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VIVA CHINA HOLDINGS LIMITED

非凡中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8032)

2022 ANNUAL RESULTS ANNOUNCEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of Viva China Holdings Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) announced the audited consolidated results of the Group for the year ended 31 December 2022.

FINANCIAL HIGHLIGHTS

- With the contribution from the Group’s multi-brands apparels and footwears consumable goods business through the acquisition of footwear brand, Clarks, in early July 2022, the Group recorded consolidated revenue of HK\$6,900 million for the year ended 31 December 2022, which represented a year-on-year increase of HK\$5,519 million or 399.4%.
- For the year ended 31 December 2022, the Group has recorded a net profit attributable to equity holders of HK\$850 million (2021: HK\$4,563 million). Current year’s net profit was mainly attributed to a gain on bargain purchase (provisional) arising from the acquisition of footwear brand, Clark, amounted to HK\$956 million while prior year’s net profit was mainly attributed to the recorded net gain on disposal of partial interest in an associate of HK\$3,339 million and deemed dilution gain on decrease of interest in an associate of HK\$978 million.

OPERATIONAL UPDATE

- In the beginning of July 2022, the Group completed its acquisition of Clarks, a well-known British footwear brand with nearly two hundred years of history. The main markets of Clarks cover Europe and the United States, the Group expanded its main markets from Greater China region to global market through this acquisition. This acquisition marked a significant milestone in the Group’s history.
- The consolidation of Clarks’ revenue that is around HK\$5,390 million greatly increased the revenue of the Group. The profits of Clarks also helped to partially offset the losses of the other consumable brands within the Group during their transition and under pandemic period.
- Clarks is a long-established brand with a broad customer base, its main markets cover the United Kingdom and the United States, and with the presence in other regions including the Greater China region, Japan and Korea. The Group is now formulating strategies aiming to consolidate and expand the market share in Europe, the United States and Asia Pacific to increase profit margin.
- In January 2023, the Group also completed the transaction to increase its interest in Clarks and achieved an effective shareholding of 51%. Starting from 2023, the Group will consolidate the full year financials of Clarks.

This announcement, containing the full text of the 2022 Annual Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of annual results.

By order of the Board
Viva China Holdings Limited
LI Ning
Chairman and Chief Executive Officer

Hong Kong, 21 March 2023

As at the date of this announcement, the Board comprises the following members:

Executive Directors:

Mr. LI Ning (*Chairman and Chief Executive Officer*)

Mr. LI Chunyang

Mr. LI Qilin

Non-executive Directors:

Mr. Victor HERRERO

Mr. MA Wing Man

Ms. LYU Hong

Independent non-executive Directors:

Mr. LI Qing

Mr. PAK Wai Keung, Martin

Mr. WANG Yan

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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 announcement 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 announcement misleading.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the “Latest Listed Company Information” page for at least seven days from the date of its posting and the Company’s website at 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

CLARKS
ORIGINALS

The logo for CLARKS ORIGINALS, with the brand name in a bold, white, sans-serif font on a dark grey background.

ANNUAL REPORT

2022 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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BOARD OF DIRECTORS

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
Ms. Lyu Hong

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 Qing
Ms. Lyu Hong

NOMINATION COMMITTEE

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

AUTHORISED REPRESENTATIVES

Mr. Li Ning
Ms. Chan Tsz Ping

COMPLIANCE OFFICER

Mr. Li Ning

COMPANY SECRETARY

Ms. Chan Tsz Ping

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
呂紅女士

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*)
李勅先生
呂紅女士

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
陳芷萍女士

監察主任

李寧先生

公司秘書

陳芷萍女士

Corporate Information 公司資料

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 Merchants Bank Co., Ltd
Industrial and Commercial Bank of China (Asia) Limited
The Hongkong and Shanghai Banking Co., Ltd

LEGAL ADVISERS

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REGISTERED OFFICE

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Cayman Islands

PRINCIPAL PLACE OF BUSINESS

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核數師

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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
招商銀行股份有限公司
中國工商銀行(亞洲)有限公司
香港上海滙豐銀行有限公司

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SHARE REGISTRARS AND TRANSFER OFFICES

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股份代號

8032

Chairman's Statement 主席報告



Dear Shareholders,

2022 was a remarkable yet challenging year for the Viva Group. The Group's international apparel and footwear business was impacted by the pandemic, and the development plans for various brands also faced enormous challenges. Notwithstanding this difficult situation, the Group was able to seize the opportunities of investments and acquisitions, and successfully completed the acquisitions of some brands with long history and huge development potentials, thereby laying an important ground for the future expansion of the international multi-brand apparel and footwear segment. During the year, the Viva Group finished its acquisition of Amedeo Testoni, a century-old Italian luxury leatherwear brand in January. Later in July, the Group also completed its acquisition of Clarks, a well-known footwear brand with nearly two hundred years of history. After a successful expansion to the overseas markets, which are mainly in Europe and the United States, the Group's revenue jumped to around HK\$6.9 billion, and marked a significant milestone in its history.

致各位股東：

二零二二年對非凡集團而言，是充滿挑戰又別具意義的一年。集團的國際化鞋服業務受到疫情影響，各項品牌發展計劃面臨巨大挑戰，但值得鼓舞的是，集團能在困境中把握投資併購的良好時機，完成收購多個歷史悠久、富有發展價值的優質品牌，為未來拓展國際化的多品牌鞋服業務奠下重要基礎。年內，非凡集團於一月完成收購意大利百年奢侈皮具品牌Amedeo Testoni，後又於七月完成收購近兩百年歷史的著名鞋履品牌Clarks，成功擴張至以歐美為主的海外市場，收入更躍升至約69億港元以上，成為集團發展史上一重要里程碑。

EXPANDING THE APPAREL AND FOOTWEAR BUSINESS SEGMENT WITH HIGH-QUALITY BRANDS AND PRODUCT CATEGORIES

In 2022, Viva Group continued to focus on the tremendous demand of the prime consumer group, and targeted markets beyond China, Hong Kong and South East Asia, which are more on the economies in Europe and the United States. In particular, the Group has made an analysis on the geographical differences in the consumer demands in different markets for high-quality lifestyle and fashion, in order to formulate more targeted brand strategies, to increase operating efficiencies, and to build our multi-brand, multi-category international apparel and footwear business.

Among Viva China's brands, Clarks was perceived as a strong brand in the overseas markets, such as Europe and the United States. Its market share is ranked No. 1 in the UK fashion and casual footwear industry, and top 10 in the United States, where it has its loyal consumer groups and is able to generate stable income. Because the pandemic was more under control in Europe and the United States during the year, coupled with a rebound in consumer sentiment, the consolidated revenue of Clarks contributed significantly to the Group's financial statements. Its profits also helped to offset the losses of the other apparel and footwear brands within the Group during their transition period. In respect of brand development for Clarks, we strive to increase the brand value and continue its brand story backed with the legacy accumulated for centuries. The Group will continue to improve its market performance in Europe and the United States, and enhance product style and characteristics while strengthening the sales of the core products categories. In early 2023, the Group also completed the transaction to increase its interest in Clarks and further achieved an effective shareholding of 51%.

Following the completion of the acquisition of Amedeo Testoni in early 2022, the Group has actively adjusted its marketing strategy, with an aim to restore the brand's positioning as a high-end luxury brand. Through this acquisition, the Group has added a high-end luxury brand to its portfolio and expanded existing business scale by extending the geographical footprint of its multi-brand apparel and footwear business to Europe, Japan and South Korea. In addition to this, the Group plans to open an Amedeo Testoni flagship shop in Milan in the first half of 2023 to further promote its Italian brand legacy. The Group will also open full-price stores of Amedeo Testoni in regions of higher profits, including the Greater China, Japan and South Korea, in order to enhance the profit margins and the brand image as a high-end luxury brand.

Another brand under the Group, bossini.X, is at the stage of continuous investment for product repositioning. This newly launched brand, bossini.X, will continue to expand in commercial districts with more traffic located in the first- and second-tier cities in China during the year. In July 2022, the Group has also opened the first bossini.X flagship shop in Harbour City, which is at a premier fashion district in Hong Kong. At the same time, the Group will also continue to invest in the affordable luxury brand LNG, which is a self-developed brand of the Group, to further expand its distribution channels in high-end business districts in the first-tier cities in China by opening more boutique stores.

鞋服業務版圖擴大彙聚優質品牌及品類

二零二二年，非凡集團持續聚焦黃金消費群體的龐大需求，但專注的市場不僅局限於中港及東南亞，更跨至歐美等經濟體。集團針對不同市場的黃金消費群，分析各地消費群對高質量生活和時尚潮流的差異，制定更精準的品牌策略，打造多品牌多品類的國際化鞋服業務版圖，發揮品牌運營商的運營效能。

其中，Clarks在歐美等海外市場擁有強大的品牌效應，市場份額於英國時尚及休閒鞋履行業中排名第一，於美國時尚及休閒鞋履行業亦排名前十，擁有忠實消費群體和穩定的收入來源。年內因歐美市場疫情情況趨於穩定且民眾消費情緒反彈，Clarks的收入合併至集團財表後貢獻顯著，其利潤亦彌補了集團旗下其他鞋服業務在轉型階段的虧損。針對Clarks的品牌拓展，我們強調提升品牌價值，續寫其傳承多年的品牌故事。集團將會持續提升其在歐美市場的表現，在鞏固核心產品銷量的基礎上，凸顯產品調性。二零二三年初，集團亦完成增持Clarks股權的交易，進一步將有效股權增加至51%。

針對二零二二年年初完成收購的Amedeo Testoni，集團積極調整市場推廣策略，重塑其奢侈品品牌高端定位。通過該項收購，本集團的資產組合新增了高端奢侈品品牌，並將多品牌鞋服業務網絡擴張至歐洲、日韓等地，擴大了現有營業規模。同時，集團計劃於二零二三年上半年在米蘭開設Amedeo Testoni旗艦店，以彰顯其意大利品牌傳承，並將在盈利能力較強的大中華及日韓市場增設Amedeo Testoni正價店，以期提升利潤率，重塑其奢侈品品牌形象。

本集團旗下bossini.X還在重塑產品定位的持續投入階段。新推出的bossini.X品牌，年內繼續於內地一、二線城市人流較多的商圈擴張布點，更於二零二二年七月在香港高端潮流商圈海港城開設首家旗艦店。同時，集團自有輕奢潮牌LNG也在持續投資中，會在內地一線城市的高端商圈以精品店的形式拓展渠道。

Chairman's Statement 主席報告

In the future, we will continue to explore other markets and adjust product positioning, build up the mainstream consumer groups loyalty, thus create more business growth points apart from Clarks for the Group. A diversified apparel and footwear business has created enormous potentials and brought more possibilities to the Group's business. Through the unique interpretation and inheritance of its brands, the Group strives to bring consumers a higher quality consumption experience.

PROSPECTS

Looking ahead, although the macro business environment remains uncertain, the world economy will recover from the pandemic. The key consumer groups of Clarks mainly come from Europe and the United States. We believed that through the optimization of product mix and distribution channels, coupled with the strength of the brand itself, we can further increase our market shares in Europe and the US. We will also closely monitor the opportunities arising in the Asia-Pacific market. The Group will operate its overseas business with a steady and progressive approach, and also closely explore and grasp any consumption opportunities emerging after the relaxation of the pandemic prevention and control measures in China, so as to gain overall business improvement.

In January 2023, China has entered into a new stage towards the pandemic prevention and control, with production and people's living orders gradually restored, consumption power is expected to be released, and the domestic market is also gradually recovering. Notwithstanding, with the less stringent pandemic prevention and control from the end of the year, the total retail sales of consumable goods in December increased accordingly. Furthermore, the China government issued the "Strategic Planning Outline for Expansion of Domestic Demand (2022-2035)", which might help to boost the domestic demand. We will reasonably adjust the retail channels, and grasp the opportunities to expand into the domestic market.

Viva Group is committed to become a top-tier international consumable goods brand operating company. We will continue to pay close attention to brands with potentials in the market, and actively expand the scale of the apparel and footwear business in order to pursue a long-term sustainable development. The Group also strives to achieve brand repositioning and increase its penetration in the prime consumer market, in the ways of maintaining a leading position in product creativity and keeping up with the latest fashion trends. At the same time, the Group will also expand the vertically integrated industry chain by building its own supply chain platform and e-commerce platform, to provide e-commerce service and live stream product promotions for its brands, so as to increase the brand awareness and also to enhance the synergies both internally and externally.

ACKNOWLEDGMENT

Lastly, on behalf of the Board, I would like to pay tribute to the outstanding performance of the managements and all employees of the Company in the past year, and express my heartfelt gratitude to our shareholders and business partners for their trust and continuous support to the Group. Facing the complex and ever-changing macro environment, we will remain persistent and pragmatic, and continue to strive for the Company's long-term development and create values for the shareholders!

未來我們將繼續開拓市場和調整產品定位，培養主流消費群體忠誠度，令這些品牌成為Clarks以外的新增長點。多元化的鞋服業務創造了極具潛力的發展空間，為集團的業務帶來更多可能性。透過對各大品牌的獨特詮釋及傳承發揚，集團力求為消費者帶來更具品質的消費體驗。

展望

展望未來，宏觀營商環境雖然依然具有不確定性，但全球經濟會從新冠疫情的危機中復甦。Clarks的主要消費群來自歐美，我們相信通過對產品組合和銷售渠道的優化，加上品牌本身的實力，我們可以進一步的提升在歐美市場的份額。我們也會密切留意亞太地區市場帶來的機遇。集團將持穩中求進的態度運營海外業務，同時密切留意及把握中國放寬疫情防控政策後的消費機遇，以獲取整體業績的提升。

中國的疫情防控於二零二三年一月進入新階段，生產生活秩序逐步恢復，消費力有望得到釋放，國內市場逐漸復甦。但隨著年末疫情防控政策的優化，十二月當月社會消費品零售總額已經有所提升，加上中央政府印發《擴大內需戰略規劃綱要（2022—2035年）》，有利於進一步擴大內需。我們將合理調整零售網絡佈局，把握國內市場的發展機會。

非凡集團致力於成為頂尖的國際化消費品品牌運營公司。我們將持續密切留意市場上具備潛力的品牌，積極拓展鞋服業務版圖，追求長遠的可持續發展。同時，集團將以領先的產品創意和敏銳的潮流觸覺，全力推進品牌重塑工作，提升旗下品牌在黃金消費群體市場的滲透率。通過全方位拓展上下游全產業鏈，搭建自有供應鏈平台及電商平台，為旗下品牌提供電商和帶貨直播等業務，提高集團品牌知名度及內外協同效益。

致謝

最後，我謹代表董事會，向公司管理層和各位員工在過去一年中的優異工作表示敬意，並對股東及業務夥伴對集團的信任和支持表示衷心感謝。面對複雜多變的宏觀環境，我們將堅定不移，腳踏實地，繼續為實現公司的長遠發展和為股東創造價值而奮鬥！

Looking back in 2022, the Group has focused on developing its “multi-brand apparel and footwear” business and continued to expand its international business through the acquisitions of Clarks, a well-known footwear brand with nearly two hundred years of history, and Amedeo Testoni, a century-old Italian Luxury leatherwear brand. In addition to this, the Group has been steadily developing the “sports experience” business which includes the operation, service provision and investment of sports destination, sports events and an e-sports club.

MULTI-BRAND APPAREL AND FOOTWEAR BUSINESS

During the year, the widespread of COVID-19 pandemic in many parts of China has caused significant impact to its economic activities and people's mobility, which curbed the overall consumption power and led to a decrease in revenue contributed by the domestic market. Hence, the growth of the Group's consumable goods brands in China was also hindered, including a slowdown in the expansion of offline physical stores as well as a complete halt to the marketing activities. Despite this, the overall combined revenue of the Group surged by 399% following the completion of its landmark major acquisition of Clarks, a well-known footwear brand in July, with Clarks' revenue being consolidated into the financial statements of the Group.

In respect of the overall strategy, the Group continued to expand its international “multi-brand apparel and footwear business” and strived to develop a diversified product categories to meet the needs of the prime consumers in different areas such as lifestyle, leisure, sports, affordable luxury and high-end luxury, in order to expand its income sources. During the year, the Group has completed the acquisitions of two well-known international brands, among which, Clarks contributed almost 78% of the revenue to the Group. Clarks is a long-established brand with a broad customer base, its main markets cover the United Kingdom and United States, and with the presence in other regions including the Greater China region, Japan and Korea. The Group is now formulating a strategy to inject new energy into this brand to attract prime consumers, aiming to consolidate and expand the market share in Europe and the United States to enhance profits. Another brand, Amedeo Testoni, which is a century-old Italian luxury leatherwear brand, is the first high-end luxury brand of the Group covering wholesale and retail of leather goods, footwear and apparel. Currently, the Group is strengthening the positioning of this luxury brand strategically to clarify its long-term development.

回顧2022年，本集團聚焦發展「多品牌鞋服」業務，完成收購近兩百年歷史的著名鞋履品牌Clarks，及意大利百年奢侈皮具品牌Amedeo Testoni，進一步擴大多品牌鞋服業務的國際版圖。另外，集團穩步發展「運動體驗」業務，包括體育目的地、體育賽事活動及電競俱樂部的營運、服務及投資。

多品牌鞋服業務

年內，新冠疫情在國內多點爆發，經濟活動及出行廣受影響，壓抑整體消費力，導致國內市場的收入貢獻下滑，集團旗下消費品品牌在中國市場的發展步伐也受到阻礙，包括線下實體店網絡拓展速度放緩，以及相關品牌宣傳推廣活動中止等。然而，隨著集團於7月完成標誌性的重大收購，將著名鞋履品牌Clarks的收益併入集團財表，集團的整體合併收益大增399%。

整體策略方面，集團繼續貫徹擴大「多品牌鞋服業務」的國際版圖，並開發多元化的產品系列，以抓緊黃金消費群在生活、休閒、運動、輕奢、高端奢華等不同領域的需求，擴大收入來源。年內集團完成收購兩大國際知名品牌，其中Clarks貢獻了集團近78%的收入。該品牌擁有悠久歷史及龐大客群，主要市場覆蓋英國及美國，大中華地區和日韓等。目前集團正制定策略，為品牌注入活力，以吸納黃金消費群，並鞏固及拓展品牌在歐美的市場份額，提升利潤率。另一品牌為意大利百年奢侈皮具品牌Amedeo Testoni，其覆蓋皮具、鞋履及服裝的批發及零售，為集團首個高端奢侈品牌。集團目前正策略性鞏固該品牌的奢侈品定位，並為品牌的長遠發展尋找方向。

Business Review 業務回顧

Apart from new international brands, the Group also continued to expand Bossini, a well-known lifestyle apparel brand of the Group in Mainland China and Hong Kong. "bossini.X", a newly launched brand, has integrated some lifestyle, leisure, and sports elements catering for the unique style of Generation Z. During the year, "bossini.X" expanded its presence in both Mainland China and Hong Kong markets, and has opened over 100 retail stores in commercial districts with more traffic in the first- and second-tier cities by the end of 2022. It has also opened the first flagship store in the prime commercial district in Hong Kong, which significantly enhanced its market recognition. However, since "bossini.X" is a new brand with new brand positioning, together with the negative impacts from the pandemic on the sales and the channel expansion, the Group will continue to make investments, and more adjustments on channels and products are required in the future, in order to turnaround from losses to profits.

"LNG" is an affordable luxury brand of the Group that aims to be a high-end trendy brand for youngsters, featuring high quality materials, cutting and technological innovation. Nevertheless, sales of its physical stores in cities such as Chongqing and Shanghai were below expectation due to the pandemic. During the year, the Group has further strengthened the cooperation of LNG brand with other young fashion brands, launched crossover products to fortify the brand impact and expand the physical store network in an appropriate manner. By the end of 2022, LNG has opened almost 30 physical stores in high-end business areas in the first- and second-tier cities.

SPORTS EXPERIENCE BUSINESS

The Group's ice-skating rinks encountered a surge of customers in the first quarter when the Beijing Winter Olympics held at the beginning of this year has boosted the popularity of winter sports. However, due to the massive outbreak of the pandemic, some sports parks and ice-skating rinks had to close temporarily, and training courses were suspended. Although a gradual recovery was seen in the second half of the year, a decrease of 5.6% in revenue of this segment was recorded during the period as compared to the corresponding period in prior year. Despite the restrictions on sports activities caused by the pandemic, the sports industry is still one of the main development fields in China. During the year, two new sports parks namely Hangzhou and Tongxiang Li Ning Sports Park were put into operation. Currently, the Group operates and manages a total of 9 sports parks and 11 ice-skating rinks across China, providing a wide range of sports experience and training services to local communities and the citizens.

