



Interim Report
中期報告
2020

Zhou Hei Ya International Holdings Company Limited
周黑鴨國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：1458



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. ZHOU Fuyu (*Chairman*)

Mr. ZHANG Yuchen (*Chief Executive Officer*)

Mr. WEN Yong

Non-executive Director

Mr. PAN Pan

Independent Non-executive Directors

Mr. WU Chi Keung

Mr. CHAN Kam Ching, Paul

Mr. LU Weidong

AUDIT COMMITTEE

Mr. WU Chi Keung (*Chairman*)

Mr. CHAN Kam Ching, Paul

Mr. LU Weidong

NOMINATION COMMITTEE

Mr. ZHOU Fuyu (*Chairman*)

Mr. WU Chi Keung

Mr. LU Weidong

REMUNERATION COMMITTEE

Mr. CHAN Kam Ching, Paul (*Chairman*)

Mr. LU Weidong

Mr. ZHANG Yuchen

董事會

執行董事

周富裕先生(*主席*)

張宇晨先生(*行政總裁*)

文勇先生

非執行董事

潘攀先生

獨立非執行董事

胡志強先生

陳錦程先生

盧衛東先生

審核委員會

胡志強先生(*主席*)

陳錦程先生

盧衛東先生

提名委員會

周富裕先生(*主席*)

胡志強先生

盧衛東先生

薪酬委員會

陳錦程先生(*主席*)

盧衛東先生

張宇晨先生

Corporate Information (Continued)

公司資料(續)

STRATEGIC DEVELOPMENT COMMITTEE

Mr. ZHOU Fuyu (*Chairman*)

Mr. WEN Yong

Mr. ZHANG Yuchen

COMPANY SECRETARY

Mr. CHEUNG Kai Cheong Willie (*FCPA, FCCA*)

Authorized Representatives

Mr. ZHOU Fuyu

Mr. CHEUNG Kai Cheong, Willie

AUDITOR

Ernst & Young

Certified Public Accountants

22nd Floor, CITIC Tower

1 Tim Mei Avenue

Central, Hong Kong

COMPANY'S WEBSITE

www.zhouheiya.cn

STOCK CODE

1458

策略發展委員會

周富裕先生(*主席*)

文勇先生

張宇晨先生

公司秘書

張啟昌先生 (*FCPA, FCCA*)

授權代表

周富裕先生

張啟昌先生

核數師

安永會計師事務所

執業會計師

香港中環

添美道1號

中信大廈22樓

公司網站

www.zhouheiya.cn

股份代號

1458

Corporate Information (Continued)

公司資料(續)

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 8-1 Huitong Road Zoumaling
Dongxihu District
Wuhan City, Hubei Province, PRC
Postal code: 430040

總部及中國主要營業地點

中國
湖北省武漢市
東西湖區走馬嶺滙通大道8-1號
郵編：430040

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman
KY1-9005
Cayman Islands

開曼群島股份過戶登記總處

Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman
KY1-9005
Cayman Islands

HONG KONG SHARE REGISTRAR

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

香港證券登記處

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

REGISTERED OFFICE IN CAYMAN ISLANDS

190 Elgin Avenue
George Town
Grand Cayman
KY1-9005
Cayman Islands

開曼群島註冊辦事處

190 Elgin Avenue
George Town
Grand Cayman
KY1-9005
Cayman Islands

Corporate Information (Continued)

公司資料(續)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Sunlight Tower
No. 248 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China Limited
(Wuhan XibeiHu Sub-Branch)
Bank of Communications Co., Ltd. (Xinshijie Sub-Branch)
Bank of Communications Co., Ltd. (Offshore Finance Division)
China Merchants Bank (Wuhan Dongxihu Sub-Branch)

香港主要營業地點

香港
灣仔
皇后大道東248號
陽光中心40樓

主要往來銀行

中國工商銀行股份有限公司(武漢西北湖支行)
交通銀行股份有限公司(新世界支行)
交通銀行股份有限公司(離岸金融部)
招商銀行(武漢東西湖支行)

Business Overview and Outlook

業務回顧及展望

MARKET OVERVIEW

2020 is apparently a challenging year for China's economy and almost all industries, including the casual braised food retail industry in which Zhou Hei Ya International Holdings Company Limited (the "Company") and its subsidiaries (the "Group") operates. The COVID-19 outbreak since early 2020 spread across China and has affected multiple industries. During the peak period of the outbreak, the economic activities in a large number of cities had almost stopped and the pedestrian traffic in areas surrounding transport hubs had significantly decreased. In particular, Wuhan, the center of early outbreak, has been subject to considerable adverse impacts. Up to date, it is reported that the COVID-19 outbreak has been overall under control in China, however, there also remain confirmed cases in certain regions from time to time, causing uncertainties to the full recovery of the economy. In addition, in the first half of 2020, southern China has suffered from severe floods that were rare for many years, which further adversely impacted the operational environment for many industries resulting in the increasing operating pressure in the short term.

As a result, in the first half of 2020, consumer goods industry and retail industry have been facing difficulties, at a different level, such as reduction in consumer traffic, temporary production suspension, interruption in supply chains, as well as high fixed operational costs. Striving to maintain a stable cash flow turnover, optimize supply chains and control costs and expenses have become the major focuses of various industrial participants to maintain continuous operations during and post the COVID-19 outbreak.

Meanwhile, the crisis has accelerated the industry consolidation by washing out micro-, small- to mid-sized companies, leaving the industrial leading companies to increase additional market shares, explore more upstream and downstream resources as well as acquire operational and managerial talents. In addition, the COVID-19 outbreak also has gradually changed people's consumption habits and consumption concept. The shift of consumption scenarios has cultivated the rapid development of online retailing and the associated community delivery businesses. The sub-sector of online retailing of casual foods has become increasingly competitive. Such changing market conditions have imposed more challenges on industrial participants, requiring stronger capabilities in terms of branding and distribution channel establishment, product research and development, internet celebrity economy development, user management, precise marketing as well as omni-channel consolidation. As such, companies that have deployed online and offline omni-channel establishment in advance are expected to capture more opportunities.

市場概覽

二零二零年對於中國整體宏觀經濟乃至各行各業，包括周黑鴨國際股份有限公司（「本公司」）及其附屬公司（「本集團」）所在的休閒鹵製品零售行業，都是一個充滿挑戰的年份。自二零二零年年初開始蔓延全國的新冠疫情對多個行業造成了衝擊，疫情爆發的高峰期一度令多個城市經濟活動幾近停擺，交通樞紐區域人流驟降，武漢作為疫情中心受影響尤為嚴重。雖然截至目前中國國內新冠疫情整體已受控制，但於個別地區仍有反覆，經濟活動復蘇仍存在不確定性。此外，於二零二零年上半年，中國南方亦遭遇罕有洪澇災害，進一步影響了不同行業的運營環境，加大了短期內的運營壓力。

受此影響，於二零二零年上半年，消費品和零售行業均面臨著實體門店不同程度的客流下降、生產活動暫時停工、供應鏈受阻、固定成本高企等諸多困難。而維持穩定的現金流周轉、優化供應鏈、控制成本費用等，成為各行業參與者在新冠疫情下持續運營的重中之重。

但與此同時，危機卻也令零售行業加速整合，中小微企業加速出清，頭部企業可趁機佔領市場並擴大市場份額，積極拓展上下游資源，補充運營及管理人才。此外，新冠疫情正逐漸改變著人們的消費習慣和消費觀念，消費場景的轉移，促進線上零售及相應的社區配送業務的高速發展，線上休閒零食消費細分領域競爭異常激烈；這一環境對品牌的渠道建設能力、新品開發能力、網紅經濟建設能力、用戶運營能力、精準營銷能力、全渠道融合能力都提出了更高的挑戰，因此提前進行線上線下全渠道佈局的企業有望爭取到更多的機會。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

OVERALL BUSINESS AND FINANCIAL PERFORMANCE Retail Store Network Expansion

In the first half of 2020, in response to the impacts on consumer traffic in certain regions due to the COVID-19 outbreak, the Group continued to optimize its retail store network and accelerated the development of its franchise business by upgrading the self-operation plus franchise business model. In 2020, it launched the single-store franchise model, which stimulates the exploration into new regional markets and penetration in existing markets.

At current stage, the offline store network of the Group was primarily consisted of self-operated retail stores. As of June 30, 2020, the total number of the Group's retail stores reached 1,367, comprising 1,246 self-operated retail stores and 121 franchised stores and covering 121 cities in 21 provinces, autonomous regions and municipalities in China.

The table below sets forth a breakdown of the number of self-operated and franchised retail store network by geographic location and the revenue contribution by sales channels for the periods indicated:

Number of Self-operated and Franchised Retail Stores

		Six Months Ended June 30, 截至六月三十日止六個月			
		2020 二零二零年		2019 二零一九年	
		# 數目	%	# 數目	%
Central China ⁽¹⁾	華中 ⁽¹⁾	583	42.6	563	44.5
Southern China ⁽²⁾	華南 ⁽²⁾	272	19.9	230	18.2
Eastern China ⁽³⁾	華東 ⁽³⁾	221	16.2	207	16.4
Northern China ⁽⁴⁾	華北 ⁽⁴⁾	178	13.0	180	14.2
Western China ⁽⁵⁾	華西 ⁽⁵⁾	113	8.3	86	6.8
Total	總計	1,367	100.0	1,266	100.0

整體業務及財務表現

門店網絡拓展

二零二零年上半年，因新冠疫情對部分區域客流量的影響，本集團持續對直營門店網絡進行優化調整，同時加速發展特許經營業務，升級了「直營+特許經營」商業模式，於二零二零年正式推出單店特許經營模式，進一步加強新市場的拓展及成熟市場的滲透。

現階段，本集團綫下門店網絡仍以自營門店為主。截至二零二零年六月三十日，本集團的門店總數達1,367間，其中自營門店1,246間，特許經營門店121間，覆蓋中國21個省、自治州及直轄市內的121個城市。

下表載列於所示期間按地理位置呈列的自營和特許經營門店網絡數目及按渠道收益貢獻明細：

自營和特許經營門店數目

Business Overview and Outlook (Continued)

業務回顧及展望(續)

Revenue Derived from Self-operated Retail Stores and Franchisees

來源於自營門店和特許經營渠道的收益

		Six Months Ended June 30, 截至六月三十日止六個月			
		2020 二零二零年		2019 二零一九年	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
Central China ⁽¹⁾	華中 ⁽¹⁾	315,225	50.5	842,101	60.0
Southern China ⁽²⁾	華南 ⁽²⁾	127,479	20.4	225,381	16.0
Eastern China ⁽³⁾	華東 ⁽³⁾	79,083	12.6	154,463	11.0
Northern China ⁽⁴⁾	華北 ⁽⁴⁾	73,763	11.8	149,573	10.6
Western China ⁽⁵⁾	華西 ⁽⁵⁾	29,629	4.7	33,761	2.4
Total	總計	625,179	100.0	1,405,279	100.0

(1) Comprises Hubei Province, Hunan Province, Henan Province, Jiangxi Province and Anhui Province.

(1) 包括湖北省、湖南省、河南省、江西省及安徽省。

(2) Comprises Guangdong Province and Fujian Province.

(2) 包括廣東省及福建省。

(3) Comprises Shanghai, Jiangsu Province and Zhejiang Province.

(3) 包括上海市、江蘇省及浙江省。

(4) Comprises Beijing, Tianjin, Liaoning Province, Hebei Province and Shandong Province.

(4) 包括北京市、天津市、遼寧省、河北省及山東省。

(5) Comprises Chongqing, Sichuan Province, Shaanxi Province, Guizhou Province, Yunnan Province and Guangxi province.

(5) 包括重慶市、四川省、陝西省、貴州省、雲南省及廣西省。

Continuous Implementation of Upgraded New Six Development Strategies

In the first half of 2020, the Group has speeded up its third strategic transformation and deepened the reformation. Leveraging the continuous implementation and execution of the upgraded new six development strategies, the Group's franchise business began to take shape and online operations grew significantly. In addition, its overall cost control remained effective and the organizational strength also improved.

六大發展戰略推進

二零二零年上半年，本集團加速推動第三次戰略轉型，深化變革，得益於本集團六大戰略的有效實施和推進，本集團特許業務拓展初具規模，電商業務亦增長顯著，此外，整體成本控制頗有成效，組織動力也有明顯提升。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

Upgrade of Business Model

Since the Group announced the commencement of its franchise business at the end of 2019, it has received great attention in this regard. Through the six-month development in 2020, the Group considered market demand and its actual operational feedback and further upgraded its self-operation plus franchise business model by launching the single-store franchise in June 2020, which further amplified the types of its franchise operation. Leveraging the well-established experience in managing self-operated stores, the operational teams located across the country and the expanding radius of their management, the Group has completed the development and implementation of three franchise types, namely multi-store franchise, single-store franchise and employee-franchisee model.

Multi-store franchise model focuses on new cities, mainly those regions and markets that the self-operated stores have not entered into. The single-store franchise model operates under the entrusted management, which focuses on strategic locations with high growth potentials, such as business districts or residential communities, enabling the penetration into markets with mature self-operated stores. Employee-franchisee model intends to motivate high potential employees. These three types which complement one another, together with the existing self-operation model, have enhanced the Group's store network expansion strategy and facilitated to explore in new regional markets as well as to penetrate in existing markets.

With respect to franchisees, the Group continued to adopt stringing quality standards in selecting outstanding franchisees to partner with. It also has enhanced the management over franchisees and provided them with a complete suite of support and guidance in terms of marketing and operation. The Group conducts stringent review on performance of the franchisees it has partnered with on a regular basis and endeavors to generate mutual benefits and achieve a win-win situation. During the very first phase of developing the franchised stores, the Group carefully selected the best front-line crew from its five regions who were sent to Guiyang and Nanning to assist in the successful store opening of those new franchised stores. During the period of the COVID-19 outbreak, the Group launched several initiatives in favor of the franchisees to fight against the epidemic. Meanwhile, it adopted the policy that one regional market is managed by one uniformed management team which ensured that the franchisees will be served by a specifically designated team in each regional market. Last but not least, the Group actively collaborated with franchisees to prepare the launch conferences and upfront marketing campaigns, which laid a solid foundation for Zhouheiya brand to tap into new regional markets.

商業模式升級

自二零一九年年末本集團宣佈啟動特許經營業務以來，受到業內廣泛關注。於二零二零年，歷經半年發展，本集團結合市場需求和實際運營回饋，於二零二零年六月升級了「直營+特許經營」商業模式，正式推出單店特許模式，全面開放了特許經營。依托於本集團多年的直營模式經驗、佈局全國的運營團隊及較大的管理半徑，本集團完成了發展式特許、單店特許及員工內創三種特許模式的探索和落地。

發展式特許，以城市為單位，重點拓展直營門店尚未進入的空白區域和市場；單店特許，採用全託管式合作模式，聚焦高勢能商圈、社區等優質區位，着力於現有成熟直營市場加密；員工內創，旨在鼓勵優秀員工，強力激發每位集團成員的內在潛力。三種模式互為補充，與自營模式相輔相成，共同拓展全國市場，加強了本集團全國門店網絡佈局，推動新市場的拓展及成熟市場的滲透。

在特許合作夥伴的選擇上，本集團秉持嚴格的質量甄選標準，挑選優秀的特許合作夥伴進行合作。同時加強對被特許方的管理，在營銷和運營上給予全方位的支持和指導，並定期對特許合作夥伴進行嚴格考核，致力於與特許合作夥伴實現互利雙贏。首批特許經營門店籌備期間，本集團在全國五個商貿大區精心選撥最傑出的一綫員工組成特戰隊，馳援貴陽和南寧，助力首批門店成功開業；新冠疫情期間，提出多項幫扶政策同特許合作方一起並肩共抗疫情；同時，堅持一個市場一個項目組的原則，專人專項專崗對接支持特許合作方；最後，積極協助特許合作方籌備市場啟動發布會及前期市場宣傳，為周黑鴨進駐空白市場獲取良好開局。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

Despite the COVID-19 outbreak, as at June 30, 2020, the Group had in aggregate received over 19,000 franchisee applications and after careful selection and evaluation, it had contracted over 20 franchisees. As of the same date, there were 121 franchised stores across the country, located in over 40 cities including Nanning, Kunming, Guiyang, Xuzhou, Ganzhou and Huaihua.

Omni-channel Coverage

The Group continued to implement its omni-channel strategy to cover multiple online and offline consumption scenarios, which enhances the visibility of the Group's brand and satisfies the consumption needs for impulsive and convenient purchase of casual food of various potential consumer groups. In addition to continue to develop offline retail stores under the self-operation plus franchise model, the Group has also been focusing on the establishment of online and modern trade channels. It intends to further deepen the omni-channel operation by means of diversifying distribution channels, expanding new product offerings, developing livestream e-commerce and engaging precise user operations.

In the first half of 2020, the COVID-19 outbreak has caused various impacts and restrictions on people's consumption and daily life across China. In-store sales activities have been strongly affected and the daily consumption has gradually switched to online. The Group has followed the changes in such consumption scenarios and adjusted its marketing strategies promptly. In terms of its distribution, the Group established strategic presence on short-form video content platforms and launched the storefronts on livestreaming platforms such as Tik Tok and Kwai, expanding its distribution. In terms of its products, the Group continued to enhance product offerings by capturing the consumption trends and introduced nine new ODM (original design manufacture) products, covering those mainstream online channels. On the other hand, it continued to deploy livestreaming method to acquire consumers, realizing the marketing effects through omni-channels. During the COVID-19 outbreak, the Group accomplished several livestreaming sessions under the collaborations with local governments and press media which were highly welcomed by the consumers. For the six months ended June 30, 2020, revenue derived from online channels increased by 45.3% from the corresponding period in 2019.

儘管受新冠疫情影響，截至二零二零年六月三十日，本集團共計接收19,000餘份特許經營申請，經嚴格甄選和評估，已陸續和20餘個特許合作夥伴簽約，全國共計121家特許經營門店已開業，進駐了南寧、昆明、貴陽、徐州、贛州、懷化等40餘個城市。

全渠道覆蓋消費者

本集團持續貫徹線上線下全覆蓋銷售模式，旨在多維度覆蓋各種消費場景，提升品牌可見性，滿足消費者對休閒零食品類的衝動性和便利性需求。除繼續開發「直營+特許」模式的線下實體店鋪業務外，本集團也注重線上及新零售現代商超等渠道的拓展，通過渠道拓展、產品開發、直播電商建設、用戶精細化運營等多維度強化全渠道的運營深度。

二零二零上半年，新冠疫情對國內各地消費及日常生活帶來了不同程度的影響和限制，到店業務受到巨大衝擊，消費場景逐漸向線上轉移。本集團緊跟消費場景變化，迅速調整營銷策略，在渠道端，本集團通過短視頻內容渠道佈局，開通抖音、快手等直播類電商平台店，拓展銷售新渠道；產品端，順應消費趨勢，豐富產品品類，上線九款ODM新品，已覆蓋主流線上銷售渠道；同時，持續打造直播獲客矩陣，實現全渠道直播種草，並且新冠疫情期間多次與地方政府、媒體網上直播合作，獲得消費者高度肯定。截至二零二零年六月三十日止六個月，本集團線上電商業務同比增長45.3%。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

Due to the temporary closure of certain retail stores, the Group's sales from online ordering and delivery service had been affected accordingly. Such business operation has gradually recovered recently along with the resumption of store operations and the increase of consumer traffic. In the first half of 2020, the Group has actively explored new online ordering and delivery services by deepening strategic cooperation with mainstream food delivery platforms such as Meituan and Ele.me, as supplemented by the self-operated WeChat mini-program. In addition, the Group also commenced the new form of community groupon through social commerce platforms like WeChat. It enabled the consumers to enjoy the Zhouheiya products safely and conveniently during the lockdown periods by engaging community group leaders and arranging community delivery.

