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VIVA CHINA HOLDINGS LIMITED

非凡中國控股有限公司

(於開曼群島註冊成立之有限公司)

(股份代號：8032)

二零二零年年度業績公告

非凡中國控股有限公司(「本公司」，連同其附屬公司「本集團」)董事(「董事」)會(「董事會」)宣佈本集團截至二零二零年十二月三十一日止年度之經審核綜合業績。

財務摘要

- 隨著企業新定位和策略調整，「運動及生活休閒消費品」和「運動體驗」成為本集團的核心業務。截至二零二零年十二月三十一日止年度，綜合收益同比增加194,000,000港元或31.0%至819,000,000港元，此乃主要由於二零二零年七月下旬收購合併堡獅龍國際集團有限公司(「堡獅龍」，連同其附屬公司統稱「堡獅龍集團」)。
- 權益持有人應佔溢利淨額為1,192,400,000港元，同比增加358,000,000港元。大幅增加乃由於i)出售一間聯營公司(李寧公司)之部份權益而產生之收益1,023,000,000港元(二零一九年：817,400,000港元)及ii)議價收購堡獅龍而產生的收益245,300,000港元；惟由年內分佔聯營公司及合營企業溢利減少75,700,000港元而部分抵銷。

業務展望

甲. 運動及生活休閒消費品牌

- 於二零二零年第三季度，本集團完成收購堡獅龍全部已發行股本約66.5%。堡獅龍為業內知名休閒服裝品牌，在大中華及亞洲其他地區已經有超過三十年的歷史。

- 我們在加大發展現有業務(包括：堡獅龍和LNG品牌)之同時，亦會繼續積極推進各類型國內及國際消費品品牌的潛在項目併購機會。於二零二一年三月十五日，我們宣佈有條件同意認購LionRock Capital Partners QiLe Limited (「目標」)大多數股權及收購其股東貸款。目標將持有C&J Clark (No.1) Limited (「Clark」)的大多數權益，Clarks品牌已經接近二百年的歷史，主要市場覆蓋英美及世界許多不同國家，包括大中華地區。於有關交易完成後，目標及其當時附屬公司(包括Clark)將成為本公司的間接非全資附屬公司。
- 本集團將全力發展堡獅龍，LNG和Clarks的鞋服品牌業務，致力於在中國進一步城市化和現代化發展中所產生的大消費的市場環境中獲取生意增長的機會。本集團將集中主要資源投入到「多品牌鞋服」核心業務上。為此，本集團將進一步擴大品牌運營團隊，設立專業的線上和線下的管道經營部門，投資具競爭力的供應鏈業務，為本集團「多品牌鞋服」業務在中國市場的發展創造最有力的支撐，以使本集團的「多品牌鞋服」業務獲得飛躍性的成長。

乙. 運動體驗

- 二零二零年，我們成功加快於全國各地佈局體育目的地網絡，本集團旗下管理和營運共七個體育園，及旗下「全明星滑冰俱樂部」現時亦於中國一、二線城市營運共十二個滑冰場館並主力提供滑冰體驗及培訓服務。COVID-19疫情期間，我們積極配合防疫措施，所有體育園及滑冰場經歷了一段時間的停業後，現時體育園及滑冰場之業務營運已大致恢復正常。

本公告列載本公司二零二零年年報全文，乃符合香港聯合交易所有限公司GEM證券上市規則(「**GEM上市規則**」)中有關年度業績公告附載的資料之要求。

承董事會命
非凡中國控股有限公司
主席兼行政總裁
李寧

香港，二零二一年三月二十二日

於本公告日期，董事會由下列成員組成：

執行董事：

李寧先生(主席兼行政總裁)

李春陽先生

李麒麟先生

非執行董事：

Victor HERRERO先生

馬詠文先生

獨立非執行董事：

李勅先生

白偉強先生

汪延先生

本公告乃遵照**GEM**上市規則之規定而提供有關本公司之資料，各董事願就此共同及個別承擔全部責任。各董事經作出一切合理查詢後，確認就彼等所知及所信，本公告所載資料在各重大方面均屬準確及完整，無誤導或欺詐成份，且並無遺漏任何其他事項，致使本公告所載任何陳述或本公告產生誤導。

本公告將自其刊登日期起計最少一連七天刊載於**GEM**網站www.hkgem.com之「最新上市公司公告」一頁內，另亦將刊載於本公司網站www.vivachina.hk。



VIVA CHINA HOLDINGS LIMITED
非凡中國控股有限公司

(Incorporated In The Cayman Islands With Limited Liability)
(於開曼群島註冊成立之有限公司)
Stock Code 股份代號: 8032

2020

ANNUAL REPORT 年報



CHARACTERISTICS OF GEM (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”) 香港聯合交易所有限公司(「聯交所」)GEM(「GEM」)之特色

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of Viva China Holdings Limited (the “Company”, which together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

GEM之定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市之公司帶有較高投資風險。有意投資者應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方可作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣之證券可能會較於聯交所主板買賣之證券承受較大市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

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本報告包括之資料乃遵照《GEM證券上市規則》(「GEM上市規則」)之規定而提供有關非凡中國控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)之資料。本公司各董事(「董事」)願就本報告共同及個別承擔全部責任，並在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確完整，且無誤導或欺詐成分；本報告亦無遺漏其他事項，致使本報告或其所載任何陳述產生誤導。

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Executive Directors

Mr. Li Ning (*Chairman & Chief Executive Officer*)
Mr. Li Chunyang
Mr. Li Qilin

Non-executive Directors

Mr. Victor Herrero
Mr. Ma Wing Man

Independent Non-executive Directors

Mr. Li Qing
Mr. Pak Wai Keung, Martin
Mr. Wang Yan

AUDIT COMMITTEE

Mr. Pak Wai Keung, Martin (*Chairman*)
Mr. Li Qing
Mr. Wang Yan
Mr. Ma Wing Man

REMUNERATION COMMITTEE

Mr. Wang Yan (*Chairman*)
Mr. Li Ning
Mr. Li Qing
Mr. Pak Wai Keung, Martin

NOMINATION COMMITTEE

Mr. Li Ning (*Chairman*)
Mr. Pak Wai Keung, Martin
Mr. Wang Yan

AUTHORISED REPRESENTATIVES

Mr. Li Ning
Mr. Cheung Chi

COMPLIANCE OFFICER

Mr. Li Ning

COMPANY SECRETARY

Mr. Cheung Chi

董事會

執行董事

李寧先生(*主席兼行政總裁*)
李春陽先生
李麒麟先生

非執行董事

Victor Herrero先生
馬詠文先生

獨立非執行董事

李勅先生
白偉強先生
汪延先生

審核委員會

白偉強先生(*主席*)
李勅先生
汪延先生
馬詠文先生

薪酬委員會

汪延先生(*主席*)
李寧先生
李勅先生
白偉強先生

提名委員會

李寧先生(*主席*)
白偉強先生
汪延先生

授權代表

李寧先生
張智先生

監察主任

李寧先生

公司秘書

張智先生

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor
22/F, Prince's Building
Central, Hong Kong

PRINCIPAL BANKERS

Bank of Communications Co., Ltd
China CITIC Bank International Limited
China Construction Bank Corporation
China Merchants Bank Co., Ltd
Industrial and Commercial Bank of China (Asia) Limited
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Co., Ltd

LEGAL ADVISERS

Deacons
5th Floor Alexandra House
18 Chater Road
Central, Hong Kong

Commerce & Finance Law Offices
6/F, NCI Tower, A12
Jianguomenwai Avenue
Chaoyang District
Beijing, 100022, PRC

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS

Room 3602-06, 36th Floor
China Merchants Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong

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
香港中環
太子大廈22樓

主要往來銀行

交通銀行股份有限公司
中信銀行(國際)有限公司
中國建設銀行股份有限公司
招商銀行股份有限公司
中國工商銀行(亞洲)有限公司
渣打銀行(香港)有限公司
香港上海滙豐銀行有限公司

法律顧問

的近律師行
香港中環
遮打道18號
歷山大廈5樓

通商律師事務所
中國北京市
朝陽區
建國門外大街
甲12號新華保險大廈6層
郵編100022

註冊辦事處

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

主要營業地點

香港
干諾道中200號
信德中心
招商局大廈
36樓3602-06室

SHARE REGISTRARS AND TRANSFER OFFICES

Cayman Islands

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

Hong Kong

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

WEBSITE

www.vivachina.hk

STOCK CODE

8032

股份過戶登記處

開曼群島

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

香港

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心
54樓

網站

www.vivachina.hk

股份代號

8032

Chairman's Statement

主席報告



Dear Shareholders,

In 2020, the lockdowns implemented by various countries against the raging outbreak of COVID-19 worldwide have dampened economic activities and consumer sentiment, inevitably posing unprecedented and grave challenges to the sports industry and retail industry. In addition to the external challenges arising from the lingering Sino-US tensions, China also faced substantial economic shock brought on by the pandemic. Fortunately, such adversity at home and abroad had expedited the establishment of domestic economic circulation which represented a new economic development pattern and consumption model featuring domestic and international dual circulations that complement each other. Currently, China is experiencing an orderly economic recovery following the effective domestic containment of the pandemic, with its economy characterised by ample potential and strong resilience. The sports industry and retail industry which are closely related to the livelihood of the people are still presented with abundant opportunities for growth. In the short run, the economic stimulating measures launched by the central government will play an active role in driving the market demand during different domestic peak seasons of consumption. In the long run, the strong resilience of China's economic development alongside the pursuit of better lifestyle consumables and sports experience by consumers will boost the demand for "sports and lifestyle consumables" and "sports experience".

致各位股東：

二零二零年，新型冠狀病毒疫情肆虐全球，多國封城措施影響經濟活動及民眾消費意欲，體育產業和零售行業亦難免面對歷史性的嚴峻考驗。中美關係依然緊張，中國在應對外部挑戰的同時，疫情亦給經濟帶來巨大衝擊。可幸的是，在內憂外患的形勢下卻加速了國內國外雙循環相互促進「國民經濟循環」的新經濟發展格局及消費模式。目前中國疫情防控得力，中國經濟正有序地恢復，經濟發展潛力足、韌性強，體育產業和零售行業作為與國民生活密切相關之部分，行業發展依然機遇處處。短期而言，中央政府提振經濟措施出臺，隨著內地不同的消費旺季，對拉動市場需求產生積極作用；長遠來說，中國經濟發展具有強大韌性，消費者對生活休閒消費品及運動體驗追求的水平更高，將提高「運動及生活休閒消費品」及「運動體驗」的需求度。

In 2019, the Group fully realised the layout of our two principal businesses: 1) "sports and lifestyle consumables", covering investment in and operation of sports and lifestyle consumables brand projects; and 2) "sports experience", including the operation, service provision and investment of sports destinations, sports competitions and events as well as an e-sports club. Owing to the perseverance and hard work of the working teams, we are pleased to have witnessed the consolidation and constant development of our two main businesses in the Reporting Period. In the future, the Group will make every effort to promote the development of our two principal businesses in order to provide consumer brand products of multiple brands as well as a full range of sports experience and services in a bid to grasp opportunities in the "prime consumer group" market with huge potential and a younger consumer base.

“Sports and Lifestyle Consumables”

Ever since the outbreak of the pandemic, people have become more aware of their health condition. Additionally, the Group has been benefited from the domestic economic circulation pushing forward by China and market opportunities brought by young consumers. In mid-2020, we have completed the acquisition of Bossini. Bossini is a well-known lifestyle apparel brand in the industry, with more than 30 years history in the Greater China region and other parts of Asia. While we are expanding our existing businesses (including Bossini and LNG brand), we will also continue to pursue potential M&A opportunities actively for different types of domestic and international consumable brands. On 15 March 2021, we announced that we conditionally agreed to subscribe for a majority share interest of LionRock Capital Partners QILe Limited which holds a majority interest in C&J Clark (No.1) Limited (“Clark”). Clarks brand has a history of nearly two hundred years. Its main markets cover the United Kingdom, the United States and many different countries in the world, including the Greater China region. Upon completion of the transaction, the presence of the Group's sports and lifestyle consumables business will be further expanded. The Group will make every effort to develop the business of apparels and footwear brands of Bossini, LNG and Clarks and is committed to capture the business growth opportunities in the large consumption market environment arising from the further urbanization and modernization of the PRC.

“Sports Experience”

In recent years, national fitness policy has been released, which has created a perfect timing for an in-depth and vibrant development of national fitness business in China. After the outbreak of the pandemic, people have been putting more attention to attain a fit and healthy body by doing sports. Therefore, we have worked to develop high-quality sports destinations in various communities, and provided professional sports training and services in an effort to proactively promote national physical fitness, whilst enriching people's experience and interactions in our sports destinations. In 2020, we accelerated the expansion of our sports destinations network to various places nationwide. During the Reporting Period, the Group managed and operated seven sports parks. For “All Star Skating Club”, it operates a total of twelve ice-skating rinks in first and second-tier cities in China, mainly engaging in the provision of ice-skating experience and training services. Due to the outbreak of pandemic at the beginning of 2020, in response to the pandemic prevention measures, all sports parks and ice-skating rinks suspended operation from February to March. As the pandemic in China has

二零一九年，本集團全面實踐兩大主營業務佈局：一)「運動及生活休閒消費品」包括投資和營運運動及生活休閒的消費品品牌項目以及；二)「運動體驗」包括體育目的地、體育賽事活動和電競俱樂部之營運、服務及投資。憑靠營運團隊堅毅努力，報告期內我們樂見兩大業務得到整固且日漸拓展。未來，本集團將全力推進兩大業務發展，以提供多品牌的消費品品牌產品以及全方位的運動體驗和服務，把握潛力龐大較年輕的消費群「黃金消費群」市場。

「運動及生活休閒消費品」

自疫情爆發後，民眾更加關注身體的健康，並追求健康生活的風潮，同時受惠於國家推動經濟「國民經濟循環」及年輕消費群帶來的市場機遇。二零二零年中，我們成功完成收購堡獅龍，堡獅龍為業內知名休閒服裝品牌，在大中華及亞洲其他地區已經有超過三十年的歷史。我們在加大發展現有業務(包括：堡獅龍和LNG品牌)之同時，亦會繼續積極推進各類型國內及國際消費品品牌的潛在項目併購機會。於二零二一年三月十五日，我們宣佈有條件同意認購LionRock Capital Partners QILe Limited 大多數股權。該公司持有C&J Clark (No.1) Limited (「Clark」)的大多數權益，Clarks品牌已經接近二百年的歷史，主要市場覆蓋英美及世界許多不同國家，包括大中華地區。交易完成後，本集團在運動及生活休閒消費品版圖進一步擴大。本集團將全力發展堡獅龍，LNG和Clarks的鞋服品牌業務，致力於在中國進一步城市化和現代化發展中所產生的大消費的市場環境中獲取生意增長的機會。

「運動體驗」

近年全民運動國策出臺，中國全民健身事業正迎來全面深入、蓬勃發展的大好時機。疫情爆發後，民眾通過體育鍛煉強健體魄的觀念越來越受到重視。我們於各社區打造優質的體育目的地，可提供專業的體育培訓和服務，積極推動全民健身，同時豐富大眾於體育目的地之體驗和交流。二零二零年，我們成功加快於全國各地佈局體育目的地網絡。報告期內本集團旗下管理和營運共七個體育園，我們旗下「全明星滑冰俱樂部」現時亦於中國一、二線城市營運共十二個滑冰場館並主力提供滑冰體驗及培訓服務。由於二零二零年年初疫情爆發，我們積極配合防疫措施，所有體育園、及滑冰場於二月至三月全面停業，當國內疫情慢慢受控，四月份

been under control gradually, the ice-skating rinks have also resumed operation gradually since April. Currently, business has generally returned to normal. For sports team and event management business, CBA and streetball league "3+1 Basketball League" were resumed and held in June and September respectively. And "LNG Esports" was also affected by the pandemic, the spring and summer tournaments of League of Legends Pro League (LPL) in 2020 were held online instead. Therefore, the revenue generated from LNG Esports was affected to some extent. "LNG.M TEAM" was newly formed in September 2020, and achieved an outstanding performance in Onmyoji arena Pro League (OPL). The team won all the 22 matches and attained the overall champion of the competition.

During the Reporting Period, the State General Administration of Sports and the Ministry of Education jointly issued the "Opinions on Deepening the Integration of Sports into Education to Promote the Health Development of Youth" (《關於深化體教融合促進青少年健康發展的意見》) to include the subject of physical education in the high school and college entrance examinations in order to enhance the importance of physical education, promote physical education and training industry as well as the construction of sports facilities. These policies have created favorable conditions for the development of the sports industry during the pandemic. We also expect that the Beijing Winter Olympics will provide the winter sports industry with significant room for development, in particular the demand for different levels of skating training will grow further. Meanwhile, we look forward to the rapid increase in consumer sentiment of urban residents bolstered by the urbanisation in China in the next five to ten years, driving up the utilisation rates of sports parks and ice-skating venues. We continue to actively expand the sports destination network. The four sports parks currently under construction are located across the country and are expected to be completed between 2021 to 2022.

According to the 14th Five-Year Plan issued by the state, China will roll out the Nationwide Physical Fitness Program, which sets targets to improve the national physique and optimise the public service system of nationwide physical fitness. It aims to promote the construction of social sports venues and facilities and also allow better coverage of fitness trails and other convenient fitness venues alongside with the development of sports parks according to local conditions. Adhering to cultural education and professional training, it continues to promote the development of winter sports as well as the expansion of sports consumption, and tap into the sports industries including fitness, leisure, and outdoor sports. We hope to capitalise on this opportunity where nationwide physical fitness is becoming more popular and to engage more people in more diversified sports experience by operating sports destinations that are open to the public. It is expected to benefit the medium to long term development of our business.

開始有序地恢復營運，現時業務已大致恢復正常。而體育隊伍及賽事管理業務方面，中國男子職業聯賽(CBA)及街頭籃球賽事「3+1籃球聯賽」分別於六月及九月重啟及順利舉行。而LNG電競俱樂部因疫情影響，二零二零年《英雄聯盟職業聯賽》(LPL)的春季賽及夏季賽事，則改為採用線上賽的形式舉行，因此LNG電競俱樂部收入受一定程度影響。二零二零年九月新成立的LNG.M手游戰隊在《決戰平安京》(OPL)職業聯賽的秋季賽中取得佳績，以22戰全勝的戰績奪得總冠軍。

國家體育總局和教育部於報告期內，聯合發佈《關於深化體教融合促進青少年健康發展的意見》，將體育科目納入初、高中學業水平考試，提升體育的重要性，促進體育教培行業及體育設施建設。有關政策均為疫情下的體育產業創造利好發展條件，我們亦期望北京冬奧將為冰雪運動行業帶來巨大的發展空間，尤其不同程度的滑冰培訓需求將進一步增長。我們同時冀望未來五至十年，中國城鎮化發展影響城市居民的消費意欲加快上升，帶動體育園及滑冰場館的使用率。我們繼續積極拓展體育目的地網絡。現時在建中的四個體育園分佈全國各地，預料將於二零二一年至二零二二年相繼落成。

根據國家發表的「十四五」規劃，國家將廣泛開展全民健身運動，增強人民體質，完善全民健身公共服務體系，推進社會體育場地設施建設，提高健身步道等便民健身場所覆蓋面，因地制宜發展體育公園，堅持文化教育和專業訓練，持續推進冰雪運動發展並擴大體育消費，發展健身休閒、戶外運動等體育產業。我們期望借著這個全民健身逐漸盛行的時機，通過營運面向大眾的體育目的地，讓更多民眾參與到更多元豐富的運動體驗當中。預料對我們業務的中長線發展將帶來裨益。

Acknowledgment

The year of 2020 marks the 10th anniversary of Viva China. Consistently committed to our aspirations, we take it as our mission to integrate sports into daily life, communication and leisure consumption. In the next decade, adhering to a firm belief, Viva China will carry forward our visions with prudent steps, and continue to focus on developing our two principal businesses to offer all-rounded sports experience, services and consumables to consumer groups in order to create greater value for Shareholders.

Since the outbreak of the epidemic, the Group has endeavoured to implement epidemic prevention measures comprehensively to safeguard the health and safety of employees and customers, and worked side by side with our employees to overcome every single obstacle and challenge. On behalf of our fellow Board members, I want to thank our staff for sticking to their posts at all times. I would also like to extend my heartfelt thanks to our Shareholders and business partners for their trust, loyalty and support to the Group, and to our management and business teams for their contribution over the past year.

Li Ning

Chairman, Chief Executive Officer and Executive Director
22 March 2021, Hong Kong

致謝

二零二零年是非凡中國成立十週年，我們一直堅守初心，以將體育融入生活交流和休閒消費為己任。下一個十年，非凡中國以堅定的信念及現實的腳步，把我們的願景一步一步地走得更遠，繼續專注推進兩大業務發展以提供全方位的運動體驗、運動及生活休閒消費品給消費群，為股東締造更大價值。

自疫情發生以來，本集團致力全面落實防疫舉措，全力保障員工及客運健康安全，並與員工一起並肩作戰共渡難關，迎接每項挑戰。本人謹代表董事會同仁，感謝員工在任何時刻仍堅守崗位，同時謹向各位股東及業務夥伴對本集團的信賴和忠實支持，以及管理和業務團隊在過去一年作出之貢獻致以衷心的謝忱。

主席、行政總裁兼執行董事

李寧

二零二一年三月二十二日，香港

In 2020, the Group constantly made every efforts to develop the strategy of two principal businesses, operating “sports and lifestyle consumables”, which covers investment in and preparation for sports, health and leisure-related consumables projects, and maintaining “sports experience”, which includes the operation, service provision and investment of sports destinations, sports competitions and events as well as an e-sports club. During the Reporting Period, while the novel coronavirus has been sweeping across the world and the trade war between China and the US has been intensified again, the two major businesses have not been much affected under the economic internal circulation in China, and the scale of business has even further expanded.

Sports and Lifestyle Consumables

The apparel consumer market in the PRC has immense market potential. With the profound experience possessed by the management team of the Group's consumables business, we acquired Bossini International Holdings Limited (“Bossini”, together with its subsidiaries, the “Bossini Group”) in late July 2020 to generate economies of scale (including but not limited to marketing, supply chain solutions and distribution channels) and benefits such as market coverage with our sports and lifestyle consumables. With the long-established household name of Bossini in the region, the Group believes that Bossini has the potential to further promote its brand in China, expanding its regional coverage and seizing opportunities.

On 15 March 2021, we announced that we conditionally agreed to subscribe for the majority share interest and acquire the Purchase Shareholder's Loan of LionRock Capital Partners QiLe Limited (“SPV”) which holds a majority interest in C&J Clark (No.1) Limited (“Clark”). Clarks brand has a history of nearly two hundred years. Its main markets cover the United Kingdom, the United States and many different countries in the world, including the Greater China region. Upon completion of such transaction, the SPV and its subsidiaries (including Clark) will become indirect non-wholly owned subsidiaries of the Company. Clark will further expand the presence of the Group's consumables business and create synergy with the consumables business.

The Group's “LNG” casual footwear and apparel brand business, which has been marketed on various online platforms, successfully opened a pop-up store in Hangzhou in the fourth quarter, making its offline market debut, and its first and second physical stores were also opened in Chongqing and Shanghai in January and February 2021, respectively. Moreover, the LNG brand cooperates with other youthful fashion brands and launches authorised products from time to time. For instance, it worked with “The King's Avatar” and “Demon Slayer: Kimetsu no Yaiba” respectively to introduce seasonal crossover products. The LNG brand will continue to gain its inspiration from the “young generation” which represents user bases of e-sports, animation and fashion, and create fashion brands featuring gorgeous visuals and high quality to cater for youngsters of the next generation.

By developing products concerning sports, health and leisure, the Group hopes to bring more diversity to sports and life experience and thereby generate consumption opportunities; at the same time, the Group pursues potential M&A opportunities actively for different types of domestic and international consumer brands so as to seize the huge potential market of young consumers.

二零二零年，本集團繼續全力發展兩大主營業務策略：經營「運動及生活休閒消費品」包括投資和籌備體育、健康、休閒相關的消費品項目，以及繼續保持「運動體驗」包括體育目的地、體育賽事活動和電競俱樂部之營運、服務及投資。報告期內，雖然新型冠狀病毒正全球肆虐，中美貿易戰亦硝煙再起，兩大業務在國內經濟內循環下未有影響太大，業務規模還進一步擴大。

運動及生活休閒消費品

中國服裝消費市場存在巨大的市場潛力，加上本集團消費品業務的管理層團隊擁有豐富經驗，我們於二零二零年七月下旬收購堡獅龍國際集團有限公司（「堡獅龍」，連同其附屬公司統稱「堡獅龍集團」），藉以跟自身運動及生活休閒消費品產生規模經濟（包括但不限於營銷、供應鏈解決方案及分銷渠道）以及市場覆蓋率等方面的效益。且堡獅龍盛名家喻戶曉，本集團認為堡獅龍有潛力進一步在中國推廣其品牌、擴大其地區覆蓋率並抓住其商機。

於二零二一年三月十五日，我們宣佈有條件同意認購LionRock Capital Partners QiLe Limited（「SPV」）大多數股權及收購其購買股東貸款，該公司持有C&J Clark (No.1) Limited（「Clark」）的大多數權益，Clarks品牌已經接近二百年的歷史，主要市場覆蓋英美及世界許多不同國家，包括大中華地區。於有關交易完成後，SPV及其附屬公司（包括Clark）將成為本公司的間接非全資附屬公司。Clark將進一步擴展本集團消費品業務的版圖，並與消費品業務之間產生協同作用。

本集團旗下的「LNG」休閒鞋服品牌業務，透過不同的線上平台營銷，並於第四季成功於杭州開設快閃店，首次亮相其線下市場，而全國首家及第二家實體店亦分別於二零二一年一月及二月落地重慶及上海。LNG品牌亦不時與其他年輕潮流品牌合作及推出授權產品，如和「全職高手」及「鬼滅之刃」合作，推出限定聯乘商品。LNG品牌將繼續從代表電競、二次元、潮流等用戶群體中的「年輕世代」出發，構建屬於次世代年輕人的高顏值、高品質的潮流品牌。

本集團希望通過打造與體育、健康、休閒相關的產品，創建更多元的運動及生活體驗並帶來消費契機，同時繼續積極推進各類型國內及國際消費品品牌的潛在項目併購機會以把握龐大的年輕消費市場潛力。

Sports Experience

Sports Destinations Development

Li Ning Sports Parks and Li Ning Sports Centres

The Group has been dedicating its effort to participate in the operation and management of sports destinations, which mainly include Li Ning Sports Parks and Li Ning Sports Centres. They offered a wide spectrum of localised, professional and accessible indoor and outdoor venues and facilities for popular sports and leisure activities. Moreover, sports destinations provide value-added services, including training, catering, retail and health management, as part of their consistent efforts to practise the corporate mission of promoting diverse sports experiences and advocating a healthy sports lifestyle across communities, whilst creating various sources of revenue for the Group. Due to the outbreak of pandemic in China during the first half of the year, all sports parks and sports centres suspended their operation from February to March in 2020 in response to the national pandemic prevention measures. As the progress in combating the pandemic became more successful, sports activities have resumed in an orderly manner. Sports parks and sports centres have also resumed operation since April. Currently, business has generally returned to normal. During the Reporting Period, seven Li Ning Sports Parks and Li Ning Sports Centres are managed and operated by the Group, including Yangzhou Li Ning Sports Park, Linyi Li Ning Sports Centre, Ningbo Hangzhou Bay Li Ning Sports Park, Nantong Li Ning Sports Centre, Tianjin Li Ning Sports Centre, Tianjin Xiqing Li Ning Culture and Sports Centre and Hefei Nanyan Lake Li Ning Sports Park. Tianjin Xiqing Li Ning Culture and Sports Centre and Hefei Nanyan Lake Li Ning Sports Park have officially commenced operation since September and October in 2020 respectively. There are currently four sports destination under construction, which are expected to be completed between 2021 to 2022.

運動體驗

體育目的地發展

李寧體育園及李寧運動中心

本集團致力參與體育目的地之營運及管理，其中主要包括李寧體育園及李寧運動中心，為熱門運動及休閒活動提供多種本地化、專業及便捷的室內及戶外休閒體育場所及設施，同時於體育目的地提供包括培訓、餐飲、零售及健康管理等增值服務，秉持於各社區推動多元化運動體驗、提倡運動健康生活方式的企業宗旨，同時為本集團創建多元的收入來源。由於國內上半年疫情爆發，為配合國家防疫措施，所有體育園及運動中心於二零二零年二月至三月停業。隨著抗疫漸趨成效，體育活動有序恢復。各體育園及運動中心四月起陸續恢復營運，現時業務已大致恢復正常。報告期內，本集團旗下營運及管理七個李寧體育園及李寧運動中心，分別為揚州李寧體育園、臨沂李寧運動中心、寧波杭州灣李寧體育園、南通李寧運動中心、天津李寧運動中心、天津市西青區李寧文體中心及合肥南艷湖李寧體育園。天津市西青區李寧文體中心及合肥南艷湖李寧體育園分別於二零二零年九月及十月正式投入營運。現時在建中的四個體育目的地，預料將於二零二一年至二零二二年相繼落成。

Ice-skating Rinks

The Group's "All Star Skating Club" is the leading indoor ice-skating chain-brand in China, engaging in the business of managing and operating ice-skating rinks. It currently operates an aggregate of 12 ice-skating rinks in first and second-tier Chinese cities including Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Hangzhou, Suzhou, Wuhan and Haikou. Among which, the Mega branch, the second ice-skating rink in Shanghai, was opened with great flourish on 25 August 2020, and its business has been operating well within a short period of time. Covering an average operating area between 1,200 and 3,000 square metres, the ice-skating rinks are mainly located in districts with high customer flow, such as large shopping malls in central business districts, with an aim to provide different communities with localised, accessible and quality indoor ice-skating rinks. Due to the outbreak of pandemic in China during the first half of 2020, in response to the national pandemic prevention measures, all ice-skating rinks suspended operation from February to March in 2020. As the pandemic in China has been under control gradually, the ice-skating rinks have also resumed operation gradually since April. Currently, business has generally returned to normal. Apart from providing rental service of venue facilities and winter sports gears, All Star Skating Club focuses on offering systematic winter sports training programmes, coaching and interests classes for different age groups and people at different skill levels. In its training programmes, All Star Skating Club aligns with the teaching standard of Ice Skating Institute (ISI) as well as the qualification ranking of International Skating Union (ISU), and has employed a team of professional coaches comprising retired athletes of national professional teams and overseas trainers. International partners are also introduced to offer tailor-made winter sports training programmes and cultural exchange activities. To promote the winter sports culture around China, All Star Skating Club also sponsors and undertakes international, national and provincial winter sports competitions and events from time to time.

Coordination and Investment of Sports Competitions and Events

"LNG Esports" of the Group was also affected by the pandemic. The spring and summer tournaments of League of Legends Pro League (LPL) in 2020 were held online, and hence, the revenue generated from LNG Esports was affected to some extent. At the end of December 2020, Lee Seung Yong (Nickname: Tarzan), the former jungler for GRF, joined LNG Esports team as an individual and is responsible for the jungler position of the team. The Group also widened LNG Esports team's brand recognition and developed relevant consumption opportunities, including various marketing campaigns on social media and the launch of customised products with other brands. Besides, the LNG Esports team was arranged to join a number of public charity activities to give back to community. As a result, the LNG Esports team recorded over 610,000 followers on its official Weibo account during the Reporting Period. In addition, newly formed in this year, "LNG.M Team" achieved an outstanding performance in OPL (Onmyoji arena Pro League). The team won all the 22 matches and attained the overall champion of the competition.

滑冰場

本集團旗下的「全明星滑冰俱樂部」是中國領先的室內滑冰場連鎖品牌，管理及營運滑冰場業務，現時於中國一、二線城市包括北京、上海、廣州、深圳、天津、杭州、蘇州、武漢和海口營運共12個滑冰場，其中，上海第二家店—印象城店於二零二零年八月二十五日隆重開幕，業務並在短時間內發展良好。滑冰場平均營運面積為1,200-3,000多平方米，主要選址於客流較高的地區，如中央商務區的大型購物商場，為不同社區打造本地化、便捷和優質的室內滑冰場館。由於國內二零二零年初疫情爆發，為配合國家防疫措施，所有滑冰場亦於二零二零年二月至三月停業，當國內疫情慢慢受控，各滑冰場四月起陸續恢復營運，現時業務已大致恢復正常。除了提供場地設施及冰雪運動設備租賃，全明星滑冰俱樂部主要為不同年齡組別和技術水平的人士提供具系統性的冰雪運動培訓課程、指導及興趣班。培訓課程採用美國滑冰協會(ISI)的授課標準以及國際滑冰聯盟(ISU)的等級標準，並由國家專業隊退役運動員及海外訓練員組成之專業教練團隊進行培訓。其亦引入國際合作夥伴，提供個性化的冰雪運動培訓計劃和文化交流活動，亦不時承辦國際、國家及省級冰雪運動比賽及項目，以普及全國冰雪運動文化。

體育賽事活動組織及投資

本集團旗下「LNG電子競技俱樂部」，因疫情影響，二零二零年的英雄聯盟的春季賽及夏季賽事，則採用線上賽的形式舉行，因此LNG電競俱樂部收入受一定程度影響。於二零二零年十二月底，前GRF打野選手李承勇(暱稱：Tarzan)以個人身份加盟LNG電競戰隊，擔任打野位置。本集團亦為LNG電競戰隊擴大品牌知名度並開發相關消費機會，包括於社交媒體進行多方面推廣、聯乘其他品牌推出定制產品等，亦安排LNG電競戰隊參與公益慈善活動以回饋社群，報告期內LNG電競戰隊官方微博追隨者錄得逾61萬。除此之外，今年新成立的「LNG.M手游戰隊」在《決戰!平安京》(OPL)職業聯賽的秋季賽中取得佳績，以22場全勝的戰績奪得總冠軍。

Basketball

As affected by the pandemic in the first half year of 2020, a lot of sport activities have come to a standstill. After half a year, the Group's "3+1 Basketball League" was successfully held in August 2020, and matches were held in 11 cities. In complement with the preventive measures, this year's "3+1 Basketball League" was held behind closed doors. And yet, it did not weaken fans' passion for the league and the live online league has recorded millions of views. Apart from that, the Group partook in the commercial operation of certain authorisation for CBA (Chinese Basketball Association), the highest-ranking professional basketball league in China, by providing sponsorship and marketing-related services during the Reporting Period.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees, customers and suppliers are crucial to the success of the Group. As such, the Company has maintained a smooth communication with all stakeholders to establish mutual trust, in pursuing outstanding environmental, social and governance performance. The Group adopts a people-oriented approach to formulate its human resource policy, to provide employees with reasonable remuneration and welfare and make adjustments when appropriate. Moreover, in addition to requiring employees to comply with occupational safety rules and procedures, the Group also cares for the well-being of employees by launching various staff caring programs for employees to relax. The Group also offers employees with extensive training programs to enhance their lateral skills, enabling them to have better development opportunities in the long run. The Group strives to provide goods and services of the best quality to our customers. By listening to customers' feedback, the Group has established effective communication channels, and maintains a cordial relationship with its customers. The Group believes that the success of the Group lies in quality of service. Hence, the Group is committed to building an integrated sports platform featured with spectating and participatory projects, aiming to meet the needs of our customers with quality sports resources and involve the public in sports events. The Group is committed to establishing long-term partnership with suppliers. To maintain a good partnership, it is crucial to ensure that the products and services offered by suppliers meet the specified requirements in the first place. Therefore, the Group has established strict procurement standards and conducted regular quality inspection to maintain the quality of products and services.

ENVIRONMENTAL POLICIES AND PERFORMANCE

As a responsible corporate citizen, the Group attaches high importance to environmental issues. Though the Group is not a high-pollution generated enterprise, it actively integrates the concepts of environmental protection and green building into different business segments as practicable as possible.

籃球

二零二零年上半年受疫情影響，眾多線下體育賽事陷入停擺。睽違半年之久，本集團旗下的版權賽事「3+1籃球聯賽」亦於二零二零年八月順利展開，於11個城市舉行賽事，為配合防疫措施，今年的「3+1籃球聯賽」以閉門形式進行，但亦無阻球迷對賽事的熱愛，線上賽事直播錄得數百萬觀看次數。此外，本集團於報告期內參與中國最高等級職業籃球聯賽CBA（中國男子籃球職業聯賽）的相關授權之商業營運，提供贊助和市場推廣相關服務。

與僱員、客戶及供應商的重要關係

員工、客戶及供應商對本集團的成功尤關重要。為此，本公司一直著意與各利益相關方保持良好的溝通及交流，建立互信的關係，以追求卓越的環境、社會及管治表現。本集團採取以人為本的方針制定人力資源政策，為員工提供合理報酬及福利，並適時進行調整。另外，本集團也照顧員工的身心健康，除了要求員工恪守職業安全規則及程序外，也設計了不同的員工關愛活動，讓員工舒展身心。本集團亦為員工提供豐富的培訓活動，提升員工的綜合技能，讓他們長遠而言有更佳的发展機會。本集團務求為客戶提供最優質的商品及服務。本集團用心聆聽客戶聲音，已建立有效的溝通渠道，與客戶保持良好關係。本集團相信集團的成功取決於服務品質。本集團致力打造兼具觀賞性及參與性項目的綜合體育平台，以優質的體育資源滿足客戶所需，讓大眾共同投入體育項目。本集團致力與供應商建立長期的合作夥伴關係。要維持良好的合作關係，我們必先確保供應商的產品和服務達到指定要求。本集團已建立嚴格的採購標準，並定期進行品質檢驗，以保持產品及服務品質。

環保政策及表現

作為負責任的企業公民，本集團高度關注環境保護議題。縱使本集團不屬於高污染的企業，也積極把環境保護、綠色建築等概念於可行情況下融入於各個業務板塊中。

COMPLIANCE WITH LAWS AND REGULATIONS

In order to minimise the environmental, social and governance risks, the Group operates its business in a manner that satisfies the relevant laws and regulations in respect of employee benefits, safety and environment. During the Reporting Period, the Group has complied with the relevant laws and regulations in the jurisdictions where it operates, i.e. the PRC and Hong Kong, in all material respects. For more information about the measures adopted by the Group for environmental protection and regulatory compliance during this financial year, please refer to the environmental, social and governance report of this annual report.

PROSPECTS

Looking forward to 2021, the world has made phased progress in vaccine research and development, citizens from different countries have successively vaccinated at the beginning of the new year, which is expected to bring the global economic activities back to normal. The 2020 economic data released by China at the beginning of the year showed that domestic economy remained its growth, reflecting domestic economic activities are still robust under the epidemic. However, as the epidemic has not subsided, public travel and consumer demand have depressed. The Group foresees that in the first year of the 14th Five-Year Plan in 2021, challenges and opportunities will continue to emerge in various China industries.

The Group will focus its resources on the development of two major businesses, "sports and lifestyle consumables" and "sports experience" in order to provide multi-brands consumer brand products and a full range of sports experiences and services.

The Group will concentrate its main resources on the core business of "Multi-brands Apparels and Footwears". The Group will further expand its brand operation team, set up professional online and offline channel operation divisions, invest in competitive supply chain business which can create the most powerful force for business development of the Group in the PRC market with target of achieving rapid growth for the Group's "Multi-brands Apparels and Footwears" business.

遵守法律及法規

本集團的營運本著符合各項有關勞工福利、安全和環境等範疇的法律及法規，把環境、社會及管治的風險降至最低。報告期內，本集團已在所有重大方面遵守其營運所在司法權區（即中國及香港）的相關法律及法規。更多有關本集團在本財政年度中環保及法規合規表現的相關資訊，請參閱此本年報內的環境、社會及管治報告。

展望

展望二零二一年，全球在疫苗研發方面取得階段性進展，各國在新年伊始陸續為國民接種，有望使全球經濟活動回復正常。而中國於年初發佈的二零二零年經濟數據顯示，國內經濟增長維持，反映國內經濟活動在疫情下仍然強健。但面對疫情尚未消退，民眾出行及消費需求壓抑，集團預料在二零二一年的十四五規劃首年，中國各行業將持續迎來挑戰及機遇。

本集團將集中資源發展「運動及生活休閒消費品」及「運動體驗」兩大業務，以提供多品牌消費品牌產品以及全方位的運動體驗和服務。

本集團將集中主要資源投入到「多品牌鞋服」核心業務上。為此，本集團將進一步擴大品牌運營團隊，設立專業的線上和線下的管道經營部門，投資具競爭力的供應鏈業務，為本集團「多品牌鞋服」業務在中國市場的發展創造最有力的支撐，以使本集團的「多品牌鞋服」業務獲得飛躍性的成長。

With the substantial increase in the amount of people doing sports, provinces and cities have responded positively with the Healthy China initiative, a national policy to increase investments in e-sports in first-tier cities. Among which, Shanghai is determined to become the worldwide capital of e-sports. In January 2021, the city commenced construction of the top international professional e-sports venue "Shanghai Xinwen E-sports Centre", which can accommodate 6,000 people and the investment was estimated to be more than RMB10 billion. China is going to usher in a number of large-scale traditional sports events, including 2021 FIFA Club World Cup and 2022 Beijing Olympic Winter Games in the coming years, which are expected to drive a new national upsurge in sports.

Taking a comprehensive view of the market environment, the pandemic will continue to have certain impact on the global economy, even the Chinese economy. The Group will carefully monitor the operating environment and adopt corresponding measures to ensure stable development of the business. However, in the foreseeable future, provinces and cities will pay more attention to national fitness activities and gradually improve the relevant facilities of the sports industry, which will promote the mass formation of sports groups and pursue a sustainable healthy lifestyle, which is consistent with the Group's corporate mission of promoting a healthy lifestyle and sports culture. This will help the Group to continuously expand the sports industry, including expanding the network of sports destinations, organising investment in sports events and enriching the business layout of sports consumer goods, so as to create a multi-faceted and multi-angle sports experience for the masses.

而疫情下運動人群大量增加，各省市積極響應建設健康中國的國策，包括一線城市加大電競活動投入，其中上海立志打造全球電競之都，於二零二一年一月動工打造可容納六千人的國際頂級專業電競賽事場館「上海國際新文創電競中心」，預計投入超過100億元人民幣。中國未來數年迎來多項大型傳統體育賽事，包括二零二一年國際足總俱樂部世界盃賽、二零二二年北京冬奧等，預期將會帶動新一輪的全民運動熱潮。

綜觀市場環境，疫情仍將為全球以至中國經濟帶來一定影響，集團將審慎注視運營環境及採取相應措施，確保業務穩健發展。但在可見將來，各省市對全民健身活動日益重視和逐步完善體育產業相關設施，將促進運動群眾大量形成，追求可持續的健康生活方式，與本集團宣揚健康生活方式及體育文化的企業使命一致，有利本集團持續拓展體育產業，包括擴大體育目的地網絡，組織投資體育賽事活動以及豐富體育消費品業務佈局，為群眾創造多方面、多角度的體育體驗。

RESULTS

For the year ended 31 December 2020, the Group's consolidated revenue was HK\$819.0 million (2019: HK\$625.0 million), representing an increase of 31.0%. Revenue from "sports and lifestyle consumables" business was significantly increased by HK\$439.0 million, which was mainly due to the acquisition of Bossini Group in late July 2020. However, "sports experience" business recorded a decrease in revenue amounting to HK\$245.0 million as outbreak of COVID-19 resulted in the closure of sports parks, sports centres and ice-skating rinks during February to March 2020 and postponement and cancellation of sports competitions and events. Moreover, the Group has also faded out the construction materials business which led to a decrease in revenue of HK\$187.4 million. Gross profit of the Group for the year ended 31 December 2020 was HK\$330.8 million (2019: HK\$123.2 million), representing an increase of HK\$207.6 million or 168.5% as compared to the previous year. Increase in gross profit was mainly contributed by the sports and lifestyle consumable business through the acquisition of Bossini Group.

The Group's other income and other gains – net for the year amounted to HK\$1,359.1 million (2019: HK\$890.6 million). Other income and other gains – net during the period was mainly attributable to the gain on disposal of 2.85% (2019: 6.8%) of the total issued share capital in Li Ning Co amounting to HK\$1,023.0 million (2019: HK\$817.4 million), gain on bargain purchase of HK\$245.3 million (2019: HK\$ nil) and government grants of HK\$33.2 million (2019: HK\$20.3 million).

Selling and distribution expenses for the year amounted to HK\$224.4 million (2019: HK\$47.7 million), representing a significant increase of HK\$176.7 million or 370.4% as compared to the year of 2019. The increase was attributable to the expenses from i) Bossini Group which was acquired in late July 2020 and ii) ice-skating rinks business which was acquired in December 2019.

Administrative expenses and other operating expenses together with net impairment gains/(losses) on financial assets (the "Administrative Expenses") incurred for the year amounted to HK\$453.4 million (2019: HK\$355.8 million) which represented an increase of HK\$97.6 million or 27.4% as compared to the year of 2019. The increase in Administrative Expenses was primarily attributable to i) the impairment loss on goodwill and intangible assets of HK\$130.1 million (2019: HK\$31.4 million) due to the unpredictable poor performance of the business and slower pace of generic growth as a result of outbreak of COVID-19 and ii) expenses of Bossini Group amounting to HK\$124.3 million were included in the Group's consolidated financial statements since late July 2020; but the increase was partially offset by i) decrease in impairment loss of trade receivables and other receivables of HK\$82.2 million and ii) the absence of impairment loss of investment in a joint venture (2019: HK\$17.4 million) in the current year.

業績

截至二零二零年十二月三十一日止年度，本集團之綜合收益為819,000,000港元(二零一九年：625,000,000港元)，增加31.0%。「運動及生活休閒消費品」業務收益大幅增加439,000,000港元，乃主要由於於二零二零年七月下旬收購堡獅龍集團。然而，「運動體驗」業務錄得收益減少245,000,000港元，原因為COVID-19疫情導致體育園、運動中心及滑冰場於二零二零年二月至三月關閉以及體育賽事活動遭推遲及取消。此外，本集團亦已逐漸縮減建材業務，導致收益減少187,400,000港元。本集團截至二零二零年十二月三十一日止年度之毛利為330,800,000港元(二零一九年：123,200,000港元)，較去年增加207,600,000港元或168.5%。毛利的增長主要是通過收購堡獅龍集團的運動及生活休閒消費品業務所貢獻。

本集團於年內錄得其他收入及其他收益淨額為1,359,100,000港元(二零一九年：890,600,000港元)。期內其他收入及其他收益淨額乃主要源於出售李寧公司全部已發行股本之2.85%(二零一九年：6.8%)股份而產生之收益1,023,000,000港元(二零一九年：817,400,000港元)、議價收購收益245,300,000港元(二零一九年：零港元)及政府補助33,200,000港元(二零一九年：20,300,000港元)。

年內，銷售及分銷開支為224,400,000港元(二零一九年：47,700,000港元)，較二零一九年大幅增加176,700,000港元或370.4%。該增加乃由於i)於二零二零年七月下旬收購的堡獅龍集團及ii)於二零一九年十二月收購的滑冰場館業務的開支。

年內產生之行政費用及其他經營開支及財務資產減值收益/(虧損)淨額(「行政費用」)為453,400,000港元(二零一九年：355,800,000港元)，較二零一九年增加97,600,000港元或27.4%。行政費用增加乃主要由於i)商譽及無形資產減值虧損130,100,000港元(二零一九年：31,400,000港元)，主要因為COVID-19疫情導致業務表現在預料之外不甚理想及總體增速放緩，及ii)自二零二零年七月下旬起，堡獅龍集團之開支共124,300,000港元併入本集團之綜合財務報表；惟增加部分由本年度i)應收賬款及其他應收款項之減值虧損減少82,200,000港元及ii)無合營企業投資減值虧損(二零一九年：17,400,000港元)所抵銷。

Finance costs for the year ended 31 December 2020 amounted to HK\$65.1 million (2019: HK\$118.3 million). The decrease in finance costs was primarily attributable to the re-financing by redemption of convertible notes in December 2019 which bore a higher interest rate.

The Group held approximately 331,202,000 ordinary shares of Li Ning Co Limited ("Li Ning Co") and approximately RMB204.2 million registered and paid-up capital of CITIC Land Co., Ltd ("CITIC Land") as at 31 December 2020, representing 13.3% equity interests in Li Ning Co and 29% equity interests in CITIC Land, respectively as well as 35.1% and 5.7% on the Group's total assets as at 31 December 2020, respectively.

Investment costs of Li Ning Co and CITIC Land as at year ended 31 December 2020 were HK\$1,699.5 million and HK\$381.5 million respectively. Dividend received from Li Ning Co was HK\$56.0 million during the year ended 31 December 2020. Please refer to Note 15 for the fair value of the investments.

Li Ning Co's principal activities include brand development, design, manufacture, sale and distribution of sport-related footwear, apparel, equipment and accessories in the PRC.

CITIC Land's principal activities include property development and operation; property management; hotel investment and management; construction project and facilities contracting and equipment installations; decoration units; landscaping; property development consultancy.

Li Ning Co and CITIC Land are accounted for as associates of the Group. The Group has adopted the provision contained in HKAS 28 whereby it is permitted to include the attributable share of associate's results based on the financial statements drawn up to a non-coterminous period end where the difference must be no greater than three months. During the year, the Group shared the results of Li Ning Co based on its adjusted financial results for the twelve months ended 30 September 2020 adjusted by any significant events or transactions for the period from 1 October 2020 to 31 December 2020. There is no non-coterminous period end for other associates and joint ventures.

截至二零二零年十二月三十一日止年度，財務成本達65,100,000港元(二零一九年：118,300,000港元)。財務成本減少乃主要由於透過二零一九年十二月贖回利率較高的可換股票據進行再融資。

本集團於二零二零年十二月三十一日持有約331,202,000股李寧有限公司(「李寧公司」)普通股及中信置業有限公司(「中信置業」)約人民幣204,200,000元註冊及繳足資本，相當於李寧公司的13.3%股權及中信置業的29%股權，分別佔本集團於二零二零年十二月三十一日資產總值的35.1%及5.7%。

截至二零二零年十二月三十一日止年度，李寧公司及中信置業的投資成本分別為1,699,500,000港元及381,500,000港元。截至二零二零年十二月三十一日止年度，自李寧公司收取的股息為56,000,000港元。有關投資的公平值，請參閱附註15。

李寧公司之主要業務範圍涵蓋於中國從事之體育相關鞋類、服飾、器材及配件之品牌開發、設計、製造、銷售及分銷。

中信置業之主要業務範圍涵蓋房地產開發、經營；物業管理；酒店投資管理；建築工程施工及設備安裝；裝修裝飾工程；園林綠化；房地產諮詢服務。

李寧公司及中信置業作為本集團之聯營公司入賬。本集團已採納香港會計準則第28號所載條文，據此，其獲准根據聯營公司不同結算日期(但差距不得超過三個月)之財務報表計入應佔聯營公司之業績。於年內，本集團根據李寧公司截至二零二零年九月三十日止十二個月之經調整財務業績(已就二零二零年十月一日至二零二零年十二月三十一日期間之任何重大事件或交易作出調整)分佔其業績。其他聯營公司及合營企業並沒有不同的結算日期。

Li Ning Co's adjusted net profit for the year amounted to HK\$1,771.4 million (2019: HK\$1,492.3 million), representing a year-on-year increase of 18.7%. This was mainly attributable to the increase in revenue and gross profit margin together with better control over expense of Li Ning Co.

Li Ning Co will continue to promote the strategy of "Single Brand, Multi-categories, Diversified Channels", strengthen and improve the core business focuses, remain devoted to create LI-NING's experience value, and focus on enhancing efficiency in order to achieve healthy and sustainable profit growth in the future. Backed by various favorable policies to support the development of the sports industry and the consumption upgrade driven by national economic growth, consumption concept of the general public has changed gradually with more and more consumers giving great consideration to product innovation and brand value. Along with the increasingly mature consumption concept, consumption demand of people will become more refined and diverse, which will pose even more challenges to the brand and product competitiveness in the market.

Investment in Li Ning Co aligns with the Group's strategy to expand its business scope along the sports value chain in the PRC. The long term commitment to build an integrated platform allows the Group to create synergies and reap crossover benefits among its various business components to the greatest extent in the long run, enabling the Group to explore further strategic development opportunities, including sports marketing and sponsorship opportunities. Meanwhile, aligned utilisation of resources in hand, including the sports talents or sports events and sports destinations network, would be promoted between Li Ning Co and the Group for growing their businesses together as well as possibly expanding the markets for certain types of sports in China.

CITIC Land's net profit for the year amounted to HK\$12.4 million (2019: HK\$10.9 million).

By leveraging the Group's existing sports resources and the "CITIC Land" brand's reputation, the Group can strengthen its execution capability in sports destinations development in the PRC via the redevelopment project in central business district in Beijing.

李寧公司於本年度之經調整溢利淨額為1,771,400,000港元(二零一九年：1,492,300,000港元)，同比增加18.7%。此乃主要由於李寧公司之收益及毛利率均有所增加，同時更有效控制其開支所致。

李寧公司將繼續推進「單品牌、多品類、多渠道」策略，鞏固和完善核心業務重點，持續聚焦李寧式體驗價值，以提升效率為核心，實現未來盈利的健康及可持續發展。在各項利好政策支持體育產業的發展及國民經濟增長帶動消費升級的背景下，大眾消費觀念逐漸轉變，越來越多的消費者開始重視產品創新與品牌價值。在消費觀念日趨成熟的進程下，民眾的消費需求更加精細和多元，市場對於品牌力與產品力的考驗正逐漸加深。

投資李寧公司符合本集團沿著中國體育價值鏈擴展其業務範圍的策略。通過長期致力打造的綜合平台，本集團能夠長遠地從各個業務成分中創造最佳協同效益及取得最大的跨界利益，進一步開拓策略性發展機會(包括體育市場推廣及贊助機會)。同時，李寧公司及本集團將充分利用彼等現有資源(包括體育人才或體育賽事及體育目的地網絡)，實現彼等業務的共同增長及可能拓展中國若干類體育項目的市場。

中信置業於本年度之溢利淨額為12,400,000港元(二零一九年：10,900,000港元)。

憑藉充分利用本集團現有體育資源及「中信置業」的品牌聲譽，本集團將透過北京中央商務區的再發展項目鞏固及加強其於中國體育目的地發展的執行能力。

During the year, the Group shared the profits less losses of associates and joint ventures amounting to HK\$266.4 million (2019: HK\$342.1 million). The decrease was mainly due to the decrease in contributions from i) Li Ning Co of HK\$13.0 million due to the reduction of shareholding in Li Ning Co and ii) Double Happiness of HK\$61.3 million due to the absence of one-off gain in the current year.

During the year, the Group has recorded a net profit attributable to equity holders of HK\$1,192.4 million comparing to a net profit attributable to equity holders of HK\$834.4 million for the year 2019. The increase was mainly due to the gain on disposal of partial interest in an associate (Li Ning Co) of HK\$1,023.0 million (2019: HK\$817.4 million) and gain on bargain purchase from the acquisition of Bossini of HK\$245.3 million, but partially offset by the decrease in share of profits of associates and joint venture amounting to HK\$75.7 million in the current year.

SEGMENT

Sports and lifestyle consumables

The Group launched the “sports and lifestyle consumables” business at the end of 2019 to capture opportunities in sports life-related consumer products market in China.

In the third quarter of 2020, the Group completed the acquisition of approximately 66.5% of the entire issued share capital of Bossini. Bossini Group is engaged in the retail and distribution of casual wear garments and is a well-known apparel brand in the industry. Thereafter, Bossini became a non-wholly-owned subsidiary of the Group, which bring new sources of revenue for the Group starting from the third quarter of 2020.

Apart from the acquisition of Bossini Group, the Group officially launched a new series of apparel and footwear under the “LNG” brand. The target customers of the “LNG” brand are youngsters. Apart from the existing distributors and e-commerce platform such as T-mall, JD.com, Wechat Mini Program, the Group is in discussion with some other distributors to expand its distribution network. The Group is cautiously monitoring the market and has commenced operation of the physical retail stores in the first quarter of 2021.

The sports and lifestyle consumables segment generated revenue of HK\$439.0 million and recorded an operating loss of HK\$93.5 million for the year ended 31 December 2020.

年內，本集團分佔聯營公司及合營企業之溢利減虧為266,400,000港元(二零一九年：342,100,000港元)。該減少乃主要由於本年度i)因於李寧公司的股權持有減少，相關李寧公司的貢獻減少13,000,000港元及ii)因紅雙喜無一次性收益，導致相關貢獻減少61,300,000港元。

年內，本集團錄得權益持有人應佔溢利淨額1,192,400,000港元，而二零一九年則錄得權益持有人應佔溢利淨額834,400,000港元。該增加乃主要由於本年度出售於一間聯營公司(李寧公司)之部分權益而產生之收益達1,023,000,000港元(二零一九年：817,400,000港元)和收購堡獅龍的議價收購收益245,300,000港元，惟部分由分佔聯營公司及合營企業溢利減少75,700,000港元所抵銷。

分部

運動及生活休閒消費品

本集團於二零一九年底開展了「運動及生活休閒消費品」業務，以抓住中國運動生活相關消費品市場的機遇。

於二零二零年第三季度，本集團完成收購堡獅龍全部已發行股本約66.5%。堡獅龍集團從事休閒服飾零售及分銷，為業內知名服裝品牌。此後，堡獅龍成為本集團的非全資附屬公司，並於二零二零年第三季度起為本集團帶來新的收益來源。

除了收購堡獅龍集團，本集團正式推出「LNG」品牌的新系列服裝及鞋類。「LNG」品牌的目標客戶為年輕人。除了現有的分銷商和電子商務平台，例如天貓、京東、微信小程序等，本集團亦與若干其他分銷商討論，以擴大分銷網絡。本集團目前正審慎視察市場並已於二零二一年第一季度開始運營實體零售店。

截至二零二零年十二月三十一日止年度，運動及生活休閒消費品分部產生收益439,000,000港元及錄得經營虧損93,500,000港元。

Sports Destinations Development

Currently, sports destinations development segment mainly comprises operation of sports parks, sports centres and ice skating rinks; provision of community development consultancy; and property development for sales and investment.

The Group has been dedicating its effort to promote a sportive and healthy lifestyle in the community. Echoing the PRC government's strategy to promote nationwide physical fitness, the Group actively seeks cooperation with different prospective contracting parties, including local governments, property development and construction companies, and established financial institutions. The Group has been selecting suitable cooperation opportunities to invest in and operate potential sports destination projects, including sports centres and sports parks, and sports-related commercial opportunities that promote healthier living and sports awareness in the PRC.

The sports destination development segment generated revenue of HK\$169.2 million (2019: HK\$268.6 million) for the year ended 31 December 2020, which represented a decrease of HK\$99.4 million or 37.0% as compared to the year of 2019. The decrease in sports destination development segment's revenue was mainly attributable to a significant scale down of construction materials business as a result of adjustment in corporate strategy, which led to a decrease in sales of construction materials, but partially net off by the increase in operating revenue of sports parks, sports centres and ice-skating rinks as the Group continues to expand the sports destination network. The Group's strategy is to expand its sports destination network, and expects that more sports destinations and facilities will be operated by the Group. Taking into account lower than expected revenue due to the business lockdown as a result of outbreak of COVID-19 which all sports parks, sports centres and ice-skating rinks were closed from February to March 2020 and they have gradually resumed normal operation since April 2020, this segment reported an operating loss of HK\$12.3 million during the year (2019: operating loss of HK\$70.7 million).

Sports team and event management

The sports team and event management segment continued its business which encompasses coordination and investments of sports competitions and events, management and operation of an e-sports club, sports talent management, and sports-related marketing and consultancy services. For the year ended 31 December 2020, our sports segment generated revenue of HK\$210.9 million (2019: HK\$356.4 million), which represents a decrease of HK\$145.5 million or 40.8% as compared to the year of 2019. The decrease in sports team and event management segment's revenue was mainly due to the postponement or cancellation of sports competitions and events as a result of outbreak of COVID-19. The sports segment recorded an operating loss of HK\$6.0 million (2019: operating profit of HK\$22.9 million), which represented a decrease of 126.2%.

體育目的地發展

體育目的地發展分部業務現時主要包括經營體育園、運動中心及滑冰場；提供社區發展諮詢；以及待售物業開發及投資。

本集團一直致力於社區中宣傳體育及健康的生活方式。為響應中國政府的全民健身戰略，本集團積極尋求與地方政府、房地產開發及建築公司，以及知名的金融機構等不同的潛在訂約方進行合作。本集團持續篩選合適的合作機會以投資經營潛在體育目的地項目，包括運動中心及體育園，以及於中國推廣健康生活及體育意識之體育相關的商機。

截至二零二零年十二月三十一日止年度，體育目的地發展分部產生收益169,200,000港元（二零一九年：268,600,000港元），較二零一九年減少99,400,000港元或37.0%。體育目的地發展分部收益減少乃主要由於企業策略調整，大幅縮減建材業務規模致令建材銷售減少，但部分由體育園、運動中心及滑冰場經營收益增加所抵銷，原因為本集團持續擴展體育目的地網絡。本集團之策略是擴展體育目的地網絡，預期更多體育目的地及設施將由本集團營運。經計及因COVID-19疫情導致業務停滯，所有體育園、運動中心及滑冰場於二零二零年二月至三月停業，並於二零二零年四月起逐步恢復正常營運，而致使收益低於預期，此分部於年內錄得經營虧損12,300,000港元（二零一九年：經營虧損70,700,000港元）。

體育隊伍及賽事管理

體育隊伍及賽事管理分部繼續開展其經營業務，包括體育賽事活動組織及投資、電競俱樂部管理及營運、體育人才管理以及提供體育相關市場推廣及諮詢服務。截至二零二零年十二月三十一日止年度，我們的體育分部產生收益210,900,000港元（二零一九年：356,400,000港元），較二零一九年減少145,500,000港元或40.8%。體育隊伍及賽事管理分部收益下降，主要原因為COVID-19疫情導致體育賽事活動遭推遲或取消。體育分部錄得經營虧損6,000,000港元（二零一九年：經營溢利22,900,000港元），減幅126.2%。

Financial Position

Net assets value of the Group has increased from HK\$3,059.6 million as at 31 December 2019 to HK\$4,531.3 million as at 31 December 2020. The increase was mainly due to the gain on disposal of partial interest in an associate (Li Ning Co) amounting to HK\$1,023.0 million during the year.

The total non-current assets of the Group has increased from HK\$3,671.7 million as at 31 December 2019 to HK\$3,975.2 million as at 31 December 2020, which represents an increase of HK\$303.5 million. The increase was mainly resulted from the increase in right-of-use assets and investment properties arisen from the acquisition of Bossini Group, but partially offset by the disposal of partial interest in an associate (Li Ning Co) during the year.

Current assets of the Group recorded an increase by HK\$1,680.0 million from HK\$1,194.8 million as at the beginning of the year to HK\$2,874.8 million as at the end of the year. The key components of the current assets at the reporting date were cash and bank balances included restricted bank balances of HK\$1,861.1 million (2019: HK\$652.6 million), trade debtors and bills receivable. The increase in the Group's cash and bank balance was mainly due to the consideration received from the disposal of partial interest in an associate but partially offset by the payment of special dividend during this year.

The total current liabilities of the Group as at 31 December 2020 were HK\$694.9 million, representing an increase of HK\$367.3 million or 112.1% from that as at 31 December 2019. As at 31 December 2020, the key components of non-current liabilities were bank loan of HK\$1,256.0 million (2019: HK\$1,256.0 million) and non-current lease liabilities of HK\$273.5 million (2019: HK\$169.3 million).

財務狀況

本集團的資產淨值由二零一九年十二月三十一日之3,059,600,000港元增加至二零二零年十二月三十一日之4,531,300,000港元。該增加乃主要由於年內出售於一間聯營公司(李寧公司)之部分權益而產生之收益1,023,000,000港元所致。

本集團之非流動資產總值由二零一九年十二月三十一日之3,671,700,000港元增加至二零二零年十二月三十一日之3,975,200,000港元，增加303,500,000港元。該增加乃主要由於收購堡獅龍集團所產生的使用權資產及投資物業增加所致，但部分被年內出售於一間聯營公司(李寧公司)之部分權益所抵銷。

本集團錄得流動資產由年初之1,194,800,000港元增加1,680,000,000港元至年末之2,874,800,000港元。於報告日期，流動資產之主要部分為現金及銀行結餘(包括限制性銀行結餘)1,861,100,000港元(二零一九年：652,600,000港元)及應收賬款及應收票據。本集團現金及銀行結餘增加乃主要由於年內自出售於一間聯營公司之部分權益收取代價，但部分被派付特別股息所抵銷。

於二零二零年十二月三十一日，本集團流動負債總額為694,900,000港元，較二零一九年十二月三十一日增加367,300,000港元或112.1%。於二零二零年十二月三十一日，非流動負債之主要部分為銀行貸款1,256,000,000港元(二零一九年：1,256,000,000港元)及非流動租賃負債273,500,000港元(二零一九年：169,300,000港元)。

Liquidity and Financial Resources

The Group recorded a net cash inflows in operations for the current year of HK\$294.4 million, representing an increase of HK\$253.1 million compared to last year (2019: net cash inflow of HK\$41.3 million). The increase in operating cash inflows was mainly due to the continuous collection of trade debtors. A net cash inflows in investing activities of HK\$1,401.6 million for the current year (2019: HK\$1,595.1 million), representing a decrease of HK\$193.5 million compared to last year. The cash inflows from investing activities in 2019 and 2020 was mainly due to the proceeds from disposal of partial interest in an associate. A net cash outflows from financing activities of HK\$501.2 million for the current year (2019: HK\$1,354.2 million), representing a decrease of HK\$853.0 million compared to last year. The financing cash outflows in 2020 and 2019 was mainly due to the dividend payment and payment of lease liabilities. As a result, the cash and cash equivalent of the Group as at 31 December 2020 increased by HK\$1,208.2 million from the beginning of the year.

The Group had banking facilities of HK\$1,256.0 million (2019: HK\$1,648.5 million), all of which has been utilised (2019: HK\$1,256.0 million) as at 31 December 2020. The Group's gearing ratio was approximately 0 (2019: 0.20) as at 31 December 2020. The Group defines gearing ratio as ratio of net debt over equity plus net debt in which net debt represents total bank and other borrowings less cash and bank balances (including restricted bank balances). The current ratio (ratio of current assets to current liabilities) of the Group as at 31 December 2020 was approximately 4.1 (2019: 3.6). The Group's gearing level and liquidity position has been maintained at a healthy level as at the reporting date. It is the Group's strategy to maintain a healthy and effective gearing ratio in a range of 0 to 1.

流動資金及財務資源

本集團於本年度錄得由經營活動產生之現金流入淨額為294,400,000港元，較去年增加253,100,000港元(二零一九年：現金流入淨額41,300,000港元)。經營現金流入增加乃主要由於持續收回應收賬款。本年度錄得投資活動現金流入淨額1,401,600,000港元(二零一九年：1,595,100,000港元)，較去年減少193,500,000港元。二零一九年及二零二零年之投資活動現金流入乃主要由於出售於一間聯營公司之部分權益所得款項所致。本年度錄得融資活動現金流出淨額為501,200,000港元(二零一九年：1,354,200,000港元)，較去年減少853,000,000港元。二零二零年及二零一九年之融資現金流出乃主要由於派付股息及支付租賃負債所致。因此，本集團於二零二零年十二月三十一日之現金及現金等價物較年初增加1,208,200,000港元。

本集團已獲得銀行融資1,256,000,000港元(二零一九年：1,648,500,000港元)，全部融資於二零二零年十二月三十一日均已獲動用(二零一九年：已動用1,256,000,000港元)。於二零二零年十二月三十一日，本集團之資產負債比率約為0(二零一九年：0.20)。本集團將資產負債比率界定為債務淨額與股權加債務淨額之比率，其中債務淨額指銀行及其他借貸總額減現金及銀行結餘(包括限制性銀行結餘)。於二零二零年十二月三十一日，本集團之流動比率(流動資產對流動負債之比率)約為4.1倍(二零一九年：3.6倍)。於報告日期，本集團之資產與負債水平及流動資金狀況維持穩健。本集團之策略為保持穩健及有效之資產負債比率介乎0至1之間。

Financial Management Policy and Foreign Currency Risk

The Group's finance division at its headquarters in Hong Kong manages the financial risks of the Group. One of the key objectives of the Group's treasury policies is to manage its exposure to fluctuations in foreign currency exchange rates. It is the Group's policy not to engage in any high-risk investment activities. As the Group operates primarily in Hong Kong and the PRC, most of the revenue and trading transactions are settled in either HK\$ or RMB. Accordingly, the majority of the Group's net current assets were denominated in either HK\$ or RMB. Deposits placed in various banks are mainly denominated in these two currencies. The Group maintains its proportion of deposits in RMB and HK\$ in line with its future business and investment plans. The policies in place to manage foreign currency risk have been followed by the Group for several years and are considered to be effective with the current foreign currency risk still manageable. The Group has assessed its foreign exchange rate risk exposure and has entered into forward currency contracts to mitigate foreign currency risk during the year and as at the reporting date.

