



Lifestyle

China Group Ltd.

利福中國集團有限公司

Stock Code 股份代號：2136

Interim Report
2023 中期報告

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財務摘要

Financial Highlights

- Revenue increased 36.7% to RMB695.2 million
收入上升36.7%至人民幣695.2百萬元
- Profit attributable to owners of the Company
increased 357.7% to RMB127.6 million
本公司擁有人應佔溢利上升357.7%至人民幣127.6百萬元
- Earnings per share increased 357.7% to RMB0.087
每股盈利上升357.7%至人民幣0.087元
- No interim dividend has been declared by the Board
董事會不宣派任何中期股息

Corporate Information 企業資料

Board of Directors

Executive Directors

Mr. Lau Luen Hung, Thomas
(Chairman and Chief Executive Officer)
Mr. Lau Kam Sen
Ms. Lau Kam Shim

Non-executive Director

Ms. Chan Chor Ling, Amy

Independent Non-executive Directors

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

Company Secretary

Mr. Poon Fuk Chuen

Audit Committee

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

Remuneration Committee

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

Nomination Committee

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

Registered Office

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

董事會

執行董事

劉鑾鴻先生
(主席兼首席執行官)
劉今晨先生
劉今蟾小姐

非執行董事

陳楚玲小姐

獨立非執行董事

張美嫻小姐
張悅文先生
林光蔚先生

公司秘書

潘福全先生

審核委員會

林光蔚先生(主席)
張美嫻小姐
張悅文先生

薪酬委員會

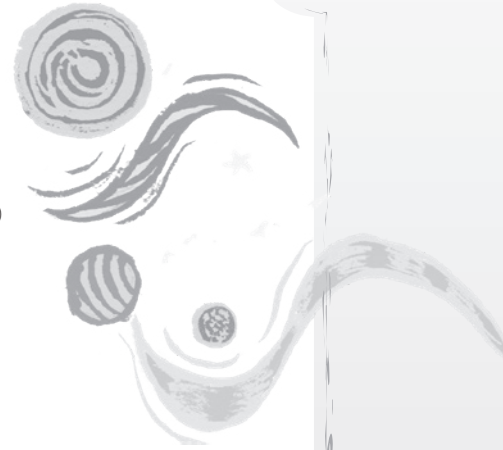
劉鑾鴻先生
林光蔚先生(主席)
張美嫻小姐
張悅文先生

提名委員會

劉鑾鴻先生(主席)
張美嫻小姐
張悅文先生
林光蔚先生

註冊辦事處

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



Head Office and Principal Place of Business in Hong Kong

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

Principal Bankers

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

Auditor

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

Hong Kong Share Registrar and Transfer Office

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

Cayman Islands Share Registrar and Transfer Office

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100, Cayman Islands

Share Information

Place of listing: The Stock Exchange of Hong Kong Limited
Stock code: 2136
Board lot: 500 shares
Financial year end: 31 December
Closing share price at 30 June 2023: HK\$1.07
Market capitalisation at 30 June 2023: HK\$1,567 million

Website

www.lifestylechina.com.hk

總辦事處及香港主要營業地點

香港銅鑼灣
軒尼詩道555號
東角中心20樓

主要往來銀行

中國農業銀行
中國工商銀行
中國銀行(香港)有限公司

核數師

羅兵咸永道會計師事務所
執業會計師及
註冊公眾利益實體核數師

香港股份過戶登記處

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

開曼群島股份過戶登記處

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100, Cayman Islands

股份資料

上市地點：香港聯合交易所有限公司
股份代號：2136
每手買賣單位：500股
財政年度年結日：十二月三十一日
於二零二三年六月三十日股份收市價：1.07港元
於二零二三年六月三十日市值：15.67億港元

網址

www.lifestylechina.com.hk



管理層討論及分析

Market Overview

During the first half of 2023, China's economy gradually stabilized and rebounded, with a 5.5% year-on-year growth in gross domestic production being recorded. Since the beginning of the year, pent-up consumer demand has been gradually released in many parts of China. While some consumers tended to be cautious in their spending given the uncertain economic outlook, the majority chose to rediscover the joys of shopping in-store and offline entertainment experiences. With the help of local supporting policies to stimulate consumer spending, consumption expenditure continued to expand and the national retail sales saw a 8.2% year-on-year growth in the first half of 2023, notably in dining and sales of gold ornaments and jewelry, and apparel and footwear. In the retail store sector, retail sales in department stores increased by 9.8% year-on-year for the first half of 2023 while retail sales in supermarkets retracted by 0.4% as compared to the first half of 2022.

Meanwhile, consumption target of the Chinese consumers also changed, as they not only focused the quality and prices of products or services they paid for, but also on the emotional added value adhering to the goods and services, hoping to gain better life experience through premium products and services. As such, it was extremely important to design marketing activities that would create immersive scenarios to bring enjoyment to consumers while encouraging in-store spending. In particular, demand for eco-friendly and health products has further increased in the post-pandemic era. In response to the increasingly popular new trend of pursuing healthy lifestyle, retailers are actively exploring sustainable development opportunities to drive growth in consumer spending.

市場概覽

二零二三年上半年，中國經濟逐步平穩回升，其國內生產總值按年錄得5.5%增長。自今年年初，中國各地壓抑的消費需求逐步釋放。雖然部分消費者仍因經濟前景不明朗，消費態度偏向謹慎，但還是有較多消費者選擇重拾店內購物及線下娛樂體驗的樂趣。受各地刺激消費政策幫助，消費力持續擴張。在二零二三年上半年，全國零售銷售額按年增長8.2%，其中以餐飲、金銀珠寶及服裝鞋類產品的增長尤為顯著。以零售店類別而言，二零二三年上半年百貨店的零售額按年上升9.8%，超市零售銷售額則較二零二二年上半年放緩0.4%。

另一方面，中國消費者的消費目的也出現變化。購物不再只關注所購買的產品或服務的品質和價格，他們更關注相關產品及服務的附加情感價值，希望通過優質的產品和服務，獲得更好的生活體驗。故營銷活動中設計出讓消費者樂享其中，促進店內消費的沉浸式場景至關重要。尤其在後疫情時代，環保及健康產品的需求進一步增加。為應對日益增長的健康生活新風尚，零售商正積極探索可持續發展機遇、推動消費增長。

Financial Review

To seize the opportunities amid the economic rebound and enhance its overall competitiveness, the Group continued to optimize its store operations by creating unique marketing scenarios and organizing various cultural and sporting events to attracting consumers to experience and shop at its stores, thereby boosting foot traffic and sales. For the six months ended 30 June 2023 (the "Period"), the two well-established department stores of the Group, namely Shanghai Jiuguang and Suzhou Jiuguang, as well as the shopping mall known as Shanghai Jiuguang Center ("JGC"), recorded considerable sales growth.

Revenue and Sales Proceeds

The Group's revenue increased 36.7% year-on-year to RMB695.2 million for the Period, compared with RMB508.5 million for the same period last year. Such growth was mainly attributable to the resumption of normal store operations of the Group during the first half of 2023, in contrast to the store closures or shortened business hours for part of the same period last year. For the Period, total sales proceeds of the Group increased by 50.7% year-on-year to RMB1,638.6 million from RMB1,087.4 million recorded in the previous year.

Gross Profit and Concessionaire Rate

During the Period, the Group's gross profit increased by 36.7% year-on-year to RMB394.1 million. Gross profit margin as a percentage of revenue was largely unchanged at approximately 56.7%, while gross profit margin as a percentage of total sales proceeds was 24.0%, compared with 26.5% for the same period last year. The average concessionaire rate on the other hand edged up to 19.6% during the Period from 19.2% for the same period last year.

Net Profit Attributable to Shareholders

Net profit attributable to shareholders of the Company increased 357.7% year-on-year to RMB127.6 million for the Period. The increase was primarily attributable to (i) the substantial growth in sales revenue and other income following the Group's resumption of normal business operations; and (ii) a 28.6% increase to RMB152.7 million in the share of profit of the Beiren Group. If the share of profits of associates and a joint venture were excluded, the Group would have recorded a profit before tax of RMB34.1 million for the Period, as compared to a loss before tax of RMB44.2 million in 2022.

Selling and Distribution Costs

The Group's aggregate selling and distribution costs for the Period amounted to RMB301.6 million, an increase of 6.8% as compared with RMB282.5 million for the same period last year. The increase was primarily attributable to an increase in operating costs and staff costs during the Period as the business operations resumed normal, as well as the increase in rental expense which is calculated based on turnover and related tax. The Group's aggregate selling and distribution costs as a percentage of total sales proceeds decreased to approximately 18.4% for the Period, compared with approximately 26.0% for the same period of 2022, as percentage increase in sales was much higher than the increase in costs.

財務回顧

為把握經濟反彈增長帶來的機遇以及提升其整體競爭力，本集團持續優化門店營運，創造獨特的行銷場景、籌辦多元化的文娛體育活動，吸引消費者到店體驗及光顧，從而增加人流及銷售額。本集團旗下兩家知名百貨店——上海久光及蘇州久光，以及名為上海久光中心（「上海久光中心」）的購物中心，均於截至二零二三年六月三十日止六個月（「期內」）錄得可觀的銷售增長。

收入及銷售所得款項

本集團期內收入由去年同期的人民幣508.5百萬元按年增加36.7%至人民幣695.2百萬元。該升幅乃主要由於二零二三年上半年本集團的門店營運恢復正常，相比去年同期若干期間門店需關閉或縮短營業時間。本集團的銷售所得款總額由去年同期的人民幣1,087.4百萬元提升50.7%至期內的人民幣1,638.6百萬元。

毛利及特許專櫃扣率

期內，本集團的毛利按年增加36.7%至人民幣394.1百萬元。毛利率按收入計算之百分比維持約56.7%，毛利率按銷售所得款總額計算之百分比為24.0%，而去年同期為26.5%。另一方面，平均特許專櫃扣率由去年同期的19.2%微升至19.6%。

股東應佔溢利淨額

本公司期內股東應佔溢利淨額按年上升357.7%至人民幣127.6百萬元。該升幅主要是由於(i)本集團業務營運恢復正常後，銷售額及其他收入大幅增長；及(ii)應佔北人集團溢利份額增加28.6%至人民幣152.7百萬元。若剔除應佔聯營公司及一間合資企業溢利，本集團期內錄得除稅前溢利為人民幣34.1百萬元，而二零二二年則錄得除稅前虧損人民幣44.2百萬元。

銷售及分銷成本

本集團期內的總銷售及分銷成本由去年同期的人民幣282.5百萬元上升6.8%至人民幣301.6百萬元。該增加主要是由於期內營運及員工成本因業務營運恢復正常而增加，以及根據提成率計算的租金支出及相關稅項上升所致。本集團的銷售及分銷成本總額佔銷售所得款項總額的百分比由二零二二年同期的約26.0%，減少至期內約18.4%，乃由於銷售額增長遠高於成本增幅。

Administrative Expenses

The Group's general administrative expenses increased moderately by 4.4% year-on-year to approximately RMB114.5 million from RMB109.6 million recorded for the first half of 2022 and the increase was mainly attributable to the rise in staff costs following the resumption of normal business operations during the Period.

Staff Costs

Staff costs (excluding directors' emoluments) for the Period increased 6.7% year-on-year to approximately RMB99.9 million from RMB93.6 million for the same period of 2022, which was mainly attributable to resumption to normal business operations during the Period and the overall salary adjustments this period. As at 30 June 2023, the total number of full-time staff employed by the Group was 1,164, compared with 1,160 as at 30 June 2022.

Other Income, Gains and Losses

Other income, gains and losses, which mainly comprise management fees, third-party payment platform charges and other miscellaneous income from counters/tenants, other sundry income and foreign exchange gains/losses, increased 4.7% year-on-year to RMB109.8 million for the Period. The increase was primarily attributable to the increase in third-party payment platform fees received from counters in line with the increase in sales, as well as an increase in carpark income.