In the first half of 2020, the Group continued to establish the modern trade channel to further enhance the visibility of the products and the convenience in purchasing. It not only focused on the cooperation with modern supermarkets and convenience store chains, such as Freshippo (Hema) and FamilyMart, but also accelerated the strategic exposure and cooperation with fresh food e-commerce and social community commerce, especially considering the impacts on the consumption behavior brought by the COVID-19 outbreak and the fact that the sales from offline distribution channels have not fully recovered. Up to date, the Group's products had been available in a number of modern supermarket and convenience store chains, including Freshippo (Hema), FamilyMart, 7-11, Dingdong Maicai, Xingsheng Youxuan and Tangjiu Convenience Store, which had generally achieved the expected results. Furthermore, the Group reviewed and optimized its product designs and positioning specified for modern trade channel. It launched small-size packaged products which were customized for such distribution channel, so as to meet the consumer needs and increase their purchasing experience.

Product Diversification

Product innovation has been a significant driver for corporate development. The Group intends to fully deepen its brand image and consumer awareness through continuously innovating braised food products, enhancing product quality and developing a full range of Zhouheiya product series. Meanwhile, leveraging its in depth experience and industry insights in the casual braised food industry, it continued to offer new products and increase the product diversification to cater to the different needs of various consumer groups and to increase the competitiveness of its products.

因實體店鋪暫時關閉，本集團外賣業務亦受到了較大影響，但隨著人流恢復，門店逐步恢復營業，外賣業務運營狀況有所好轉。上半年，本集團繼續與美團、餓了麼等主流外賣平台進行深入戰略合作，以微信自營小程序作為補充，並積極拓展新平台外賣業務。此外，本集團還通過微信等平台進行社區團購類業務拓展，通過社區團長招募、供應鏈社區配送的方式，讓廣大消費者在封禁時期，也能安全便捷地吃到周黑鴨產品。

二零二零上半年，本集團繼續深化在新零售現代商超渠道的建設，增加本集團產品的可見性及便利性，以觸達更多消費者。在聚焦與盒馬、全家等現代大型商超、連鎖便利合作的同時，尤其是考慮到新冠疫情對消費者消費習慣的影響，以及線下渠道尚未完全恢復的情況，本集團及時調整了渠道佈局，推進了生鮮電商及社群的佈局。截止目前，本集團已進駐盒馬、全家、7-11、叮咚買菜、興盛優選、唐久便利等多個新零售現代商超及便利店渠道，效果基本達到預期。此外，本集團重新審視並優化了新零售現代商超渠道的產品設計和定位，推出了渠道定制化小包裝產品，以適應顧客需求，提升購物體驗。

產品多樣性

產品創新是促進企業發展的重要驅動力之一，本集團希望通過對鹵制產品品類和質量的不斷提升，打造全品類的周黑鴨產品體系，全方位深化品牌形象與消費認知；同時，憑藉在休閒鹵製品行業的經驗和市場洞察，持續推出新產品，增加產品多樣性，以滿足不同消費人群的差異化需求，提高產品競爭力。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

In the first half of 2020, the Group reviewed the market trends, focused on its most famous product series and developed the new flavor, namely the green peppercorn spicy series. Also, under the new product development strategy, the Group introduced the popular duck cutlet product. These products were well welcomed by the market and satisfied the consumers' purchasing needs for different flavors and different product types. Moreover, the Group studied the consumers' consumption habits from different distribution channels and offered different customized products. In the future, the Group will continue to study the consumer feedback and market demands with respect to different distribution channels and will enhance its product development and research, to increase the frequency of new product launch, as well as to optimize consumption experience.

Integrated Branding and Marketing

Since 2020, the Group reviewed its branding and marketing strategies and switched the focus back to braised food products. It developed integrated marketing themes centering upon the products and consumption needs, and also emphasized the nature and positioning of the Zhouheiya brand, aiming at deepening the brand image and consumer awareness.

Living under the shadow of the epidemic which had brought significant impacts on people's daily life, and considering the extensive reach and high efficiency of online marketing methods, the Group had leveraged various short-form video platforms and livestreaming platforms, including WeChat, Weibo, Tik Tok, Kwai and Weishi, and collaborated with famous media and KOLs to increase the exposure of brand image and engage interaction with consumers. These have also shortened the communication path between the Group and the consumers and provided their preference and feedback about the products on an immediate basis. Benefiting from the increased brand recognition by taking advantage of contents which were distributed and customized to appeal consumers with different features from different platforms, in the first half of 2020, the Group's livestreaming contents and short-form videos had in aggregate accumulated over 100 million views. Both the number of members and the popularity among them increased. Meanwhile, marketing expenses for the six months ended June 30, 2020 decreased by 64.4% compared with the corresponding period in 2019. In addition, the Group on a trial basis commenced the new model of social commerce which leveraged the relatively stable social network of modern social communities and their strong network effect, and the well developed delivery capacity for social communities. Such new model enables group shopping by encouraging peer-to-peer referrals, which had stimulated the consumers that were affected and restricted by the COVID-19 outbreak.

二零二零年上半年，本集團順應市場趨勢，聚焦頭部系列品類，研發並推出了新口味—藤椒系列產品；在新的產品戰略指引下，推出引流產品真香鴨排，均獲得良好的市場反響，極大滿足了消費者對不同口味、類型產品的購買需求。此外，本集團針對不同渠道，根據不同渠道消費者消費習慣，推出渠道定制化產品。未來，本集團將繼續洞察來自多渠道的消費者回饋及市場需求，加大研發力度，提高新品推出頻率，優化消費者體驗。

整合品牌營銷

自二零二零年，本集團重新梳理品牌營銷策略，回歸休閒鹵製品本質，以產品、消費者需求為核心，通過統一的營銷主題，強化品牌本質屬性與定位，全方位深化品牌形象與消費認知。

在疫情給人們生活帶來了巨大影響的背景下，基於線上營銷有著觸及面廣、高效的特性，本集團借助「微信」、「微博」、「抖音」、「快手」、「微視」等短視頻、直播平台，與知名媒體及網絡紅人合作，增加品牌形象露出與消費者互動，縮短品牌與消費者的溝通路徑，第一時間瞭解消費者的喜好和對產品的回饋，並結合不同平台消費者的特點和屬性發布內容，擴大品牌知名度，本集團二零二零年上半年累計直播、短視頻播放量過億，會員數、美譽度同比大幅上升，並且品牌營銷費用同比下降64.4%。並且探索性嘗試社區營銷新模式，借力現代社區相對穩定的關係網絡及高傳播性，國內發達的社區配送物流能力，通過以一帶多的拼購、團購等方式，促活因新冠疫情暫時封凍的消費客群。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

Moreover, the Group adopted the marketing theme by establishing the “one sound, one image, one Zhouheiya” strategy. This product-focused marketing strategy utilized a uniformed main theme to fully reinforce brand recognition both online and offline, which aimed to switch the focus back to products and increase the brand influence among the core consumers. The Group will continue to execute the integrated branding and marketing strategies and leverage digitalized methods to manage and modify such strategies, so as to increase the precision and efficiency of the brand communication and brand construction efforts and enhance the branding influence on consumer mind.

Supply Chain Optimization

Continuous optimization of production capacity and supply chain to suit the market demands and store allocations is one of the Group’s long term development strategies. In the first half of 2020, the Group achieved the synergy among each processing facilities by arranging and planning overall production activities at the group level which demonstrated the more cost effective manner in adjusting the supply chain management and operation.

The Group currently operates three processing facilities in northern, central and southern China, respectively, each of which meets the class 100,000 cleanliness standard and is with highly automation level. It is also currently constructing two additional facilities in eastern and western regions. The eastern China processing facility is expected to commence operation in the first half of 2021. The Group expects these facilities will provide flexible allocation of production capacities among each other, in order to address the risks in fluctuation from any regional market. During the COVID-19 outbreak, the Group temporarily suspended the production activities in the central China processing facility in order to comply with the anti-epidemic guidance and measures imposed by the local government. It re-allocated the production capacity among the northern and southern China processing facilities to satisfy the order needs generated from central and southwestern regions and re-scheduled the logistic arrangements and production material allocation accordingly, which effectively enabled it to satisfy the market demands nationwide. Operation of the central China processing facility has resumed to normal since March 2020.

其次，本集團圍繞「一個聲音、一個形象、一個周黑鴨」打造營銷策略，以產品為核心，通過統一化的主題營銷，線上線下全面強化品牌消費認知，回歸核心產品競爭力，擴大品牌在核心消費群體中的影響力。本集團將繼續深度落實整合營銷策略，依托數字化進行管理和調整，從而使得品牌傳播和品牌建構更加精準有效，擴大品牌對消費者心智的影響。

優化供應鏈能力

持續優化產能和供應鏈以滿足市場需求和門店佈局是本集團的長期發展戰略之一。二零二零年上半年，通過集團整體產能的統籌與規劃，以效率更高、成本更低的方式調整供應鏈管理與運作，實現了各工廠間的產能高效協調。

本集團目前在華北、華中及華南已設有三個空間潔淨度為十萬級標準、高度自動化的生產中心，並在華東及華西規劃建設兩個新的生產中心，其中華東加工工廠預計將於二零二一年上半年投入運營。各生產中心的產能可以靈活調配，以應對區域市場風險。在新冠疫情期間，本集團位於華中地區的工廠因遵守當地政府控管疫情的政策要求而暫時停止生產活動，本集團將在此期間的華中及西南區域的生產訂單全部轉往華北、華南工廠進行生產並發貨，並重新規劃相應物流線路，協調工廠間物流資源匹配，滿足了全國市場的銷售供應。本集團華中工廠的生產活動亦已於二零二零年三月重新啟動。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

Along with the development of the franchise business, the penetration into modern trade channels, as well as the gradual completion of the nationwide store network, the Group reviewed its newly added logistic routines and made adjustment and improvement on a regular basis, which allowed it to reduce logistic costs and meet all delivery needs at the same time. Particularly, in response to customers like supermarkets and convenience stores that have a generally higher requirements for response time and inventory level, the Group has been gradually improving the order placing process and inventory management process, so as to meet the customer needs and further increase the customer satisfactory.

In terms of procurement, the Group reviewed and separated the procurement responsibilities among the headquarters and each processing facilities. It had adopted standardized procurement procedures and implemented standardized operational requirements. The Group would conduct negotiation on behalf of all processing facilities for large amount purchases under the collective decision making and procurement policy, which was attributable to a reduced purchase costs. Due to the impacts of the COVID-19 outbreak, the supply and demand balance has been temporarily interrupted. The Group had initiated a round of new negotiations and pricing processes with respect to raw materials, packaging materials, and logistic services. The Group also conducted more detailed storage planning for raw materials for the second half of 2020 based on the actual consumption in the first half of the year.

Organizational Capacity Enhancement

A high quality organization is the foundation for a company to execute strategies and realize rapid growth. The Group endeavors to establish a highly effective and performance oriented organizational structure. In terms of organizational capacity, the Group re-defined the group control model, shifting from a vertical function management model to a platform organization with accountability system for business division managers. It accelerated the comprehensive capability development for all departments under the headquarters in terms of strategy developing, planning, collaborating, supporting and supervising capabilities. It also organized various training camps for different positions, aiming to speed up the organizational capacity enhancement and to ensure the execution and implementation of the strategies at the regional level. In addition, the Group issued the Zhouheiya employee capability model and managerial position and qualification system, representing the completion of the organizational system and talent review which optimized the Group's system and personnel structure.

隨著特許經營業務的推進，新零售現代商超渠道的拓展，以及佈局全國的門店網絡日趨完善，本集團持續審視新增的物流線路，並定期進行調整及改善，降低運輸費用並滿足各類配送需求。尤其對商超、連鎖便利這類對訂單時效性和庫存要求較高的客戶，本集團逐步改善訂單流程及庫存管理方式以滿足客戶要求，從而進一步提升該等客戶的滿意度。

採購方面，本集團對總部與各工廠間採購職權進行了區分，統一採購流程，規範業務要求。對大宗物料採用集中決策與採購，由集團統一議價，以降低採購成本。尤其是在受到新冠疫情衝擊後，市場供給失去短暫平衡，本集團全面對原輔料、包材、物流運輸等供應鏈環節啟動新一輪談判及議價。同時也依據上半年實際消耗情況對二零二零年下半年原材料進行了更詳細的規劃及儲備。

提升組織力

優秀組織團隊是企業有效執行戰略、快速發展的基石，本集團致力於建立一個以績效為導向，精簡高效的組織戰略體系。在組織能力層面，本集團重新定義了集團管控模式，由高度垂直的職能管理模式向業務單元總經理責任制的平台型組織轉變，加速集團總部各部門的戰略規劃、統籌、協調、支持、監督執行等綜合能力建設；並且啟動了針對不同層級的訓練營，以期加速組織能力的提升，承接本集團戰略項目在各層級的實施與落地。同時，發佈了周黑鴨員工能力模型及管理序列任職資格體系，完成了組織與人才盤點，優化集團的組織與人員架構。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

In terms of organizational motivation, the Group adopted incentive plans to motivate the employees. Firstly, in the first half of 2020, the Group has implemented its first incentive plan under which 24 people were awarded an aggregate of approximately 4,580,900 ordinary shares of the Company (“Shares”) as the base incentive pool, the final awards of which will be subject to the adjustments based on the Group’s and the employees’ performance. It intends to issue more awards to motivate additional high quality employees under the incentive plan so as to ensure the sustainable development of the entire organization. Secondly, considering the recovery in the performance of the self-operated retail stores, the Group initiated the new personal bonus mechanism, such as the award for achieving targeted monthly increased sales, to promote the motivation of front line employees. Such measures encouraged the employees to change from traditional passive in-store sales to actively engaging new sales models such as participating in the livestreaming sales sessions, social commerce marketing and enterprise groupon. It also allowed high quality employees to participate in the employee-franchise model, encouraging them to become an entrepreneur and business partner instead of merely an employee, which had proved to be very effective. In addition, the Group continued to optimize the organizational and personnel structure, based on which, it had implemented the vitality curve management system to evaluate the comprehensive performance of employees. It intends to establish a fair and efficient environment in which those top performing employees would be promoted and the poor performing ones would be eliminated. During the period of COVID-19 period, the Group streamlined human resource and adopted flexible working arrangements. As such, the overall labor costs in the six months ended June 30, 2020 decreased by approximately 30.8% from the corresponding period in 2019.

在組織動力層面，本集團加強激勵計劃，提升員工積極性。首先，本集團已於二零二零年上半年啟動第一批激勵計劃，向集團24位選定人士授予了合共約4,580,900股本公司普通股(「股份」)作為激勵基礎股份，並隨本集團和個人業績對實際授予股份數量有所調整；並籌劃擴大激勵範圍，向更多優秀僱員開放股權激勵計劃，驅動組織的可持續性發展。其次，針對疫情下自營門店的恢復情況，本集團設置「銷售環比增量獎」等額外的個人獎勵機制，鼓舞一線員工的積極性，引導其從傳統坐商銷售變成綜合銷售，積極參與到門店直播帶貨、社群營銷、企業團購等新業務中，並且對於優秀的一線員工開放內創項目，激勵其從普通的員工轉變為創業者、合作方，激勵效果明顯。此外，在組織與人員結構的梳理優化基礎上，啟動員工綜合績效活力曲線管理，優者上、庸者下，打造公平高效組織；在新冠疫情期間，本集團實施精簡人員、靈活用工方案，二零二零年上半年綜合人力成本同比下降30.8%。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

Industry and Business Outlook

In the first half of 2020, the consumer goods industry, particularly the food and retail sectors, has been subject to short term but strong impacts from the COVID-19 outbreak and the severe floods in southern China, which faces various difficulties including temporary store closure, suspension in production activities and decreased market demands. Due to the COVID-19 outbreak, the Group's business has also been affected to a certain extent. As provided in the voluntary announcement of the Company dated February 11, 2020 and the announcement of its annual results for the year of 2019 on March 31, 2020, to comply with the mandatory restrictive and lockdown measures imposed by local governments to fight against the epidemic, the Group's operations, mainly, the production activities in central China and the temporary closures of approximately 1,000 retail stores, have been interrupted by the COVID-19 outbreak. Among others, Hubei province, as the center of early outbreak, has been subject to considerable adverse impacts. Since April 2020 and up to the date of this report, almost all of the retail stores that were temporarily closed have been reopened. Production activities in its central China processing facility have also been resumed. The overall operation of the Group has been improving, however, it is also noted that the recovery of consumer traffic in Hubei as well as in areas surrounding transport hubs has been relatively slow which was lower than initially expected. The Group estimates that the prolonged COVID-19 outbreak will have an adverse impact on its operation, and in turn, the financial performance for the whole year of 2020.

In the long run, the Group is still optimistic for its development. Along with the more stringent regulatory control over food industry and the increasing awareness of food safety by consumers, the casual food industry is expected to experience another round of consumption upgrade and the industry will further consolidate with more sources controlled by those leading brands. Meanwhile, the Group's online business has experienced a robust increase and the franchise business has grown stably, evidencing that the Group's omni-channel development and business model upgrade strategies have achieved initial results. The Group has confidence in overcoming the short term difficulties from the adverse operational environment, capturing development opportunities, and efficiently executing its new six strategies to support its long term robust development.

行業與業務展望

於二零二零年上半年，受到新冠疫情持續反復以及南方洪澇災害的影響，消費品行業，特別是食品和零售企業，在短期內業務普遍受到衝擊，面臨著門店暫時停業、生產延遲開工、消費需求下降等諸多困難。受新冠疫情影響，本集團的業務運營受到一定影響，如本公司於在二零二零年二月十一日刊發的公告中以及二零二零年三月三十一日刊發二零一九年全年業績公告中所述，新冠疫情中斷了本集團的營運。為遏制疫情蔓延，本集團配合相關疫情防控工作的指引及要求而暫停了華中地區的生產活動，全國範圍內共約1,000家門店暫時停業。湖北地區作為疫情中心，受影響尤為嚴重。自二零二零年四月起及直至本報告日期，本集團絕大部分暫時關閉的零售店已陸續重新開業，華中加工廠的生產活動亦已重新啟動，整體營運情況持續改善，但湖北地區及交通樞紐區域人流量恢復緩慢，門店客流量恢復低於預期。本集團預計，新冠疫情延續會對其業務營運產生不利影響，進而影響二零二零年全年的財務表現。

但放眼中长期，本集團認為本行業發展前景仍然樂觀。隨著政府對食品行業監管力度的加強，以及消費者對食品安全意識的提升，整個休閒食品行業將迎來新一輪的消費升級，行業的集中度也會進一步提升，市場資源將向頭部品牌聚攏集中。同時，上半年本集團線上業務的強勁增長、以及特許經營業務的有序拓展，證明本集團的全渠道佈局和商業模式升級戰略已取得初步成效。本集團有信心克服不利經營環境所帶來的短期影響並把握發展機遇，高效執行六大發展戰略，以支持未來更長遠更堅實的發展。

Business Overview and Outlook (Continued)

業務回顧及展望(續)

In the second half of 2020, the Group will continue to execute its new six development strategies and to further promote and implement the following:

- Continue to accelerate the development of franchise business, and to optimize the self-operated retail store network adaptive to the new market environment post the COVID-19 outbreak;
- Utilize technologies to empower online and offline businesses, maintain the rapid growth of online operation, and continue the exploration of modern trade channels;
- Focus on new product research and development and marketing, and facilitate multi-channel distribution;
- Upgrade product packaging, emphasize on main theme brand marketing, and enhance marketing efficiency;
- Continue to optimize and streamline supply chain management procedures, better control supply chain costs, streamline production capabilities to empower the further development of front-end business operations; and
- Increase equity incentive awards to motivate additional employees, and enhance employees' comprehensive capability development.