除了新增的國際品牌外，集團亦持續發展旗下的中港馳名品牌堡獅龍，其中新設的 bossini.X 品牌系列注入了生活、休閒、和運動元素，以符合Z世代的獨特風格。年內，該品牌在中港兩地市場擴張布點。截止二零二二年底，bossini.X已於內地一、二線城市人流較多的商圈開設超過100家零售店，並在香港高端潮流商圈開設首家旗艦店，廣泛提高了市場認知度。然而bossini.X是全新的品牌和定位，加上疫情爆發對其銷情及渠道擴張均帶來一定影響，故此在未來的一段時間，集團仍需要持續投入，並且在渠道及產品方面進行調整，以期早日扭虧為盈。

另一自有輕奢潮牌「LNG」以優質面料、剪裁與工藝革新為媒介，構建屬於次世代年輕人的高品質潮流品牌。但受到疫情影響，落戶重慶、上海等城市的實體店銷情不如預期。年內集團加強LNG與其他年輕潮流品牌的合作及推出聯名產品，以鞏固品牌影響力，同時適度拓展實體店網絡。截至二零二二年，LNG在一、二線城市的高端潮流商圈已開設近30家實體店。

運動體驗業務

年初北京舉行冬奧會，推動冰雪運動熱潮，集團旗下冰場於第一季度的人流大增，但其後疫情大規模爆發，部分體育園及冰場需要暫時關閉，培訓課程亦被迫暫停，直至下半年才逐漸恢復。本期間內該板塊收益較去年同期減少約5.6%。儘管疫情導致體育活動受限，但體育產業仍是國內的主要發展方向，集團於年內新增杭州和桐鄉兩個體育園。目前，本集團於全國營運及管理共9個體育園和11個冰場，為當地社區和民眾提供多元化的運動體驗和培訓服務。

PROSPECTS

Looking ahead to 2023, the business environment in China and overseas markets remains uncertain but opportunities always come along with challenges. Although the widespread of the pandemic has badly hit the economic activities in China, with the full relaxation of pandemic control policies by the Central Government during the end of 2022, the constrained consumption power will be released to boost the retail market. For overseas markets, economic growth in Europe and the United States is projected to slow down due to the negative market outlook under high inflation and the Russia-Ukraine war. Notwithstanding, there is still a huge market demand of high-quality consumable goods in developed countries in the Europe and the America.

The Group will continue to focus on its multi-brand multi-category apparel and footwear business with a prudent approach and solid business operations. In the future, the Group will actively explore quality potential acquisition targets to enrich its brand portfolio, increase market coverage, and enhance its overall sustainability. Meanwhile, the Group will also strive to enhance its brand value and strengthen the synergies to be created between different brands on marketing promotion, supply chain management as well as channel expansion, in order to increase its operating efficiency, market share and profitability.

展望

展望二零二三年，中國國內及海外的營商環境變化莫測，但機遇及挑戰並存。其中，中國國內的疫情大規模爆發對經濟活動帶來衝擊，但隨著中央於二零二二年底全面放寬防疫政策，積存以久的消費力有望釋放，有利零售市場回暖。海外方面，歐美的經濟前景受到通脹高企、俄烏戰爭等不利因素影響，經濟增長或會放緩，但長遠而言，歐美發達國家對高質量消費品的市場需要依然龐大。

集團將以審慎的態度及扎實的營商經驗，繼續重點發展多品牌多品類的鞋服業務。在未來，集團將積極留意優質的收購標的，以豐富本集團品牌組合，提高市場覆蓋率，提升集團整體的可持續發展能力。同時，本集團將致力提升旗下品牌的價值，並加強各品牌間在市場推廣、供應鏈管理、渠道拓展等方面的協同效益，以提高運營效率、市場份額及盈利能力。

RESULTS

For the year ended 31 December 2022, the Group's consolidated revenue was HK\$6,900.4 million (2021: HK\$1,381.6 million), representing an increase of 399.4%. The increase in revenue was mainly contributed by the expansion of multi-brand apparel and footwear business, including the acquisition of LionRock Capital Partners QiLe Limited, which holds a majority interest in C&J Clark (No 1) Limited ("Clark", together with its subsidiaries, the "Clark Group") in early July 2022. Gross profit of the Group for the year ended 31 December 2022 was HK\$3,160.6 million (2021: HK\$572.4 million), representing an increase of HK\$2,588.2 million or 452.2% as compared to the previous year, which was in line with the increase in revenue.

The Group's other income and other gains – net for the year amounted to HK\$1,023.6 million (2021: HK\$4,548.1 million). Other income and other gains – net during the year was mainly attributable to i) government grants of HK\$52.9 million (2021: HK\$34.1 million); ii) fair value loss on financial assets at fair value through profit or loss of HK\$46.1 million (2021: fair value gain of HK\$20.1 million); iii) foreign exchange loss of HK\$31.7 million (2021: HK\$1.4 million); iv) gain on bargain purchases of HK\$956.3 million (2021: nil); v) deemed dilution gain on decrease of interest in an associate of HK\$7.0 million (2021: HK\$978.0 million); and vi) fair value gain on derivative financial instruments of HK\$23.0 million (2021: nil). No gain on disposal of partial interest in an associate and gain on disposal of a subsidiary was recognised in current year (2021: HK\$3,338.8 million and HK\$52.9 million respectively).

Selling and distribution expenses for the year amounted to HK\$2,713.3 million (2021: HK\$572.4 million), representing a significant increase of HK\$2,140.9 million or 374.0% as compared to the year of 2021. The increase was primarily due to i) the acquisition of Clark Group which contributed HK\$1,989.5 million during the year after its acquisition; ii) impairment loss on property, plant and equipment and right-of-use assets (excluded Clark Group) amounted to HK\$127.2 million due to worse-than expected performance of certain retail stores of Bossini, bossini.X and LNG brands and ice-skating rinks resulted from the outbreak of COVID-19 pandemic in PRC during the year; and iii) increase in staff cost due to continuous expansion of multi-brand apparel and footwear business.

業績

截至二零二二年十二月三十一日止年度，本集團之綜合收益為6,900,400,000港元（二零二一年：1,381,600,000港元），增加399.4%。收益增加乃主要是由於多品牌鞋服業務擴張（包括於二零二二年七月初收購LionRock Capital Partners QiLe Limited，一家持有C&J Clark (No 1) Limited（「Clark」，連同其附屬公司統稱「Clark集團」）的大多數權益的公司。本集團截至二零二二年十二月三十一日止年度之毛利為3,160,600,000港元（二零二一年：572,400,000港元），較去年增加2,588,200,000港元或452.2%，與收益增長一致。

本集團於年內錄得其他收入及其他收益淨額為1,023,600,000港元（二零二一年：4,548,100,000港元）。年內其他收入及其他收益淨額乃主要源於i)政府補貼52,900,000港元（二零二一年：34,100,000港元）；ii)透過損益按公平值計量之財務資產之公平值虧損46,100,000港元（二零二一年：公平值收益20,100,000港元）；iii)匯兌虧損31,700,000港元（二零二一年：1,400,000港元）；iv)議價收購收益956,300,000港元（二零二一年：無）；v)減少一間聯營公司之權益產生之視作攤薄收益7,000,000港元（二零二一年：978,000,000港元）；及vi)衍生財務工具之公平值收益23,000,000港元（二零二一年：無）。本年度並無確認出售一間聯營公司之部分權益之收益淨額及出售一間附屬公司之收益（二零二一年：分別為3,338,800,000港元及52,900,000港元）。

年內，銷售及分銷開支為2,713,300,000港元（二零二一年：572,400,000港元），較二零二一年大幅增加2,140,900,000港元或374.0%。該增加乃主要由於i)年內收購Clark集團後其貢獻1,989,500,000港元；ii)物業、廠房及設備以及使用權資產（不包括Clark集團）的減值虧損127,200,000港元，原因為年內COVID-19疫情於中國爆發，導致若干堡獅龍、bossini.X及LNG品牌零售店以及滑冰場的表現遜於預期；及iii)多品牌鞋服業務持續擴充令員工成本增加。

Administrative expenses and other operating expenses together with reversal of impairment loss/(impairment loss) on financial assets-net (the "Administrative Expenses") incurred for the year amounted to HK\$1,085.3 million (2021: HK\$493.6 million) which represented an increase of HK\$591.7 million or 119.9% as compared to the year of 2021. The increase in Administrative Expenses was primarily due to i) the acquisition of Clark Group which contributed HK\$454.1 million during the year after its acquisition; ii) impairment loss on intangible assets amounted to HK\$64.8 million due to worse-than expected performance of our LNG e-sports business resulted from the outbreak of COVID-19 pandemic in PRC during the year; and iii) increase in legal and professional fee due to the proposed transfer of listing from GEM to the Main Board of Stock Exchange and acquisition of Clarks and Amedeo Testoni during the year.

Finance costs for the year ended 31 December 2022 amounted to HK\$57.8 million (2021: HK\$37.0 million). The increase in finance costs was primarily attributable to increase in interest expenses on bank loans and lease liabilities resulting from the consolidation of Clark Group's performance since early July 2022. The increase was partially net-off with decrease in bank loans interest attributable to the settlement of bank loans amounted HK\$1,256.0 million in June 2021.

The Group held approximately 271,202,000 ordinary shares of Li Ning Co Limited ("Li Ning Co") as at 31 December 2022, representing 10.3% equity interests in Li Ning Co and 20.3% on the Group's total assets as at 31 December 2022.

Investment costs of Li Ning Co as at year ended 31 December 2022 was HK\$1,260.4 million. Dividend received from Li Ning Co was HK\$145.0 million during the year ended 31 December 2022. 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.

年內產生之行政費用及其他經營開支包括財務資產之減值虧損撥回／(減值虧損)淨額(「行政費用」)為1,085,300,000港元(二零二一年：493,600,000港元)，較二零二一年增加591,700,000港元或119.9%。行政費用增加乃主要由於i)年內收購Clark集團後其貢獻454,100,000港元；ii)無形資產之減值虧損64,800,000港元，原因為年內COVID-19疫情於中國爆發，導致LNG電競業務表現遜於預期；及iii)年內擬由聯交所GEM轉往主板上市以及收購Clarks及Amedeo Testoni令法律及專業費用增加。

截至二零二二年十二月三十一日止年度，財務成本達57,800,000港元(二零二一年：37,000,000港元)。財務成本增加乃主要由於二零二二年七月初合併Clark集團的業務表現導致銀行貸款及租賃負債利息開支增加所導致。該增加與於二零二一年六月償還1,256,000,000港元銀行貸款而導致銀行貸款利息減少而部分抵銷。

本集團於二零二二年十二月三十一日持有約271,202,000股李寧有限公司(「李寧公司」)普通股，相當於李寧公司的10.3%股權和佔本集團於二零二二年十二月三十一日資產總值的20.3%。

截至二零二二年十二月三十一日止年度，李寧公司的投資成本為1,260,400,000港元。截至二零二二年十二月三十一日止年度，自李寧公司收取的股息為145,000,000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境內從事體育相關鞋類、服飾、器材及配件的品牌發展、設計、製造、銷售及批發。

Financial Review 財務回顧

Li Ning Co is 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 2022 adjusted by any significant events or transactions for the period from 1 October 2022 to 31 December 2022. There is no non-coterminous period end for other associates and joint ventures.

Li Ning Co's adjusted net profit for the year amounted to HK\$5,090.5 million (2021: HK\$4,119.5 million), representing a year-on-year increase of 23.6%. This was mainly attributable to the increase in revenue and net profit margin.

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.

During the year, the Group shared the profits less losses of associates and joint ventures amounting to HK\$543.3 million (2021: HK\$492.6 million). The increase was mainly due to the increase in contribution of Li Ning Co and Double Happiness of HK\$58.0 million and HK\$4.6 million, respectively, due to the increase in revenue and net profit margin in the current year.

李寧公司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二零二二年九月三十日止十二個月之經調整財務業績（已就二零二二年十月一日至二零二二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。

李寧公司於本年度之經調整溢利淨額為5,090,500,000港元（二零二一年：4,119,500,000港元），同比增加23.6%。此乃主要由於收益及純利率均有所增加所致。

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，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。

年內，本集團分佔聯營公司及合營企業之溢利減虧損為543,300,000港元（二零二一年：492,600,000港元）。該增加乃主要因為李寧公司和紅雙喜於本年度的收益和純利率增加而導致李寧公司和紅雙喜的貢獻分別增加58,000,000港元及4,600,000港元。

During the year, the Group has recorded a net profit attributable to equity holders of HK\$850.4 million comparing to a net profit attributable to equity holders of HK\$4,562.6 million for the year 2021, representing a decrease of HK\$3,712.2 million. The decrease was mainly attributed to the recorded net gain on disposal of partial interest in an associate of HK\$3,338.8 million, deemed dilution gain on decrease of interest in an associate of HK\$978.0 million and gain on disposal of a subsidiary of HK\$52.9 million in 2021, which were non-recurring. The decrease was partially offset by a gain on bargain purchase arising from the acquisition of Clark Group amounted to HK\$956.2 million during the year.

SEGMENT

Multi-brand Apparel and Footwear Business

During the year, the Group continued to expand its "multi-brand apparel and footwear business" and strived to develop a diversified product category to meet the needs of the prime consumers in different areas such as sports and leisure, street fashion, affordable luxury and high-end luxury.

In January 2022, the Group completed the acquisition of a century-old Italian luxury leader label brand, Amedeo Testoni and its diffusion line i29. Amedeo Testoni is principally engaged in wholesale and retail of leatherware, fashion garments and apparel. Through this acquisition, the Group has added high-end luxury brands to its asset portfolio and expanded existing business scale by extending its multi-brand footwear and apparel consumables network to Europe, Japan and South Korea.

In July 2022, the Group acquired another well-known international brand, Clarks. Clarks is a long-established brand with a broad customer base, its main markets cover the United Kingdom and United States, and with the presence in other regions including the Greater China region, Japan and Korea.

Apart from the acquisitions of Clarks and Amedeo Testoni brands, the Group also continued to expand Bossini, a well-known lifestyle apparel brand of the Group in Mainland China and Hong Kong. "bossini.X", a newly launched brand, has integrated some lifestyle, leisure and sports elements catering for the unique style of Generation Z. During the year, "bossini.X" expanded its presence in both Mainland China and Hong Kong markets, and has opened over 100 retail stores in commercial districts with more traffic in the first- and second-tier cities by the end of 2022.

年內，本集團錄得權益持有人應佔溢利淨額850,400,000港元，而二零二一年則錄得權益持有人應佔溢利淨額4,562,600,000港元，減少3,712,200,000港元。減少乃主要由於二零二一年錄得出售一間聯營公司之部分權益之收益淨額3,338,800,000港元、減少一間聯營公司之權益產生之視作攤薄收益978,000,000港元及出售一間附屬公司之收益52,900,000港元，均為非經常性。該減少由年內收購Clark集團產生的議價收購收益956,200,000港元而部分抵銷。

分部

多品牌鞋服業務

年內，本集團繼續貫徹擴大「多品牌鞋服業務」的版圖，並開發多元化的產品系列，以抓緊黃金消費群在運動休閒、街潮、輕奢、高端奢華等不同領域的需求。

於二零二二年一月，本集團完成收購意大利百年頂尖奢華品牌Amedeo Testoni及其衍生線i29。Amedeo Testoni主要從事皮具、時裝及服裝的批發及零售。通過該項收購，本集團的資產組合新增了高端奢侈品品牌，並將多品牌鞋服消費品網絡擴張至歐洲、日韓等地，擴大了現有營業規模。

於二零二二年七月，本集團完成收購另一個國際知名品牌，Clarks。Clarks品牌擁有悠久歷史及龐大客群，主要市場覆蓋英國及美國，大中華地區和日韓等。

除了收購Clarks和Amedeo Testoni品牌外，集團亦持續擴展旗下的中港馳名品牌堡獅龍，其中新設的bossini.X品牌系列注入了生活、休閒和運動元素，以符合Z世代的獨特風格。年內，該品牌在中港兩地市場擴張布點。截止二零二二年底，bossini.X已於內地一、二線城市人流較多的商圈開設超過100家零售店。

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“LNG” is an affordable luxury brand of the Group that aims to be a high-end trendy brand for youngsters, featuring high quality materials, cutting and technological innovation. During the year, the Group has further strengthened the cooperation of LNG brand with other young fashion brands, launched crossover products to fortify the brand impact and further increased its number of physical stores in an appropriate manner.

On top of the acquisition of Clarks and Amedeo Testoni brands during the year to expand the Group's multi-brand apparel and footwear business, the Group also expand the vertically integrated industry chain by building its own supply chain platform and e-commerce platform, to provide e-commerce service and live stream product promotions for its brands so as to increase the brand awareness and also to enhance the synergies both internally and externally.

The multi-brand apparel and footwear segment generated revenue totaling HK\$6,399.5 million (2021: HK\$851.2 million) for the year, which represents a significant increase of HK\$5,548.3 million or 651.8% as compared to last year. The increase was primarily attributed to the acquisition of Clark Group which contributed HK\$5,390.2 million during the year after its acquisition. This segment reported an operating loss of HK\$309.9 million (2021: HK\$312.6 million), which Clark Group has contributed a net profit of HK\$124.0 million during the year after its acquisition, but partially offset by the losses incurred by other brands (including impairment loss on property, plant and equipment and right-of-use assets amounted to HK\$101.7 million for Bossini, bossini.X and LNG brands).

Sports Experience

Sports experience segment comprises operation, service provision and investment of sports destinations (including sports parks, sports centres and ice-skating rinks), sports competitions and events as well as an e-sports club.

For sports experience, it is the Group's strategy to drive the establishment of an integrated sports platform by leveraging on the existing resources of its sports business. The Group will therefore continue its effort to capture and maximise the commercial values of the sports resources under our management, and encourage social participation in sporting activities through commercial management of popular sports events and competitions, operation of an e-sports club, sports talent management. In the meantime, the Group has been selecting suitable cooperation opportunities to invest in and operate potential sports destination projects, including sports parks, sports centres and ice-skating rinks that promote healthier living and sports awareness in the PRC. 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, which is expected to benefit the medium to long term development of our business.

另一自有輕奢潮牌「LNG」以優質面料、剪裁與工藝革新為媒介，構建屬於次世代年輕人的高品質潮流品牌。年內，集團加強LNG與其他年輕潮流品牌的合作及推出聯名產品，以鞏固品牌影響力，同時適度拓展實體店網絡。

除了於年內收購Clarks及Amedeo Testoni品牌以擴展集團的多品牌服裝及鞋履業務外，本集團亦通過全方位拓展上下游全產業鏈，搭建自有供應鏈平台及電商平台，為旗下品牌提供電商和帶貨直播等業務，提高集團品牌知名度及內外部協同效益。

多品牌鞋服分部於年內產生收益合共6,399,500,000港元（二零二一年：851,200,000港元），較去年大幅增加5,548,300,000港元或651.8%。該增加乃主要由於年內收購Clark集團後其貢獻5,390,200,000港元。該分部錄得經營虧損309,900,000港元（二零二一年：312,600,000港元），當中收購Clark集團後，其已於年內貢獻純利124,000,000港元，惟部分被其他品牌產生的虧損（包括若干堡獅龍、bossini.X及LNG品牌的物業、廠房及設備以及使用權資產之減值虧損101,700,000港元）所抵銷。

運動體驗

運動體驗分部業務包括體育目的地（包括體育園、運動中心及滑冰場）、體育賽事活動和電競俱樂部之營運、服務及投資。

對於體育體驗，本集團的策略是利用體育業務的現有資源推動建立一個綜合體育平台。因此，本集團將透過對熱門體育活動和賽事的商業管理、電競俱樂部營運、體育人才管理，繼續捕捉和擷取本集團管理的體育資源最大的商業價值，以及鼓勵社會參與體育活動。同時，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，包括體育園、運動中心及滑冰場，於中國推廣健康生活及體育意識。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，從而有望對我們業務的中長線發展帶來裨益。

The sports experience segment generated revenue totaling HK\$500.8 million (2021: HK\$530.4 million) for the year, which represents a decrease of HK\$29.6 million or 5.6% as compared to the year of 2021. The decrease was mainly contributed to the decrease in sports park facilities and ice-skating rinks hiring income and other service income as part of the Group's sports parks, sports centres and ice-skating rinks temporarily suspended their operation in response to the national pandemic prevention measures due to the outbreak of pandemic in Mainland China during the year. This segment reported an operating loss of HK\$17.8 million during the year (2021: operating profit of HK\$23.6 million), which mainly attributed to the impairment loss on property, plant and equipment and right-of-use assets amounted to HK\$25.5 million for certain ice-skating rinks.

Financial Position

Net assets value of the Group has increased from HK\$7,754.4 million as at 31 December 2021 to HK\$10,998.2 million as at 31 December 2022. The increase was mainly due to i) acquisition of Clark Group and its net assets was amounted to HK\$3,238.4 million as at 31 December 2022, but partially offset by the exchange differences on translation of foreign operation of HK\$534.1 million during the year.

The total non-current assets of the Group has increased from HK\$5,261.9 million as at 31 December 2021 to HK\$8,796.6 million as at 31 December 2022, which represents an increase of HK\$3,534.7 million. The increase was mainly resulted from the acquisition of Clark Group with total non-current assets of HK\$3,584.6 million as at 31 December 2022, which mainly comprised of property, plant and equipment, right-of-use assets and defined benefit surplus.