Interest and Investment Income

During the Period, the Group's income from interest and investment increased by 131.1% year-on-year to RMB30.4 million as a result of an increase in bank interest income from higher bank balance following the approximately RMB1,050 million net drawdown of the bank loan as well as increased cash from the operation.

Finance Costs

The Group's finance costs mainly consisted of interest incurred on bank borrowings and lease liabilities. Total finance costs for the Period amounted to approximately RMB84.1 million (2022: RMB58.4 million) and the increase was attributable to the increased loan amount following full drawdown of the RMB3,300 million facility and higher financial expenses relating to lease liabilities following renewal of the lease for the Shanghai Jiuguang premises.

Liquidity and Financial Resources

The Group's adjusted EBITDA for the Period increased to RMB242.4 million from RMB170.0 million in the first half of 2022, mainly due to increase in sales and revenue following resumption of normal operations. As at 30 June 2023, the Group's net debt (defined as cash and cash equivalents and amounts due from associates less total bank borrowings, amount due to a non-controlling shareholder of subsidiaries and amounts due to a joint venture) decreased to approximately RMB490.1 million from approximately RMB560.6 million as at 31 December 2022 as cash from operation increases.

行政開支

本集團的一般行政開支由二零二二年上半年的人民幣109.6百萬元，按年溫和增加4.4%至人民幣114.5百萬元，該增加主要是於期內業務營運恢復正常而帶來的相應員工成本上升所致。

員工成本

期內員工成本(不包括董事酬金)由二零二二年同期的人民幣93.6百萬元，按年增加6.7%至人民幣99.9百萬元，該增幅乃主要於期內業務營運恢復正常以及薪金整體調整所致。於二零二三年六月三十日，本集團僱用之全職員工總數為1,164名，而於二零二二年六月三十日則為1,160名。

其他收入、收益及虧損

其他收入、收益及虧損主要包括從專櫃/租戶收取的管理費、第三方支付平台費用及其他各項收入、其他雜項收入及匯兌收益/虧損，於期內按年增加4.7%至人民幣109.8百萬元。該增幅乃主要由於來自因銷售額增加令從專櫃收取的第三方支付平台費用增加，以及停車場收入增加所致。

利息及投資收入

本集團於期內的利息及投資收入按年上升131.1%至人民幣30.4百萬元，乃由於銀行貸款淨提取約人民幣1,050百萬元以及經營現金增加，導致銀行結存增加，因而令銀行利息收入上升。

融資成本

本集團的融資成本主要包括銀行借貸及租賃負債所產生的利息。期內的融資成本總額約為人民幣84.1百萬元(二零二二年：人民幣58.4百萬元)，該升幅乃由於全額提取人民幣3,300百萬元融資後貸款金額增加，以及有關上海久光物業續租後之租賃負債產生較高的財務費用所致。

流動資金及財務資源

本集團於期內經調整的未計利息、稅項、折舊及攤銷前的盈利(EBITDA)由二零二二年上半年錄得的人民幣170.0百萬元增加至期內的人民幣242.4百萬元。該增幅主要由於營運復常後銷售及收入回升所致。於二零二三年六月三十日，本集團的淨負債(定義為現金及現金等價物及應收聯營公司款項減總銀行借貸、應付一名附屬公司非控股股東款項及應付一間合資企業款項)由二零二二年十二月三十一日約人民幣560.6百萬元減少至約人民幣490.1百萬元，乃由於營運現金增加所致。

As at 30 June 2023, the Group's cash and cash equivalents amounted to approximately RMB2,740.2 million (31 December 2022: RMB1,609.1 million), of which RMB16.4 million was denominated in Hong Kong dollars and held in Hong Kong. The remaining cash balance was held in Mainland China, of which approximately 3.3% was denominated in United States dollars and the remaining 96.7% in Renminbi. The increase in cash at banks, as compared with that at 31 December 2022, was mainly due to the full drawdown by the Group in January 2023 of the RMB3,300 million new 15-year bank facility for repayment of the RMB2,240 million project loan with the balance of approximately RMB1,060 million held as cash at bank. The new bank facility is secured by the retail portion (including the basement) of the JGC and interest is calculated with reference to a few basis points below the Loan Prime Rate in China. As at the end of the Period, the Group's debt to equity ratio (defined as bank borrowings divided by equity attributable to owners of the Company) rose to 34.9% (31 December 2022: 24.1%) as a result of increase in bank borrowings.

Foreign Exchange Management

The functional currency of the Company and its subsidiaries operating in the PRC is Renminbi, in which the majority of the Group's transactions are denominated. As described in the "Liquidity and Financial Resources" section above, a small portion of the Group's monetary assets are denominated in foreign currencies, namely Hong Kong dollars and United States dollars. Given that the majority of the Group's revenue and expenses, as well as its borrowings and capital expenditures, are denominated in Renminbi, and the Hong Kong dollar cash balance held in Hong Kong is for settling operating expenses outside Mainland China, the Group currently does not require a comprehensive foreign currency hedging policy. Nevertheless, the management will monitor the Group's foreign currency exposure and will consider taking appropriate measures to mitigate any significant potential foreign currency risk if necessary.

Pledge of Assets

As at 30 June 2023, certain of the Group's (i) property, plant and equipment in the PRC with a book value of approximately RMB3,711 million (31 December 2022: property, plant and equipment and investment property in the PRC of RMB3,786 million and RMB1,262 million respectively); and (ii) right-of-use assets in the PRC with a book value of approximately RMB1,595 million (31 December 2022: RMB1,620 million) were pledged to secure bank facility of RMB3,300 million (31 December 2022: RMB2,240 million).

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2023.

Significant Investments, Material Acquisitions and Disposals

During the period, the Group had no significant investments, nor were there any material acquisitions or disposals of subsidiaries.

於二零二三年六月三十日，本集團的現金及現金等價物約為人民幣2,740.2百萬元(二零二二年十二月三十一日：人民幣1,609.1百萬元)，其中人民幣16.4百萬元以港元計值並存放於香港。剩餘現金結存則存放於中國內地，其中約3.3%以美元計值，其餘96.7%以人民幣計值。銀行結存與於二零二二年十二月三十一日相比有所上升，乃由於本集團於二零二三年一月全數提取人民幣3,300百萬元的新十五年期銀行融資，以償還人民幣2,240百萬元項目貸款，餘額約人民幣1,060百萬元作為銀行現金。該新銀行融資以上海久光中心的零售部分(包括地下樓層)作抵押，並參照中國貸款市場報價利率下浮若干基點計息。於期末，本集團的負債與權益比率(定義為銀行借款除本公司擁有人應佔權益)上升至34.9%(二零二二年十二月三十一日：24.1%)，乃由於銀行貸款增加所致。

外匯監管

本公司及其位於中國的附屬公司的功能貨幣為人民幣，本集團的絕大部分交易均以人民幣計值。如上文「流動資金及財務資源」一節所述，本集團一小部分貨幣資產以外幣(港元及美元)計值。鑒於本集團大部分收入及開支以及其借貸及資本開支均以人民幣計值，而存放於香港之港元現金結存是用作支付中國內地以外地方產生的營運開支，本集團目前並不需要一套全面外幣對沖政策。然而，管理層將監察本集團的外幣風險，並將於有需要時考慮採取適當措施減低任何潛在重大外幣風險。

資產抵押

於二零二三年六月三十日，本集團已抵押其若干(i)位於中國之物業、廠房及設備，賬面價值約為人民幣3,711百萬元(二零二二年十二月三十一日：位於中國之物業、廠房及設備及投資物業，分別為人民幣3,786百萬元及人民幣1,262百萬元)；及(ii)位於中國之使用權資產，賬面價值約為人民幣1,595百萬元(二零二二年十二月三十一日：人民幣1,620百萬元)，以獲授銀行融資人民幣3,300百萬元(二零二二年十二月三十一日：人民幣2,240百萬元)。

或然負債

於二零二三年六月三十日，本集團並無任何重大或然負債。

重大投資、重大收購及出售

本集團於期間內並無任何重大投資，亦無有關附屬公司的重大收購或出售。

Review of Operations

In the first half of 2023, with the gradual release of the consumer pent-up demand, coupled with the government's policy to promote domestic consumption and a relatively low base last year, the retail market improved significantly compared with the same period last year. The Group continued to leverage its online channels to regularly livestream new products and services to cultivate consumers to visit our physical stores. We also optimized our product and service portfolio by introducing non-traditional retail and service tenants such as fitness studios, and carried out various themed marketing activities to enrich consumption scenarios and customer experiences, thereby boosting sales through increased customer traffic.

Shanghai Jiuguang Center

As a high quality commercial complex and positioned as a leisure experience and lifestyle hub, JGC launched a series of medium-and large-scale marketing activities during the Period, encouraging customers to prioritize visiting our shopping mall to experience the fun of in-store shopping through social interaction. Back in March, JGC ingeniously arranged thousands of pots of flowers on the big steps and the pedestrian street to echo, the Tulip Flower Expo in the Jing'an District under the theme of "Flowers • Jiuguang". Taking advantage of its unique spatial layout, JGC later also collaborated with artist Aka Uncle to depict interesting stories through cartoon characters with succinct lines. In June, JGC launched a series of summer-themed activities, including 100-people pop-up dances, open-air movies, sports events, etc., to meet the consumption needs of the younger generation who appreciate fun, novelty and relaxing experiences. Through actively and regularly creating lifestyle consumer scene, JGC has become a new landmark for young consumers in North Shanghai.

In the first half of 2023, sales proceeds and rental income of JGC increased by 49.0% and 55.4% year-on-year to RMB162.2 million and RMB90.5 million respectively, with notable sales growth particularly in fashion and cosmetics categories. Average daily footfall was approximately 27,800 visitors and the stay-and-buy ratio rose by 12.9 percentage points to 77.2%, while the average ticket size remained at around RMB208.

During the Period, JGC continued its efforts to leasing out office space at the two office towers. Despite the weak commercial property market environment, the occupancy rate of the East Tower was close to 50% by the end of June 2023, with tenants spanning logistics, professional services, e-commerce and other industries. Leasing work has commenced for the West Tower since the second quarter and discussions with potential interested parties are underway.