二零二零年下半年，本集團將繼續落實推進六大發展戰略，深化、推進戰略措施的執行：

- 繼續加快特許經營業務發展，結合新冠疫情後新市場環境優化自營門店網絡；
- 利用技術賦能線上線下業務，保持電商業務高速增長勢頭，持續進行新零售現代商超渠道拓展；
- 關注新品產品研發和上線，助力多元化渠道銷售；
- 升級產品包裝，強化品牌營銷主題，提升營銷效率；
- 持續優化整合供應鏈管理流程，更有效管控供應鏈成本，產能佈局助力前端業務拓展；及
- 擴大股權激勵範圍，增強員工能力建設。

Management Discussion and Analysis

管理層討論與分析

The following table sets forth the Group's unaudited consolidated statements of profits or loss and other comprehensive income in absolute amounts and as percentage of the Group's total revenue for the periods indicated, together with the change of the six months ended June 30, 2019 over the six months ended June 30, 2020 (expressed in percentages).

下表載列本集團的未經審核綜合損益及其他全面收益表，當中呈列所示期間的絕對金額及佔本集團總收益的百分比，連同截至二零一九年六月三十日止六個月至截至二零二零年六月三十日止六個月的變動（以百分比列示）。

		Six Months Ended June 30, 截至六月三十日止六個月				Period-over- Period Change 同比變動 %
		2020 二零二零年		2019 二零一九年		
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%	
Revenue	收益	903,470	100.0	1,625,947	100.0	(44.4)
Cost of sales	銷售成本	(410,542)	(45.4)	(717,314)	(44.1)	(42.8)
Gross profit	毛利	492,928	54.6	908,633	55.9	(45.8)
Other income and gains, net	其他收入及收益淨額	21,600	2.4	60,502	3.7	(64.3)
Finance cost	財務費用	(17,104)	(1.9)	(14,584)	(0.9)	17.3
Selling and distribution costs	銷售及分銷成本	(461,507)	(51.1)	(551,251)	(33.9)	(16.3)
Administrative expenses	行政開支	(81,310)	(9.0)	(101,290)	(6.2)	(19.7)
Share of losses of an associate	分佔一間聯營公司虧損	(6,138)	(0.7)	(7,435)	(0.5)	(17.4)
(Loss)/profit before tax	除稅前(虧損)/溢利	(51,531)	(5.7)	294,575	18.1	(117.5)
Income tax expense	所得稅開支	9,337	1.0	(70,520)	(4.3)	(113.2)
(Loss)/profit for the period	期內(虧損)/溢利	(42,194)	(4.7)	224,055	13.8	(118.8)
Basic (loss)/earning per share	每股基本(虧損)/盈利	(0.02)		0.10		(120)
Net (loss)/profit Margin	淨(虧損)/利潤率		(4.7)		13.8	
OTHER COMPREHENSIVE (EXPENSE)/INCOME	其他全面(開支)/收入					
Other comprehensive (expense)/income to be reclassified to profit or loss in subsequent periods:	於隨後期間可能重新分類至損益的其他全面(開支)/收入:					
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	(7,201)	(0.8)	13,719	0.8	(152.5)
Net other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent period	於隨後期間可能重新分類至損益的其他全面(開支)/收入淨額	(7,201)	(0.8)	13,719	0.8	(152.5)
Other comprehensive income/(expense) that will not be reclassified to profit or loss in subsequent periods:	將不會於隨後期間重新分類至損益的其他全面收入/(開支):					
Translation from functional currency to presentation currency	由功能貨幣換算至呈列貨幣產生之匯兌差額	32,618	3.6	(7,156)	(0.4)	(555.8)
Net other comprehensive income/(expense) that will not be reclassified to profit or loss in subsequent periods	將不會於隨後期間重新分類至損益的其他全面收入/(開支)淨額	32,618	3.6	(7,156)	(0.4)	(555.8)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	期內其他全面收入(除稅後)	25,417	2.8	6,563	0.4	287.2
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE PERIOD	期內全面(開支)/收入總額	(16,777)	(1.9)	230,618	14.2	(107.3)
Total comprehensive (expense)/income for the period attributable to the owners of the Company	本公司擁有人應佔期內全面(開支)/收入總額	(16,777)	(1.9)	230,618	14.2	(107.3)

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Revenue

The Group's total revenue decreased by approximately 44.4% from RMB1,625.9 million for the six months ended June 30, 2019 to RMB903.5 million for the six months ended June 30, 2020, primarily due to the decrease in sales as a result of the COVID-19 outbreak across China which caused a significant decrease of consumer traffic to retail stores. In order to comply with the anti-epidemic guidance and measures imposed by local governments, the Group temporarily suspended the production activities in its central China processing facility. Approximately 1,000 retail stores across China temporarily closed for a certain period. Since April 2020, such stores have been gradually reopened and the production activities in the central China processing facility had resumed to normal. The overall operation of the Group has been improving, however, it is also noted that the recovery of consumer traffic in Hubei as well as in areas surrounding transport hubs has been relatively slow which was lower than initially expected. Therefore, the revenue generated from the retail stores in those relevant regions for the six months ended June 30, 2020 had been adversely impacted. Nevertheless, the COVID-19 outbreak has switched the focus of major consumption scenario to online. In the six months ended June 30, 2020, sales derived from online channels increased by 45.3% from the corresponding period in 2019.

Cost of Sales

Cost of sales decreased by approximately 42.8% from RMB717.3 million for the six months ended June 30, 2019 to RMB410.5 million for the six months ended June 30, 2020, primarily due to the decrease in sales in the first half of 2020 mainly resulting from the adverse impact of the COVID-19 outbreak.

Gross Profit and Gross Profit Margin

As a result of the foregoing, the Group's gross profit decrease by 45.8% from RMB908.6 million for the six months ended June 30, 2019 to RMB492.9 million for the six months ended June 30, 2020, primarily due to the decrease in sales in the first half of 2020. The Group's gross profit margin slightly decreased from 55.9% for the six months ended June 30, 2019 to 54.6% for the six months ended June 30, 2020.

Other Income and Gains, Net

The Group's net other income and gains decreased by approximately 64.3% from RMB60.5 million for the six months ended June 30, 2019 to RMB21.6 million for the six months ended June 30, 2020. Primarily due to (i) a decrease of RMB12.0 million in interest income from bank deposits; (ii) donations worthing RMB11.5 million in total of cash and medical supplies to fight against the epidemic; (iii) a decrease of RMB8.7 million in government grants; and (iv) an increase of RMB7.1 million in foreign exchange loss.

收益

本集團的總收益由截至二零一九年六月三十日止六個月的人民幣1,625.9百萬元減少約44.4%至截至二零二零年六月三十日止六個月的人民幣903.5百萬元，主要歸因於新冠疫情席捲中國致使門店客流劇減，銷售量下降。本集團因配合相關疫情防控工作的指引及要求而暫停了華中地區的生產活動，全國範圍內共約1,000家門店暫時停業。二零二零年四月後，本集團暫時關閉的零售店已陸續重新開業，華中加工廠的生產活動亦已重新啟動，整體營運情況持續改善。但湖北地區及交通樞紐區域人流恢復緩慢，門店客流量恢復低於預期，故該等地區的零售門店於截至二零二零年六月三十日止六個月錄得的收益受到不利影響。然而，新冠疫情使得消費場景向線上轉移。截至二零二零年六月三十日止六個月，網上渠道的銷售額較二零一九年同期相比增加45.3%。

銷售成本

銷售成本由截至二零一九年六月三十日止六個月的人民幣717.3百萬元減少約42.8%至截至二零二零年六月三十日止六個月的人民幣410.5百萬元，主要歸因於受新冠疫情的不利影響二零二零年上半年銷售量下降引起。

毛利及毛利率

由於上述原因，本集團的毛利由截至二零一九年六月三十日止六個月的人民幣908.6百萬元減少45.8%至截至二零二零年六月三十日止六個月的人民幣492.9百萬元，主要由於二零二零年上半年銷售量下降所導致。本集團的毛利率由截至二零一九年六月三十日止六個月的55.9%略微減少至截至二零二零年六月三十日止六個月的54.6%。

其他收入及收益淨額

本集團的其他收入及收益淨額由截至二零一九年六月三十日止六個月的人民幣60.5百萬元減少約64.3%至截至二零二零年六月三十日止六個月的人民幣21.6百萬元。乃主要由於(i)銀行存款利息收入減少人民幣12.0百萬元；(ii)為抗擊疫情捐贈現金及醫療物資價值人民幣11.5百萬元；(iii)政府補助減少人民幣8.7百萬元；及(iv)外匯虧損增加人民幣7.1百萬元。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Finance Cost

Finance cost for the six months ended June 30, 2020 amounted to RMB17.1 million, representing interest expenses recognized of RMB12.4 million in connection with lease liabilities and RMB4.7 million of interest expenses in connection with bank borrowings, respectively, which increased by approximately 17.3% from RMB14.6 million in the six months ended June 30, 2019. Interest expense in connection with bank borrowings increased by RMB4.7 million, partially offset by a decrease in interest expenses of RMB2.2 million of lease liabilities.

Selling and Distribution Expenses

The Group's selling and distribution expenses decreased by approximately 16.3% from RMB551.3 million for the six months ended June 30, 2019 to RMB461.5 million for the six months ended June 30, 2020. The decrease was primarily due to a decrease of RMB42.5 million in salary and welfare for sales personnel, a reduction of RMB26.4 million in advertising and promotion related expenses, an aggregate reduction of RMB23.6 million resulting from rental exemptions and the amortization of right-of-use assets, as well as a reduction of RMB13.1 million in commission for online ordering and delivery platforms due to sales decline, partially offset by an increase of RMB20.0 million in delivery fees in association with the rapidly growing online sales in the first half of 2020.

Administrative Expenses

The Group's administrative expenses decreased by approximately 19.7% from RMB101.3 million for the six months ended June 30, 2019 to RMB81.3 million for the six months ended June 30, 2020, primarily due to a decrease of RMB15.7 million in salary and welfare for administrative personnel primarily due to the streamline of human resources and the adoption of flexible working arrangements.

Shares of Losses of an Associate

For the six months ended June 30, 2020, the Group incurred shares of losses of an associate of RMB6.1 million in connection with the 31.25% equity interest (50% prior to March 2019, diluted to 37.51% from April to November 2019, and further diluted to 31.25% in December 2019) in Shenzhen Tiantu Xingnan Investment Partnership (Limited Partnership), resulting from the management and administration related expenses at its early stage.

財務費用

財務費用由截至二零一九年六月三十日止六個月的人民幣14.6百萬元增加約17.3%至截至二零二零年六月三十日止六個月的人民幣17.1百萬元，分別為與租賃負債有關的已確認利息開支人民幣12.4百萬元及與銀行借款有關的利息開支人民幣4.7百萬元。銀行借款的利息開支增加人民幣4.7百萬元，借款部分被租賃負債利息開支減少人民幣2.2百萬元所抵銷。

銷售及分銷開支

本集團的銷售及分銷開支由截至二零一九年六月三十日止六個月的人民幣551.3百萬元減少約16.3%至截至二零二零年六月三十日止六個月的人民幣461.5百萬元。該減少乃主要由於銷售人員薪金福利降低人民幣42.5百萬元、廣告及推廣相關開支削減人民幣26.4百萬元、租金減免及使用權資產攤銷合計減少人民幣23.6百萬元以及由於銷售下降導致外賣平台佣金開支減少人民幣13.1百萬元，部分被二零二零年上半年迅速發展的網上銷售相關的快遞費用增加人民幣20.0百萬元所抵銷。

行政開支

本集團的行政開支由截至二零一九年六月三十日止六個月的人民幣101.3百萬元減少約19.7%至截至二零二零年六月三十日止六個月的人民幣81.3百萬元，主要由於精簡人員、實施靈活辦公方案而使得行政人員薪金福利減少人民幣15.7百萬元。

分佔一間聯營公司虧損

截至二零二零年六月三十日止六個月，本集團因於深圳天圖興南投資合夥企業(有限合夥)的31.25%股權(二零一九年三月前50%，自二零一九年四月至十一月攤薄至37.51%，並於二零一九年十二月進一步攤薄至31.25%)產生分佔一間聯營公司虧損人民幣6.1百萬元，主要由該合夥企業早期的管理及行政開支引起。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Loss/Profit Before Tax

As a result of the foregoing, the Group recorded a loss before tax of RMB51.5 million for the six months ended June 30, 2020, compared to profit before tax of RMB294.6 million for the six months ended June 30, 2019.

Income Tax Expense

Income tax expense was a negative RMB9.3 million for the six months ended June 30, 2020, as a result of the loss incurred in this period compared to income tax expense of RMB70.5 million for the six months ended June 30, 2019.

Loss/Profit for the Period

As a result of the foregoing, primarily because the Group experienced decreases in revenue and gross profit in the first half of 2020 as affected by the COVID-19 outbreak, while it inevitably maintained certain fixed costs and expenses, the Group recorded a net loss of RMB42.2 million for the six months ended June 30, 2020, as compared to the net profit of RMB224.1 million for the six months ended June 30, 2019.

Exchange Differences on Translation of Foreign Operations

Exchange differences on translation of foreign operations increased from a gain of RMB6.6 million for the six months ended June 30, 2019 to RMB25.4 million for the six months ended June 30, 2020, primarily represented the foreign exchange translation differences as certain overseas subsidiaries use Hong Kong dollars ("HKD") as the reporting currency.

Total Comprehensive (Expense)/Income for the Period

As a result of the foregoing, the Group's total comprehensive expense for the six months ended June 30, 2020 decreased by approximately 106.3% to RMB16.8 million from total comprehensive income of RMB230.6 million for the six months ended June 30, 2019.

除稅前虧損／溢利

由於上述原因，本集團於截至二零二零年六月三十日止六個月錄得除稅前虧損人民幣51.5百萬元，而於截至二零一九年六月三十日止六個月錄得除稅前溢利人民幣294.6百萬元。

所得稅開支

截至二零二零年六月三十日止六個月，由於本期間錄得虧損，所得稅開支為負人民幣9.3百萬元，而於截至二零一九年六月三十日止六個月的所得稅開支則為人民幣70.5百萬元。

期內虧損／溢利

由於上述原因，本集團於截至二零二零年六月三十日止六個月錄得虧損淨額人民幣42.2百萬元，而於截至二零一九年六月三十日止六個月錄得溢利淨額人民幣224.1百萬元，乃主要由於受新冠疫情爆發的影響，本集團於二零二零年上半年銷售收入和毛利下降，但仍需維持若干不可避免的固定成本及開支。

換算海外業務的匯兌差額

換算海外業務的匯兌差額由截至二零一九年六月三十日止六個月的收益人民幣6.6百萬元增加至截至二零二零年六月三十日止六個月的收益人民幣25.4百萬元，主要為本位幣為港元(「港元」)的海外附屬公司的報表折算差異。

期內全面(開支)／收入總額

由於上述原因，本集團的全面收入總額由截至二零一九年六月三十日止六個月的人民幣230.6百萬元減少約106.3%至截至二零二零年六月三十日止六個月的全面開支總額人民幣16.8百萬元。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Non-GAAP Measure

To supplement the Group's consolidated financial statements which are presented in accordance with HKFRS, the Group uses adjusted net loss as an additional financial measure to evaluate the Group's financial performance without taking into account certain unusual and non-recurring items. Adjusted net loss is calculated by deducting donations and anti-epidemic related expenses the Group incurred in connection with the COVID-19 outbreak. The table below sets forth the reconciliation of profit for the period to adjusted net loss.

非公認會計準則措施

為補充根據香港財務報告準則列報的本集團綜合財務報表，本集團採用經調整的淨虧損作為一項額外的財務指標以評估本集團的財務業績（不考慮若干不尋常及非經常性項目）。經調整的淨虧損乃通過扣除本集團因新冠疫情而產生的捐款及防疫相關費用而得出。下表載列於本期間的利潤與經調整的淨虧損的對賬。

		Six Months Ended June 30, 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
(Loss)/profit for the period	期內(虧損)/溢利	(42,194)	224,055
Add:	加：		
Donations	捐款	11,517	—
Anti-epidemic expense	抗疫開支	2,576	—
Adjusted net (loss)/profit ⁽¹⁾	經調整淨(虧損)/溢利 ⁽¹⁾	(28,101)	224,055

(1) Adjusted net loss is an unaudited non-GAAP item. The Group uses such unaudited non-GAAP adjusted net loss as an additional financial measure to supplement the consolidated financial statements which are presented in accordance with HKFRS and to evaluate the financial performance of the Group by eliminating the impact of certain unusual and non-recurring item that the Group does not consider indicative of the performance of the business of the Group. Other companies in the industry the Group operates in may calculate this non-GAAP item differently than the Group does. This non-GAAP item is not a measure of operating performance or liquidity under HKFRS and should not be considered as a substitute for, or superior to, profit before tax or cash flow from operating activities in accordance with HKFRS. This non-GAAP item has limitation as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of the Group's results as reported under HKFRS. The Group's presentation of this non-GAAP item should not be construed as an inference that the Group's future results will be unaffected by unusual or non-recurring items.

(1) 經調整淨虧損為未經審核的非公認會計準則項目。本集團將該等未經審核的非公認會計準則經調整淨虧損作為一項額外的財務指標，以補充根據香港財務報告準則列報的綜合財務報表，並通過消除本集團認為不能反映本集團業務表現的異常及非經常性項目的影響來評估本集團的財務業績。本集團經營所在行業的其他公司對該非公認會計準則項目的計算方法可能與本集團有所不同。根據香港財務報告準則，該非公認會計準則項目不能衡量經營業績或流動性，因此根據香港財務報告準則，不應被視為替代或優於經營活動產生的稅前利潤或現金流。此非公認會計準則項目作為分析工具存在局限性，根據香港財務報告準則，不應將其單獨考慮或作為對本集團業績分析的替代品。本集團對該非公認會計準則項目的列報，不應被視為本集團未來業績不受異常或非經常項目影響的推論。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Liquidity and Capital Resources

During the six months ended June 30, 2020, the Group financed its operations primarily through cash generated from its business operations and the net proceeds received from its initial public offering (the “IPO”). The Group intends to finance its expansion and business development by internal resources and through organic and sustainable growth, as well as to use the net proceeds received from its IPO.

Capital Structure

As of June 30, 2020, the Group had net assets of approximately RMB3,990.1 million, comprising current assets of approximately RMB2,826.4 million, non-current assets of approximately RMB2,556.2 million, current liabilities of approximately RMB1,121.0 million and non-current liabilities of approximately RMB271.6 million, as compared to RMB4,238.4 million as of December 31, 2019.