Current assets of the Group recorded an increase by HK\$4,827.0 million from HK\$3,848.3 million as at the beginning of the year to HK\$8,675.3 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 and deposits HK\$2,981.4 million (2021: HK\$2,537.1 million) and inventories of HK\$4,061.1 million (2021: HK\$281.3 million). The significant increase in inventories was mainly contributed by the Clark Group.

The total current liabilities of the Group as at 31 December 2022 were HK\$4,428.2 million, representing an increase of HK\$3,531.9 million or 394.0% from that as at 31 December 2021 primarily attributed to the acquisition of Clark Group which contributed HK\$3,604.1 million as at 31 December 2022. As at 31 December 2022, the key component of non-current liabilities was non-current lease liabilities of HK\$1,438.1 million (2021: HK\$362.6 million).

運動體驗分部於年內產生收益合共500,800,000港元(二零二一年:530,400,000港元),較二零二一年減少29,600,000港元或5.6%。該減少乃主要由於年內中國內地爆發疫情,為配合國家防疫措施,本集團旗下部分體育園、運動中心及滑冰場暫時停業而導致體育園設施及滑冰場之租賃收入及其他服務收入減少。此分部於年內錄得經營虧損17,800,000港元(二零二一年:經營溢利23,600,000港元),主要歸因於若干滑冰場的物業、廠房及設備以及使用權資產之減值虧損25,500,000港元。

財務狀況

本集團資產淨值由二零二一年十二月三十一日的7,754,400,000港元增加至二零二二年十二月三十一日的10,998,200,000港元。該增加主要由於i)收購Clark集團,而其於二零二二年十二月三十一日的資產淨值為3,238,400,000港元,惟部分被年內換算海外業務之匯兌差額534,100,000港元所抵銷。

本集團之非流動資產總值由二零二一年十二月三十一日之5,261,900,000港元增加至二零二二年十二月三十一日之8,796,600,000港元,增加3,534,700,000港元。該增加乃主要由於收購Clark集團,而其於二零二二年十二月三十一日的非流動資產總值為3,584,600,000港元,主要包括物業、廠房及設備、使用權資產及界定福利盈餘。

本集團錄得流動資產由年初之3,848,300,000港元增加4,827,000,000港元至年末之8,675,300,000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及存款)2,981,400,000港元(二零二一年:2,537,100,000港元)及存貨4,061,100,000港元(二零二一年:281,300,000港元)。存貨大幅增加乃主要由Clark集團貢獻。

於二零二二年十二月三十一日,本集團流動負債總額為4,428,200,000港元,較二零二一年十二月三十一日增加3,531,900,000港元或394.0%,主要歸因於收購Clark集團,其於二零二二年十二月三十一日貢獻3,604,100,000港元。於二零二二年十二月三十一日,非流動負債之主要部分為非流動租賃負債1,438,100,000港元(二零二一年:362,600,000港元)。

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Liquidity and Financial Resources

The Group recorded a net cash inflow in operations of HK\$74.9 million for the current year (2021: net cash outflow of HK\$37.7 million). The change in operating cash flow was mainly due to the improvement in operating profit due to the acquisition of Clark Group. A net cash inflows in investing activities of HK\$969.5 million for the current year (2021: HK\$3,594.1 million). The cash inflows from investing activities in 2022 was mainly due to the net cash acquired through the acquisition of subsidiaries while that in 2021 was mainly due to the proceeds from disposal of partial interest in an associate. A net cash outflows from financing activities of HK\$590.0 million for the current year (2021: HK\$2,888.4 million), representing a decrease of HK\$2,298.4 million compared to last year. The net cash outflow from financing activities in the year of 2022 was mainly attributable to i) net repayment of bank loan together with loan interest, totaling HK\$215.8 million and ii) payment of lease liabilities amounting to HK\$374.4 million. As a result, the cash and cash equivalent (included bank overdraft) of the Group as at 31 December 2022 increased by HK\$452.3 million from the beginning of the year.

The Group had banking facilities of approximately HK\$2,614.8 million (2021: HK\$205.9 million), of which approximately HK\$786.4 million has been utilised (2021: approximately HK\$12.8 million) as at 31 December 2022. The Group's gearing ratio was approximately 0 (2021: 0) as at 31 December 2022. 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 2022 was approximately 2.0 (2021: 4.3). 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74,900,000港元(二零二一年：現金流出淨額37,700,000港元)。經營現金流量變動乃主要由於經營溢利因收購Clark集團而有所改善。本年度錄得投資活動現金流入淨額969,500,000港元(二零二一年：3,594,100,000港元)。二零二二年之投資活動現金流入乃主要由於透過收購附屬公司獲得現金淨額，而二零二一年則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590,000,000港元(二零二一年：2,888,400,000港元)，較去年減少2,298,400,000港元。二零二二年融資活動產生之現金流出淨額主要由於i)償還銀行貸款淨額及貸款利息合共215,800,000港元及ii)租賃負債付款374,400,000港元。因此，本集團於二零二二年十二月三十一日之現金及現金等價物(包括銀行透支)較年初增加452,300,000港元。

本集團已獲得銀行融資約2,614,800,000港元(二零二一年：205,900,000港元)，其中約786,400,000港元於二零二二年十二月三十一日已獲動用(二零二一年：約12,800,000港元)。於二零二二年十二月三十一日，本集團之資產負債比率約為0(二零二一年：0)。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貸款總額減現金及銀行結餘(包括限制性銀行結餘)。於二零二二年十二月三十一日，本集團之流動比率(流動資產對流動負債之比率)約為2.0倍(二零二一年：4.3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 speculative activities. With the acquisition of Clark Group in July 2022, the Group operates primarily in the United States, United Kingdom, Mainland China and Hong Kong, most of the revenue and trading transactions are settled in either US\$, GBP, RMB and HK\$. Accordingly, the majority of the Group's net current assets were denominated in either US\$, GBP, RMB and HK\$. Deposits placed in various banks are mainly denominated in these currencies. 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 2021, no asset has been charged as security. As at 31 December 2022, property, plant and equipment of HK\$8.5 million, financial assets at fair value through other comprehensive income of HK\$8.0 million, inventories and trade receivables of HK\$863.9 million had been charged as security for bank borrowings of subsidiaries of the Group.

Contingent Liabilities

As at 31 December 2022, the Group has the following contingent liabilities:

- i) guarantee related to arrangements with landlords, HMRC and insurance cover of HK\$54.5 million (2021: nil); and
- ii) bank guarantees given in lieu of utility and property rental deposits of HK\$8.9 million (2021: 1.0 million).

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投機活動。由於在二零二二年七月收購Clark集團，本集團主要於美國、英國、中國內地及香港營運，故大部分收益及買賣交易乃以美元、英鎊、人民幣及港元結算。因此，本集團大部分之流動資產淨值乃以美元、英鎊、人民幣及港元計值。存置於各銀行之存款主要以該等貨幣計值。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

於二零二一年十二月三十一日，本集團並沒有資產作抵押之用。於二零二二年十二月三十一日，8,500,000港元的物業、廠房及設備、8,000,000港元的透過其他全面收益按公平值計量之財務資產與863,900,000港元的存貨及應收賬款已抵押作為本集團旗下附屬公司銀行貸款之擔保。

或然負債

於二零二二年十二月三十一日，本集團有以下或然負債：

- i) 54,500,000港元（二零二一年：無）與出租人、英國稅務海關總署及保險相關的擔保融資；及
- ii) 8,900,000港元（二零二一年：1,000,000港元）代替公用設施及物業租用按金所發出的銀行擔保。

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Commitments for Capital Expenditure

As at 31 December 2022, the Group had commitments totaling HK\$99.3 million in relation to capital contribution, acquisition of associates and joint ventures and for the purchase of property, plant and equipment which were contracted but not provided for (2021: HK\$121.8 million).

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 2022 amounted to HK\$1,458.6 million (2021: HK\$389.1 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 2022, the Group employed approximately 5,800 full-time employees (2021: 2,900) and their remuneration was calculated with reference to the market rates.

Material Transactions

The Group entered into the following material transactions:

- (a) 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.

資本開支承擔

於二零二二年十二月三十一日，本集團就注資、收購聯營公司及合營企業及購買物業、廠房及設備擁有合共99,300,000港元之已訂約但未撥備承擔（二零二一年：121,800,000港元）。

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。截至二零二二年十二月三十一日止年度，員工成本（包括董事酬金）為1,458,600,000港元（二零二一年：389,100,000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。於二零二二年十二月三十一日，本集團聘用約5,800名全職僱員（二零二一年：2,900名），彼等之薪酬乃參考市場利率釐定。

重大交易

本集團已訂立以下重大交易：

- (a) 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）收購或認購一間目標公司的股權。

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 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".

Following the shareholders' approval of the Agreement at the extraordinary general meeting of the Company on 15 June 2022, all conditions under the Agreement have been fulfilled and the acquisition was completed on 2 July 2022. The Purchase Shareholder's Loan with principal of GBP53,550,000 and its respective interest were setting off against the Subscription Price payable, and the Purchase Shareholder's Loan was deemed fully paid and satisfied in full and was terminated upon the completion of the acquisition. The SPV become an indirect non-wholly owned subsidiary of the Company and the results of the SPV and its subsidiaries were consolidated into the financial results of the Group since July 2022.

Further details of the above were set out in the Company's announcements dated 28 September 2020, 14 January 2021, 15 March 2021, 25 November 2021 and 4 July 2022, and the circular of the Company dated 26 May 2022.

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（「代價」）（「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，方式為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，方式為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付，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。

經本公司股東於二零二二年六月十五日的股東特別大會上批准協議後，協議項下的所有條件均已獲達成且收購已於二零二二年七月二日完成。本金額53,550,000英鎊的購買股東貸款及其各項利息與應付認購價相抵銷，故購買股東貸款被視為已於收購完成後悉數支付與結付並終止。自二零二二年七月起，SPV成為本公司的間接非全資附屬公司，SPV及其附屬公司之業績已併入本集團之財務業績。

上述進一步詳情載於本公司日期為二零二零年九月二十八日、二零二一年一月十四日、二零二一年三月十五日、二零二一年十一月二十五日及二零二二年七月四日之公告，以及本公司日期為二零二二年五月二十六日之通函。

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- (b) On 17 November 2022, Viva China Consumables and the General Partner entered into a sale and purchase agreement in relation to the acquisition of the remaining 49% interest in the SPV (the "Clark SPA"). Pursuant to the agreement, Viva China Consumables agreed to acquire 490 shares of the SPV at the consideration of GBP110,000,000.

Following the shareholders' approval of the agreement at the extraordinary general meeting of the Company on 18 January 2023, the acquisition was completed in late January 2023 and the SPV become a wholly owned subsidiary of the Company.

Further details of the above were set out in the Company's announcement dated 17 November 2022 and 30 January 2023 and the circular dated 30 December 2022.

- (c) On 3 November 2021, Ample Fame Investments Limited (the "Purchaser", a wholly-owned subsidiary of the Company), the Company (as the Purchaser guarantor), Sitoy International Limited (the "Vendor") and Sitoy Group Holdings Limited (the "Vendor Guarantor") entered into the share purchase agreement in relation to the acquisition of VC Premium (the "SPA").

The acquisition was completed in early January 2022, at the consideration of HK\$1 and the post-closing payment of EUR2,253,000. Pursuant to the SPA, the inter-company loans due to the Vendor Guarantor amounted to RMB40,643,000 as at 31 December 2021 would be repaid by the Group as part of the consideration. VC Premium became a wholly-owned subsidiary of the Group and the financial results were consolidated into the financial results of the Group since January 2022.

VC Premium and its subsidiaries own a century-old Italian luxury leader label brand, Amedeo Testoni (formerly known as "a. testoni") and its diffusion line i29 and are principally engaged in wholesale and retail of leatherware, fashion garments and apparel.

- (d) On 30 December 2021, Rapid City Limited ("Rapid City", a wholly owned subsidiary of Bossini International Holdings Limited), Shine Wealthy Limited ("Shine Wealthy", an independent purchaser) and Knight Frank Hong Kong Limited (the "Agent") entered into two provisional sale and purchase agreements (the "Provisional Agreements") for the sale and purchase of two properties held by Rapid City at the aggregate consideration of HK\$184,729,500. Pursuant to the terms of the Provisional Agreements, Rapid City and Shine Wealthy entered into the formal agreements on 13 January 2022. The transaction was completed on 15 March 2022 and 30 December 2022.

Details of the above were set out in the announcement of Bossini International Holdings Limited dated 30 December 2021.

- (b) 於二零二二年十一月十七日，非凡中國消費品及普通合夥人就收購SPV剩餘49%權益（「Clark購股協議」）簽訂買賣協議。根據該協議，非凡中國消費品同意以代價110,000,000英鎊收購SPV的490股股份。

該協議於二零二三年一月十八日的本公司股東特別大會上獲股東批准後，收購於二零二三年一月下旬完成，SPV成為本公司的全資附屬公司。

上述詳情載於本公司日期為二零二二年十一月十七日及二零二三年一月三十日的公告及日期為二零二二年十二月三十日的通函。

- (c) 於二零二一年十一月三日，滿譽投資有限公司（「買方」，本公司全資附屬公司）、本公司（作為買方擔保人）、時代國際有限公司（「賣方」）及時代集團控股有限公司（「賣方擔保人」）就收購非凡晉譽訂立購股協議（「購股協議」）。

該收購已於二零二二年一月初完成，代價為1港元及完成後付款2,253,000歐元。根據購股協議，於二零二一年十二月三十一日應付賣方擔保人的公司間貸款人民幣40,643,000元將由本集團償還，作為代價的一部分。非凡晉譽已成為本集團之全資附屬公司及其財務業績自二零二二年一月起於本集團財務業績綜合入賬。

非凡晉譽及其附屬公司擁有一個意大利百年頂尖奢華品牌Amedeo Testoni（前稱為「a. testoni」）及其衍生線i29，其主要從事皮具、時裝及服裝的批發及零售。

- (d) 於二零二一年十二月三十日，捷利城有限公司（「捷利城」，為堡獅龍國際集團有限公司之全資附屬公司）、亮康有限公司（「亮康」，一名獨立買方）及萊坊（香港）有限公司（「代理人」）就買賣由捷利城持有的兩處物業訂立兩份臨時買賣協議（「臨時協議」），總代價為184,729,500港元。根據臨時協議之條款，捷利城與亮康已於二零二二年一月十三日訂立正式協議。該交易已於二零二二年三月十五日及二零二二年十二月三十日完成。

上述事項的詳情載於堡獅龍國際集團有限公司日期為二零二一年十二月三十日的公告。

Proposed Transfer of Listing from GEM to the Main Board of Stock Exchange

On 30 June 2022, the Company submitted an application to the Stock Exchange in respect of the proposed transfer of listing of the Shares from GEM to the Main Board of the Stock Exchange, details of which have been set out in the announcement of the Company dated 30 June 2022 and 30 December 2022.

Subsequent Events

- (a) On 17 November 2022, Viva China Consumables and the General Partner entered into a sale and purchase agreement in relation to the acquisition of the remaining 49% interest in the SPV (the "Clark SPA"). Pursuant to the Clark SPA, Viva China Consumables agreed to acquire 490 shares of the SPV at the consideration of GBP110,000,000.

Following the shareholders' approval of the Clark SPA at the extraordinary general meeting of the Company on 18 January 2023, the acquisition was completed in late January 2023 and the SPV become a wholly owned subsidiary of the Company.

Further details of the above were set out in the Company's announcement dated 17 November 2022 and 30 January 2023 and the circular dated 30 December 2022.

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

On 24 February 2023, Bossini International Holdings Limited ("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 implement a rights issue on the basis of one (1) rights share for every two (2) existing shares held on the record date at the subscription price of HK\$0.370 per rights share, to raise up to (i) approximately HK\$465 million before expenses by way of issuing up to 1,257,784,545 rights shares (assuming no change in the number of shares in issue on or before the record date other than the full exercise of the vested share options); or (ii) approximately HK\$457 million before expenses by way of issuing up to 1,235,179,045 rights shares (assuming no change in the number of shares in issue on or before the record date).

Details of the above were set out in Bossini's announcement dated 24 February 2023.

建議由聯交所GEM轉往主板上市

於二零二二年六月三十日，本公司向聯交所提交有關建議將股份由聯交所GEM轉往主板上市的申請，有關詳情已載於本公司日期為二零二二年六月三十日及二零二二年十二月三十日之公告。

期後事項

- (a) 於二零二二年十一月十七日，非凡中國消費品及普通合夥人就收購SPV剩餘49%權益（「Clark購股協議」）簽訂買賣協議。根據Clark購股協議，非凡中國消費品同意以代價110,000,000英鎊收購SPV的490股股份。

Clark購股協議於二零二三年一月十八日的本公司股東特別大會上獲股東批准後，收購於二零二三年一月下旬完成，SPV成為本公司的全資附屬公司。

上述詳情載於本公司日期為二零二二年十一月十七日及二零二三年一月三十日的公告及日期為二零二二年十二月三十日的通函。

- (b) 非全資附屬公司建議進行供股

於二零二三年二月二十四日日，本公司之非全資附屬公司堡獅龍國際集團有限公司（「堡獅龍」，其股份於聯交所主板上市，股份代號：592）建議以認購價每股供股股份0.370港元按於記錄日期每持有兩(2)股現有股份獲發一(1)股供股股份之基準進行供股，以(i)透過發行最多1,257,784,545股供股股份（假設除全面行使已歸屬購股權外，於記錄日期或之前已發行股份數目並無變動）籌集約4.65億港元（扣除開支前）；或(ii)透過發行最多1,235,179,045股供股股份（假設於記錄日期或之前已發行股份數目並無變動）籌集約4.57億港元（扣除開支前）。

有關上述者之詳情載於堡獅龍日期為二零二三年二月二十四日之公告。

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 60, has been the chairman (the "Chairman") and an executive Director since June 2010. Mr. Li is also the chairman of the nomination committee, the chairman of the executive committee and the chief executive officer (the "Chief Executive Officer") of the Company. He is responsible for overseeing the overall management, business strategic development and general operations of the Group, convening and hosting Board meetings, and hosting general meetings of the Company. He is also 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 substantial shareholder of the Company (as defined in the SFO) 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 as 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 Li Ning Co and its subsidiaries, 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 master of business administration 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，六十歲，自二零一零年六月起出任本公司主席（「主席」）。李先生亦分別為本公司執行董事兼執行委員會成員、提名委員會主席及本公司行政總裁（「行政總裁」）。彼負責監督本集團的整體管理、業務策略發展及一般營運，召集及主持董事會會議，以及主持本公司股東大會。彼亦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，並自二零一九年九月二日獲調任為其聯席行政總裁。李先生為本公司主要股東（定義見證券及期貨條例）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空前奪得六面金牌，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，成為當屆奧運會中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。彼現為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公司及其附屬公司業務，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。

Directors' and Senior Management's Biographies 董事及高級管理人員之簡歷

Mr. Li has also been actively involved in charities via his "Li Ning Foundation" (李寧基金) and supporting 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.

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

MR. LI CHUNYANG

EXECUTIVE DIRECTOR

Mr. Li Chunyang, aged 54, was appointed as an executive Director on 2 June 2010 and is a member of the executive committee of the Company. He is responsible for overseeing the overall management, business strategic development and general operations of the Group. Mr. Li 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 finance. In 1989 and 1991, he won the World Gymnastics Championships.

MR. LI QILIN

EXECUTIVE DIRECTOR

Mr. Li Qilin, aged 36, was appointed as a non-executive Director on 6 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. He is responsible for overseeing the overall management, business strategic development and general operations of the Group. Mr. Li joined the Group in June 2013 and is a director of various subsidiaries of the Company. Mr. Li had been a director of Lead Ahead Limited, a substantial shareholder of the Company.

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 substantial shareholder of the Company (as defined in the SFO) and the nephew of Mr. Li Ning, the Chairman and the Chief Executive Officer and an executive Director.

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

李先生亦透過「李寧基金」積極參與慈善活動，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。

* *此公司之股份於聯交所上市*

李春陽先生

執行董事

李春陽先生，五十四歲，於二零一零年六月二日獲委任為執行董事，亦為本公司執行委員會成員。彼負責監督本集團的整體管理、業務策略發展及一般營運。李先生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，獲得金融學學士學位。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，三十六歲，於二零一三年六月六日獲委任為非執行董事。李先生自二零一五年十一月十三日起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。彼負責監督本集團的整體管理、業務策略發展及一般營運。李先生於二零一三年六月加入本集團，並為本公司多家附屬公司之董事。李先生曾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。李先生乃本公司主要股東(定義見證券及期貨條例)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。

* *此公司之股份於聯交所上市*

Directors' and Senior Management's Biographies 董事及高級管理人員之簡歷

MR. VICTOR HERRERO

NON-EXECUTIVE DIRECTOR

Mr. Victor Herrero, aged 54, has been appointed as a non-executive Director of the Company with effect from 14 January 2021. He is responsible for participating in strategic planning and advising on significant decision-making of the Group. 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*.