業務回顧

於二零二三年上半年，積壓多時的消費需求逐步釋放，加上政府政策推動本地消費，以及去年相對較低基數，零售市場較去年同期大幅改善。本集團繼續利用線上管道，定期透過發放新產品及服務直播，拉動消費者到訪本集團的實體店。本集團同時優化產品和服務組合，引入健身室等非傳統零售及服務商戶，及開展各種主題營銷活動，豐富消費場景及顧客體驗，從而通過增加客流量促進銷售額。

上海久光中心

作為以休閒體驗與生活時尚中心定位的高品質商業綜合體，上海久光中心於期內推出中大型連串行銷活動，吸引顧客親臨購物中心，透過社交互動享受店內購物的樂趣。早在三月，上海久光中心匠心獨運在大台階、步行街設置數以千盆鮮花，展現「花漾•久光」主題的風采，與靜安區內的鬱金香花博會互相呼應；及後更攜手藝術家 Aka Uncle 透過線條簡約的卡通人物擺設，結合上海久光中心獨特的空間格局，描繪一段段饒富趣味的故事。六月，上海久光中心開展夏日主題系列活動，包括百人快閃舞蹈、露天電影、體育活動賽事等，滿足年青一代重視歡樂、新奇或舒適體驗的消費需求。上海久光中心積極及定期打造生活時尚品味的消費場景，已成為北上海的年青消費新地標。

於二零二三年上半年，上海久光中心的銷售所得款及租賃收入分別按年上升49.0%及55.4%至人民幣162.2百萬元及人民幣90.5百萬元，其中，時裝及化妝品類產品的銷售增長尤為顯著。日均客流量約27,800人次，逗留購買比率上升12.9個百分點至77.2%，而平均每宗交易額維持約人民幣208元。

期內，上海久光中心繼續致力推進為兩座辦公樓招租工作。儘管面對疲弱的商業地產市場，東座在二零二三年六月底已錄得近50%的出租率，其租戶涵蓋物流、專業服務、電子商務及其他等企業。西座自今年二季度開始招租，目前正與潛在感興趣的客戶商談中。

Shanghai Jiuguang

In the first half of 2023, Shanghai Jiuguang stepped up its omnichannel marketing efforts to strengthen Jiuguang's brand equity as consumer enthusiasm continued to escalate. Through a variety of marketing activities, customers were attracted to visit the store in person and to spend more time there. Among them, Shanghai Jiuguang collaborated with the "The Museum of Creative Minds" to hold its first PRC exhibition of "tutuhulu兔兔葫蘆"—"Red Rabbit (大展紅兔)", created by Austrian artist Jan Dornig, and also the trendy "Jump into the Rabbit Hole Together (一起闖入兔子洞)" art exhibition, both events became popular photo taking spots in the Jing'an District. For more than a month since late April, both the interior and exterior of the Shanghai Jiuguang mall was decorated for displaying a sea of flowers in Spring, echoing the theme of "Flowers • Jiuguang", and complementing the promotion of nature-based fun and related tourism products. To celebrate Mother's Day, Shanghai Jiuguang also organized an oil painting experience class and held exhibitions of artists' works, etc. These events have brought leisure experiences, excitement and surprises to customers while at the same time enhancing loyalty of existing Jiuguang VIP members and attracted new customers to become members of the Jiuguang loyalty program that should bring new growth opportunities to the Group.

In the first half of 2023, the average daily footfall of Shanghai Jiuguang rose to 49,000 visitors from 17,000 visitors in the same period last year. Although the average ticket size and the stay-and-buy ratio decreased by 14.0% to RMB404 and 16.0 percentage points to 38.7% respectively, total sales revenue rose sharply by 71.3% year-on-year to RMB995.6 million. During the Period, the average concessionaire rate collected by the store was approximately 22.8% (2022: 23.0%).

Suzhou Jiuguang

The retail sales market in Suzhou gradually recovered in the first half of 2023. With a collection of the world's renowned branded jewelry and watches, Suzhou Jiuguang has become one of the Mecca for local consumers to buy jewelry. During the Period, Suzhou Jiuguang once again partnered with its branded jewelry retailers to organize a large-scale jewelry exhibition to further attract customer traffic and boost sales, with sales of watches and jewelry outperforming all other product categories in the store. In addition, the menswear section and the medical aesthetic center meticulously created by Suzhou Jiuguang also successfully attracted more footfall and boosted consumption for the department store during the Period.

During the Period, total sales revenue of Suzhou Jiuguang increased by 22.2% year-on-year to RMB469.5 million, and the average daily footfall grew by 11.8% year-on-year to approximately 12,300 visitors, while the stay-and-buy ratio and the average ticket size decreased by 2.7 percentage points and 12.1% to 60.8% and RMB496 respectively. The average concessionaire rate during the Period remained stable at approximately 15.3%.

上海久光

上海久光於二零二三年上半年消費熱情節節攀升之際，加強不同渠道的營銷活動以鞏固久光品牌價值。以豐富多姿的市場推廣活動吸引顧客親臨門店及促使他們逗留更長時間。其中，上海久光與移動的頭腦博物館帶來奧地利藝術家Jan Dornig創作的tutuhulu兔兔葫蘆中國首展《大展紅兔》和潮流藝術展《一起闖入兔子洞》，兩個活動均成為靜安區大受歡迎的拍照打卡點。在四月下旬起的一個多月，上海久光呼應「花漾•久光」主題，把上海久光店內外打造成春日花海，配合推介田園野趣及相關旅遊產品。為慶祝母親節，上海久光亦籌辦油彩體驗班及舉行藝術家作品展等，同時為顧客帶來消閒體驗及禮遇驚喜，加強現有久光貴賓會員的忠誠度，並吸引新顧客成為久光忠誠計劃的會員，為本集團帶來新的增長機遇。

於二零二三年上半年，上海久光的日均客流量由去年同期的17,000人次升至49,000人次。儘管平均每宗交易額及逗留購買比率分別下降14.0%至人民幣404元及16.0個百分點至38.7%，但銷售所得款總額按年大升71.3%至人民幣995.6百萬元。該店期內的平均特許專櫃扣率約為22.8%（二零二二年：23.0%）。

蘇州久光

於二零二三年上半年，蘇州零售銷售市況逐漸回暖。蘇州久光匯萃各國知名珠寶鐘錶品牌，已成為當地消費者選購珠寶首飾的勝地之一。期內，蘇州久光與店內的珠寶零售商家再次合作舉辦大型珠寶展，進一步吸引客流量及提升銷售，鐘錶及珠寶於店內各種產品類別的銷售中因而獨佔鰲頭。此外，蘇州久光重裝打造的男仕服飾購物場所以及醫美中心，期內成功為該店吸引更多客流量及刺激消費。

蘇州久光期內的銷售所得款總額按年上升22.2%至人民幣469.5百萬元。日均客流量按年增加11.8%至約12,300人次，而逗留購買比率及平均每宗交易額於期內則分別下跌2.7個百分點及12.1%至60.8%及人民幣496元。期內的平均特許專櫃扣率維持約15.3%。

Dalian and Shenyang Property

The Group's commercial properties in Dalian and Shenyang remained vacant during the Period and continued to record cash outflow aggregating approximately RMB10.6 million for the general upkeep and maintenance of these properties.

Standalone Freshmart Operation

Freshmart sells high-quality food and confectionery products and is a standalone operation of the Group at a rented premise in Changning, Shanghai. During the Period, sales revenue of Freshmart decreased slightly compared with the first half of 2022, mainly due to the hoarding of daily necessities by consumers last year during the pandemic.

Investments in Associates

The Group holds a strategic equity interest in Beiren Group, a leading retail group headquartered in Shijiazhuang, Hebei Province, the PRC. Unlike the Group's business in Shanghai, Beiren Group's business did not rebound as much and remained relatively stable as this part of China was not affected too seriously by the pandemic in the first half of last year. Profit from retailing operation dropped slightly as comparing to last year for the increase in costs and expenses was much higher than the growth in sales and revenue. However, thanks to a one-off gain on disposal of a piece of land that lifted up Beiren's net profit for the Period and the share of profits (after share of non-controlling interests) by the Group rose 28.6% to RMB152.7 million for the Period, compared with RMB118.7 million for the same period in 2022.

As further disclosed on pages 35 to 37 under section "Beiren Group" in note 13 of Notes to the Interim Financial Information, the Group made Full Impairment against the full amount of Trade Receivable balances due by the Debtors.

The Group understands from the management of the Beiren Group that no progress has been made in recovering the outstanding receivables and no further financial information relating to the Debtors and Guarantor has been obtained. Based on the information currently available, the Group believes that the full impairment of the Debtors' outstanding receivables made in 2019 remains the best estimate.

With a non-controlling interest in Beiren Group, the Group can only rely on the management of Beiren Group to (i) take appropriate and necessary actions to collect the receivables from the Debtors and/or Guarantor; and (ii) obtain up-to-date and relevant information, including but not limited to financial information and financial position of the Debtors and Guarantor, and the progress of legal proceedings, if any, against the Debtors and/or Guarantor.

During the Period, the Group's Chief Financial Officer ("CFO") continued to implement the Company's plan in response to the qualified opinion, as detailed in the Company's supplemental announcement dated 5 May 2020, by engaging with the management of Beiren Group on a quarterly basis to obtain updates on the progress of the legal action against the Debtors and the criminal case against the Guarantor.

大連及瀋陽物業

本集團於大連及瀋陽的商用物業於期內仍然空置，並繼續因該等物業的維修保養成本錄得現金流出總額約人民幣10.6百萬元。

獨立「鮮品館」之經營

本集團在上海長寧租賃物業獨立經營「鮮品館」，出售優質食品及糕餅產品。於期內，「鮮品館」銷售所得款較二零二二年上半年略微下降，乃主要由於去年疫情期間消費者囤購生活必需品所致。

於聯營公司的投資

本集團持有紮根於中國河北省石家莊的零售龍頭集團北人集團之策略性股權。與本集團於上海的業務情況不同，北人集團的業務相對穩定，並未有出現太大的反彈，因為該區去年上半年並未受疫情的嚴重影響。由於成本和費用的增加高於銷售額和收入的增長，零售業務利潤相比去年略有下降。然而，受惠於處置出售一塊用地產生之一次性收益，北人集團期內淨利潤有所增加，本集團於期內的應佔溢利淨額（扣除應佔非控股權益）由二零二二年同期的人民幣118.7百萬元增長28.6%至人民幣152.7百萬元。

如於中期財務資料第35至37頁附註13的「北人集團」部分進一步披露，本集團已就債務人逾期的全額應收賬項結餘計提全額減值。

本集團自北人集團管理層得知，就收回未償還應收賬項上並無取得任何進展，且並無獲得與債務人及擔保人有關的進一步財務資料。根據現有資料，本集團認為於就債務人的逾期應收賬項在二零一九年作出全額減值仍為最佳估算。

由於持有北人集團的非控股權益，本集團僅可依賴北人集團管理層(i)採取適當及必要行動，以向債務人及／或擔保人收回應收賬項；及(ii)獲得最新相關資訊，包括但不限於債務人及擔保人的財務資料及財務狀況，以及取得對債務人及／或擔保人進行的法律行動的進展(如有)。

於期內，本集團財務總監(「財務總監」)繼續根據跟進本公司日期為二零二零年五月五日的補充公告所詳述以應對保留意見之本公司計劃，每季度與北人集團管理層進行溝通，以獲得有關對債務人進行之法律行動及對擔保人的刑事起訴之最新進展。

As of now, the Group's CFO was not able to obtain any updated information as all assets, records and information of the Debtors and/or Guarantor remain in the custody of the local authorities in the PRC. As a result, it has not been possible to obtain the relevant information on the Debtors and/or Guarantor as requested by the auditors for resolving the qualified opinion.

As the Group only holds a non-controlling interest in Beiren Group, the Board understands the reliance on the management of Beiren Group to take the necessary legal action and monitor progress through regular contact with the relevant authorities. The Board is also aware of the challenges faced by Beiren Group's management in obtaining up-to-date information.

In view of the above, despite the lack of progress in obtaining updated information requested by the auditors in relation to the Debtors and/or Guarantor, the Board considers that the action taken by the Group and the management of Beiren Group represent the most appropriate action under the circumstances. It is understood that as of the date of this report, almost all of the key employees of the Debtors or companies owned by the Guarantor, as well as the Guarantor himself, are still being detained by the relevant local authorities and therefore no progress has been made in obtaining further information about the Debtors and/or Guarantor.

As also reiterated in the Company's supplemental announcement dated 17 September 2021, while the Group will continue to work closely with management of the Beiren Group with an aim to push ahead development of the legal cases against the Debtors/Guarantor, management of the Company is of the view that until there is any meaningful progress or conclusion in the criminal case against the Guarantor as taken by the relevant local authorities, no progress could be expected in respect of the legal action taken by the Beiren Group against the Debtors for recovering the Trade Receivables. In light of the above, the Company is unable to propose any other realistic and feasible actions or specific timelines to resolve or eliminate the qualified opinion at this time.

The Board and the Audit Committee agree that, given the unique nature of the issue and the unusual circumstances, there are no other realistic and feasible actions or any specific timelines to resolve the audit modifications at this time.