As of December 31, 2019 and June 30, 2020, the cash and cash equivalents of the Group were mainly denominated in Renminbi (“RMB”) and U.S. dollars (“USD”), with certain amount denominated in HKD and small amount denominated in Euro.

Cash and Bank Balances

As compared with RMB1,237.0 million as of December 31, 2019, the Group had cash and bank balances of approximately RMB1,195.5 million as of June 30, 2020, which consisted of unrestricted cash and bank balances of approximately RMB358.4 million and term deposits of approximately RMB837.1 million.

Financial Risks

The Group is not subject to significant credit risk and liquidity risk. The Group had cash at banks denominated in foreign currencies, which may expose the Group to foreign exchange risk. The management manages its currency risk by closely monitoring the movement of the foreign currency rates and will take prudent measures, including using derivative contracts to hedge against the risk exposure when appropriate, to minimize the currency translation risk.

Use of Proceeds from the IPO

Net proceeds from the IPO (including the exercise of the over-allotment options on November 30, 2016), after deducting the underwriting commission and other estimated expenses in connection with the Global Offering which the Company received amounted to approximately HK\$2,792.3 million, comprising HK\$2,428.1 million raised from the IPO and HK\$364.2 million from the issue of shares pursuant to the exercise of the over-allotment options, respectively. The remaining balance of the proceeds from the IPO was RMB1,009.9 million as of December 31, 2019 and RMB831.8 million as of June 30, 2020, respectively.

流動資金及資本資源

截至二零二零年六月三十日止六個月，本集團主要以其業務營運所產生現金及首次公開發售（「首次公開發售」）所得款項淨額為其營運提供資金。本集團擬動用內部資源、通過自然及可持續發展以及首次公開發售所得款項淨額為其擴張及業務發展提供資金。

資本架構

截至二零一九年十二月三十一日，本集團的資產淨值為人民幣4,238.4百萬元，而截至二零二零年六月三十日，約為人民幣3,990.1百萬元，當中包括流動資產約人民幣2,826.4百萬元、非流動資產約人民幣2,556.2百萬元、流動負債約人民幣1,121.0百萬元及非流動負債約人民幣271.6百萬元。

截至二零一九年十二月三十一日及二零二零年六月三十日，本集團的現金及其等價物主要以人民幣和美元計值，部分為港元以及少量為歐元。

現金及銀行存款結餘

本集團於截至二零一九年十二月三十一日的現金及銀行存款結餘為人民幣1,237.0百萬元，而於截至二零二零年六月三十日約為人民幣1,195.5百萬元，包括無限限制現金及銀行存款結餘約人民幣358.4百萬元及定期存款約人民幣837.1百萬元。

財務風險

本集團並無面臨重大信貸風險及流動資金風險。本集團有以外幣列值的銀行現金，可能面臨外匯風險。管理層透過密切監察外幣匯率變動管理貨幣風險，並採取審慎措施適時啟用衍生合約對沖面臨的外匯風險，將貨幣換算風險降至最低。

首次公開發售所得款項用途

本公司的首次公開發售所得款項淨額（包括於二零一六年十一月三十日行使超額配股權），經扣除包銷佣金及有關全球發售的其他估計開支）約為2,792.3百萬港元，分別包括首次公開發售籌得的2,428.1百萬港元及根據行使超額配股權而發行股份所得364.2百萬港元。截至二零一九年十二月三十一日及二零二零年六月三十日，首次公開發售所得款項的餘下結餘分別為人民幣1,009.9百萬元及人民幣831.8百萬元。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

As announced in the Company's 2019 annual result announcement dated March 31, 2020, the Board has resolved to reallocate the unutilized net proceeds to and increase the portion to be used for the construction and improvement of processing facilities, which also include the enhancement of the related logistics and storage capacities.

The table below sets forth the use of proceeds by the Group as of June 30, 2020:

誠如本公司日期為二零二零年三月三十一日之二零一九年全年業績公告所公佈，董事會已議決重新分配未動用的所得款項淨額，並增加加工工廠建設及改善所用的資金，亦包括相關物流倉儲擴容。

下表載列本集團截至二零二零年六月三十日的所得款項用途：

		Budget	Amount that had been utilized as of December 31, 2019 截至二零一九年十二月三十一日 預算 已動用金額	Amount that was used for the six months ended June 30, 2020 截至二零二零年六月三十日止六個月 使用的金額 (in RMB million) (人民幣百萬元)	Remaining balance as of June 30, 2020 截至二零二零年六月三十日 餘下結餘	Expected timeline of utilization ⁽¹⁾ 預計未來使用年限 ⁽¹⁾
Construction and improvement of processing facilities	建設及改善加工設施	1,258.3	858.3	67.2	332.8	in four years 4年內
Development of retail store network	開發門店網絡	167.8	106.7	11.3	49.8	in two years 2年內
Brand image campaigns, including the e-commerce marketing campaigns	品牌形象活動，包括電商營銷活動	394.3	210.2	32.7	151.4	in two years 2年內
Improvement of research and development	改善研發	45.2	17.0	1.2	27.0	N/A ⁽²⁾ 不適用 ⁽²⁾
Acquisition and strategic alliances	收購及戰略聯盟	145.2	17.9	–	127.3	N/A ⁽²⁾ 不適用 ⁽²⁾
Upgrades of information technology systems, including the enterprise resource planning system	升級信息技術系統，包括企業資源規劃系統	96.2	56.3	5.6	34.3	in three years 3年內
General replenishment of working capital	用於擴充一般營運資本	345.2	176.0	60.0	109.2	in two years 2年內
Total	總計	2,452.2	1,442.5	177.9	831.8	

(1) Based on the Group's current estimates of its business plans and market conditions, and subject to change and adjustment.

(1) 根據本集團對其現有業務計劃及市場狀況進行的估計，可能有變動及調整。

(2) The Group expects that the remaining balance will be used in accordance with the intended usage in the coming years as indicated but it is not able to reasonably estimate a detailed timeline of utilization at current stage.

(2) 本集團預計剩餘結餘將按所示於未來幾年按照擬定用途使用，但其於現階段不能合理估計動用的詳細時間表。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

As of June 30, 2020, net proceeds not utilized had been deposited into short-term deposits and money market instruments, including structured deposits.

Indebtedness

As of June 30, 2020, the Group had an aggregate bank borrowings of RMB339.4 million, all of which will be due within one year. Such outstanding bank borrowings were bearing fix interest rates and denominated in Renminbi and U.S. dollars.

The Group uses the gearing ratio (gearing ratio = total liabilities/total assets) to monitor its capital structure. As of June 30, 2020 the Group's gearing ratio increased to 25.9% from 22.6% as of December 31, 2019, which was primarily due to the RMB339.4 million bank borrowings for business operations in the first half of 2020.

Pledged Assets

As of June 30, 2020, the Group had pledged bank deposits of RMB332.1 million (December 31, 2019: RMB209.3 million) which were pledged as securities for the bank borrowings of RMB309.4 million (December 31, 2019: nil). In addition, the Group had guarantee deposits of RMB4.0 million in connection with the construction of its processing facility (December 31, 2019: RMB4.0 million).

Cash Flows

For the six months ended June 30, 2020, net cash generated from operating activities decreased to approximately RMB60.0 million from RMB469.4 million for the six months ended June 30, 2019, which was mainly attributed to loss before tax of RMB51.5 million, adjusted for certain non-cash items such as depreciation and amortization of RMB229.7 million. Additional factors that affected net cash generated from operating activities included an increase of RMB26.0 million in inventories, a decrease of RMB56.2 million in trade payables and an increase in other payables of RMB32.2 million.

For the six months ended June 30, 2020, net cash generated from investing activities was approximately RMB222.7 million compared with RMB151.0 million for the six months ended June 30, 2019, which was mainly attributed to (i) proceeds from disposal of structured deposits of RMB1,314.5 million; (ii) the decrease of term deposits of maturity over three months of RMB209.6 million and (iii) the interest received from bank deposits of RMB16.4 million, partially offset by (i) purchase of structured deposits of RMB1,268.6 million; and (ii) purchases of long-term assets of RMB60.8 million.

截至二零二零年六月三十日，未動用所得款項淨額已存入短期存款及貨幣市場工具，包括結構性存款。

債務

截至二零二零年六月三十日，本集團的銀行借款總額為人民幣339.4百萬元，全部將於一年內到期。該等尚未償還之貸款均按固定利率計息，為人民幣貸款和美元貸款。

本集團使用資產負債比率(總負債除以總資產)監察資本結構。於二零二零年六月三十日，本集團資產負債比率由二零一九年十二月三十一日的22.6%增加至25.9%，主要歸因於二零二零年上半年因經營業務需要向銀行借款人民幣339.4百萬元。

資產質押

於二零二零年六月三十日，本集團以人民幣332.1百萬元(二零一九年十二月三十一日：人民幣209.3百萬元)的銀行存款作為抵押取得短期借款人民幣309.4百萬元(二零一九年十二月三十一日：無)。同時，本集團以人民幣4.0百萬元作為建設工廠動工的擔保按金(二零一九年十二月三十一日：人民幣4.0百萬元)。

現金流量

截至二零二零年六月三十日止六個月，經營活動所得現金淨額由截至二零一九年六月三十日止六個月的人民幣469.4百萬元減少至約人民幣60.0百萬元，主要歸因於除稅前虧損人民幣51.5百萬元就若干非現金項目作出調整，例如折舊及攤銷人民幣229.7百萬元。影響經營活動產生的現金淨額的額外因素包括存貨增加人民幣26.0百萬元、應付貿易款項減少人民幣56.2百萬元及其他應付款增加人民幣32.2百萬元。

截至二零一九年六月三十日止六個月的投資活動所得現金淨額為人民幣151.0百萬元，而截至二零二零年六月三十日止六個月，投資活動所得現金淨額約為人民幣222.7百萬元，主要歸因於(i)出售結構性存款收益人民幣1,314.5百萬元；(ii)三個月以上的定期存款減少人民幣209.6百萬元；及(iii)銀行存款利息人民幣16.4百萬元，部分被(i)購買結構性存款人民幣1,268.6百萬元；及(ii)購買長期資產人民幣60.8百萬元所抵銷。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

For the six months ended June 30, 2020, net cash used financing activities was approximately RMB129.0 million compared with RMB434.2 million for the six months ended June 30, 2019, which mainly represents (i) dividends paid of RMB232.9 million; (ii) proceeds from interest-bearing bank borrowings of RMB339.4 million; and (iii) the guarantees for bank borrowings which resulted in an increase of deposits of RMB126.1 million.

Structured Deposits

The Group from time to time invests in asset management products, primarily structured deposits, in order to better facilitate its cash management. Structured deposits were principal-protected products which typically had a fixed short term and may be redeemed upon their respective expiry dates. As of June 30, 2020, the Group had a balance of structured deposits in the amount of approximately RMB714.9 million. Up to the date of this report, approximately RMB229.6 million out of the RMB714.9 million had been settled and redeemed upon their maturity with the remaining not yet fallen due. The underlying investments of the structured deposits were primarily short-term sovereign bonds, financial bonds and central bank bills, and other investment products issued by commercial banks in the inter-bank market in China, which were very liquid with a relatively short term of maturity, and which were considered akin to placing deposits with banks whilst enabling the Group to earn a relatively higher rate of return. In the six months ended June 30, 2020, interest income from structured deposits amounted to RMB11.9 million (June 30, 2019: approximately RMB10.6 million).

The Group has implemented capital and investment policies to monitor and control the risks relating to its investment activities. The Group may only make investments in asset management products when it has surplus cash. Only make investments in low-risk products issued by qualified commercial banks or other financial institutions are allowed and the investments should be non-speculative in nature. The Group's capital and investment policies also specify the criteria for selecting investments to be considered and the detailed review procedures that each proposed investment shall go through.

In view of an upside of earning a relatively higher return than current saving or fixed deposit rate under the low interest rate trend, as well as the principal-protected nature and a relatively short term of maturity of the structured deposits, the directors of the Company (“**Directors**”) are of the view that the structured deposits pose manageable risk to the Group and the terms and conditions of each of the structured deposits are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

截至二零一九年六月三十日止六個月的融資活動所用現金淨額為人民幣434.2百萬元，而截至二零二零年六月三十日止六個月，融資活動所用現金淨額約為人民幣129.0百萬元，主要為(i)派付股息人民幣232.9百萬元；(ii)計息銀行借款所得款項人民幣339.4百萬元；及(iii)新增用於銀行借款的質押存款人民幣126.1百萬元。

結構性存款

本集團不時投資資產管理產品(主要為結構性存款)，以更有助其現金管理。結構性存款為保本產品，通常具固定短期期限及可於其各自屆滿日期贖回。截至二零二零年六月三十日，本集團擁有約人民幣714.9百萬元的結構性存款。截至本報告日期，於人民幣714.9百萬元當中，約人民幣229.6百萬元已於到期時清償及贖回，而餘下金額尚未到期。有關結構性存款的投資主要包括短期國債、金融債及中央銀行票據及商業銀行於中國銀行同業市場發行的其他投資產品。這些產品流通性強，屆滿期限較短，並被認為類似於在銀行存款惟同時使本集團獲得相對較高的回報率。截至二零二零年六月三十日止六個月，結構性存款的利息收入為人民幣11.9百萬元(二零一九年六月三十日：約人民幣10.6百萬元)。

本集團已實施資本及投資政策監控與我們的投資活動有關的風險。本集團可能僅在有現金盈餘的情況下投資於資產管理產品。僅容許投資於由合資格商業銀行或其他財務機構發行的低風險產品，且投資應為非投機性質。本集團的資本及投資政策亦列明選擇投資應考慮的標準以及各建議投資應遵從的詳盡審閱程序。

鑒於在低利率趨勢下，其收益回報高於現有儲蓄或定期存款利率，並計及結構性存款的保本性質及相對較短的屆滿期限，本公司董事(「**董事**」)認為結構性存款對本集團構成風險輕微，而各結構性存款之條款及條件屬公平合理，並符合本公司及其股東之整體利益。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Capital Expenditure

The Group's capital expenditures amounted to RMB67.2 million for the six months ended June 30, 2020, mainly in connection with the establishment and improvement of processing facilities. The Group financed its capital expenditures primarily with cash generated from operations and the proceeds from the IPO.

Contingent Liabilities and Guarantees

As of June 30, 2020, the Group did not have any significant contingent liabilities, guarantees or any litigation against it.

Major Investment

The Group did not conduct any material investments, acquisitions or disposals in the six months ended June 30, 2020 and in the period subsequent to June 30, 2020 and up to August 24, 2020, being the date of this report.

In addition, save for the expansion plans as disclosed in the sections headed "Business" and "Future Plans and Use of Proceeds" in the prospectus of the Company dated November 1, 2016, the Group has no specific plan for major investment or acquisition for major assets or other business. However, the Group will continue to identify new opportunities for business development.

Turnover Ratios

Average inventory turnover days increased from 67.0 days for the six months ended June 30, 2019 to 163.7 days for the six months ended June 30, 2020, primarily because the Group made certain raw material inventory reserves in late 2019 in anticipation of the usual peak season during the upcoming Spring Festival, which, adversely affected by the COVID-19 outbreak, caused a decrease of the inventory turnover rate. The increase in the inventory turnover days was also attributable to fact that the Group increased the inventory reserves of certain raw materials by the end June 2020 in the anticipation of an increase in raw material prices.

Average trade receivables turnover days increased from 3.6 days for the six months ended June 30, 2019 to 7.0 days for the six months ended June 30, 2020, primarily due to the increase of the payment settlement cycles of certain transport hub stores due to the adverse impact from the COVID-19 outbreak.

Average trade payables turnover days increased from 22.3 days for the six months ended June 30, 2019 to 41.2 days for the six months ended June 30, 2020, mainly a result of the increasing inventory reserves of certain raw materials.

資本開支

截至二零二零年六月三十日止六個月，本集團的資本開支為人民幣67.2百萬元，主要用於建立及改善加工設施。本集團主要以經營所得現金及首次公開發售所得款項撥付其資本開支。

或然負債及擔保

截至二零二零年六月三十日，本集團並無任何重大或然負債、擔保或針對本集團的任何訴訟。

重大投資

本集團於截至二零二零年六月三十日止六個月以及於二零二零年六月三十日後及直至二零二零年八月二十四日(即本報告日期)止期間並無進行任何重大投資、收購或出售事項。

此外，除本公司日期為二零一六年十一月一日的招股章程「業務」及「未來計劃及所得款項用途」章節所披露的擴張計劃外，本集團並無重大投資或收購重大資產或其他業務的具體計劃。然而，本集團將繼續物色新業務發展的商機。

周轉率

平均存貨周轉天數由截至二零一九年六月三十日止六個月的67.0天增加至截至二零二零年六月三十日止六個月的163.7天，主要由於二零一九年末為春節旺季銷售而準備較多原材料，但受新冠疫情影响，銷量下降，存貨周轉速度相應下降。同時，該等周轉天數增加亦由於本集團為避免原材料未來價格上漲，於二零二零年上半年儲備較多原材料。

平均貿易應收款項周轉天數由截至二零一九年六月三十日止六個月的3.6天增加至截至二零二零年六月三十日止六個月的7.0天，主要由於受新冠疫情影响，若干交通樞紐門店的付款結算周期增加。

平均貿易應付款項周轉天數由截至二零一九年六月三十日止六個月的22.3天增加至截至二零二零年六月三十日止六個月的41.2天，主要由於存貨儲備的增加引起。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Employee and Labor Cost

As of June 30, 2020, the Group had a total of 4,046 employees, among which approximately 55.6% were retail store operations and sales staff and approximately 16.1% were manufacturing staff at its processing facilities.

The Group has developed a performance evaluation system to assess the performance of its employees annually, which forms the basis for determining the salary levels, bonuses and promotions an employee may receive. Sales and marketing personnel may also receive bonuses based on the sales targets they accomplish, by taking into account the overall sales performance of the stores in the same regional market in the relevant period.

For the six months ended June 30, 2020, the Group incurred total labor costs of RMB170.0 million, representing approximately 18.8% of total revenue of the Group.

Top Suppliers and Top Customers

For the six months ended June 30, 2020, purchases from the Group's largest duck supplier in terms of RMB amount accounted for approximately 19.7% of total purchase cost and the aggregate purchases from its top five duck suppliers in terms of RMB amount in aggregate accounted for approximately 48.8% of total purchase cost.

For the six months ended June 30, 2020, due to the nature of the Group's business, revenue derived from its top five customers accounted for less than 30% of total revenue.

Reserves

As of June 30, 2020, the Group's reserves available for distribution to shareholders of the Company amounted to approximately RMB1,678.2 million.

Subsequent Events

No material events were undertaken by the Group subsequent to June 30, 2020 and up to August 24, 2020, being the date of this report.