Charge on Assets

As at 31 December 2020, interests in an associate with carrying amount of approximately HK\$1,315.7 million (2019: HK\$1,065.1 million) had been charged as security for a bank borrowing of a subsidiary.

Commitments for Property Development/Capital Expenditure

As at 31 December 2020, the Group had commitments totalling HK\$27.4 million in relation to capital contribution to the Sports Cultural Industry Fund, associates and joint ventures and for property development in the PRC which were contracted but not provided for (2019: HK\$590.1 million).

Material Transactions

The Group entered into the following material transactions:

- (a) On 1 April 2020, the Group announced the sale of 2.85% of the total issued share capital in Li Ning Co by way of placing (the "Placing"). The Placing was completed on 3 April 2020 and all the relevant sale shares were placed with net proceeds of HK\$1,493.5 million received. The Group's equity interests in Li Ning Co have decreased from approximately 16.3% to approximately 13.5% immediately after the completion of Placing. The Placing represented an opportunity to realise part of the investment by the Group in Li Ning Co. For details, please refer to the announcements of the Company dated 1 April 2020 and the circular of the Company dated 13 May 2020.

財務管理政策及外幣風險

本集團香港總辦事處之財務部管理本集團之財務風險。本集團庫務政策主要目標之一為管理其外幣匯率波動之風險。本集團之政策為不參與任何高風險投資活動。由於本集團主要於香港及中國營運，故大部分收益及買賣交易乃以港元或人民幣結算。因此，本集團大部分之流動資產淨值乃以港元或人民幣計值。存置於各銀行之存款主要以該兩種貨幣計值。本集團根據其未來業務及投資計劃而維持人民幣及港元存款比例。本集團多年來一直遵守外幣風險管理政策，並認為該等政策行之有效及現時之外幣風險仍處於可控制範圍內。本集團已評估其外匯風險，且於報告日期已訂立遠期貨幣合約以減低年內外幣風險。

資產抵押

於二零二零年十二月三十一日，賬面值約1,315,700,000港元(二零一九年：1,065,100,000港元)之一間聯營公司之權益已抵押作為一間附屬公司銀行借貸之擔保。

房地產開發／資本開支承擔

於二零二零年十二月三十一日，本集團就於中國之體育文化產業基金、聯營公司及合營企業之注資及房地產開發擁有合共27,400,000港元之已訂約但未撥備承擔(二零一九年：590,100,000港元)。

重大交易

本集團已訂立以下重大交易：

- (a) 於二零二零年四月一日，本集團宣佈以配售形式出售李寧公司全部已發行股本之2.85%股份(「配售事項」)。配售事項已於二零二零年四月三日完成，所有相關銷售股份已獲配售及已收取所得款項淨額1,493,500,000港元。緊隨配售事項完成後，本集團於李寧公司的股權由約16.3%減少至約13.5%。配售事項乃變現本集團於李寧公司部分投資的一個契機。有關詳情，請參閱本公司日期為二零二零年四月一日之公告以及本公司日期為二零二零年五月十三日之通函。

- (b) On 14 May 2020, Dragon Leap Development Limited (a company with 80% shares held by the Group, "Dragon Leap") entered into an agreement which conditionally agreed to acquire 1,093,091,098 shares of Bossini, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 592), representing approximately 66.6% of the entire issued share capital of Bossini as at 14 May 2020. The consideration for the transaction was HK\$46,620,000. The acquisition was completed in July 2020 and thereafter, Bossini became a non-wholly owned subsidiary of the Group. Following completion, Dragon Leap owns approximately 66.6% of the entire issued share capital of Bossini and is required to make a mandatory unconditional cash offer for all the issued shares of Bossini (other than those already owned or agreed to be acquired by Dragon Leap and parties acting in concert with it) and an offer to cancel all outstanding share options of Bossini (collectively, the "Offers"). The Offers were closed on 14 August 2020 and the Group holds approximately 66.5% of the total number of issued shares of Bossini immediately after the close of the Offers.

Bossini and its subsidiaries are principally engaged in the retail and distribution of casual wear garments. Over the past two decades, Bossini has rapidly established an extensive international operating platform and distribution network that extended to a total of 287 directly managed stores and 799 export franchised stores in 30 different countries and regions as at 31 December 2019. With the established operating track record of the Group in the PRC over the last decade, its core businesses have laid a solid foundation for the Group in the sports-related sector market in the PRC. The Group believes that the apparel consumer market in the PRC has immense market potentials given the increasing public awareness of health and well-being lifestyle of the population across all ages. With the profound experience possessed by the management team of the Group and also the long established household name of Bossini in the region, the Board believes that there would be much synergy between the business of Bossini and that of the Group in penetrating the PRC markets for Bossini's products, and the crossover of intergroup products and sales after completion of the acquisition. Further details of the above were set out in the Company's announcements dated 14 May 2020, 30 June 2020, 21 July 2020, 24 July 2020 and 14 August 2020, and the circular of the Company dated 24 June 2020 and the composite and response document relating to the Offers dated 24 July 2020.

- (c) Pursuant to a loan agreement (the "Loan Agreement") entered into between Viva China Consumables Limited ("Viva China Consumables" or the "Lender", formerly known as Viva China Entertainment Holdings Limited), a wholly owned subsidiary of the Company and LionRock Capital GP Limited acting in its capacity as the general partner (the "General Partner")

- (b) 於二零二零年五月十四日，龍躍發展有限公司(本集團持有80%股份之公司，「龍躍發展」)訂立一份協議，其有條件同意收購堡獅龍(該公司為於百慕達註冊成立的有限公司，其已發行股份於聯交所主板上市(股份代號：592))的1,093,091,098股股份，佔堡獅龍於二零二零年五月十四日全部已發行股本約66.6%。交易代價為46,620,000港元。該收購於二零二零年七月完成，此後，堡獅龍成為本集團的非全資附屬公司。於完成後，龍躍發展擁有堡獅龍全部已發行股本約66.6%及須就堡獅龍的全部已發行股份(龍躍發展及其一致行動人士已擁有或同意收購的股份除外)作出強制性無條件現金要約及註銷堡獅龍的所有尚未行使購股權的要約(統稱「該等要約」)。該等要約於二零二零年八月十四日截止，緊隨該等要約截止後，本集團持有堡獅龍已發行股份總數約66.5%。

堡獅龍及其附屬公司主要從事休閒服飾零售及分銷。在過去二十年間，堡獅龍已迅速建立起一個廣泛的國際經營平台及分銷網絡，於二零一九年十二月三十一日在全球30個國家及地區擁有共287間直營店舖以及799間出口特許經營店舖。憑藉本集團過去十年在中國所建立的良好經營往績記錄，其核心業務已為本集團在中國的體育相關市場奠定堅實基礎。隨著各年齡層段的公眾日漸關注健康及健康生活方式，本集團認為中國服裝消費市場存在巨大的市場潛力，加上本集團的管理層團隊擁有豐富經驗，且堡獅龍盛名在地區上家喻戶曉，董事會認為，堡獅龍的業務與本集團的業務(就堡獅龍的產品滲透中國市場而言)之間，以及完成收購事項後的集團內公司間產品合作及銷售將產生大量的協同作用。有關上述事項的更多詳情載於本公司日期為二零二零年五月十四日、二零二零年六月三十日、二零二零年七月二十一日、二零二零年七月二十四日及二零二零年八月十四日的公告，及本公司日期為二零二零年六月二十四日的通函以及日期為二零二零年七月二十四日有關該等要約的綜合及回應文件。

- (c) 根據本公司全資附屬公司非凡中國消費品有限公司(「非凡中國消費品」或「貸款人」，前稱非凡中國娛樂控股有限公司)與LionRock Capital GP Limited(以LionRock Capital Partners QILe L.P.的普通合夥

of LionRock Capital Partners QiLe L.P. (the "Borrower" or "LionRock") on 28 September 2020, the Lender has agreed to provide a facility of GBP54,000,000 (the "Facility") to the Borrower at an interest rate of 4% per annum for financing the acquisition or subscription of equity interests in a target company by LionRock Capital Partners QiLe Limited (the "SPV"), a company wholly owned by LionRock.

The Group completed the sale of shares by way of Placing with net proceeds of approximately HK\$1,493.5 million. The Group wishes to fully utilize its financial resources. Given the Borrower is in need of financing for making certain investment and the interest income expected to be generated from the loan agreement is higher than depositing the cash of the Group into commercial banks, the Group decided to provide financial assistance to the Borrower which allows the Group to maximize the return of its financial resources. In addition, the General Partner is an experienced private equity firm in Asia's consumer sector with investments in a wide range of businesses including consumer products, sports and food and beverages. The Group considered that this would provide a good opportunity for the Group to establish business relationship with the General Partner and also to review the investment of the Borrower and explore participation if appropriate opportunities suitable for the Group shall arise.

On 15 March 2021, the Lender entered into a subscription agreement (the "Agreement") with the Borrower and the SPV pursuant to which the Lender conditionally agreed to subscribe for 510 shares of the SPV at a subscription price of GBP51,000,000 (the "Subscription Price", and the "Subscription", respectively) and acquire a shareholder's loan (the "Purchase Shareholder's Loan") from the Borrower at a consideration of GBP 51,000,000 (the "Consideration", and the "Shareholder's Loan Transaction", respectively). The Consideration payable by the Lender to the Borrower shall be deemed to be satisfied at completion of the Subscription (the "Completion") by setting off an amount equal to the Consideration against an outstanding amount of GBP 51,000,000 which has been drawn down and remains outstanding under the Loan Agreement (the "Outstanding Amount"). Upon consummation of the Shareholder's Loan Transaction at Completion, the Outstanding Amount shall be deemed to have been irrevocably and unconditionally repaid in full by the Borrower to the Lender in accordance with the terms of the Loan Agreement and all unpaid interest which has been accrued pursuant to the Loan Agreement shall be deemed irrevocably and unconditionally waived by the Lender. The Subscription Price payable by the Lender to the target at Completion shall be setting off an amount equal to the Subscription Price against the Purchase Shareholder's Loan, and the Purchase Shareholder's Loan owed by the SPV to the Lender (being the new lender of the Purchase Shareholder's Loan as from the consummation of the Shareholder's Loan Transaction) shall be deemed fully paid and satisfied in full and are the Purchase Shareholder's Loan shall be terminated.

人(「普通合夥人」)身份行事，「借款人」或「LionRock」於二零二零年九月二十八日訂立的貸款協議(「貸款協議」)，貸款人已同意向借款人提供54,000,000英鎊的融資(「融資」)，年利率為4%，以用於資助 LionRock Capital Partners QiLe Limited (「SPV」，一間由LionRock全資擁有之公司)收購或認購目標公司的股權。

本集團完成以配售事項形式出售股份及已收取所得款項淨額約1,493,500,000港元。本集團希望充分利用其財務資源。鑒於借款人需要融資進行若干投資，並且預期從貸款協議產生的利息收入高於將本集團的現金存入商業銀行，本集團決定向借款人提供財務資助，使本集團能夠實現其財務資源回報最大化。此外，普通合夥人為亞洲消費領域經驗豐富的私募股權公司，對消費品、運動以及餐飲等廣泛業務進行投資。本集團認為這將為本集團與普通合夥人建立業務關係，亦為審查借款人的投資以及於適合本集團的機會出現時尋求參與提供良好的機會。

於二零二一年三月十五日，貸款人與借款人及SPV訂立認購協議(「協議」)，據此，貸款人有條件同意以認購價51,000,000英鎊(「認購價」)認購510股SPV股份(「認購事項」)，並向借款人收購股東貸款(「購買股東貸款」)，代價為51,000,000英鎊(分別為「代價」及「股東貸款交易」)。貸款人應付借款人的代價於認購事項完成(「完成」)時視作已結付，以貸款協議項下已被提取且仍未償還的未償還款項51,000,000英鎊(「未償還款項」)抵銷代價之等額款項。於完成時完成股東貸款交易後，未償還款項應視作已由借款人根據貸款協議的條款不可撤回及無條件地向貸款人全數償還及根據貸款協議應計的所有未支付利息應視作由貸款人不可撤回及無條件地豁免。認購價於完成時由貸款人向目標支付，以購買股東貸款抵銷認購價之等額款項，而SPV結欠貸款人(自股東貸款交易完成後作為購買股東貸款的新貸款人)的購買股東貸款應視作全數支付及結清，且購買股東貸款應予以終止。

The SPV holds a majority interest in C&J Clark (No.1) Limited ("Clark") which is principally engaged in wholesaling and retailing of shoes and trading in the brand name "Clarks". Upon Completion, the target and its subsidiaries (including Clark) will become indirect non-wholly owned subsidiaries of the Company.

For details of the Loan Agreement, please refer to the announcements of the Company dated 28 September 2020. For details of the Agreement, please refer to the announcements of the Company dated 14 January 2021 and 15 March 2021.

As at 31 December 2020, the outstanding amount of loan was HK\$271,874,000 (equivalent to GBP25,726,000). As at the date of this report, the outstanding amount of loan was HK\$568,305,000 (equivalent to GBP53,776,000).

Employees and Remuneration Policies

Staff remuneration comprised of monthly salaries, mandatory provident fund contributions, medical benefits, housing benefits, education allowances and discretionary share options issued based on their contribution to the Group. Staff costs (including Directors' remuneration) for the year ended 31 December 2020 amounted to HK\$199.8 million (2019: HK\$92.6 million). The Group also engages professional consultants to ensure the competitiveness of the remuneration policy which, in turn, would support the business growth of the Group. As at 31 December 2020, the Group employed approximately 2,300 full-time employees (2019: 700) and their remuneration was calculated with reference to the market rates. Significant increase in staff cost and headcount was mainly due to the acquisition of Bossini in late July 2020.

Subsequent Events

- (a) On 16 March 2021, Viva China Yangzhou Community Development Holdings Limited (the "Seller"), a non-wholly owned subsidiary of the Company, entered into the share purchase agreement with Yangzhou City Huacheng Property Development Limited (the "Buyer"), pursuant to which the Seller agreed to sell and the Buyer agreed to acquire the entire issued share capital in Yangzhou Viva Property Development Limited at a consideration of RMB313.69 million.

For details, please refer to the announcements of the Company dated 16 March 2021.

- (b) Pursuant to the Loan Agreement entered into between Viva China Consumables, a wholly owned subsidiary of the Company and the General Partner of the Borrower on 28 September 2020, the Lender has agreed to provide a facility of GBP54,000,000 to the Borrower at an interest rate of 4% per annum for financing the acquisition or subscription of equity interests in a target company by the SPV, a company wholly owned by LionRock.

SPV持有C&J Clark (No.1) Limited (「Clark」)的大多數權益，Clark主要從事鞋履批發及零售，並以品牌名稱「Clarks」進行貿易。完成後，目標及其附屬公司(包括Clark)將成為本公司的間接非全資附屬公司。

有關貸款協議之詳情，請參閱本公司日期為二零二零年九月二十八日之公告。有關協議之詳情，請參閱本公司日期為二零二一年一月十四日及二零二一年三月十五日之公告。

於二零二零年十二月三十一日，未償還的貸款金額為271,874,000港元(相當於25,726,000英鎊)。於本報告日期，未償還貸款總額為568,305,000港元(相當於53,776,000英鎊)。

僱員及薪酬政策

員工酬金包括月薪、強制性公積金供款、醫療福利、住房福利、教育津貼及按其對本集團貢獻而發行之酌情購股權。截至二零二零年十二月三十一日止年度，員工成本(包括董事酬金)為199,800,000港元(二零一九年：92,600,000港元)。本集團亦委聘專業顧問，以確保制定具競爭力之薪酬政策以支持本集團之業務增長。於二零二零年十二月三十一日，本集團聘用約2,300名(二零一九年：700名)全職僱員，彼等之薪酬乃參考市場利率釐定。員工成本及人數大幅增加乃主要由於在二零二零年七月下旬收購堡獅龍所致。

期後事項

- (a) 於二零二一年三月十六日，本公司非全資附屬公司非凡中國揚州社區開發控股有限公司(「賣方」)與揚州市華城房地產開發有限公司(「買方」)訂立股份購買協議，據此，賣方同意出售，而買方同意收購揚州非凡房地產開發有限公司全部已發行股本，代價為人民幣313,690,000元。

有關詳情，請參閱本公司日期為二零二一年三月十六日之公告。

- (b) 根據本公司全資附屬公司非凡中國消費品與借款人的普通合夥人於二零二零年九月二十八日訂立的貸款協議，貸款人已同意向借款人提供54,000,000英鎊的融資，年利率為4%，以用於資助SPV(一間由LionRock全資擁有之公司)收購或認購目標公司的股權。

On 15 March 2021, the Lender entered into the Agreement with the Borrower and the SPV pursuant to which the Lender conditionally agreed to subscribe for 510 shares of the SPV at a subscription price of GBP51,000,000 and acquire the Purchase Shareholder's Loan from the Borrower at the Consideration of GBP 51,000,000. The Consideration payable by the Lender to the Borrower shall be deemed to be satisfied at Completion by setting off an amount equal to the Consideration against an Outstanding Amount of GBP 51,000,000 which has been drawn down and remains outstanding under the Loan Agreement. Upon consummation of the Shareholder's Loan Transaction at Completion, the Outstanding Amount shall be deemed to have been irrevocably and unconditionally repaid in full by the Borrower to the Lender in accordance with the terms of the Loan Agreement and all unpaid interest which has been accrued pursuant to the Loan Agreement shall be deemed irrevocably and unconditionally waived by the Lender. The Subscription Price payable by the Lender to the target at Completion shall be setting off an amount equal to the Subscription Price against the Purchase Shareholder's Loan, and the Purchase Shareholder's Loan owed by the SPV to the Lender (being the new lender of the Purchase Shareholder's Loan as from the consummation of the Shareholder's Loan Transaction) shall be deemed fully paid and satisfied in full and the Purchase Shareholder's Loan shall be terminated.

The SPV holds a majority interest in Clark which is principally engaged in wholesaling and retailing of shoes and trading in the brand name "Clarks". Upon Completion, the target and its subsidiaries (including Clark) will become indirect non-wholly owned subsidiaries of the Company.

For details of the Loan Agreement, please refer to the announcements of the Company dated 28 September 2020. For details of the Agreement, please refer to the announcements of the Company dated 14 January 2021 and 15 March 2021.

As at 31 December 2020, the outstanding amount of loan was HK\$271,874,000 (equivalent to GBP25,726,000). As at the date of this report, the outstanding amount of loan was HK\$568,305,000 (equivalent to GBP53,776,000).

(c) Grant of share options by the Company and a non-wholly owned subsidiary

On 18 January 2021, the Company has granted an aggregate of 288,600,000 share options to the directors and certain employees in respect of their services to the Group in the forthcoming years. The share options have an exercise price of HK\$0.67 per share. 5,800,000 share options shall vest on 18 January 2021 and shall be exercisable for a period of two years after vested. The remaining 282,800,000 share options are subject to a vesting schedule in tranches of one-third each on 18 January 2022, 18 January 2023 and 18 January 2024 respectively and shall be exercisable for a period of 5 years after vested according to the respective vesting schedules. The price of the Company's shares at

於二零二一年三月十五日，貸款人與借款人及SPV訂立協議，據此，貸款人有條件同意以認購價51,000,000英鎊認購510股SPV股份，並向借款人收購購買股東貸款，代價為51,000,000英鎊。貸款人應付借款人的代價於完成時視作已結付，以貸款協議項下已被提取且仍未償還的未償還款項51,000,000英鎊抵銷代價之等額款項。於完成時完成股東貸款交易後，未償還款項應視作已由借款人根據貸款協議的條款不可撤回及無條件地向貸款人全數償還及根據貸款協議應計的所有未支付利息應視作由貸款人不可撤回及無條件地豁免。認購價於完成時由貸款人向目標支付，以購買股東貸款抵銷認購價之等額款項，而SPV結欠貸款人(自股東貸款交易完成後作為購買股東貸款的新貸款人)的購買股東貸款應視作全數支付及結清，且購買股東貸款應予以終止。

SPV持有Clark的大多數權益，Clark主要從事鞋履批發及零售，並以品牌名稱「Clarks」進行貿易。完成後，目標及其附屬公司(包括Clark)將成為本公司的間接非全資附屬公司。

有關貸款協議之詳情，請參閱本公司日期為二零二零年九月二十八日之公告。有關協議之詳情，請參閱本公司日期為二零二一年一月十四日及二零二一年三月十五日之公告。

於二零二零年十二月三十一日，未償還的貸款金額為271,874,000港元(相當於25,726,000英鎊)。於本報告日期，未償還貸款總額為568,305,000港元(相當於53,776,000英鎊)。

(c) 本公司及非全資附屬公司授出購股權

於二零二一年一月十八日，本公司向董事及若干僱員授出合共288,600,000份購股權，以激勵彼等於未來年度繼續為本集團服務。該等購股權之行使價為每股0.67港元。其中5,800,000份購股權於二零二一年一月十八日歸屬，並可在歸屬後於兩年內行使。剩餘282,800,000份購股權受歸屬時間規限，分別於二零二二年一月十八日、二零二三年一月十八日及二零二四年一月十八日各歸屬三分之一。

the date of grant was HK\$0.67 per share, which was the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options.

Details of the above were set out in the Company's announcement dated 18 January 2021.

On 5 January 2021, Bossini, a non-wholly owned subsidiary of the Company with its shares listed on the Main Board of the Stock Exchange (stock code: 592), has granted an aggregate of 90,000,000 share options to the directors and certain employees of Bossini in respect of their services to Bossini Group in the forthcoming years. The share options have an exercise price of HK\$0.460 per share. Each of the one-third of the share options is exercisable from 1 January 2022 to 31 December 2026, from 1 January 2023 to 31 December 2026 and from 1 January 2024 to 31 December 2026. The price of Bossini's shares at the date of grant was HK\$0.460 per share, which was the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options.

Details of the above were set out in Bossini's announcement dated 5 January 2021.

(d) Proposed rights issue by a non-wholly owned subsidiary

On 5 February 2021, Bossini, a non-wholly owned subsidiary of the Company with its shares listed on the Main Board of the Stock Exchange (stock code: 592), proposed to raise gross proceeds of approximately HK\$296 million before expense by way of a rights issue of 821,916,697 rights shares at a price of HK\$0.360 per rights share on the basis of one (1) rights share for every two (2) existing shares held by the qualifying shareholders on the record date.

Details of the above were set out in Bossini's announcement dated 5 February 2021.

一，並可在根據各歸屬時間歸屬後於5年內行使。本公司於授出日期之股價為每股0.67港元，為於緊接購股權授出日期前交易日之聯交所收市價。

有關上述者之詳情載於本公司日期為二零二一年一月十八日之公告。

於二零二一年一月五日，本公司之非全資附屬公司堡獅龍(其股份於聯交所主板上市，股份代號：592)向堡獅龍董事及若干僱員授出合共90,000,000份購股權，以激勵彼等於未來年度繼續為堡獅龍集團服務。該等購股權之行使價為每股0.460港元。該等購股權分別可於二零二二年一月一日至二零二六年十二月三十一日、二零二三年一月一日至二零二六年十二月三十一日及二零二四年一月一日至二零二六年十二月三十一日各行使三分之一。堡獅龍於授出日期之股價為每股0.460港元，為於緊接購股權授出日期前交易日之聯交所收市價。

有關上述者之詳情載於堡獅龍日期為二零二一年一月五日之公告。

(d) 非全資附屬公司建議進行供股

於二零二一年二月五日，本公司之非全資附屬公司堡獅龍(其股份於聯交所主板上市，股份代號：592)建議按於記錄日期合資格股東每持有兩(2)股現有股份獲發一(1)股供股股份之基準，以供股方式按每股供股股份0.360港元之價格發行821,916,697股供股股份，目標以籌集約296,000,000港元之所得款項總額(扣除開支前)。

有關上述者之詳情載於堡獅龍日期為二零二一年二月五日之公告。

Directors' and Senior Management's Biographies

董事及高級管理人員之簡歷

MR. LI NING

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

Mr. Li Ning, aged 58, has been the chairman (the "Chairman"), an executive Director and a member of the executive committee of the Company since June 2010. Mr. Li was also appointed as the chairman of the nomination committee, the chief executive officer (the "Chief Executive Officer") and a member of remuneration committee of the Company with effect from 15 March 2012, 22 May 2013 and 4 November 2019 respectively. He is a director of various subsidiaries of the Company. Mr. Li is the founder of the LI-NING brand. He has been appointed as an executive director of Li Ning Co* since 4 March 2004 and is currently its executive chairman. Mr. Li was appointed as interim chief executive officer of Li Ning Co* on 18 March 2015 and has been re-designated as its joint chief executive officer with effect from 2 September 2019. Mr. Li is the younger brother of Mr. Li Chun, a retired non-executive Director and the uncle of Mr. Li Qilin, who is an executive Director.

Mr. Li is one of the most outstanding athletes in the 20th century. In the 6th World Cup Gymnastics Competition in 1982, Mr. Li unprecedentedly won six gold medals in men's artistic gymnastics events and was named the "Prince of Gymnastics" ("體操王子") in the PRC. In the 23rd Los Angeles Olympic Games in 1984, Mr. Li won three gold, two silver and one bronze medals, making him the athlete winning the most medals of that Olympic Games. In 1987, Mr. Li became the Asian member of Athlete's Commission of the International Olympic Committee. From 1993 to 2000, Mr. Li served as a member of the Men's Artistic Gymnastics Technical Committee of the Federation Internationale De Gymnastique. He is currently an honorary member of the Federation Internationale De Gymnastique. In 1999, Mr. Li was voted one of the "World's Most Excellent Athletes in the 20th Century" by the World Sports Correspondent Association.

After retiring from his athlete career in 1989, Mr. Li initiated the idea of LI-NING brand with the goal of creating the first national sports goods brand in the PRC. He has dedicated the past over 30 years to the development of the business of LN Group, achieving great contribution to the development of the sporting goods industry in the PRC. Mr. Li is the non-executive chairman of LionRock Capital GP Limited.

Mr. Li holds a bachelor's degree in law from School of Law of Peking University (北京大學), an executive M.B.A. degree from Guanghua School of Management of Peking University (北京大學光華管理學院), an honorary doctorate in technology from Loughborough University in the United Kingdom and an honorary degree of doctor of humanities from The Hong Kong Polytechnic University. In June 2010, Mr. Li was also conferred honorary fellowship from The Hong Kong University of Science and Technology.

李寧先生

主席、行政總裁兼執行董事

李寧先生，五十八歲，自二零一零年六月起出任本公司主席（「主席」）、執行董事兼執行委員會成員。李先生亦分別於二零一二年三月十五日獲委任為本公司提名委員會主席及於二零一三年五月二十二日獲委任為本公司行政總裁（「行政總裁」），及於二零一九年十一月四日獲委任為本公司薪酬委員會成員。彼為本公司多家附屬公司之董事。李先生為李寧品牌創立人，彼自二零零四年三月四日起獲委任為李寧公司*的執行董事及目前為其執行主席。李先生於二零一五年三月十八日獲委任為李寧公司*代理行政總裁，自二零一九年九月二日獲調任為其聯席行政總裁。李先生為已退任之非執行董事李進先生之胞弟及執行董事李麒麟先生之叔父。

李先生為二十世紀最傑出運動員之一。在一九八二年舉行之第六屆世界體操錦標賽，李先生在男子體操項目奪得六面金牌，締造世界體壇歷史，並在中國獲得「體操王子」美譽。於一九八四年舉行之第二十三屆洛杉磯奧運會，李先生取得三金兩銀一銅佳績，成為當屆贏得最多獎牌之運動員。於一九八七年，李先生成為國際奧委會運動員委員會之亞洲區委員。一九九三年至二零零零年，李先生為國際體操總會男子體操技術委員會委員，現任國際體操總會榮譽委員。於一九九九年，李先生獲世界體育記者協會選為「二十世紀世界最佳運動員」。

於一九八九年退出體壇後，李先生構思推出李寧品牌，並以創立首個中國國家級體育用品品牌為目標。李先生於過往三十多年一直致力發展李寧集團業務，為中國體育用品行業之發展作出卓越貢獻。李先生現為LionRock Capital GP Limited的非執行主席。

李先生持有北京大學法學院法律學士學位、北京大學光華管理學院高級管理人員工商管理碩士學位、英國Loughborough University技術榮譽博士學位以及香港理工大學榮譽人文學博士學位。於二零一零年六月，李先生亦獲得香港科技大學頒授榮譽院士。

Mr. Li has also been actively involved in charities via his "Li Ning Foundation" (李寧基金) and his genuine support to the active and retired Chinese athletes and coaches in establishing "The Chinese Athletes Educational Foundation" (中國運動員教育基金), which aims at providing subsidies for further education and trainings for athletes and to support educational development in impoverished and remote areas in the PRC. In October 2009, Mr. Li was appointed by the United Nations World Food Programme (WFP) as "WFP Goodwill Ambassador Against Hunger". Mr. Li is an honorary president of the Hong Kong Association of Youth Development and a life member of The Chinese General Chamber of Commerce, Hong Kong.

MR. LI CHUNYANG

EXECUTIVE DIRECTOR

Mr. Li Chunyang, aged 52, is an executive Director and a member of the executive committee of the Company. Mr. Li joined the Group in June 2010 and is a director of 非凡領越體育發展(北京)有限公司, Viva China Community Development Holdings Limited and various subsidiaries of the Company. Mr. Li graduated from Peking University in 2004 with a bachelor's degree in Economics. He was one of the founders of "The Chinese Athletes Educational Foundation". In 1989 and 1991, he won the World Gymnastics Championships.

MR. LI QILIN

EXECUTIVE DIRECTOR

Mr. Li Qilin, aged 34, was appointed as a non-executive Director in June 2013. Mr. Li has been re-designated from a non-executive Director to an executive Director and appointed as a member of the executive committee of the Company with effect from 13 November 2015. Mr. Li joined the Group in June 2013. Mr. Li is a director of various subsidiaries of the Company. Mr. Li has been a director of Lead Ahead Limited, a substantial shareholder of the Company, since June 2010.

Mr. Li has been appointed as a non-executive director of Li Ning Co* since 13 December 2017 and re-designated as its executive director with effect from 19 June 2018.

Mr. Li has considerable experience in financial services industry and was an analyst of Persistent Asset Management Limited during the period from January 2010 to July 2013. Mr. Li is the son of Mr. Li Chun, a retired non-executive Director and the nephew of Mr. Li Ning, the Chairman and the Chief Executive Officer and an executive Director.

李先生亦透過「李寧基金」積極參與慈善活動，並幫助現役及退役中國運動員及教練成立「中國運動員教育基金」，為運動員提供學習進修及培訓資助，並支持中國貧困及偏遠地區的教育發展。二零零九年十月，李先生被聯合國世界糧食計劃署(WFP)任命為「WFP反饑餓親善大使」。李先生現為香港青少年發展聯會榮譽會長及香港中華總商會永遠個人會員。

李春陽先生

執行董事

李春陽先生，五十二歲，為本公司執行董事兼執行委員會成員，於二零一零年六月加入本集團，並為非凡領越體育發展(北京)有限公司、非凡中國社區開發控股有限公司及本公司多家附屬公司之董事。李先生於二零零四年畢業於北京大學，獲得經濟學學士學位。彼亦為「中國運動員教育基金」創辦人之一。於一九八九年及一九九一年，彼取得世界體操錦標賽冠軍。

李麒麟先生

執行董事

李麒麟先生，三十四歲，於二零一三年六月獲委任為非執行董事。自二零一五年十一月十三日起李先生由非執行董事調任為執行董事，並獲委任為本公司執行委員會成員。李先生於二零一三年六月加入本集團。李先生為本公司多家附屬公司之董事。自二零一零年六月以來，李先生一直擔任本公司主要股東Lead Ahead Limited的董事。

李先生自二零一七年十二月十三日起獲委任為李寧公司*之非執行董事及於二零一八年六月十九日獲調任為其執行董事。

李先生於金融服務行業擁有豐富經驗，並於二零一零年一月至二零一三年七月期間擔任 Persistent Asset Management Limited之分析師。李先生乃已退任非執行董事李進先生之兒子及主席、行政總裁兼執行董事李寧先生之侄子。

MR. VICTOR HERRERO

NON-EXECUTIVE DIRECTOR

Mr. Victor Herrero, aged 52, has been appointed as a non-executive Director of the Company with effect from 14 January 2021. Prior to the appointment, he was a senior advisor of the Company. On 24 July 2020, Mr. Herrero has been appointed as the chairman and a non-executive director of a non-wholly owned subsidiary of the Company, Bossini International Holdings Limited (Stock Code:592), the shares of which are listed on the Main Board of the Stock Exchange.

Mr. Herrero has extensive experience in corporate management and business operations in the consumables industry. From 2015 to 2019, Mr. Herrero served as the chief executive officer and director of Guess Inc. (listed on New York Stock Exchange), which is principally engaged in designing, marketing, distributing and licensing a lifestyle collection of contemporary apparel, denim, handbags, watches, footwear and other related consumer products around the world. Prior to joining Guess Inc., Mr. Herrero served as the head of Asia Pacific and managing director of Greater China of Industria de Diseño Textil, S.A. (Inditex Group), an international fashion retailer with brands including Zara, Massimo Dutti, Pull & Bear, Bershka and Stradivarius. Mr. Herrero is a board member of Global Fashion Group S.A., (e-commerce fashion site operator and owner of Zalora and The Iconic, the shares of which are listed on the Frankfurt stock exchange), G-III Apparel Group, Ltd (US manufacturer and distributor operating through a portfolio of brands, the shares of which are listed on NASDAQ), Gruppo Coppel (Mexican consumer finance and retail conglomerate) and Clarks (British based international shoe manufacturer and retailer).

Mr. Herrero graduated with a Master of Business Administration from Kellogg School of Management at Northwestern University in 2003. He obtained a Bachelor's Degree in Business Administration from ESCP Europe in Paris, France in 1992 and a Bachelor's of Law Degree from the University of Zaragoza in Spain in 1993. He was also awarded "Best CEO in the Sustainable Apparel Industry" in 2018 by the European CEO Magazine.

VICTOR HERRERO先生

非執行董事

Victor Herrero先生，五十二歲，自二零二一年一月十四日起獲委任為本公司之非執行董事。彼於該委任前為本公司之高級顧問。於二零二零年七月二十四日，Herrero先生獲委任為本公司非全資附屬公司堡獅龍國際集團有限公司(其股份於聯交所主板上市，股份代號：592)的主席及非執行董事。

Herrero先生於消費品行業之企業管理及業務營運方面擁有豐富經驗。由二零一五年至二零一九年，Herrero先生曾擔任Guess Inc. (於紐約證券交易所上市)之首席執行官及董事，該公司主要於世界各地從事當代服飾、牛仔、手袋、腕錶、鞋履及其他相關消費品之生活時尚系列之設計、營銷、分銷及授權許可。於加入Guess Inc.之前，Herrero先生曾擔任Industria de Diseño Textil, S.A. (Inditex集團)亞太區總監及大中華區董事總經理，該集團是一家國際時裝零售商，旗下品牌包括Zara、Massimo Dutti、Pull & Bear、Bershka及Stradivarius。Herrero先生是Global Fashion Group S.A. (電子商務時尚網站運營商，擁有Zalora及The Iconic品牌，其股份於法蘭克福證券交易所上市)、G-III Apparel Group, Ltd (通過品牌組合經營之美國製造商及分銷商，其股份於納斯達克上市)、Gruppo Coppel (墨西哥消費者金融及零售集團)及Clarks (英國之國際鞋履製造商及零售商)之董事會成員。

Herrero先生於二零零三年畢業於美國西北大學凱洛格管理學院，獲得工商管理碩士學位。彼於一九九二年獲得於法國巴黎的ESCP歐洲工商管理學士學位，並於一九九三年獲得西班牙薩拉戈薩大學法律學士學位。彼亦於二零一八年獲European CEO Magazine評為「可持續服飾行業最佳行政總裁」。

MR. MA WING MAN

NON-EXECUTIVE DIRECTOR

Mr. Ma Wing Man, aged 55, is a non-executive Director and a member of the audit committee of the Company. Mr. Ma joined the Group in June 2010. Mr. Ma was a member of the nomination committee of the Company during the period from 2 June 2010 to 15 March 2012. Mr. Ma has over 30 years of experience in finance and administration. Mr. Ma has been employed by "Li Ning Foundation" as the financial controller since 2005. From 1992 to 2005, Mr. Ma had been employed first as accountant and later as financial and accounting manager of Jianlibao Holdings (H.K.) Company Limited, which was a wholesaler and retailer of Jianlibao drinks. From 1989 to 1991, Mr. Ma was employed as assistant accountant by Wong's Circuits (PTH) Limited, which was a manufacturer of printed circuit board and a subsidiary of Wong's International Holdings Limited* (Stock Code: 0099).

Mr. Ma graduated from Hong Kong Shue Yan College (predecessor of Hong Kong Shue Yan University) in 1989 with a diploma in business administration. In 1993, he obtained a diploma in accounting from School of Professional and Continuing Education, University of Hong Kong. In 1998, he obtained a professional diploma for financial controllers & finance directors of foreign investment & foreign enterprise in China, which was jointly awarded by School of Management Zhongshan University, China and The Hong Kong Management Association. In 2003, he obtained a bachelor of business administration degree with honours in accounting from the Open University of Hong Kong.

MR. LI QING

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Li Qing, aged 54, is an independent non-executive Director and a member of both the audit committee and the remuneration committee of the Company. Mr. Li joined the Group in December 2019. Mr. Li has accumulated over 27 years of experience in investment and asset management, merge and acquisition and business operation in Hong Kong and PRC. Mr. Li graduated with an executive M.B.A degree from Guanghua School of Management of Beijing University (北京大學光華管理學院) in 2006.

Mr. Li has been appointed as an executive director of Suzhou Crystal Clear Chemical Co., Ltd. (Stock Code: 300655(SZSE)) in July 2016 and is currently its chief strategy officer. The shares of this company are listed on the Shenzhen Stock Exchange. He is currently the chairman of both Jiming Asset Management (Shanghai) Co., Ltd and Ma'anshan Jishipujiang Asset Management Co., Ltd. He was appointed as the general manager of HuaAn Funds Management Limited from May 2010 to September 2014 and a director of China Investment Information Services Limited, a wholly-owned subsidiary of Shanghai Stock Exchange, from July 2001 to June 2010.

馬詠文先生

非執行董事

馬詠文先生，五十五歲，為本公司非執行董事及審核委員會成員。馬先生於二零一零年六月加入本集團。馬先生於二零一零年六月二日至二零一二年三月十五日期間曾擔任本公司提名委員會成員。馬先生於財務及行政管理方面具備逾30年經驗。馬先生自二零零五年起獲「李寧基金」聘任為財務總監。於一九九二年至二零零五年，馬先生最初獲健力寶集團(香港)有限公司(一間健力寶飲料的批發及零售商)聘任為會計主任，隨後擔任財務及會計經理。於一九八九年至一九九一年，馬先生獲王氏電路(PTH)有限公司(一間印刷電路板製造商)聘任為助理會計主任，王氏電路(PTH)有限公司當時為王氏國際集團有限公司*(股份代號：0099)的附屬公司。

馬先生於一九八九年畢業於香港樹仁學院(香港樹仁大學前身)，獲得工商管理文憑。於一九九三年，彼獲得香港大學專業進修學院的會計學文憑。於一九九八年，彼獲中國中山大學管理學院與香港管理專業協會聯合頒發的中國外商投資企業財務總監及財務主管深造文憑。於二零零三年，彼獲香港公開大學的工商管理榮譽學士(會計)學位。

李勅先生

獨立非執行董事

李勅先生，五十四歲，為本公司獨立非執行董事以及審核委員會及薪酬委員會之成員。李先生於二零一九年十二月加入本集團。李先生於香港及中國在投資及資產管理、收購合併與及企業營運等方面累計擁有超過27年的經驗。李先生於二零零六年畢業於北京大學光華管理學院，獲頒發高級管理人員工商管理碩士學位。

李先生於二零一六年七月獲委任為蘇州晶瑞化學股份有限公司(股份代號：300655(SZSE))的執行董事，現任其首席戰略官，該公司股份於深圳證券交易所上市。現任基明資產管理(上海)有限公司及馬鞍山基石浦江資產管理有限公司之董事長。彼曾於二零一零年五月至二零一四年九月獲委任為華安基金管理有限公司總經理及於二零零一年七月至二零一零年六月獲委任為上海證券交易所之全資附屬公司中國投資信息有限公司的董事。

MR. PAK WAI KEUNG, MARTIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Pak Wai Keung, Martin, aged 57, is an independent non-executive Director, the chairman of the audit committee, a member of each of the nomination committee and the remuneration committee of the Company. Mr. Pak joined the Group in February 2019. He has accumulated over 25 years of experience in finance, accounting and corporate governance affairs. Mr. Pak graduated with a Bachelor of Commerce from the Murdoch University, Australia in 1991 and a Master of Corporate Governance from The Hong Kong Polytechnic University in 2009. Mr. Pak is a fellow of the Hong Kong Institute of Certified Public Accountants, an associate member of The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries.

Mr. Pak has been appointed as an independent non-executive director of Nan Nan Resources Enterprise Limited* (Stock Code: 1229), Convoy Global Holdings Limited* (Stock Code: 1019) and Dragon Mining Limited* (Stock Code: 1712) with effect from 19 September 2017, 8 December 2017 and 5 November 2018 respectively. Mr. Pak was an independent non-executive director of Ta Yang Group Holdings Limited* (Stock Code: 1991) during the period from 27 April 2016 to 28 October 2018. The shares of these companies are listed on the Main Board of the Stock Exchange. From January 2017 to August 2018, Mr. Pak has been an independent non-executive director of Trony Solar Holdings Company Limited, trading of its shares on the Main Board of the Stock Exchange has been suspended since 21 June 2012 and was delisted on 23 August 2018. Since 12 June 2019, Mr. Pak had been an independent non-executive director of China Huiyuan Juice Group Limited, the listing of its shares on the Main Board of the Stock Exchange was cancelled on 18 January 2021.

白偉強先生

獨立非執行董事

白偉強先生，五十七歲，為本公司獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員。白先生於二零一九年二月加入本集團。彼累計擁有超過二十五年財務、會計及企業管治的經驗。白先生於一九九一年畢業於澳洲莫道克大學(Murdoch University)，獲得商務學士學位，並於二零零九年取得香港理工大學公司管治碩士學位。白先生為香港會計師公會資深會員、英國特許秘書及行政人員公會會員及香港特許秘書公會會員。

白先生分別於二零一七年九月十九日、二零一七年十二月八日及二零一八年十一月五日獲委任為南南資源實業有限公司*(股份代號：1229)、康宏環球控股有限公司*(股份代號：1019)及龍資源有限公司*(股份代號：1712)的獨立非執行董事，白先生於二零一六年四月二十七日至二零一八年十月二十八日期間擔任大洋集團控股有限公司*(股份代號：1991)的獨立非執行董事，該等公司的股份在聯交所主板上市。於二零一七年一月至二零一八年八月，白先生為創益太陽能控股有限公司之獨立非執行董事，其股份自二零一二年六月二十一日起於聯交所主板暫停買賣及其上市地位已於二零一八年八月二十三日取消。自二零一九年六月十二日起，白先生擔任中國滙源果汁集團有限公司之獨立非執行董事，該公司股份於聯交所主板之上市地位已於二零二一年一月十八日取消。

MR. WANG YAN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wang Yan, aged 48, is an independent non-executive Director, the chairman of the remuneration committee, and a member of both the audit committee and the nomination committee of the Company. Mr. Wang joined the Group in July 2017. He is currently a director of Sina Corporation ("SINA", ticker: SINA), the shares of which are listed on the Nasdaq Stock Market in the U.S. In April 1996, Mr. Wang founded the SRSnet.com division of Beijing Stone Rich Sight Limited (currently known as Beijing SINA Information Technology Co., Ltd.), one of the subsidiaries of SINA and served as the head of SRS Internet Group from April 1996 to April 1999. From April 1999 to August 1999, Mr. Wang served as the executive deputy general manager for production and business development in China of SINA. From September 1999 to May 2001, Mr. Wang served as the general manager of China operations of SINA. From June 2001 to May 2003, Mr. Wang served as the president of SINA. From May 2003 to May 2006, Mr. Wang served as the chief executive officer of SINA. Since May 2003, Mr. Wang has served as a director of the board of SINA. From May 2006 to September 2012, Mr. Wang served as the vice chairman, deputy chairman and chairman of the board of SINA. Mr. Wang obtained a B.A. in Public Law in July 1997 and a M.A. of Public Law in September 2020 from the Université Paris II in France.

SENIOR MANAGEMENT

Mr. Li Ning, Mr. Li Chunyang and Mr. Li Qilin, being the executive Directors, are also the senior management of the Group.

汪延先生

獨立非執行董事

汪延先生，四十八歲，為本公司獨立非執行董事、薪酬委員會主席以及審核委員會及提名委員會之成員。汪先生於二零一七年七月加入本集團。彼現為新浪公司（「新浪」，股票代號：SINA）之董事，其股份於美國納斯達克股票市場上市。於一九九六年四月，汪先生創建新浪子公司北京四通利方信息技術有限公司（現名為北京新浪信息技術有限公司）國際網路部，並於一九九六年四月至一九九九年四月任該部部長。自一九九九年四月至一九九九年八月，汪先生任新浪主管中國區產品和業務拓展的執行副總經理。自一九九九年九月至二零零一年五月，汪先生任新浪中國區總經理。自二零零一年六月至二零零三年五月，汪先生任新浪總裁。自二零零三年五月至二零零六年五月，汪先生任新浪首席執行官。自二零零三年五月起，汪先生擔任新浪董事會董事。自二零零六年五月至二零一二年九月，汪先生歷任新浪董事會副董事長、代理董事長及董事長。汪先生於一九九七年七月獲法國的Université Paris II頒發公法學士學位，於二零二零年九月獲同一學校頒發的公法學碩士學位。

高級管理人員

執行董事李寧先生、李春陽先生及李麒麟先生亦為本集團高級管理人員。

DISCLOSURE ON CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the changes in details of the Directors' information subsequent to the date of the interim report of the Company for the six months ended 30 June 2020 are set out below:

Name 姓名	Details of Changes 變動詳情
Mr. Victor Herrero	appointed as a non-executive Director with effect from 14 January 2021. Details of his appointment were disclosed in the Company's announcement dated 14 January 2021
Victor Herrero先生	自二零二一年一月十四日起獲委任為非執行董事。有關彼獲委任的詳情於本公司日期為二零二一年一月十四日之公告披露

* *The shares of this company are listed on the Stock Exchange*

有關董事資料變動之披露

根據GEM上市規則第17.50A(1)條，於本公司截至二零二零年六月三十日止六個月之中期報告日期後，董事資料變動詳情載列如下：

* *此公司之股份於聯交所上市*

Report of the Directors

董事會報告

The Directors present their report and the audited financial statements for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company and its subsidiaries are principally engaged in (i) production and distribution of sports content, management and marketing of sports talents and provision of sports-related marketing and consultancy services; (ii) operation of sports parks, sports centres and ice-skating rinks; and provision of community development consultancy; and (iii) development, design and sale of sports and lifestyle consumables.

The principal activities and other particulars of the principal subsidiaries of the Company as at 31 December 2020 are set out in Note 37 to the financial statements.

Further discussion and analysis of the business review required by Schedule 5 to the Hong Kong Companies Ordinance for the year ended 31 December 2020 is set out in the Chairman's Statement, the Business Review and the Financial Review of this annual report. This discussion forms part of this Report of the Directors.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2020 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 109 to 220.

On 11 September 2020, a special dividend of HK\$0.0265 per Share was paid to the Shareholders and an equivalent amount of the special dividend was paid to the holders of the issued and outstanding convertible bonds of the Company on an as-converted basis. The Directors did not declare an interim dividend and did not recommend the payment of a final dividend for the year ended 31 December 2020.

DIVIDEND POLICY

The Company recognizes the importance of maximizing return to Shareholders and believes that driving growth creates significant value to Shareholders. The Company has adopted a dividend policy with the objective of achieving right balance of the amount of dividend and the amount of profits retained in the business for various purposes. The Board would consider the following factors before declaring or recommending dividend:—

- (a) financial results of the Company;
- (b) Shareholders' interests;
- (c) general business conditions, strategies and future expansion needs;
- (d) the Company's capital requirements;
- (e) the payment of cash dividends to the Company from its subsidiaries;
- (f) possible effects on liquidity and financial position of the Company; and
- (g) other factors the Board may deem relevant.

董事謹此提呈截至二零二零年十二月三十一日止年度之董事會報告及經審核財務報表。

主要業務及業務回顧

本公司及其附屬公司主要從事(i)體育內容製作及發行、體育人才管理及市場推廣及提供體育相關市場推廣及諮詢服務；(ii)經營體育園、運動中心及滑冰場；及提供社區發展諮詢；及(iii)發展、設計及銷售運動及生活休閒消費品。

本公司主要附屬公司於二零二零年十二月三十一日之主要業務及其他詳情，已載於財務報表附註37。

香港公司條例附表5要求對截至二零二零年十二月三十一日止年度之業務回顧的進一步討論及分析載於本年報之主席報告、業務回顧及財務回顧中。此討論構成董事會報告的一部分。

業績及股息

本集團截至二零二零年十二月三十一日止年度之溢利及本公司與本集團於該日之業務狀況，載於財務報表第109至220頁內。

於二零二零年九月十一日，本公司向股東派付特別股息每股股份0.0265港元及按轉換基準向本公司已發行及未償還可換股債券持有人支付與特別股息的等值金額。董事並無宣派中期股息，及不建議就截至二零二零年十二月三十一日止年度派付末期股息。

股息政策

本公司極重視為股東取得最大回報，並相信推動業務增長能為股東創造顯著的價值。本公司已採納股息政策，旨在載列為達致派息及保留利潤作各種業務用途間取得平衡為目的而採取的方針。董事會於宣派或建議派發股息前將考慮以下因素：—

- (a) 本公司的財務業績；
- (b) 股東權益；
- (c) 整體業務狀況、策略及未來擴展需求；
- (d) 本公司的資金需求；
- (e) 本公司附屬公司向本公司派付的現金股息；
- (f) 對本公司流動資金及財務狀況的潛在影響；及
- (g) 董事會可能認為相關的其他因素。

The payment of dividend is also subject to any restrictions under the applicable laws and the Company's Articles of Association.

GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 222 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment of the Company and the Group during the year are set out in Note 12 to the financial statements.

SHARE CAPITAL

During the year, the Company issued 632,000,000 Shares upon conversion of the convertible bonds in the principal amount of HK\$205,400,000 into shares.

Details of the share capital and the perpetual convertible bonds during the year are set out in Notes 28 and 30 to the financial statements.

EQUITY-LINKED AGREEMENTS

For the year ended 31 December 2020, save for the Earn-out Convertible Bonds and the 2010 Share Option Scheme (as set out in the sections of "Directors' Rights to Acquire Shares or Debentures" and "Share Option Schemes" in this report), the Company has not entered into any equity-linked agreement, nor did any equity-linked agreement subsist at the end of the year.

RESERVES

As at 31 December 2020, the Company's reserves available for distribution to Shareholders comprising share premium account less accumulated losses, amounted to approximately HK\$274,730,000 (2019: HK\$99,324,000).

Details of movements in the reserves of the Company and the Group during the year are set out in Note 38 to the financial statements and in the consolidated statement of changes in equity on pages 112 to 113 respectively.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers (including LN Group) accounted for approximately 30.2% of the total sales for the year and sales to the largest customer included therein accounted for approximately 24.6% of the total sales.

Purchases from the Group's five largest suppliers accounted for approximately 31.7% of the total purchases for the year and purchases from the largest supplier included therein accounted for approximately 20.4% of the total purchases.

派付股息亦須受任何適用法律及本公司組織章程細則的規限。

集團財務概要

本集團於過去五個財政年度之業績及資產與負債概要，載於本年報第222頁。

物業、廠房及設備

本公司及本集團於年內之物業、廠房及設備變動，載於財務報表附註12。

股本

年內，本公司於將本金額為205,400,000港元之可換股債券轉換為股份後發行632,000,000股股份。

本公司於年內之股本及永久性可換股債券詳情載於財務報表附註28及30。

股票掛鈎協議

截至二零二零年十二月三十一日止年度，除盈利能力可換股債券及二零二零年購股權計劃（載於本報告內「董事購買股份或債權證之權利」及「購股權計劃」兩節內）外，本公司並未訂立任何股票掛鈎協議，於年度末亦無任何股票掛鈎協議存續。

儲備

於二零二零年十二月三十一日，本公司可向股東分派之儲備（包括股份溢價賬減累計虧損）約為274,730,000港元（二零一九年：99,324,000港元）。

本公司及本集團於年內之儲備變動詳情，分別載於財務報表附註38及第112至113頁之綜合權益變動表內。

主要客戶及供應商

於回顧年內，本集團對五大客戶（包括李寧集團）作出之銷售額佔年內銷售總額約30.2%，當中對最大客戶作出之銷售額則約佔銷售總額24.6%。

本集團向五大供應商作出之採購額佔本年度採購總額約31.7%，當中對最大供應商作出之採購額則約佔採購總額20.4%。

As at 31 December 2020, Mr. Li Ning, the Chairman, the Chief Executive Officer and an executive Director, was also deemed under Part XV of the SFO to have personal interest in 139 LN Shares and 3,938,774 unvested restricted LN Shares under the restricted share award scheme of Li Ning Co, which in aggregate amounted to 3,938,913 LN Shares and underlying LN Shares (representing approximately 0.16% shareholding interest in the share capital of Li Ning Co as at 31 December 2020). Mr. Li Ning is also the executive chairman, the joint chief executive officer and an executive director of Li Ning Co. As at 31 December 2020, Mr. Li Qilin, an executive Director, was also deemed under Part XV of the SFO to have personal interest in 645,600 LN Shares and 430,400 unvested restricted LN Shares under the restricted share award scheme of Li Ning Co, which in aggregate amounted to 1,076,000 LN Shares and underlying LN Shares (representing approximately 0.04% shareholding interest in the share capital of Li Ning Co as at 31 December 2020). He is also an executive director of Li Ning Co.

Save as disclosed above for the purpose of the Chapter 18 of the GEM Listing Rules, none of the Directors, their close associates or any shareholder (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had an interest in the major customers or suppliers of the Group.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist in the jurisdiction of the Cayman Islands in which the Company is incorporated.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the year.

REDEMPTION OR PURCHASE OR CANCELLATION OF REDEEMABLE SECURITIES

There was no redemption, purchase or cancellation by the Company or any of its subsidiaries of any redeemable securities of the Company during the year.

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors

Mr. Li Ning (*Chairman & Chief Executive Officer*)
Mr. Li Chunyang
Mr. Li Qilin
Mr. Chan Ling
(resigned with effect from 23 March 2020)

於二零二零年十二月三十一日，根據證券及期貨條例第XV部，主席、行政總裁及執行董事李寧先生亦被視為於根據李寧公司限制性股份獎勵計劃之139股李寧股份及3,938,774股未歸屬限制性李寧股份，即合共3,938,913股李寧股份及相關李寧股份(於二零二零年十二月三十一日約佔李寧公司股本中之股權0.16%)中擁有個人權益。李寧先生亦為李寧公司之執行主席、聯席行政總裁及執行董事。於二零二零年十二月三十一日，根據證券及期貨條例第XV部，執行董事李麒麟先生亦被視為於645,600股李寧股份及根據李寧公司限制性股份獎勵計劃之430,400股未歸屬限制性李寧股份，合共1,076,000股李寧股份及相關李寧股份(於二零二零年十二月三十一日佔李寧公司股本中之股權約0.04%)中擁有個人權益。彼亦為李寧公司之執行董事。

除上文就GEM上市規則第18章作出之披露者外，概無董事、彼等之緊密聯繫人或就董事所知擁有本公司已發行股本5%以上之任何股東，擁有本集團主要客戶或供應商任何權益。

優先購買權

本公司註冊所在地開曼群島司法權區並無優先購買權之規定。

購回、贖回或出售本公司上市證券

本公司或其任何附屬公司於年內概無購回、出售或贖回任何本公司上市證券。

贖回或購回或註銷可贖回證券

於年內本公司或其任何附屬公司並無贖回、購回或註銷本公司任何可贖回證券。

董事

在年內及截至本報告日期止之董事如下：

執行董事

李寧先生(主席兼行政總裁)
李春陽先生
李麒麟先生
陳寧先生
(自二零二零年三月二十三日起辭任)

Non-executive Directors

Mr. Victor Herrero
(appointed with effect from 14 January 2021)
Mr. Ma Wing Man

Independent non-executive Directors

Mr. Li Qing
Mr. Pak Wai Keung, Martin
Mr. Wang Yan

The terms of office of each Director are subject to retirement by rotation in accordance with the Company's articles of association.

At the forthcoming annual general meeting, Mr. Li Qilin and Mr. Pak Wai Keung, Martin will retire as Directors by rotation and, being eligible, offers themselves for re-election in accordance with articles 108(A) and 108(B) of the articles of association of the Company and pursuant to Appendix 15 of the GEM Listing Rules. Mr. Victor Herrero will retire and, being eligible, offer himself for re-election in accordance with article 112 of the articles of association of the Company. Further particulars of the Directors to be re-elected at the forthcoming annual general meeting are set out in the circular to the shareholders sent together with this annual report. All other existing Directors shall continue in office.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 29 to 35 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Particulars of the emoluments of the Directors on a named basis for the year are set out in Note 8 to the financial statements.

PERMITTED INDEMNITY PROVISION

Pursuant to the articles of association of the Company, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

非執行董事

Victor Herrero先生
(自二零二一年一月十四日起獲委任)
馬詠文先生

獨立非執行董事

李勅先生
白偉強先生
汪延先生

各董事的任期須根據本公司之組織章程細則輪值告退。

於應屆股東週年大會，根據本公司組織章程細則第108(A)及108(B)條以及根據GEM上市規則附錄15，李麒麟先生及白偉強先生將輪值告退，彼等均合資格並願意膺選連任董事。Victor Herrero先生將根據本公司組織章程細則第112條退任，並合資格且願意膺選連任。於應屆股東週年大會重選董事之更多詳情，載於隨本年報向股東一併寄發之通函內。其餘所有現任董事均留任。

董事及高級管理人員之簡歷

董事及本集團高級管理人員之簡歷詳情，載於本年報第29至35頁。

董事之服務合約

擬於應屆股東週年大會重選連任之董事概無與本公司訂立本公司不得在一年內毋須作出賠償(法定賠償除外)而終止之服務合約。

本年度董事之酬金詳情以具名形式載於財務報表附註8。

獲准許彌償條文

根據本公司組織章程細則，每名董事就其執行職務或與此有關或在其他有關方面可能蒙受或招致之一切損失或責任，均有權從本公司資產中獲得彌償。

年內，本公司已為董事及本集團行政人員安排適當之董事及行政人員責任險。

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this report, there were no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company's or any of its subsidiaries was a party, and in which a Director or its connected entities had a material interest (whether directly or indirectly) subsisting at the end of the year or at any time during the year.

SHARE OPTION SCHEMES

(I) Share Option Schemes of the Company

(A) 2010 share option scheme of the Company

On 29 June 2010, the Company passed an ordinary resolution to adopt a share option scheme (the "2010 Share Option Scheme") for the purpose of providing incentives to participants to contribute to the Group and/or to enable the Group to recruit highcalibre employees and/or attract human resources that are valuable to the Group. Participants of the 2010 Share Option Scheme include employee, officer, agent, consultant, business associate or representative of the Company or any subsidiary or otherwise contributes to the success of the Group, including any executive, non-executive or independent non-executive director of the Company or any subsidiary who, as the Board or a committee comprising Directors and members of the senior management of the Company (as the case may be) may determine in its absolute discretion, is regarded as valuable human resources of the Group based on his working experience, knowledge in the industry and other relevant factors, and subject to such conditions as the Board or such committee (as the case may be) may think fit.

董事於交易、安排或合約之重大權益

除本報告所披露者外，於年末及年內任何期間，本公司或其任何附屬公司並無訂立與本集團業務有重大關係且董事或其關連實體直接或間接擁有重大權益之其他交易、安排或合約。

購股權計劃

(I) 本公司購股權計劃

(A) 本公司二零一零年購股權計劃

於二零一零年六月二十九日，本公司通過一項普通決議案以採納一項購股權計劃（「二零一零年購股權計劃」），旨在向為本集團作出貢獻之參與者提供獎勵及／或使本集團可招攬優秀僱員及／或吸引對本集團有價值之人力資源。二零一零年購股權計劃之參與者包括本公司或任何附屬公司之僱員、高級職員、代理、顧問、業務夥伴或代表或對本集團成就有所貢獻之其他人士，包括本公司或任何附屬公司任何執行、非執行或獨立非執行董事，而董事會或由本公司董事及高級管理人員組成之委員會（視情況而定）經考慮其工作經驗、行業知識及其他相關因素以及董事會或有關委員會（視情況而定）可能認為合適之條件後，可全權酌情決定有關人士是否屬本集團寶貴人力資源。

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2010 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the number of Shares in issue from time to time. In addition, the total number of Shares which may be issued upon exercise of all options to be granted under the 2010 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the nominal amount of all the Shares in issue as at the date of adoption of the 2010 Share Option Scheme (the "2010 Share Option Scheme Mandate Limit"). The Company may, from time to time, refresh the 2010 Share Option Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting. Once refreshed, the total number of Shares which may be issued upon exercise of all options to be granted under the 2010 Share Option Scheme and all other share option schemes of the Company under the limit, as refreshed, must not exceed 10% of the number of Shares in issue as at the date of approval of the refreshment by the Shareholders. The 2010 Share Option Scheme Mandate Limit amounted to 878,060,472 Shares following the approval of refreshment by the Shareholders on 16 June 2017.

The maximum number of shares issuable under share options to each eligible participant in the 2010 Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue as at the proposed date of grant. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

The offer of a grant of share options under the 2010 Share Option Scheme may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Board or such committee, save that such period shall not be more than 10 years from the date of grant. Unless the Board may otherwise determine, there is no minimum period required under the 2010 Share Option Scheme for the holding of an option before it can be exercised.

The exercise price of share options is determinable by the Board or such committee, but shall be at least the highest of (i) the Stock Exchange closing price of the Shares on the date of grant of the share options; (ii) the average Stock Exchange closing price of the Shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Shares.

因行使根據二零一零年購股權計劃及本公司任何其他購股權計劃所授出惟尚未行使之所有尚未行使購股權而可予發行之股份數目整體上限，合共不得超過不時已發行股份數目之30%。此外，因行使根據二零一零年購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權而可予發行之股份總數，合共不得超過採納二零一零年購股權計劃當日所有已發行股份面值之10%（「二零一零年購股權計劃授權上限」）。本公司可不時透過於股東大會上獲得股東批准以更新二零一零年購股權計劃授權上限。二零一零年購股權計劃授權上限一經更新，因行使根據二零一零年購股權計劃及本公司所有其他購股權計劃將予授出之所有購股權而可予發行之股份總數，根據經更新上限不得超過股東批准更新當日已發行股份數目之10%。經股東於二零一七年六月十六日批准更新後，二零一零年購股權計劃授權上限為878,060,472股股份。

於任何12個月期間內根據購股權可發行予二零一零年購股權計劃項下各合資格參與者之股份數目，最多不得超過本公司於建議授出日期已發行股份之1%。任何進一步授出超出此上限之購股權須於股東大會獲得股東批准。

根據二零一零年購股權計劃授出購股權之要約可於要約日期起計28日內獲接納，而承授人須就此支付合共1港元之象徵式代價。已授出購股權之行使期由董事會或該委員會釐定，惟有關期間不得超過授出日期起計十年。除非董事會另行議決，二零一零年購股權計劃計劃並無規定在行使前須持有購股權之最短期限。

購股權之行使價由董事會或有關委員會釐定，惟不得低於下列各項之最高者(i)股份於購股權授出日期在聯交所之收市價；(ii)股份於緊接授出日期前五個交易日在聯交所之平均收市價；及(iii)股份面值。

The 2010 Share Option Scheme was valid and effective for a period of 10 years commencing on 29 June 2010 and expired on 29 June 2020. Upon expiry of the 2010 Share Option Scheme, no further share options should be granted thereunder. The share options granted under the 2010 Share Option Scheme which remained outstanding immediately prior to the expiry of the 2010 Share Option Scheme shall continued to be valid and exercisable in accordance with the terms of grant and the 2010 Share Option Scheme.

Movement of the share options under the 2010 Share Option Scheme outstanding as at the end of the reporting year are as follows:

二零一零年購股權計劃於二零一零年六月二十九日起計十年內有效及生效及於二零二零年六月二十九日屆滿。於二零一零年購股權計劃屆滿後，不得再授出購股權。緊接二零一零年購股權計劃屆滿前，根據授出條款及二零一零年購股權計劃，二零一零年購股權計劃項下已授出但尚未行使的購股權應繼續有效及可予行使。

於報告年度結算日，二零一零年購股權計劃項下尚未行使購股權之變動如下：

	Date of Grant 授出日期	Number of Share Options 購股權數目		
		Balance as at 1.1.2020 於二零二零年 一月一日 結餘	Cancelled/ lapsed during the year 於年內 註銷/ 失效	Balance as at 31.12.2020 於二零二零年 十二月三十一日 結餘
Directors 董事				
LI Ning 李寧	20.01.2017	3,000,000	(1,500,000)	1,500,000 ^{(1(a))}
LI Chunyang 李春陽	20.01.2017	10,000,000	(5,000,000)	5,000,000 ^{(1(b))}
LI Qilin 李麒麟	20.01.2017	43,500,000	(21,750,000)	21,750,000 ^{(1(c))}
MA Wing Man 馬詠文	20.01.2017	3,000,000	(1,500,000)	1,500,000 ^{(1(a))}
		59,500,000	(29,750,000)	29,750,000
Other employees 其他僱員				
In aggregate 合計	20.06.2014	1,304,000 ⁽²⁾	(1,304,000)	–
In aggregate 合計	20.01.2017	10,450,000	(5,225,000)	5,225,000 ⁽³⁾
In aggregate 合計	15.08.2019	26,000,000	(4,000,000)	22,000,000 ⁽⁴⁾
In aggregate 合計	06.09.2019	40,000,000	–	40,000,000 ⁽⁵⁾
		77,754,000	(10,529,000)	67,225,000
Other grantees 其他承授人				
In aggregate 合計	20.01.2017	83,900,000	(54,450,000)	29,450,000 ⁽⁶⁾
		83,900,000	(54,450,000)	29,450,000
		221,154,000	(94,729,000)	126,425,000

Notes:

- (1) (a) The share options as at 1 January 2020 comprised the following: (i) 1,500,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (ii) 1,500,000 share options with exercisable period from 20 January 2019 to 19 January 2021. The number of share options under (i) and (ii) of this note was 0 and 1,500,000 respectively as at 31 December 2020.
- (b) The share options as at 1 January 2020 comprised the following: (i) 5,000,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (ii) 5,000,000 share options with exercisable period from 20 January 2019 to 19 January 2021. The number of share options under (i) and (ii) of this note was 0 and 5,000,000 respectively as at 31 December 2020.
- (c) The share options as at 1 January 2020 comprised the following: (i) 21,750,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (ii) 21,750,000 share options with exercisable period from 20 January 2019 to 19 January 2021. The number of share options under (i) and (ii) of this note was 0 and 21,750,000 respectively as at 31 December 2020.
- (2) Exercisable period: from 20 June 2017 to 19 June 2020.
- (3) The share options as at 1 January 2020 comprised the following: (i) 5,225,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (ii) 5,225,000 share options with exercisable period from 20 January 2019 to 19 January 2021. The number of share options under (i) and (ii) of this note was 0 and 5,225,000 respectively as at 31 December 2020.

附註：

- (1) (a) 於二零二零年一月一日，購股權包括以下各項：(i)行使期為二零一八年一月二十日至二零二零年一月十九日之1,500,000份購股權；及(ii)行使期為二零一九年一月二十日至二零二一年一月十九日之1,500,000份購股權。本附註(i)及(ii)項之購股權數目於二零二零年十二月三十一日分別為0份及1,500,000份。
- (b) 於二零二零年一月一日，購股權包括以下各項：(i)行使期為二零一八年一月二十日至二零二零年一月十九日之5,000,000份購股權；及(ii)行使期為二零一九年一月二十日至二零二一年一月十九日之5,000,000份購股權。本附註(i)及(ii)項之購股權數目於二零二零年十二月三十一日分別為0份及5,000,000份。
- (c) 於二零二零年一月一日，購股權包括以下各項：(i)行使期為二零一八年一月二十日至二零二零年一月十九日之21,750,000份購股權；及(ii)行使期為二零一九年一月二十日至二零二一年一月十九日之21,750,000份購股權。本附註(i)及(ii)項之購股權數目於二零二零年十二月三十一日分別為0份及21,750,000份。
- (2) 行使期：二零一七年六月二十日至二零二零年六月十九日。
- (3) 於二零二零年一月一日，購股權包括以下各項：(i)行使期為二零一八年一月二十日至二零二零年一月十九日之5,225,000份購股權；及(ii)行使期為二零一九年一月二十日至二零二一年一月十九日之5,225,000份購股權。本附註(i)及(ii)項之購股權數目於二零二零年十二月三十一日分別為0份及5,225,000份。

(4) The share options as at 1 January 2020 comprised the following: (i) 20,000,000 share options with exercisable period from 5 September 2019 to 4 September 2021; (ii) 2,000,000 share options with exercisable period from 15 August 2020 to 14 August 2022; (iii) 2,000,000 share options with exercisable period from 15 August 2021 to 14 August 2023; and (iv) 2,000,000 share options with exercisable period from 15 August 2022 to 14 August 2024. The number of share options under (i), (ii), (iii) and (iv) of this note was 20,000,000, 2,000,000, 0 and 0 respectively as at 31 December 2020.

