司擔任獨立非執行董事職務將超過九年。胡先生為英國特許公認會計師公會資深會員及香港會計師公會會員，於財務審計、企業重組及收購合併方面擁有超過三十年經驗。於擔任本公司董事職務期間，胡先生參與董事會會議，給予中肯建議及作出獨立判斷，並於不同的董事會委員會任職，惟從未參與本公司任何執行或管理事務。考慮到彼於過往之獨立工作範疇，董事會（包括獨立非執行董事，胡先生除外）認為胡先生之長期服務不會影響其作出獨立判斷。董事會信納胡先生具備繼續履行獨立非執行董事之角色所需品格、誠信及經驗。

因此，根據上市規則，董事會（包括獨立非執行董事，李先生或胡先生（如適用）除外）仍認為李先生及胡先生為獨立人士，儘管彼等在本公司長期服務。董事會（包括獨立非執行董事，李先生或胡先生（如適用）除外）相信，李先生及胡先生繼續任職，將為董事會整體帶來相當的穩定性，而李先生及胡先生對本公司營運及業務的經驗、彼等的合規經驗、其不斷參與專業後續培訓更新專業知識，有利於其繼續為董事會貢獻新的視角及獨立的意見。

本公司已遵守企業管治守則條文第A.4.3條規定，以獨立決議案形式分別重選李先生及胡先生為獨立非執行董事。胡先生於2021年9月30日辭任本公司獨立非執行董事。

根據上市規則第3.13條，本公司已獲得各獨立非執行董事之年度獨立性確認書。董事會已評估彼等之獨立性，並認為全體獨立非執行董事根據上市規則均被視為獨立。

Corporate Governance Report

Chairlady and Chief Executive Officer

Ms. Chu is the Chairlady of the Board (responsible for the management of Board's operation and development of the Group's strategic planning) and Executive Director of the Company. She took up the position of CEO (responsible for important management and business decisions making of the Group) since 9 April 2013. Ms. Chu has extensive experience in business operation and strategic planning. The Board believes that Ms. Chu, by taking up the roles of the Chairlady and CEO concurrently, is beneficial to the business development and management of the Group.

Mr. XIA Liqun as Vice Chairman and President, is responsible for the daily operational management of the Group and reports to the CEO directly. With the support of Mr. XIA Liqun as the Vice Chairman and President, Mr. POON Chiu Kwok as the Vice President and Company Secretary, the Chairlady shall ensure that all Directors are properly briefed on issues arising at board meetings and receive adequate, complete, reliable and timely information for making decisions. Apart from the above, the Chairlady is also responsible for the duties as specified in code provisions A.2.4 to A.2.9 of the CG Code.

Roles and Responsibilities of Directors

The primary objective of the Board is to maximize the profitability of the Company and to safeguard and enhance long-term value of the Company for the Shareholders. To this end, the Board assumes the responsibilities for leadership and control of the Company and oversees the businesses, strategic development direction, financial performance and corporate governance of the Group. All new board members have been given information on the general business background and policy of the Company on joining the Board. All Directors have been provided with regular trainings by external experienced lawyers to update and refresh the applicable legal and other regulatory requirements and enhance the knowledge and skills required by directors to perform their duties.

The Board, led by the Chairlady, is collectively responsible for formulating and approving the business strategies of the Company, setting objectives for management, overseeing its performance and assessing the effectiveness of management strategies. The Executive Directors are responsible for the day-to-day management of the Company's operations and conduct meetings with senior management of the Group at which operational issues and financial performance are evaluated.

企業管治報告

主席與首席執行官

朱女士為本公司董事會主席(負責領導董事會的運作及本集團的戰略規劃)兼執行董事,彼自2013年4月9日起兼任首席執行官(負責本集團重大管理及業務決策)職務。朱女士於企業營運和策略規劃方面具有豐富經驗,董事會相信朱女士同時出任主席及首席執行官之職,有利於本集團的業務發展及管理。

夏利群先生兼任副主席及總裁,負責本集團日常營運管理工作,並直接向首席執行官匯報。主席在副主席兼總裁夏利群先生、副總裁兼公司秘書潘昭國先生的支持下,須確保所有董事就於董事會會議提出的事項得到適當說明,並獲得充足完整、可靠和及時的資料以作出決策。除上述外,主席亦負責企業管治守則條文第A.2.4至A.2.9條指定之職務。

董事的角色和責任

董事會之主要目的乃為股東創造本公司最大利潤,提高和保護其長期價值。為此,董事會負有領導和控制本公司,監察本集團業務及策略發展方向、財務表現和企業管治的責任。所有加入董事會的新成員均獲有關本公司一般業務背景和政策之資料。全體董事均獲經驗豐富的外聘律師提供定期培訓,以更新適用法規及監管規定要求和增進董事履行職責時所需的知識技能。

在主席領導下,董事會集體負責制定審批公司的業務策略、為管理層設立目標、監督業務表現和評估管理策略的有效性。執行董事負責公司日常業務管理,彼等與集團的高級管理人員開會,評估各項業務運作及財務表現。





Corporate Governance Report

The Bye-laws set out the responsibilities and proceedings of the Board. Significant operational policies have to be discussed and approved by the Board. To enable the Directors to meet their obligations, an appropriate organizational structure is in place with clearly defined responsibilities and limits of authority. The Company has arranged appropriate insurance cover for the Directors and senior management of the Company in respect of legal action that may be brought against them in the course of execution of their duties in good faith.

Board Meetings

The Board conducts scheduled board meetings on a quarterly basis to discuss strategies and business issues, including financial performance of the Group. Details of attendance of the Directors at the physical meetings are set out on page 71 of this annual report.

Notices of board meeting are given to each member of the Board at least 14 days prior to the meeting, whereby the Director can put forward his/her proposed items into the agenda. The agenda and the relevant board papers are then circulated to the Directors at least 3 days before a board meeting is convened to enable them to make informed decisions at the meeting.

Drafts of the board minutes and board committee meeting minutes are circulated to all Directors and the relevant board committee members respectively for their review and comments before finalization. The final version of such minutes will be kept by the Company Secretary and are open for inspection by the Directors and committee members. If a Director has an interest in a matter to be considered at a board meeting, the Board will ensure that an adequate number of independent directors are involved in the consideration of the relevant resolutions, and the relevant director(s) having an interest in the matter will abstain from voting.

Every Director is entitled to have access to Board papers and relevant materials and have unrestricted access to advice and services of the Company Secretary/Legal Department and Compliance Department of the Company with a view to ensuring that board procedures and all applicable rules and regulations are followed. Directors are able to seek independent professional advice as and when required at the Company's expense. INEDs are encouraged to take an active role in board meetings and serve on the sub-board committees.

During the Financial Year, the Chairlady has held a meeting with the INEDs without the presence of other Directors.

企業管治報告

公司細則載有關於董事會責任及議事程序的條文。重大業務政策均須經董事會討論和審批。為確保董事履行職責，公司設有適當的組織架構和清晰的責任和權限。本公司已就董事及本公司之高級管理層，在真誠善意地執行職責時可能招致任何法律訴訟，為彼等安排適當保險保障。

董事會會議

董事會每季舉行預定的董事會會議，討論政策和業務事宜，包括本集團財務表現。董事出席會議的紀錄載於本年報第71頁。

本公司會在會議舉行前最少十四日向各董事會成員派發董事會會議通告，而董事可將其建議項目加入會議議程。會議議程及有關會議文件會在董事會會議舉行前最少三日供董事傳閱，以便彼等在會上作出知情決定。

董事會及董事委員會會議紀錄的初稿於定稿前，分別會提交董事及有關董事委員會成員審閱和表達意見，會議紀錄最後版本由公司秘書保管，可供所有董事及委員會委員查閱。如個別董事在董事會會議擬考慮的事項中存有利益，該(等)董事需放棄投票，董事會將確保有足夠的獨立董事參與會議並作出決策。

各董事均有權查閱董事會文件及有關資料，以及不受限制地取得公司秘書／本公司法務部及合規部的意見及服務，確保董事會程序及所有適用規則及規例均獲得遵守。董事亦可在有需要時徵求獨立專業意見，有關費用由本公司支付。本公司鼓勵獨立非執行董事積極參與董事會會議，並擔任董事會轄下委員會委員。

於本財政年度內，主席已與獨立非執行董事舉行一次沒有其他董事出席的會議。

Corporate Governance Report

Directors' Appointment and Re-election

Although all the Directors were not appointed for a specific term, every Director shall, in accordance with bye-law 87 of the Bye-laws, retire from office by rotation no later than the third annual general meeting of the Company since their last appointment or re-election and are eligible for re-election.

Directors' Interests and Securities Transactions

The Company has adopted the Model Code as the code of conduct regarding dealing in the securities of the Company by the Directors. Having made specific enquiries of all Directors, the Company has received their written confirmations that they have complied with the required standard as set out in the Model Code throughout the Financial Year. Full details of the Directors' interests in the Shares are set out on pages 91 to 92 of this annual report.

Delegation of Directors

The Board may from time to time delegate all or any of its powers that it may think fit to a director or member of senior management of the Company. The Board has formulated specific rules and policies on such delegation of power to facilitate efficient operation of the Company and is supported by three committees which are the Remuneration Committee, Audit Committee and Nomination Committee.

BOARD COMMITTEES

The Company has maintained the Remuneration Committee, Audit Committee and Nomination Committee. Each of these committees has specific written terms of reference which deal clearly with their authority and duties. The chairman of the committees will report their findings and make recommendations to the Board after each meeting.

Remuneration Committee

On 30 September 2021, Mr. WU Chi Keung resigned as an independent non-executive Director and ceased to be a member of the Remuneration Committee. As of the date of this report, the Remuneration Committee consists of two INEDs, namely Mr. LEE Luk Shiu (the chairman of Remuneration Committee) and Ms. MA Yunyan, and one Executive Director, Mr. XIA Liqun.

企業管治報告

董事之委任和重選

雖然所有董事的委任均沒有指定任期，根據公司細則第87條，所有董事須於其上次獲委任或重選後不超過第三屆本公司股東週年大會上輪值告退，並符合資格膺選連任。

董事權益和進行證券交易

本公司已採納標準守則，作為董事進行本公司證券交易的操守準則。經向全體董事作出特定查詢後，本公司已收到全體董事書面確認彼等在本財政年度整年內均已遵守標準守則所規定之標準。董事權益詳情載列於本年報第91至92頁。

董事權力轉授

董事會亦可不時將其所有或任何權力轉授予其認為適當的本公司董事或高級管理層成員。董事會在薪酬委員會、審核委員會及提名委員會三個委員會支持下就有關授權制定清晰明確的規則及政策，使本公司更有效地營運。

董事委員會

本公司設有薪酬委員會、審核委員會和提名委員會。各委員會已訂明書面職權範圍，清晰確定其責任和授權。委員會主席在每次會議後向董事會匯報和作出建議。

薪酬委員會

於2021年9月30日，胡志強先生辭任本公司獨立非執行董事並不再擔任薪酬委員會委員。於本報告日期，薪酬委員會由三名獨立非執行董事，即李祿兆先生（為薪酬委員會主席）和麻雲燕女士，連同一名執行董事夏利群先生組成。





Corporate Governance Report

The Remuneration Committee's responsibilities include making recommendations for approval by the Board with respect to matters relating to the remuneration of Executive Directors and senior management. In discharging its responsibilities, the Remuneration Committee has performed the following works:

- To review and make recommendations on the Company's policies and structure for the remuneration of the Executive Directors and senior management;
- To evaluate remuneration packages of the Executive Directors by reference to market conditions, performance of the Group and the individual and corporate goals and objectives as set by the Board from time to time, and make recommendations on the remuneration of the INEDs for the Board's approval; and
- To review and evaluate the Company's share option scheme (if any).

The terms of reference of the Remuneration Committee was published on the Company's website at www.huabao.com.hk and on the Hong Kong Stock Exchange's website at www.hkexnews.hk.

Directors will abstain from voting in determining their own remuneration packages. During the Financial Year, the Remuneration Committee met once to, among other things, review the emolument packages of the Directors and senior management. The individual attendance of Remuneration Committee members at meetings is set out on page 71 of this annual report. Details of the emolument of the Directors are set out in Note 35 to the consolidated financial statements while details of the Share Option Scheme to the Directors and senior management are set out on pages 83 to 85 of this annual report.

Audit Committee

On 30 September 2021, Mr. WU Chi Keung resigned as an independent non-executive Director and ceased to be a member of the Audit Committee. As of the date of this report, the Audit Committee comprises three INEDs, namely Mr. LEE Luk Shiu (the chairman of Audit Committee), Ms. MA Yunyan and Mr. Jonathan Jun YAN.

企業管治報告

薪酬委員會之主要職責包括就有關執行董事及高級管理層的薪金事宜向董事會作出推薦意見，以備董事會通過。為履行其職責，薪酬委員會已進行下列工作：

- 檢閱本公司之執行董事及高級管理層之薪酬政策及架構並作出推薦意見；
- 參考市場水平、本集團業務表現及董事會不時訂立之個別及企業目標及目的，評估執行董事之薪酬組合，並就獨立非執行董事之薪酬作出推薦意見以備董事會通過；及
- 審閱及評估本公司之購股權計劃（如有）。

薪酬委員會的職權範圍已刊登於本公司網站www.huabao.com.hk和香港聯交所網站www.hkexnews.hk。

董事須就釐定彼等薪酬組合時放棄投票。於本財政年度內，薪酬委員會就（其中包括）審閱本公司董事和高級管理層的薪酬組合召開一次會議。各薪酬委員會委員出席會議的紀錄載於本年報第71頁。董事之薪金詳情載於綜合財務報表附註35，而購股權計劃詳情亦載於本年報第83至85頁。

審核委員會

於2021年9月30日，胡志強先生辭任本公司獨立非執行董事並不再擔任審核委員會委員。於本報告日期，審核委員會由三名獨立非執行董事，即李祿兆先生（為審核委員會主席）、麻雲燕女士和Jonathan Jun YAN先生組成。

Corporate Governance Report

The principal responsibilities of the Audit Committee include assisting the Board in maintaining a high standard of corporate governance, developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board, particularly by providing independent review of the effectiveness of the Company's financial reporting process and material internal controls, including financial, operational, compliance and risk management controls and, to maintain good and independent communications with the management as well as auditors of the Company. The Audit Committee is also responsible for performing the corporate governance duties set out in the terms of reference under code provision D.3.1 of the CG Code as delegated by the Board. In discharging its responsibilities, the Audit Committee has performed the following work:

- To review the financial budget and planning including the annual and interim financial statements and results announcements during the financial year/for the reporting period;
- To discuss with the external auditors and the management on possible accounting risks;
- To review the effectiveness of the Group's financial controls, corporate governance, internal controls and risk management systems;
- To review the sufficiency of manpower, resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions;
- To approve the audit fees and terms of engagement of the external auditors;
- To review the independence of the external auditors and make recommendations to the Board on the re-appointment of the external auditors; and
- To review and monitor the Company's policies and practices on compliance with corporate governance and other legal and regulatory requirements, and to report to the Board on their decisions or recommendation.

The terms of reference of Audit Committee was published on the Company's website at www.huabao.com.hk and on the Hong Kong Stock Exchange's website at www.hkexnews.hk.

企業管治報告

審核委員會主要職責為協助董事會維持高水平企業管治，制定及檢討本公司的企業管治政策及常規，並向董事會提出建議，尤其是就本公司的財務匯報流程之有效性和重大內部監控包括財務、運作、合規和風險控制提供獨立意見，以及與本公司管理層及核數師保持良好及獨立的溝通。審核委員會已獲董事會授權，負責履行載列於職權範圍內有關企業管治守則條文第D.3.1條之職能。履行其職責時，審核委員會已進行下列工作：

- 審閱財政年度／報告期內之財務預算及籌資計劃，包括全年及中期財務報表及業績公佈；
- 與外聘核數師及管理層就潛在會計風險作出討論；
- 檢討本集團之財務監控、企業管治、內部監控及風險管理系統之有效性；
- 檢討處理會計、內部審核及財務匯報職能方面的人手、資源、員工資歷經驗及接受的培訓課程及有關預算是否充足；
- 批准外聘核數師之核數費用及委任任期；
- 審閱外聘核數師之獨立性及就續任外聘核數師向董事會作出推薦意見；及
- 檢討及監察本公司在遵守企業管治及其他法律及監管規定方面的政策及常規，並向董事會匯報其決定或建議。

審核委員會的職權範圍已刊登於本公司網站www.huabao.com.hk和香港聯交所網站www.hkexnews.hk。





Corporate Governance Report

The Audit Committee meets regularly with the Company's external auditors to discuss accounting issues, and reviews the effectiveness of risk management and internal control systems. During the Financial Year, the Audit Committee met twice to, among other things, review the financial reports for 2020 audited annual results and 2021 interim results (including the Company's compliance with the CG Code and the contents disclosed in the Corporate Governance Report) and the effectiveness of the Group's risk management and internal controls system. The individual attendance of Audit Committee members at meetings is set out on page 71 of this annual report. Members of the Audit Committee were satisfied with the Company's risk management and internal control systems and the financial reporting disclosures.

The Audit Committee of the Company has reviewed the Group's audited annual results for the Financial Year.

Nomination Committee

On 30 September 2021, Mr. WU Chi Keung resigned as an independent non-executive Director and ceased to be a member of the Nomination Committee and Ms. Ma Yunyan was appointed as a member of the Nomination Committee. On 14 February 2022, Ms. Lam Ka Yan and Mr. Jonathan Jun Yan were appointed as members of the Nomination Committee. As of the date of this report, the Nomination Committee comprises two Executive Directors, namely Ms. CHU Lam Yiu (the Chairlady of Nomination Committee) and Ms. Lam Ka Yan and three INEDs, namely Mr. LEE Luk Shiu, Ms. MA Yunyan and Mr. Jonathan Jun YAN.

The principal responsibilities of the Nomination Committee include formulating nomination policy for the Board's consideration and implementing the Board's approved nomination policy, considering the development targets and strategies of the Company and the skills mix needed in respect of the Board, and making recommendations to the Board on the appointment of directors and succession planning for directors. In discharging its responsibilities, the Nomination Committee has performed the following work:

企業管治報告

審核委員會與公司的外聘核數師定期開會討論會計問題，並檢討風險管理及內部監控系統之有效性。於本財政年度內，審核委員會舉行兩次會議（其中包括）以審閱2020年度之經審核全年業績及2021年度之中期業績（包括本公司遵守企業管治守則情況和於企業管治報告中披露的內容）以及檢討本集團之風險管理及內部監控系統之有效性。各審核委員會委員出席會議的紀錄載於本年報第71頁。審核委員會委員對本公司之風險管理及內部監控系統和財務報告的披露表示滿意。

本公司審核委員會已審閱本集團本財政年度之經審核全年業績。

提名委員會

於2021年9月30日，胡志強先生辭任本公司獨立非執行董事並不再擔任提名委員會委員而麻雲燕女士獲委任為提名委員會委員。於2022年2月14日，林嘉妍女士及Jonathan Jun YAN先生獲委任為提名委員會委員。於本報告日期，提名委員會由二名執行董事，即朱林瑤女士（為提名委員會主席）和林嘉妍女士和三名獨立非執行董事，即李祿兆先生、麻雲燕女士和Jonathan Jun YAN先生組成。

提名委員會之主要職責為制定提名政策供董事會考慮，並執行經董事會批准的提名政策，考慮公司發展目標策略和董事會所需的技能組合，以及就董事委任和董事的繼任計劃向董事會提出建議。履行其職責時，提名委員會已進行下列工作：

Corporate Governance Report

- To review the structure, size and composition of the Board and diversity of Board members, and make any proposed changes to the Board according to the Company's corporate strategy;
- To identify individuals suitably qualified to become board members and select or make recommendations to the board on the selection of individuals nominated for directorships;
- To consider the development targets and strategies of the Company and the skills mix needed in respect of the Board, and make recommendations to the Board;
- To assess the independence of INEDs and review the INEDs' annual confirmations on their independence; and make disclosure of its review results in the Corporate Governance Report; and
- To make recommendations to the Board on the appointment or re-appointment of directors.

The terms of reference of the Nomination Committee was published on the Company's website at www.huabao.com.hk and on the Hong Kong Stock Exchange's website at www.hkexnews.hk.

Board Diversity Policy

The Company adopted a board diversity policy in September 2013 (the "Policy") which sets out the approach to achieve diversity on the board by considering a number of factors and measurable objectives, including without limitation, gender, age, cultural and educational background, professional skills, knowledge, experience and length of service, in order to maintain an appropriate range and balance of talents, skills, experience and background of the Board. Appointments of Board members shall be based on merit, and candidates will be assessed based on objective criteria. The Company will also take into account factors based on its own business model and specific needs from time to time. The Nomination Committee will monitor the implementation of the Policy, review the Policy from time to time, and report to the Board on their decisions or propose recommendations on any amendments for the Board's review and approval, in order to ensure the effectiveness of the Policy.

企業管治報告

- 檢討董事會的架構、人數、組成及成員的多元化，並按公司的企業策略向董事會提出任何改動建議；
- 識別有資格成為董事會成員的人士，並就提名董事職位的人選作出挑選或向董事會提出建議；
- 考慮公司發展目標策略及董事會所需的技能組合，然後向董事會提出建議；
- 評核獨立非執行董事的獨立性及審視獨立非執行董事就其獨立性而作出的年度確認；並在《企業管治報告》內披露檢討結果；及
- 就董事的委任或重新委任向董事會提出建議。

提名委員會的職權範圍已刊登於本公司網站 www.huabao.com.hk 和香港聯交所網站 www.hkexnews.hk。

董事會成員多元化政策

本公司於2013年9月採納之董事會成員多元化政策(本「政策」)載列董事會為達致成員多元化而採取的方針，當中會考慮多項因素及可計量目標，包括但不限於性別、年齡、文化及教育背景、專業技能、知識、經驗及服務任期方面，以確保董事會的才能、技能、經驗及背景有恰當的比重及權衡。董事會成員的委任均以用人唯才為原則，在考慮人選時以客觀條件進行評估，本公司亦會根據本身的業務模式及與時並進的特定需要去考慮各種因素。提名委員會將監察本政策的執行，並不時作出檢討，向董事會匯報其討論決定或提出任何修訂建議，並交由董事會審批，以確保本政策持續有效。





Corporate Governance Report

During the Financial Year, the Nomination Committee met twice for, among other things, reviewing the board structure, the diversity of Board members and the commitment of Directors and making recommendations to the Board. The Nomination Committee considered that the composition of the Board is well balanced and diversified in terms of gender, age, educational background, professional skills and experience. It meets the needs of the business operations and development of the Group. The Board is of the view that every Director has dedicated sufficient time and attention to the affairs of the Company. Each Director had disclosed to the Company at the time of his/her appointment of the directorships held in other listed companies or nature of offices held in public organizations and other significant commitments. The Company has also requested Directors to provide in a timely manner any change in such information. The individual attendance of Nomination Committee members at meetings is set out on page 71 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has full responsibility for maintaining an integrated and effective risk management and internal control systems of the Group, which includes the establishment of a defined management structure with specified limits of authority. The internal control system is designed to assist in the achievement of business objectives of the Group, safeguarding assets against unauthorized use or disposition, ensuring the proper maintenance of accounting records for the provision of reliable financial information for internal use or for publication and ensuring compliance with relevant legislation and regulation. The internal control system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The internal control system (embedded in the operations of the Company and forms part of the Company's culture) includes:

- effectiveness and efficiency of operations;
- capability in responding quickly to evolving risks to the business arising from factors within the Company and to the changes in business environment; and include procedures for reporting immediately to appropriate management levels regarding any significant control weakness that are identified together with details of corrective action being undertaken;
- reliability of financial reporting; and
- compliance with applicable laws and regulations.

企業管治報告

於本財政年度內，提名委員會就（其中包括）檢討董事會的架構、成員的多元化和董事履行職務的情況召開兩次會議，並向董事會提出建議。提名委員會認為董事會的組成結構平衡得宜，不論在性別、年齡、教育背景、專業技能及經驗上均呈現多元化，亦配合集團的業務運作及發展需求。董事會確認每名董事均已投入足夠時間及精神處理公司之事務。每名董事於接受委任時均會向公司披露於其他上市公司之董事職務或於公眾組織所擔任之職位性質以及其他重大承擔。公司亦已要求董事適時向公司提供該等資料之任何變動。各提名委員會委員出席會議的紀錄載於本年報第71頁。

風險管理及內部監控

董事會全權負責維持健全和有效的集團風險管理及內部監控系統，包括制定管理層架構及其相關之權限。內部監控系統旨在協助達成本集團業務目標、保護資產以防未經授權之使用或處理、確保會計紀錄得以妥善保存，以便提供可靠的財務資料供內部使用或對外發放，並確保遵守相關法例與規則，為無重大失實陳述或損失提供合理的、非絕對的保證。內部監控系統已嵌入本公司營運和成為其文化之一，包括：

- 營運的效益及效率；
- 能對由本公司內在因素所產生的業務風險及對營商環境的改變迅速作出反應，並包括向合適的管理層即時匯報經確認的任何重大監控弱點，及應採取的修正行動的程序；
- 財務報告的可靠性；及
- 遵守適用的法律和法規。

Corporate Governance Report

The key procedures that the Board established to provide effective internal controls are as follows:

Organizational Structure and Risk Management

An appropriate organizational structure is in place with defined operating policies and procedures as well as responsibility and lines of authority.

The Company has set out Internal Audit Department with scope of works advised by the Audit Committee.

The Legal Department and Compliance Department are led by professional legal staff and experienced company secretary respectively. Together with other business functions (including Internal Audit Department) of the Group, the Legal Department and Compliance Department monitor and assess risk regularly, boost related management standards and evaluate investment projects. The Company has a long-term engagement with a reputable international law firm, Herbert Smith Freehills, as its annual retainer counsel for provision of legal advice relating to compliance of Listing Rules and regulatory requirements.

Authority and Control

The Executive Directors and senior management are delegated with respective levels of authorities to carry out the corporate strategies and policies and related matters formulated by the Board.

Budgetary Control and Financial Reporting

The Group implements a comprehensive budget management and the overall financial budget is executed upon approval by the Board. Relevant procedures have been established to assess, review and approve major capital and recurring expenditures, and regular review and make comparison between operating results and the budget.

The Group has established appropriate internal control procedures to ensure accurate and complete accounting and management records are kept on a timely basis. Examination and review are carried out regularly to ensure that the financial statements are properly prepared in conformity with the generally accepted accounting principles, the Group's accounting policies and the applicable laws and regulations.

企業管治報告

董事會為有效的內部監控已設立的主要程序，如下：

組織結構及風險管理

本集團設有適當的組織結構和明確的營運政策和程序以及責任和授權。

本公司設立內部審計組，其工作範疇經由審核委員會建議。

本集團的法務部及合規部，其分別以專業法務人員及資深公司秘書為首。連同其他業務部門（包括內部審計部門），法務部及合規部定期監測和評估風險、提升相關管理水平和評估投資項目。本公司長年聘用一間著名國際律師事務所—史密夫斐爾律師事務所作為其常年法律顧問，就上市規則和監管要求的合規性提供法律意見。

授權和監控

授予執行董事和高級管理層適當的權力執行企業政策及策略和董事會制定的相關事項。

預算控制和財務匯報

本集團實施全面預算管理，總財務預算經董事會批准後執行。已設有相關程序評估、檢討和批准重大資本支出和經常性支出，和定期審閱和比較經營業績與預算。

本集團設有適當的內部監控程序確保按時準確地和完整地記錄財務會計賬目。定期檢查和檢討確保會計報表按一般公認會計準則、本集團會計政策和適用的法律規則等編製。





Corporate Governance Report

Risk Management and Internal Control Review

During the Financial Year, the Internal Audit Department had carried out an annual review on the internal control system including financial, operational and compliance control, and risk management functions. The review adopts a risk-based approach to create and review the effectiveness of an internal control system and includes the following works:

- (i) To follow up on individual matters concerning the improvement of the internal control system in accordance with the guidance and suggestions of independent directors and the external auditor of the Company;
- (ii) To carry out a high level review on the internal control system of new members/businesses of the Group, by integrating the internal control framework set out by The Committee of Sponsoring Organizations of the Treadway Committee ("COSO"), the China Internal Auditing Standards, the basic internal control standards and complementary guidelines of the Group, etc. as basic requirements;
- (iii) To arrange site visit and perform focused walk through test on the internal control system of members of the Group on risk control priority basis pursuant to the risk control principles mentioned above; and
- (iv) To design and review the questionnaires on the effectiveness of the risk management and internal control systems submitted by the head offices of the Group, subsidiaries, business sectors of the Company.

The Company has adopted a set of risk management and internal control policies and procedures to safeguard the Group's assets, to ensure proper maintenance of accounting records and reliability of financial information, and to ensure compliance with relevant laws and regulations.

The Directors and senior management of the Company received the information about local, market and operations-related dynamic movements regularly and their understanding of the risk assessment is enhanced through the on-the-job training and regular senior management meetings, at which they discuss cases of the potential risk management.

企業管治報告

風險管理及內部監控評估

於本財政年度內，內部審計部門對內部監控系統(包括財務、營運和合規監控和風險管理功能)進行年度評估。評估採用風險導向方式塑造和檢討內部控制系統成效，包括下列工作：

- (i) 按照獨立董事及本公司外聘核數師的指導意見及建議，跟進提升內部監控系統的個別事項；
- (ii) 結合The Committee of Sponsoring Organizations of the Treadway Committee (「COSO」) 內部控制框架、《中國內部審計準則》、本集團內部控制基本規範和配套指引等作基本要求，對集團新成員或業務的內部監控系統進行高層次檢查；
- (iii) 按風控優次到訪本集團之廠房和根據上述的風控原則對其內部監控系統進行專項穿行測試；和
- (iv) 設計及檢查集團總部、各事業部門及附屬公司就風險管理及內部監控系統的有效性提交的調查表格。

本公司已採納一套風險管理及內部監控政策及程序，以保障本集團資產，確保會計記錄妥善保存及財務資料的可靠性，以及確保遵守相關法律及法規。

本公司的董事及高級管理層定期都會收到週報資料(包括地方、市場及經營相關的動態)，透過定期的高級管理層會議討論有關潛在的風險管理個案及在職培訓，以增加董事及高級管理層對風險評估的認知。

Corporate Governance Report

Identification, assessment and management:

- The head of each department such as the Investment Department, Finance Department Legal Department and Compliance Department of the Company will inform and report to the relevant Directors regarding the factors that have impact on the profit and price based on the nature of business and their own experience. During the course of execution, the concerned project teams of the Company will handle relevant documents and report to the relevant personnel (including the Directors).
- As for the matters as required to be disclosed under the Listing Rules, the Compliance Department will present the issues to the Board for review and discussion, and the Legal Department and Compliance Department will separately inform relevant members of the project team that dealing in the shares of the Company is prohibited.

Review prior to the transactions:

- Generally, the price sensitive information forms regarding the daily operation and connected transactions of the Company will be circulated to relevant departments at the beginning of every month by the Finance Department, and the Finance Department will combine and submit the forms to the Compliance Department for overall review in the middle of each month, ensuring that there are no material omissions. The Legal Department will also assist to regularly confirm with the Compliance Department for any material contracts (if any).

During the Financial Year, Internal Audit Department has presented its review report and make recommendations to the Audit Committee and the Audit Committee has discussed with the management and reported the progress of the work plan and related findings, particularly those related to new members of the Group to the Board at board meeting.

企業管治報告

辨認、評估及管理：

- 本公司的部門主管（包括投資部、財務部、法務部及合規部）會根據業務性質及自身經驗，針對那些對盈利或價格有影響的因素知會有關董事及作出匯報。當有關的項目執行中時，本公司相關專案小組會處理專案文件，並向有關人員（包括董事）匯報情況。
- 若按上市規則需要披露的事項，合規部門將提呈董事會審閱及審議，同時法務部及合規部會分別通知項目組有關成員禁止買賣本公司股份。

截至交易前的檢查：

- 本公司的日常經營及關連交易的價格敏感資訊表，通常於每個月初經由財務部發出給相關部門，並於每月中旬由財務部匯總到合規部做總體檢查，確認並無任何重大遺漏，而法務部亦會協助定期向合規部確認有關重大合同事項（如有者）。

於本財政年度內，內部審計部門已向審核委員會提交其評估報告和工作建議，審核委員會已與管理層討論，並在董事會會議上向董事會提交其工作計劃進展和相關發現，尤其是關於本集團新成員。





Corporate Governance Report

Measures to further enhance Internal Control Systems and Corporate Governance practices

In compliance with the requirements of the Listing Rules and for the purpose of reinforcing the Group's internal control system, the Company has established a whistleblowing policy and system for employees to raise concerns, in a confidential manner, with the Audit Committee about possible irregularities in financial reporting, internal control or other matters related to the Company. The Audit Committee is responsible for reviewing the relevant policy and system regularly. At the beginning of 2021, the Company had also established an anti-fraud leadership team, aimed at strengthening the guidance, organization and coordination of anti-fraud and whistle-blowing works to reinforce standard operations and risk management.

The Directors has further strengthened corporate governance practices, including execution of the internal reporting policy throughout the Group in monitoring the operation and business developments of the Company so as to capture potentially price-sensitive information on an on-going basis, monitoring the continuing disclosure obligation. The Board has further strengthened corporate governance practices by establishing lending policy to monitor its credit level. In addition, the annual retainer counsel of the Company has provided the Directors (existing and new board members) and the relevant senior executives with training on Listing Rules, regulatory requirements and cases of enforcement at least twice a year.

During the Financial Year, the Internal Audit Department of the Company has carried out internal control audits in respect of those risk areas, such as business operation, financial system, project investment and management, corporate governance, etc., and also head offices, business sectors and certain subsidiaries of the Group. The Internal Audit Department has reported to the Directors in respect of the effectiveness of the risk management and internal control system and significant risks. The Board reviewed and evaluated the effectiveness of risk management and internal control systems of the Company and its subsidiaries by considering reviews performed by the Audit Committee with the assistance of the management team, the Internal Audit Department and the external auditors.

As a result of the above measures and upon review, the Board confirms, and management has also confirmed to the Board, that the Group's risk management and internal control systems are effective and adequate (including the resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions are adequate) and have complied with the CG Code provisions on risk management and internal control throughout the Financial Year and up to the date of this annual report.

企業管治報告

提升內部監控制度及企業管治常規的措施

為符合上市規則要求及進一步完善本集團的內部監控制度，本公司已設立舉報政策和系統，讓僱員可暗中向審核委員會就有關本公司之財務匯報、內部監控或其他方面的違規事宜提出關注，而審核委員會負責定期檢討有關政策及系統。於2021年初本公司也成立了集團反舞弊工作領導小組，旨在加強對反舞弊與舉報工作的指導、組織及協調以加強規範運作及風險管理。

董事會已進一步加強企業管治常規，包括監控本集團營運和業務發展的內部匯報實施制度，以便按月記錄潛在股價敏感資料，監察持續披露責任。董事會進一步提升企業管治常規就對外貸款制定政策監測借貸水平。此外，本公司常年法律顧問每年至少兩次為董事（原有及新加入的董事）和相關高級管理層提供上市規則、法規要求和執法個案的培訓。

於本財政年度內，本公司內部審計部門就業務營運、財務系統、項目投資管理、公司治理等風險領域，以及集團總部、事業部及若干下屬企業進行了內部控制審計。內部審計部門就風險管理及內部監控系統的有效性和重大風險向董事進行了匯報。董事會透過審核委員會並且在管理層以及內部審計部門和外聘核數師的協助下對本公司及其附屬公司之風險管理及內部監控系統之成效進行檢討及評估。

根據上述的措施及檢討結果，董事會確認，及管理層亦向董事會確認，本集團之風險管理及內部監控制度均有效和充足（包括本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是足夠的），並於本財政年度整年內及截至本年報日期已遵守企業管治守則中有關風險管理及內部監控制度之守則條文。

Corporate Governance Report

Handling and Dissemination of Inside Information

For the purposes of handling and disseminating inside information in accordance with the Listing Rules and the SFO, the Company has in place a policy on handling and dissemination of inside information (the "Policy") which sets out the procedures and internal controls for handling and dissemination of inside information in a timely manner in such a way so as not to place any person in a privileged dealing position and to allow time for the market to price the listed securities of the Company with the latest available information. This Policy also provides guidelines to staff of the Company to ensure proper safeguards exist to prevent the Company from breaching the statutory disclosure requirements. It also includes appropriate internal control and reporting systems to identify and assess potential inside information.

Directors' Training

All Directors participated in appropriate continuous professional development and provided the Company with their records of training they received during the Financial Year. Directors participated in the training which included reading regulatory updates, attending seminars or conducting training sessions and exchanging views.

Executive Directors

Ms. CHU Lam Yiu
Mr. LAM Ka Yu
Mr. XIA Liquan
Mr. POON Chiu Kwok
Ms. LAM Ka Yan (Note 1)
Ms. CHOY Man Har (Note 1)

執行董事

朱林瑤女士
林嘉宇先生
夏利群先生
潘昭國先生
林嘉妍女士 (附註1)
蔡文霞女士 (附註1)

Independent Non-executive Directors

Mr. LEE Luk Shiu
Ms. MA Yunyan
Mr. WU Chi Keung (Note 2)
Mr. Jonathan Jun YAN

獨立非執行董事

李祿兆先生
麻雲燕女士
胡志強先生 (附註2)
Jonathan Jun YAN先生

Note:

1. Appointed as executive director of the Company with effect from 14 February 2022.
2. Ceased to act as an independent non-executive director of the Company with effect from 30 September 2021.

企業管治報告

內幕消息的處理及傳播

為根據上市規則及香港法例第571章《證券及期貨條例》處理及傳播內幕消息，本公司已製定處理及傳播內幕消息的政策（「政策」）規定有關及時處理及傳播內幕消息的程序及內部控制，以免任何人處於特權交易地位，並留出時間讓市場為本公司的上市證券根據最新的可用信息定價。該政策亦為公司員工提供指導，以確保存在適當的保障設施，以防止公司違反法定披露要求。該政策還包括適當的內部控制及報告系統，以識別及評估潛在的內部信息。

董事培訓

於本財政年度內，所有董事均已參與合適之持續專業發展，並已向公司提供所接受培訓之紀錄。董事參與的培訓，包括閱讀最新監管資料，以及出席專題研討會或作培訓交流。

Attend seminars/ conduct training sessions and exchange views

出席專題研討會/
作培訓交流

Ms. CHU Lam Yiu	Yes	有
Mr. LAM Ka Yu	Yes	有
Mr. XIA Liquan	Yes	有
Mr. POON Chiu Kwok	Yes	有
Ms. LAM Ka Yan (Note 1)	Not applicable	不適用
Ms. CHOY Man Har (Note 1)	Not applicable	不適用
Mr. LEE Luk Shiu	Yes	有
Ms. MA Yunyan	Yes	有
Mr. WU Chi Keung (Note 2)	Yes	有
Mr. Jonathan Jun YAN	Yes	有

附註：

1. 自2022年2月14日起獲委任為本公司執行董事。
2. 自2021年9月30日起不再擔任本公司獨立非執行董事。



Corporate Governance Report

Company Secretary's Training

Mr. POON Chiu Kwok, the Executive Director, Vice President and Company Secretary of the Company, is responsible for assisting the Board for facilitating communications among Directors as well as ensuring that the Board's policy and procedures are followed properly. The Company Secretary also provides professional advice and services to the Board on corporate governance and other matters. He is also responsible for organizing general meetings and facilitating the induction and professional development of Directors.

During the Financial Year, Mr. Poon has taken not less than 15 hours of continuing professional trainings.

ACCOUNTABILITY AND AUDIT

Directors' Responsibility in Preparing Financial Reporting

The Board is responsible for the preparation and timely publication of financial statements. In preparing the financial statements, relevant statutory requirements have been complied with, applicable accounting standards in force in Hong Kong have been adopted, appropriate accounting policies have been applied on a consistent basis, going concern basis has been adopted and reasonable and prudent judgments and estimates have been made.

Auditor's Report and Remuneration

The Company's external auditors are PricewaterhouseCoopers. There has been no change in the Company's external auditors for the preceding three years.

The external auditors have a primary responsibility for auditing and reporting on the financial statements. The Auditor's Report to the Shareholders is set out on pages 120 to 128 of this annual report.

During the Financial Year, the remuneration paid/payable to the Company's auditors (including statutory auditors of the subsidiaries) in relation to audit services and non-audit services provided to the Group are as follows:

Nature of Services	服務性質	Amount 金額 (RMB'000) (人民幣千元)
Audit services	核數服務	
– for the audit of the Group	– 集團審計	4,384
– for the statutory and other audits of the subsidiaries	– 子公司法定及其他審計	5,181
Non-audit services	非核數服務	2,876

Please also refer to Note 24 to consolidated financial statement set out on pages 230 to 231 of this annual report for details of Auditors' Remuneration.

企業管治報告

公司秘書培訓

本公司執行董事、副總裁兼公司秘書潘昭國先生負責協助董事會，確保董事會成員之間有良好交流溝通及董事會之政策和程序得到適當的遵循。公司秘書亦向董事會提供企業管治事宜等各方面之專業意見及服務，並負責舉行公司股東大會事宜，以及安排董事之入職培訓及專業發展。

於本財政年度內，潘先生已獲得不少於15小時之持續專業培訓。

問責和審核

董事編製財務報表的責任

董事會負責編製並準時刊發財務報表。編製財務報表時，有關法律法規已獲遵守，香港現行的適用會計準則已獲採納，適當的會計政策持續地予以應用，持續經營基準已獲採納，以及合理和謹慎的判斷和估算已獲應用。

核數師報告和酬金

本公司外部核數師為羅兵咸永道會計師事務所。過去三年內本公司之外部核數師並無任何變動。

外部核數師主要職責為就財務報表核數及作出報告。致股東之核數師報告載於本年報第120至128頁。

於本財政年度內，就本公司核數師(包括附屬公司法定的核數師)向本集團提供之核數及非核數服務，已付/應付核數師之費用如下：

核數師酬金詳情請參考載於本年報第230至231頁綜合財務報表附註24。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

Shares with voting rights in the Company are ordinary shares. The number of issued ordinary shares as at 31 December 2021 was 3,229,926,876. Details of share capital of the Company are set out in Note 17 to the consolidated financial statements on page 220 of this annual report. Shareholders holding issued ordinary shares of the Company were set out below:

股東權利

賦有投票權的股份均為本公司普通股股份。於2021年12月31日，已發行普通股股份數目為3,229,926,876股。本公司股本詳情載於本年報第220頁綜合財務報告附註17內。持有本公司已發行普通股之股東如下：

Category/Name	類別／名稱	Full details can be found on the following page of this report 詳細資料載於本年報以下頁數	Total number of issued Shares held 合共持有已發行股份數目	Percentage of the issued share capital 佔已發行股本百分比
Ms. CHU Lam Yiu ^(Note)	朱林瑤女士 ^(附註)	Pages 91 to 92 第91至92頁	2,293,408,900	71.00%
Public	公眾人士		936,517,976	29.00%
Total	合計		3,229,926,876	100.00%

Note:

As defined in the Listing Rules, any person (including a holder of depositary receipts) who is or group of persons (including any holder of depositary receipts) who are together entitled to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Codes on Takeovers and Mergers and Share Buy-backs as being the level for triggering a mandatory general offer) or more of the voting power at general meeting of the Company.

附註：

按上市規則釋義，任何有權在本公司股東大會上行使或控制行使30%（或《公司收購、合併及股份回購守則》不時規定會觸發強制性公開要約所需的其他百分比）或30%以上投票權的人士（包括預託證券持有人）。

Procedures for shareholders to convene a special general meeting

Pursuant to bye-law 58 of the Bye-laws, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting ("SGM") to be called by the Board for the transaction of any business transaction specified in such requisition.

股東召開股東特別大會的程序

按公司細則第58條，於遞呈要求之日期持有不少於賦有本公司股東大會表決權之本公司繳足股本十分之一之股東，於任何時候均有權透過向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會（「股東特別大會」），以處理有關要求中指明之任何事項。

The requisition shall state clearly the matters required to be considered and approved at the SGM and must be signed by the requisitioner(s) (with contact details) and submitted to the Board in written form to the Company's principal place of business in Hong Kong at least 21 days before the proposed date of the SGM.

有關要求須清楚列明擬於股東特別大會上考慮及批准的事項和聯絡詳情，並經遞呈要求人士簽署後以書面形式通知董事會，在建議召開股東特別大會日期至少21天前遞交至本公司於香港的主要營業地點。



Corporate Governance Report

The SGM shall be held within 2 months after the deposit of such requisition. If the Directors do not within 21 days from the date of the deposit of the requisition proceed to convene a meeting, the requisitionists may themselves do so in accordance with the provisions of Section 74(3) of the Companies Act 1982 of the laws of Bermuda (as amended) (the "Companies Act"), but any meeting so convened shall not be held after the expiration of 3 months from the said date.

Shareholders' right to propose resolutions at general meeting

Pursuant to Sections 79 and 80 of the Companies Act, (i) any number of shareholders representing not less than one-twentieth (5%) of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the general meeting to which the requisition relates; or (ii) not less than 100 shareholders, may submit to the Company a written request stating the resolution intended to be moved at AGM or a statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at a particular general meeting.

The written request/statement must be signed by all the requisitionists and may consist of several documents in like form, each signed by one or more of the requisitionists, and must be deposited at the Company's principal place of business in Hong Kong, not less than 6 weeks before the AGM in case of a requisition requiring notice of a resolution or not less than one week before the general meeting in case of any other requisition. Provided that if an AGM is called for a date 6 weeks or less after the requisition has been deposited, the requisition though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

Shareholders' right to propose a person for election as a director

Shareholders shall have the right to propose a person for election as a director at the Company's general meeting. Please refer to the detailed procedures for such right on the Company's website www.huabao.com.hk.

Making enquiries by Shareholders

Shareholders shall have the right to examine the relevant information of the Company according to the Bye-laws. Shareholders should direct their questions about their shareholdings to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited. Shareholders may also direct questions or requests for information through the Company's website at www.huabao.com.hk or by contacting the Head of Investor Relations Department of the Company (email: ir@huabao.com.hk).

企業管治報告

股東特別大會應於遞呈該要求後兩個月內舉行。倘董事未能於接獲要求當日起計21天內召開該大會，遞呈要求人士可以按照1982年百慕達公司法（經修訂）（「公司法」）第74(3)條之規定召開該大會，惟據此召開的任何股東大會不得於遞呈要求當日起計三個月屆滿後舉行。

股東於股東大會上提呈議案的權利

根據公司法第79及80條，(i)於遞呈要求日期持有不少於全體股東總投票權（賦有於要求所涉股東大會上之投票權）二十分之一（5%）之股東（不論人數）；或(ii)不少於100名股東，可向本公司遞呈書面要求並列明擬於股東週年大會上動議的決議案，或就於特定股東大會提呈之任何決議案所述的事項或處理的事務作出不超過1,000字的書面陳述。

該書面要求／陳述必須由所有遞呈要求人士簽署（可由多份格式相似並各自經一名或多名遞呈要求人士之文件組成），並須於股東週年大會舉行前至少六個星期（如屬要求決議案通告的要求）或股東大會舉行前至少一個星期（如屬任何其他要求）前遞交至本公司於香港的主要營業地點。倘股東週年大會在該要求書遞交後六個星期或較短期間內召開，則該要求書雖然並非在指定時間內遞交，但就此而言，亦須當作已恰當地遞交。

股東建議人士參選董事的權利

股東有權於本公司股東大會上建議人士參選董事，有關權利的詳細程序可於本公司網站 www.huabao.com.hk 上查閱。

股東查詢

根據本公司之公司細則，股東有權查閱有關本公司之資料。若股東對其名下持股有任何問題，可向本公司之香港股份過戶登記分處卓佳登捷時有限公司提出。股東亦可透過本公司網站 www.huabao.com.hk 或聯絡本公司之投資者關係部主管（電郵：ir@huabao.com.hk）作出提問或要求索取資料。

Corporate Governance Report

ACCESSIBLE AND TRANSPARENT COMMUNICATION WITH SHAREHOLDERS

In addition to the on-going Investor Relation Department's efforts mentioned in the next section, the Board values the importance of communications with the Shareholders. The Company uses a range of communications tools, such as AGM, annual report, various notices, announcements and circulars, to ensure its Shareholders are kept well informed of key business imperatives of the Company.

The Company has maintained a website www.huabao.com.hk which serves as a forum for corporate communication with its Shareholders and the general public. All corporate communications required under the Listing Rules are displayed and can be downloaded (for documents published in the previous 7 years) from the Company's website and there is established procedure to ensure timely update in compliance with the Listing Rules.

Open Communications

The Group is committed to acting in good faith and in the best interests of its Shareholders at all times and in all areas of its operations. The Group actively promotes open communication and full disclosure of all information needed to protect and maximize transparency.

Shareholders' Communication Policy

The shareholders' communication policy is available for viewing on the Company's website at www.huabao.com.hk.