僱員及勞工成本

截至二零二零年六月三十日，本集團合共有4,046名僱員，其中約55.6%為門店營運及銷售員人員，而約16.1%為加工工廠的生產人員。

本集團已開發出一套績效評估系統，用來每年評估僱員的表現，這構成釐定僱員的薪酬水平、花紅及晉升的基準。銷售及營銷人員亦可根據彼等完成的銷售目標，並考慮相關期間相同區域市場的店鋪整體銷售表現收取花紅。

截至二零二零年六月三十日止六個月，本集團產生勞工成本總額人民幣170.0百萬元，佔本集團總收益約18.8%。

最大供應商及最大客戶

截至二零二零年六月三十日止六個月，來自本集團最大的鴨供應商的採購(以人民幣金額計)佔總採購成本約19.7%，來自五大鴨供應商的總採購(以人民幣金額計)合共佔總採購成本約48.8%。

截至二零二零年六月三十日止六個月，由於本集團的業務性質，來自其五大客戶的收益佔總收益少於30%。

儲備

截至二零二零年六月三十日，本集團可供分派予本公司股東的儲備約為人民幣1,678.2百萬元。

結算日後事項

本集團於二零二零年六月三十日後及直至二零二零年八月二十四日(即本報告日期)並無進行重大事項。

Other Information

其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATE CORPORATIONS

As of June 30, 2020, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事及最高行政人員於本公司或其相聯法團的股份、相關股份或債權證之權益及淡倉

截至二零二零年六月三十日，董事及本公司最高行政人員在本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債權證中擁有根據證券及期貨條例第352條規定須存置本公司之登記冊所登記，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉如下：

Name of Director/Chief Executive	Name of Group member/associated corporation	Capacity/ Nature of interest	Number of underlying Shares ⁽¹⁾	Approximate percentage of shareholding
董事／最高行政人員姓名	本集團成員／ 相關法團名稱	身份／ 權益性質	相關股份數目 ⁽¹⁾	概約股權百分比
Mr. ZHOU Fuyu 周富裕先生	The Company 本公司	Interest of spouse ⁽³⁾ 配偶權益 ⁽³⁾	1,476,936,500 ⁽²⁾	61.97%
Mr. ZHANG Yuchen 張宇晨先生	The Company 本公司	Beneficial owner 實益擁有人	1,393,700 ⁽⁴⁾	0.06%
Mr. WEN Yong 文勇先生	The Company 本公司	Beneficial owner 實益擁有人	280,500 ⁽⁵⁾	0.01%

Notes:

- (1) All interests stated are long positions.
- (2) These 1,476,936,500 Shares represent 3,690,500 Shares held by Ms. Tang Jianfang, 1,191,838,500 Shares held by Healthy Origin Holdings Limited, 32,480,300 Shares held by ZHY Holdings II Company Limited and 248,927,200 Shares held by ZHY Holdings IV Company Limited.

The entire issued share capital of Healthy Origin Holdings Limited and ZHY Holdings II Company Limited are held by ZHY X Holdings Co., Limited ("ZHY X") which in turn is 100% held by Cantrust (Far East) Limited being the trustee of Fuyu Family Trust (the "Trust"). Ms. Tang Jianfang is the settlor of the Trust. Therefore, Ms. Tang Jianfang is deemed to be interested in 1,191,838,500 Shares and 32,480,300 Shares held by Healthy Origin Holdings Limited and ZHY Holdings II Company Limited, respectively. Since Ms. Tang Jianfang owns 67.8% of ZHY Holdings IV Company Limited, Ms. Tang Jianfang is also deemed to be interested in 248,927,200 Shares held by ZHY Holdings IV Company Limited.
- (3) Mr. Zhou is the spouse of Ms. Tang Jianfang and is deemed to be interested in the Shares which are interested by Ms. Tang Jianfang under the SFO.
- (4) Mr. Zhang Yuchen is interested in restricted share units adopted by the Company ("RSUs"), representing 1,393,700 Shares held on trust on his behalf by Computershare Hong Kong Trustees Limited (the "RSU Trustee"). For details of the grant of RSUs to Mr. Zhang, please refer to the announcement of the Company dated April 20, 2020.
- (5) Mr. Wen Yong is interested in RSUs representing 280,500 Shares held on trust on his behalf by the RSU Trustee. For details of the grant of RSUs to Mr. Wen, please refer to the announcement of the Company dated April 20, 2020.

附註：

- (1) 所示的所有權益均為好倉。
- (2) 於該1,476,936,500股股份中，唐建芳女士持有3,690,500股股份，健源控股有限公司持有1,191,838,500股股份，ZHY Holdings II Company Limited持有32,480,300股股份及ZHY Holdings IV Company Limited持有248,927,200股股份。

健源控股有限公司及ZHY Holdings II Company Limited之全部已發行股本由ZHY X Holdings Co., Limited(「ZHY X」)持有，ZHY X由富裕家族信託(「信託」)之受託人Cantrust (Far East) Limited全資持有。信託的委託人為唐建芳女士，故唐建芳女士被視為分別於健源控股有限公司及ZHY Holdings II Company Limited持有之1,191,838,500股股份及32,480,300股股份中擁有權益。由於唐建芳女士擁有ZHY Holdings IV Company Limited的67.8%，唐建芳女士亦被視為於ZHY Holdings IV Company Limited持有之248,927,200股股份中擁有權益。
- (3) 周先生為唐建芳女士的配偶，故根據證券及期貨條例被視為於唐建芳女士持有權益的股份中持有權益。
- (4) 張宇晨先生於本公司採納的受限制股份單位(「受限制股份單位」)，即由香港中央證券信託有限公司(「受限制股份單位受託人」)以信託方式代其持有的1,393,700股股份)中擁有權益。有關授予張先生的受限制股份單位的詳情，請參閱本公司日期為二零二零年四月二十日之公告。
- (5) 文勇先生於由受限制股份單位受託人以信託方式代其持有並涉及280,500股股份的受限制股份單位中擁有權益。有關授予文先生之受限制股份單位的詳情，請參閱本公司日期為二零二零年四月二十日之公告。

Other Information (Continued)

其他資料(續)

Save as disclosed above, as at June 30, 2020, none of the Directors nor the chief executive of the Company had any interests or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露者外，於二零二零年六月三十日，概無董事及本公司最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有須根據證券及期貨條例第352條須記錄於本公司存置的股東名冊的任何權益或淡倉，或須根據標準守則知會本公司及聯交所之權益或淡倉。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES DISCLOSEABLE UNDER THE SFO

As at June 30, 2020, the following persons (other than the Directors or the chief executive of the Company) have interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO:

根據證券及期貨條例須予披露的主要股東及其他人士於股份及相關股份的權益及淡倉

於二零二零年六月三十日，以下人士(董事或本公司最高行政人員除外)於本公司股份或相關股份中擁有須根據證券及期貨條例第336條規定記錄於本公司存置的股東名冊的任何權益或淡倉：

Name of shareholder 股東姓名	Nature of interest 權益性質	Number of Shares or securities held ⁽¹⁾ 所持股份或證券數目 ⁽¹⁾	Approximate percentage of interest 概約股權百分比
Ms. TANG Jianfang ⁽²⁾ 唐建芳女士 ⁽²⁾	Interests in a controlled corporation 受控制法團權益	248,927,200 (L)	10.45%
	Settlor of a family trust 家族信託委託人	1,224,318,800 (L)	51.37%
	Beneficial owner 實益擁有人	3,690,500 (L)	0.15%
		1,476,936,500 (L)	61.97%
Cantrust (Far East) Limited ⁽³⁾ Cantrust (Far East) Limited ⁽³⁾	Trustee 受託人	1,224,318,800 (L)	51.37%
ZHY X Holdings Co., Limited ⁽³⁾ ZHY X Holdings Co., Limited ⁽³⁾	Interest in a controlled corporation 受控制法團權益	1,224,318,800 (L)	51.37%
Healthy Origin Holdings Limited 健源控股有限公司	Beneficial owner 實益擁有人	1,191,838,500 (L)	50.01%
ZHY Holdings IV Company Limited ZHY Holdings IV Company Limited	Beneficial owner 實益擁有人	248,927,200 (L)	10.45%
Ms. ZHOU Ping ⁽⁴⁾ 周萍女士 ⁽⁴⁾	Interests in a controlled corporation 受控制法團權益	136,440,000 (L)	5.73%
ZHY Holdings III Company Limited ZHY Holdings III Company Limited	Beneficial owner 實益擁有人	136,440,000 (L)	5.73%
UBS Group AG UBS Group AG	Interest in a controlled corporation 受控制法團權益	116,417,564 (L) 3,565,300 (S)	4.89% 0.15%

Other Information (Continued)

其他資料(續)

Notes:

- (1) The letter "S" denotes the person's short position in such Shares. The letter "L" denotes the person's long position in such Shares.
- (2) These 1,476,936,500 Shares represent 1,190,818,000 Shares held by Healthy Origin Holdings Limited, 32,480,300 Shares held by ZHY Holdings II Company Limited and 248,927,200 Shares held by ZHY Holdings IV Company Limited.

The entire issued share capital of Healthy Origin Holdings Limited and ZHY Holdings II Company Limited are held by ZHY X which in turn is 100% held by Cantrust (Far East) Limited being the trustee of the Trust. Ms. Tang Jianfang is the settlor of the Trust. Therefore, Ms. Tang Jianfang is deemed to be interested in 1,191,838,500 Shares and 32,480,300 Shares held by Healthy Origin Holdings Limited and ZHY Holdings II Company Limited, respectively. Since Ms. Tang Jianfang owns 67.8% of ZHY Holdings IV Company Limited, Ms. Tang Jianfang is also deemed to be interested in 248,927,200 Shares held by ZHY Holdings IV Company Limited.

- (3) Cantrust (Far East) Limited is the trustee of Fuyu Family Trust established by Ms. Tang Jianfang. The Trustee through indirect interest in each of ZHY Holdings II Company Limited and Healthy Origin Holdings Limited holds 32,480,300 Shares and 1,191,838,500 Shares respectively. ZHY X, which is wholly-owned by the Trustee, through direct interest in each of ZHY Holdings II Company Limited and Healthy Origin Holdings Limited holds 32,480,300 Shares and 1,191,838,500 Shares respectively.
- (4) Since Ms. Zhou Ping owns 72.22% of ZHY Holdings III Company Limited, Ms. Zhou Ping is deemed to be interested in 136,440,000 Shares held by ZHY Holdings III Company Limited.

Save as disclosed above, as at June 30, 2020, the Directors and chief executive of the Company are not aware of any other persons/entities, not being a Director or chief executive of the Company, who has an interest or short position in the Shares or the underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company during the six months ended June 30, 2020.

附註：

- (1) 「S」指有關人士於該等股份之淡倉。「L」指有關人士於該等股份之好倉。
- (2) 於該1,476,936,500股股份中，健源控股有限公司持有1,190,818,000股股份，ZHY Holdings II Company Limited持有32,480,300股股份及ZHY Holdings IV Company Limited持有248,927,200股股份。

健源控股有限公司及ZHY Holdings II Company Limited之全部已發行股本由ZHY X持有，ZHY X由信託之受託人Cantrust (Far East) Limited全資持有。信託的委託人為唐建芳女士，故唐建芳女士被視為分別於健源控股有限公司及ZHY Holdings II Company Limited持有之1,191,838,500股股份及32,480,300股股份中擁有權益。由於唐建芳女士擁有ZHY Holdings IV Company Limited的67.8%，唐建芳女士亦被視為於ZHY Holdings IV Company Limited持有之248,927,200股股份中擁有權益。

- (3) Cantrust (Far East) Limited為唐建芳女士成立的富裕家族信託的受託人。受託人通過於ZHY Holdings II Company Limited及健源控股有限公司的間接權益分別持有32,480,300股股份及1,191,838,500股股份。ZHY X(由受託人全資擁有)通過於ZHY Holdings II Company Limited及健源控股有限公司的直接權益分別持有32,480,300股股份及1,191,838,500股股份。
- (4) 由於周萍女士擁有ZHY Holdings III Company Limited的72.22%，故周萍女士被視為於ZHY Holdings III Company Limited持有之136,440,000股股份中擁有權益。

除上文披露者外，於二零二零年六月三十日，董事及本公司最高行政人員概不知悉任何董事或本公司最高行政人員以外的任何其他人士／實體於本公司的股份或相關股份中擁有記錄於根據證券及期貨條例第336條須存置於本公司登記冊內的權益或淡倉。

購買、出售及贖回上市證券

截至二零二零年六月三十日止六個月，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。

Other Information (Continued)

其他資料(續)

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the six months ended June 30, 2020, the Company has complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors’ securities transactions. Having made specific enquiry of all Directors of the Company, they have confirmed that they have complied with the Model Code throughout the six months ended June 30, 2020.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the CG Code. As at the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Wu Chi Keung, Mr. Chan Kam Ching, Paul, and Mr. Lu Weidong. Mr. WU Chi Keung is the chairman of the Audit Committee.

The Audit Committee has reviewed and discussed the interim results and the interim reports for the six months ended June 30, 2020.

INTERIM DIVIDEND

The Board resolved not to declare any payment of interim dividend for the six months ended June 30, 2020.

CHANGE IN DIRECTORS’ INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

There is no change in the Directors’ information which is required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules since the date of 2019 annual report of the Company to the date of this report.

遵守企業管治守則

截至二零二零年六月三十日止六個月，本公司已遵守聯交所證券上市規則(「上市規則」)附錄十四所載企業管治守則(「企業管治守則」)的適用守則條文。

董事會將持續檢討及監督本公司的企業管治狀況，以遵守企業管治守則並維持本公司高水準的企業管治常規。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載標準守則，作為有關董事進行證券交易的行為守則。經向本公司所有董事作詳細查詢，各位董事已確認於截至二零二零年六月三十日止六個月期間已遵從標準守則。

審核委員會

本公司已依照企業管治守則的規定設立審核委員會，並制定書面職權範圍。於本報告日期，審核委員會包括三名獨立非執行董事，即胡志強先生、陳錦程先生及盧衛東先生。胡志強先生為審核委員會主席。

審核委員會已審閱並討論截至二零二零年六月三十日止六個月之中期業績及中期報告。

中期股息

董事會決議不派發截至二零二零年六月三十日止六個月之任何中期股息。

上市規則第13.51B(1)條項下董事資料變更

自本公司二零一九年年報日期以後至本報告日期，概無根據上市規則第13.51B(1)條須予披露的董事資料的變更。

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

中期簡明綜合損益及其他全面收益表

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
	Notes 附註		
REVENUE	收益	903,470	1,625,947
Cost of sales	銷售成本	(410,542)	(717,314)
Gross profit	毛利	492,928	908,633
Other income and gains, net	其他收入及收益淨額	21,600	60,502
Finance cost	財務費用	(17,104)	(14,584)
Selling and distribution expenses	銷售及分銷開支	(461,507)	(551,251)
Administrative expenses	行政開支	(81,310)	(101,290)
Share of profits and losses of an associate	分佔一間聯營公司溢利及虧損	(6,138)	(7,435)
(LOSS)/PROFIT BEFORE TAX	除稅前(虧損)/溢利	(51,531)	294,575
Income tax expense	所得稅開支	9,337	(70,520)
(LOSS)/PROFIT FOR THE PERIOD	期內(虧損)/溢利	(42,194)	224,055
Attributable to:	以下應佔:		
Owners of the parent	母公司擁有人	(42,194)	224,055
OTHER COMPREHENSIVE INCOME	其他全面收入		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:	於隨後期間可能重新分類至損益的其他全面收入:		
Exchange differences:	匯兌差額:		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(7,201)	13,719
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	於隨後期間可能重新分類至損益的其他全面收入淨額	(7,201)	13,719
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:	將不會於隨後期間重新分類至損益的其他全面收入:		
Translation from functional currency to presentation currency	由功能貨幣換算至呈列貨幣產生之匯兌差額	32,618	(7,156)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	將不會於隨後期間重新分類至損益的其他全面收入淨額	32,618	(7,156)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	期內其他全面收入(除稅後)	25,417	6,563
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內全面收入總額	(16,777)	230,618
Attributable to:	以下應佔:		
Owners of the parent	母公司擁有人	(16,777)	230,618
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人應佔每股(虧損)/盈利		
Basic (RMB)	基本(人民幣)	(0.02)	0.10
Diluted (RMB)	攤薄(人民幣)	(0.02)	0.10

Interim Condensed Consolidated Statement of Financial Position

中期簡明綜合財務狀況表

30 June 2020

二零二零年六月三十日

			30 June	31 December
			2020	2019
			二零二零年	二零一九年
			六月三十日	十二月三十一日
	Notes		RMB'000	RMB'000
	附註		人民幣千元	人民幣千元
			(unaudited)	(audited)
			(未經審核)	(經審核)
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	9	物業、廠房及設備	1,418,522	1,409,390
Right-of-use assets	10(a)	使用權資產	659,115	843,671
Prepayments		預付款項	20,811	20,963
Rental deposits		租賃按金	87,860	86,333
Other intangible assets		其他無形資產	31,875	35,450
Investments in an associate	14	於一間聯營公司的投資	244,277	250,416
Deferred tax assets		遞延稅項資產	93,754	70,448
Total non-current assets		非流動資產總值	2,556,214	2,716,671
CURRENT ASSETS		流動資產		
Inventories	11	存貨	386,355	360,388
Trade receivables	12	貿易應收款項	35,284	35,405
Prepayments, deposits and other receivables	13	預付款項、按金及其他應收款項	158,148	157,880
Structured deposits		結構性存款	714,888	760,861
Restricted cash	15	受限制現金	336,099	210,024
Cash in transit	15	在途現金	147	697
Cash and bank balances	16	現金及銀行存款結餘	1,195,471	1,236,990
Total current assets		流動資產總值	2,826,392	2,762,245
CURRENT LIABILITIES		流動負債		
Interest-bearing bank and other borrowings, current	17	計息銀行及其他借款，流動	339,364	-
Trade payables	18	貿易應付款項	65,748	121,988
Other payables and accruals		其他應付款項及應計費用	380,343	331,699
Government grants, current		政府補助，流動	2,100	1,464
Lease liabilities, current		租賃負債，流動	310,283	219,486
Income tax payable		應付所得稅	23,137	64,232
Total current liabilities		流動負債總額	1,120,975	738,869
NET CURRENT ASSETS		流動資產淨值	1,705,417	2,023,376
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	4,261,631	4,740,047

Interim Condensed Consolidated Statement of Financial Position (Continued)

中期簡明綜合財務狀況表(續)

30 June 2020

二零二零年六月三十日

		Notes	30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
NON-CURRENT LIABILITIES	非流動負債			
Deferred tax liabilities	遞延稅項負債		17,260	17,172
Government grants, non-current	政府補助·非流動		46,233	47,918
Lease liabilities, non-current	租賃負債·非流動	10(b)	208,070	436,548
Total non-current liabilities	非流動負債總額		271,563	501,638
NET ASSETS	資產淨值		3,990,068	4,238,409
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	19	16	16
Treasury shares	庫存股份		(263,525)	(263,525)
Reserves	儲備		4,253,577	4,501,918
TOTAL EQUITY	總權益		3,990,068	4,238,409

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明綜合權益變動表

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Attributable to owners of the parent								
		母公司擁有人應佔								
		Share capital	Treasury shares	Share premium	Merger reserve	Statutory reserve	Share-based payment reserve	Exchange fluctuation reserve	Retained profits	Total equity
		股本	庫存股份	股份溢價	合併儲備	法定儲備	以股份為基礎的付款儲備	匯兌波動儲備	保留溢利	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020 (audited)	於二零二零年一月一日(經審核)	16	(263,525)	1,822,221	12,500	89,965	-	24,436	2,552,796	4,238,409
Loss for the period	期內虧損	-	-	-	-	-	-	-	(42,194)	(42,194)
Exchange differences related to foreign operations	與海外業務有關的匯兌差額	-	-	-	-	-	-	25,417	-	25,417
Total comprehensive income for the period	期內全面收入總額	16	(263,525)	1,822,221	12,500	89,965	-	49,853	2,510,602	4,221,632
Final 2019 dividend declared	已宣派二零一九年末期股息	-	-	(232,926)	-	-	-	-	-	(232,926)
Equity-settled share-based payment arrangement	以權益結算的股份支付安排	-	-	-	-	-	1,362	-	-	1,362
Transfer from retained profits	自保留溢利轉出	-	-	-	-	1,057	-	-	(1,057)	-
At 30 June 2020 (unaudited)	於二零二零年六月三十日(未經審核)	16	(263,525)	1,589,295	12,500	91,022	1,362	49,853	2,509,545	3,990,068