(5) The share options comprised of the following: (i) 20,000,000 share options with exercisable period from 5 September 2020 to 4 September 2022; and (ii) 20,000,000 share options with exercisable period from 5 September 2021 to 4 September 2023.

(6) The share options as at 1 January 2020 comprised the following: (i) 41,950,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (ii) 41,950,000 share options with exercisable period from 20 January 2019 to 19 January 2021. The number of share options under (i) and (ii) of this note was 0 and 29,450,000 respectively as at 31 December 2020.

(7) The exercise prices of the share options are as follows:

Date of Grant 授出日期	Exercise Price per Share (HK\$) 每股股份行使價(港元)
20.06.2014	0.80
20.01.2017	0.80
15.08.2019	0.478
06.09.2019	0.49

(8) No Share options were granted, exercised or cancelled during the year ended 31 December 2020.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

(4) 於二零二零年一月一日，購股權包括以下各項：(i)行使期為二零一九年九月五日至二零二一年九月四日之20,000,000份購股權；(ii)行使期為二零二零年八月十五日至二零二二年八月十四日之2,000,000份購股權；(iii)行使期為二零二一年八月十五日至二零二三年八月十四日之2,000,000份購股權；及(iv)行使期為二零二二年八月十五日至二零二四年八月十四日之2,000,000份購股權。於二零二零年十二月三十一日，本附註(i)、(ii)、(iii)及(iv)項下的購股權數目分別為20,000,000份、2,000,000份、0份及0份。

(5) 購股權包括以下各項：(i)行使期為二零二零年九月五日至二零二二年九月四日之20,000,000份購股權；及(ii)行使期為二零二一年九月五日至二零二三年九月四日之20,000,000份購股權。

(6) 於二零二零年一月一日之購股權包括以下各項：(i)行使期為二零一八年一月二十日至二零二零年一月十九日之41,950,000份購股權；及(ii)行使期為二零一九年一月二十日至二零二一年一月十九日之41,950,000份購股權。本附註(i)及(ii)項之購股權數目於二零二零年十二月三十一日分別為0份及29,450,000份。

(7) 購股權之行使價如下：

(8) 截至二零二零年十二月三十一日止年度，概無購股權獲授出、行使或註銷。

購股權並無賦予持有人收取股息或於股東大會投票之權利。

(B) 2021 Share Option Scheme of the Company

On 18 January 2021, the Company passed an ordinary resolution to adopt a new share option scheme (the "2021 Share Option Scheme") for the purpose to recognize and acknowledge the contributions that participants have made or may make to the Group, to provide incentives and/or reward to participants for their contributions to the Group and/or to enable the Group to recruit high-calibre employees and/or attract human resources that are valuable to the Group. Participants of the 2021 Share Option Scheme include employee, officer, agent, consultant, business associate or representative of the Company or any subsidiary or otherwise contributes to the success of the Group, including any executive, non-executive or independent non-executive director of the Company or any subsidiary who, as the Board or a committee comprising Directors and members of senior management of the Company (as the case may be) may determine in its absolute discretion, is regarded as valuable human resources of the Group who has made important contributions to the development of the Group based on his work experience, knowledge in the industry and other relevant factors, and subject to such conditions as the Board or such committee (as the case may be) may think fit. The 2021 Share Option Scheme will remain in force for period of 10 years commencing on 18 January 2021.

(B) 本公司二零二一年購股權計劃

於二零二一年一月十八日，本公司通過普通決議案採納一項新購股權計劃（「二零二一年購股權計劃」），旨在肯定及表揚參與者對本集團作出或可能作出之貢獻、向為本集團作出貢獻之參與者提供激勵及／或獎勵及／或使本集團可招攬優秀僱員及／或吸引對本集團有價值之人力資源。二零二一年購股權計劃之參與者包括本公司或任何附屬公司之僱員、高級職員、代理、顧問、業務夥伴或代表或對本集團成就作出貢獻之其他人士，包括本公司或任何附屬公司任何執行、非執行或獨立非執行董事，而董事會或由本公司董事及高級管理層成員組成之委員會（視情況而定）經考慮其工作經驗、行業知識及其他相關因素以及董事會或該委員會（視情況而定）可能認為合適之條件後，可全權酌情決定有關人士是否屬對本集團發展作出重要貢獻之本集團之寶貴人力資源。二零二一年購股權計劃將自二零二一年一月十八日起計10年內有效。

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2021 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the number of Shares in issue from time to time. In addition, the total number of Shares which may be issued upon exercise of all options to be granted under the 2021 Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the nominal amount of all the Shares in issue as at the date of adoption of the 2021 Share Option Scheme (the "2021 Share Option Scheme Mandate Limit"). The Company may, from time to time, refresh the 2021 Share Option Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting. Once refreshed, the total number of Shares which may be issued upon exercise of all options to be granted under the 2021 Share Option Scheme and all other share option schemes of the Company under the limit, as refreshed, must not exceed 10% of the number of Shares in issue as at the date of approval of the refreshment by the Shareholders. On the basis of 9,496,332,726 Shares in issue on the date of adoption of the 2021 Share Option Scheme, the maximum number of Shares that may be issued upon exercise of share options that may be granted under it is 949,633,272 Shares. As at the date of this report, the share options available for grant under the 2021 Share Option Scheme is 661,033,272, representing 6.96% of the existing number of issued Shares.

The maximum number of shares issuable under share options to each eligible participant in the 2021 Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue as at the proposed date of grant. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

The offer of a grant of share options under the 2021 Share Option Scheme may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Board or such committee, save that such period shall not be more than 10 years from the date of grant. Unless the Board may otherwise determine, there is no minimum period required under the 2021 Share Option Scheme for the holding of an option before it can be exercised.

因行使根據二零二一年購股權計劃及本公司任何其他購股權計劃所授出惟尚未行使之所有尚未行使購股權而可予發行之股份數目整體上限，合共不得超過不時已發行股份數目之30%。此外，因行使根據二零二一年購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權而可予發行之股份總數，合共不得超過採納二零二一年購股權計劃當日所有已發行股份面值之10%（「二零二一年購股權計劃授權上限」）。本公司可不時透過於股東大會上獲得股東批准以更新二零二一年購股權計劃授權上限。二零二一年購股權計劃授權上限一經更新，因行使根據二零二一年購股權計劃及本公司所有其他購股權計劃將予授出之所有購股權而可予發行之股份總數，根據經更新上限不得超過股東批准更新當日已發行股份數目之10%。根據採納二零二一年購股權計劃日期已發行的9,496,332,726股股份，行使可能據此授出的購股權後可能發行的最高股份數目為949,633,272股股份。於本報告日期，於二零二一年購股權計劃項下可予授出之購股權為661,033,272份，相當於現有已發行股份數目之6.96%。

於任何12個月期間內根據購股權可發行予二零二一年購股權計劃項下各合資格參與者之股份數目，最多不得超過本公司於建議授出日期已發行股份之1%。任何進一步授出超出此上限之購股權須於股東大會獲得股東批准。

根據二零二一年購股權計劃授出購股權之要約可於要約日期起計28日內獲接納，而承授人須就此支付合共1港元之象徵式代價。已授出購股權之行使期由董事會或有關委員會釐定，惟有關期間不得超過授出日期起計十年。除非董事會另行議決，二零二一年購股權計劃並無規定在行使前須持有購股權之最短期限。

The exercise price of share options is determinable by the Board or such committee, but shall be at least the highest of (i) the Stock Exchange closing price of the Shares on the date of grant of the share options; (ii) the average Stock Exchange closing price of the Shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

(II) Share Option Scheme of a Subsidiary

Bossini International Holdings Limited ("Bossini", which together with its subsidiaries, the "Bossini Group"), a subsidiary of the Company and shares of which are listed on the Main Board of the Stock Exchange (stock code: 592) operates a share option scheme (the "Bossini Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the operations of the Bossini Group and to enable the Bossini Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Bossini Group.

Eligible participants of the Bossini Share Option Scheme include executive directors, non-executive directors (including independent non-executive directors), and other full-time or part-time employees of the Bossini Group. and the Bossini Share Option Scheme became effective on 12 November 2013 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

購股權之行使價由董事會或委員會釐定，惟不得低於下列各項之最高者(i)股份於購股權授出日期在聯交所之收市價；(ii)股份於緊接授出日期前五個交易日在聯交所之平均收市價；及(iii)股份面值。

購股權並無賦予持有人收取股息或於股東大會投票之權利。

(II) 附屬公司之購股權計劃

本公司之附屬公司堡獅龍國際集團有限公司(「堡獅龍」，連同其附屬公司為「堡獅龍集團」，其股份於聯交所主板上市，股份代號：592)設有一項購股權計劃(「堡獅龍購股權計劃」)旨在激發及獎勵對堡獅龍集團業務營運作出貢獻之合資格參與者並協助堡獅龍集團聘請及挽留能幹僱員，並吸納對堡獅龍集團有價值之人力資源。

堡獅龍購股權計劃之合資格參與人士包括堡獅龍集團之執行董事、非執行董事(包括獨立非執行董事)及其他全職或兼職僱員。堡獅龍購股權計劃於二零一三年十一月十二日生效，除非堡獅龍購股權計劃以其他方式註銷或修訂，否則自該日起計有效期為十年。

The maximum number of ordinary shares in the shares capital of Bossini (the "Bossini Shares") which may be issued upon exercise of all share options to be granted under the Bossini Share Option Scheme and any other future share option schemes of the Bossini (excluding share options forfeited in accordance with the terms of the Bossini Share Option Scheme or any other future share option schemes of Bossini) shall not exceed 10% of the total number of shares in issue on 12 November 2013, the date of the annual general meeting that the Bossini sought the approval of the shareholders of the Bossini for the adoption of the Bossini Share Option Scheme. The number of shares issuable under the Bossini Share Option Scheme was 162,077,939, which represented 10% of the Bossini's shares in issue at 12 November 2013. As at the date of this report, the total number of Bossini Shares available for issue under the Bossini Share Option Scheme is 69,577,939, representing 4.23% of the existing number of issued Bossini Shares. The maximum number of shares issuable under share options to each participant in Bossini Share Option Scheme within any 12-month period is limited to 1% of the total number of shares of Bossini in issue at any time. Any further grant of share options in excess of this limit is subject to its shareholders' approval in a general meeting with such participant and his associates abstaining from voting.

Share options granted to a director, chief executive or substantial shareholder of Bossini, or to any of their respective associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is a grantee of the share options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of Bossini, or to any of their respective associates, in excess of 0.1% of the shares of Bossini in issue at any time or with an aggregate value (based on the closing price of the Bossini's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of grant of the share options. Share options granted during the term of the Bossini Share Option Scheme and remain unexercised immediately prior to the end of the 10-year period of the Bossini Share Option Scheme shall continue to be exercisable in accordance with their terms of grant within the exercise period for which such options are granted, notwithstanding the expiry of the Bossini Share Option Scheme.

根據堡獅龍購股權計劃及堡獅龍任何將來之其他購股權計劃將予授出之所有購股權獲行使時可予發行之堡獅龍股本中普通股(「堡獅龍股份」)的最高數目(不包括根據堡獅龍購股權計劃或堡獅龍任何將來其他購股權計劃條款沒收之購股權),不得超過於二零一三年十一月十二日(堡獅龍尋求堡獅龍股東批准採納堡獅龍購股權計劃之股東週年大會日期)之已發行股份總數之10%。根據堡獅龍購股權計劃可發行之股份數目為162,077,939股,佔堡獅龍於二零一三年十一月十二日已發行股份之10%。於本報告日期,根據堡獅龍購股權計劃項下可予發行之堡獅龍股份合共69,577,939股,相當於現有已發行堡獅龍股份數目的4.23%。於任何12個月期間內,根據購股權可向堡獅龍購股權計劃各參與人士發行之股份最高數目,以堡獅龍於任何時間已發行股份總數之1%為限。進一步授出超過該上限之購股權,須待其股東於股東大會批准,方為有效,惟有關參與人士及其聯繫人士須就此放棄投票。

向堡獅龍董事、最高行政人員或主要股東或彼等各自之聯繫人士授出之購股權,須事先獲獨立非執行董事(不包括同時為購股權承授人之獨立非執行董事)批准。此外,於任何12個月期間向堡獅龍主要股東或獨立非執行董事或彼等各自之聯繫人士授出之任何購股權,倘超過堡獅龍任何時間已發行股份0.1%或總值(按授出日期堡獅龍股份收市價計算)超過5,000,000港元,則須獲股東於股東大會事先批准。

授出之購股權可於授出日期起計28日內在承授人支付合共1港元象徵式代價後被接納。已授出購股權之行使期由董事局釐訂,並自若干歸屬期間後開始及於購股權授出日期起計十年內屆滿。於堡獅龍購股權計劃期間授出及於緊接堡獅龍購股權計劃十年期間屆滿前尚未行使之購股權,儘管堡獅龍購股權計劃已期滿,仍可根據其授出條款於授出購股權行使期間內繼續予以行使。

The following table discloses movements in the share options outstanding under the Bossini Share Option Scheme during the year:

下表披露年內堡獅龍購股權計劃項下尚未行使購股權之變動：

Category of participants	Number of share options 購股權數目			Balance as at 31.12.2020 於二零二零年 十二月三十一日 之結餘	Date of grant (note a) 授出日期 (附註 a)	Exercise period of share options 購股權行使期	Exercise price of share options (note b) 購股權行使價 (附註 b) HK\$ per share 每股港元
	Balance as at 1.1.2020 於二零二零年 一月一日之結餘	Exercised during the year 年內行使	Cancelled during the year 年內註銷				
Directors and employees of Bossini 堡獅龍董事及僱員							
In aggregate 合共	240,000	-	(240,000)	-	4 February 2010 二零一零年二月四日	4 February 2011 to 3 February 2020 二零一一年二月四日至二零二零年二月三日	0.456
	360,000	-	(360,000)	-	4 February 2010 二零一零年二月四日	4 February 2012 to 3 February 2020 二零一二年二月四日至二零二零年二月三日	0.456
	600,000	-	(600,000)	-	4 February 2010 二零一零年二月四日	4 February 2013 to 3 February 2020 二零一三年二月四日至二零二零年二月三日	0.456
	2,654,000	-	(2,654,000)	-	5 July 2010 二零一零年七月五日	(note c(i)) (附註 c (i))	0.503
	4,592,000	-	(4,592,000)	-	12 October 2010 二零一零年十月十二日	12 October 2011 to 11 October 2020 二零一一年十月十二日至二零二零年十月十一日	0.780
	648,000	-	(648,000)	-	12 October 2010 二零一零年十月十二日	12 October 2012 to 11 October 2020 二零一二年十月十二日至二零二零年十月十一日	0.780
	7,320,000	-	(7,320,000)	-	12 October 2010 二零一零年十月十二日	12 October 2013 to 11 October 2020 二零一三年十月十二日至二零二零年十月十一日	0.780
	10,400,000	-	(10,400,000)	-	12 October 2010 二零一零年十月十二日	12 October 2015 to 11 October 2020 二零一五年十月十二日至二零二零年十月十一日	0.780
	82,000	-	(82,000)	-	3 January 2011 二零一一年一月三日	(note c(ii)) (附註 c (ii))	0.922
	54,000	-	(54,000)	-	4 July 2011 二零一一年七月四日	(note c(iii)) (附註 c (iii))	0.880

Category of participants	Number of share options 購股權數目			Balance as at 31.12.2020 於二零二零年 十二月三十一日 之結餘	Date of grant (note a) 授出日期 (附註 a)	Exercise period of share options 購股權行使期	Exercise price of share options (note b) 購股權行使價 (附註 b)
	Balance as at 1.1.2020 於二零二零年 一月一日之結餘	Exercised during the year 年內行使	Cancelled during the year 年內註銷				
Directors and employees of Bossini 堡獅龍董事及僱員							
In aggregate 合共	20,722,000	-	(20,722,000)	-	2 December 2013 二零一三年十二月二日	(note d(i)) (附註 d(i))	0.570
	248,000	-	(248,000)	-	2 January 2014 二零一四年一月二日	(note d(ii)) (附註 d(ii))	0.570
	398,000	-	(398,000)	-	2 July 2015 二零一五年七月二日	(note d(iii)) (附註 d(iii))	0.740
	40,940,000	-	(40,940,000)	-	4 October 2016 二零一六年十月四日	4 October 2019 to 3 October 2026 二零一九年十月四日至二零二六年十月三日	0.495
	620,000	-	(620,000)	-	1 June 2017 二零一七年六月一日	28 November 2019 to 31 May 2027 二零一九年十一月二十八日至 二零二七年五月三十一日	0.460
	816,000	-	(816,000)	-	3 October 2017 二零一七年十月三日	4 October 2019 to 2 October 2027 二零一九年十月四日至二零二七年十月二日	0.455
	780,000	-	(780,000)	-	1 December 2017 二零一七年十二月一日	22 May 2020 to 30 November 2027 二零二零年五月二十二日至 二零二七年十一月三十日	0.425
	620,000	-	(620,000)	-	3 July 2018 二零一八年七月三日	26 December 2020 to 2 July 2028 二零二零年十二月二十六日至 二零二八年七月二日	0.352
	2,500,000	(2,500,000)	-	-	2 January 2019 二零一九年一月二日	19 June 2021 to 1 January 2029 二零二一年六月十九日至二零二九年一月一日	0.275
	2,500,000	-	(2,500,000)	-	2 January 2019 二零一九年一月二日	9 July 2021 to 1 January 2029 二零二一年七月九日至二零二九年一月一日	0.275

Category of participants	Number of share options 購股權數目				Date of grant (note a)	Exercise period of share options	Exercise price of share options (note b)
	Balance as at 1.1.2020	Exercised during the year	Cancelled during the year	Balance as at 31.12.2020			
參與人士類別	於二零二零年一月一日之結餘	年內行使	年內註銷	於二零二零年十二月三十一日之結餘	授出日期 (附註 a)	購股權行使期	購股權行使價 (附註 b) HK\$ per share 每股港元
Directors and employees of Bossini							
堡獅龍董事及僱員							
In aggregate 合共	1,240,000	-	(1,240,000)	-	1 March 2019 二零一九年三月一日	1 March 2022 to 28 February 2029 二零二二年三月一日至二零二九年二月二十八日	0.285
	780,000	-	(780,000)	-	2 July 2019 二零一九年七月二日	5 November 2021 to 1 July 2029 二零二一年十一月五日至二零二九年七月一日	0.231
	880,000	-	(880,000)	-	2 July 2019 二零一九年七月二日	10 December 2021 to 1 July 2029 二零二一年十二月十日至二零二九年七月一日	0.231
	99,994,000	(2,500,000)	(97,494,000)	-			

Notes to the table of share options outstanding under the Bossini Share Option Scheme during the year:

- (a) The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- (b) The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Bossini's share capital.
- (c) Vesting of the share options is conditional, subject to the individual performance of respective grantees and the achievement of 3-year corporate goals of the Bossini Group for the 3-year performance period ended 30 June 2013.

The exercise periods of share options are as follows:

- (i) From the next business day of publication of the announcement of the audited consolidated results of the Bossini Group for the year ended 30 June 2013 to 4 July 2020.
- (ii) From the next business day of publication of the announcement of the audited consolidated results of the Bossini Group for the year ended 30 June 2013 to 2 January 2021.
- (iii) From the next business day of publication of the announcement of the audited consolidated results of the Bossini Group for the year ended 30 June 2013 to 3 July 2021.

年內根據堡獅龍購股權計劃尚未行使購股權列表附註：

- (a) 購股權歸屬期為自授出日期起計直至行使期間開始為止。
- (b) 購股權之行使價可根據供股或發行紅股、或堡獅龍股本之其他類似變動而予以調整。
- (c) 購股權的歸屬受個別承授人的表現及堡獅龍集團截至二零一三年六月三十日止三年表現期間的三年集團目標之條件規限。

購股權行使期如下：

- (i) 由刊登堡獅龍集團截至二零一三年六月三十日止年度之經審核綜合業績公告後緊接的營業日開始行使，至二零二零年七月四日。
- (ii) 由刊登堡獅龍集團截至二零一三年六月三十日止年度之經審核綜合業績公告後緊接的營業日開始行使，至二零二一年一月二日。
- (iii) 由刊登堡獅龍集團截至二零一三年六月三十日止年度之經審核綜合業績公告後緊接的營業日開始行使，至二零二一年七月三日。

- (d) Vesting of the share options is conditional, subject to the individual performance of respective grantees and the achievement of 3-year corporate goals of the Bossini Group for the 3-year performance period ended 30 June 2016.

The exercise periods of share options are as follows:

- (i) From 1 November 2016 to 1 December 2023.
- (ii) From 1 November 2016 to 1 January 2024.
- (iii) From 1 November 2016 to 1 July 2025.
- (e) Pursuant to the terms of the Bossini Share Option Scheme, in the event a general offer is made to the shareholders of Bossini, the share option holders may exercise the share options (to the extent not already exercised) to its full extent or to the extent specified in the notice to Bossini in exercise of his or her share options at any time before the close of such offer (or any revised offer).
- (f) No share options were granted under the Bossini Share Option Scheme during the year ended 31 December 2020.

Shares options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

- (d) 購股權的歸屬受個別承授人的表現及堡獅龍集團截至二零一六年六月三十日止三年表現期間的三年集團目標之條件規限。

購股權行使期如下：

- (i) 由二零一六年十一月一日起至二零二三年十二月一日。
- (ii) 由二零一六年十一月一日起至二零二四年一月一日。
- (iii) 由二零一六年十一月一日起至二零二五年七月一日。
- (e) 根據堡獅龍購股權計劃之條款，倘向堡獅龍股東提出全面要約，則在有關要約(或任何經修訂的要約)截止之前購股權持有人可隨時悉數行使購股權(以其尚未行使者為限)或以行使其購股權時向堡獅龍發出的通知中所指定者為限。
- (f) 於截至二零二零年十二月三十一日止年度內概無根據堡獅龍購股權計劃授出購股權。

購股權並無賦予持有人收取股息或於股東大會投票之權利。

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

As at 31 December 2020, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were deemed or taken to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

董事及行政總裁於本公司及其相聯法團之股份及相關股份及債權證之權益及淡倉

於二零二零年十二月三十一日，本公司之董事及行政總裁於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中，擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益及淡倉(包括本公司董事及行政總裁根據證券及期貨條例有關條文被視為或當作擁有之權益及淡倉)，或必須及已記錄於本公司根據證券及期貨條例第352條所存置登記冊之權益及淡倉，或根據GEM上市規則第5.46至5.67條所述有關董事交易必守標準須知會本公司及聯交所之權益及淡倉如下：

Long positions in the Shares, underlying Shares and debenture of the Company

於本公司股份、相關股份及債權證之好倉

Directors	Capacity	Number of Shares/ underlying Shares held 所持股份／相關股份數目		Number of share options held ⁽³⁾	Total interests	Approximate percentage of shareholding as at 31 December 2020 於二零二零年十 二月三十一日 所持股權概約 百分比
		Nature of interests 權益性質				
		Personal interest 個人權益	Corporate interest 公司權益			
董事	身份			所持購股權數 目 ⁽³⁾	權益總額	

(a) The Company

本公司

Long positions in the ordinary shares (the "Shares"), underlying Shares and debenture of the Company

於本公司普通股（「股份」）、相關股份及債權證之好倉

Mr. Li Ning 李寧先生	Beneficial owner 實益擁有人	879,508,000	–	1,500,000		
	Interest of controlled corporation 受控制法團權益	–	5,812,443,151	–	6,693,451,151 ⁽¹⁾	70.48%
Mr. Li Chunyang 李春陽先生	Beneficial owner 實益擁有人	13,067,669	–	5,000,000	18,067,669	0.19%
Mr. Li Qilin 李麒麟先生	Beneficiary of trusts 信託受益人	3,680,022,769 ⁽²⁾	–	–		
	Beneficial owner 實益擁有人	–	–	21,750,000	3,701,772,769	38.98%
Mr. MA Wing Man 馬詠文先生	Beneficial owner 實益擁有人	1,544,000	–	1,500,000	3,044,000	0.03%

(b) Associated Corporation – Bossini International Holdings Limited ("Bossini")

相聯法團－堡獅龍國際集團有限公司（「堡獅龍」）

Long Positions in the ordinary shares of HK\$0.10 each of Bossini (the "Bossini Shares")

於堡獅龍每股面值0.10港元之普通股（「堡獅龍股份」）之好倉

Mr. Li Ning 李寧先生	Interest of controlled corporation 受控制法團權益	–	1,093,839,246	–	1,093,839,246 ⁽⁴⁾	66.54%
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Notes:

1. Mr. Li Ning is interested in 6,693,451,151, among which 21,508,000 Shares, the share options which are exercisable into 1,500,000 Shares and the convertible bonds in the principal amount of HK\$278,850,000 which are convertible into 858,000,000 Shares are held as personal interest, and is deemed to be interested in the long positions of 5,812,443,151 Shares in aggregate through his interests in Lead Ahead Limited ("Lead Ahead"), Victory Mind Assets Limited ("Victory Mind Assets") and Dragon City Management (PTC) Limited ("Dragon City"), respectively as follows:
 - (a) the long position of 2,132,420,382 Shares is held by Lead Ahead, which is owned as to 60% by Mr. Li Ning and 40% by Mr. Li Chun. Mr. Li Ning is also a director of Lead Ahead;
 - (b) the long position of 1,680,022,769 Shares is held by Victory Mind Assets which is owned as to 57% by Ace Leader Holdings Limited ("Ace Leader") and 38% by Jumbo Top Group Limited ("Jumbo Top"). All shares of Ace Leader are held by TMF (Cayman) Ltd. ("TMF") in its capacity as trustee of a discretionary trust. Mr. Li Ning is the settlor of the trust and is therefore deemed to be interested in such 1,680,022,769 Shares. Mr. Li Ning is a director of each of Victory Mind Assets and Ace Leader; and
 - (c) the long position of 2,000,000,000 Shares is held by Dragon City in its capacity as trustee of a unit trust, the units of which are owned as to 60% by TMF and as to 40% by TMF, each as the trustee of separate discretionary trust. Mr. Li Ning is the 60% shareholder of Dragon City and a founder of the unit trust and is therefore deemed to be interested in such 2,000,000,000 Shares. Mr. Li Ning is a director of Dragon City.
2. See note 1(b) and note 1(c) under "Interests and short positions of substantial shareholders and other persons in the share capital of the Company" below.
3. These represented the share options granted by the Company to the respective Directors, the details of which are provided in the section headed "Share Option Schemes" in this report.
4. Dragon Leap Developments Limited ("Dragon Leap") is interested in 1,093,839,246 Bossini Shares. Dragon Leap is owned as to 80% by Viva China Consumable Holdings Limited, a wholly-owned subsidiary of the Company. As such, Mr. Li Ning is deemed to be interested in the same 1,093,839,246 Bossini Shares by virtue of his interests in the Shares of the Company. As at 31 December 2020, the total number of issued share of Bossini was 1,643,833,394.

附註：

1. 李寧先生於6,693,451,151股股份中擁有權益，其中21,508,000股股份、可行使為1,500,000股股份的購股權及本金金額為278,850,000港元且可轉換為858,000,000股股份的可換股債券乃以個人權益持有，並透過以下於Lead Ahead Limited (「Lead Ahead」)、Victory Mind Assets Limited (「Victory Mind Assets」)及Dragon City Management (PTC) Limited (「Dragon City」)分別持有權益而被視為擁有合共5,812,443,151股股份好倉之權益：
 - (a) 2,132,420,382股股份好倉由Lead Ahead持有，而Lead Ahead由李寧先生及李進先生分別擁有60%及40%股權。李寧先生亦為Lead Ahead之董事；
 - (b) 1,680,022,769股股份好倉由Victory Mind Assets持有，而Victory Mind Assets分別由Ace Leader Holdings Limited (「Ace Leader」)及Jumbo Top Group Limited (「Jumbo Top」)擁有57%及38%。Ace Leader全部股份由TMF (Cayman) Ltd. (「TMF」)以酌情信託之受託人身份持有。李寧先生為該信託之創立人，因此被視為於上述1,680,022,769股股份中擁有權益。李寧先生為Victory Mind Assets及Ace Leader各自之董事；及
 - (c) 2,000,000,000股股份好倉由Dragon City以單位信託之受託人身份持有權益，而上述信託之單位由TMF作為各獨立酌情信託的受託人而分別擁有60%及40%。李寧先生為持有Dragon City 60%權益之股東及單位信託之創立人，因此被視為於該等2,000,000,000股股份中擁有權益。李寧先生為Dragon City之董事。
2. 見下文「主要股東及其他人士於本公司股本之權益及淡倉」項下之附註1(b)及附註1(c)。
3. 指本公司向各董事授出之購股權，有關詳情載述於本報告「購股權計劃」一節。
4. 龍躍發展有限公司(「龍躍發展」)於1,093,839,246股堡獅龍股份中擁有權益。龍躍發展由非凡中國消費品控股有限公司(本公司的一間全資附屬公司)擁有80%股權。因此，根據李寧先生於本公司股份中的權益，其被視為於該1,093,839,246股堡獅龍股份中擁有權益。於二零二零年十二月三十一日，堡獅龍的已發行股份總數為1,643,833,394股。

Save as disclosed above, none of the Directors nor the chief executive of the Company had, as at 31 December 2020, any interests or 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 SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were deemed or taken to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Pursuant to a sale and purchase agreement dated 12 October 2012 (the "Acquisition Agreement") entered into between the Company and Victory Mind Assets and Dragon City as the vendors (the "Vendors"), the acquisition by the Company of 266,374,000 LN Shares, representing approximately 25.227% of the then issued share capital of Li Ning Co was completed in December 2012, for the aggregate consideration of HK\$1,358,507,400, which was satisfied by the issuance to Victory Mind Assets, one of the Vendors, 1,780,022,769 Shares and to Dragon City, the other Vendor, unlisted initial convertible bonds in the principal amount of HK\$780,000,000 (the "Initial Convertible Bonds") which are convertible at an initial conversion price of HK\$0.325 per Share, subject to adjustment provided under the terms and conditions of the Initial Convertible Bonds. All Initial Convertible Bonds were converted into 2,400,000,000 Shares on 6 June 2014.

Pursuant to the Acquisition Agreement and the deed dated 30 August 2013 entered into between the Company and the Vendors (the "Deed"), the Company issued unlisted earn-out convertible bonds (the "Earn-out Convertible Bonds") in the principal amount of HK\$340,782,000 to Victory Mind Assets and the Earn-out Convertible Bonds in the principal amount of HK\$439,218,000 to Dragon City in November 2013 subject to certain undertaking under which a portion of the Earn-out Convertible Bonds may be returned to the Company in the event that certain performance targets of LN Group are not met. The Earn-out Convertible Bonds are convertible into 2,400,000,000 Shares at an initial conversion price of HK\$0.325 per Share. On 10 April 2017, the condition for releasing the undertaking has been met and the Company has released all the Earn-out Convertible Bonds held by the Vendors in accordance with the terms of the Deed.

除上文披露者外，於二零二零年十二月三十一日，本公司董事及行政總裁概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文彼等被視為或當作擁有之權益或淡倉），或必須及已記錄於本公司根據證券及期貨條例第352條所存置登記冊之權益或淡倉，或根據GEM上市規則第5.46條至第5.67條所述有關董事交易必守標準須知會本公司及聯交所之權益或淡倉。

董事購買股份或債權證之權利

根據本公司與Victory Mind Assets及Dragon City（作為賣方）（「賣方」）於二零一二年十月十二日訂立之買賣協議（「收購協議」），本公司按總代價1,358,507,400港元收購266,374,000股李寧股份，佔李寧公司當時已發行股本約25.227%（已於二零一二年十二月完成）。相關代價已分別透過向Victory Mind Assets（其中一名賣方）發行1,780,022,769股股份及向Dragon City（另一名賣方）發行本金額為780,000,000港元之首批非上市可換股債券（「首批可換股債券」）（初步轉換價為每股股份0.325港元，惟須根據首批可換股債券之條款及條件予以調整）方式進行支付。首批可換股債券已於二零一四年六月六日悉數兌換為2,400,000,000股股份。

根據收購協議及本公司與賣方於二零一三年八月三十日訂立之契據（「契據」），本公司於二零一三年十一月向Victory Mind Assets發行本金額為340,782,000港元之非上市盈利能力可換股債券（「盈利能力可換股債券」）及向Dragon City發行本金額為439,218,000港元之盈利能力可換股債券。在若干承諾（根據該相關承諾，倘李寧集團之若干表現目標未獲達成，則部分盈利能力可換股債券可能須退還予本公司）規限下，盈利能力可換股債券可按初步轉換價每股股份0.325港元轉換為2,400,000,000股股份。於二零一七年四月十日，解除承諾的條件已達成，而本公司已根據契據的條款解除賣方持有的所有盈利能力可換股債券。

Victory Mind Assets is indirectly held by the corporate trustee of two discretionary trusts, the beneficiaries of which include the respective family members of Mr. Li Ning, an executive Director, the Chairman and the Chief Executive Officer, his brother, Mr. Li Chun and Mr. Li Qilin, an executive Director. Dragon City is the trustee of a unit trust, the units of which are owned by two family trusts, the beneficiaries of which include the respective family members of Mr. Li Ning, Mr. Li Chun and Mr. Li Qilin. Mr. Li Qilin is the son of Mr. Li Chun and the nephew of Mr. Li Ning.

Save as disclosed above and in the paragraph headed “Share Option Schemes” and “Interests and Short Positions of Directors and the Chief Executive in the Shares and Underlying Shares and Debentures of the Company and its Associated Corporation” of this report, at no time during the year were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Directors, or were any such rights exercised by them; or was the Company or any of its subsidiaries, or any holding company, or any of its fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS

Save as disclosed in this report, at no time during the year had the Company or any of its subsidiaries, and the controlling shareholders or any of its subsidiaries entered into any contract of significance or any contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder or any of its subsidiaries.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2020, so far as was known to the Directors, the interests and short positions of the persons (other than the interests and short positions of the Directors or chief executive of the Company as disclosed above) in the shares and/or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company are set out below:

Victory Mind Assets由兩個酌情信託的公司受託人間接持有，兩個酌情信託之受益人均包括李寧先生（執行董事、主席兼行政總裁）、其兄長李進先生及執行董事李麒麟先生各自之家族成員。Dragon City是一個單位信託之受託人，該信託之單位由兩個家族信託擁有，而兩個家族信託之受益人均包括李寧先生、李進先生及李麒麟先生各自之家族成員。李麒麟先生為李進先生之兒子及李寧先生之侄子。

除上文及本報告「購股權計劃」及「董事及行政總裁於本公司及其相聯法團之股份及相關股份及債權證之權益及淡倉」段落所披露者外，本公司於年內任何時間概無授予任何董事可藉購入本公司股份或債權證而得益之權利，或彼等概無行使任何該等權利；或本公司或其任何附屬公司或其任何控股公司或其任何同系附屬公司亦概無訂立任何安排致使董事可購入任何其他法人團體之該等權利。

控股股東於合約之權益

除本報告所披露者外，本公司或其任何附屬公司與控股股東或其任何附屬公司於年內任何時間，概無訂立任何重大合約或由控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務之任何重大合約。

主要股東及其他人士於本公司股本之權益及淡倉

於二零二零年十二月三十一日，據董事所知，除上文所披露之本公司董事或行政總裁擁有之權益及淡倉外，以下人士於本公司股份及／或相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置之登記冊或已另行知會本公司之權益及淡倉：

Long positions in the Shares and underlying Shares

於股份及相關股份之好倉

	Capacity 身份	Number of Shares/underlying Shares held 所持股份／相關股 份數目	Approximate percentage of shareholdings as at 31 December 2020 於二零二零年十二 月三十一日所持股 權概約百分比
Substantial Shareholders 主要股東			
Mr. LI Chun ⁽¹⁾ 李進先生 ⁽¹⁾	Beneficial owner 實益擁有人	60,000,000	
	Interest of controlled corporation 受控制法團權益	5,812,443,151	
		5,872,443,151	61.84%
Lead Ahead ⁽²⁾	Beneficial owner 實益擁有人	2,132,420,382	22.46%
Victory Mind Assets ⁽³⁾	Beneficial owner 實益擁有人	1,680,022,769	17.69%
Ace Leader ⁽³⁾	Interest of controlled corporation 受控制法團權益	1,680,022,769	17.69%
Jumbo Top ⁽³⁾	Interest of controlled corporation 受控制法團權益	1,680,022,769	17.69%
Dragon City ⁽⁴⁾	Trustee 受託人	2,000,000,000	21.06%
TMF ⁽³⁾⁽⁴⁾	Trustee 受託人	3,680,022,769	38.75%
Other Persons 其他人士			
Mr. ZHAO Jianguo ⁽⁵⁾ 趙建國先生 ⁽⁵⁾	Beneficial owner 實益擁有人	288,000,000	
	Interest of spouse 配偶權益	700,000,000	
	Interest of controlled corporation 受控制法團權益	12,963,200	
		1,000,963,200	10.54%
Ms. LI Ying ⁽⁵⁾ 李迎女士 ⁽⁵⁾	Beneficial owner 實益擁有人	700,000,000	
	Interest of spouse 配偶權益	288,000,000	
	Interest of controlled corporation 受控制法團權益	12,963,200	
		1,000,963,200	10.54%

Notes:

1. Mr. Li Chun is interest in the convertible bonds in the principal amount of HK\$19,500,000 which are convertible into 60,000,000 Shares are held as personal interest, and is deemed to be interested in the long positions of 5,812,443,151 Shares in aggregate through his interests in Lead Ahead, Victory Mind Assets and Dragon City, respectively as follows:
 - (a) the long position of 2,132,420,382 Shares is held by Lead Ahead, which is owned as to 60% by Mr. Li Ning and 40% by Mr. Li Chun;
 - (b) the long position of 1,680,022,769 Shares is held by Victory Mind Assets which is owned as to 57% by Ace Leader and 38% by Jumbo Top. All shares of Jumbo Top are held by TMF in its capacity as trustee of a discretionary trust. Mr. Li Chun is the settlor of the trust and is therefore deemed to be interested in such 1,680,022,769 Shares. Mr. Li Qilin is a beneficiary of the trust and is also therefore deemed to be interested in such 1,680,022,769 Shares. Mr. Li Chun is also a director of each of Victory Mind Assets and Jumbo Top; and
 - (c) the long position of 2,000,000,000 Shares is held by Dragon City in its capacity as trustee of a unit trust, the units of which are owned as to 60% by TMF and as to 40% by TMF, each as the trustee of a separate discretionary trust. Mr. Li Qilin is a beneficiary of one of the said separate trusts and is also therefore deemed to be interested in such 2,000,000,000 Shares. Mr. Li Chun is taken to be interested in 40% of the shares of Dragon City and is therefore deemed to be interested in such 2,000,000,000 Shares. Mr. Li Chun is a director of Dragon City.
2. Lead Ahead is owned as to 60% by Mr. Li Ning and 40% by his brother, Mr. Li Chun. Mr. Li Ning is also a director of Lead Ahead.
3. See note 1(b) under "Interests and short positions of directors and the chief executive in the shares and underlying shares and debentures of the Company and its associated corporations" and note 1(b) above. For avoidance of doubt and double counting, it should be noted that Ace Leader, Jumbo Top and TMF are deemed to be interested in the 1,680,022,769 Shares which Victory Mind Assets is interested in.
4. See note 1(c) under "Interests and short positions of directors and the chief executive in the shares and underlying shares and debentures of the Company and its associated corporations" and note 1(c) above. TMF is deemed to be interested in the 2,000,000,000 Shares which Dragon City is interested in.

附註：

1. 李進先生於本金金額為19,500,000港元且可轉換為60,000,000股股份的可換股債券中擁有權益及以個人權益持有，並透過以下於Lead Ahead、Victory Mind Assets及Dragon City分別持有權益而被視為擁有合共5,812,443,151股股份好倉之權益：
 - (a) 2,132,420,382股股份好倉由Lead Ahead持有，而Lead Ahead由李寧先生及李進先生分別擁有60%及40%股權；
 - (b) 1,680,022,769股股份好倉由Victory Mind Assets持有，而Victory Mind Assets分別由Ace Leader及Jumbo Top擁有57%及38%權益。Jumbo Top全部股份由TMF以酌情信託之受託人身份持有。李進先生為該信託之創立人，因此被視為於上述1,680,022,769股股份中擁有權益。李麒麟先生為該信託之受益人，因此亦被視為於上述1,680,022,769股股份中擁有權益。李進先生亦為Victory Mind Assets及Jumbo Top各自之董事；及
 - (c) 2,000,000,000股股份好倉由Dragon City以單位信託之受託人身份持有權益，而上述信託之單位由TMF作為各獨立酌情信託的受託人而分別擁有60%及40%。李麒麟先生為上述其中一個獨立信託之受益人，因此亦被視為於上述2,000,000,000股股份中擁有權益。李進先生被視為擁有Dragon City之40%的股份權益，因此被視為於上述2,000,000,000股股份中擁有權益。李進先生為Dragon City之董事。
2. Lead Ahead由李寧先生及其胞兄李進先生分別擁有60%及40%股權。李寧先生亦為Lead Ahead之董事。
3. 見「董事及行政總裁於本公司及其相聯法團之股份及相關股份及債權證之權益及淡倉」一節附註1(b)及上文附註1(b)。為免生疑問及重複計算，謹請留意Ace Leader、Jumbo Top及TMF被視為於Victory Mind Assets所擁有權益1,680,022,769股股份中擁有權益。
4. 見「董事及行政總裁於本公司及其相聯法團之股份及相關股份及債權證之權益及淡倉」一節附註1(c)及上文附註1(c)。TMF被視為於Dragon City所擁有權益之2,000,000,000股股份中擁有權益。

5. Mr. Zhao Jianguo has personal interest in 288,000,000 Shares and Ms. Li Ying, the spouse of Mr. Zhao, has personal interest in the convertible bonds in the principal amount of HK\$227,500,000 which are convertible into 700,000,000 Shares. Double Essence Limited was interested in 12,963,200 Shares and is owned as to 50% by Mr. Zhao and 50% by Ms. Li respectively.

As at 31 December 2020, save as disclosed above, so far as was known to the Directors, no other person (other than the Directors or chief executive of the Company) had any interests or short position in the shares and/or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as notified to the Company.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year.

GROUP'S EMOLUMENT POLICY

The emolument policy of the employees of the Group is formulated on the basis of their merit, qualifications and competence and it is the Group's policy to compensate each employee fairly and equitably. The Group has a system for measuring employees' performance against agreed-upon goals with specific performance standards. Performance discussion is carried out on an ongoing basis and a formal evaluation is conducted once a year to review employees' overall performance, achievements, and areas in need of improvement. Salary review would be based on individual's performance and subject to Group's discretion.

The determination of remuneration packages of the Directors takes into consideration of the factors such as time commitment and responsibilities of the Directors and by reference to the level of emoluments normally paid by a listed company in Hong Kong to directors of comparable calibre and job responsibilities so as to ensure a fair and competitive remuneration package as is fit and appropriate. The details of remuneration payable to the Directors and senior management are set out in Note 8 to the financial statements.

The existing share option schemes enable the Company to grant options as an incentive to directors and eligible participants. Details of the schemes are set out in the section headed "Share Option Schemes" on pages 40 to 53 of this annual report.

ADVANCE TO AN ENTITY

Pursuant to a loan agreement (the "Loan Agreement") entered into between Viva China Consumables Limited (formerly known as Viva China Entertainment Holdings Limited and hereinafter referred to as the "Lender"), a wholly owned subsidiary of the Company and LionRock Capital GP Limited acting in its capacity as the general partner (the "General Partner") of LionRock Capital Partners QiLe L.P. (the "Borrower"), the Lender has agreed to provide a facility of GBP54,000,000 (the "Facility") to the Borrower at an interest rate of 4% per annum. The General

5. 趙建國先生於288,000,000股股份中擁有個人權益，而趙先生的配偶李迎女士於本金金額為227,500,000港元且可轉換為700,000,000股股份的可換股債券中擁有個人權益。Double Essence Limited於12,963,200股股份中擁有權益，而Double Essence Limited由趙先生及李女士分別擁有50%及50%權益。

於二零二零年十二月三十一日，除上文披露者外，就董事所知，概無其他人士（除董事或本公司行政總裁外）於本公司股份及／或相關股份中，擁有任何本公司根據證券及期貨條例第336條規定須存置之登記冊記錄或已另行知會本公司之權益或淡倉。

管理合約

年內概無簽署或存在任何涉及本集團全部或任何重大部分業務之管理及行政之合約。

本集團之薪酬政策

本集團僱員之薪酬政策乃根據彼等成績、資歷及能力而釐定，而本集團的政策為致力讓每位僱員得到公平合理的待遇。本集團設有釐定僱員表現的系統，以特定表現準則釐定僱員是否達到預設目標。本集團持續進行表現檢討，並每年進行一次正式評估，以審核僱員整體表現、成績及改進空間。本集團將根據個人表現酌情進行薪酬檢討。

釐定董事薪酬待遇時考慮到董事投入的時間及職責等因素，並參考香港上市公司一般向具有相若能力及職責之董事支付的薪酬水平，以確保公平而具競爭力的薪酬待遇合適恰當。應付董事及高級管理人員之薪酬詳情載於財務報表附註8。

現有購股權計劃使本公司能夠授出購股權，以獎勵董事及合資格參與人士。計劃詳情載於本年報第40至53頁「購股權計劃」一節。

授予實體的貸款

根據非凡中國消費品有限公司（前稱非凡中國娛樂控股有限公司，以下稱為「貸款人」，本公司的一間全資附屬公司）與LionRock Capital GP Limited（以LionRock Capital Partners QiLe L.P.的普通合夥人（「普通合夥人」）身份行事，「借款人」）訂立的貸款協議（「貸款協議」），貸款人已同意向借款人提供54,000,000英鎊的融資（「融

Partner is wholly owned by Mr. Tseung Daniel Kar Keung. The single largest limited partner of the Borrower is LionRock Capital Partners, L.P., the total contribution of which is not more than 49%. Li Ning Company Limited (Stock Code: 2331) is a limited partner of LionRock Capital Partners, L.P..

According to the Loan Agreement, the Borrower shall apply all amounts borrowed under the Facility in or towards (directly or indirectly) financing the acquisition or subscription of equity interests in any target company (the "Target Company") that may be acquired by LionRock Capital Partners QiLe Limited (the "SPV"), a company wholly owned by the Borrower, from time to time for investment purposes and any related expenses. The Lender may, at any time in its sole discretion, request the Borrower to grant security over certain proportion of the equity interest in the SPV. The parties to the Loan Agreement may agree the principal amount of a loan together with all outstanding amounts under the Loan Agreement be converted and/or set off against any subscription amounts payable by the Lender in order to subscribe for equity in the SPV.

The Borrower may utilise the Facility in no more than 5 drawings within the period from and including the date of the Loan Agreement to and including 31 December 2020. The initial drawdown date is the date on which the first loan under the Facility is made or to be made and the final maturity date is 12 months from the initial drawdown date, or any later date as determined by the Lender in its sole discretion and notified to the Borrower. The loan together with all accrued interests shall be repayable in full on the final maturity date. If the Borrower is unable to provide evidence of application of the loan within four months from the initial drawdown date, or if the loan is not applied towards the purpose of the loan by such date (or any later date as determined by the Lender in its sole discretion and notified to the Borrower), all outstanding loan and other amounts accrued under the Loan Agreement shall become immediately due and payable unless otherwise agreed by the Lender. In the event of an occurrence of an event of default under the Loan Agreement, the Lender may by notice to the Borrower, declare all or any part of the loan and all outstanding amounts be immediately due and payable. The Borrower may prepay the principal amount of a loan under the Facility at any time and from time to time prior to the final maturity date, in whole or in part, together with accrued and unpaid interests on the principal amount being prepaid, without penalty or premium.

On 15 March 2021, the Lender entered into a subscription agreement (the "Agreement") with the Borrower and the SPV pursuant to which the Lender conditionally agreed to subscribe for 510 shares of the SPV at a subscription price of GBP51,000,000 (the "Subscription Price", and the "Subscription", respectively) and acquire a shareholder's loan (the "Purchase Shareholder's Loan") from the Borrower at a consideration of GBP51,000,000 (the "Consideration", and the "Shareholder's Loan Transaction", respectively). The Consideration payable by the Lender to the Borrower shall be deemed to be satisfied at completion of the Subscription (the "Completion") by setting off an amount equal to the Consideration against an outstanding amount of GBP51,000,000 which has been drawn down and remains outstanding under the Loan Agreement (the "Outstanding Amount"). Upon consummation of the Shareholder's Loan Transaction at Completion, the Outstanding Amount shall be deemed to have been irrevocably

資」，年利率為4%。普通合夥人由蔣家強先生全資擁有。借款人的單一最大有限合夥人為LionRock Capital Partners, L.P.，其注資總額不超過49%。李寧有限公司(股份代號：2331)為LionRock Capital Partners, L.P.的有限合夥人。

根據貸款協議，借款人應將融資項下的所有借款金額(直接或間接)用於資助LionRock Capital Partners QiLe Limited (「SPV」，由借款人全資擁有的公司)不時就投資目的收購或認購任何目標公司(「目標公司」)的股權及任何相關開支。貸款人可隨時全權酌情決定要求借款人對SPV股權的若干部分提供擔保。貸款協議的訂約方可協定將貸款協議項下的一項貸款本金連同所有未償還金額轉換及/或抵銷貸款人應付的任何認購款項，以認購SPV的股權。

借款人可於自貸款協議日期起(包括該日)至二零二零年十二月三十一日(包括該日)止期間分不超過5次提取動用融資。首次提取日期為已作出或將作出融資項下首筆貸款的日期，最終到期日為自首次提取日期起計12個月，或由貸款人全權酌情釐定並通知借款人的任何較後日期。貸款連同所有應計利息應於最終到期日全數償還。倘借款人未能於首次提取日期起四個月內提供應用貸款的憑證，或倘貸款於該日(或貸款人全權酌情釐定並通知借款人的任何較後日期)前未用於該貸款用途，除非貸款人另行同意，否則所有未償還貸款及貸款協議項下的所有其他應計金額應立即到期支付。倘發生貸款協議項下的違約事件，貸款人可透過向借款人發出通知，宣佈全部或任何部分貸款及所有未償還款項立即到期支付。借款人可於最終到期日之前隨時及不時提前償還融資項下貸款全部或部分本金，連同所提前償還本金的應計及未付利息(不計罰息或附加費用)。

於二零二一年三月十五日，貸款人與借款人及SPV訂立認購協議(「協議」)，據此，貸款人有條件同意以認購價51,000,000英鎊(「認購價」)認購510股SPV股份(「認購事項」)，並向借款人收購股東貸款(「購買股東貸款」)，代價為51,000,000英鎊(分別為「代價」及「股東貸款交易」)。貸款人應付借款人的代價於認購事項完成(「完成」)時視作已結付，以貸款協議項下已被提取且仍未償還的未償還款項51,000,000英鎊(「未償還款項」)抵銷代價之等額款項。於完成時完成股東貸款交易後，未償還款項應視作已由借款人根據貸款協議的條款不可撤回及無條件地向貸款人全數償還

and unconditionally repaid in full by the Borrower to the Lender in accordance with the terms of the Loan Agreement and all unpaid interest which has been accrued pursuant to the Loan Agreement shall be deemed irrevocably and unconditionally waived by the Lender. The Subscription Price payable by the Lender to the SPV at Completion shall be setting off an amount equal to the Subscription Price against the Purchase Shareholder's Loan, and the Purchase Shareholder's Loan owed by the SPV to the Lender (being the new lender of the Purchase Shareholder's Loan as from the consummation of the Shareholder's Loan Transaction) shall be deemed fully paid and satisfied in full and the Purchase Shareholder's Loan shall be terminated.

The SPV holds a majority interest in C&J Clark (No.1) Limited ("Clark") which is principally engaged in wholesaling and retailing of shoes and trading in the brand name "Clarks". Upon Completion, the SPV and its subsidiaries (including Clark) will become indirect non-wholly owned subsidiaries of the Company.

For details of the Loan Agreement, please refer to the announcement of the Company dated 28 September 2020. For details of the Agreement, please refer to the announcements of the Company dated 14 January 2021 and 15 March 2021.

As at 31 December 2020, the outstanding amount of loan was HK\$271,840,000 of (equivalent to GBP25,726,000) has been made by the Borrower. As at the date of this report, the outstanding amount of loan was HK\$568,305,000 of (equivalent to GBP53,776,000).

及根據貸款協議應計的所有未支付利息應視作由貸款人不可撤回及無條件地豁免。認購價於完成時由貸款人向SPV支付，以購買股東貸款抵銷認購價之等額款項，而SPV結欠貸款人(自股東貸款交易完成後作為購買股東貸款的新貸款人)的購買股東貸款應視作全數支付及結清，且購買股東貸款應予以終止。

SPV持有C&J Clark (No.1) Limited (「Clark」)的大多數權益，Clark主要從事鞋履批發及零售，並以品牌名稱「Clarks」進行貿易。完成後，SPV及其附屬公司(包括Clark)將成為本公司的間接非全資附屬公司。

有關貸款協議的詳情，請參閱本公司日期為二零二零年九月二十八日的公告。有關協議的詳情，請參閱本公司日期為二零二一年一月十四日及二零二一年三月十五日的公告。

於二零二零年十二月三十一日，借款人的未償還貸款金額為271,840,000港元(相當於25,726,000英鎊)。於本報告日期，未償還貸款金額為568,305,000港元(相當於53,776,000英鎊)。

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining a high standard of corporate governance and a detailed corporate governance report is set out on pages 65 to 77 of this annual report.

The compliance officer of the Company is Mr. Li Ning whose biographical details are set out on page 29 of this annual report. Mr. Cheung Chi is the company secretary and the chief financial officer of the Company. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and has over 25 years of experience in financial management, corporate finance and administrative management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition to the discussions on the Group's environmental policies and performance in the Business Review of this annual report, an environmental, social and governance report which explains how the Company complies with the environmental, social and governance reporting guide in Appendix 20 to the GEM Listing Rules is set out on pages 78 to 98 of this annual report.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year 2020 and up to the date of this report, according to the GEM Listing Rules, the following Directors have interests in the following businesses which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses where the Directors of the Company were appointed as directors to represent the interests of the Company and/or the Group:

Businesses which are considered to compete or likely to compete with the businesses of the Group 被視為與本集團業務構成競爭或可能構成競爭的業務

Name of Director 董事姓名	Name of Entity 實體名稱	Description of the Entity's Business 實體的業務簡介	Nature of interest of the Director in the Entity 董事於該實體的權益性質
Mr. Li Ning 李寧先生	Li Ning Company Limited 李寧有限公司	mainly engaged in brand marketing, research and development, design, manufacturing, distribution and retail of professional and leisure footwear, sport apparels, equipment and accessories under the LI-NING brand and other licensed brands 主要從事李寧品牌及其他授權品牌下的專業及休閒鞋類、運動服裝、器材和配件的推廣、研發、設計、製造、分銷及零售	director and substantial shareholder (within the meaning of the SFO) 董事及主要股東 (定義見證券及期貨條例)
Mr. Li Qilin 李麒麟先生	Li Ning Company Limited 李寧有限公司	as disclosed above 如上文所披露者	director and substantial shareholder (within the meaning of the SFO) 董事及主要股東 (定義見證券及期貨條例)

企業管治

本公司致力於實現及維持高水準之企業管治，企業管治報告之詳情載於本年報第65至77頁。

本公司監察主任為李寧先生，其履歷詳情載於本年報第29頁。張智先生為本公司之公司秘書及首席財務官。彼為香港會計師公會及特許公認會計師公會的資深會員，並於財務管理、企業融資及行政管理方面積逾25年經驗。

環境、社會及管治報告

除於本年報業務回顧中有關本集團之環境政策及表現之討論外，解釋本公司遵守GEM上市規則附錄20中之環境、社會及管治報告指引的情況的環境、社會及管治報告載於本年報第78至98頁。

董事於競爭業務之權益

於二零二零年度內及直至本報告日期，除本公司的董事獲委任為有關業務的董事以代表本公司及／或本集團的利益外，根據GEM上市規則，下列董事擁有下列被視為與本集團業務直接或間接構成競爭或可能構成競爭的業務的權益：

Note:

Mr. Li Chun, an elder brother of Mr. Li Ning, the father of Mr. Li Qilin and a substantial shareholder (within the meaning of the SFO) of the Company, is deemed to be interested in the shares and underlying shares of Li Ning Company Limited held by the Company.

As the Board of Directors of the Company is independent of the board of the above-mentioned entity and none of the above Directors can control the Board of the Company, the Group is therefore capable of carrying on its businesses independently of, and at arm's length from the businesses of this entity.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best of the Directors' knowledge, as at the date of this annual report, there was a sufficient prescribed public float of the issued shares of the Company under the GEM Listing Rules.

AUDITOR

The financial statements of the Company for the year under review have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

By Order of the Board

Li Ning

Chairman and Chief Executive Officer

Hong Kong, 22 March 2021

附註：

李進先生，為李寧先生之胞兄、李麒麟先生之父親及本公司主要股東(定義見證券及期貨條例)，被視為於本公司持有的李寧有限公司股份及相關股份中擁有權益。

本公司董事會乃獨立於上述實體的董事會，而概無上述董事可控制本公司董事會，故本集團有能力獨立於上述實體的業務並按公平基準進行其業務。

公眾持股量

根據本公司獲得之公開資料及就董事所深知，於本年報刊發日期，本公司已發行股份之公眾持股量符合GEM上市規則指定水平。

核數師

本公司於回顧年度內之財務報表經羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將告退，並合資格及願意應聘連任。本公司將於應屆股東週年大會提呈決議案，建議續聘羅兵咸永道會計師事務所為本公司核數師。

承董事會命

主席及行政總裁

李寧

香港，二零二一年三月二十二日

The Company is committed to achieving and maintaining a high standard of corporate governance. Throughout the financial year ended 31 December 2020, the Company had complied with the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules, save for the disclosure below.

The code provision A.2.1 of the CG Code stipulates that the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. Mr. Li Ning holds both the positions of the Chairman and the Chief Executive Officer. Taking into account of Mr. Li's expertise and insight of the sports field, having these two roles performed by Mr. Li enables more effective and efficient overall business planning and implementation of business decisions and strategies of the Group. The Board believes that the balance of power and authority is ensured by the operations of the Board, which comprises experienced and high calibre individuals and adequate independent element in the composition of the Board, with over one-third of them being independent non-executive Directors.

In respect of the code provision A.6.7 of the CG Code, independent non-executive Directors and other non-executive Directors generally should attend the general meetings of the Company. Due to overseas engagements, two independent non-executive Directors were unable to attend the annual general meeting of the Company held on 12 June 2020 and the extraordinary general meeting held on 16 July 2020. One non-executive Director was unable to attend the extraordinary general meeting of the Company held on 16 July 2020 due to illness, and one independent non-executive Director was unable to attend the extraordinary general meeting of the Company held on 18 January 2021 due to overseas engagement.

The application of the relevant principles of the CG Code is stated in the following sections.

BOARD OF DIRECTORS

The Company is governed by the Board, which has the responsibility for leadership and control of the Company. The Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board sets strategies and directions for the Group's affairs and activities with a view to develop its business and to enhance shareholders' value.

There is a clear division of responsibilities between the Board and the management. Decisions on important matters are specifically reserved to the Board while decisions on the Group's general operations are delegated to the management. Important matters include those affecting the Group's strategic policies, risk management and internal control systems, major investment and funding decisions and major commitments relating to the Group's operations.

本公司致力達致及維持高水平之企業管治。除下文披露者外，於截至二零二零年十二月三十一日止財政年度全年，本公司一直遵守GEM上市規則附錄15所載企業管治守則（「企業管治守則」）之守則條文。

企業管治守則第A.2.1條守則條文規定，主席及行政總裁之角色須分開及不應由同一人擔任。李寧先生擔任主席兼行政總裁之職務。經考慮李先生於運動領域之豐富知識專長及眼光後，此兩個職務由李先生擔任，可令本集團之整體業務規劃及業務決策和策略的實施更切實有效及更具效率。董事會相信權力及授權之平衡乃由董事會之運作確保，當中成員皆富經驗及有才幹之人士，且董事會組合具備充分之獨立元素，其中超過三分之一為獨立非執行董事。

根據企業管治守則第A.6.7條守則條文，獨立非執行董事及其他非執行董事一般而言應出席本公司股東大會。兩名獨立非執行董事由於海外事務未克出席本公司於二零二零年六月十二日舉行之股東週年大會及於二零二零年七月十六日舉行之股東特別大會。一名非執行董事因病未克出席本公司於二零二零年七月十六日舉行之股東特別大會，而一名獨立非執行董事亦因海外事務未克出席本公司於二零二一年一月十八日舉行之股東特別大會。

本公司應用企業管治守則有關原則於下節載列。

董事會

本公司由董事會管治，董事會有責任領導及監控本公司。董事藉指引及監察本集團事務共同負責使本集團達致成功。董事會制訂本集團事務及業務之策略及方向，以發展業務及提升股東價值。

董事會與管理層間職能清晰劃分。重大事項之決策留待董事會處理，而本集團日常運作之決策則授權管理層處理。重大事項包括影響本集團之策略措施、風險管理及內部監控系統、重大投資及撥款決策以及有關本集團運作之重大承擔。

The Board currently comprises of three executive Directors (the "Executive Directors"), two non-executive Directors (the "Non-executive Directors") and three independent non-executive Directors (the "Independent Non-executive Directors"). The Board has a balance of skills and experience and a balanced composition of Executive Directors and Non-executive Directors.

Chairman and Chief Executive Officer

Mr. Li Ning has been the Chairman since 2010 and takes the lead to oversee the Board functions and the direction of the Group. Mr. Li Ning took the role of Chief Executive Officer with effect from 22 May 2013 to further align the management expertise of the Board to complement with the Group's core strategies to pursue opportunities along the sports value chain.

Non-Executive Directors

All Non-executive Director and Independent Non-executive Directors are appointed for a term of three years. In addition, all Directors are subject to retirement by rotation at least once every three years in accordance with the Company's articles of association.

Independent Non-Executive Directors

The current Independent Non-executive Directors are Mr. Li Qing, Mr. Pak Wai Keung, Martin and Mr. Wang Yan. The Independent Non-executive Directors help the management to formulate the Group's development strategies, ensure the Board prepares its financial and other mandatory reports in strict compliance with required standards, and ensure the Company maintains appropriate system to protect the interests of the Company and the Shareholders. The Company received the annual confirmation from the Independent Non-executive Directors in respect of their independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considered all the Independent Non-executive Directors to be independent.

Board Composition and Board Processes

Directors make their best efforts to contribute to the formulation of strategy, policies and decision-making by attending the Board meetings in person or via telephone conference facilities. During regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Group, monitor financial performance and review the financial results of the Group. Additional Board meetings may be convened for considering and approving other significant matters. Apart from formal meetings, matters requiring Board approval will be arranged by means of circulation of written resolutions.

董事會目前包括三名執行董事(「執行董事」)、兩名非執行董事(「非執行董事」)及三名獨立非執行董事(「獨立非執行董事」)。董事會在技能及經驗以及執行董事與非執行董事之組成之間取得平衡。

主席及行政總裁

李寧先生自二零一零年起擔任主席並負責領導董事會發揮功能及監督本集團的發展方向。李寧先生於二零一三年五月二十二日起擔任行政總裁以進一步整合董事會之管理專長，以完善本集團之核心策略，沿著體育價值鏈尋找機遇。

非執行董事

所有非執行董事及獨立非執行董事均委任為期三年。此外，所有董事須根據本公司之組織章程細則輪值告退，至少每三年輪值告退一次。

獨立非執行董事

現任獨立非執行董事為李勃先生、白偉強先生及汪延先生。獨立非執行董事協助管理層制定本集團發展策略，確保董事會嚴格遵照規定標準編製財務及其他法定報告，並確保本公司秉持恰當制度，保障本公司及股東利益。本公司接獲獨立非執行董事根據GEM上市規則第5.09條就彼等之獨立身份作出的年度確認。本公司認為全體獨立非執行董事均屬獨立人士。

董事會組成及董事會會議程序

董事透過親身出席董事會會議或通過電話會議方式為制定策略、政策及作出決策竭力貢獻。於董事會定期會議期間，董事討論及制定本集團之整體策略，監督本集團之財務表現及檢討財務業績。就考慮及批准其他重大事項，可能會召開額外之董事會會議。除正式會議外，可透過傳閱書面決議案之方式安排需要董事會批准之事宜。

The composition of the Board together with the information in relation to the number of meetings of the Board and each of its committees, namely, the audit committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee"), the nomination committee (the "Nomination Committee") and the executive committee (the "Executive Committee"), and the general meetings of the Company held during the year 2020 and the attendance of each Director are set out in the following table:

董事會組成連同本公司於二零二零年舉行之董事會及其各委員會(即審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)、執行委員會(「執行委員會」))及股東大會之會議次數之有關資料以及各董事出席情況載於下表：

		Meetings held in 2020 於二零二零年舉行之會議					Annual General Meeting 股東 週年大會	Extraordinary General Meeting 股東 特別大會
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Executive Committee 執行委員會		
Number of meetings	會議次數	4	4	1	1	1	1	
Executive Directors	執行董事							
Mr. Li Ning (Chairman & Chief Executive Officer) ²	李寧先生 (主席兼行政總裁) ²	4/4		1/1	1/1	1/1	1/1	
Mr. Li Chunyang	李春陽先生	4/4			1/1	0/1	1/1	
Mr. Li Qilin ²	李麒麟先生 ²	4/4			1/1	0/1	1/1	
Mr. Chan Ling (resigned with effect from 23 March 2020)	陳寧先生(自二零二零年 三月二十三日起辭任)	0/0				0/0	0/0	
Non-executive Directors	非執行董事							
Mr. Victor Herrero (appointed with effect from 14 January 2021)	Victor Herrero先生 (自二零二一年一月十四日 起獲委任)	0/0				0/0	0/0	
Mr. Ma Wing Man	馬詠文先生	4/4	4/4			1/1	0/1	
Independent Non-executive Directors	獨立非執行董事							
Mr. Li Qing	李勅先生	4/4	4/4	1/1		0/1	0/1	
Mr. Pak Wai Keung, Martin	白偉強先生	4/4	4/4	1/1	1/1	1/1	1/1	
Mr. Wang Yan	汪延先生	4/4	4/4	1/1	1/1	0/1	0/1	

Notes:

- The attendance figure represents actual attendance/the number of meetings a Director is entitled to attend.
- Mr. Li Qilin is the nephew of Mr. Li Ning, the Chairman, the Chief Executive Officer and an Executive Director.

附註：

- 出席次數指董事實際出席之次數／有權出席之會議之次數。
- 李麒麟先生為主席、行政總裁兼執行董事李寧先生之侄仔。

Directors' Continuous Professional Development

The Directors are encouraged to enroll in relevant professional development programme to ensure that they are aware of their responsibilities under the legal and regulatory requirements applicable to the Company. During the year, the Company has provided the materials on directors' duties, corporate governance and updates on regulatory development for continuous professional development of their knowledge and skills in performance of their functions.

The Company has maintained records of training received by the Directors. To summarise, the Directors received trainings on the following areas to update and develop their skills and knowledge during the year:

董事之持續專業發展

本公司鼓勵董事參與相關專業發展計劃，以確保彼等知悉適用於本公司之法律及監管規定下之責任。於年內，本公司向董事提供有關董事職責、企業管治及最新法規發展之材料，旨在促進彼等履行職能之知識及技能的持續專業發展。

本公司存有董事接受培訓之記錄。總括而言，董事於年內曾接受以下方面的培訓以更新及拓展其技能及知識：

Training on corporate governance, regulatory development and other relevant topics
企業管治、法規發展及其他相關專題培訓

Executive Directors

Mr. Li Ning (*Chairman & Chief Executive Officer*)
Mr. Li Chunyang
Mr. Li Qilin
Mr. Chan Ling (resigned with effect from 23 March 2020)

執行董事

李寧先生(主席兼行政總裁)
李春陽先生
李麒麟先生
陳寧先生(自二零二零年三月二十三日起辭任)

✓
✓
✓
N/A不適用

Non-executive Directors

Mr. Victor Herrero (appointed with effect from 14 January 2021)

Mr. Ma Wing Man

非執行董事

Victor Herrero先生(自二零二一年一月十四日起獲委任)
馬詠文先生

N/A不適用
✓

Independent Non-executive Directors

Mr. Li Qing
Mr. Pak Wai Keung, Martin
Mr. Wang Yan

獨立非執行董事

李勍先生
白偉強先生
汪延先生

✓
✓
✓

Directors' Securities Transactions

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard") as the code for dealing in securities of the Company by the Directors.