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. (NYSE: GES), a company listed on the 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 supervisory board member of Global Fashion Group S.A. (FWB: GFG) (an e-commerce fashion site operator and owner of Zalora and The Iconic, the shares of which are listed on the Frankfurt Stock Exchange) and a board member of G-III Apparel Group, Ltd (Nasdaq: GIII) (a US manufacturer and distributor operating through a portfolio of brands, the shares of which are listed on the Nasdaq Stock Market in the US).

Mr. Herrero graduated with a master of business administration from Kellogg School of Management at Northwestern University and School of Business and Management at the Hong Kong University of Science and Technology 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.

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

VICTOR HERRERO先生

非執行董事

Victor Herrero先生，五十四歲，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。彼負責參與本集團的策略規劃及就重大決策提供意見。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*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. (紐約證券交易所股份代號：GES，一家於紐約證券交易所上市的公司，主要於世界各地從事當代服裝、牛仔布、手袋、腕錶及鞋履和其他相關消費品的生活系列之設計、營銷、分銷及許可) 之首席執行官及董事。於加入Guess Inc.之前，Herrero先生曾擔任Industria de Diseño Textil, S.A. (Inditex集團) (一家國際時裝零售商，旗下品牌包括Zara、Massimo Dutti、Pull & Bear、Bershka及Stradivarius)亞太區總監及大中華區董事總經理。Herrero先生是Global Fashion Group S.A. (法蘭克福證券交易所股份代號：GFG，一家電子商務時尚網站運營商及Zalora及The Iconic的擁有人，其股票於法蘭克福證券交易所上市) 之監督委員會成員，以及G-III Apparel Group, Ltd (納斯達克股份代號：GIII，一家通過品牌組合經營之美國製造商及分銷商，其其股票於美國納斯達克股票市場上市) 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及香港科技大學工商管理學院，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」。

* 此公司之股份於聯交所上市

MR. MA WING MAN

NON-EXECUTIVE DIRECTOR

Mr. Ma Wing Man, aged 57, has been a non-executive Director and a member of the audit committee of the Company since 2 June 2010. He is responsible for participating in strategic planning and advising on significant decision-making of the Group. 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.

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, the 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 the 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.

馬詠文先生

非執行董事

馬詠文先生，五十七歲，自二零一零年六月二日起為本公司非執行董事及審核委員會成員。彼負責參與本集團的戰略規劃並就重大決策提供意見。馬先生於財務及行政管理方面具備逾三十年經驗。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。

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。

Directors' and Senior Management's Biographies 董事及高級管理人員之簡歷

MS. LYU HONG

NON-EXECUTIVE DIRECTOR

Ms. Lyu Hong, also known as Lu Hong, aged 51, has been a non-executive Director since 18 November 2022 and is also a member of the remuneration committee of the Company. She is responsible for participating in strategic planning and advising on significant decision-making of the Group.

Ms. Lyu has over 20 years of experience in global human resources management. She joined Pfizer Pharmaceuticals Limited (輝瑞製藥有限公司), a group member of Pfizer Inc. (NYSE: PFE), a company listed on the New York Stock Exchange which is a global biopharmaceutical corporation (together with its subsidiaries, the "Pfizer Group") in September 1993 and started her career in the industry as a human resources learning and development manager in the PRC in August 1997. Since then, she progressed through increasingly senior human resources leadership positions within Pfizer Group. From June 2011 to August 2016, she was employed by Pfizer Business Service (Dalian) Co. Ltd. (輝瑞商務服務(大連)有限公司) and served as the vice president of human resources for the Asia Pacific region, leading a human resources team consisting of 260 team members which provided human resources and strategic management services to all business units, senior management and more than 30,000 employees across 15 Asia Pacific countries or regions. In 2016, Ms. Lyu was appointed as the vice president of the global human resources operations based in the New York headquarters of Pfizer Group and was subsequently redesignated as a senior vice president of human resources and relocated to Shanghai after the establishment of Pfizer's Upjohn division in December 2018. Upon the merger of Pfizer's Upjohn business (its primarily off-patent branded and generic established medicines business) with Mylan N.V. (a global pharmaceutical company) forming Viatris Inc. (NASDAQ: VTRS) in November 2020, Ms. Lyu has been redesignated to be employed by Upjohn US Employment Inc. (a group member of Viatris Inc.) and currently as the head of human resources for Greater China region and Japan, Australia and New Zealand region.

Ms. Lyu had been a director of C&J Clark (No 1) Limited ("Clark") from February 2021 to December 2021 before Clark became a subsidiary of the Group. Ms. Lyu also previously acted as a non-executive director of Pfizer Limited (BSE: 500680), a company listed on the Bombay Stock Exchange, from December 2015 to November 2016.

Ms. Lyu obtained an executive master of business administration degree from Peking University in July 2006, and also obtained a bachelor degree in economy, major in international economy and trade, (through long distance learning) from Dongbei University of Finance and Economics (東北財經大學) in January 2007.

呂紅女士

非執行董事

呂紅女士，五十一歲，自二零二二年十一月十八日起出任非執行董事，亦為本公司薪酬委員會成員。彼負責參與本集團的戰略規劃並就重大決策提供意見。

呂女士於全球人力資源管理方面擁有超過20年經驗。彼於一九九三年九月加入輝瑞(紐約證券交易所股份代號:PFE)的集團成員公司輝瑞製藥有限公司(一家於紐約證券交易所上市的全生物製藥公司)(連同其附屬公司「輝瑞集團」)，並於一九九三年九月開始其於該行業的職業生涯，並於一九九七年八月於中國擔任人力資源學習及發展經理。此後，彼於輝瑞集團擔任越來越高級的人力資源領導職位。於二零一一年六月至二零一六年八月，彼任職於輝瑞商務服務(大連)有限公司的亞太區人力資源副總裁，領導由260名團隊成員組成的人力資源部團隊，為亞太區15個國家或地區的所有業務部門、高級管理層及30,000多名員工提供人力資源及戰略管理服務。於二零一六年，呂女士獲委任為輝瑞集團紐約總部的全球人力資源運營副總裁，隨後於二零一八年十二月輝瑞Upjohn分部成立後獲調任為人力資源高級副總裁並遷往上海。輝瑞Upjohn業務(其主要為非專利品牌及仿製藥業務)與全球製藥公司Mylan N.V.於二零二零年十一月合併為Viatris Inc.(納斯達克股份代號:VTRS)後，呂女士經調任並受僱於Viatris Inc.的集團成員公司Upjohn US Employment Inc.，目前擔任大中華區及日本、澳大利亞及新西蘭地區的人力資源主管。

於C&J Clark (No 1) Limited (「Clark」) 成為本集團附屬公司前，呂女士於二零二一年二月至二零二一年十二月擔任Clark的董事。呂女士此前亦於二零一五年十二月至二零一六年十一月擔任於孟買證券交易所上市的輝瑞有限公司(孟買證券交易所股份代號:500680)的非執行董事。

呂女士於二零零六年七月獲得北京大學高級管理人員工商管理碩士學位，並於二零零七年一月獲得東北財經大學國際經濟貿易專業經濟學士學位(透過遠程學習)。

Directors' and Senior Management's Biographies 董事及高級管理人員之簡歷

MR. LI QING

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Li Qing, aged 56, was appointed as an independent non-executive Director and a member of both the audit committee and the remuneration committee of the Company on 20 December 2019. He is responsible for supervising and providing independent judgement on the Group's strategies, performance, resources and standard of conduct. Mr. Li has accumulated over 20 years of experience in investment and asset management, merge and acquisition and business operation in Hong Kong and the PRC. Mr. Li graduated with an executive master of business administration 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 Crystal Clear Electronic Material Co., Ltd. (formerly known as Suzhou Crystal Clear Chemical Co., Ltd.) (SZSE: 300655), a company listed on the Shenzhen Stock Exchange, in July 2016 and is currently its chairman and chief strategy officer. 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 president of HuaAn Funds Management Limited from May 2010 to September 2014 and a director of China Investment Information Services Limited, from July 2001 to July 2010.

李勍先生

獨立非執行董事

李勍先生，五十六歲，於二零一九年十二月二十日擔任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。彼負責監督並就本集團的策略、表現、資源及行為標準提供獨立判斷。李先生於香港及中國在投資及資產管理、收購合併及企業營運等方面累計擁有超過二十年的經驗。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晶瑞電子材料股份有限公司(前稱蘇州晶瑞化學股份有限公司)(深交所股份代號：300655，為一間於深圳證券交易所上市的公司)的執行董事，並擔任其董事長及首席戰略官，該公司股份於深圳證券交易所上市。彼現任基明資產管理(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的總裁及於二零零一年七月至二零一零年七月獲委任為中國投資信息有限公司的董事。

Directors' and Senior Management's Biographies 董事及高級管理人員之簡歷

MR. PAK WAI KEUNG, MARTIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Pak Wai Keung, Martin, aged 59, was appointed as an independent non-executive Director, the chairman of the audit committee and a member of the nomination committee of the Company on 13 February 2019. He is responsible for supervising and providing independent judgement on the Group's strategies, performance, resources and standard of conduct. He has accumulated over 25 years of experience in finance, accounting and corporate governance affairs. Mr. Pak graduated with a bachelor of commerce degree from the Murdoch University, Australia in 1991 and a master of corporate governance degree from The Hong Kong Polytechnic University in 2009. Mr. Pak is a fellow of the Hong Kong Institute of Certified Public Accountants, an associate of The Chartered Governance Institute (formerly The Institute of Chartered Secretaries and Administrators) in the United Kingdom and The Hong Kong Chartered Governance Institute (formerly 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) and Dragon Mining Limited* (Stock Code: 1712) with effect from 19 September 2017 and 5 November 2018 respectively. Mr. Pak had been an independent non-executive director of China Huiyuan Juice Group Limited (previous stock code: 1886) since 12 June 2019. The trading in securities of such company had been suspended since 3 April 2018 and such company was subsequently delisted from the Main Board of the Stock Exchange on 18 January 2021. Mr. Pak had also served as an independent non-executive director of Convoy Global Holdings Limited (previous stock code: 1019) since 8 December 2017. The trading in securities of such company had been suspended since 7 December 2017 and such company was subsequently delisted from the Main Board of the Stock Exchange on 4 May 2021.

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

白偉強先生

獨立非執行董事

白偉強先生，五十九歲，於二零一九年二月十三日獲委任為本公司獨立非執行董事、審核委員會主席及提名委員會成員。彼負責監督並就本集團的策略、表現、資源及行為標準提供獨立判斷。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、英國特許公司治理公會 (前稱特許秘書及行政人員公會) 會員及香港公司治理公會 (前稱香港特許秘書公會) 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) 及龍資源有限公司* (股份代號：1712) 的獨立非執行董事。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 (先前股份代號：1886) 之獨立非執行董事。該公司證券已於二零一八年四月三日起暫停買賣，且該公司其後已於二零二一年一月十八日於聯交所主板除牌。自二零一七年十二月八日起，白先生亦擔任康宏環球控股有限公司 (先前股份代號：1019) 之獨立非執行董事。該公司證券已於二零一七年十二月七日起暫停買賣，且該公司其後已於二零二一年五月四日於聯交所主板除牌。

* 此公司之股份於聯交所上市

Directors' and Senior Management's Biographies 董事及高級管理人員之簡歷

MR. WANG YAN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wang Yan, aged 50, was appointed as 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 on 1 July 2017. He is responsible for supervising and providing independent judgement on the Group's strategies, performance, resources and standard of conduct. From May 2003 to March 2021, he was a director of Sina Corporation ("SINA") (previous Nasdaq: SINA), which was previously listed on the Nasdaq Stock Market in the US and delisted on 23 March 2021 after privatisation. During the period from 1996 to March 2021, as the co-founder of SINA, Mr. Wang successively held the posts of chief executive officer and chairman. In May 2021, Mr. Wang has been appointed as an independent director of Weibo Corporation which is listed on the Nasdaq Stock Market in the US (Nasdaq: WB) and the Main Board of the Stock Exchange (stock code: 9898).

Mr. Wang obtained a bachelor degree in public law in July 1997 and a master degree in international relations in September 2020 from the Université Paris-Panthéon-Assas 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.

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 2022 are set out below:

| Name 姓名 | Details of Changes 變動詳情 |
|-----------------------|---|
| Ms. Lyu Hong 呂紅女士 | appointed as a non-executive Director with effect from 18 November 2022. Details of her appointment were disclosed in the Company's announcement dated 18 November 2022. 獲委任為非執行董事，自二零二二年十一月十八日起生效。彼之委任詳情於本公司日期為二零二二年十一月十八日之公告內披露。 |
| Mr. Li Qilin 李麒麟先生 | with effective from 1 March 2023, the emolument package was revised to an annual director's fee of HK\$200,000, an annual salary of approximately HK\$3,350,000 and an annual housing benefit of not exceeding HK\$768,000. 自二零二三年三月一日起，薪酬待遇修訂為每年董事袍金200,000港元、年薪約3,350,000港元及每年不超過768,000港元的住房福利。 |

汪延先生

獨立非執行董事

汪延先生，五十歲，於二零一七年七月一日獲委任為本公司獨立非執行董事、薪酬委員會主席、審核委員會及提名委員會成員。彼負責監督並就本集團的策略、表現、資源及行為標準提供獨立判斷。彼於二零零三年五月至二零二一年三月出任新浪公司（「新浪」）（先前納斯達克股票代號：SINA）之董事，該公司曾於美國納斯達克股票市場上市，於私有化後在二零二一年三月二十三日取消上市。自一九九六年至二零二一年三月期間，汪先生作為新浪共同創始人先後擔任首席執行官及董事長。於二零二一年五月，汪先生獲委任為微博公司（其於美國納斯達克股票市場（納斯達克股票代號：WB）及聯交所主板（股票代號：9898）上市）之獨立董事。

汪先生於一九九七年七月獲法國Université Paris-Panthéon-Assas頒發公法學士學位，於二零二零年九月獲頒發國際關係碩士學位。

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。

有關董事資料變動之披露

根據GEM上市規則第17.50A(1)條，於本公司截至二零二二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：

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 2022.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Group is a multi-brand operator principally engaged in design and development, branding and sales of sports and lifestyle apparel and footwear, and provision of sports experience under a multi-brand strategy. The Group offers sports experience through (i) management and operation of sports parks, sports centres and ice-skating rinks under its sports destination development business, and (ii) management and operation of e-sports clubs, coordination of sports events, and sports-related marketing services under its sports team and event management business.

The principal activities and other particulars of the principal subsidiaries of the Company as at 31 December 2022 are set out in Note 41 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 2022 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 2022 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 81 to 208.

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;

董事謹此提呈截至二零二二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

本集團是一家多品牌運營商，主要從事運動及生活服飾和鞋類的設計及開發、品牌推廣及銷售，以及通過多品牌戰略提供的運動體驗。本集團透過(i)體育目的地發展業務，管理及運營體育園、運動中心及滑冰場，及(ii)本集團的運動隊伍及賽事管理業務，管理及運營電競俱樂部、協調體育賽事以及體育相關營銷服務來提供運動體驗。

本公司主要附屬公司於二零二二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41。

香港公司條例附表5要求對截至二零二二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。此討論構成本董事會報告的一部分。

業績及股息

本集團截至二零二二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81至208頁內。

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) possible effects on liquidity and financial position of the Company; and
- (g) other factors the Board may deem relevant.

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 210 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 12A to the financial statements.

DONATIONS

During the year, the Group made charitable and other donations amounted to approximately HK\$1,085,000.

SHARE CAPITAL

During the year, the Company issued 59,171,001 Shares in aggregate upon exercise of share options pursuant to the Share Option Scheme of the Company (as set out in the section of "Share Option Schemes" in this report) adopted by the Company on 18 January 2021 and the consideration received thereon amounted to approximately HK\$39,645,000.

Details of the share capital and the perpetual convertible bonds during the year are set out in Notes 31 and 33 to the financial statements.

EQUITY-LINKED AGREEMENTS

For the year ended 31 December 2022, save for the Earn-out Convertible Bonds, the Share Option Scheme of the Company (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 2022, the Company's reserves available for distribution to Shareholders comprising share premium account less accumulated losses, amounted to approximately HK\$232,448,000 (2021: HK\$353,054,000).

Details of movements in the reserves of the Company and the Group during the year are set out in Note 42 to the financial statements and in the consolidated statement of changes in equity on page 85 respectively.

- (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。

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210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12A。

捐款

本集團於年內所作慈善及其他捐款為約1,085,000港元。

股本

年內，本公司於根據本公司於二零二一年一月十八日採納之本公司購股權計劃（載於本報告「購股權計劃」一節內）行使購股權後發行合共59,171,000股股份，就此已收代價為39,645,000港元。

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31及33。

股票掛鈎協議

截至二零二二年十二月三十一日止年度，除盈利能力可換股債券、本公司購股權計劃（載於本報告「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

於二零二二年十二月三十一日，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232,448,000港元（二零二一年：353,054,000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42及第85頁之綜合權益變動表內。

Report of the Directors 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers (including LN Group) accounted for approximately 16.2% of the total sales for the year and sales to the largest customer included therein accounted for approximately 6.9% of the total sales.

Purchases from the Group's five largest suppliers accounted for approximately 17.5% of the total purchases for the year and purchases from the largest supplier included therein accounted for approximately 5.1% of the total purchases.

As at 31 December 2022, 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 3,991,813 LN Shares and 1,447,800 unvested restricted LN Shares under the restricted share award scheme of Li Ning Co, which in aggregate amounted to 5,439,613 LN Shares and underlying LN Shares (representing approximately 0.21% shareholding interest in the share capital of Li Ning Co as at 31 December 2022). 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 2022, Mr. Li Qilin, an executive Director, was also deemed under Part XV of the SFO to have personal interest in 1,076,000 LN Shares and 193,100 unvested restricted LN Shares under the restricted share award scheme of Li Ning Co, which in aggregate amounted to 1,269,100 LN Shares and underlying LN Shares (representing approximately 0.05% shareholding interest in the share capital of Li Ning Co as at 31 December 2022). 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.

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16.2%，而對最大客戶作出之銷售額則約佔銷售總額6.9%。

本集團向五大供應商作出之採購額佔本年度採購總額約17.5%，當中對最大供應商作出之採購額則約佔採購總額5.1%。

於二零二二年十二月三十一日，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3,991,813股李寧股份及根據李寧公司限制性股份獎勵計劃之1,447,800股未歸屬限制性李寧股份，即合共5,439,613股李寧股份及相關李寧股份（於二零二二年十二月三十一日約佔李寧公司股本中之股權0.21%）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。於二零二二年十二月三十一日，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1,076,000股李寧股份及根據李寧公司限制性股份獎勵計劃之193,100股未歸屬限制性李寧股份，即合共1,269,100股李寧股份及相關李寧股份（於二零二二年十二月三十一日佔李寧公司股本中之股權約0.05%）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。

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

Non-executive Directors

Mr. Victor Herrero
Mr. Ma Wing Man
Ms. Lyu Hong
(appointed on 18 November 2022)

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. Ma Wing Man, Mr. Li Qing and Mr. Wang Yan 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. Ms. Lyu Hong will retire and, being eligible, offer herself 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 24 to 31 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.

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

非執行董事

Victor Herrero先生
馬詠文先生
呂紅女士
(於二零二二年十一月十八日獲委任)

獨立非執行董事

李勍先生
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，馬詠文先生、李勍先生及汪延先生將輪值告退，彼等均合資格並願意膺選連任董事。根據本公司組織章程細則第112條，呂紅女士將會退任，及符合資格並願意膺選連任。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24至31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。

Report of the Directors 董事會報告

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.

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 Scheme of the Company

The Company passed an ordinary resolution to adopt a share option scheme on 18 January 2021 (the "Scheme") which remains in force for a period of 10 years commencing from 18 January 2021.

The purpose of the Scheme is 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 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 and 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.

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。

董事於交易、安排或合約之重大權益

除本報告所披露者外，於年末或年內任何期間，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

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購股權計劃（「計劃」），該計劃之有效期將自二零二一年一月十八日起計為期十年。

計劃旨在獎勵及／或表彰為本集團作出貢獻之參與者及／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。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。

The offer of a grant of share options under the 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. The options granted under the Scheme will be vested according to the terms and conditions determined by the Board on a case by case basis.

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.

The maximum number of shares issuable under share options to each eligible participant in the 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 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 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. The total number of Shares which may be issued upon exercise of all options to be granted under the 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 its adoption (the "Scheme Mandate Limit"). The Company may, from time to time, refresh the 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 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 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. The number of options available for grant under the Scheme was 661,033,272 as at 1 January 2022 and 653,350,605 as at 31 December 2022 respectively. As at the date of this report, the share options available for grant under the Scheme is 654,373,938, representing approximately 6.76% of the existing number of issued Shares.