企業管治報告

與股東緊密及具透明之溝通

除下文所述投資者關係部門持續努力的結果外，董事會重視與股東溝通的重要性。本公司採用多項溝通工具，包括股東週年大會、年報、各類通告、公告及通函等，確保股東明瞭公司的主要業務策略。

公司設有網站www.huabao.com.hk，為股東及公眾人士提供一個論壇作公司通訊用途。上市規則規定的所有公司通訊（過去七年刊發的文件）均可於公司網站瀏覽及下載，公司亦已制訂程序確保資料的披露將會根據上市規則適時更新。

開明的溝通

本集團本著真誠原則，全方位為股東最佳利益而行事。本集團積極提倡開明的溝通，確保以最大透明度對各類所需資料進行全面披露。

股東通訊政策

本公司之股東通訊政策可於公司網站www.huabao.com.hk上查閱。





Corporate Governance Report

Shareholders' Meetings held during the Financial Year

The general meeting provides a forum for the Board to communicate with the Shareholders. To facilitate enforcement of the Shareholders' rights, significant issues were dealt with under separate resolutions at the general meeting, including the election and re-election of individual Director. Details of general meeting(s) held during the Financial Year are summarized as follows:

Meeting 會議	Date 日期	Venue 地點	Resolutions 決議案
AGM 股東週年大會	18 May 2021 2021年5月18日	Regus Conference Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong 香港 灣仔港灣道18號 中環廣場35樓 雷格斯會議室 舉行	<ol style="list-style-type: none">To receive and consider the audited financial statements and the reports of the directors and of the auditors for the year ended 31 December 2020; 省覽截至2020年12月31日止年度經審核財務報表、董事會報告及核數師報告；To declare the final dividend for the year ended 31 December 2020; 宣派截至2020年12月31日止年度的期末股息；To re-elect Directors and to authorize the Board to fix their remunerations; 重選董事，並授權董事會釐定彼等之酬金；To re-appoint the auditors and to authorize the Board to fix their remunerations; and 續聘核數師，並授權董事會釐定其酬金；及To grant general mandates to buy back shares, to issue shares and to exercise the buy-back mandate 授予一般授權以回購股份、發行股份及行使回購授權。

MERGERS & ACQUISITIONS

No material mergers and acquisitions of the Group were carried out during the Financial Year.

企業管治報告

於本財政年度內舉行的股東大會

股東大會為董事會與股東提供一個溝通論壇。為方便股東在股東大會上行使權利，重要事宜乃根據個別決議案於股東大會上處理，包括選舉及重選個別董事。於本財政年度內舉行之股東大會總括如下：

收購合併

於本財政年度內，本公司沒有進行任何重大收購合併項目。

Corporate Governance Report

企業管治報告

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Details of the connected transactions and continuing connected transactions of the Company can be found on pages 94 to 114 of this annual report.

關連交易及持續關連交易

本集團之關連交易及持續關連交易詳情載於本年報第94至114頁。

ATTENDANCE RECORD

Details of attendance of the Directors (either in person or through telephone conferences) at Board meetings, meetings of Board committees and general meetings during the Financial Year are set out below:

出席記錄

各董事於本財政年度內親自出席或透過電話會議方式出席董事會會議、董事委員會會議及股東大會的出席率詳情載列如下：

No. of meeting held	會議次數	12	Audit Committee Meeting(s) 審核委員會會議	2	Remuneration Committee Meeting(s) 薪酬委員會會議	1	Nomination Committee Meeting(s) 提名委員會會議	2	Annual General Meeting(s) 股東週年大會	1
Executive Directors	執行董事									
Ms. CHU Lam Yiu (Chairlady and CEO)	朱林瑤女士(主席兼首席執行官)	12/12	N/A 不適用	N/A 不適用		2/2				1/1
Mr. LAM Ka Yu (Co-Chairman)	林嘉宇先生(聯席主席)	12/12	N/A 不適用	N/A 不適用		N/A 不適用				1/1
Mr. XIA Liqun (Vice Chairman and President)	夏利群先生(副主席兼總裁)	12/12	N/A 不適用		1/1	N/A 不適用				1/1
Mr. POON Chiu Kwok (Vice President and Company Secretary)	潘昭國先生(副總裁兼公司秘書)	12/12	N/A 不適用	N/A 不適用		N/A 不適用				1/1
Ms. LAM Ka Yan (Note 1)	林嘉妍女士(附註1)	N/A 不適用	N/A 不適用	N/A 不適用		N/A 不適用				N/A 不適用
Ms. CHOY Man Har (Note 2)	蔡文霞女士(附註2)	N/A 不適用	N/A 不適用	N/A 不適用		N/A 不適用				N/A 不適用
Independent Non-executive Directors	獨立非執行董事									
Mr. LEE Luk Shiu	李祿兆先生	12/12		2/2		1/1		2/2		1/1
Ms. MA Yunyan (Note 3)	麻雲燕女士(附註3)	11/12		2/2		1/1		N/A 不適用		1/1
Mr. WU Chi Keung (Note 4)	胡志強先生(附註4)	6/12		2/2		1/1		2/2		1/1
Mr. Jonathan Jun YAN (Note 5)	Jonathan Jun YAN先生(附註5)	12/12		2/2		N/A 不適用		N/A 不適用		1/1

Note:

附註：

- Appointed as executive director of the Company and as a member of the Nomination Committee with effect from 14 February 2022.
 - Appointed as executive director of the Company with effect from 14 February 2022.
 - Appointed as a member of the Nomination Committee with effect from 30 September 2021.
 - Ceased to act as INED and a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company with effect from 30 September 2021.
 - Appointed as a member of the Nomination Committee with effect from 14 February 2022.
- 自2022年2月14日起獲委任為本公司執行董事及提名委員會委員。
 - 自2022年2月14日起獲委任為本公司執行董事。
 - 自2021年9月30日起獲委任為提名委員會委員。
 - 自2021年9月30日起不再擔任獨立非執行董事及本公司審核委員會、薪酬委員會及提名委員會成員。
 - 自2022年2月14日起獲委任為提名委員會委員。

MAJOR CHANGES TO THE BYE-LAWS

During the Financial Year, the Company did not make any amendments to the Company's Bye-laws.

公司細則重大變更

於本財政年度內，本公司之公司細則並無作出任何修訂。



Investor Relations Report

The Company is committed to upholding an open and proactive investor relations strategy with an aim at optimizing the knowledge and understanding of the investment community with respect to the Company's corporate mission and vision, development strategies, competitive position in the industry and operating and financial performance, so as to enable public investors to make informed decisions on their investments. The Company fulfils the above-mentioned through a designated Investor Relations Department.

The Investor Relations Department acts as an intermediary between the Company and public investors. The Company abides by the basic and fair disclosure guidelines to ensure that communication with Shareholders, investors and media is conducted in a fair manner and that no material non-public information is made available to any individual on a selective basis.

INVESTOR RELATIONS REVIEW

During the Current Reporting Period, the Company proactively communicated with investors by multiple channels to convey its latest developments, performance, and strategic goals so that investors could have a better understanding of the Group and sets solid foundation for the Group's activities in the capital market in the future. Investor relations activities conducted by the Group are as follows,

Details	Frequency
Non-deal roadshow	2 (Shantou and Shenzhen)
Results Conference Call	2
Investor Conference Call	12

• Annual general meeting

It is important that the Shareholders have access to clear and meaningful data which enables them to have a constructive dialogue with the Company. Shareholders can raise any questions and comments on the performance or future business directions of the Company and on any resolutions to be considered at the AGM. The Company's Chairlady and the Audit Committee's Chairman were present in person or through telephone/video conferences and available to answer questions raised at the AGM.

• Analyst coverage

In order to let investors better understand the Group's business, the Group proactively communicated with industry analysts with an aim to gain more attention from the capital market.

投資者關係報告

本公司致力維持公開及積極地投資者關係策略，旨在有效令投資社群知悉及理解有關本公司之企業宗旨及願景、發展策略、業內競爭狀況及營運和財務表現，以致投資大眾能為彼等的投資作出知情決定。本公司透過特設的投資者關係部門以取得達致。

投資者關係部門為本公司及投資大眾的橋樑。本公司按照公平披露的基本原則，以確保與股東、投資者及傳媒之溝通以一個公平方式進行，及並無以選擇性準則向任何個別人士提供重大非公眾信息。

投資者關係工作回顧

本報告期，本公司透過一系列投資者關係活動，將公司業務的最新進展、成績、戰略目標傳遞予投資者，以強化投資界對本公司的瞭解，為本公司未來在資本市場的活動奠定良好的基礎。本公司開展的投資者關係活動如下：

活動詳情	次數
非交易性路演	2 (汕頭、深圳)
業績電話會議	2
投資者電話會議	12

• 股東週年大會

對股東而言，能夠取得清晰及有效數據十分重要，他們可借此與本公司建立有效溝通。股東可就本公司之表現、未來業務方針及於股東週年大會將予審議之任何決議案提出任何詢問及發表評論。年內，本公司主席及審核委員會之主席已親自出席或通過電話／視像會議方式出席股東週年大會，並解答所提出的問題。

• 分析師報告

為使投資者更好的瞭解本公司業務，本公司在嚴格遵守監管規定的前提下，積極與行業分析師保持溝通，以爭取更多資本市場的關注。



Investor Relations Report

At present, the Group are covered by the analysts of research institutions below,

- Credit Suisse
- Tianfeng Securities Co., Ltd.
- Haitong Securities Co., Ltd.
- China Merchants Securities Co., Ltd.
- Zheshang Securities Co., Ltd.
- Sinolink Securities Co., Ltd.
- Soochow Securities Co., Ltd.

- **Detailed financial statements**

The Company attaches great importance to annual reports and interim reports, put a lot of resources for these two reports' preparation, and uses them as one of the major communication bridges between the Company and investors.

Through this approach, the latest information of the Group can be transmitted to investors, aiming to convey the Group's comprehensive strategy, operating principles, business and financial performance and future prospects in a detailed and accurate manner.

- **E-Communication via Websites of the Company and Professional Investor Relations Website**

The Company's website at www.huabao.com.hk contains information such as important corporate data, biographical details of Directors, organizational structure and press releases.

In addition, the Company also has professional investor relations website (<http://huabao2.aconnect.com.hk/sc/home.aspx>) to publish interim and annual reports, announcements and circulars that enables the Company's shareholders and members of the investment community to have timely access to the most updated information about the Company.

投資者關係報告

目前，本公司獲得以下研究機構的分析师撰寫研究報告：

- 瑞士信貸
- 天風證券股份有限公司
- 海通證券股份有限公司
- 招商證券股份有限公司
- 浙商證券股份有限公司
- 國金證券股份有限公司
- 東吳證券股份有限公司

- **詳盡的財務報告**

本公司高度重視年度報告和中期報告，投放大量資源編製，並將其作為本公司與投資者之間的主要溝通橋樑之一。

通過此途徑將本公司最新的資訊傳遞給投資者，務求詳盡準確地傳達本公司全方位的戰略、經營方針、業務及財務表現和未來展望。

- **透過公司網站及專業投資者關係網站進行電子溝通**

本公司網站為www.huabao.com.hk，載有重要之企業數據、董事履歷、組織架構、公司新聞等信息。

此外，本公司亦設有專業投資者關係網<http://huabao2.aconnect.com.hk/sc/home.aspx>，刊發中期及年度報告、公告及通函等信息，讓本公司股東及投資社群適時取得有關本公司之最新信息。



Investor Relations Report

INVESTOR RELATIONS CONTACTS

For inquiries, please contact:
Investor Relations Department
Huabao International Holdings Limited
Suite 3008
30th Floor, Central Plaza
18 Harbour Road
Wanchai
Hong Kong

Telephone: (852) 2877 8999
Fax: (852) 2511 8229
E-mail: ir@huabao.com.hk

Information for investors (as at 31 December 2021)

1. Huabao International Holdings Limited	
Board Lot Size	1,000 shares
Number of shares issued	3,229,926,876 shares
Market capitalization (based on the closing price of HKD14.52 per share on 31 December 2021)	Approximately HKD46.899 billion
Stock code The Stock Exchange of Hong Kong Limited stock code	00336
Reuters ticker	336.HK
Bloomberg ticker	336.HK

投資者關係報告

投資者關係聯絡

如有查詢，請聯繫：
香港
灣仔
港灣道18號
中環廣場
3008室
華寶國際控股有限公司
投資者關係部

電話：(852)2877 8999
傳真：(852)2511 8229
電郵：ir@huabao.com.hk

投資者數據（於二零二一年十二月三十一日）

1. 華寶國際控股有限公司	
每手買賣單位股數	1,000股
已發行股份數目	3,229,926,876股
市值（以二零二一年 十二月三十一日 收市價每股 港幣14.52元計算）	約港幣468.99 億元
股份代號 香港聯合交易所股份 代號	00336
路透社股份代號	336.HK
彭博社股份代號	336.HK

Investor Relations Report

2. Huabao Flavours & Fragrances Company Limited (a non-wholly owned subsidiary of the company listed on the ChiNext of the Shenzhen Stock Exchange)

Board Lot Size	100 shares
Number of shares issued	615,880,000 shares
Market capitalization (based on the closing price of RMB43.9 per share on 31 December 2021)	Approximately RMB27.037 billion
Stock code ChiNext of Shenzhen Stock Exchange stock code	300741
Reuters ticker	300741.SZ
Bloomberg ticker	300741: CH

投資者關係報告

2. 華寶香精股份有限公司(本公司的一間於深圳證券交易所創業板上市的非全資子公司)

每手買賣單位股數	100股
已發行股份數目	615,880,000股
市值(以二零二一年十二月三十一日收市價每股人民幣43.9元計算)	約人民幣270.37億元
股份代號 深圳證券交易所創業板 股份代號	300741
路透社股份代號	300741.SZ
彭博社股份代號	300741: CH





Directors' Report

The Board is pleased to present its annual report together with the audited consolidated financial statements for the year ended 31 December 2021 (the "Financial Year").

ACQUISITIONS AND DISPOSALS

The Company did not undertake any material acquisition and disposal of subsidiaries, associates and joint ventures during the Financial Year.

BUSINESS REVIEW

The principal activity of the Company is investment holding and the Group is principally engaged in the R&D, production, distribution and sales of flavours and fragrances, tobacco raw materials, aroma raw materials and condiment products in the PRC. The activities of the Company's principal subsidiaries are set out in Note 33 to the consolidated financial statements. Further discussion and analysis of the operating activities of the Group during the Financial Year, and an indication of likely future developments in the Group's business, as required by Schedule 5 of the Hong Kong Companies Ordinance, can be found in the sections headed "President's Report" and "Management Discussion and Analysis" as set out on pages 9 to 10 and pages 11 to 40 of this annual report respectively. Such discussion forms part of this directors' report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. To the best of knowledge and belief, the Directors consider that the following are the key risks and uncertainties identified by the Group as at the date of this report.

The risk of downstream industry control and policies on tobacco industry

Following the promulgation and implementation of the PRC Advertising Law in 2015, the restrictions on tobacco marketing have in turn become more rigid, and consequently the room for marketing the tobacco market becomes narrower. On the other hand, the tax-induced price hike policy has raised the consumption tax and wholesale price, and subsequently escalated the consumption cost of cigarettes, which to a certain extent has suppressed the demand for cigarette consumption. With the tightening of tobacco control policies by the international health organizations and local governments, and the increased awareness of the public on health and tobacco control, it is possible that the production and sales volumes of cigarette will further decline in the future, which in turn will cause the reduction of sales income and operating profit of the tobacco-related products of the Company. In this regard, the Company will continue to pay attention to the impacts of industry and policy changes on the business, and will adjust our business and development strategies in a timely manner.

董事會報告

董事會欣然提呈其年報及截至2021年12月31日止年度（「本財政年度」）之經審核綜合財務報表。

收購及出售

於本財政年度期間，本公司並無進行任何重大收購或出售附屬公司、聯營公司及合營企業。

業務回顧

本公司之主要業務為投資控股，而本集團主要在中國從事研究及發展、生產、分銷及銷售香精、煙用原料、香原料及調味品產品。本公司之主要附屬公司的業務載於綜合財務報表附註33。按香港公司條例附表5要求，本集團於本財政年度內經營活動的進一步討論及分析，以及對本集團業務未來可能發展的指標，分別載於本年報第9至10頁及第11至40頁的「總裁報告書」和「管理層討論及分析」。該等討論構成本董事會報告的一部份。

主要風險及不明朗因素

本集團之財務狀況、經營業績和業務前景可能由許多風險和不明朗因素直接或間接地影響本集團業務。就董事的所知及所信，認為本集團截至本報告日期的主要風險和不明朗因素如下。

下遊行業管控機制及政策對煙草行業影響的風險

繼2015年中國《廣告法》的頒佈和實施，對煙草行銷的限制更加嚴厲，煙草市場行銷的空間正變得越來越窄。另一方面，提稅順價政策提高了捲煙的消費稅和批發價，均在一定程度上抑制了捲煙消費需求的增長。隨著國際衛生組織和各地區政府部門加強控煙政策，以及民眾對健康控煙意識的不斷增強，不排除未來捲煙的產銷量進一步下滑，從而導致本公司煙草相關產品銷售收入及營業利潤下降。本公司會持續關注行業及政策變化對業務的影響，適時調整業務及發展策略。

Directors' Report

The risk of consumer behaviour changes and the impact on the downstream industries

With the continuous progress of society and the improvement of people's living standards, consumers have increased their awareness of health and environment protection. On the other hand, the age structure and level of consumers continue to evolve. New consumption trend as well as consumption concept and consumption behaviour keep changing. The demand for the Group's downstream tobacco, food, daily chemical industry continues to change, thus affecting the Group's flavours and fragrances and food ingredients related products and we may face the risk of market share shrinking. The Company will continue to focus on and enhance the insight into consumer behaviour, and further optimize the product structure to meet the requirements of a new generation of consumers.

The impact of food safety policy

At present, the PRC implements an authorized management system for the food industry, and the major laws, regulations and standards involved are the Food Safety Law of the PRC and the Announcement on the Licence for Production of Food Additives. At the same time, international organizations such as the International Standards Organization (ISO), the Codex Alimentarius Commission (CAC), and the International Organization of the Flavor Industry (IOFI) have formulated and promulgated product standards and industry norms to provide industry management systems and the basis for formulating the relevant industry standards.

To a certain extent, the new policy will increase the operating costs of enterprises. Should there be any further changes in the above policies and standards, it will have a direct impact on the Company's future development. The Company will continue to make corresponding adjustment, investment and improvement in product structure, production technology and product performance and other aspects to ensure our products and operation comply with food safety standards.

The impact of environmental protection

With the increased awareness on the environmental protection by the society, the government's continuous improvement in environmental protection may lead to more stringent environmental protection standards and requirements in the future; if the Company is unable to upgrade the production facilities in time to improve the handling of wastage so as to comply with the more stringent environmental standards and the requirements for environmental protection, it will have an adverse impact on the Company's production and operations.

董事會報告

消費者行為改變對下游行業影響的風險

隨著社會的不斷進步和人民生活水準的提升，消費者的健康、環保意識有所提高，另一方面，消費者年齡結構和層次不斷演變，新的消費趨勢不停變換、新的消費理念不斷產生，消費者的消費行為亦隨之變化，對集團下游煙草、食品、日化行業的需求不斷變化，進而影響本公司的香精及食品配料產品的市場需求，可能面臨市場份額縮減的風險。本集團會持續關注及提升對消費者行為的洞察力，進而進一步優化產品結構滿足新一代消費者的需求。

食品安全政策的影響

目前，中國對食品行業實行授權管理制度，主要涉及的法律、法規及標準有《中華人民共和國食品安全法》及《關於食品添加劑生產許可工作的公告》等。與此同時，國際標準組織(ISO)、國際食品法典委員會(CAC)、國際食用香料工業組織(IOFI)等國際性組織制定並頒佈了產品標準及行業規範，為行業管理制度、制定行業標準提供了相應依據。

有關政策將在一定程度上增加公司的營運成本，若上述政策及標準發生任何進一步變化，則將對本公司的未來發展產生直接影響。本公司會持續針對上述變化及時在產品結構、生產技術及產品性能等方面做出相應調整、投入及完善，以確保產品及營運符合食品安全標準。

環保風險

隨著社會對環境保護的日益重視，政府對環境保護力度的不斷加強，可能在未來出現更為嚴格的環保標準、提出更高的環保要求；本公司須及時對生產設施進行升級改造以提高排放處理能力，以滿足更為嚴格的環保標準和環保要求，否則給本公司生產經營帶來不利影響。





Directors' Report

The risk of core technology and formula leakage

The Group, having always highly valued R&D work, owns a state-certified enterprise technology centre and an overseas R&D centre. Through long-term development, the Group has developed numerous core technologies and flavours and fragrances formulas which have intellectual property rights. The Group faces the risk of technology leakage since there are difficulties in protecting most of the Group's core technologies, especially flavours and fragrances formulas, by using patents so that the Group had to rely on its confidentiality mechanisms for protection. The Group has adopted extremely stringent confidentiality measures to some of the core technologies and strictly follows those measures. The Group implements process segregation to important production aspects which only allows the core formulas of the various flavours and fragrances products to be known to a few core technicians (who had been bound by Confidentiality Agreements), thereby minimizing and controlling the risk of core technology and formula leakage.

The risk on production and operation affected by the Pandemic

Since early 2020, the Pandemic has been spreading all over the country and until this moment, the battle for the prevention and control of the Pandemic is still on-going. Recently, the widespread of the Pandemic is affecting many countries around the world. The World Health Organization declared that the Pandemic is of international concern. If the Pandemic continues, there exists an uncertainty of its impacts on the production and operation of the Company. The Company will continue to closely monitor the situation of the Pandemic, assess its impacts on the Company in areas such as financial position and operating results, and will continue to enforce strictly the prevention and control measures to protect the safety of employees in accordance with the national epidemic prevention and control requirements. In the meantime, we will continue our best efforts to ensure the smooth execution of production, operation and management work for the sustainable and stable operation of the Company, and to satisfy the needs of our customers, in order to minimize the impacts of the Pandemic on the Company.

董事會報告

核心技術和配方失密的風險

本集團歷來高度重視技術研發工作，擁有國家認定企業技術中心，並在境外設有研發中心。經過長期發展，本集團已開發出大量具有自主智慧財產權的核心技術和香精配方。由於本集團大部分核心技術特別是香精配方訣竅難以通過專利保護，依賴於本集團的保密機制來保護，本集團面臨技術失密的風險。本集團對部份核心技術採取了極為嚴密的保密措施，並嚴格執行；對關鍵生產環節實行工序隔離，各類香精產品的核心配方構成僅由數名核心技術人員掌握，並與之簽訂《保密協議》，將核心技術失密風險加以有效控制。

生產經營受新冠肺炎疫情影響的風險

2020年初新冠肺炎疫情在全國爆發，截至目前，新冠肺炎疫情的防控工作尚未結束。近期，世界多個國家也發生新冠肺炎疫情，世界衛生組織稱新冠肺炎疫情已經全球「大流行」。如新冠肺炎疫情的發展持續，則其對本公司生產經營的影響存在一定不確定性。本公司將持續密切關注新冠肺炎疫情情況，評估其對本公司財務狀況、經營成果等方面的影響，按照國家疫情防控要求，嚴格執行防控工作，保護員工安全，同時做好各項生產經營管理工作，盡最大努力確保本公司持續穩健經營，滿足客戶需求，將新冠肺炎疫情對本公司的影響降到最低。

Directors' Report

Risk of fluctuations in raw material prices

During the Financial Year, due to the imbalance of supply and demand and imported inflation caused by the epidemic, the prices of certain raw materials fluctuated violently and increased significantly. The Company will continue to dynamically track the price trend of major raw materials, adjust raw material reserves in a timely manner according to price changes, optimize inventory management, and flexibly implement the strategy of determining production based on sales. In order to reduce the impact of the international epidemic on the cost of imported raw materials, the Company has carried out the localization of suppliers to reduce the dependence on imported raw materials. At the same time, the Company continuously improves the technical level, increases the added value of products, and then increases the gross profit margin of products, so as to ensure the profitability of the Company.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group plays an important role in protecting our environment and is committed to minimizing our impact on the environment and natural resources. We educate and train our employees on environmental issues and proper handling of hazardous substances and require adherence to corporate guidelines on environmental protection measures. Our plants have basically installed equipment and procedures designed to comply with the requirements in business operation.

In addition, the Group installed video conference and telephone conference facilities for convening board meetings, committee meetings and management meetings. It enhances the efficiency of business travelling and convening meetings for the management so as to reduce the energy consumption.

The Group promotes awareness towards environmental protection to the employees. It implements green office practices such as utilizing emails for internal and external communication, adopting e-filing in server; minimizes documents printing and copying; and reduces energy consumption by switching off lightings and electrical appliances when not in use.

We have completed our Environmental, Social and Governance ("ESG") report which contains our ESG information in 2021 and the requirements under the ESG Reporting Guide of the Listing Rules. The ESG report of the Company for 2021 will be published no later than 3 months after the publication of this annual report on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and of the Company (www.huabao.com.hk).

董事會報告

原材料價格波動的風險

報告期內，因疫情造成的供需失衡及輸入性通漲，個別的原材料價格波動劇烈、漲幅較大。本公司將持續對主要原材料的價格走勢進行動態跟蹤，根據價格變化及時調整原材料儲備，優化庫存管理，靈活實行以銷定產戰略。為降低國際疫情對於進口原料成本的影響，本公司進行供應商本土化的工作，減少對於進口原料的依賴。同時，本公司通過不斷提升技術水準，提高產品附加值，進而提升產品毛利率，保障本公司盈利能力。

環境政策及表現

本集團在保護環境方面，致力將集團對環境和天然資源造成的影響減至最低。我們為員工提供有關環境問題及妥善處理危險物品的教育和培訓，並要求遵從有關環境保護措施的公司指引。我們的廠房基本上已安裝設備和設有流程，旨在符合業務經營要求。

另外，本集團已安裝視頻會議和電話會議設施以召開董事會會議、委員會會議和管理層會議，此舉有助提升管理層開會出差的效率，從而減少耗能。

本集團亦推動僱員提升環保意識，實施各項綠色辦公室措施，例如利用電郵作內部和外部溝通、在伺服器採用電子存檔、減少打印和複印文件，以及關掉不使用的照明和電器以減少耗能。

本集團已完成環境、社會及管治（「環境、社會及管治」）報告，當中載列我們於2021年度在環境、社會及管治方面的資料，並已遵照上市規則有關環境、社會及管治指引的要求。2021年度的《環境、社會及管治報告》將不遲於刊發本年報後的三個月內登載於香港聯交所網站(www.hkexnews.hk)及本公司網站(www.huabao.com.hk)以供閱覽。





Directors' Report

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Directors recognise that employees, customers, suppliers and business partners are the keys to the sustainable development of the Group.

Regarding employee salary and incentive system, the Group has formulated a set of remuneration system referenced to the market to attract and retain key personnel and talents with appropriate skills, experience and competence which would complement and meet the corporate and business objectives of the Group. The Group ensures all employees are reasonably remunerated and the remuneration packages of employees are reviewed regularly and necessary adjustments are made from time to time to the remuneration packages to align with the market standards. Further details on the Group's staff are set out in the "Human Resources and Corporate Culture Construction" section of this report.

The Group adheres to its core value of "client first" for years to maximize client value, maintains good relationship with its customers and suppliers, and has ongoing communication with the customers and suppliers through various channels such as telephone, emails and physical meetings to obtain their feedback and suggestions. Besides, the Group has entered into related agreements to promote probity and environmental protection with respective suppliers and conducted an evaluation of its suppliers, with a view to maintaining business relationships with suppliers and customers based on principle of mutual benefit.

COMPLIANCE WITH LAWS AND REGULATIONS

The Company has complied with the requirements under the Companies Act 1981 of Bermuda (as amended from time to time), the Listing Rules and the SFO relating to, among other things, the information disclosure and corporate governance.

SEGMENT INFORMATION

An analysis of the Group's performance for the Financial Year by business segment is set out in Note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Financial Year are set out in the consolidated income statement on page 131 of this annual report.

董事會報告

與僱員、客戶及供應商的關鍵關係

董事認同，僱員、客戶、供應商及業務合作夥伴為本集團可持續發展的關鍵。

在員工薪酬及激勵機制方面，本集團根據市場化的原則擬定了一套薪酬制度，吸引及挽留關鍵人員及擁有適合技能、經驗及能力的人才，以補充及滿足本集團的企業及業務目標。本集團確保所有僱員有合理報酬及定期審閱僱員薪酬，於必要時調整薪酬待遇以與市場標準保持一致。本集團員工相關的資訊詳見本報告「人力資源及企業文化建設」章節。

本集團多年來堅持「客戶至上」的核心價值觀，以為客戶創造最大價值為己任，與客戶及供應商保持良好關係，並具有各種渠道，如電話、電郵及實體會議與客戶及供應商持續溝通，以取得其反饋及建議。另外，本集團與個別供應商訂有促進廉潔及環保的相關協定，並對供應商進行評估，以期與客戶及供應商保持互惠互利的業務合作關係。

遵守法律和法規

本公司已遵守百慕達1981年公司法（經不時修訂）、上市規則和證券及期貨條例（其中包括）資料披露和企業管治之要求。

分部資料

於本財政年度，本集團按業務分部劃分之表現分析載於綜合財務報表附註5。

業績及分派

本集團於本財政年度之業績載於本年報第131頁之綜合收益表。

Directors' Report

Dividend Policy

The Group is committed to sharing its development and achievements with Shareholders through proactive, stable and sustainable dividend policy. The Group would strive to strike a balance between the short-term dividend returns and long-term development of the Group prudently. When considering the dividend policy, the Group will comprehensively observe the macro-economic operation, the competition pattern of the industry and the Group's own development strategy. Under the premise of ensuring that the Group has sufficient working capital and capital expenditure to implement the development strategy, the Group will distribute surplus funds to Shareholders and reward their support for the Group.

As mentioned in the Company's 2020 interim report, in the first half year of 2020, worldwide economic activities were stagnant and showed nothing but gloomy prospects. Market demands decreased significantly and business operating environment became unstable. In order to maintain a stable financial condition, boost operational efficiency, and increase working capital reserves to tackle the economic recession as well as sustain the Group's normal operation and competitiveness, the Board decided to revise the Company's dividend policy after discreet consideration. If the Company pays dividends, the dividend payout ratio will be adjusted from "50% or above of the profit attributable to the equity holders of the Company for the whole year" to "30% or above of the profit attributable to the equity holders of the Company for the whole year". The change in dividend policy has been effective in 2021 accordingly.

Proposed Final Dividend

The Board proposes to declare a final dividend of HK2.0 cents per Share (2020: HK9.0 cents) in cash, amounting to approximately RMB52.8 million in aggregate (2020: approximately RMB229.5 million) for the Financial Year.

董事會報告

股息政策

本集團致力於透過積極穩健及可持續的派息政策，努力在短期的股息回報與長期的公司發展之間達致平衡，與股東共同分享本集團的發展和成就。在考慮派息政策時，本集團將綜合觀察宏觀經濟運行情況、行業競爭格局以及自身發展戰略，在確保本集團具備充足營運資金和資本性開支以落實發展戰略的前提下，將盈餘資金派發給股東，回報股東的支持。

按本公司在2020年中期報告所述，2020年上半年，全球經濟活動停滯且前景不明朗，市場需求大幅下降，企業經營環境不穩。為了維持財務穩健、提升效率及增加營運資金儲備以應對經濟衰退並維持正常營運和競爭力，經過認真考慮，董事會決議修改本公司的派息政策。本公司如派息，派息比率將由「全年本公司權益持有人應佔盈利的50%或以上」調整至「全年本公司權益持有人應佔盈利的30%或以上」。有關股息政策變化已經於2021年生效。

建議派發期末股息

董事會建議宣派本財政年度之現金期末股息每股港幣2.0仙（2020年：港幣9.0仙），共約人民幣5,280萬元（2020年：約人民幣2.295億元）。





Directors' Report

DATE OF ANNUAL GENERAL MEETING AND THE CLOSURE OF REGISTER OF MEMBERS

The Board will determine the date of the Company's forthcoming AGM and the closure of register of members and publish relevant notice as soon as possible.

The Company will dispatch a circular containing, among others, further information in relation to the proposed distribution of final dividend and the AGM to the shareholders of the Company in due course.

RESERVES

Movements in the reserves of the Group and the Company during the Financial Year are set out in the consolidated statement of changes in equity on pages 133 to 134 and in Note 19 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2021, the distributable reserves of the Company amounted to approximately RMB4,573 million (2020: approximately RMB3,897 million).

DONATIONS

Charitable and other donations made by the Group during the Financial Year amounted to approximately RMB3.98 million (2020: approximately RMB9.16 million).

董事會報告

股東週年大會日期及暫停辦理股股份過戶登記手續

董事會在決定股東週年大會日期及暫停辦理股股份過戶登記手續期間後，本公司將儘快發佈相關通知。

本公司將在實際可行的情況下儘快向本公司股東寄發載有（其中包括）有關建議派發末期股息及股東週年大會進一步資料的通函。

儲備

本集團及本公司於本財政年度之儲備變動載於年報第133至134頁之綜合權益變動表及綜合財務報表附註19。

可供分派之儲備

於2021年12月31日，本公司之可供分派儲備約人民幣45.73億元（2020年：約人民幣38.97億元）。

捐款

本集團於本財政年度作出慈善及其它捐款合共約人民幣398萬元（2020年：約人民幣916萬元）。

Directors' Report

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group are set out in Note 6 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in Note 17 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on pages 260 to 261.

SHARE OPTION SCHEME

Pursuant to a share option scheme (the "2016 Share Option Scheme") adopted on 9 August 2016 ("Adoption Date"), the 2016 Share Option Scheme shall be valid and effective for a period of ten years commencing on the Adoption Date. The following is a summary of the 2016 Share Option Scheme:

(a) Purpose

The 2016 Share Option Scheme aims at encouraging the participants to make contributions to and promote benefits of the Group, developing and maintaining business relationships with participants for the benefit of the Group.

(b) Participants

The Directors may, in accordance with the provisions of the 2016 Share Option Scheme and the Listing Rules, invite person(s) who or which is/are eligible to participate as grantee(s) and receive options under the 2016 Share Option Scheme, and to take up share options to subscribe for Shares.

董事會報告

物業、機器及設備

本集團物業、機器及設備之變動詳情載於綜合財務報表附註6。

股本

本公司之股本變動詳情載於綜合財務報表附註17。

優先購買權

本公司之公司細則或百慕達法例中概無有關優先購買權之條文，規定本公司須按比例向現有股東發售新股份。

五年財務摘要

本集團過去五個財政年度之業績及資產與負債概要載於年報第260至261頁。

購股權計劃

根據本公司於2016年8月9日（「採納日期」）採納的一項購股權計劃（「2016購股權計劃」），2016購股權計劃自採納日期起十年內有效。2016購股權計劃的摘要載列如下：

(a) 目的

2016購股權計劃旨在激勵參與者為本集團作出貢獻及促進利益，為與可對本集團有利之參與者發展及維持業務關係。

(b) 參與者

董事可根據2016購股權計劃之條文及上市規則邀請合資格以承授人身份參與2016購股權計劃及據此獲得購股權之人士接納購股權以認購股份。





Directors' Report

(c) Maximum number of shares available for subscription

The total number of share options to be granted under the 2016 Share Option Scheme shall not exceed 10% of the issued Shares of the Company as at 9 August 2016. Upon approval by the Shareholders, the Company may renew the Scheme Mandate Limit, provided that each renewal shall not exceed 10% of the issued Shares as at the date of approval by the Shareholders, and a circular regarding the proposed renewal of the Scheme Mandate Limit has been dispatched to the Shareholders in manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules. The aggregate maximum number of Shares which may be issued upon exercise of share options granted under the 2016 Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

(d) Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options under the 2016 Share Option Scheme) in any 12-month period must not exceed 1% of the issued share capital of the Company. Any excess over 1% shall be subject to the approval of the Shareholders at general meeting with such participant and his/her close associates abstaining from voting and the Company shall issue a circular pursuant to relevant provisions of Chapter 17 of the Listing Rules.

(e) Time of acceptance and exercise of a share option

The grantee may accept the offer of the share option within 30 business days from the date of the offer letter issued by the Company. The grantee shall pay HKD1 as consideration for accepting the offer of the share option granted. The grantee may subscribe for Shares during such period as may be determined by the Board (the said period shall not in whatever case be later than the last day of the 10-year period after the day on which the offer relating to the option is duly approved by the Board in accordance with the 2016 Share Option Scheme (subject to early termination).

(f) Minimum period for which an option must be held before it can be exercised

Unless the Directors determine otherwise and state in the offer of the grant of option to the grantee, the 2016 Share Option Scheme does not provide for any minimum period for which share options must be held before it can be exercised.

董事會報告

(c) 可供認購之最多股份數目

根據2016購股權計劃批授的購股權總數，不得超逾2016年8月9日本公司已發行股份的10%。在獲得股東批准後，本公司可更新計劃授權限額，惟每一次更新的計劃授權限額，均不得超逾股東批准更新限額該日已發行股份之10%；及須遵照上市規則第17章有關條文規定之方式將建議更新計劃授權限額之通函寄發予股東，該通函其中載有上述條文所規定之資料。因按照2016購股權計劃及本公司任何其他購股權計劃授出之購股權獲行使及將獲行使，而將予發行之最多股份數目不可超逾不時已發行股份總數之30%。

(d) 各參與者可獲授權益上限

各參與者於任何12個月期間內因行使其獲授購股權（包括根據2016購股權計劃已行使及尚未行使之購股權）而已發行及將發行之股份總數，不得超過本公司已發行股本之1%。如授出之數目超逾1%，則須於股東大會上取得股東批准，而有關參與者及其緊密聯繫人士須放棄投票，而本公司亦須按照上市規則第17章有關條文之規定發出通函。

(e) 接納及行使購股權之期限

承授人可於本公司發出的要約函件當日起計30個營業日內接納購股權要約，而接納批授購股權要約時，須支付港幣1元的代價。承授人可於董事會釐定之期間內認購股份（該期間無論如何最遲於董事會根據2016購股權計劃正式批准有關購股權要約當日後十年期間之最後一日屆滿（可提前終止））。

(f) 購股權可予行使前須持有之最短期間

除非董事另行決定並於向承授人授出之購股權要約中表明，否則2016購股權計劃並無條文規定購股權可予行使前須持有之最短期間。

Directors' Report

(g) Basis for determining the exercise price

The exercise price of share option granted pursuant to the 2016 Share Option Scheme shall be determined by the Board and shall be at least the higher of (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheet on the date of offer, which must be a business day; (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the offer; and (iii) the nominal value of the Shares.

(h) The life of the 2016 Share Option Scheme

The 2016 Share Option Scheme will remain in force for ten years starting from 9 August 2016 (can be terminated before expiration).

As at 31 December 2021 and up to the date of this report, there were no share options outstanding under the 2016 Share Option Scheme and there were no share options granted, exercised, cancelled or lapsed during the Financial Year.

SHARE INCENTIVE SCHEME – GUANGDONG JIAHAO SHARE INCENTIVE SCHEME (Note: see Note 18(b) Share-based payment to the consolidated financial statements)

Pursuant to a written resolution of the directors of Guangdong Jiahao passed on 15 October 2020, Guangdong Jiahao, an indirect non-wholly-owned subsidiary of the Company, approved, adopted and implemented a share incentive scheme (the "Share Incentive Scheme") in which Eligible Participants (as defined below) will be entitled to participate. The Share Incentive Scheme is not subject to the requirements of Chapter 17 of the Listing Rules.

The following is a summary of the principal terms of the Share Incentive Scheme.

Summary of Terms

Purposes

The purposes of the formulation and the implementation of the Share Incentive Scheme is to establish an effective incentive and discipline mechanism for Guangdong Jiahao, attract and retain outstanding talents, so as to fully motivate the management and core team members of Guangdong Jiahao to effectively align the interests of the Company, Guangdong Jiahao and its employees, and to create the future of the Company with concerted effort.

董事會報告

(g) 釐定行使價的基準

根據2016購股權計劃所批授的購股權，其行使價須由董事會釐定，惟不得低於下列各項中之較高者：(i)購股權要約日期(必須為營業日)香港聯交所每日報價表所列之股份收市價；(ii)在緊接要約日期前五個營業日在香港聯交所每日報價表所列收市價的平均數；及(iii)股份面值。

(h) 2016購股權計劃的有效期

2016購股權計劃於2016年8月9日起計十年內有效(可提前終止)。

於2021年12月31日及至本報告日，無任何於2016購股權計劃項下尚未被行使的購股權，亦於本財政年度內無批授出、行使、註銷或失效的購股權。

股權激勵計劃 – 廣東嘉豪股權激勵計劃 (註：可參見綜合財務報表附註18(b)股份為基礎的支付)

於2020年10月15日，廣東嘉豪(一家本公司間接持有之非全資附屬公司)，通過了董事書面決議案，批准採納並執行一項股權激勵計劃(「股權激勵計劃」)。其中，合資格參與者(定義見下文)將有權參與。股權激勵計劃不受上市規則第十七章的規定所規限。

下文概述股權激勵計劃的主要條款。

條款概要

宗旨

此計劃的目的，是為廣東嘉豪建立有效的激勵約束機制，吸引和留住優秀人才，充分調動廣東嘉豪管理人員和核心團隊成員的積極性，有效地將本公司、廣東嘉豪和員工的利益結合在一起，共創公司的未來，制定並實施了股權激勵計劃。



Directors' Report

Types of Awards and Who May Participate

Under the Share Incentive Scheme, the board of directors of Guangdong Jiahao (the "Relevant Board") (including any committee or person(s) duly authorized by the Relevant Board) may, at its discretion, invite directors, senior management, core technical personnel or other employees of Guangdong Jiahao to participate in the Share Incentive Scheme, whereby the relevant employees will be awarded restricted shares (the "Restricted Shares") and will be required to settle the relevant subscription price (the "Employee Subscription Price"). The Restricted Shares will be released upon the expiry of the period of restriction on transfer of such Restricted Shares, such as the relevant sale restriction period/lock-up period. The relevant employees passed a resolution to establish certain limited partnership shareholding platforms (the "Employees Shareholding Platform(s)") through which they will participate in the Share Incentive Scheme by way of indirect shareholding (the "Award(s)") in the capacity of limited partners (the "Eligible Participant(s)" or "Participant(s)") and will be required to settle the relevant Employee Subscription Price. The Group or its controlled affiliates are the general partners of such partnership(s).

Maximum Number of Shares

According to the Share Incentive Scheme approved by the Relevant Board, upon the implementation of the Share Incentive Scheme, the number of underlying shares under the Share Incentive Scheme represented approximately 1.98% of the total equity interests in Guangdong Jiahao (a limited liability company) and as at 31 December 2021, those equity interests have been vested to the Employees Shareholding Platforms.

Consideration for Restricted Share Units and Restricted Share Purchase Price

The Eligible Participants would indirectly hold equity interests in Guangdong Jiahao through limited partnerships, and the Employees Shareholding Platforms would purchase the Group's existing equity interests in Guangdong Jiahao for cash at the price(s) agreed between the Company and the Eligible Participant(s). The aggregate Employee Subscription Price payable by the Eligible Participants amounted to approximately RMB46.5 million.

董事會報告

獎勵類型及可參與的人士

廣東嘉豪董事會（「有關董事會」）（包括有關董事會正式授權的任何委員會或人士）在股權激勵計劃下可酌情邀請屬廣東嘉豪董事、高級管理人員、核心技術人員或其他僱員參與，有關員工將獲授予受限制股份（「受限制股份」），並需要支付有關的認購價（「員工認購價」），一旦受限制股份的相關限售期／禁售期等股份轉讓限制的期限屆滿，受限制股份的限制將被解除。有關員工通過成立了若干的有限合夥持股平台（「員工持股平台」），並以有限合夥人身份（「合資格參與者」或「激勵對象」）間接參與持股（統稱「獎勵」）並需要支付有關的員工認購價，而本集團或其控制聯屬公司為普通合夥人。

最高股份數目

根據有關董事會審議通過的股權激勵計劃，本次股權激勵計劃實施完畢後，股權激勵計劃相關股份量約佔廣東嘉豪（其為有限責任公司）總股權的1.98%，截至2021年12月31日，該等股權已歸屬到員工持股平台。

受限制股份單位的代價及受限制股份購買價

合資格參與者通過有限合夥企業間接持有廣東嘉豪的股權，員工持股平台以現金作價購買本集團持有的廣東嘉豪的現有股權，按照公司與合資格參與者商定的價格，合資格參與者需要支付員工認購價總價約為人民幣4,650萬元。

Directors' Report

Vesting Schedule

For the purpose of this Share Incentive Scheme, four limited partnerships have been established, namely Yingtan Xiangshan Corporate Advisory Centre (Limited Partnership) (鷹潭香山企業諮詢中心(有限合夥)), Yingtan Zhonghao Corporate Advisory Centre (Limited Partnership) (鷹潭中豪企業諮詢中心(有限合夥)), Yingtan Guanghao Corporate Advisory Centre (Limited Partnership) (鷹潭廣豪企業諮詢中心(有限合夥)) and Yingtan Huajia Corporate Advisory Centre (Limited Partnership) (鷹潭華嘉企業諮詢中心(有限合夥)), through which the Participants indirectly hold equity interests in Guangdong Jiahao and the relevant Awards have vested in the Employees Shareholding Platforms.

There were in total 80 Participants under the Share Incentive Scheme, including directors and senior management of Guangdong Jiahao. The chairman of Guangdong Jiahao, XIA Liqun, who is also a director of the Company and one of the Participants.

Restrictions on share transfers:

- Yingtan Xiangshan Corporate Advisory Centre (Limited Partnership) (鷹潭香山企業諮詢中心(有限合夥)), Yingtan Zhonghao Corporate Advisory Centre (Limited Partnership) (鷹潭中豪企業諮詢中心(有限合夥)), Yingtan Guanghao Corporate Advisory Centre (Limited Partnership) (鷹潭廣豪企業諮詢中心(有限合夥))
1. Sale restriction period: 36 months from the date of Award and the sale restriction period shall remain effective regardless of whether Guangdong Jiahao could be listed (i.e. initial public offering of shares) or not;
 2. Lock-up period: Upon the listing of Guangdong Jiahao, the Participants are subject to lock-up requirements as agreed under the relevant share incentive agreement(s) and the relevant requirements as stipulated under the listing rules of domestic exchange;
 3. During the sale restriction period or lock-up period, the limited partners shall not transfer their respective shares in the assets of the partnerships, except in the case of withdrawal;
 4. After the date falling on the fifth anniversary of the date of Award, the Participants may transfer all or part of their respective awarded shares in the event that Guangdong Jiahao remains unlisted.

董事會報告

歸屬時間表

為本次股權激勵計劃之目的，設有鷹潭香山企業諮詢中心(有限合夥)、鷹潭中豪企業諮詢中心(有限合夥)、鷹潭廣豪企業諮詢中心(有限合夥)、鷹潭華嘉企業諮詢中心(有限合夥)四個有限合夥企業，激勵對象通過前述有限合夥企業間接持有廣東嘉豪的股權，有關獎勵已歸屬到員工持股平台。

本次股權激勵計劃下的激勵對象共有80人，包括廣東嘉豪董事及高管；其中包括其董事長夏利群(亦為本公司董事)。

股份轉讓限制機制：

- 鷹潭香山企業諮詢中心(有限合夥)、鷹潭中豪企業諮詢中心(有限合夥)、鷹潭廣豪企業諮詢中心(有限合夥)
1. 限售期：自授予日起36個月，無論廣東嘉豪是否上市(即股票首次公開發行)，限售期持續計算；
 2. 禁售期：廣東嘉豪上市之後，激勵對象依股權激勵協議的約定及境內交易所上市規則相關要求進行禁售；
 3. 限售期、禁售期內，除退出外，有限合夥人不得轉讓其在合夥企業中的財產份額；
 4. 自激勵股權授予日起5年後，如廣東嘉豪未上市的，股權激勵對象可轉讓其持有的全部或部分激勵股權。





Directors' Report

Yingtian Huajia
Corporate Advisory
Centre (Limited
Partnership)
(鷹潭華嘉企業
諮詢中心(有限合夥))

1. Prior to the listing of Guangdong Jiahao and within 36 months from the date of listing of Guangdong Jiahao, the Participants shall not transfer all or part of their respective awarded shares to any third party (including other Participants on the Employees Shareholding Platforms) not recognised by the general partners of the partnerships without the prior consent of the general partners of the partnerships;
2. After the date falling on the fifth anniversary of the date of Award, the Participants may transfer all or part of their respective awarded shares in the event that Guangdong Jiahao remains unlisted;
3. Upon the listing of Guangdong Jiahao, if according to the relevant laws and regulations, the Participants is required to comply with the obligations such as specific lock-up period or restriction on the percentage of sale due to the Participants being the senior management of the company, having special status or the number of shares held reaches a certain threshold, the Participants shall comply with the relevant regulations in addition to the requirements under the agreement.