The auditor noted the actions taken and the difficulties faced by the Company and Beiren Group's management in obtaining information about the Debtors/Guarantor over the past several years when the Guarantor and most of his key employees were detained and all assets owned by the Guarantor were seized by the relevant local authorities.

截至目前為止，本集團財務總監無法獲得任何更新資料，原因是債務人及／或擔保人的所有資產、記錄及資料仍由中國地方政府當局保管。因此，無法獲得核數師要求的債務人及／或擔保人的相關資料以解決保留意見。

由於本集團僅持有北人集團非控股權益，董事會明白須依賴北人集團管理層採取必要的法律行動，並透過與相關當局定期聯繫監察事態進展。董事會亦知悉北人集團管理層獲取最新資料時所面對的挑戰。

鑒於上述事項及儘管在取得核數師要求的有關債務人及／或擔保人的最新資料未有任何進展，董事會認為，本集團及北人集團管理層所採取的行動在此情況下是最為適當的行動。據瞭解，截至本報告日期，幾乎所有債務人或擔保人擁有的公司的核心僱員以及擔保人本身仍被地方有關當局拘留，因此在有關債務人及／或擔保人的進一步資料上未有取得進展。

此外，誠如本公司日期為二零二一年九月十七日之補充公告所重申，儘管本集團將繼續與北人集團管理層緊密合作，以推動針對債務人／擔保人的法律案件的發展，本公司管理層認為，在地方有關當局對擔保人提出的刑事起訴有任何有意義的進展或結論之前，預期北人集團針對債務人就收回應收賬項採取的法律行動不會有任何進展。鑒於上述事項，本公司此時無法提出未就解決或移除保留意見之任何其他實際可行的行動或具體時間表。

董事會及審核委員會同意，鑒於該事件的獨特性及不尋常情況，此時就解決審計修改並無其他實際可行的行動或任何具體時間表。

核數師知悉到本公司及北人集團管理層於過往數年中在取得債務人／擔保人資料方面所採取的行動和面對的困難，而擔保人及其大部分核心僱員被拘留，及擔保人擁有的所有資產被地方政府查封。

The auditor is also aware that the Company plans to continue to rely on Beiren Group's management to obtain information about the Debtors/Guarantor. However, the auditor will not be able to assess whether or not they have obtained sufficient appropriate audit evidence as they consider necessary until the Company is able to provide the auditor with sufficient evidence regarding the financial condition of the Debtors/Guarantor and details of the Guarantor's other assets.

The Group will continue its efforts to work with the management of Beiren Group to further explore options to obtain relevant information, including but not limited to financial information and financial position of the Debtors and Guarantor. In addition, the Group will continue to maintain regular contact with management of the Beiren Group to keep abreast of the situation and to assess the possibility of recovering the outstanding receivables from the Debtors, and will discuss the matter with the auditor in order to resolve the audit qualification issue in due course.

Outlook and Plan

Against the backdrop of the current complex international environment, sluggish global economic growth, and slowing trade and investment growth, China's economy nonetheless started to see a bounce back since the beginning of this year and continued to improve in the second quarter of this year. Meanwhile, prolonged downturn of the real estate sector has not only dragged down fixed asset investment but exerted increasing pressure on the job market that caused consumers to become more cautious as the uncertain economic outlook affected their spending desires. Nevertheless, the growth of the retail and other service sectors saw acceleration as the society returned to full normalcy. Indeed, this year's summer vacation is seeing catering enterprises full of customers and movie ticket sales soaring. With new consumption scenarios constantly emerging, the outlook for the retail market is cautiously optimistic.

In order to grasp market opportunities and enhance overall competitiveness, the Group is striving to cultivate the Jiuguang brand to strengthen its leading position in the department store retail industry in Shanghai and the Yangzi River Delta region. The Group will continue to closely monitor consumption trends, optimize its product and service portfolio, endeavor to build and deepen its engagement with customers to meet the consumption needs of the middle class and high-spending millennials, and further enhance brand equity of the Jiuguang through premier products and services.

In view of the fact that more and more consumers, especially younger people, are keen on the experiential nature of consumption and pursuing emotional shopping experience, how to accurately grasp and promptly respond to consumers' emotional demands has become one of the key priorities of the Group. The Group will continue to explore topics of customer interest such as environmental protection, sports, entertainment, and mental health, and to integrate material, spiritual, cultural, and entertainment consumption into an immersive commercial scenario that will attract customers to actively participate with an aim to open up a new era of consumption.

核數師亦知悉本公司計劃繼續依賴北人集團管理層取得有關債務人／擔保人的資料。然而，在本公司能夠就債務人／擔保人的財務狀況及擔保人的其他資產詳情向核數師提供充分憑證前，核數師將無法評估彼等是否已取得其認為必要的充足適當審核憑證。

本集團將繼續努力與北人集團管理層進一步探索可獲取資料(包括但不限於債務人及擔保人之財務資料及財務狀況)的方案。此外，本集團將繼續與北人集團管理層定期聯繫，以確保瞭解最新進展情況及評估收回債務人逾期應收賬項的可能性，並將於適當時候與核數師進行討論，以解決有關事宜。

展望與計劃

在國際環境錯綜複雜、世界經濟增長乏力、貿易投資增速放緩的背景下，中國經濟於今年初開始反彈，並在第二季持續向好。同時，房地產市場持續低迷不僅拖累固定資產投資，更為就業市場加大壓力，部份消費者因經濟前景不明影響其購買意欲，消費行為更加謹慎。但社會全面復常後，零售服務業增長加快。今年暑假的確可以看到餐飲企業顧客盈門，影院票房高漲。在新消費場景層出不窮下，對零售市場展望審慎樂觀。

為把握市場機遇及提升整體競爭力，本集團致力培育久光品牌，鞏固其上海及長三角地區百貨零售業的領先地位。本集團將繼續密切留意消費趨勢、優化產品及服務組合，努力建立和加深與顧客的關係、以滿足中產階級及高消費千禧一代的消費需求，並透過卓越的產品和服務進一步提升顧客對久光品牌的認同。

鑒於越來越多消費者，尤其是年輕人注重消費時的體驗，追求情感價值層面的購物感受，如何準確理解及適時回應消費者的情感訴求成為本集團的關鍵工作之一。本集團將繼續探索環保綠色、體育文娛、心理健康等顧客關注的議題，將物質、精神、文化，和娛樂消費融合在沉浸式的商業場景，吸引顧客主動參與，開拓消費的新藍海。

Leveraging its unique outdoor three-level atrium, JGC will be able to host a variety of different events and activities with outdoor immersive experiences, including the family-oriented water park and the “Beyond H.C. Andersen: The Art of Fairy Tales” exhibition held at the start of this year’s summer vacation. Meanwhile, Shanghai Jiuguang arranged for a choir of Hong Kong children currently living in Shanghai to perform in the store to celebrate the 26th anniversary of Hong Kong’s return to the motherland. During the final of the World Cup Tasters Championship (China Region) which was held at Suzhou Jiuguang, a coffee art festival was also launched at the venue to attract customers to come and watch the competition of top-class baristas, and at the same time to stroll around the coffee-themed market to enjoy different specialty coffees and delicacies.

The Group will continue to optimize its tenant mix and enrich its business formats to providing more experiential and immersive consumption options with an aim to increasing customer traffic and boosting sales. While the JGC is equipped with a cinema, a skate park, and a karaoke bar, Shanghai Jiuguang and Suzhou Jiuguang will on the other hand organize themed events including but not limited to art exhibitions, 3x3 basketball games, and pet festivals. All these will help deepen the integration of shopping venues with lifestyles and to attract both new and existing loyal customers to enjoy the different experiences and spend at the stores.

The Group’s VIP membership program will be enhanced from time to time with an aim to deepening the engagement with its customers. Through exclusive offers, members-only benefits and other rewards, the loyalty program will aim to entice members to increasing frequency of their visits and purchases.

The Group will continue to monitor the consumption trends and strive for adopting innovative marketing tactics and approach for both its physical stores and online operations, including the use of livestreaming, short video clips and other emerging social media to create interesting marketing campaigns. In addition to providing customers with online shopping options, the online business platform will also increase the exposure and dissemination of the Jiuguang brand through regular livestreaming of new products and services.

Furthermore, the Group will spare no effort in pushing ahead leasing for the two office towers at JGC, which are expected that to generate stable cash flow for the Group in the foreseeable future.

With the strong recognition of the Jiuguang brand and the dedicated management team, the Group will continue to explore potential business and investment opportunities with an aim to achieve sustainable growth and returns for its shareholders.

上海久光中心憑藉其別具特色的戶外三層中庭設計，將可舉辦多元化活動，包括今年暑假初，上海久光中心將戶外區域打造一系列戶外沉浸式體驗活動，如親子水上樂園和《安徒生童話藝術展》。同時，上海久光安排常居上海香港兒童組成的合唱團在店內演唱，慶祝香港回歸二十六周年。蘇州久光在場內舉行世界咖啡杯測大賽中國區總決賽期間，適時推出咖啡藝術節，吸引顧客觀賞頂尖咖啡師競技之餘，亦可以閒逛咖啡主題市集，享受不同的特調咖啡和各式美食。

本集團將繼續優化商戶組合和豐富商業態，提供更多體驗式及沉浸式消費項目，提升客流量及銷售額。上海久光中心已開設電影院、滑板公園和卡拉OK；而上海久光和蘇州久光繼續舉行不同主題活動包括藝術展、3x3籃球比賽、及寵物節等，令購物場所及生活方式深度融合，從而吸引新舊顧客前來體驗及消費。

本集團將不時完善其VIP會員計劃，旨在促進與顧客更深入的互動。借助專享優惠、會員特別禮遇及其他獎賞，顧客忠誠計劃效應將得到提升，從而吸引會員到店頻次及購物。

本集團將繼續留意消費潮流，於實體店和線上業務的行銷策略和方式上力求實務創新，包括利用串流直播、視頻短片及其他新興社交媒體舉辦有趣新奇的推廣活動。線上業務平台除為顧客提供線上購物的選擇外，亦透過定期發放新產品及服務直播，增加久光品牌曝光度和傳播度。

另外，本集團將不遺餘力推進上海久光中心兩座辦公樓的招租力度，預期辦公樓在可見的將來將為本集團帶來穩定的現金流。

憑藉久光品牌的強大認受性及專業管理團隊，本集團將繼續尋找具潛力的業務和投資機遇，以實現長期增長及為股東帶來持續回報。

Other Information

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

As at 30 June 2023, the directors' and the chief executive's interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") were as follows:

Long position in shares of the Company

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

Note: The 844,988,832 shares comprise:

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

董事及最高行政人員於股份、相關股份及債權證之權益

於二零二三年六月三十日，各董事及最高行政人員於本公司或其任何相聯法團(按《證券及期貨條例》(「證券及期貨條例」)第XV部所界定者)之股份、相關股份及債權證中持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)須另行知會本公司及聯交所之權益及淡倉載列如下：

於本公司股份之好倉

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

附註：該844,988,832股股份包括：

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

Save as disclosed above, as at 30 June 2023, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code. Nor any of the directors and chief executive had any interest in, or had been granted any right to subscribe for the securities of the Company and its associated corporations (within the meaning of Part XV of the SFO) or had exercised any such right during the period under review.

Interests of Shareholders Discloseable under the SFO

As at 30 June 2023, the following persons (other than a director or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or notified to the Company:

Long position in shares of the Company

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

Notes:

- Asia Prime, a company wholly owned by Mr. Lau Luen Hung, Thomas, holds 80% of the entire issued share capital of United Goal. By virtue of the SFO, Asia Prime is deemed to be interested in the same parcel of shares comprising 540,000,000 shares in which United Goal is interested as beneficial owner.
- Mr. Lau Luen Hung, Thomas, Mr. Lau Kam Sen and Ms. Lau Kam Shim are directors of United Goal, Asia Prime and Dynamic Castle.