		Attributable to owners of the parent								
		母公司擁有人應佔								
		Share capital	Treasury shares	Share premium	Merger reserve	Statutory reserve	Other reserve	Exchange fluctuation reserve	Retained profits	Total equity
		股本	庫存股份	股份溢價	合併儲備	法定儲備	其他儲備	匯兌波動儲備	保留溢利	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2019 (audited)	於二零一九年一月一日(經審核)	16	(263,525)	2,148,439	12,500	80,247	-	(7,036)	2,155,066	4,125,707
Profit for the period	期內溢利	-	-	-	-	-	-	-	224,055	224,055
Exchange differences related to foreign operations	與海外業務有關的匯兌差額	-	-	-	-	-	-	6,563	-	6,563
Total comprehensive income for the year	年度全面收入總額	16	(263,525)	2,148,439	12,500	80,247	-	(473)	2,379,121	4,356,325
Final 2018 dividend declared	已宣派二零一八年末期股息	-	-	(326,218)	-	-	-	-	-	(326,218)
Repurchase of shares	購回股份	-	-	-	-	-	-	-	-	-
Changes in ownership interests in an associate	於一間聯營公司的所有權變動	-	-	-	-	-	2,466	-	-	2,466
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	5,560	-	-	(5,560)	-
At 30 June 2019 (unaudited)	於二零一九年六月三十日(未經審核)	16	(263,525)	1,822,221	12,500	85,807	2,466	(473)	2,373,561	4,032,573

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	除稅前溢利	(51,531)	294,575
Adjustments for:	就以下各項調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	60,355	48,736
Amortisation of other intangible assets	其他無形資產攤銷	5,035	4,836
Depreciation of right-of-use assets	使用權資產折舊	164,275	108,371
Share of losses of an associates	分佔一間聯營公司虧損	6,138	7,435
Interest income from bank deposits	銀行存款利息收入	(18,839)	(30,841)
Interest income from structured deposits measured at amortized cost	按攤銷成本計量的結構性存款的利息收入	(7,395)	(8,857)
Fair value gains on structured deposits measured at FVPL	按公平值計入損益計量的結構性存款的公平值收益	17	(491)
Interest income from structured deposits measured at FVPL	按公平值計入損益計量的結構性存款的利息收入	(4,505)	(1,743)
(Gain)/loss on disposal of items of property, plant and equipment	處置物業、廠房及設備項目(收益)/虧損	(959)	149
Loss on foreign exchange	外匯虧損	11,055	3,950
Government grants	政府補助	(1,049)	(732)
		162,597	425,388
Decrease in cash in transit	在途現金減少	550	760
(Increase)/decrease in trade receivables	貿易應收款項(增加)/減少	121	(3,671)
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)/減少	3,242	(13,561)
Decrease in amounts due from the Controlling Shareholders	應收控股股東款項減少	-	2,294
Increase in rental deposits	租賃按金增加	(1,527)	(2,152)
(Increase)/decrease in inventories	存貨(增加)/減少	(25,967)	152,854
(Decrease)/increase in trade and bills payables	貿易應付款項及應付票據(減少)/增加	(56,240)	18,469
(Decrease)/increase in other payables and accruals	其他應付款項及應計費用(減少)/增加	32,225	(11,258)
Cash generated from operations	經營產生的現金	115,001	569,123
Income tax paid	已付所得稅	(54,976)	(99,732)
NET CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量淨額	60,025	469,391

Interim Condensed Consolidated Statement of Cash Flows (Continued)

中期簡明綜合現金流量表(續)

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(60,772)	(220,091)
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備項目的所得款項	140	229
Increase of restricted cash for purchase of property, plant and equipment	購買物業、廠房及設備受限制現金增加	-	(7,746)
Additions to other intangible assets	其他無形資產添置	(506)	(1,621)
Purchase of structured deposits measured at FVPL	購買按公平值計入損益計量的結構性存款	(763,000)	(440,000)
Purchase of structured deposits measured at amortised cost	購買按攤銷成本計量的結構性存款	(505,600)	(914,968)
Interest income from structured deposits measured at amortised cost	按攤銷成本計量的結構性存款的利息收入	7,451	9,348
Interest income from structured deposits measured at FVPL	按公平值計入損益計量的結構性存款的利息收入	4,505	1,743
Decrease of term deposits of maturity over three months	於三個月以上到期的定期存款減少	209,603	359,565
Interest received from bank deposits	自銀行存款收取的利息	16,414	30,841
Receipt of government grants	收到政府補助	-	4,680
Proceeds from disposal of structured deposits measured at FVPL	出售按公平值計入損益計量的結構性存款的所得款項	681,500	345,000
Proceeds from disposal of structured deposits measure at amortised cost	出售按攤銷成本計量的結構性存款的所得款項	633,000	984,000
NET CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量淨額	222,735	150,980
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Principal portion of lease payments/finance lease rental payments	租賃付款/融資租賃租金付款的本金部分	(111,896)	(107,969)
Proceeds from interest-bearing bank loan and other borrowings	計息銀行貸款及其他借款的所得款項	339,364	-
Increase in pledged bank deposits	已抵押銀行存款增加	(126,075)	-
Proceeds from award of shares under the Restricted Share Units Scheme	根據受限制股份單位計劃獎勵股份的所得款項	2,496	-
Dividends paid	已派付股息	(232,926)	(326,218)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	融資活動所用現金流量淨額	(129,037)	(434,187)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	153,723	186,184
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	190,305	106,029
Effect of foreign exchange rate changes, net	匯率變動的影響，淨額	14,362	2,613
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	期末的現金及現金等價物	358,390	294,826
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and cash in bank	現金及銀行活期存款	358,390	276,826
Short-term deposits	短期存款	-	18,000
		358,390	294,826

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

30 June 2020

二零二零年六月三十日

1. CORPORATE AND GROUP INFORMATION

The Company is an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 13 May 2015. The registered and correspondence office of the Company is located at the offices of Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 11 November 2016 (the “**Listing**”).

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the business of casual braised duck related food production, marketing and retailing (“**Zhou Hei Ya Business**”) in the mainland of the People’s Republic of China (the “**PRC**”).

In the opinion of the directors of the Company (the “**Directors**”), the ultimate controlling shareholders of the Company are Mr. Zhou Fuyu and Ms. Tang Jianfang (together known as the “**Controlling Shareholders**”).

In the opinion of the Directors, the ultimate holding company of the Company is Healthy Origin Holdings Limited, which is incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP’S ACCOUNTING POLICIES

2.1 Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2020 have been prepared in accordance with HKAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 December 2019.

The interim condensed consolidated financial statements have been prepared under the historical cost convention except structured deposits, which have been measured at fair value. The interim condensed consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

1. 公司及集團資料

本公司為於二零一五年五月十三日根據開曼群島公司法在開曼群島註冊成立的獲豁免有限公司。本公司的註冊辦事處位於Intertrust Corporate Services (Cayman) Limited的辦公室，通訊地址為190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands。本公司於二零一六年十一月十一日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

本公司為一間投資控股公司，本公司及其附屬公司(統稱「**本集團**」)主要在中華人民共和國(「**中國**」)內地從事鴨類休閒肉製品生產、營銷及零售業務(「**周黑鴨業務**」)。

本公司董事(「**董事**」)認為，本公司的最終控股股東為周富裕先生及唐建芳女士(統稱「**控股股東**」)。

董事認為，本公司的最終控股公司為健康源控股有限公司，該公司於英屬處女群島註冊成立。

2. 編製基準及本集團會計政策變動

2.1 編製基準

截至二零二零年六月三十日止六個月的中期簡明綜合財務報表已根據香港會計準則第34號中期財務報告編製。

中期簡明綜合財務報表並不包括年度財務報表規定的所有資料及披露，且應與截至二零一九年十二月三十一日止年度的年度財務報表一併閱讀。

中期簡明綜合財務報表乃根據歷史成本基準編製，惟按公平值計量的結構性存款則除外。除另有說明者外，中期簡明綜合財務報表以人民幣(「**人民幣**」)呈列，所有價值均已湊整至最接近千位(人民幣千元)。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (Cont'd)

2.2 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019, except for the adoption of the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 3	<i>Definition of a Business</i>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendment to HKFRS 16	<i>COVID-19-Related Rent Concessions (early adopted)</i>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i>

The nature and impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

2. 編製基準及本集團會計政策變動(續)

2.2 會計政策及披露變動

編製中期簡明綜合財務資料所採納的會計政策與編製本集團截至二零一九年十二月三十一日止年度的年度綜合財務報表所採納的會計政策一致，惟就本期間的財務資料首次採納以下新訂及經修訂香港財務報告準則(「香港財務報告準則」)除外。

香港財務報告準則第3號的修訂	<i>業務的定義</i>
香港財務報告準則第9號、香港會計準則第39號及	
香港財務報告準則第7號的修訂	<i>利率基準改革</i>
香港財務報告準則第16號的修訂	<i>新冠疫情相關租金減免 (提早採納)</i>
香港會計準則第1號及	<i>重大的定義</i>
香港會計準則第8號的修訂	

經修訂香港財務報告準則的性質及影響載於下文：

- (a) 香港財務報告準則第3號的修訂釐清並提供有關業務的定義的額外指引。該修訂釐清，就一系列將被視為業務的綜合活動及資產而言，其至少包括可對創造產出能力有重大貢獻的投入及實質性的加工處理過程。一項業務可不包括用於創造產出的所有投入及加工處理過程。該修訂取消了對市場參與者是否有能力獲得業務並繼續產生產出的評估。相反，著力於評估已獲得投入及已獲得實質性加工處理過程是否共同對創造產出的能力作出重大貢獻。該修訂亦縮小了收益的定義，重點關注向客戶提供的貨品或服務、投資收入或來源於其他常規活動的收益。此外，修訂提供指導，以評估已獲得加工處理過程是否屬實質性，並引入可選公平值集中測試，以便簡單評估所獲得的一系列活動及資產是否歸屬於業務。本集團已將該修訂追溯應用於二零二零年一月一日或之後發生之交易或其他事件。該修訂並無對本集團的財務狀況及表現產生任何影響。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (Cont'd)

2.2 Changes in Accounting Policies and Disclosures

(Cont'd)

- (b) Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedge relationships.
- (c) Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective retrospectively for annual periods beginning on or after 1 June 2020 with earlier application permitted.

During the period ended 30 June 2020, certain monthly lease payments for the leases of the Group's retail stores and office buildings have been reduced or waived by the lessors as a result of the COVID-19 pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the COVID-19 pandemic during the period ended 30 June 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of RMB7,943,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the period ended 30 June 2020.

2. 編製基準及本集團會計政策變動(續)

2.2 會計政策及披露變動(續)

- (b) 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號的修訂旨在解決銀行同業拆息改革對財務申報之影響。該等修訂提供可在替換現有利率基準前之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂規定公司須向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。由於本集團並無任何利率對沖關係，該等修訂對本集團的財務狀況及表現並無任何影響。
- (c) 香港財務報告準則第16號(修訂本)為承租人提供一個實際可行的權宜方法以選擇就新冠疫情的直接後果產生的租金寬免不應用租賃修改會計處理。該實際可行權宜方法僅適用於新冠疫情直接後果產生的租金寬免，且僅當(i)租賃付款額的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；(ii)租賃付款的任何減幅僅影響原到期日為二零二一年六月三十日或之前的付款；及(iii)租賃的其他條款及條件並無實質變動。該修訂本於二零二零年六月一日或之後開始的年度期間追溯有效，允許提早應用。

於截至二零二零年六月三十日期間，由於新冠疫情，出租人減免本集團部分門店及辦公樓宇月租付款，而租賃條款並無其他變化。本集團已於二零二零年一月一日提早採納該修訂，並選擇不就截至二零二零年六月三十日止期間出租人因新冠疫情而授出的所有租金減免應用租賃修訂會計處理。因此租金減免導致的租賃付款額減少人民幣7,943,000元已通過終止確認部分租賃負債入賬列為可變租賃付款並計入截至二零二零年六月三十日止六個月期間的損益。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (Cont'd)

2.2 Changes in Accounting Policies and Disclosures (Cont'd)

- (d) Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. The amendments did not have any impact on the Group's interim condensed consolidated financial information.

2.3 Summary of Significant Accounting Policies

Share-based payments

The Company operates a restricted share units scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2. 編製基準及本集團會計政策變動(續)

2.2 會計政策及披露變動(續)

- (d) 香港會計準則第1號及香港會計準則第8號的修訂為重要性提供一個新的定義。新定義訂明，倘因信息遺漏、失實或模糊不清，而可能合理預期影響一般用途財務報表的主要使用者按該等財務報表作出的決定，則該信息屬於重要信息。該等修訂釐清，重要性將視乎資料的性質或量級而定。該等修訂並無對本集團的中期簡明綜合財務資料產生任何影響。

2.3 重大會計政策概要

以股份為基礎付款

本公司設有受限制股份單位計劃，旨在向對本集團業務成就作出貢獻的合資格參與者給予獎勵及報酬。本集團僱員(包括董事)以股份為基礎付款的方式收取酬金，據此，僱員以提供服務作為獲取權益工具的代價(「權益結算交易」)。

與僱員進行的權益結算交易的成本乃參照授予日的公平值計量。

權益結算交易的成本，於績效及／或服務條件達成期間確認為僱員福利開支和權益的增加。於每個報告期間結束時直至歸屬日期就權益結算交易確認的累計支出反映出歸屬期間屆滿的程度及本集團對最終將會歸屬的權益工具數目的最佳估計。某一期間在損益中扣除或計入的開支代表該期間開始及結束時確認的累計開支變動。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (Cont'd)

2.3 Summary of Significant Accounting Policies

(Cont'd)

Share-based payments (Cont'd)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

2. 編製基準及本集團會計政策變動(續)

2.3 重大會計政策概要(續)

以股份為基礎付款(續)

釐定獎勵授出日的公平值時並不考慮服務及非市場表現條件，惟達成條件的可能性則被評定為將最終歸屬為本集團權益工具數目的最佳估計的一部份。附帶於獎勵中但並與相關服務要求無關的任何其他條件皆視為非歸屬條件。非歸屬條件反映在獎勵的公平值內，且除非包含服務及／或表現條件，否則將導致獎勵遭到即時計入開支。

因未能達至非市場表現及／或服務條件而導致最終並無歸屬的獎勵，不會確認為開支。倘獎勵包括一項市場或非歸屬條件，則無論市場或非歸屬條件是否達成，交易均會被視為已歸屬，但是需所有其他表現及／或服務條件已達成。

倘若以權益結算的獎勵的條款有所修訂，且已符合獎勵之原定條款，所確認開支最少須達到猶如條款並無任何修訂之水平。此外，倘若按修訂日期計量，任何修訂導致以股份為基礎的付款的總公平值有所增加，或對僱員有利，則應就該等修訂確認開支。

如以權益結算的獎勵被註銷，則被視為在註銷當日已歸屬，而尚未就該獎勵確認之任何開支須即時予以確認。此包括本集團或僱員控制範圍內非歸屬條件未獲達成之任何獎勵。然而，倘有一項新獎勵取代已註銷之獎勵，及於授出當日被指定為該獎勵之替代品，則該已註銷及新獎勵均被視為原獎勵之修訂(見前一段所述)。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

2. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (Cont'd)

2.3 Summary of Significant Accounting Policies

(Cont'd)

Share-based payments (Cont'd)

The dilutive effect of outstanding share awards is reflected as additional share dilution in the computation of earnings per share.

In addition to the above accounting policy, other significant accounting policies refer to those included in annual financial statements for the year ended 31 December 2019.

3. OPERATING SEGMENT INFORMATION

The Group's principal business is the production, marketing and retailing of casual braised duck-related casual food. For management purposes, the Group operates in one business unit based on its products, and has one reportable segment which is the production, marketing and retailing of casual braised duck-related food.

Information about geographical area

Since all of the Group's revenue was generated from the production, marketing and retailing of casual braised duck-related food in Mainland China and approximately 100% of the Group's non-current assets were located in Mainland China, no geographical information is presented in accordance with HKFRS 8 – *Operating Segments*.

Information about major customers

Since none of the Group's sales to a single customer amounted to 10% or more of the Group's total revenue, no information about major customers is presented in accordance with HKFRS 8 – *Operating Segments*.

2. 編製基準及本集團會計政策變動(續)

2.3 重大會計政策概要(續)

以股份為基礎付款(續)

計算每股盈利時，未行使股份獎勵之攤薄效應反映為額外股份攤薄。

除上述會計政策外，其他主要會計政策參照計入截至二零一九年十二月三十一日止年度之年度財務報表的會計政策。

3. 經營分部資料

本集團的主要業務為鴨類休閒滷製品生產、營銷及零售。就管理目的而言，本集團根據其產品經營一項業務單位，而唯一可呈報分部為鴨類休閒滷製品生產、營銷及零售。

有關地理區域的資料

由於本集團的收益全部來自中國內地鴨類休閒滷製品的生產、營銷及零售，且本集團約100%的非流動資產位於中國內地，故並無根據香港財務報告準則第8號—經營分部呈列地區資料。

有關主要客戶的資料

由於本集團對單一客戶的銷售均未達到本集團總收益的10%或以上，故並無根據香港財務報告準則第8號—經營分部呈列主要客戶資料。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

4. REVENUE, OTHER INCOME AND GAINS, NET

Revenue represents the net invoiced value of goods sold after allowances for returns and trade discounts.

An analysis of revenue, other income and gains, net is as follows:

4. 收益、其他收入及收益淨額

收益指已售貨品扣減退貨撥備及貿易折扣後的發票淨值。

收益、其他收入及收益淨額分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Type of goods	貨品類型		
Vacuum-packaged products	真空包裝產品	115,630	179,855
Modified-Atmosphere-Packaged products	氣調包裝產品	781,802	1,433,223
Other products	其他產品	6,038	12,869
Total revenue from contracts with customers	來自客戶合約的收益總額	903,470	1,625,947

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Revenue contribution by sales channels	銷售渠道收益貢獻		
Self-operated retail stores	自營門店	609,090	1,403,174
Online channels	線上渠道	238,707	164,260
Modern trade channels	新零售現代商超	16,410	6,169
Franchisees	特許經營	16,089	1,459
Others	其他	23,174	50,239
Total revenue from contracts with customers	來自客戶合約的收益總額	903,470	1,625,947

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

4. REVENUE, OTHER INCOME AND GAINS, NET 4. 收益、其他收入及收益淨額(續) (Cont'd)

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Revenue Derived from Self-operated Retail Stores and Franchisees	來源於自營門店和特許經營渠道的收益		
Central China	華中	315,225	842,101
Southern China	華南	127,479	225,381
Eastern China	華東	79,083	154,463
Northern China	華北	73,763	149,573
Western China	華西	29,629	33,761
Total	總計	625,179	1,405,279

The timing of the above revenue recognition is when goods were transferred at a point in time.