董事會報告

- 鷹潭華嘉企業諮詢中心(有限合夥)
1. 廣東嘉豪上市前及廣東嘉豪上市之日起36個月內，未經合夥企業普通合夥人同意，股權激勵對象不得向未經合夥企業普通合夥人認定的任何第三方(包括員工持股平台上的其他激勵對象)轉讓其持有的全部或部分激勵股權；
 2. 自激勵股權授予日起5年後，如廣東嘉豪未上市的，股權激勵對象可轉讓其持有的全部或部分激勵股權；
 3. 廣東嘉豪上市時，如根據相應的法律法規，因股權激勵對象擔任公司高級管理人員、具備特殊身份或持股數量達到一定比例等原因而須遵守特定禁售期或對出售比例限制等義務的，股權激勵對象除應遵守本協議約定外，還應遵守相關規定。

Directors' Report

Vesting of Awards, Termination and Withdrawal of Participants

The Awards have been vested in the Employees Shareholding Platforms and the Participant(s) shall withdraw from the Share Incentive Scheme if any of the following occur: (1) amendment(s) to the Share Incentive Scheme, or amendment(s) to the share incentive agreement(s) for the compliance with the requirements of the company's lending banks, or amendment(s) to the share incentive agreement(s) for the compliance of the listing rules of the stock exchange or the requirements of the regulatory authority regarding the listing of the company, but the Participant(s) declines to execute the amended share incentive agreement; (2) the company is dissolved or its business license is revoked or cancelled; (3) the partnership is dissolved or its business license is revoked or cancelled; (4) the Participant has reached the retirement age and has completed the retirement formalities and does not continue to serve after retirement; (5) the company terminates the labour contract or employment contract with the Participants due to strategic adjustment or redundancy; (6) the Participant resigns during the term of the labour contract, or the company or the Participant refuses to renew the labour contract upon its expiry; (7) death or incapacity of the Participant; (8) the Participant is held criminally responsible for any criminal offence; (9) the Participant commits serious misconduct, malfeasance, fraud, bribery, bribery solicitation, misappropriation, embezzlement, divulgence of business, customer and technical secrets or other violations of laws or disciplines, causing significant damage to the company; (10) the company determines that the Participant is directly responsible for the company's loss or decline in operating results; (11) the Participant is considered to be detrimental to the interests of the company when performing his duties; (12) the Participant causes significant loss to the interests of the company due to his negligence in performing his duties; (13) the Participant violates the obligation of confidentiality and divulges the confidential information of the company (including the intellectual property rights, technical secrets, customer information, financial information and other business secrets). For the purpose of this Share Incentive Scheme, the aforementioned trade secrets include the fact presented in this Share Incentive Scheme and the Share Incentive Scheme documents and any of their contents; (14) the Participant, in other capacities or in any way, is engaged in or for the benefits of others engaged in any competing business with the company without the prior written consent of the company; (15) the share of assets in the partnerships held by the Participant is enforced by law; (16) the Participant is dismissed by the company for violating the rules and regulations of the company, or the Participant is removed from the partnership(s).

董事會報告

獎勵歸屬、終止及激勵對象退出

有關獎勵已歸屬到員工持股平台，因發生下列情形之一的，激勵對象須退出股權激勵計劃：(1)股權激勵計劃變更，或為遵守公司貸款銀行的要求變更股權激勵協議，或因公司上市為遵守交易所上市規則或監管機關要求變更股權激勵協議，但激勵對象拒絕簽署變更後的股權激勵協議；(2)公司解散，或被吊銷、註銷營業執照的；(3)合夥企業解散，或被吊銷、註銷營業執照的；(4)激勵對象達到法定退休年齡辦理退休手續且退休後不再繼續任職的；(5)公司因戰略調整、裁員與激勵對象解除勞動合同或聘用合同的；(6)在勞動合同期限內，激勵對象辭職，或在勞動合同期限屆滿後，公司或激勵對象拒絕續約的；(7)激勵對象死亡或喪失勞動能力的；(8)激勵對象因刑事犯罪被追究刑事責任的；(9)激勵對象嚴重失職、瀆職、營私舞弊、受賄、索賄、侵佔、盜竊、洩露經營、客戶和技術秘密等違法違紀行為，給公司造成重大損害的；(10)經公司認定，激勵對象對公司虧損、經營業績下降負有直接責任的；(11)激勵對象執行職務時，損害公司利益的；(12)激勵對象因執行職務時的過失行為，致使公司利益受到重大損失的；(13)激勵對象違反保密義務，洩漏公司保密資訊(包括公司的知識產權、技術秘密、客戶信息、財務資料和其他商業秘密信息等)的。為本股權激勵計劃之目的，前述商業秘密包括本股權激勵計劃及股權激勵計劃文件存在的事實及其任何內容；(14)未經公司事先書面同意，激勵對象在其他場所或以任何方式從事或為他人從事與公司構成競爭業務的；(15)激勵對象持有的合夥企業財產份額被依法強制執行的；(16)存在其他違反公司規章制度行為被公司辭退，或激勵對象被合夥企業除名的。





Directors' Report

The transfer price for the Participant's withdrawal from the Share Incentive Scheme will be based on the reason(s) of his withdrawal. The transfer price in the case of withdrawal is either the principal amount of the Participant's investment or the principal amount of the investment plus interest calculated at a rate of 5-10% per annum on simple interest basis (interest is calculated according to the actual number of days).

DIRECTORS

The Directors of the Company during the Financial Year and up to the date of this report were:

Executive Directors:

Ms. CHU Lam Yiu (*Chairlady and CEO*)
Mr. LAM Ka Yu (*Co-Chairman*) (Note 1)
Mr. XIA Liqun (*Vice Chairman and President*)
Mr. POON Chiu Kwok (*Vice President and Company Secretary*)
Ms. LAM Ka Yan (Note 2)
Ms. CHOY Man Har (Note 3)

Independent Non-executive Directors:

Mr. LEE Luk Shiu
Ms. MA Yunyan
Mr. WU Chi Keung (Note 4)
Mr. Jonathan Jun YAN (Note 5)

Notes:

1. Appointed as Co-Chairman of the Board with effect from 1 June 2021.
2. Appointed as Executive Director and a member of the Nomination Committee with effect from 14 February 2022.
3. Appointed as Executive Director with effect from 14 February 2022.
4. Ceased to act as Independent Non-executive Director and a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company with effect from 30 September 2021.
5. Appointed as a member of the Nomination Committee with effect from 14 February 2022.

In accordance with bye-law 87(1) and (2) of the Bye-laws, Mr. XIA Liqun, Ms. LAM Ka Yan, Ms. CHOY Man Har, Mr. Jonathan Jun YAN and Ms. MA Yunyan shall retire from office by rotation at the forthcoming AGM. Mr. XIA Liqun, Ms. LAM Ka Yan, Ms. CHOY Man Har and Mr. Jonathan Jun YAN, all being eligible, have offered themselves for re-election at the forthcoming AGM. Ms. MA Yunyan, being eligible, will not offer herself for re-election at the forthcoming AGM.

董事會報告

激勵對象退出股權激勵時的轉讓價格視激勵對象的退出原因所確定，退出轉讓價格或為激勵對象的投資本金，或為按年單利5-10%計算的投資本金加利息（利息按實際天數算）。

董事

於本財政年度及截至本報告日期本公司之董事如下：

執行董事：

朱林瑤女士 (*主席兼首席執行官*)
林嘉宇先生 (*聯席主席*) (附註1)
夏利群先生 (*副主席兼總裁*)
潘昭國先生 (*副總裁兼公司秘書*)
林嘉忻女士 (附註2)
蔡文霞女士 (附註3)

獨立非執行董事：

李祿兆先生
麻雲燕女士
胡志強先生 (附註4)
Jonathan Jun YAN先生 (附註5)

附註：

1. 獲委任為本公司董事會聯席主席，自2021年6月1日起生效。
2. 獲委任為本公司執行董事及提名委員會委員，自2022年2月14日起生效。
3. 獲委任為本公司執行董事，自2022年2月14日起生效。
4. 辭任本公司獨立非執行董事及審核委員會、薪酬委員會及提名委員會成員職務，自2021年9月30日起生效。
5. 獲委任為本公司提名委員會委員，自2022年2月14日起生效。

根據公司細則第87(1)及(2)條，夏利群先生、林嘉忻女士、蔡文霞女士、Jonathan Jun YAN先生及麻雲燕女士將於應屆股東週年大會上輪值告退。夏利群先生、林嘉忻女士、蔡文霞女士及Jonathan Jun YAN先生，惟彼等符合資格，並願於應屆股東週年大會膺選連任。麻雲燕女士，惟彼符合資格，但將不會於應屆股東週年大會膺選連任。

Directors' Report

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than disclosed in Note 32 to the consolidated financial statements, no contracts of significance in relation to the Group's business to which the Company, its ultimate holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Financial Year.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors and their respective close associates (as defined in the Listing Rules) is considered to have an interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of Directors and senior management are set out on pages 41 to 48 of this annual report.

REMUNERATION OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Particulars of the remuneration of the Directors and the five highest paid individuals during the Financial Year are set out in Note 35 and Note 25 to the consolidated financial statements respectively.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2021, the interests and short positions of the Directors and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register maintained by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

董事會報告

董事服務合約

擬於應屆股東週年大會上膺選連任之董事，概無與本公司訂立任何本公司不可於一年內毋須賠償（法定賠償除外）而予以終止之服務合約。

董事於重大合約之權益

除綜合財務報表附註32所披露者外，於年結日或本財政年度內任何時間，本公司並無訂立任何涉及本公司董事直接或間接擁有重大權益且與本公司最終控股公司或其任何附屬公司業務有關之重大合約。

董事於競爭業務之權益

概無董事及其各自之緊密聯繫人（按上市規則定義）擁有與本集團業務直接或間接構成競爭或可能構成競爭的任何業務之權益。

董事及高級管理層履歷

董事及高級管理層的履歷載於本年報第41至48頁。

董事及五名最高薪酬人士之酬金

於本財政年度內，董事及五名最高薪酬人士之酬金詳情分別刊載於綜合財務報表附註35和附註25。

董事於股份、相關股份及債券之權益

於2021年12月31日，董事及最高行政人員於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有本公司根據證券及期貨條例第352條規定所存置之登記冊所記錄之權益及淡倉；或擁有根據標準守則規定而須知會本公司及香港聯交所之權益及淡倉如下：





Directors' Report

Long position in ordinary shares of the Company

Name of Director(s) 董事姓名	Capacity 身份	Number of issued Shares held 持有已發行 股份數目	Percentage of the issued share capital 佔已發行 股本百分比
CHU Lam Yiu 朱林瑤	Held through controlled corporations (Note) 透過受控制公司持有(附註)	2,293,408,900	71.00%

Note: 2,293,408,900 ordinary shares of the Company were held by Mogul Enterprises Limited, Resourceful Link International Limited, Power Nation International Limited, Jumbo Elite Limited, Raise Sino Investments Limited and Real Elite Investments Limited, respectively. Ms. CHU Lam Yiu is the sole beneficial owner of the aforesaid six companies.

董事會報告

本公司之普通股好倉

附註：本公司之2,293,408,900股普通股乃分別由 Mogul Enterprises Limited, Resourceful Link International Limited, Power Nation International Limited, Jumbo Elite Limited, Raise Sino Investments Limited and Real Elite Investments Limited持有。朱林瑤女士為上述六間公司的唯一實益擁有人。

Save as disclosed above, as at 31 December 2021, the Company is not aware of any of the Directors or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its subsidiaries or associated companies as defined in the SFO.

除上文所披露者外，於2021年12月31日，本公司並不知悉有任何董事或彼等之緊密聯繫人於本公司或其任何附屬公司或相聯法團(定義見證券及期貨條例)之任何股份、相關股份或債券中擁有任何權益或淡倉。

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Other than disclosed in Note 18 to the consolidated financial statements, at no time during the Financial Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事認購股份或債券之權利

除於綜合財務報表附註18所披露者外，本公司或其任何附屬公司於本財政年度內任何時間均無參與任何安排，致使本公司之董事可藉收購本公司或任何其他法團之股份或債券而獲益。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Financial Year and up to the date of this report.

管理合約

概無於本財政年度至本報告日內訂立或存有任何涉及本公司整體業務或任何重要業務之管理及行政工作之合約。

DIRECTORS' PERMITTED INDEMNITIES

Pursuant to the Bye-laws and subject to the relevant provisions therein, every Director shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which he/she may incur in or sustain by the execution of his/her duty as a director of the Company or otherwise in relation thereto. The Company has arranged appropriate insurance cover for the Directors and senior management of the Company in respect of legal action against them in the course of execution of their duties in good faith.

董事允許的彌償保證

根據公司細則並受當中相關條文所規限，每名董事就執行其作為本公司董事之職務或與之相關的其他事宜而承擔或蒙受的所有訴訟、費用、收費、損失、賠償及開支均可獲得本公司以其資產及溢利作出彌償及保證免受損害。本公司已就董事及高級管理層，在真誠善意地執行職責時可能招致任何法律訴訟，為彼等安排適當保險保障。

Directors' Report

EQUITY-LINKED AGREEMENTS

Save as disclosed under the section headed "Share Option Scheme" above and Note 18 to the financial statements, no equity-linked agreement was entered into by the Company during the Financial Year.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2021, other than the interests disclosed in the section headed "Directors' interests in shares, underlying shares and debentures", the Company is not aware of any other person who held interests or short positions in 5% or more of the issued share capital of the Company under Section 336 of the SFO.

DISCLOSURE UNDER RULE 13.21 OF THE LISTING RULES

On 17 August 2018, the Company entered into a facility agreement with a PRC bank (the "Lender") for a loan of approximately RMB2,888 million for a term of 5 years (the "Previous Loan Facility").

Pursuant to Rule 13.21 of the Listing Rules, so long as the facility agreement is still in full force, the obligation to disclose exists. As one of the precedent conditions of the facility agreement, Ms. CHU Lam Yiu ("Ms. Chu"), the ultimate beneficial controlling shareholder of the Company, shall, directly or indirectly, maintain her controlling stake in the Company throughout the life of the Previous Loan Facility. Breach of such undertaking will constitute an event of default which entitles the Lender to, among other things, demand immediate payment and/or repayment of all amount outstanding under the Previous Loan Facility from the Company.

As disclosed in the announcement of the Company dated 15 June 2021, the Company entered into a new facility agreement with another PRC bank (the "New Lender") for a loan of approximately RMB984 million for a term of 24 months ("New Loan Facility") commencing on 25 June 2021 for purpose of settling the outstanding balance of the Previous Loan Facility. All amount outstanding under the Previous Loan Facility were fully repaid. Pursuant to the new facility agreement, Ms. Chu is required to maintain her controlling stake in the Company and shall not conduct any divestment throughout the term of the New Loan Facility. Breach of such term will constitute an event of default which entitles the New Lender to, among other things, demand immediate payment and/or repayment of all amount outstanding under the New Loan Facility from the Company.

All amount outstanding under the New Loan Facility were fully repaid in December 2021 and the disclosure obligation under Rule 13.18 was deemed discharged.

董事會報告

股票掛鈎協議

除上文「購股權計劃」一節及財務報表附註18所披露外，本公司於本財政年度內並無訂立股票掛鈎協議。

主要股東之權益

於2021年12月31日，除於「董事於股份、相關股份及債券之權益」一節所披露之權益外，本公司並不知悉有任何其他人士根據證券及期貨條例第336條存置持有本公司已發行股本5%或以上權益或淡倉。

根據上市規則第13.21條作出披露

於2018年8月17日，本公司與一家中國的銀行（「貸款人」）執行一項為期5年的融資協議，金額約人民幣28.88億元（「前貸款貸款融資」）。

根據上市規則第13.21條，由於有關融資協議仍然完全有效，有關融資須予披露。融資協議其中一項先決條件為，本公司的最終實益控股股東朱林瑤女士（「朱女士」）須承諾於貸款融資整個期限內須直接或間接維持彼於本公司的控股權。違反此承諾將構成違約事項，使貸款人有權，其中包括，要求本公司立即支付及／或償還貸款融資下之所有未償還餘額。

誠如本公司日期為2021年6月15日的公告所披露，本公司與另一家中國的銀行（「新貸款人」）執行一項由2021年6月25日起，為期24個月的新融資協議，金額約人民幣9.84億元（「新貸款融資」），用於償還前貸款融資的貸款餘額。前貸款融資項下的所有未償還餘額均已悉數償還。根據新融資協議，朱女士須於新貸款融資整個期限內保持彼於本公司的控股地位，不得撤資。違反此條款將構成違約事項，使新貸款人有權，其中包括，要求本公司立即支付及／或償還新貸款融資下之所有未償還餘額。

於2021年12月，新貸款融資項下的所有未償還餘額均已悉數償還而根據上市規則第13.18條的披露義務亦被視為已解除。





Directors' Report

MAJOR CUSTOMERS AND SUPPLIERS

For the Financial Year, the percentage of revenue from sales of goods or rendering services attributable to the Group's five largest customers in aggregate accounted for approximately 24.28% and the largest customer Yunnan Tobacco (Group) Company Limited contributed approximately 6.10% to the revenue from sales of goods or rendering services of the Group and the percentage of purchases attributable to the Group's five largest suppliers in aggregate accounted for approximately 13.28% and the largest supplier contributed approximately 4.07% to the purchases of the Group.

None of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, owned more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The Group's connected transactions and continuing connected transactions are primarily classified based on (I) the connected transactions with each of Hongta Tobacco Group and Guangdong Tobacco Company; (II) the continuing connected transactions between the Group and Weizhijia Group; and (III) the continuing connected transactions between the Group and Broad Far Group.

(I) Connected transactions with Hongta Tobacco Group and Guangdong Tobacco Company

Connected Transactions with Hongta Tobacco Group

The Company, through its subsidiaries, indirectly owns 60% equity interest in Yunnan Tianhong. The remaining 40% equity interest in Yunnan Tianhong is held by Yunnan Hehe. Hongta Tobacco owns 75% equity interest in Yunnan Hehe. By virtue of such 40% interest in Yunnan Tianhong, Hongta Tobacco Group are regarded as connected persons at the subsidiary level of the Company under the Listing Rules. Transactions between each of Huabao Flavours Company and Guangdong Jinye Group with Hongta Tobacco Group constitute connected transactions of the Company under the Listing Rules.

董事會報告

主要客戶及供貨商

截至本財政年度，本集團五位最大客戶合計所佔本集團銷售貨品或提供服務的收入之百分比約為24.28%，而最大客戶雲南中煙物資（集團）有限責任公司則佔約為6.10%；本集團五位最大供應商合計所佔本集團採購額之百分比約為13.28%，而最大供應商則佔約為4.07%。

董事或其任何緊密聯繫人或任何股東（就董事所知，擁有5%以上本公司已發行股本者），概無擁有本集團五大客戶及供應商之任何權益。

關連交易及持續關連交易

本集團的關連交易及續關連交易主要根據以下分類：(I)與紅塔煙草集團及廣東中煙公司各自的關連交易；(II)本集團與味之家集團之間的持續關連交易；及(III)本集團與博遠集團之間的持續關連交易。

(I) 與紅塔煙草集團及廣東中煙公司的關連交易

與紅塔煙草集團的關連交易

本公司通過其子公司間接擁有雲南天宏60%股權。雲南天宏餘下40%股權由雲南合和持有。紅塔煙草擁有雲南合和75%的股權。根據上市規則，憑藉雲南天宏40%權益，紅塔煙草集團被視為本公司附屬公司的關連人士。根據上市規則，華寶股份公司與廣東金葉集團各自與紅塔煙草集團之間的交易構成本公司的關連交易。

Directors' Report

On 23 December 2019, Hongta Tobacco and Yunnan Tianhong entered into the First Hongta Agreement (the "First Hongta Agreement") and on 26 April 2020, Hongta Tobacco and Guangdong Jinke entered into the Supplementary Hongta Agreement (the "Supplementary Hongta Agreement", together with the "First Hongta Agreement" are collectively referred to as the "2020-Supply Framework Agreements") in relation to the provision of tobacco flavours products, RTL products, auxiliary materials, etc. and related services by the Group to Hongta Tobacco Group for a term commencing on 1 January 2020 to 31 December 2020 (both days inclusive). The price shall be based on implementation of bidding prices (if applicable) or market prices, i.e. prices and terms payable to the Group shall be no less favourable than those terms offered by independent third party customers for provision of similar products and services in its ordinary and usual course of business.

The annual cap (details of which is set out in the Company's announcement dated 27 April 2020) under the 2020-Supply Framework Agreements was set at not exceeding RMB95 million for the year ended 31 December 2020. The 2020-Supply Framework Agreements expired on 31 December 2020. The Company did not enter into any framework agreement with any members of Hongta Tobacco Group in 2021.

For the Financial Year, there was no transaction for connected transactions with Hongta Tobacco Group (2020: approximately RMB75.5 million).

董事會報告

於2019年12月23日，紅塔煙草與雲南天宏訂立首份紅塔協議（「首份紅塔協議」）而於2020年4月26日，紅塔煙草與廣東金科訂立補充協議（「補充協議」連同首份紅塔協議統稱為「2020－供應框架協議」），內容有關本集團向紅塔煙草集團提供煙用香精產品、再造煙葉產品、煙用輔料等及相關服務，期限由2020年1月1日起至2020年12月31日止（包括首尾兩日）。有關定價根據執行投標價格（如適用者）或執行當時的市場價格，即對價和條款應不遜於由獨立第三方客戶在正常商業交易情況下就該類產品及相關服務提供的條款。

2020－供應框架協議項下截至2020年12月31日止年度之年度上限為不超過人民幣9,500萬元（詳情載於本公司於2020年4月27日刊發的公告）。2020年－供應框架協議於2020年12月31日到期。本公司於2021年度未與紅塔煙草集團任何成員公司簽訂任何框架協議。

截至本財政年度，沒有與紅塔煙草集團的關連交易發生（2020年：約人民幣7,550萬元）。





Directors' Report

Connected Transactions with Guangdong Tobacco Company

The Company indirectly holds approximately 55.375% equity interests in Guangdong Jinke, which is regarded as an indirect non-wholly owned subsidiary of the Company. Guangdong Tobacco holds 17.5% equity interest in Guangdong Jinke. Guangdong Tobacco Company are regarded as connected persons at the subsidiary level of the Company under the Listing Rules. Transactions between the Group and Guangdong Tobacco Company constitute connected transactions of the Company under the Listing Rules.

On 27 February 2020, Owada Flavours, an indirect non-wholly owned subsidiary of the Company, and Guangdong Tobacco entered into the 2020-GD Framework Agreement (the "2020-GD Framework Agreement") to govern the sale of the products of the Group, including flavours (tobacco flavours), RTL products, granules, auxiliary materials and related services by the Group to Guangdong Tobacco Company for a term of one year commencing on 1 January 2020 and expiring on 31 December 2020 (both days inclusive). The price shall be based on implementation of bidding prices (if applicable) or market prices, i.e. prices and terms payable to the Group shall be no less favourable than those terms offered by independent third party customers for provision of similar products and services in its ordinary and usual course of business.

The annual cap (details of which is set out in the Company's announcement dated 28 February 2020) under the 2020-GD Framework Agreement was set at not exceeding RMB213.0 million for the year ended 31 December 2020. The 2020-GD Framework Agreement was expired on 31 December 2020. The Company did not enter into any framework agreement with any members of Guangdong Tobacco Company in 2021.

References are made to the Company's announcements dated 23 March 2021, 30 June 2021, 25 October 2021 and 24 January 2022 respectively (the "Announcements"). Since one or more of the applicable percentage ratios of the transaction amounts of the transactions contemplated under the Purchase Orders (collectively, the "Purchase Orders") between members of the Group and members of Guangdong Tobacco Company for sale and purchase of flavours (tobacco flavours), tobacco raw materials, etc., on an aggregated basis, exceeds 1% but not more than 5%, such transactions contemplated under the Purchase Orders are subject to the reporting, annual review, and announcement requirements, but are exempt from the independent shareholders' approval requirements.

董事會報告

與廣東中煙公司的關連交易

本公司間接持有廣東金科約55.375%股權，廣東金科被視為本公司的間接擁有非全資附屬公司。廣東中煙持有廣東金科17.5%股權。根據上市規則，廣東中煙公司被視為本公司附屬公司層面的關連人士。因此，根據上市規則，本集團與廣東中煙公司之間的交易構成本公司的關連交易。

於2020年2月27日，澳華達香精(本公司的間接擁有非全資附屬公司)與廣東中煙訂立2020-廣東框架協議(「2020-廣東框架協議」)，以規管本集團向廣東中煙公司銷售本集團之產品，包括香精(煙用香精)、再造煙葉產品、顆粒、煙用輔料及相關服務，2020-廣東框架協議的期限由2020年1月1日起至2020年12月31日屆滿(首尾兩日包括在內)，為期一年。有關定價根據執行投標價格(如適用者)或執行當時的市場價格，即對價和條款應不遜於由獨立第三方客戶在正常商業交易情況下就該類產品及相關服務提供的條款。

2020-廣東框架協議項下截至2020年12月31日止年度之年度上限為不超過人民幣2.13億元(詳情載於本公司於2020年2月28日刊發的公告)。2020年一供應框架協議於2020年12月31日到期。本公司於2021年度未與廣東中煙公司任何成員公司簽訂任何框架協議。

茲提述本公司日期分別為2021年3月23日、2021年6月30日、2021年10月25日及2022年1月24日的公告(「該等公告」)。由於廣東中煙公司成員公司向本集團成員公司發出就有關銷售及購買香精(煙用香精)、煙用原料等的採購訂單(統稱「採購訂單」)項下擬進行交易的交易金額合計的適用百分比率超過1%但低於5%，故採購訂單項下擬進行的該等交易須遵守申報、年度審閱及公告的規定，惟獲豁免獨立股東批准的規定。

Directors' Report

For the Financial Year, the actual transaction amount for the connected transactions with members of Guangdong Tobacco Company mentioned above was approximately RMB168.2 million (2020: approximately RMB152.4 million) which exceeded 1% but not more than 5% of the applicable percentage ratios.

Set out below are the principal terms of the Purchase Orders placed by Guangdong Tobacco Company with members of the Group for the Financial Year, with an aggregate consideration of approximately RMB168.2 million:

Transaction Amount in RMB

	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
1	5 January 2021 2021年 1月5日	5 January 2021 2021年 1月5日	China Tobacco Guangdong Import and Export Co., Ltd. 中國煙草廣東進出口有限公司	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	937	1,059
2	31 December 2020 2020年 12月31日	6 January 2021 2021年 1月6日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	9,369	10,586
3	5 January 2021 2021年 1月5日	8 January 2021 2021年 1月8日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	945,133	1,068,000
4	14 January 2021 2021年 1月14日	19 January 2021 2021年 1月19日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	2,188,800	2,473,344
5	18 January 2021 2021年 1月18日	21 January 2021 2021年 1月21日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	98,712	111,544
6	18 January 2021 2021年 1月18日	20 January 2021 2021年 1月20日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	15,000	16,950

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截至本財政年度，與廣東中煙公司成員公司的上述關連交易的實際交易金額約為人民幣1.682億元（2020年：約人民幣1.524億元），該適用百分比率有超過1%但低於5%。

於本財政年度，廣東中煙公司向本集團成員公司下達總代價約為人民幣1.682億元的採購訂單的主要條款載列如下：

交易金額為人民幣(元)





Directors' Report

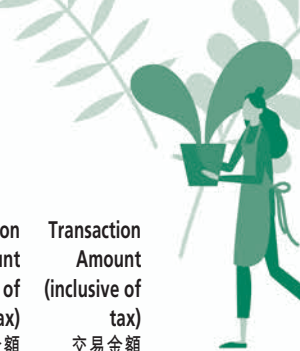
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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
7	18 January 2021 2021年 1月18日	21 January 2021 2021年 1月21日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	5,282,807	5,969,572
8	18 January 2021 2021年 1月18日	21 January 2021 2021年 1月21日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	382,415	432,130
9	18 January 2021 2021年 1月18日	21 January 2021 2021年 1月21日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	18,737	21,173
10	18 January 2021 2021年 1月18日	21 January 2021 2021年 1月21日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	422,937	477,919
11	18 January 2021 2021年 1月18日	21 January 2021 2021年 1月21日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,187,933	1,324,364
12	18 January 2021 2021年1月18日	21 January 2021 2021年1月21日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	1,569,558	1,773,600
13	18 January 2021 2021年1月18日	21 January 2021 2021年1月21日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	524,336	592,500
14	21 January 2021 2021年1月21日	26 January 2021 2021年1月26日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	518,859	586,311
15	22 January 2021 2021年1月22日	27 January 2021 2021年1月26日	Shenzhen Tobacco 深圳煙草	Guangdong Jinye 廣東金葉	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	1,325,006	1,497,256

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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
16	8 February 2021 2021年 2月8日	22 February 2021 2021年 2月22日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	58,921	66,581
17	8 February 2021 2021年 2月8日	22 February 2021 2021年 2月22日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	532,290	601,488
18	8 February 2021 2021年 2月8日	22 February 2021 2021年 2月22日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	5,845	6,605
19	8 February 2021 2021年 2月8日	22 February 2021 2021年 2月22日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	781,723	883,347
20	8 February 2021 2021年 2月8日	22 February 2021 2021年 2月22日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	3,464,241	3,914,592
21	19 February 2021 2021年 2月19日	23 February 2021 2021年 2月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	1,569,558	1,773,600
22	19 February 2021 2021年 2月19日	23 February 2021 2021年 2月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	34,513	39,000
23	19 February 2021 2021年 2月19日	23 February 2021 2021年 2月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	472,566	534,000





Directors' Report

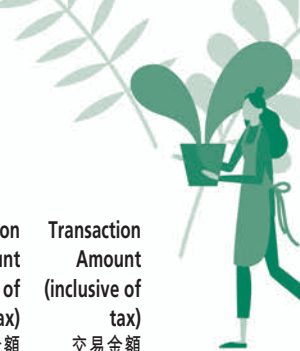
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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
24	26 February 2021 2021年 2月26日	3 March 2021 2021年 3月3日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	566,847	640,537
25	26 February 2021 2021年 2月26日	1 March 2021 2021年 3月1日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	3,511,200	3,967,656
26	18 March 2021 2021年 3月18日	23 March 2021 2021年 3月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of auxiliary materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用輔料	645,133	729,000
27	18 March 2021 2021年 3月18日	23 March 2021 2021年 3月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	691,419	781,303
28	18 March 2021 2021年 3月18日	23 March 2021 2021年 3月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	3,556,493	4,018,837
29	18 March 2021 2021年 3月18日	23 March 2021 2021年 3月23日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	871,974	985,331
30	18 March 2021 2021年 3月18日	23 March 2021 2021年 3月23日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	269,077	304,057
31	18 March 2021 2021年 3月18日	23 March 2021 2021年 3月23日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	951,903	1,075,650
32	18 March 2021 2021年 3月18日	23 March 2021 2021年 3月23日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	23,380	26,419

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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
33	19 March 2021 2021年 3月19日	24 March 2021 2021年 3月24日	Shenzhen Tobacco 深圳煙草	Guangdong Jinye 廣東金葉	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	496,548	561,099
34	22 March 2021 2021年 3月22日	25 March 2021 2021年 3月25日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	2,111,126	2,385,572
35	24 March 2021 2021年 3月24日	29 March 2021 2021年 3月29日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	430,583	486,559
36	20 April 2021 2021年 4月20日	23 April 2021 2021年 4月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	645,133	729,000
37	20 April 2021 2021年 4月20日	23 April 2021 2021年 4月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	3,139,115	3,547,200
38	20 April 2021 2021年 4月20日	23 April 2021 2021年 4月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	793,435	896,582
39	20 April 2021 2021年 4月20日	23 April 2021 2021年 4月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	4,312,485	4,873,108
40	20 April 2021 2021年 4月20日	23 April 2021 2021年 4月23日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	451,925	510,675
41	20 April 2021 2021年 4月20日	23 April 2021 2021年 4月23日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,005,274	1,135,959





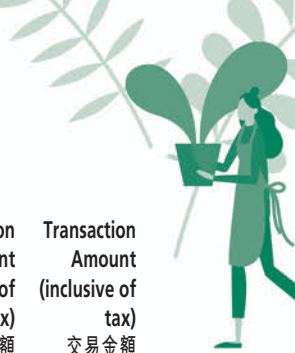
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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
42	20 April 2021 2021年 4月20日	23 April 2021 2021年 4月23日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	518,364	585,752
43	22 April 2021 2021年 4月22日	27 April 2021 2021年 4月27日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	457,302	516,751
44	17 May 2021 2021年 5月17日	21 May 2021 2021年 5月21日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	558,850	631,500
45	17 May 2021 2021年 5月17日	21 May 2021 2021年 5月21日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	812,249	917,841
46	17 May 2021 2021年 5月17日	21 May 2021 2021年 5月21日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	2,449,212	2,767,610
47	17 May 2021 2021年 5月17日	21 May 2021 2021年 5月21日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	409,708	462,971
48	17 May 2021 2021年 5月17日	21 May 2021 2021年 5月21日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	982,914	1,110,693
49	21 May 2021 2021年 5月21日	26 May 2021 2021年 5月26日	Shenzhen Tobacco 深圳煙草	Guangdong Jinye 廣東金葉	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	496,548	561,099
50	24 May 2021 2021年 5月24日	27 May 2021 2021年 5月27日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	530,718	599,711

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	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
51	8 June 2021 2021年 6月8日	8 June 2021 2021年 6月8日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	929,654	1,050,509
52	9 June 2021 2021年 6月9日	15 June 2021 2021年 6月15日	Shenzhen Tobacco 深圳煙草	Guangdong Jinye 廣東金葉	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	935,298	1,056,887
53	15 June 2021 2021年 6月15日	15 June 2021 2021年 6月15日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	340,351	384,597
54	21 June 2021 2021年 6月21日	21 June 2021 2021年 6月21日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	95,681	108,120
55	23 June 2021 2021年 6月23日	28 June 2021 2021年 6月28日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	14,555,520	16,447,738
56	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	445,575	503,500
57	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	209,292	236,500
58	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	78,761	89,000
59	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	116,612	131,773



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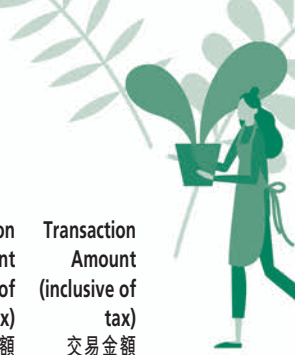
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60	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,075,143	2,141,684
61	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	281,978	318,637
62	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	2,357,360	3,280,288
63	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	311,730	352,260
64	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	146,706	165,778
65	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	11,938	13,490
66	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	396,182	447,686
67	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	109,435	123,662
68	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	221,772	250,603

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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
69	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	311,034	351,468
70	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	317,025	358,238
71	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	11,690	13,210
72	25 June 2021 2021年 6月25日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	916,801	1,035,985
73	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	3,139,115	3,547,200
74	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	261,062	295,000
75	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	560,285	633,130
76	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	4,310,795	4,871,225
77	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	586,417	662,652





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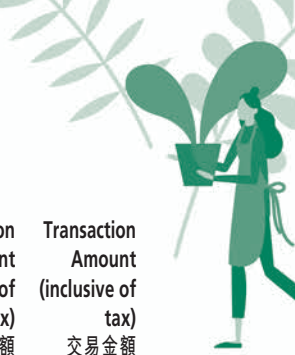
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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
78	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	82,832	93,600
79	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,366,949	1,544,652
80	28 June 2021 2021年 6月28日	30 June 2021 2021年 6月30日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	11,690	13,210
81	8 July 2021 2021年 7月8日	13 July 2021 2021年 7月13日	Shenzhen Tobacco 深圳煙草	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	2,429,289	2,745,097
82	20 July 2021 2021年 7月20日	23 July 2021 2021年 7月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	630,089	712,000
83	20 July 2021 2021年 7月20日	23 July 2021 2021年 7月23日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	221,572	250,376
84	20 July 2021 2021年 7月20日	23 July 2021 2021年 7月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	3,186,204	3,600,410
85	20 July 2021 2021年 7月20日	23 July 2021 2021年 7月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	611,068	690,507
86	20 July 2021 2021年 7月20日	23 July 2021 2021年 7月23日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	927,131	1,047,658

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	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
87	21 July 2021 2021年 7月21日	26 July 2021 2021年 7月26日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	654,720	739,833
88	6 August 2021 2021年 8月6日	10 August 2021 2021年 8月10日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	24,450	27,629
89	17 August 2021 2021年 8月17日	20 August 2021 2021年 8月20日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	86,400	97,632
90	20 August 2021 2021年 8月20日	25 August 2021 2021年 8月25日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	945,133	1,068,000
91	20 August 2021 2021年 8月20日	25 August 2021 2021年 8月25日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	345,033	389,887
92	20 August 2021 2021年 8月20日	25 August 2021 2021年 8月25日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	94,795	107,118
93	20 August 2021 2021年 8月20日	25 August 2021 2021年 8月25日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	783,167	884,979
94	23 August 2021 2021年 8月23日	26 August 2021 2021年 8月26日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	192,920	218,000
95	23 August 2021 2021年 8月23日	26 August 2021 2021年 8月26日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	542,725	613,280





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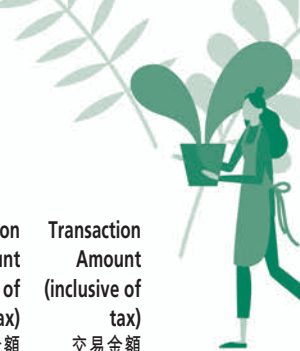
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96	15 September 2021 2021年 9月15日	20 September 2021 2021年 9月20日	Shenzhen Tobacco 深圳煙草	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	496,548	561,099
97	15 September 2021 2021年 9月15日	20 September 2021 2021年 9月20日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	1,569,558	1,773,600
98	17 September 2021 2021年 9月17日	23 September 2021 2021年 9月23日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,371,709	1,550,032
99	17 September 2021 2021年 9月17日	23 September 2021 2021年 9月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,915,248	2,164,230
100	17 September 2021 2021年 9月17日	23 September 2021 2021年 9月23日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	290,837	328,646
101	18 September 2021 2021年 9月18日	23 September 2021 2021年 9月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	472,566	534,000
102	18 September 2021 2021年 9月18日	24 September 2021 2021年 9月24日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	655,547	740,768
103	26 September 2021 2021年 9月26日	29 September 2021 2021年 9月29日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	388,628	439,150
104	27 September 2021 2021年 9月27日	30 September 2021 2021年 9月30日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	14,045,454	15,871,363

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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
105	27 September 2021 2021年 9月27日	30 September 2021 2021年 9月30日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	64,800	73,224
106	19 October 2021 2021年 10月19日	22 October 2021 2021年 10月22日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	784,779	886,800
107	20 October 2021 2021年 10月20日	25 October 2021 2021年 10月25日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	7,157,991	8,088,530
108	20 October 2021 2021年 10月20日	25 October 2021 2021年 10月25日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	880,564	995,037
109	20 October 2021 2021年 10月20日	25 October 2021 2021年 10月25日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	505,187	570,861
110	20 October 2021 2021年 10月20日	25 October 2021 2021年 10月25日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	831,110	939,155
111	22 October 2021 2021年 10月22日	25 October 2021 2021年 10月25日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	784,779	886,800
112	25 October 2021 2021年 10月25日	28 October 2021 2021年 10月28日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	743,220	839,839
113	18 November 2021 2021年 11月18日	23 November 2021 2021年 11月23日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	1,569,557	1,773,600





Directors' Report

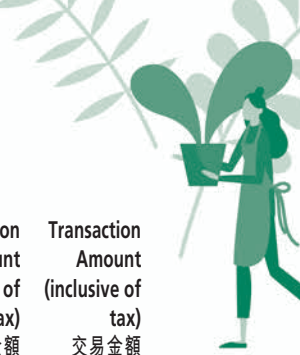
董事會報告

	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
114	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	1,555,752	1,758,000
115	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Shenzhen Tobacco 深圳煙草	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	264,189	298,534
116	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	6,173,008	6,975,499
117	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,266,155	1,430,755
118	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,547,040	1,748,155
119	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	542,034	612,499
120	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	11,690	13,210
121	19 November 2021 2021年 11月19日	24 November 2021 2021年 11月24日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	98,715	111,548
122	30 November 2021 2021年 11月30日	3 December 2021 2021年 12月3日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	9,748,800	11,016,144

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	Date of Purchase Order	Date of Acceptance of Purchase Order	Purchaser	Seller	Subject Matter	Transaction Amount (exclusive of tax) 交易金額 (不含稅)	Transaction Amount (inclusive of tax) 交易金額 (含稅)
	訂單日期	確認函日期	訂單甲方	訂單乙方	標的事項		
123	2 December 2021 2021年 12月2日	7 December 2021 2021年 12月7日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	439,742	496,908
124	17 December 2021 2021年 12月17日	22 December 2021 2021年 12月22日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	982,752	1,110,510
125	17 December 2021 2021年 12月17日	22 December 2021 2021年 12月22日	Guangdong Tobacco 廣東中煙	Guangdong Jinke 廣東金科	Provision of tobacco raw materials by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供煙用原料	1,569,558	1,773,600
126	17 December 2021 2021年 12月17日	22 December 2021 2021年 12月22日	Guangdong Tobacco 廣東中煙	Owada Flavours 澳華達香精	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	1,250,526	1,413,095
127	17 December 2021 2021年 12月17日	22 December 2021 2021年 12月22日	Guangdong Tobacco 廣東中煙	Guangzhou Hua Fang 廣州華芳	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	70,859	80,071
128	17 December 2021 2021年 12月17日	22 December 2021 2021年 12月22日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	860,456	972,315
129	21 December 2021 2021年 12月21日	24 December 2021 2021年 12月24日	Guangdong Tobacco 廣東中煙	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	7,406,600	8,369,458
130	23 December 2021 2021年 12月23日	29 December 2021 2021年 12月29日	Shenzhen Tobacco 深圳煙草	Huabao Flavours 華寶股份	Provision of flavours (tobacco flavours) by the Group to Guangdong Tobacco Company 本集團向廣東中煙公司提供香精 (煙用香精)	619,725	700,289





Directors' Report

For all the Purchase Orders, payment of the transaction amounts was settled in arrears by cash transfer. Upon receipt of the Purchase Orders and in compliance with the internal control system, the Group would carry out transactions in accordance with the terms and conditions of the Sale Agreement.

The transactions between Guangdong Tobacco Company and the Group are subject to aggregation under the Listing Rules. The Company will continue to monitor the transaction amounts between the Group and Guangdong Tobacco Company and re-comply with all applicable reporting, disclosure and, if applicable and required, independent shareholders' requirements under Chapter 14A of the Listing Rules.

(II) Continuing connected transactions with Weizhijia Group

On 14 March 2019, Guangdong Jiahao entered into a sales framework agreement ("Sales Framework Agreement") with Weizhijia, pursuant to which Guangdong Jiahao shall sell and members of Weizhijia shall purchase all products relating to catering condiments of Jiahao ("Jiahao Products") and related services so as to further increase the sales of Jiahao Products and hence bring more revenue to Guangdong Jiahao. The prices and terms shall be no less favourable than those offered to independent third party customers for provision of similar products and services in its ordinary and usual course of business.

The Sales Framework Agreement shall be for a term of 36 months from 1 January 2019 to 31 December 2021 (both days inclusive). Transactions between the Guangdong Jiahao and members of Weizhijia under the Sales Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

The revised annual cap (details of which are set out in the Company's announcement dated 30 September 2019) under the Sales Framework Agreement was set at not more than RMB80.0 million for the year ended 31 December 2019, RMB130.0 million for the year ended 31 December 2020 and RMB150 million for the year ending 31 December 2021, respectively.

For the Financial Year, there was no transaction under the Sales Framework Agreement (2020: approximately RMB35.2 million).

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就所有採購訂單而言，交易金額均於事後以現金結清。收到採購訂單後，本集團在遵守內部控制體系的情況下，將根據銷售協議中的條款進行交易。

根據上市規則，廣東中煙公司與本集團之間的交易須進行合併計算。本公司將繼續監察本集團與廣東中煙公司的交易金額，並重新遵守上市規則第14A章項下所有適用的申報、披露及（如適用及需要）獨立股東批准的規定。

(II) 與味之家集團的關連交易

於2019年3月14日，廣東嘉豪與味之家簽訂銷售框架協議「銷售框架協議」，據此，廣東嘉豪將銷售而味之家的成員公司將購買與嘉豪餐飲調味品有關的所有產品「嘉豪產品」及相關服務以便進一步提升嘉豪產品的銷量，從而為廣東嘉豪帶來更多的收益。對價和條款應不遜於由獨立第三方客戶在正常商業交易情況下就該類產品及相關服務提供的條款。

銷售框架協議將為期36個月，自2019年1月1日起至2021年12月31日止（包括首尾兩日）。根據上市規則，廣東嘉豪與味之家成員公司於銷售框架協議項下的交易構成本公司的關連交易。

於銷售框架協議項下有關截至2019年12月31日止、2020年12月31日止及2021年12月31日止的經修訂年度上限（詳情載於本公司於2019年9月30日刊發的公告）分別為不超過人民幣0.8億元、人民幣1.3億元及人民幣1.5億元。

截至本財政年度，沒有根據銷售框架協議項下交易發生（2020年：約為人民幣0.352億元）。

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(III) Transactions with Broad Far Group

On 15 December 2020, Chemactive entered into a framework agreement with Broad Far ("Framework Agreement"), pursuant to which Chemactive and its subsidiaries shall provide tobacco related raw materials and related services to Broad Far Group for a term of 1 year from 1 January 2021 to 31 December 2021 (both days inclusive). The price shall be based on implementation of bidding prices (if applicable) or market prices, i.e. prices and terms payable to Chemactive and its subsidiaries shall be no less favourable than those terms offered by independent third party customers for provision of similar products and services in its ordinary and usual course of business and other terms that are consistent with industry practice in general.

Chemactive is a wholly owned subsidiary of the Company. Broad Far is ultimately controlled and beneficially owned by Madam Chu and therefore is an associate of a connected person of the Company under the Listing Rules. Accordingly, transactions between the Group and Broad Far Group under the Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

The annual cap (details of which is set out in the Company's announcement dated 15 December 2020) under the Framework Agreement was set at not exceeding RMB9 million for the year ended 31 December 2021.

For the Financial Year, the actual transaction amount under the Framework Agreement was RMB1.99 million (2020: approximately RMB2.9 million).

Annual review of continuing connected transactions

The aforesaid continuing connected transactions have been reviewed by the INEDs of the Company. The INEDs confirmed that the aforesaid continuing connected transactions had been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

董事會報告

(III) 與博遠集團的交易

於2020年12月15日，Chemactive與博遠訂立框架協議（「框架協議」），內容有關Chemactive及其附屬公司向博遠集團提供煙用相關原料及相關服務，期限由2021年1月1日起至2021年12月31日止（包括首尾兩日），為期一年。定價將根據執行投標價格（如適用者）或執行當時的市場價格，即應付Chemactive及其附屬公司的價格及條款應不遜於在日常及一般業務過程中由獨立第三方客戶就提供類似產品及服務所提供的該等條款，而其他條款並與行業慣例一致。

Chemactive為本公司的全資附屬公司。博遠由朱女士最終控制及實益擁有，故此根據上市規則為本公司關連人士的聯繫人。因此，本集團與博遠集團之間於框架協議項下的交易根據上市規則構成本公司之持續關連交易。

框架協議項下截至2021年12月31日止年度之年度上限為不超過人民幣900萬元（詳情載於本公司於2020年12月15日刊發的公告）。

截至本財政年度，框架協議項下的實際累計交易金額為人民幣199萬元（2020年：約為人民幣290萬元）。

持續關連交易的年度審議

上述持續關連交易已由本公司的獨立非執行董事審核。獨立非執行董事確認上述持續關連交易乃：

- (i) 屬本集團的一般及日常業務；
- (ii) 是按照一般商務條款或更佳條款進行；及
- (iii) 是根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。





Directors' Report

The Company has engaged the independent auditor, PricewaterhouseCoopers to report on the Group's abovementioned continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' and with reference to Practice Note 740 'Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules' issued by the Hong Kong Institute of Certified Public Accountants. PricewaterhouseCoopers have issued their unqualified letter containing their findings and conclusions in respect of the abovementioned continuing connected transactions for the Financial Year in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditors' letter has been provided to the Hong Kong Stock Exchange by the Company.

RELATED PARTY TRANSACTIONS

Details of the significant related party transactions entered into by the Group during the Financial Year are set out in Note 32 to the consolidated financial statements. None of these related party transactions constitutes a disclosable connected transaction as defined under the Listing Rules, except for the transactions described in this paragraph headed "Continuing Connected Transactions", in respect of which the disclosure requirements in accordance with Chapter 14A of the Listing Rules have been complied.

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

During the Financial Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

Details of the Group's corporate governance practices are set out in the Corporate Governance Report on pages 49 to 71 of this annual report.

LEGAL PROCEEDINGS

As at 31 December 2021, none of the members of the Group was involved in any material litigation or arbitration and no material litigation or claim was pending or threatened or made against any member of the Group.

PUBLIC FLOAT

Based on the information that was publicly available and to the best belief and knowledge of the Directors, the Company had maintained the prescribed public float throughout the Financial Year and up to the date of this report as required under the Listing Rules.