The Company has made specific enquiry with all Directors, and the Directors have confirmed compliance with the Required Standard during the year ended 31 December 2020.

Specific employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with the same Required Standard. No incident of non-compliance was noted by the Company for the year ended 31 December 2020.

BOARD COMMITTEES

The Board has established the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Committee as integral elements of good corporate governance and to oversee relevant aspects of the Company's affairs. The authorities and duties of the committees are set out in their respective terms of reference. More details of these committees are set out in separate sections in this report.

The terms of reference adopted by the Board for the Audit Committee, the Remuneration Committee and the Nomination Committee in accordance with the requirements of the CG Code are published on the websites of the Company and the Stock Exchange.

Nomination Committee

The Nomination Committee was established by the Board with written terms of reference. The current Nomination Committee is chaired by Mr. Li Ning, the Chairman and Executive Director. The other members of the Nomination Committee are Mr. Pak Wai Keung, Martin and Mr. Wang Yan, both are Independent Non-executive Directors.

Under the articles of association of the Company, all Directors are subject to retirement by rotation and re-election by Shareholders every three years. A Director appointed by the Board is subject to election by shareholders at the first annual general meeting after his appointment in case of the appointment of additional Director or at the first general meeting after his appointment in case of filling of casual vacancy.

During the year, the Nomination Committee has reviewed the structure, size and composition of the Board and assessed the independence of the independent non-executive Directors.

董事進行證券交易

本公司已採納GEM上市規則第5.48條至第5.67條所載規則(「交易必守標準」)，作為董事買賣本公司證券之守則。

本公司已向全體董事作出具體查詢，而董事亦已確認於截至二零二零年十二月三十一日止年度一直遵守交易必守標準。

可能擁有本集團未刊發內幕消息之個別僱員亦須遵守相同之交易必守標準。本公司於截至二零二零年十二月三十一日止年度概無發現有未遵守事件。

董事委員會

董事會已成立審核委員會、薪酬委員會、提名委員會及執行委員會，作為良好企業管治之整體部分以監督本公司有關方面之事務。該等委員會之授權及職責載於彼等各自之職權範圍內。該等委員會之更多詳情載於本報告之獨立章節內。

董事會根據企業管治守則之規定就審核委員會、薪酬委員會及提名委員會採納之職權範圍刊載於本公司及聯交所之網站。

提名委員會

董事會已成立提名委員會並制定書面職權範圍。現時提名委員會由主席兼執行董事李寧先生擔任主席。提名委員會之其他成員為兩名獨立非執行董事白偉強先生及汪廷先生。

根據本公司之組織章程細則，所有董事均須每三年輪值退任一次及接受股東重選。董事會所委任之董事須於其獲委任後之首次股東週年大會上(就委任新增董事而言)或於彼獲委任後之首次股東大會上(就填補臨時空缺而言)接受股東選舉。

年內，提名委員會已檢討董事會之架構、規模及組成，並評估獨立非執行董事之獨立性。

The Company recognises the importance of board diversity which is beneficial for the enhancement of the Company's performance. The Board has adopted a board diversity policy (the "Board Diversity Policy") with effect from 12 August 2013, which provides that the nomination and appointment of Board members should be based on meritocracy, taking into considerations of the diversity of Board members from different aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and discussed all measurable objectives set for implementing the policy. The Nomination Committee's role includes monitoring the implementation of the policy and review the same as appropriate.

The Company also adopted a nomination policy (the "Nomination Policy") with effect from 1 January 2019. The purpose of the Nomination Policy is to set guidelines for the administration by the Nomination Committee of the nomination, evaluation and termination of each member of the Board. The Board shall be composed of members with balance of skills, experience and diversity of perspectives appropriate to accomplish the Group's business development, strategies, operation, challenges and opportunities. Each member of the Board shall possess, be recognized for and be able to exhibit high and professional standard. The core criteria include gender, age, capability, experience, skill and knowledge, integrity and ethics, independency and leadership. In the nomination process, each new candidates shall be considered upon evaluation against the criteria. According to the nomination procedure, the Nomination Committee is responsible for identifying potential new Directors and recommends to the Board for decision. If appointment is considered by the Board, the appointment shall be subject to the approval by the Board in accordance with the Company's Memorandum and Articles of Association, the GEM Listing Rules and the Nomination Policy. If the candidate is nominated by the Shareholders, the nomination and appointment shall follow the procedures (if any) set out in the Company's Memorandum and Articles of Association, the GEM Listing Rules and the Nomination Policy. The Nomination Policy shall also be governed by other additional and relevant rules under the Company's Memorandum and Article of Association and the GEM Listing Rules applicable to the nomination, appointment, election, re-election, retirement, and termination of Directors.

In January 2021, the Company was pleased to welcome Mr. Victor Herrero to the Board. The extensive experience of Mr. Herrero in corporate management and business operations in the consumable industry would boost diversity to the Board.

本公司認同董事會多元化之重要性，其有利於提升本公司之表現。董事會已採納董事會成員多元化政策（「董事會多元化政策」，自二零一三年八月十二日起生效），當中規定董事會成員之提名及委任應以任人唯才為基準，並考慮董事會成員於不同方面的多元化（包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期），並討論為落實該政策所設定之所有可計量目標。提名委員會之職責包括監察該政策之實施並適當檢討該政策。

本公司亦已採納提名政策（「提名政策」），自二零一九年一月一日起生效。提名政策由提名委員會管理，旨在為管理董事會各成員之提名、評核及罷免設立指引。董事會須由具有均衡技能、經驗及不同觀點之成員組成，且對達成本集團之業務發展、策略、營運、挑戰及機會而言屬合適。董事會各成員須達到高度專業標準並獲得認可，且能夠展示的主要特質包括性別、年齡、能力、經驗、技能及知識、誠信及道德、獨立性及領導能力。於提名過程中，董事會將評估各新候選人之有關特質並予以考慮。根據提名程序，提名委員會負責物色潛在新董事及向董事會建議以供決定。倘委任乃經董事會審議而作出，則委任須根據本公司組織章程大綱及細則、GEM上市規則以及提名政策獲董事會批准。倘候選人由股東提名，則提名及委任須遵照本公司組織章程大綱及細則、GEM上市規則以及提名政策所載之程序（如有）。提名政策亦須受本公司組織章程大綱及細則以及GEM上市規則下適用於董事之提名、委任、選舉、重選、退任以及罷免之其他額外及相關規則所規管。

於二零二一年一月，本公司欣然歡迎Victor Herrero先生加入董事會。Victor Herrero先生在消費品行業之企業管理及業務營運方面的豐富經驗將進一步促進董事會的多元化。

Summary and Measurable Objectives of the Board Diversity Policy

The Nomination Committee reviews and assesses the Board composition on behalf of the Board and recommends the appointment of new Directors. In designing and reviewing the Board's composition, the Nomination Committee will consider from a number of aspects. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merits and contributions that the selected candidates will bring to the Board.

During the year, the Nomination Committee reviewed the diversity of the Board from perspectives, including gender, age, professional background, business experience, length of service and directorship with other listed companies. The Nomination Committee considered that the Board possessed a balance of skill and expertise and a diverse mix appropriate for the business of the Company and will review the composition and diversity of the Board if and when necessary.

Remuneration Committee

The Company established the Remuneration Committee on 1 August 2005 with written terms of reference. The Remuneration Committee is primarily responsible for making recommendations to the Board regarding the Group's policy and structure for remuneration of all Directors and senior management. The Board has adopted the operation model, where the Remuneration Committee has duties to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management.

The Remuneration Committee currently comprises three Independent Non-executive Directors, Mr. Wang Yan (chairman of the Remuneration Committee), Mr. Li Qing and Mr. Pak Wai Keung, Martin and one Executive Director, Mr. Li Ning.

The determination of remuneration packages of the Directors takes into consideration of the factors such as time commitment and responsibilities of the Directors and by reference to the level of emoluments normally paid by a listed company in Hong Kong to directors of comparable calibre and job responsibilities so as to ensure a fair and competitive remuneration package as is fit and appropriate. During the year, the Remuneration Committee reviewed the remuneration packages of two executive Directors and one independent non-executive Director.

董事會多元化政策之概要及可計量目標

提名委員會代表董事會檢討及評估董事會組成並就委任新董事提出建議。於設定及檢討董事會之組合時，提名委員會將考慮多個方面。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

候選人之甄選將根據一系列多元化範疇進行，包括(但不限於)性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年期。最終將根據所推選候選人的長處及可為董事會提供的貢獻而作出決定。

年內，提名委員會已從多個方面檢討董事會之多元性，包括性別、年齡、專業背景、業務經驗、服務年期及於其他上市公司擔任之董事職務。提名委員會認為董事會具備有利於本公司業務發展之各種技能、專長及多元化組合，並於倘需要時會檢討董事會之組成及多元性。

薪酬委員會

本公司已於二零零五年八月一日成立薪酬委員會並制定書面職權範圍。薪酬委員會主要負責就本集團有關所有董事及高級管理人員薪酬之政策及架構向董事會提出推薦建議。董事會已採納運作模式，當中薪酬委員會獲轉授責任釐定每名執行董事及高級管理人員之薪酬待遇。

薪酬委員會現時由三名獨立非執行董事汪廷先生(薪酬委員會主席)、李勅先生及白偉強先生以及一名執行董事李寧先生組成。

釐定董事之薪酬待遇會考慮各項因素(如董事之時間承擔及責任)並參考香港上市公司一般向具相若才幹及工作責任之董事支付之酬金水平，以確保一個合宜及恰當之公正兼具競爭力之薪酬待遇。年內，薪酬委員會已檢討兩名執行董事及一名獨立非執行董事之薪酬待遇。

Executive Committee

The Executive Committee was established by the Board with specific terms of reference. The committee currently comprises three Executive Directors, Mr. Li Ning (chairman of the Executive Committee), Mr. Li Chunyang and Mr. Li Qilin. The primary duties of the Executive Committee are to propose and implement business strategies and plans for the Group, monitor the operations of companies of the Group and approve matters relating to their day-to-day operations.

The Executive Committee is responsible for performing the corporate governance duties which include the development and review of the Company's policies and practices on corporate governance, review and monitor the training and continuous professional development of Directors and senior management, review and monitor the Company's policies and practices on compliance with legal and regulatory requirements, develop, review and monitor the code of conduct and compliance manual applicable to employees of the Group and the Directors and review the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company. During the year, the members of the Executive Committee considered and reviewed the compliance of the CG Code and disclosure in the corporate governance report of the Company as required under the GEM Listing Rules.

The Executive Committee also has duty to design, implement and monitor the risk management and internal control systems and to provide confirmation to the Board on the effectiveness of the risk management and internal control systems of the Company.

Audit Committee

The Audit Committee was formed on 17 March 2000 with written terms of reference. The primary duties of the Audit Committee are to review the Company's financial statements, annual reports, half-year reports, quarterly reports and risk management and internal control systems and to provide advice and comments thereon to the Board.

The Audit Committee currently comprises three Independent Non-executive Directors, Mr. Pak Wai Keung, Martin (chairman of the Audit Committee), Mr. Li Qing and Mr. Wang Yan and one Non-executive Director, Mr. Ma Wing Man. This annual report has been reviewed by the Audit Committee.

During the year, the committee members met together to review the quarterly reports, half-year report and annual report before submission to the Board. The chief financial officer of the Company was also invited to attend these meetings in order to give a full account of the financial statements of the Group. The Audit Committee also reviewed (i) the changes in accounting standards and their impact on the Company's financial reporting and (ii) the risk management and internal audit plan and reports.

執行委員會

董事會已成立執行委員會並制定特別職權範圍。該委員會現由三名執行董事李寧先生(執行委員會主席)、李春陽先生及李麒麟先生組成。執行委員會之主要職責是為本集團建議及落實業務策略及計劃、監察本集團各公司之營運及批准與其日常營運有關之事宜。

執行委員會負責履行企業管治職責，其包括制定及檢討本公司之企業管治政策及常規、檢討及監察董事及高級管理人員之培訓及持續專業發展、檢討及監控本公司有關遵守法律及監管規定的政策及常規、制定、檢討及監控適用於本集團僱員及董事的操守守則及合規手冊以及檢討本公司之企業管治守則遵守情況及本公司企業管治報告內之披露。年內，執行委員會成員已按GEM上市規則之規定省覽及檢討本公司企業管治報告內之企業管治守則合規及披露。

執行委員會亦負責設計、實行並監管風險管理及內部監控系統並向董事會確認本公司之風險管理及內部監控系統之效能。

審核委員會

審核委員會已於二零零零年三月十七日成立，並已訂立書面職權範圍。審核委員會之主要職責為審閱本公司之財務報表、年度報告、半年度報告、季度報告及風險管理及內部監控系統，以及就此向董事會提供建議及發表意見。

審核委員會現時包括三名獨立非執行董事白偉強先生(審核委員會主席)、李勍先生及汪延先生以及一名非執行董事馬詠文先生。審核委員會已審閱本年報。

委員會成員於年內舉行會議審閱季度報告、半年度報告及年度報告後提交董事會。本公司首席財務官亦獲邀出席此等會議以清楚說明本集團財務報表。審核委員會亦已審閱(i)會計準則之變動及其對本公司財務報告之影響及(ii)風險管理及內部審計計劃及報告。

COMPANY SECRETARY

Mr. Cheung Chi has been appointed as the company secretary of the Company since November 2018. During the year, Mr. Cheung has duly complied with the relevant professional training requirement under Rule 5.15 of the GEM Listing Rules.

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the accounts of the Company.

In preparing the accounts for the year ended 31 December 2020, the Directors have selected suitable accounting policies and applied them consistently, approved adoption of all Hong Kong Financial Reporting Standards, made judgments and estimates that are appropriate, and prepared the accounts on a going concern basis.

The responsibilities of the external auditor about their financial reporting are set out in the independent auditor's report on pages 99 to 108 of this annual report.

AUDITOR'S REMUNERATION

During the year ended 31 December 2020, the total fee paid and payable to PricewaterhouseCoopers in relation to the audit and non-audit services for the financial year ended 31 December 2020, amounted to HK\$3,910,000 and HK\$4,041,000 respectively. The sum for non-audit services included HK\$1,440,000 for the agreed upon procedures performed on the Group's interim results and quarterly results, HK\$2,369,000 for special purpose audit performed on the acquisition and other agreed upon procedures and HK\$232,000 for tax services.

RISK MANAGEMENT AND INTERNAL CONTROL

The management has the responsibility to maintain appropriate and effective risk management and internal control systems, and the Board has the responsibility to review and monitor the effectiveness of the Group's risk management and internal control systems at least annually covering financial, operational and compliance controls, to ensure that the systems in place are adequate and effective.

The Group's risk management and internal control systems are, however, designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

During the Reporting Period, the Group has engaged KPMG Advisory (Hong Kong) Limited ("KPMG"), as its risk management and internal control review advisor for the year ended 31 December 2020, to review the Group's risk management system.

公司秘書

張智先生自二零一八年十一月起獲委任為本公司之公司秘書。年內，張先生已遵守GEM上市規則第5.15條有關專業培訓之規定。

問責及核數

各董事確認彼等編製本公司賬目之責任。

董事編製截至二零二零年十二月三十一日止年度賬目時，已選擇並貫徹應用合適會計政策，另批准採納所有香港財務報告準則、作出合適判斷及估計以及以持續經營基準編製賬目。

外聘核數師之財務申報責任載於本年報第99至108頁之獨立核數師報告。

核數師酬金

於截至二零二零年十二月三十一日止年度，就截至二零二零年十二月三十一日止財政年度核數及非核數服務已付及應付羅兵咸永道會計師事務所之酬金總額分別達3,910,000港元及4,041,000港元。有關非核數服務的費用包括就本集團之中期業績及季度業績進行之協定程序之1,440,000港元、就收購事項進行的專項核數及其他協定程序之2,369,000港元及有關稅務服務之232,000港元。

風險管理及內部監控

管理層負責維持合適及有效之風險管理及內部監控系統，而董事會負責至少每年檢討及監察本集團的風險管理及內部監控系統(涵蓋財務、運營及合規監控等)之有效性，以確保現時系統之足夠性及有效性。

然而，本集團之風險管理及內部監控系統旨在管理而非消除不能達成業務目標的風險，並僅可對重大錯誤陳述或損失提供合理但並非絕對之保證。

於報告期內，本集團委聘畢馬威諮詢(香港)有限公司(「畢馬威」)作為其截至二零二零年十二月三十一日止年度的風險管理及內部監控審閱顧問，負責審閱本集團的風險管理系統。

The procedures used to identify, evaluate and manage major risks by the Group are summarised as follows:

Risk Identification

- Identifies risks that may potentially affect the Group's business and operations.

Risk Assessment

- Assesses the risks identified by using the assessment criteria developed by the management; and
- Considers the impact on the business and the likelihood of their occurrence.

Risk Response

- Prioritises the risks by comparing the results of the risk assessment; and
- Determines the risk management strategies and internal control procedures to prevent, avoid or mitigate the risks.

Risk Monitoring and Reporting

- Performs ongoing and periodic monitoring of the risks and ensures that appropriate internal control procedures are in place;
- Revises the risk management strategies and internal control procedures in case of any significant change of situation; and
- Reports the results of risk monitoring to the management and the Board regularly.

The Board considered that major risks of the Group were managed within the acceptable level and the management will continue to monitor the residual risks and report to the Board on an ongoing basis.

The management and various departments conduct periodic self-assessment of the effectiveness of the internal control policies and procedures. KPMG was engaged and assisted the Group to perform a review of the effectiveness of the Group's internal control systems that covers financial, operational and compliance controls.

The Board, supported by the Audit Committee, is directly responsible for risk management and internal control systems of the Group and for reviewing its effectiveness. Based on the reviews performed by the management, comments from the Audit Committee and recommendations for areas of improvement from external auditor and risk management and internal control review advisor, the Board is of the view that the Group's risk management and internal control systems are effective and adequate for the year ended 31 December 2020.

本集團用於識別、評估及管理主要風險的程序概述如下：

風險識別

- 識別可能對本集團的業務及營運造成潛在影響的風險。

風險評估

- 使用管理層制定的評估標準以評估已識別的風險；及
- 考慮該等風險對業務的影響及發生的可能性。

風險應對

- 通過比較風險評估的結果，排列風險的優先次序；及
- 釐定風險管理策略及內部監控程序以預防、避免或減輕相關風險。

風險監察及報告

- 持續定期監察風險並確保設有適當的內部監控程序；
- 在情況出現重大變動時，修訂風險管理策略及內部監控程序；及
- 定期向管理層及董事會報告風險監察的結果。

董事會認為本集團的主要風險已控制在可接受的水平內，管理層將繼續監控剩餘風險並持續向董事會匯報。

管理層及多個部門定期就內部監控政策及程序之效力進行自我評估。本集團已委聘畢馬威協助本集團審閱本集團內部監控系統(涵蓋財務、運營及合規監控)的有效性。

董事會在審核委員會的協助下直接負責本集團的風險管理及內部監控系統並審閱其有效性。根據管理層進行之審閱、審核委員會之意見與外聘核數師及風險管理及內部監控審閱顧問就需完善之方面作出之推薦建議，董事會認為，本集團截至二零二零年十二月三十一日止年度已採納有效且足夠的風險管理及內部監控制度。

The Company maintains a framework for the handling and dissemination of inside information and the disclosure policy of the framework sets out the procedures and internal controls to ensure inside information remains confidential until such information is appropriately disclosed and the announcement of such information is made in a timely manner in compliance with the SFO and the GEM Listing Rules.

SHAREHOLDERS' RIGHTS AND INVESTORS' RELATIONS

The Group is committed to maintaining a high level of transparency and employs a policy of open and timely disclosure of relevant information to the Shareholders and the investors. The Board strives to encourage and maintain constant dialogue with the Shareholders through various means.

Procedures for requisitioning an extraordinary general meeting and for putting forward proposals at general meetings

Shareholder(s) holding at the date of deposit of the requisition not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company may, by written requisition to the Board or the company secretary of the Company signed and deposited in accordance with Article 64 of the Company's articles of association, require an extraordinary general meeting to be called by the Directors for the transaction of any business specified in the requisition.

Shareholder(s) may propose a candidate for election as a Director at any general meetings of the Company by a requisition signed by the Shareholder (other than the person to be proposed) of his intention to propose such person for election as a Director together with a notice signed by the person to be proposed of his willingness to be elected in accordance with Article 113 of the Company's articles of association.

The articles of association of the Company set out the procedures for the Shareholders to convene general meetings, to move a resolution at general meetings and to propose a person for election as a Director are available for viewing at the Company's corporate website www.vivachina.hk.

Procedures by which enquiries may be put to the Board

General meetings of the Company provide a direct forum of communication between Shareholders and the Board. Shareholders may at any time send their enquiries to the Board in writing through the company secretary of the Company whose contact is as follow:

Address of Principal Place of Business in Hong Kong: Room 3602-06, 36/F, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong
Telephone: 37961111
Fax: 37961100

The company secretary of the Company shall forward the Shareholders' enquiries to the Board, where appropriate to answer the Shareholders' questions.

本公司設有處理及發佈內幕消息之架構，此架構之披露政策載有程序及內部監控，以確保內幕消息維持保密直至該等消息獲妥善披露及有關該等消息之公告能根據證券及期貨條例以及GEM上市規則及時作出。

股東權益及投資者關係

本集團致力維持高水平之透明度，並採用向其股東和投資者公開及時地披露相關資料之政策。董事會努力透過不同方式促進與維持與股東進行持續對話。

要求召開股東特別大會及於股東大會上提呈建議之程序

股東於遞呈要求日期持有本公司繳足股本不低於十分之一並有權於本公司股東大會上投票，則可根據本公司組織章程細則第64條向董事會或本公司公司秘書遞呈經簽名之書面要求，要求董事召開股東特別大會，以處理要求當中所載列任何事項。

根據本公司組織章程細則第113條，股東可於本公司任何股東大會提名出任董事職務之人選，方式為透過遞呈該名股東(不得為該獲提名人士)簽署有關其提名該出選董事職務人選意向之要求書，連同經獲提名人士簽署表明其參選意願之通告。

本公司組織章程細則載列股東召開股東大會、於股東大會動議決議案及提呈出選董事職務人士之程序於本公司之公司網站www.vivachina.hk可供參閱。

向董事會進行查詢之程序

本公司之股東大會載有股東與董事會之間溝通之直接平台。股東可隨時透過本公司之公司秘書向董事會提出書面查詢，而公司秘書之聯絡方式如下：

香港主要營業地點地址：香港干諾道中200號信德中心招商局大廈36樓3602-06室
電話：37961111
傳真：37961100

本公司之公司秘書將會向董事會提交股東之查詢，且於適時答覆股東之疑問。

Communication with Shareholders

An annual general meeting of the Company was held on 12 June 2020 (the "2020 AGM"). A notice convening the 2020 AGM contained in the circular dated 27 March 2020 was despatched to the Shareholders together with the Annual Report 2019. The Chairman of the Board and members of the committees of the Company (as appropriate) attended the 2020 AGM to answer the questions from the Shareholders. PricewaterhouseCoopers, the external auditor of the Company, attended the 2020 AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence. The Chairman explained detailed procedures for conducting a poll. All the resolutions proposed at the 2020 AGM, including (i) the adoption of the audited financial statements and the reports of the Directors and the auditor of the Company for the year ended 31 December 2019; (ii) the re-election of certain Directors and the authorisation to the Board to fix the Directors' remunerations; (iii) the re-appointment of auditor of the Company and the authorisation to the Board to fix its remuneration; and (iv) the granting to Directors the general mandates to issue and repurchase Shares, were passed by the Shareholders by way of poll.

An extraordinary general meeting of the Company was held on 16 July 2020 (the "EGM I") to consider the ordinary resolution approving the very substantial acquisition and mandatory cash offers on securities of Bossini International Holdings Limited. A notice convening the EGM I contained in the circular dated 24 June 2020 was despatched to the Shareholders. The Chairman made himself available to answer the questions from the Shareholders and explained detailed procedure for conducting a poll. The ordinary resolution proposed at the EGM I was passed by the Shareholders by way of poll.

Moreover, an extraordinary general meeting of the Company was held on 18 January 2021 (the "EGM II") to consider the ordinary resolution approving the adoption of new share option scheme of the Company. A notice convening the EGM II contained in the circular dated 23 December 2020 was despatched to the Shareholders. The chairman of the EGM II made himself available to answer the questions from the Shareholders and explained detailed procedure for conducting a poll. The ordinary resolution proposed at the EGM II was passed by the Shareholders by way of poll.

The poll results of the 2020 AGM, the EGM I and EGM II were published on the websites of the Stock Exchange and the Company.

與股東之溝通

本公司已於二零二零年六月十二日舉行股東週年大會(「二零二零年股東週年大會」)。日期為二零二零年三月二十七日之通函所載之召開二零二零年股東週年大會之通告已連同二零一九年年度報告寄發予股東。董事會主席及本公司各委員會之成員(如適用)已出席二零二零年股東週年大會以解答股東之提問。本公司之外聘核數師羅兵咸永道會計師事務所已出席二零二零年股東週年大會以解答有關進行審核、編製核數師報告及其內容、會計政策及核數師獨立性之提問。主席已解釋進行投票表決之詳細程序。於二零二零年股東週年大會上提呈之所有決議案，包括(i)採納截至二零一九年十二月三十一日止年度之經審核財務報表及本公司董事會報告及核數師報告；(ii)重選若干董事及授權董事會釐定董事酬金；(iii)續聘本公司核數師及授權董事會釐定其酬金；及(iv)授予董事一般授權以發行及購回股份，均已獲股東以投票表決方式通過。

本公司已於二零二零年七月十六日舉行股東特別大會(「股東特別大會I」)以考慮批准有關對堡獅龍國際集團有限公司證券提出非常重大收購及強制性現金要約。日期為二零二零年六月二十四日的通函所載召開股東特別大會I之通告已寄發予股東。主席親自回答股東的問題及解釋進行投票表決之詳細程序。於股東特別大會I上提呈之普通決議案已獲股東以投票表決方式通過。

此外，本公司於二零二一年一月十八日舉行股東特別大會(「股東特別大會II」)以考慮批准有關採納本公司新購股權計劃的普通決議案。日期為二零二零年十二月二十三日的通函所載召開股東特別大會II之通告已寄發予股東。股東特別大會II的主席親自回答股東的問題及解釋進行投票表決之詳細程序。於股東特別大會II上提呈之普通決議案已獲股東以投票表決方式通過。

二零二零年股東週年大會、股東特別大會I及股東特別大會II之投票表決結果已刊登於聯交所及本公司之網站。

Changes in the Constitutional Documents

There was no significant change in the constitutional documents of the Company during the year 2020.

A notice for the forthcoming annual general meeting of the Company will be published on the websites of the Stock Exchange and the Company and despatched together with the Annual Report 2020 to the Shareholders as soon as practicable in accordance with the articles of association of the Company and the CG Code.

組織章程文件變動

於二零二零年內，本公司之組織章程文件並無重大變動。

本公司應屆股東週年大會之通告將刊載於聯交所及本公司網站，且將根據本公司之組織章程細則及企業管治守則於切實可行之情況下盡快連同二零二零年年度報告寄發予各股東。

Environmental, Social and Governance Report

環境、社會及管治報告

1. ABOUT THIS REPORT

Reporting Standard and Scope

This annual Environmental, Social and Governance (“ESG”) Report (the “Report”) is prepared in accordance with the requirements of the ESG Reporting Guide, Appendix 20 (the “ESG Guide”) of the GEM Listing Rules of The Stock Exchange of Hong Kong Limited (“HKEx”). The Group has complied with all the “comply or explain” provisions set out in the ESG Guide.

It provides an overview of the Group’s ESG management approach as well as sustainability initiatives and performance for the period from 1 January 2020 to 31 December 2020 (the “reporting year”).

To represent and cover operations which have the most significant impacts on the Group’s environmental and social performance, the following companies are included in this Report:

Companies 公司

Principal Activities 主要業務活動

Viva China Holdings Limited 非凡中國控股有限公司

- Principal Office
主要辦事處

揚州非凡體育文化有限公司
臨沂非凡體育管理有限公司
寧波領越體育文化有限公司
南寧市國達體育文化有限公司¹
南通市國達體育文化有限公司¹
天津市國達體育文化發展有限責任公司¹

- Management and operation of sports parks and sports centres
體育園及運動中心管理及營運

非凡領越體育發展(北京)有限公司

- Sports competitions and events production and management
體育賽事活動舉辦及管理
- E-sports club management and operation
電競俱樂部管理及營運
- Sports-related marketing and consultancy service
體育相關市場推廣及諮詢服務

北京非凡領越體育場館運營管理有限公司

- Undertake the overall operation and management of sports stadiums
體育場館整體運營權的承接與運營管理

For a full list of ESG Aspects, respective key performance indicators (“KPIs”) and their reference within this Report, please refer to the HKEx ESG Guide Content Index on page 95 to 98 of the Report.

1. 關於本報告

報告標準及範圍

本年度環境、社會及管治(「環境、社會及管治」)報告(「本報告」)乃根據香港聯合交易所有限公司(「聯交所」)GEM上市規則附錄二十《環境、社會及管治報告指引》(「環境、社會及管治指引」)的規定編製。本集團已遵守環境、社會及管治指引所載列之所有「不遵守就解釋」條文。

本報告提供本集團於二零二零年一月一日至二零二零年十二月三十一日(「報告年度」)的環境、社會及管治管理方針和可持續發展舉措及表現的概覽。

為體現及涵蓋對本集團的環境及社會表現影響最為重大的營運，本報告納入以下公司：

有關本報告內環境、社會及管治方面、相關關鍵績效指標(「關鍵績效指標」)及其參考資料的完整列表，請參閱本報告第95至98頁的聯交所環境、社會及管治指引內容索引。

¹ Given data availability, the reporting scope has been expanded to include our operations in Nanning, Nantong and Tianjin to provide a complete account of our ESG performance.

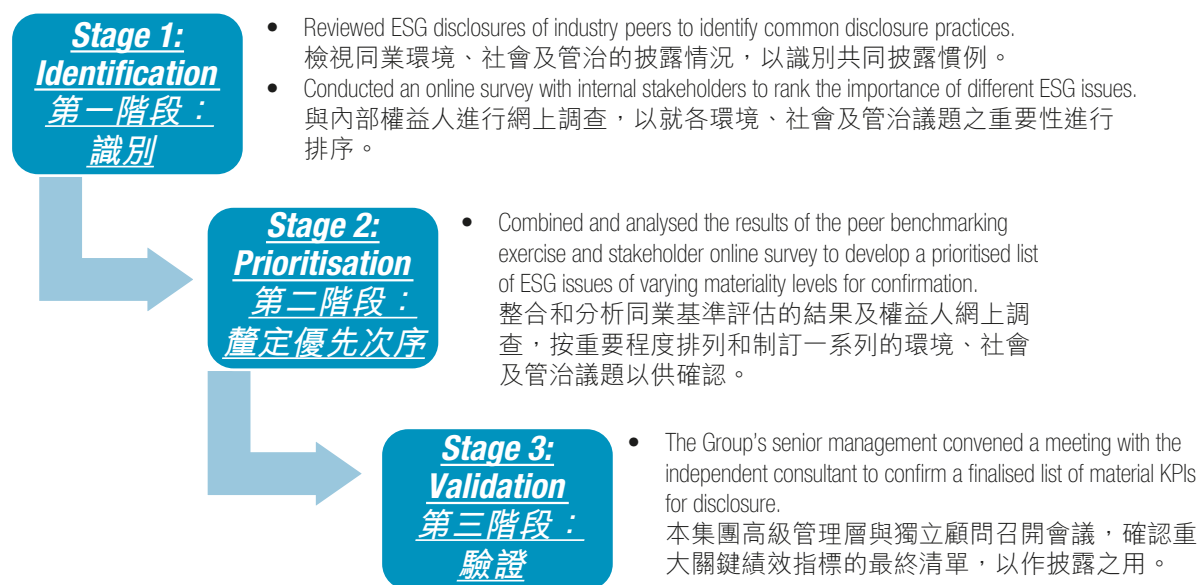
¹ 鑒於數據的可用性，報告範圍已擴大至包括我們於南寧、南通及天津的業務，以全面反映我們的環境、社會及管治表現。

Stakeholder Engagement and Materiality Assessment

Ongoing and two-way communication with stakeholders is crucial to understanding their perceptions and expectations of our ESG efforts, performance and future strategies. In preparation for this Report, we appointed an independent consultant to conduct a comprehensive stakeholder engagement and materiality assessment to determine the most material ESG topics for disclosure by following a three-step process:

權益人參與及重要性評估

與權益人持續的雙向溝通對於理解他們對我們的環境、社會及管治工作、表現及未來策略的看法和期望至關重要。為編製本報告，我們委託獨立顧問進行全面的權益人參與及重要性評估，並透過以下三個步驟釐定最重要的環境、社會及管治議題以進行披露：



Suggestions and Feedback

We welcome feedback on our ESG performance and disclosures. Please share your views by email (info@vivachina.hk) or by phone (+852 3796 1111).

意見及反饋

我們歡迎閣下對我們的環境、社會及管治表現和披露提出反饋。請將閣下的意見電郵至info@vivachina.hk或致電+852 3796 1111。

2. CORPORATE SOCIAL RESPONSIBILITY

Focus 目標

To create diversified sports and life experience as well as produce consumption opportunities for the purpose of promoting sports and a healthy lifestyle

創建更多元化的運動及生活體驗並帶來消費契機，提倡運動健康的生活方式

Viva China remains steadfast in our commitment to promoting nationwide sportive and healthy lifestyles. Over the years, we have proactively leveraged our resources, expertise and efforts to provide the public with integrated, fit-for-purpose and age-friendly sports destinations, including our Li Ning Sports Parks and Li Ning Sports Centres. To encourage wider participation in sports and fitness activities, we work closely with the local governments and other business partners to offer a range of complementary sports-related facilities and services. Through the provision of sustainable sports hubs, we endeavour to nurture a sports-for-all culture across China to enhance citizens' quality of life.

Recognising the potential of the sports industry, we capture every opportunity to contribute to the positive development of the industry. Aside from supporting and sponsoring an array of sports events and competitions, we also invest in sports talent development in an effort to extend shared value to a wider set of stakeholders.

Goal 宗旨

To fully utilize the potential and value of the sports and consumer goods industry in order to facilitate the progress of social civilization

充分利用體育和消費品行業的潛力和價值，以促進社會的文明進步

2. 企業社會責任

Mission 使命

To assimilate sports services and consumable goods into life for bringing happiness, healthy, and leisure life

把體育服務、消費品融入生活中，帶給群眾快樂、健康休閒的非凡生活

非凡中國堅定不移地致力推廣全民運動、健康的生活方式。過去數年，我們積極利用我們的資源、專業知識和努力，為大眾提供一體化、切合所需及適合各年齡層使用的體育目的地，其中包括我們的李寧體育園和李寧運動中心。為鼓勵大眾參與更多體育及健身活動，我們與地方政府及其他業務夥伴密切合作，提供多元且與體育相關的設施及服務。透過提供可持續發展的體育中心，我們致力於全國培育全民運動文化，提升居民的生活質素。

了解到體育產業的發展潛力，我們把握每個機會，為行業的正面發展作出貢獻。除了支持及贊助一系列的體育活動及比賽外，我們亦投資於體育人才發展，致力將共享價值擴大至廣大權益人。

3. GOVERNANCE STRUCTURE FOR SUSTAINABILITY

A robust governance framework is essential to ensure material sustainability issues are appropriately managed and incorporated into the Group's corporate agenda. The Board holds the overall accountability for the Group's ESG strategies and performance. Our management is directly responsible for monitoring and regularly updating the Board on the effectiveness of the Group's risk management and internal control systems. A dedicated ESG working group which comprises representatives from different business departments has been established to plan and coordinate sustainability initiatives on an operational level. For more details on our corporate governance structure, roles and responsibilities, please refer to our Corporate Governance Report on pages 65 to 77 of this Annual Report.

3. 可持續發展的管治架構

穩健的管治框架對確保重大可持續性問題得以妥善管理並納入本集團的企業議程至關重要。董事會對本集團之環境、社會及管治策略及表現肩負整體責任。我們的管理層負責直接監控及定期向董事會更新本集團風險管理及內部監控系統的成效。本集團已成立由不同業務部門代表組成的環境、社會及管治工作小組，以規劃及協助營運層面上的可持續發展舉措。有關我們企業管治的架構、職能及責任的詳情，請參閱本年第65至77頁的企業管治報告。

4. OUR ENVIRONMENT

Our Environmental Policy communicates our approach to the sustainable management of our environmental footprint, which applies to all operations of the Group and is supplemented by relevant guidelines covering specific sustainability aspects. To systematically manage the environmental impacts arising from our operations, our focus remains on energy efficiency, resource stewardship and cultivation of environmental awareness among our employees.

During the reporting year, we complied with all applicable legal and regulatory requirement² regarding environmental protection and there were no non-compliance cases relating to air and greenhouse gas ("GHG") emissions, discharges into water and land, and the generation of hazardous and non-hazardous wastes.

Resource Optimisation

With a significant presence across the country, we seek to contribute to the collective action to combat the global climate challenge. Considering the close link between energy consumption and GHG emissions, we actively seize energy-saving opportunities and undertake hardware upgrades to optimise our energy performance over time.

At our corporate offices, we prioritise products with Grade 1 Energy Labels or better energy efficiency such as LED lights when replacing office lighting equipment and other electrical appliances. We also adopted air-conditioning zoning and installed sensors to maintain indoor temperature between 24°C and 26°C, which ensure a comfortable and energy-efficient working environment. To reduce carbon emissions arising from business travel, video conference systems were introduced to enable virtual connectivity.

Along our extensive sports network, we continue to adopt environmentally responsible place-keeping. For instance, we installed solar panels and electric vehicles chargers at our Li Ning Sports Parks and Li Ning Sports Centres to make renewable energy more viable in our operations. Taking greenery into account, we made additional green spaces available in the vicinity of our facilities. Furthermore, energy audits were conducted to analyse electricity consumption patterns and identify improvement opportunities.

Our solar photovoltaic system can generate around 45,000 kWh of clean energy every year

² Including but not limited to the Air Pollution Control Ordinance (Cap. 311), the Waste Disposal Ordinance (Cap.354), the Environmental Protection Law of the People's Republic of China ("PRC"), and the Energy Conservation Law of the PRC.

4. 我們的環境

我們的環境政策傳達了我們對環境足跡進行可持續管理的方法，適用於本集團的所有業務，並輔以涵蓋具體可持續性方面的相關指引。為系統性管理我們的營運對環境帶來的影響，我們依然把重點放在能源效益、資源管理及培養員工的環境意識上。

於報告年度，我們遵守所有與環保相關的適用法律及法規²，且概無涉及廢氣及溫室氣體（「溫室氣體」）的排放、向水及土地的排污、以及有害及無害廢棄物的產生之違規情況。

資源優化

我們於全國具有重要地位，力求為對抗全球氣候挑戰的集體行動作出貢獻。慮及能源消耗及溫室氣體排放息息相關，我們積極把握節省能源的機會和為硬件進行升級，隨時間優化我們的能源表現。

於我們的公司辦公室，在更換辦公室的照明設施及其他電子設備時，我們會優先考慮具有1級能源標籤或更高能效的產品如LED燈。為確保舒適、節能的工作環境，我們亦採用空調分區及安裝感應器，將室內溫度維持在24°C至26°C。為減低來自商務旅遊的碳排放，我們引入視頻會議系統以啟用虛擬連接。

在我們龐大的體育網絡中，我們繼續採用對環境負責的場所管理。比如我們已於李寧體育園及李寧運動中心安裝太陽能板及電動車充電裝置，使可再生能源在我們的運營中更具可行性。我們從綠化角度出發，為設施附近的空間加添綠意。除此之外，我們亦進行了能源審計，分析用電模式，探尋改進空間。

我們的太陽能發電系統每年可產生約45,000千瓦時的清潔能源

² 包括但不限於第311章《空氣污染管制條例》、第354章《廢物處置條例》、《中華人民共和國（「中國」）環境保護法》及《中國節約能源法》。

The operations of our sports destinations can be water intensive. To efficiently manage our water use, we have introduced a water circulation system where dirt particles are filtered to reduce the frequency of pool water replacement, together with regular leakage tests on water pipes and tanks. In addition, water-saving devices including sensor water taps, flow restrictors and dual flush toilets were in place at our office premises to further enhance water efficiency.

Waste Management

Proper waste management is an integral part of our environmental stewardship. To minimise the amount of landfilled waste, we actively promote waste reduction and foster a recycling culture throughout our operations. Employees are encouraged to adopt double-sided printing and reuse office supplies, such as envelopes and cardboard boxes, whenever possible. Recycling bins with clear signage are placed at our offices and sports destinations to collect waste paper, plastics and metals. We will continue to explore and expand the types of items we can collect for reuse and recycling.

This year, our Hong Kong headquarters continued to partner with Friends of the Earth to recycle toner cartridges and to work closely with Christian Action through their “Green Collection” campaign to gather used clothing, stationery and electronic devices in good condition for recycling or charitable donation. We also donated several previously used desktop computers which were in good condition to non-profit organisations through collaborating with Metro Good Engineering Limited.

Cultivating Environmental Awareness

To guide employees on the sustainable use of resources in their day-to-day operations, we provided useful tips for green workplace practices relating to energy, water and consumption of office supplies through internal notices and our Information Wall. At our Li Ning Sports Parks and Li Ning Sports Centres, awareness-raising campaigns focusing on responsible waste management were initiated with an aim to promote waste sorting and foster a recycling culture.

我們經營體育目的地需耗大量用水。為更有效管理用水，我們引入了水循環系統，將污垢粒子過濾掉，從而減少池水更換頻率，並定期對水管及水箱進行漏水測試。此外，我們亦在辦公室裝設自動感應水龍頭、節流器及雙掣式沖廁馬桶等節水設備，務求進一步提高用水效益。

廢棄物管理

妥善的廢棄物管理是我們環保管理中不可缺少的一環。我們在整個營運過程中積極推動減廢，營造回收再用的文化，冀將送往堆填區棄置的廢物量降至最低。我們鼓勵員工採用雙面打印並盡可能重複使用辦公用品，例如信封及紙箱。辦公室及體育目的地均設置列有清晰標示的回收箱，收集廢紙、塑膠和金屬。我們會繼續發掘和擴闊可收集重用及回收再用的物品類別。

今年，香港總部繼續夥拍地球之友回收碳粉匣，並聯同基督教勵行會透過「綠色回收」活動收集狀況良好的二手衣物、文具及電子設備，回收再用或作慈善捐贈。我們亦與萬晉工程有限公司合作，向非牟利機構捐贈了數台狀況良好的二手桌上型電腦。

培養環保意識

為引導員工在日常營運中實踐資源可持續利用，我們透過內部告示和資訊牆提供支持綠色工作間的實用提示，圍繞能源、用水及辦公用品消耗等主題。我們在李寧體育園及李寧運動中心展開宣傳活動，鼓勵以負責任的方式管理廢棄物，旨在推動廢棄物分類，推廣回收再用的文化。

Environmental Protection Awards and Recognition

Acknowledgements were given in recognition of the Group's commitment to environmental protection:

環保獎項及認可

本集團務實踐行對環境保護的承諾，屢獲表彰與認可：

Operations 業務單位

Awards/Recognition 獎項／認可

Hong Kong 香港

Awarded the "Wastewi\$e Certificate – Excellence Level" under the "Hong Kong Green Organisation Certification" by the Environmental Campaign Committee
獲得環境運動委員會頒發「香港綠色機構認證」中「減廢證書－卓越級別」證書

Participated in "Earth Hour 2020" organised by World Wildlife Fund
參與世界自然基金會組織的「地球一小時2020」

Participated in "Hong Kong No Air Con Night 2020" organised by Green Sense
參與環保觸覺組織的「香港無冷氣夜2020」

Environmental Performance Data

環境表現數據

Emissions 排放物

Carbon emissions in total and intensity

碳排放總量及密度

		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Scope 1 emissions ³ 範圍1排放量 ³	Tonnes 噸	876.8	658.5	522.4
Scope 2 emissions ⁴ 範圍2排放量 ⁴	Tonnes 噸	4,800.9	3,267.5	2,683.6
Total emissions 總排放量	Tonnes 噸	5,677.7 ⁵	3,926.0	3,206.1
Scope 1 emission intensity 範圍1排放密度	Tonnes/FTE ⁶ 噸/FTE ⁶	1.6	2.1	2.0
Scope 2 emission intensity 範圍2排放密度	Tonnes/FTE 噸/FTE	8.5	10.5	10.2
Total emission intensity 總排放密度	Tonnes/FTE 噸/FTE	10.1	12.7	12.1

Other Emissions

其他排放

Wastewater generated 污水產生	Tonnes 噸	161,159	126,069 ⁷	67,614
NO _x emissions 氮氧化物排放	Kg 千克	25.6	12.4	6.0
SO _x emissions 硫氧化物排放	Kg 千克	0.2	0.3	0.2
PM emissions 顆粒物排放	Kg 千克	1.4	0.9	0.4

³ Scope 1: Direct emissions from sources which are owned or controlled by the Group, including the consumption of natural gas and fuels for vehicles.

⁴ Scope 2: Indirect emissions from the consumption of purchased electricity and steam by the Group as a result of its usual operations. The sources of emissions are owned or controlled by other companies.

⁵ The increase in total emission is partly due to the expansion of reporting scope in 2020.

⁶ "FTE" refers to full-time employees.

⁷ The data has been restated to reflect actual situation in 2019.

³ 範圍1：由本集團所擁有或控制的物品所產生之直接排放源，包括天然氣及汽車燃料的消耗。

⁴ 範圍2：間接排放由本集團日常營運時所消耗的外購電力和蒸汽產生，而排放源由其他公司所擁有或控制。

⁵ 總排放量增加乃部分由於二零二零年度報告範圍擴大。

⁶ 「FTE」指全職僱員。

⁷ 數據已重列，以反映2019年的實際情況。

Resource Usage 資源使用量

Resource usage in total and intensity

資源使用總量及密度

		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Electricity consumption 用電量	kWh 千瓦時	6,158,419⁸	4,627,119	3,794,221
Natural gas consumption 天然氣消耗	m ³ 立方米	184,942⁹	300,754	242,467
Gasoline consumption 汽油消耗	Litre 升	9,906¹⁰	17,467	10,969
Water consumption 用水量	Tonnes 噸	208,094¹¹	125,187	67,609
Electricity consumption intensity 用電密度	kWh/FTE 千瓦時/FTE	10,939	14,926	14,372
Natural gas consumption intensity 天然氣消耗密度	m ³ /FTE 立方米/FTE	328	970	918
Gasoline consumption intensity 汽油消耗密度	Litre/FTE 升/FTE	18	56	42
Water consumption intensity 用水密度	Tonnes/FTE 噸/FTE	370	404	256

⁸ The increase in electricity consumption is partly due to the expansion of reporting scope in 2020.

⁹ The natural gas was consumed by the subsidiaries in Beijing, Yangzhou Li Ning Sports Park, Ningbo Hangzhou Bay Li Ning Sports Park, Nanning Li Ning Sports Park and Linyi Li Ning Sports Centre.

¹⁰ The gasoline was consumed by the headquarters in Hong Kong and the subsidiaries in Yangzhou, Ningbo and Tianjin.

¹¹ Water was mainly consumed by the subsidiaries in Beijing, Yangzhou Li Ning Sports Park, Ningbo Hangzhou Bay Li Ning Sports Park, Nanning Li Ning Sports Park, Linyi Li Ning Sports Centre, Tianjin Li Ning Sports Centre and Nantong Li Ning Sports Centre.

⁸ 用電量增加乃部分由於二零二零年度報告範圍擴大。

⁹ 天然氣消耗源自北京的附屬公司、揚州李寧體育園、寧波杭州灣李寧體育園、南寧李寧體育園及臨沂李寧運動中心。

¹⁰ 汽油消耗源自香港總部及揚州、寧波及天津的附屬公司。

¹¹ 用水量主要源自北京的附屬公司、揚州李寧體育園、寧波杭州灣李寧體育園、南寧李寧體育園、臨沂李寧運動中心、天津李寧運動中心及南通李寧運動中心。

Hazardous and Non-hazardous Waste 有害及無害廢棄物

Hazardous waste (Usage) 有害廢棄物(用量)		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Waste carbon battery and alkaline battery 廢棄碳性電芯與鹼性電芯	Kg 千克	0	0	0

Non-hazardous waste (Usage) 無害廢棄物(用量)		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Paper 用紙	Tonnes 噸	2.1	5.8	1.4
Plastic 塑膠	Tonnes 噸	0.08	1.6	3.9
General waste 一般廢棄物	Tonnes 噸	22.2 ¹²	2.4	3.1
Metal 金屬	Kg 千克	24.0	N/A 不適用	N/A 不適用
Glass 玻璃	Kg 千克	6.8	N/A 不適用	N/A 不適用

Non-hazardous waste (Recycled) 無害廢棄物(回收量)		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Paper 用紙	Tonnes 噸	1.7	2.6	1.9
Plastic 塑膠	Tonnes 噸	0.08	1.6	0.6
General waste 一般廢棄物	Tonnes 噸	0	0.3	2.6
Metal 金屬	Kg 千克	24.0	N/A 不適用	N/A 不適用
Glass 玻璃	Kg 千克	6.8	N/A 不適用	N/A 不適用

Non-hazardous waste (Usage) 無害廢棄物(用量)		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Tonnes/FTE	噸/FTE	0.04	0.03	0.03

Non-hazardous waste (Recycled) 無害廢棄物(回收量)		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Tonnes/FTE	噸/FTE	0.003	0.01	0.02

¹² The increase is mainly due to the improvement of the waste collection and sorting system by the subsidiaries in Beijing.

¹² 增加的主要原因是於北京的附屬公司改善了廢物收集和分類系統。

5. OUR HUMAN CAPITAL

The Group is committed to nurturing a sustainable and resilient workforce through our employee pipeline stocked with talented and experienced individuals. In line with our people-oriented approach, we work to create an inclusive and engaging work environment which protects the wellbeing of our staff and supports their personal development.

Employment and Working Conditions

In an effort to attract and retain every talent, we offer our employees competitive remuneration packages and fringe benefits, including medical care, retirement schemes, discretionary bonuses and a range of leave entitlements such as marriage leave and birthday leave. To strengthen our branding as an employer of choice in the industry, we regularly review our staff policies, benefits and facilities. In 2020, we installed a well-equipped lactation room at our Hong Kong headquarters to better accommodate the needs of working mothers.

The Group embraces equal opportunities and ensures a workplace free from discrimination at all times. All employees are protected by our Equal Opportunity Policy which sets out a fair recruitment and promotion process based on experience, individual merits and qualification regardless of gender, race, age, religion, disability or family status.

Additionally, we fully support our employees to maintain a good work-life balance by organising a variety of recreational and sports activities outside of work. Some highlighted events include:

Operations 業務單位

Hong Kong
香港

PRC
中國

5. 我們的人力資本

本集團匯集眾多實力與經驗兼備的精英，致力培育可持續、具韌性的員工團隊。我們一貫奉行以人為本的方針，竭力營造和諧包容、敬業樂業的工作環境，矢志保障員工福祉，助員工追求個人發展。

僱傭及工作條件

我們為僱員提供具競爭力的薪酬待遇及全面的員工福利，包括醫療保險、退休計劃、酌情花紅及婚假和生日假等各種假期福利，以吸引及挽留人才。我們亦定期檢討員工政策、福利及設施，銳意加深我們業界首選僱主的品牌形象。二零二零年，我們在香港總部配置哺乳室，內裡設備俱全，體貼在職母親的需要。

本集團提倡平等機會，確保在工作環境任何時候皆不受歧視。我們的平等機會政策保障全體僱員，當中載列不論其性別、種族、年齡、宗教、殘疾與否或家庭狀況，我們均以經驗、個人才能及資歷進行公平公正的招聘流程和僱用程序。

此外，我們全力支持僱員維持良好的工作與生活平衡，除工作以外籌劃各種娛樂及體育活動。部分活動集錦包括：

Activities 活動

Birthday Lunch
生日午餐
Year-end Party
年末派對
Festive Gathering
節日聚會

Staff Outing
員工郊遊
Chinese New Year Party
新春聚會
Sports Day
運動日
Team Building Event
團隊建設活動

During the reporting year, there were zero non-compliance cases with the relevant laws and regulations¹³ relating to recruitment and employment practices, anti-discrimination, diversity, and other benefits and welfare.

於報告年度，我們在招聘及僱傭、反歧視、多元化及其他福利待遇方面並無違反相關法例及規例¹³的情況。

Human Resource Overview 人力資源概況			2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Total number of staff	員工總人數	Number 數目	629	314	266
Number of staff – by gender	按性別劃分員工人數	Number 數目			
– Male	– 男		315	167	142
– Female	– 女		314	147	124
Number of staff – by age group	按年齡組別劃分員工人數	Number 數目			
– < 30 years old	– <30歲		275	127	106
– 30 – 50 years old	– 30–50歲		299	136	125
– > 50 years old	– >50歲		55	51	35
Number of staff – by employee type	按僱員類別劃分員工人數	Number 數目			
– Full-time	– 全職		563	310	264
– Part-time	– 兼職		66	4	2
Staff Turnover 員工流失			2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Overall staff turnover rate	員工總流失率	%	41	52	60
Staff turnover rate – by gender	按性別劃分員工流失率	%			
– Male	– 男		42	62	62
– Female	– 女		41	40	58
Staff turnover rate – by age group	按年齡組別劃分員工流失率	%			
– < 30 years old	– <30歲		39	91	108
– 30 – 50 years old	– 30–50歲		32	29	34
– > 50 years old	– >50歲		100	14	11

¹³ Including but not limited to the Employment Ordinance (Cap. 57), the Minimum Wage Ordinance (Cap. 608), the Disability Discrimination Ordinance (Cap. 487), the Labour Law of the PRC, and the Labour Contract Law of the PRC.

¹³ 包括但不限於《僱傭條例》(第57章)、《最低工資條例》(第608章)、《殘疾歧視條例》(第487章)、《中國勞動法》及《中國勞動合同法》。

Training and Development

The development and personal growth of our employees is an essential driver of our business sustainability. To this end, we encourage staff at all levels to enhance their professional knowledge and tailor our training programmes to cater to the needs of employees from different operations and at varied career stages. In 2020, a wide spectrum of training was offered, covering data analysis, sports management, customer service, sales and marketing, and workplace safety. We also introduced different online courses to support staff's self-learning, especially during the pandemic outbreak when most in-person training activities were put on hold. To encourage continuous learning, an external training sponsorship is available to all full-time permanent staff with approval from the Department Head and Human Resources Department.

培訓與發展

僱員的發展和個人成長是我們業務可持續發展的重要推動力。為此，我們鼓勵各層級人員提升其專業知識，並針對不同部門及職業階段的員工的需求，為彼等制定培訓課程。於二零二零年，我們提供一系列培訓，涵蓋數據分析、體育管理、客戶服務、銷售及市場推廣以及工作環境安全。我們亦推出不同的線上課程，支持員工自我學習，尤其是在疫情爆發期間，大部分實體課堂培訓活動已暫停。為鼓勵持續學習，所有全職員工經部門主管及人力資源部門批准後均可獲得外部培訓贊助。

Training Hours 受訓時數		2020 二零二零年度	2019 二零一九年度	2018 二零一八年度
Percentage of trained employees – by gender	按性別劃分受訓僱員百分比			
– Male	– 男	70	N/A 不適用	N/A 不適用
– Female	– 女	68	N/A 不適用	N/A 不適用
Percentage of trained employees – by employee category	按僱員類別劃分受訓僱員百分比			
– Functional heads	– 部門主管	35	N/A 不適用	N/A 不適用
– Management	– 管理層	61	N/A 不適用	N/A 不適用
– General/technical staff	– 一般/技術員工	72	N/A 不適用	N/A 不適用
Average training hours – by gender	按性別劃分平均受訓時數			
– Male	– 男	18	12	7
– Female	– 女	19	11	8
Average training hours – by employee category	按僱員類別劃分平均受訓時數			
– Functional heads	– 部門主管	7	3	10
– Management	– 管理層	19	13	26
– General/technical staff	– 一般/技術員工	18	10	6

Occupational Health and Safety

Ensuring the occupational health and safety (“OHS”) of our employees is always our top priority. We have taken a multi-pronged approach to minimise work-related hazards across our operations. Going beyond regulatory compliance, our business units have developed their own OHS guidelines specific to their workplace conditions and business activities. All employees are covered by our medical insurance and they are provided with free physical check-up services and complimentary access to sports facilities in our Sports Parks and Sports Centres.

To nurture a safety-first culture internally, we organised talks and workshops throughout the year, covering various OHS topics such as accident prevention, fire precaution and first aid. Periodic inspections of work equipment, firefighting supplies and workplace hygiene are conducted to improve the general housekeeping. We are also mindful of workers who carry out job duties with relatively higher safety risks by equipping them with personal protective gear such as safety gloves, helmets and goggles.

Our COVID-19 Response

Acting swiftly since the initial stages of the Coronavirus Disease (“COVID-19”) outbreak, the Group has remained committed to protecting our employees throughout the pandemic. Aside from stepping up our cleansing frequency and disinfecting procedures, we have provided staff with anti-epidemic supplies such as medical masks and hand sanitisers. Following the Government’s call to minimise social contact, we have adopted special work arrangements by allowing staff to work from home and work at flexible times. If colleagues feel unwell, they are recommended to consult a doctor promptly and undergo a COVID-19 test as deemed necessary.

During the reporting year, there were zero non-compliance cases with the relevant laws and regulations¹⁴ relating to the provision of a safe work environment and the protection of employees from occupational hazards.

¹⁴ Including but not limited to the Occupational Safety and Health Ordinance (Cap. 509), and the Law of the PRC on Prevention and Control of Occupational Diseases.

職業健康及安全

確保僱員職業健康及安全(「職業健康及安全」)一直是重中之重。我們在營運過程中以多管齊下的方式把與工作有關的危害減至最低。除遵守監管規定外，我們的業務部門基於其工作條件及業務活動制定自身的職業健康及安全指引。所有員工均享有醫療保險，並獲免費提供體檢服務和免費使用我們的體育園及運動中心內的體育設施。

為了在內部養成安全第一文化，我們於全年內組織講座及工作坊，涵蓋各種職業健康及安全議題，如預防事故、防火及急救。我們定期檢查工作設備、消防用品及工作環境衛生，以改善整體內務。我們亦關注進行職責安全風險相對較高的員工，為其配備個人防護裝備，如安全手套、頭盔及護目鏡。

應對COVID-19

2019冠狀病毒病(「COVID-19」)爆發初期以來，本集團迅速採取行動，在疫情期間一直致力保護我們的員工。除加強清潔頻率和消毒程序外，我們亦為員工提供防疫用品，如醫用口罩和洗手液。在政府呼籲盡量減低社交接觸後，我們已採取特別的工作安排，允許員工在家工作及設有彈性工作時間。倘員工感到不適，我們建議其及時諮詢醫生，並在必要時進行COVID-19測試。

於報告年度，本集團概無任何違反與提供安全工作環境及保護員工免受職業危害有關的法律法規¹⁴的違規情況。

¹⁴ 包括但不限於《職業安全及健康條例》(第509章)及《中國職業病防治法》。

Labour Standards

As a responsible employer, child and forced labour are strictly prohibited within the Group's operations and along our supply chain. During the recruitment process, our Human Resources Department reviews and examines all identification documents provided by applicants. We also perform regular audits and internal reviews to ensure full compliance with applicable laws and regulations¹⁵ relating to labour practices. Any staff member found to be in breach of our labour policies will be subject to disciplinary action and may be liable to legal prosecution.

Anti-corruption

We uphold the highest ethical standards and accountability throughout our operations and have zero-tolerance towards corruption or malpractice of any form. All employees are required to follow our Employee Handbook which outlines the guiding principles for ethical business conduct. In 2020, the Hong Kong headquarters and Beijing subsidiary arranged online training on anti-bribery and corruption compliance in order to update employees of the latest developments in anti-corruption enforcement and refresh best practice procedures. In support of our policies on ethical behaviours, the Group's Whistle-Blowing Policy and grievance mechanism are in place to enable employees to raise concerns regarding any misconduct. To ensure whistle-blowers have the freedom to report grievances without fear of reprisal, all cases are treated with strict confidence and submitted to designated personnel for further investigation. During the reporting year, there were zero cases of non-compliance with the relevant laws and regulations¹⁶ relating to corrupt practices

6. OUR VALUE CHAIN

Supply Chain Management

While our operations connect us with a wide range of stakeholders along the value chain, we leverage the opportunity to extend our sustainability considerations to our suppliers and business partners and encourage environmentally and socially responsible practices. To provide a clear set of guiding principles of sustainable procurement, we have developed a group-level Supplier Code of Conduct which communicates our requirements for ethical behaviours, Occupational Health and Safety standards, labour rights and environmental practices. We also conduct regular audits and assessments to ensure our stringent requirements are fully met. This holistic approach enables us to better manage ESG-related risks arising from our supply chain, whilst building effective long-term relationships with our partners.

¹⁵ Including but not limited to the Employment Ordinance (Cap. 57), the Labour Law of the PRC, and the Provisions on Prohibition of Child Labour of the PRC.

¹⁶ Including but not limited to the Prevention of Bribery Ordinance (Cap. 201).

勞工準則

作為負責任的僱主，本集團在營運及供應鏈上嚴禁僱用童工及強制勞工。於招聘過程中，我們的人力資源部門會審核及驗證申請人提供的所有身份證明文件。我們亦會進行定期審核及內部檢討，以確保完全遵守與勞工常規有關的適用法律法規¹⁵。任何員工如有違反我們的勞工政策，將會受到紀律處分及可能受到法律檢控。

反貪污

我們在營運過程中堅持最高道德標準和問責，對任何形式的腐敗或瀆職行為零容忍。全體員工必須遵守我們的員工手冊上，當中概述商業道德行為的指導原則。在二零二零年，香港總部及北京附屬公司安排了反賄賂和貪污合規在線培訓，使員工了解反貪污執法的最新發展並更新最佳做法程序。為配合我們於道德行為方面的政策，本集團制定了匿名舉報政策及申訴機制，讓員工就任何不當行為提高關注度。為確保舉報人士擁有舉報申訴而免於恐懼遭受報復的自由，所有個案皆予嚴格保密處理，並會提交指定人員作進一步調查。於報告年度，概無不遵守與貪污行為有關的相關法律法規¹⁶的情況。

6. 我們的價值鏈

供應鏈管理

我們在業務過程中會與價值鏈上的眾多權益人建立聯繫，同時我們善用機會將可持續性考慮因素擴展至我們的供應商及業務夥伴，並鼓勵對環境和社會負責的做法。為提供一套明確的可持續採購指導原則，我們已制定集團層面的供應商行為守則，當中傳達我們對道德行為、職業健康及安全標準、勞工權利和環境慣例的要求。我們亦定期進行審計及評估，確保完全滿足嚴格的要求。該整體方法使我們能夠更妥善管理供應鏈產生與環境、社會及管治相關的風險，同時與合作夥伴建立有效的長期關係。

¹⁵ 包括但不限於《僱傭條例》(第57章)、《中國勞動法》及《中國禁止使用童工規定》。

¹⁶ 包括但不限於《防止賄賂條例》(第201章)。

Our Quality Services

With a large and diverse customer base across our operations, we place great importance on customer health and safety. In addition to employing well-trained security personnel to maintain order during different sports-related events, crowd control measures for emergency evacuations are in place with standardised procedures to handle unexpected incidents. Specific to the COVID-19 pandemic, we have implemented several measures to reduce the transmission risk at our sports destinations. For example, temperature screening stations have been set up to monitor the health status of visitors as well as individuals who enter our venues. Meanwhile, visitors are required to keep their masks on at all times and people without face coverings will be asked to leave our venues by security.

Given the increasing trend of digital transformation, we pay special attention to ensure the confidentiality of personal data and information collected from our customers. Our Employee Handbook provides clear privacy guidelines covering the use and management of personal data in accordance with the relevant regulatory requirements¹⁷. Only authorised personnel can access relevant information on a need-to-know and need-to-use basis, and all data must be handled in a safe and secure manner.

During the reporting year, we complied with relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters relating to the products and services provided by the Group.

7. OUR COMMUNITY

At Viva China, we are aspired to promote sportive and healthy lifestyles across China to enhance citizens' quality of life. With this in mind, we have been actively leveraging our resources and mobilising the collective efforts to connect, grow and support the communities we serve.

優質服務

由於我們的業務擁有龐大及多元化的客戶群，我們非常重視客戶健康與安全。除僱用訓練有素的保安人員在不同的體育賽事期間維持秩序外，我們亦已設立緊急疏散的人群控制措施，制定標準化程序處理意外事件。針對COVID-19疫情，我們已實施多項措施減低於體育目的地傳播的風險。舉例而言，我們已設立體溫探測站監察訪客以及進入場館的人士的健康狀況。同時，訪客必須時刻戴上口罩，沒有戴上口罩的人士將被保安要求離開場館。

鑑於數字轉型趨勢日益增加，我們特別注重確保自客戶收集的個人資料和信息保密性。我們的員工手冊提供清晰的私隱指引，包括根據相關監管規定使用及管理個人資料¹⁷。取得授權之人士方能按需要知悉及需要使用原則查閱相關資料，而所有資料必須以安全妥善的方式處理。

於報告年度，我們已遵守有關本集團所提供之產品和服務的健康與安全、廣告、標籤及隱私事宜的相關法律法規。

7. 我們的社區

非凡中國期盼能在全國推廣運動、健康的生活方式，以提高市民的生活品質。本著這個想法，我們一直積極利用我們的資源，動員集體努力，連繫、發展和支持我們所服務的社區。

		Number of Events and Activities Supported 所支持的事宜及活動次數	Total Hours of Community Service Contributed 貢獻社區服務總時數	Number of Beneficiaries Served ¹⁸ 服務受益人數 ¹⁸
2020 ¹⁹	二零二零年度 ¹⁹	77	435.5	20,835
2019	二零一九年度	170	1,565	104,348
2018	二零一八年度	88	1,490	55,388

¹⁷ Including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486) and the Cyber Security Law of the PRC.

¹⁸ Refer to the number of people served or engaged during the Group's community service programmes.

¹⁹ Due to the COVID-19 pandemic, most community programmes were put on hold.

¹⁷ 包括但不限於《個人資料(私隱)條例》(第486章)及《中國網絡安全法》。

¹⁸ 指本集團於進行社區服務活動期間所服務或吸引參與的人數。

¹⁹ 受COVID-19疫情影響，大部分社區活動被擱置。

Promoting Sports and Healthy Living

Following the Group's commitment to nurturing a nationwide sportive culture, we continue to provide the public with a wide variety of leisure and fitness activities through our well-equipped Li Ning Sports Parks and Li Ning Sports Centres. These include training and interest classes, sports-themed carnivals, marathons and various sports competitions suitable for citizens of different ages.

Our sports destinations also serve as community hubs to provide different welfare services for the public, including free check-ups, healthcare workshops and rehabilitation sessions. To encourage wider participation in sports activities, we implemented a Free Use Scheme allowing complimentary access to our leisure facilities on designated days and occasions.

Creating an Inclusive Society

As a responsible corporate citizen, we are devoted to supporting diverse social segments to create a more connected society. Apart from the provision of in-kind contributions to the socially disadvantaged, we encourage staff volunteering and initiate various community projects.

Highlights of Community Events:

Operations 業務單位

Events 活動

Hong Kong 香港

To counter a limited and unstable stockpile of personal protective supplies, our Hong Kong headquarters organised a campaign to collect anti-epidemic items such as disinfectant sprays and wipes, and hand sanitisers of which were packaged as "Anti-epidemic Kits" and donated to Fu Hong Society for the socially disadvantaged groups.

為應對個人防護用品儲備有限且不穩定的情況，我們的香港總部舉辦了一項收集防疫物品的活動，如消毒噴霧、消毒濕紙巾及酒精搓手液，包裝為「防疫包」捐贈予扶康會，以幫助弱勢社群。

PRC 中國

Our Beijing subsidiary offered in-kind donations to Zhangjiakou Charity Federation in support of their community activities benefiting the underprivileged and low-income families.