根據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。根據計劃授予的購股權將根據董事會按個別案例基準釐定的條款及條件歸屬。

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。

於任何12個月期間內根據購股權可發行予計劃項下各合資格參與人士之股份數目，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。

因行使根據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%。因行使根據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，合共不得超過其採納當日所有已發行股份面值之10%（「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計劃授權上限。計劃授權上限一經更新，因行使根據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。於二零二二年一月一日及二零二二年十二月三十一日，計劃項下可予授出的購股權數量分別為661,033,272股及653,350,605股。於本報告日期，於計劃項下可予授出之購股權為654,373,938份，相當於現有已發行股份數目之約6.76%。

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

Detail of movement of the share options under the Scheme during the year ended 31 December 2022 are as follows:

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。

於截至二零二二年十二月三十一日止年度，計劃項下之購股權之變動詳情如下：

| Grantees | Date of grant | Balance as at 1.1.2022 | Granted during the year | Exercised during the year | Lapsed during the year | Balance as at 31.12.2022 | Exercise price | Exercise period |
|--|---------------|------------------------|-------------------------|---------------------------|------------------------|--------------------------|----------------|---|
| 承授人 | 授出日期 | 於二零二二年一月一日結餘 | 於年內授出 | 於年內行使 | 於年內失效 | 於二零二二年十二月三十一日結餘 | 行使價 (HK\$) | 行使期間 (港元) |
| Directors | | | | | | | | |
| 董事 | | | | | | | | |
| Mr. LI Ning 李寧先生 | 18.01.2021 | 2,333,333 | - | - | - | 2,333,333 | 0.67 | 18.01.2022-17.01.2027 18.01.2023-17.01.2028 18.01.2024-17.01.2029 |
| | | 2,333,333 | - | - | - | 2,333,333 | | |
| | | 2,333,334 | - | - | - | 2,333,334 | | |
| | | 7,000,000 | - | - | - | 7,000,000 | | |
| Mr. LI Chunyang 李春陽先生 | 18.01.2021 | 13,333,333 | - | (4,000,000) | - | 9,333,333 | 0.67 | 18.01.2022-17.01.2027 18.01.2023-17.01.2028 18.01.2024-17.01.2029 |
| | | 13,333,333 | - | - | - | 13,333,333 | | |
| | | 13,333,334 | - | - | - | 13,333,334 | | |
| | | 40,000,000 | - | (4,000,000) | - | 36,000,000 | | |
| Mr. LI Qilin 李麒麟先生 | 18.01.2021 | 6,666,667 | - | - | - | 6,666,667 | 0.67 | 18.01.2022-17.01.2027 18.01.2023-17.01.2028 18.01.2024-17.01.2029 |
| | | 6,666,667 | - | - | - | 6,666,667 | | |
| | | 6,666,666 | - | - | - | 6,666,666 | | |
| | | 20,000,000 | - | - | - | 20,000,000 | | |
| Mr. Victor HERRERO Victor HERRERO先生 | 18.01.2021 | 20,000,000 | - | (20,000,000) | - | - | 0.67 | 18.01.2022-17.01.2027 18.01.2023-17.01.2028 18.01.2024-17.01.2029 |
| | | 20,000,000 | - | - | - | 20,000,000 | | |
| | | 20,000,000 | - | - | - | 20,000,000 | | |
| | | 60,000,000 | - | (20,000,000) | - | 40,000,000 | | |
| Mr. MA Wing Man 馬詠文先生 | 18.01.2021 | 2,000,000 | - | - | - | 2,000,000 | 0.67 | 18.01.2022-17.01.2027 18.01.2023-17.01.2028 18.01.2024-17.01.2029 |
| | | 2,000,000 | - | - | - | 2,000,000 | | |
| | | 2,000,000 | - | - | - | 2,000,000 | | |
| | | 6,000,000 | - | - | - | 6,000,000 | | |
| Mr. PAK Wai Keung Martin 白偉強先生 | 18.01.2021 | 600,000 | - | - | - | 600,000 | 0.67 | 18.01.2022-17.01.2027 18.01.2023-17.01.2028 18.01.2024-17.01.2029 |
| | | 600,000 | - | - | - | 600,000 | | |
| | | 600,000 | - | - | - | 600,000 | | |
| | | 1,800,000 | - | - | - | 1,800,000 | | |
| Mr. WANG Yan 汪延先生 | 18.01.2021 | 600,000 | - | - | - | 600,000 | 0.67 | 18.01.2022-17.01.2027 18.01.2023-17.01.2028 18.01.2024-17.01.2029 |
| | | 600,000 | - | - | - | 600,000 | | |
| | | 600,000 | - | - | - | 600,000 | | |
| | | 1,800,000 | - | - | - | 1,800,000 | | |

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| Grantees | Date of grant | Balance as at 1.1.2022 | Granted during the year | Exercised during the year | Lapsed during the year | Balance as at 31.12.2022 | Exercise price | Exercise period |
|--|---------------------------|------------------------|---------------------------|-----------------------------|------------------------|--------------------------|-----------------|-----------------------|
| 承授人 | 授出日期 | 於二零二二年一月一日結餘 | 於年內授出 | 於年內行使 | 於年內失效 | 於二零二二年十二月三十一日結餘 | 行使價 (HK\$) (港元) | 行使期間 |
| Mr. Li Qing 李勳先生 | 18.01.2021 | 600,000 | - | - | - | 600,000 | 0.67 | 18.01.2022-17.01.2027 |
| | | 600,000 | - | - | - | 600,000 | | 18.01.2023-17.01.2028 |
| | | 600,000 | - | - | - | 600,000 | | 18.01.2024-17.01.2029 |
| | | 1,800,000 | - | - | - | 1,800,000 | | |
| | | 138,400,000 | - | (24,000,000) | - | 114,400,000 | | |
| Other employees 其他僱員 | | | | | | | | |
| In aggregate 合計 | 18.01.2021 | 890,000 | - | (328,000) | - | 562,000 | 0.67 | 18.01.2021-17.01.2023 |
| | | 47,133,335 | - | (34,843,001) | (421,333) | 11,869,001 | | 18.01.2022-17.01.2027 |
| | | 47,133,335 | - | - | (1,600,000) | 45,533,335 | | 18.01.2023-17.01.2028 |
| | | 47,133,330 | - | - | (1,600,000) | 45,533,330 | | 18.01.2024-17.01.2029 |
| | | 142,290,000 | - | (35,171,001) | (3,621,333) | 103,497,666 | | |
| | 08.07.2022 ⁽⁴⁾ | - | 1,000,000 | - | (1,000,000) | - | 1.30 | 08.07.2022-07.08.2022 |
| | | - | 4,768,000 | - | - | 4,768,000 | | 08.07.2023-07.07.2028 |
| | | - | 4,768,000 | - | - | 4,768,000 | | 08.07.2024-07.07.2029 |
| | | - | 4,768,000 | - | - | 4,768,000 | | 08.07.2025-07.07.2030 |
| | | - | 15,304,000 | - | (1,000,000) | 14,304,000 | | |
| Other grantee⁽³⁾ 其他承授人 ⁽³⁾ | | | | | | | | |
| In aggregate 合計 | 18.01.2021 | 1,000,000 | - | - | 1,000,000 | - | 0.67 | 18.01.2022-17.01.2027 |
| | | 1,000,000 | - | - | 1,000,000 | - | | 18.01.2023-17.01.2028 |
| | | 1,000,000 | - | - | 1,000,000 | - | | 18.01.2024-17.01.2029 |
| | | 3,000,000 | - | - | (3,000,000) | - | | |
| | | 283,690,000 | 15,304,000 ⁽⁵⁾ | (59,171,001) ⁽²⁾ | (7,621,333) | 232,201,666 | | |

Notes:

- (1) No share options under the Scheme were cancelled during the year ended 31 December 2022.
- (2) The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$1.03.
- (3) The share options were granted to the grantee as an employee and the grantee's capacity had changed to consultant since 1 May 2021. The consultant contract of this grantee ended on 1 February 2022 and all the share options were lapsed during the year ended 31 December 2022. This grantee has not exercised any of these share options.

附註：

- (1) 截至二零二二年十二月三十一日止年度，概無計劃項下的購股權被註銷。
- (2) 股份於緊接購股權獲行使當日前的加權平均收市價為1.03港元。
- (3) 購股權已授予作為僱員的承授人及自二零二二年五月一日起該承授人的身份已變更為顧問。該承授人的顧問合約已於二零二二年二月一日終止，及截至二零二二年十二月三十一日止年度所有購股權已失效。該承授人並無行使任何該等購股權。

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- (4) On 8 July 2022, the Company granted share options entitling subscription of a total of 15,304,000 Shares pursuant to the Scheme and the closing price of the shares immediately before the date on which the aforesaid share options were granted was HK\$1.310. The fair value of share options granted during the year ended 31 December 2022 were approximately HK\$5,540,000 in aggregate. The accounting standard and the policy employed could be referred to Note 32 to the financial statements.
- (5) The options granted during 2022 divided by the weighted average number of shares in issue during 2022 is approximately 0.002.

(II) Share Option Scheme of a Subsidiary

As at the date of the report, Bossini International Holdings Limited ("Bossini", which together with its subsidiaries, the "Bossini Group"). Bossini is not a principal subsidiary of the Company (as defined under the GEM Listing Rules). Nevertheless, the summary of Bossini's Share Option Scheme ("Bossini Share Option Scheme") and movement of share options under the Bossini share option scheme will be disclosed as follows.

The purpose of the Bossini Share Option Scheme is to provide 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.

The exercise price of the share options is determinable by the directors of Bossini, 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.

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. 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.

- (4) 於二零二二年七月八日，本公司根據計劃授出可認購合共15,304,000股股份的購股權，且股份於緊接授出上述購股權日期之前的成交價為1.310港元。截至二零二二年十二月三十一日止年度授出的購股權公平值合共約為5,540,000港元。所應用的會計準則及政策可參閱財務報表附註32。
- (5) 於二零二二年授出的購股權除以二零二二年的加權平均已發行股份數目約為0.002。

(II) 附屬公司之購股權計劃

於本報告日期，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」）。堡獅龍並非本公司之主要附屬公司（定義見GEM上市規則）。然而，堡獅龍購股權計劃（「堡獅龍購股權計劃」）概要及堡獅龍購股權計劃項下之購股權變動將披露如下。

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人士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。

購股權之行使價由堡獅龍董事釐定，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。

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 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. The number of options available for grant under the Bossini Share Option Scheme was 50,685,280 as at 1 January 2022 and 58,775,802 as at 31 December 2022 respectively. As at the date of this report, the total number of Bossini Shares available for issue under the Bossini Share Option Scheme is 63,472,522, representing approximately 2.57% 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%。於二零二二年一月一日及二零二二年十二月三十一日,堡獅龍購股權計劃項下可予授出的購股權數量分別為50,685,280股及58,775,802股。於本報告日期,根據堡獅龍購股權計劃可予發行之堡獅龍股份合共63,472,522股,相當於現有已發行堡獅龍股份數目的約2.57%。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任何購股權,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會釐訂,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屆滿,仍可根據其授出條款於授出有關購股權行使期間內繼續予以行使。

Report of the Directors 董事會報告

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：

| Grantees | Date of grant | Balance as at 1.1.2022 | Granted during the year | Exercised during the year | Lapsed during the year | Balance as at 31.12.2022 | Exercise price | Exercise period |
|---|---------------|------------------------|------------------------------|----------------------------|------------------------|--------------------------|--------------------|-------------------------|
| 承授人 | 授出日期 | 於二零二二年一月一日之結餘 | 於年內授出 | 於年內行使 | 於年內失效 | 於二零二二年十二月三十一日之結餘 | 行使價 (HK\$) (港元) | 行使期 |
| Director of the Company | | | | | | | | |
| 本公司董事 | | | | | | | | |
| Mr. Victor Herrero | 05.01.2021 | 1,680,000 | - | - | - | 1,680,000 | 0.456 | 01.01.2022-31.12.2026 |
| Victor Herrero先生 | | 1,682,000 | - | - | - | 1,682,000 | | 01.01.2023-31.12.2026 |
| | | 1,683,450 | - | - | - | 1,683,450 | | 01.01.2024-31.12.2026 |
| | | 5,045,450 | - | - | - | 5,045,450 | | |
| Directors and employees of Bossini | | | | | | | | |
| 堡獅龍董事及僱員 | | | | | | | | |
| In aggregate | 05.01.2021 | 23,930,000 | - | (4,608,000) | (5,726,000) | 13,596,000 | 0.456 | 01.01.2022-31.12.2026 |
| 合計 | | 23,934,000 | - | - | (8,674,000) | 15,260,000 | | 01.01.2023-31.12.2026 |
| | | 23,983,209 | - | - | (8,690,522) | 15,292,687 | | 01.01.2024-31.12.2026 |
| | | 71,847,209 | - | (4,608,000) | (23,090,522) | 44,148,687 | | |
| In aggregate | 14.05.2021 | 666,000 | - | - | (666,000) | - | 0.51 | 01.01.2022-31.12.2026 |
| 合計 | | 666,000 | - | - | (666,000) | - | | 01.01.2023-31.12.2026 |
| | | 668,000 | - | - | (668,000) | - | | 01.01.2024-31.12.2026 |
| | | 2,000,000 | - | - | (2,000,000) | - | | |
| In aggregate | 23.08.2021 | 3,332,000 | - | - | (3,332,000) | - | 0.62 | 08.08.2022-07.08.2027 |
| 合計 | | 3,334,000 | - | - | (3,334,000) | - | | 08.08.2023-07.08.2027 |
| | | 3,334,000 | - | - | (3,334,000) | - | | 08.08.2024-07.08.2027 |
| | | 10,000,000 | - | - | (10,000,000) | - | | |
| In aggregate | 16.11.2021 | 6,660,000 | - | - | (664,000) | 5,996,000 | 1.06 | 16.11.2022 - 15.11.2027 |
| 合計 | | 6,670,000 | - | - | (668,000) | 6,002,000 | | 16.11.2023 - 15.11.2027 |
| | | 6,670,000 | - | - | (668,000) | 6,002,000 | | 16.11.2024 - 15.11.2027 |
| | | 20,000,000 | - | - | (2,000,000) | 18,000,000 | | |
| In aggregate | 23.03.2022 | - | 6,997,000 | - | - | 6,997,000 | 0.66 | 23.03.2023 - 22.03.2028 |
| 合計 | | - | 6,997,000 | - | - | 6,997,000 | | 23.03.2024 - 22.03.2028 |
| | | - | 7,006,000 | - | - | 7,006,000 | | 23.03.2025 - 22.03.2028 |
| | | - | 21,000,000 ⁽³⁾ | - | - | 21,000,000 | | |
| In aggregate | 17.11.2022 | - | 2,666,000 | - | - | 2,666,000 | 0.39 | 17.11.2023 - 16.11.2028 |
| 合計 | | - | 2,666,000 | - | - | 2,666,000 | | 17.11.2024 - 16.11.2028 |
| | | - | 2,668,000 | - | - | 2,668,000 | | 17.11.2025 - 16.11.2028 |
| | | - | 8,000,000 ⁽⁴⁾ | - | - | 8,000,000 | | |
| | | 103,847,209 | 29,000,000 ⁽⁵⁾⁽⁶⁾ | (4,608,000) ⁽²⁾ | (37,090,522) | 91,148,687 | | |

Notes:

- (1) No share options under the Bossini Share Option Scheme were cancelled during the year ended 31 December 2022.
- (2) The weighted average closing price of the shares immediately before the date on which the options were exercised was HK\$0.658.
- (3) The closing price of Bossini's shares immediately before 23 March 2022 was HK\$0.69.
- (4) The closing price of Bossini's shares immediately before 17 November 2022 was HK\$0.395.
- (5) The fair value of share options granted during the year ended 31 December 2022 were approximately HK\$6,694,000 in aggregate. The accounting standard and the policy employed could be referred to Note 32 to the financial statements.
- (6) The options granted during 2022 divided by the weighted average number of shares in issue during 2022 is approximately 0.01.

附註：

- (1) 截至二零二二年十二月三十一日止年度，概無堡獅龍購股權計劃項下之購股權被註銷。
- (2) 緊接購股權獲行使當日之前之股份加權平均收市價為0.658港元。
- (3) 堡獅龍股份於緊接二零二二年三月二十三日前之收市價為0.69港元。
- (4) 堡獅龍股份於緊接二零二二年十一月十七日前之收市價為0.395港元。
- (5) 截至二零二二年十二月三十一日止年度授出的購股權公平值合共約為6,694,000港元。所應用的會計準則及政策可參閱財務報表附註32。
- (6) 於二零二二年授出的購股權除以二零二二年的加權平均已發行股份數目約為0.01。

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 2022, 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

於二零二二年十二月三十一日，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：

Report of the Directors 董事會報告

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 | Total interests | Approximate percentage of shareholdings as at 31 December 2022 於二零二二年 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 | Corporate interest | | | |
| 董事 | 身份 | 個人權益 | 公司權益 | 所持購股權 數目 | 權益總額 | |

(a) The Company

本公司

Long positions in the ordinary shares (the "Shares"), underlying Shares and debentures 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 | – | 7,000,000 ⁽³⁾ | | |
| | Interest of controlled corporation 受控制法團權益 | – | 5,812,443,151 | – | 6,698,951,151 ⁽¹⁾ | 69.20% |
| Mr. LI Chunyang 李春陽先生 | Beneficial owner 實益擁有人 | 15,451,669 | – | 36,000,000 ⁽³⁾ | 51,451,669 | 0.53% |
| 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 | – | – | 20,000,000 ⁽³⁾ | 3,700,022,769 | 38.22% |
| Mr. Victor HERRERO Victor HERRERO先生 | Beneficial owner 實益擁有人 | 23,168,000 | – | 40,000,000 ⁽³⁾ | 63,168,000 | 0.65% |
| Mr. MA Wing Man 馬詠文先生 | Beneficial owner 實益擁有人 | 1,544,000 | – | 6,000,000 ⁽³⁾ | 7,544,000 | 0.08% |
| Mr. LI Qing 李勅先生 | Beneficial owner 實益擁有人 | – | – | 1,800,000 ⁽³⁾ | 1,800,000 | 0.02% |
| Mr. PAK Wai Keung, Martin 白偉強先生 | Beneficial owner 實益擁有人 | – | – | 1,800,000 ⁽³⁾ | 1,800,000 | 0.02% |
| Mr. WANG Yan 汪延先生 | Beneficial owner 實益擁有人 | – | – | 1,800,000 ⁽³⁾ | 1,800,000 | 0.02% |

(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\$0.1 each of Bossini (the "Bossini Shares")

於堡獅龍每股面值0.1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 | – | 1,393,582,122 | – | 1,393,582,122 ⁽⁴⁾ | 56.41% |
| Mr. Victor HERRERO Victor HERRERO先生 | Beneficial owner 實益擁有人 | – | – | 5,045,450 ⁽⁵⁾ | 5,045,450 | 0.20% |

Notes:

1. Mr. Li Ning is interested in 6,698,951,151 Shares, among which 21,508,000 Shares, the share options which are exercisable into 7,000,000 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.

附註：

1. 李寧先生於6,698,951,151股股份中擁有權益，其中21,508,000股股份、可行使為7,000,000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」)分別擁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%權益。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%權益。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%權益。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)。

Report of the Directors 董事會報告

- The share options were granted on 18 January 2021, pursuant to the share option scheme adopted by the Company on the same day and are exercisable at HK\$0.670 per Share with the vesting schedule in tranches of one-third each on 18 January 2022, 18 January 2023 and 18 January 2024 within a period of 5 years after vested according to the respective vesting schedule. As at 31 December 2022, the total issued Shares was 9,680,413,727.
- As at 31 December 2022, the total number of shares of Bossini in issue was 2,470,358,091 and Dragon Leap Consumables Limited ("Dragon Leap Consumables") was interested in 1,393,582,122 Bossini Shares. Dragon Leap Consumables was a wholly-owned subsidiary of the Company. As such, Mr. Li Ning was deemed to be interested in the same 1,393,582,122 Bossini Shares by virtue of his interests in the Shares.
- The share options were granted on 5 January 2021 by Bossini and are exercisable at HK\$0.456 per share of Bossini in tranches of one-third each during the following periods respectively: (i) from 1 January 2022 to 31 December 2026; (ii) from 1 January 2023 to 31 December 2026; and (iii) from 1 January 2024 to 31 December 2026.
- For the movement of the share options, please refer to the section headed "Share Option Schemes" on page 36 to 43 of this annual report.
- 購股權於二零二一年一月十八日根據本公司於同日採納之購股權計劃授出，按每股0.670港元根據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之歸屬時間進行歸屬並於歸屬後於5年期間內可予行使。於二零二二年十二月三十一日，已發行股份總數為9,680,413,727股。
- 於二零二二年十二月三十一日，堡獅龍已發行的股份總數目為2,470,358,091股，而龍躍消費品有限公司（「龍躍消費品」）於1,393,582,122股堡獅龍股份中擁有權益。龍躍為本公司一間全資附屬公司。因此，根據李寧先生於股份中的權益，其被視為於該1,393,582,122股堡獅龍股份中擁有權益。
- 堡獅龍於二零二一年一月五日授出購股權，並按每股堡獅龍股份0.456港元分別於下列期間：(i)二零二二年一月一日至二零二六年十二月三十一日；(ii)二零二三年一月一日至二零二六年十二月三十一日；及(iii)二零二四年一月一日至二零二六年十二月三十一日可予行使三分之一。
- 有關購股權之變動，請參閱本年報第36至43頁「購股權計劃」一節。

Save as disclosed above, none of the Directors nor the chief executive of the Company had, as at 31 December 2022, 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.