董事會報告

根據香港會計師公會發佈的香港鑒證業務準則3000號(經修訂)「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明740號「香港上市規則規定的持續關連交易的核數師函件」,本公司之獨立核數師羅兵咸永道會計師事務所已受聘對本集團上述截至本財政年度之持續關連交易作出報告,並已根據上市規則第14A.56條規定發出無保留意見函件,當中載有其發現和結論。本公司已將核數師函件副本提交予香港聯交所。

關聯方交易

本集團於本財政年度訂立之重大關聯方交易詳情載於綜合財務報表附註32。除於「持續關連交易」一節所述的交易(而此等交易已遵守上市規則第14A章的披露規定)外,該等關聯方交易概無構成須予披露的關連交易(定義見上市規則)。

購買、出售或贖回本公司之上市證券

於本財政年度內,本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

企業管治

本集團企業管治常規之詳情載於本年報第49至71頁之企業管治報告。

法律訴訟

於2021年12月31日,本集團成員公司概無涉及任何重大訴訟或仲裁事項,亦無面臨任何待決的重大訴訟或索償。

公眾持股量

根據可供公眾查閱之資料以及據董事所知和所信,於本財政年度整年內及截至本報告日,本公司均維持上市規則所規定之公眾持股量。

Directors' Report

AUDITORS

The consolidated financial statements for the Financial Year have been audited by PricewaterhouseCoopers who will retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM of the Company.

SIGNIFICANT EVENTS OR TRANSACTIONS

Proposed Spin-off and Listing of Condiments Business on the Main Board of the Hong Kong Stock Exchange

Reference is made to the Company's announcement dated 17 November 2021 in relation to the proposed spin-off and listing of condiments business on the main board of the Hong Kong Stock Exchange.

On 17 November 2021, the Board announced that it was considering the feasibility of a proposed spin-off of the condiments business (the "Proposed Spin-off") on the Hong Kong Stock Exchange. The condiments business is principally engaged in the production, sales, marketing and distribution of condiment products targeted at customers in the foodservice industry. Its products include chicken bouillon (liquid cooking stock), wasabi paste, concentrated fruit juice (used in cooking applications) and functional soy sauce.

The Proposed Spin-off will constitute a spin-off under Practice Note 15 of the Listing Rules and a proposal in relation to the Proposed Spin-off has been submitted by the Company to the Hong Kong Stock Exchange for its consideration and approval pursuant to Practice Note 15 of the Listing Rules. The Company will make further announcement(s) in relation to the Proposed Spin-off in accordance with the requirements of the Listing Rules as and when appropriate.

董事會報告

核數師

本財政年度之綜合財務報表已經由羅兵咸永道會計師事務所審核，該核數師將任滿告退，惟彼符合資格並願於本公司應屆股東週年大會上應聘連任。

重大事件或交易

建議分拆調味品業務並在香港聯交所主板上市

茲提述本公司日期為2021年11月17日有關擬分拆調味品業務並在香港聯交所主板上市的公告。

2021年11月17日，董事會宣布正在考慮在香港聯交所分拆調味品業務（「建議分拆」）的可行性。調味品業務主要從事針對餐飲服務行業客戶的調味品產品的生產、銷售、營銷及分銷。其產品包括雞汁（液態烹飪料）、芥辣、濃縮果汁（用於烹飪應用）及功能性調味汁。

建議分拆將構成上市規則第15項應用指引下的分拆，而有關建議分拆的建議已由本公司根據上市規則第15項應用指引提交香港聯交所審議及批准。本公司將於適當時候根據上市規則的規定就建議分拆作出進一步公告。





Directors' Report

Top-Up Placing of Existing Shares and Subscription of New Shares under General Mandate

References are made to the Company's announcements dated 8 December 2021 and 20 December 2021 respectively in relation to, among other things, the top-up placing of existing shares and subscription of new shares under general mandate (the "Top-up Placing and Subscription"). On 8 December 2021, the Company, the vendor (being a company wholly-owned by Ms. CHU Lam Yiu) and the placing agents entered into the placing and subscription agreement (the "Placing and Subscription Agreement"), pursuant to which (i) the vendor (being a substantial shareholder of the Company beneficially interested in 542,122,243 Shares, which represent approximately 17.44% of the then existing issued share capital of the Company) has agreed to place, through the placing agents, on a several and not joint nor joint and several and best-effort basis, an aggregate of 122,090,000 top-up placing shares, at the top-up placing price of HK\$17.88 per top-up placing share; and (ii) the vendor has agreed to subscribe for 122,090,000 top-up subscription shares at the top-up subscription price of HK\$17.88 per top-up subscription share which is equivalent to the top-up placing price. On 8 December 2021, being the date of the signing of the Placing and Subscription Agreement, the market price per each share was HK\$20.30. The top-up placing shares represented 122,090,000 ordinary shares of the Company at an aggregate nominal value of HK\$12,209,000. The top-up placing shares were placed to not less than six placees, who were professional, institutional or other investors or person(s) or entity(ies) procured by or on behalf of the placing agents or their agents. The placees (and their respective ultimate beneficial owners) were third parties independent of the Company and its connected persons and no individual placee would become a substantial shareholder of the Company upon the completion of the Top-up Placing and Subscription.

The Directors were of the view that the Top-up Placing and Subscription would benefit the Group's long term development by providing a good opportunity to raise additional funds to strengthen the financial position and to broaden the Company's shareholder base and capital base to facilitate the future growth and development of its business as well as to increase the liquidity of the Shares.

董事會報告

根據一般授權先舊後新配售及先舊後新認購事項

茲提述本公司日期為2021年12月8日及2021年12月20日的公告，內容涉及(其中包括)先舊後新配售及先舊後新認購事項(「先舊後新配售及認購事項」)。於2021年12月8日，本公司、賣方(為朱林瑤女士全資擁有的公司)及配售代理訂立配售及認購協議(下稱「配售及認購協議」)，據此(i)賣方(為本公司的主要股東實益擁有542,122,243股股份(佔本公司當時現有已發行股本約17.44%)的權益)已同意通過配售代理按個別而非聯合或聯合及個別及盡力而為的基礎配售合共122,090,000股先舊後新配售股份，按先舊後新配售價每股先舊後新配售股份港幣17.88元；(ii)賣方已同意認購122,090,000股先舊後新認購股份，每股先舊後新認購價港幣17.88元，相等於先舊後新配售價。於2021年12月8日，即配售及認購協議簽署日，每股市價為港幣20.30元。先舊後新配售股份代表本公司122,090,000股普通股，總面值為港幣12,209,000元。先舊後新配售股份將獲配售予不少於六(6)名承配人，該等承配人將為由配售代理或其代理促成或代表彼等促成的任何專業、機構或其他投資者或人士或實體。承配人(及彼等各自的最終實益擁有人)將均為獨立第三方並於完成先舊後新配售及認購事項後，任何個別承配人均將不會成為本公司的主要股東。

董事認為，先舊後新配售及認購事項為本公司提供籌集額外資金以加強財務狀況之良機，在增加股份流動性的同時，擴闊本公司股東基礎及資本基礎以促進其業務之未來增長及發展，對本集團長遠發展極為有利。

Directors' Report

The completion of the Top-Up Placing and Subscription took place on 13 December 2021 and 20 December 2021 respectively and the Company received net proceeds (i.e. after deducting the commission payable to the placing agents, professional fee and other related costs and expenses in relation to the Top-up Placing and Subscription) from the top-up subscription of approximately HK\$2.16 billion and the number of issued shares of the Company was increased to 3,229,926,876. The net price for each Top-up Placing Shares was HK\$17.67. The Company intended to use the net proceeds from the top-up subscription for (1) repayment of bank loans; (2) acquisition of and/or investment in business(es) which leverage on the competitive advantage of the Group should suitable opportunities arise; and (3) general working capital requirements and expansion of existing businesses. For details, please refer to page 34 of this report headed under "USE OF THE PROCEEDS FROM SHARE PLACEMENT".

EVENTS AFTER THE REPORTING PERIOD

Change in Use of the Unutilised Net Proceeds

Reference is made to the Company's announcement dated 31 January 2022 in relation change in use of the unutilised net proceeds of approximately HK\$886 million. Having considered, among others, the likely completion of the bond purchase by the Federal Reserve of the U.S. in March 2022, the expectation of the three times in the interest rate hikes in 2022 and the recent development of the Group, the Board considers to adopt a more prudent approach regarding the cash resources management to maintain the financial stability of the Group by early repayment of part of its bank borrowings. As such, the Board resolved to reallocate the remaining unutilised net proceeds from Acquisition and/or Investments and General Working Capital to Bank Loans Repayment in manner as set out in the table below. The Board is also of the view that the reallocation would allow the Group to utilise its financial resources in a more flexible, beneficial and effective way and to meet its operational needs and provide more buffer to cope with the economic uncertainties in the future. For details, please refer to the Company's announcement dated 31 January 2022.

董事會報告

先舊後新配售及認購事項分別於2021年12月13日及2021年12月20日完成，公司收到所得款項淨額（即經於先舊後新認購事項中扣除應付配售代理之佣金、與先舊後新配售及認購事項有關之專業費用及其他相關費用及開支後）約港幣21.6億元而本公司已發行股份數目亦增加至3,229,926,876股。每股先舊後新配售股份的淨價為港幣17.67元。本公司擬將先舊後新認購事項之所得款項淨額用作(1)償還銀行貸款；(2)收購及／或投資於得以利用本集團競爭優勢的業務（如有合適機遇）；及(3)一般營運資金的需求及現有業務擴張。詳情請參閱本報告第34頁之「股份配售融資用途」一節。

報告期後事項

未使用淨收益用途的變化

茲提述本公司日期為2022年1月31日的公告，有關更改用途約港幣8.86億元的未動用所得款項淨額。考慮到（其中包括）美國聯邦儲備委員會可能在2022年3月完成債券購買，預計2022年將加息三次以及集團近期的發展，董事會認為在現金資源管理方面採取更為審慎的態度，以提早償還部分銀行借款以維持本集團的財務穩定。因此，董事會決定以下表所列方式將剩餘未使用的收購和／或投資淨收益和一般營運資金重新分配給銀行貸款償還。董事會亦認為，重新分配將使本集團能夠以更靈活、有利和有效的方式運用其財務資源，滿足其經營需要，並提供更多緩衝以應對未來的經濟不確定性。詳情請參閱本公司日期為2022年1月31日的公告。





Directors' Report

Revised use of the unutilised proceeds

In HK\$ million

董事會報告

經調整未使用融資款項用途

單位：百萬／港元

Intended use of proceeds		Intended use of unutilised proceeds	Reallocation of unutilised proceeds for intended use	Revised use of unutilised proceeds
融資款項計劃用途		未使用融資款項計劃用途	未使用融資款項計劃用途重新分配金額	經調整未使用融資款項用途
Bank Loans Repayment	償還銀行貸款	257	358	615
Acquisition and/or Investments	收購及／或投資	300	(158)	142
General Working Capital	一般營運資金	329	(200)	129
Total	總計	886	-	886

Investigation Against Directors

During late January 2022, the Company has been informed by the Huabao Flavours, that Ms. Chu and Mr. LAM Ka Yu ("Mr. Lam") the son of Ms. Chu, the Co-chairman and executive Director of the Company, and a director of Huabao Flavours were under investigation for suspected disciplinary violations and were placed under residential surveillance at designated locations (指定居所監視居住). For details, please refer to the Company's announcements dated 24 January 2022, 26 January 2022 and 27 January 2022 respectively.

Up to the date of this report, the Company has not been provided with any details of the nature of the suspected violations of Ms. Chu and/or Mr. Lam that were being investigated. The business operation of the Group remains normal. Further announcement(s) will be made to keep the shareholders of the Company and the public informed of the development in this matter in due course.

對董事及控股股東的立案調查

本公司於2022年1月下旬，接獲華寶股份的通知，朱女士和朱女士之兒子、本公司之聯席主席、執行董事兼華寶股份董事林嘉宇先生（「林先生」）在中國境內因涉嫌違法接受立案調查，並已被執行指定居所監視居住。詳情請參考本公司分別於2022年1月24日、2022年1月26日及2022年1月27日的公告。

截至本報告日止，本公司並未獲提供有關朱女士及／或林先生當時接受調查所涉嫌疑違法事宜的性質之任何詳情。本集團的生產和業務經營目前保持正常。本公司將作出進一步公告，以知會本公司股東及公眾人士有關事宜的進展。

Directors' Report

Acquisition of Part of the Equity Interests in Shanghai Yifang by Huabao Flavours

Reference is made to the Company's announcement dated 8 March 2022 in relation to acquisition of part of the equity interests in Shanghai Yifang Rural Technology Holdings Co., Ltd. ("Shanghai Yifang") by Huabao Flavours.

On 9 August 2021, Huabao Flavours acquired 40% equity interests in Shanghai Yifang from independent third parties for a total consideration of RMB180 million in cash (the "Previous Transaction"). Shanghai Yifang was established in the PRC on 7 January 1999 and is primarily engaged in the promotion and consulting services of agricultural technology, cultivation of fruits and vegetables; research and development of food additives; food production, etc.

Huabao Flavours on 8 March 2022 further acquired 27% equity interests in Shanghai Yifang from independent third parties for a total consideration of RMB121.5 million in cash (the "Acquisition"). After the completion of the Acquisition, Huabao Flavours' shareholding in Shanghai Yifang would, in aggregate, reach 67% and Shanghai Yifang would become a controlling subsidiary of Huabao Flavours and the accounts of Shanghai Yifang would be included in the scope of Huabao Flavours' consolidated statements and as such Shanghai Yifang would indirectly be included in the scope of the Company's consolidated financial statements.

The Acquisition also included a performance undertaking provided by the vendors in favour of Huabao Flavours, the capital increase and the put option. Please refer to the Company's announcement dated 8 March 2022 for further details.

As one or more than one of the applicable percentage ratios for the transaction, when aggregated with the Previous Transaction, the capital increase and the put option as a whole, is more than 5% and below 25%, the transaction, when aggregated with the Previous Transaction, the capital increase and the put option as a whole, constitute a discloseable transaction of the Company, and is therefore subject to the notification and announcement requirements but exempt from the shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

By Order of the Board
XIA Liqun
President

Hong Kong, 25 March 2022

董事會報告

關於華寶股份收購上海奕方部分股權

茲提述本公司於2022年3月8日發佈有關華寶股份收購上海奕方農業科技股份有限公司（「上海奕方」）部分股權的公告。

於2021年8月9日，華寶股份以總對價人民幣1.8億元的現金向獨立第三方收購其合計持有的上海奕方的40%股權（「前次交易」）。上海奕方於1999年1月7日在中國成立，主要從事農業技術的推廣和諮詢服務，果蔬種植；研究開發食品添加劑；食品生產等。

於2022年3月8日，華寶股份以人民幣12,150萬元現金總對價向獨立第三方進一步收購其合計持有的上海奕方27%的股權（「收購事項」）。同日，華寶股份簽署股份轉讓協議。本次交易完成後，華寶股份對上海奕方合計的持股比例達到67%，上海奕方將成為華寶股份的控股子公司，上海奕方賬目將納入華寶股份合併報表範圍而上海奕方以將間接納入本公司合併報表範圍。

收購事項亦包括由賣方提供並有利於華寶股份的業績承諾、增資及認沽期權。詳情請參閱本公司日期為2022年3月8日的公告。

由於本次交易的一個或多個適用百分比率，當與前次交易、增資及認沽期權整體合計時，超過5%但低於25%，根據上市規則第14章，當本次交易與前次交易、增資及認沽期權整體合計時，構成本公司的須予披露交易，因此須遵守通知及公告規定，惟豁免遵守股東批准規定。

承董事會命
夏利群
總裁

香港，二零二二年三月二十五日





Independent Auditor's Report

pwc

TO THE SHAREHOLDERS OF HUABAO INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Opinion

What we have audited

The consolidated financial statements of Huabao International Holdings Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 129 to 259, comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

獨立核數師報告

羅兵咸永道

致華寶國際控股有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

華寶國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第129至259頁的綜合財務報表，包括：

- 於二零二一年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合收益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策及其他解釋信息。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零二一年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

Independent Auditor's Report

獨立核數師報告



Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告核數師就審計綜合財務報表承擔的責任部分中作進一步闡述。

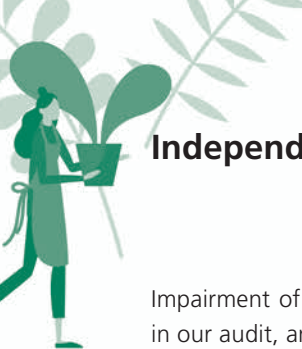
我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。



Independent Auditor's Report

Impairment of goodwill is identified as a key audit matter identified in our audit, and is summarised as follows:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Impairment of goodwill</p> <p>Refer to Note 4 (Critical accounting estimates and judgements) and Note 8 (Intangible assets) to the consolidated financial statements, as at 31 December 2021, the Group had net goodwill balance amounting to RMB5,078,741,000 arose from acquisitions in previous years, which was allocated to the Group's cash-generating units ("CGUs"). Impairment charge amounting to RMB293,270,000 was recognised in current year in respect of the CGUs of Guangdong Golden Leaf Technology Development Co., Ltd. and its subsidiaries ("Reconstituted Tobacco Leaves").</p> <p>Management tests at least annually whether goodwill was subject to any impairment, in accordance with the accounting policy stated in Note 2.7 and Note 2.8. The recoverable amount of CGUs has been determined based on the higher of their fair value less costs of disposal and their value in use amounts.</p>	<p>Our procedures in relation to management's impairment assessment of goodwill included:</p> <ul style="list-style-type: none"> We understood and tested management's process and controls in respect of the impairment of goodwill and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors, such as complexity, subjectivity, changes and susceptibility to management bias or fraud. We evaluated the historical accuracy of the plan and forecast by, for example, comparing the forecast used in the prior year model to the actual performance of the business in the current year. We assessed whether the identification of CGUs and allocation of goodwill for impairment assessment aligned with our understanding of the Group's business activities.

獨立核數師報告

商譽減值為我們在審計中識別的關鍵審計事項，其概述如下：

關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>商譽減值</p> <p>如綜合財務報表附註4 (關鍵會計估計及判斷) 和附註8 (無形資產) 所述，貴集團於二零二一年十二月三十一日，於以前年度收購產生的商譽的帳面價值為人民幣5,078,741,000元，被分配至貴集團的現金產生單位。本年度廣東省金葉科技開發有限公司及其附屬公司(再造煙葉)所屬現金產生單位確認商譽減值為人民幣293,270,000元。</p> <p>管理層根據附註2.7及附註2.8所述的會計政策至少每年測試商譽是否遭致任何減值。現金產生單位的可回收金額已根據公允價值減去處置費用及使用價值兩者中的較高者計算釐定。</p>	<p>我們就管理層商譽減值評估進行的程序包括：</p> <ul style="list-style-type: none"> 瞭解、評估及測試與商譽減值相關的內部控制，並通過考慮估計不確定性的程度和其他固有風險因素的水準如複雜性、主觀性、變化和對管理層偏向或舞弊的敏感性，評估了重大錯報的固有風險； 通過比較前一年模型中的預測與本年度業務的實際表現，評估管理層作出預測的歷史準確性； 評估現金產生單位的認定及商譽分攤是否與我們對集團的業務活動理解一致；



Key Audit Matter	How our audit addressed the Key Audit Matter
<p>We focused on auditing the impairment of goodwill including the related disclosures because the estimation of recoverable amount is subject to high degree of estimation uncertainty. The inherent risk in relation to the impairment of goodwill is considered significant due to the complexity of the methods, subjectivity of significant assumptions used, including budgeted gross margin, estimated pre-tax discount rate and forecast and terminal growth rates, and significant judgements involved in selecting data.</p>	<ul style="list-style-type: none"> - We evaluated the appropriateness of value in use calculation methodology adopted by management with the involvement of our in house experts. - We discussed with management and evaluated the underlying key assumptions of budgeted gross margin and forecast and terminal growth rates used in the cash flow forecast taking into account historical results and market developments. - We evaluated the pre-tax discount rate used in the calculation by evaluating the cost of capital of the respective CGUs and comparing with the industry or market data. - We evaluated management's sensitivity analysis of the key assumptions in the goodwill impairment assessment, including budgeted gross margin, estimated pre-tax discount rate and forecast and terminal growth rates to consider whether the changes in these assumptions will result in different position.

關鍵審計事項	我們的審計如何處理關鍵審計事項
<p>我們關注商譽減值包括相關披露的審計是因為可回收金額的估計受高度估計不確定性的影響。商譽減值涉及的固有風險被認為是重大的，因為其方法的複雜性及採用重大假設的主觀性，其中包括預測毛利率、稅前貼現率、預測銷售增長率、永續年增長率和選擇數據時涉及的重大判斷。</p>	<ul style="list-style-type: none"> - 在內部專家的協助下評估了管理層採用的商譽減值測試方法的適當性； - 基於歷史表現及市場發展趨勢，通過與管理層進行討論，對預測期收入增長率及毛利率使用的關鍵假設以及現金流預測使用的永續增長率進行評估； - 通過計算各資產組及資產組組合的加權平均資本成本，比較行業及市場資料，評估管理層採用的稅前折現率的合理性； - 評估了管理層對關鍵假設（包括毛利率、稅前折現率、收入增長率、及永續增長率）的敏感性分析，並考慮關鍵假設變動的影響；



Independent Auditor's Report

獨立核數師報告

Key Audit Matter	How our audit addressed the Key Audit Matter
	<ul style="list-style-type: none"> <li data-bbox="523 375 858 534">– We also considered whether the judgements made in selecting data would give rise to indicators of possible management bias. <li data-bbox="523 569 858 659">– We tested the mathematical accuracy of the underlying value in use calculation. <li data-bbox="523 694 858 883">– We assessed the adequacy of the disclosures related to the impairment of goodwill in the context of the applicable financial reporting framework. <p data-bbox="523 918 858 1140">Based on the above, we considered that management's judgements and assumptions applied in the impairment of goodwill were supportable by the evidence obtained and procedures performed.</p>

關鍵審計事項	我們的審計如何處理關鍵審計事項
	<ul style="list-style-type: none"> <li data-bbox="1193 375 1433 513">– 考慮了在選擇資料時所作的判斷是否可能表明存在管理層偏向； <li data-bbox="1193 547 1433 685">– 測試了未來現金流量的現值計算過程中的計算準確性； <li data-bbox="1193 720 1433 892">– 評估了在適用的財務報告框架內容中商譽減值相關披露的充分性。 <p data-bbox="1193 927 1433 1140">經過上述工作，我們發現管理層對減值評估的判斷及估計可以被獲得的證據及執行的程序所支持。</p>

Independent Auditor's Report

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

獨立核數師報告

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審計委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會須負責監督貴集團的財務報告過程。





Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

獨立核數師報告

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report

獨立核數師報告



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
 - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
 - 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。



Independent Auditor's Report

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Lam Sung Wan.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 March 2022

獨立核數師報告

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是林崇雲。

羅兵咸永道會計師事務所
執業會計師

香港，二零二二年三月二十五日

Consolidated Statement of Financial Position

綜合財務狀況表

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)



		As at 31 December	
		於12月31日	
	Note 附註	2021 2021年	2020 2020年
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	6	1,642,566
Right-of-use assets	使用權資產	7	251,963
Intangible assets	無形資產	8	5,847,307
Investments in associates	於聯營公司之投資	9	806,407
Investments in jointly controlled entities	於共同控制實體之投資	10	202,831
Financial assets at fair value through other comprehensive income	以公允價值計量且其變動計入其他全面收益之金融資產	11	17,870
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益之金融資產	15	215,679
Deferred income tax assets	遞延所得稅資產	12	167,542
Other non-current assets	其他非流動資產		133
			9,152,298
			8,566,406
Current assets	流動資產		
Inventories	存貨	13	897,226
Trade and other receivables	貿易及其他應收款項	14	1,081,046
Financial assets at fair value through other comprehensive income	以公允價值計量且其變動計入其他全面收益之金融資產	11	48,785
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益之金融資產	15	3,292,365
Short-term time deposits	短期定期存款	16	-
Cash and bank balances excluding short-term time deposits	現金及銀行存款 (不包括短期定期存款)	16	3,553,409
			8,872,831
			9,111,648
Total assets	總資產		18,025,129
			17,678,054
EQUITY	權益		
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備		
Share capital	股本	17	328,619
Reserves	儲備	19	4,387,519
Retained earnings	保留盈利	20	9,168,518
			13,884,656
			11,871,056
Non-controlling interests	非控制性權益		1,834,163
			1,823,193
Total equity	總權益		15,718,819
			13,694,249



Consolidated Statement of Financial Position

綜合財務狀況表

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)

		As at 31 December	
		於12月31日	
		Note	
		附註	
		2021	2020
		2021年	2020年
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	貸款	21	–
Lease liabilities	租賃負債	7	22,176
Deferred income tax liabilities	遞延所得稅負債	12	149,450
Trade and other payables	貿易及其他應付款項	22	800
			172,426
			2,017,158
Current liabilities	流動負債		
Borrowings	貸款	21	962,774
Lease liabilities	租賃負債	7	18,751
Trade and other payables	貿易及其他應付款項	22	748,245
Current income tax liabilities	當期所得稅負債		237,169
Contract liabilities	合同負債	5	166,945
			2,133,884
			1,966,647
Total liabilities	總負債		2,306,310
			3,983,805
Total equity and liabilities	總權益及負債		18,025,129
			17,678,054

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應與相應附註一併閱讀。

The financial statements on pages 129 to 259 were approved by the Board of Directors on 25 March 2022 and were signed on its behalf.

第129至259頁的財務報表已於2022年3月25日獲董事局批准並簽字。

Mr. XIA Liqun

夏利群先生

Director

董事

Ms. CHOY Man Har

蔡文霞女士

Director

董事

Consolidated Income Statement

綜合收益表

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Revenue	營業額	5	3,882,683	3,854,058
Cost of goods sold	銷售成本	24	(1,586,021)	(1,411,651)
Gross profit	毛利		2,296,662	2,442,407
Other income and other gains – net	其他收入及其他收益－淨額	23	248,519	100,497
Selling and marketing expenses	銷售及市場推廣開支	24	(292,244)	(317,001)
Administrative expenses	行政費用	24	(841,663)	(820,221)
Impairment of goodwill	商譽減值	8	(293,270)	(495,498)
Net impairment losses on financial assets	金融資產減值損失淨額	3.1(b)	(3,527)	(7,392)
Operating profit	營運盈利		1,114,477	902,792
Finance income	財務收入		101,784	159,915
Finance costs	融資成本		(81,468)	(143,983)
Finance income – net	財務收入－淨額	26	20,316	15,932
Share of results of associates and jointly controlled entities	應佔聯營公司及共同控制實體之業績	9,10	12,584	30,097
Profit before income tax	除稅前盈利		1,147,377	948,821
Income tax expense	所得稅	27	(251,593)	(280,382)
Profit for the year	本年度盈利		895,784	668,439
Attributable to:	應佔：			
Equity holders of the Company	本公司權益持有人		675,131	418,399
Non-controlling interests	非控制性權益		220,653	250,040
			895,784	668,439
Earnings per share for profit attributable to the Company's equity holders for the year	本年度本公司權益持有人應佔的每股盈利		RMB cents 人民幣分	RMB cents 人民幣分
Basic and diluted	基本及攤薄	28	21.70	13.46

The above consolidated income statement should be read in conjunction with the accompanying notes. 上述綜合收益表應與相應附註一併閱讀。



Consolidated Statement of Comprehensive Income

(All amounts in RMB thousands unless otherwise stated)

綜合全面收益表

(除另有指明者外，所有金額均以人民幣千元列示)

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Profit for the year	年度盈利	895,784	668,439
Other comprehensive income:	其他全面收益：		
<i>Items that will not be reclassified to profit or loss</i>	<i>不可重新分類至損益的項目</i>		
Fair value changes of equity investments at fair value through other comprehensive income, net of tax	以公允價值計量且其變動計入其他全面收益之權益投資之除稅後公允價值變動	(53,428)	(17,990)
Currency translation differences of the Company and its non-foreign operations	本公司及其非海外業務之貨幣換算差額	8,039	64,370
<i>Items that may be reclassified to profit or loss</i>	<i>可重新分類至損益的項目</i>		
Currency translation differences of foreign operations	海外業務之貨幣換算差額	7,320	(2,491)
Other comprehensive (loss)/income for the year, net of tax	本年度除稅後其他全面(虧損)/收益	(38,069)	43,889
Total comprehensive income for the year, net of tax	本年度除稅後全面收益總額	857,715	712,328
Total comprehensive income attributable to:	應佔全面收益總額：		
Equity holders of the Company	本公司權益持有人	638,306	461,856
Non-controlling interests	非控制性權益	219,409	250,472
		857,715	712,328

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收益表應與相應附註一併閱讀。

Consolidated Statement of Changes in Equity 綜合權益變動表

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)



		Attributable to equity holders of the Company 本公司權益持有人應佔					Non-	Total
		Share	Reserves	Retained	Total	controlling	equity	
		capital		earnings		interests		
		股本	儲備	保留盈利	總計	非控制性權益	總權益	
Note								
附註								
Balance at 1 January 2020	於2020年1月1日	318,636	2,540,529	8,969,048	11,828,213	1,771,260	13,599,473	
Fair value changes on financial assets at fair value through other comprehensive income, net of tax	以公允價值計量且其變動計入其他全面收益之金融資產之除稅後的公允價值變動	19	(17,990)	-	(17,990)	-	(17,990)	
Currency translation differences	貨幣換算差額	-	61,447	-	61,447	432	61,879	
Profit for the year	本年度盈利	-	-	418,399	418,399	250,040	668,439	
Total comprehensive income for the year ended 31 December 2020	截至2020年12月31日止年度的全面收益總額	-	43,457	418,399	461,856	250,472	712,328	
Transactions with owners in their capacity as owners:	與本公司擁有人的交易：							
Appropriations from net profit	自純利撥付	19,20	17,808	(17,808)	-	-	-	
Dividends paid to non-controlling interests	向非控制性權益支付的股息	-	-	-	-	(246,419)	(246,419)	
Share-based payment	股份為基礎的支付							
- Value of consultancy service	- 顧問服務價值	18,19	98	-	98	-	98	
- Value of employee services	- 僱員服務價值	18,19	536	-	536	-	536	
Disposal of subsidiaries	出售附屬公司	-	-	-	-	809	809	
Changes in ownership interests in subsidiaries without change of control	改變附屬公司之所有者權益而不改變控制權	19	31,304	-	31,304	43,986	75,290	
Capital injections from non-controlling interests	非控制性權益注資	-	-	-	-	3,085	3,085	
Final dividends for the year ended 31 December 2019 paid to shareholders	向股東支付截至2019年12月31日止年度之年末股息	-	-	(285,887)	(285,887)	-	(285,887)	
Special dividends for the six months ended 30 June 2020 paid to shareholders	向股東支付截至2020年6月30日止六個月之特別股息	29	-	(165,064)	(165,064)	-	(165,064)	
Total transactions with owners	與擁有人交易總額	-	49,746	(468,759)	(419,013)	(198,539)	(617,552)	
Balance at 31 December 2020	於2020年12月31日	318,636	2,633,732	8,918,688	11,871,056	1,823,193	13,694,249	



Consolidated Statement of Changes in Equity 綜合權益變動表

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)

		Attributable to equity holders of the Company 本公司權益持有人應佔					Non-controlling interests	Total equity
	Note 附註	Share capital 股本	Reserves 儲備	Retained earnings 保留盈利	Total 總計	非控制性權益	總權益	
Balance at 1 January 2021	於2021年1月1日	318,636	2,633,732	8,918,688	11,871,056	1,823,193	13,694,249	
Fair value changes on financial assets at fair value through other comprehensive income, net of tax	以公允價值計量且其變動計入其他全面收益之金融資產之除稅後的公允價值變動	19	(53,428)	-	(53,428)	-	(53,428)	
Currency translation differences	貨幣換算差額	-	16,603	-	16,603	(1,244)	15,359	
Profit for the year	本年度盈利	-	-	675,131	675,131	220,653	895,784	
Total comprehensive income for the year ended 31 December 2021	截至2021年12月31日止年度的全面收益總額	-	(36,825)	675,131	638,306	219,409	857,715	
Transactions with owners in their capacity as owners:	與本公司擁有人的交易：							
Appropriations from net profit	自純利撥付	19,20	30,596	(30,596)	-	-	-	
Dividends paid to non-controlling interests	向非控制性權益支付的股息	-	-	-	-	(206,075)	(206,075)	
Share-based payment – Value of employee services	股份為基礎的支付 – 僱員服務價值	18,19	5,747	-	5,747	-	5,747	
Changes in ownership interests in subsidiaries without change of control	改變附屬公司之所有者權益而不改變控制權	19	364	-	364	(2,364)	(2,000)	
Final dividends for the year ended 31 December 2020 paid to shareholders	向股東支付截至2020年12月31日止年度之年末股息	29	-	(229,479)	(229,479)	-	(229,479)	
Interim dividends for the six months ended 30 June 2021 paid to shareholders	向股東支付截至2021年6月30日止六個月之中期股息	29	-	(165,226)	(165,226)	-	(165,226)	
Issuance of new shares	發行新股	17,19	1,753,905	-	1,763,888	-	1,763,888	
Total transactions with owners	與擁有人交易總額	9,983	1,790,612	(425,301)	1,375,294	(208,439)	1,166,855	
Balance at 31 December 2021	於2021年12月31日	328,619	4,387,519	9,168,518	13,884,656	1,834,163	15,718,819	

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與相應附註一併閱讀。

Consolidated Statement of Cash Flows

綜合現金流量表

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)



		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Cash flows from operating activities				
	營運活動之現金流量			
Cash generated from operations	營運產生之現金	30(a)	1,664,774	1,823,600
Income tax paid	已付所得稅		(251,528)	(368,369)
Net cash generated from operating activities			1,413,246	1,455,231
Cash flows from investing activities				
	投資活動的現金流量			
Acquisition of a subsidiary	收購附屬公司		-	(154)
Proceeds from disposal of subsidiaries	出售附屬公司所得款		-	80
Acquisition of equity interest in associates	購入聯營公司之股權		(445,696)	-
Refund of termination of the additional capital injection into an associate	解除增資聯營公司退回款項		-	14,560
Proceeds from disposal of an associate	出售聯營公司所得款		12,640	11,582
Acquisition of equity interest in jointly controlled entities	購入共同控制實體之股權		(200,500)	-
Proceeds from disposal of a jointly controlled entity	出售共同控制實體所得款		8,480	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	出售以公允價值計量且其變動計入其他全面收益之金融資產所得款項		114,793	-
Purchases of financial assets at fair value through profit or loss	購入以公允價值計量且其變動計入損益之金融資產		(8,578,731)	(1,490,500)
Proceeds from disposal of financial assets at fair value through profit or loss	出售以公允價值計量且其變動計入損益之金融資產所得款項		5,860,227	1,725,897
Purchase of right-of-use assets for land use rights	購入土地使用權相關之使用權資產		(27,155)	(6,313)
Purchases of property, plant and equipment and intangible assets	購入物業、機器及設備及無形資產		(412,572)	(170,396)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項	30(b)	20,246	11,159
Short-term time deposits placed	存入短期定期存款		-	(1,713,840)
Short-term time deposits released	提取短期定期存款		1,413,840	2,634,294
Dividend received	已收股息		8,254	13,882
Interest received	已收利息		130,939	144,937
Net cash (used in)/generated from investing activities			(2,095,235)	1,175,188



Consolidated Statement of Cash Flows

綜合現金流量表

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
	Note 附註		
Cash flows from financing activities	融資活動的現金流量		
Proceeds from issuance of new shares	發行新股所得款	1,763,888	–
Final dividends for the year ended 31 December 2019 paid to shareholders	向股東支付截至2019年12月 31日止年度之期末股息	–	(285,887)
Special dividends for the six months ended 30 June 2020 paid to shareholders	向股東支付截至2020年6月 30日止六個月之特別股息	–	(165,064)
Final dividends for the year ended 31 December 2020 paid to shareholders	向股東支付截至2020年12月 31日止年度之期末股息	(229,479)	–
Interim dividends for the six months ended 30 June 2021 paid to shareholders	向股東支付截至2021年6月 30日止六個月之中期股息	(165,226)	–
Dividends paid to non-controlling interests (Payments for)/proceeds from changes in ownership interests in subsidiaries without change of control	向非控制性權益支付股息 改變附屬公司所有者權益 而不改變控制權之 (已付)／所得款項	(206,075)	(247,637)
Capital injections from non-controlling interests	非控制性權益持有人 注資之所得款項	–	75,290
New bank borrowings raised	新增銀行貸款	1,557,156	3,085
Repayment of bank borrowings	償還銀行貸款	(3,284,355)	556,679
Principal elements of lease payments	支付租賃付款之本金部分	(22,578)	(796,368)
Interest elements of lease payments	支付租賃付款之利息部分	(2,151)	(24,360)
Interest paid related to bank borrowings and others	與銀行貸款及其他相關之 已付利息	(81,904)	(3,450)
Net cash used in financing activities	融資活動所用之現金淨額	(672,724)	(143,929)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)／增加淨額	(1,354,713)	(1,031,641)
Cash and cash equivalents at the beginning of the year	年初之現金及現金等價物	4,921,756	1,598,778
Effects of currency translation on cash and cash equivalents	貨幣換算對現金及現金 等價物的影響	(25,618)	3,387,780
Cash and cash equivalents at the end of the year	年末之現金及現金等價物	3,541,425	(64,802)
		3,541,425	4,921,756

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與相應附註一併閱讀。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

1. GENERAL INFORMATION

Huabao International Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “Group”) are mainly engaged in the research and development, production, distribution and sale of flavours and fragrances, tobacco raw materials, aroma raw materials and condiment products in the People’s Republic of China (the “PRC”). Ms. Chu Lam Yiu (“Ms. Chu”), who is the Chairlady of the Board of Directors, holds approximately 71% beneficial equity interest in the Company as at 31 December 2021.

These consolidated financial statements are presented in thousands of units of RMB (“RMB’000”) unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 25 March 2022.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

1. 一般資料

華寶國際控股有限公司(「本公司」)於百慕達註冊成立為獲豁免有限公司。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司的股份主要於香港聯合交易所有限公司上市。

本公司為投資控股公司。本公司及其附屬公司(「本集團」)之業務主要在中華人民共和國(「中國」)研究及發展、生產、分銷及銷售香精、煙用原料、香原料及調味品產品。朱林瑤女士(「朱女士」)乃本公司之董事局主席，於2021年12月31日，朱女士持有本公司約71%之權益。

本綜合財務報表除另有說明者外，均以人民幣千元(「人民幣千元」)列示。本綜合財務報表已於2022年3月25日獲董事會批准刊發。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group.

2.1 Basis of preparation

(i) Compliance with HKFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and disclosure requirements of the Hong Kong Companies Ordinance Cap.622 (“HKCO”).

(ii) Historical cost convention

The consolidated financial statements of the Company have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (“FVOCI”) and financial assets at fair value through profit or loss (“FVPL”), which are carried at fair value.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要

編製本綜合財務報表所應用的主要會計政策載於下文。除另有說明者外，此等政策在所呈報的所有年度內貫徹應用。本綜合財務報表為集團報告。

2.1 編製基準

(i) 遵守香港財務報告準則及香港公司條例

本集團的綜合財務報表乃根據所有適用的香港財務報告準則（「香港財務報告準則」）及香港公司條例第622章的披露規定編制（「香港公司條例」）。

(ii) 歷史成本法

本公司綜合財務報表乃按歷史成本法編制，且就重新計量之以公允價值計量且其變動計入其他全面收益的金融資產及以公允價值計量且其變動計入損益的金融資產而作出修訂。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

(iii) *New and amended standards adopted by the Group*

The following standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2021:

- Interest Rate Benchmark Reform –Phase 2 – amendments to HKFRS 4, HKFRS 7, HKFRS 9, HKFRS 16 and HKAS 39

The Group also elected to early adopt the Covid-19-Related Rent Concessions beyond 30 June 2021.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) *New standards and interpretations not yet adopted*

Except for the Covid-19-Related Rent Concessions set out above, certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.1 編製基準(續)

(iii) *本集團已採納的新訂和已修改的準則*

本集團於2021年1月1日開始的財政年度首次採納下列準則：

- 有關利率基準改革第二階段的修改—香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號、香港財務報告準則第16號及香港會計準則第39號修訂

本集團選擇在2021年6月30日之後提早採納有關新型冠狀病毒肺炎疫情有關租賃減免。

上述修訂對之前期間並無任何金額確認的影響以及預計在當期或未來期間不會有重要影響。

(iv) *尚未採納之新訂準則及詮釋*

除有關新型冠狀病毒肺炎疫情有關租賃減免之外，若干新會計準則，會計準則修訂及詮釋已頒佈但並無於2021年12月31日報告期間強制生效，且本集團亦無提早採納。該等準則，修訂及詮釋預計在當期或未來報告期間不會對集團及可預見的未來交易產生重要影響。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation

(a) Subsidiaries

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired business and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.2 綜合賬目

(a) 附屬公司

附屬公司指本集團對其有控制權的所有實體(包括結構性實體)。當本集團乃由於參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其指導該實體活動的權力影響此等回報時，本集團即控制該實體。附屬公司在控制權轉移至本集團之日全面綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

集團內公司之間的交易、結餘及交易的未變現利得予以對銷。未變現損失亦予以對銷，除非交易提供所轉撥資產的減值證據。子公司報告的金額已按需要作出調整，以確保與本集團採用的政策符合一致。

(i) 業務合併

收購法乃用作本集團收購附屬公司的入賬方法。收購附屬公司的轉讓代價為本集團所轉讓資產、所產生負債及所發行的股權的公允價值。所轉讓代價包括或有代價安排所產生的任何資產或負債的公允價值及任何先前存在於附屬公司股權的公允價值。於業務合併時所收購可識別的資產以及所承擔的負債及或然負債，初步按收購日的公允價值計量。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

(i) Business combinations (Continued)

The Group recognises any non-controlling interests in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.2 綜合賬目(續)

(a) 附屬公司(續)

(i) 業務合併(續)

就逐項收購基準，本集團可按公允價值或按非控制性權益應佔被收購方淨資產的比例，計量被收購方的非控制性權益。非控制性權益的所有其他組成部份按收購日期的公允價值計量，除非香港財務報告準則規定必須以其他計量基準計算。

收購的相關成本在產生時支銷。

如業務合併分階段進行，收購方之前在被收購方持有的權益按收購日期的公允價值需重新計量，重新計量產生的任何盈虧在損益中確認。

集團將轉讓的任何或有對價按收購日期的公允價值計量。被視為資產或負債的或有對價公允價值的其後變動，根據香港財務報告準則第9號的規定，在損益中或作為其他全面收益的變動確認。分類為權益的或有對價不重新計量，其之後的結算在權益中入賬。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

(i) Business combinations (Continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

(ii) Changes in ownership interests

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean the amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.2 綜合賬目(續)

(a) 附屬公司(續)

(i) 業務合併(續)

所轉讓對價、被收購方的任何非控制性權益數額，及在被收購方之前任何權益在收購日的公允價值，超過所購入可辨識淨資產的數額記錄為商譽。如所轉讓對價、確認的任何非控制性權益及之前持有的權益計量，低於購入附屬公司淨資產的公允價值，則將該數額直接在收益中確認。

(ii) 所有者權益變動

當集團因喪失控制權、共同控制權或重大影響而不再持有控制權或投資的權益，在實體的任何保留權益重新計量至公允價值，賬面值的變動在損益中確認。公允價值為就保留權益的後續入賬而言的初始賬面值，作為聯營、合營或金融資產。此外，之前在其他全面收益中確認的任何數額猶如本集團已直接處置相關資產和負債。這意味著之前在其他全面收益中確認的數額重新分類至損益或根據香港財務報告準則的相關要求轉移至權益的其他類別。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(b) Associates

An associate is an entity over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in consolidated other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interests in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.2 綜合賬目(續)

(b) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權或共同控制權的實體，通常附帶有20%至50%投票權的股權。於聯營公司之投資以權益法入賬。根據權益法，投資初始以成本確認，而賬面值被增加或減少以確認投資者享有被投資者在收購日期後的損益份額。本集團於聯營公司之投資包括收購時已識辨之商譽。在購買聯營企業的投資時，購買成本與本集團享有的對聯營企業可辨認資產和負債的公允價值淨額的差額確認為商譽。

如聯營公司的權益持有被削減但仍保留重大影響力，只有按比例將之前在其他全面收益中確認的數額重新分類至損益(如適當)。

本集團應佔收購後聯營公司的盈利或虧損於綜合收益表內確認，而應佔收購後的其他全面收益表變動則於其他全面收益表內確認，並相應調整賬面值。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款，本集團不會進一步確認虧損，除非本集團對聯營公司已產生法律或推定債務或已代聯營公司作出付款。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(b) Associates (Continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of an associate in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the consolidated income statement.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.2 綜合賬目(續)

(b) 聯營公司(續)

本集團在每個報告日期釐定是否有客觀證據證明聯營公司投資已減值。如投資已減值，本集團計算減值，數額為聯營公司可收回數額與其賬面值的差額，並在收益表中的應佔聯營公司盈利／(虧損)中確認。

本集團與其聯營公司之間的上游及下游交易的盈虧，在本集團的財務報表中確認，但僅限於無關連投資者在聯營公司權益的數額。除非交易提供證據顯示所轉讓資產已減值，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

在聯營公司的攤薄盈虧於綜合收益表內確認。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(c) *Jointly controlled entity*

Investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

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

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.2 綜合賬目(續)

(c) *共同控制實體*

在合營安排的投資必須分類為共同經營或合營企業，視乎每個投資者的合同權益和義務而定，不是合營安排的法律結構。本集團已評估其合營安排的性質並釐定為合營企業。合營企業按權益法入賬。

根據權益法，合營企業權益初始以成本確認，其後經調整以確認本集團應佔收購後的盈利或虧損及在其他全面收益變動。當本集團享有某一合營企業的虧損超過或相等於在該合營企業的權益(包括任何實質上構成本集團在該合營淨投資的長期權益)，則本集團不會進一步確認虧損，除非本集團已產生義務或已代合營企業付款。

本集團與其合營企業之間的未變現交易盈利乃按本集團在該等合營企業的權益予以對銷。未變現虧損也予以對銷，除非交易提供證據證明所轉讓的資產出現減值。合營企業的會計政策已按需要作出改變，以確保與本集團所採納的政策符合一致。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.4 Segment reporting

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

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is Hong Kong dollars ("HKD") and majority of the subsidiaries of the Group operate in the PRC and their functional currency are RMB. The consolidated financial statements are presented in RMB, which is the Group's presentation currency.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.3 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本亦包括投資的直接歸屬成本。附屬公司的業績由本公司按已收及應收股息入賬。

如股息超過宣派股息期內附屬公司的綜合收益總額，或如在獨立財務報表的投資賬面值超過綜合財務報表中被投資公司淨資產(包括商譽)的賬面值，則必須對附屬公司投資作減值測試。

2.4 分部報告

經營分部按照向主要經營決策者提供的內部報告貫徹一致的方式報告。主要經營決策者被認為作出策略性決定的執行董事負責分配資源和評估經營分部的表現。

2.5 外幣換算

(a) 功能和列賬貨幣

本集團每個主體的財務報表所列項目均以該主體經營所在的主要經濟環境的貨幣計量(「功能貨幣」)。本公司的功能貨幣為港幣，本集團的大部份附屬公司於中國營運及其功能貨幣為人民幣。而本綜合財務報表按本集團之列報貨幣人民幣列報。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Foreign currency translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Foreign exchange gains and losses are presented in the consolidated income statement within other income and other gains – net.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.5 外幣換算(續)

(b) 交易及結餘

外幣交易均按當日的匯率交易或項目重新計量時按估值換算為功能貨幣。除了現金流對衝或淨投資對衝造成的匯兌盈虧，結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在綜合收益表內確認。

所有其他匯兌盈虧在綜合收益表內的「其他收入及其他收益－淨額」中列報。

按公允價值計量並以外幣計值之非貨幣性項目採用釐定公允價值當日之匯率換算。按公允價值列賬之資產與負債之換算差額作為公允價值盈虧的一部分呈報。例如，非貨幣性資產及負債如按公允價值計量且其變動計入損益之股權之換算差額在損益中確認為公允價值盈虧的一部分，而非貨幣性資產如分類為按公允價值計量且其變動計入其他全面收益之股權之換算差額在其他全面收益中確認。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.5 外幣換算(續)

(c) 集團公司

功能貨幣與列賬貨幣不同的所有集團實體(當中沒有嚴重通脹的貨幣)的業績及財務狀況，乃按以下方式換算為列報貨幣：

- (i) 每份呈報的財務狀況表所呈列之資產及負債乃按其報告日之收市匯率換算；
- (ii) 每份收益表內的收入和費用乃按平均匯率換算(除非該平均匯率並不代表交易當日匯率的累計影響的合理約數；在此情況下，收支則按交易當日的匯率換算)；及
- (iii) 所有因此而產生的匯兌差額在其他全面收益中確認。

收購海外實體產生的商譽及公允價值調整視為該海外業務的資產和負債，並按收市匯率換算。產生的匯兌差額在其他全面收益中確認。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Foreign currency translation (Continued)

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group's losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are reattributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or jointly controlled entities that do not result in the Group's losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.5 外幣換算(續)

(d) 處置和部份處置海外業務

對於海外業務的處置(即處置集團在海外業務中的全部權益，或者處置涉及喪失對擁有海外業務的附屬公司的控制權，或涉及喪失對擁有海外業務的共同控制實體的共同控制權，或涉及喪失對擁有海外業務的聯營企業的控制權)，就該項經營累計計入權益的歸屬於公司持有者的所有貨幣換算差額均重分類至損益。

對於並不導致集團喪失對擁有海外業務的附屬公司的控制權的部份處置，集團在累計貨幣換算差額中的比例份額重新歸屬於非控制性權益並且不在損益中確認。對於所有其他部份處置(即集團在聯營企業或共同控制實體中的所有權益的減少並不導致集團喪失重大影響或共同控制權)，集團在累計匯兌差額中的比例份額重分類至損益。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Property, plant and equipment

Construction in progress represents the direct costs of construction of property, plant and equipment incurred plus interest capitalised less any impairment losses. No provision for depreciation is made on construction in progress until such time the relevant assets are completed and available for their intended use.