我們的北京附屬公司向張家口市慈善總會提供實物捐贈，以支持他們的社區活動，惠及貧困及低收入家庭。

We are deeply grateful to the healthcare workers for their professionalism and hard work in the fight against COVID-19. To express our gratitude for their all-out efforts, our Nantong subsidiary joined hands with other organisations to provide a range of sports-related offerings and discounts to Hubei's healthcare personnel as well as their immediate family members.

我們衷心感謝醫護人員在對抗COVID-19時秉持的專業精神及辛勤工作。為感謝他們的努力，我們的南通附屬公司與其他機構攜手合作，向湖北省醫護人員及其直系親屬提供一系列體育相關服務及折扣。

Awards and Recognition

The Group has been recognised for its continual efforts on community investment. Some of the highlighted awards during the reporting year included:

推廣體育及健康生活

本集團致力培養全民運動文化，透過設備完善的李寧體育園及李寧運動中心持續為公眾提供各式各樣的休閒及健身活動，其中包括訓練和興趣班、體育主題嘉年華、馬拉松及各式各樣適合不同年齡層市民參加的體育比賽。

我們的體育目的地亦作為社區樞紐，為公眾提供不同的福利服務，包括免費體檢、保健工作坊及復健活動。為鼓勵市民更廣泛參與體育活動，我們推行免費使用計劃，容許在指定日子及時間免費使用我們的休閒設施。

共建包容社會

作為一個負責任的企業公民，我們致力支持多元化的社會群體，構建一個彼此更緊密連繫的社會。除了向弱勢社群提供實物捐助外，我們亦鼓勵員工參與義工服務及發起各種社區項目。

社區活動集錦：

獎項及認可

本集團在社區投資方面的持續貢獻得到社會的認可。於報告年度，本集團取得的獎項其中包括：

Operations

業務單位

Awards/Recognition

獎項／認可

Hong Kong
香港

Presented with the "Social Capital Builder Logo Awards 2020" by Community Investment and Inclusion Fund & Labour and Welfare Bureau
榮獲社區投資共享基金及勞工及福利局頒發「社會資本動力標誌獎2020」

Nantong Li Ning Sports Centre
南通李寧運動中心

Honoured as "Advanced Unit" and "Advanced Venue" by Nantong Swimming Association
獲南通市游泳運動協會譽為「先進單位」及「先進場所」

Presented with a certificate of participation by Nantong Sports Industry Association
榮獲南通市體育產業協會頒發參與證書

Yangzhou Li Ning Sports Park
揚州李寧體育園

Honoured as "2019-2020 Yangzhou Outstanding Youth Volunteer Service Organisation" by Yangzhou Youth Volunteers Association
獲揚州市青年志願者協會譽為「2019-2020年度揚州市傑出青年義工服務機構」

Honoured as "Advanced Unit of Social Security and Integrated Governance" by the Management Committee of Guangling New City, Yangzhou
獲揚州市廣陵新城管理委員會譽為「社會治安綜合治理先進單位」

Honoured as "Top Ten Excellent Venue" in Jiangsu Province by the Organising Committee of Jiangsu National Fitness Games
獲江蘇省全民健身運動會組委會譽為江蘇省「十大優秀場所」

Ningbo Hangzhou Bay Li Ning Sports Park
寧波杭州灣李寧體育園

Honoured as "Excellent Unit of Social Charity Cooperation" by Rainbow Bay Social Work Service Centre, Ningbo
獲寧波彩虹灣社會工作服務中心譽為「社會慈善合作優秀單位」

Linyi Li Ning Sports Centre
臨沂李寧運動中心

Honoured as "Excellent Organisational Unit"
被譽為「優秀機構單位」

Honoured as "Social Practice Base"
被譽為「社會實踐基地」

Tianjin Li Ning Sports Centre
天津李寧運動中心

Honoured as "National Fitness Excellent Venue" in Xiqing District by Sports Bureau of Tianjin Municipality (Xiqing District)
獲天津市西青區體育局譽為西青區「全民健身優秀場所」

Presented with the "National Fitness Outstanding Contribution Award" in Xiqing District by Sports Bureau of Tianjin Municipality (Xiqing District)
榮獲天津市西青區體育局頒發西青區「全民健身傑出貢獻獎」

非凡領越體育發展
(北京)有限公司

Presented with the "Most Supportive Corporate Organisation Award 2020"
榮獲「二零二零年度最支持企業機構獎」

北京非凡領越體育
場館運營管理有限
公司

Presented with a certificate of donation by Zhangjiakou Charity Federation
榮獲張家口市慈善總會頒發捐贈證書

8. HKEX ESG GUIDE CONTENT INDEX

 8. 聯交所環境、社會及管治報告
指引內容索引

Aspect 層面	HKEx KPIs 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼／備註
A.	Environmental 環境		
A1	Emissions 排放物	A1	General Disclosure 一般披露 81-82
		A1.1	The type of emissions and respective emissions data 排放物種類及相關排放數據 84
		A1.2	Greenhouse gas emissions in total and intensity 溫室氣體總排放量及密度 84
		A1.3	Total hazardous waste produced and intensity 所產生有害廢棄物總量及密度 86
		A1.4	Total non-hazardous waste produced and intensity 所產生無害廢棄物總量及密度 86
		A1.5	Measures to mitigate emissions and results achieved 減低排放量的措施及所得成果 81
		A1.6	How hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 處理有害及無害廢棄物的方法、減低產生量的措施 及所得成果 82
A2	Use of Resources 資源使用	A2	General Disclosure 一般披露 81-82
		A2.1	Direct and/or indirect energy consumption by type in total and intensity 按類型劃分的直接及／或間接能源總耗量及密度 85
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		A2.3	Energy use efficiency initiatives and results achieved 能源使用效益計劃及所得成果 81
		A2.4	Issue in sourcing water, water efficiency initiatives and results achieved 求取適用水源上可有任何問題，以及提升用水效益 計劃及所得成果 82
		A2.5	Total packaging material used for finished products 製成品所用包裝材料的總量 The KPI of the reporting scope is considered not material 報告範圍的此關鍵績效指標並不重要

Aspect 層面	HKEx KPIs 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼/備註	
A3	The Environment and Natural Resources 環境及天然資源	A3	General Disclosure 一般披露	81-82
		A3.1	Significant impacts of activities on the environment and natural resources and the actions taken to manage them 業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動	81-82
B.	Social 社會			
B1	Employment 僱傭	B1	General Disclosure 一般披露	87-88
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		B1.2	Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率	88
B2	Health and Safety 健康與安全	B2	General Disclosure 一般披露	90
		B2.1	Number and rate of work-related fatalities 因工作關係而死亡的人數及比率	Nil 零
		B2.2	Lost days due to work injury 因工傷損失工作日數	19 days 19天
		B2.3	Occupational health and safety measures adopted, how they are implemented and monitored 所採納的職業健康與安全措施，以及相關執行及監察方法	90
B3	Development and Training 發展及培訓	B3	General Disclosure 一般披露	89
		B3.1	Percentage of employees trained by gender and employee category 按性別及僱員類別劃分的受訓僱員百分比	89
		B3.2	Average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的平均時數	89

Aspect 層面	HKEx KPIs 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼／備註
B4 Labour Standards 勞工準則	B4	General Disclosure 一般披露	91
	B4.1	Measures to review employment practices to avoid child and forced labour 檢討招聘慣例的措施以避免童工及強制勞工	91
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B5 Supply Chain Management 供應鏈管理	B5	General Disclosure 一般披露	91
B6 Product Responsibility 產品責任	B6	General Disclosure 一般披露	92
	B6.5	Consumer data protection and privacy policies, how they are implemented and monitored 消費者資料保障及私隱政策，以及相關執行及監察方法	92

Aspect 層面	HKEx KPIs 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼／備註
B7 Anti-corruption 反貪污	B7	General Disclosure 一般披露	91
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases 於報告期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	Nil 零
	B7.2	Preventive measures and whistle-blowing procedures, how they are implemented and monitored 防範措施及舉報程序，以及相關執行及監察方法	91
B8 Community Investment 社區投資	B8	General Disclosure 一般披露	92-93
	B8.1	Focus areas of contribution 專注貢獻範疇	93
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羅兵咸永道

To the Shareholders of Viva China Holdings Limited

(Incorporated in Cayman Islands with limited liability)

Opinion

What we have audited

The consolidated financial statements of Viva China Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 109 to 220, which comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致非凡中國控股有限公司股東

(於開曼群島註冊成立的有限公司)

意見

我們已審計的內容

非凡中國控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第109至220頁的綜合財務報表，包括：

- 於二零二零年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合損益及其他全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零二零年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量並已遵照香港《公司條例》的披露規定妥為擬備。

Independent Auditor's Report 獨立核數師報告

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Impairment assessment of goodwill
- Inventory provision
- Impairment assessment of property, plant and equipment and right-of-use assets

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。

這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 商譽減值評估
- 存貨撥備
- 物業、廠房及設備及使用權資產減值評估

Key Audit Matter 關鍵審計事項

Impairment assessment of goodwill 商譽減值評估

Refer to Note 3 – critical accounting estimates, assumptions and judgements and Note 14 – intangible assets to the consolidated financial statements.

請參閱綜合財務報表附註3重大會計估計、假設及判斷及附註14無形資產。

As at 31 December 2020, the Group had goodwill of HK\$79.4 million, net of impairment HK\$156.5 million.

於二零二零年十二月三十一日，貴集團之商譽為79,400,000港元，已扣除減值156,500,000港元。

For purposes of the annual impairment assessment of goodwill, management determined the recoverable amounts of the Group's goodwill based on value-in-use ("VIU"), which is the present value of the future cash flows expected to be derived from the Group's cash-generating units ("CGUs"). Management's impairment assessment involves significant judgements, including the estimation of budgeted sales, gross margin and long term growth rate used in cash flow projections, and the discount rate applied to determine present value of the future cash flow.

就商譽年度減值評估而言，管理層根據使用價值（「使用價值」）釐定貴集團所有商譽的可收回金額，使用價值為預期自貴集團現金產生單位（「現金產生單位」）產生的未來現金流量的現值。管理層的減值評估涉及重大判斷，包括現金流量預測中使用的預算銷售額、毛利率及長期增長率估計，以及用於釐定未來現金流量現值的貼現率。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

Our procedures on auditing management's goodwill impairment assessment mainly included:

我們對管理層商譽減值評估進行的審計程序主要包括：

- Understood and evaluated the internal controls and assessment process of goodwill impairment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud;
- 瞭解及評估商譽減值內部控制及評估程序，並通過考慮估計之不明朗因素的程度及其他固有風險因素的水平（如複雜性、主觀性、變動及對管理層偏見或欺詐的敏感性）評估重大錯誤陳述的固有風險；
- Evaluated the competence, capabilities and objectivity of the independent external valuer engaged by the Group to determine the recoverable amounts of a majority of the Group's CGUs, based on VIU;
- 評估貴集團委聘的獨立外部估值師的能力、專業素質及客觀性，以根據使用價值釐定貴集團大部分現金產生單位的可收回金額；
- Assessed the appropriateness of valuation model adopted, and challenged the reasonableness of the key inputs and assumptions used, including assessing the reasonableness of the discount rate based on relevant market data of comparable companies, with involvement of our in-house valuation specialist, mainly in relation to:
- 在我們的內部估值專家的參與下，評估所採用估值模型的適當性，並質疑所用主要輸入數據及假設的合理性，包括根據可資比較公司的相關市場數據評估貼現率的合理性，其主要涉及：

Key Audit Matter

關鍵審計事項

We focused on this area due to the size of the goodwill balance, and the significant judgment involved in estimating future results of the CGUs in management's impairment assessment.

我們專注該範疇是由於商譽餘額的規模，以及管理層減值評估中估計現金產生單位未來結果時涉及的重大判斷。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- i. the budgeted sales and respective gross margin, by comparing them with actual historical financial data of these CGUs. For budgeted sales, we also compared to future market growth rate forecasted sourced from external parties;
 - i. 通過與該等現金產生單位的實際歷史財務數據進行比較所得的預算銷售額及各自的毛利率。就預算銷售額而言，我們亦將來自外部各方的未來市場增長率預測進行比較；
 - ii. the long-term revenue growth rates, by comparing them with the relevant economic and industry forecasts, including certain forecasts sourced from external parties; and
 - ii. 將長期收益增長率與相關經濟及行業預測（包括來自外部各方的若干預測）進行比較；及
 - iii. assessed the reasonableness of the discount rate used based on relevant market data of comparable companies and comparing them with costs of capital of comparable companies.
 - iii. 根據可資比較公司的相關市場數據評估所用貼現率的合理性及將貼現率與可資比較公司的資本成本進行比較。
- Evaluated management's sensitivity analysis over the recoverable amounts of these CGUs, focusing on the key assumptions, to which the calculation was most sensitive, we calculated the degree to which each of these key assumptions would need to change before an impairment conclusion was triggered and discussed the likelihood of such a change with management.
- 評估管理層對該等現金產生單位可收回金額的敏感度分析，專注於主要假設，而計算對該等假設最為敏感，我們計算在觸發減值結論前該等主要假設各自需要的變化程度，並與管理層討論有關變化的可能性。

Based on the procedures described above, we found the key assumptions and estimates adopted in management's goodwill impairment assessment to be supported by available evidence. 基於上述程序，我們發現管理層商譽減值評估中採用的主要假設及估計有可用證據支持。

Key Audit Matter**關鍵審計事項****Inventory provision****存貨撥備**

Refer to Note 3 – critical accounting estimates, assumptions and judgments and Note 18 – inventories to the consolidated financial statements.

請參閱綜合財務報表附註3重大會計估計、假設及判斷及附註18存貨。

As at 31 December 2020, the Group had net inventories of HK\$183.9 million, carried at the lower of cost and net realisable value in the consolidated financial statements.

於二零二零年十二月三十一日，貴集團的存貨淨額為183,900,000港元，按綜合財務報表中成本與可變現淨值較低者列賬。

The apparel industry is highly correlated to seasonal factors, economic environments, customers' preferences and competitor actions which affect the amount of inventory provision to be provided. The Group has an inventory provision policy and such provision is made for inventory items whose costs may not be fully recoverable. The inventory provision is estimated by reference to data such as inventory ageing, historical sales experience, expected subsequent year-end sales.

服裝業與季節性因素、經濟環境、客戶偏好及競爭對手行動密切相關，而該等因素會影響將予撥備的存貨撥備金額。貴集團設有存貨撥備政策，並就成本可能無法完全收回的存貨項目作出有關撥備。存貨撥備乃參考存貨賬齡、歷史銷售經驗、預期後續年末銷售情況等數據而估算。

We focus on this area due to the size of inventories balances, and the judgment involved in estimating the net realisable value in management's impairment assessment.

我們專注該範疇是由於存貨餘額的規模，以及管理層在減值評估中估計可變現淨值時所涉及的判斷。

How our audit addressed the Key Audit Matter**我們的審計如何處理關鍵審計事項**

Our audit procedures relating to inventory provision included:

我們有關存貨撥備的審計程序包括：

- Understood, evaluated and validated relevant controls over management's estimation of net realisable value and periodic reviews of inventory obsolescence and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud;
- 瞭解、評估及驗證管理層對可變現淨值的估計及存貨陳舊定期審查的相關控制，並主觀地透過考慮估計不確定性程度及複雜性等其他固有風險因素的水平，評估重大錯誤陳述的固有風險、管理層偏見或欺詐的變化及敏感度；
- Tested the ageing of inventory items categorised into different seasons by checking to relevant documents including goods receipt notes on a sample basis, and recalculated the mathematical accuracy of the provision made for the selected items; and
- 透過抽樣檢查相關文件（包括商品收據）測試分類為不同季節的存貨項目賬齡，並重新計算就選定項目所作撥備的數值準確性；及
- Assessed the reasonableness of the provisions by challenging management's projections on current trends and demands for the remaining inventories, with reference to historical sales experience and comparing the carrying values of inventories items, on a sample basis, to actual prices for subsequent year-end sales.
- 透過質疑管理層對目前趨勢及剩餘存貨需求的預測，並參考歷史銷售經驗及抽樣將存貨項目賬面值與隨後的年末銷售的實際價格進行比較，評估撥備的合理性。

Based on the procedures described above, we found that management's judgments in estimating the inventory provision to be supported by available evidence.

基於上述程序，我們發現管理層估計存貨撥備的判斷有可用證據支持。

Independent Auditor's Report 獨立核數師報告

Key Audit Matter

關鍵審計事項

Impairment assessment of property, plant and equipment and right-of-use assets

物業、廠房及設備及使用權資產減值評估

Refer to Note 3 – critical accounting estimates, assumptions and judgements and Note 12 – property, plant and equipment and right-of-use assets to the consolidated financial statements.

請參閱綜合財務報表附註3重大會計估計、假設及判斷及附註12物業、廠房及設備及使用權資產。

As at 31 December 2020, the carrying value of the Group's property, plant and equipment amounted to HK\$92.6 million (after impairment provision of HK\$5.1 million), and right-of-use assets amounted to HK\$277.1 million (after impairment provision of HK\$23.4 million).

於二零二零年十二月三十一日，貴集團的物業、廠房及設備賬面值為92,600,000港元（扣除減值撥備5,100,000港元）及使用權資產賬面值為277,100,000港元（扣除減值撥備23,400,000港元）。

The operation of the Group's retail stores was adversely affected by the outbreak of COVID-19 pandemic and certain of the Groups's retail stores were loss making during the year. Management regards each individual retail store as a separate CGU and carried out impairment assessment by determining the recoverable amounts of the retail store assets which have impairment indicators. The recoverable amount of the assets of the relevant retail stores is determined by VIU calculations using discounted cash flow projections based on sales forecast prepared by management with major assumptions including budgeted sales and gross margin, revenue growth rates and discount rate.

爆發COVID-19疫情對貴集團零售店的營運造成不利影響，而年內貴集團的若干零售店出現虧損。管理層視各獨立零售店為一個可單獨識別的現金產生單位，並通過釐定具有減值跡象的零售店資產之可收回金額進行減值評估。相關零售店資產之可收回金額乃根據管理層編製的銷售預測（主要假設包括預算銷售及毛利率、收益增長率及貼現率）使用貼現現金流量預測進行的使用價值計算而釐定。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures on auditing management's property, plant and equipment and right-of-use assets impairment assessment mainly included:

我們對管理層物業、廠房及設備及使用權資產減值評估進行的審計程序主要包括：

- Understood and evaluated of the internal controls over the identification of relevant retail stores having impairment indicators and preparation of the cash flow forecasts and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud;
- 瞭解並評估有關識別有減值跡象的相關零售店及編製現金流量預測的內部控制，並通過考慮估計之不明朗因素的程度及其他固有風險因素的水平（如複雜性、主觀性、變動及對管理層偏見或欺詐的敏感性）評估重大錯誤陳述的固有風險；
- Tested the reasonableness of the data used and challenged management's key assumptions adopted in the future cash flow forecasts, mainly in relation to:
 - 測試所用數據的合理性，並對管理層在未來現金流量預測中採用的主要假設提出質疑，主要涉及以下方面：
 - i. the budgeted sales and gross margin, by comparing them with actual historical financial data of the stores and questioning business plans with senior management;
 - i. 將預算的銷售及毛利率與店舖的實際歷史財務數據進行比較，並向高級管理層詢問業務計劃；
 - ii. the revenue growth rates, by comparing them with the relevant economic and industry forecasts, including forecasts sourced from external parties; and
 - ii. 將收益增長率與相關經濟及行業預測（包括來自外部各方的預測）進行比較；及
 - iii. the discount rate, by comparing them with costs of capital of comparable companies;
 - iii. 將貼現率與可資比較公司的資本成本進行比較；

Key Audit Matter

關鍵審計事項

We focused on this area due to the size of the property, plant and equipment and right-of-use assets, and the significant judgement and estimation involved in determining the recoverable amounts of the relevant assets subject to impairment assessment.

我們專注該範疇是由於物業、廠房及設備及使用權資產的規模，以及在釐定須進行減值評估的相關資產的可收回金額時所涉及的重大判斷和估計。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- Tested the mathematical accuracy of the calculations of the recoverable amounts of these stores; and
- 測試計算該等店舖之可收回金額的數學準確性；及
- Evaluated the sensitivity analysis to ascertain the extent of the change in the key assumptions that would result in the retail store assets being impaired and discussed with management the likelihood of such a change in the key assumptions arising.
- 評估敏感度分析，以確定可能導致零售店資產減值的主要假設的變化程度，並與管理層討論主要假設導致發生此類變化的可能性。

Based on the procedures described above, we found that the impairment assessment of property, plant and equipment and right-of-use assets made by management to be supported by available evidence.

根據以上所述程序，我們發現管理層對物業、廠房及設備及使用權資產減值評估有可得的證據支持。

Independent Auditor's Report 獨立核數師報告

Other Information

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

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

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

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

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

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

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

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

其他信息

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

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

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

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

董事及審核委員會就綜合財務報表須承擔的責任

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

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report 獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，或倘若有關的披露不足，則我們應當發表非無保留意見。我們的結論乃基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公平呈列相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Brian Ming Yan Choi.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 22 March 2020

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除威脅的行動或採取的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是蔡明仁。

羅兵咸永道會計師事務所

執業會計師

香港，二零二零年三月二十二日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

			2020 二零二零年	2019 二零一九年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	5	819,036	625,004
Cost of sales	銷售成本		(488,248)	(501,795)
Gross profit	毛利		330,788	123,209
Other income and other gains – net	其他收入及其他收益淨額	5	1,359,084	890,637
Selling and distribution expenses	銷售及分銷開支		(224,412)	(47,658)
Administrative and other operating expenses	行政及其他經營開支		(453,077)	(273,346)
Net impairment loss recognised on financial assets	已確認財務資產之減值虧損淨額	39	(274)	(82,483)
Finance costs	財務成本	6	(65,140)	(118,334)
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之溢利減虧損	15	266,393	342,112
Profit before income tax	除所得稅前溢利	7	1,213,362	834,137
Income tax	所得稅	10	(13,767)	(7,533)
Profit for the year	年內溢利		1,199,595	826,604
Other comprehensive income/(loss):	其他全面收益／(虧損):			
Items that may be reclassified subsequently to profit or loss, net of income tax of nil	其後可重新分類至損益之項目，扣除所得稅(無)			
– Share of other comprehensive (loss)/income of an associate	– 分佔聯營公司之其他全面(虧損)／收益		(1,906)	427
– Reclassification adjustment upon partial disposal of an associate	– 於部分出售一間聯營公司時重新分類調整		56,562	39,737
– Release of exchange reserve upon disposal of a subsidiary	– 於出售一間附屬公司後解除匯兌儲備		–	10,437
– Exchange differences on translation of foreign operations	– 換算海外業務之匯兌差額		335,956	(102,658)
Other comprehensive income/(loss) for the year, net of income tax	年內其他全面收益／(虧損)，扣除所得稅		390,612	(52,057)
Total comprehensive income for the year	年內全面收益總額		1,590,207	774,547
Profit/(loss) attributable to:	以下人士應佔溢利／(虧損):			
– Equity holders of the Company	– 本公司權益持有人		1,192,392	834,366
– Non-controlling interests	– 非控股權益		7,203	(7,762)
			1,199,595	826,604
Total comprehensive income/(loss) attributable to:	以下人士應佔全面收益／(虧損)總額:			
– Equity holders of the Company	– 本公司權益持有人		1,573,387	784,347
– Non-controlling interests	– 非控股權益		16,820	(9,800)
			1,590,207	774,547
Profit per share attributable to equity holders of the Company:	本公司權益持有人應佔每股溢利:			
Basic (HK cents)	基本(港仙)	11	10.59	7.41
Diluted (HK cents)	攤薄(港仙)	11	10.57	7.34

The notes on pages 116 to 220 are an integral part of these consolidated financial statements.

第116至220頁所載之附註為該等綜合財務報表之組成部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2020 於二零二零年十二月三十一日

			2020 二零二零年	2019 二零一九年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS				
非流動資產				
Property, plant and equipment	物業、廠房及設備	12	92,622	74,156
Investment properties	投資物業	13	203,700	–
Right-of-use assets	使用權資產	12	277,077	176,282
Intangible assets	無形資產	14	288,584	423,690
Interests in associates and joint ventures	於聯營公司及合營企業之權益	15	3,031,604	2,939,730
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	55,245	33,628
Other non-current asset	其他非流動資產		1,946	551
Deferred tax assets	遞延稅項資產	27	24,384	23,700
Total non-current assets	非流動資產總值		3,975,162	3,671,737
CURRENT ASSETS				
流動資產				
Stock of properties	物業存貨	17	–	290,557
Inventories	存貨	18	183,863	1,807
Trade debtors and bills receivable	應收賬款及應收票據	19	82,887	199,624
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	167,551	50,236
Financial assets at fair value through profit or loss	透過損益按公平值計量之 財務資產	16	273,338	–
Restricted bank balances	限制性銀行結餘	22	3,627	3,342
Cash and bank balances	現金及銀行結餘	21	1,857,441	649,262
Assets classified as held-for-sale	分類為持作出售之資產	36	2,568,707	1,194,828
			306,051	–
Total current assets	流動資產總值		2,874,758	1,194,828
CURRENT LIABILITIES				
流動負債				
Trade and other payables	應付賬款及其他應付款項	23	313,627	172,594
Contract liabilities	合約負債	5	107,108	61,377
Accruals	應計費用	24	122,612	50,794
Deferred income	遞延收入	25	2,100	8,959
Lease liabilities	租賃負債	12	135,312	15,359
Financial liabilities at fair value through profit or loss	透過損益按公平值計量之 財務負債	16	456	2,965
Income tax payable	應付所得稅		13,610	15,503
Liabilities classified as held-for-sale	分類為持作出售之負債	36	694,825	327,551
			39	–
Total current liabilities	流動負債總額		694,864	327,551
NET CURRENT ASSETS	流動資產淨值		2,179,894	867,277
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		6,155,056	4,539,014

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2020 於二零二零年十二月三十一日

		2020 二零二零年	2019 二零一九年
		Notes 附註	HK\$'000 千港元
NON-CURRENT LIABILITIES			HK\$'000 千港元
	非流動負債		
Deferred income	遞延收入	25	1,872
Other payables	其他應付款項		2,730
Lease liabilities	租賃負債	12	169,279
Bank loan	銀行貸款	26	1,256,000
Deferred tax liabilities	遞延稅項負債	27	49,538
Total non-current liabilities			1,479,419
NET ASSETS			3,059,595
資產淨值			
EQUITY			
權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		
Issued capital	已發行股本	28	443,217
Perpetual convertible bonds	永久性可換股債券	30	1,139,046
Reserves	儲備	31	1,439,034
			3,021,297
Non-controlling interests	非控股權益		38,298
TOTAL EQUITY			3,059,595
權益總額			

The financial statements were approved by the Board of Directors on 22 March 2021. 本財務報表已於二零二一年三月二十二日獲董事會批准。

Li Ning
李寧
Chairman and Chief Executive Officer
主席兼行政總裁

Li Chunyang
李春陽
Executive Director
執行董事

The notes on pages 116 to 220 are an integral part of these consolidated financial statements.

第116至220頁所載之附註為該等綜合財務報表之組成部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔											
		Issued capital	Share premium account	Perpetual convertible bonds	Share option reserve	Exchange fluctuation reserve	Reserve funds	Convertible notes equity reserve	(Accumulated losses)/ retained earnings	Total	Non-controlling interests	Total equity	
		已發行股本	股份溢價賬	永久性可換股債券	購股權儲備	匯兌波動儲備	儲備基金	可換股票據權益儲備	(累計虧損)/保留盈利	總計	非控股權益	權益總額	
		Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		附註	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
1 January 2019	二零一九年一月一日		442,396	4,199,052	1,139,046	165,911	(303,815)	11,799	90,392	(1,853,644)	3,891,137	43,325	3,934,462
Profit for the year	年內溢利		-	-	-	-	-	-	834,366	834,366	(7,762)	826,604	
Other comprehensive income/(loss) for the year	年內其他全面收益/(虧損):												
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額		-	-	-	(100,620)	-	-	-	(100,620)	(2,038)	(102,658)	
Reclassification adjustment upon partial disposal of an associate	於部分出售一間聯營公司時重新分類調整		-	-	-	39,737	-	-	-	39,737	-	39,737	
Release of exchange reserve upon disposal of a subsidiary	於出售一間附屬公司後解除匯兌儲備		-	-	-	10,437	-	-	-	10,437	-	10,437	
Share of other comprehensive income of an associate	分佔聯營公司之其他全面收益		-	-	-	427	-	-	-	427	-	427	
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額		-	-	-	(50,019)	-	-	834,366	784,347	(9,800)	774,547	
Acquisition of subsidiaries	收購附屬公司		-	-	-	-	-	-	-	-	18,499	18,499	
Acquisition of non-controlling interests without a change in control	收購非控股權益而不改變控制權		-	-	-	-	-	-	13,917	13,917	(13,726)	191	
Share issued upon exercise of share options	購股權獲行使時發行之股份	29	821	11,510	-	(3,133)	-	-	-	9,198	-	9,198	
Equity-settled share option arrangements	以股權結算之購股權安排	29	-	-	-	10,377	-	-	-	10,377	-	10,377	
Transfer of share option reserve upon the forfeiture or expiry of share options	於購股權被沒收或屆滿時轉撥購股權儲備		-	-	-	(53,430)	-	-	53,430	-	-	-	
Share of associates's reserve	分佔聯營公司之儲備		-	-	-	20,090	-	-	-	20,090	-	20,090	
Redemption of equity component of convertible notes	贖回可換股票據的權益部分		-	-	-	-	-	(90,392)	49,725	(40,667)	-	(40,667)	
Dividend paid	已付股息	41	-	(1,667,102)	-	-	-	-	-	(1,667,102)	-	(1,667,102)	
As at 31 December 2019	於二零一九年十二月三十一日		443,217	2,543,460*	1,139,046	139,815*	(353,834)*	11,799*	-*	(902,208)*	3,021,297	38,298	3,059,595
Profit for the year	年內溢利		-	-	-	-	-	-	1,192,392	1,192,392	7,203	1,199,595	
Other comprehensive income/(loss) for the year	年內其他全面收益/(虧損):												
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額		-	-	-	326,339	-	-	-	326,339	9,617	335,956	
Reclassification adjustment upon partial disposal of an associate	於部分出售一間聯營公司時重新分類調整		-	-	-	56,562	-	-	-	56,562	-	56,562	
Share of other comprehensive loss of an associate	分佔聯營公司之其他全面虧損		-	-	-	(1,906)	-	-	-	(1,906)	-	(1,906)	

Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔										
		Issued capital	Share premium account	Perpetual convertible bonds	Share option reserve	Exchange fluctuation reserve	Reserve funds	Convertible notes equity reserve	(Accumulated losses)/retained earnings	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價賬	永久性可換股債券	購股權儲備	匯兌波動儲備	儲備基金	可換股票據權益儲備	(累計虧損)/保留盈利	總計	非控股權益	權益總額
		Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		附註	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Total comprehensive income for the year	年內全面收益總額		-	-	-	380,995	-	-	1,192,392	1,573,387	16,820	1,590,207
Acquisition of subsidiaries	收購附屬公司		-	-	-	-	-	-	-	-	146,813	146,813
Equity-settled share option arrangements	以股權結算之購股權安排	29	-	-	-	5,862	-	-	-	5,862	-	5,862
Transfer of share option reserve upon the forfeiture or expiry of share options	於購股權被沒收或屆滿時轉撥購股權儲備		-	-	-	(17,834)	-	-	17,834	-	-	-
Share of associates's reserve	分佔聯營公司之儲備		-	-	-	27,330	-	-	-	27,330	-	27,330
Conversion of convertible bonds to ordinary shares	轉換可換股債券為普通股		31,600	173,800	(205,400)	-	-	-	-	-	-	-
Dividend paid	已付股息	41	-	(298,505)	-	-	-	-	-	(298,505)	-	(298,505)
Transfer to statutory reserve	轉撥至法定儲備		-	-	-	-	13,612	-	(13,612)	-	-	-
As at 31 December 2020	於二零二零年十二月三十一日		474,817	2,418,755*	933,646	155,173*	27,161*	25,411*	294,408*	4,329,371	201,931	4,531,302

* These reserve accounts comprise the consolidated reserves of HK\$2,920,908,000 (2019: HK\$1,439,034,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內之綜合儲備2,920,908,000港元(二零一九年:1,439,034,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年	2019 二零一九年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	營運活動之現金流量		
Profit before tax	除稅前溢利	1,213,362	834,137
Adjustments for:	調整：		
Finance costs	財務成本	65,140	118,334
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之溢利減虧損	(266,393)	(342,112)
Net gain on disposal of partial interest in an associate	出售於一間聯營公司之部分權益之收益淨額	(1,022,999)	(817,352)
Interest income	利息收入	(18,250)	(8,531)
Fair value loss/(gain) on investment properties	投資物業之公平值虧損／(收益)	1,400	(461)
Fair value gain on redemption of convertible notes	贖回可換股票據之公平值收益	-	(67,122)
Fair value (gain)/loss on financial assets/liabilities at FVPL	透過損益按公平值計量之財務資產／負債之公平值(收益)／虧損	(3,623)	254
Reversal of provision for inventories	撥回存貨撥備	(5,798)	-
Gain on bargain purchase	議價收購收益	(245,300)	-
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	2,680	80
Depreciation	折舊	95,046	20,004
Amortisation of intangible assets	無形資產攤銷	34,140	14,459
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	-	29,957
Loss on disposal of intangible assets	出售無形資產之虧損	7,390	-
Impairment on intangible assets	無形資產之減值	130,107	31,368
Impairment on investment in a joint venture	於一間合營企業之投資之減值	-	17,381
Net impairment loss recognised on financial assets	已確認財務資產之減值虧損淨額	274	82,483
Impairment on property, plant and equipment	物業、廠房及設備之減值	5,054	-
Impairment on right-of-use assets	使用權資產之減值	23,363	-
Equity-settled share option expenses	以股權結算之購股權開支	5,862	10,377
		21,455	(76,744)
Decrease/(increase) in inventories	存貨減少／(增加)	43,824	(358)
Decrease in trade debtors and bills receivable	應收賬款及應收票據減少	178,071	181,528
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)／減少	(1,440)	65,196
Decrease in derivative financial instruments	衍生財務工具減少	-	22,780
Increase in other non-current asset	其他非流動資產增加	(1,358)	-
Increase/(decrease) in trade and other payables	應付賬款及其他應付款項增加／(減少)	46,055	(110,947)
Increase/(decrease) in contract liabilities	合約負債增加／(減少)	36,336	(21,545)
(Decrease)/increase in accruals	應計費用(減少)／增加	(4,980)	17,184
Decrease in deferred income	遞延收入減少	(1,750)	(15,490)
Cash generated from operations	營運活動所得現金	316,213	61,604
Income tax paid	已付所得稅	(21,834)	(20,300)
Net cash flows generated from operating activities	營運活動所得現金流量淨額	294,379	41,304

Consolidated Statement of Cash Flows 綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年	2019 二零一九年	
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES		投資活動之現金流量		
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目之所得款項		2,750	330
Net proceeds from disposal of a subsidiary, net of cash	出售一間附屬公司之所得款項淨額(扣除現金)		-	95,731
Dividends received from associates	已收聯營公司之股息	15	68,058	50,523
Net proceeds on disposal of partial interest in an associate	出售於一間聯營公司之部分權益之所得款項淨額		1,493,480	1,719,683
Interest received	已收利息		15,450	9,500
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	12	(23,079)	(10,590)
Purchases of intangible assets	購買無形資產	14	(7,322)	(5,461)
Payment for financial asset at fair value through profit or loss	透過損益按公平值計量之財務資產之款項	16	(271,874)	-
Net proceeds from/(payment for) acquisition of subsidiaries, net of cash	收購附屬公司所得/(所付)款項淨額(扣除現金)		124,095	(264,597)
Net cash flows generated from investing activities	投資活動所得之現金流量淨額		1,401,558	1,595,119
CASH FLOWS FROM FINANCING ACTIVITIES		融資活動之現金流量		
Interest paid	已付利息		(47,942)	(124,032)
Proceeds from new bank loan	新銀行貸款所得款項		-	1,256,000
Repayment of bank loan	償還銀行貸款		(54,829)	(40,000)
Repayment of convertible notes	償還可換股票據		-	(778,000)
Proceeds from issue of ordinary shares upon exercise of share options	購股權獲行使時發行普通股所得款項		-	9,198
Dividend paid	已付股息		(298,505)	(1,667,102)
Payment of lease liabilities	租賃負債之付款		(103,685)	(10,229)
Capital contribution from a non-controlling interest	來自非控股權益之注資		3,745	-
Net cash flows used in financing activities	融資活動所用現金流量淨額		(501,216)	(1,354,165)
NET INCREASE IN CASH AND CASH EQUIVALENTS		現金及現金等價物增加淨額		
Cash and cash equivalents at beginning of year	年初現金及現金等價物		649,262	380,654
Effect of foreign exchange rate changes, net	外匯匯率變動之影響淨額		13,458	(13,650)
CASH AND CASH EQUIVALENTS AT END OF YEAR		年終現金及現金等價物		
			1,857,441	649,262
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	21	982,537	500,867
Non-pledged time deposits with original maturity of less than three months	原有到期日少於三個月之非抵押定期存款	21	874,904	148,395
Cash and bank balances as stated in the statement of financial position	於財務狀況表列賬之現金及銀行結餘	21	1,857,441	649,262

The notes on pages 116 to 220 are an integral part of these consolidated financial statements.

第116至220頁所載之附註為該等綜合財務報表之組成部分。

Notes to Consolidated Financial Statements

綜合財務報表附註

31 December 2020 二零二零年十二月三十一日

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands and the ordinary shares of which are listed on the GEM of The Stock Exchange of Hong Kong Limited ("Stock Exchange").

Principal activities

During the year, the Company and its subsidiaries ("Group") were involved in the following principal activities:

- production and distribution of sports content, management and marketing of sports talents and provision of sports-related marketing and consultancy services;
- operation of sports parks, sports centres and ice-skating rinks; and provision of community development consultancy; and
- development, design and sale of sports and lifestyle consumables.

Li Ning Company Limited ("Li Ning Co"), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2331), is an associated company of the Group, whose principal activities include brand development, design, manufacture, sale and distribution of sport-related footwear, apparel, equipment and accessories in the People's Republic of China (the "PRC").

CITIC Land Co., Ltd ("CITIC Land"), a company incorporated in the PRC with limited liability and a directly owned subsidiary of CITIC Group Corporation, is an associated company of the Group, whose principal activities include property development and operation; property management; hotel investment and management; construction project and facilities contracting and equipment installations; decoration units; landscaping; property development consultancy.

Shanghai Double Happiness Co., Ltd. (the "Double Happiness"), a company incorporated in the PRC with limited liability, is an associated company of the Group, whose principal activities include manufacture, research and development, marketing and sale of principally table tennis and badminton equipment under its own "紅雙喜 (Double Happiness)" brand and other sports accessories.

These financial statements are presented in HK\$, unless otherwise stated.

1. 公司資料

本公司為一間於開曼群島註冊成立之有限公司，其普通股於香港聯合交易所有限公司（「聯交所」）GEM上市。

主要業務

年內，本公司及其附屬公司（「本集團」）從事下列主要業務：

- 體育內容製作及發行、體育人才管理及市場推廣及提供體育相關市場推廣及諮詢服務；
- 經營體育園、運動中心及滑冰場；及提供社區發展諮詢；及
- 發展、設計及銷售運動及生活休閒消費品。

李寧有限公司（「李寧公司」），一間於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：2331），為本集團之一間聯營公司，其主要業務範圍涵蓋於中華人民共和國（「中國」）從事之體育相關鞋類、服飾、器材及配件之品牌開發、設計、製造、銷售及分銷。

中信置業有限公司（「中信置業」，一間於中國註冊成立之有限公司及為中國中信集團有限公司直接擁有之附屬公司）為本集團之一間聯營公司，其主要業務範圍涵蓋房地產開發、經營；物業管理；酒店投資管理；建築工程施工及設備安裝；裝修裝飾工程；園林綠化；房地產諮詢服務。

上海紅雙喜股份有限公司（「紅雙喜」），為於中國註冊成立之有限公司，並為本集團之聯營公司。其主要業務範圍涵蓋製造、研發、營銷及銷售其自有「紅雙喜 (Double Happiness)」品牌下的主打產品乒乓球及羽毛球器材以及其他體育配件。

除另有指明者外，該等財務報表乃以港元呈列。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations ("HKFRSs"). The consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and investment property – measured at fair value; and
- assets held for sale – measured at lower of the carrying amount and fair value less cost to sell.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

2.2 Changes in accounting policies and disclosures

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Revised Conceptual Framework for Financial Reporting	

The adoption of the new and revised HKFRS for the year ended 31 December 2020 has had no material impact on the amounts reported in these consolidated results and/or disclosures set out in these consolidated results.

2. 主要會計政策概要

編製該等綜合財務報表所應用之主要會計政策乃載於下文。除另有說明者外，該等政策已貫徹應用於所有呈列年度。

2.1 編製基準

該等綜合財務報表乃根據所有適用香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)(「香港財務報告準則」)編製。綜合財務報表亦包括GEM證券上市規則及香港《公司條例》規定的適用披露。綜合財務報表乃按歷史成本基準編製，惟以下各項除外：

- 若干財務資產及負債(包括衍生工具)及投資物業—按公平值計量；及
- 持作出售之資產—按賬面值與公平值減出售成本之較低者計量。

編製符合香港財務報告準則之財務報表須運用若干重要會計估計，亦需要管理層在採用本集團會計政策之過程中作出判斷。涉及較高程度判斷或比較複雜之範疇，或就綜合財務報表而言屬重大之假設及估計之範疇於附註3中披露。

2.2 會計政策及披露變動

(a) 本集團採納之新訂及經修訂準則

本集團於二零二零年一月一日開始的年度報告期內首次應用以下準則及修訂：

香港會計準則第1號及香港會計準則第8號之修訂	重大之定義
香港財務報告準則第3號之修訂	業務之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革
經修訂財務報告概念框架	

於截至二零二零年十二月三十一日止年度採納新訂及經修訂香港財務報告準則對此等綜合業績所呈報之數額及／或此等綜合業績所載之披露事項並無重大影響。

Notes to Consolidated Financial Statements 綜合財務報表附註

31 December 2020 二零二零年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group also elected to early adopt the following amendment:

Amendment to HKFRS 16 COVID-19-Related Rent Concessions

Amendment to HKFRS 16 on COVID-19-Related Rent Concessions provided lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would if they were not lease modifications.

The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

Amendment to HKFRS 16 on COVID-19-Related Rent Concessions is mandatory for annual reporting periods beginning on or after 1 June 2020. The Group has elected to early adopt amendment to HKFRS 16 on COVID-19-Related Rent Concessions for the current reporting period as permitted by this amendment.

The Group has applied the practical expedient to all rent concessions that meet the above conditions in respect of lease arrangements for which lease liabilities are recognised. The early adoption of HKFRS 16 on COVID-19-Related Rent Concessions does not have material impact on the consolidated financial statement in the current year.

(b) *New standard issued but not yet effective*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods.

2. 主要會計政策概要(續)

本集團亦選擇提早採納下列修訂：

香港財務報告準則 與COVID-19相關
第16號之修訂 的租金優惠

有關與COVID-19相關的租金優惠的香港財務報告準則第16號之修訂以可選擇豁免評估與COVID-19相關的租金優惠是否屬於租賃修訂的形式為承租人(而非出租人)提供減免。承租人可選擇以猶如該等租金優惠並非租賃修訂的相同方式入賬租金優惠。

該可行權宜方法僅適用於滿足以下所有條件的COVID-19疫情直接產生的租金優惠：

- 租賃付款的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；
- 租賃付款的任何減幅僅影響於二零二一年六月三十日或之前到期的付款；及
- 租賃的其他條款及條件並無實質變動。

有關與COVID-19相關的租金優惠的香港財務報告準則第16號之修訂於二零二零年六月一日或之後開始的年度報告期間強制生效。如有關修訂所允許，本集團已選擇於本報告期間提早採納有關與COVID-19相關的租金優惠的香港財務報告準則第16號之修訂。

本集團已將可行權宜方法應用於所有符合上述條件而須確認租賃負債的租賃安排的租金優惠。提前採納有關與COVID-19相關的租金優惠的香港財務報告準則第16號對本年度的綜合財務報表並無產生重大影響。

(b) *已頒佈但尚未生效之新訂準則*

若干新訂會計準則及詮釋已頒佈，惟於二零二零年十二月三十一日報告期間尚未強制生效，亦未獲本集團提早採納。預計該等準則於當前或未來報告期內不會對實體產生重大影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies

Consolidation

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date of acquisition, being the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset and liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

2. 主要會計政策概要(續)

2.3 主要會計政策概要

綜合

附屬公司為本集團擁有控制權之實體(包括結構性實體)。當本集團承受或享有參與實體所得之可變回報之風險或權利，且有能透過其對實體之權力影響該等回報時，則本集團控制該實體。附屬公司自收購日期(即控制權轉予本集團之日期)起綜合入賬，並自不再擁有控制權之日期起終止綜合入賬。

(a) 業務合併

本集團採用收購會計法計算業務合併。收購附屬公司之已轉讓代價為所轉讓資產、被收購方原擁有人所承擔負債及本集團發行之股權之公平值。所轉讓代價包括或然代價安排產生之任何資產及負債之公平值。收購相關成本於產生時列支。於業務合併收購之可識別資產以及承擔之負債及或然負債，初步按收購日期之公平值計量。

本集團按逐項收購確認被收購方的任何非控股權益。為現時擁有權權益，並賦予其持有人在清盤時則按比例分佔實體的資產淨值的被收購方的非控股權益，按公平值或按現時擁有權權益分佔被收購方可識別資產淨值的確認金額比例計量。非控股權益的所有其他組成部分按其收購日期的公平值計量，除非香港財務報告準則規定必須以其他計量基準計量。

倘業務合併分階段實現，則收購方先前持有之被收購方股權之收購日期賬面值乃重新計量至於收購日期之公平值；因有關重新計量產生之任何收益或虧損均於損益內確認。

倘任何部分的現金代價的清償被遞延，則未來應付款項折算至交易日的現值。所用折現率為實體的增量借款利率，即按相似條款及條件能夠向獨立貸款方取得相似貸款的利率。或然代價可分類為權益或財務負債。分類為財務負債之金額其後重新計量至其公平值，而公平值變動會於損益內確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Separate Financial Statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2. 主要會計政策概要(續)

所轉讓代價、於被收購方之任何非控股權益金額及任何先前持有之被收購方股權之收購日期公平值超逾所收購可識別資產淨值之公平值之差額乃入賬為商譽。如所轉讓代價、所確認非控股權益及已計量之先前持有權益之總額少於所收購附屬公司資產淨值之公平值(就議價購買而言)，則差額直接於損益內確認。

集團內公司間交易、結餘及集團公司間交易之未變現收益均予以對銷。除非有證據顯示交易所轉讓資產出現減值，否則未變現虧損亦予以對銷。當有必要時，附屬公司所呈報之金額已予以調整以與本集團之會計政策一致。

(b) 於附屬公司所有權權益之變動(並無改變控制權)

與非控股權益進行且並不導致失去控制權之交易乃入賬為股本交易—即作為與附屬公司擁有人(以彼等作為擁有人之身份)進行之交易。任何已付代價之公平值與所取得之附屬公司資產淨值賬面值之相關份額之差額乃於權益內入賬。向非控股權益出售之收益或虧損亦於權益內入賬。

獨立財務報表

於附屬公司之投資乃按成本扣除減值入賬。成本包括投資直接應佔成本。附屬公司業績由本公司按已收及應收股息基準入賬。

倘自該等投資收取的股息超出宣派股息期間該附屬公司的全面收益總額，或倘獨立財務報表內的投資賬面值超出綜合財務報表所示被投資公司資產淨值(包括商譽)的賬面值，則於自該等投資收取股息時須對於該等附屬公司的投資進行減值測試。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Associates

An associate is an entity over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

When the most recently available financial statements of an associate is different from the Group's reporting date, the Group may take advantage of the provision contained in HKAS 28 whereby it is permitted to include the attributable share of associate's results based on the financial statements drawn up to a non-coterminous period end where the difference must be no greater than three months. Adjustments shall be made for the effects of significant transactions or events that occur between that date and the date of the Group's consolidated financial statements.

Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investment in an associate, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associate is not individually tested for impairment. Accounting policies of the associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit of investments accounted for using equity method' in the profit or loss.

2. 主要會計政策概要(續)

聯營公司

聯營公司指本集團對其有重大影響力而無控制權之實體。於聯營公司之投資以權益會計法入賬。根據權益法，投資初始以成本確認，而賬面值則予以增加或減少，以確認投資者在收購日期後佔被投資方損益之比例。本集團於聯營公司之投資包括收購時已識別之商譽。收購於聯營公司之所有權權益時，聯營公司成本與本集團應佔聯營公司可識別資產及負債公平值淨額之間的任何差額，入賬為商譽。

倘於聯營公司的所有權權益減少但仍保留重大影響力，先前於其他全面收益確認的金額僅按比例重新分類至損益(如適用)。

本集團收購後應佔的溢利或虧損於損益內確認，而收購後應佔其他全面收益變動於其他全面收益確認，並就投資賬面值作相應調整。倘本集團應佔聯營公司的虧損等於或超過所持聯營公司的權益(包括任何其他無抵押應收款項)，除非本集團承擔法定或推定責任或已代聯營公司付款，否則不會確認進一步虧損。

倘聯營公司最近期可得之財務報表與本集團之報告日期存在差異，本集團可利用香港會計準則第28號所載之條文，其准許根據聯營公司不同截算日期(但差距不得超過三個月)之財務報表計入應佔聯營公司之業績。須就當日及本集團綜合財務報表日期之間發生之重大交易或事件之影響作出調整。

本集團與其聯營公司之間進行之交易產生之未變現收益及虧損須以本集團於聯營公司之投資為限予以對銷，惟倘若未變現虧損可證明獲轉讓資產有所減值時除外。收購聯營公司產生之商譽不予獨立進行減值測試。聯營公司之會計政策已作必要修訂，以確保與本集團所採納之政策一致。

本集團在每個報告日期釐定於聯營公司的投資是否存在任何客觀減值證據。一旦存在減值證據，本集團會按聯營公司可收回金額與其賬面值之間的差額計算減值金額，並於損益內「應佔以權益法入賬之投資溢利」確認有關金額。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Gain or losses on dilution of equity interest in associates are recognised in the profit or loss.

Joint arrangements

Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Segment Reporting

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

Property, plant and equipment and depreciation

Property, plant and equipment primarily consist of buildings, leasehold improvements, machinery and office equipment, furniture and fixtures, and motor vehicles. They are stated at cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

2. 主要會計政策概要(續)

於聯營公司之股權攤薄收益或虧損於損益內確認。

合營安排

根據香港財務報告準則第11號，於合營安排的投資視乎各投資者的合約權利及責任分類為共同經營或合營企業。本集團已評估其合營安排的性質，並將其釐定為合營企業。合營企業採用權益法入賬。

本集團與其合營企業交易之未變現收益按本集團所持合營企業權益為限予以對銷。除非有證據顯示交易中所轉讓資產出現減值，否則未變現虧損亦予以對銷。合營企業之會計政策已作必要修訂，以確保與本集團所採納之政策一致。

分部報告

經營分部以向主要經營決策者提供內部呈報一致的形式呈報。主要經營決策者被認為作出戰略決策之管理層，負責經營分部之資源分配及表現評估。

物業、廠房及設備及折舊

物業、廠房及設備主要包括樓宇、租賃物業裝修、機器及辦公室設備、傢具及裝置以及汽車。其按成本減累計折舊及任何減值虧損列賬。歷史成本包括收購此等項目直接應佔開支。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives. The principal annual rates used for this purpose are as follows:

Buildings	2.5% to 5%
Leasehold improvements	Shorter of remaining lease term or 33.3%
Machinery and office equipment	7.5% to 33.3%
Furniture and fixtures	9% to 33.3%
Motor vehicles	9% to 33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income and other gains – net' in the profit or loss.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. Such properties are measured initially at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

2. 主要會計政策概要(續)

僅當與項目有關之未來經濟利益可能流入本集團，以及該項目成本能可靠計算時，其後成本才會計入資產之賬面值或確認為獨立資產(倘適用)。已更換部件的賬面值終止確認。所有其他維修及保養費於其產生之財政期間自損益扣除。

折舊乃於其估計可使用年期使用直線法分配其成本至其剩餘價值計算。就此所採用之主要年率如下：

樓宇	2.5%至5%
租賃物業裝修	餘下租賃期或33.3% (以較短者為準)
機器及辦公室設備	7.5%至33.3%
傢具及裝置	9%至33.3%
汽車	9%至33.3%

本集團在各報告期末檢討資產的剩餘價值及可使用年期，並按適當情況作出調整。當一項物業、廠房及設備項目之各部分擁有不同可使用年期時，則該項目之成本將按合理基準在各部分間分配，且各部分將分開計算折舊。

倘若資產賬面值超過其估計可收回金額，則其賬面值將即時撇減至其可收回金額。

出售之收益及虧損透過將所得款項與賬面值作比較釐定，並於損益之「其他收入及其他收益淨額」內確認。

投資物業

投資物業乃指持作賺取長期租金收入或作為資本增值或兩者兼具之土地及樓宇(並非由本集團佔用)權益(包括符合投資物業定義之物業於經營租賃項下之租賃權益)。該等物業初始按成本(包括相關交易成本及(倘適用)借貸成本)計量。於初始確認後，投資物業按公平值列賬，相當於外聘估值師於各報告日期釐定之公開市值。公平值乃按活躍市價計算，並於必要情況下就特定資產在性質、位置或狀況方面的任何差別作出調整。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property under construction or development for future use as an investment property is classified as investment property under construction. If the fair value cannot be reliably determined, the investment property under construction will be measured at cost until such time as fair value can be determined or construction is completed.

Changes in fair values are recorded in the profit or loss as part of a valuation gain or loss in 'other income and other gains – net'. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries, represents the excess of the consideration transferred over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Impairment reviews of goodwill arising from acquisition of subsidiaries are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2. 主要會計政策概要(續)

用作未來投資物業之在建或開發中物業分類為在建投資物業。倘公平值無法可靠釐定，在建投資物業將按成本計量，直至公平值可予釐定或竣工為止。

公平值變動乃於損益中入賬為「其他收入及其他收益淨額」之估值收益或虧損之一部分。報廢或出售投資物業之任何收益或虧損乃於報廢或出售之年內在損益內確認。

無形資產

(a) 商譽

商譽產生自收購附屬公司，並相當於所轉讓代價超過本集團在被收購方之可識別資產、負債及或然負債之公平值淨額及被收購方之非控股權益公平值所佔權益之差額。

就減值測試而言，在業務合併中取得之商譽會分配至每個現金產生單位（「現金產生單位」）或現金產生單位組，預期可從合併的協同效應中獲利。商譽被分配至每個單元或單元組指在實體內商譽被監控作內部管理用途之最低層次。商譽在經營分部層次進行監控。

對因收購附屬公司產生的商譽之減值檢討每年進行，或如事件或情況轉變顯示可能存在減值，則更頻密地檢討。附帶商譽的現金產生單位之賬面值與可收回數額（使用價值與公平值減出售成本較高者）比較。任何減值須即時確認為開支及不得在之後期間撥回。

(b) 無形資產(商譽除外)

個別收購之無形資產初步確認時按成本計量。在業務合併過程中收購之無形資產成本為該等資產於收購日期之公平值。無形資產之可使用年期被評估為有限或無限。可使用年期有限之無形資產其後會於其可使用年期攤銷，並在無形資產可能出現減值跡象時進行減值評估。可使用年期有限之無形資產之攤銷期及攤銷方法至少於每個財政年度結算日進行檢討。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Trademarks and membership

Separately acquired trademark and membership are shown at historical cost. Trademarks and membership acquired in business combination are recognised at fair value at the acquisition date. Trademarks and membership that have finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and membership over their estimated useful lives.

Operating rights

Acquired operating rights are shown at historical cost. Operating rights acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of operating rights over their estimated useful lives of 15 to 20 years.

League Qualification

League qualification has a definite useful life and is carried at cost less accumulated amortisation and accumulated impairment losses, if any. It is initially measured at fair value of the consideration given to acquire at the time of the acquisition. Amortisation is calculated using the straight-line method to allocate the cost of league qualification over its estimated useful lives of 9 years.

Players' registration rights

The costs associated with the acquisition of players registrations are capitalised as intangible assets at the fair value of the consideration payable, including an estimate of the fair value of any contingent consideration. Subsequent reassessments of the amount of contingent consideration payable are also included in the cost of the individual's registration. This assessment is carried out on an individual basis. The costs are amortised over the period covered by the individual's contract of 1 to 3 years.

2. 主要會計政策概要(續)

具有無限可使用年期之無形資產每年按個別或現金產生單位水平進行減值測試。該等無形資產不作攤銷。具有無限可使用年期之無形資產每年對可使用年期作檢討以釐定無限年期評估是否仍有證據支持。倘無相關證據支持，可使用年期評估由無限變為有限按前瞻性基準入賬。

商標及會籍

個別收購之商標及會籍按歷史成本列示。在業務合併過程中收購之商標及會籍按其於收購日期之公平值確認。具有有限可使用年期之商標及會籍按成本減累計攤銷及累計減值虧損列賬。攤銷乃使用直線法按其估計可使用年期分配商標及會籍的成本計算。

營運權

收購之營運權按歷史成本列示。在業務合併過程中收購之營運權按其於收購日期之公平值確認。該等營運權的可使用年期有限及隨後按成本減累計攤銷及減值虧損列賬。攤銷乃使用直線法按其15至20年的估計可使用年期分配營運權的成本計算。

聯賽資格

聯賽資格的可使用年期有限及按成本減累計攤銷及累計減值虧損(如有)列賬，其初始按於收購時給予的代價的公平值計量。攤銷乃使用直線法按其9年的估計可使用年期分配聯賽資格的成本計算。

轉會費

與轉會相關的成本按應付代價的公平值資本化為無形資產，包括對任何或有代價公平值的估計。隨後對或有應付代價金額的重新估計亦計入在個人轉會成本內。該評估按個人基準進行。有關成本按1至3年的個人合約覆蓋的期間內攤銷。

Notes to Consolidated Financial Statements 綜合財務報表附註

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods.

- Trademarks and membership 5-20 years
- Operating rights 15-20 years
- League Qualification 9 years
- Players' registration rights 1-3 years

Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2. 主要會計政策概要(續)

本集團使用直線法按下列期限攤銷具有有限可使用年期的無形資產。

- 商標及會籍 5至20年
- 營運權 15至20年
- 聯賽資格 9年
- 轉會費 1至3年

租賃

租賃資產可供本集團使用之日，租賃確認為使用權資產及相應負債。

合約可包含租賃及非租賃部分。本集團根據其相對獨立的價格將合約的代價分配至租賃及非租賃部分。然而，就本集團作為承租人租賃房地產而言，其已選擇不區分租賃及非租賃部分，而將該等租賃入賬作為單一租賃部分。

租賃期限乃按個別基準磋商，並包含一系列不同條款及條件。除承租人所持有租賃資產之擔保權益外，租賃協議並無施加任何契諾。租賃資產不得用作借貸擔保物。

租約產生的資產及負債初步以現值進行計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃優惠
- 基於指數或利率的可變租賃付款，初步按開始日期之指數或利率計量
- 剩餘價值擔保下的本集團預期應付款項
- 購買選擇權的行使價(倘本集團可合理確定將行使該選擇權)，及
- 支付終止租賃的罰款(倘租期反映本集團行使該選擇權)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

2. 主要會計政策概要(續)

根據合理確定擴大選擇權作出的租賃付款亦計入負債的計量。

租賃付款採用租賃所隱含的利率予以貼現。倘無法輕易釐定該利率(本集團的租賃一般屬於此類情況)，則使用承租人的增量借款利率，即個別承租人在類似條款、抵押及條件的類似經濟環境中借入獲得與使用權資產價值類似的資產所需資金所必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整，以反映自獲得第三方融資以來融資條件的變動
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率，及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

本集團未來可能根據指數或利率增加可變租賃付款額，而有關指數或利率在生效前不會計入租賃負債。當根據指數或利率對租賃付款作出的調整生效時，租賃負債會根據使用權資產進行重新評估及調整。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liabilities
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2. 主要會計政策概要(續)

每筆租賃付款乃分配至本金及財務成本。財務成本於租期內自損益扣除，以計算出各期間負債結餘的固定週期利率。

使用權資產按成本計量，包括以下各項：

- 租賃負債的初步計量金額
- 於開始日期或之前所作的任何租賃付款，減去所得的任何租賃優惠
- 任何初始直接成本，及
- 修復成本。

使用權資產一般於資產的可使用年期及租期（以較短者為準）內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。本集團對於物業、廠房及設備內呈列的土地及樓宇進行重估，其選擇不對本集團持有的使用權樓宇進行重估。

與設備及汽車短期租賃相關的支付及所有低價值資產的租賃以直線法於損益中確認為開支。短期租賃指租賃期為12個月或少於12個月的租賃。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Impairment of non-financial assets

Goodwill, intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Financial assets

Classification

The Group classifies its financial assets in the following measurement categories: those to be measured subsequently at fair value through profit or loss, and those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

2. 主要會計政策概要(續)

本集團作為出租人的經營租賃的租賃收入於租期內按直線法於收益內確認。獲得一項經營租賃的初步直接成本加至相關資產的賬面值且在租期內按與租賃收入相同的基準確認為開支。各出租資產按其性質計入財務狀況表。本集團無須因採納新租賃準則而就按出租人持有的資產之會計處理作出任何調整。

非財務資產減值

具有無限可使用年期之商譽、無形資產或未可使用之無形資產毋須攤銷，但每年須進行減值測試，或在有事件或情況變動顯示可能發生減值時更頻繁地進行減值測試。其他資產在有事件或情況變動顯示賬面值可能無法收回時進行減值測試。減值虧損於資產賬面值超出其可收回金額時就該金額確認。可收回金額以資產之公平值扣除銷售成本及使用價值兩者之間較高者為準。就評估減值而言，資產按可分開識別現金流量(現金產生單位)之最低層次分組。除商譽外，已蒙受減值之非財務資產在每個報告期末均就減值是否可以撥回進行檢討。

財務資產

分類

本集團將其財務資產分類為以下計量類別：其後透過損益按公平值所計量者及按攤銷成本所計量者。該分類視乎實體管理財務資產及現金流量的合約條款的業務模式而定。

當且僅當本集團管理該等資產的業務模式改變時，方會對其債務投資進行重新分類。

確認及計量

財務資產之日常買賣均於交易日(即本集團承諾買賣資產當日)確認。於初始確認時，本集團按其公平值加上(倘財務資產並非透過損益按公平值(透過損益按公平值)計量)取得財務資產直接應佔的交易成本計量財務資產。透過損益按公平值列賬的財務資產的交易成本於損益中支銷。

在確定具有嵌入衍生工具的財務資產的現金流量是否僅為支付本金及利息時，需從財務資產的整體進行考慮。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2. 主要會計政策概要(續)

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及資產之現金流量特徵。本集團將其債務工具分類為三種計量類別：

- **攤銷成本：**持作收回合約現金流量之資產，倘該等現金流量僅指支付之本金及利息，則按攤銷成本計量。該等財務資產的利息收入採用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接計入損益，並與匯兌收益及虧損一併於其他收益／（虧損）內列報。減值虧損於損益表內作為單獨項目列示。
- **透過損益按公平值計量：**未達攤銷成本標準或未透過其他全面收益按公平值計量的資產乃透過損益按公平值計量。後續透過損益按公平值計量的債務投資的收益或虧損於損益確認，並於產生期間按淨額在其他收益／（虧損）內呈列。
- **透過其他全面收益按公平值計量：**持作收回合約現金流量及出售財務資產之資產，倘資產現金流量僅指支付之本金及利息，則透過其他全面收益按公平值計量。賬面值變動計入其他全面收益，而減值收益或虧損、利息收入以及匯兌收益及虧損則於損益確認。倘終止確認財務資產，先前於其他全面收益確認之累計收益或虧損自權益重新分類至損益，並於其他收益／（虧損）確認。該等財務資產的利息收入採用實際利率法計入財務收入。匯兌收益及虧損於其他收益／（虧損）呈列，而減值開支於損益表內作為單獨項目列示。

終止確認財務資產

當從財務資產收取現金流量之權利已經到期或轉讓，而本集團已將擁有權之絕大部分風險和回報轉讓時，有關財務資產予以終止確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For further details on the Group's accounting policies for management of financial assets, see Note 39 credit risk.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the consolidated statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to the consolidated statement of profit or loss when the hedged item affects profit or loss.

Perpetual Convertible Bonds

Perpetual Convertible Bonds issued by the Group gives holders the right to convert these Perpetual Convertible Bonds into a fixed number of the Company's ordinary shares at any time at a fixed exercise price per share, subject to adjustments as provided in the terms and conditions of the bonds. The Perpetual Convertible Bonds have no maturity date and are not redeemable. They are treated as equity instruments and are not remeasured in subsequent years.

2. 主要會計政策概要(續)

減值

本集團按前瞻性基準評估按攤銷成本列賬之債務工具相關之預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。

有關本集團管理財務資產之會計政策之進一步詳情，請見附註39信貸風險。

財務工具之抵銷

於有可依法強制執行權利抵銷已確認金額，並擬按淨額基準結算，或同時變現資產及償還負債時，則財務資產及負債會互相抵銷，並在財務狀況表內以淨額列示。可依法強制執行權利不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，這也必須可強制執行。

衍生財務工具

本集團使用遠期外幣合約等衍生財務工具對沖其外幣風險。該等衍生財務工具初步按訂立衍生合約當日之公平值確認，其後按公平值重新計量。衍生工具在公平值為正數時以資產列賬；在公平值為負數時則以負債列賬。

除現金流量對沖之有效部分於其他全面收益確認及其後於對沖項目影響損益時重新分類至綜合損益表外，衍生工具公平值變動產生之任何收益或虧損均直接列入綜合損益表內。

永久性可換股債券

本集團發行之永久性可換股債券賦予持有人權利於任何時候按每股固定行使價將該等永久性可換股債券兌換為固定數目之本公司普通股，惟須受該等債券之條款及條件所規定而作出之調整所限。永久性可換股債券並無到期日且為不可贖回。該等永久性可換股債券被視作股本工具且不會於往後年度重新計量。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Stock of properties

Stock of properties are stated at the lower of cost and net realisable value. Net realisable value takes into account the price ultimately expected to be realised and the anticipated costs to completion.

Costs of properties include acquisition costs, development expenditure, borrowing costs and other direct costs attributable to the properties. The carrying values of properties held by subsidiaries are adjusted in the consolidated financial statements to reflect the Group's actual costs incurred where appropriate.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade debtors and bills receivable and other receivables

Trade debtors and bills receivable are amounts due from customers for goods sold and services rendered in the ordinary course of business. If collection of trade debtors and bills receivable and other receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade debtors and bills receivable and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade debtors and bills receivable with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 19 for further information about the Group's accounting for trade debtors and bills receivable and Note 39 for a description of the Group's impairment policies.

Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

2. 主要會計政策概要(續)

物業存貨

物業存貨以按成本與可變現淨值兩者中之較低者入賬。可變現淨值已考慮到最終預期變現之價格及預期竣工成本。

物業成本包括相關物業應佔的購入成本、發展開支、借貸成本及其他直接成本。附屬公司持有物業之賬面值在綜合財務報表內經適當調整，以反映本集團實際產生之成本。

存貨

存貨乃按成本與可變現淨值兩者中之較低者入賬。成本採用加權平均成本法釐定。製成品之成本包括原材料、直接勞工、其他直接成本及與生產相關之經常性開支(按一般經營能力)。可變現淨值乃按於日常業務過程中之估計售價減適用可變銷售開支計算。

應收賬款及應收票據及其他應收款項

應收賬款及應收票據為於日常業務過程中就已售貨品及已提供服務應收客戶之款項。倘應收賬款及應收票據及其他應收款項預期於一年或之內收回，則被分類為流動資產。否則，則以非流動資產呈列。

應收賬款及應收票據及其他應收款項初步按代價金額(無條件)確認，惟倘含有重大融資成分則按公平值確認。本集團持有應收賬款及應收票據的目的是收取合約現金流量，因此應收賬款及應收票據其後以實際利率法按攤銷成本計量。有關本集團對應收賬款及應收票據的會計處理的進一步資料，請參閱附註19，而有關本集團減值政策的描述，請參閱附註39。

現金及現金等價物

於綜合現金流量表內，現金及現金等價物包括手頭現金、活期存款及原到期日為三個月或以內之其他短期高流通性投資。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2. 主要會計政策概要(續)

應付賬款

應付賬款為於日常業務過程中就向供應商購買的貨品或服務之付款責任。倘應付賬款於一年或一年之內到期，則被分類為流動負債，否則，則以非流動負債呈列。

應付賬款初步按公平值確認，其後以實際利率法按攤銷成本計量。

撥備

當因過往事件而產生即期責任(法定或推定)並可能須於日後撥出資源解決應付責任時，倘能可靠估計有關責任之數額，則就此確認撥備。

倘出現多項類似責任，責任的清償是否需要資源的流出乃經考慮責任的整體類別後釐定。即使同類別責任中任何一項可能導致資源流出的機會不大，仍會確認撥備。

撥備乃按預計清償責任所需開支，使用反映當時市場對貨幣時間價值及責任的具體風險的評估的除稅前折現率折算的現值而計量。因時間流逝而增加的撥備確認為利息開支。

借貸

借貸初步按公平值扣除所產生交易成本確認。借貸其後按攤銷成本列賬，所得款項(經扣除交易成本)與贖回價值間的任何差額於借貸期間使用實際利率法在損益內確認。

在貸款將很有可能部分或全部提取的情況下，就設立貸款融資時支付的費用確認為貸款的交易成本。在此情況下，該費用將遞延至提取貸款為止。在並無跡象顯示該貸款將很有可能部分或全部提取的情況下，該費用會資本化作為流動資金服務的預付款項，並於有關融資期間內予以攤銷。

除非本集團有權無條件延遲償還負債至報告期末後至少十二個月，否則借貸分類為流動負債。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

Income tax

Income tax comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

(b) Deferred tax

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. 主要會計政策概要(續)

借貸成本

收購、建設或生產合資格資產(為需要長時間準備以供擬定用途或銷售之資產)直接應佔之一般及特定借貸成本乃計入該等資產之成本內，直至該等資產大致上可作擬定用途或銷售時為止。

備用作合資格資產開支之特定借貸之臨時投資所賺取投資收入乃自合資格資本化之借貸成本中扣除。

所有其他借貸成本於其產生期間支銷。

所得稅

所得稅包括即期及遞延稅項。稅項於損益內確認，除非其與其他全面收益或直接於權益確認之項目相關。在此情況下，稅項亦分別於其他全面收益或直接於權益內確認。

(a) 即期所得稅

本期及過往期間之即期稅項資產及負債，乃根據於報告期末前已頒佈或實質頒佈之稅率(及稅法)，經計及本集團經營業務所在國家之現行詮釋及慣例，按預期自稅務機關收回或向其繳付之金額計量。

(b) 遞延稅項

遞延稅項採用負債法，就資產及負債之計稅基準與其作財務申報用途之賬面值之間於報告期末之所有暫時差額作出撥備。

所有應課稅暫時差額均確認為遞延稅項負債，惟：

- 遞延稅項負債因初始確認一項交易(並非業務合併，且於進行交易時對會計溢利及應課稅損益並無影響)所涉及商譽或資產或負債而產生則不在此列；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之應課稅暫時差額而言，倘能控制有關暫時差額之撥回時間及有關暫時差額可能於可見將來不會撥回，則亦不在此列。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2. 主要會計政策概要(續)

所有可抵扣暫時差額、未動用稅項抵免及任何未動用稅項虧損的結轉均確認為遞延稅項資產，而遞延稅項資產於可能取得應課稅溢利供動用可抵扣暫時差額、未動用稅項抵免及未動用稅項虧損結轉時予以確認，惟：

- 與可抵扣暫時差額有關之遞延稅項資產因初始確認一項交易(並非業務合併，且於進行交易時對會計溢利或應課稅損益並無影響)所涉及資產或負債而產生則不在此列；及
- 就與附屬公司、聯營公司及合營企業之投資有關之可抵扣暫時差額而言，則僅在有關暫時差額可能於可見將來撥回，並有應課稅溢利供動用暫時差額之情況下，方會確認遞延稅項資產。

遞延稅項資產之賬面值於各報告期末檢討，倘不再可能有足夠應課稅溢利以供動用全部或部分遞延稅項資產，則遞延稅項資產之賬面值將相應減少。未確認遞延稅項資產於各報告期末重新評估，倘可能有足夠應課稅溢利以收回全部或部分遞延稅項資產，則確認有關遞延稅項資產。

遞延稅項資產及負債乃根據於報告期末前已頒佈或實質頒佈之稅率(及稅法)，按預期變現有關資產或清償有關負債期間適用之稅率計量。

當有可依法強制執行權利將當期稅項資產與當期稅項負債抵銷，且遞延稅項資產及負債涉及相同稅務機關向同一應課稅實體或擬按淨額基準結算結餘之不同應課稅實體徵收之所得稅，則可將遞延稅項資產與負債互相抵銷。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenues are recognised when, or as, the control of the goods or services is transferred to the customer. Depending on the business model, terms of the contract and the laws applicable, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods and services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods and services.

The progress towards complete satisfaction of performance obligation, depending on the nature of the good and service to be transferred, is measured based on one of the following methods that best depicts the Group's performance in satisfying the performance obligation:

- direct measurements of the value of individual services transferred by the Group to the customer; or
- the Group's efforts or inputs to the satisfaction of the performance obligation.

If contracts involve the sale of multiple goods, goods followed by related services, or multiple services, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

2. 主要會計政策概要(續)

收益確認

收益在貨品或服務的控制權轉讓予客戶時確認。根據業務模式、合約條款或適用法律，貨品及服務的控制權可以在某一時段或時點轉讓。如果本集團在履約時滿足以下條件，則貨品及服務的控制權在某一時段轉讓：

- 提供客戶同時收取及消耗的所有利益；
- 在本集團履約時創造並強化客戶所控制的資產；或
- 並未創造一項可被本集團用於其他替代用途的資產，且本集團就迄今為止履約部分的付款具有強制執行權利。

如果對產品和服務的控制權隨時間轉移，則在合約期間通過參考履約責任之已完成進度確認收益。否則，在客戶獲得貨品及服務控制權的時點確認收益。

視乎將予轉讓的貨品及服務性質，履約責任之已完成進度根據以下方法之一計量，有關方法為本集團履行履約責任表現的最佳陳述：

- 直接計量本集團向客戶轉讓之單項服務之價值；或
- 本集團為履行履約責任所做的努力或投入。

如果合約包括銷售多種貨品、貨品及相關服務或多種服務，交易價格將根據其相關單獨售價分配至各項履約責任。如果單獨售價無法直接觀察獲得，則根據可觀察資料的可用性按預計成本加毛利法或經調整的市場評估法進行估計。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When either party to a contract has performed, the Group presents the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer. Contract assets and assets arising from costs to obtain or fulfil a contract that are recognised in accordance with HKFRS 15. The Group uses practical expedients to recognise the incremental costs of obtaining a contract as an expense when incurred as the amortisation period of the asset that the Group otherwise would have recognised is one year or less.

If a customer pays consideration before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made. A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

The following is a description of the accounting policy for the principal revenue streams of the Group:

- (a) from providing services including integrated sports content production and distribution, sports talent management, community development consultancy service and sports park facilities and ice-skating rinks hiring, in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously;
- (b) from the sale of goods, when control of the goods has been transferred to the buyer, which is upon the acceptance of the goods.

2. 主要會計政策概要(續)

當合約一方已履約時，本集團根據實體履約與客戶付款之關係在財務狀況表內將該合約列示為合約資產或合約負債。

合約資產是指本集團因其向客戶轉讓貨品或服務而獲得代價的權利。合約資產及因獲得或履行合約之成本而產生之資產根據香港財務報告準則第15號確認。本集團採用可行權宜方法於產生獲得合約之增量成本時將其確認為開支，原因為本集團已另行確認之資產之攤銷期為一年或以下。

倘客戶於本集團向其轉讓貨品或服務前支付代價，則本集團於支付時將合約呈列為合約負債。合約負債指本集團就其已收客戶代價而向客戶轉讓貨品或服務之責任。

當本集團具有無條件權力收取代價時，確認應收款項。如果代價到期支付之條件僅為時間推移，本集團具有無條件權力收取該等代價。

以下是對本集團主要收益來源之會計政策說明：

- (a) 提供服務(包括綜合體育內容製作及發行、體育人才管理、社區發展諮詢服務以及體育園設施及滑冰場租用)之收益於提供服務之會計期間確認。就固定價格之合約而言，收益按於報告期末已提供實際服務佔將予提供全部服務之比例確認，原因為客戶同時收取並使用利益；
- (b) 銷售貨品之收益於貨品控制權已轉讓予買方(即接收貨品)時予以確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When another party is involved in providing goods or services to a customer, the Group is a principal if it obtains control through one of the following way:

- Control the good or services before it transfers to the customers;
- Has the ability to direct another party to provide the service to the customer on the entity's behalf; or
- Providing a significant service of integrating services and obtains control of the inputs to the specified good or service and directs their use to create the combined output that is the specified good or service.

If control is not clear, the Group will analyse the three indicators (1) who is the primary obligator; (2) who has the inventory risk and (3) who has the discretion in establishing the price to assist the analysis of control. Sometimes, control are not always clear and judgement are need in analysis of whether the Group is principle or agent.

If the Group is principle, revenue will be recognised at the 'gross' amount paid by the customer for the specified good or service and record a corresponding expense for the commission or fee that it has to pay to any agent, in addition to the direct costs of satisfying the contract. If as an agent, will record revenue the commission or fee earned for facilitating the transfer of the specified goods or services (the 'net' amount retained).

Rental income is recognised on a straight line basis over the lease terms;

Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets.

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the statement of profit or loss as part of other income and other gains-net.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Royalty income

Royalty income is recognised on a time proportion basis in accordance with the substance of the relevant agreements.

2. 主要會計政策概要(續)

倘另一方涉及向客戶提供貨品或服務，而本集團透過下列方式之一獲得控制權，則本集團屬於委託人：

- 於貨品或服務轉讓予客戶前控制該等貨品或服務；
- 有能力指示另一方代表實體向客戶提供服務；或
- 提供大量綜合服務及獲得指定貨品或服務投入之控制權，並指示有關貨品或服務用於創造綜合產出(即指定貨品或服務)。

倘控制權並不明確，本集團將分析下列三個指標：(1)誰是主要負責人；(2)誰是擁有存貨風險之一方及(3)誰是擁有定價限制之一方，以協助分析控制權。控制權有時候並不明確，需要於分析本集團作為委託人亦或代理人時作出判斷。

倘本集團為委託人，收益將按客戶就指定貨品或服務支付之「總」額確認，且除履行合約之直接成本外，亦錄得須向任何代理人支付之佣金或費用之有關開支。倘為代理人，將就促使轉讓指定貨品或服務賺取之佣金或費用錄得收益(保留「淨」額)。

租金收入於租期內按直線法確認；

利息收入

透過損益按公平值計量之財務資產之利息收入乃計入該等資產之公平值收益／(虧損)淨額。

使用實際利率法按攤銷成本計算之財務資產之利息收入於損益表確認為其他收入及其他收益淨額之一部分。

利息收入的計算方法是將實際利率應用於財務資產的賬面總額，惟其後出現信貸減值的財務資產除外。就出現信貸減值的財務資產而言，實際利率應用於財務資產的賬面淨值(經扣除虧損撥備)。

專利費

專利費乃根據有關協議實質內容按時間比例基準確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the profit or loss on a straight-line basis over the expected lives of the related assets.

Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options or shares is recognised as an expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options or shares granted on grant day:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2. 主要會計政策概要(續)

政府補貼

政府補貼在合理確定將會收取補貼及本集團將符合一切所附條件時，按其公平值確認。

與成本有關的政府補貼遞延入賬，並按與擬補償的成本配比所需期間於損益內確認。

與物業、廠房及設備有關之政府補貼列入非流動負債作為遞延政府補貼，並按有關資產之預計年期以直線法計入損益。

以股份為基礎之付款

本集團設有多項以股權結算及以股份為基礎之報酬計劃，據此，實體獲得來自僱員之服務作為本集團股本工具(購股權)之代價。為換取購股權或股份而提供之僱員服務之公平值確認為開支，而股本相應增加。將支銷之總額乃參考所授購股權或股份於授出當日之公平值釐定：

- 包括任何市場表現條件(如實體之股價)；
- 不包括任何服務及非市場表現歸屬條件(如盈利能力、銷售增長目標及僱員在某特定時間段於實體留任)之影響；及
- 包括任何非歸屬條件(如規定僱員在特定時間段保留或持有股份)之影響。

總支出於歸屬期(即所有規定的歸屬條件達成的期間)內確認。於各報告期末，實體根據非市場歸屬及服務條件修訂其對預期將歸屬的購股權的數目的估計，並於損益確認修訂對原估計的影響(如有)，並對股本作相應調整。

於購股權獲行使時，本公司會發行新股。於購股權獲行使時，扣除任何直接應佔交易成本所收取的所得款項計入股本(面值)及股份溢價。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

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

Foreign currency translation

(a) Functional and presentation currency

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

(b) Transactions and balances

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the foreign exchange rates ruling at the translation dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

2. 主要會計政策概要(續)

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例，為其香港之所有僱員提供定額供款之強制性公積金退休福利計劃(「強積金計劃」)。供款乃根據僱員基本薪金之百分比計算，並於有關款項根據強積金計劃之規則須予支付時自損益扣除。強積金計劃之資產乃獨立於本集團之資產，由獨立管理之基金分開持有。

本集團於中國經營之附屬公司之僱員須參加由當地市政府所運作之中央退休金計劃。該等附屬公司須按其薪金成本之若干百分比向該等中央退休金計劃供款。有關供款於根據該等中央退休金計劃之規則須支付時自損益扣除。

外幣換算

(a) 功能及呈報貨幣

該等財務報表以港元呈列，港元為本公司之功能及呈報貨幣。本集團旗下各實體自行決定其功能貨幣，而各實體財務報表內之項目均以該實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。

(b) 交易及結餘

年內的外幣交易按交易日之匯率換算。以外幣計值的貨幣資產及負債乃按於報告期末之匯率換算。除來自用作對沖於其他全面收益確認的海外業務投資淨額之外幣借貸外，匯兌收益及虧損於損益確認。

以外幣計值按歷史成本計量之非貨幣資產及負債，採用交易日之匯率換算。以外幣計值按公平值列賬之非貨幣資產及負債，採用計量公平值當日之匯率換算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the translations. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for each profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2. 主要會計政策概要(續)

海外業務之業績乃按與交易日之匯率相若之匯率換算為港元。所產生的匯兌差額於其他全面收益確認並於權益內於匯兌儲備單獨累計。

於出售海外業務時，與該海外業務有關之累計匯兌差額會在確認出售之溢利或虧損時從權益重新分類至損益。

(c) 集團公司

所有集團實體(並無來自嚴重通貨膨脹經濟體的貨幣)的業績及財務狀況的功能貨幣如有別於呈報貨幣，均按以下方式換算為呈報貨幣：

(i) 於各財務狀況表呈列的資產及負債乃按有關財務狀況表結算日的收市匯率換算；

(ii) 各損益的收入及開支乃按平均匯率換算(除非該平均匯率並不合理地接近有關交易當日匯率的累積影響，在該情況下，收入及開支按有關交易當日的匯率換算)；及

(iii) 所有因此而產生的匯兌差額於其他全面收益中確認。

收購境外實體產生的商譽及公平值調整視為該境外實體的資產和負債，並以收市匯率換算。由此產生的匯兌差額於其他全面收益確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Disposal of foreign operation and partial disposal
On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2. 主要會計政策概要(續)

(d) 出售海外業務及部分出售
於出售海外業務(即出售本集團於一項海外業務之全部權益，或涉及失去包含海外業務的附屬公司控制權之出售，或涉及失去包含海外業務之合營企業共同控制權之出售，或涉及失去對包含海外業務之聯營公司重大影響力之出售)時，本公司擁有人應佔就有關業務於權益累計之所有匯兌差額重新分類至損益。

倘出售部分權益不會導致本集團失去對包含海外業務之附屬公司的控制權，則按比例所分佔之累計匯兌差額重新撥歸至非控股權益，且不會於損益確認。就所有其他部分出售(即本集團於聯營公司或合營企業之擁有權益減少，而並無導致本集團失去重大影響力或共同控制權)而言，按比例所分佔之累計匯兌差額重新分類至損益。

普通股

普通股分類列為權益。發行新股或購股權直接應佔的增量成本，列入權益作為所得款項的扣減(扣除稅項)。

倘任何集團公司購買本公司之權益股本(庫存股)，包括任何直接應佔增量成本(扣除所得稅)之已付代價於本公司股權持有人應佔權益內扣除，直至股份獲註銷或重新發行為止。倘該等股份其後重新發行，則任何已收代價(減去任何直接應佔的新增交易成本及相關所得稅影響)計入本公司股權持有人應佔權益中。

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(i) Impairment of goodwill and intangible assets

Indefinite life intangible assets and goodwill are tested for impairment annually and at other times when such an indicator exists. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. Both calculations require the use of estimates. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. In estimating the value in use of assets, various assumptions, including future cash flows to be associated with the non-current assets (such as future sales forecast, expected capital expenditure and working capital requirements) and discount rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will need to be revised, and this may have an impact on the Group's results of operations or financial position.

The Group has assessed the recoverable amount of the CGU with goodwill. The recoverable amounts of the CGUs with goodwill have been determined based on value in use calculation or fair value less costs of disposal calculation, which use cash flow projections as at 31 December 2020. These cash flow projections are derived from the approved business plan which has a forecast covering a period of 5-10 years and have incorporated necessary updates. The key assumptions used in the value in use calculations are set out in Note 14.

3. 重大會計估計、假設及判斷

管理層在編製本集團之財務報表時，須作出判斷、估計及假設，而該等判斷、估計及假設對所呈報收益、開支、資產及負債之金額及隨附披露資料以及或然負債之披露資料均會產生影響。有關假設及估計存在不確定因素，可能導致出現須對日後受影響資產或負債之賬面值作出重大調整之結果。

(i) 商譽及無形資產減值

具無限年期之無形資產及商譽每年及於存在減值跡象時進行減值測試。資產或現金產生單位之賬面值超逾其可收回金額(即其公平值減銷售成本與其使用價值中之較高者)時，即出現減值。兩種計算均須使用估計。公平值減銷售成本乃按類似資產以公平交易方式從具法律約束力之銷售交易中可獲得數據、或可觀察市價減出售資產之增量成本計算。在估計資產的使用價值時，須作出多項假設，包括非流動資產有關的未來現金流量(如未來銷售預測、預計資本開支及營運資金需求)及貼現率。倘未來情況不符合該等假設，則可收回金額將須予以修訂，而此舉可能會影響本集團的經營業績或財務狀況。

本集團已評估商譽現金產生單位之可收回金額。商譽現金產生單位之可收回金額乃基於使用價值或公平值減出售成本釐定，而使用價值計算採用二零二零年十二月三十一日之現金流量預測。該現金流量預測乃摘自經批准業務計劃，該計劃載有涵蓋五至十年期的預測並已載入必要更新資料。使用價值計算採用之主要假設載於附註14。

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3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)*(ii) Impairment of property, plant and equipment, and right-of-use assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period in accordance with the accounting policies stated in Note 2.3. This requires an estimation of the value in use and fair value less cost of disposal of the asset. Estimating the value in use for the impairment assessment of property, plant and equipment and right-of-use assets requires the Group to make an estimate of the expected future cash flows from the asset using key assumptions such as the estimated future store performance, economic environment and the sales growth rate and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of the Group's property, plant and equipment and right-of-use assets as at 31 December 2020 were HK\$92,622,000 (2019: HK\$74,156,000) and HK\$277,077,000 (2019: HK\$176,282,000), respectively.

(iii) Provision for inventories

Management reviews the ageing analysis of inventories of the Group at the end of each reporting period, and makes provision for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The assessment of the provision amount involves management judgements and estimates by considering historical sales patterns and expected subsequent sales based on internal budgets and certain market factors. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying value of the inventories and provision charge/writeback in the period in which such estimate has been changed. In addition, physical counts on all inventories are carried out on a periodical basis in order to determine whether provision needs to be made in respect of any obsolete inventories identified. Management reassesses the estimation at the end of each reporting period and is satisfied that sufficient provision for obsolete and slow-moving inventories has been made in the consolidated financial statements. The carrying amount of the Group's inventories as at 31 December 2020 was HK\$183,863,000 (2019: HK\$1,807,000).

(iv) Fair value of identifiable assets and liabilities acquired through business combinations

The Group applies the acquisition method to account for business combinations, which requires the Group to record assets acquired and liabilities assumed at their fair values on the date of acquisition. Significant judgment is used to estimate the fair values of the assets and liabilities acquired, including estimating future cash flows from the acquired business, determining appropriate discount rates, asset lives and other assumptions.

3. 重大會計估計、假設及判斷(續)*(ii) 物業、廠房及設備及使用權資產之減值*

本集團於各報告期末根據附註2.3所述之會計政策評估所有非財務資產是否存在任何減值跡象。釐定資產是否出現減值須對資產之使用價值及公平值減出售成本作出估計。評估物業、廠房及設備及使用權資產之減值之估計使用價值須本集團對來自資產之預期未來現金流量以主要假設如估計未來店舖表現、經濟環境及銷售增長率作出估計，亦要選擇合適貼現率計算該等現金流量之現值。於二零二零年十二月三十一日，本集團物業、廠房及設備以及使用權資產之賬面值分別為92,622,000港元(二零一九年：74,156,000港元)及277,077,000港元(二零一九年：176,282,000港元)。

(iii) 存貨撥備

管理層於各報告期末檢討本集團之存貨賬齡分析，並就已認為不再適合出售之陳舊及滯銷存貨項目作出撥備。該撥備之評估涉及管理層根據內部預算及若干市場因素考慮過往銷售模式及預期往後的銷售而判斷及估計。倘實際結果或未來之預期與原定估計不同，則該等差額將於該估計已變更期間內影響該存貨之賬面值及撥備費用／撥回。此外，所有存貨均定期進行實物盤點，以決定是否需要對所識別的陳舊及滯銷存貨作出撥備。管理層於各報告期末重新評估有關估計及認為綜合財務報表已就陳舊及滯銷存貨作充足撥備。於二零二零年十二月三十一日，本集團存貨之賬面值為183,863,000港元(二零一九年：1,807,000港元)。

(iv) 透過業務合併收購的可辨認資產及負債的公允值

本集團採用收購法將業務合併入賬，本集團所收購資產及所承擔負債，須以收購日期的公允值計量。估計所收購資產及負債的公允值須運用重大判斷，包括估計來自所收購業務的未來現金流量、釐定適用折扣率、資產的可使用年期及其他假設。

4. OPERATING SEGMENT INFORMATION

The management is the Group's chief operating decision-maker. The management reviews the Group's internal reports periodically in order to assess performance and allocate resources.

The management considers the business from a product/service perspective. The management separately considers the different products and services offered, and for the year ended 31 December 2020, the Group is organised into three reportable operating segments as follows:

- (a) the sports and lifestyle consumables segment engages in development, design and sale of sports and lifestyle consumables;
- (b) the sports team and event management segment (previously known as sports-related business segment) engages in the production and distribution of sports content, management and marketing of sports talents and provision of sports-related marketing and consultancy service; and
- (c) the sports destination development segment engages in operation of sports parks, sports centres and ice-skating rinks, development of communities, provision of sports destination development consultancy services; and property development for sales and investment; and

From 1 January 2020, sports-related business segment information was presented as sports team and event managements segment due to the development of the Group's business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that interest income, finance costs, equity-settled share option expenses, fair value changes on investment properties, share of profits and losses of associates and joint ventures as well as head office and corporate income and expenses are excluded from such measurement.

4. 經營分部資料

管理層乃本集團之主要經營決策者。管理層定期審閱本集團之內部報告，以評估表現及進行資源分配。

管理層從產品／服務角度考慮業務。管理層分別考慮所提供之不同產品及服務，而本集團於截至二零二零年十二月三十一日止年度分為以下三個呈報經營分部：

- (a) 運動及生活休閒消費品分部從事運動及生活休閒消費品的發展、設計及銷售；
- (b) 體育隊伍及賽事管理分部(前稱體育相關業務分部)從事體育內容製作及發行、體育人才管理及市場推廣以及提供體育相關市場推廣及諮詢服務；及
- (c) 體育目的地發展分部從事經營體育園、運動中心及滑冰場、開發社區、提供體育目的地發展諮詢服務；以及待售物業開發及投資；及

因本集團業務的發展，自二零二零年一月一日起，體育相關業務的分部資料乃按體育隊伍及賽事管理分部呈列。

管理層分開監察本集團各經營分部之業績，以就資源分配及表現評估作出決定。分部表現乃根據可呈報分部溢利或虧損來進行評估，此乃計量經調整除稅前溢利或虧損之方法。經調整除稅前溢利或虧損之計量方法與本集團之除稅前溢利或虧損一致，惟利息收入、財務成本、以股權結算之購股權開支、投資物業之公平值變動、分佔聯營公司及合營企業之溢利及虧損以及總辦事處及企業收入及開支則不包括於該計量中。

Notes to Consolidated Financial Statements 綜合財務報表附註

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料(續)

Year ended 31 December 2020	截至二零二零年 十二月三十一日止年度	Sports and lifestyle consumables 運動及 生活休閒消費品	Sports team and event management 體育隊伍及 賽事管理	Sports destinations development 體育目的地發展	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue:	分部收益：				
External	外部	438,994	210,889	169,153	819,036
Segment results	分部業績	(93,454)	(6,006)	(12,300)	(111,760)
<i>Reconciliation:</i>	<i>調節表：</i>				
Interest income	利息收入				18,250
Fair value loss on investment property	投資物業之公平值虧損				(1,400)
Fair value gain on financial assets/liabilities at FVPL	透過損益按公平值計量之財務資產/ 負債公平值收益				3,623
Net gain on disposal of partial interest in an associate	出售於一間聯營公司之部分權益之 收益淨額				1,022,999
Gain on bargain purchase	議價收購收益				245,300
Equity-settled share option expense	以股權結算之購股權開支				(5,862)
Impairment on intangible assets	無形資產之減值				(130,107)
Net impairment loss recognised on financial assets	已確認財務資產之減值虧損淨額				(274)
Corporate and other unallocated expenses	企業及其他未分配開支				(28,660)
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之溢利減 虧損				266,393
Finance costs	財務成本				(65,140)
Profit before income tax	除所得稅前溢利				1,213,362
Other segment information:	其他分部資料：				
Depreciation	折舊	57,224	1,801	27,067	86,092
Add: depreciation related to corporate	加：與企業有關之折舊				8,954
					95,046
Capital expenditure	資本開支	4,215	155	18,698	23,068
Add: capital expenditure related to corporate	加：與企業有關之資本開支				11
					23,079

4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料(續)

Year ended 31 December 2019	截至二零一九年 十二月三十一日止年度	Sports and lifestyle consumables 運動及 生活休閒消費品	Sports team and event management 體育隊伍及 賽事管理	Sports destinations development 體育目的地發展	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue:	分部收益：				
External	外部	–	356,413	268,591	625,004
Segment results	分部業績	–	22,939	(70,729)	(47,790)
<i>Reconciliation:</i>	<i>調節表：</i>				
Interest income	利息收入				8,531
Fair value gain on investment property	投資物業之公平值收益				461
Fair value gain on redemption of convertible notes	贖回可換股票據之公平值收益				67,122
Fair value loss on financial assets/liabilities at FVPL	透過損益按公平值計量之財務資產/ 負債之公平值虧損				(254)
Net gain on disposal of partial interest in an associate	出售於一間聯營公司之部分權益之 收益淨額				817,352
Equity-settled share option expense	以股權結算之購股權開支				(10,377)
Impairment on investment in a joint venture	於一間合營企業投資之減值				(17,381)
Impairment on intangible assets	無形資產之減值				(31,368)
Net impairment loss on financial assets	財務資產之減值虧損淨額				(82,483)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損				(29,957)
Corporate and other unallocated expenses	企業及其他未分配開支				(63,497)
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之溢利減 虧損				342,112
Finance costs	財務成本				(118,334)
Profit before income tax	除所得稅前溢利				834,137
Other segment information:	其他分部資料：				
Depreciation	折舊	–	5,047	10,971	16,018
Add: depreciation related to corporate	加：與企業有關之折舊				3,986
					20,004
Capital expenditure	資本開支	–	2,004	7,519	9,523
Add: capital expenditure related to corporate	加：與企業有關之資本開支				1,067
					10,590

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

Information about major customers

Revenue of approximately HK\$201,180,000 was derived from an individual customer, which is a related party as disclosed in Note 34, for the year ended 31 December 2020 (2019: HK\$316,249,000). There is no other customer contributing more than 10% of total revenue.

Geographic information

The Group's revenue from external customers and non-current assets other than interests in associates and joint ventures and deferred tax assets, by geographical location, are detailed below:

4. 經營分部資料(續)

主要客戶之資料

於截至二零二零年十二月三十一日止年度，約201,180,000港元之收益來自一名個別客戶(為附註34所披露的關連人士)(二零一九年：316,249,000港元)。概無其他客戶佔總收益10%以上。

地區資料

本集團按地理位置劃分之來自外部客戶之收益及非流動資產(於聯營公司及合營企業之權益及遞延稅項資產除外)之詳情如下：

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
i) Revenue from external customers	i) 來自外部客戶之收益		
The PRC (including Hong Kong and Macau)	中國(包括香港及澳門)	778,371	625,004
Singapore	新加坡	40,665	—
Total	總計	819,036	625,004
ii) Non-Current Assets	ii) 非流動資產		
The PRC (including Hong Kong and Macau)	中國(包括香港及澳門)	900,654	708,307
Singapore	新加坡	18,520	—
Total	總計	919,174	708,307

5. REVENUE, OTHER INCOME AND OTHER GAINS-NET

An analysis of the Group's revenue, other income and other gains-net are as follows:

5. 收益、其他收入及其他收益淨額

本集團收益、其他收入及其他收益淨額之分析如下：

		2020 二零二零年	2019 二零一九年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益		
Sports content production and distribution income	體育內容製作及發行收入	193,054	338,747
Sports talent management income	體育人才管理收入	17,836	17,666
Sale of goods	銷售貨品	447,978	199,766
Community development consultancy service income	社區發展諮詢服務收入	1,223	1,053
Sports park facilities and ice-skating rinks hiring income and other service income	體育園設施及滑冰場之租賃收入及其他服務收入	150,856	57,943
Gross rental income	租金收入總額	8,089	9,829
		819,036	625,004
At a point of time	在某一時點	447,978	199,766
Over time	隨時間	371,058	425,238
		819,036	625,004
Other income	其他收入		
Government grants	政府補貼	33,187	20,291
Interest income	利息收入	18,250	8,531
Others	其他	11,950	9,619
		63,387	38,441
Other gains-net	其他收益淨額		
Fair value gain on redemption of convertible notes	贖回可換股票據之公平值收益	-	67,122
Fair value gain/(loss) on financial assets/liabilities at FVPL	透過損益按公平值計量之財務資產/負債之公平值收益/(虧損)	3,623	(254)
Fair value (loss)/gain on investment property	投資物業之公平值(虧損)/收益	(1,400)	461
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	(2,680)	(80)
Foreign exchange gain/(loss)	匯兌收益/(虧損)	27,855	(2,448)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	-	(29,957)
Gain on bargain purchase	議價收購收益	245,300	-
Net gain on disposal of partial interest in an associate	出售於一間聯營公司之部分權益之收益淨額	1,022,999	817,352
		1,295,697	852,196
		1,359,084	890,637

Note:

(a) Total interest income on financial assets that are measured at amortised cost for the year was HK\$18,250,000 (2019: HK\$8,531,000 at amortised cost).

(b) Revenue recognised during the year that was included in the contract liability balance at the beginning of the year was HK\$52,657,000 (2019: HK\$20,102,000).

附註：

(a) 年內按攤銷成本計量的財務資產的總利息收入為18,250,000港元(二零一九年：按攤銷成本8,531,000港元)。

(b) 計入年初合約負債結餘之年內已確認收益為52,657,000港元(二零一九年：20,102,000港元)。

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5. REVENUE, OTHER INCOME AND OTHER GAINS-NET (CONTINUED)

Revenue recognised in relation to contract liabilities

The Group has recognised the following liabilities related to contracts with customers:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Contract liabilities – receipts in advance	合約負債－預收款項	107,108	61,377

As at 31 December 2020, included in contract liabilities was an amount of HK\$24,589,000 (2019: HK\$2,618,000) received from associates, which is based on normal commercial terms offered by the Group to major customers.

5. 收益、其他收入及其他收益淨額 (續)

就合約負債確認的收益

本集團已確認下列與客戶合約有關的負債：

於二零二零年十二月三十一日，自聯營公司收取之款項24,589,000港元(二零一九年：2,618,000港元)乃計入合約負債，此乃根據本集團向主要客戶提供之正常商業條款釐定。

6. FINANCE COSTS

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Interest on bank loans	銀行貸款利息	47,942	5,061
Interest on convertible notes	可換股票據利息	—	106,984
Interest on lease liabilities	租賃負債利息	17,198	6,289
		65,140	118,334

6. 財務成本

7. PROFIT BEFORE INCOME TAX

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

7. 除所得稅前溢利

本集團之除所得稅前溢利乃經扣除／（計入）下列各項達致：

			2020 二零二零年	2019 二零一九年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Cost of sales	銷售成本			
– Cost of inventories sold	– 已售存貨成本		221,135	190,077
– Reversal of provision for inventories	– 撥回存貨撥備		(5,798)	–
– Cost of services provided	– 所提供服務成本		272,911	311,718
Depreciation	折舊	12	95,046	20,004
Amortisation of intangible assets	無形資產攤銷	14	34,140	14,459
Auditor's remuneration	核數師酬金			
– audit services	– 核數服務		3,910	3,517
– non-audit services	– 非核數服務		4,041	3,022
Employee benefit expense (including directors' remuneration (Note 8)):	僱員福利開支(包括董事 酬金(附註8)):			
– Wages and salaries	– 工資及薪金		184,851	76,784
– Equity-settled share option expenses	– 以股權結算之購股權 開支		5,862	10,186
– Contributions to defined contribution retirement plans	– 定額供款退休計劃之 供款		9,056	5,679
Impairment on intangible assets	無形資產之減值	14	130,107	31,368
Net impairment loss recognised on financial assets	已確認財務資產之減值虧 損淨額	39	274	82,483
Impairment on property, plant and equipment	物業、廠房及設備之減值	12	5,054	–
Impairment on right of use assets	使用權資產之減值	12	23,363	–
Impairment on investment in a joint venture	於一間合營企業投資之 減值	15	–	17,381
Net fair value loss/(gain) on investment properties	投資物業之公平值 虧損／(收益)淨額	13	1,400	(461)
Foreign exchange (gain)/loss	匯兌(收益)／虧損		(27,855)	2,448
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之 虧損淨額	5	2,680	80
Net loss on disposal of intangible assets	出售無形資產之虧損淨額	14	7,390	–
Fair value gain on redemption of convertible notes	贖回可換股票據之公平值 收益	5	–	(67,122)
Fair value (gain)/loss on financial assets/ liabilities at FVPL	透過損益按公平值計量之 財務資產／負債之公平 值(收益)／虧損	5	(3,623)	254
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	5	–	29,957
Gain on bargain purchase	議價收購收益	35	(245,300)	–
Net gain on disposal of partial interest in an associate	出售於一間聯營公司之 部分權益之收益淨額	5	(1,022,999)	(817,352)

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8. DIRECTORS' REMUNERATION

Directors' remuneration for the year disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Fees	袍金	1,595	1,848
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	15,609	17,606
Equity-settled share option expenses	以股權結算之購股權開支	—	257
Pension scheme contributions	退休金計劃供款	91	173
		15,700	18,036
		17,295	19,884

During the current and prior years, certain directors were granted share options, in respect of their services to the Group, under the share option schemes of the Company, further details of which are set out in Note 29 to the financial statements. The fair values of such options, which have been recognised in profit or loss over the relevant vesting period, were determined as at the respective dates of grant and the amount included in the financial statements for the current year are included in the above directors' remuneration disclosures.

8. 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之年度董事酬金如下：

於本年度及過往年度，若干董事就其為本集團提供服務而根據本公司購股權計劃獲授購股權，有關進一步詳情載於財務報表附註29。該等購股權之公平值於相關歸屬期間在損益確認，並於相關授出日期釐定，而計入本年度財務報表之款項已計入上文所披露之董事酬金內。

8. DIRECTORS' REMUNERATION (CONTINUED)

An analysis of the directors' remuneration, is as follows:

8. 董事酬金(續)

董事酬金分析如下：

		Note 附註	Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及 實物福利 HK\$'000 千港元	Discretionary Bonus 酌情花紅 HK\$'000 千港元	Equity-settled share option expenses 以股權結算之 購股權開支 HK\$'000 千港元	Retirement scheme contributions 退休金計劃供 款 HK\$'000 千港元	Total remuneration 酬金總計 HK\$'000 千港元
2020	二零二零年							
Executive directors:	執行董事：							
Mr. Li Ning	李寧先生		200	11,733	-	-	18	11,951
Mr. Chan Ling	陳寧先生	(f)	45	663	-	-	4	712
Mr. Li Chunyang	李春陽先生		200	537	-	-	51	788
Mr. Li Qilin	李麒麟先生		200	2,316	360	-	18	2,894
			645	15,249	360	-	91	16,345
Non-executive director:	非執行董事：							
Mr. Ma Wing Man	馬詠文先生		200	-	-	-	-	200
			200	-	-	-	-	200
Independent non-executive directors:	獨立非執行董事：							
Mr. Wang Yan	汪延先生		250	-	-	-	-	250
Mr. Pak Wai Keung, Martin	白偉強先生	(d)	250	-	-	-	-	250
Mr. Li Qing	李勍先生	(e)	250	-	-	-	-	250
			750	-	-	-	-	750
			1,595	15,249	360	-	91	17,295

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8. DIRECTORS' REMUNERATION (CONTINUED)

			Salaries, allowances and benefits in kind 薪金、津貼及 實物福利	Discretionary Bonus 酌情花紅	Equity-settled share option expenses 以股權結算之 購股權開支	Retirement scheme contributions 退休金計劃供 款	Total remuneration 酬金總計
		Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2019	二零一九年						
Executive directors:	執行董事：						
Mr. Li Ning	李寧先生		200	11,714	-	9	11,941
Mr. Chan Ling	陳寧先生		200	2,240	-	58	2,516
Mr. Li Chunyang	李春陽先生		200	1,388	-	29	1,736
Mr. Li Qilin	李麒麟先生		200	2,264	-	126	2,608
			800	17,606	-	222	18,801
Non-executive directors:	非執行董事：						
Mr. Ma Wing Man	馬詠文先生		200	-	-	9	209
Mr. Chan James	陳進思先生	(a)	98	-	-	8	106
			298	-	-	17	315
Independent non-executive directors:	獨立非執行董事：						
Mr. Chen Johnny	陳志宏先生	(b)	30	-	-	9	39
Mr. Lien Jown Jing, Vincent	連宗正先生	(c)	242	-	-	9	251
Mr. Wang Yan	汪延先生		250	-	-	-	250
Mr. Pak Wai Keung, Martin	白偉強先生	(d)	220	-	-	-	220
Mr. Li Qing	李勍先生	(e)	8	-	-	-	8
			750	-	-	18	768
			1,848	17,606	-	257	19,884

Note:

- (a) Mr. Chan James, resigned with effect from 28 June 2019.
- (b) Mr. Chen Johnny, resigned with effect from 13 February 2019.
- (c) Mr. Lien Jown Jing, Vincent, resigned with effect from 20 December 2019.
- (d) Mr. Pak Wai Keung, Martin, appointed on 13 February 2019.
- (e) Mr. Li Qing, appointed on 20 December 2019.
- (f) Mr. Chan Ling, resigned with effect from 23 March 2020.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2019: Nil).

8. 董事酬金(續)

			Salaries, allowances and benefits in kind 薪金、津貼及 實物福利	Discretionary Bonus 酌情花紅	Equity-settled share option expenses 以股權結算之 購股權開支	Retirement scheme contributions 退休金計劃供 款	Total remuneration 酬金總計
		Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2019	二零一九年						
Executive directors:	執行董事：						
Mr. Li Ning	李寧先生		200	11,714	-	9	11,941
Mr. Chan Ling	陳寧先生		200	2,240	-	58	2,516
Mr. Li Chunyang	李春陽先生		200	1,388	-	29	1,736
Mr. Li Qilin	李麒麟先生		200	2,264	-	126	2,608
			800	17,606	-	222	18,801
Non-executive directors:	非執行董事：						
Mr. Ma Wing Man	馬詠文先生		200	-	-	9	209
Mr. Chan James	陳進思先生	(a)	98	-	-	8	106
			298	-	-	17	315
Independent non-executive directors:	獨立非執行董事：						
Mr. Chen Johnny	陳志宏先生	(b)	30	-	-	9	39
Mr. Lien Jown Jing, Vincent	連宗正先生	(c)	242	-	-	9	251
Mr. Wang Yan	汪延先生		250	-	-	-	250
Mr. Pak Wai Keung, Martin	白偉強先生	(d)	220	-	-	-	220
Mr. Li Qing	李勍先生	(e)	8	-	-	-	8
			750	-	-	18	768
			1,848	17,606	-	257	19,884

附註：

- (a) 陳進思先生於二零一九年六月二十八日辭任。
- (b) 陳志宏先生於二零一九年二月十三日辭任。
- (c) 連宗正先生於二零一九年十二月二十日辭任。
- (d) 白偉強先生於二零一九年二月十三日獲委任。
- (e) 李勍先生於二零一九年十二月二十日獲委任。
- (f) 陳寧先生於二零二零年三月二十三日辭任。

年內概無董事放棄或同意放棄任何酬金之安排(二零一九年：無)。

9. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals during the year included two directors (2019: three directors), details of whose remuneration are set out in Note 8 above. Details of the remuneration for the year of the remaining three (2019: two) highest paid individuals who are neither a director nor a chief executive of the Company are as follows:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	9,328	5,663
Equity-settled share option expenses	以股權結算之購股權開支	5,862	9,868
Retirement scheme contributions	退休金計劃供款	44	35
		15,234	15,566

The number of the non-director and non-chief executive highest paid individuals whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2020 二零二零年	2019 二零一九年
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	-
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	1	-
HK\$10,000,001 to HK\$10,500,000	10,000,001港元至10,500,000港元	1	-
HK\$12,500,001 to HK\$13,000,000	12,500,001港元至13,000,000港元	-	1
		3	2

In prior years, share options were granted to the non-director and non-chief executive highest paid individuals in respect of their services to the Group, further details of which are set out in Note 29 to the financial statements. The fair value of such share options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid individuals remuneration disclosures.

9. 五名最高薪酬人士

年內五名最高薪酬人士包括兩名董事(二零一九年：三名董事)，其酬金詳情載列於上文附註8。年內其餘三名(二零一九年：兩名)非本公司董事或行政總裁之最高薪酬人士之酬金詳情如下：

薪酬屬以下範圍之非董事及非行政總裁之最高薪酬人士之人數如下：

於過往年度，已就非董事及非行政總裁之最高薪酬人士為本集團服務而向其授出購股權，有關進一步詳情載於財務報表附註29。該等購股權之公平值於歸屬期間在損益確認，並於授出日期釐定，而計入本年度財務報表之款項已計入上文所披露之非董事及非行政總裁之最高薪酬人士之酬金內。

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10. INCOME TAX

10. 所得稅

		2020 二零二零年	2019 二零一九年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Current tax – Hong Kong	本期稅項 – 香港		
Charge for the year	年內支出	1,134	–
Current tax – other jurisdictions	本期稅項 – 其他司法權區		
Charge for the year	年內支出	13,285	21,069
Under provision in prior years	過往年度撥備不足	3,880	842
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差額的產生及撥回	27 (4,532)	(14,378)
Income tax expense	所得稅開支	13,767	7,533

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. The PRC corporate income tax provision in respect of operations in the PRC is calculated mainly based on the statutory tax rate of 25% on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof (2019: 25%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

香港利得稅已按年內於香港賺取之估計應課稅溢利以稅率16.5% (二零一九年：16.5%) 提撥準備。就中國業務作出之中國企業所得稅撥備主要乃根據相關現行法規、詮釋和慣例按本年度估計應課稅溢利以25%之法定稅率計算(二零一九年：25%)。在其他地區應課稅溢利之稅項，乃根據本集團業務經營所在國家／司法權區之現行稅率計算。

A reconciliation of the income tax expense applicable to profit before income tax for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax charge is as follows:

本公司及其大部分附屬公司所處司法權區之適用於除所得稅前溢利之所得稅開支與稅項支出之對賬如下：

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,213,362	834,137
At the statutory/applicable income tax rates of different jurisdictions	按不同司法權區之法定／適用所得稅率計算	185,056	134,705
Tax effect of profits less losses attributable to associates and joint ventures	聯營公司及合營企業應佔溢利減虧損的稅務影響	(45,534)	(63,302)
Tax effect of income not subject to tax	毋須課稅收入之稅務影響	(238,879)	(147,888)
Tax effect of expenses not deductible for tax	不可扣稅開支之稅務影響	54,978	45,403
Underprovision in prior years	過往年度撥備不足	3,880	842
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	53,031	41,077
Tax effect of tax losses utilised	已動用稅項虧損之稅務影響	(1,837)	(3,304)
Tax effect of unrecognised temporary differences	未確認暫時差額之稅務影響	3,072	–
Income tax expense	所得稅開支	13,767	7,533

11. PROFIT PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts for the year ended 31 December 2020 and 2019 is based on the profit for the year attributable to equity holders of the Company, and the weighted average number of ordinary shares in issue and participating equity instruments during the years.

The calculation of the diluted earnings per share amounts for the year ended 31 December 2020 and 2019 is based on the profit for the year attributable to equity holders of the Company after adjustment to the dilutive effect of share of profits in an associate arising from its potential ordinary shares; and the weighted average number of ordinary shares after adjustment for the effect of deemed exercise or conversion of all dilutive potential ordinary shares at no consideration at the beginning of the year. For the year ended 31 December 2020, the effect of the outstanding share options were included in the computation of diluted earning per share as they were dilutive. For the year ended 31 December 2019, the effect of the outstanding share options were not included in the computation of diluted earning per share as they were anti-dilutive.

11. 本公司權益持有人應佔每股溢利

截至二零二零年及二零一九年十二月三十一日止年度之每股基本盈利金額乃根據本公司權益持有人應佔年內溢利及年內已發行普通股及參與股本工具加權平均數計算。

截至二零二零年及二零一九年十二月三十一日止年度之每股攤薄盈利金額乃根據本公司權益持有人應佔年內溢利(已就其潛在普通股產生之分佔一間聯營公司溢利之攤薄影響作出調整)及普通股加權平均數(已就視作於年初按零代價行使或轉換全部攤薄性潛在普通股之影響作出調整)計算。截至二零二零年十二月三十一日止年度,由於尚未行使的購股權具攤薄效應,因此於計算每股攤薄盈利時已計及尚未行使購股權之影響。截至二零一九年十二月三十一日止年度,由於尚未行使的購股權具反攤薄效應,因此於計算每股攤薄盈利時並無計及尚未行使購股權之影響。

		2020 二零二零年	2019 二零一九年
Profit attributable to equity holders of the Company, used in the basic earnings per share calculation (HK\$'000)	用於計算每股基本盈利之本公司權益持有人應佔溢利(千港元)	1,192,392	834,366
Adjustment to the share of profits in an associate arising from its dilutive potential ordinary shares (HK\$'000)	因潛在攤薄普通股而調整分佔一間聯營公司之溢利(千港元)	(1,218)	(7,975)
Profit attributable to equity holders of the Company, used in the diluted earnings per share calculation (HK\$'000)	用於計算每股攤薄盈利之本公司權益持有人應佔溢利(千港元)	1,191,174	826,391
Number of ordinary shares	普通股數目		
Weighted average number of ordinary shares in issue and participating equity instruments used in the basic earnings per share calculation ('000)	用於計算每股基本盈利之已發行普通股及參與股本工具之加權平均數(千股)	11,264,333	11,260,786
Equivalent dilutive shares arising from potential ordinary shares ('000)	因潛在普通股所產生之攤薄等同股數(千股)	579	-
Weighted average number of ordinary shares and potential ordinary shares used in the diluted earnings per share calculation ('000)	用於計算每股攤薄盈利之普通股及潛在普通股加權平均數(千股)	11,264,912	11,260,786
Basic earnings per share (HK cents)	每股基本盈利(港仙)	10.59	7.41
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	10.57	7.34

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12(A) PROPERTY, PLANT AND EQUIPMENT

12(A) 物業、廠房及設備

		Buildings	Leasehold improvements	Machinery and office equipment	Furniture and fixtures	Motor vehicles	Total
		樓宇	租賃物業裝修	機器及辦公室設備	傢具及裝置	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
31 December 2020	二零二零年十二月三十一日						
At 1 January 2020:	於二零二零年一月一日：						
Cost	成本	11,106	54,279	67,017	4,390	5,561	142,353
Accumulated depreciation and impairment	累計折舊及減值	(61)	(24,878)	(35,838)	(3,791)	(3,629)	(68,197)
Net book amount	賬面淨值	11,045	29,401	31,179	599	1,932	74,156
Opening net book amount	年初賬面淨值	11,045	29,401	31,179	599	1,932	74,156
Acquisition of subsidiaries	收購附屬公司	-	12,630	11,546	364	53	24,593
Additions	添置	-	7,255	14,057	1,684	83	23,079
Disposal	處置	-	(5,066)	(248)	(1,312)	(3)	(6,629)
Depreciation charge	折舊費	(246)	(10,138)	(10,907)	(592)	(503)	(22,386)
Impairment	減值	-	(2,775)	(2,202)	(30)	(47)	(5,054)
Currency translation differences	匯兌差額	729	1,818	2,204	1	111	4,863
Closing net book amount	年終賬面淨值	11,528	33,125	45,629	714	1,626	92,622
At 31 December 2020:	於二零二零年十二月三十一日：						
Cost	成本	11,854	53,222	97,228	2,163	3,864	168,331
Accumulated depreciation and impairment	累計折舊及減值	(326)	(20,097)	(51,599)	(1,449)	(2,238)	(75,709)
Net book amount	賬面淨值	11,528	33,125	45,629	714	1,626	92,622
31 December 2019	二零一九年十二月三十一日						
At 1 January 2019:	於二零一九年一月一日：						
Cost	成本	-	23,992	17,615	769	5,249	47,625
Accumulated depreciation and impairment	累計折舊及減值	-	(13,703)	(8,870)	(660)	(3,993)	(27,226)
Net book amount	賬面淨值	-	10,289	8,745	109	1,256	20,399
Opening net book amount	年初賬面淨值	-	10,289	8,745	109	1,256	20,399
Acquisition of subsidiaries	收購附屬公司	-	20,820	24,056	916	86	45,878
Additions	添置	-	4,229	4,673	182	1,506	10,590
Transfer from investment properties (Note 13)	轉撥自投資物業(附註13)	10,977	-	-	-	-	10,977
Disposal	處置	-	-	(3,457)	(8)	(438)	(3,903)
Depreciation charge	折舊費	(61)	(5,070)	(2,900)	(562)	(461)	(9,054)
Currency translation differences	匯兌差額	129	(867)	62	(38)	(17)	(731)
Closing net book amount	年終賬面淨值	11,045	29,401	31,179	599	1,932	74,156
At 31 December 2019:	於二零一九年十二月三十一日：						
Cost	成本	11,106	54,279	67,017	4,390	5,561	142,353
Accumulated depreciation and impairment	累計折舊及減值	(61)	(24,878)	(35,838)	(3,791)	(3,629)	(68,197)
Net book amount	賬面淨值	11,045	29,401	31,179	599	1,932	74,156

12(A) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

For the year ended 31 December 2020, the management of the Group considered that certain leasehold improvements of the Group were subject to impairment because of the challenging retail market due to the spread of COVID-19 worldwide.

The management estimated the recoverable amounts of the cash-generating unit as follows:

“bossini” cash-generating units

The respective recoverable amounts of HK\$16,647,000 of the “bossini” cash-generating units have been determined based on a value in use calculation which was approved by senior management using cash flow projections based on financial budgets covering the remaining useful lives of the respective items of property, plant and equipment. Key assumptions used for the value in use calculation as at 31 December 2020 were as follows:

		2020 二零二零年
Sales growth rate	銷售增長率	0%
Gross margin rate	毛利率	42%-69%
Discount rate	貼現率	9%-12%

The management determined the above sales growth rate and gross margin rate based on the expectation of future market development.

Impairment provision of HK\$5,054,000 (2019: HK\$nil) was recognised in profit or loss during the year ended 31 December 2020.

12(B) LEASES**(i) Amounts recognised in the statement of financial position**

The statement of financial position shows the following amounts relating to leases when the Group is a lessee:

		31 December 2020 二零二零年 十二月三十一日	31 December 2019 二零一九年 十二月三十一日
		HK\$'000 千港元	HK\$'000 千港元
Right-of-use assets	使用權資產		
Buildings	樓宇	277,077	176,282
		277,077	176,282
Lease liabilities	租賃負債		
Current	流動	135,312	15,359
Non-current	非流動	273,476	169,279
		408,788	184,638

12(A) 物業、廠房及設備(續)

截至二零二零年十二月三十一日止年度，本集團管理層認為本集團部分租賃物業裝修出現減值，乃由於COVID-19於全球蔓延。

管理層估計現金產生單位之可收回金額如下：

「bossini」現金產生單位

「bossini」現金產生單位各可收回金額16,647,000港元使用現金流量預測計算獲高級管理層批准之使用價值進行，現金流量預測基於涵蓋各物業、廠房及設備項目餘下可使用年期之財務預算計算。於二零二零年十二月三十一日計算使用價值所採用之主要假設如下：

管理層根據預期未來市況發展釐定上述銷售增長率及毛利率。

減值撥備5,054,000港元(二零一九年：零港元)已於截至二零二零年十二月三十一日止年度之損益內確認。

12(B) 租賃**(i) 於財務狀況表確認的款項**

財務狀況表列示以下租賃(本集團作為承租人)相關款項：

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12(B) LEASES (CONTINUED)

Increase in right-of-use assets through addition and acquisition of subsidiaries for the year ended 31 December 2020 were HK\$192,043,000 (2019: HK\$155,238,000).

As at 31 December 2020, the Group's management identified certain retail shops which continued to underperform and estimated the respective recoverable amounts of HK\$103,570,000 of their right-of-use assets. The recoverable amounts of the "bossini" cash-generating units have been determined based on value in use calculation which was approved by senior management using cash flow projections based on financial budgets covering the remaining lease terms. The pre-tax discount rate applied for the cash flow projection with a range from 9% to 12%.

An impairment provision of HK\$23,363,000 (2019: HK\$nil) was recognised in profit or loss during the year ended 31 December 2020.

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Depreciation charge of right-of-use assets	使用權資產折舊費	72,660	10,950
Impairment on right-of-use assets	使用權資產之減值	23,363	—
Interest expense (included in finance cost)	利息開支(計入財務成本)	17,198	6,289
Expense relating to short-term and variable leases (included in cost of sales, selling and distribution expenses and administrative and other operating expenses)	短期及可變租賃相關開支(計入銷售成本、銷售及分銷開支以及行政及其他經營開支)	39,896	4,505

The total cash outflow for leases for the year ended 31 December 2020 was HK\$143,581,000 (2019: HK\$15,147,000).

(iii) The Group's leasing activities and how these are accounted for

The Group leases various offices, sports parks, ice skating rinks, retail stores and staff quarters. Rental contracts are typically made for fixed periods of 1 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants but leased assets may not be used as security for borrowing purposes.

12(B) 租賃(續)

截至二零二零年十二月三十一日止年度，透過添置及收購附屬公司而增加的使用權資產為192,043,000港元(二零一九年：155,238,000港元)。

於二零二零年十二月三十一日，本集團管理層識別若干持續表現欠佳的零售店舖，並就彼等之使用權資產估計各自之可收回金額103,570,000港元。「bossini」現金產生單位的可收回金額乃根據獲高級管理層批准之使用價值計算釐定，現金流量預測基於涵蓋餘下租賃年期之財務預算計算。適用於現金流量預測之除稅前貼現率範圍介乎9%至12%。

減值撥備23,363,000港元(二零一九年：零港元)已於截至二零二零年十二月三十一日止年度之損益內確認。

(ii) 於損益表確認的款項

損益表列示以下租賃相關款項：

截至二零二零年十二月三十一日止年度，租賃導致的現金流出總額為143,581,000港元(二零一九年：15,147,000港元)。

(iii) 本集團之租賃活動及其入賬方法

本集團租賃多處辦公場所、體育園、滑冰場、零售店舖及職工宿舍。租賃合約通常按1至20年之固定期限訂立。租賃條款按個別基準磋商，並包含各種不同的條款及條件。租賃協議不施加任何契諾，惟租賃資產不得用作借貸擔保物。

12(B) LEASES (CONTINUED)**(iv) Variable lease payments**

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain stores included fixed and variable payment terms, the variable payment terms are with percentages ranging from 1% to 26% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(v) Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

12(B) 租賃(續)**(iv) 可變租賃付款**

若干物業租賃包含與店舖產生的銷售額掛鈎的可變付款條款。就若干包括固定及可變付款條款的店舖而言，可變付款條款介乎銷售額的1%至26%。使用可變付款條款有各種原因，包括使新設店舖的固定成本基數最小化。取決於銷售額的可變租賃付款於觸發該等付款的條件發生的期間內於損益內確認。

(v) 續租選擇權和終止租賃選擇權

本集團的若干房地產租賃包含續租選擇權和終止租賃選擇權。就管理本集團營運中的資產而言，該等選擇權的使用目的在於將操作靈活性達到最大化。

13. INVESTMENT PROPERTIES**13. 投資物業**

		Completed	Land use rights held for future development of industrial buildings 持作未來開發工業樓宇之土地使用權	Total
	Notes 附註	完工 HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
Carrying amount at 1 January 2019	於二零一九年一月一日之賬面值	81,345	58,593	139,938
Fair value gain	公平值收益	461	–	461
Disposal	出售 (b)	(68,911)	(57,305)	(126,216)
Transfer to property, plant and equipment (Note 12)	轉撥至物業、廠房及設備 (附註12) (a)	(10,977)	–	(10,977)
Currency transaction	匯兌交易	(1,918)	(1,288)	(3,206)
Carrying amount at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日之賬面值	–	–	–
Acquisition of subsidiaries	收購附屬公司	205,100	–	205,100
Fair value loss	公平值虧損	(1,400)	–	(1,400)
Carrying amount at 31 December 2020	於二零二零年十二月三十一日之賬面值	203,700	–	203,700

Amounts recognised in profit or loss for investment properties**就投資物業之損益確認之金額**

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Rental income	租金收入	3,838	4,430

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13. INVESTMENT PROPERTIES (CONTINUED)

As at 31 December 2020, the Group had no unprovided contractual obligations for future repairs and maintenance (2019: Nil).

The Group's investment property was valued as at the end of the reporting period by Roma Appraisals Limited, independent professionally qualified valuer, at HK\$203,700,000 (2019: HK\$nil). Each year, the Group's management decide to appoint which external valuer to be responsible for the external valuation of the Group's property. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's management have discussions with the valuer on the valuation assumptions and valuation result when the valuation is performed for annual financial reporting.

Further particulars of the Group's investment property are included on page 222.

Notes:

(a) At 1 October 2019, the Group transferred an investment property to owner-occupied property with fair value of HK\$10,977,000.

(b) At 3 December 2019, the Group sold a subsidiary which held investment properties with carrying amount of HK\$126,216,000.

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment property:

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13. 投資物業(續)

於二零二零年十二月三十一日，本集團並無已簽約但未撥備之將來維修及保養責任(二零一九年：無)。

本集團之投資物業由獨立專業合資格估值師羅馬國際評估有限公司於報告期末之估值為203,700,000港元(二零一九年：零港元)。本集團之管理層於每年決定委任外聘估值師，負責對本集團物業進行外部估值。甄選標準包括市場知識、聲譽、獨立性及是否維持專業水準。本集團之管理層於年度財務報告進行估值時就估值假設及估值結果與估值師進行討論。

有關本集團投資物業之進一步詳情載於第222頁。

附註：

(a) 於二零一九年十月一日，本集團轉撥一項投資物業至業主自用物業，公平值為10,977,000港元。

(b) 於二零一九年十二月三日，本集團出售一間持有賬面值為126,216,000港元投資物業的附屬公司。

公平值架構

下表說明本集團之投資物業之公平值計量架構：

二零二零年十二月三十一日

	Fair value measurement using 採用之公平值計量			Total 總計
	Quoted prices in active markets 活躍 市場報價 (Level 1) (第一層) HK\$'000 千港元	Significant observable inputs 重大 可觀察 輸入數據 (Level 2) (第二層) HK\$'000 千港元	Significant unobservable inputs 重大 不可觀察 輸入數據 (Level 3) (第三層) HK\$'000 千港元	
Recurring fair value measurement for: Industrial property	經常性公平值計量： 工業物業	—	—	203,700
				203,700

13. INVESTMENT PROPERTIES (CONTINUED)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

As the investment property is measured initially at cost less accumulated depreciation and provision for any impairment in value, there is no movement of fair value measurements categorised within Level 3 of the fair value hierarchy.

The fair value is estimated using a direct comparison approach. Under the direct comparison approach, fair value is estimated by using the direct comparison method on the assumption of the sale of the property interest with the benefit of vacant possession and by making reference to comparable sales transactions as available in the market.

The valuation takes into account the characteristics of the investment property, which include the location, size, shape, view, floor level, year of completion and other factors collectively, to arrive at the unit market price. The fair value measurement is based on the above property's highest and best use, which does not differ from the actual use.

The key input is the unit market price (2020: approximately HK\$3,300 per sq.ft for industrial building and HK\$2,400,000 for car park). A significant increase/decrease in the market price will result in a significant increase/decrease in the fair value of the investment property.

13. 投資物業(續)

年內，第一層與第二層之間並無公平值計量之轉撥，亦無轉入或轉出第三層之情況。

由於投資物業按成本減累計折舊及價值減值之撥備作初步計量，故屬公平值架構第三層範疇內之公平值計量並無變動。

公平值乃使用直接比較法估計。根據直接比較法，公平值乃以直接比較法，假設物業權益可交吉出售並經參考有關市場之可比較銷售交易而作估計。

進行估值時會考慮投資物業之特性，包括位置、大小、形狀、景觀、樓層、落成年份及其他因素，以得出單位市場價格。公平值計量是按照上述物業與實際用途無異的最高及最佳用途得出。

主要輸入數據為單位市場價格(二零二零年：工業大廈為每平方呎約3,300港元，而停車場為2,400,000港元)。當市場價格大幅上升/下跌時，會導致投資物業公平值大幅上升/下跌。

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14. INTANGIBLE ASSETS

		Goodwill	Trademarks	Operating Rights	League Qualification and Home and Away Co-operation Agreement 聯賽資格及主客場合作協議	Players Registration Rights	Member-Ship	Total
		商譽	商標	營運權	轉會費	會籍	總計	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019:	於二零一九年一月一日：							
Opening net book amount	年初賬面淨值	17,470	12,251	-	-	-	-	29,721
Acquisition of subsidiaries	收購附屬公司	208,255	63,832	16,249	112,809	-	25,845	426,990
Additions	添置	-	1,426	-	-	19,825	-	21,251
Amortisation charge	攤銷費	-	(631)	(724)	(11,098)	(2,006)	-	(14,459)
Impairment charge	減值費	(17,087)	(11,355)	-	(2,926)	-	-	(31,368)
Currency translation differences	匯兌差額	(1,896)	(265)	(754)	(5,285)	(245)	-	(8,445)
Closing net book amount	年終賬面淨值	206,742	65,258	14,771	93,500	17,574	25,845	423,690
At 31 December 2019:	於二零一九年十二月三十一日：							
Cost	成本	223,829	77,600	15,495	107,524	19,580	25,845	469,873
Accumulated amortisation and impairment	累計攤銷及減值	(17,087)	(12,342)	(724)	(14,024)	(2,006)	-	(46,183)
Net book amount	賬面淨值	206,742	65,258	14,771	93,500	17,574	25,845	423,690
At 1 January 2020:	於二零二零年一月一日：							
Opening net book amount	年初賬面淨值	206,742	65,258	14,771	93,500	17,574	25,845	423,690
Acquisition of subsidiaries	收購附屬公司	-	14,000	-	-	-	-	14,000
Additions	添置	-	144	-	-	7,178	-	7,322
Amortisation charge	攤銷費	-	(6,854)	(956)	(11,740)	(9,398)	(5,192)	(34,140)
Disposal	處置	-	-	-	-	(7,390)	-	(7,390)
Impairment charge (note iii)	減值費(附註iii)	(130,107)	-	-	-	-	-	(130,107)
Currency translation differences	匯兌差額	2,725	3,992	934	5,560	583	1,415	15,209
Closing net book amount	年終賬面淨值	79,360	76,540	14,749	87,320	8,547	22,068	288,584
At 31 December 2020:	於二零二零年十二月三十一日：							
Cost	成本	235,843	96,978	16,527	114,739	15,047	27,585	506,719
Accumulated amortisation and impairment	累計攤銷及減值	(156,483)	(20,438)	(1,778)	(27,419)	(6,500)	(5,517)	(218,135)
Net book amount	賬面淨值	79,360	76,540	14,749	87,320	8,547	22,068	288,584

During the year, additions to intangible assets were mainly acquired as part of business combinations (see Note 35 for details). They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line basis over their estimated useful lives.

於年內，添置的無形資產主要為業務合併(有關詳情見附註35)的一部分收購，其確認為其於收購日期之公平值，隨後按其估計可使用年期以直線法攤銷。

14. INTANGIBLE ASSETS (CONTINUED)**Impairment testing of goodwill**

Goodwill acquired through business combinations are mainly allocated to the following cash-generating units ("CGUs"), which are separate business operations, for annual impairment testing:

- Sports parks CGU
- Esports CGU
- Ice-skating rinks CGU
- Other CGUs

The carrying amount of goodwill allocated to each CGU with significant amount of goodwill:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Sports parks CGU	體育園現金產生單位	5,410	5,410
Esports CGU	電競現金產生單位	32,684	30,622
Ice-skating rinks CGU	滑冰場現金產生單位	40,550	169,994
Other CGUs	其他現金產生單位	716	716
		79,360	206,742

(i) Sports parks CGU

The recoverable amount of the sports parks CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a ten-year period approved by management. Management considers it is appropriate to apply a financial forecast covering a ten-year period in the VIU calculation based on the factors including: (i) predictability of the trend of operating scale; (ii) expected sustainability of business growth; and (iii) length of period to achieve business targets. The pre-tax discount rate applied to the cash flow projections is 28.7%. The growth rate used to extrapolate the cash flows of the sports parks CGU beyond the ten-year period is 2.5%.

Assumptions were used in the value in use calculation of the sports parks CGU for 31 December 2020. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Revenue growth rate:	2.5%-52.4%
EBITDA margin:	3.7%-30.8%
Pre-tax discount rate:	28.7%

The revenue growth rate is for the ten-year forecast period. The cash flow projection is derived from the approved business plan which has a forecast covering a period of ten years and have incorporated necessary updates.

The percentage of EBITDA of revenue is the average percentages over the ten-year forecast period. It is based on the current margin levels, with adjustments made to reflect the expected future market conditions.

14. 無形資產(續)**商譽減值測試**

透過業務合併獲得的商譽主要分配至下列獨立業務營運的現金產生單位(「現金產生單位」)，以進行年度減值測試：

- 體育園現金產生單位
- 電競現金產生單位
- 滑冰場現金產生單位
- 其他現金產生單位

商譽的賬面值分配至各商譽金額較大的現金產生單位：

(i) 體育園現金產生單位

體育園現金產生單位的可收回金額乃根據使用價值計算使用現金流量預測(基於管理層批准的涵蓋十年期的財務預算)而釐定。管理層認為，基於以下因素，於使用價值計算中應用涵蓋十年期間之財務預測屬適當，該等因素包括：(i)經營規模趨勢之可預測性；(ii)預期業務增長之可持續性；及(iii)實現業務目標之時間。應用於現金流量預測的除稅前貼現率為28.7%。用於推斷體育園現金產生單位超過10年期的現金流量的增長率為2.5%。

在計算二零二零年十二月三十一日的體育園現金產生單位的使用價值時使用了假設。以下描述了管理層進行商譽減值測試的現金流量預測所基於的每個關鍵假設：

收益增長率：	2.5%-52.4%
EBITDA利潤率：	3.7%-30.8%
除稅前貼現率：	28.7%

收益增長率乃針對十年預測期間。現金流量預測乃摘自經批准業務計劃，該計劃載有涵蓋十年期的預測並已載入必要更新資料。

EBITDA佔收益之百分比為十年預測期間的平均百分比，乃基於目前利潤率水平並作出調整以反映預期未來市場狀況。

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14. INTANGIBLE ASSETS (CONTINUED)

The discount rate used is pre-tax and reflect specific risks relating to the CGU.

For the year ended 31 December 2020, management believes that a reasonably possible change in any of the above key assumptions would not cause the carrying amount of the sports parks CGU to exceed its recoverable amount.