除上文披露者外，於二零二二年十二月三十一日，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。

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.

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.

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。

Report of the Directors 董事會報告

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 2022, 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:

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

於二零二二年十二月三十一日，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 2022 於二零二二年 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 Interest of controlled corporation 受控制法團權益 | 60,000,000 5,812,443,151 |
| | 5,872,443,151 | 60.66% |
| Lead Ahead ⁽²⁾ | Beneficial owner 實益擁有人 | 2,132,420,382 22.03% |
| Victory Mind Assets ⁽³⁾ | Beneficial owner 實益擁有人 | 1,680,022,769 17.35% |
| Ace Leader ⁽³⁾ | Interest of controlled corporation 受控制法團權益 | 1,680,022,769 17.35% |
| Jumbo Top ⁽³⁾ | Interest of controlled corporation 受控制法團權益 | 1,680,022,769 17.35% |
| Dragon City ⁽⁴⁾ | Trustee 受託人 | 2,000,000,000 20.66% |
| TMF ⁽³⁾⁽⁴⁾ | Trustee 受託人 | 3,680,022,769 38.02% |
| Other Persons 其他人士 | | |
| Mr. ZHAO Jianguo ⁽⁵⁾ 趙建國先生 ⁽⁵⁾ | Beneficial owner 實益擁有人 Interest of spouse 配偶權益 Interest of controlled corporation 受控制法團權益 | 293,000,000 700,000,000 12,963,200 |
| | 1,005,963,200 | 10.39% |
| Ms. LI Ying ⁽⁵⁾ 李迎女士 ⁽⁵⁾ | Beneficial owner 實益擁有人 Interest of spouse 配偶權益 Interest of controlled corporation 受控制法團權益 | 700,000,000 293,000,000 12,963,200 |
| | 1,005,963,200 | 10.39% |

Report of the Directors 董事會報告

Notes:

1. Mr. Li Chun has personal interest in 60,000,000 Shares 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60,000,000股股份中擁有個人權益，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之受託人而分別擁有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」項下附註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所擁有權益之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」項下附註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 289,666,667 Shares and the share options which are exercisable into 3,333,333 Share. 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 2022, 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 at least 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 scheme enables the Company to grant options as an incentive to directors and eligible participants. Details of the scheme are set out in the section headed "Share Option Schemes" on pages 36 to 43 of this annual report.

5. 趙建國先生於289,666,667股股份及可行使為3,333,333股股份的購股權中擁有個人權益，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。

於二零二二年十二月三十一日，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，並每年進行最少一次表現評估，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36至43頁「購股權計劃」一節。

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 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 as determined by the Lender in its sole discretion and notified to the Borrower is 31 July 2022. 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.

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,最終到期日為二零二二年七月三十一日,由貸款人全權酌情釐定並通知借款人。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)。

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 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 Clark which is principally engaged in wholesaling and retailing of shoes and trading in the brand name "Clarks". Following the shareholders' approval of the Agreement at the extraordinary general meeting of the Company on 15 June 2022, all conditions under the Agreement have been fulfilled and the acquisition was completed on 2 July 2022. The Purchase Shareholder's Loan with principal of GBP53,550,000 and its respective interest were set off against the Subscription Price payable, and the Purchase Shareholder's Loan was deemed fully paid and satisfied in full and was terminated upon the completion of the acquisition. The SPV became an indirect non-wholly owned subsidiary of the Company and the results of the SPV and its subsidiaries were consolidated into the financial results of the Group since July 2022.

Further details of the above were set out in the Company's announcements dated 28 September 2020, 14 January 2021, 15 March 2021, 25 November 2021 and 4 July 2022, and the circular of the Company dated 26 May 2022.

On 17 November 2022, Viva China Consumables and the General Partner entered into a sale and purchase agreement in relation to the acquisition of the remaining 49% interest in the SPV (the "Clark SPA"). Pursuant to the Clark SPA, Viva China Consumables agreed to acquire 490 shares of the "SPV" at the consideration of GBP110,000,000.

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。經本公司股東於二零二二年六月十五日的股東特別大會上批准協議後，協議項下的所有條件均已獲達成且收購已於二零二二年七月二日完成。購買股東貸款本金53,550,000英鎊及其相關利息已用作抵銷應付認購價，而購買股東貸款應被視作全數支付及結清，並已於收購完成後終止。自二零二二年七月起，SPV成為本公司的間接非全資附屬公司，SPV及其附屬公司之業績已併入本集團之財務業績。

上述有關詳情，請參閱本公司日期為二零二零年九月二十八日、二零二一年一月十四日、二零二一年三月十五日、二零二一年十一月二十五日及二零二二年七月四日之公告，以及本公司日期為二零二二年五月二十六日之通函。

於二零二二年十一月十七日，非凡中國消費品與普通合夥人就收購SPV的餘下49%股權訂立買賣協議（「Clark買賣協議」）。根據Clark買賣協議，非凡中國消費品同意收購「SPV」的490股股份，代價為110,000,000英鎊。

Report of the Directors 董事會報告

Following the shareholders' approval of the Clark SPA at the extraordinary general meeting of the Company on 18 January 2023, the acquisition was completed in late January 2023 and the SPV became a wholly-owned subsidiary of the Company.

Further details of the above were set out in the Company's announcements dated 17 November 2022 and 30 January 2023, and the circular dated 30 December 2022.

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 57 to 69 of this annual report.

The compliance officer of the Company is Mr. Li Ning whose biographical details are set out on pages 24 to 25 of this annual report. Ms. Chan Tsz Ping is the company secretary and the Financial Controller of the Company. She is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants and has over 20 years of experience in auditing, tax, financial and treasury 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 electronic ESG report has been published at the same time as the publication of the report. The electronic version of the ESG report are available on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.vivachina.hk) under "Substantiality" section. The Shareholders can ask for the ESG report in printed form at any time, free of charge, by writing to the Principal Place of Business of the Company or the Company's Branch Share Registrars in Hong Kong.

經股東於本公司於二零二三年一月十八日的股東特別大會上批准Clark買賣協議後，收購已於二零二三年一月底完成，SPV成為本公司的全資附屬公司。

上述更多詳情，請參閱本公司日期為二零二二年十一月十七日及二零二三年一月三十日之公告，以及日期為二零二二年十二月三十日之通函。

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57至69頁。

本公司監察主任為李寧先生，其履歷詳情載於本年報第24至25頁。陳芷萍女士為本公司之公司秘書及財務總監。彼為特許公認會計師公會的資深會員及香港會計師公會的會員，並擁有二十多年的審計、稅務、財務和資金管理經驗。

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，於發佈本報告的同時亦發佈電子版環境、社會及管治報告。電子版環境、社會及管治報告可於聯交所網站(www.hkexnews.hk)及本公司網站(www.vivachina.hk)上「可持續發展」一節中查閱。股東可隨時致函本公司主要營業地點或本公司香港股份過戶登記分處免費索取環境、社會及管治報告印刷本。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year 2022 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:

董事於競爭業務之權益

於二零二二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：

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 | Name of Entity | Description of the Entity's Business | Nature of interest of the Director in the Entity 董事於該實體的權益性質 |
|------------------|-------------------------|---|--|
| 董事姓名 | 實體名稱 | 實體的業務簡介 | |
| Mr. Li Ning | Li Ning Company Limited | 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 | director and substantial shareholder (within the meaning of the SFO) |
| 李寧先生 | 李寧有限公司 | 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 | 董事及主要股東(定義見證券及期貨條例) |
| Mr. Li Qilin | Li Ning Company Limited | as disclosed above | director and substantial shareholder (within the meaning of the SFO) |
| 李麒麟先生 | 李寧有限公司 | 如上文所披露者 | 董事及主要股東(定義見證券及期貨條例) |

Report of the Directors 董事會報告

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, 21 March 2023

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

主席兼行政總裁

李寧

香港，二零二三年三月二十一日

The Company is committed to achieving and maintaining a high standard of corporate governance and meet its objectives to maximize the interest of its shareholders by further expand into the footwear and apparel business which has been further discussed in the directors' report of this annual report on the performance of the Group. Throughout the financial year ended 31 December 2022, 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 C.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 and consumables business, 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.

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.

The Board currently comprises of three executive Directors (the "Executive Directors"), three 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.

本公司致力達致及維持高水平之企業管治，並透過進一步擴充至鞋服業務達成其盡量提升股東利益的目標（本集團表現於本年報的董事會報告內進一步討論）。除下文披露者外，於截至二零二二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C.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及消費品業務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。

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。

董事會目前包括三名執行董事（「執行董事」）、三名非執行董事（「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。

Non-Executive Directors

All Non-executive Directors 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 by electronic means. 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.

Board Independence

The Company recognises that Board independence is pivotal in good corporate governance and Board effectiveness.

Following mechanisms are adopted by the Board and reviewed annually by the Board to ensure their effectiveness and the Board considered that the mechanism was effective for the year under review:

1. The Board must have at least three Independent Non-Executive Directors and must appoint Independent Non-Executive Directors representing at least one-third of the Board.
2. On an annual basis, all Independent Non-Executive Directors are required to confirm in writing their compliance of independence requirements pursuant to the GEM Listing Rules, and to disclose the number and nature of offices held by them in public companies or organisations and other significant commitments.

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勅先生、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子方式為制定策略、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。

董事會獨立性

本公司深知董事會獨立性對良好企業管治及董事會效能至關重要。

董事會每年檢討以下獲董事會採納的機制，以確保其成效，董事會認為有關機制於回顧年度內有效：

1. 董事會須至少有三名獨立非執行董事且所委任的獨立非執行董事須至少佔董事會人數的三分之一。
2. 根據GEM上市規則，所有獨立非執行董事均須每年以書面確認彼等符合獨立性要求，並披露彼等於上市公司或組織擔任的職位數目及性質以及其他重大承擔。

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- External independent professional advice is available as and when required by individual Directors.
- The Chairman of the Board meets with Independent Non-Executive Directors annually without the presence of the Executive Director and Non-Executive Directors.

- 倘個別董事要求時，均可獲得外部獨立專業意見。
- 董事會主席每年在執行董事及非執行董事不在場情況下會見獨立非執行董事。

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 2022 and the attendance of each Director are set out in the following table:

董事會組成連同本公司於二零二二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 2022 於二零二二年舉行之會議 | | | | | 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 | 5 | 5 | 2 | 1 | 1 | 1 | 2 |
| 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 | | | 2/2 | 1/1 | 1/1 | 1/1 | 2/2 |
| Mr. Li Chunyang | 李春陽先生 | 5/5 | | | | 1/1 | 1/1 | 2/2 |
| Mr. Li Qilin ² | 李麒麟先生 ² | 5/5 | | | | 1/1 | 1/1 | 2/2 |
| Non-executive Directors | 非執行董事 | | | | | | | |
| Mr. Victor Herrero | Victor Herrero先生 | 5/5 | | | | | 1/1 | 2/2 |
| Mr. Ma Wing Man | 馬詠文先生 | 5/5 | 5/5 | | | | 1/1 | 2/2 |
| Ms. Lyu Hong (appointed with effect from 18 November 2022) | 呂紅女士 (於二零二二年十一月十八日獲委任) | 0/0 | 0/0 | 0/0 | | | 0/0 | 0/0 |
| Independent Non-executive Directors | 獨立非執行董事 | | | | | | | |
| Mr. Li Qing | 李勍先生 | 5/5 | 5/5 | 2/2 | | | 1/1 | 2/2 |
| Mr. Pak Wai Keung, Martin | 白偉強先生 | 5/5 | 5/5 | 2/2 | 1/1 | | 1/1 | 2/2 |
| Mr. Wang Yan ³ | 汪延先生 ³ | 5/5 | 5/5 | 2/2 | 1/1 | | 0/1 | 0/2 |

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.
- Mr. Wang Yan was unable to attend the general meetings of the Company due to his other business commitments. To gain balanced understanding of the Shareholders' views, questions and opinion raised by the Shareholders will be duly recorded and forwarded to the Board.

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子。
- 汪延先生因彼之其他業務承擔而未能出席本公司股東大會。為平衡了解股東觀點，股東提出的疑問及意見將會妥為記錄及轉交董事會。

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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

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

✓
✓
✓

Non-executive Directors

Mr. Victor Herrero
Mr. Ma Wing Man
Ms. Lyu Hong (*appointed with effect from 18 November 2022*)

非執行董事

Victor Herrero先生
馬詠文先生
呂紅女士 (*於二零二二年十一月十八日獲委任*)

✓
✓
✓

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

✓
✓
✓

Whistle-blowing policy and Anti-corruption policy

Whistle-blowing and anti-corruption policies are established. More details and the mechanism of the policies could be found in the 2022 ESG report of the Company.

舉報政策及反貪腐政策

本公司訂有舉報政策及反貪腐政策。更多詳情及政策機制可參考本公司的二零二二年環境、社會及管治報告。

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 2022.

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 2022.

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.

The duties of the Nomination Committee include review of the structure, size, composition and diversity of the Board and provision of recommendation on appointment or re-appointment of Directors and succession planning for Directors, senior management, the chairman and the chief executive of the Company to complement the Company's corporate strategy.

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. The Nomination Committee also recommended suitable candidates to the Board for appointment as non-executive Director after its assessment with reference to a range of diversity perspectives. In November 2022, the Company was pleased to welcome Ms. Lyu Hong to the Board. The extensive experience of Ms. Lyu Hong in global human resources management would boost diversity to the Board.

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二零二二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。本公司於截至二零二二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延先生。

提名委員會的職責包括檢討董事會之架構、規模、組成及成員多元化，並就配合本公司的企業策略而對董事的委任或重新委任以及董事、本公司高級管理層、主席及最高行政人員的繼任計劃提出建議。

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。提名委員會亦已在參考多元化的系列範疇進行評估後向董事會推薦非執行董事的合適候選人。於二零二二年十一月，本公司欣然歡迎呂紅女士加入董事會。呂紅女士在全球人力資源管理方面的豐富經驗將進一步促進董事會的多元化。

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The Company 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 of the set of criteria as established in the board diversity policy adopted by the Company (the "Board Diversity Policy").

According to the nomination procedure, the Nomination Committee is responsible for identifying potential new Directors and evaluate against the criteria before recommending 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.

Summary and Measurable Objectives of the Board Diversity Policy

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 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.

本公司已採納提名政策(「提名政策」)，自二零一九年一月一日起生效。提名政策旨在為提名委員會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及能夠展示獲本公司採納之董事會多元化政策(「董事會多元化政策」)所制定之高度專業標準並獲得認可。

根據提名程序，提名委員會負責物色潛在新董事並根據標準進行評估，其後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。

董事會多元化政策之概要及可計量目標

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(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。

During the year, the Nomination Committee reviewed the diversity of the Board from perspectives the composition of the Board from diversified angles up to date of this report:

年內，提名委員會從董事會組成等多元化角度檢討截至本報告日期的董事會多元化情況：

| | | No. of Directors 董事人數 |
|---------------------------------------|---------------------|--------------------------|
| Gender 性別 | Male 男性 | 8 |
| | Female 女性 | 1 |
| Ethnicity: 種族 | Chinese 中國籍 | 7 |
| | Spanish 西班牙籍 | 1 |
| | Singaporean 新加坡籍 | 1 |
| Age Group: 年齡組別 | 31-40 | 1 |
| | 31-40歲 | 1 |
| | 41-50 | 1 |
| | 41-50歲 | 7 |
| Length of Service (year): 服務年期 (年) | <1 | 1 |
| | 少於1年 | 8 |
| | 1-10 | 8 |
| | 1-10年 | 8 |

To comply with the requirement of the GEM Listing Rules, the Board targeted to appoint a female director. During 2022, Ms Lyu Hong was appointed as the non-executive Director. The Nomination Committee considered that the Board had achieved gender diversity and possessed skill and expertise and a diverse mix appropriate for the business of the Company and will review the composition and diversity of the Board on a regular basis to ensure its continued effectiveness. The Company has also taken and will continue to take steps to promote gender diversity at all levels of the Company, including but not limited to the Board and senior management levels and improve the composition of the Board in order to develop a pipeline of potential successors.

As at 31 December 2022, approximately 64.0% of our total workforce were female. We will continue with our endeavor to maintain female representation in our workforce.

為遵守GEM上市規則規定，董事會計劃委任女性董事。於二零二二年，呂紅女士獲委任為非執行董事。提名委員會認為董事會已達成性別多元化並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，並會定期檢討董事會之組成及多元性以確保其持續有效。本公司亦採取並將繼續採取措施，促進本公司各級別（包括但不限於董事會及高級管理層）的性別多元化以及優化董事會組成，以培養潛在的繼任者。

於二零二二年十二月三十一日，僱員總數中約64.0%為女性。我們將繼續努力維持僱員總數中的女性比例。

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 two Independent Non-executive Directors, Mr. Wang Yan (chairman of the Remuneration Committee), Mr. Li Qing and one Non-executive Director, Ms. Lyu Hong.

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 (i) reviewed adjusted the remuneration packages of the Directors; and (ii) reviewed and recommended to the Board the director's fee of new non-executive Director by reference to her academic qualification, experience and duties and responsibilities with the Group.

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.

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。

薪酬委員會現時由兩名獨立非執行董事汪延先生（薪酬委員會主席）、李勅先生以及一名非執行董事呂紅女士組成。

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(i)檢討及調整董事之薪酬待遇；及(ii)參考新非執行董事的學歷、經驗及於本集團的職責檢討並向董事會建議新非執行董事的董事袍金。

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之遵守情況。

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。

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. In order to have effective communication, external service providers including but limited to Company's auditor were also invited to attend the meetings and regular report will be provided to the committee members.

COMPANY SECRETARY

Mr. Cheung Chi resigned as the company secretary of the Company with effective from 8 April 2022.

Ms. Chan Tsz Ping has been appointed as the company secretary of the Company since 8 April 2022. During the year, Mr. Cheung and Ms. Chan have 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 2022, 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 70 to 80 of this annual report.

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）、李勅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。為進行有效溝通，外部服務提供商（包括但僅限於本公司核數師）亦獲邀請參與會議，並定期向委員會成員提供報告。

公司秘書

張智先生已辭任本公司之公司秘書，自二零二二年四月八日起生效。

陳芷萍女士自二零二二年四月八日起獲委任為本公司之公司秘書。年內，張先生及陳女士已妥為遵守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。

董事於編製截至二零二二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70至80頁之獨立核數師報告。

AUDITOR'S REMUNERATION

During the year ended 31 December 2022, the total fee paid and payable to PricewaterhouseCoopers in relation to the audit and non-audit services for the financial year ended 31 December 2022, amounted to HK\$27.0 million and HK\$3.2 million respectively. The sum for non-audit services included HK\$1.3 million for the agreed upon procedures performed on the Group's interim results and quarterly results, HK\$1.7 million for special purpose non-audit service performed on the acquisition and other agreed upon procedures and HK\$0.2 million 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.

The Board considered it would be more cost effective to engage external consultant. Therefore, during the Reporting Period, the Group has engaged RSM Consulting (Hong Kong) Limited ("RSM"), as its risk management and internal control review advisor for the year ended 31 December 2022, to review the Group's risk management system.

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.

核數師酬金

於截至二零二二年十二月三十一日止年度，就截至二零二二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27,000,000港元及3,200,000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1,300,000港元、就收購事項進行之專項非核數服務及其他協定程序之1,700,000港元及有關稅務服務之200,000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。

董事會認為委聘外部顧問的成本效益較佳，因此於報告期內，本集團委聘羅申美諮詢顧問有限公司（「羅申美」）作為其截至二零二二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。

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。

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. RSM 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 and RSM, 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 2022.

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.

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。本集團已委聘羅申美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及羅申美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，本集團截至二零二二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系統。

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附帶權利可於本公司股東大會上投票的本公司繳足股本不低於十分之一，則可根據本公司組織章程細則第64條向董事會或本公司之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。

Corporate Governance Report 企業管治報告

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: 2/F, PopOffice, 9 Tong Yin Street, Tseung Kwan O, New Territories, 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.

Communication with Shareholders

The Company recognised the importance of effective communication with the Shareholders and adopted the shareholder communication policy.

The Board and management maintain a continuing dialogue with the Shareholders and other stakeholders through various channels including but not limited to the Company's general meetings. The Company encourages all shareholders to attend general meeting which provides a useful forum for shareholders to exchange views with the Board. During the year, two extraordinary general meetings and an annual general meeting of the Company were held to pass resolutions which are significant to the operation of the Company.