Save as disclosed above, the Company has not been notified by any person (other than a director or the chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as at 30 June 2023 which were recorded in the register required to be kept under Section 336 of the SFO or notified to the Company.

除上文所披露者外，於二零二三年六月三十日，本公司董事及最高行政人員概無持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團(按證券及期貨條例第XV部所界定者)之股份、相關股份或債權證的任何權益或淡倉。於回顧期間，各董事及最高行政人員概無擁有或獲授任何可認購本公司及其相聯法團(按證券及期貨條例第XV部所界定者)證券之權利，亦無行使任何該等權利。

根據證券及期貨條例須予披露之股東權益

於二零二三年六月三十日，下列人士(不包括本公司董事或最高行政人員)於本公司之股份及相關股份中持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之權益或淡倉載列如下：

於本公司股份之好倉

附註：

- Asia Prime為劉鑾鴻先生全資擁有之公司，其持有80% United Goal全部已發行股本。根據證券及期貨條例，Asia Prime被視為於United Goal實益擁有的540,000,000股股份中擁有相同權益。
- 劉鑾鴻先生、劉今晨先生及劉今蟾小姐為United Goal、Asia Prime及Dynamic Castle之董事。

除上文所披露者外，概無任何人士(本公司董事或最高行政人員除外)向本公司通知其於二零二三年六月三十日持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之本公司股份或相關股份的權益或淡倉。

Changes in Information of Directors

Below are the changes in director's information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

Mr. Lam Kwong Wai

- resigned as an executive director, group financial controller and company secretary of Chinese Estates Holdings Limited, a company listed on the Stock Exchange, with effect from the conclusion of its annual general meeting held on 25 May 2023.

Interim Dividend

The board of directors ("Board") of the Company has resolved not to declare an interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2023.

Corporate Governance Code

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2023, except the following deviation:

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

Directors' Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by directors. After specific enquiries by the Company, all directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2023.

董事資料變更

以下是根據上市規則第13.51B(1)條之規定，須予披露之董事資料變更：

林光蔚先生

- 辭任聯交所上市公司Chinese Estates Holdings Limited(華人置業集團)執行董事、集團財務總監及公司秘書之職務，自該公司於二零二三年五月二十五日舉行的股東週年大會結束後生效。

中期股息

本公司董事會(「董事會」)議決不宣派截至二零二三年六月三十日止六個月的中期股息(截至二零二二年六月三十日止六個月：無)。

購買、出售或贖回上市證券

截至二零二三年六月三十日止六個月內，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

企業管治守則

本公司於截至二零二三年六月三十日止六個月內已遵守上市規則附錄十四所載《企業管治守則》之守則條文，惟下列偏離除外：

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

董事進行之證券交易

本公司已採納標準守則作為其董事進行證券交易的操守準則。經本公司作出特定查詢後，截至二零二三年六月三十日止六個月內，所有董事確認彼等均遵守標準守則所規定之標準。

Review of Interim Results

The Group's unaudited interim results for the six months ended 30 June 2023 have been reviewed by the audit committee of the Company, and by the auditor of the Company in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Employees

As at 30 June 2023, the Group employed a total of 1,164 employees, with 1,158 stationed in mainland China and 6 in Hong Kong. Staff costs (excluding directors' emoluments) amounted to RMB99.9 million (2022: RMB93.6 million) for the six months ended 30 June 2023. The Group ensures that the pay levels of its employees are competitive and in line with the market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

Acknowledgement

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

On behalf of the Board

Lau Luen Hung, Thomas

Chairman and Chief Executive Officer

2 August 2023

中期業績之審閱

本集團截至二零二三年六月三十日止六個月之未經審核中期業績已由本公司之審核委員會審閱及經本公司核數師按照香港會計師公會頒佈之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。

僱員

於二零二三年六月三十日，本集團共僱用1,164名員工，其中1,158人駐中國內地及6人駐香港。截至二零二三年六月三十日止六個月期間，員工成本(不包括董事酬金)為人民幣99.9百萬元(二零二二年：人民幣93.6百萬元)。本集團確保僱員薪酬水平符合市場趨勢並具競爭力，僱員之薪酬乃根據本集團之一般薪金框架及花紅制度因應僱員表現釐定。

致謝

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

代表董事會

劉鑾鴻

主席兼首席執行官

二零二三年八月二日

Report on Review of Interim Financial Information

中期財務資料審閱報告



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

Introduction

We have reviewed the interim financial information set out on pages 21 to 44, which comprises the interim condensed consolidated statement of financial position of Lifestyle China Group Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2023 and the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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

羅兵咸永道

致：利福中國集團有限公司董事會
(於開曼群島註冊成立的有限公司)

引言

本核數師已審閱載於第21至44頁之中期財務資料，其包括利福中國集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)於二零二三年六月三十日之中期簡明綜合財務狀況表，與截至該日止六個月期間之中期簡明綜合損益及其他全面收益表、中期簡明綜合權益變動表 and 中期簡明綜合現金流量表，以及經選擇說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告必須符合當中有關條文以及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」。貴公司之董事須負責根據香港會計準則第34號「中期財務報告」編製及呈列本中期財務資料。本核數師之責任是根據審閱對本中期財務資料作出結論，並按照委聘之協定條款僅向閣下作為一個團體報告結論，且並無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

審閱範圍

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

Basis for Qualified Conclusion

As further detailed in note 13 to the interim financial information, the Group holds equity interests in certain associated companies herein referred to as “Beiren Group”. For the period ended 30 June 2023, the Group recognised a share of profit of associates of RMB255.2 million and carried RMB3,527.9 million investments in associates on the interim condensed consolidated statement of financial position as at 30 June 2023, of which RMB254.4 million of the share of profit of associates for the six-month period ended 30 June 2023 and RMB3,522.1 million of the carrying value of investments in associates as at 30 June 2023 were attributable to the Beiren Group.

In 2019, the Group made a full expected credit loss allowance, net of deferred tax credit (“Full Impairment”) against the entire overdue trade receivable balances due from three PRC companies (“Debtors”) of the Beiren Group (“Trade Receivables”), for the purpose of recognising the Group’s share of results of the Beiren Group. Such Trade Receivables are guaranteed by the ultimate beneficial owner of the Debtors (the “Guarantor”). The impact of the Full Impairment on the Group’s share of losses of associates, loss attributable to owners and loss attributable to non-controlling interests for the year ended 31 December 2019 amounted to RMB812.4 million, RMB487.4 million and RMB325.0 million respectively.

We have previously qualified our auditor’s report on the Group’s consolidated financial statements for the year ended 31 December 2022 due to a limitation of scope as we were unable to obtain sufficient appropriate evidences on whether any adjustments were necessary to the carrying amount of the Trade Receivables of nil balance and the related deferred tax credit in respect of the Full Impairment, which had consequential impact on (i) the Group’s share of profits of associates for the year ended 31 December 2022 and the carrying value of its investments in associates as at that date; (ii) the Group’s loss attributable to owners and profit attributable to non-controlling interests in the Group’s consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022; and (iii) the equity attributable to owners of the Company and the non-controlling interests on the Group’s consolidated statement of financial position as at 31 December 2022.

During the six-month period ended 30 June 2023 and up to the date of this report, there has been no additional information or development in relation to the recoverability of the Trade Receivables due from the Debtors. Accordingly, the Group’s management considered the Full Impairment of the Trade Receivables of the Beiren Group brought forward is still appropriate as at 30 June 2023.

保留結論的基礎

如中期財務資料附註13進一步所述，貴集團持有若干聯營公司(以下簡稱為「北人集團」)之股權。截至二零二三年六月三十日止期間，貴集團確認應佔聯營公司溢利為人民幣255.2百萬元及於二零二三年六月三十日在中期簡明綜合財務狀況表對聯營公司的投資賬面價值為人民幣3,527.9百萬元，而於截至二零二三年六月三十日止六個月期間屬於北人集團之應佔聯營公司溢利為人民幣254.4百萬元及於二零二三年六月三十日對聯營公司的投資賬面價值為人民幣3,522.1百萬元。

於二零一九年，貴集團已就因三家中國公司(「債務人」)欠北人集團的全部逾期應收賬款餘額(「應收賬項」)，計提全額預期信貸虧損撥備(扣除遞延稅項抵免)(「全額減值」)，以確認貴集團應佔北人集團的業績。有關應收賬項由債務人之最終實質擁有人(「擔保人」)提供擔保。截至二零一九年十二月三十一日止年度，全額減值對貴集團應佔聯營公司虧損、擁有人應佔虧損及非控股權益應佔虧損的影響分別為人民幣812.4百萬元、人民幣487.4百萬元及人民幣325.0百萬元。

我們先前於貴集團截至二零二二年十二月三十一日止年度的綜合財務報表發表的核數師報告中作出保留意見，原因為審計範圍受到限制，我們無法獲得充足及適當的證據，以是否必須對應收賬項賬面價值為零及有關全額減值的相關遞延稅項抵免作任何調整，而這將最終影響(i)截至二零二二年十二月三十一日止年度的貴集團應佔聯營公司溢利及於該日其於聯營公司的投資賬面價值；(ii)截至二零二二年十二月三十一日止年度貴集團綜合損益及其他全面收益表中的擁有人應佔貴集團虧損及非控股權益應佔溢利；及(iii)於二零二二年十二月三十一日，貴集團綜合財務狀況表中的貴公司擁有人應佔權益及非控股權益。

於截至二零二三年六月三十日止六個月期間及直至本報告日，就應收債務人之應收賬項的可收回性沒有任何進一步的資料及發展。因此，貴集團管理層認為於結轉北人集團應收賬項的全額減值於二零二三年六月三十日仍為合適。

However, the Group's management was not able to provide us with adequate evidence with respect to the financial conditions of the Debtors and the Guarantor up to the date of this report, including the financial information of the Debtors to date, details of other assets (including nature, amounts, and claims or pledges against such assets, if any) of the Guarantor that could be pursued to settle the outstanding Trade Receivables due to the Beiren Group. We were therefore unable to obtain sufficient appropriate evidence we considered necessary to assess the recoverable amounts of the Trade Receivables. Given the abovementioned scope limitations, there were no other satisfactory procedures that we could perform to determine whether any adjustments were necessary to the Trade Receivables of nil balance and the related deferred tax credit in respect of the Full Impairment as at 30 June 2023 which consequentially impact (i) the Group's share of profits of associates for the period ended 30 June 2023 and the carrying value of its investments in associates as at that date, (ii) the Group's profit attributable to owners and profit attributable to non-controlling interests in the Group's condensed consolidated statement of profit or loss and other comprehensive income for the period ended 30 June 2023; and (iii) the Group's equity attributable to owners of the Company and the non-controlling interests on the condensed consolidated statement of financial position as at 30 June 2023.