(ii) Esports CGU

The recoverable amount of the Esports CGU has been determined based on a value in use calculation using discounted cash flow projections. The discounted cash flow projections are based on financial budgets covering a seven-year period approved by management. Management considers it is appropriate to apply a financial forecast covering a seven-year period in the VIU calculation based on the factors including: (i) predictability of the trend of operating scale; (ii) expected sustainability of business growth; and (iii) length of period to achieve business targets. The pre-tax discount rate applied to the cash flow projections is 17.7%. The growth rate used to extrapolate the cash flows of the Esports CGU beyond seven-year period is 2.5%.

Assumptions were used in the value in use calculation of the Esports CGU for 31 December 2020. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Revenue growth rate:	-0.5%-131.9%
EBITDA margin:	29.6%-57.9%
Pre-tax discount rate:	17.7%

The revenue growth rate is for the seven-year forecast period. The cash flow projection is derived from the approved business plan which has a forecast covering a period of seven years and have incorporated necessary updates.

14. 無形資產(續)

所採用貼現率為除稅前比率，並反映有關現金產生單位之特定風險。

截至二零二零年十二月三十一日止年度，管理層認為上述任何關鍵假設可能出現的合理變動將不會導致體育園現金產生單位的賬面值超過其可收回金額。

(ii) 電競現金產生單位

電競現金產生單位的可收回金額乃按使用價值計算使用貼現現金流量預測而釐定。貼現現金流量預測乃基於管理層批准的涵蓋七年期的財務預算。管理層認為，基於以下因素，於使用價值計算中應用涵蓋七年期間之財務預測屬適當，該等因素包括：(i)經營規模趨勢之可預測性；(ii)預期業務增長之可持續性；及(iii)實現業務目標之時間。應用於現金流量預測的除稅前貼現率為17.7%。用於推斷電競現金產生單位超過七年期的現金流量的增長率為2.5%。

在計算二零二零年十二月三十一日的電競現金產生單位的使用價值時使用了假設。以下描述了管理層進行商譽減值測試的現金流量預測所基於的每個關鍵假設：

收益增長率：	-0.5%-131.9%
EBITDA利潤率：	29.6%-57.9%
除稅前貼現率：	17.7%

收益增長率乃針對七年預測期間。現金流量預測乃摘自經批准業務計劃，該計劃載有涵蓋七年期的預測並已載入必要更新資料。

14. INTANGIBLE ASSETS (CONTINUED)

The percentage of EBITDA of revenue is the average percentages over the seven-year forecast period. It is based on the current margin levels, with adjustments made to reflect the expected future market conditions.

The discount rate used is pre-tax and reflect specific risks relating to the CGU.

For the year ended 31 December 2020, management believes that a reasonably possible change in any of the above key assumptions would not cause the carrying amount of the Esports CGU to materially exceed its recoverable amount.

(iii) Ice-skating rinks CGU

The recoverable amount of the ice-skating rinks CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by management. The pre-tax discount rate applied to the cash flow projections is 19.1%. The growth rate used to extrapolate the cash flows of the ice-skating rinks CGU beyond the five-year period is 2.5%.

Assumptions were used in the value in use calculation of the ice-skating rinks CGU for 31 December 2020. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Revenue growth rate:	5.0%-55.8%
EBITDA margin:	22.8%-27.2%
Pre-tax discount rate:	19.1%

The revenue growth rate is for the five-year forecast period. The cash flow projection is derived from the approved business plan which has a forecast covering a period of five years and have incorporated necessary updates.

The percentage of EBITDA of revenue is the average percentages over the five-year forecast period. It is based on the current margin levels, with adjustments made to reflect the expected future market conditions.

The discount rate used is pre tax and reflect specific risks relating to the CGU.

14. 無形資產(續)

EBITDA佔收益之百分比為七年預測期間的平均百分比，乃基於目前利潤率水平並作出調整以反映預期未來市場狀況。

所採用貼現率為除稅前比率，並反映有關現金產生單位之特定風險。

截至二零二零年十二月三十一日止年度，管理層認為上述任何關鍵假設可能出現的合理變動將不會導致電競現金產生單位的賬面值大幅超過其可收回金額。

(iii) 滑冰場現金產生單位

滑冰場現金產生單位的可收回金額乃根據使用價值計算使用現金流量預測(基於管理層批准的涵蓋五年期的財務預算)而釐定。應用於現金流量預測的除稅前貼現率為19.1%。用於推斷滑冰場現金產生單位超過5年期的現金流量的增長率為2.5%。

在計算二零二零年十二月三十一日的滑冰場現金產生單位的使用價值時使用了假設。以下描述了管理層進行商譽減值測試的現金流量預測所基於的每個關鍵假設：

收益增長率：	5.0%-55.8%
EBITDA利潤率：	22.8%-27.2%
除稅前貼現率：	19.1%

收益增長率乃針對五年預測期間。現金流量預測乃摘自經批准業務計劃，該計劃載有涵蓋五年期的預測並已載入必要更新資料。

EBITDA佔收益之百分比為五年預測期間的平均百分比，乃基於目前利潤率水平並作出調整以反映預期未來市場狀況。

所採用貼現率為除稅前比率，並反映有關現金產生單位之特定風險。

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14. INTANGIBLE ASSETS (CONTINUED)

For the year ended 31 December 2020, impairment loss of approximately HK\$130,107,000 was recognised (2019: HK\$nil). Impairment was made on goodwill primarily due to the unpredictable poor performance of the business and slower pace of generic growth as a result of outbreak of COVID-19. The impairment loss recognised for the year represented the difference between the carrying amount of the CGU including goodwill and its estimated recoverable amount.

(iv) Other CGUs

During the year ended 31 December 2020, no impairment loss was recognised on goodwill and other intangible assets of other CGUs in profit or loss (2019: HK\$28,442,000).

14. 無形資產(續)

截至二零二零年十二月三十一日止年度，已確認減值虧損約130,107,000港元(二零一九年：零港元)。商譽減值乃主要因為COVID-19疫情導致業務表現在預料之外不甚理想及總體增速放緩。年內確認的減值虧損指現金產生單位(包括商譽)的賬面值與其估計可收回金額之間的差額。

(iv) 其他現金產生單位

於截至二零二零年十二月三十一日止年度，概無於損益確認任何有關現金產生單位的商譽及其他無形資產的減值虧損(二零一九年：28,442,000港元)。

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Associates	聯營公司	3,031,113	2,939,185
Joint ventures	合營企業	491	545
		3,031,604	2,939,730

15. 於聯營公司及合營企業之權益

Interests in associates

The following is a movement of interests in associates during the year:

於聯營公司之權益

以下為年內於聯營公司之權益變動：

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	2,939,185	3,577,938
Share of profits less losses for the period	分佔期內溢利減虧損	267,175	342,419
Share of other comprehensive (loss)/income	分佔其他全面(虧損)/收益	(1,906)	427
Share of reserves	分佔儲備	27,330	20,090
Dividend received	已收股息	(68,058)	(50,523)
Change in interest in associate due to partial disposal	由於部分出售導致於聯營公司的權益變動	(413,568)	(862,594)
Reclassification to amount due from an associate	重新分類至應收一間聯營公司款項	-	(5,522)
Currency translation differences	匯兌差額	280,955	(83,050)
At 31 December	於十二月三十一日	3,031,113	2,939,185

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

- (a) The Group entered into a placing agreement ("the Placing") with The Hong Kong and Shanghai Banking Corporation Limited ("HSBC") on 31 March 2020 to sell 70,000,000 Li Ning Co Shares. The Group's investments in Li Ning Co is considered as investments in associate and accounted for using the equity method before and after the Placing. Upon the completion of the Placing on 3 April 2020, the Group derecognised the carrying value of the associate proportionate to the percentage reduced, reclassified a proportionate amount of exchange fluctuation reserve previously recognised to the consolidated financial statement, resulting in net proceeds of HK\$1,493.5 million and gain of HK\$1,023.0 million. For details, please refer to the announcements of the Company dated 1 April 2020 and the circular of the Company dated 13 May 2020.

15. 於聯營公司及合營企業之權益(續)

- (a) 於二零二零年三月三十一日，本集團與香港上海滙豐銀行有限公司(「滙豐」)訂立配售協議(「配售事項」)以出售70,000,000股李寧公司股份。本集團於李寧公司的投資確認為於聯營公司的投資及於配售事項前後使用權益法入賬。於二零二零年四月三日完成配售事項後，本集團終止確認聯營公司分佔所減少百分比之賬面值，將先前確認之匯兌波動儲備之比例金額重新分類至綜合財務報表，產生所得款項淨額1,493,500,000港元及收益1,023,000,000港元。有關詳情，請參閱本公司日期為二零二零年四月一日的公告及本公司日期為二零二零年五月十三日的通函。

Particulars of the Group's principal associates are as follows:

本集團之主要聯營公司之詳情如下：

Name 名稱	Place of incorporation/ Notes registration 註冊成立/ 附註 註冊地點	Percentage of ownership interest directly attributable to the Group 本集團直接應佔擁有權益之 百分比		Principal activities 主要業務
		2020 二零二零年	2019 二零一九年	
Li Ning Co 李寧公司	(a) Cayman Islands 開曼群島	13.3%	16.3%	Brand development, design, manufacture, sale and distribution of sport-related footwear, apparel, equipment and accessories in the PRC 於中國從事體育相關鞋類、服飾、器材及配件之品牌開發、設計、製造、銷售及分銷
CITIC Land 中信置業	(b) The PRC 中國	29%	29%	Property development and operation; property management; hotel investment and management; construction project and facilities contracting and equipment installations; decoration unit; landscaping; property development consultancy 房地產開發、經營；物業管理；酒店投資管理；建築工程施工及設備安裝；裝修裝飾工程；園林綠化；房地產諮詢服務
Double Happiness 紅雙喜	(c) The PRC 中國	10%	10%	Manufacture, research and development, marketing and sale of principally table tennis and badminton equipment under its own "紅雙喜 (Double Happiness)" brand and other sports accessories 製造、研發、營銷及銷售其自有品牌「紅雙喜」的主要乒乓球及羽毛球用品及其他體育配件

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15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

As at 31 December 2020, the market value of Li Ning Co's listed shares was HK\$53.25 (2019: HK\$23.35) per share. The number of Li Ning Co ordinary shares held by the Group as at 31 December 2020 was approximately 331,202,000 Shares (2019: 263,405,000 Shares) and the number of convertible securities held as at 31 December 2020 was nil (2019: 137,797,000 units).

The following table illustrates the summarised financial information of the Group's principal associates extracted from its financial information or financial statements after adjusting for the impacts of adjustments made at the time of acquisition and adjustments for differences in accounting policies, if any (the ones extracted from Li Ning Co and Double Happiness are after adjusting for the impacts of adjustments made at the time of acquisition and adjustments for differences in accounting policies, if any, and for non-coterminous periods between the Group and Li Ning Co):

15. 於聯營公司及合營企業之權益(續)

於二零二零年十二月三十一日，李寧公司上市股份之市價為每股53.25港元(二零一九年：23.35港元)。於二零二零年十二月三十一日，本集團持有之李寧公司普通股數目約為331,202,000股(二零一九年：263,405,000股)，於二零二零年十二月三十一日所持可換股證券之數目為零份(二零一九年：137,797,000份)。

下表闡述本集團主要聯營公司之概要財務資料，有關資料乃摘錄自其財務資料或財務報表(經就於收購時作出之調整影響作出調整及就會計政策差異(如有)作出調整)(該等摘錄自李寧公司及紅雙喜之資料乃經就於收購時作出之調整影響作出調整及就本集團與李寧公司之間會計政策的差異(如有)及不相連會計期間作出調整)：

		2020 二零二零年			2019 二零一九年		
		Li Ning Co 李寧公司 HK\$'000 千港元	CITIC Land 中信置業 HK\$'000 千港元	Double Happiness 紅雙喜 HK\$'000 千港元	Li Ning Co 李寧公司 HK\$'000 千港元	CITIC Land 中信置業 HK\$'000 千港元	Double Happiness 紅雙喜 HK\$'000 千港元
Gross amounts of the associates	聯營公司之總金額						
Current assets	流動資產	11,923,332	339,995	1,456,900	9,016,426	288,991	1,293,849
Non-current assets	非流動資產	7,996,079	1,181,174	1,108,038	6,195,262	1,193,583	1,060,418
Current liabilities	流動負債	6,625,226	160,866	610,127	5,264,440	165,342	549,445
Non-current liabilities	非流動負債	876,369	280,236	153,415	788,117	317,686	150,662
Net assets attributable to the equity holders	權益持有人應佔資產淨值	12,417,816	1,080,067	1,801,396	9,159,131	999,546	1,654,160
Revenue for the period	期內收益	15,790,515	155,094	789,217	11,770,738	118,280	756,303
Profit for the period	期內溢利	1,771,367	12,447	150,758	1,492,344	10,859	763,679
Other comprehensive income/(loss)	其他全面收益/(虧損)	(14,134)	-	-	2,958	-	-
Total comprehensive income	全面收益總額	1,757,233	12,447	150,758	1,495,302	10,859	763,679
Reconciliation to the Group's interests in the associates	本集團於聯營公司的權益的對賬						
Gross amounts of net assets attributable to the equity holders of the associates	聯營公司權益持有人應佔資產淨值總額	12,414,778	1,076,302	1,784,000	9,156,290	995,888	1,641,029
Group's effective interest	本集團實際權益	13.3%	29%	10%	16.3%	29%	10%
Group's share of net assets of the associates	本集團應佔聯營公司的資產淨值	1,651,165	312,128	178,400	1,496,138	288,809	164,102
Goodwill	商譽	751,426	80,221	57,773	859,777	75,160	54,339
Carrying amount in the consolidated financial statements	於綜合財務報表的賬面值	2,402,591	392,349	236,173	2,355,915	363,969	218,441

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The Group's consolidated financial statements for the year ended 31 December 2020 include the Group's share of the results and reserves of Li Ning Co for the twelve months ended 30 September 2020 and adjusted for any significant events or transactions for the period from 1 October 2020 to 31 December 2020. The Group's consolidated financial statements for the year ended 31 December 2019 include the Group's share of the results and reserves of Li Ning Co for the twelve months ended 30 September 2019 and adjusted for any significant events or transactions for the period from 1 October 2019 to 31 December 2019. The Group has adopted the provision contained in HKAS 28 whereby it is permitted to include the attributable share of associates' results based on accounts drawn up to a non-coterminous period end where the difference must be no greater than three months. There is no non-coterminous period end for other associates and joint ventures.

Interests in joint ventures

During the year ended 31 December 2020, no impairment loss of investment in a joint venture was recognised in profit or loss (2019: HK\$17,381,000).

Commitments in respect of associates and joint ventures

	2020 二零二零年	2019 二零一九年
	HK\$'000 千港元	HK\$'000 千港元
Commitment to provide funding for associates' and a joint ventures' capital commitment*	—	571,504

* Included in the total capital commitment disclosed in Note 33 to the financial statements.

15. 於聯營公司及合營企業之權益(續)

本集團截至二零二零年十二月三十一日止年度之綜合財務報表包括本集團分佔李寧公司截至二零二零年九月三十日止十二個月之業績及儲備並就自二零二零年十月一日起至二零二零年十二月三十一日止期間之任何重大事件或交易作出調整。本集團截至二零一九年十二月三十一日止年度之綜合財務報表包括本集團分佔李寧公司截至二零一九年九月三十日止十二個月之業績及儲備並就自二零一九年十月一日起至二零一九年十二月三十一日止期間之任何重大事件或交易作出調整。本集團已採納香港會計準則第28號所載之條文，據此，其獲准計入以聯營公司不相連期間末(但有關差距不得超過三個月)之賬目為基準之應佔聯營公司之業績。其他聯營公司及合營企業無不相連期間末。

於合營企業的權益

截至二零二零年十二月三十一日止年度，概無於一間合營企業投資之減值虧損於損益內確認(二零一九年：17,381,000港元)。

關於聯營公司及合營企業的承擔

* 已載入於財務報表附註33披露之總資本承擔中。

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16. Financial assets/liabilities at FVPL

		2020 二零二零年		2019 二零一九年	
		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Options	期權	–	–	–	2,965
Forward currency contracts	遠期貨幣合約	1,464	456	–	–
Loan receivable	應收貸款	271,874	–	–	–
		273,338	456	–	2,965

(a) The options are accounted for as financial assets/liabilities at FVPL in the consolidated statement of financial position and were lapsed on 22 December 2020.

(b) The carrying amounts of the forward currency contracts are the same as their fair values. The above transactions involving financial assets/liabilities at fair value through profit or loss are conducted with creditworthy financial institutions with credit ratings from A-1 to A-1+.

During the year, the Group entered into various forward currency contracts to manage its exchange rate exposures. These forward currency contracts are not designated for hedge purposes and are measured at fair value through profit or loss. The net gain in the fair value of these non-hedging foreign currency contracts amounting to HK\$458,000 (2019: HK\$ nil) were credited to profit or loss during the year.

(c) Amount represented a loan of HK\$271,874,000 (equivalent to GBP25,726,000) at an interest rate of 4% per annum due from LionRock. Pursuant to the Loan Agreement, the parties to the Loan Agreement may agree that, at any time, the principal amount of the loan together with all outstanding sums accrued under the Loan Agreement may be converted into and/or set off against any subscription amounts payable by Viva China Consumables Limited (formerly known as Viva China Entertainment Holdings Limited) a wholly owned subsidiary of the Company, in order to subscribe for equity in the SPV, therefore, the balance is accounted for as financial asset at FVPL in the consolidated statement of financial position according to the results of assessment of business model.

For details of the Loan Agreement, please refer to the announcements of the Company dated 28 September 2020.

16. 透過損益按公平值計量之財務資產／負債

(a) 購股權於綜合財務狀況表內入賬為透過損益按公平值計量之財務資產／負債，並於二零二零年十二月二十二日失效。

(b) 遠期貨幣合約之賬面值與彼等之公平值相同。上述涉及透過損益按公平值計量之財務資產／負債之交易乃與信貸評級為A-1至A-1+之信譽良好金融機構進行。

年內，本集團訂立多項遠期貨幣合約以管理其匯率風險。該等遠期貨幣合約並非指定作對沖用途，並透過損益按公平值計量。年內，該等非對沖外幣合約公平值淨收益金額458,000港元(二零一九年：零港元)已於損益計入。

(c) 該金額為一筆應收LionRock之271,874,000港元(相當於25,726,000英鎊)貸款，年利率為4%。根據貸款協議，貸款協議之訂約方可協定於任何時間將貸款本金連同貸款協議項下之其他應計未償還款項轉讓及／或抵銷非凡中國消費品有限公司(前稱非凡中國娛樂控股有限公司)，本公司全資附屬公司，應付之任何認購款項，以認購SPV的股權，因此，根據業務模式評估結果，該結餘於綜合財務狀況表內以透過損益按公平值計量之財務資產入賬。

有關貸款協議詳情，請參閱本公司日期為二零二零年九月二十八日之公告。

17. STOCK OF PROPERTIES

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Properties under development for sale	發展中之待售物業	–	290,557

The properties under development for sale are held in the PRC with medium to long term lease. The development is expected to be completed after more than one year from the reporting date.

17. 物業存貨

發展中之待售物業乃於中國以中長期租賃持有。有關發展預期將於自報告日期起超過一年後完成。

18. INVENTORIES

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Finished goods	製成品	183,863	1,807

18. 存貨

19. TRADE DEBTORS AND BILLS RECEIVABLE

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Trade debtors and bills receivable	應收賬款及應收票據	99,239	220,382
Less: loss allowance	減：虧損撥備	(16,352)	(20,758)
		82,887	199,624

19. 應收賬款及應收票據

The Group's trading terms with its customers are mainly on credit, generally one month, extending up to six months for major customers. Each customer has a maximum credit limit. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade debtors and bills receivable balances. Trade debtors and bills receivable are non-interest-bearing.

本集團主要按記賬方式與客戶交易，信貸期一般為一個月，主要客戶則最多可延長信貸期至六個月。每名客戶均有最高信貸限額。高級管理層定期檢討逾期結餘。本集團並無就其應收賬款及應收票據結餘持有任何抵押品或其他增強信貸之保障。應收賬款及應收票據為不計利息。

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19. TRADE DEBTORS AND BILLS RECEIVABLE (CONTINUED)

An aged analysis of the trade debtors and bills receivable based on the payment due date is as follows:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Current	即期	61,478	108,145
Less than 3 months past due	逾期少於三個月	13,518	66,852
3 to 6 months past due	逾期三至六個月	5,549	13,937
More than 6 months past due	逾期超過六個月	2,342	10,690
		82,887	199,624

Information about the impairment of trade debtors and the Group's exposure to credit risk, foreign currency risk and interest risk can be found in Note 39.

Receivables that were neither past due nor impaired relate to diversified customers with no recent history of default.

Included in the Group's trade debtors and bills receivable are amounts of HK\$3,861,000 (2019: HK\$1,082,000) due from associates.

19. 應收賬款及應收票據(續)

應收賬款及應收票據根據付款到期日之賬齡分析如下：

有關應收賬款的減值以及本集團面臨信貸風險、外幣風險及利率風險之資料，請參閱附註39。

並未逾期或減值之應收款項與多名近期並無拖欠記錄之客戶有關。

計入本集團之應收賬款及應收票據為應收聯營公司款項3,861,000港元(二零一九年：1,082,000港元)。

20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

			2020 二零二零年	2019 二零一九年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Prepayments	預付款項		85,413	44,168
Deposits and other receivables	按金及其他應收款項	(a)	232,219	127,862
Less: loss allowance for deposits and other receivables	減：按金及其他應收款項之虧損撥備	39	(94,836)	(88,166)
			222,796	83,864
Less: current portion	減：流動部分		(167,551)	(50,236)
Non-current deposits and other receivables	非流動按金及其他應收款項		55,245	33,628

Note:

(a) Deposits and other receivables are measured at amortised costs. The detail information about the credit risk and impairment analysis of deposits and other receivables can be found in Note 39.

附註：

(a) 按金及其他應收款項按攤銷成本計量。有關按金及其他應收款項信貸風險及減值分析之詳情請參閱附註39。

21. CASH AND BANK BALANCES**(a) Cash and bank balances comprise**

	2020 二零二零年	2019 二零一九年
	HK\$'000 千港元	HK\$'000 千港元
Cash and bank balances other than time deposits 定期存款以外之現金及銀行結餘	982,537	500,867
Time deposits – less than 3 months 定期存款 – 少於三個月	874,904	148,395
Cash and bank balances 現金及銀行結餘	1,857,441	649,262

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$459,196,000 (2019: HK\$336,955,000), approximately HK\$385,718,000 (2019: HK\$330,892,000) of which was domiciled in the PRC. The RMB is not freely convertible into other currencies in the PRC, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks other than time deposits earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods of between one and three months depending on the short-term cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

(b) Net debt

This section sets out an analysis of net debt and the movements in net debt for the year ended 31 December 2020 and 2019.

	2020 二零二零年	2019 二零一九年
	HK\$'000 千港元	HK\$'000 千港元
Net debt 債務淨額		
Cash and cash equivalents 現金及現金等價物	1,857,441	649,262
Restricted bank balances 限制性銀行結餘	3,627	3,342
Borrowings – repayable after one year 借貸 – 於一年後償還	(1,256,000)	(1,256,000)
Lease liabilities 租賃負債	(408,788)	(184,638)
Net debt 債務淨額	196,280	(788,034)
Cash and cash equivalents 現金及現金等價物	1,857,441	649,262
Restricted bank balance 限制性銀行結餘	3,627	3,342
Gross debt – fixed interest rates 債務總額 – 固定利率	(408,788)	(184,638)
Gross debt – variable interest rates 債務總額 – 浮動利率	(1,256,000)	(1,256,000)
Net debt 債務淨額	196,280	(788,034)

21. 現金及銀行結餘**(a) 現金及銀行結餘包括**

於報告期末，本集團以人民幣計值之現金及銀行結餘約為459,196,000港元(二零一九年：336,955,000港元)，其中約385,718,000港元(二零一九年：330,892,000港元)存於中國。人民幣於中國不可自由兌換為其他貨幣。然而，根據《中國外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金(定期存款除外)根據每日銀行存款利率按浮動利率賺取利息。短期定期存款為期一至三個月不等，視乎本集團短期現金需求而定，並按各自短期定期存款利率賺取利息。銀行結餘存放於最近無違約記錄且信譽良好之銀行。

(b) 債務淨額

本節載有截至二零二零年及二零一九年十二月三十一日止年度的債務淨額之分析及債務淨額之變動。

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21. CASH AND BANK BALANCES (CONTINUED)

21. 現金及銀行結餘(續)

		Liabilities from financing activities 來自融資活動之負債			Sub-total 小計	Other assets 其他資產		Total 總計
		Bank and other loans 銀行及其他貸款	Convertible notes 可換股票據	Lease liabilities 租賃負債		Cash and cash equivalents 現金及現金等價物	Restricted bank balance 限制性銀行結餘	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Net debt as at 1 January 2019	於二零一九年一月一日之債務淨額	(40,023)	(819,602)	(40,057)	(899,682)	380,654	–	(519,028)
Cash flows	現金流量	(1,215,977)	859,464	10,229	(346,284)	282,258	3,507	(60,519)
Interest expenses	利息開支	–	(106,984)	(6,289)	(113,273)	–	–	(113,273)
Fair value gain	公平值收益	–	67,122	–	67,122	–	–	67,122
Acquisition of subsidiaries	收購附屬公司	–	–	(154,666)	(154,666)	–	–	(154,666)
Termination – leases	終止一租賃	–	–	5,338	5,338	–	–	5,338
Foreign exchange adjustments	外匯調整	–	–	807	807	(13,650)	(165)	(13,008)
Net debt as at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日之債務淨額	(1,256,000)	–	(184,638)	(1,440,638)	649,262	3,342	(788,034)
Cash flows	現金流量	54,829	–	103,685	158,514	1,023,968	–	1,182,482
Interest expenses	利息開支	–	–	(17,198)	(17,198)	–	–	(17,198)
Acquisition of subsidiaries	收購附屬公司	(54,829)	–	(273,064)	(327,893)	170,753	57	(157,083)
Addition – leases	添置一租賃	–	–	(38,954)	(38,954)	–	–	(38,954)
Termination – leases	終止一租賃	–	–	12,623	12,623	–	–	12,623
Foreign exchange adjustments	外匯調整	–	–	(11,242)	(11,242)	13,458	228	2,444
Net debt as at 31 December 2020	於二零二零年十二月三十一日之債務淨額	(1,256,000)	–	(408,788)	(1,664,788)	1,857,441	3,627	196,280

22. RESTRICTED BANK BALANCES

22. 限制性銀行結餘

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Restricted bank balances	限制性銀行結餘	3,627	3,342

The restricted bank balances were pledged as security for the operation of two sports destinations, namely Nantong Li Ning Sports Centre and Tianjin Li Ning Sports Centre and as security for bank guarantee for overseas subsidiaries of the Group.

限制性銀行結餘已抵押作為兩個體育目的地(即南通李寧運動中心及天津李寧運動中心)的營運之擔保及作為本集團海外附屬公司銀行擔保之擔保。

23. TRADE AND OTHER PAYABLES

The trade payables of the Group as at 31 December 2020 and 2019 were mainly aged within three months, as determined based on the invoice date. They are non-interest-bearing and are normally settled on terms ranging from 30 to 60 days.

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Trade payables	應付賬款	112,493	57,873
Other payables	其他應付款項	201,134	114,721
		313,627	172,594

24. ACCRUALS

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Accruals	應計費用	122,612	50,794

25. DEFERRED INCOME

The movements in deferred income as stated under current and non-current liabilities are as follows:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	10,831	25,743
Government grants received during the year	年內已收政府補貼	32,372	5,867
Credited to profit or loss	計入損益	(33,187)	(20,291)
Currency translation differences	匯兌差額	(206)	(488)
Carrying amount at 31 December	於十二月三十一日之賬面值	9,810	10,831
Less: current portion	減：流動部分	(2,100)	(8,959)
		7,710	1,872

Deferred income mainly represents government grants obtained for the purpose of subsidising subsidiaries' operation. Government grants received are initially recognised in the consolidated statement of financial position as deferred income and are amortised through profit or loss on a systematic basis over the periods in which the grants are intended to compensate.

23. 應付賬款及其他應付款項

根據發票日期計算，本集團於二零二零年及二零一九年十二月三十一日之應付賬款之賬齡主要為少於三個月。該等款項為免息及一般須於30至60日之期限內償還。

24. 應計費用**25. 遞延收入**

列入流動及非流動負債項下之遞延收入之變動如下：

遞延收入主要指就補貼附屬公司之營運而取得之政府補貼。已收政府補貼初步於綜合財務狀況表內確認為遞延收入，並按系統基準於該補貼計劃予補償之期間於損益中攤銷。

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26. BANK LOANS

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Bank loans, secured	銀行貸款，有抵押	1,256,000	1,256,000
Less: Current portion	減：流動部分	—	—
		1,256,000	1,256,000

Bank loans bear floating rate of HIBOR plus basis.

As at 31 December 2020, loan represented collateralised bank loan which is secured by interest in an associate with an estimated carrying amount of approximately HK\$1,315,718,000 (2019: HK\$1,065,055,000), and the loan is subject to certain covenants requirement relating to the quoted price of the associate.

As at 31 December 2020, the Group has bank facilities of HK\$1,256,000,000 (2019: HK\$1,648,500,000), of which HK\$nil (2019: HK\$392,500,000) remained unutilised at 31 December 2020.

26. 銀行貸款

銀行貸款按香港銀行同業拆息加指定息率之浮動利率計息。

於二零二零年十二月三十一日，貸款指由於一間聯營公司之權益(估計賬面值約為1,315,718,000港元(二零一九年：1,065,055,000港元))作抵押之有抵押銀行貸款，且該貸款受限於與該聯營公司之報價相關的若干契諾規定。

於二零二零年十二月三十一日，本集團擁有銀行融資1,256,000,000港元(二零一九年：1,648,500,000港元)，其中零港元(二零一九年：392,500,000港元)於二零二零年十二月三十一日尚未動用。

27. DEFERRED TAX ASSETS AND LIABILITIES

Net deferred tax assets recognised in the consolidated statement of financial position are as follows:

	2020 二零二零年	2019 二零一九年
	HK\$'000 千港元	HK\$'000 千港元
Deferred tax assets 遞延稅項資產	24,384	23,700
Deferred tax liabilities 遞延稅項負債	(80,669)	(49,538)
	(56,285)	(25,838)

27. 遞延稅項資產及負債

已於綜合財務狀況表確認之遞延稅項資產淨值如下：

The movement in deferred tax assets and liabilities during the year are as follows:

年內遞延稅項資產及負債之變動如下：

Deferred tax assets movement	Revaluation of investment properties	Impairment and other temporary differences	Lease liabilities	Total
遞延稅項資產變動	重估投資物業	減值及其他暫時差額	租賃負債	總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019 於二零一九年一月一日	7,307	5,136	-	12,443
Acquisition of subsidiaries 收購附屬公司	-	10,559	-	10,559
Credited to profit or loss 於損益計入	-	5,536	45,306	50,842
Disposal of the subsidiary 出售一間附屬公司	(7,031)	429	-	(6,602)
Set-off of deferred tax liabilities 抵銷遞延稅項負債	-	-	(43,260)	(43,260)
Currency translation difference 匯兌差額	(276)	(6)	-	(282)
At 31 December 2019 and 1 January 2020 於二零一九年十二月三十一日及二零二零年一月一日	-	21,654	2,046	23,700
Acquisition of subsidiaries 收購附屬公司	-	389	-	389
(Charged)/credited to profit or loss 於損益(扣除)/計入	-	(2,502)	1,440	(1,062)
Currency translation difference 匯兌差額	-	1,357	-	1,357
At 31 December 2020 於二零二零年十二月三十一日	-	20,898	3,486	24,384

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27. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

27. 遞延稅項資產及負債(續)

Deferred tax liabilities movement		Revaluation of investment properties	Intangible assets	Right of use assets	Others	Total
遞延稅項負債變動		重估投資物業	無形資產	使用權資產	其他	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	(114)	(3,064)	–	–	(3,178)
Acquisition of subsidiaries	收購附屬公司	–	(54,684)	–	(53)	(54,737)
Credited/(charged) to profit or loss	於損益計入/(扣除)	110	6,686	(43,260)	–	(36,464)
Set-off of deferred tax assets	抵銷遞延稅項資產	–	–	43,260	–	43,260
Currency translation difference	匯兌差額	4	1,574	–	3	1,581
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	–	(49,488)	–	(50)	(49,538)
Acquisition of subsidiaries	收購附屬公司	(31,652)	(2,118)	–	–	(33,770)
(Charged)/credited to profit or loss	於損益(扣除)/計入	(481)	6,075	–	–	5,594
Currency translation difference	匯兌差額	–	(2,952)	–	(3)	(2,955)
At 31 December 2020	於二零二零年十二月三十一日	(32,133)	(48,483)	–	(53)	(80,669)

Notes:

(a) At 31 December 2020, the Group had tax losses arising in Hong Kong of approximately HK\$1,150,637,000 (2019: HK\$778,634,000), subject to the confirmation of tax losses from the Hong Kong Inland Revenue Department. These tax losses are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has tax losses arising in the PRC of HK\$398,275,000 (2019: HK\$63,545,000) that will expire within five years to offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in companies that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Deferred tax liability has not been recognised for withholding taxes that would be payable on certain portions of the unremitted earnings that are subject to withholding taxes of certain of the Group's subsidiaries established in the PRC as all of those profits will not be distributed in the foreseeable future.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

附註：

(a) 於二零二零年十二月三十一日，本集團於香港產生稅項虧損約1,150,637,000港元(二零一九年：778,634,000港元)，惟須待香港稅務局確認稅項虧損，而該等稅項虧損可無限期待用作抵銷有虧損公司之未來應課稅溢利。

本集團亦於中國產生稅項虧損398,275,000港元(二零一九年：63,545,000港元)，可用於抵銷未來應課稅溢利，有關稅項虧損將於五年內失效。由於該等公司已持續虧損一段時間，而有應課稅溢利可用於抵銷動用稅項虧損之機會不大，故並無就該等虧損確認遞延稅項資產。

本集團並未就若干於中國成立之附屬公司之未匯出盈利之若干部分而應付預扣稅確認遞延稅項負債，由於該等利潤全部不會於可見將來分配。

本公司向其股東支付股息並無任何附帶所得稅影響。

28. SHARE CAPITAL Shares

28. 股本 股份

		2020 二零二零年		2019 二零一九年	
		No. of shares 股份數目	Nominal value 面值 HK\$'000 千港元	No. of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.05 each ("Ordinary Shares")	每股面值0.05港元之普通股 (「普通股」)	20,000,000,000	1,000,000	20,000,000,000	1,000,000
Redeemable convertible preferred shares of HK\$0.01 each ("Preferred Shares")	每股面值0.01港元之可贖回可轉換優先股(「優先股」)	6,000,000,000	60,000	6,000,000,000	60,000
Total	總計	26,000,000,000	1,060,000	26,000,000,000	1,060,000
Issued and fully paid: Ordinary Shares	已發行及繳足： 普通股	9,496,332,726	474,817	8,864,332,726	443,217

A summary of the movements in the Company's issued capital during the years ended 31 December 2020 and 2019 is as follows:

截至二零二零年及二零一九年十二月三十一日止年度本公司已發行股本變動概述如下：

Issued Capital

已發行股本

		Notes 附註	Number of Ordinary Shares in issue 已發行 普通股數目	Issued capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日		8,847,924,726	442,396	4,199,052	4,641,448
Issue of ordinary shares	發行普通股	(a)	16,408,000	821	11,510	12,331
Dividend paid	已付股息		–	–	(1,667,102)	(1,667,102)
At 31 December 2019	於二零一九年 十二月三十一日		8,864,332,726	443,217	2,543,460	2,986,677
Issue of ordinary shares	發行普通股	(b)	632,000,000	31,600	173,800	205,400
Dividend paid	已付股息		–	–	(298,505)	(298,505)
At 31 December 2020	於二零二零年 十二月三十一日		9,496,332,726	474,817	2,418,755	2,893,572

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28. SHARE CAPITAL (CONTINUED)

Notes:

(a) 16,408,000 Ordinary Shares were issued upon exercise of certain share options during the year of 2019 for proceeds totalling HK\$9,198,000. The proceeds of such issues had been applied towards general working capital of the Group.

(b) 632,000,000 Ordinary Shares were issued upon conversion of part of the perpetual convertible bonds during the year of 2020.

29. SHARE OPTION SCHEME

(I) Share option scheme of the Company

(A) 2010 share option scheme

On 29 June 2010, the Company passed an ordinary resolution to adopt a share option scheme (the "2010 Scheme") for the purpose of providing incentives to participants to contribute to the Group and/or to enable the Group to recruit high-calibre employees and/or attract human resources that are valuable to the Group. Participants of the 2010 Scheme include employee, officer, agent, consultant, business associate or representative of the Company or any subsidiary or otherwise contributes to the success of the Group, including any executive, non-executive or independent non-executive director of the Company or any subsidiary, who, as the board of directors or a committee comprising directors and members of the senior management of the Company (as the case may be) may determine in its absolute discretion, is regarded as valuable human resources of the Group based on his working experience, knowledge in the industry and other relevant factors, and subject to such conditions as the board of directors or such committee (as the case may be) may think fit.

The overall limit on the number of Ordinary Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2010 Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the number of Ordinary Shares in issue from time to time. In addition, the total number of Ordinary Shares which may be issued upon exercise of all options granted together with all options to be granted under the 2010 Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the nominal amount of all the Ordinary Shares in issue as at the date of adoption of the 2010 Scheme (the "2010 Scheme Mandate Limit"). The Company may, from time to time, refresh the 2010 Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting. Once refreshed, the total number of Ordinary Shares which may be issued upon exercise of all options to be granted under the 2010 Scheme and all other share option schemes of the Company under the limit, as refreshed, must not exceed 10% of the number of Ordinary Shares in issue as at the date of approval of the refreshment by the Shareholders.

The 2010 Scheme Mandate Limit amounted to 878,060,472 Ordinary Shares following the approval of refreshment by the Shareholders on 16 June 2017.

28. 股本(續)

附註：

(a) 二零一九年內因若干購股權獲行使而發行16,408,000股普通股，獲得所得款項合共9,198,000港元。該等發行之所得款項已用作本集團之一般營運資金。

(b) 二零二零年內因部分永久性可換股債券獲轉換而發行632,000,000股普通股。

29. 購股權計劃

(I) 本公司之購股權計劃

(A) 二零一零年購股權計劃

於二零一零年六月二十九日，本公司通過普通決議案採納一項購股權計劃（「二零一零年計劃」），旨在向為本集團作出貢獻之參與者提供獎勵及／或使本集團可招攬優秀僱員及／或吸引對本集團有價值之人力資源。二零一零年計劃之參與者包括本公司或任何附屬公司之僱員、高級職員、代理、顧問、業務夥伴或代表或對本集團成就有所貢獻之其他人士，包括本公司或任何附屬公司任何執行、非執行或獨立非執行董事，而董事會或由本公司董事及高級管理人員組成之委員會（視情況而定）經考慮其工作經驗、行業知識及其他相關因素以及符合董事會或該委員會（視情況而定）可能認為合適之條件後，可全權酌情決定有關人士是否屬本集團寶貴人力資源。

因根據二零一零年計劃及本公司任何其他購股權計劃所授出惟尚未行使之所有尚未行使購股權獲行使而可予發行之普通股數目之整體限制，合共不得超過不時已發行普通股數目之30%。此外，因根據二零一零年計劃及本公司任何其他購股權計劃已授出及將予授出之所有購股權獲行使而可予發行之普通股總數，合共不得超過採納二零一零年計劃當日所有已發行普通股面值之10%（「二零一零年計劃授權上限」）。本公司可不時透過於股東大會上取得股東批准以更新二零一零年計劃授權上限。二零一零年計劃授權上限一經更新，因根據二零一零年計劃及本公司所有其他購股權計劃將予授出之所有購股權獲行使而可予發行之普通股總數，根據經更新上限不得超過股東批准更新當日已發行普通股數目之10%。

經股東於二零一七年六月十六日批准更新後，二零一零年計劃授權上限為878,060,472股普通股。

29. SHARE OPTION SCHEME (CONTINUED)**(I) Share option scheme of the Company (Continued)***(A) 2010 share option scheme (Continued)*

The maximum number of Ordinary Shares issuable under share options to each eligible participant in the 2010 Scheme within any 12-month period is limited to 1% of the Ordinary Shares of the Company in issue as at the proposed date of grant. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

The offer of a grant of share options under the 2010 Scheme may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the board of directors or such committee, save that such period shall not be more than 10 years from the date of grant. Unless the Board may otherwise determine, there is no minimum period required under the 2010 Scheme for the holding of an option before it can be exercised.

The exercise price of share options is determinable by the Board or such committee, but shall be at least the highest of (i) the Stock Exchange closing price of the Ordinary Shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Ordinary Shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Ordinary Shares.

The 2010 Scheme was valid and effective for a period of 10 years commencing on 29 June 2010 and expired on 29 June 2020. Upon expiry of the 2010 Scheme, no further share options should be granted thereunder. The share options granted under the 2010 Scheme which remained outstanding immediately prior to the expiry of the 2010 Scheme shall continue to be valid and exercisable in accordance with the terms of grant and the 2010 Scheme.

29. 購股權計劃(續)**(I) 本公司之購股權計劃(續)***(A) 二零一零年購股權計劃(續)*

於任何12個月期間內根據購股權可發行予二零一零年計劃項下各合資格參與者之普通股數目，最多不得超過本公司於建議授出日期已發行普通股之1%。任何進一步授出超出此限額之購股權須於股東大會尋求股東批准。

根據二零一零年計劃授出購股權之要約可於要約日期起計28日內獲接納，而承授人須就此支付合共1港元之象徵式代價。已授出購股權之行使期由董事會或該委員會釐定，惟有關期間不得超過授出日期起計10年。除非董事會另行議決，二零一零年計劃並無規定在行使前須持有購股權之最短期限。

購股權之行使價由董事會或該委員會釐定，惟不得低於下列各項之最高者：(i) 普通股於購股權提呈日期在聯交所之收市價；(ii) 普通股於緊接授出日期前五個交易日在聯交所之平均收市價；及(iii) 普通股面值。

二零一零年計劃於二零一零年六月二十九日起計十年內有效及生效及於二零二零年六月二十九日屆滿。於二零一零年計劃屆滿後，不得再據此授出購股權。根據授出條款及二零一零年計劃，緊接二零一零年計劃屆滿前二零一零年計劃項下已授出但仍尚未行使的購股權應繼續有效及可予行使。

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29. SHARE OPTION SCHEME (CONTINUED)**(I) Share option scheme of the Company (Continued)***(B) 2021 share option scheme*

On 18 January 2021, the Company passed an ordinary resolution to adopt a new share option scheme (the "2021 Scheme") for the purpose to recognize and acknowledge the contributions that participants have made or may make to the Group, to provide incentives and/or reward to participants for their contributions to the Group and/or to enable the Group to recruit high-calibre employees and/or attract human resources that are valuable to the Group. Participants of the 2021 Scheme include employee, officer, agent, consultant, business associate or representative of the Company or any subsidiary or otherwise contributes to the success of the Group, including any executive, non-executive or independent non-executive director of the Company or any subsidiary who, as the Board or a committee comprising Directors and members of senior management of the Company (as the case may be) may determine in its absolute discretion, is regarded as valuable human resources of the Group who has made important contributions to the development of the Group based on his work experience, knowledge in the industry and other relevant factors, and subject to such conditions as the Board or such committee (as the case may be) may think fit. The 2021 Scheme will remain in force for period of 10 years commencing on 18 January 2021.

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2021 Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the number of Shares in issue from time to time. In addition, the total number of Shares which may be issued upon exercise of all options to be granted under the 2021 Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the nominal amount of all the Shares in issue as at the date of adoption of the 2021 Scheme (the "2021 Scheme Mandate Limit"). The Company may, from time to time, refresh the 2021 Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting. Once refreshed, the total number of Shares which may be issued upon exercise of all options to be granted under the 2021 Scheme and all other share option schemes of the Company under the limit, as refreshed, must not exceed 10% of the number of Shares in issue as at the date of approval of the refreshment by the Shareholders. On the basis of 9,496,332,726 Shares in issue on the date of adoption of the 2021 Scheme, the maximum number of shares that may be issued upon exercise of share options that may be granted under it is 949,633,272 Shares. As at the date of this report, the share options available for grant under the 2021 Scheme is 661,033,272, representing 6.96% of the existing number of issued Shares.

29. 購股權計劃(續)**(I) 本公司之購股權計劃(續)***(B) 二零二一年購股權計劃*

於二零二一年一月十八日，本公司通過普通決議案採納一項新購股權計劃(「二零二一年計劃」)，旨在肯定及表揚參與者對本集團作出或可能作出之貢獻、向為本集團作出貢獻之參與者提供激勵及／或獎勵及／或使本集團可招攬優秀僱員及／或吸引對本集團有價值之人力資源。二零二一年計劃之參與者包括本公司或任何附屬公司之僱員、高級職員、代理、顧問、業務夥伴或代表或對本集團成就作出貢獻之其他人士，包括本公司或任何附屬公司任何執行、非執行或獨立非執行董事，而董事會或由本公司董事及高級管理層成員組成之委員會(視情況而定)經考慮其工作經驗、行業知識及其他相關因素以及董事會或該委員會(視情況而定)可能認為合適之條件後，可全權酌情決定有關人士是否屬對本集團發展作出重要貢獻之本集團之寶貴人力資源。二零二一年計劃將自二零二一年一月十八日起計10年內有效。

因行使根據二零二一年計劃及本公司任何其他購股權計劃所授出惟尚未行使之所有尚未行使購股權而可予發行之股份數目整體上限，合共不得超過不時已發行股份數目之30%。此外，因行使根據二零二一年計劃及本公司任何其他購股權計劃將予授出之所有購股權而可予發行之股份總數，合共不得超過採納二零二一年計劃當日所有已發行股份面值之10%(「二零二一年計劃授權上限」)。本公司可不時透過於股東大會上獲得股東批准以更新二零二一年計劃授權上限。二零二一年計劃授權上限一經更新，因行使根據二零二一年計劃及本公司所有其他購股權計劃將予授出之所有購股權而可予發行之股份總數，根據經更新上限不得超過股東批准更新當日已發行股份數目之10%。根據採納二零二一年計劃日期已發行的9,496,332,726股股份，可能據此授出的購股權獲行使後可能發行的最高股份數目為949,633,272股股份。於本報告日期，於二零二一年計劃項下可予授出之購股權為661,033,272份，相當於現有已發行股份數目之6.96%。

29. SHARE OPTION SCHEME (CONTINUED)**(I) Share option scheme of the Company (Continued)***(B) 2021 share option scheme (Continued)*

The maximum number of shares issuable under share options to each eligible participant in the 2021 Scheme within any 12-month period is limited to 1% of the shares of the Company in issue as at the proposed date of grant. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

The offer of a grant of share options under the 2021 Scheme may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Board or such committee, save that such period shall not be more than 10 years from the date of grant. Unless the Board may otherwise determine, there is no minimum period required under the 2021 Scheme for the holding of an option before it can be exercised.

The exercise price of share options is determinable by the Board or such committee, but shall be at least the highest of (i) the Stock Exchange closing price of the Shares on the date of grant of the share options; (ii) the average Stock Exchange closing price of the Shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

29. 購股權計劃(續)**(I) 本公司之購股權計劃(續)***(B) 二零二一年購股權計劃(續)*

於任何12個月期間內根據購股權可發行予二零二一年計劃項下各合資格參與者之股份數目，最多不得超過本公司於建議授出日期已發行股份之1%。任何進一步授出超出此上限之購股權須於股東大會獲得股東批准。

根據二零二一年計劃授出購股權之要約可於要約日期起計28日內獲接納，而承授人須就此支付合共1港元之象徵式代價。已授出購股權之行使期由董事會或有關委員會釐定，惟有關期間不得超過授出日期起計十年。除非董事會另行議決，二零二一年計劃並無規定在行使前須持有購股權之最短期限。

購股權之行使價由董事會或該委員會釐定，惟不得低於下列各項之最高者(i)股份於購股權授出日期在聯交所之收市價；(ii)股份於緊接授出日期前五個交易日在聯交所之平均收市價；及(iii)股份面值。

購股權並無賦予持有人收取股息或於股東大會投票之權利。

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29. SHARE OPTION SCHEME (CONTINUED)

(I) Share option scheme of the Company (Continued)

The following share options were outstanding under the 2010 Scheme during the year:

At 1 January 2019	於二零一九年一月一日	
Granted during the year	於年內授出	(a)
Forfeited/expired during the year	於年內沒收/到期	(b)
Exercised during the year	於年內行使	(c)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	
Forfeited/expired during the year	於年內沒收/到期	(b)
At 31 December 2020	於二零二零年十二月三十一日	(d)

Notes:

(a) The fair values of the share options granted under the 2010 Scheme during the year ended 31 December 2019 were HK\$868,000 in aggregate, which were estimated as at the respective dates of grant using a binomial model, taking into account the terms and conditions upon which the options were granted, the valuation of which was performed by Asia-Pacific Consulting and Appraisal Limited. The following table lists the inputs to the model used:

Dividend yield (%)	股息率(%)	0
Expected volatility (%)	預期波幅(%)	35 – 47
Expected life of options (years)	購股權預期年期(年)	3 – 5
Risk-free interest rate (%)	無風險利率(%)	1.21 – 1.57

Equity-settled share option expenses of HK\$5,862,000 (2019: HK\$10,377,000) was recognised in profit or loss during the year ended 31 December 2020 in respect of the share options granted under the 2010 Scheme.

(b) 94,729,000 (2019: 283,814,000) share options granted under the 2010 Scheme were forfeited/expired during the year ended 31 December 2020 upon the resignation of certain grantees during the year.

(c) Nil (2019: 16,408,000) share options granted under the 2010 Scheme were exercised during the year ended 31 December 2020.

(d) As at 31 December 2020, the Company had 126,425,000 share options outstanding under the 2010 Scheme, which represented approximately 1.3% of the Ordinary Shares in issue as at 31 December 2020.

29. 購股權計劃(續)

(I) 本公司之購股權計劃(續)

年內二零二零年計劃項下尚未行使購股權如下：

Notes 附註	Weighted average exercise price 加權平均行使價 (HK\$ per share) (每股港元)	Number of options 購股權數目 '000 千份
	0.78	515,376
(a)	0.478	6,000
(b)	0.74	(283,814)
(c)	0.56	(16,408)
	0.71	221,154
(b)	0.79	(94,729)
(d)	0.65	126,425

附註：

(a) 於截至二零一九年十二月三十一日止年度，根據二零二零年計劃所授出購股權的公平值合共為868,000港元，乃經考慮購股權授出之條款及條件使用二項式模式於各自授出日期進行估計，相關估值由亞太評估諮詢有限公司進行。下表列示所使用模式之輸入數據：

於截至二零二零年十二月三十一日止年度，就根據二零二零年計劃所授出購股權在損益確認以股權結算之購股權開支5,862,000港元(二零一九年：10,377,000港元)。

(b) 於截至二零二零年十二月三十一日止年度，根據二零二零年計劃授出之94,729,000份(二零一九年：283,814,000份)購股權已於年內若干承授人辭任後沒收/到期。

(c) 根據二零二零年計劃授出之零份(二零一九年：16,408,000份)購股權已於截至二零二零年十二月三十一日止年度獲行使。

(d) 於二零二零年十二月三十一日，本公司有126,425,000份二零二零年計劃項下之尚未行使購股權，相當於二零二零年十二月三十一日已發行普通股之約1.3%。

29. SHARE OPTION SCHEME (CONTINUED)**(I) Share option scheme of the Company (Continued)**

(e) The exercise prices and exercise periods of the share options outstanding under the 2010 Scheme as at the end of the reporting period are as follows:

2020

Number of options 購股權數目 ('000) (千份)	Exercise price* 行使價* (HK\$ per share) (每股港元)	Exercise period 行使期間
64,425	0.8	20 Jan 2019 to 19 Jan 2021
20,000	0.478	5 Sep 2019 to 4 Sep 2021
2,000	0.478	15 Aug 2020 to 14 Aug 2022
20,000	0.49	5 Sep 2020 to 4 Sep 2022
20,000	0.49	5 Sep 2021 to 4 Sep 2023
126,425		

2019

('000) (千份)	(HK\$ per share) (每股港元)	
1,304	0.8	20 Jun 2017 to 19 Jun 2020
76,925	0.8	20 Jan 2018 to 19 Jan 2020
76,925	0.8	20 Jan 2019 to 19 Jan 2021
20,000	0.478	5 Sep 2019 to 4 Sep 2021
2,000	0.478	15 Aug 2020 to 14 Aug 2022
2,000	0.478	15 Aug 2021 to 14 Aug 2023
2,000	0.478	15 Aug 2022 to 14 Aug 2024
20,000	0.49	5 Sep 2020 to 4 Sep 2022
20,000	0.49	5 Sep 2021 to 4 Sep 2023
221,154		

* The exercise prices of the share options are subject to adjustment in the event of any capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than issuance of Ordinary Shares as consideration in respect of a transaction)

29. 購股權計劃(續)**(I) 本公司之購股權計劃(續)**

(e) 於報告期末二零二零年計劃項下尚未行使購股權之行使價及行使期間如下：

二零二零年

二零一九年一月二十日至二零二一年一月十九日
二零一九年九月五日至二零二一年九月四日
二零二零年八月十五日至二零二二年八月十四日
二零二零年九月五日至二零二二年九月四日
二零二一年九月五日至二零二三年九月四日

二零一九年

二零一七年六月二十日至二零二零年六月十九日
二零一八年一月二十日至二零二零年一月十九日
二零一九年一月二十日至二零二一年一月十九日
二零一九年九月五日至二零二一年九月四日
二零二零年八月十五日至二零二二年八月十四日
二零二一年八月十五日至二零二三年八月十四日
二零二二年八月十五日至二零二四年八月十四日
二零二零年九月五日至二零二二年九月四日
二零二一年九月五日至二零二三年九月四日

* 購股權行使價可於本公司進行任何資本化發行、供股、股本合併、拆細或削減(發行普通股作為交易代價者除外)時作出調整

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29. SHARE OPTION SCHEME (CONTINUED)

(I) Share option scheme of the Company (Continued)

At the end of the reporting period, the exercise in full of the outstanding share options under the Scheme would, under the present capital structure of the Company, result in the issue of 126,425,000 additional Ordinary Shares and additional share capital of HK\$6,321,000 and share premium of HK\$75,335,000, before taking into account any transfer of share option reserve to the share premium account.

(II) Share option scheme of a subsidiary

Bossini, a non-wholly owned subsidiary of the Company and shares of which are listed on the Main Board of the Stock Exchange (stock code: 592), operates a share option scheme (the "Bossini Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the operations of the Bossini Group.

Eligible participants of the Bossini Share Option Scheme include executive directors, non-executive directors (including independent non-executive directors), and other full-time or part-time employees of Bossini, and its subsidiaries. The Bossini Share Option Scheme became effective on 12 November 2013 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares which may be issued upon exercise of all share options to be granted under the Bossini Share Option Scheme and any other future share option schemes of Bossini (excluding share options forfeited in accordance with the terms of the Bossini Share Option Scheme or any other future share option schemes of Bossini) shall not exceed 10% of the total number of shares in issue on 12 November 2013, the date of the annual general meeting that Bossini sought the approval of the shareholders of Bossini for the adoption of the Bossini Share Option Scheme. The number of shares issuable under the Bossini Share Option Scheme was 162,077,939, which represented 10% of Bossini's shares in issue at 12 November 2013. The maximum number of shares issuable under share options to each participant in the Bossini Share Option Scheme within any 12-month period is limited to 1% of the total number of shares of Bossini in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting with such participant and his associates abstaining from voting.

29. 購股權計劃(續)

(I) 本公司之購股權計劃(續)

於報告期末，根據本公司現時之資本架構，計劃項下尚未行使購股權獲全數行使後，將額外發行126,425,000股普通股，錄得額外股本6,321,000港元及股份溢價75,335,000港元（不計及任何購股權儲備轉撥至股份溢價賬）。

(II) 附屬公司之購股權計劃

本公司之非全資附屬公司附屬公司堡獅龍，其股份於聯交所主板上市（股份代號：592），設有一項購股權計劃（「堡獅龍購股權計劃」）旨在激發及獎勵對堡獅龍集團業務營運作出貢獻之合資格參與者。

堡獅龍購股權計劃之合資格參與人士包括堡獅龍及其附屬公司之執行董事、非執行董事（包括獨立非執行董事）及其他全職或兼職僱員。堡獅龍購股權計劃於二零一三年十一月十二日生效，除非該堡獅龍購股權計劃以其他方式註銷或修訂，否則自該日起計有效期為十年。

根據堡獅龍購股權計劃及堡獅龍任何將來之其他購股權計劃將予授出之所有購股權獲行使時可予發行之股份的最高數目（不包括根據堡獅龍購股權計劃或堡獅龍任何將來其他購股權計劃條款沒收之購股權），不得超過堡獅龍於二零一三年十一月十二日（即堡獅龍尋求堡獅龍股東批准採納堡獅龍購股權計劃之股東週年大會日期）之已發行股份總數之10%。根據堡獅龍購股權計劃可發行之股份數目為162,077,939股，佔堡獅龍於二零一三年十一月十二日已發行股份之10%。於任何12個月期間內，根據購股權可向堡獅龍購股權計劃各參與人士發行之股份最高數目，以堡獅龍於任何時間已發行股份總數之1%為限。進一步授出超過該上限之購股權，須待股東於股東大會批准，方為有效，惟有關參與人士及其聯繫人士須就此放棄投票。

29. SHARE OPTION SCHEME (CONTINUED)**(II) Share option scheme of a subsidiary (Continued)**

Share options granted to a director, chief executive or substantial shareholder of Bossini, or to any of their respective associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is a grantee of the share options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of Bossini, or to any of their respective associates, in excess of 0.1% of the shares of Bossini in issue at any time or with an aggregate value (based on the closing price of Bossini's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of grant of the share options. Share options granted during the term of the Bossini Share Option Scheme and remain unexercised immediately prior to the end of the 10-year period of the Bossini Share Option Scheme shall continue to be exercisable in accordance with their terms of grant within the exercise period for which such options are granted, notwithstanding the expiry of the Bossini Share Option Scheme.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of Bossini's shares on the date of grant of the share options; (ii) the average Stock Exchange closing price of Bossini's shares for the 5 trading days immediately preceding the date of grant; and (iii) the nominal value of Bossini's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

At the time of acquisition of Bossini by the Group, all outstanding share options of the Bossini Share Option Scheme were cancelled or lapsed under the Offers, which the Offers were closed on 14 August 2020. As at 31 December 2020, there was nil outstanding share option under the Bossini Share Option Scheme.

29. 購股權計劃(續)**(II) 附屬公司之購股權計劃(續)**

向堡獅龍董事、最高行政人員或主要股東或彼等各自之聯繫人士授出之購股權，須事先獲獨立非執行董事(不包括同時為購股權承授人之獨立非執行董事)批准。此外，於任何12個月期間向堡獅龍主要股東或獨立非執行董事或彼等各自之聯繫人士授出之任何購股權，倘超過堡獅龍任何時間已發行股份0.1%或總值(按授出日期堡獅龍股份收市價計算)超過5,000,000港元，則須獲股東於股東大會事先批准。

授出之購股權可於授出日期起計28日內在承授人支付合共1港元象徵式代價後被接納。已授出購股權之行使期由董事釐訂，並自若干歸屬期間後開始及於購股權授出日期起計十年內屆滿。於堡獅龍購股權計劃期間授出及於緊接堡獅龍購股權計劃十年期間屆滿前尚未行使之購股權，儘管堡獅龍購股權計劃已期滿，仍可根據其授出條款於授出購股權行使期間內繼續予以行使。

購股權之行使價由董事釐訂，惟不得低於以下之最高者：(i)於購股權授出日期堡獅龍股份於聯交所之收市價；(ii)緊接授出日期前5個交易日堡獅龍股份於聯交所之平均收市價；及(iii)堡獅龍股份面值。

購股權並無賦予持有人獲派股息或於股東大會上投票之權利。

於本集團收購堡獅龍時，根據該等要約(該等要約已於二零二零年八月十四日截止)，堡獅龍購股權計劃中的所有尚未行使購股權已被註銷或已失效。於二零二零年十二月三十一日，堡獅龍購股權計劃項下並無尚未行使的購股權。

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30. PERPETUAL CONVERTIBLE BONDS

The perpetual convertible bonds issued are as follows:

	2020 二零二零年	2019 二零一九年
	HK\$'000 千港元	HK\$'000 千港元
Perpetual convertible bonds 永久性可換股債券	933,646	1,139,046

On 30 August 2013, the Company entered into the Deed with Victory Mind Assets Limited and Dragon City Management (PTC) Limited to advance the timetable for the possible issuance of earn-out perpetual convertible bonds in relation to the acquisition of approximately 25.2% equity interest of Li Ning Co in December 2012. The execution and performance of the Deed were approved in the extraordinary general meeting of shareholders on 4 November 2013. The earn-out perpetual convertible bonds with a fair value of HK\$1,140,000,000 were issued in advance in November 2013 and were classified as equity and the related derivative financial liabilities were derecognised at the same time, the financial impact of which was based on the fair value of earn-out perpetual convertible bonds upon the Deed becoming effective.

Perpetual convertible bonds with principal amount of HK\$205,400,000 were converted into 632,000,000 Ordinary Shares during the year ended 31 December 2020 (2019: nil).

31. RESERVES

(i) The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statement of changes in equity.

(ii) The share option reserve represents the fair value of share options vested which are yet to be exercised, as further explained in the accounting policy of share-based payments in Note 2.3 to the financial statements. The amount will either be transferred to the share premium account when the related share options are exercised, or transferred to retained profits/accumulated losses should the related share options lapse or be forfeited.

(iii) Pursuant to the relevant laws and regulations for wholly-owned enterprise, a portion of the profits of the Group's wholly-owned subsidiary which is established in the PRC has been transferred to reserve funds which are restricted as to use.

30. 永久性可換股債券

已發行之永久性可換股債券如下：

於二零一三年八月三十日，本公司與Victory Mind Assets Limited及Dragon City Management (PTC) Limited訂立契據，以推前就於二零一二年十二月收購李寧公司約25.2%股權而可能發行盈利能力永久性可換股債券的時間表。契據之簽立及履行於二零一三年十一月四日舉行的股東特別大會上已獲得批准。公平值為1,140,000,000港元之盈利能力永久性可換股債券已於二零一三年十一月提前發行，並歸類為權益，同時，相關衍生財務負債已終止確認，其財務影響乃根據於契據生效時的盈利能力永久性可換股債券之公平值計算。

截至二零二零年十二月三十一日止年度，本金額為205,400,000港元之永久性可換股債券已轉換為632,000,000股普通股(二零一九年：無)。

31. 儲備

(i) 本年度及上一年度本集團儲備金額及其變動於綜合權益變動表內呈列。

(ii) 購股權儲備指已歸屬但未行使購股權之公平值，進一步詳情載於財務報表附註2.3所述以股份償付之會計政策。有關金額將於有關購股權獲行使時轉撥至股份溢價賬，或於有關購股權失效或被沒收時轉撥至保留溢利／累計虧損。

(iii) 根據全資擁有企業之相關法律及法規，本集團於中國成立之全資附屬公司部分溢利已轉入受限制用途之儲備基金。

32. OPERATING LEASE ARRANGEMENT**As lessor**

As at 31 December 2020, the Group leased sports park facilities and investment property to independent third parties under operating lease arrangements, with each lease negotiated for a term of 2 to 10 years.

As at 31 December 2020 and 2019, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Within one year	一年內	11,394	4,684
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	6,389	9,650
Over five years	五年以上	2,726	3,216
		20,509	17,550

33. COMMITMENTS FOR PROPERTY DEVELOPMENT/CAPITAL EXPENDITURE

As at 31 December 2020 and 2019, the Group had the following commitments for property development and capital expenditure:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
Property development/construction work	房地產開發／建築工程	10,026	18,576
Capital contribution/acquisition of joint ventures/associates	注資／收購合營企業／聯營公司	17,349	571,504
		27,375	590,080

32. 經營租賃安排**作為出租人**

於二零二零年十二月三十一日，本集團根據經營租賃安排向獨立第三方出租體育園設施及投資物業，各項租賃經磋商後為期2至10年。

於二零二零年及二零一九年十二月三十一日，本集團根據與租戶訂立之不可撤銷經營租賃而於下列期間到期之日後應收最低租金總額如下：

33. 房地產開發／資本開支承擔

於二零二零年及二零一九年十二月三十一日，本集團擁有以下房地產開發及資本開支承擔：

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34. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties in the ordinary course of business during the year:

		2020 二零二零年	2019 二零一九年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Marketing service income received and receivable from associates	已收及應收聯營公司之市場推廣服務收入 (i)	199,695	318,998
Cost of purchases paid and payable to an associate	已付及應付一間聯營公司之採購費用 (ii)	7,543	6,237
Sales of goods to a subsidiary of an associate	向一間聯營公司之一間附屬公司銷售貨品 (iii)	3,974	-
Office and car-park rental expense paid and payable to associates	已付及應付聯營公司之辦公室及停車場租金開支 (iv)	1,947	1,987
Dividend received from associates	已收聯營公司之股息 (v)	68,058	50,523
Consultatory fee received and receivable from an associate	已收及應收一間聯營公司之諮詢服務費 (vi)	586	-
Consultancy fee paid to an associate	已付一間聯營公司之諮詢服務費 (vi)	-	7,820
Compensation cost paid to an associate	已付一間聯營公司之賠償款 (vii)	-	15,506
Trademark assignment fee paid to an associate	已付一間聯營公司之商標轉讓費 (viii)	-	1,455
Acquisition of a subsidiary	收購一間附屬公司 (ix)	-	290,000

(i) Marketing service income in relation to some sports events and competitions and the endorsement of brand products of LN Group and Double Happiness managed by the Group received and receivable from LN Group* and Double Happiness*, was charged in accordance with the terms negotiated between the related parties.

(ii) Cost of purchases in relation to brand products of LN Group* paid and payable to LN Group*, was charged in accordance with the terms negotiated between the Group and LN Group*.

(iii) Sales of goods in relation to brand products of the Group received and receivable from LN Group*, was charged in accordance with the terms negotiated between the Group and LN Group*.

(iv) During the year ended 31 December 2020 and 2019, the Group leased certain offices and car-parking spaces from LN Group* and Double Happiness*. The lease rates were determined after arm's length negotiations between the related parties with reference to current prevailing market rate.

(v) The dividend received were made pursuant to the dividend rates proposed and declared by Li Ning Co and Double Happiness.

(vi) The consultancy fee was charged in accordance with the terms of an agreement entered into between the Group and an associate.

34. 重大關連人士交易

除此等財務報表其他部分所詳述之交易外，本集團年內日常業務過程中曾與關連人士進行以下重大交易：

(i) 就由本集團管理之若干體育項目及賽事及李寧集團及紅雙喜之品牌產品代言而向李寧集團*及紅雙喜*收取及應收之市場推廣服務收入按經有關人士協定之條款收取。

(ii) 已付及應付李寧集團*的李寧集團*品牌產品相關採購費用按本集團與李寧集團*協定的條款收取。

(iii) 已收及應收李寧集團*的本集團品牌產品貨品銷售款項按本集團與李寧集團*協定的條款收取。

(iv) 於截至二零二零年及二零一九年十二月三十一日止年度，本集團租用李寧集團*及紅雙喜*之若干辦公室及停車位。此項租金乃由相關訂約方參考現行市場水平經公平磋商後釐定。

(v) 已收股息乃根據李寧公司及紅雙喜建議及宣派之股息率確定。

(vi) 諮詢服務費根據本集團與一間聯營公司訂立之協議的條款收取。

34. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(vii) The compensation cost was charged in accordance with the terms of an agreement entered into between the Group and an associate.

(viii) The Trademark assignment fee was charged in accordance with the terms of an agreement entered into between the Group and an associate.

(ix) Acquisition of Rise Mode Investments Limited which is engaged in the business of management and operation of ice skating rinks from Lion Woods Limited ("Lion Woods")**, was completed in accordance with the terms negotiated between the Group and Lion Woods.

* Mr. Li Ning and Mr. Li Qilin, the nephew of Mr. Li Ning, are common directors of the Company, LN Group and Double Happiness.

** Lion Woods is wholly owned by Mr. Li Chun who is an elder brother of Mr. Li Ning and the father of Mr. Li Qilin. Lion Woods and Mr. Li Chun are associates of Mr. Li Ning and Mr. Li Qilin and are therefore connected persons of the Company under the GEM Listing Rules. The transaction also constituted a connected transaction and the Company has completed with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules. For details of the transactions, please refer to announcements dated 22 July 2019, 9 October 2019 and 22 November 2019 and the circular dated 27 November 2019.

(a) Outstanding balances with related parties

Details of the Group's balances with related parties as included in revenue, other income and other gains-net, trade debtors and bills receivable are disclosed in Notes 5 and 19 to the financial statements.