上述收益確認的時間為貨品轉讓的某個時間點。

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Other income and gains, net	其他收入及收益淨額		
Government grants*	政府補助*	7,210	15,902
Donation expense	捐贈開支	(11,498)	-
Interest income from bank deposits	銀行存款利息收入	18,839	30,841
Interest income from structured deposits measured at amortised cost	按攤銷成本計量的結構性存款的利息收入	7,395	8,857
Interest income from structured deposits measured at FVPL	按公平值計入損益計量的結構性存款的利息收入	4,505	1,743
Fair value gains on structured deposits measured at FVPL	按公平值計入損益計量的結構性存款的公平值收益	(17)	491
Loss on foreign exchange	外匯虧損	(11,055)	(3,950)
Gain/(loss) on disposal of items of property, plant and equipment	出售物業、廠房及設備項目收益/(虧損)	959	(149)
Others	其他	5,262	6,767
Total	總計	21,600	60,502

* There were no unfulfilled conditions and other contingencies attaching to government grants that had been recognised.

* 已確認的政府補助並無附帶未達成條件及其他或然事項。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

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5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

5. 除稅前溢利

本集團除稅前溢利乃經扣除/(計入)以下各項後達致：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Cost of inventories sold	已售存貨成本	309,144	598,159
Depreciation of property plant and equipment	物業、廠房及設備折舊	60,355	48,736
Amortization of other intangible assets	其他無形資產攤銷	5,035	4,836
Depreciation of right-of-use assets	使用權資產折舊	164,275	108,371
Minimum lease payments under operating leases in respect of stores and plant premises	就門店及廠房物業的經營租約項下最低租賃付款	33,677	91,017
Employee benefit expense (including directors' and chief executive's remuneration):	僱員福利開支(包括董事及最高行政人員薪酬)：		
Wages and salaries	工資及薪金	141,479	195,720
Equity-settled share-based payment expense, net	以權益結算的股份支付開支淨額	1,362	-
Pension scheme contributions	退休金計劃供款	12,966	34,154
Other welfare	其他福利	14,145	15,889
Advertising and promotion expenses	廣告及推廣開支	14,839	41,008
E-commerce and online ordering platform related service and delivery fees	電商及外賣平台相關服務及快遞費	76,213	70,919
Fuel cost	燃料費	8,904	11,789
Utility expenses	水電開支	17,781	20,451
Share of losses of an associate	分佔一間聯營公司虧損	6,138	7,435
Transportation expenses	運輸開支	22,725	41,078
(Gain)/loss on disposal of items of property, plant and equipment	處置物業、廠房及設備項目(收益)/虧損	(959)	149
Finance cost	財務費用	17,104	14,584
Loss on foreign exchange	外匯虧損	11,055	3,950
Interest income from bank deposits	銀行存款利息收入	(18,839)	(30,841)
Interest income from structured deposits measured at FVPL	按公平值計入損益計量的結構性存款的利息收入	(4,505)	(1,743)
Fair value gains on structured deposits measured at FVPL	按公平值計入損益計量的結構性存款的公平值收益	17	(491)
Interest income from structured deposits measured at amortised cost	按攤銷成本計量的結構性存款的利息收入	(7,395)	(8,857)

Note:

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of the payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with rules of the central pension scheme.

附註：

本集團於中國內地經營的附屬公司的僱員須參與一項由地方市政府管理的中央退休金計劃。該等附屬公司須向該中央退休金計劃繳付其工資成本的若干百分比供款。根據中央退休金計劃的規定，供款在需要支付時在損益中扣除。

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6. INCOME TAX

The major components of income tax expenses are as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current income tax in PRC	中國的當期所得稅	13,882	72,588
Deferred tax	遞延稅項	(23,219)	(2,068)
Total tax charge for the period	期內稅項支出總額	(9,337)	70,520

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and British Virgin Islands.

The provision for current income tax in PRC is based on a statutory rate of 25% (six months ended 30 June 2019: 25%) of the assessable profits of subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/2019. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. Given that profits of this subsidiary were less than HK\$2,000,000, the statutory tax rate for the subsidiary in Hong Kong was 8.25% (six months ended 30 June 2019: 8.25%). No Hong Kong profits tax on this subsidiary has been provided as there was no assessable profit arising in Hong Kong during the year.

7. INTERIM DIVIDENDS

The Directors of the Company proposed not to declare any interim dividend for the six months ended 30 June 2020.

6. 所得稅

所得稅開支的主要組成部分如下：

本集團須就本集團成員公司身處及經營所在的司法權區所產生或所錄得溢利按實體基準繳納所得稅。

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納任何開曼群島及英屬處女群島所得稅。

本集團基於25% (截至二零一九年六月三十日止六個月：25%) 的法定稅率 (根據中國企業所得稅法釐定) 對其附屬公司應課稅溢利計提中國當期所得稅撥備。

香港利得稅乃根據年內在香港賺取的估計應課稅溢利的16.5% (截至二零一九年六月三十日止六個月：16.5%) 稅率計提，惟本集團的一間附屬公司除外，該公司為符合自二零一八年／二零一九年課稅年度起生效的兩級制利得稅稅率制度的實體。該附屬公司首筆2,000,000港元的應課稅溢利按8.25%的稅率繳稅，其餘應課稅溢利則按16.5%的稅率繳稅。鑒於該附屬公司的溢利少於2,000,000港元，則該附屬公司於香港的法定稅率為8.25% (截至二零一九年六月三十日止六個月：8.25%)。並無就該附屬公司的香港利得稅計提撥備，乃由於年內並無在香港產生應課稅溢利。

7. 中期股息

本公司董事並不建議就截至二零二零年六月三十日止六個月派付任何中期股息。

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8. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic (loss)/earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the period.

The calculation of the diluted earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares of the effect of shares repurchased and held under the Restricted Share Units Scheme.

The Group had potentially dilutive ordinary shares of 3,947,200 in issue during the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

The calculations of basic and diluted earnings per share are based on:

8. 母公司普通權益持有人應佔每股(虧損)/盈利

每股基本(虧損)/盈利金額按母公司普通權益持有人應佔期內溢利及期內已發行普通股加權平均數計算。

每股攤薄盈利金額按母公司普通權益持有人應佔期內溢利計算。計算所用普通股加權平均數即為期內用作計算每股基本盈利之已發行普通股數目，以及該受限制股份單位計劃購回及持有股份的普通股加權平均數。

截至二零二零年六月三十日止六個月，本集團已發行3,947,200股潛在攤薄普通股(截至二零一九年六月三十日止六個月：無)。

每股基本及攤薄盈利的計算乃基於：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	用於計算每股基本盈利之母公司普通權益持有人應佔溢利	(42,194)	224,055
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用於計算每股基本盈利之期內已發行普通股之加權平均數	2,317,728,500	2,317,728,500
Weighted average number of ordinary shares under the Restricted Share Units Scheme	受限制股份單位計劃項下的普通股加權平均數	3,947,200	-
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用於計算每股基本盈利之期內已發行普通股之加權平均數	2,321,675,700	-
(Loss)/earnings per share:	每股(虧損)/盈利：		
Basic (RMB)	基本(人民幣)	(0.02)	0.10
Diluted (RMB)	攤薄(人民幣)	(0.02)	0.10

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9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020, the Group acquired assets with a cost of RMB76,421,000 (the six months ended 30 June 2019: RMB227,336,000).

Items of property, plant and equipment with a net book value of RMB5,026,000 were disposed of by the Group during the six months ended 30 June 2020 (six months ended 30 June 2019: RMB3,534,000).

10. LEASES

The Group as a lessee

The Group has lease contracts for various items of properties and motor vehicles used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of properties generally have lease terms between 1 and 9 years. Motor vehicles generally have lease terms of 12 months or less and/or are individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the period are as follows:

		Prepaid land lease payments 預付土地 租賃款項 RMB'000 人民幣千元	Properties 物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost as at 1 January 2020	於二零二零年一月一日之成本	153,304	999,981	1,153,285
Additions	添置	–	37,701	37,701
Disposals	出售	–	(86,571)	(86,571)
Cost as at 30 June 2020	於二零二零年六月三十日 之成本	153,304	951,111	1,104,415
Depreciation as at 1 January 2020	於二零二零年一月一日之折舊	(3,542)	(306,072)	(309,614)
Depreciation charge	折舊費用	(1,667)	(162,608)	(164,275)
Disposals	出售	–	28,589	28,589
Depreciation as at 30 June 2020	於二零二零年六月三十日 之折舊	(5,209)	(440,091)	(445,300)
Net carrying amount As at 1 January 2020	賬面淨值 於二零二零年一月一日	149,762	693,909	843,671
Net carrying amount As at 30 June 2020	賬面淨值 於二零二零年六月三十日	148,095	511,020	659,115

9. 物業、廠房及設備

截至二零二零年六月三十日止六個月，本集團以成本人民幣76,421,000元(截至二零一九年六月三十日止六個月：人民幣227,336,000元)收購資產。

截至二零二零年六月三十日止六個月，本集團出售賬面淨值為人民幣5,026,000元(截至二零一九年六月三十日止六個月：人民幣3,534,000元)的物業、廠房及設備項目。

10. 租賃

本集團作為承租人

本集團訂有供營運使用的多項物業及汽車的租賃合約。本集團已提前作出一次性付款以向業主收購租賃土地，租期為50年，而根據該等土地租賃的條款，將不會繼續支付任何款項。物業租賃的租期通常介乎1至9年。汽車的租期通常為12個月或以下及/或個別價值較低。一般而言，本集團不可向本集團以外人士轉讓及分租租賃資產。目前訂有若干包含延期及終止選擇權和可變租賃付款的租賃合約，有關詳情進一步論述如下。

(a) 使用權資產

期內，本集團使用權資產的賬面值及變動如下：

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10. LEASES (Cont'd)

The Group as a lessee (Cont'd)

(a) Right-of-use assets (Cont'd)

The Group's leasehold land is located in Wuhan City of Hubei Province, Dongguan City of Guangdong Province, Chengdu City of Sichuan Province, Nantong City of Jiangsu Province, Cangzhou City of Hebei Province and Qianjiang City of Hubei, the PRC, with lease periods of 50 years.

During the six months ended 30 June 2020, RMB611,000 (six months ended 30 June 2019: RMB795,000) of amortisation of the prepaid land lease payments was capitalised as part of the construction costs of the factory in Nantong City, Chengdu City and Qianjiang City.

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the period are as follows:

10. 租賃(續)

本集團作為承租人(續)

(a) 使用權資產(續)

本集團的租賃土地位於中國湖北省武漢市、廣東省東莞市、四川省成都市、江蘇省南通市、河北省滄州市及湖北省潛江市，租期為50年。

截至二零二零年六月三十日止六個月，預付土地租賃付款攤銷人民幣611,000元(截至二零一九年六月三十日止六個月：人民幣795,000元)已資本化為南通市、成都市及潛江市的廠房建築成本的一部分。

(b) 租賃負債

期內，租賃負債的賬面值及變動如下：

		2020 二零二零年 Lease liabilities 租賃負債 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	656,034
New leases	新租賃	33,156
Disposals	出售	(58,941)
Accretion of interest recognised during the year	年內確認的利息增幅	12,227
Payments	付款	(124,123)
Carrying amount at 30 June	於六月三十日的賬面值	518,353
Analysed into:	分析為：	
Current portion	流動部分	310,283
Non-current portion	非流動部分	208,070

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10. LEASES (Cont'd)

The Group as a lessee (Cont'd)

- (c) The amounts recognised in profit or loss in relation to leases are as follows:

		2020
		二零二零年
		RMB'000
		人民幣千元
Interest on lease liabilities	租賃負債的利息	12,227
Depreciation charge of right-of-use assets	使用權資產的折舊費用	164,275
Expense relating to short-term leases (included in selling and distribution expenses)	與短期租賃有關的開支(計入銷售及分銷開支)	4,087
Variable lease payments not included in the measurement of lease liabilities (included in selling and distribution expenses)	未計入租賃負債計量的可變租賃款項 (計入銷售及分銷開支)	18,213
Total amount recognised in profit or loss	於損益內確認的總金額	198,802

- (d) Variable lease payments

The Group leased a number of the retail stores and units that contain variable payments based on the number of sales. Many of the property leases within the Group contain variable payment terms. Local management are responsible for store margins. Accordingly, lease terms are negotiated by local management and contain a wide range of payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores or for reasons of margin control and operational flexibility. Variable lease payment terms vary widely across the Group:

- (1) the majority of variable payment terms are based on a range of percentages of store sales;
- (2) lease payments based on variable terms range from 0 to 20 per cent of total lease payments on an individual property; and
- (3) some variable payment terms include minimum or cap clauses.

10. 租賃(續)

本集團作為承租人(續)

- (c) 於損益內確認的租賃相關款項如下：

- (d) 可變租賃付款

本集團根據銷售數量租賃大量門店及單位，包含可變付款。本集團內的很多物業租賃包含可變付款條款。當地的管理人員對門店的利潤率負責。因此，租賃條款乃經當地的管理人員協商，包含多種支付條款。可變付款條款視乎不同的原因而使用，包括盡量降低新開門店的固定成本基數或因利潤率控制及營運靈活性。本集團內的可變租賃付款條款有很大差異：

- (1) 大部分可變付款條款乃視乎門店銷售所佔不同比重而定；
- (2) 基於可變條款的租賃付款佔租賃付款總額的0%至20%(視乎個別物業而定)；及
- (3) 部分可變付款條款包括下限或上限條款。

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10. LEASES (Cont'd)

The Group as a lessee (Cont'd)

(d) Variable lease payments (Cont'd)

The overall financial effect of using variable payment terms is that higher rental costs are incurred by stores with higher sales. This facilitates the management of margins across the Group.

Variable rent expenses are expected to continue to represent a similar proportion of store sales in future years.

(e) The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 21(b) to the financial statements.

10. 租賃(續)

本集團作為承租人(續)

(d) 可變租賃付款(續)

使用可變付款條款的整體財務影響為門店銷售額愈高租金成本愈高。這便於對本集團內的利潤率進行管理。

未來數年，預期可變租金開支佔門店銷售的比例繼續維持類似比重。

(e) 租賃的現金流出總額及與尚未開始租賃有關的未來現金流出於財務報表附註21(b)披露。

11. INVENTORIES

11. 存貨

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
At cost:	按成本：		
Raw materials	原材料	342,969	299,476
Work in progress	在製品	827	7,003
Finished goods	製成品	26,548	36,961
Packaging materials	包裝材料	16,011	16,948
		386,355	360,388

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12. TRADE RECEIVABLES

12. 貿易應收款項

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		(unaudited)	(Audited)
		(未經審核)	(經審核)
Trade receivables	貿易應收款項	35,284	35,405
Less: Impairment provision	減：減值撥備	-	-
		35,284	35,405

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

報告期末按發票日期劃分的貿易應收款項(已扣除撥備)的賬齡分析如下：

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		(unaudited)	(Audited)
		(未經審核)	(經審核)
Within 3 months	三個月內	34,132	35,320
Over 3 months	三個月以上	1,152	85
		35,284	35,405

The Group applies the simplified approach to provide for expected credit losses prescribed in HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group overall considers the shared credit risk characteristics and the days past due of the trade receivables to measure the expected credit losses. As all of the receivables were neither past due nor impaired and relate to diversified customers for whom there was no recent history of default and there has not been a significant change in credit quality, the Directors are of the opinion that no provision for impairment is necessary in respect of these balances.

本集團採用簡化方法提供香港財務報告準則第9號所規定的預期信貸虧損，該準則允許使用所有貿易應收款項的整個存續期的預期虧損撥備。本集團整體考慮貿易應收款項的攤估信貸風險特徵及到期日以計量預期信貸虧損。由於所有應收款項既未逾期亦未減值，且與近期並無違約記錄的多元化客戶有關及信貸質素並無重大變動，董事認為毋須就該等結餘作出減值撥備。

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13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES 13. 預付款項、按金及其他應收款項

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		(unaudited)	(Audited)
		(未經審核)	(經審核)
Prepaid property rents	預付物業租金	24,018	23,486
Advances to employees	給予僱員的暫支款	3,242	3,040
Advances to suppliers	給予供應商的預付款	12,414	9,269
Deductible input VAT	可扣減進項增值稅	63,149	80,942
Current portion of prepaid land lease payments	預付土地租賃款項 中短期部分	3,332	3,317
Others	其他	51,993	37,826
		158,148	157,880

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

上述資產概無逾期或減值。計入上述結餘的金融資產與近期並無拖欠歷史的應收款項有關。

14. INVESTMENT IN AN ASSOCIATE

14. 於一間聯營公司的投資

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		(unaudited)	(Audited)
		(未經審核)	(經審核)
Share of net assets	分佔資產淨值	244,277	250,416

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14. INVESTMENT IN AN ASSOCIATE (Cont'd)

Particulars of the Company's material associate are as follows:

Name 名稱	Place incorporation 註冊成立地點	Percentage of voting power 投票權百分比	Principal activities 主要業務
Shenzhen Tiantu Xingnan Investment Partnership (Limited Partnership) 深圳市天圖興南投資合夥企業(有限合夥)	China 中國	40.00	Investment Fund 投資基金

In March 2018, the Group, through an indirect wholly-owned subsidiary, entered into a partnership agreement with Shenzhen Tiantu Capital Management Centre (Limited Partnership) and Shenzhen Tiantu Xing'an Investment Enterprise (Limited Partnership) to jointly form Shenzhen Tiantu Xingnan, an investment fund, as a limited partner with an initial subscription amount of RMB500,000,000, representing 50% of the total initial subscription amount of this fund.

In March 2019, as a third-party limited partner newly invested into the fund with an initial subscription amount of RMB333,000,000, the Group's initial subscription amount of RMB500,000,000 represented 37.51% of the total initial subscription amount of this fund.

In December 2019, as another third-party limited partner newly invested into the fund with an initial subscription amount of RMB267,000,000, the Group's initial subscription amount of RMB500,000,000 represented 31.25% of the total initial subscription amount of this fund.

As at 30 June 2020, the Group has contributed RMB250,000,000 to Shenzhen Tiantu Xingnan as of 30 June 2020, which accounted for 32.6% of total contributed capital of the associate.

The following table illustrates the aggregate financial information of the Company's associate that are not individually material:

14. 於一間聯營公司的投資(續)

本公司的重大聯營公司詳情如下：

於二零一八年三月，本集團透過其間接全資附屬公司與深圳天圖資本管理中心(有限合夥)及深圳天圖興安投資企業(有限合夥)訂立合夥協議，共同成立深圳市天圖興南(一間投資基金)，本集團作為有限合夥人，初始認購金額為人民幣500,000,000元，佔該基金首次認購總額的50%。

於二零一九年三月，由於第三方有限合夥人以初始認購金額人民幣333,000,000元新投入基金，本集團的初始認購金額人民幣500,000,000元佔該基金初始認購總額的37.51%。

於二零一九年十二月，由於另一第三方有限合夥人以初始認購金額人民幣267,000,000元新投入基金，本集團的初始認購金額人民幣500,000,000元佔該基金初始認購總額的31.25%。

於二零二零年六月三十日，本集團截至二零二零年六月三十日已向深圳市天圖興南實繳出資人民幣250,000,000元，佔聯營公司實繳資本總額的32.6%。

下表闡述本公司並不個別重大的聯營公司的合併財務資料：

	30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Aggregate carrying amount of the Group's investment in the associate 本集團於聯營公司的投資的賬面總值	244,277	250,416

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15. RESTRICTED CASH AND CASH IN TRANSIT

15. 受限制現金及在途現金

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		(unaudited)	(Audited)
		(未經審核)	(經審核)
Restricted cash	受限制現金	336,099	210,024

As at 30 June 2020 and 31 December 2019, restricted cash represented deposits for letters of credit, which are non-interest-bearing cash deposits paid to a commercial bank for purchasing equipment and will be returned upon the completion of such activities.