Qualified Conclusion

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 2 August 2023

然而，截至本報告日止，貴集團管理層無法向我們提供有關債務人和擔保人財務狀況的充足證據，包括債務人迄今的財務資料、擔保人其他資產的詳情(包括這些資產的性質、金額、有沒有被追討和抵押等)，而這些資產可能被追索用於清償欠付北人集團之應收賬項。因此，我們無法獲得必須的充足及適當的證據，以就應收賬款的可收回金額作出評估。鑒於上述範圍的限制，我們無法進行其他令人信納之程序，以釐定是否有必要對於二零二三年六月三十日的應收賬項款賬面價值為零及有關全額減值的相關遞延稅項抵免進行任何調整，而這將影響：(i)截至二零二三年六月三十日止期間 貴集團應佔聯營公司溢利及於該日對聯營公司的投資賬面價值；(ii)截至二零二三年六月三十日止期間 貴集團簡明綜合損益及其他全面收益表中的擁有人應佔 貴集團溢利及非控股權益應佔溢利；及(iii)於二零二三年六月三十日， 貴集團簡明綜合財務狀況表中的 貴公司擁有人應佔權益及非控股權益。

保留結論

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

羅兵咸永道會計師事務所
執業會計師

香港，二零二三年八月二日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

for the six months ended 30 June 2023 截至二零二三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	
		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
	Note 附註		
Revenue	收入	3	695,235
Cost of sales	銷售成本		508,514
Gross profit	毛利		(301,165)
Other income, gains and losses	其他收入、收益及虧損		288,251
Selling and distribution costs	銷售及分銷成本		104,877
Administrative expenses	行政開支		(301,619)
Interest and investment income	利息及投資收入	4	(114,491)
Share of profit of a joint venture	應佔一間合資企業溢利		(109,614)
Share of profits of associates	應佔聯營公司溢利		(109,614)
Finance costs	融資成本	5	30,406
Profit before taxation	除稅前溢利		13,156
Taxation	稅項	6	14,428
Profit for the period	本期間溢利	7	255,196
Other comprehensive income	其他全面收益		197,050
<i>Items that may be subsequently reclassified to profit or loss:</i>	<i>隨後可能重新分類至損益之項目：</i>		
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額		(84,129)
Other comprehensive income for the period, net of tax	本期間其他全面收益，扣除稅項		162,423
Total comprehensive income for the period	本期間全面收益總額		(38,078)
Profit for the period attributable to:	本期間應佔溢利：		130,917
Owners of the Company	本公司擁有人		265,611
Non-controlling interests	非控股權益		127,622
			137,989
			27,884
			103,033
			130,917
Total comprehensive income attributable to:	應佔全面收益總額：		
Owners of the Company	本公司擁有人		127,656
Non-controlling interests	非控股權益		137,989
			27,995
			103,033
			131,028
			RMB
Earnings per share attributable to owners of the Company	本公司擁有人應佔每股盈利		人民幣元
— Basic and diluted	— 基本及攤薄	9	0.087
			0.019

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

as at 30 June 2023 於二零二三年六月三十日

		Note	30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	5,153,574	5,267,550
Right-of-use assets	使用權資產	11	3,641,873	2,237,164
Investment property	投資物業	12	1,246,254	1,261,645
Investments in associates	於聯營公司的投資	13	3,527,850	3,272,654
Investment in a joint venture	於一間合資企業的投資		374,485	360,057
Deferred tax assets	遞延稅項資產		16,927	5,298
Other receivables	其他應收款項	14	5,371	5,352
			13,966,334	12,409,720
Current assets	流動資產			
Inventories	存貨	15	94,355	109,471
Trade and other receivables	應收賬款及其他應收款項	14	171,250	211,378
Amount due from associates	應收聯營公司款項		105,520	108,994
Cash and cash equivalents	現金及現金等價物		2,740,164	1,609,097
			3,111,289	2,038,940
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	17	949,701	1,094,625
Amount due to a joint venture	應付一間合資企業款項	16	19,655	12,580
Amount due to a non-controlling shareholder of subsidiaries	應付附屬公司一名非控股股東之款項	19	26,142	26,142
Tax payable	應繳稅項		18,534	23,984
Bank borrowings — due within one year	銀行借貸 — 一年內到期	18	30,000	1,120,000
Lease liabilities	租賃負債	20	185,066	105,447
Contract liabilities	合約負債	21	13,049	9,691
			1,242,147	2,392,469
Non-current liabilities	非流動負債			
Bank borrowings — due after one year	銀行借貸 — 一年後到期	18	3,260,000	1,120,000
Lease liabilities	租賃負債	20	1,449,573	82,960
Deferred tax liabilities	遞延稅項負債		61,394	54,367
			4,770,967	1,257,327
			11,064,509	10,798,864

Condensed Consolidated Statement of Financial Position (continued) 簡明綜合財務狀況表(續)
as at 30 June 2023 於二零二三年六月三十日

		Note	30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
		附註		
Capital and reserves	資本及儲備			
Share capital	股本	22	6,291	6,291
Reserves	儲備		9,432,158	9,304,502
Equity attributable to owners of the Company	本公司擁有人應佔權益		9,438,449	9,310,793
Non-controlling interests	非控股權益		1,626,060	1,488,071
			11,064,509	10,798,864

The condensed consolidated financial statements on pages 21 to 44 were approved and authorised for issue by the Board of Directors on 2 August 2023 and are signed on its behalf by:

第21至44頁簡明綜合財務報表獲董事會於二零二三年八月二日批准及授權刊發，並由下列董事代表簽署：

Mr. Lau Luen Hung, Thomas 劉鑾鴻先生
Executive Director 執行董事

Mr. Lau Kam Sen 劉今晨先生
Executive Director 執行董事

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

for the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔部分							Non-controlling interests		Total
		Share capital	Share premium	Statutory surplus reserve	Capital redemption reserve	Capital reserve	Translation reserve	Retained Profits	Total		Total
		股本	股份溢價	法定盈餘	資本贖回	資本儲備	換算儲備	保留溢利	總計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2022	於二零二二年一月一日	6,291	6,543,132	140,071	593	78,719	(115,362)	2,681,613	9,335,057	1,445,289	10,780,346
Profit for the period	本期間溢利	—	—	—	—	—	—	27,884	27,884	103,033	130,917
Other comprehensive income for the period	本期間其他全面收益	—	—	—	—	—	111	—	111	—	111
Total comprehensive income for the period	本期間全面收益總額	—	—	—	—	—	111	27,884	27,995	103,033	131,028
At 30 June 2022 (unaudited)	於二零二二年六月三十日 (未經審核)	6,291	6,543,132	140,071	593	78,719	(115,251)	2,709,497	9,363,052	1,548,322	10,911,374
At 1 January 2023	於二零二三年一月一日	6,291	6,543,132	144,830	593	78,719	(115,185)	2,652,413	9,310,793	1,488,071	10,798,864
Profit for the period	本期間溢利	—	—	—	—	—	—	127,622	127,622	137,989	265,611
Other comprehensive income for the period	本期間其他全面收益	—	—	—	—	—	34	—	34	—	34
Total comprehensive income for the period	本期間全面收益總額	—	—	—	—	—	34	127,622	127,656	137,989	265,645
At 30 June 2023	於二零二三年六月三十日	6,291	6,543,132	144,830	593	78,719	(115,151)	2,780,035	9,438,449	1,626,060	11,064,509

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

for the six months ended 30 June 2023 截至二零二三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	
		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
Net cash inflow/(outflow) from operating activities	經營業務現金流入／ (流出)淨額	350,435	(100,556)
Investing activities	投資活動		
Investment and interest income received	已收投資及利息收入	23,520	18,649
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備 之所得款	1	—
Purchase of property, plant and equipment	購買物業、廠房及設備	(177,712)	(146,853)
Purchase of investment property	購買投資物業	—	(4,068)
Dividend received from an associate	從一間聯營公司 之已收股息	3,474	6,526
Net cash outflow from investing activities	投資活動現金流出淨額	(150,717)	(125,746)
Financing activities	融資活動		
Repayment of bank borrowings	償還銀行借貸	(2,250,000)	(50,000)
New bank borrowings raised	新借銀行借貸	3,300,000	—
Repayment of leases liabilities	償還租賃負債	(57,338)	(50,260)
Interests paid	已支付利息	(64,760)	(58,745)
Net cash inflow/(outflow) from financing activities	融資活動現金流入／ (流出)淨額	927,902	(159,005)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／ (減少)淨額	1,127,620	(385,307)
Effect of foreign exchange rate difference	外幣匯率差異之影響	3,447	4,668
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	1,609,097	1,858,198
Cash and cash equivalents at end of the period	期末現金及現金等價物	2,740,164	1,477,559

Notes to the Interim Financial Information

中期財務資料附註

1 General

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

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

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

2 Principle accounting policy

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

Basis of preparation

The interim financial information for the six months ended 30 June 2023 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”.

The interim financial information have been prepared on a historical cost basis. The preparation of financial statements in conformity with Hong Kong Financial Reporting Standards (“HKFRSs”) requires the use of certain critical accounting estimates.

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2022.

1 一般事項

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

本公司的最終控股方為劉鑾鴻先生，其同時為本公司的主席兼執行董事。

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

2 主要會計政策

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

編製基準

截至二零二三年六月三十日止六個月之中期財務資料乃根據聯交所證券上市規則附錄16之適用披露規定及香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

中期財務資料乃按歷史成本基準編製。根據香港財務報告準則(「香港財務報告準則」)編製財務報表需使用某些重要的會計估計。

編製中期財務資料所採用的會計政策和計算方法與截至二零二二年十二月三十一日止年度的年度綜合財務報表所採用的會計政策和計算方法一致。

2 Principle accounting policy (continued)

Amendments to HKFRSs that are mandatorily effective for the current period

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

HKAS 1 and HKFRS Practice Statement 2 (Amendments)	Disclosure of Accounting Policies
HKAS 8 (Amendments)	Definition of Accounting Estimates
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
HKAS 12 (Amendments)	International Tax Reform — Pillar Two Model Rules

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

3 Revenue and segment information

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

2 主要會計政策(續)

於本期間強制生效之經修訂香港財務報告準則

本集團於本期間首次應用下列香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則之修訂本：

香港會計準則1及香港財務報告準則實務報表2 (修訂)	會計政策的披露
香港會計準則第8號(修訂)	會計估計的定義
香港會計準則第12號(修訂)	單一交易產生的資產和負債相關的遞延稅項
香港會計準則第12號(修訂)	國際稅務改革 — 第二重大標準規則

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

3 收入及分部資料

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

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
Recognised at a point in time:	在某個時間點確認：		
Sales of goods — direct sales	貨品銷售 — 自營銷售	281,139	199,457
Recognised over time:	隨著時間確認：		
Income from concessionaire sales	來自特許專櫃銷售之收入	251,249	199,350
Service income	服務收入	19,168	13,711
Revenue from contracts with customers	來自客戶合約之收入	551,556	412,518
Rental income	租賃收入	143,679	95,996
Total revenue	總收入	695,235	508,514

All the above revenue are derived from the PRC.

以上所有收入來自中國。

3 Revenue and segment information (continued)**Segment information**

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

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

4 Interest and investment income**3 收入及分部資料(續)****分部資料**

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

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

4 利息及投資收入**Six months ended 30 June**

截至六月三十日止六個月

		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest income on bank deposits	銀行存款之利息收入	30,406	13,156

5 Finance costs

5 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest expenses on:	利息支出：		
— Bank borrowings	— 銀行借貸	62,148	51,319
— Lease liabilities	— 租賃負債	21,981	7,079
		84,129	58,398

6 Taxation

6 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
The tax charge comprises:	稅項支出包括以下項目：		
Current tax:	本期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	42,680	28,053
Deferred tax (credit)/charge	遞延稅項(撥回)/支出	(4,602)	3,453
		38,078	31,506

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

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

7 Profit for the period**7 本期間溢利**

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
Profit for the period has been arrived at after charging:	本期間之溢利已扣除下列項目：		
Staff costs	員工成本	99,888	93,637
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	123,053	131,642
Depreciation of investment property	投資物業之折舊	15,391	15,391
Depreciation of right-of-use assets	使用權資產之折舊	76,880	83,852
Loss allowance on expected credit losses for lease receivables	租賃應收款項之預期信貸虧損之虧損撥備	3,719	548
Expenses related to variable lease payments	支付可變租賃付款有關的開支	19,567	7,676
Cost of inventories recognised as expense	確認為支出之存貨成本	240,109	168,206

8 Dividend

No dividend was paid or declared by the Company for the six months ended 30 June 2023 (2022: nil).