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，方式為透過遞呈經股東（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名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：香港新界將軍澳唐賢街9號PopOffice 2樓

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。

與股東之溝通

本公司意識到與股東有效溝通的重要性，並已採納股東溝通政策。

董事會及管理層透過包括但不限於本公司股東大會等各種渠道與股東及其他利益相關者保持持續溝通。本公司鼓勵所有股東出席股東大會，為股東與董事會提供有效的平台交換意見。年內，本公司舉行了兩次股東特別大會及一次股東週年大會，以通過對本公司營運而言為重大的決議案。

To provide timely and effective communication, the Company maintains a corporate website (www.vivachina.hk) where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

The implementation and effectiveness of the shareholder communication policy is reviewed by the Board during the year. The Board considered the current channels would be sufficient for the Company to communicate with the Shareholders. Thus, the policy was considered as effective. Shareholders can refer to "Shareholders' Communication Policy" posted on the Company's website for more details.

Changes in the Constitutional Documents

During the year 2022, the Memorandum of Association and the Articles of Association (the "Memorandum and Articles of Association") were amended (the "Amendment") in order to bring the Memorandum and Articles of Association in line with the GEM Listing Rules and the applicable laws of the Cayman Island, and to incorporate certain minor housekeeping amendments. The special resolution in relation to the Amendment was passed in 10 October 2022. For further information, please refer to the announcement of the Company on 13 September 2022 and the circular of the Company dated 15 September 2022.

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 2022 to the Shareholders as soon as practicable in accordance with the articles of association of the Company and the CG Code.

為提供及時及有效溝通，本公司設有公司網站(www.vivachina.hk)，公眾人士可於網站上查閱有關本公司業務發展及營運的信息及更新、財務資料、企業管治常規及其他信息。

股東溝通政策的實施及有效性由董事會於年度內審查。董事會認為現有渠道足以讓本公司與股東溝通。因此，該政策被認為是有效的。股東可參閱刊載於本公司網站的「股東溝通政策」以了解更多詳情。

組織章程文件變動

於二零二二年度，組織章程大綱及組織章程細則（「組織章程大綱及細則」）已予以修訂（「修訂」）以使組織章程大綱及細則符合GEM上市規則及開曼群島的適用法律，並進行若干細微的內務修訂。有關修訂的特別決議案已於二零二二年十月十日通過。進一步資料，請參閱本公司於二零二二年九月十三日的公告及本公司日期為二零二二年九月十五日的通函。

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二零二二年度報告寄發予各股東。

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

To the Shareholders of Viva China Holdings Limited
(Incorporated in Cayman Islands with limited liability)

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)

OPINION

What we have audited

The consolidated financial statements of Viva China Holdings Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 81 to 208, comprise:

- the consolidated statement of financial position as at 31 December 2022;
- 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 significant accounting policies and other explanatory information.

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81至208頁的綜合財務報表，包括：

- 於二零二二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，包括主要會計政策及其他解釋資料。

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 2022, 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.

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二零二二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。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") 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:

- Inventory provision
- Impairment assessment of property, plant and equipment and right-of-use assets
- Valuation of defined benefit plan obligation
- Purchase price allocation for business combination

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：

- 存貨撥備
- 物業、廠房及設備及使用權資產減值評估
- 界定福利計劃責任的估值
- 業務合併購買價分配

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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 20 – 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20存貨。

As at 31 December 2022, the Group had net inventories of HK\$4,061.1 million, carried at the lower of cost and net realisable value in the consolidated financial statements.

於二零二二年十二月三十一日，貴集團的存貨淨額為4,061,100,000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 and footwear 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 and expected subsequent year-end sales.

鞋服業與季節性因素、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、歷史銷售經驗及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 inventory balance, 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 the inventory provision included:
我們有關存貨撥備的審計程序包括：

- Understood, evaluated and, for selected components, 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;
- 了解、評估及就選定組成部分而言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 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 inventory 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後續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 the 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。

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 2022, the carrying value of the Group's property, plant and equipment amounted to HK\$1,382.8 million (after impairment provision of HK\$64.3 million for the year ended 31 December 2022), and right-of-use assets amounted to HK\$1,249.1 million (after impairment provision of HK\$276.8 million for the year ended 31 December 2022).

於二零二二年十二月三十一日，貴集團的物業、廠房及設備賬面值為1,382,800,000港元（扣除截至二零二二年十二月三十一日止年度之減值撥備64,300,000港元）及使用權資產賬面值為1,249,100,000港元（扣除截至二零二二年十二月三十一日止年度之減值撥備276,800,000港元）。

The operations of the Group's retail stores was adversely affected by various challenges to the global economy including the outbreak of the 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 cash generating unit ("CGU") and carried out impairment assessments by determining the recoverable amounts of the retail store assets which have impairment indicators. The recoverable amounts of the assets of the relevant retail stores are determined by the value in use ("VIU") calculations using discounted cash flow projections based on sales forecasts prepared by management with key assumptions including budgeted sales and gross margin, revenue growth rates and discount rate.

全球經濟的多項挑戰，包括爆發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現金產生單位（「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（「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 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;
- 了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 senior management about their business plans;
 - 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 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. involved our internal valuation experts and assessed the reasonableness of the discount rate derived from relevant market data of comparable companies;
 - iii. 讓內部估值專家參與評估可比較公司的相關市場數據所得貼現率的合理性；

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Key Audit Matter 關鍵審計事項

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

物業、廠房及設備及使用權資產減值評估 (續)

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 the available evidence.

基於上述程序，我們發現管理層對物業、廠房及設備及使用權資產的減值評估有可用證據支持。

Valuation of defined benefit plan obligation **界定福利計劃責任的估值**

Refer to Note 3 – critical accounting estimates, assumptions and judgements and Note 19 – Defined benefit schemes 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19界定福利計劃。

As at 31 December 2022, the Group's present value of the defined benefit plan obligation amounted to HK\$7,947.7 million.

於二零二二年十二月三十一日，貴集團的界定福利計劃責任現值為7,947,700,000港元。

Our procedures on the valuation of the defined benefit plan obligation mainly included:

我們就界定福利計劃責任估值採取的程序主要包括：

- Understood the management's valuation process involving the use of members data of the schemes, formulation of assumptions 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;
- 了解管理層的估值過程，當中涉及使用計劃成員數據、制定假設以及評估重大錯誤陳述的固有風險管理，方式為考慮估計不確定性的程度及其他固有風險因素（如複雜性、主觀性、變化及對管理層偏見或欺詐的敏感性）；
- Evaluated the competence, capabilities and objectivity of the third-party actuaries involved in the valuation of the defined benefit plan obligation;
- 評估涉及界定福利計劃責任估值的第三方精算師的能力、專業質素及客觀性；

Key Audit Matter 關鍵審計事項

Valuation of defined benefit plan obligation (Continued) 界定福利計劃責任的估值 (續)

In determining the present value of the defined benefit plan obligation, the Group conducted an actuarial valuation on the aforesaid defined benefits obligations with the assistance of third-party actuaries. The key assumptions applied include discount rates, rates of inflation and mortality rates.

釐定界定福利計劃責任現值時，貴集團在第三方精算師協助下，對上述界定福利責任進行精算估值。應用的主要假設包括貼現率、通脹率及死亡率。

We focused on the valuation of the defined benefit plan obligation due to the size of the defined benefit plan obligation, and the significant judgement and estimation involved in determining its present value.

鑑於界定福利計劃責任的規模以及釐定其現值涉及的重大判斷及估計，故我們關注於界定福利計劃責任的估值。

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

- Engaged our actuarial experts, met with management and communicated with their actuaries to understand the judgements made in determining key assumptions used in the calculation of the defined benefit plan obligation including discount rates, rates of inflation and mortality rates. We assessed the reasonableness of those assumptions by comparing to our own independently determined benchmarks considering the potential impact if these assumptions are to be changed within a reasonable range.
- 委聘精算專家、與管理層會面並與彼等的精算師溝通，以了解在釐定界定福利計劃責任計算中使用的主要假設（包括貼現率、通脹率及死亡率）時所作出的判斷。我們通過與我們自行獨立釐定的基準進行比較，評估該等假設的合理性，並考慮到如果該等假設在合理範圍內發生變化的潛在影響。
- Performed testing over the members data used in calculating the defined benefit plan obligation. Dependent on the member categories, we tested through a combination of analytical review, test of details and consideration of member-related controls at the administrators.
- 對計算界定福利計劃責任時使用的成員數據進行測試。視乎成員類別，我們通過結合分析審查、細節測試及管理人員對成員相關控制的考慮進行測試。
- Assessed adequacy of the disclosures related to defined benefit plan obligation in the context of the applicable financial reporting framework.
- 在適用的財務報告框架下評估有關界定福利計劃責任的披露的充分性。

Based on the procedures described above, we found that management's judgments and estimation in determining the valuation of the defined benefit plan obligation to be supported by the available evidence.

基於上述程序，我們發現管理層在釐定界定福利計劃責任估值時的判斷及估計有可用證據支持。

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Key Audit Matter 關鍵審計事項

Purchase price allocation for business combination 業務合併購買價分配

Refer to Note 3 – critical accounting estimates, assumptions and judgements, Note 14 – Intangible assets and Note 39 – Business combination 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、附註14無形資產及附註39業務合併。

On 2 July 2022, the Group completed the very substantial acquisition of the 51% equity interest in LionRock Capital Partners QiLe Limited (the "SPV"), which holds a 51% equity interest in C&J Clark (No 1) Limited ("Clark Group") with an aggregated consideration of GBP 56,831,000 (equivalent to HK\$541,027,000).

於二零二二年七月二日，貴集團完成LionRock Capital Partners QiLe Limited（「特殊目的實體」，其持有C&J Clark (No 1) Limited（「Clark集團」）51%股權）51%股權的非常重大收購事項，總代價為56,831,000英鎊（相當於541,027,000港元）。

Management engaged an independent valuer to perform the valuations of the identifiable assets and liabilities assumed of Clark Group at the acquisition date. Based on the valuations performed, management performed a purchase price allocation for the acquisition of Clark Group, which resulted in recognition of a trademark as an intangible asset and fair value of properties.

管理層委聘獨立估值師對Clark集團於收購日期的可識別資產及所承擔負債進行估值。根據所進行之估值，管理層對收購Clark集團進行購買價分配，結果確認商標為無形資產及物業公平值。

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 for auditing the purchase price allocation for business combination mainly included:

我們審計業務合併購買價分配的程序主要包括：

- Understood and evaluated management's key controls in relation to the purchase price allocation for business combinations and estimation of fair values of identifiable intangible assets and properties acquired, 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;
- 了解及評價管理層對業務合併購買價分配的主要控制，以及估計可識別無形資產及所收購物業之公平值的主要控制，並通過考慮估計不確定性的程度及其他固有風險因素（如複雜性、主觀性、變化及對管理層偏見或欺詐的敏感性）的水平評估重大錯誤陳述的固有風險；
- Evaluated management's identification of intangible assets and methodologies used in determining the values of the identifiable intangible assets and properties acquired;
- 評估管理層對無形資產的識別以及用於釐定可識別無形資產及所收購物業的價值的方法；
- Reconciled the input data for the valuations of the identifiable intangible assets and properties acquired to supporting evidence;
- 將可識別無形資產及所收購物業的估值輸入數據與支持證據進行核對；
- Evaluated the external valuer's competence, capabilities and objectivity;
- 評估外聘估值師的才能、能力及客觀性；

Key Audit Matter 關鍵審計事項

Purchase price allocation for business combination (Continued) 業務合併購買價分配 (續)

The identification of assets acquired and the liabilities assumed and the determination of their corresponding values require significant management judgement and estimations. These significant judgements and estimates include the adoption of appropriate valuation methodologies and the use of key assumptions in the valuation including estimating future cash flows, asset useful life, discount rates used and unit price of properties.

識別所收購資產及所承擔負債以及釐定其相應價值需要管理層作出重大判斷及估計。該等重大判斷及估計包括採用適當的估值方法及在估值中使用主要假設，包括估計未來現金流量、資產使用壽命、所用貼現率及物業單價。

We focused on this area due to the significance of the business combination, and the significant judgement and estimations involved in the fair value assessment of the identifiable intangible assets and properties acquired from the business combination.

鑑於業務合併的重大程度，以及業務合併中收購的可識別無形資產及所收購物業的公平值評估涉及的重大判斷及估計，故我們關注該領域。

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

- Assessed the appropriateness of the valuation methodology and models for identifiable intangible assets and properties acquired with the assistance of our internal valuation expert;
- 在我們內部估值專家的協助下評估可識別無形資產及所收購物業的估值方法及模型的適當性；
- Challenged the reasonableness of the key assumptions as adopted by management by reference to external industry data, comparable sales transactions as available in the market and the cost of capital of comparable companies in the industry;
- 參考外部行業數據、市場上可獲得的可比較銷售交易和行業可比公司的資本成本，對管理層採納的主要假設的合理性提出質疑；
- Tested the mathematical accuracy of the calculations of identifiable intangible assets and properties acquired and the purchase price allocations; and
- 測試可識別無形資產及所收購物業計算以及購買價分配的數學準確性；及
- Assessed adequacy of the disclosures related to business combination in the context of the applicable financial reporting framework.
- 在適用財務報告框架下評估與業務合併相關的披露的充分性。

Based on the procedures described above, we found the estimation of the fair values of identifiable intangible assets and properties acquired and the purchase price allocation for the business combination made by management to be supported by the available evidence.

基於上述程序，我們發現可識別無形資產及所收購物業公平值估計以及管理層作出業務合併購買價分配有可用證據支持。

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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 HKSAs 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 HKSAs, 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, 21 March 2023

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，二零二三年三月二十一日

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 2022 截至二零二二年十二月三十一日止年度

| | | | 2022 | 2021 |
|---|-------------------------------------|-------------|--------------------|-----------------|
| | | | 二零二二年 | 二零二一年 |
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Revenue | 收益 | 5 | 6,900,390 | 1,381,637 |
| Cost of sales | 銷售成本 | 7 | (3,739,801) | (809,255) |
| Gross profit | 毛利 | | 3,160,589 | 572,382 |
| Other income and other gains – net | 其他收入及其他收益淨額 | 5 | 1,023,644 | 4,548,086 |
| Selling and distribution expenses | 銷售及分銷開支 | | (2,713,306) | (572,425) |
| Administrative and other operating expenses | 行政及其他經營費用 | | (1,080,679) | (502,742) |
| (Impairment loss)/reversal of impairment loss on financial assets-net | (減值虧損) / 財務資產之 減值虧損撥回淨額 | 43 | (4,617) | 9,166 |
| Finance costs – net | 財務成本淨額 | 6 | (57,802) | (37,049) |
| 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 | 543,322 | 492,571 |
| Profit before income tax | 除所得稅前溢利 | 7 | 871,151 | 4,509,989 |
| Income tax credit/(expense) | 所得稅抵免 / (開支) | 10 | 1,860 | (35,735) |
| Profit for the year | 年內溢利 | | 873,011 | 4,474,254 |
| Other comprehensive (loss)/income: | 其他全面 (虧損) / 收益: | | | |
| Items that may be reclassified subsequently to profit or loss, net of income tax: | 其後可重新分類至損益之項 目，扣除所得稅： | | | |
| – Exchange differences on translation of foreign operations | – 換算海外業務之匯兌 差額 | | (536,156) | 159,360 |
| – Cash flow hedges | – 現金流量對沖 | | (20,281) | – |
| – Share of other comprehensive loss of an associate | – 分佔一間聯營公司之 其他全面虧損 | | (773) | (2,346) |
| – Change in fair value of financial assets at fair value through other comprehensive income | – 透過其他全面收益按公 平值計量之財務資產之 公平值變動 | | 110 | – |
| – Reclassification adjustment for subsidiaries deregistered during the year | – 於本年度註銷附屬公司 時重新分類調整 | | 66 | (625) |
| – 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 | | – | (7,443) |
| – 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 | | – | 3,212 |
| | | | (557,034) | 152,158 |
| Items that may not be reclassified subsequently to profit or loss, net of income tax: | 其後不可重新分類至損益之 項目，扣除所得稅： | | | |
| – Actuarial loss on pension schemes | – 退休金計劃之精算虧損 | | (440,531) | – |
| Other comprehensive (loss)/income for the year, net of income tax | 年內其他全面 (虧損) / 收益， 扣除所得稅 | | (997,565) | 152,158 |
| Total comprehensive (loss)/income for the year | 年內全面 (虧損) / 收益總額 | | (124,554) | 4,626,412 |

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 2022 截至二零二二年十二月三十一日止年度

| | | | 2022 二零二二年 | 2021 二零二一年 |
|--|---------------------------|-------------|------------------|-----------------|
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| 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 | | 850,416 | 4,562,639 |
| – Non-controlling interests | – 非控股權益 | | 22,595 | (88,385) |
| | | | 873,011 | 4,474,254 |
| 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 | | 253,088 | 4,712,733 |
| – Non-controlling interests | – 非控股權益 | | (377,642) | (86,321) |
| | | | (124,554) | 4,626,412 |
| 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 | 7.48 | 40.39 |
| Diluted (HK cents) | 攤薄 (港仙) | 11 | 7.39 | 40.15 |

The notes on pages 88 to 208 are an integral part of these consolidated financial statements.

第88至208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 2022 於二零二二年十二月三十一日

| | | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------|------------------|------------------|---------------|
| | 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 | 12A | 1,382,750 | 120,766 | |
| Right-of-use assets | 12(B) | 1,249,135 | 321,502 | |
| Investment properties | 13 | 104,400 | 93,800 | |
| Intangible assets | 14 | 594,398 | 266,866 | |
| Interests in associates and joint ventures | 15 | 4,151,810 | 4,124,391 | |
| Prepayments, deposits and other receivables | 22 | 341,776 | 301,883 | |
| Restricted bank balances | 24 | 16,980 | 3,672 | |
| Financial assets at fair value through other comprehensive income | 17 | 7,959 | - | |
| Derivative financial instruments | 18 | 2,785 | - | |
| Defined benefit surplus | 19 | 821,348 | - | |
| Deferred tax assets | 29 | 120,127 | 26,397 | |
| Other non-current assets | | 3,149 | 2,593 | |
| Total non-current assets | | 8,796,617 | 5,261,870 | |
| CURRENT ASSETS | | | | |
| 流動資產 | | | | |
| Inventories | 20 | 4,061,130 | 281,279 | |
| Trade debtors and bills receivable | 21 | 859,478 | 97,996 | |
| Prepayments, deposits and other receivables | 22 | 681,272 | 160,028 | |
| Financial assets at fair value through profit or loss | 16 | - | 587,129 | |
| Derivative financial instruments | 18 | 89,202 | - | |
| Tax recoverable | | 2,832 | - | |
| Restricted bank balances | 24 | 2,635 | 3,183 | |
| Bank deposits with maturity period over three months | | 3,962 | 4,284 | |
| Cash and cash equivalents | 23 | 2,974,803 | 2,529,663 | |
| Total current assets | | 8,675,314 | 3,663,562 | |
| Assets classified as held-for-sale | 40 | - | 184,730 | |
| Total current assets | | 8,675,314 | 3,848,292 | |
| CURRENT LIABILITIES | | | | |
| 流動負債 | | | | |
| Trade, bills and other payables | 25 | 2,796,593 | 518,084 | |
| Accruals | 26 | 642,695 | 136,069 | |
| Contract liabilities | 5 | 129,117 | 103,962 | |
| Deferred income | 27 | 453 | 1,199 | |
| Income tax payable | | 67,642 | 13,320 | |
| Lease liabilities | 12(B) | 519,199 | 123,689 | |
| Bank borrowings | 28 | 55,934 | - | |
| Derivative financial instruments | 18 | 28,445 | - | |
| Provision | 30 | 94,293 | - | |
| Other current liabilities | | 93,821 | - | |
| Total current liabilities | | 4,428,192 | 896,323 | |

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2022 於二零二二年十二月三十一日

| | | | 2022 二零二二年 | 2021 二零二一年 |
|--|------------------|-------------|-------------------|-----------------|
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| NET CURRENT ASSETS | 流動資產淨值 | | 4,247,122 | 2,951,969 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總值減流動負債 | | 13,043,739 | 8,213,839 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Deferred income | 遞延收入 | 27 | 5,726 | 6,560 |
| Other payables | 其他應付款項 | | 5,314 | 2,469 |
| Lease liabilities | 租賃負債 | 12(B) | 1,438,100 | 362,630 |
| Provision | 撥備 | 30 | 108,068 | – |
| Bank borrowings | 銀行貸款 | 28 | 288,196 | – |
| Derivative financial instruments | 衍生財務工具 | 18 | 11,469 | – |
| Deferred tax liabilities | 遞延稅項負債 | 29 | 96,664 | 87,738 |
| Defined benefit obligation | 界定福利責任 | 19 | 91,974 | – |
| Total non-current liabilities | 非流動負債總額 | | 2,045,511 | 459,397 |
| NET ASSETS | 資產淨值 | | 10,998,228 | 7,754,442 |
| 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 | 31 | 484,021 | 481,062 |
| Perpetual convertible bonds | 永久性可換股債券 | 33 | 810,621 | 810,621 |
| Reserves | 儲備 | 34 | 6,698,533 | 6,324,594 |
| | | | 7,993,175 | 7,616,277 |
| Non-controlling interests | 非控股權益 | | 3,005,053 | 138,165 |
| TOTAL EQUITY | 權益總額 | | 10,998,228 | 7,754,442 |

The financial statements were approved by the Board of Directors on 21 March 2023.