All other property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives as follows:

Buildings	20-35 years
Plant and machinery	3-20 years
Motor vehicles	3-10 years
Furniture, fittings and equipment	3-10 years

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.6 物業、機器及設備

在建工程乃指興建物業，機器及設備所引起之直接並加上完工日前之資本化利息扣除任何減值虧損。在建工程不予折舊，直至相關資產完成及可供使用為止。

所有其他物業、機器及設備按歷史成本扣除折舊及減值虧損列賬。歷史成本包括收購該等項目直接應佔的開支。

僅在與項目相關之日後經濟效益有可能流入本集團，而有關項目的成本能夠可靠地計量時，其後成本才包括在資產的賬面值或確認為一項獨立資產(如適用)。被替換部份資產賬目值終止確認。所有其他維修保養費用於其產生的財政期間於收益表中支銷。

物業、機器及設備以直線法計算折舊，並按估計可使用年期分配至其剩餘價值，估計可使用年期如下：

樓宇	20至35年
機器及設備	3至20年
汽車	3至10年
傢俬、裝置及設備	3至10年

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Property, plant and equipment (Continued)

Furniture, fittings and equipment and other leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income and other gains – net, in the consolidated income statement.

2.7 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the CGU or group of CGUs level.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.6 物業、機器及設備(續)

傢俬、裝置及設備和其他租賃物業改良按可使用年期或租賃年期以較短者計算折舊，除非企業預期該資產的可使用年期將超過租賃年期。

於每個結算日均會檢討資產剩餘價值及可使用年期，並在適當情況下作出調整。倘資產賬面值高於其估計可收回金額，該資產的賬面值即時被撇減至其可收回金額(附註2.8)。

出售盈虧乃比較所得款項與賬面值而釐定，在綜合收益表內的「其他收入及其他收益－淨額」中確認。

2.7 無形資產

(a) 商譽

商譽產生自收購附屬公司並相當於所轉讓對價、被收購方的任何非控制性權益數額，及在被收購方之前任何權益在收購日期的公允價值，超過購入可辨識淨資產公允價值之數額。

就減值測試而言，在業務合併中購入的商譽會分配至每個現金產生單位或現金產生單位組(預期可從合併中獲取協同利益)。商譽被分配的每個單位或單位組指在主體內商譽被監控作內部管理用途的最低層次。商譽在現金產生單位或現金產生單位組層次進行監控。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Intangible assets (Continued)

(a) Goodwill (Continued)

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU or the group of CGUs to which goodwill has been allocated is compared to the recoverable amount of the unit, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Customer relationships and non-competition agreement

Customer relationships and non-competition agreement acquired as part of a business combination are capitalised separately from goodwill and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the intangible assets over their estimated useful lives of 5 to 10 years.

(c) Trademarks and licenses

Separately acquired trademarks and licenses are shown at historical cost. Trademarks and licenses acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives of 10 to 20 years.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.7 無形資產

(a) 商譽(續)

對商譽的減值檢討每年進行，或如事件或情況轉變顯示可能存在減值，則更頻密地檢討。商譽被分配的每個現金產生單位或現金產生單位組的賬面值與可收回數額(使用價值與公允價值減出售成本較高者)比較。任何減值須即時確認及不得在之後期間撥回。

(b) 客戶關係及非同業競爭協議

客戶關係及非同業競爭協議為業務合併的一部份，並已資本化與商譽分開，按成本減累計攤銷及累計減值虧損列賬。攤銷以直線法將無形資產的成本按其估計可使用年期5至10年計算。

(c) 商標及許可證

分開購入的商標及許可證按歷史成本列賬。在業務合併中購入的商標及許可證按購買日的公允價值列賬。商標及許可證具有有限可使用年期，按成本減累計攤銷和累計減值準備列賬。攤銷以直線法將商標的成本按其估計可使用年期10至20年計算。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Intangible assets (Continued)

(d) Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 5 years.

(e) Patents

Patents include purchased technology and skills acquired from third parties. They have a finite useful life and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the technology and skills over their estimated useful life of 3 to 10 years.

2.8 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill or intangible assets not ready to use, are not subject to amortisation and are tested at least annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting date.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.7 無形資產(續)

(d) 電腦軟件

購入的電腦軟件牌照按購入及使用該特定軟件達到可使用時所產生的成本作資本化處理。此等成本按估計可使用年期(3至5年)攤銷。

(e) 專利

專利乃購自第三方的技術並具有有限可使用期，按成本減累計攤銷及累計減值虧損列賬。攤銷以直線法將專利及技術的成本按其估計可使用年期3至10年計算。

2.8 非金融資產的減值

不確定使用年期之資產(如商譽或尚未可供使用的無形資產)無需攤銷，但最少每年就減值進行測試或在事件或環境顯示它們可能需要減值更頻繁地進行測試。各項資產，當有事件出現或情況改變顯示賬面值可能無法收回時就減值進行測試。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額以資產之公允價值扣除銷售成本或使用價值兩者之較高者為準。於評估減值時，資產按可分開識別現金流量(現金產生單位)的最低層次組合。除商譽外，已蒙受減值的非金融資產在每個報告日期均就減值是否可以撥回進行檢討。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.9 投資及金融資產

(a) 分類

本集團將其金融資產分為以下計量類別：

- 隨後將按公允價值計量（其變動計入其他全面收益或計入損益）的金融資產；及
- 將按攤銷成本計量的金融資產。

該分類取決於本集團管理金融資產的業務模式及現金流量的合約條款。

就按公允價值計量之資產而言，收益及虧損將計入損益或其他全面收益。就非持作交易的權益工具投資而言，收益及虧損的入賬將取決於本集團是否已於初始確認時行使不可撤銷選擇權，將權益投資入賬列為以公允價值計量且其變動計入其他全面收益。

本集團僅當管理該等資產之業務模式變動時重新分類債務投資。

(b) 確認及終止確認

常規購入及出售之金融資產在交易日予以確認，交易日指本集團承諾購入或出售該資產之日。當收取金融資產所得現金流量之權利已經到期或已經轉讓，而本集團已將擁有權之絕大部份風險及回報轉讓時，即終止確認金融資產。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and financial assets (Continued)

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income and other gains – net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.9 投資及金融資產(續)

(c) 計量

初始確認時，本集團按其公允價值加(倘屬並非以公允價值計量且其變動計入損益的金融資產)直接歸屬於購買金融資產的交易成本計量金融資產。以公允價值計量且其變動計入損益的金融資產的交易成本在損益中入賬。

確定具有嵌入衍生工具的金融資產的現金流量是否僅為支付本金和利息時，應整體考慮金融資產。

債務工具

債務工具的後續計量視乎本集團管理該資產之業務模式及該資產之現金流量特徵而定。本集團將其債務工具分類為三個計量類別：

- 攤銷成本：倘為收回合約現金流量而持有之資產的現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。該等金融資產的利息收入按實際利息法計入財務收入。終止確認產生的任何收益或虧損直接於損益確認，並於其他收入及其他收益—淨額中與匯兌收益及虧損一併列示。減值虧損於綜合收益表中作為單獨項目列示。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and financial assets (Continued)

(c) Measurement (Continued)

Debt instruments (Continued)

- Financial assets at FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income and other gains – net. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and other gains - net and impairment expenses are presented as separate line item in the consolidated income statement.
- Financial assets at FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income and other gains - net in the period in which it arises.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.9 投資及金融資產(續)

(c) 計量(續)

債務工具(續)

- 以公允價值計量且其變動計入其他全面收益之金融資產：倘為收回合約現金流量及出售金融資產而持有之資產的現金流量僅為支付本金及利息，則該等資產以公允價值計量且其變動計入其他全面收益。賬面價值變動計入其他全面收益，惟於損益確認之減值收益或虧損、利息收入及匯兌收益及虧損之確認除外。終止確認金融資產時，先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益並確認為其他收入及其他收益－淨額。該等金融資產的利息收入按實際利息法計入財務收入。匯兌收益及虧損計入其他收入及其他收益－淨額及減值費用於綜合收益表中作為單獨項目列示。
- 以公允價值計量且其變動計入損益之金融資產：未達按攤銷成本或以公允價值計量且其變動計入其他全面收益標準的資產以公允價值計量且其變動計入損益。後續以公允價值計量且其變動計入損益之債務投資的收益或虧損於損益確認，並於產生期間在損益表的其他收入及其他收益－淨額以淨額列報。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and financial assets (Continued)

(c) Measurement (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income and other gains - net when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other income and other gains - net in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3.1(b) for further details.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.9 投資及金融資產(續)

(c) 計量(續)

權益工具

本集團後續按公允價值計量所有權益投資。倘本集團管理層選擇於其他全面收益中呈列權益投資的公允價值收益及虧損，則於終止確認投資後，公允價值的收益及虧損後續並無重新分類至損益。當本集團確立收取付款的權利時，該等投資的股息繼續於損益確認為其他收入及其他收益－淨額。

以公允價值計量且其變動計入損益的金融資產之公允價值變動於綜合收益表其他收入及其他收益－淨額確認。以公允價值計量且其變動計入其他全面收益之股權投資的減值虧損(及減值虧損撥回)並無與其他公允價值變動分開呈報。

(d) 減值

本集團按前瞻性基準評估與按攤銷成本列賬之債務工具有關之預期信貸虧損。所應用之減值方法取決於是否出現信貸風險重大增幅。就貿易應收款項而言，本集團採用香港財務報告準則第9號所允許的簡化方法，該方法規定預期存續期虧損須自首次確認應收款項時予以確認。詳情於附註3.1(b)詳述。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.11 Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Trade and other receivables

Trade receivables are amounts due from customers for inventories sold in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.10 抵銷金融工具

當有法定可執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在財務狀況表報告其淨額。法定可執行權利不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時亦必須可強制執行。

2.11 存貨

原材料、在製品及製成品按成本及可變現淨值兩者中的較低者列賬。成本包括直接材料、直接勞工及適當比例的可變及固定間接開支，後者按正常營運能力分配。根據加權平均成本分配予各個存貨項目。採購存貨的成本在扣除返利及折扣後確認。可變現淨值乃按正常業務過程中的估計售價減去估計完成成本和預計銷售所需開支。

2.12 貿易及其他應收款項

貿易應收賬款為在日常經營活動中就商品銷售或服務執行而應收客戶的款項。如貿易應收賬款及其他應收款的收回預期在一年或以內(如仍在正常經營週期中，則可較長時間)，其被分類為流動資產；否則分類為非流動資產。

貿易及其他應收款項最初以公允價值確認，其後以實際利息法按攤銷成本扣除減值撥備計量。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to owners of the Company until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects is included in equity attributable to owners of the Company.

2.15 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.13 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款及其他短期高流動性投資，其到期日為三個月或以下，並易於轉換為已知金額的現金且無重大的價值變化風險。

2.14 股本

普通股列為權益。直接歸屬於發行新股或購股權的新增成本在權益中列為所得款的減少(扣除稅項)。

如任何集團公司購入本公司的權益股本(庫存股份)，所支付的對價，包括任何直接所佔的新增成本(扣除所得稅)，自歸屬於本公司權益持有人的權益中扣除，直至股份被註銷或重新發行為止。如股份其後被重新發行，任何已收取的對價(扣除任何直接所佔的新增交易費用及相關受影響的所得稅)包括在歸屬於本公司權益持有人的權益。

2.15 貸款

貸款按公允價值並扣除產生的交易費用為初始確認。貸款其後按攤銷成本列賬；所得款(扣除交易成本)與贖回價值的任何差額利用實際利率法於貸款期間內在綜合收益表確認。

設立貸款融資時支付的費用倘部份或全部融資將會很可能提取，該費用確認為貸款的交易費用。在此情況下，費用遞延至貸款提取為止。如沒有證據證明部份或全部融資將會很可能被提取，則該費用資本化作為流動資金服務的預付款，並按有關的融資期間攤銷。

除非本集團可無條件將負債的結算遞延至結算日後最少12個月，否則貸款分類為流動負債。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the consolidated income statement in the period in which they are incurred.

Borrowing costs include interest expense and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The exchange gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity had borrowed funds in its functional currency, and the borrowing costs actually incurred on foreign currency borrowings. Such amounts are estimated based on interest rates on similar borrowings in the entity's functional currency.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.16 貸款成本

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間籌備以作其預定用途或銷售的資產)的一般及特定貸款成本，加入該等資產的成本內，直至資產大致上備妥供其預定用途或銷售為止。

就特定貸款，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的貸款成本中扣除。

所有其他的貸款成本都在發生時計入發生年度的綜合收益表。

借款費用包括利息費用和被視為對利息費用的調整的外幣借款匯兌差額。作為利息費用的調整項目的匯兌利得和損失包括主體以功能貨幣借入資金本應發生的借款費用與外幣借款實際發生的借款費用之間的利率差額。該等金額根據主體功能貨幣的類似借款利率估計。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within 12 months after the reporting period (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries, associates and jointly controlled entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.17 貿易及其他應付款

貿易及其他應付賬款為在日常經營活動中購買商品或服務而應支付的債務。如貿易及其他應付款的支付日期在一年或以內(如仍在正常經營週期中，則可較長時間)，其被分類為流動負債；否則分類為非流動負債。

貿易及其他應付款初步以公允價值確認，其後利用實際利息法按攤銷成本計量。

2.18 當期及遞延所得稅

本期間的稅項支出包括當期和遞延稅項。稅項在綜合收益表中確認，但與在其他全面收益中或直接在權益中確認的項目有關者則除外。在該情況下，稅項亦分別在其他全面收益或直接在權益中確認。

(a) 當期所得稅

當期所得稅支出根據本公司、其附屬公司、聯營公司及共同控制實體營運及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並考慮稅務機關是否可能接受不確定的稅務處理。集團應根據最可能金額或預期值來衡量其稅金，應採兩者中較能解決不確定性之方法。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Current and deferred income tax (Continued)

(b) *Deferred income tax*

Inside basis difference

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.18 當期及遞延所得稅(續)

(b) *遞延所得稅*

內在差異

遞延所得稅以負債法全額計提資產與負債的稅基與資產和負債在綜合財務報表的賬面值之差額產生的暫時差異。然而，若遞延所得稅來自商譽的初始確認，以及若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初始確認，而在交易時不影響會計損益或應課稅盈虧並且不會產生相等的應課稅和可扣減暫時性差異，則不作記賬。遞延稅項採用在結算日前已頒佈或實質上頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期會將適用之稅率(及法例)而釐定。

遞延所得稅資產僅在很可能出現未來應課稅溢利抵銷暫時差額及虧損時方會確認。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Current and deferred income tax (Continued)

(b) *Deferred income tax (Continued)*

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) *Offsetting*

Deferred income tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred income taxes assets and liabilities balances relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.18 當期及遞延所得稅(續)

(b) *遞延所得稅(續)*

外在差異

就子公司、聯營和合營投資產生的應課稅暫時性差異確認遞延所得稅負債，但不包括本集團可以控制暫時性差異的轉回時間以及暫時性差異在可預見將來很可能不會轉回的遞延所得稅負債。一般而言，本集團無法控制聯營的暫時性差異的撥回。只有當有協議賦予本集團有能力控制暫時性差異的撥回時才不予確認。

就子公司、聯營和合營投資產生的可扣減暫時性差異確認遞延所得稅資產，但只限於暫時性差異很可能在將來轉回，並有充足的應課稅利潤抵銷可用的暫時性差異。

(c) *抵銷*

當有法定可執行權利將當期稅項資產與當期稅項負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅實體或不同課稅實體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Current and deferred income tax (Continued)

(d) *Deferred taxes recognised arising on a lease*

Assets acquired under lease contracts give rise to temporary differences between the carrying amount and tax base. Short-term leases and leases of low value assets are recognised as a straight-line basis as expense in profit or loss. The amount that is charged to rentals by the lessee in its consolidated income statement is likely to be the same as the amount charged in arriving at the taxable profit. An exception to this is where accrued rentals, deferred rentals or lease incentives give rise to temporary differences. The Group considers the lease which is on balance sheet as a single transaction in which the asset and liability are integrally linked, so there is no net temporary difference at inception. Subsequently, as differences arise on settlement of the liability and the amortisation of the leased asset, there will be a net temporary difference on which deferred tax is recognised.

2.19 Employee benefits

(a) *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as trade and other payables in the consolidated statement of financial position.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.18 當期及遞延所得稅(續)

(d) *租賃產生的遞延稅款*

根據租賃合同獲得的資產會導致賬面價值和稅基之間的暫時性差異。短期或低價值的資產租賃，承租人所支付的租金在綜合收益表中很可能視作為取得應稅利潤。但應計租金，遞延租金或租賃激勵措施導致暫時性差異將會除外。本集團將資產負債表上的租賃視為一項將資產和負債緊密相連的單一交易，因此初始時並無淨暫時性差異淨額。隨後，由於負債清償和租賃資產攤銷產生差異，則會產生暫時性淨額並確認為遞延稅項。

2.19 僱員福利

(a) *短期責任*

在僱員提供相關服務的期間結束後預計於12個月內全部清償其薪酬負債，包括非貨幣福利及累計有薪病假。僱員提供的服務以預期支付於清償負債的金額計量並確認至結算日。該負債於綜合財務狀況表內呈列為貿易及其他應付款項。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Employee benefits (Continued)

(b) Pension obligations

The Group operates the Mandatory Provident Fund Scheme (“MPF Scheme”) in Hong Kong which is generally funded through payments to insurance companies under defined contribution plan. It pays contributions to administered pension insurance plans on a mandatory, contractual or voluntary basis. Moreover, all the employees of the Group’s entities incorporated in Mainland China of the PRC (the “Mainland China”) participate in employee social security plans, including pension, medical, housing and other welfare benefits, organised and administered by the local governments. The Group also makes defined contribution to retirement schemes managed by the insurance company in accordance with German regulation and rules for the employees of the subsidiary located in Germany. In the United States of America (“USA”), the Group makes defined contributions at certain percentage of monthly salary to retirement and medical schemes managed by the federal government of USA in accordance with US rules and regulations. It is the federal government’s responsibility to pay the retirement benefits to those staff who retire. The Group has no further payment obligations once these contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. No pension obligation is required under the Botswana laws and regulation.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.19 僱員福利(續)

(b) 退休金責任

本集團於香港設有強制性公積金計劃(「強積金計劃」)，該計劃一般透過根據定額供款向保險公司付款而注資。本集團向管理退休保險計劃作出強制、合約或自願性質供款。此外，所有身為本集團於中華人民共和國(「中國內地」)註冊成立實體之僱員，均已參與由地方政府組織及管理之僱員社會保障計劃，涵蓋退休金、醫療、房屋及其他社會福利。本集團根據德國相關法律和法規為設立於德國的附屬公司之合資格僱員根據定額供款退休計劃向有關保險公司作出供款。根據美國的相關法律和法規向合資格員工按月薪的若干百分比向美國聯邦政府所管理的退休金及醫療保險計劃作出供款。美國聯邦政府有責任向該等退休僱員支付退休金。本集團一經繳付供款後再無進一步付款責任。供款於應付時確認為僱員福利開支，並可由歸屬前離開計劃的僱員所放棄的全數供款撇減。預付供款按照現金退款或未來款項減少而確認為資產。根據博茨瓦納的法律及法規，並無退休金責任的要求。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Share-based payment

(a) Share option scheme

The Group operates an equity-settled share-based payment under which the entity receives services from a business consultant as consideration for equity instruments (options) of the Group. Information relating to these schemes is set out in Note 18(a).

For equity-settled share-based payment transactions, the Group measures the services received at their fair value unless that fair value cannot be estimated reliably, and the corresponding increase in equity. If the Group cannot estimate reliably the fair value of the services received, it shall measure the services received by reference to the fair value of the equity instruments granted at the date the business consultant renders service. Given the services are provided evenly over a period of time, the expense is based on the share price over that period.

(b) Employee share scheme

As disclosed in Note 18(b), Guangdong Jiahao Foodstuff Co., Ltd (“Guangdong Jiahao”), a subsidiary of the Group operates equity-settled share-based compensation plan, under which Guangdong Jiahao granted its equity instruments to its employees and employees of its subsidiary in exchange for their service.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.20 以股份支付之酬金

(a) 購股權計劃

本集團設有一項按權益償付，以股份支付酬金的計劃。根據該計劃，主體收取業務顧問的服務作為本集團期權工具（購股權）的對價。相關信息在註釋18(a)中列出。

就按權益償付以股份支付酬金的交易，本集團以公允價值計量確認服務，除非公允價值不能可靠估算以及評估相應增加的股權。如本集團不能可靠估算已收取服務的價值，它應參考業務顧問提供的服務所授出股權當日的公允價值。鑒於在一段時間內均勻提供服務，則費用基於該期間的股票價格。

(b) 僱員購股權計劃

如附註18(b)中所披露，廣東嘉豪食品股份有限公司（「廣東嘉豪」），本集團之一家附屬公司正並進行一項按權益償付，以股份支付酬金的計劃。根據該協議，廣東嘉豪向其員工及其子公司之員工授出權益工具，以換取他們的服務。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Share-based payment (Continued)

(b) Employee share scheme (Continued)

The fair value of the employee service received in exchange for the grant of equity instruments is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

- Including any market performance conditions (e.g., the entity's share price);
- Excluding the impact of any service and non-market performance vesting conditions (e.g., profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (e.g., the requirement for employees to save or holdings shares for a specific period of time).

Non-market performance and service conditions are included in assumptions about the number of equity instruments that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.20 以股份支付之酬金(續)

(b) 僱員購股權計劃(續)

將用以換取授予權益工具而獲取之僱員服務的公允價值確認為支出。開支的總額會參照授予權益工具的公允價值：

- 包括任何市場業績狀況(例如：該企業的股價)；
- 不包括任何服務及非市場業績的歸屬條件之影響(例如：盈利能力、銷售增長目標和維持在特定時間內為企業僱員)；和
- 包括任何非歸屬條件的影響(例如：要求僱員在特定時間內保留或持有股票)

有關預期可歸屬的權益工具數目的假設中包括非市場表現和服務條件。總開支會於歸屬期(即滿足所有指定歸屬條件的時期)內確認。

此外，在某些情況下，僱員可能會在授予日期之前提供服務，因此，為了確認服務開始至授予日期間之費用，需要估計授予日的公允價值。

在每個期末，企業應根據非市場歸屬和服務條件修訂對預期歸屬的期權數量估計。並在損益中確認修訂原初估計(如果有)的影響，並相應的權益進行調整。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Revenue recognition

(a) Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of discounts and after eliminating sales with the Group companies. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

Revenues are recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.21 收入確認

(a) 與客戶之間的合同產生的收入

收入按本集團日常業務過程中銷售貨品及服務已收或應收代價的公平值計量。收入顯示為扣除折扣後以及與集團公司取消銷售後的收入。當收入金額能夠可靠計量時；當未來的經濟利益很可能流入實體時；當本集團的每項活動符合特定標準時本集團會確認收入，詳情如下所述。

收入在資產控制權轉移給客戶時確認。根據合同條款和適用於合同的法律，資產的控制可以隨時間或在某個時間點進行轉移。如果集團的業績如下，資產的控制權將隨時間轉移：

- 提供客戶同時收到和消費的所有好處；或
- 創建並增強客戶在集團執行時控制的資產；或
- 不會為本集團創建具有替代用途的資產，且本集團擁有可執行的權利，可為迄今已完成的業績付款。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Revenue recognition (Continued)

(a) Revenue from contracts with customers (Continued)

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

(b) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognised using the original effective interest rate.

(c) Dividend income

Dividends are recognised when the right to receive payment is established.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.21 收入確認(續)

(a) 與客戶之間的合同產生的收入(續)

如果資產的控制隨著時間的推移而轉移，則通過參考完成履約義務的進展於合約期內確認收入。否則，收入在客戶獲得資產控制權的時間點確認。

完成履約義務的進度乃根據本集團為履行完成履約義務所作的努力或投入而計量，並參考截至報告期末所產生的合約成本佔每份合約估計總成本的百分比。

在釐定交易價格時，如果融資成分重大，則本集團會調整承諾的代價金額。

(b) 利息收入

利息收入採用實際利息法按時間比例基準確認入賬。倘應收款項出現減值時，本集團會將賬面值撇減至可收回款額，即估計的未來現金流量按該工具之原有效利率貼現值，並繼續將貼現計算並確認為利息收入。已減值應收款的利息收益利用有效利率確認。

(c) 股息收入

股息收入在收取款項的權利確定時確認。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Research and development costs

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (b) the management intends to complete the intangible asset and use or sell it;
- (c) there is an ability to use or sell the intangible asset;
- (d) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (f) the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding five years.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Development assets are tested for impairment annually.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.22 研發成本

研究費用於產生時確認為支出。倘開發中項目(有關設計及測試全新或經改良產品)所產生之費用，符合下列條件的確認為無形資產：

- (a) 產品技術上可行並可完成該無形資產並能出售或使用；
- (b) 管理層有意完成該無形資產並出售或使用；
- (c) 有能力使用或出售該無形資產；
- (d) 可證明該無形資產如何為將來產生經濟效益；
- (e) 足夠的技術、財務及其他資源可完成開發及使用或出售該無形資產；及
- (f) 於開發該無形資產時的成本能可靠計量。

資本化的研發費用計入無形資產並在資產達到可使用狀態時採用直線法在使用壽命內開始攤銷，使用年限不會超過5年。

其他研發費用於產生時如不符合上述條件的均會確認為費用。過往確認作費用之開發成本在其後期間並不確認為資產。

研發資產每年進行減值測試。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.23 租賃

集團應在租賃資產可供使用之日把租賃確認為使用權資產和相應的負債。

租賃條款是以獨立協商，包含各種不同的條款和條件。除了出租人持有的租賃資產中的擔保權益外，租賃合同不包含其他承諾。租賃資產不得用作借貸的抵押品。

租賃產生的資產及負債按現值基準進行初始計量。租賃負債包括下列租賃付款額的淨現值：

- 固定付款額(包括實質固定付款額)，扣減任何應收租賃激勵
- 基於指數或比率的可變租賃付款，初始評估應使用在生效日期的指數或比率
- 剩餘價值擔保項下的本集團預期應付款項
- 購買選擇權的行使價，前提是本集團能合理確定將行使該選擇權，及
- 終止租賃的罰款金額，前提是租賃條款反映本集團將行使該終止租賃選擇權

在訂有合理的延期選擇權下所支付的租賃付款需要包括在負債的計量。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Leases (Continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.23 租賃(續)

租賃付款額按照租賃內含利率折現。如果無法確定該利率(本集團的租賃通常不能確定租賃內含利率)，則應採用承租人的增量借款利率，即承租人為在類似經濟環境下獲得價值相近的使用權資產，以類似條款，條件和情況下借入資金而必須支付的利率。

為確定增量借款利率，本集團：

- 在可能的情況下，以個別承租人最近收到的第三方融資為起點，並進行調整以反映自收到第三方融資以來融資條件的變化
- 該租賃沒有最近的第三方融資下，採用建立方法，先從無風險利率開始對本集團所持租賃的信用風險進行調整，並且
- 針對租賃進行調整，例如條款，國家，貨幣和安全性

若個別承租人通過類似租賃的付款方式(通過最近的融資或市場數據)而獲取可觀察的攤銷借貸利率，本集團應以該利率為起點來確定增量借款利率。

本集團面臨以指數或利率為基礎的未來可變租賃費用的潛在增加，直至受影響後才包含在租賃負債內。基於索引或費率的租賃付款調整生效後，將對租賃負債進行重新評估，並根據使用權資產進行調整。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Leases (Continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of properties and motor vehicles are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. The Group does not have any leases of low-value assets.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.23 租賃(續)

租賃付款在本金和融資成本之間分配。融資成本在租賃期內從損益中扣除，並藉此制定每個期間對負債餘額之穩定利息率。

使用權資產以下列成本計量：

- 租賃負債的初始計量金額
- 在開始日或之前支付的任何租賃付款減去收到的任何租賃激勵
- 任何初始的直接費用，及
- 還原成本

使用權資產通常按資產使用壽命或租賃年期以較短者按直線法折舊。如集團能合理地確定要行使購股權，則使用權資產上按其使用年期折舊。

與物業和汽車車輛的短期租賃有關的付款以直線法確認為損益支出。短期租賃是指租賃期為12個月或更短且無購買選項的租賃。本集團並無任何低值資產的租賃。

本集團為出租人的經營租賃的租金收入在租賃期內按直線法確認為收入。為獲得經營租賃而發生的初始直接費用被加至相關資產的賬面價值，並在租賃期內以與租賃收入相同的基礎確認為費用。各個租賃資產根據其性質包括在資產負債表中。由於採用新的租賃準則，本集團無需對持有出租人的資產會計進行任何調整。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated income statement on a straight-line basis over the expected lives of the related assets.

2.25 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and Company's financial statements in the period in which the final dividends are approved by the Company's shareholders and interim dividends are approved by the Company's Board of Directors.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk, and 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.

Risk management is carried out under the policies approved by the Board of Directors. The Group identifies and evaluates financial risks in close co-operations with its operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investing of excess liquidity.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

2. 主要會計政策摘要(續)

2.24 政府津貼

當能夠合理地保證本集團符合所有附帶條件而將收取政府津貼時，政府提供的津貼按公允價值確認入賬。

與成本有關之政府津貼遞延入賬，按擬補償成本之相應期間在綜合收益表確認。

與購買物業、機器及設備有關之政府津貼列入非流動負債作為遞延收入，按有關資產之預計年期以直線法在綜合收益表確認。

2.25 股息分派

向本公司股東分派的期末股息在股息獲本公司股東批准的期間內，中期股息在獲本公司董事會批准的期間內，於本集團及本公司的財務報表內列為負債。

3. 財務風險管理

3.1 財務風險因素

本集團的活動面對多項財務風險：市場風險(包括外匯風險、現金流量之利率風險、公允值之利率風險及價格風險)、信貸風險及流動性風險。本集團的整體風險管理計劃專注於財務市場的難預測性，並尋求儘量減低對本集團財務表現的潛在不利影響。

風險管理按照董事會批准的政策執行、確定和評估財務風險。集團經營單位緊密合作以確定和評估財務風險。董事會為整體風險管理訂定指引，亦為若干特定範疇提供政策，例如外匯風險、利率風險、信貸風險，以及投資剩餘的流動資金。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk

(i) Foreign exchange risk

The Group mainly operates in Hong Kong and Mainland China and is exposed to foreign exchange risk primarily through financial instruments that are denominated in a currency other than the functional currency in which they are measured. The functional currency of the PRC subsidiaries is RMB, and the functional currency of the HK subsidiaries is HKD. The majority of the subsidiaries of the Group operate in the PRC and most of their transactions are denominated in RMB. The Group did not have other significant exposure to foreign exchange risk.

If HKD and United States dollars (“USD”), being the main foreign currencies in which the Group’s financial assets and liabilities denominated, had strengthened/weakened by 5% against RMB during the year ended 31 December 2021, with all other factors remaining unchanged, the profit after income tax for the year and equity as at year end date would have been affected as follows:

Group	本集團	Change of profit after income tax increase/(decrease)		Change of equity increase/(decrease)	
		for the year ended 31 December 2021	for the year ended 31 December 2020	for the year ended 31 December 2021	for the year ended 31 December 2020
		本年除稅後盈利的影響增加/(減少)	本年除稅後盈利的影響增加/(減少)	權益之變動增加/(減少)	權益之變動增加/(減少)
		12月31日止年度	12月31日止年度	12月31日止年度	12月31日止年度
- Strengthened by 5%	- 升值5%	8,400	3,200	-	2,754
- Weakened by 5%	- 貶值5%	(8,400)	(3,200)	-	(2,754)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

(i) 外匯風險

本集團主要於香港及中國內地經營，主要外匯風險乃源自計量除功能貨幣以外的一種貨幣的金融工具。於中國境內之附屬公司的功能貨幣為人民幣，而於香港的附屬公司之功能貨幣則為港幣。本集團之主要附屬公司乃於國內經營及其大部份的交易以人民幣計算，故本集團並無重大外匯風險。

截至2021年12月31日止年度內，假若港幣及美元作為本集團金融資產和負債的主要計價海外貨幣，假若港幣及美元兌人民幣升值/貶值5%，而所有其他因素維持不變，則對本年度除稅後盈利及於年末權益的影響如下：



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk

Other than deposits held in banks, the Group does not have significant interest-bearing assets. Fluctuation of market rates does not have a significant impact to the Group's performance.

The Group's exposure to changes in interest rates is mainly attributable to its borrowings which are at floating rates, and expose the Group to cash flow interest-rate risk.

As at 31 December 2021, if interest rates on borrowings at floating rates had been 50 basis points higher or lower with all other variables held constant, interest charges for the year ended 31 December 2021 would increase/decrease by approximately RMB3,605,000 (2020: RMB3,495,000).

(iii) Price risk

The Group is exposed to price risk because of listed equity investments held by the Group, which are classified as financial assets at FVPL (Note 15).

The sensitivity analysis is determined based on the exposure to price risk of the listed equity investments classified as financial assets at FVPL at the end of each reporting period. If the fair values of the listed equity investments classified as financial assets at FVPL held by the Group had been 5% higher/lower, profit after tax for the year would have been approximately RMB1,821,000 higher/lower for the year ended 31 December 2021 (2020: RMB1,535,000).

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公允價值之利率風險

除存放於銀行的存款以外，本集團並無重大計息資產。市場利率的變動對本集團的表現無重大影響。

集團面臨的利率變動風險主要來自按浮動利率發行的貸款，令本集團承受現金流量利率風險。

於2021年12月31日，在其他因素不變的情況下，若按浮動利率發行的貸款利率上升/下降50個基點，利息開支將會增加/減少約人民幣3,605,000元(2020年：人民幣3,495,000元)。

(iii) 價格風險

由於本集團持有的上市權益投資分類為以公允價值計量且其變動計入損益的金融資產，本集團承受價格風險(附註15)。

敏感性分析是基於每個報告期末分類為以公允價值計量且其變動計入損益的金融資產的上市權益投資的價格風險確定的。若本集團持有的分類為以公允價值計量且其變動計入損益的金融資產的上市權益投資的公允價值上升/下降5%，則截至2021年12月31日止年度的稅後利潤將上升/下降約人民幣1,821,000元(2020年：人民幣1,535,000元)。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost and at FVPL, as well as credit exposures to customers, including outstanding receivables.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

信貸風險來自自由現金和現金等價物及以公允價值計量且其變動計入損益的債務工具之合同現金流。以及對於客戶的信用風險，包括未償還的應收賬款。

本集團在資產的初始確認時考慮壞賬的可能性，也評估在每個資產存續的報告期間是否會有信貸風險的顯著增加。在評估信貸風險是否顯著增加時本集團將報告日時點資產發生壞賬的可能性與初始確認時點發生壞賬的可能性進行比較，同時也考慮公開且合理的前瞻資訊。以下指標需要重點考慮：

- 內部信用評級
- 外部信用評級
- 實際發生的或者預期的營業狀況、財務狀況和經濟環境中的重大不利變化預期導致借款人按期按期償還到期債務的能力產生重大變化
- 借款人的經營業績實際發生或者預期發生重大變化
- 借款人的其他金融資產信貸風險顯著增加
- 借款人預期表現或者行為發生重大變化，包括集團內借款人付款情況的變化和經營成果的變化





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

(i) Trade receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and invoice dates. The historical loss rates for each aging bucket are derived base on the probability of a receivable progressing through successive stages of delinquency to write-off. The historical loss rates are adjusted to expected loss rates to reflect current and forward-looking information on macroeconomic factors affecting the ability of the counterparty to settle the receivables.

The loss allowance as at 31 December 2021 and 2020 is determined as follows, and the expected credit losses below also incorporate forward looking information.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

現金和現金等價物須要遵守香港財務報告準則第9號的減值要求，但已識別的減值損失不重大。

(i) 貿易應收款

本集團根據香港財務報告準則第9號的規定應用簡化的方式提供預期信貸虧損，該準則允許所有貿易應收款均採用整個信用損失週期預期撥備。

為計量預期信貸虧損，貿易應收款根據共有的信貸風險特徵及發票日期進行分組。每個賬齡衍生的歷史損失率是依據應收進度的可能性在連續的各個拖欠階段中逐漸註銷。歷史損失率會按照預期撥備率作調整，以反映在宏觀經濟下的當前和前瞻性資訊對交易對手償還應收款的能力的影響。

在2021年及2020年12月31日，貸款撥備率如下列示，以下預期信用損失同時考慮了前瞻資訊的因素。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Trade receivables (Continued)

As at 31 December 2021

Trade receivables		0 – 90 days	91 days – 180 days	181 days – 360 days	Over 360 days	Total
貿易應收款		0 – 90 日	91 – 180 日	181 – 360 日	超過360日	合計
Effective expected loss rate	預計有效撥備率	0%	0.005%	13.64%	68.77%	
Gross carrying amount	賬面價值	756,502	75,511	15,097	16,247	863,357
Loss allowance	減值撥備	–	4	2,059	11,174	13,237

As at 31 December 2020

2020年12月31日

Trade receivables		0 – 90 days	91 days – 180 days	181 days – 360 days	Over 360 days	Total
貿易應收款		0 – 90 日	91 – 180 日	181 – 360 日	超過360日	合計
Effective expected loss rate	預計有效撥備率	0%	0.005%	5.01%	46.68%	
Gross carrying amount	賬面價值	883,425	93,287	22,568	21,487	1,020,767
Loss allowance	減值撥備	–	5	1,131	10,031	11,167

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款(續)

於2021年12月31日



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Trade receivables (Continued)

The loss allowance for trade receivables as at 31 December reconciles to the opening loss allowance as follows:

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Opening loss allowance at the beginning of the year	年初減值撥備	11,167	12,263
Provision for impairment loss on trade receivables	計提應收賬款減值	2,136	406
Disposal of subsidiaries	出售附屬公司	-	(487)
Written off as uncollectible	因無法收回而沖銷	(66)	(1,015)
Closing loss allowance at the end of the year	年末減值撥備	13,237	11,167

As at 31 December 2021, the gross carrying amount of trade receivables was RMB863,357,000 (31 December 2020: RMB1,020,767,000), and thus the maximum exposure to loss of trade receivables was RMB850,120,000 (31 December 2020: RMB1,009,600,000).

於2021年12月31日，貿易應收款的賬面價值為人民幣863,357,000元（2020年12月31日：人民幣1,020,767,000元），因此承擔損失風險的最大餘額為人民幣850,120,000元。（2020年12月31日：人民幣1,009,600,000元）。

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款(續)

貿易應收款於12月31日的減值撥備與期初減值撥備的調節如下：

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Other receivables

Other financial assets at amortised cost include other receivables. Other receivables mainly includes notes receivable, deposits, deductible input tax of Value-Added Tax, advances to staff, retention money and others.

The loss allowance for other receivables at 31 December reconciles to the opening loss allowance as follows:

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Opening loss allowance at the beginning of the year	年初減值撥備	34,854	30,463
Provision for impairment loss on other receivables	其他應收款減值撥備	1,391	6,986
Disposal of subsidiaries	出售附屬公司	-	(496)
Written off as uncollectible	因無法收回而沖銷	(6,680)	(2,099)
Closing loss allowance at the end of the year	年末減值撥備	29,565	34,854

As at 31 December 2021, the gross carrying amount of other receivables was RMB209,011,000 (31 December 2020: RMB306,277,000), and thus the maximum exposure to loss of other receivables was RMB179,446,000 (31 December 2020: RMB271,423,000).

於2021年12月31日，其他應收款的賬面價值為人民幣209,011,000元（2020年12月31日：人民幣306,277,000元）。因此承受損失風險的最大餘額為人民幣179,446,000元（2020年12月31日：人民幣271,423,000元）。

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 其他應收款

其他以攤銷成本計量的金融資產包括其他應收款。其他應收款主要包括應收票據、按金、增值稅可抵扣進項稅、預付員工款、質保金及其他。

其他應收款於12月31日的減值撥備與年初減值撥備的調節如下：



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(iii) Financial assets at FVPL

The Group is also exposed to credit risk in relation to debt instruments that are measured at FVPL (Note 15), of which wealth management products are considered to be low credit risk, where they have a low risk of default and banks has a strong capacity to meet its contractual cash flow obligations in the near term.

The maximum credit risk exposure of unlisted equity investments at the end of the reporting period is its carrying amount RMB215,679,000 (31 December 2020: RMB112,614,000).

(c) Liquidity risk

Cash flow forecast is performed in the operating entities of the Group. The Directors monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs and that the Group does not breach borrowing covenants on its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal statement of financial position ratio targets and if applicable, external regulatory or legal requirements – for example, currency restrictions.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 以公允價值計量且其變動計入損益的金融資產
本集團還面臨與以公允價值計量且其變動計入當期損益的債務工具有關的信用風險(附註15)，其中的財富管理產品被認為是低信用風險，違約風險低且銀行的能力較強在短期內履行其合同現金流量義務。

於報告期末，非上市股本投資的最高信貸風險承擔為賬面值人民幣215,679,000元(2020年12月31日：人民幣112,614,000元)。

(c) 流動性風險

現金流量預測是在集團的經營主體執行。董事監控集團的流動資金需求的滾動預測，確保有足夠資金應付經營需要，但同時確保集團不違反其貸款條款。此等預測考慮了集團債務融資計劃、條款遵從、符合內部財務狀況表比率目標，及外部的監管或法例規定(例如貨幣限制(如適用))。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are based on the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

		Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Over 5 years	Total
		一年以下	一年至兩年	兩年至三年	三年至四年	四年至五年	五年以上	總計
At 31 December 2021	於2021年12月31日							
Borrowings (including interest)	貸款(包括應計利息)	972,067	-	-	-	-	-	972,067
Trade and other payables excluding statutory liabilities	貿易及其他應付款項(不包括法定債項及預付款)	501,819	-	-	-	-	800	502,619
Lease liabilities	租賃負債	20,215	9,940	5,446	4,144	2,442	691	42,878
		1,494,101	9,940	5,446	4,144	2,442	1,491	1,517,564
At 31 December 2020	於2020年12月31日							
Borrowings (including interest)	貸款(包括應計利息)	1,115,088	881,090	1,046,656	-	-	-	3,042,834
Trade and other payables excluding statutory liabilities	貿易及其他應付款項(不包括法定債項及預付款)	450,420	-	-	-	-	800	451,220
Lease liabilities	租賃負債	26,132	17,236	8,399	6,304	3,852	6,355	68,278
		1,591,640	898,326	1,055,055	6,304	3,852	7,155	3,562,332

As at 31 December 2021, the Group's net current assets is RMB6,738,947,000 (31 December 2020: RMB7,145,001,000).

於2021年12月31日，本集團之流動資產淨值為人民幣6,738,947,000元(2020年12月31日：人民幣7,145,001,000元)。

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動性風險(續)

下表顯示本集團的金融負債按照相關的到期組別，根據由資產負債表日至合同到期日的剩餘期間進行分析。在表內披露的金額為未經貼現的合同現金流量。金額在一年內到期乃相等於其賬面值是由於貼現的影響不重大。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The operating cash inflows of the Group are sufficient for investing activities including acquisition of new businesses.

The Group monitors its capital risk based on the debt-to-equity ratio. This ratio is calculated by dividing the net debt by the total owners' equity. The Group's net debt is calculated as total borrowings (including current and non-current borrowings) less cash and cash equivalents. No debt-to-equity ratio is presented as the Group had net cash surplus as at 31 December 2021 and 2020.

3.3 Fair value estimation

The following categorises financial instruments carried at fair value based on the level of inputs to valuation techniques within a fair value hierarchy. The different levels have been defined as follows:

- Quoted price (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).

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.2 資本風險管理

本集團的資本管理政策目的是保障其能繼續營運，以為股東提供回報和為其他權益持有人提供利益，同時維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東的股息數額、向股東分派的資本返還、發行新股或出售資產以減低債務。

本集團經營活動產生的現金流可足夠用於投資活動包括收購新業務。

本集團以資本負債比率監察其資本風險。此比率乃按照債務淨額除以總資本計算。本集團的債務淨額為總貸款(包括流動及非流動貸款)減去現金及現金等價物。由於本集團的現金及現金等價物金額大於貸款金額，本集團於2021年及2020年12月31日沒有列報資本負債比率因本集團有現金盈餘淨額。

3.3 公允價值估計

以下對以公允價值計量的金融工具進行分類，乃根據在公允價值層級中輸入估值技巧的級別釐定。不同層級的定義如下：

- 相同資產或負債在活躍市場的報價(未經調整)(第一層)；
- 除了第一層所包括的報價外，該資產和負債的可觀察的其他輸入，可直接(即例如價格)或間接(即源自價格)(第二層)；
- 資產和負債並非依據可觀察市場數據的輸入(即不可觀察輸入)(第三層)。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (Continued)

The following tables present the Group's financial assets measured and recognised at fair value at 31 December 2021 and 2020:

	Note 附註	Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 共計
At 31 December 2021					
Financial assets at FVPL	於2021年12月31日 以公允價值計量且其變動 計入損益之金融資產				
- Listed equity investments	- 上市權益投資 15	35,866	-	-	35,866
- Wealth management products	- 財富管理產品 15	-	-	3,256,499	3,256,499
- Unlisted equity investments	- 非上市權益投資 15	-	-	215,679	215,679
Financial assets at FVOCI	以公允價值計量且其變動 計入其他全面收益之 金融資產				
- Unlisted equity investments in the PRC	- 於中國的非上市 權益投資 11	-	-	17,870	17,870
- Debt securities	- 債務證券 11	-	-	48,785	48,785
		35,866	-	3,538,833	3,574,699

	Note 附註	Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 共計
At 31 December 2020					
Financial assets at FVPL	於2020年12月31日 以公允價值計量且其變動 計入損益之金融資產				
- Listed equity investments	- 上市權益投資 15	29,064	-	-	29,064
- Wealth management products	- 財富管理產品 15	-	-	540,492	540,492
- Unlisted equity investments	- 非上市權益投資 15	-	-	112,614	112,614
Financial assets at FVOCI	以公允價值計量且其變動 計入其他全面收益之 金融資產				
- Unlisted overseas equity investments	- 於海外的非上市 權益投資 11	-	-	55,072	55,072
		29,064	-	708,178	737,242





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (Continued)

There were no transfers of financial assets between level 1, level 2 and level 3 fair value hierarchy classifications for the year ended 31 December 2021.

There are no other financial instruments that were measured at fair value as at 31 December 2021 and 2020.

The financial assets of level 1 within the fair value hierarchy as at 31 December 2021 and 2020 were the listed equity investments included in financial assets at FVPL. The fair value of these financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets of level 1 held by the Group is the current bid price.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.3 公允價值估計(續)

截至2021年12月31日止年度，概無金融資產於第一層，第二層和第三層架構類別之間轉入或轉出。

於2021及2020年12月31日，並無其他金融工具乃按公允價值計量。

於2021及2020年12月31日，公允價值層級中的第一層金融資產是計入以公允價值計量且其變動計入當期損益的金融資產中的上市權益投資。在活躍市場中交易的這些金融工具的公允價值基於報告日的市場報價。如果可以從交易所、交易商、經紀人、行業組織、定價服務或監管機構隨時獲得定期報價，則這些市場被認為是活躍的，並且這些價格代表了獨立易基礎上的實際和定期發生的市場交易。本集團持有的第一層金融資產使用的市場報價為當前買入價。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (Continued)

The financial assets of level 3 within the fair value hierarchy as at 31 December 2021 and 2020 were financial assets at FVOCI and financial assets at FVPL. The following table presents the changes of the Group's financial assets of level 3 within the fair value hierarchy for the year ended 31 December 2021 and 2020:

		Unlisted equity investment 非上市股權投資	Wealth management products 財富管理產品	Debt investments 債權投資	Total 共計
At 1 January 2020	於2020年1月1日	220,209	726,191	-	946,400
Additions	添置	2,500	1,488,000	-	1,490,500
Disposals	出售	(36,089)	(1,692,167)	-	(1,728,256)
Fair value change recognised in other comprehensive income	於其他全面收益中確認的公允價值變動	(17,990)	-	-	(17,990)
Fair value change recognised in other income and other gains – net	於其他收入和其他收益–淨額中確認之公允價值變動	6,243	18,468	-	24,711
Currency translation differences	貨幣換算差額	(7,187)	-	-	(7,187)
At 31 December 2020	於2020年12月31日	167,686	540,492	-	708,178
At 1 January 2021	於2021年1月1日	167,686	540,492	-	708,178
Additions	添置	85,600	8,510,999	163,194	8,759,793
Disposals	出售	(2,421)	(5,852,944)	(114,409)	(5,969,774)
Fair value change recognised in other comprehensive income	於其他全面收益中確認的公允價值變動	(53,428)	-	-	(53,428)
Fair value change recognised in other income and other gains – net	於其他收入和其他收益–淨額中確認之公允價值變動	38,866	57,952	-	96,818
Currency translation differences	貨幣換算差額	(2,754)	-	-	(2,754)
At 31 December 2021	於2021年12月31日	233,549	3,256,499	48,785	3,538,833

Asset-based approach and market approach model are adopted in valuation the financial assets of level 3. There were no changes in valuation techniques during the year.