8 股息

截至二零二三年六月三十日止六個月，本公司並無派付或宣派任何股息(二零二二年：無)。

9 Earnings per share

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

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
Earnings	盈利		
Profit for the period attributable to the owners of the Company	本公司擁有人應佔本期間溢利	127,622	27,884
		30 June 2023 二零二三年 六月三十日 '000 千股	30 June 2022 二零二二年 六月三十日 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares	普通股加權平均數	1,464,449	1,464,449

Diluted earnings per share were the same as the basic earnings per share as there were no potential dilutive equity instruments throughout the six months ended 30 June 2023 and 2022 respectively.

9 每股盈利

本公司擁有人應佔每股基本盈利乃根據以下數據計算：

每股攤薄盈利與每股基本盈利相同，乃由於分別截至二零二三年及二零二二年六月三十日止六個月並沒有潛在可攤薄股本工具。

10 Property, plant and equipment

10 物業、廠房及設備

		Buildings	Leasehold improvement	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		樓宇	租賃物業裝修	廠房及機器	傢俬、固定裝置及設備	汽車	總計
		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
Cost	成本						
At 1 January 2022 (audited)	於二零二二年一月一日 (經審核)	5,415,969	716,312	808,465	118,579	6,285	7,065,610
Additions	添置	—	11,188	—	1,288	—	12,476
Disposals/write-off	出售/撤銷	—	—	(1,209)	(529)	—	(1,738)
At 31 December 2022 (audited)	於二零二二年十二月三十一日 (經審核)	5,415,969	727,500	807,256	119,338	6,285	7,076,348
Additions	添置	—	7,955	—	1,158	—	9,113
Disposals/write-off	出售/撤銷	—	(7,694)	—	(347)	—	(8,041)
At 30 June 2023 (unaudited)	於二零二三年六月三十日 (未經審核)	5,415,969	727,761	807,256	120,149	6,285	7,077,420
Depreciation	折舊						
At 1 January 2022 (audited)	於二零二二年一月一日 (經審核)	720,397	677,863	115,237	47,669	3,435	1,564,601
Provided for the year	年內撥備	148,875	22,427	65,106	8,917	438	245,763
Disposals/write-off	出售/撤銷	—	—	(1,091)	(475)	—	(1,566)
At 31 December 2022 (audited)	於二零二二年十二月三十一日 (經審核)	869,272	700,290	179,252	56,111	3,873	1,808,798
Provided for the period	期內撥備	75,380	11,722	32,907	2,825	219	123,053
Disposals/write-off	出售/撤銷	—	(7,692)	—	(313)	—	(8,005)
At 30 June 2023 (unaudited)	於二零二三年六月三十日 (未經審核)	944,652	704,320	212,159	58,623	4,092	1,923,846
Net book value	賬面淨值						
At 30 June 2023 (Unaudited)	於二零二三年六月三十日 (未經審核)	4,471,317	23,441	595,097	61,526	2,193	5,153,574
At 31 December 2022 (Audited)	於二零二二年十二月三十一日 (經審核)	4,546,697	27,210	628,004	63,227	2,412	5,267,550

11 Right-of-use assets

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
At 1 January	於一月一日	2,237,164	2,404,868
Addition	添置	1,481,589	—
Depreciation charge	折舊支出	(76,880)	(167,704)
		3,641,873	2,237,164

11 使用權資產

12 Investment property

		RMB'000 人民幣千元
Cost	成本	
At 1 January 2023 and 30 June 2023	於二零二三年一月一日及 二零二三年六月三十日	1,297,555
Depreciation	折舊	
At 1 January 2023	於二零二三年一月一日	35,910
Provided for the period	期內撥備	15,391
At 30 June 2023	於二零二三年六月三十日	51,301
Net book values	賬面淨值	
At 30 June 2023	於二零二三年六月三十日	1,246,254
At 31 December 2022	於二零二二年十二月三十一日	1,261,645

12 投資物業

13 Investments in associates

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Unlisted, at cost	非上市，按成本	1,228,800	1,228,800
Discount arising on acquisition of additional interest in an associate in prior years	於過往年度收購一間聯營公司額外權益產生之折讓	98,416	98,416
Gain arising on deemed disposal of interest in an associate	視同出售一間聯營公司權益而產生之收益	11,297	11,297
Share of post-acquisition profits and other comprehensive income, net of dividends	應佔收購後之溢利及其他全面收益，扣除股息	2,189,337	1,934,141
		3,527,850	3,272,654

13 於聯營公司的投資

13 Investments in associates (continued)

At 30 June 2023 and 31 December 2022, the Group had interests in the following associates:

13 於聯營公司的投資(續)

於二零二三年六月三十日及二零二二年十二月三十一日，本集團擁有下列聯營公司之權益：

Name of entity 實體名稱	Form of business structure 業務結構模式	Place/country of establishment/incorporation 成立/註冊成立地點/國家	Principal place of operation 主要經營地點	Proportion of nominal value of issued capital/registered capital 已發行股本/註冊股本面值比例		Proportion of voting power held 所持投票權比例		Principal activities 主要業務
				30 June 2023 二零二三年六月三十日	31 December 2022 二零二二年十二月三十一日	30 June 2023 二零二三年六月三十日	31 December 2022 二零二二年十二月三十一日	
Shijiazhuang Beiguo Renbai Group Company Limited ^a ("Beiren Group") (note a) 石家莊北國人百集團有限責任公司 (「北人集團」)(附註a)	Incorporation 註冊成立	PRC 中國	PRC 中國	49%	49%	49%	49%	Investment holding of a group of companies engaging in the operation of department stores and supermarkets 從事百貨店及超市業務之集團公司之投資控股
Beiguo Shangcheng Company Limited ^b ("Beiguo") (note b) 北國商城股份有限公司(「北國」) (附註b)	Incorporation 註冊成立	PRC 中國	PRC 中國	16.05%	16.05%	16.05%	16.05%	Investment holding of a group of companies engaging in the operation of department stores and supermarkets 從事百貨店及超市業務之集團公司之投資控股
Hebei Beiguo Future Mall Company Limited ^c ("Future Mall") (note c) 河北北國先天下廣場有限責任公司 (「先天下廣場」)(附註c)	Incorporation 註冊成立	PRC 中國	PRC 中國	49%	49%	49%	49%	Retailing business in the PRC 在中國從事零售業務
Dragon Sign Limited 龍信有限公司	Incorporation 註冊成立	Hong Kong 香港	PRC 中國	50%	50%	50%	50%	Investment holding of a company engaging in operation of restaurants in the PRC 在中國從事食肆經營之公司之投資控股

Notes:

- (a) At 30 June 2023, the Group's 60% (31 December 2022: 60%) owned subsidiary, Wingold Limited, indirectly held equity interest of 49% (31 December 2022: 49%) in Beiren Group. The group does not participate in management of day-to-day operation of the operating entities within Beiren Group.

附註：

- (a) 於二零二三年六月三十日，本集團持有60% (二零二二年十二月三十一日：60%) 權益之附屬公司捷金有限公司間接持有北人集團49% (二零二二年十二月三十一日：49%) 股本權益。本集團並不參與管理北人集團內營運實體的日常運作。

13 Investments in associates (continued)

Notes: (continued)

- (b) At 30 June 2023, 河北旭源投資有限公司 (“Hebei Xu Yuan Investment Company Limited”), an indirect wholly owned subsidiary of Wingold Limited, and Beiren Group held direct equity interest of 16.05% (31 December 2022: 16.05%) and 73.95% (31 December 2022: 73.95%) in Beiguo respectively. Among the seven directors (31 December 2022: seven) in Beiguo, two (31 December 2022: two) directors were the representatives of the Group. The Group does not participate in management of day-to-day operation of the operating entities within Beiguo.
- (c) At 30 June 2023, the Group’s 60% (31 December 2022: 60%) owned subsidiary, Ample Sun Group Limited, held equity interest of 49% (31 December 2022: 49%) in Future Mall. In addition, 51% (31 December 2022: 51%) equity interest of Future Mall was being directly held by Beiguo. The Group does not participate in management of day-to-day operation of the operating entities within Future Mall.

^ The English name is translated for identification purpose only

Beiren Group

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

Meanwhile, the Group became aware from public sources during 2019 that the Guarantor has been detained by the relevant local authority in Hebei province in relation to alleged illegal activities in one of his businesses. Based on public notices issued by the local authority in Hebei, the Group noted that all companies (including the Debtors) and assets which are located in Hebei Province that are directly or indirectly owned by the Guarantor have been seized by the local authority pending further investigations.

13 於聯營公司的投資(續)

附註：(續)

- (b) 於二零二三年六月三十日，捷金有限公司的間接全資附屬公司河北旭源投資有限公司及北人集團分別持有16.05% (二零二二年十二月三十一日：16.05%)及73.95% (二零二二年十二月三十一日：73.95%)北國的直接股本權益。在北國合共七名(二零二二年十二月三十一日：七名)董事當中，兩名(二零二二年十二月三十一日：兩名)董事為本集團的代表。本集團並不參與管理北國內營運實體的日常運作。
- (c) 於二零二三年六月三十日，本集團持有60% (二零二二年十二月三十一日：60%)權益之附屬公司益良集團有限公司持有先天下廣場49% (二零二二年十二月三十一日：49%)股本權益。此外，先天下廣場51% (二零二二年十二月三十一日：51%)股本權益由北國直接持有。本集團並不參與管理先天下廣場內營運實體的日常運作。

^ 英文名稱僅為翻譯，僅供識別

北人集團

北人集團主營業務為於中國經營百貨店及超市，亦於截至二零一九年十二月三十一日止年度前過往年度兼營汽車貿易業務，並向三間中國公司(「債務人」)進行銷售。債務人之最終實益擁有人已就債務人未償還北人集團之款項提供個人擔保(「擔保人」)。截至二零一九年十二月三十一日止年度，債務人未有償還欠付北人集團之貿易結餘(「應收賬款」)並產生違約，北人集團自二零一九年七月起停止了與債務人的交易及整個汽車貿易業務。北人集團已作出法律行動追討未償還的應收賬款。

同時，本集團於二零一九年期間從公開渠道獲知擔保人因涉嫌在其經營的其中一個業務中從事非法活動而被河北省有關當局逮捕。根據河北省當局發佈的公告，本集團知悉擔保人在河北省直接或間接擁有的全部公司(包括債務人)及全部資產都被當地公安局查封作進一步的調查。

13 Investments in associates (continued)

Beiren Group (continued)

For the year ended 31 December 2019, after obtaining an understanding from management of the Beiren Group in respect of the actions taken to recover the Trade Receivables from the Debtors and taking into consideration the advice from the Group's external legal advisers, the Group has concluded the likelihood of recovering any amount from the Debtors or the Guarantor as remote and made a loss allowance of expected credit loss, net of deferred tax credit, against the full amount of overdue Trade Receivables balances due from the Debtors ("Full Impairment") for the purpose of recognising the share of results of the Beiren Group as at 31 December 2019.

The impact of this Full Impairment on the Group's share of losses of associates, loss attributable to owners and loss attributable to non-controlling interests for the year ended 31 December 2019 amounted to RMB812.4 million, RMB487.4 million and RMB325.0 million respectively, while its impact on the Group's carrying value of the investments in associates, equity attributable to owners of the Company and the non-controlling interests as at that date amounted to RMB812.4 million, RMB487.4 million and RMB325.0 million respectively.