於二零二零年六月三十日及二零一九年十二月三十一日，受限制現金指信用證按金，此為就採購設備支付予商業銀行的不計息現金按金並將於有關活動完成後退還。

All of the restricted cash of the Group is denominated in RMB as of 30 June 2020 and 31 December 2019.

截至二零二零年六月三十日及二零一九年十二月三十一日，本集團所有受限制現金均以人民幣計值。

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		(unaudited)	(Audited)
		(未經審核)	(經審核)
Cash in transit	在途現金	147	697

The cash in transit represents the sales proceeds settled by debit cards or credit cards, which have yet to be credited by the banks to the Group.

在途現金指以借記卡或信用卡結算但銀行尚未計入本集團的銷售所得款項。

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16. CASH AND BANK BALANCES

16. 現金及銀行存款結餘

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Cash and cash in bank	現金及銀行活期存款	358,390	190,306
Time deposits	定期存款	837,081	1,046,684
		1,195,471	1,236,990
Less: term deposits with maturity over three months	減：三個月以上到期的定期存款	837,081	1,046,684
Cash and cash equivalents	現金及現金等價物	358,390	190,306

At the end of the reporting period, the cash and bank balances and time deposits of the Group denominated in RMB amounted to RMB940,354,000 (31 December 2019: RMB431,802,000).

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣計值的現金及銀行存款結餘及定期存款為人民幣940,354,000元(二零一九年十二月三十一日：人民幣431,802,000元)。

人民幣不能自由兌換成其他貨幣，然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務的銀行將人民幣兌換成其他貨幣。

銀行活期存款按基於每日銀行存款利率的浮動利率賺取利息。銀行結餘存置於信譽卓越且近期並無拖欠歷史的銀行。

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17. INTEREST-BEARING BANK AND OTHER BORROWINGS 17. 計息銀行及其他借款

		30 June 2020 二零二零年六月三十日		
		Effective interest rate (%) 實際利率	Maturity 還款期限	RMB'000 人民幣千元
Bank loans – secured	銀行貸款－有抵押	2.06	on demand 按要求	100,000
Bank loans – secured	銀行貸款－有抵押	2.06	on demand 按要求	100,000
Bank loans – secured	銀行貸款－有抵押	2.06	on demand 按要求	100,000
Bank loans – secured	銀行貸款－有抵押	2.06	on demand 按要求	100,000
				339,364

Notes:

(a) The Group's bank loans are secured by:

- (i) the pledge of certain of the Group's time deposits amounting to RMB332,098,000 (2019: RMB209,286,000).

In addition, a domestic subsidiaries of the Company has guaranteed certain of the Group's bank loans up to RMB30,000,000 (2019: Nil) as at the end of the reporting period.

(b) Except for the 61.7% secured bank loan which is denominated in United States dollars, all borrowings are in Renminbi.

附註：

(a) 本集團的銀行貸款以下列方式作抵押：

- (i) 本集團若干定期存款抵押，為人民幣332,098,000元（二零一九年：人民幣209,286,000元）。

此外，於報告期末，本公司的一間國內附屬公司已為本集團部分銀行貸款提供擔保，擔保金額為人民幣30,000,000元（二零一九年：零）。

(b) 除以美元計值的61.7%的有抵押銀行貸款外，所有借款均為人民幣。

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Bank loans	銀行貸款		
Within one year or on demand	一年內或按需	339,364	-
		339,364	-

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18. TRADE PAYABLES

The aging analysis of outstanding trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 3 months	三個月內	55,566	119,421
3 to 6 months	三至六個月	5,969	2,278
Over 6 months	六個月以上	2,747	182
Over 12 months	十二個月以上	1,466	107
		65,748	121,988

The trade payables are non-interest-bearing.

貿易應付款項不計息。

18. 貿易應付款項

於報告期末按發票日期劃分的未支付貿易應付款項的賬齡分析如下：

19. SHARE CAPITAL

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Authorised:	法定：		
50,000,000,000 shares of USD0.000001 each	50,000,000,000股每股面值 0.000001美元的股份	306	306
Issued and fully paid:	已發行及繳足：		
2,383,140,500 shares of USD0.000001 each	2,383,140,500股每股面值 0.000001美元的股份	16	16

19. 股本

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20. RESTRICTED SHARE UNITS SCHEME

The Company operates a restricted share units scheme (the “Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the Scheme include the Company’s directors and senior management. The Scheme became effective on 25 July 2018 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

Any further grant of share award in excess of this limit is subject to shareholders’ approval in a general meeting.

The eligible participant for participation in the Scheme (the “Selected Participant”) is selected and the number of shares to be awarded under the Scheme is determined by the board of directors. The board of directors also determines whether the shares will be awarded with or without payment of a price by the Selected Participant (the “Grant Price”) and the amount of the Grant Price. The shares to be awarded under the Scheme has been purchased by a trustee (the “Trustee”) from the open market out of cash contributed by the Group and be held on trust for the Selected Participant until such shares are vested with the Selected Participant in accordance with the provisions of the Scheme.

The Trustee shall not exercise the voting rights in respect of any shares held on trust for the Company or the Selected Participant.

The following shares were outstanding under the Scheme during the period:

Date of grant	Share price as at the date of grant	Grant Price	Number of shares					As at 30 Jun 2020	Vesting period
			As at 1 Jan 2020	Granted during the period	Vested during the period	Forfeited during the period	As at 30 Jun 2020		
授予日期	於授予日期的股價 HK\$ 港元	授予價格 HK\$ 港元	於 二零二零年 一月一日	期內已授出	期內已歸屬	期內已沒收	於 二零二零年 六月三十日	歸屬期	
20 April 2020 二零二零年 四月二十日	4.73	0.83	–	4,580,900	–	–	4,580,900	20 April 2020– 20 April 2024 二零二零年 四月二十日至 二零二四年 四月二十日	

For the six months ended 30 June 2020, the Group recognised equity-settled share-based payment expense of RMB1,361,890 (the six months ended 30 June 2019: Nil).

20. 受限制股份單位計劃

本公司設有受限制股份單位計劃(「該計劃」)，以激勵及獎勵為本集團業務成功作出貢獻的合資格參與者。該計劃的合格參與者包括本公司董事及高級管理層。該計劃於二零一八年七月二十五日生效，除非另行取消或修訂，否則自該日起有效期為10年。

超出此限制的任何進一步的股份獎勵授予均需獲得股東大會的批准。

根據該計劃授予的股份數量選擇合資格參與該計劃的參與者(「選定參與者」)由董事會決定。董事會亦釐定是否由選定參與者支付價格(「授予價格」)及授予價格的金額來授予股份。受託人(「受託人」)已根據本集團授予的該計劃從公開市場購買本集團出資現金，並以信託方式為選定參與者所持有，直至該等股份根據該計劃授予選定參與者為止。

受託人不得對以信託方式持有的本公司或選定參與者的任何股份行使表決權。

期間內，根據該計劃授出的以下股份尚未發行：

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21. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Contracted, but not provided for:	已簽約但未撥備：		
Land and buildings	土地及樓宇	248,895	237,803
Plant and machinery	廠房及機器	31,563	41,263
		280,458	279,066

In addition, the Group's undrawn capital calls to an associate is as follows:

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Capital contributions payable to an associate	應向一間聯營公司出資	250,000	250,000

(b) The Group has various lease contracts that have not yet commenced as at 30 June 2020. The future lease payments for these non-cancellable lease contracts are RMB332,633,526 due within one year, RMB233,227,463 due in the second to fifth years, inclusive and RMB1,650,882 due after five years.

21. 承擔

於報告期末，本集團有下列資本承擔：

此外，本集團調用聯營公司的未提取資金如下：

(b) 本集團擁有若干於二零二零年六月三十日未開始的租賃合約。該等不可撤銷租賃合約的未來租賃付款為一年內到期的人民幣332,633,526元、第二年至第五年(包括首尾兩年)的人民幣233,227,463元及五年後的人民幣1,650,882元。

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22 RELATED PARTY TRANSACTIONS

a) Name and relationship of related parties

Related parties for the six months ended 30 June 2020 and the year ended 31 December 2019 were as follows:

Name 名稱	Relationship 關係
Mr. Zhou Fuyu and Ms. Tang Jianfang 周富裕先生及唐建芳女士	Ultimate controlling shareholder 最終控股股東
Zhou Hei Ya Foods Joint Stock Limited Company ("ZHY Foods") 周黑鴨食品股份有限公司(「周黑鴨食品」)	Subsidiary controlled by Controlling Shareholders 控股股東控制的附屬公司

b) Transactions with related parties

The following transactions were carried out with related parties:

Pursuant to the agreements between the Group and the Controlling Shareholders, Hubei Shiji Yuanjing leased six stores for the six months ended 30 June 2020 (six months ended 30 June 2019: seven) from the Controlling Shareholders for its operation with periods ranging from 1 year to 2 years. The lease terms were mutually agreed between parties.

For those six stores, the leases of those stores should adopt HKFRS 16. The amount of rent payable by the Group under the leases was approximately RMB237,414 per month for the six months ended 30 June 2020. As of June 30 2020, the Group recognised lease liabilities of RMB3,658,000.

22 關聯方交易

a) 關聯方的名稱和關係

截至二零二零年六月三十日止六個月及二零一九年十二月三十一日止年度的關聯方如下：

b) 關聯方交易

與關聯方進行以下交易：

根據本集團與控股股東之間的協議，湖北世紀願景截至二零二零年六月三十日止六個月，自控股股東租賃六間門店(截至二零一九年六月三十日止六個月：七間)，用於其一至兩年期間的運營。租賃條款由訂約方共同約定。

就該等六間門店而言，該等門店的租賃須採納香港財務報告準則第16號。截至二零二零年六月三十日止六個月，根據該項租賃，本集團應付租金金額為每月約人民幣237,414元。截至二零二零年六月三十日，本集團確認租賃負債人民幣3,658,000元。

		Amounts owed by the Group to related parties 本集團應付關聯方款項		Related interest expenses 有關利息費用	
		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	Year ended 30 June 截至六月三十日止年度	
				2020 二零二零年 人民幣千元	2019 二零一九年 人民幣千元
Lease liabilities due to the Controlling Shareholders	應付控股股東租賃負債	3,658	5,284	247	237

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二零二零年六月三十日

22 RELATED PARTY TRANSACTIONS (Cont'd)

c) Compensation of key management personnel of the Group:

22 關聯方交易(續)

c) 本集團主要管理人員薪酬：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Short term employee benefits	短期僱員福利	4,393	2,704
Equity-settled share-base payment expense	以權益結算的股份支付開支	628	–
Post-employee benefits	離職後福利	315	301
		5,336	3,005

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

23. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

30 June 2020 (unaudited)

Financial assets

23. 金融工具－按類別劃分

於報告期末，各類金融工具的賬面值如下：

二零二零年六月三十日(未經審核)

金融資產

		Financial assets at amortised cost	Financial assets at fair value through profit or loss – Designated as such upon initial recognition	Total
		按攤銷成本計量的金融資產	按公平值計量且其變動計入損益的金融資產－於初始確認時指定為此類別	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Trade receivables	貿易應收款項	35,284	–	35,284
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產	13,591	–	13,591
Structured deposits	結構性存款	403,369	311,519	714,888
Rental deposits	租賃按金	87,860	–	87,860
Restricted cash	受限制現金	336,099	–	336,099
Cash in transit	在途現金	147	–	147
Cash and bank balances	現金及銀行存款結餘	1,195,471	–	1,195,471
		2,071,821	311,519	2,383,340

Financial liabilities

金融負債

		Financial liabilities measured at amortised cost
		按攤銷成本計量的金融負債
		RMB'000 人民幣千元
Trade payables	貿易應付款項	65,748
Interest-bearing bank and other borrowings, current	計息銀行及其他借款，流動	339,364
Financial liabilities included in other payables	計入其他應付款項的金融負債	207,992
Lease liabilities	租賃負債	518,353
		1,131,457

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

23. FINANCIAL INSTRUMENTS BY CATEGORY (Cont'd)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:
(Cont'd)

31 December 2019 (audited)

Financial assets

23. 金融工具—按類別劃分(續)

於報告期末，各類金融工具的賬面值如下：(續)

二零一九年十二月三十一日(經審核)

金融資產

		Financial assets at amortised cost	Financial assets at fair value through profit or loss – Designated as such upon initial recognition	Total
		按攤銷成本計量的金融資產 RMB'000 人民幣千元	按公平值計量且其變動計入損益的金融資產—於初始確認時指定為此類別 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Trade receivables	貿易應收款項	35,405	–	35,405
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	11,166	–	11,166
Rental deposits	租賃按金	86,333	–	86,333
Structured deposits	結構性存款	438,724	322,137	760,861
Restricted cash	受限制現金	210,024	–	210,024
Cash in transit	在途現金	697	–	697
Cash and bank balances	現金及銀行存款結餘	1,236,990	–	1,236,990
		2,019,339	322,137	2,341,476

Financial liabilities

金融負債

		Financial liabilities measured at amortised cost
		按攤銷成本計量的金融負債 RMB'000 人民幣千元
Trade payables	貿易應付款項	121,988
Financial liabilities included in other payables	計入其他應付款項的金融負債	131,767
Lease liabilities	租賃負債	656,034
		909,789

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and bank, cash in transit, restricted cash, financial assets at fair value through profit or loss, rental deposits, trade receivables, structured deposits, amounts due from the Controlling Shareholders, financial assets included in prepayments, deposits and other receivables, trade payables and financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings, amounts due to the Controlling Shareholders approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group invests in structured deposits, which were issued by banks in Mainland China. The Group has estimated the fair value of these structured deposits measured at fair value by using a discounted cash flow valuation model based on the AAA rating bond yield and the implied liquidity spread as at the issue date.

Fair value hierarchy

The fair value measurement hierarchy of the Group's structured deposits as at 31 December 2019 was all of Level 2 – significant observable inputs as at the end of the reporting period.

The fair value measurement hierarchy of the Group's structured deposits as at 30 June 2020 was all of Level 2 – significant observable inputs as at the end of the reporting period.

24. 金融工具公平值及公平值層級

管理層已評估現金及銀行存款、在途現金、受限制現金、按公平值計量且其變動計入損益的金融資產、租賃按金、貿易應收款項、結構性存款、應收控股股東款項、計入預付款項、按金及其他應收款項的金融資產、貿易應付款項、計入其他應付款項、應計費用、計息銀行及其他借款的金融負債、應付控股股東款項的公平值與其賬面值相若，主要由於該等工具屬短期到期。

本集團由財務經理領導的財務部門負責釐定金融工具公平值計量的政策及程序。財務經理直接向財務總監及審核委員會報告。於各報告日期，財務部門分析金融工具的價值變動並釐定估值中應用的主要輸入數據。估值由財務總監審核及批准。估值過程及結果於每年就中期及年度財務報告與審核委員會進行二次討論。

金融資產及負債的公平值以自願交易方(強迫或清盤出售除外)當前交易中該工具的可交易金額入賬。

本集團投資於中國內地銀行發行的結構性存款。本集團根據於發行日期的AAA評級債券孳息率及隱含流動性息差，使用貼現現金流量估值模型估計該等按公平值計量的結構性存款的公平值。

公平值層級

於報告期末，本集團截至二零一九年十二月三十一日的結構性存款的公平值計量層級全部為第二級(重大可觀察輸入值)。

於報告期末，本集團截至二零二零年六月三十日的結構性存款的公平值計量層級全部為第二級(重大可觀察輸入值)。

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

中期簡明綜合財務報表附註(續)

30 June 2020

二零二零年六月三十日

24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Cont'd)

Fair value hierarchy (Cont'd)

During the reporting period, there were no transfers of fair value measurements between Level 1 – quoted price in active markets and Level 2 – significant observable inputs and no transfers into or out of Level 3 – significant unobservable inputs.

Level 2 valuations: valuation techniques using inputs other than quoted prices included within level 1 that are observable for the financial asset or financial liability, either directly or indirectly.

25. IMPACT OF COVID-19

Due to the COVID-19 outbreak, the Group's business has been affected to a certain extent. Hubei province, as the center of early outbreak, has been subject to considerable adverse impacts. Since April 2020, the overall operation of the Group has been improving, however, it is also noted that the recovery of consumer traffic in Hubei as well as in areas surrounding transport hubs has been relatively slow which was lower than initially expected. In turn, the Group's financial performance in the first half of 2020 has been adversely impact. The Group recorded a 44.4% decrease in the revenue for the six months ended June 30, 2020 as compared with that of the corresponding period in 2019, and a net loss for the six months ended June 30, 2020 attributable to parent of the Company of RMB42.1 million (for the corresponding period in 2019: a net profit of RMB224.1 million).

The Group has been paying close attention to the development of the COVID-19 outbreak and continuously reviewing its response measures. These measures include actively developing franchise cooperation, developing new retail modern supermarket channels, launching new products, expanding online sales channels, promoting convenient takeout and group purchase services and implementing active measures to reduce rents, labor and other operating costs so as to ensure that the Group's cash flow is stable and it is in good cash position.

Since it is unclear when the COVID-19 outbreak will be fully under control and economic activities are being pressured to slow down, the degree and time of recovery of the Group's operations remain uncertain.

26. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 30 June 2020 and up to the date of this report, no material events were undertaken by the Group.

24. 金融工具公平值及公平值層級(續)

公平值層級(續)

於報告期間，第一級(於活躍市場的報價)與第二級(重大可觀察輸入值)公平值計量之間並無轉移，第三級(重大不可觀察輸入值)亦無轉入或轉出。

第二級估值：輸入值是除第一級輸入值外相關資產或負債直接或間接可觀察的輸入值。

25. 新冠疫情的影響

受新冠疫情影響，本集團的業務運營受到一定影響。湖北省作為疫情中心，受影響尤為嚴重。自二零二零年四月起，本集團的整體運營情況持續改善，但湖北地區及交通樞紐區域人流量恢復緩慢，門店客流量恢復低於預期，進而對本集團於二零二零年上半年的財務表現產生不利影響。本集團於截至二零二零年六月三十日止六個月錄得收入較二零一九年同期下降44.4%，及本公司母公司於截至二零二零年六月三十日止六個月應佔淨虧損為人民幣42.1百萬元(二零一九年同期：淨利潤人民幣224.1百萬元)。

本集團一直密切關注新冠疫情的發展情況，並持續檢視其應對措施。其中包括積極開展特許經營合作、發展新零售現代商超渠道、推出新產品、深拓線上銷售渠道、推廣便捷的外賣及團購服務，以及實施積極措施降低租金、人工及其他運營成本，確保本集團現金流穩健及現金狀況良好。

鑒於新冠疫情被完全控制存在時間上的不確定性及經濟活動面臨放緩的壓力，因此，本集團經營恢復程度及恢復所需的時間仍不確定。

26. 報告期後事件

於二零二零年六月三十日後及直至本報告日期，本集團概無進行任何重大事項。



Zhou Hei Ya International Holdings Company Limited

周黑鴨國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1458

www.zhouheiya.cn