第三層金融資產的估值採用資產法及市場法。本年度估值技術未發生變化。

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.3 公允價值估計(續)

截至2021年和2020年12月31日，公允價值層級中的第三層金融資產為以公允價值計量且其變動計入其他全面收益的金融資產和以公允價值計量且其變動計入當期損益的金融資產。下表列出了本集團截至2021年及2020年12月31日止年度的公允價值層級中第三層金融資產的變化：



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.4 Group's valuation processes

The Group's finance department includes a team that performs the valuation of financial assets required for financial reporting purposes with the assistance of an independent valuer when necessary, including level 3 fair values. This team reports directly to the chief financial officer ("CFO"). Discussions of valuation processes and results are held between the CFO and the valuation team at least once for every six months, in line with the Group's reporting dates.

3.5 Fair value of financial assets and liabilities measured at amortised cost

The fair values of financial assets and liabilities measured at amortised cost approximate their carrying amounts.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of goodwill

The Group tests at least annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.7 and Note 2.8. The recoverable amounts of CGUs have been determined based on the higher of value in use and the fair value less costs to sell. These calculations require the use of estimates (Note 8). Details of impairment charge, key assumptions and impact of possible changes in key assumptions are disclosed in Note 8.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

3. 財務風險管理(續)

3.4 本集團的估值過程

本集團之財務部設有一個小組，負責就財務報告事宜執行，並在需要時由獨立評估機構的協助下對金融資產進行估值，包括有關第三層公允價值。此小組直接向財務總監(「財務總監」)匯報。財務總監及評估小組乃按本集團之報告日期即每半年舉行一次討論估值流程與其結果。

3.5 按攤銷成本計量的金融資產及負債之公允價值

按攤銷成本計量的金融資產和負債的公允價值乃與其賬面值相若。

4. 關鍵會計估計及判斷

估算和判斷會被持續評估，並基於過往經驗及其他因素，包括在有關情況下相信對未來事件的合理預測。

4.1 關鍵會計估計及假設

本集團為未來作出估算及假設。所得之會計估計如其定義，很少與相關的實際結果相符。涉及導致資產及負債之賬面值可能於下一個財政年度內須作出重大調整之估計及假設如下。

(a) 商譽減值

根據附註2.7及2.8所述的會計政策，本集團每年測試商譽是否出現減值。現金產生單位的可收回金額乃根據使用價值與公允價值減銷售成本兩者中的較高者釐定。此等計算均需利用估算(附註8)。有關減值金額、關鍵假設及關鍵假設的可能變動所造成的影響於附註8詳細披露。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

4.1 Critical accounting estimates and assumptions (Continued)

(b) PRC enterprise income tax and deferred taxation

The Group's subsidiaries that operate in the PRC is subject to enterprise income tax in the PRC. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it's probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

Pursuant to the Corporate Income Tax Laws of the PRC approved by the National People's Congress on 16 March 2007, a 10% withholding tax is levied on dividends remitted from the PRC entities to overseas investors with effect from 1 January 2008. A lower withholding tax rate of 5% is applied to Hong Kong investors as there is a tax treaty between the PRC and Hong Kong. However, the 5% treaty rate is not automatically granted. The taxpayer needs to apply to the relevant tax bureau for an approval for the treaty rate. The Directors estimated that a portion of profits generated by the PRC subsidiaries would be distributed to their Hong Kong immediate parent companies and the approval for the treaty rate will be obtained. Therefore, deferred income tax liabilities had been provided based on 5% or 10% of the estimated profits to be remitted to Hong Kong. The Directors of the Company will review the funding requirements of the Group and revise the dividend distribution policy of its subsidiaries as appropriate.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

4. 關鍵會計估計及判斷(續)

4.1 關鍵會計估計及假設(續)

(b) 中國企業所得稅及遞延稅項

本集團於中國經營的附屬公司須繳納中國企業所得稅。於釐定所得稅撥備時需要作出重要的判斷。在日常業務過程中，許多交易及計算均無法最終釐定。當該等事宜的最終稅款與最初記賬金額不同時，有關差額將影響作出有關釐定期間的所得稅和遞延稅項撥備。

當管理層認為日後可能有應課稅溢利可供動用以抵銷暫時差額或稅項虧損時，有關若干暫時差額及稅項虧損的遞延稅項資產會予以確認。其實際利用結果可能不同。

根據全國人民代表大會於2007年3月16日通過的中國企業所得稅法，由2008年1月1日起，中國企業向外商投資企業分派股息，需按10%之稅率徵收所得稅。基於中國及香港有特別稅務協定，故中國企業向香港投資企業分派股息，可享有較優惠的稅率5%徵收。但該5%協定稅率並非自動獲得，納稅人需向有關主管稅局申請批准享有稅務協定。本公司董事預計會將某些中國大陸附屬公司之盈利派發股息予其於香港的直接母公司並獲得協定稅率批准。因此，遞延所得稅負債乃按預期匯出香港之盈利以5%或10%的稅率計算。本公司董事將不時檢討本集團之資金需求並適時調整附屬公司之股息政策。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

5. REVENUE AND SEGMENT INFORMATION

The Group has organised its operations into four main operating segments:

- (1) Flavours and fragrances;
- (2) Tobacco raw materials;
- (3) Aroma raw materials; and
- (4) Condiment.

The chief operating decision-makers have been identified as the executive directors (the "Executive Directors"). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Executive Directors consider the business from the operation's perspective and assess the performance of flavours and fragrances, tobacco raw materials, aroma raw materials and condiment segments.

- (1) Flavours and fragrances segment includes research and development, production and sale of flavours and fragrances products.
- (2) Tobacco raw materials segment includes research and development, production and sale of paper-making reconstituted tobacco leaves and new materials products that are innovative, functional and applicable to tobacco industry.
- (3) Aroma raw materials segment includes research and development, manufacture and sale of aroma raw materials products that are extracted from natural materials or generated from chemical process.
- (4) Condiment segment includes production, sales, marketing and distribution of condiments.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

5. 營業額及分部資料

本集團的經營分為四項主要營運分部：

- (1) 香精；
- (2) 煙用原料；
- (3) 香原料；及
- (4) 調味品。

主要經營決策者明確為執行董事（「執行董事」），執行董事審閱本集團的內部報告以評估表現及分配資源。管理層按照此報告以決定營運分部。

執行董事從經營活動角度考慮業務及評估香精、煙用原料、香原料及調味品之分部業務表現。

- (1) 香精業務包括研發、生產及銷售香精產品。
- (2) 煙用原料業務包括研發、生產及銷售造紙法再造煙葉產品及創新、具功能性等適用於煙草行業的新材料產品。
- (3) 香原料業務包括研發、生產及銷售香原料產品，香原料乃通過化學反應合成或天然提取的「帶香物質」。
- (4) 調味品業務包括生產、銷售、營銷及分銷調味品產品。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The segment information for the year ended 31 December 2021 is presented below:

		Year ended 31 December 2021 截至2021年12月31日止年度					
		Flavours and fragrances 香精	Tobacco raw materials 煙用原料	Aroma raw materials 香原料	Condiment 調味品	Others 其他	Total 總計
Total revenue	總營業額	1,941,375	586,072	720,649	676,481	22	3,924,599
Inter-segment revenue	分部間銷售	(14,626)	(20,667)	(6,623)	-	-	(41,916)
Segment revenue – net	分部營業額－淨額	1,926,749	565,405	714,026	676,481	22	3,882,683
Segment result	分部業績	1,104,081	(80,091)	59,096	136,864	(105,473)	1,114,477
Finance income	財務收入						101,784
Finance costs	融資成本						(81,468)
Finance income – net	財務收入－淨額						20,316
Share of results of associates and jointly controlled entities	應佔聯營公司及共同控制實體之業績						12,584
Profit before income tax	除稅前盈利						1,147,377
Income tax expense	所得稅						(251,593)
Profit for the year	本年度盈利						895,784
Depreciation	折舊	40,583	84,652	33,401	11,836	6,357	176,829
Amortisation	攤銷	1,828	8,994	15,444	73,919	139	100,324

		As at 31 December 2021 於2021年12月31日					
		Flavours and fragrances 香精	Tobacco raw materials 煙用原料	Aroma raw materials 香原料	Condiment 調味品	Others 其他	Total 總計
Segment assets	分部資產	8,389,135	2,314,894	1,344,664	4,586,505	1,389,931	18,025,129

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

5. 營業額及分部資料(續)

截至2021年12月31日止年度之分部資料呈列如下：





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The segment information for year ended 31 December 2020 is presented below:

		Year ended 31 December 2020 截至2020年12月31日止年度					
		Flavours and fragrances 香精	Tobacco raw materials 煙用原料	Aroma raw materials 香原料	Condiment 調味品	Others 其他	Total 總計
Total revenue	總營業額	2,094,460	637,539	646,322	502,835	7,954	3,889,110
Inter-segment revenue	分部間銷售	(9,435)	(15,933)	(7,626)	(84)	(1,974)	(35,052)
Segment revenue – net	分部營業額－淨額	2,085,025	621,606	638,696	502,751	5,980	3,854,058
Segment result	分部業績	1,258,783	249,609	47,909	(432,490)	(221,019)	902,792
Finance income	財務收入						159,915
Finance costs	融資成本						(143,983)
Finance income – net	財務收入－淨額						15,932
Share of results of associates and a jointly controlled entity	應佔聯營公司及共同控制實體之業績						30,097
Profit before income tax	除稅前盈利						948,821
Income tax expense	所得稅						(280,382)
Profit for the year	本年度盈利						668,439
Depreciation	折舊	44,719	84,011	24,888	9,885	6,812	170,315
Amortisation	攤銷	1,643	9,967	18,095	73,696	232	103,633

		As at 31 December 2020 於2020年12月31日					
		Flavours and fragrances 香精	Tobacco raw materials 煙用原料	Aroma raw materials 香原料	Condiment 調味品	Others 其他	Total 總計
Segment assets	分部資產	8,346,729	2,762,317	1,082,892	4,800,859	685,257	17,678,054

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

5. 營業額及分部資料(續)

截至2020年12月31日止年度之分部資料呈列如下：

Year ended 31 December 2020
截至2020年12月31日止年度

		Flavours and fragrances 香精	Tobacco raw materials 煙用原料	Aroma raw materials 香原料	Condiment 調味品	Others 其他	Total 總計
Total revenue	總營業額	2,094,460	637,539	646,322	502,835	7,954	3,889,110
Inter-segment revenue	分部間銷售	(9,435)	(15,933)	(7,626)	(84)	(1,974)	(35,052)
Segment revenue – net	分部營業額－淨額	2,085,025	621,606	638,696	502,751	5,980	3,854,058
Segment result	分部業績	1,258,783	249,609	47,909	(432,490)	(221,019)	902,792
Finance income	財務收入						159,915
Finance costs	融資成本						(143,983)
Finance income – net	財務收入－淨額						15,932
Share of results of associates and a jointly controlled entity	應佔聯營公司及共同控制實體之業績						30,097
Profit before income tax	除稅前盈利						948,821
Income tax expense	所得稅						(280,382)
Profit for the year	本年度盈利						668,439
Depreciation	折舊	44,719	84,011	24,888	9,885	6,812	170,315
Amortisation	攤銷	1,643	9,967	18,095	73,696	232	103,633

As at 31 December 2020
於2020年12月31日

		Flavours and fragrances 香精	Tobacco raw materials 煙用原料	Aroma raw materials 香原料	Condiment 調味品	Others 其他	Total 總計
Segment assets	分部資產	8,346,729	2,762,317	1,082,892	4,800,859	685,257	17,678,054

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment result represents the profit before income tax earned by each segment without inclusion of unallocated corporate expenses, finance costs, finance income and share of results of associates and a jointly controlled entity. This is the measure reported to chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

Segment assets consist primarily of property, plant and equipment, right-of-use assets, intangible assets, investments in associates, investments in a jointly controlled entity, financial assets at FVPL and financial assets at FVOCI that are managed by the Finance Department, deferred income tax assets, other non-current assets, inventories, trade and other receivables, short-term time deposits and cash and cash equivalents. They exclude financial assets at FVOCI and financial assets at FVPL that are managed by the Investment Department and intersegment eliminations.

Non-current assets other than financial instruments and deferred tax assets of the Group as at 31 December 2021 and 2020 are mainly located in the PRC.

Revenues from external customers are derived from the sales of flavours and fragrances, tobacco raw materials, aroma raw materials and condiments to customers mainly of whom located in the PRC.

Revenue derived from sales made to the single largest external customer for the year ended 31 December 2021 amounted to 6% (2020: 11%) of the Group's total revenue. These revenues are attributable to flavours and fragrances segment.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

5. 營業額及分部資料(續)

分部業績是代表各分部之除稅前盈利，當中並沒有包括未分類的公司開支、融資成本、財務收入及應佔聯營公司及共同控制實體之業績。此分部業績主要是為分配資源和評估各分部之表現而向主要經營決策者呈列的方式。

分部資產主要包括物業、廠房及設備、使用權資產、無形資產、對聯營公司的投資、對共同控制實體的投資、由財務部管理之按公允價值計量且其變動計入損益和按公允價值計量且其變動計入其他全面收益的金融資產、遞延所得稅資產、其他非流動資產、存貨、貿易和其他應收款、短期定期存款以及現金和現金等價物。它們不包括由投資部門管理的以公允價值計量且其變動計入其他全面收益和以公允價值計量且其變動計入損益的金融資產，及分部間抵銷。

除金融工具和遞延所得稅資產以外，於2021年及2020年12月31日本集團的非流動資產主要位於中國。

來自外部客戶的收入主要來自銷售香精、煙用原料、香原料以及調味品予國內客戶。

截至2021年12月31日止年度，來源於最大外部單一客戶的收入佔集團總收入6% (2020年：11%)。這些收入是由香精分部產生的。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(a) Liabilities related to contracts with customers

The Group has recognised the liabilities related to contracts with customers:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Total contract liabilities	總合同負債	166,945	182,701

(i) Significant changes in contract liabilities

The Group receives payments from customers based on billing schedule as established in contracts. Payments are usually received in advance under the contracts which are mainly from sales of condiments. The decrease in contract liabilities was mainly attributable to a decrease in ex-warehouse time of condiments.

(ii) Revenue recognised in relation to contract liabilities

Revenue recognised that was included in the contract liabilities balance at the beginning of the year

All contracts are for periods of one year or less. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

5. 營業額及分部資料(續)

(a) 與客戶之合同相關的負債

本集團已確認與客戶合約有關之負債為：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Total contract liabilities	總合同負債	166,945	182,701

(i) 合同負債之重大變動

本集團按照合約約定的付款安排自客戶處收到款項。款項通常於合約履約義務完成前收到，這些合約主要來自出售調味品。合同負債減少的主要原因是調味品的出庫時間減少。

(ii) 與合同負債相關的已確認收入

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	已包含在年初合同負債餘額內之已確認的收入	158,818	152,205

所有合同的期限為一年或更短。根據香港財務報告準則第15號「客戶合約收入」的規定，未披露未履約合同的交易價格。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(a) Liabilities related to contracts with customers (Continued)

(iii) Contract liabilities mainly include prepayment for condiments from customers and unrealized sales incentives. As for the prepayment for condiments from customers, most of them will be settled in short period of time, which is generally less than a year. The balances of prepayment from customers are RMB112,503,000 and RMB101,795,000 as at 31 December 2020 and 2021 respectively.

Contract liabilities related to unrealized sales incentives are analysed as follows:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Unrealized sales incentives expected to be redeemed within one year	預期於一年內兌現的未變現銷售獎勵	28,069	22,529
Unrealized sales incentives expected to be redeemed over one year	預期於一年後兌現的未變現銷售獎勵	37,081	47,669
		65,150	70,198

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

5. 營業額及分部資料(續)

(a) 與客戶之合同相關的負債(續)

(iii) 合同負債主要包括調味品的客戶預付款項和未變現銷售獎勵。至於調味品的客戶預付款，大部份會在短期內(一般在一年以內)結清。於2020年及2021年12月31日，客戶預付款項結餘分別為人民幣112,503,000元及人民幣101,795,000元。

與合同負債相關的未變現銷售獎勵分析如下：



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

6. PROPERTY, PLANT AND EQUIPMENT

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

6. 物業、機器及設備

	Note	Buildings	Plant and machinery	Motor vehicles	Furniture, fixtures and equipment	Leasehold improvements	Construction in progress	Others	Total
	附註	樓宇	機器及設備	汽車	傢俬、裝置及設備	租賃裝修	在建工程	其他	總計
At 1 January 2020	於2020年1月1日								
Cost	成本	903,491	1,030,050	58,148	230,935	74,906	290,426	2,962	2,590,918
Accumulated depreciation	累計折舊	(356,088)	(605,811)	(43,768)	(162,759)	(30,143)	-	(1,231)	(1,199,800)
Net book amount	賬面淨值	547,403	424,239	14,380	68,176	44,763	290,426	1,731	1,391,118
Year ended 31 December 2020	截至2020年12月31日止年度								
Net book amount at 1 January	於1月1日賬面淨值	547,403	424,239	14,380	68,176	44,763	290,426	1,731	1,391,118
Additions	添置	118	9,500	4,113	15,902	11,174	117,595	-	158,402
Transfers	轉移	8,349	87,778	42	5,051	9,951	(111,171)	-	-
Disposals	出售	(8,412)	(3,104)	(1,306)	(3,692)	(1,545)	-	-	(18,059)
Depreciation	折舊	(36,993)	(86,397)	(3,502)	(11,862)	(3,167)	-	(296)	(142,217)
Currency translation differences	貨幣換算差額	(244)	(516)	(52)	(99)	(76)	-	-	(987)
Net book amount at 31 December	於12月31日賬面淨值	510,221	431,500	13,675	73,476	61,100	296,850	1,435	1,388,257
At 31 December 2020	於2020年12月31日								
Cost	成本	887,708	1,109,593	57,825	242,539	77,910	296,850	2,962	2,675,387
Accumulated depreciation	累計折舊	(377,487)	(678,093)	(44,150)	(169,063)	(16,810)	-	(1,527)	(1,287,130)
Net book amount	賬面淨值	510,221	431,500	13,675	73,476	61,100	296,850	1,435	1,388,257
Year ended 31 December 2021	截至2021年12月31日止年度								
Net book amount at 1 January	於1月1日賬面淨值	510,221	431,500	13,675	73,476	61,100	296,850	1,435	1,388,257
Additions	添置	40,993	8,677	2,576	16,230	2,672	351,250	-	422,398
Transfers	轉移	129,462	252,265	-	2,835	14,400	(398,962)	-	-
Disposals	出售	(191)	(1,093)	(328)	(3,844)	(9,064)	-	-	(14,520)
Depreciation	折舊	(37,823)	(96,436)	(3,107)	(13,745)	(1,120)	-	(296)	(152,527)
Currency translation differences	貨幣換算差額	(280)	(666)	(15)	(59)	(22)	-	-	(1,042)
Net book amount at 31 December	於12月31日賬面淨值	642,382	594,247	12,801	74,893	67,966	249,138	1,139	1,642,566
At 31 December 2021	於2021年12月31日								
Cost	成本	1,056,678	1,350,802	58,963	239,874	90,072	249,138	2,962	3,048,489
Accumulated depreciation	累計折舊	(414,296)	(756,555)	(46,162)	(164,981)	(22,106)	-	(1,823)	(1,405,923)
Net book amount	賬面淨值	642,382	594,247	12,801	74,893	67,966	249,138	1,139	1,642,566

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation was recorded in the following categories:

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Manufacturing overheads	製造費用		75,080	68,988
Selling and marketing expenses	銷售及推廣開支		738	791
Administrative expenses	行政費用		76,709	72,438
Total depreciation	折舊總額	24	152,527	142,217

As at 31 December 2021, the Group's secured bank borrowings were fully repaid, no property, plant and equipment were pledged as collateral for the Group's borrowings (31 December 2020: pledged buildings with net book value of RMB73,248,000).

7. LEASE

(a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to lease:

		As at 31 December 於12月31日		
		Note 附註	2021 2021年	2020 2020年
Right-of-use assets:	使用權資產：			
Land use rights	土地使用權	(i)	215,147	181,402
Properties	物業		36,816	59,500
Motor vehicles	車輛		—	—
			251,963	240,902
Lease liabilities:	租賃負債：			
Current	流動		18,751	24,526
Non-current	非流動		22,176	39,345
			40,927	63,871

Additions to the right-of-use assets for the year ended 31 December 2021 were RMB60,736,000 (2020: RMB42,722,000).

本年度使用權資產增加額為人民幣60,736,000元（2020年：人民幣42,722,000元）。

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

6. 物業、機器及設備（續）

折舊按以下分類支銷：

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Manufacturing overheads	製造費用		75,080	68,988
Selling and marketing expenses	銷售及推廣開支		738	791
Administrative expenses	行政費用		76,709	72,438
Total depreciation	折舊總額	24	152,527	142,217

於2021年12月31日，本集團的有抵押銀行貸款已全數償還，已沒有物業、機器或設備被抵押作為本集團的抵押品（2020年12月31日：已抵押樓宇賬面淨值為人民幣73,248,000元）。

7. 租賃

(a) 於綜合財務狀況表確認的金額

綜合財務狀況表顯示以下與租賃有關的金額：

		As at 31 December 於12月31日		
		Note 附註	2021 2021年	2020 2020年
Right-of-use assets:	使用權資產：			
Land use rights	土地使用權	(i)	215,147	181,402
Properties	物業		36,816	59,500
Motor vehicles	車輛		—	—
			251,963	240,902
Lease liabilities:	租賃負債：			
Current	流動		18,751	24,526
Non-current	非流動		22,176	39,345
			40,927	63,871

Additions to the right-of-use assets for the year ended 31 December 2021 were RMB60,736,000 (2020: RMB42,722,000).

本年度使用權資產增加額為人民幣60,736,000元（2020年：人民幣42,722,000元）。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

7. LEASE (CONTINUED)

(a) Amounts recognised in the consolidated statement of financial position (Continued)

- (i) The Group's interests in right-of-use assets for land use rights represent prepaid operating lease payments and their net book amounts.

At 31 December 2021, the Group's secured bank borrowings were fully repaid, no right-of-use assets were pledged as collateral for the Group's borrowings (31 December 2020: pledged right-of-use assets for land use rights with net book amount of RMB15,265,000).

(b) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to lease:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

7. 租賃(續)

(a) 於綜合財務狀況表確認的金額(續)

- (i) 本集團在土地使用權的權益為預付的經營租賃款項及其賬面淨值。

於2021年12月31日，本集團的有抵押銀行貸款已全數償還，已沒有土地使用權被抵押作為本集團的抵押品(2020年12月31日：已抵押土地使用權賬面淨值為人民幣15,265,000元)。

(b) 於綜合收益表確認的金額

綜合收益表顯示以下與租賃有關的金額：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Depreciation and amortisation charge of right-of-use assets:	使用權資產的折舊和攤銷費用：		
Land use rights	土地使用權	6,495	6,004
Properties	物業	24,302	28,040
Motor vehicles	車輛	-	58
		30,797	34,102
Interest expense	利息支出	2,151	3,450
Expense relating to short-term leases	短期租賃費用	19,691	14,530

The total cash outflow for leases for the year ended 31 December 2021 was RMB44,420,000 (2020: RMB40,643,000).

截至2021年12月31日止年度的租賃現金流出總額為人民幣44,420,000元(2020年：人民幣40,643,000元)。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

8. INTANGIBLE ASSETS

8. 無形資產

	Note	Goodwill	Trademarks and licenses	Customer relationships	Non-competition agreement	Computer software	Patents	Total
	附註	商譽 (a)	商標及許可證 (b)	客戶關係	非競爭協議	電腦軟件	專利	總計
At 1 January 2020	於2020年1月1日							
Cost	成本	5,903,875	544,817	787,444	3,085	9,407	49,521	7,298,149
Accumulated amortisation and impairment	累計攤銷及減值	(36,366)	(102,871)	(303,528)	(3,013)	(6,823)	(38,053)	(490,654)
Net book amount	賬面淨值	5,867,509	441,946	483,916	72	2,584	11,468	6,807,495
Year ended 31 December 2020	截至2020年12月31日止年度							
Net book amount at 1 January	於1月1日賬面淨值	5,867,509	441,946	483,916	72	2,584	11,468	6,807,495
Additions	添置	-	-	-	-	1,331	10,663	11,994
Amortisation	攤銷	24	(23,269)	(64,366)	-	(945)	(9,049)	(97,629)
Impairment	減值	(495,498)	-	-	-	-	-	(495,498)
Net book amount at 31 December	於12月31日賬面淨值	5,372,011	418,677	419,550	72	2,970	13,082	6,226,362
At 31 December 2020	於2020年12月31日							
Cost	成本	5,903,875	544,817	787,443	3,085	10,738	60,180	7,310,138
Accumulated amortisation and impairment	累計攤銷及減值	(531,864)	(126,140)	(367,893)	(3,013)	(7,768)	(47,098)	(1,083,776)
Net book amount	賬面淨值	5,372,011	418,677	419,550	72	2,970	13,082	6,226,362
Year ended 31 December 2021	截至2021年12月31日止年度							
Net book amount at 1 January	於1月1日賬面淨值	5,372,011	418,677	419,550	72	2,970	13,082	6,226,362
Additions	添置	-	21	-	-	4,030	3,993	8,044
Amortisation	攤銷	24	(23,197)	(62,939)	-	(1,035)	(6,658)	(93,829)
Impairment	減值	(a)	(293,270)	-	-	-	-	(293,270)
Net book amount at 31 December	於12月31日賬面淨值	5,078,741	395,501	356,611	72	5,965	10,417	5,847,307
At 31 December 2021	於2021年12月31日							
Cost	成本	5,903,875	544,838	787,443	3,085	14,768	64,173	7,318,182
Accumulated amortisation and impairment	累計攤銷及減值	(825,134)	(149,337)	(430,832)	(3,013)	(8,803)	(53,756)	(1,470,875)
Net book amount	賬面淨值	5,078,741	395,501	356,611	72	5,965	10,417	5,847,307

Amortisation is included in cost of goods sold and administrative expenses in the consolidated income statement.

攤銷包括在綜合收益表的銷售成本及行政費用內。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

8. INTANGIBLE ASSETS (CONTINUED)

- (a) Goodwill is mainly attributable to the anticipated profitability of operations, the anticipated future operating synergies and enlarged market share. Goodwill arising from prior year is allocated to the Group's CGUs identified within the operating segment. The goodwill is allocated in CGUs as follows:

		As at 31 December 2021 於2021年12月31日					As at 31 December 2020 於2020年12月31日				
		Reconstituted				Total	Reconstituted				Total
		Flavours Subgroup 香精	Tobacco Leaves 再造煙葉	Jiahao Foodstuff 嘉豪食品	Others 其他		Flavours Subgroup 香精	Tobacco Leaves 再造煙葉	Jiahao Foodstuff 嘉豪食品	Others 其他	
Goodwill	商譽	1,186,344	649,363	3,140,052	102,982	5,078,741	1,186,344	942,633	3,140,052	102,982	5,372,011

The recoverable amount of a CGU is determined based on the higher of value in use and the fair value less costs to sell. Following the significant decrease in sales of the Group due to the outbreak of Covid-19 Pandemic since early 2020, management recalculated the recoverable amounts of all CGUs as at 30 June 2020. The value in use results of CGUs other than the CGUs of Jiahao Foodstuff Limited and its subsidiaries ("Jiahao Foodstuff") were assessed to be exceed their carrying amounts as at 30 June 2020. According to the management's estimation of the recoverable amount of the CGUs of Jiahao Foodstuff with the assistance of an independent valuer, which was calculated based on its value in use that was assessed to be higher than its fair value less costs to sell, an impairment loss of RMB495,498,000 for this CGU was recognised for the six months ended 30 June 2020, resulted in a reduce in the carrying amount of the goodwill of Jiahao Foodstuff from RMB3,635,550,000 to RMB3,140,052,000 as at 30 June 2020.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

8. 無形資產(續)

- (a) 商譽主要由經營活動的預期盈利狀況、預期的未來經營協同效應和擴大的市場份額決定。本集團於以前年度產生之商譽主要根據其業務分部分配至多個現金產生單位。商譽分配至現金產生單位呈列如下：

現金產生單位的可收回金額乃根據使用價值與公允價值減銷售成本兩者中的較高者釐定。於2020年初由於新型冠狀病毒肺炎疫情爆發導致集團之銷售有所下降，管理層重新計算所有業務於2020年6月30日的現金產生單位的可收回金額。於2020年6月30日，除了嘉豪食品有限公司及其附屬公司（「嘉豪食品」）的現金產生單位，其餘現金產生單位的使用價值結果被評估為超過賬面值。根據管理層在獨立評估師協助下估算嘉豪食品的現金產生單位的可收回金額（計算基於其使用價值，而該使用價值被評估為高於其公允價值減出售成本），在截至2020年6月30日止六個月，嘉豪食品的現金產生單位確認了減值虧損為人民幣495,498,000元，導致嘉豪食品的商譽賬面值於2020年6月30日由人民幣3,635,550,000元減少至人民幣3,140,052,000元。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

8. INTANGIBLE ASSETS (CONTINUED)

(a) (Continued)

As at 31 December 2020, management reassessed the key assumptions for impairment testing of goodwill of all CGUs and engaged an independent valuer to conduct impairment test on the CGUs of Jiahao Foodstuff and CGUs of Reconstituted Tobacco Leaves (“RTL”). Based on the assessment, the Group considered that there was no additional impairment.

When the Group negotiated with customers for the upcoming year’s traditional RTL business at the end of 2021, it was aware that the customers’ future purchase intention was lower than the Group’s expectation. The impact of the oversupply in the traditional RTL industry has gradually emerged over the past few years. Based on the results of the Group’s discussion with customers at the end of 2021, the management of the Group re-evaluated the supply and demand situation of the traditional RTL industry and considered that the oversupply in the traditional RTL would remain for a longer period of time, while based on the principle of prudence and conservatism, a conservative forecast on the future sales of the traditional RTL was made. As at 31 December 2021, management engaged an independent valuer to conduct an impairment test on goodwill of CGU of RTL. According to the test results, an impairment of goodwill of approximately RMB293,270,000 was recognised for the CGU of RTL, resulted in a reduce in the carrying amount of the goodwill of RTL from RMB942,633,000 to RMB649,363,000 as at 31 December 2021.

Other than the RTL CGU, as at 31 December 2021, management reassessed the key assumptions for impairment testing of goodwill of all CGUs and engaged independent valuers to conduct impairment test on the CGU of Jiahao Foodstuff, CGU of Flavours Subgroup and CGU of Xiamen Amber. Based on the assessment, the Group considered that there was no additional impairment.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

8. 無形資產(續)

(a) (續)

於2020年12月31日，管理層再次評估所有現金產生單位在商譽減值測試中的關鍵假設，並聘用獨立評估師為嘉豪食品的現金產生單位和為再造煙葉的現金產生單位進行減值測試。根據評估，本集團認為並無額外商譽減值。

於2021年年底本集團與客戶洽談下年度傳統再造煙葉的業務時，知悉客戶的未來採購意向遜於本集團預期。傳統再造煙葉行業供大於求的影響在過去數年逐步顯現。基於本集團於2021年年底與客戶的溝通結果，本集團管理層對傳統再造煙葉行業供需情況重新做了評估，認為傳統再造煙葉行業供大於求仍將維持一段較長時間，基於審慎和保守的原則，對傳統再造煙葉未來的銷售做了保守的預測。於2021年12月31日，管理層聘用獨立評估師為再造煙葉現金產生單位進行減值測試。根據測試結果，再造煙葉現金產生單位確認了商譽減值為人民幣293,270,000元，導致再造煙葉的商譽賬面值於2021年12月31日由人民幣942,633,000元減少至人民幣649,363,000元。

除了再造煙葉現金產生單位外，於2021年12月31日，管理層再次評估所有現金產生單位在商譽減值測試中的關鍵假設，並聘用獨立評估師為嘉豪食品的現金產生單位，香精的現金產生單位及廈門琥珀的現金產生單位進行減值測試。根據評估，本集團認為並無額外商譽減值。





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(All amounts in RMB thousands unless otherwise stated)

8. INTANGIBLE ASSETS (CONTINUED)

(a) (Continued)

The value in use calculations use pre-tax cash flow projections based on financial budgets prepared by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated terminal growth rates below. The terminal growth rate does not exceed the long-term average growth rate for the businesses in which the CGU operates. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments or entities as below. Management determined budgeted gross margin based on past performance and their expectations for the market development.

The key assumptions used for value in use calculations are as follows:

		As at 31 December 2021 於2021年12月31日				As at 31 December 2020 於2020年12月31日			
		Reconstituted				Reconstituted			
		Flavours Subgroup 香精	Tobacco Leaves 再造煙葉	Jiahao Foodstuff 嘉豪食品	Others 其他	Flavours Subgroup 香精	Tobacco Leaves 再造煙葉	Jiahao Foodstuff 嘉豪食品	Others 其他
Forecast growth rate	預計增長率	-3.0%~0.0%	3.9%~20.6%	6.7%~26.4%	-5.5%~137.8%	-3.0%~0.0%	3.0%~5.8%	4.9%~75.7%	-21.7%~427.7%
Terminal growth rate	永續年增長率	0.0%	3.0%	3.0%	0.0%~3.0%	0.0%	3.0%	3.0%	0.0%~3.0%
Budgeted gross margin	預計毛利率	83.0%	49.1%~54.3%	58.5%~59.4%	22.0%~45.0%	83.0%	54.5%~58.6%	60.0%~61.3%	23.8%~45.0%
Pre-tax discount rate	稅前貼現率	14.3%	16.5%	13.5%	14.9%~19.8%	15.4%	15.3%	13.5%	15.2%~22.3%

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

8. 無形資產(續)

(a) (續)

使用價值是基於管理層編制的五年期財務預算而預計之稅前現金流量計量。超逾五年期的現金流量使用以下的預計永續年增長率去推斷。該永續年增長率不會超過現金產生單位之業務分部營運的長期平均增長率。所用之貼現率為稅前貼現率並反映各有關營運分部或公司之特定風險並列示如下。管理層根據過往的業績及其對市場發展的預期確定預計毛利率。

計算使用價值的關鍵假設列示如下：

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(All amounts in RMB thousands unless otherwise stated)

8. INTANGIBLE ASSETS (CONTINUED)

(a) (Continued)

The recoverable amounts and the headrooms available (the excess of the recoverable amounts over the carrying amounts) of the CGU of Flavours Subgroup, CGU of RTL and CGU of Jiahao Foodstuff are as follows:

		As at 31 December 2021 於2021年12月31日			As at 31 December 2020 於2020年12月31日		
		Reconstituted			Reconstituted		
		Flavours Subgroup 香精	Tobacco Leaves 再造煙葉	Jiahao Foodstuff 嘉豪食品	Flavours Subgroup 香精	Tobacco Leaves 再造煙葉	Jiahao Foodstuff 嘉豪食品
Recoverable amount	可收回金額	9,438,095	1,187,631	4,414,130	11,327,604	1,640,544	4,283,693
Headroom	不減值空間	4,087,668	-	101,116	5,994,018	111,538	136,672

The recoverable amount of the CGU of Flavours Subgroup, CGU of RTL and CGU of Jiahao Foodstuff would equal its carrying amount if the key assumptions were to change as follows:

		As at 31 December 2021 於2021年12月31日						As at 31 December 2020 於2020年12月31日																	
		Flavours Subgroup 香精		Reconstituted Tobacco Leaves 再造煙葉		Jiahao Foodstuff 嘉豪食品		Flavours Subgroup 香精		Reconstituted Tobacco Leaves 再造煙葉		Jiahao Foodstuff 嘉豪食品													
		From 由	To 至	From 由	To 至	From 由	To 至	From 由	To 至	From 由	To 至	From 由	To 至												
Forecast growth rate	預計增長率	-3.0%	-0.0%	-18.9%	-22.3%	NA	NA	6.7%	-26.4%	5.9%	-25.6%	-3.0%	-0.0%	-74.4%	-71.4%	3.0%	-5.8%	1.1%	-4.0%	4.9%	-75.7%	3.9%	-74.7%		
Terminal growth rate*	永續年增長率*	NA	NA	NA	NA	3.0%	2.7%	NA	NA	3.0%	1.6%	3.0%	2.6%	NA	NA	3.0%	1.6%	3.0%	2.6%	60.0%	-61.3%	58.8%	-60.1%		
Budgeted gross profit margin	預計毛利率	83.0%	46.3%	NA	NA	58.5%	-59.4%	57.7%	-58.6%	83.0%	35.3%	54.5%	-58.6%	51.8%	-55.9%	60.0%	-61.3%	58.8%	-60.1%	15.4%	93.7%	15.3%	16.2%	13.5%	13.8%
Pre-tax discount rate	稅前貼現率	14.3%	54.4%	NA	NA	13.5%	13.7%	15.4%	93.7%	15.3%	16.2%	13.5%	13.8%	15.4%	93.7%	15.3%	16.2%	13.5%	13.8%	15.4%	93.7%	15.3%	16.2%	13.5%	13.8%

* The management have considered and assessed reasonably possible changes for terminal growth rate and have not identified any other instances that could cause the carrying amount of the CGU of Flavours Subgroup to exceed its recoverable amount.

(b) Trademarks represent Peacock, Xinghu, Samshiang, Chunzhu, Jinba, Jiahao, Zhanwang, Jinchan, and Sanfan trademarks.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

8. 無形資產(續)

(a) (續)

香精業務的現金產生單位、再造煙葉的現金產生單位和嘉豪食品的現金產生單位之可收回金額及不減值空間(可收回金額超過賬面值部份)列示如下：

若關鍵假設變更如下，香精業務的現金產生單位的可收回金額、再造煙葉的現金產生單位的可收回金額和嘉豪食品的現金產生單位的可收回金額將等同於其賬面值：

* 管理層經考慮及評估永續年增長的合理可能變動，並無發現其他情況可能導致香精業務的現金產生單位的賬面值超過其可收回金額。

(b) 商標乃指孔雀、星湖、湘農山香、春竹、勁霸、嘉豪、詹王、金禪、三番牌商標。



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(All amounts in RMB thousands unless otherwise stated)

9. INVESTMENTS IN ASSOCIATES

The Group has interests in nine (31 December 2020: five) individually immaterial associates as at 31 December 2021. The following table analyses, in aggregate, the movements of the carrying amount of the Group's investments in these associates, and its share of results of these associates.

An analysis of the movements of equity investments in associates is as follows:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

9. 於聯營公司之投資

於2021年12月31日，本集團於九個（2020年12月31日：五個）並非個別重大的聯營公司擁有權益。下表為本集團於該等聯營公司的投資及其於該等聯營公司應佔業績的合計賬面值變動的分析。

於聯營公司的權益投資變動分析如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
At the beginning of the year	年初	374,761	385,881
Acquisition of equity interest in Broad Far (Hong Kong) Limited ("Broad Far")	購入博遠(香港)有限公司(「博遠」)之股權	17,836	–
Acquisition of equity interest in Hunan Jiapinjiawei Technology Development Group Co., Ltd. ("Hunan Jiapinjiawei")	購入湖南省嘉品嘉味科技發展集團有限公司(「湖南嘉品嘉味」)之股權	54,800	–
Acquisition of equity interest in Junjieshang Network Technology Co., Ltd. ("Junjieshang")	購入駿杰尚網絡科技有限公司(「駿杰尚」)之股權	350,000	–
Acquisition of equity interest in Yingtan Dongwu Technology Co. Ltd. ("Yingtan Dongwu")	購入鷹潭東霧科技有限責任公司(「鷹潭東霧」)之股權	3,500	–
Acquisition of equity interest in Xiamen Fengtao Ceramics Co., Ltd. ("Xiamen Fengtao")	購入廈門蜂濤陶瓷有限公司(「廈門蜂濤」)之股權	19,560	–
Share of results of associates	應佔聯營公司業績	6,685	13,481
Dividends received	已收股息	(4,031)	(6,952)
Adjustment for transactions between the Group and associates	調整本集團與聯營公司之交易	(2,916)	(3,317)
Disposal of equity interest in Beijing Kingdee Yunji Technology Co., Ltd. (formerly named as Beijing Yunji Wuyu Technology Co., Ltd.)	出售北京金蝶雲基科技有限公司(前稱為北京雲基物宇科技股份有限公司)之股權	(13,788)	–
Disposal of equity interest in Hunan Golden Leaf Reconstituted Tobacco Leaves Co., Ltd.	出售湖南金葉煙草薄片有限責任公司之股權	–	(14,332)
At the end of the year	年末	806,407	374,761

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(All amounts in RMB thousands unless otherwise stated)

9. INVESTMENTS IN ASSOCIATES (CONTINUED)

- (a) As at 31 December 2021, the Group had interests in the following associates:

Name 名稱	Place of incorporation 註冊成立地點	% of ownership Interests 所持權益百分比	Principal activities 主要業務
Guizhou Huangguoshu Golden Leaf Technology Co., Ltd. ("Huangguoshu Golden Leaf") 貴州黃果樹金葉科技有限公司(「黃果樹金葉」)	PRC 中國	40.00%	Produce and sell RTL 生產和銷售再造煙葉
Yunnan Hongta Blue Eagle Paper Co., Ltd ("Hongta Blue Eagle") 雲南紅塔藍鷹紙業有限公司(「紅塔藍鷹」)	PRC 中國	25.10%	Manufacture and sales of cigarette paper and auxiliary products 生產和銷售捲煙用紙及輔助品
Yunnan Ruisheng Tobacco Technology Group Co., Ltd. ("Yunnan Ruisheng")(i) 雲南瑞升煙草技術(集團)有限公司(「雲南瑞升」)(i)	PRC 中國	6.72%	Research, develop, produce and sell flavours and additives 研發、生產和銷售香精香料及添加劑
Yunnan Nongken Gaoyuan Food Co., Ltd. 雲南農墾高原食品有限公司	PRC 中國	30.00%	Purchase and sale of agricultural products, coffee and tea raw materials 採購及銷售農業產品、咖啡及茶原料
Junjieshang(ii) 駿杰尚(ii)	PRC 中國	10.00%	Technology development and promotion in the field of internet technology, advertisement design and production 互聯網科技領域內的技術開發、技術推廣、廣告設計及製作
Xiamen Fengtao (iii) 廈門蜂濤(iii)	PRC 中國	13.04%	Manufacture special ceramic products, special machinery for water resources and special equipment for environmental protection 生產特種陶瓷製品、水資源專用機械及環保專用設備

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

9. 於聯營公司之投資(續)

- (a) 於2021年12月31日，本集團於以下聯營公司擁有權益：





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

9. INVESTMENTS IN ASSOCIATES(CONTINUED)

- (a) As at 31 December 2021, the Group had interests in the following associates: (Continued)

9. 於聯營公司之投資(續)

- (a) 於2021年12月31日，本集團於以下聯營公司擁有權益：(續)

Name 名稱	Place of incorporation 註冊成立地點	% of ownership Interests 所持權益百分比	Principal activities 主要業務
Broad Far 博遠	Hong Kong 香港	21.43%	Research and development, production and sales of heat-not- burn tobacco products 研發、生產和銷售加熱不燃燒煙 草產品
Yingtang Dongwu 鷹潭東霧	PRC 中國	35.00%	Produce and sell electronic atomized cigarette products 生產及銷售電子霧化煙產品
Hunan Jiapinjiawei 湖南嘉品嘉味	PRC 中國	40.00%	Research, develop, produce and sell health food and biological products 研發、生產及銷售保健食品及生 物製品

- (i) The Group has significant influence over Yunnan Ruisheng by representations on its board of directors.

- (i) 本集團通過在雲南瑞升的董事會中委任董事，對這間公司有重大影響力。

- (ii) The Group has significant influence over Junjieshang by the appointment of its executive director.

- (ii) 本集團通過在駿杰尚委任執行董事，對這間公司有重大影響力。

- (iii) The Group has significant influence over Xiamen Fengtao by representations on its board of directors.

- (iii) 本集團通過在廈門蜂濤的董事會中委任董事，對這間公司有重大影響力。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

10. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

The Group has interests in three (31 December 2020: one) immaterial joint ventures as at 31 December 2021. The following table analyses the movement of the carrying amount of the Group's investments in these jointly controlled entities.

An analysis of the movements of equity investments in jointly controlled entities is as follows:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

10. 於共同控制實體之投資

於2021年12月31日，本集團於三個（2020年12月31日：一個）並非個別重大的共同控制實體擁有權益。下表為本集團於該等共同控制實體的投資及應佔共同控制實體業績的賬面值變動的 분석。

於共同控制實體的權益投資變動分析如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
At the beginning of the year	年初	7,410	3,313
Acquisition of equity interest in Shanghai Yifang Rural Technology Holdings Co., Ltd (“Shanghai Yifang”)	購入上海奕方農業科技股份有限公司（「上海奕方」）之股權	180,000	—
Acquisition of equity interest in Wuxi Jintou Huikai Emerging Industry Venture Capital Fund Partnership (Limited Partnership) (“Wuxi Jintou”)	購入無錫金投惠開新興產業創業投資基金合夥企業（有限合夥）之股權（「無錫金投」）	12,000	—
Acquisition of equity interest in Shanghai Miou Food Technology Co., Ltd (“Shanghai Miou”)	購入上海米偶食品科技有限公司（「上海米偶」）之股權	8,500	—
Disposal of equity interest in Dianhua Benxiang Technology Co., LTD (“Dianhua Benxiang”)	出售滇華本香科技有限公司（「滇華本香」）之股權	(6,603)	—
Share of results of jointly controlled entities	應佔共同控制實體業績	5,899	16,616
Dividends received	已收股息	(2,669)	(3,456)
Adjustment for transactions between the Group and a jointly controlled entity	調整集團與共同控制實體之交易	(1,706)	(9,063)
At the end of the year	年末	202,831	7,410



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

10. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

- (a) As at 31 December 2021, the Group had interests in the following jointly controlled entities:

Name 名稱	Place of incorporation 註冊成立地點	% of ownership Interests 所持權益百分比	Principal activities 主要業務
Wuxi Jintou 無錫金投	PRC 中國	40%	Equity investment, investment management, asset management and other activities 股權投資、投資管理及資產管理等活動
Shanghai Yifang 上海奕方	PRC 中國	40%	Research, develop, produce and sell agricultural products 研究、開發、生產和銷售農產品
Shanghai Miou 上海米偶	PRC 中國	20%	Purchase and sale of agricultural products 採購及銷售農產品

The above entities are accounted for as jointly controlled entities of the Group, whereby the Group and the counterparty have joint control and rights to the net assets of the arrangement, pursuant to Article of Association.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

10. 於共同控制實體之投資(續)

- (a) 於2021年12月31日，本集團於以下共同控制實體擁有權益：

根據《公司章程》，上述主體作為本集團的共同控制實體入賬，本集團與交易對手對該安排的淨資產具有共同控制權利。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Classification of financial assets at FVOCI

Financial assets at FVOCI comprise:

- Equity investments which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category
- Debt investments where the contractual cash flows are solely principal and interest and the objective of the group's business model is achieved both by collecting contractual cash flows and selling financial assets

Equity investments at FVOCI comprise the following investments:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

11. 以公允價值計量且其變動計入其他全面收益之金融資產

(a) 以公允價值計量且其變動計入其他全面收益之金融資產的分類

以公允價值計量且其變動計入其他全面收益之金融資產包括：

- 不為交易而持有的股權投資，而本集團在初始確認時已不可撤銷地選擇將其確認為該類別
- 合同現金流量僅為本金和利息且通過收取合同現金流量和出售金融資產來實現集團業務模式目標的債務投資

以公允價值計量且其變動計入其他全面收益之權益投資包括以下投資：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Non-current assets:	非流動資產：		
Unlisted equity investments in the PRC	於國內的非上市權益投資	17,870	–
Unlisted overseas equity investments	於海外的非上市權益投資	–	55,072
		17,870	55,072



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

(a) Classification of financial assets at FVOCI (Continued)

Debt investments at FVOCI comprise the following investments:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Current assets:	流動資產：		
Debt securities in the PRC	於國內的債務證券	48,785	–

(b) Amounts recognised in other comprehensive income

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Losses recognised in other comprehensive income:	於其他全面收益中 確認的虧損：			
– Related to equity investments	– 與權益投資相關	19	(53,428)	(17,990)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

11. 以公允價值計量且其變動計入其他全面收益之金融資產(續)

(a) 以公允價值計量且其變動計入其他全面收益之金融資產的分類(續)

以公允價值計量且其變動計入其他全面收益之金融資產下的債務投資包括以下投資：

(b) 其他全面收益中確認的金額

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

(c) Fair value, impairment and risk exposure

Investments in unlisted companies represent the investments in certain private companies. These investees were engaged in high-tech sector and education sector. Taking into the probability of high uncertainty on the expected future cash flows generated from the business of these investees, income approach and market approach are not appropriate under the valuations of the fair value of the investments. Thus, asset-based approach was used to measure the fair value of these investments. Considering the investees of light assets, the fair value of the investments approximated to relative proportion of the carrying amount of the net assets of the investees at the end of each reporting period.