Included in prepayment, deposit and other receivables (2019: interest in associate) was an amount of HK\$nil (2019: HK\$5,522,000) due from an associate. The amount due from an associate was unsecured, interest-free, had no fixed terms of repayment.

34. 重大關連人士交易(續)

(vii) 賠償款根據本集團與一間聯營公司訂立之協議的條款收取。

(viii) 商標轉讓費根據本集團與一間聯營公司訂立的協議的條款收取。

(ix) 自Lion Woods Limited (「Lion Woods」)**收購昇進投資有限公司(從事管理及營運滑冰場的業務)的事項，乃根據本集團與Lion Woods磋商的條款成交。

* 李寧先生及李麒麟先生(李寧先生的侄子)為本公司、李寧集團及紅雙喜之共同董事。

** Lion Woods由李進先生(為李寧先生之胞兄及李麒麟先生之父親)全資擁有。Lion Woods及李進先生為李寧先生及李麒麟先生之聯繫人，並因此為GEM上市規則項下本公司之關連人士。交易亦構成關連交易，且本公司已根據GEM上市規則第20章完成披露要求。有關交易的詳情，請參閱日期為二零一九年七月二十二日、二零一九年十月九日及二零一九年十一月二十二日的公告及日期為二零一九年十一月二十七日的通函。

(a) 關連人士之未付結餘

本集團計入收益、其他收入及其他收益淨額、應收賬款及應收票據之關連人士結餘之詳情在財務報表附註5及19披露。

應收一間聯營公司的款項零港元(二零一九年：5,522,000港元)乃計入預付款項、按金及其他應收款項(二零一九年：於聯營公司的權益)。應收一間聯營公司的款項為無抵押、免息且無固定還款期限。

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34. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Compensation of key management personnel of the Group

Details of directors' emoluments and highest paid individuals are included in Notes 8 and 9 to the financial statements, respectively.

Apart from the transaction disclosed in Note (ix), the other related party transactions set out in this note did not fall within the definition of "connected transaction" or "continuing connected transaction" in Chapter 20 of the GEM Listing Rules.

35. BUSINESS COMBINATION

In July 2020, the Group acquired 1,093,091,098 shares of Bossini, representing approximately 66.6% of the entire issued share capital of Bossini as at 21 July 2020, for consideration of HK\$46,620,000. Following completion, the Group made a mandatory unconditional cash offer for all the issued shares of Bossini and an offer to cancel all outstanding share options of Bossini. The Offers were closed on 14 August 2020 and additional 748,148 shares were acquired for consideration of HK\$38,000. The Group holds approximately 66.5% of the total number of issued shares of Bossini immediately after the close of the Offers. Bossini and its subsidiaries are principally engaged in the retail and distribution of casual wear garments.

The Group believes that the apparel consumer market in the PRC has immense market potentials given the increasing public awareness of health and well-being lifestyle of the population across all ages. With the profound experience possessed by the management team of the Group and also the long-established household name of Bossini in the region, the Board believes that there would be much synergy between the business of Bossini and that of the Group in penetrating the PRC markets for Bossini's products, and the crossover of intergroup products and sales after completion of the acquisition.

Details of the purchase consideration, the net assets acquired and gain on bargain purchase are as follows:

		HK\$'000
		千港元
Purchase consideration	購買代價	
Cash paid	已付現金	46,658

34. 重大關連人士交易(續)

(b) 本集團主要管理人員之薪酬

有關董事酬金及最高薪人士之詳情，分別載於財務報表附註8及9。

除附註(ix)所披露的交易外，本附註所載之其他關連人士交易並不屬於GEM上市規則第20章項下所定義「關連交易」或「持續關連交易」。

35. 業務合併

於二零二零年七月，本集團以代價46,620,000港元收購堡獅龍的1,093,091,098股股份，約佔堡獅龍於二零二零年七月二十一日全部已發行股本的66.6%。於完成後，本集團就堡獅龍的全部已發行股份作出強制性無條件現金要約及註銷堡獅龍的所有尚未行使購股權的要約。該等要約於二零二零年八月十四日截止，以代價38,000港元額外收購748,148股股份。緊接該等要約結束後，本集團持有堡獅龍已發行股份總數約66.5%。堡獅龍及其附屬公司主要從事休閒服飾零售及分銷。

隨著各年齡層段的公眾日漸關注健康及健康生活方式，本集團認為中國服裝消費市場存在巨大的市場潛力，加上本集團的管理層團隊擁有豐富經驗，且堡獅龍盛名在地區上家喻戶曉，董事會認為，堡獅龍的業務與本集團的業務(就堡獅龍的產品滲透中國市場而言)之間就集團內公司間產品合作，以及完成收購事項後的銷售將產生大量的協同作用。

購買代價、所收購之資產淨值及議價收購收益之詳情如下：

35. BUSINESS COMBINATION (CONTINUED)

The assets and liabilities recognised as a result of the acquisition are as follows:

35 業務合併(續)

因收購事項確認之資產及負債如下：

		Fair value 公平值
		HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	170,753
Investment properties	投資物業	205,100
Property, plant and equipment	物業、廠房及設備	24,593
Right-of-use assets	使用權資產	153,089
Trademark	商標	14,000
Inventories	存貨	219,960
Prepayment, deposits, trade and other receivables	預付款項、按金、應收賬款及 其他應收款項	184,975
Restricted bank balances	限制性銀行結餘	57
Financial assets at fair value through profit or loss	透過損益按公平值計量之財務資產	546
Deferred tax assets	遞延稅項資產	389
Trade payables, other payables and accruals	應付賬款、其他應付款項及應計費用	(173,021)
Borrowing	借貸	(54,829)
Lease liabilities	租賃負債	(273,064)
Financial liabilities at fair value through profit or loss	透過損益按公平值計量之財務負債	(7)
Deferred tax liabilities	遞延稅項負債	(33,770)
Net identifiable assets acquired	所收購可識別資產淨額	438,771
Less: gain on bargain purchase	減：議價收購收益	(245,300)
non-controlling interest	非控股權益	(146,813)
		46,658

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35. BUSINESS COMBINATION (CONTINUED)

The fair value of the acquired intangible assets, investment properties and inventories of HK\$14,000,000, HK\$205,100,000 and HK\$219,960,000 respectively and deferred tax of HK\$32,997,000 has been provided in relation to these fair value adjustments.

(i) Acquisition-related costs

Acquisition-related costs of HK\$6,548,000 are included in administrative expenses in profit or loss.

(ii) Acquired receivables

The fair value of trade and other receivables is HK\$63,022,000 and includes trade receivables with a fair value of HK\$42,129,000. The gross contractual amount for trade receivables due is HK\$15,563,000 of which nil is expected to be uncollected.

(iii) Non-controlling interest

The Group has chosen to recognise the non-controlling interest at the proportion of net assets acquired shared by the noncontrolling interest.

(iv) Revenue and profit contribution

The acquired business contributed revenues of HK\$421,026,000 and net loss of HK\$72,724,000 to the Group for the period from the acquisition date to 31 December 2020. If the acquisition had occurred on 1 January 2020, consolidated revenue and consolidated profit after tax for the year ended 31 December 2020 would have been HK\$1,262,282,000 and HK\$912,789,000 respectively.

35 業務合併(續)

已收購無形資產、投資物業及存貨之公平值分別為14,000,000港元、205,100,000港元及219,960,000港元及就該等公平值調整計提遞延稅項32,997,000港元。

(i) 收購相關成本

收購相關成本6,548,000港元已計入損益的行政開支。

(ii) 所收購應收款項

應收賬款及其他應收款項之公平值為63,022,000港元，當中包括公平值為42,129,000港元的應收賬款。到期應收賬款之合約總值為15,563,000港元，當中並無預期不可收回金額。

(iii) 非控股權益

本集團選擇按非控股權益佔所收購資產淨值之比例確認非控股權益。

(iv) 收益及溢利貢獻

所收購業務於收購日至二零二零年十二月三十一日期間為本集團貢獻收益421,026,000港元及產生虧損淨額72,724,000港元。倘收購事項於二零二零年一月一日發生，則截至二零二零年十二月三十一日止年度的綜合收益及綜合除稅後溢利將分別為1,262,282,000港元及912,789,000港元。

36. ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE

The management of the Group decided to sell a parcel of vacant land adjacent to Yangzhou Li Ning Sports Park which was originally acquired for commercial and residential development of Yangzhou sports community. The Group has initiated an active program to locate a buyer for selling Yangzhou Viva Property Development Limited (the "Target Company"), a non-wholly owned subsidiary of the Group holding the vacant land. The associated assets and liabilities were consequently presented as held for sale in the financial statements.

On 16 March 2021, Viva China Yangzhou Community Development Holdings Limited (the "Seller"), a non-wholly owned subsidiary of the Company, entered into the share purchase agreement with Yangzhou City Huacheng Property Development Limited (the "Buyer"), pursuant to which the Seller agreed to sell and the Buyer agreed to acquire the entire issued share capital in the Target Company at a consideration of RMB313.69 million.

For details, please refer to the announcements of the Company dated 16 March 2021.

36(a) Assets of disposal group classified as held-for-sale

		2020 二零二零年
		HK\$'000 千港元
Stock of properties	物業存貨	305,411
Other receivable	其他應收款項	640
Total	總計	306,051

36(b) Liabilities of disposal group classified as held-for-sale

		2020 二零二零年
		HK\$'000 千港元
Other payables	其他所得稅	39

36. 分類為待售資產及負債

本集團管理層決定出售一幅毗鄰揚州李寧體育園的空置土地，該土地最初被收購用作揚州體育社區的商業及住宅發展。本集團已積極啟動一項計劃，物色買家以出售揚州非凡房地產開發有限公司(「目標公司」)，該公司為持有該空置土地的本集團非全資附屬公司。因此，相關資產及負債於財務報表中呈列為持作出售。

於二零二一年三月十六日，本公司非全資附屬公司非凡中國揚州社區開發控股有限公司(「賣方」)與揚州市華城房地產開發有限公司(「買方」)訂立股份購買協議，據此，賣方同意出售，而買方同意收購目標公司全部已發行股本，代價為人民幣313,690,000元。

有關詳情，請參閱本公司日期為二零二一年三月十六日之公告。

36(a) 分類為待售組合資產

		2020 二零二零年
		HK\$'000 千港元
物業存貨		305,411
其他應收款項		640
總計		306,051

36(b) 分類為待售組合負債

		2020 二零二零年
		HK\$'000 千港元
其他所得稅		39

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37. PARTICULARS OF SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2020:

37. 附屬公司詳情

二零二零年十二月三十一日主要附屬公司詳情列示如下：

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立／註冊 及營業地點	Issued ordinary shares/paid up capital 已發行普通股／ 繳足股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Viva China Development Limited (previously known as Viva China Holdings Ltd) 非凡中國發展有限公司 (前稱 Viva China Holdings Ltd)	BVI 英屬處女群島	US\$1 & HK\$2,079,000,000	100%	–	Investment holding 投資控股
Winner Rich Investment Limited 永利富投資有限公司	Hong Kong 香港	HK\$1 1港元	100%	–	Investment holding 投資控股
Viva China Sports Holding Limited 非凡中國體育控股有限公司	Hong Kong 香港	HK\$520,000 520,000港元	100%	–	Investment holding and sports talent management 投資控股及體育人才管理
Viva China Community Development Holdings Limited 非凡中國社區開發控股有限公司	BVI 英屬處女群島	US\$1 1美元	100%	–	Investment holding 投資控股
Viva China Community Development (Yangzhou) Holdings Limited 非凡中國社區開發(揚州)控股 有限公司	BVI 英屬處女群島	US\$20 20美元	–	70%	Investment holding 投資控股
Viva China Yangzhou Community Development Holdings Limited 非凡中國揚州社區開發控股有限公 司	Hong Kong 香港	HK\$10,000 10,000港元	–	70%	Investment holding 投資控股
揚州非凡房地產開發有限公司	PRC 中國	RMB210,000,000 人民幣 210,000,000元	–	70%	Property development 房地產開發
深圳市非凡體育文化產業發展有限 公司	PRC 中國	RMB500,000 (Note i) 人民幣500,000元 (附註i)	–	100%	Sports event organisation and operation 體育活動組織及營運

37. PARTICULARS OF SUBSIDIARIES (CONTINUED)

37. 附屬公司詳情(續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Issued ordinary shares/paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
揚州非凡體育文化有限公司	PRC 中國	RMB300,000 人民幣300,000元	—	100%	Sports park management and operation 體育園管理及營運
臨沂非凡體育管理有限公司	PRC 中國	RMB1,000,000 人民幣1,000,000元	—	100%	Sports park management and operation 體育園管理及營運
寧波領越體育文化有限公司	PRC 中國	RMB1,000,000 人民幣1,000,000元	—	80%	Sports park management and operation 體育園管理及營運
珠海橫琴信成投資管理有限公司	PRC 中國	RMB100,000,000 人民幣100,000,000元	—	100%	Project investment and property development consultancy services 項目投資及房地產開發諮詢服務
非凡領越體育發展(北京)有限公司	PRC 中國	RMB102,100,000 (Note ii) 人民幣102,100,000元 (附註ii)	—	100%	Sports talent management, competition and event production and management, and sports-related marketing and consultancy service 體育人才管理、賽事及活動製作及管理以及體育相關市場推廣及諮詢服務
北京非凡領越體育場館運營管理有限公司(前稱北京非凡領越房地產諮詢有限公司)	PRC 中國	RMB25,000,000 人民幣25,000,000元	—	100%	Provision of development consultancy services 提供開發諮詢服務
珠海橫琴昌運盛世貿易有限公司	PRC 中國	RMB150,000,000 人民幣150,000,000元	—	100%	Marketing and sales of construction materials 建材之市場推廣及銷售
珠海橫琴滿譽貿易有限公司	PRC 中國	RMB38,000,000 (Note iv) 人民幣38,000,000元 (附註iv)	—	100%	Marketing and sales of construction materials 建材之市場推廣及銷售

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37. PARTICULARS OF SUBSIDIARIES (CONTINUED)

37. 附屬公司詳情(續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Issued ordinary shares/paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
珠海橫琴非凡健源體育文化產業股 權投資管理中心(有限合夥)	PRC 中國	RMB125,000,000 人民幣 125,000,000元	—	100%	Investment holding 投資控股
珠海非凡盛世投資管理有限公司	PRC 中國	RMB12,000,000 人民幣12,000,000元	—	100%	Investment holding 投資控股
珠海橫琴非凡華置投資管理有限公 司	PRC 中國	RMB3,500,000 (Note iii) 人民幣3,500,000元 (附註iii)	—	100%	Investment holding 投資控股
非凡德勝(珠海)體育科技發展有限公 司	PRC 中國	RMB2,000,000 (Note v) 人民幣2,000,000元 (附註v)	—	70%	Provision of scientific physical rehabilitation training and health management services 提供科學體能康復訓練及健 康管理服務
南寧市國達體育文化有限公司	PRC 中國	RMB300,000 人民幣300,000元	—	100%	Sports park management and operation 體育園管理及營運
南通市國達體育文化有限公司	PRC 中國	RMB0 (Note vi) 人民幣0元 (附註vi)	—	100%	Sports park management and operation 體育園管理及營運
天津市國達體育文化發展有限責任 公司	PRC 中國	RMB1,000,000 人民幣1,000,000元	—	70%	Sports park management and operation 體育園管理及營運
上海方初科技發展有限公司	PRC 中國	RMB100,000 人民幣100,000元	—	80%	production and distribution of sports content, management and marketing of sports talents 體育內容製作及發行、體 育人才管理及市場推廣

37. PARTICULARS OF SUBSIDIARIES (CONTINUED)

37. 附屬公司詳情(續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Issued ordinary shares/paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
上海內盛網絡科技有限公司	PRC 中國	RMB0 (Note vii) 人民幣0元 (附註vii)	—	80%	production and distribution of sports content, management and marketing of sports talents 體育內容製作及發行、體育人才管理及市場推廣
精英假日(北京)體育發展有限公司	PRC 中國	RMB14,312,160 人民幣14,312,160元	—	100%	Operation of ice-skating rinks 營運滑冰場
精英假日(上海)滑冰俱樂部有限公司	PRC 中國	RMB5,000,000 人民幣5,000,000元	—	100%	Operation of ice-skating rinks 營運滑冰場
天津市精英假日體育組織有限公司	PRC 中國	RMB5,000,000 人民幣5,000,000元	—	100%	Operation of ice-skating rinks 營運滑冰場
海口市精英假日體育發展有限公司	PRC 中國	RMB500,000 人民幣500,000元	—	100%	Operation of ice-skating rinks 營運滑冰場
杭州精英體育文化有限公司	PRC 中國	RMB500,000 人民幣500,000元	—	100%	Operation of ice-skating rinks 營運滑冰場
蘇州市全明星滑冰體育文化有限公司	PRC 中國	RMB500,000 人民幣500,000元	—	100%	Operation of ice-skating rinks 營運滑冰場
武漢市全明星滑冰體育文化有限公司	PRC 中國	RMB5,000,000 人民幣5,000,000元	—	100%	Operation of ice-skating rinks 營運滑冰場
深圳市非凡領域體育培訓有限公司	PRC 中國	RMB500,000 人民幣500,000元	—	100%	Operation of ice-skating rinks 營運滑冰場
來賓寧聚力鞋業有限公司	PRC 中國	RMB17,150,000 (Note viii) 人民幣17,150,000元 (附註viii)	—	70%	manufacturing of shoes 生產鞋子

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37. PARTICULARS OF SUBSIDIARIES (CONTINUED)

37. 附屬公司詳情(續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Issued ordinary shares/paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
蘇州潘塔鯊科技發展有限公司	PRC 中國	RMB825,000 (Note ix) 人民幣825,000元 (附註ix)	—	82.5%	production and distribution of sports content, management and marketing of sports talents 體育內容製作及發行、體育人才管理及市場推廣
Active Link Limited 弘譽有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000港元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
Bossini Clothing Limited	Hong Kong 香港	HK\$2 2港元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
Bossini Distribution Limited 堡獅龍分銷有限公司	Hong Kong 香港	HK\$1 1港元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
Bossini Enterprises Limited 堡獅龍企業有限公司	Hong Kong 香港	HK\$2 2港元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
Bossini International Holdings Limited 堡獅龍國際集團有限公司	Bermuda 百慕達	HK\$164,383,000 164,383,000港元	—	53.2%	Investment holding 投資控股
Bossini Garment Limited	Hong Kong 香港	HK\$2 2港元	—	53.2%	Distribution of garments 成衣分銷
Bossini Investment Limited	BVI 英屬處女群島	US\$11,928 11,928美元	—	53.2%	Investment holding 投資控股
Bossini Onmay International Limited 堡獅龍上美國際有限公司	Hong Kong 香港	HK\$2 2港元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
Bossini Retail Limited	Hong Kong 香港	HK\$2 2港元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷

37. PARTICULARS OF SUBSIDIARIES (CONTINUED)

37. 附屬公司詳情(續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及營業地點	Issued ordinary shares/paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Bright Star Fashion Limited 耀星服裝有限公司	Macau 澳門	MOP\$25,000 25,000澳門元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
Burling Limited 伯林有限公司	BVI 英屬處女群島	US\$100 100美元	—	53.2%	Licensing of trademarks 商標特許
廣州市堡獅龍實業有限公司	PRC 中國	RMB1,010,000 人民幣1,010,000元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
廣州富祿龍貿易有限公司	PRC 中國	RMB148,000,000 人民幣148,000,000元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
J & R Bossini Fashion Pte. Ltd.	Singapore 新加坡	SG\$2,000,000 2,000,000新加坡元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
J & R Bossini Holdings Limited 堡獅龍集團有限公司	Hong Kong 香港	HK\$2 2港元	—	53.2%	Investment holding 投資控股
Kaono Trading Limited	BVI 英屬處女群島	HK\$2,000 2,000港元	—	53.2%	Investment holding 投資控股
Key Value Trading Limited	BVI 英屬處女群島	US\$100 100美元	—	53.2%	Investment holding 投資控股
Land Challenger Limited 朗志有限公司	Hong Kong 香港	HK\$2 2港元	—	53.2%	Investment holding 投資控股
Lead Commence Limited 立啟興業有限公司	Hong Kong 香港	HK\$2 2港元	—	53.2%	Retailing and distribution of garments 成衣零售及分銷
Rapid City Limited 捷利城有限公司	Hong Kong 香港	HK\$2 2港元	—	53.2%	Property holding and letting 物業持有及租賃

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37. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Notes:

- (i) The registered capital of 深圳市非凡體育文化產業發展有限公司 is RMB1,000,000.
- (ii) The registered capital of 非凡領越體育發展(北京)有限公司 is RMB150,000,000.
- (iii) The registered capital of 珠海橫琴非凡華置投資管理有限公司 is RMB5,000,000.
- (iv) The registered capital of 珠海橫琴滿譽貿易有限公司 is RMB100,000,000.
- (v) The registered capital of 非凡德勝(珠海)體育科技發展有限公司 is RMB3,333,333.
- (vi) The registered capital of 南通市國達體育文化有限公司 is RMB10,000,000.
- (vii) The registered capital of 上海內盛網絡科技有限公司 is RMB100,000.
- (viii) The registered capital of 來賓寧聚力鞋業有限公司 is RMB30,000,000.
- (ix) The registered capital of 蘇州潘塔鯊科技發展有限公司 is RMB1,000,000.

Apart from 珠海橫琴非凡健源體育文化產業股權投資管理中心(有限合夥) being registered as limited partnership, all the other principal subsidiaries of the Company are registered as limited liability companies.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

37. 附屬公司詳情(續)

附註：

- (i) 深圳市非凡體育文化產業發展有限公司之註冊資本為人民幣1,000,000元。
- (ii) 非凡領越體育發展(北京)有限公司之註冊資本為人民幣150,000,000元。
- (iii) 珠海橫琴非凡華置投資管理有限公司之註冊資本為人民幣5,000,000元。
- (iv) 珠海橫琴滿譽貿易有限公司之註冊資本為人民幣100,000,000元。
- (v) 非凡德勝(珠海)體育科技發展有限公司之註冊資本為人民幣3,333,333元。
- (vi) 南通市國達體育文化有限公司之註冊資本為人民幣10,000,000元。
- (vii) 上海內盛網絡科技有限公司之註冊資本為人民幣100,000元。
- (viii) 來賓寧聚力鞋業有限公司之註冊資本為人民幣30,000,000元。
- (ix) 蘇州潘塔鯊科技發展有限公司之註冊資本為人民幣1,000,000元。

除珠海橫琴非凡健源體育文化產業股權投資管理中心(有限合夥)註冊為有限合夥外，所有本公司之其他主要附屬公司均註冊為有限公司。

上表載列本公司之附屬公司，董事認為，該等附屬公司為主要對年內業績構成影響或組成本集團資產淨值之主要部分。董事認為詳列其他附屬公司之資料會導致篇幅過於冗長。

38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

38. 本公司之財務狀況表及儲備變動

			2020 二零二零年	2019 二零一九年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備		2,066	204
Right-of-use asset	使用權資產		2,133	7,886
Investments in subsidiaries	於附屬公司之投資		1,376,837	1,376,837
Prepayment	預付款項		-	1,856
Deposits	按金		-	1,939
Total non-current assets	非流動資產總值		1,381,036	1,388,722
CURRENT ASSETS	流動資產			
Due from subsidiaries	應收附屬公司款項		1,587,620	1,039,360
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		49,474	47,162
Cash and bank balances	現金及銀行結餘		1,220,396	153,247
Total current assets	流動資產總值		2,857,490	1,239,769
CURRENT LIABILITIES	流動負債			
Due to subsidiaries	應付附屬公司款項		140,695	38,354
Lease liability	租賃負債		2,412	5,913
Other payables and accruals	其他應付款項及應計費用		6,157	6,014
Total current liabilities	流動負債總額		149,264	50,281
NET CURRENT ASSETS	流動資產淨值		2,708,226	1,189,488
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		4,089,262	2,578,210
NON-CURRENT LIABILITY	非流動負債			
Due to a subsidiary	應付一間附屬公司款項		2,361,217	837,387
Lease liability	租賃負債		-	2,412
Total non-current liability	非流動負債總額		2,361,217	839,799
NET ASSETS	資產淨值		1,728,045	1,738,411
EQUITY	權益			
Issued capital	已發行股本	28	474,817	443,217
Perpetual convertible bonds	永久性可換股債券	30	933,646	1,139,046
Reserves	儲備	(a)	319,582	156,148
TOTAL EQUITY	權益總額		1,728,045	1,738,411

The Statement of financial position of the Company was approved by the board of directors on 22 March 2021.

本公司之財務狀況表已於二零二一年三月二十二日獲董事會批准。

Notes to Consolidated Financial Statements 綜合財務報表附註

31 December 2020 二零二零年十二月三十一日

38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

Note:

(a) Reserve movement of the Company

		Share premium account	Share option reserve	Convertible notes equity reserve	Accumulated losses	Total
		股份溢價賬	購股權儲備	可換股票據權益儲備	累計虧損	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	4,199,052	103,010	90,392	(2,414,772)	1,977,682
Loss for the year and total comprehensive loss for the year	年內虧損及年內全面虧損總額	-	-	-	(132,519)	(132,519)
Shares issued upon exercise of share option	購股權獲行使時發行之股份	11,510	(3,133)	-	-	8,377
Equity-settled share option arrangements	以股權結算之購股權安排	-	10,377	-	-	10,377
Transfer of share option reserve upon the forfeiture or expiry of share options	於購股權被沒收或屆滿時轉撥購股權儲備	-	(53,430)	-	53,430	-
Redemption of equity component of convertible notes	贖回可換股票據權益部分	-	-	(90,392)	49,725	(40,667)
Dividend paid	已付股息	(1,667,102)	-	-	-	(1,667,102)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日 及於二零二零年一月一日	2,543,460	56,824	-	(2,444,136)	156,148
Profit for the year and total comprehensive loss for the year	年內溢利及年內全面虧損總額	-	-	-	282,277	282,277
Shares issued upon conversion of perpetual convertible bonds	永久性可換股債券獲兌換時發行之股份	173,800	-	-	-	173,800
Equity-settled share option arrangements	以股權結算之購股權安排	-	5,862	-	-	5,862
Transfer of share option reserve upon the forfeiture or expiry of share options	於購股權被沒收或屆滿時轉撥購股權儲備	-	(17,834)	-	17,834	-
Dividend paid	已付股息	(298,505)	-	-	-	(298,505)
At 31 December 2020	於二零二零年十二月三十一日	2,418,755	44,852	-	(2,144,025)	319,582

38. 本公司之財務狀況表及儲備變動 (續)

附註：

(a) 本公司之儲備變動

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The Group does not have written risk management policies and guidelines. However, the board of directors of the Company meets periodically to analyse and formulate measures to manage the Group's exposure to market risk (including foreign currency risk, interest risk and other price risk), liquidity risk and credit risk. Generally, the Group employs a conservative strategy regarding its risk management. The Group enters into derivative transactions, including principally forward currency contracts. The purpose is to manage the foreign currency risk arising from the Group's operations. The most significant financial risks to which the Group is exposed are discussed below.

Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has interest-bearing assets and liabilities in relation to cash at banks and bank loans, details of which are disclosed in Notes 21 and 26, respectively, to the financial statements. The Group has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates risk for the Group's cash at banks and bank loans are considered minimal.

Foreign currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument (excluding investment in associates) will fluctuate because of changes in foreign exchange rates. The Group operates in the PRC, Hong Kong, Macau and Singapore. Most of the sales and trading transactions are settled in RMB and HK\$. Amounts invested into various bank deposits are denominated in RMB and HK\$. As at the end of the reporting period, foreign currencies were translated into HK\$ at the closing rate. As at 31 December 2020, cash and bank balances denominated in RMB and domiciled outside the PRC amounted to HK\$73,478,000 (2019: HK\$6,063,000), cash and bank balances denominated in GBP amounted to HK\$269,484,000 (2019: HK\$nil), cash and bank balances denominated in SGD amounted to HK\$23,541,000 (2019: HK\$nil), cash and bank balance denominated in MOP amounted HK\$13,670,000 (2019: HK\$nil) and the remaining balance of HK\$603,095,000 (2019: HK\$643,176,000) was mainly denominated in HK\$ and domiciled outside the PRC or denominated in RMB and domiciled in the PRC. Moreover, loan receivable denominated in GBP amounted to HK\$271,874,000 as at 31 December 2020 (2019: HK\$nil). It is the Group's policy to enter into forward currency contracts to mitigate foreign currency risk arising from material transactions denominated in currencies other than Hong Kong dollar. The policies to manage foreign currency risk have been followed by the Group since prior years and are considered to be effective.

39. 財務風險管理目標及政策

本集團須就其於日常業務及投資活動中使用之財務工具承受財務風險。本集團並無書面風險管理政策及指引。然而，本公司董事會定期舉行會議，分析及制訂措施以管理本集團承受之市場風險（包括外幣風險、利率風險及其他價格風險）、流動資金風險及信貸風險。一般而言，本集團採用審慎風險管理策略。本集團訂立多項衍生交易，主要包括遠期貨幣合約，其目的為管理從本集團業務所產生之外幣風險。本集團所承受之最重大財務風險於下文論述。

利率風險

利率風險乃與財務工具之公平值或現金流量會隨市場利率變動而出現波動之風險有關。本集團有計息資產及負債，涉及銀行現金及銀行貸款。有關詳情分別於財務報表附註21及26披露。本集團並未使用任何財務工具對沖潛在利率波動。本集團銀行現金及銀行貸款之利率風險被視為輕微。

外幣風險

貨幣風險指財務工具（不包括於聯營公司之投資）之公平值或未來現金流量會隨匯率變動而波動之風險。本集團於中國、香港、澳門及新加坡營運。大部分銷售及買賣交易以人民幣及港元結算。投資於多間銀行之款額以人民幣及港元計值。於報告期末，外幣按收市匯率換算為港元。於二零二零年十二月三十一日，以人民幣計值並存放於中國境外之現金及銀行結餘為73,478,000港元（二零一九年：6,063,000港元），以英鎊計值的現金及銀行結餘為269,484,000港元（二零一九年：零港元），以新加坡元計值的現金及銀行結餘為23,541,000港元（二零一九年：零港元），以澳門元計值之現金及銀行結餘為13,670,000港元（二零一九年：零港元），而餘額603,095,000港元（二零一九年：643,176,000港元）則主要以港元計值並存放於中國境外或以人民幣計值並存放於中國境內。此外，於二零二零年十二月三十一日，以英鎊計值的應收貸款為271,874,000港元（二零一九年：零港元）。本集團之政策為訂立遠期貨幣合約以減低以港元以外貨幣計值之重大交易所產生之外幣風險。本集團於過去數年一直遵守外幣風險管理政策，並認為該等政策行之有效。

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to foreign currency risk at year end date.

If RMB appreciates/depreciates against HK\$ by 5%, the results of the Group would be increased/decreased by approximately HK\$6,287,000 (2019: HK\$14,068,000).

If GBP appreciates/depreciates against HK\$ by 5%, the results of the Group would be increased/decreased by approximately HK\$22,663,000 (2019: HK\$nil).

If SG\$ appreciates/depreciates against HK\$ by 5%, the results of the Group would be increased/decreased by approximately HK\$983,000 (2019: HK\$nil).

If MOP appreciates/depreciates against HK\$ by 5%, the results of the Group would be increased/decreased by approximately HK\$571,000 (2019: HK\$nil).

Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligations under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations. The carrying amounts of trade debtors and bills receivable, deposits and other receivable carried at amortised cost and cash and cash equivalents included in the face of the statements of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets.

The Group generally has established long-term and stable relationships with its customers. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history. The Group generally allows credit period of one month extending up to six months to its major trade customers. The credit risk of other receivables arises from that borrowers fail to repay loans on time. The Group has assessed the credit status of each borrower and the value of the collaterals has been taken into account when calculating the provision for impairment. The Group's historical experience in collection of trade and other receivables falls within the recorded allowance and the directors are of the opinion that adequate provision for uncollectible receivables has been made in the consolidated financial statements.

The Group maintains its cash and cash equivalents with reputable banks in Hong Kong and the PRC, therefore the directors consider that the credit risk for such is minimal. The credit and investment policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

39. 財務風險管理目標及政策(續)

敏感度分析

下列敏感度分析已根據於年結日承受之外幣風險釐定。

倘人民幣兌港元升值／貶值5%，則本集團業績將增加／減少約6,287,000港元(二零一九年：14,068,000港元)。

倘英鎊兌港元升值／貶值5%，則本集團業績將增加／減少約22,663,000港元(二零一九年：零港元)。

倘新加坡元兌港元升值／貶值5%，則本集團業績將增加／減少約983,000港元(二零一九年：零港元)。

倘澳門元兌港元升值／貶值5%，則本集團業績將增加／減少約571,000港元(二零一九年：零港元)。

信貸風險

信貸風險指財務工具之交易對方未能根據財務工具之條款履行其責任，令本集團蒙受財務損失之風險。本集團承受之信貸風險主要來自於日常業務過程中向客戶授予之信貸。應收賬款及應收票據、按攤銷成本計量之按金及其他應收款項以及現金及現金等價物之賬面值計入財務狀況表，代表本集團就其財務資產承受之最高信貸風險。

本集團普遍已與客戶建立長期穩定之關係。本集團已制定政策以確保向有良好信貸記錄之客戶銷售產品。本集團一般向其主要貿易客戶提供之信貸期介乎1個月至6個月不等。其他應收款項的信貸風險來源於借款人無法按時償還貸款。本集團已評估各借款人的信貸狀況，並於計算減值撥備時，計及抵押品的價值。本集團在收取應收賬款及其他應收款項方面的歷史經驗，均在記錄撥備範圍內，而董事們認為，在綜合財務報表內已就不可收回的應收賬款作出足夠的撥備。

本集團將其現金及現金等價物存於香港及中國信譽良好之銀行，故董事認為有關信貸風險屬輕微。本集團於過去數年一直遵守信貸投資政策，並認為已將本集團面臨之信貸風險有效限制至令人滿意的水平。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Impairment of financial assets

The Group applies the expected credit loss model to financial assets measured at cost, including trade debtors and bill receivable, deposits and other receivables and cash and cash equivalent.

Impairment on trade debtors and bill receivables, and deposit and other receivables is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition by considering available, reasonable and supportive forwarding-looking information.

Trade debtors and bill receivables, and deposit and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, default or delinquency in payments, and the failure of a debtor to engage in a repayment plan with the Group.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, no impairment loss was identified.

Trade debtors and bill receivables

To measure the expected credit losses, trade debtors and bill receivables has been grouped based on shared credit risk characteristics and the days past due.

		Current 即期	Less than 3 months past due 逾期少於 三個月	3 to 6 months past due 逾期三至六 個月	More than 6 months past due 逾期超過 六個月	Total 合計
31 December 2020	二零二零年十二月三十一日					
Expected loss rate	預期虧損率	0.2%	2.5%	33.3%	84.8%	16.5%
Gross carrying amount	總賬面值	61,610	13,858	8,319	15,452	99,239
Loss allowance	虧損撥備	(132)	(340)	(2,770)	(13,110)	(16,352)
		<u>61,478</u>	<u>13,518</u>	<u>5,549</u>	<u>2,342</u>	<u>82,887</u>
31 December 2019	二零一九年十二月三十一日					
Expected loss rate	預期虧損率	4%	5%	35%	29%	9%
Gross carrying amount	總賬面值	113,239	70,696	21,453	14,994	220,382
Loss allowance	虧損撥備	(5,094)	(3,844)	(7,516)	(4,304)	(20,758)
		<u>108,145</u>	<u>66,852</u>	<u>13,937</u>	<u>10,690</u>	<u>199,624</u>

39. 財務風險管理目標及政策(續)

財務資產減值

本集團就按成本計量之財務資產(包括應收賬款及應收票據、按金及其他應收款項以及現金及現金等價物)採用預期信貸虧損模式。

應收賬款及應收票據以及按金及其他應收款項之減值按12個月預期信貸虧損或全期預期信貸虧損計量，視乎信貸風險自初始確認以來有否顯著增加。為評估信貸風險是否顯著增加，本集團透過考慮可得合理且可靠之前瞻性資料，將報告日期資產發生違約之風險與初始確認日期發生違約之風險比較。

應收賬款及應收票據以及按金及其他應收款項於合理預期無法收回時予以撇銷。合理預期無法收回款項之跡象包括，(其中包括)債務人陷入重大財務困境、債務人可能進入破產或財務重組、違約或拖欠付款及債務人未能與本集團訂立還款計劃。

雖然現金及現金等價物亦受香港財務報告準則第9號的減值規定的規限，但並無識別到任何減值虧損。

應收賬款及應收票據

為計量預期信貸虧損，應收賬款及應收票據已根據共有的信貸風險特徵及逾期天數分組。

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The movement of loss allowances for trade debtors and bill receivables during the year is as follows:

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
As at 1 January	於一月一日	20,758	4,449
Net impairment loss (reversed)/recognised	已(撥回)/確認減值虧損淨額	(5,765)	18,479
Deduction of previous impairment loss due to disposal of a subsidiary	由於出售一間附屬公司導致先前減值虧損減少	-	(2,186)
Currency translation difference	匯兌差額	1,359	16
As at 31 December	於十二月三十一日	16,352	20,758

Deposits and other receivables

The management of the Group makes periodic collective assessments as well as individual assessment on the recoverability of deposits and other receivables based on historical settlement records and past experiences looking forward. The Group measures credit risk using probability of default ("PD"), which is similar to the approach used for the purposes of measuring expected credit loss ("ECL") under HKFRS 9.

- Deposits and other receivables that are not credit-impaired on initial recognition are classified in 'Stage 1' and have their credit risk continuously monitored by the Group. The expected credit loss is measured on a 12-month basis.
- If a significant increase in credit risk (specifically, when the debtor is more than 1 day past due on its contractual payments) since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. The expected credit loss is measured on lifetime basis.
- If the financial instrument is credit-impaired (specifically, when the debtor is more than 90 days past due on its contractual payments), the financial instrument is then moved to 'Stage 3'. The expected credit loss is measured on lifetime basis.

In view of the history of cooperation with the debtors and collection from them, deposits and other receivables of approximately HK\$118,983,000 are classified in Stage 1 as at 31 December 2020 (2019: HK\$66,087,000) and the credit risk inherent in these other receivables is not significant. The average loss rate of 2% was applied as at the 31 December 2020 (2019: 2%).

39. 財務風險管理目標及政策(續)

年內，應收賬款及應收票據之虧損撥備變動如下：

按金及其他應收款項

本集團管理層根據歷史結算記錄及過往經驗展望未來，定期對按金及其他應收款項的可收回性進行集體評估及個別評估。本集團利用違約概率(「違約概率」)計量信貸風險，與香港財務報告準則第9號項下計量預期信貸虧損(「預期信貸虧損」)所用方法類似。

- 於初始確認時並無信貸減值的按金及其他應收款項分類為「第一階段」，並由本集團持續監控其信貸風險。預期信貸虧損按12個月為基礎計量。
- 倘從初始確認起信貸風險顯著增加(尤其是當債務人的合同付款逾期超過1天時)，財務工具將轉移至「第二階段」，惟尚未視為信貸減值。預期信貸虧損按存續期基準計量。
- 倘財務工具出現信貸減值(尤其是當債務人的合同付款逾期超過90天時)，財務工具將轉移至「第三階段」。預期信貸虧損按存續期基準計量。

鑑於本集團與該等債務人合作及向其收款的歷史，按金及其他應收款項約118,983,000港元(二零一九年：66,087,000港元)於二零二零年十二月三十一日已分類為第一階段，而該等其他應收款項的固有信貸風險並不重大。於二零二零年十二月三十一日已應用平均虧損率2%(二零一九年：2%)。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

For the remaining deposits and other receivables of approximately HK\$113,236,000 as at 31 December 2020 (2019: HK\$105,943,000), it was classified in Stage 3 and the loss allowance associated with these deposits and other receivables was approximately HK\$93,505,000 as at 31 December 2020 (2019: HK\$87,033,000).

The movement of loss allowances for deposits and other receivables during the year is as follows:

39. 財務風險管理目標及政策(續)

於二零二零年十二月三十一日的餘下按金及其他應收款項約113,236,000港元(二零一九年：105,943,000港元)已分類為第三階段，而與該等按金及其他應收款項相關的虧損撥備於二零二零年十二月三十一日約為93,505,000港元(二零一九年：87,033,000港元)。

年內，按金及其他應收款項之虧損撥備變動如下：

		2020 二零二零年	2019 二零一九年
		HK\$'000 千港元	HK\$'000 千港元
As at 1 January	於一月一日	88,166	24,014
Net impairment loss (reversed)/recognised	已(撥回)/確認減值虧損淨額	6,039	64,004
Currency translation difference	匯兌差額	631	148
As at 31 December	於十二月三十一日	94,836	88,166

31 December 2020 二零二零年十二月三十一日

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of trade payables, other payables and accruals and bank loans, also in respect of its cash flow management.

The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term. The Group manages its liquidity needs on a consolidated basis by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day to day business. Liquidity needs are monitored in various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 3 months projection. Long-term liquidity needs for a 180-day and 365-day lookout period are identified monthly. Net cash requirements are compared to available funds in order to determine headroom or any shortfalls. This analysis shows if available funds are expected to be sufficient over the lookout period. The Group maintains cash and short-term bank deposits to meet its liquidity requirements for 90 days to 365 days at a minimum. Funding for longer term liquidity needs is additionally secured by an adequate amount of borrowings and the ability to sell longer term financial assets. The Group's liquidity is mainly dependent upon the cash received from its trade customers.

The directors of the Company are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due in the foreseeable future. The liquidity policies have been followed by the Group since prior years and are considered to have been effective in managing liquidity risks.

Apart from the non-current bank loan disclosed in Notes 26 for the financial statements, the maturity profile of the Group's major financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is within one year or on demand and the contractual undiscounted payments approximate to their carrying amounts.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular, its cash resources and other liquid assets that readily generate cash. The Group's existing cash resources and other liquid assets significantly exceed the cash outflow requirements.

39. 財務風險管理目標及政策(續)

流動資金風險

流動資金風險與本集團未能達成其以現金或另一財務資產清償財務負債責任之風險有關。本集團在清償應付賬款、其他應付款項及應計費用及銀行貸款以及現金流量管理方面承受流動資金風險。

本集團之目標在於維持流動資產及承諾資金於適當水平，以滿足其短期及長期流動資金需求。本集團透過審慎監察長期財務負債之還款期，以及預測日常業務現金流入及流出，以綜合基準管理其流動資金需要。流動資金需求按不同時段監察，包括按日及按星期，以及按3個月滾存預測。每月釐定180日及365日監察期，監察長期流動資金需要。現金淨額需求與可動用資金作比較，以釐定空間或任何差額。此分析顯示預期可動用資金於監察期間是否充足。本集團維持現金及短期銀行存款以應付最少90日至365日之流動資金需求。應付長期流動資金需求之資金則由充足借貸及出售長期財務資產之能力另外提供。本集團流動資金主要取決於從其貿易客戶收取之現金。

本公司董事信納，本集團可悉數償還於可預見將來到期之財務負債。本集團於過去數年一直遵守流動資金政策，並認為該等政策可有效管理流動資金風險。

除於財務報表附註26披露之非即期銀行貸款外，於報告期末根據合約未貼現款項劃分之本集團之主要財務負債到期情況為一年內或按要求償還，而合約未貼現款項與其賬面值相若。

本集團於評估及管理流動資金風險時考慮來自財務資產之預期現金流量，特別是現金資源及可即時產生現金之其他流動資產。本集團現有現金資源及其他流動資產大幅超出其現金流出需求。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The following table shows the remaining contractual maturities at the end of the year, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rate) and the earliest date the Group can be required to pay:

39. 財務風險管理目標及政策(續)

下表列示年末基於合約未貼現現金流量(包括使用合約利率計算之利息付款)之剩餘合約到期日及本集團可被要求還款之最早日期:

		2020 二零二零年					
		Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years	Total contractual cash flows	Carrying amount at 31 December
		一年內	超過一年但 少於兩年	超過兩年但 少於五年	超過五年	合約現金流 量總額	於十二月 三十一日 之賬面值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-derivative financial liabilities	非衍生財務負債						
Bank and other loans	銀行及其他貸款	36,951	1,292,951	-	-	1,329,902	1,256,000
Lease liabilities	租賃負債	155,922	82,277	96,428	205,273	539,900	408,788
Derivative financial liabilities	衍生財務負債						
Forward currency contract	遠期貨幣合約	456	-	-	-	456	456
		2019 二零一九年					
		Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years	Total contractual cash flows	Carrying amount at 31 December
		一年內	超過一年但 少於兩年	超過兩年但 少於五年	超過五年	合約現金流 量總額	於十二月 三十一日 之賬面值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-derivative financial liabilities	非衍生財務負債						
Bank and other loans	銀行及其他貸款	63,150	63,150	1,319,150	-	1,445,450	1,256,000
Lease liabilities	租賃負債	25,001	21,239	60,392	195,816	302,448	184,638
Derivative financial liabilities	衍生財務負債						
Options	期權	2,965	-	-	-	2,965	2,965

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value risk and disclosures

At 31 December 2020 and 2019, the Group held certain derivative financial instruments which are carried in the financial statements at fair value, as further detailed in Notes 16 and 29 to the consolidated financial statements.

(i) Fair value hierarchy

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 31 December 2020 and 2019:

		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVPL	透過損益按公平值計量之財務資產				
As at 31 December 2020	於二零二零年十二月三十一日				
– Forward currency contracts	– 遠期貨幣合約	–	1,464	–	1,464
– Loan receivable	– 應收貸款	–	–	271,874	271,874
Total	總計	–	1,464	271,874	273,338
Financial Liabilities at FVPL	透過損益按公平值計量之財務負債				
As at 31 December 2020	於二零二零年十二月三十一日				
– Forward currency contracts	– 遠期貨幣合約	–	456	–	456
As at 31 December 2019	於二零一九年十二月三十一日				
– Options	– 期權	–	–	2,965	2,965

There were no transfers among different categories during the year ended 31 December 2020 and 2019.

39. 財務風險管理目標及政策(續)

公平值風險及披露

誠如綜合財務報表附註16及29進一步詳述，於二零二零年及二零一九年十二月三十一日，本集團持有若干按公平值計入財務報表之衍生財務工具。

(i) 公平值架構

下表呈列本集團於二零二零年及二零一九年十二月三十一日按公平值計量的財務資產及負債：

截至二零二零年及二零一九年十二月三十一日止年度不同層級之間並無轉撥。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Group analyses the financial instruments carried at fair value, by valuation method. Different levels are defined as follow:

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.
- Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(II) Fair value measurements using significant unobservable inputs (Level 3)

The fair value assessment methods and related key assumptions and judgements adopted by the Group's management are income approach (specifically, discounted cash flow method), which uses valuation techniques to convert future amount (specifically, cash flows based on the expected rate of return) to a present value.

39. 財務風險管理目標及政策(續)

本集團採用估值法分析按公平值列賬的財務工具。不同級別已界定如下：

- 第一級：在活躍市場上買賣的財務工具(如公開買賣衍生工具及股本證券)的公平值乃根據期末市場報價而計算。本集團所持財務資產所用市場報價為即期買盤價。該等工具計入第一級。
- 第二級：未有在活躍市場上買賣的財務工具(如場外衍生工具)的公平值乃使用估值技術而釐定。該等估值技術盡量使用可觀察市場數據並極少依賴針對實體的估計。倘工具公平值所需的所有重大輸入數據可觀察，則該工具計入第二級。
- 第三級：倘一項或多項重大輸入數據並非以可觀察市場數據為依據，則該工具計入第三級。未上市股本證券則屬此種情況。

(II) 使用重大不可觀察輸入數據的公平值計量(第三級)

本集團管理層採用的公平值評估方法及相關關鍵假設及判斷為收入法(具體而言為貼現現金流量法)，其使用估值技術將未來金額(具體而言為基於預期回報率的現金流量)轉換為現值。

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

39. 財務風險管理目標及政策(續)

Description	Fair Value As at 31 December 2020 HK\$'000 公平值於 二零二零年 十二月三十一日 千港元	Valuation technique 估值技術	Significant unobservable inputs 重大 不可觀察 輸入數據	As at 31 December 2020 於二零二零年 十二月三十一日	Relationship of Range of inputs unobservable inputs to fair value 輸入數據範圍 不可觀察輸入數據與 公平值的關係
Loan receivable	271,874	Discounted cash flow	Discount rate	4.0%	The higher the discount rate, the lower the fair value. A change in the discount rate by 10% does not have a significant impact on the fair value as at 31 December 2020.
應收貸款		貼現現金流量法	貼現率		貼現率越高，公平值越低。 貼現率變動10%不會對於二零二零年十二月三十一日的公平值造成重大影響。

Description	As at 31 December 2019 HK\$'000 於二零一九年 十二月三十一日 千港元	Valuation technique 估值技術	Significant unobservable inputs 重大 不可觀察 輸入數據	As at 31 December 2019 於二零一九年 十二月三十一日	Relationship of unobservable inputs to fair value 不可觀察輸入數據與 公平值的關係
Option	2,965	Income approach	Discount rate	13.0%	The higher the discount rate, the lower the fair value. A change in the discount rate by 10% does not have a significant impact on the fair value as at 31 December 2019.
期權		收入法	貼現率		貼現率越高，公平值越低。 貼現率變動10%不會對於二零一九年十二月三十一日的公平值造成重大影響。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group actively and regularly reviews and manages its capital structure to ensure optimal structure and shareholder returns, taking into consideration the future capital requirements of the Group, prevailing and projected capital expenditure, projected strategic investment opportunities and economic conditions.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 2019.

The Group regards total equity attributable to the shareholders of the Company presented on the face of the consolidated statement of financial position as capital, for capital management purposes. The amount of capital (total equity plus total debt) as at 31 December 2020 amounted to approximately HK\$6,196,090,000 (2019: HK\$4,500,233,000), which the management considers as optimal having considered the projected capital expenditures and the forecast strategic investment opportunities.

39. 財務風險管理目標及政策(續)

資本管理

本集團之資本管理首要目的乃保障本集團有持續經營之能力及維持穩健資本比率，以支持其業務發展並盡量提升股東價值。

本集團積極及定期審閱與管理其資本架構，以確保最佳資本架構及股東回報，同時考慮本集團之未來資本需要、目前及預計資本開支、預計策略投資機會及經濟狀況。

為維持或調整資本架構，本集團可能調整向股東派付之股息、向股東退回資本或發行新股。本集團並無受限於任何外界資本規定。截至二零二零年及二零一九年十二月三十一日止年度，有關管理資本之目標、政策或程序概無變動。

就資本管理而言，本集團將綜合財務狀況表所呈列之本公司股東應佔權益總額視作資本。於二零二零年十二月三十一日之資本(權益總額加債務總額)為數約6,196,090,000港元(二零一九年：4,500,233,000港元)，經考慮預計資本開支及預計策略投資機會後，管理層認為已達致最佳水平。

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40. FINANCIAL INSTRUMENTS BY CATEGORY

Other than derivative financial instruments being classified as financial asset/liabilities at fair value through profit or loss as disclosed in Notes 16 and 29 to the financial statements, all financial assets and liabilities previously measured at amortised cost which meet the conditions for classification at amortised cost under HKFRS 9, respectively.

41. DIVIDEND

	2020 二零二零年	2019 二零一九年
	(Unaudited) (未經審核)	(Unaudited) (未經審核)
	HK\$'000 千港元	HK\$'000 千港元
Special dividend of HK\$0.0265 (2019: HK\$0.148) per share	特別股息每股0.0265港元 (二零一九年：0.148港元)	298,505
		1,667,102

The Directors do not recommend the payment of any final dividend in respect of the year ended 31 December 2020 (2019: Nil).

42. Subsequent Events

(a) On 16 March 2021, Viva China Yangzhou Community Development Holdings Limited (the "Seller"), a non-wholly owned subsidiary of the Company, entered into the share purchase agreement with Yangzhou City Huacheng Property Development Limited (the "Buyer"), pursuant to which the Seller agreed to sell and the Buyer agreed to acquire the entire issued share capital in Yangzhou Viva Property Development Limited ("Target Company") at a consideration of RMB313.69 million.

For details, please refer to the announcements of the Company dated 16 March 2021.

(b) Pursuant to a loan agreement (the "Loan Agreement") entered into between Viva China Consumables Limited ("Viva China Consumables" or the "Lender", formerly known as Viva China Entertainment Holdings Limited), a wholly owned subsidiary of the Company and LionRock Capital GP Limited acting in its capacity as the general partner (the "General Partner") of LionRock Capital Partners QiLe L.P. (the "Borrower" or "LionRock") on 28 September 2020, the Lender has agreed to provide a facility of GBP54,000,000 (the "Facility") to the Borrower at an interest rate of 4% per annum for financing the acquisition or subscription of equity interests in a target company by LionRock Capital Partners QiLe Limited (the "SPV"), a company wholly owned by LionRock.

40. 按種類劃分之財務工具

除財務報表附註16及29所披露分類為透過損益按公平值計量之財務資產／負債之衍生財務工具外，所有先前按攤銷成本計量之財務資產及負債符合香港財務報告準則第9號下按攤銷成本分類的條件。

41. 股息

	2020 二零二零年	2019 二零一九年
	(Unaudited) (未經審核)	(Unaudited) (未經審核)
	HK\$'000 千港元	HK\$'000 千港元
Special dividend of HK\$0.0265 (2019: HK\$0.148) per share	特別股息每股0.0265港元 (二零一九年：0.148港元)	298,505
		1,667,102

董事不建議就截至二零二零年十二月三十一日止年度派發任何末期股息(二零一九年：無)。

42. 期後事項

(a) 於二零二一年三月十六日，本公司非全資附屬公司非凡中國揚州社區開發控股有限公司(「賣方」)與揚州市華城房地產開發有限公司(「買方」)訂立股份購買協議，據此，賣方同意出售，而買方同意收購揚州非凡房地產開發有限公司全部已發行股本，代價為人民幣313,690,000元。

有關詳情，請參閱本公司日期為二零二一年三月十六日之公告。

(b) 根據本公司全資附屬公司非凡中國消費品有限公司(「非凡中國消費品」或「貸款人」，前稱非凡中國娛樂控股有限公司)，與LionRock Capital GP Limited (以LionRock Capital Partners QiLe L.P.的普通合夥人(「普通合夥人」)身份行事，「借款人」或「LionRock」)於二零二零年九月二十八日訂立的貸款協議(「貸款協議」)，貸款人已同意向借款人提供54,000,000英鎊的融資(「融資」)，年利率為4%，以用於資助LionRock Capital Partners QiLe Limited (「SPV」，一間由LionRock全資擁有之公司)收購或認購目標公司的股權。

42. Subsequent Events (CONTINUED)

On 15 March 2021, the Lender entered into a subscription agreement (the "Agreement") with the Borrower and the SPV pursuant to which the Lender conditionally agreed to subscribe for 510 shares of the SPV at a subscription price of GBP51,000,000 (the "Subscription Price", and the "Subscription", respectively) and acquire a shareholder's loan (the "Purchase Shareholder's Loan") from the Borrower at a consideration of GBP51,000,000 (the "Consideration", and the "Shareholder's Loan Transaction", respectively). The Consideration payable by the Lender to the Borrower shall be deemed to be satisfied at completion of the Subscription (the "Completion") by setting off an amount equal to the Consideration against an outstanding amount of GBP51,000,000 which has been drawn down and remains outstanding under the Loan Agreement (the "Outstanding Amount"). Upon consummation of the Shareholder's Loan Transaction at Completion, the Outstanding Amount shall be deemed to have been irrevocably and unconditionally repaid in full by the Borrower to the Lender in accordance with the terms of the Loan Agreement and all unpaid interest which has been accrued pursuant to the Loan Agreement shall be deemed irrevocably and unconditionally waived by the Lender. The Subscription Price payable by the Lender to the target at Completion shall be setting off an amount equal to the Subscription Price against the Purchase Shareholder's Loan, and the Purchase Shareholder's Loan owed by the SPV to the Lender (being the new lender of the Purchase Shareholder's Loan as from the consummation of the Shareholder's Loan Transaction) shall be deemed fully paid and satisfied in full and Purchase Shareholder's Loan shall be terminated.

The SPV holds a majority interest in C&J Clark (No.1) Limited ("Clark") which is principally engaged in wholesaling and retailing of shoes and trading in the brand name "Clarks". Upon Completion, the target and its subsidiaries (including Clark) will become indirect non-wholly owned subsidiaries of the Company.

For details of the Loan Agreement, please refer to the announcements of the Company dated 28 September 2020. For details of the Agreement, please refer to the announcements of the Company dated 14 January 2021 and 15 March 2021.

As at 31 December 2020, the outstanding amount of loan was HK\$271,874,000 (equivalent to GBP25,726,000). As at the date of this report, the outstanding amount of loan was HK\$568,305,000 (equivalent to GBP53,776,000).

(c) Grant of share options by the Company and a non-wholly owned subsidiary

On 18 January 2021, the Company has granted an aggregate of 288,600,000 share options to the directors and certain employees in respect of their services to the Group in the forthcoming years. The share options have an exercise price of HK\$0.67 per share. 5,800,000 share options shall vest on 18 January 2021 and shall be exercisable for a period of two years after vested. The remaining 282,800,000 share options are subject to a vesting schedule in tranches of one-third each on 18 January 2022, 18 January 2023 and 18 January 2024 respectively and shall be exercisable for a period of 5 years after vested according to the respective vesting schedules. The price of the Company's shares at the date of grant was HK\$0.67 per share, which was the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options.

42. 期後事項(續)

於二零二一年三月十五日，貸款人與借款人及SPV訂立認購協議(「協議」)。據此，貸款人有條件同意以認購價51,000,000英鎊(「認購價」)認購510股SPV股份(「認購事項」)，並向借款人收購股東貸款(「購買股東貸款」)，代價為51,000,000英鎊(分別為「代價」及「股東貸款交易」)。貸款人應付借款人的代價於認購事項完成(「完成」)時視作已結付，以貸款協議項下已被提取且仍未償還的未償還款項51,000,000英鎊(「未償還款項」)抵銷代價之等額款項。於完成時完成股東貸款交易後，未償還款項應視作已由借款人根據貸款協議的條款不可撤回及無條件地向貸款人全數償還及根據貸款協議應計的所有未支付利息應視作由貸款人不可撤回及無條件地豁免。認購價於完成時由貸款人向目標支付，以購買股東貸款抵銷認購價之等額款項，而SPV結欠貸款人(自股東貸款交易完成後作為購買股東貸款的新貸款人)的購買股東貸款應視作全數支付及結清，且購買股東貸款應予以終止。

SPV持有C&J Clark (No.1) Limited (「Clark」)的大多數權益，Clark主要從事鞋履批發及零售，並以品牌名稱「Clarks」進行貿易。完成後，目標及其附屬公司(包括Clark)將成為本公司的間接非全資附屬公司。

有關貸款協議之詳情，請參閱本公司日期為二零二零年九月二十八日之公告。有關協議之詳情，請參閱本公司日期為二零二一年一月十四日及二零二一年三月十五日之公告。

於二零二零年十二月三十一日，未償還的貸款金額為271,874,000港元(相當於25,726,000英鎊)。於本報告日期，未償還貸款總額為568,305,000港元(相當於53,776,000英鎊)。

(c) 本公司及非全資附屬公司授出購股權

於二零二一年一月十八日，本公司向董事及若干僱員授出合共288,600,000份購股權，以激勵彼等於未來年度繼續為本集團服務。該等購股權之行使價為每股0.67港元。其中5,800,000份購股權於二零二一年一月十八日歸屬，並可在歸屬後於兩年內行使。剩餘282,800,000份購股權受歸屬時間規限，分別於二零二二年一月十八日、二零二三年一月十八日及二零二四年一月十八日各歸屬三分之一，並可在根據各歸屬時間歸屬後於5年內行使。本公司於授出日期之股價為每股0.67港元，為於緊接購股權授出日期前交易之聯交所收市價。

31 December 2020 二零二零年十二月三十一日

42. Subsequent Events (CONTINUED)

Details of the above were set out in the Company's announcement dated 18 January 2021.

On 5 January 2021, Bossini, a non-wholly owned subsidiary of the Company with its shares listed on the Main Board of the Stock Exchange (stock code: 592), has granted an aggregate of 90,000,000 share options to the directors and certain employees of Bossini in respect of their services to Bossini Group in the forthcoming years. The share options have an exercise price of HK\$0.460 per share. Each of the one-third of the share options is exercisable from 1 January 2022 to 31 December 2026, from 1 January 2023 to 31 December 2026 and from 1 January 2024 to 31 December 2026. The price of Bossini's shares at the date of grant was HK\$0.460 per share, which was the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options.

Details of the above were set out in Bossini's announcement dated 5 January 2021.

(d) Proposed rights issue by a non-wholly owned subsidiary

On 5 February 2021, Bossini, a non-wholly owned subsidiary of the Company with its shares listed on the Main Board of the Stock Exchange (stock code: 592), proposed to raise gross proceeds of approximately HK\$296 million before expense by way of a rights issue of 821,916,697 rights shares at a price of HK\$0.360 per rights share on the basis of one (1) rights share for every two (2) existing shares held by the qualifying shareholders on the record date.

Details of the above were set out in Bossini's announcement dated 5 February 2021.

42. 期後事項(續)

有關上述者之詳情載於本公司日期為二零二一年一月十八日之公告。

於二零二一年一月五日，本公司之非全資附屬公司堡獅龍(其股份於聯交所主板上市，股份代號：592)向堡獅龍董事及若干僱員授出合共90,000,000份購股權，以激勵彼等於未來年度繼續為堡獅龍集團服務。該等購股權之行使價為每股0.460港元。該等購股權分別可於二零二二年一月一日至二零二六年十二月三十一日、二零二三年一月一日至二零二六年十二月三十一日及二零二四年一月一日至二零二六年十二月三十一日各行使三分之一。堡獅龍於授出日期之股價為每股0.460港元，為於緊接購股權授出日期前交易日之聯交所收市價。

有關上述者之詳情載於堡獅龍日期為二零二一年一月五日之公告。

(d) 非全資附屬公司建議進行供股

於二零二一年二月五日，本公司之非全資附屬公司堡獅龍(其股份於聯交所主板上市，股份代號：592)建議按於記錄日期合資格股東每持有兩(2)股現有股份獲發一(1)股供股股份之基準，以供股方式按每股供股股份0.360港元之價格發行821,916,697股供股股份，目標以籌集約296,000,000港元之所得款項總額(扣除開支前)。

有關上述者之詳情載於堡獅龍日期為二零二一年二月五日之公告。

1) Stock of properties

1) 物業存貨

Location 位置	Group's Interest 本集團權益	Tenure 租期	Approximate Site Area (sq.m.) 概約佔地面積 (平方米)
Guangling Xincheng, Yangzhou, Jiangsu Province of the PRC, northwest to the intersection of Binshui Road and Jianmin Road 中國江蘇省揚州市廣陵新城濱水路與健民路交叉口西北處	70%	Medium to long term 中期至長期	23,334

2) Investment properties

2) 投資物業

Location 位置	Group's Interest 本集團權益	Tenure 租期	Approximate Site Area (sq.m.) 概約佔地面積 (平方米)
Units 1 and 2 on 8th Floor, Unit 1 on 9th Floor Car Park No. L12 on 1st Floor Cheung Fung Industrial Building No. 23-39 Pak Tin Par Street Tsuen Wan, New Territories 新界荃灣白田壩街23-39號長豐工業大廈8樓1及2室、9樓1室及1樓L12號泊車位	53.2%	Medium term 中期	3,903

Five-Year Financial Summary

五年財務概要

A summary of the results and of the assets and liabilities and total equity of the Group for the last five financial years, as extracted from the published audited financial statements of the Group, is set out below:

以下載列本集團過去五個財政年度之業績及資產與負債及權益總額概要，乃摘錄自本集團已刊發經審核財務報表：

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
REVENUE	收益	819,036	625,004	1,134,584	612,467	552,208
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／（虧損）	1,213,362	834,137	94,723	(108,863)	112,163
PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人應佔年內 溢利／（虧損）	1,192,392	834,366	76,982	(109,666)	103,630

ASSETS AND LIABILITIES

資產與負債

		31 December 十二月三十一日				
		2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產	3,975,162	3,671,737	3,867,676	3,793,409	3,525,815
CURRENT ASSETS	流動資產	2,874,758	1,194,828	1,193,328	1,351,961	1,580,745
CURRENT LIABILITIES	流動負債	694,864	327,551	290,979	296,774	635,634
NET CURRENT ASSETS	流動資產淨值	2,179,894	867,277	902,349	1,055,187	945,111
TOTAL ASSETS	資產總值	6,849,920	4,866,565	5,061,004	5,145,370	5,106,560
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	6,155,056	4,539,014	4,770,025	4,848,596	4,470,926
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人 應佔權益	4,329,371	3,021,297	3,891,137	4,003,132	3,718,317

In this annual report, unless the context requires otherwise, the following expressions shall have the following meanings:

在本年報內，除文義另有指明者外，下列詞彙具有下文所載列之涵義：

<p>“Board” 「董事會」</p>	<p>指</p>	<p>the board of Directors 董事會</p>
<p>“BVI” 「英屬處女群島」</p>	<p>指</p>	<p>the British Virgin Islands 英屬處女群島</p>
<p>“China” or “PRC” 「中國」</p>	<p>指</p>	<p>the People’s Republic of China which, for the purpose of this annual report, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan 中華人民共和國，就本年報而言，不包括香港、中華人民共和國澳門特別行政區及台灣</p>
<p>“close associate(s)” 「緊密聯繫人」</p>	<p>指</p>	<p>has the meaning ascribed thereto under the GEM Listing Rules 具有GEM上市規則所賦予的相同涵義</p>
<p>“Company” or “Viva China” 「本公司」或「非凡中國」</p>	<p>指</p>	<p>Viva China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (stock code: 8032) 非凡中國控股有限公司，於開曼群島註冊成立之有限公司，其已發行股份於GEM上市(股份代號：8032)</p>
<p>“connected transaction(s)” 「關連交易」</p>	<p>指</p>	<p>has the meaning ascribed to it in the GEM Listing Rules 具有GEM上市規則所賦予涵義</p>
<p>“Directors” 「董事」</p>	<p>指</p>	<p>the directors of the Company 本公司董事</p>
<p>“GBP” 「英鎊」</p>	<p>指</p>	<p>Pound sterling, the lawful currency of the United Kingdom 英鎊，英國法定貨幣</p>
<p>“GEM” 「GEM」</p>	<p>指</p>	<p>GEM of the Stock Exchange 聯交所GEM</p>
<p>“GEM Listing Rules” 「GEM上市規則」</p>	<p>指</p>	<p>the Rules Governing the Listing of Securities on GEM GEM證券上市規則</p>
<p>“Group” 「本集團」</p>	<p>指</p>	<p>the Company and its subsidiaries 本公司及其附屬公司</p>
<p>“HK\$” 「港元」</p>	<p>指</p>	<p>Hong Kong dollars, the lawful currency of the Hong Kong 港元，香港法定貨幣</p>
<p>“Hong Kong” 「香港」</p>	<p>指</p>	<p>the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區</p>

Glossary 詞彙

“Li Ning Co” 「李寧公司」	指	Li Ning Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued LN Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2331) 李寧有限公司，於開曼群島註冊成立之有限公司，其已發行李寧股份於聯交所主板上市(股份代號：2331)
“LN Group” 「李寧集團」	指	Li Ning Co and its subsidiaries 李寧公司及其附屬公司
“LN Share(s)” 「李寧股份」	指	the share(s) of HK\$0.10 each in the share capital of Li Ning Co 李寧公司股本中每股面值0.10港元之股份
“Macau” 「澳門」	指	the Macau Special Administrative Region of the PRC 中國澳門特別行政區
“MOP\$” 「澳門元」	指	Macau pataca, the lawful currency of the Macau 澳門元，澳門法定貨幣
“Reporting Period” 「報告期」	指	the period of 1 January 2020 to 31 December 2020 二零二零年一月一日至二零二零年十二月三十一日期間
“RMB” 「人民幣」	指	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 香港法例第571章證券及期貨條例
“SG\$” 「新加坡元」	指	Singapore dollars, the lawful currency of the Singapore 新加坡元，新加坡法定貨幣
“Share(s)” 「股份」	指	ordinary shares of nominal value of HK\$0.05 each in the share capital of the Company 本公司股本中每股面值0.05港元之普通股
“Shareholder(s)” 「股東」	指	holder(s) of Share(s) 股份持有人
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“US\$” 「美元」	指	United States dollars, the lawful currency of the United States of America 美元，美利堅合眾國的法定貨幣
“%” 「%」	指	per cent 百分比



VIVA CHINA HOLDINGS LIMITED
非凡中國控股有限公司

Room 3602-06, 36th Floor, China Merchants Tower
Shun Tak Centre, 200 Connaught Road Central, Hong Kong
香港干諾道中200號信德中心招商局大廈36樓3602-06室

<http://www.vivachina.hk>