To date, the Group understood from management of the Beiren Group that there has not been any progress made regarding their legal actions taken against the Debtors as the criminal case against the Guarantor taken by the relevant authority is still pending. Management of the Beiren Group has been maintaining regular contact with the relevant local authority regularly to follow up the development of the case against the Debtors, however, there is no concrete reply from the authority. The Guarantor was still being detained by the relevant local authority and there has been no additional information or development in relation to the recoverability of the Trade Receivables due from the Debtors. As such, there has not been any progress made in terms of recovering the outstanding trade receivables nor able to obtain any further financial information of the Debtors and the Guarantor. As at 30 June 2023, the Group considered that the Full Impairment remained the best estimate based on the information currently available.

The Group only holds a non-controlling interest in the Beiren Group and therefore does not participate in the management and decision making of the day to day operation and business of the operating entities within the Beiren Group which are managed by management of the Beiren Group. Therefore, the Group is not in a position (i) to come up with any concrete timetable or any alternative approach, other than relying on management of the Beiren Group, for addressing the Qualified Conclusion and (ii) to conclude whether there will be any carry forward effect on the Group's financial results for the coming years ending, which will very much depend on future development of the situation as mentioned above.

13 於聯營公司的投資(續)

北人集團(續)

於截至二零一九年十二月三十一日止年度，經了解北人集團管理層對從債務人收回應收賬款採取的行動，並經考慮本集團外部法律顧問的意見後，本集團認為從債務人或擔保人收回款項的可能性很低。為確認截至二零一九年十二月三十一日應佔北人集團之業績，本集團因此對債務人逾期應收賬款餘額全額之預期信貸虧損計提虧損撥備(扣除遞延稅項抵免)(「全額減值」)。

全額減值對本集團截至二零一九年十二月三十一日止年度應佔聯營公司虧損、擁有人應佔虧損及非控股權益應佔虧損的影響分別為人民幣812.4百萬元、人民幣487.4百萬元及人民幣325.0百萬元，而其對本集團於該日對聯營公司的投資賬面價值、本公司擁有人應佔權益以及非控股權益的影響分別為人民幣812.4百萬元、人民幣487.4百萬元及人民幣325.0百萬元。

截至現時，本集團自北人集團管理層得悉，由於有關當局對擔保人的刑事起訴仍在審理中，因此北人集團對債務人進行之法律行動未有任何進展。北人集團管理層一直與相關地方機關保持定期聯絡，以跟進債務人案件之發展，惟尚未收到當局任何實質回覆。擔保人仍被相關地方部門拘留，就債務人之應收賬款的可收回性方面並無額外資料或事態發展。因此，就收回未償還應收賬款或能否取得債務人及擔保人任何進一步財務資料上並無任何進展。於二零二三年六月三十日，基於目前所得的資料，本集團認為全額減值決定仍為最佳估算。

鑒於本集團僅持有北人集團之非控股權益，故此不參與由北人集團管理層管理之北人集團下屬營運實體日常營運和業務之管理及決策。因此，本集團(i)除依賴北人集團的管理層外，未能就解決保留結論提出任何具體時間表或任何替代方案，以及(ii)未能就是否對本集團截至未來年度的財務業績產生結轉影響作出結論，此將很大程度上取決於上述情況的未來發展。

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

The Company will continue, wherever possible and practicable, to implement the measures and/or actions to monitor the development of the situation, including but not limited to regular communication with the major shareholder of the Beiren Group and the designation of the Group's Chief Financial Officer to work closely with management of the Beiren Group. The Group will also communicate with the major shareholder of the Beiren Group, which holds 51% equity interest in the Beiren Group at the holding company level, to explore and consider different options to minimize any loss and damage to both of us as shareholders of the Beiren Group.

14 Trade and other receivables**13 於聯營公司的投資(續)****北人集團(續)**

本公司將繼續在可能及可行之情況下，採取措施及／或行動以監察事態發展，包括但不限於定期與北人集團的主要股東溝通及本集團指定財務總監與北人集團管理層密切合作。本集團亦將與在控股公司層面上持有北人集團51%股權的北人集團主要股東進行溝通，探討及考慮不同方案，以盡量減少雙方作為北人集團股東的任何損失及損害。

14 應收賬款及其他應收款項

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade receivables	應收賬款	8,236	25,929
Lease receivables	租賃應收款項	62,513	74,862
		70,749	100,791
Less: Loss allowance on expected credit losses	減：預期信貸虧損撥備	(6,376)	(2,657)
		64,373	98,134
Prepayments	預付款項	230	257
Deposits paid	已付按金	5,371	5,352
Value Added Tax ("VAT") receivable	應收增值稅(「增值稅」)	75,850	88,457
Others	其他	53,050	46,783
		134,501	140,849
Less: Loss allowance on expected credit losses	減：預期信貸虧損撥備	(22,253)	(22,253)
		112,248	118,596
		176,621	216,730
Less: Non-current portion	減：非流動部分	(5,371)	(5,352)
		171,250	211,378

14 Trade and other receivables (continued)

The Group's retail sales to customers are mainly conducted in cash, through debit card payments or third party payment platforms. Trade receivables mainly arising from sales through third party payment platforms are normally settled in one to two business days, whereas lease receivables are normally settled 30 days in arrears. The following is an aged analysis of trade and lease receivables net of loss allowance for expected credit losses, if any, at the end of the reporting period presented based on the invoice date:

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0-30 days	0日至30日	40,807	56,742
31-60 days	31日至60日	9,524	20,944
61-90 days	61日至90日	2,948	6,696
over 90 days	超過90日	11,094	13,752
		64,373	98,134

15 Inventories

Merchandise held for resale

14 應收賬款及其他應收款項(續)

本集團向顧客作出的零售銷售主要透過現金及借記卡或第三方支付平台進行。應收賬款主要來自透過第三方支付平台之銷售，一般於一至兩個工作日收回，而租賃應收款項一般於30日內收回。以下為應收賬款及租賃應收款項(扣除預期信貸虧損撥備(如有))根據報告期末發票日期之賬齡分析：

15 存貨

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
	持有作轉售商品	94,355	109,471

16 Amount due to a joint venture

At 30 June 2023 and 31 December 2022, the amount due to a joint venture represented accrued rental and management fee payable to a joint venture. The amounts were unsecured, non-interest bearing and repayable on demand.

16 應付一間合資企業款項

於二零二三年六月三十日及二零二二年十二月三十一日，應付一間合資企業之款項包括計提應付一間合資企業之租金及管理費。此款項為無抵押、免息及須於要求時償還。

17 Trade and other payables

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade payables	應付賬款	44,049	47,548
Construction payables	應付工程款項	83,917	252,516
Concessionaire sales payables	應付特許專櫃銷售款項	374,473	325,970
Refundable prepaid card deposits	可退還預付卡按金	131,486	139,191
Rental deposits received	已收租賃按金	209,193	204,819
Accrued expenses	應計費用	56,541	73,417
VAT payable	應付增值稅	1,653	7
Interest payables	應付利息	328	2,940
Others	其他	48,061	48,217
		949,701	1,094,625

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

以下為根據報告期末發票日期之應付賬款的賬齡分析：

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0-30 days	0日至30日	32,584	32,825
31-60 days	31日至60日	1,537	5,898
61-90 days	61日至90日	1,480	1,800
Over 90 days	超過90日	8,448	7,025
		44,049	47,548

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

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

18 Bank borrowings

18 銀行借貸

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Bank borrowings comprise bank loans and are analysed as follows: Secured, variable rate and denominated in RMB	銀行借貸由銀行貸款組成，並按以下分析： 有抵押、浮息及以人民幣計值	3,290,000	2,240,000
Carrying amount repayable based on contractual repayment dates:	按合約中償還日期分類之應償還賬面值：		
Within one year	一年內	30,000	1,120,000
More than one year, but not exceeding two years	一年後但不超過兩年	50,000	1,120,000
More than two years, but not exceeding three years	兩年後但不超過三年	70,000	—
More than three years, but not exceeding four years	三年後但不超過四年	90,000	—
More than four years, but not exceeding five years	四年後但不超過五年	3,050,000	—
		3,290,000	2,240,000
Less: Amount due within one year shown under current liabilities	減：列入流動負債於一年內到期之款項	(30,000)	(1,120,000)
Amount due after one year	一年後到期之款項	3,260,000	1,120,000

The effective interest rates of the borrowings were at 3.7%–3.8% (31 December 2022: 4.31%–4.41%) per annum.

借貸實際利率為年利率3.7%–3.8% (二零二二年十二月三十一日：4.31%–4.41%)。

At 30 June 2023, the Group had no undrawn borrowing facilities.

於二零二三年六月三十日，本集團並無未提取銀行融資。

19 Amount due to a non-controlling shareholder of subsidiaries

As at 30 June 2023 and 31 December 2022, the amount was unsecured, non-interest bearing and repayable on demand.

19 應付附屬公司一名非控股股東之款項

於二零二三年六月三十日及二零二二年十二月三十一日，該款項為無抵押、免息及須於要求時償還。

20 Lease liabilities

20 租賃負債

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
At 1 January	於一月一日	188,407	288,928
Addition	添置	1,481,589	—
Less:	減：		
Lease payments	租賃付款	(57,338)	(114,679)
Interest expense	利息開支	21,981	14,158
		1,634,639	188,407
		30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Current	流動	185,066	105,447
Non-current	非流動	1,449,573	82,960
		1,634,639	188,407

21 Contract liabilities

21 合約負債

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Loyalty points under loyalty reward programmes	忠誠獎勵計劃下的忠誠獎勵積分	11,824	8,163
Unredeemed gift certificates	未兌換之禮券	1,225	1,528
		13,049	9,691

**Loyalty points under loyalty
reward programmes**
忠誠獎勵計劃下的忠誠獎勵積分

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	30 June 2022 二零二二年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元
Revenue recognised out of the contract liabilities at the beginning of the period	從期初合約負債中確認之收入	7,053	12,260

22 Share capital

22 股本

		Number of shares 股份數目	Amount 款項 HK\$'000 千港元
Ordinary shares of HK\$0.005 each	每股面值0.005港元的普通股		
Authorised:	法定股本：		
At 1 January 2022, 31 December 2022 and 30 June 2023	於二零二二年一月一日、 二零二二年十二月三十一日及 二零二三年六月三十日	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足股本：		
At 1 January 2022, 31 December 2022 (audited) and 30 June 2023 (unaudited)	於二零二二年一月一日、 二零二二年十二月三十一日 (經審核)及 二零二三年六月三十日 (未經審核)	1,464,448,500	7,322
			RMB'000 人民幣千元
Shown in the financial statements as RMB at 31 December 2022 and 30 June 2023	於二零二二年十二月三十一日及 二零二三年六月三十日 於財務報表以人民幣呈列		6,291

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

於兩個期間，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

23 Capital and other commitments**23 資本及其他承擔**

		30 June 2023 二零二三年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Capital and other expenditure in respect of acquisition of property, plant and equipment and property development project contracted for but not provided in the condensed consolidated financial statements	已訂約惟未於簡明綜合財務報表撥備之有關購入物業、廠房及設備以及物業發展項目之資本及其他開支	10,029	413

24 Related Party Disclosure

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

24 關連人士披露

期內，本集團與下列關連人士進行下列重大交易。

		Six months ended 30 June 截至六月三十日止六個月	
Nature of related party transactions:	關連人士交易的性質：	2023 二零二三年 (Unaudited) (未經審核) RMB'000 人民幣千元	2022 二零二二年 (Unaudited) (未經審核) RMB'000 人民幣千元
Variable lease payment expenses and management fee to a joint venture	支付予一間合資企業之可變租賃付款開支及管理費	38,726	25,819
Repayment of lease liabilities to a joint venture (including principal and interest elements)	向一間合資企業償還租賃負債(包括本金及利息部分)	79,319	64,418
Rental and management fee income from an associate	來自一間聯營公司的租金及管理費收入	3,041	1,509

Lifestyle China Group Limited 利福中國集團有限公司

Lifestyle China Group Limited

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