Since one of the unlisted overseas equity investments engaged in education sector was affected by the double reduction policy in China, and the other one engaged in high-tech sector was considered that the Group is unlikely to recover the investment cost after management assessment, the fair values of the two funds were decreased to zero as at 31 December 2021.

The fair value measurements of financial assets at FVOCI are categorised within level 3 of the fair value hierarchy.

Financial assets at FVOCI are denominated in the following currencies:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

11. 以公允價值計量且其變動計入其他全面收益之金融資產(續)

(c) 公允價值，減值及風險承擔

非上市公司權益投資代表對某些私營公司的投資。這些被投資方從事高科技領域及教育領域。考慮到這些被投資單位的業務所產生的預期未來現金流量的高度不確定性，在評估投資的公允價值時，收入法和市場法不適用。因此，資產基礎法被用來計算這些投資的公允價值。考慮到被投資單位的資產為輕資產，在每個報告期末，投資的公允價值近似於被投資單位淨資產賬面價值的相對比例。

由於其中一項從事教育領域的非上市境外股權投資受中國雙減政策影響，而另一項從事高科技領域的股權投資經管理層評估過認為集團可收回投資成本的可能性不大，故於2021年12月31日，將上述兩個基金之公允價值減少至零。

以公允價值計量且其變動計入其他全面收益之金融資產的公允價值計量被分類為公允價值層級的第三層。

以公允價值計量且其變動計入其他全面收益之金融資產以下列貨幣列示：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	66,655	—
USD	美元	—	55,072
		66,655	55,072



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

12. DEFERRED INCOME TAX ASSETS/LIABILITIES

The movements in the deferred income tax are as follows:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

12. 遞延所得稅資產／負債

遞延所得稅變動如下：

		Note	Deferred income tax assets 遞延所得稅資產			Deferred income tax liabilities 遞延所得稅負債			
			Unrealised profits arising from inter-group sales 集團內公司間銷售所產生的集團內未變現盈利	Recoverable tax loss 可彌補虧損	Others 其他	Total 總計	Withholding income tax on dividends expected to be remitted from group entities incorporated in the PRC 集團內位於中國國內的公司預期匯出的股息所產生之預提所得稅	Total 總計	
At 1 January 2020	於2020年1月1日		78,571	23,095	33,591	135,257	153,191	52,545	205,736
Recognised in the income statement	於損益表確認	27	11,421	12,118	1,651	25,190	(13,680)	(21,522)	(35,202)
Currency translation differences	貨幣換算差額		-	-	-	-	2	-	2
At 31 December 2020	於2020年12月31日		89,992	35,213	35,242	160,447	139,513	31,023	170,536
At 1 January 2021	於2021年1月1日		89,992	35,213	35,242	160,447	139,513	31,023	170,536
Recognised in the income statement	於損益表確認	27	(6,508)	15,047	(1,444)	7,095	(2,955)	(18,131)	(21,086)
Currency translation differences	貨幣換算差額		-	-	-	-	-	-	-
At 31 December 2021	於2021年12月31日		83,484	50,260	33,798	167,542	136,558	12,892	149,450

As at 31 December 2021, deferred income tax liabilities of RMB194,886,000 (31 December 2020: RMB171,245,000) have not been recognised for the withholding tax that would otherwise be payable on the undistributed profits amounting to approximately RMB3,888,819,000 (31 December 2020: RMB3,409,599,000) retained by certain PRC subsidiaries.

於2021年12月31日，本集團並未就若干中國大陸附屬公司之未分派盈利約人民幣3,888,819元（2020年12月31日：人民幣3,409,599,000元）須支付的預提所得稅確認遞延所得稅負債人民幣194,886,000元（2020年12月31日：人民幣171,245,000元）。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

13. INVENTORIES

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
At cost:	按成本：		
Raw materials	原材料	512,133	619,223
Work in progress	在製品	111,763	42,935
Finished goods	製成品	273,330	192,588
		897,226	854,746

For the year ended 31 December 2021, the cost of inventories recognised as expense and included in cost of goods sold and administrative expenses amounted to approximately RMB1,258,664,000 (2020: RMB1,179,401,000).

The Group recognised provision for impairment of approximately RMB2,869,000 (31 December 2020: RMB4,378,000) in respect of the losses on obsolete inventories as at 31 December 2021.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

13. 存貨

截至2021年12月31日止年度之存貨成本確認為費用並計入銷售成本及行政費用的金額約為人民幣1,258,664,000元(2020年：人民幣1,179,401,000元)。

本集團就陳舊存貨減值而確認減值撥備約為人民幣2,869,000元(2020年12月31日：人民幣4,378,000元)。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

14. TRADE AND OTHER RECEIVABLES

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

14. 貿易及其他應收款項

		As at 31 December 於12月31日		
		Note 附註	2021 2021年	2020 2020年
Trade receivables	貿易應收款項	(a)	863,357	1,020,767
Less: provision for impairment of trade receivables	減：貿易應收款項減值撥備	3.1(b)	(13,237)	(11,167)
Trade receivables – net	貿易應收款項－淨額		850,120	1,009,600
Notes receivable	應收票據		27,493	80,105
Prepayments and other receivables	預付款項及其他應收款項		204,893	244,428
Advances to staff	員工墊款		9,865	4,409
Others	其他		18,240	48,062
Less: provision for impairment of other receivables	減：其他應收款項減值撥備	3.1(b)	(29,565)	(34,854)
			1,081,046	1,351,750

Except for prepayment of RMB51,480,000 (31 December 2020: RMB70,727,000), trade and other receivables are financial assets categorised as those to be measured at amortised cost. All trade and other receivables are either recoverable within one year or on demand.

除預付賬款人民幣51,480,000元（2020年12月31日：人民幣70,727,000元）外，貿易及其他應收款被分類為「以攤銷成本計量的金融資產」。所有貿易及其他應收款項乃於一年內或於通知時清還。

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(All amounts in RMB thousands unless otherwise stated)

14. TRADE AND OTHER RECEIVABLES (CONTINUED)

- (a) The credit period generally granted to customers ranges from 0 to 180 days. At 31 December 2021 and 2020, the ageing analysis of the trade receivables (including amounts due from related parties which are trade in nature) based on invoice date was as follows:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
0 – 90 days	0至90日	756,502	883,425
91 – 180 days	91至180日	75,511	93,287
181 – 360 days	181至360日	15,097	22,568
Over 360 days	360日以上	16,247	21,487
		863,357	1,020,767

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 31 December 2021, a provision of RMB13,237,000 (as at 31 December 2020: RMB11,167,000) were made against the gross amounts of trade receivables (Note 3.1(b)).

The creation and release of provision for impaired receivables have been included in “net impairment losses on financial assets” in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The carrying amounts of the Group’s trade receivables (including amounts due from related parties which are trade in nature) are denominated in the following currencies:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	798,313	985,964
USD	美元	64,728	34,770
HKD	港幣	316	33
		863,357	1,020,767

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

14. 貿易及其他應收款項(續)

- (a) 授予客戶的信貸期一般為0至180日。於2021年及2020年12月31日，貿易應收款項(包括關聯方的貿易應收款項)根據發票日期的賬齡分析如下：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
0 – 90 days	0至90日	756,502	883,425
91 – 180 days	91至180日	75,511	93,287
181 – 360 days	181至360日	15,097	22,568
Over 360 days	360日以上	16,247	21,487
		863,357	1,020,767

本集團採用簡化方法並根據香港財務報告準則第9號所規定計提預期信貸虧損。於2021年12月31日，已對貿易應收款項總額作出人民幣13,237,000元(於2020年12月31日：人民幣11,167,000元)之撥備(附註3.1(b))。

對已減值應收款撥備的設立和轉回已包括在綜合收益表中「金融資產減值損失淨額」內。計入撥備賬戶中的數額一般會在預期無法收回額外現金時撇銷。

本集團的貿易應收款的賬面值(包括關聯方的貿易應收款項)以下列貨幣為單位：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	798,313	985,964
USD	美元	64,728	34,770
HKD	港幣	316	33
		863,357	1,020,767



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Classification of financial assets at FVPL

The Group classifies the following financial assets at FVPL:

- debt instruments that do not qualify for measurement at either amortised cost or FVOCI, and
- equity instruments that are held for trading

Financial assets at FVPL include:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

15. 以公允價值計量且其變動計入損益之金融資產

(a) 以公允價值計量且其變動計入當期損益的金融資產分類

本集團將以下金融資產分類為以公允價值計量且其變動計入當期損益的金融資產：

- 不符合以攤銷成本或以公允價值計量且其變動計入其他全面收益的債務工具，以及
- 為交易而持有的權益工具

以公允價值計量且其變動計入損益之金融資產包括：

		As at 31 December 於12月31日		
		Note 附註	2021 2021年	2020 2020年
Non-current assets:	非流動資產：			
Unlisted equity investments	於非上市權益投資	(i)	215,679	112,614
Current assets:	流動資產：			
Listed equity investments	上市權益投資	(ii)	35,866	29,064
Wealth management products	財富管理產品	(iii)	3,256,499	540,492
			3,292,365	569,556
Total	總計		3,508,044	682,170

- (i) Investments in unlisted companies represent the investments in certain private companies. These investees were engaged in high-tech and consumption sector and other sectors. Their fair value measurements are categorised within level 3 of fair value hierarchy.

The fair value of two of the unlisted equity investments are based on market approach with unobservable inputs such as lack of marketability discount, scenario probability and risk free rate.

- (i) 對非上市公司的投資代表對某些私營公司的投資。這些被投資方從事高科技產業，消費產業和其他行業。其公允價值計量歸類為公允價值層級中的第三層。

其中兩項非上市股權投資的公允價值採用市場法，並採用不可觀察的輸入數據，例如缺乏流通性折扣、情景概率和無風險利率。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Classification of financial assets at FVPL (Continued)

(i) (Continued)

The fair value of other unlisted equity investments is based on asset-based approach given the probability of high uncertainty on the expected future cash flows generated from the business of these investees, where income approach and market approach are not appropriate. Considering the investees of light assets, the fair value of the investments approximated to relative proportion of the carrying amount of the net assets of the investees at the end of each reporting period.

(ii) The fair value of listed equity securities is based on their current bid prices in an active market, and their fair value measurements are categorised within level 1 of fair value hierarchy.

(iii) Wealth management products represent financial products issued by commercial banks in PRC. These products are principal protected and with non-guaranteed return, the terms ranging from 30 days to 180 days.

The carrying amount of wealth management products approximated the fair value. The fair value is based on cash flow discounted using the expected return based on management judgement and their fair value measurements are of level 3 within the fair value hierarchy.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

15. 以公允價值計量且其變動計入損益之金融資產(續)

(a) 以公允價值計量且其變動計入當期損益之金融資產分類(續)

(i) (續)

考慮到這些被投資方的業務所產生的預期未來現金流量存在高度不確定性的可能性，其他非上市股權投資的公允價值基於資產法，而收入法和市場法都不適用。考慮到被投資單位的輕資產，在每個報告期末，投資的公允價值近似於被投資單位淨資產賬面價值的相對比例。

(ii) 上市股本證券的公允價值是根據其在活躍市場中的當前買入價確定的，其公允價值計量方法被歸類為公允價值層級中的第一層。

(iii) 財富管理產品指由中國商業銀行發行的金融產品。這些產品為保障本金及非保證收益，其開放期為30天至180天不等。

財富管理產品的賬面價值與公允價值相若。公允價值是根據管理層的判斷以預期回報之折現現金流計算，並屬於公允價值層級中之第三層。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Amounts recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss:

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Fair value gains/(losses) on equity instruments recognised in other income and other gains – net	於其他收入及其他收益－淨額確認之權益工具的公允價值收益／(虧損)		7,750	(10,906)
Fair value gains on debt instruments recognised in other income and other gains – net	於其他收入及其他收益－淨額確認之債務工具的公允價值收益		96,818	24,711
		23	104,568	13,805

(c) Risk exposure

Information about the Group's exposure to price risk and credit risk is disclosed in Note 3.1.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

15. 以公允價值計量且其變動計入損益之金融資產(續)

(b) 於損益確認之金額

於年內，於損益確認之收益／(虧損)如下：

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Fair value gains/(losses) on equity instruments recognised in other income and other gains – net	於其他收入及其他收益－淨額確認之權益工具的公允價值收益／(虧損)		7,750	(10,906)
Fair value gains on debt instruments recognised in other income and other gains – net	於其他收入及其他收益－淨額確認之債務工具的公允價值收益		96,818	24,711
		23	104,568	13,805

(c) 風險承受

有關本集團承受的價格風險和信用風險的信息在附註3.1中披露。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

16. CASH AND BANK BALANCES

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
		Note 附註	
Short-term time deposits	短期定期存款	(a)	–
Restricted bank balances	受限的銀行存款	(b)	1,413,840
Cash and cash equivalents	現金及現金等價物		–
			4,921,756
			3,553,409
			6,335,596

(a) As at 31 December 2021, the Group had no short-term time deposits with original maturity of six months or above. For the year ended 31 December 2020, the average interest rate of short-term time deposits was 3.5%.

(b) As at 31 December 2021, restricted bank balances represented security deposits and frozen bank balances.

Cash and bank balances are denominated in the following currencies:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	2,404,137	5,601,191
USD	美元	238,343	197,332
HKD	港幣	891,184	535,142
Others	其他	19,745	1,931
		3,553,409	6,335,596

As at 31 December 2021 and 2020, the Group's and the Company's maximum exposure to credit risk of cash and bank balances is their carrying amounts.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

16. 銀行及庫存現金

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
		Note 附註	
Short-term time deposits	短期定期存款	(a)	–
Restricted bank balances	受限的銀行存款	(b)	1,413,840
Cash and cash equivalents	現金及現金等價物		–
			4,921,756
			3,553,409
			6,335,596

(a) 於2021年12月31日，本集團並無原到期日為六個月或以上的短期定期存款。截至2020年12月31日止年度，短期定期存款之平均存款年利率為3.5厘。

(b) 於2021年12月31日，受限的銀行存款為保證金及被凍結之銀行存款。

銀行及庫存現金以下列貨幣金額列示：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	2,404,137	5,601,191
USD	美元	238,343	197,332
HKD	港幣	891,184	535,142
Others	其他	19,745	1,931
		3,553,409	6,335,596

於2021年及2020年12月31日，本集團及本公司面對的來自銀行及庫存現金的最高信貸風險乃其賬面價值。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

17. SHARE CAPITAL

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

17. 股本

	Note 附註	Number of shares 股份數目	Share capital 股本 RMB'000 人民幣千元
Ordinary shares, issued and fully paid: 普通股，已發行及繳足：			
At 1 January 2020, 於2020年1月1日、			
31 December 2020, 2020年12月31日及			
and 1 January 2021 2021年1月1日		3,107,836,876	318,636
Issuance of new shares 發行新股	(a)	122,090,000	9,983
At 31 December 2021 於2021年12月31日		3,229,926,876	328,619

(a) During the year ended 31 December 2021, the Company completed the Top-up Placing on 13 December 2021 and completed the Top-up Subscription on 20 December 2021. A substantial shareholder of the Company wholly-owned by Ms Chu ("the vendor"), placed an aggregate of 122,090,000 Top-up Placing Shares, at the Top-up Placing Price of HK\$17.88 per Top-up Placing Share on 13 December 2021. And then, the vendor subscribed for 122,090,000 Top-up Subscription Shares at the Top-up Subscription Price of HK\$17.88 per Top-up Subscription Share which is equivalent to the Top-up Placing Price on 20 December 2021. The Top-up Subscription Shares represent approximately 3.78% of the issued share capital of the Company as enlarged by the allotment and issue of the Top-up Subscription Shares upon completion of the Top-up Subscription.

(a) 於2021年12月31日止年度期間，本公司於2021年12月13日完成先舊後新配售及於2021年12月20日完成先舊後新認購。於2021年12月13日，本公司之主要股東，一家由朱女士全資擁有的公司（「賣方」），同意按先舊後新配售價每股先舊後新配售股份港幣17.88元配售合共122,090,000股先舊後新配售股份。其後，於2021年12月20日，賣方同意認購122,090,000股先舊後新認購股份，每股先舊後新認購價為港幣17.88元，相等於先舊後新配售價。於先舊後新認購事項完成後，先舊後新認購股份佔本公司經配發及發行先舊後新認購股份擴大的已發行股本約3.78%。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

18. SHARE-BASED PAYMENT

(a) Share option scheme

On 6 May 2019, the Group granted 11,000,000 share options with an exercise price of HKD3.708 per share and vesting periods of 0.5 to 1 year to an eligible participant, being an independent business consultant of the Group, to provide professional advisory services regarding the operation and management of the Group. The share options were valid from the respective exercisable date, namely 5 November 2019 and 5 May 2020, to 30 June 2020.

The estimated fair value of the share options per share during the valid period was from HK1.2 cents to HK35.5 cents, by reference to the fair value of the equity instruments granted, measured at the date the business consultant renders service. During the year ended 31 December 2020, the Group recognises the total expense of approximately HKD108,000 (equivalent to approximately RMB98,000) in relation to these share options.

11,000,000 share options outstanding with weighted average exercise price of HKD3.708 per share as at 30 June 2020, lapsed on 1 July 2020. Movements in the number of shares options outstanding during the years are set out below:

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 Number of share options 購股權數目 (‘000) (股數以千計)	2020 2020年 Number of share options 購股權數目 (‘000) (股數以千計)
At 1 January	於1月1日	–	11,000
Lapsed	已失效	–	(11,000)
At 31 December	於12月31日	–	–

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

18. 股份為基礎的支付

(a) 購股權計劃

於2019年5月6日，本集團向一名獨立業務顧問授出11,000,000股購股權以對集團營運及管理提供專業顧問服務，行使價為每股港幣3.708元及歸屬期為0.5年至1年。購股權的有效期限從可行使日（即2019年11月5日及2020年5月5日）起至2020年6月30日止。

購股權於有效期期間，購股權之估值為每股港幣1.2仙至港幣35.5仙，此仍於顧問提供服務日參考授出之權益工具而計量。截至2020年12月31日止年度，本集團確認購股權有關之費用總額為港幣108,000元（等於約人民幣98,000元）。

於2020年6月30日，加權平均行使價為每股港幣3.708元的未行使的11,000,000股購股權於2020年7月1日已失效。於年內，未行使的購股權數目之變動列示如下：



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

18. SHARE-BASED PAYMENT (CONTINUED)

(b) Employee share scheme

On 1 December 2020, shares of Guangdong Jiahao, a subsidiary of the Group, were granted to 80 eligible employees (the "Grantees") of Guangdong Jiahao and its subsidiary (the "Employee Share Plan"). Four limited partnerships controlled by the Group were incorporated in the PRC under the Law of the People's Republic of China on Partnerships as a vehicle to hold the ordinary shares for the Grantees under the Employee Share Plan. Under this plan, approximately 1.98% equity interest in Guangdong Jiahao was granted to the Grantees through their interests in the four limited partnerships with consideration of approximately RMB46,496,000 and will be vested if certain services conditions are met.

The amounts of share-based compensation recognised as expenses with a corresponding credit to reserves of the Group during the year ended 31 December 2021 was RMB5,747,000.

(c) Expenses arising from share-based payment transactions

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

18. 股份為基礎的支付(續)

(b) 僱員購股權計劃

於2020年12月1日，廣東嘉豪，本集團之附屬公司，授予80名廣東嘉豪及其附屬公司的合資格僱員（「被授人」）廣東嘉豪的股份（「僱員股權計劃」）。根據《僱員股權計劃》，四家由本集團控制的並根據《中華人民共和國合夥企業法》在中國註冊成立的有限合夥企業，會作為被授人持有普通股的持股平台。根據該計劃，被授人通過其在四家有限合夥企業的權益獲授予約1.98%廣東嘉豪的股權，代價約為人民幣46,496,000元；而股權將會歸屬如果滿足某些服務條件。

截至2021年12月31日止年度，本集團將以股份為基礎的酬金確認為支出，並相應計入儲備之金額為人民幣5,747,000元。

(c) 以股份為基礎的支付產生之費用

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Share option scheme	購股權計劃		–	98
Employee share scheme	僱員購股權計劃		5,747	536
		19	5,747	634

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

19. RESERVES

19. 儲備

	Note	Contributed surplus	Merger reserve	Share premium	Capital reserve	Capital redemption reserve	Share-based compensation reserve	Currency translation reserve	Statutory Reserve	Other reserves	Total
	附註	實繳盈餘	合併儲備	股份溢價	資本儲備	資本贖回儲備	以股份為基礎的酬金儲備	貨幣換算儲備	法定儲備	其他儲備	總計
At 1 January 2020	於2020年1月1日	296,853	(628,438)	429,861	2,411	4,760	907	14,588	773,104	1,646,483	2,540,529
Fair value changes on financial assets at FVOCI, net of tax	以公允價值計量且其變動計入其他全面收益之金融資產之除稅後的公允價值變動 (a)	-	-	-	-	-	-	-	-	(17,990)	(17,990)
Appropriations from net profit	自純利撥付 20	-	-	-	-	-	-	-	17,808	-	17,808
Share-based payment	股份為基礎的支付										
- Value of consultancy service	- 顧問服務價值 18	-	-	-	-	-	98	-	-	-	98
- Value of employee services	- 僱員服務價值 18	-	-	-	-	-	536	-	-	-	536
- Share option lapsed	- 已失效之購股權	-	-	-	-	-	(1,005)	-	-	1,005	-
Changes in ownership interests in a subsidiary without change of control	改變附屬公司之所有者權益而不改變控制權	-	-	-	-	-	-	-	-	31,304	31,304
Currency translation differences	貨幣換算差額	-	-	-	-	-	-	61,447	-	-	61,447
At 31 December 2020	於2020年12月31日	296,853	(628,438)	429,861	2,411	4,760	536	76,035	790,912	1,660,802	2,633,732
At 1 January 2021	於2021年1月1日	296,853	(628,438)	429,861	2,411	4,760	536	76,035	790,912	1,660,802	2,633,732
Fair value changes on financial assets at FVOCI, net of tax	以公允價值計量且其變動計入其他全面收益之金融資產之除稅後的公允價值變動 (a)	-	-	-	-	-	-	-	-	(53,428)	(53,428)
Appropriations from net profit	自純利撥付 20	-	-	-	-	-	-	-	30,596	-	30,596
Share-based payment	股份為基礎的支付										
- Value of employee services	- 僱員服務價值 18	-	-	-	-	-	5,747	-	-	-	5,747
Changes in ownership interests in a subsidiary without change of control	改變附屬公司之所有者權益而不改變控制權	-	-	-	-	-	-	-	-	364	364
Issuance of new shares	發行新股	-	-	1,753,905	-	-	-	-	-	-	1,753,905
Currency translation differences	貨幣換算差額	-	-	-	-	-	-	16,603	-	-	16,603
At 31 December 2021	於2021年12月31日	296,853	(628,438)	2,183,766	2,411	4,760	6,283	92,638	821,508	1,607,738	4,387,519



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

19. RESERVES (CONTINUED)

- (a) For the year ended 31 December 2021, the amount of decreases in fair value in financial assets at FVOCI before tax is RMB53,428,000 (2020: decreases RMB17,990,000) (Note 11), of which nil (2020: nil) was recognised in other comprehensive income as deferred tax (Note 12).
- (b) Contributed surplus of the Company represents (i) the difference between the consolidated shareholders' funds of the subsidiaries at the date on which the corporate reorganisation became effective and the nominal amount of the Company's shares issued under the reorganisation; (ii) the transfer of credit balance from share premium pursuant to the capital reorganisation in 2006 and relevant laws and regulations in Bermuda.
- (c) Other reserves mainly arise from transactions with non-controlling interests that do not result in a loss of control and fair value changes on financial assets at FVOCI (net of tax).

20. RETAINED EARNINGS

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

19. 儲備(續)

- (a) 截至2021年12月31日止年度，以公允價值計量且其變動計入其全面收益之金融資產之公允價值變動稅前減少金額為人民幣53,428,000元(2020年：減少人民幣17,990,000元)(附註11)，本年並無於其他全面收益確認為遞延稅項(2020年：無)(附註12)。
- (b) 本公司之實繳盈餘指(i)重組生效之日附屬公司之綜合股東資金與重組時本公司已發行股份面值之差額；(ii)在2006年根據資本重組及百慕達相關法律法規由股份溢價轉入的貸方餘額。
- (c) 其他儲備主要來自與非控制權益的交易，這些交易不會導致喪失控制權，和以公允價值計量且其變動計入其他全面收益的金融資產的公允價值變動(稅後)。

20. 保留盈利

		Year ended 31 December 截至12月31日止		
		Note 附註	2021 2021年	2020 2020年
At the beginning of the year	年初		8,918,688	8,969,048
Profit for the year	年度盈利		675,131	418,399
Appropriations from net profit	自純利撥付	19	(30,596)	(17,808)
Final dividends for the year ended 31 December 2019	截至2019年12月31日止年度之期末股息		–	(285,887)
Special dividends for the six months ended 30 June 2020	截至2020年6月30日止六個月之特別股息	29	–	(165,064)
Final dividends for the year ended 31 December 2020	截至2020年12月31日止年度之期末股息	29	(229,479)	–
Interim dividends for the six months ended 30 June 2021	截至2021年6月30日止六個月之中期股息	29	(165,226)	–
At the end of the year	年末		9,168,518	8,918,688

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

21. BORROWINGS

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

21. 貸款

		As at 31 December 於12月31日		
		Note 附註	2021 2021年	2020 2020年
Non-current	非流動			
Long-term bank borrowings	長期銀行貸款			
– Secured bank borrowings	– 有抵押銀行貸款	(a)	–	1,692,855
– Unsecured bank borrowings	– 無抵押銀行貸款	(b)	–	227,243
Less: current portion	減：流動部分		–	(113,621)
			–	1,806,477
Current	流動			
Short-term bank borrowings	短期銀行貸款			
– Unsecured bank borrowings	– 無抵押銀行貸款	(b)	962,774	788,132
Current portion of non-current liabilities	非流動負債下之流動部份			
– Unsecured bank borrowings	– 無抵押銀行貸款	(b)	–	113,621
			962,774	901,753
Total borrowings	總貸款		962,774	2,708,230

(a) As at 31 December 2021, the Group's secured bank borrowings were fully repaid (31 December 2020: RMB1,692,855,000). During the year, the average interest rate of the loan was 5.7% (2020: 5.7%) per annum.

(b) The unsecured bank borrowings are repayable within one year. During the year, the average interest rate was 2.9% (2020: 2.6%) per annum. Borrowings are financial liabilities categorised under "financial liabilities measured at amortised cost".

Interest expense on bank borrowings for the year ended 31 December 2021 amounted to approximately RMB78,871,000 (2020: RMB140,080,000). No interest expense was capitalised for the year ended 31 December 2021 and 2020.

(a) 於2021年12月31日，本集團的有抵押銀行貸款已全數償還（2020年12月31日：人民幣1,692,855,000元）。於年內，該貸款平均利息為每年5.7厘（2020年：5.7厘）。

(b) 無抵押銀行貸款需於一年內到期償還。於年內，該貸款平均利息為每年2.9厘（2020年：2.6厘）。貸款乃金融負債被分類為「按攤銷成本計量的金融負債」。

截至2021年12月31日止年度的銀行貸款利息開支約為人民幣78,871,000元（2020年：人民幣140,080,000元）。截至2021年和2020年12月31日止年度並無利息費用資本化。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

21. BORROWINGS (CONTINUED)

(b) (Continued)

An analysis of the carrying amounts of the Group's borrowings by type is as follows:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
At fixed rates	固定利率	360,000	1,992,836
At floating rates	浮動利率	602,774	715,394
		962,774	2,708,230

The maturities of the borrowings are as follows:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Within 1 year	一年以內	962,774	901,753
Between 1 and 2 years	一至二年	–	795,645
Between 2 and 5 years	二至五年	–	1,010,832
		962,774	2,708,230

The carrying amounts of the Group's borrowings were denominated in the following currencies:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	459,950	1,992,836
HKD	港幣	502,824	715,394
		962,774	2,708,230

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

21. 貸款(續)

(b) (續)

按類別分析本集團貸款的賬面值如下：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
At fixed rates	固定利率	360,000	1,992,836
At floating rates	浮動利率	602,774	715,394
		962,774	2,708,230

貸款到期日如下：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Within 1 year	一年以內	962,774	901,753
Between 1 and 2 years	一至二年	–	795,645
Between 2 and 5 years	二至五年	–	1,010,832
		962,774	2,708,230

本集團貸款的賬面值是以下列貨幣為單位：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	459,950	1,992,836
HKD	港幣	502,824	715,394
		962,774	2,708,230

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

22. TRADE AND OTHER PAYABLES

		As at 31 December 於12月31日		
		Note 附註	2021 2021年	2020 2020年
Trade payables	貿易應付款項	(a)	302,330	268,020
Wages payable	應付工資		112,220	96,145
Other taxes payable	其他應付稅項		134,206	102,179
Accruals for expenses	應計開支		9,985	12,003
Other payables	其他應付款項		190,304	171,197
			749,045	649,544

Except for other taxes payable of RMB134,206,000 (31 December 2020: RMB102,179,000) and wages payable of RMB112,220,000 (31 December 2020: RMB96,145,000), trade and other payables balances are financial liabilities categorised under "financial liabilities measured at amortised cost".

The non-current and current portion of trade and other payables was as follows:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Non-current	非流動	800	800
Current	流動	748,245	648,744
		749,045	649,544

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

22. 貿易及其他應付款項

		As at 31 December 於12月31日		
		Note 附註	2021 2021年	2020 2020年
Trade payables	貿易應付款項	(a)	302,330	268,020
Wages payable	應付工資		112,220	96,145
Other taxes payable	其他應付稅項		134,206	102,179
Accruals for expenses	應計開支		9,985	12,003
Other payables	其他應付款項		190,304	171,197
			749,045	649,544

除其他應付稅款人民幣134,206,000元（2020年12月31日：人民幣102,179,000元）及應付工資人民幣112,220,000元（2020年12月31日：人民幣96,145,000元）外，貿易及其他應付款乃金融負債被分類為「按攤銷成本計量的金融負債」。

貿易及其他應付款的非流動及流動部份如下：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Non-current	非流動	800	800
Current	流動	748,245	648,744
		749,045	649,544



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

22. TRADE AND OTHER PAYABLES (CONTINUED)

- (a) As at 31 December 2021 and 2020, the ageing analysis of the trade payables (including amounts due to related parties which are trade in nature) based on invoice dates was as follows:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
0 – 90 days	0至90日	271,535	235,750
91 – 180 days	91至180日	15,326	16,348
181 – 360 days	181至360日	3,589	5,421
Over 360 days	360日以上	11,880	10,501
		302,330	268,020

The carrying amounts of the Group's trade payables (including amounts due to related parties which are trade in nature) are denominated in the following currencies:

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
RMB	人民幣	292,336	258,086
USD	美元	2,135	3,127
HKD	港幣	6,284	1,430
Others	其他	1,575	5,377
		302,330	268,020

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

22. 貿易及其他應付款項(續)

- (a) 於2021年及2020年12月31日，貿易應付款項(包括關聯方的貿易應付款項)根據發票日期的賬齡分析如下：

本集團的貿易應付款(包括關聯方貿易應付款項)的賬面值以下列貨幣為單位：

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

23. OTHER INCOME AND OTHER GAINS – NET

23. 其他收入及其他收益－淨額

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Changes in fair value of financial assets at FVPL	以公允價值計量且其變動計入損益的金融資產的公允價值變動	15	104,568	13,805
Dividend income from financial assets at FVPL and FVOCI	以公允價值計量且其變動計入損益及以公允價值計量且其變動計入其他全面收益的金融資產之股息收入		889	2,021
Gains/(losses) on disposal of financial assets at FVPL	出售以公允價值計量且其變動計入損益的金融資產的收益／(虧損)		5,246	(2,359)
Gains/(losses) on disposal of an associate	出售聯營公司之收益／(虧損)		16,720	(2,750)
Gain on disposal of a jointly controlled entity	出售共同控制實體之收益		1,876	–
Losses on disposal of subsidiaries	出售附屬公司之虧損		–	(2,033)
Gains/(losses) on disposal of property, plant and equipment	出售物業、機器及設備之收益／(虧損)		5,726	(6,900)
Government grants	政府津貼		146,542	190,544
Foreign exchange losses – net	匯兌虧損－淨額		(27,510)	(85,028)
Donations	捐贈		(3,979)	(9,160)
Others	其他		(1,559)	2,357
			248,519	100,497



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

24. EXPENSES BY NATURE

Expenses included in cost of goods sold, selling and marketing expenses and administrative expenses are analysed according to their nature (with the exception of “research and development expenses” which are shown as a single item and analysed according to their nature in Note (a) below) as follows:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

24. 按性質分類的開支

費用包括銷售成本、銷售及市場推廣開支及行政費用，並根據其性質（除附註(a)按照性質所單獨列示的「研究及發展開支」外，每項開支均已不包括有關研究及發展的金額）分析如下：

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Depreciation	折舊	6, 7	162,052	152,972
Amortisation	攤銷	7, 8	98,266	99,067
Provision for impairment of inventories	存貨減值撥備		1,220	2,551
Changes in inventories of finished goods and work in progress	製成品及在製品存貨變動		(149,570)	254,009
Raw materials and consumables used	已用原材料及消耗品		1,343,231	837,474
Covid-19-related rent concessions	新型冠狀病毒肺炎相關之租金減免		–	(908)
Short-term lease rentals	短期租賃租金	7	19,691	14,530
Auditor's remuneration	核數師酬金			
– Audit services	– 核數服務		9,565	8,777
– Non-audit services	– 非核數服務		2,876	–
Consulting service fee	專業服務費		15,577	14,260
Travelling expenses	差旅開支		30,876	33,692
Employee benefit expenses	僱員及福利開支	25	557,962	479,931
Share-based compensation arising from share option scheme	購股權計劃產生的以股份為基礎的報酬	18(a)	–	98
Research and development expenses	研究及發展開支	(a)	250,788	265,041
Delivery expenses	運輸開支		36,120	34,290
Utilities expenses	公共設施開支		71,636	58,664
Motor vehicle expenses	汽車費用開支		7,931	8,280
Maintenance expenses	維修費		20,695	17,978
Advertising and promotion expenses	廣告及宣傳費		45,463	79,094
Office administrative and communication expenses	辦公及通訊費		9,760	9,287
Other surcharges	其他附加稅費		47,562	53,325
Others	其他		138,227	126,461
Total of cost of goods sold, selling and marketing expenses and administrative expenses	總銷售成本、銷售及市場推廣開支和行政費用		2,719,928	2,548,873

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

24. EXPENSES BY NATURE (CONTINUED)

- (a) Depreciation, amortisation and employee benefit expenses included in research and development expenses are set out below:

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Depreciation	折舊	6, 7	14,777	17,343
Amortisation	攤銷	7, 8	2,058	4,566
Employee benefit expenses	僱員及福利開支	25	124,374	109,936

No development cost has been capitalised for the year ended 31 December 2021 (2020: nil).

在截至2021年12月31日止年度內並無任何發展成本已資本化(2020年：無)。

25. EMPLOYMENT BENEFIT EXPENSES

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Wages, salaries and bonus	工資、薪酬及花紅		555,234	510,355
Defined contribution plans and other employee insurances	定額供款計劃及其他員工保險	(a)	82,165	44,779
Share-based benefits	以股份為基礎之福利	18(b)	5,747	536
Other benefits	其他福利		39,190	34,197
			682,336	589,867

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

24. 按性質分類的開支(續)

- (a) 研究及發展開支中包括的折舊、攤銷及僱員及福利開支列示如下：

25. 僱員及福利開支





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

25. EMPLOYMENT BENEFIT EXPENSES (CONTINUED)

(a) Defined contribution plans and other employee insurances

The expenses mainly include contribution of pension, housing scheme and other employee insurances for employees, of which the arrangement of pension scheme is as below:

In Hong Kong, the Group operates a MPF Scheme for all eligible employees. The assets of the MPF Scheme are held separately from those of the Group.

Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries up to a maximum of HKD1,500 per employee with a choice to make additional contributions. The employer's monthly contributions are calculated at 5% of each employee's monthly salaries up to a maximum of HKD1,500 (the "mandatory contributions"). The employees are entitled to 100% of the employer's mandatory contributions upon their retirement at the age of 65 years old, death or total incapacity.

In Mainland China, the Group makes defined contribution to retirement schemes managed by the local governments. It is the local governments' responsibility to pay the retirement benefits to those staff who retire.

In Germany, the Group makes defined contributions at certain percentage of monthly salary to retirement schemes managed by the insurance company in accordance with German rules and regulations. It is the insurance company's responsibility to pay the retirement benefits to those staff who retire. In Botswana, no pension obligation is required under its laws and regulations.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

25. 僱員及福利開支(續)

(a) 定額供款計劃及其他員工保險

此費用包括退休金供款、員工住房計劃及其他員工保險。退休金計劃之安排如下：

本集團為香港所有合資格僱員設立強積金計劃。強積金計劃之資產與本集團所持者獨立分開。

根據強積金計劃，每名僱員須按月薪5%（最高供款額為港幣1,500元）作出供款，並可選擇作出額外供款。僱主亦須按每名僱員月薪5%（最高供款額為港幣1,500元）作出供款（「強制供款」）。僱員可於六十五歲退休、身故或完全喪失工作能力時收取僱主作出之全部強制供款。

本集團在中國內地根據合資格員工的基本薪金若干百分比向中國地方政府所管理的退休金計劃作出定額供款。地方政府有責任向該等退休僱員支付退休金。

另本集團亦根據德國的相關法律和法規向合資格員工按月薪的若干百分比向有關保險公司作出供款。保險公司有責任向該等退休僱員支付退休金。博茨瓦納的相關法律和法規並無要求需向員工支付退休金的責任。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

25. EMPLOYMENT BENEFIT EXPENSES (CONTINUED)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include 4 (2020: 3) directors whose emoluments are reflected in Note 35(a). The emoluments paid and payable to the remaining 1 (2020: 2) individual during the year are as follows:

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Basic salaries and allowances	基本薪金及津貼	10,410	15,700
Contributions to the retirement scheme	退休福利計劃供款	15	42
		10,425	15,742

The emoluments fell within the following bands:

		Number of employees 僱員人數	
		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Emolument bands	酬金範圍		
HKD4,000,001– HKD4,500,000	港幣4,000,001元 – 港幣4,500,000元	–	1
HKD12,500,001–HKD13,000,000	港幣12,500,001元 – 港幣13,000,000元	1	–
HKD13,000,001–HKD13,500,000	港幣13,000,001元 – 港幣13,500,000元	–	1

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

25. 僱員及福利開支(續)

(b) 五名最高薪酬人士

年內，在本集團之五名最高薪酬人士包括四位(2020年：三位)為董事，而彼等之酬金詳情已載於附註35(a)。本年度支付予餘下一位人士(2020年：兩位)之酬金如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Basic salaries and allowances	基本薪金及津貼	10,410	15,700
Contributions to the retirement scheme	退休福利計劃供款	15	42
		10,425	15,742

彼等之酬金在以下範圍：

		Number of employees 僱員人數	
		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Emolument bands	酬金範圍		
HKD4,000,001– HKD4,500,000	港幣4,000,001元 – 港幣4,500,000元	–	1
HKD12,500,001–HKD13,000,000	港幣12,500,001元 – 港幣13,000,000元	1	–
HKD13,000,001–HKD13,500,000	港幣13,000,001元 – 港幣13,500,000元	–	1



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(All amounts in RMB thousands unless otherwise stated)

26. FINANCE INCOME AND FINANCE COSTS

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Finance income:	財務收入：		
– Interest income on bank deposits	– 銀行存款之利息收入	101,784	159,915
Finance costs:	融資成本：		
– Interest expense on bank borrowings and others	– 銀行貸款及其他之利息費用	(79,317)	(140,533)
– Interest expense on lease liabilities	– 租賃負債之利息費用	(2,151)	(3,450)
Finance income – net	財務收入－淨額	20,316	15,932

27. INCOME TAX EXPENSE

The amount of taxation charged to the consolidated income statements represents:

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Current income tax	當期稅項			
– Hong Kong profits tax	– 香港所得稅	(a)	6,833	10,757
– PRC corporate income tax	– 中國企業所得稅	(b)	271,822	328,976
– Germany company income tax	– 德國企業所得稅	(c)	116	126
– Botswana company income tax	– 博茨瓦納企業所得稅	(d)	1,003	915
Deferred income tax	遞延所得稅	12	(28,181)	(60,392)
			251,593	280,382

(a) Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the year.

計入綜合收益表之稅項金額列示如下：

(a) 香港所得稅按本年度估計應課稅盈利以稅率16.5%（2020年：16.5%）撥備。

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

26. 財務收入及融資成本

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Finance income:	財務收入：		
– Interest income on bank deposits	– 銀行存款之利息收入	101,784	159,915
Finance costs:	融資成本：		
– Interest expense on bank borrowings and others	– 銀行貸款及其他之利息費用	(79,317)	(140,533)
– Interest expense on lease liabilities	– 租賃負債之利息費用	(2,151)	(3,450)
Finance income – net	財務收入－淨額	20,316	15,932

27. 所得稅

計入綜合收益表之稅項金額列示如下：

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Current income tax	當期稅項			
– Hong Kong profits tax	– 香港所得稅	(a)	6,833	10,757
– PRC corporate income tax	– 中國企業所得稅	(b)	271,822	328,976
– Germany company income tax	– 德國企業所得稅	(c)	116	126
– Botswana company income tax	– 博茨瓦納企業所得稅	(d)	1,003	915
Deferred income tax	遞延所得稅	12	(28,181)	(60,392)
			251,593	280,382

(a) Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the year.

(a) 香港所得稅按本年度估計應課稅盈利以稅率16.5%（2020年：16.5%）撥備。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

27. INCOME TAX EXPENSE (CONTINUED)

- (b) PRC corporate income tax has been calculated on the estimated assessable profit for the year at the tax rates applicable to respective companies of the Group.

The income tax rates enacted or substantively enacted to the major subsidiaries of the Group incorporated in the PRC are derived from various tax policies as follows:

- (i) The Corporate Income Tax Law of the PRC stipulates the applicable income tax rate at 25% for domestic enterprises in the PRC.
- (ii) Enterprises supported by Western Development Strategy can continue to enjoy tax rate of 15% until 2030. Enterprises, simultaneously enjoy additional tax incentives from Tibet Autonomous Region Government that the output value of the company's High/New Tech products can be exempted from the local share of corporate income tax, can accrue income tax expenses at reduced rate of 9% for the output value of High/New Tech products and of 15% for that of non- High/New Tech products.
- (iii) The Corporate Income Tax Law also stipulated that the Corporate Income Tax shall be levied at the reduced rate of 15% for High/New Tech Enterprises that are specifically supported by the State.
- (c) Germany company income tax has been provided at the rate of 15% (2020: 15%) on the estimated assessable profit for the year.
- (d) Botswana company income tax has been provided at the rate of 15% (2020: 15%) on the estimated assessable profit for the year.
- (e) No provision for income tax in other jurisdictions has been made as the Group had no assessable profit in other jurisdictions during the year.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

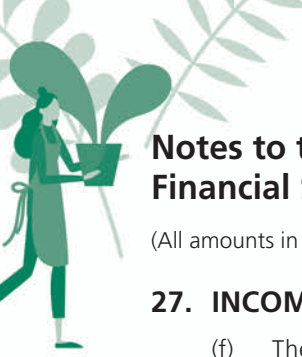
27. 所得稅(續)

- (b) 中國企業所得稅撥備按本集團在中國大陸企業於本年度的盈利以其適用的稅率而定。

本集團於中國大陸註冊之主要企業的所得稅適用稅率來自不同的政策如下：

- (i) 企業所得稅法規定中國國內企業的適用所得稅稅率為25%。
- (ii) 受西部大開發戰略支援的企業可繼續享有15%的稅率至2030年，企業同時享受西藏自治區政府額外稅收優惠政策，其高新技術產品產值可免徵企業所得稅地方分享部份，可按9%稅率計提高新技術產品產值對應所得稅費用，按15%計提非高新技術產品產值對應所得稅費用。
- (iii) 企業所得稅法規定，國家重點扶持的高新技術企業按15%的稅率徵收企業所得稅。
- (c) 德國企業所得稅按本年度估計應課稅盈利以稅率15% (2020年：15%) 撥備。
- (d) 博茨瓦納企業所得稅按本年度估計應課稅盈利以稅率15% (2020年：15%) 撥備。
- (e) 本集團於本年度在其他司法權區並無取得應課所得稅收入，故無為其他司法權區的所得稅作出撥備。





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

27. INCOME TAX EXPENSE (CONTINUED)

- (f) The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the standard tax rates applicable to the respective companies of the Group as follows:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

27. 所得稅(續)

- (f) 本集團就除所得稅前盈利的稅項，與本集團旗下相關公司所在地在免稅期前適用稅率釐定的理論稅額有所不同，載列如下：

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Profit before income tax	除稅前盈利		1,147,377	948,821
Less: Share of results of associates and jointly controlled entities	減：應佔聯營公司及共同控制實體之業績	9,10	(12,584)	(30,097)
			1,134,793	918,724
Tax calculated at statutory tax rate	按適用稅率計算的稅項		379,372	412,943
Tax incentives	稅收優惠	b(ii)(iii)	(167,189)	(186,971)
Super deduction for research and development expenditure	研發費用加計扣除的影響		(23,956)	(26,455)
Utilisation of previously unrecognised tax losses	動用之前未確認的稅務虧損		(3,124)	(3,203)
Expenses not deductible for tax purposes	不可扣稅開支之稅務影響		984	6,531
Income not subject to tax	無須課稅收入的影響		(3,701)	(5,757)
Withholding tax on the earnings from subsidiaries	附屬公司匯出的股息所產生之預提所得稅		50,089	65,973
Tax losses for which no deferred income tax assets were recognised	並無確認遞延所得稅資產的稅務虧損		19,118	17,321
Income tax expense	所得稅		251,593	280,382

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

27. INCOME TAX EXPENSE (CONTINUED)

As the Directors are not certain whether future taxable profit would be available in certain subsidiaries, the Group did not recognise deferred income tax assets of RMB92,574,000 (31 December 2020: RMB74,742,000) as at 31 December 2021 in respect of tax losses of such subsidiaries amounting to RMB488,223,000 (31 December 2020: RMB401,832,000). The tax loss will expire in the following years:

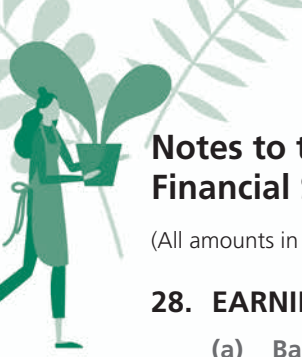
綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

27. 所得稅(續)

因為董事無法確定於未來是否有足夠應課稅盈利彌補稅損，本集團並沒有於2021年12月31日確認若干附屬公司之可抵稅虧損人民幣488,223,000元(2020年12月31日：人民幣401,832,000元)的遞延所得稅資產約人民幣92,574,000元(2020年12月31日：人民幣74,742,000元)。可抵稅虧損將於下列年度到期：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Year	年度		
2021	2021年	–	14,389
2022	2022年	58,275	59,190
2023	2023年	11,689	15,555
2024	2024年	39,801	40,929
2025	2025年	36,956	43,412
2026	2026年	72,075	–
No expiring date	沒有到期日	269,427	228,357
		488,223	401,832



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

28. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue for the year ended 31 December 2021 and 2020.

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Profit attributable to equity holders of the Company	本公司權益持有人應佔盈利	675,131	418,399
Weighted average number of ordinary shares in issue ('000)	已發行之普通股之加權平均數(千計)	3,111,851	3,107,837
Basic earnings per share for profit attributable to the Company's equity holders: (RMB cents per share)	本公司權益持有人應佔每股基本盈利： (每股人民幣分)	21.70	13.46

(b) Diluted earnings per share

Diluted earnings per share for the year ended 31 December 2021 and 2020 was the same as basic earnings per share, since the Company did not have any potential ordinary share outstanding that has dilution effect.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

28. 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本年度本公司權益持有人應佔盈利，除以截至2021年及2020年12月31日止年度已發行普通股的加權平均數目計算。

(b) 每股攤薄盈利

截至2021年及2020年12月31日止年度的每股攤薄盈利與每股基本盈利相同，因為本公司沒有任何潛在的具有稀釋作用的已發行普通股。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

29. DIVIDENDS

29. 股息

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Paid special dividend of HK 6.0 cents per share for the six months ended 30 June 2020	已付截至2020年6月30日止六個月特別股息 每股港幣6.0仙	–	165,064
Paid interim dividend of HK6.4 cents per share for the six months ended 30 June 2021	已付截至2021年6月30日止六個月之中期股息 每股港幣6.4仙	165,226	–
		165,226	165,064
Proposed/paid final dividend of HK 2.0 cents (2020: HK9.0 cents) per share	擬派／已付期末股息 每股港幣2.0仙 (2020年：港幣9.0仙)	52,816	229,479
		218,042	394,543

On 25 March 2022, the Board proposed a final dividend of HK 2.0 cents per share, totalling approximately RMB52,816,000 for the year ended 31 December 2021. The proposed dividend in respect of the year ended 31 December 2021 is calculated based on the total number of shares in issue as at the date of this report. The proposed dividend is subject to the shareholder's approval at the Company's forthcoming Annual General Meeting. The financial statements do not reflect this dividend payable.

於2022年3月25日，董事會建議派發截至2021年12月31日止年度的期末股息每股港幣2.0仙，共約人民幣52,816,000元。截至2021年12月31日止年度的擬派股息乃按照於本報告日期已發行股份總數計算。建議派發之股息需要於本公司臨近舉行的股東週年大會上獲股東批准。財務報表未反映此應付股息。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

30. CASH GENERATED FROM OPERATIONS

(a) Reconciliation of profit before tax to cash generated from operations

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Profit before income tax	除稅前盈利		1,147,377	948,821
Adjustments for:	調整：			
– Depreciation	– 折舊	6, 7	176,829	170,315
– Amortisation	– 攤銷	7, 8	100,324	103,633
– Provision for impairment of goodwill	– 商譽減值撥備	8	293,270	495,498
– Provision for impairment of inventories	– 存貨減值撥備		1,220	2,551
– Provision for impairment of trade and other receivables	– 貿易及其他應收款項減值撥備	3.1(b)	3,527	7,392
– Share-based payment-value of consultancy service	– 股份為基礎的支付－顧問服務價值	18	–	98
– Share-based payment-value of employee services	– 股份為基礎的支付－僱員服務價值	18	5,747	536
– Interest expense	– 利息費用	26	81,468	143,983
– Interest income	– 利息收入	26	(101,784)	(159,915)
– Share of results of associates and jointly controlled entities	– 應佔聯營公司及共同控制實體之業績	9,10	(12,584)	(30,097)
– Adjustment for transactions between the Group and associates/jointly controlled entity	– 調整集團與聯營公司及共同控制實體之交易	9,10	4,622	12,380
– (Gains)/losses on disposal of property, plant and equipment	– 出售物業、機器及設備之(收益)/虧損	23	(5,726)	6,900
– Gains on termination of leases	– 終止租賃之收益		(1,811)	(2,519)
– (Gains)/losses on disposal of financial assets at FVPL	– 出售以公允價值計量且其變動計入損益的金融資產之(收益)/虧損	23	(5,246)	2,359
– Losses on disposal of subsidiaries	– 出售附屬公司之虧損	23	–	2,033
– (Gains)/losses on disposal of an associate	– 出售聯營公司之(收益)/虧損	23	(16,720)	2,750
– Gain on disposal of a jointly controlled entity	– 出售共同控制實體之收益	23	(1,876)	–
– Changes in fair value of financial assets at FVPL	– 以公允價值計量且其變動計入損益的金融資產之公允價值變動	23	(104,568)	(13,805)
– Dividend income from investment in financial assets at FVPL and at FVOCI	– 以公允價值計量且其變動計入損益的金融資產及以公允價值計量且其變動計入其他全面收益的金融資產之股息收入	23	(889)	(2,021)
– Foreign exchange losses – net	– 匯兌虧損－淨額	23	27,510	85,028
Changes in working capital:	營運資金變動：			
– Inventories	– 存貨		(43,700)	73,975
– Trade and other receivables	– 貿易及其他應收款項		62,623	(26,553)
– Trade and other payables	– 貿易及其他應付款項		70,917	(9,575)
– Contract liabilities	– 合同負債		(15,756)	9,833
Cash generated from operations	營運產生之現金		1,664,774	1,823,600

30. 營運產生之現金

(a) 除稅前盈利與經營業務所得現金淨額調節表

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

30. CASH GENERATED FROM OPERATIONS (CONTINUED)

- (b) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

30. 營運產生之現金(續)

- (b) 於綜合現金流量表內，出售物業、機器及設備之所得款包括：

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2021 2021年	2020 2020年
Net book amount	賬面淨值	6	14,520	18,059
Gains/(losses) on disposal of property, plant and equipment	出售物業、機器及設備之收益/(虧損)	23	5,726	(6,900)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備的所得款		20,246	11,159



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

30. CASH GENERATED FROM OPERATIONS (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities

This section sets out an analysis of the movements in liabilities from financing activities:

		Liabilities from financing activities 融資活動產生的負債		
		Borrowings 借款	Lease liabilities 租賃負債	Total 總計
	Note 附註			
At 1 January 2020	於2020年1月1日	2,998,776	82,583	3,081,359
Changes from financing cash flow:	融資活動的現金流量變化：			
Proceeds from borrowings	借貸所得款	556,679	-	556,679
Repayments of borrowings	償還借款	(796,368)	-	(796,368)
Principal elements of lease payments	租賃付款之本金部份	-	(24,360)	(24,360)
Interest elements of lease payments	租賃付款之利息部份	-	(3,450)	(3,450)
Total changes from financing cash flow	融資活動的現金流量變化總計	(239,689)	(27,810)	(267,499)
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	12,548	12,548
Interest expenses	利息支出	-	(3,450)	(3,450)
Currency translation difference	匯兌差異	(50,857)	-	(50,857)
Total other changes	其他變動總計	(50,857)	9,098	(41,759)
At 31 December 2020	於2020年12月31日	2,708,230	63,871	2,772,101
At 1 January 2021	於2021年1月1日	2,708,230	63,871	2,772,101
Changes from financing cash flow:	融資活動的現金流量變化：			
Proceeds from borrowings	借貸所得款	1,557,156	-	1,557,156
Repayments of borrowings	償還借款	(3,284,355)	-	(3,284,355)
Principal elements of lease payments	租賃付款之本金部份	-	(22,578)	(22,578)
Interest elements of lease payments	租賃付款之利息部份	-	(2,151)	(2,151)
Total changes from financing cash flow	融資活動的現金流量變化總計	(1,727,199)	(24,729)	(1,751,928)
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	3,936	3,936
Interest expenses	利息支出	-	(2,151)	(2,151)
Currency translation difference	匯兌差異	(18,257)	-	(18,257)
Total other changes	其他變動總計	(18,257)	1,785	(16,472)
At 31 December 2021	於2021年12月31日	962,774	40,927	1,003,701

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

30. 營運產生之現金(續)

(c) 融資活動產生的負債對帳表

本節對融資活動中的負債變動進行了分析：

Liabilities from financing activities 融資活動產生的負債

		Borrowings 借款	Lease liabilities 租賃負債	Total 總計
	Note 附註			
At 1 January 2020	於2020年1月1日	2,998,776	82,583	3,081,359
Changes from financing cash flow:	融資活動的現金流量變化：			
Proceeds from borrowings	借貸所得款	556,679	-	556,679
Repayments of borrowings	償還借款	(796,368)	-	(796,368)
Principal elements of lease payments	租賃付款之本金部份	-	(24,360)	(24,360)
Interest elements of lease payments	租賃付款之利息部份	-	(3,450)	(3,450)
Total changes from financing cash flow	融資活動的現金流量變化總計	(239,689)	(27,810)	(267,499)
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	12,548	12,548
Interest expenses	利息支出	-	(3,450)	(3,450)
Currency translation difference	匯兌差異	(50,857)	-	(50,857)
Total other changes	其他變動總計	(50,857)	9,098	(41,759)
At 31 December 2020	於2020年12月31日	2,708,230	63,871	2,772,101
At 1 January 2021	於2021年1月1日	2,708,230	63,871	2,772,101
Changes from financing cash flow:	融資活動的現金流量變化：			
Proceeds from borrowings	借貸所得款	1,557,156	-	1,557,156
Repayments of borrowings	償還借款	(3,284,355)	-	(3,284,355)
Principal elements of lease payments	租賃付款之本金部份	-	(22,578)	(22,578)
Interest elements of lease payments	租賃付款之利息部份	-	(2,151)	(2,151)
Total changes from financing cash flow	融資活動的現金流量變化總計	(1,727,199)	(24,729)	(1,751,928)
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	3,936	3,936
Interest expenses	利息支出	-	(2,151)	(2,151)
Currency translation difference	匯兌差異	(18,257)	-	(18,257)
Total other changes	其他變動總計	(18,257)	1,785	(16,472)
At 31 December 2021	於2021年12月31日	962,774	40,927	1,003,701

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

31. CAPITAL COMMITMENTS

Capital expenditure contracted for but not yet recognised as liabilities at the end of the year are as follows:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

31. 資本承擔

於年末已簽約但仍未確認為負債的資本開支如下：

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Property, plant and equipment	物業、機器及設備	169,196	73,361
Intangible assets	無形資產	29,043	2,353
Investment in a jointly controlled entity	於共同控制實體之投資	28,000	–
Financial assets at FVOCI	以公允價值計量且變動計入其他全面收益之金融資產	–	86,229
Financial assets at FVPL	以公允價值計量且變動計入損益之金融資產	24,942	15,097
		251,181	177,040



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

32. RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name
名稱

Huangguoshu Golden Leaf
黃果樹金葉

Hongta Blue Eagle
紅塔藍鷹

Broad Far

博遠

Yunnan Ruisheng
雲南瑞升

Yingtian Dongwu
鷹潭東霧

Xiamen Fengtao
廈門蜂濤

Hunan Jiapinjiawei
湖南嘉品嘉味

Shanghai Yifang
上海奕方

Yingtian Weizhijia Food Co. Ltd. ("Weizhijia")
鷹潭味之家食品有限公司(「味之家」)

Bojie (Shanghai) Management Consulting Co., Ltd. ("Bojie")
博頤(上海)管理諮詢有限公司(「博頤」)

Joy Light (HongKong) Tabacoo Co. Ltd. ("Joy Light")
香港卓羿煙草有限公司(「香港卓羿」)

The Group disposed Dianhua Benxiang, a jointly controlled entity indirectly held by the Company in July 2021, and since then it was no longer a related party.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

32. 關聯方交易

(a) 關聯方名稱與關係

Relationship
關係

An associate indirectly held by the Company
本公司間接持有的聯營公司

An associate indirectly held by the Company
本公司間接持有的聯營公司

An associate indirectly held by the Company
and an entity controlled by the Company's
ultimate holder
本公司間接持有的聯營公司及本公司最終持
有人控制之公司

An associate indirectly held by the Company
本公司間接持有的聯營公司

An associate indirectly held by the Company
本公司間接持有的聯營公司

An associate indirectly held by the Company
本公司間接持有的聯營公司

An associate indirectly held by the Company
本公司間接持有的聯營公司

A jointly controlled entity indirectly held by the
Company
本公司間接持有的共同控制實體

An entity controlled by the Company's ultimate
holder
本公司最終持有人控制之公司

An entity controlled by the Company's ultimate
holder
本公司最終持有人控制之公司

An entity controlled by the Company's ultimate
holder
本公司最終持有人控制之公司

本集團於2021年7月處置滇華本香，一家
由本公司間接持有之共同控制實體，自此
不再是關聯方。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

32. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management compensation

Key management includes directors (executive, non-executive and independent non-executive) and senior management. The amounts of compensation paid and payable to directors is disclosed in Note 35(a). The amounts of compensation paid and payable to senior management for employee services is shown below:

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

32. 關聯方交易(續)

(b) 主要管理人員酬金

主要管理人員包括董事(執行董事、非執行董事與獨立非執行董事)和高級管理人員。應付及已付予董事的酬金已在附註35(a)披露。向高級管理人員支付作為僱員服務的已付及應付酬金如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Fees, salaries and bonus	工資、薪酬及花紅	20,948	23,978
Employer's contributions to retirement benefit scheme	僱主就退休計劃供款	531	265
Share-based benefits	以股份為基礎之福利	1,870	156
		23,349	24,399



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

32. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Transactions with related parties

32. 關聯方交易(續)

(c) 與關聯方的交易

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Sales of goods and services:	銷售商品及服務：		
– Huangguoshu Golden Leaf	– 黃果樹金葉	14,126	13,804
– Broad Far	– 博遠	2,019	2,914
– Yingtan Dongwu	– 鷹潭東霧	892	–
– Hunan Jiapinjiawei	– 湖南嘉品嘉味	2	–
– Shanghai Yifang	– 上海奕方	352	–
– Weizhijia	– 味之家	–	35,186
– Bojie	– 博韻	29	12
– Dianhua Benxiang	– 滇華本香	6,522	34,470
		23,942	86,386
Purchase of goods and services:	購買商品及服務：		
– Huangguoshu Golden Leaf	– 黃果樹金葉	870	1,094
– Yunnan Ruisheng	– 雲南瑞升	41	147
– Shanghai Yifang	– 上海奕方	142	–
– Joy Light	– 香港卓羿	3,435	–
– Bojie	– 博韻	51	–
– Dianhua Benxiang	– 滇華本香	6,232	11,850
		10,771	13,091
Dividend revenue:	股息收入：		
– Hongta Blue Eagle	– 紅塔藍鷹	4,031	6,952
– Dianhua Benxiang	– 滇華本香	2,669	3,456
		6,700	10,408

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

32. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Balances with related parties

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Balances due from related parties:	應收關聯方結餘：		
– Huangguoshu Golden Leaf	– 黃果樹金葉		
– trade and other receivables	– 貿易及其他應收款	13,109	3,162
– Broad Far	– 博遠		
– trade receivables	– 貿易應收款	3	–
– Yingtang Dongwu	– 鷹潭東霧		
– trade receivables	– 貿易應收款	504	–
– Hunan Jiapinjiawei	– 湖南嘉品嘉味		
– trade receivables	– 貿易應收款	1	–
– Shanghai Yifang	– 上海奕方		
– trade receivables	– 貿易應收款	59	–
– Joy Light	– 香港卓羿		
– other receivables	– 其他應收款	–	749
– Dianhua benxiang	– 滇華本香		
– trade and other receivables	– 貿易及其他應收款	–	37,415
		13,676	41,326
Balance due to related parties:	應付關聯方結餘：		
– Huangguoshu Golden Leaf	– 黃果樹金葉		
– trade payables	– 貿易應付款	970	8
– Yunnan Ruisheng	– 雲南瑞升		
– trade payables	– 貿易應付款	–	47
– Xiamen Fengtao	– 廈門蜂濤		
– other payables	– 其他應付款	9,560	–
– Shanghai Yifang	– 上海奕方		
– trade payables	– 貿易應付款	160	–
– Dianhua Benxiang	– 滇華本香		
– trade payables	– 貿易應付款	–	12,705
		10,690	12,760

The balance with related parties was unsecured, interest-free and repayable on demand.

所有關聯方結餘均為無抵押，免息及須於通知時清還。

(e) Investments with related parties

In January 2021, the Group invested in Broad Far and recognised as an associate. Broad Far is controlled by the Company's ultimate holder, Ms. Chu.

In December 2021, the Group further invested in the Group's associate Hunan Jiapinjiawei together with the Group's jointly controlled entity Wuxi Jintou and another third party.

(e) 與關聯方之投資

於2021年1月，本集團投資博遠並將其確認為聯營公司。博遠由公司的最終持有人朱女士所控制。

於2021年12月，本集團連同本集團的共同控制實體無錫金投及另一第三方進一步投資本集團的聯營公司湖南嘉品嘉味。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES

33. 主要附屬公司之詳情

Name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定主體類別	Nominal value of issued/registered capital 已發行普通股/註冊資本面值	Ownership interest held by the Group% 本集團持有的實際權益%		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Aromascape Development Centre GmbH ^{FC1, AD1}	Germany, Limited liability company 德國，有限責任公司	EUR25,000 歐元25,000	-	100	Research and development of flavours & fragrances in Germany 研發香精，德國
F&G (Botswana) (Pty) Limited	Republic of Botswana, Limited liability company 博茨瓦納共和國，有限責任公司	BWP100 普拉100元	-	100	Production and sales of natural extracts in Botswana 生產和銷售天然提取物，博茨瓦納共和國
Guangdong Golden leaf Technology Development Co., Ltd. 廣東省金葉科技開發有限公司 ^{GX1}	PRC, Limited liability company 中國，有限責任公司	RMB100,000,000 人民幣100,000,000元	-	100	Research & development, manufacture and sale of reconstituted tobacco leaves in the PRC 研發、生產及銷售再造煙葉，中國
Guangdong Jiahao Foodstuff Co., Ltd. 廣東嘉豪食品有限公司 ^{C1, X1}	PRC, Limited liability company 中國，有限責任公司	RMB119,680,000 人民幣119,680,000元	-	99.2	Production, sales, marketing and distribution of condiment products in the PRC 生產、銷售、營銷及分銷調味品，中國
Guangdong Jiahao Marketing Co., Ltd. 廣東嘉豪營銷有限公司	PRC, Limited liability company 中國，有限責任公司	RMB5,000,000 人民幣5,000,000元	-	99.2	Sales, marketing and distribution of condiment products in the PRC 銷售、營銷及分銷調味品，中國
Guangdong Jinke Reconstituted Tobacco Leaves Co., Ltd. 廣東金科再造煙葉有限公司 ^{YX1, GX1}	PRC, Limited liability company 中國，有限責任公司	RMB40,000,000 人民幣40,000,000元	-	55.375	Manufacture & sale of reconstituted tobacco leaves in the PRC 生產及銷售再造煙葉，中國

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

33. 主要附屬公司之詳情(續)

Name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定主體類別	Nominal value of issued/registered capital 已發行普通股/ 註冊資本面值	Ownership interest held by the Group%		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Guangzhou Huabao Food Co., Ltd. 廣州華寶食品有限公司 ^{X1, LX1, LX2}	PRC, Limited liability company 中國，有限責任公司	RMB10,000,000 人民幣10,000,000元	-	100	Research, development, manufacturing & sales of flavours & fragrances in the PRC 研發、生產及銷售香精，中國
Guangzhou Hua Fang Tobacco Flavors Ltd. 廣州華芳煙用香精有限公司 ^{YX1, RM1}	PRC, Limited liability company 中國，有限責任公司	RMB23,380,000 人民幣23,380,000元	-	51	Manufacturing & sales of tobacco flavours & fragrances in the PRC 生產及銷售煙用香精，中國
Huabao Flavour & Chemical Technology Development (Shanghai) Co., Ltd. 華寶香化科技發展(上海)有限公司 ^{2D1, 2D2}	PRC, Limited liability company 中國，有限責任公司	RMB530,000,000 人民幣530,000,000元	-	100	Research, development, manufacturing & sales of tobacco raw materials in the PRC 研發、生產及銷售適用於煙草行業的新材料產品，中國
Huabao Flavours & Fragrances (HK) Limited 華寶香精(香港)有限公司 ^{X1, FC1}	Hong Kong, Limited liability company 香港，有限責任公司	HKD3,000,000 港幣3,000,000元	-	100	Research, development, manufacturing & sales of flavours & fragrances in Hong Kong 研發、生產及銷售香精，香港
Huabao Flavours & Fragrances Co, Ltd 華寶香精股份有限公司 ^{X1, X2, L1, YX1, RM1, GX1}	PRC, Limited liability company 中國，股份有限公司	RMB615,880,000 人民幣615,880,000元	-	81.103	Manufacturing & sales of tobacco flavours & fragrances in the PRC 生產及銷售煙用香精，中國
Huabao Korea Company Limited 華寶韓國株式會社 ^{GX1, GX2}	Korea, Limited liability company 韓國，有限責任公司	WON16,320,000,000 韓圓16,320,000,000	-	100	Manufacture and sale of filter materials in Korea 研發、生產及銷售香煙濾咀產品，韓國
Hunan Jishou Minzu Materials Co., Ltd 湖南吉首市民族煙材有限公司 ^{GX1, GX2}	PRC, Limited liability company 中國，有限責任公司	RMB60,000,000 人民幣60,000,000元	-	85	Production of tobacco raw materials and cigarette filter in the PRC 生產及銷售煙用濾棒，中國



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

33. 主要附屬公司之詳情(續)

Name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定主體類別	Nominal value of issued/registered capital 已發行普通股/ 註冊資本面值	Ownership interest held by the Group%		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Jiangxi Xianghai Biological Technology Co., Ltd 江西香海生物科技有限公司	PRC, Limited liability company 中國，有限責任公司	RMB100,000,000 人民幣100,000,000元	-	100	Produce, research and sale of synthetic perfume in the PRC 生產及銷售香原料，中國
Jiangxi H&K Food Technology Development Co., Ltd 江西省華寶孔雀食品科技發展有限公司 ^{YX1, YX2}	PRC, Limited liability company 中國，有限責任公司	RMB300,000,000 人民幣300,000,000元	-	100	Manufacturing and sales of food flavours and fragrances in the PRC 生產及銷售香原料，中國
Owada Flavours (Guangzhou) Co., Ltd. 澳華達香精(廣州)有限公司	PRC, Limited liability company 中國，有限責任公司	HKD60,000,000 港幣60,000,000元	-	100	Research, development, production and sale of tobacco flavours & fragrances in the PRC 生產及銷售煙用香精產品，中國
Shanghai H&K Flavors & Fragrances Co., Ltd. 上海華寶孔雀香精有限公司 ^{X1, YX1, YX2}	PRC, Limited liability company 中國，有限責任公司	RMB260,000,000 人民幣260,000,000元	-	100	Manufacturing & sales of food flavours & fragrances in the PRC 生產及銷售食品香精，中國
Shanghai Huabao Biological Technology Co, Ltd 上海華寶生物科技有限公司 ^{ZD1, ZD2, GX1}	PRC, Limited liability company 中國，有限責任公司	RMB10,000,000 人民幣10,000,000元	-	100	Production and sale of tobacco raw material in the PRC 生產及銷售煙用原料，中國
Smart Sino International Investment Holdings (China) Co., Ltd 華峰國際投資控股(中國)有限公司 ^{C1, L1, L2, ZD1}	PRC, Limited liability company 中國，有限責任公司	USD55,640,000 美元55,640,000	-	100	Investments holding in the PRC 投資控股，中國
Shanghai Xiangyue Technology Development Co., Ltd 上海香悅科技發展有限公司 ^{L1, L2}	PRC, Limited liability company 中國，有限責任公司	HKD10,000,000 港幣10,000,000元	-	100	Investments holding in the PRC 投資控股，中國
Xiamen Amber Daily Chemical Technology Co., Ltd. 廈門琥珀日化科技股份有限公司 ^{UX1, UX2}	PRC, Limited liability company 中國，有限責任公司	RMB30,000,000 人民幣30,000,000元	-	51	Research, development, distribution and retail of fragrances in the PRC 研發、生產、批發及零售日用化工產品，中國

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

33. 主要附屬公司之詳情(續)

Name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定主體類別	Nominal value of issued/registered capital 已發行普通股/ 註冊資本面值	Ownership interest held by the Group%		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Yancheng City Chunzhu Aroma Co., Ltd 鹽城市春竹香料有限公司	PRC, Limited liability company 中國，有限責任公司	RMB6,000,000 人民幣6,000,000元	-	100	Production and sales of aromatic raw materials in the PRC 生產及銷售香原料，中國
Yingtian Huabao Flavors & Fragrances Co., Ltd. 鷹潭華寶香精有限公司 ^{YK1, YK2}	PRC, Limited liability company 中國，有限責任公司	RMB96,500,000 人民幣96,500,000元	-	100	Production and sale of tobacco flavours & fragrances in the PRC 生產及銷售香精，中國
Yongzhou Shanxiang Flavour Co., Ltd. 永州山香香料有限公司	PRC, Limited liability company 中國，有限責任公司	RMB35,000,000 人民幣35,000,000元	-	94.14	Production and sale of flavours & fragrances in the PRC 生產及銷售香料，中國
Yunnan Tianhong Flavor and Fragrance Co., Ltd. 雲南天宏香精有限公司	PRC, Limited liability company 中國，有限責任公司	USD2,550,000 美元2,550,000	-	60	Production and sale of tobacco flavours & fragrances in the PRC 生產及銷售煙用香精，中國
Zhaoqing Perfumery Co., Ltd. (Guangdong) 廣東省肇慶香料廠有限公司	PRC, Limited liability company 中國，有限責任公司	RMB11,000,000 人民幣11,000,000元	-	100	Manufacturing & sales of food flavours & fragrances in the PRC 生產及銷售食用香精，中國



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

(a) Material non-controlling interests

The total comprehensive income attributable to non-controlling interests for the year ended 31 December 2021 is RMB219,409,000 (2020: RMB250,472,000), of which RMB212,381,000 (2020: RMB245,651,000) is from Huabao Flavours & Fragrances Co., Ltd. and its subsidiaries ("Huabao Flavours Group"). The non-controlling interests in other subsidiaries are not material.

Set out below are the summarised financial information of subsidiaries that have non-controlling interests that are material to the Group:

Summarised consolidated statement of financial position of Huabao Flavours Group

		As at 31 December 於12月31日	
		2021 2021年	2020 2020年
Current Assets	流動資產	6,295,078	6,612,514
Liabilities	負債	(532,664)	(476,740)
Total current net assets	流動資產總額	5,762,414	6,135,774
Non-current Assets	非流動資產	2,094,057	1,734,214
Liabilities	負債	(19,569)	(20,140)
Total non-current net assets	非流動資產總額	2,074,488	1,714,074
Net assets	資產淨額	7,836,902	7,849,848

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

33. 主要附屬公司之詳情(續)

(a) 重大非控制性權益

截至2021年12月31日止年度，非控制性權益應佔全面收益總額為人民幣219,409,000元（2020年：人民幣250,472,000元），其中來自華寶香精股份有限公司及其附屬公司（「華寶股份集團」）之非控制性權益應佔全面收益總額為人民幣212,381,000元（2020年：人民幣245,651,000元）。於其他附屬公司的非控制性權益並不重大。

以下載列本集團有重大的非控制性權益的附屬公司的財務資料摘要：

華寶股份集團之綜合財務狀況表概要

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

(a) Material non-controlling interests (Continued)

Summarised consolidated income statement and consolidated statement of comprehensive income of Huabao Flavours Group

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Revenue	營業額	1,941,375	2,094,460
Profit before income tax	除稅前盈利	1,181,624	1,388,767
Income tax expense	所得稅費用	(158,066)	(188,839)
Profit for the year	本年度盈利	1,023,558	1,199,928
Other comprehensive income	其他全面收益	(34,776)	(34,075)
Total comprehensive income	全面收益總額	988,782	1,165,853
Total comprehensive income allocated to non-controlling interests	分配予非控制性權益的全面收益總額	212,381	245,651
Dividends paid to non-controlling interests	向非控制性權益派付之股利	14,330	14,838

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

33. 主要附屬公司之詳情(續)

(a) 重大非控制性權益(續)

華寶股份集團之綜合收益表及綜合全面收益表概要





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

(a) Material non-controlling interests (Continued)

Summarised consolidated statement of cash flows of Huabao Flavours Group

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

33. 主要附屬公司之詳情(續)

(a) 重大非控制性權益(續)

華寶股份集團綜合現金流量表概要

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Cash flows from operating activities	經營活動之現金流量		
Cash generated from operations	營運產生之現金	1,382,699	1,306,178
Income tax paid	已付所得稅	(133,862)	(217,583)
Net cash generated from operating activities	營運活動產生之現金淨額	1,248,837	1,088,595
Net cash (used in)/generated from investing activities	投資活動(所用)/產生之現金淨額	(1,347,738)	1,553,939
Net cash used in financing activities	融資活動所用之現金淨額	(1,011,263)	(1,217,118)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(1,110,164)	1,425,416
Cash and cash equivalents at the beginning of the year	年初之現金及現金等價物	3,395,528	1,994,785
Effects of currency translation on cash and cash equivalents	貨幣換算對現金及現金等價物的影響	(14,332)	(24,673)
Cash and cash equivalents at the end of the year	於年末之現金及現金等價物	2,271,032	3,395,528

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

34. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

Statement of financial position of the Company

		As at 31 December 於12月31日	
		Note 附註	2020 2020年
		2021 2021年	
ASSETS	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	1,017,981	1,047,913
Current assets	流動資產		
Trade and other receivables	貿易及其他應收款項	45,363	1,715
Amounts due from subsidiaries	應收附屬公司款項	5,365,652	5,677,138
Cash and cash equivalents	現金及現金等價物	755,865	384,434
		6,166,880	6,063,287
Total assets	總資產	7,184,861	7,111,200
EQUITY	權益		
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備		
Share capital	股本	328,619	318,636
Reserves	儲備	(a) 2,095,783	480,489
Retained earnings	保留盈利	4,276,355	3,600,049
Total equity	總權益	6,700,757	4,399,174
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	貸款	-	1,692,855
Current liabilities	流動負債		
Borrowings	貸款	310,688	488,151
Amounts due to subsidiaries	應付附屬公司款項	171,390	526,876
Trade and other payables	貿易及其他應付款項	2,026	4,144
		484,104	1,019,171
Total liabilities	總負債	484,104	2,712,026
Total equity and liabilities	總權益及負債	7,184,861	7,111,200

The statement of financial position of the Company was approved by the Board of Directors on 25 March 2022 and was signed on its behalf.

Mr. XIA Liquan
夏利群先生
Director
董事

本公司之財務狀況表已於2022年3月25日由董事局批准並簽署。

Ms. CHOY Man Har
蔡文霞女士
Director
董事

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

34. 本公司的財務狀況表及儲備變動

本公司的財務狀況表





Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

34. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY (CONTINUED)

(a) Reserve movements of the Company

		Contributed surplus	Share premium	Capital reserve	Capital redemption reserve	Share-based compensation reserve	Other reserves	Currency translation reserve	Total
		實繳盈餘	股份溢價	資本儲備	資本贖回儲備	以股份為基礎的酬金儲備	其他儲備	貨幣換算儲備	總計
At 1 January 2020	於2020年1月1日	296,853	429,861	2,411	4,760	907	39,120	(20,915)	752,997
Share-based payment – value of consultancy service	股份為基礎的支付 – 顧問服務價值	-	-	-	-	98	-	-	98
Share-based payment – share options lapsed	股份為基礎的支付 – 已失效之購股權	-	-	-	-	(1,005)	1,005	-	-
Currency translation differences	貨幣換算差異	-	-	-	-	-	-	(272,606)	(272,606)
At 31 December 2020	於2020年12月31日	296,853	429,861	2,411	4,760	-	40,125	(293,521)	480,489
At 1 January 2021	於2021年1月1日	296,853	429,861	2,411	4,760	-	40,125	(293,521)	480,489
Issuance of new shares	發行新股	-	1,753,905	-	-	-	-	-	1,753,905
Currency translation differences	貨幣換算差異	-	-	-	-	-	-	(138,611)	(138,611)
At 31 December 2021	於2021年12月31日	296,853	2,183,766	2,411	4,760	-	40,125	(432,132)	2,095,783

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

34. 本公司的財務狀況表及儲備變動 (續)

(a) 公司儲備變動

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

35. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The remuneration of each director and chief executive of the Company for the year ended 31 December 2021 and 2020 are set out below:

Name of directors	Note	Year ended 31 December 2021 截至2021年12月31日止年度							Year ended 31 December 2020 截至2020年12月31日止年度						
		Fees	Salaries	Bonus	Employer's contribution to pension scheme 僱主就退休計劃供款	Share-based benefits 以股份為基礎之福利	Other benefits 其他福利	Total	Fees	Salaries	Bonus	Employer's contribution to pension scheme 僱主就退休計劃供款	Share-based benefits 以股份為基礎之福利	Other benefits 其他福利	Total
Executive directors:	執行董事：														
Ms. Chu Lam Yiu	(i)	16,606	-	16,606	-	-	-	33,212	17,786	-	17,786	-	-	737	36,309
Mr. Poon Chiu Kwok		-	2,092	-	1,410	-	-	3,502	-	1,601	-	1,083	-	-	2,684
Mr. Xia Liqun		-	7,473	3,875	15	1,870	-	13,233	-	6,225	3,557	16	156	-	9,954
Mr. Lam Ka Yu		3,487	-	-	-	-	-	3,487	3,735	-	-	-	-	-	3,735
Independent non-executive directors:	獨立非執行董事：														
Mr. Lee Luk Shiu		199	-	-	-	-	-	199	213	-	-	-	-	-	213
Ms. Ma Yunyan		199	-	-	-	-	-	199	213	-	-	-	-	-	213
Mr. Wu Chi Keung	(ii)	149	-	-	-	-	-	149	213	-	-	-	-	-	213
Mr. YAN Jonathan Jun	Jonathan Jun Yan 先生	199	-	-	-	-	-	199	213	-	-	-	-	-	213
		20,839	9,565	20,481	1,425	1,870	-	54,180	22,373	7,826	21,343	1,099	156	737	53,534

(i) Ms. Chu Lam Yiu is also the chief executive officer of the Company.

(ii) Mr. Wu Chi Keung resigned on 30 September 2021.

No directors waived any emoluments during the year ended 31 December 2021 and 2020.

During the year ended 31 December 2021 and 2020, no emoluments had been paid by the Group to the directors as an inducement to join or upon joining the Group or as a compensation for loss of office.

35. 董事的利益和權益

(a) 董事及行政總裁酬金

各董事及行政總裁於截至2021年及2020年12月31日止年度之酬金如下：

(i) 朱林瑤女士兼任本集團的首席執行官。

(ii) 胡志強先生於2021年9月30日退任。

截至2021年及2020年12月31日止年度，無董事放棄任何酬金。

截至2021年及2020年12月31日止年度，本集團亦無向董事支付酬金作為加入本集團的獎勵或作為離職補償。



Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

35. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(b) Directors' retirement benefit

During the year ended 31 December 2021 and 2020, no retirement benefits paid to the directors of the Company by a defined benefit pension plan operated by the Group in respect of the director's services as a director of the Company and its subsidiaries or other services in connection with the management of the affairs of the Company or its subsidiary undertaking.

(c) Directors' termination benefit

During the year ended 31 December 2021 and 2020, no payments to the directors of the Company as compensation for the early termination of the appointment.

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2021 and 2020, the Company did not provide any consideration to any third party for making available director's services.

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2021 and 2020, no loans, quasi-loans or other dealings in favour of directors of the Company, controlled bodies corporate by and connected entities with such directors.

(f) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in Note 32, during the year ended 31 December 2021 and 2020, no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

35. 董事的利益和權益(續)

(b) 董事退休福利

截至2021年及2020年12月31日止年度，本集團並無向董事支付就其作為本公司及其子公司董事提供服務而由集團營運的設定收益退休計劃而向其支付的退休福利。

(c) 董事離職福利

截至2021年及2020年12月31日止年度，本集團並無向董事支付就終止其職位之賠償。

(d) 向第三方支付提供董事服務之代價

截至2021年及2020年12月31日止年度，本集團並無就提供董事服務而向第三方提供的對價。

(e) 有關以董事、董事之受控制法團及關聯實體為受益人之貸款、準貸款及其他交易之資料

截至2021年及2020年12月31日止年度，本集團並無向董事、受該等董事控制的法人團體及該董事的關連主體提供貸款和準貸款。

(f) 董事於交易、安排或合約之重大權益

除了如附註32所披露外，截至2021年及2020年12月31日止年度，本公司並無簽訂任何涉及本集團之業務而本公司之董事直接或間接在其中擁有重大權益之重要交易、安排或合同。

Notes to the Consolidated Financial Statements

(All amounts in RMB thousands unless otherwise stated)

36. Events occurring after the reporting period

- (a) In January 2022, the Company has been informed by Huabao Flavours that Ms. Chu, the chairlady, CEO, executive Director and controlling shareholder of the Company, and Mr. LAM Ka Yu ("Mr. Lam"), the son of Ms. Chu, the Co-chairman and executive Director of the Company, and a director of Huabao Flavours, are under investigation for suspected disciplinary violations and are placed under residential surveillance at designated locations (the above events are collectively referred as "the Event"). For details, please refer to the Company's announcements dated 24 January 2022, 26 January 2022 and 27 January 2022 respectively.

Up to the date of this report, the Company has not been provided with any details of the nature of the suspected violations of Ms. Chu and Mr. Lam that were being investigated. The production and business operation of the Group remains normal. Further announcement(s) will be made to keep the shareholders of the Company and the public informed of the development in this matter in due course.

In response to the Event, the Group conducted a review of the bank loan contracts that had not expired as at the date of this report and found that there were loan contracts of approximately RMB220 million (the "Loans") which contained clauses referring to the occurrence of similar events and that such occurrence "may endanger or impair the lender's rights and interests under the Loan Contracts" or "may affect the performance of the borrower's obligations under the loan contracts" and entitles the bank the right to demand early repayment. The Group has not received any form of early repayment notice from the relevant banks. The Group has sufficient cash readily available for repayment of the Loans and even if the Group were to repay the Loans early, this would not adversely affect the Group's overall operations.

- (b) On 8 March 2022, Huabao Flavours further acquired 27% equity interests in Shanghai Yifang from independent third parties for a total consideration of RMB121.5 million in cash (the "Acquisition"). After completion of the Acquisition, Shanghai Yifang would become an indirect non-wholly owned subsidiary of the Company and the accounts of Shanghai Yifang would be included in the scope of the Company's consolidated financial statements.

綜合財務報表附註

(除另有指明者外，所有金額均以人民幣千元列示)

36. 報告期後事項

- (a) 本公司於2022年1月，接獲華寶股份的通知，本公司之主席、首席執行官、執行董事及控股股東朱女士，和朱女士之兒子、本公司之聯席主席、執行董事兼華寶股份董事林嘉宇先生（「林先生」）在中國境內因涉嫌違法接受立案調查，並已被執行指定居所監視居住（以上事件統稱「該事件」）。詳情請參考本公司分別於2022年1月24日、2022年1月26日及2022年1月27日的公告。

截至本報告日止，本公司並未獲提供有關朱女士及林先生當時接受調查所涉嫌違法事宜的性質之任何詳情。本集團的生產和業務經營目前保持正常。本公司將作出進一步公告，以知會本公司股東及公眾人士有關事宜的進展。

針對該事項，本集團對截止本報告日尚未到期的銀行貸款合同進行檢查，發現其中有約人民幣2.2億元（「該等貸款」）的貸款合同內有提及類似該事件的發生「可能或已經危及或損害貸款人在貸款合同下的權益」或「可能影響到借款人在借款合同下義務的履行」而賦予銀行有權要求提前還款的條款。目前本集團沒有收到相關銀行任何形式的提前還款通知。本集團有充足的現金可隨時用於償還該等貸款，即使本集團需要提前償還該等貸款，這亦不會對本集團整體營運構成不利影響。

- (b) 於2022年3月8日，華寶股份以人民幣1.215億元現金總對價向獨立第三方進一步收購上海奕方27%股權（「收購」）。在收購完成後，上海奕方將成為本公司的間接非全資附屬公司，上海奕方的賬目將納入本公司之合併財務報表範圍。





Five Year Financial Summary

(All amount in RMB thousands unless otherwise stated)

五年財務摘要

(除另有指明者外，所有金額均以人民幣千元列示)

RESULTS

業績

		Year ended 31 March 2018 截至2018年 3月31日 止年度	Nine Months ended 31 December 2018 截至2018年 12月31日 止九個月	Year ended 31 December 2019 截至2019年 12月31日 止年度	Year ended 31 December 2020 截至2020年 12月31日 止年度	Year ended 31 December 2021 截至2021年 12月31日 止年度
Revenue	營業額	3,628,116	3,058,707	4,241,040	3,854,058	3,882,683
Gross Profit	毛利	2,463,927	1,949,805	2,745,410	2,442,407	2,296,662
Profit before income tax	除稅前盈利	1,859,553	1,374,957	1,745,817	948,821	1,147,377
Income tax expenses	所得稅	(349,687)	(320,805)	(372,076)	(280,382)	(251,593)
Profit for the year	本年度盈利	1,396,120	1,190,991	1,373,741	668,439	895,784

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 2018 於2018年 3月31日	As at 31 December 2018 於2018年 12月31日	As at 31 December 2019 於2019年 12月31日	As at 31 December 2020 於2020年 12月31日	As at 31 December 2021 於2021年 12月31日
Total assets	總資產	14,300,910	19,175,430	17,963,635	17,678,054	18,025,129
Total liabilities	總負債	(1,182,573)	(5,430,012)	(4,364,162)	(3,983,805)	(2,306,310)
Net assets	淨資產	13,118,337	13,745,418	13,599,473	13,694,249	15,718,819

Five Year Financial Summary

五年財務摘要

(All amounts in RMB thousands unless otherwise stated)

(除另有指明者外，所有金額均以人民幣千元列示)

OTHER FINANCIAL INFORMATION

其他財務數據

		As at 31 March 2018 於2018年 3月31日	As at 31 December 2018 於2018年 12月31日	As at 31 December 2019 於2019年 12月31日	As at 31 December 2020 於2020年 12月31日	As at 31 December 2021 於2021年 12月31日
Earnings per share, basic (RMB cents)	每股盈利·基本 (人民幣分)	40.66	32.75	35.78	13.46	21.70
Earnings per share, diluted (RMB cents)	每股盈利·攤薄 (人民幣分)	40.66	32.75	35.78	13.46	21.70
Aggregated dividend per share (HKD cents)	每股全年累計股 息(港仙)	25.3	18.8	18.8	9.0	8.4
Aggregated special dividend per share (HKD cents)	每股全年累計特 別股息(港仙)	5.7	18.9	–	6.0	–
Financial year-end share price (HKD)	財政年度結算日 股價(港元)	5.20	3.33	2.86	10.68	14.40
EBIT ratio	EBIT率	47.7%	42.1%	40.8%	23.4%	28.7%
EBITDA ratio	EBITDA率	52.4%	46.9%	47.0%	43.4%	43.5%
ROE	ROE	12.0%	8.8%	9.4%	3.5%	5.2%



Glossary

AGM	Annual general meeting
Board	The board of directors of the Company
Broad Far	Broad Far Limited
Broad Far Group	Broad Far and its subsidiaries and related companies
Bye-laws	Bye-laws of the Company
CEO	Chief Executive Officer
CG Code	Corporate Governance Code as set out in Appendix 14 of the Listing Rules
CGU	Cash-generating unit
Chemactive	Chemactive Investments Limited
China, Mainland or PRC	The People's Republic of China
Company or Huabao	Huabao International Holdings Limited
Director(s)	The director(s) of the Company
Executive Director(s)	Executive director(s) of the Company
FCG	Fellow member of The Chartered Governance Institute
FCPA (Aust.)	Fellow member of CPA Australia Ltd.
HKFCG	Fellow member of The Hong Kong Chartered Governance Institute
Group or Huabao Group	The Company and its subsidiaries
Guangdong Jiahao	Guangdong Jiahao Foodstuff Co., Ltd.
Guangdong Jinke	Guangdong Jinke Reconstituted Tobacco Leaves Co., Ltd.
Guangdong Jinye	Guangdong Golden Leaf Technology Development Co., Ltd.
Guangdong Jinye Group	Guangdong Jinye and its subsidiaries and affiliated companies
Guangdong Tobacco	China Tobacco Guangdong Industrial Co., Ltd.
Guangdong Tobacco Company	Guangdong Tobacco and its subsidiaries and related companies

詞彙

股東週年大會	股東週年大會
董事會	本公司的董事會
博遠	博遠有限公司
博遠集團	博遠及其附屬公司與關聯公司
公司細則	本公司之公司細則
首席執行官	首席執行官
企業管治守則	上市規則附錄十四所列的企業管治守則
CGU	現金產生單位
Chemactive	Chemactive Investments Limited
中國或國內	中華人民共和國
本公司或華寶	華寶國際控股有限公司
董事	本公司董事
執行董事	本公司之執行董事
FCG	英國特許公司治理公會資深會員
FCPA (Aust.)	澳洲資深註冊會計師
FCS	香港公司治理公會資深會員
本集團或華寶集團	本公司及其附屬公司
廣東嘉豪	廣東嘉豪食品有限公司
廣東金科	廣東金科再造煙葉有限公司
廣東金葉	廣東省金葉科技開發有限公司
廣東金葉集團	廣東金葉及其附屬公司及聯營公司
廣東中煙	廣東中煙工業有限責任公司
廣東中煙公司	廣東中煙及其附屬公司及關聯企業



Glossary

Guangdong Zhaoqing	Zhaoqing Perfumery Co., Ltd (Guangdong)
Guangzhou Hua Fang	Guangzhou Hua Fang Tobacco Flavors Ltd.
HKD or HK\$	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong or HKSAR	Hong Kong Special Administrative Region of the People's Republic of China
HNB	Heat-not-burn
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Hongta Tobacco	Hongta Tobacco (Group) Co., Ltd.
Hongta Tobacco Group	Hongta Tobacco and its subsidiaries and related companies
Huabao Flavours	Huabao Flavours & Fragrances Co., Ltd., a joint stock limited company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
Huabao Flavours Company	Huabao Flavours and its subsidiaries and related companies
Huabao Kongque	Shanghai H&K Flavors & Fragrances Co., Ltd.
INEDs	Independent Non-executive Director(s) of the Company
Interim Period	For the six months ended 30 June 2021
Jiahao	Jiahao Foodstuff Limited and its subsidiaries
Jiahao Foodstuff	Jiahao Foodstuff Limited
Jiangxi Xianghai	Jiangxi Xianghai Biological Technology Co., Ltd.
Listing Rules	the Rules Governing the Listing of Securities on the Main Board of the Hong Kong Stock Exchange
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules
Owada Flavours	Owada Flavours (Guangzhou) Co., Ltd.

詞彙

廣東肇慶	廣東省肇慶香料廠有限公司
廣州華芳	廣州華芳煙用香精有限公司
港幣	港幣，香港法定貨幣
香港	中華人民共和國香港特別行政區
加熱不燃燒	加熱不燃燒
香港聯交所	香港聯合交易所有限公司
紅塔煙草	紅塔煙草(集團)有限責任公司
紅塔煙草集團	紅塔煙草及其附屬公司及關聯企業
華寶股份	華寶香精股份有限公司，於中國成立的股份有限公司，為本公司間接擁有的非全資附屬公司
華寶股份公司	華寶股份及其附屬公司及關聯企業
華寶孔雀	上海華寶孔雀香精有限公司
獨立非執行董事	本公司之獨立非執行董事
中期	截至2021年6月30日止六個月
嘉豪	嘉豪食品有限公司及其附屬公司
嘉豪食品	嘉豪食品有限公司
江西香海	江西香海生物科技有限公司
上市規則	香港聯交所主板證券上市規則
標準守則	上市規則附錄十所列的上市發行人董事進行證券交易的標準守則
澳華達香精	澳華達香精(廣州)有限公司



Glossary

Pandemic	Novel Coronavirus Pneumonia pandemic	疫情／新冠 肺炎疫情	新型冠狀病毒肺炎疫情
Reporting Period	For the year ended 31 December 2021	報告期	截至2021年12月31日止 之年度
R&D	Research and development	研發	研究及發展
RMB	Renminbi, the lawful currency of the PRC	人民幣	人民幣，中國法定貨幣
RTL	Reconstituted Tobacco Leaves	再造煙葉	再造煙葉
Scheme Mandate Limit	The Maximum number of Shares in respect of which share options may be granted under the Share Option Scheme and any other share option scheme(s) of the Company	計劃授權限額	與根據購股權計劃及任何其他本公司購股權計劃授出之購股權有關之股份數目上限
SFO	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong	證券及期貨 條例	香港法例第571章證券及 期貨條例
Shareholder(s)	Shareholder(s) of the Company	股東	本公司之股東
Share(s) or ordinary share(s)	Ordinary share(s) of HKD0.10 each in the capital of the Company	股份或普通股	本公司股本中每股面值港幣 0.10元的普通股
Shenzhen Tobacco	Shenzhen Tobacco Industrial Co., Ltd	深圳煙草	深圳煙草工業有限責任公司
Shenzhen Stock Exchange	Shenzhen Stock Exchange in the PRC	深圳證券 交易所	中國深圳證券交易所
STMA	State Tobacco Monopoly Administration	國煙局	國家煙草專賣局
U.S.	United States of America	美國	美利堅合眾國
USD	US dollars, the lawful currency of the United States of America	美元	美元，美國法定貨幣
Weizhijia	Yingtian Weizhijia Food Co., Ltd.	味之家	鷹潭味之家食品有限公司
Weizhijia Group	Weizhijia and its subsidiaries	味之家集團	味之家及其附屬公司
Xiamen Amber	Xiamen Amber Daily Chemical Technology Co., Ltd.	廈門琥珀	廈門琥珀日化科技股份有限 公司
Yunnan Hehe	Yunnan Hehe (Group) Co., Ltd.	雲南合和	雲南合和(集團)股份有限 公司
Yunnan Tianhong	Yunnan Tianhong Flavor & Fragrance Co., Ltd.	雲南天宏	雲南天宏香精有限公司

詞彙

Huabao International Holdings Limited
華寶國際控股有限公司