本財務報表已於二零二三年三月二十一日獲董事會批准。

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 88 to 208 are an integral part of these consolidated financial statements.

第88至208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 2022 截至二零二二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 | | | | | | | | | | | Non-controlling interests 非控股權益 | Total equity 權益總額 |
|---|---------------------------|---|--------------------------------|---|-------------------------------|--|--|------------------------------------|--------------------------|-----------------------|---------------------------|-------------|------------------------------------|----------------------|
| | | Issued capital 已發行股本 | Share premium account 股份溢價賬 | Perpetual convertible bonds 永久性可換股債券 | Share option reserve 購股權儲備 | Exchange fluctuation reserve 匯兌波動儲備 | Investment revaluation reserve 投資重估儲備 | Cash flow hedge reserve 現金流對沖儲備 | Pension reserve 退休金儲備 | Reserve funds 儲備基金 | Retained earnings 保留盈利 | Total | | |
| | | 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 | 千港元 | 千港元 | 千港元 |
| As at 1 January 2021 | 於二零二一年一月一日 | 474,817 | 2,418,755 | 933,646 | 155,173 | 27,161 | - | - | - | 25,411 | 294,408 | 4,329,371 | 201,931 | 4,531,302 |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | - | - | - | 4,562,639 | 4,562,639 | (88,385) | 4,474,254 |
| 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 | - | - | - | - | 157,296 | - | - | - | - | - | 157,296 | 2,064 | 159,360 |
| 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 | - | - | - | - | (7,443) | - | - | - | - | - | (7,443) | - | (7,443) |
| Share of other comprehensive loss of an associate | 分佔一間聯營公司之其他全面虧損 | - | - | - | - | (2,346) | - | - | - | - | - | (2,346) | - | (2,346) |
| 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 | - | - | - | - | 3,212 | - | - | - | - | - | 3,212 | - | 3,212 |
| Reclassification adjustment for a subsidiary deregistered during the year | 於本年度註銷一間附屬公司時重新分類調整 | - | - | - | - | (625) | - | - | - | - | - | (625) | - | (625) |
| Total comprehensive income/(loss) for the year | 年內全面收益/(虧損)總額 | - | - | - | - | 150,094 | - | - | - | - | 4,562,639 | 4,712,733 | (86,321) | 4,626,412 |
| Acquisition of non-controlling interests | 收購非控股權益 | - | - | - | - | - | - | - | - | - | (22,813) | (22,813) | (1,845) | (24,658) |
| Share issued upon exercise of share options | 購股權獲行使時發行之股份 | 3,245 | 46,207 | - | (17,002) | - | - | - | - | - | - | 32,450 | - | 32,450 |
| Equity-settled share option arrangements | 以股權結算之購股權安排 | - | - | - | 42,285 | - | - | - | - | - | - | 42,285 | - | 42,285 |
| Transfer of share option reserve upon the lapse of share options | 於購股權失效時轉撥購股權儲備 | - | - | - | (31,448) | - | - | - | - | - | 31,448 | - | - | - |
| Share of associates' reserve | 分佔聯營公司之儲備 | - | - | - | 26,370 | - | - | - | - | - | - | 26,370 | - | 26,370 |
| Conversion of perpetual convertible bonds to ordinary shares | 轉換永久性可換股債券為普通股 | 3,000 | 120,025 | (123,025) | - | - | - | - | - | - | - | - | - | - |
| Capital contributions received from non-controlling shareholders | 從非控股股東收取之出資額 | - | - | - | - | - | - | - | - | - | - | - | 69,580 | 69,580 |
| Dividend paid to non-controlling shareholders | 向非控股股東派發之股息 | - | - | - | - | - | - | - | - | - | - | - | (45,180) | (45,180) |
| Dividend paid | 已付股息 | - | (1,504,119) | - | - | - | - | - | - | - | - | (1,504,119) | - | (1,504,119) |
| As at 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及二零二二年一月一日 | 481,062 | 1,080,868* | 810,621 | 175,378* | 177,255* | - | - | - | 25,411* | 4,865,682* | 7,616,277 | 138,165 | 7,754,442 |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | - | - | - | 850,416 | 850,416 | 22,595 | 873,011 |
| 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 | - | - | - | - | (476,874) | - | - | - | - | - | (476,874) | (59,282) | (536,156) |
| Effective portion of changes in fair value of cash flow hedges | 現金流量對沖公平值變動之有效部分 | - | - | - | - | - | - | (5,275) | - | - | (5,275) | (15,006) | (20,281) | (20,281) |
| Share of other comprehensive loss of an associate | 分佔一間聯營公司之其他全面虧損 | - | - | - | - | (773) | - | - | - | - | - | (773) | - | (773) |
| Change in fair value of financial assets at fair value through other comprehensive income | 透過其他全面收益按公平值計量之財務資產之公平值變動 | - | - | - | - | - | - | 110 | - | - | 110 | - | - | 110 |
| Reclassification adjustment for subsidiaries deregistered during the year | 於本年度註銷附屬公司時重新分類調整 | - | - | - | - | 66 | - | - | - | - | 66 | - | - | 66 |
| Actuarial loss on pension schemes | 退休金計劃之精算虧損 | - | - | - | - | - | - | - | (114,582) | - | (114,582) | (325,949) | - | (440,531) |
| Total comprehensive income/(loss) for the year | 年內全面收益/(虧損)總額 | - | - | - | - | (477,581) | - | 110 | (5,275) | (114,582) | 850,416 | 253,088 | (377,642) | (124,554) |
| Acquisition of subsidiaries | 收購附屬公司 | - | - | - | - | - | - | - | - | - | - | - | 3,226,751 | 3,226,751 |
| Acquisition of non-controlling interests | 收購非控股權益 | - | - | - | - | - | - | - | - | 1,209 | 1,209 | (1,209) | - | - |
| Share issued upon exercise of share options | 購股權獲行使時發行之股份 | 2,959 | 47,227 | - | (11,142) | - | - | - | - | - | - | 39,044 | 2,703 | 41,747 |
| Equity-settled share option arrangements | 以股權結算之購股權安排 | - | - | - | 24,443 | - | - | - | - | - | - | 24,443 | - | 24,443 |
| Transfer of share option reserve upon the lapse of share options | 於購股權失效時轉撥購股權儲備 | - | - | - | (1,505) | - | - | - | - | - | 1,505 | - | - | - |
| Share of associates' reserve | 分佔聯營公司之儲備 | - | - | - | 59,114 | - | - | - | - | - | 59,114 | - | - | 59,114 |
| Capital contributions received from non-controlling shareholders | 從非控股股東收取之出資額 | - | - | - | - | - | - | - | - | - | - | - | 63,642 | 63,642 |
| Dividend paid to non-controlling shareholders | 向非控股股東派發之股息 | - | - | - | - | - | - | - | - | - | - | - | (47,357) | (47,357) |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | 484,021 | 1,128,095* | 810,621 | 246,285* | (300,326)* | 110* | (5,275)* | (114,582)* | 25,411* | 5,718,812* | 7,993,175 | 3,005,053 | 10,998,228 |

* These reserve accounts comprise the consolidated reserves of HK\$6,698,533,000 (2021: HK\$6,324,594,000) 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6,698,533,000港元(二零二一年: 6,324,594,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2022 截至二零二二年十二月三十一日止年度

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------------------------|------------------|-----------------|
| | 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 | 871,151 | 4,509,989 |
| Adjustments for: | 調整： | | |
| Finance costs | 財務成本 | 6 | 37,049 |
| 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 | (543,322) | (492,571) |
| Deemed dilution gain on decrease of interest in an associate | 減少一間聯營公司之權益產生之視作攤薄收益 | 5 | (977,982) |
| Interest income | 利息收入 | 5 | (13,176) |
| Fair value gain on investment properties | 投資物業之公平值收益 | 13 | (74,830) |
| Fair value loss/(gain) on financial assets/liabilities at fair value through profit or loss | 透過損益按公平值計量之財務資產/負債之公平值虧損/(收益) | 5 | (20,110) |
| Fair value gain on derivative financial instruments | 衍生財務工具之公平值收益 | (23,039) | - |
| Provision for inventories | 存貨撥備 | 7 | 822 |
| Gain on bargain purchases | 議價收購收益 | 5 | - |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | 5 | (52,867) |
| Net gain on disposal of partial interest in an associate | 出售一間聯營公司之部分權益之收益淨額 | 5 | (3,338,753) |
| Net gain from early termination of lease | 提前終止租賃之收益淨額 | 5 | (5,915) |
| Net loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損淨額 | 5 | 4,780 |
| Loss from disposal of intangible assets | 出售無形資產之虧損 | 5 | - |
| Depreciation | 折舊 | 12 | 160,340 |
| Amortisation of intangible assets | 無形資產攤銷 | 14 | 32,352 |
| Impairment on intangible assets | 無形資產之減值 | 14 | - |
| Write-off of other payables | 撇銷其他應付款項 | (16,745) | - |
| Impairment loss/(reversal of impairment loss) on financial assets-net | 財務資產之減值虧損/(減值虧損撥回)淨額 | 7 | (9,166) |
| Impairment on property, plant and equipment | 物業、廠房及設備之減值 | 12(A) | 16,048 |
| Impairment on right-of-use assets | 使用權資產之減值 | 12(B) | 71,111 |
| Equity-settled share option expenses | 以股權結算之購股權開支 | 32 | 42,285 |
| | | 385,690 | (110,594) |
| Increase in inventories | 存貨增加 | (292,838) | (92,826) |
| Decrease/(increase) in trade debtors and bills receivable | 應收賬款及應收票據減少/(增加) | 30,468 | (2,776) |
| Decrease in prepayments, deposits and other receivables | 預付款項、按金及其他應收款項減少 | 181,379 | 18,092 |
| Increase in other non-current assets | 其他非流動資產增加 | - | (590) |
| (Decrease)/increase in trade, bills and other payables | 應付賬款、應付票據及其他應付款項(減少)/增加 | (84,175) | 180,153 |
| Decrease in contract liabilities | 合約負債減少 | (19,073) | (6,175) |
| (Decrease)/increase in accruals | 應計費用(減少)/增加 | (6,200) | 9,848 |
| Decrease in deferred income | 遞延收入減少 | (1,087) | (2,546) |
| Increase in provision | 撥備增加 | 4,390 | - |
| Increase in other current liabilities | 其他流動負債增加 | 36,741 | - |
| Change in defined benefit schemes | 界定福利計劃變動 | (39,551) | - |
| Cash generated from/(used in) operations | 營運活動所得/(所用)現金 | 195,744 | (7,414) |
| Income tax paid | 已付所得稅 | (120,836) | (30,326) |
| Net cash flows generated from/(used in) operating activities | 營運活動所得/(所用)現金流量淨額 | 74,908 | (37,740) |

Consolidated Statement of Cash Flows 綜合現金流量表

Year ended 31 December 2022 截至二零二二年十二月三十一日止年度

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------|-----------------|-----------------|
| | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends received from associates | 15 | 167,929 | 82,247 |
| Interest received | | 21,348 | 13,176 |
| Increase in bank deposits with maturity period over three months | | - | (4,284) |
| Increase in restricted bank balances | | (12,630) | (3,121) |
| Proceeds from disposal of property, plant and equipment | | 6,819 | 11,724 |
| Net proceeds from disposal of a subsidiary, net of cash | | - | 364,186 |
| Net proceeds from disposal of held-for-sale assets | | 183,122 | - |
| Net proceeds on disposal of partial interest in an associate | 15 | - | 3,786,880 |
| Purchases of items of property, plant and equipment | | (183,409) | (90,439) |
| Purchases of intangible assets | | (93,987) | (3,222) |
| Prepayment for the acquisition of property | | (48,360) | (253,177) |
| Payment for financial asset at fair value through profit or loss | | - | (298,485) |
| Acquisition of subsidiaries, net of cash acquired | | 928,631 | - |
| Others | | - | (11,427) |
| Net cash flows generated from investing activities | | 969,463 | 3,594,058 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividend paid to non-controlling shareholders | | (47,357) | (45,180) |
| Interest paid | | (7,070) | (16,078) |
| Proceeds from new bank borrowings | 28 | 900,605 | - |
| Proceeds from issue of ordinary shares upon exercise of share options | | 41,747 | 32,450 |
| Payment of lease liabilities | | (374,389) | (169,114) |
| Repayment of bank borrowings | 28 | (1,109,294) | (1,256,000) |
| Capital contribution received from a non-controlling shareholders | | 5,776 | 69,580 |
| Special dividend paid to shareholders | | - | (1,504,080) |
| Net cash flows used in financing activities | | (589,982) | (2,888,422) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 454,389 | 667,896 |
| Cash and cash equivalents at beginning of year | | 2,529,663 | 1,857,441 |
| Effect of foreign exchange rate changes, net | | (53,863) | 4,326 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | 2,930,189 | 2,529,663 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | | |
| Cash and bank balances other than time deposits | 23 | 1,561,063 | 742,481 |
| Non-pledged time deposits with original maturity of less than three months | 23 | 1,413,740 | 1,787,182 |
| Cash and cash equivalents as stated in the consolidated statement of financial position | | 2,974,803 | 2,529,663 |
| Less: Bank overdraft | 28 | (44,614) | - |
| Cash and cash equivalents as stated in the consolidated statement of cash flows | | 2,930,189 | 2,529,663 |

The notes on pages 88 to 208 are an integral part of these consolidated financial statements.

第88至208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 2022 二零二二年十二月三十一日

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:

- design and development, branding and sales of multi-brand sports and lifestyle apparel and footwear; and
- management and operation of sports parks, sports centres and ice-skating rinks and management and operation of e-sports clubs, coordination of sports events and sports-related marketing services.

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").

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：

- 多品牌運動及休閒鞋服的設計及開發、品牌推廣及銷售；及
- 管理及運營體育園、運動中心及滑冰場及管理及運營電競俱樂部、協調體育賽事及體育相關營銷服務。

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」）境內從事體育相關鞋類、服飾、器材及配件的品牌發展、設計、製造、零售及批發。

除另有指明者外，該等財務報表乃以港元呈列。

Notes to Consolidated Financial Statements 綜合財務報表附註

31 December 2022 二零二二年十二月三十一日

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 financial instruments) and investment property – measured at fair value; and
- assets classified as held-for-sale – measured at lower of the carrying amount and fair value less cost to sell; and
- defined benefit pension plans – plan assets measured at fair value.

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 2022:

| | |
|----------------------------------|---|
| Amendments to HKFRS 3 | Reference to the Conceptual Framework |
| Amendments to HKAS 16 | Property, Plant and Equipment: Proceeds before intended use |
| Amendments to HKAS 37 | Onerous Contracts- Cost of Fulfilling a Contract |
| Annual Improvements | Annual Improvements to HKFRS Standards 2018-2020 |
| Accounting Guideline 5 (Revised) | Merger Accounting for Common Control Combinations |

The adoption of the new and revised HKFRS for the year ended 31 December 2022 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（包括衍生財務工具）及投資物業—按公平值計量；及
- 分類為持作出售之資產—按賬面值與公平值減出售成本之較低者計量；及
- 界定福利退休金計劃—計劃資產按公平值計量。

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

本集團於二零二二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：

| | |
|----------------|--------------------------|
| 香港財務報告準則第3號之修訂 | 概念框架之提述 |
| 香港會計準則第16號之修訂 | 物業、廠房及設備：擬定用途前的所得款項 |
| 香港會計準則第37號之修訂 | 虧損性合約—履行合約的成本 |
| 年度改進 | 香港財務報告準則二零一八年至二零二零年的年度改進 |
| 會計指引第5號（經修訂） | 同一控制下業務合併的會計處理 |

於截至二零二二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 2022 二零二二年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures (Continued)

(b) *New standard issued but not yet effective*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 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.

2.3 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, with limited exceptions, 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.

2. 主要會計政策概要 (續)

2.2 會計政策及披露變動 (續)

(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，惟於二零二二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。

2.3 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，且有能力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。除有限例外情況外，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。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Consolidation (Continued)

(a) Business combinations (Continued)

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.

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.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

綜合 (續)

(a) 業務合併 (續)

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。

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、結餘及本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。

(c) 出售附屬公司

當本集團不再擁有控制權時，於實體之任何保留權益乃重新計量至其於失去控制權日期之公平值，而賬面值變動於損益內確認。就其後入賬列作聯營公司、合營企業或財務資產之保留權益而言，公平值乃初步賬面值。此外，先前就該實體於其他全面收益確認之任何金額乃按猶如本集團已直接出售相關資產或負債般入賬。此可能意味著於先前於其他全面收益確認之金額均重新分類至損益。

Notes to Consolidated Financial Statements 綜合財務報表附註

31 December 2022 二零二二年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

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.

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 obligation 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.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

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該等附屬公司的投資進行減值測試。

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逾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。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Associates (Continued)

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 profits less losses of associates and joint ventures' in the profit or loss.

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 obligation 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. Freehold lands are stated at cost less 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)

2.3 主要會計政策概要 (續)

聯營公司 (續)

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「分佔聯營公司及合營企業之溢利減虧損」確認有關金額。

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定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。永久土地按成本減減值虧損列賬。歷史成本包括收購此等項目直接應佔開支。

Notes to Consolidated Financial Statements 綜合財務報表附註

31 December 2022 二零二二年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Property, plant and equipment and depreciation (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:

| | |
|--------------------------------|---|
| Freehold lands | Not depreciated |
| Buildings | 2% to 5% |
| Leasehold improvements | 6.7% to 33% or over the lease terms, whichever is shorter |
| Machinery and office equipment | 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 with reference to valuation report where applicable. 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)

2.3 主要會計政策概要 (續)

物業、廠房及設備及折舊 (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：

| | |
|----------|-----------------------|
| 永久土地 | 不予折舊 |
| 樓宇 | 2%至5% |
| 租賃物業裝修 | 6.7%至33%或按租期攤銷，以較短者為準 |
| 機器及辦公室設備 | 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)貸款成本)計量。於初始確認後，投資物業按公平值列賬，相當於參考估值報告(倘適用)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。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Investment properties (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. When determining the useful lives of such intangible assets, the Group generally takes into consideration (i) the estimated period during which such asset can bring economic benefits to the Group, (ii) the estimated useful lives of similar assets disclosed by comparable companies in the market, and (iii) legal factors which impact the period over which the entity controls access to these economic benefits. 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)

2.3 主要會計政策概要 (續)

投資物業 (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。釐定有關無形資產的使用年期時，本集團一般會考慮(i)有關資產可為本集團帶來經濟利益的估計年期；(ii)市場上可資比較公司所披露類似資產的估計使用年期；及(iii)影響實體取得該等經濟利益年期的法律因素。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。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Intangible assets (Continued)

(b) Intangible assets (other than goodwill) (Continued)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU 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 licensing right and membership

Separately acquired trademark and licensing right and membership are shown at historical cost. Trademarks and licensing right and membership acquired in business combination are recognised at fair value at the acquisition date. Trademarks and licensing right 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 licensing right 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 and home and away co-operation agreement

League qualification and home and away co-operation agreement have definite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses, if any. They are 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 and home and away co-operation agreement over their estimated useful lives of 9 years and 1.6 years, respectively.

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)

2.3 主要會計政策概要 (續)

無形資產 (續)

(b) 無形資產 (商譽除外) (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。

商標及許可使用權及會籍

個別收購之商標及許可使用權及會籍按歷史成本列示。在業務合併過程中收購之商標及許可使用權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許可使用權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許可使用權及會籍的成本計算。

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。

聯賽資格及主客場合作協議

聯賽資格及主客場合作協議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分別為9年及1.6年的估計可使用年期分配聯賽資格及主客場合作協議的成本計算。

轉會權

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，包括對任何或然代價公平值的估計。隨後對或然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。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Intangible assets (Continued)

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met.

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods.

- Trademarks and licensing right and membership 2-20 years
- Operating rights 15-20 years
- League qualification 9 years
- Home and away co-operation agreement 1.6 years
- Players' registration rights 1-3 years
- Software 3-5 years

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

無形資產 (續)

軟件

與維護軟件程序相關的成本於產生時確認為開支。

設計及測試本集團所控制的可識別獨特軟件產品時直接應佔的開發成本在符合以下條件時確認為無形資產。

- 完成的軟件產品在技術上可行，並可供使用
- 管理層擬完成軟件並使用或出售產品
- 能夠使用或出售軟件
- 能夠論證軟件產品將如何產生可能的未來經濟利益
- 具備足夠的技術、財務及其他資源完成開發並可使用或出售軟件，及
- 軟件開發期間應佔的開支能可靠地計量。

可直接歸屬並可資本化成為軟件的成本，包括僱員成本及有關費用的適當部分。

資本化的開發成本計入無形資產，並從資產可供使用時開始攤銷。

本集團使用直線法按下列期限攤銷具有有限使用年期的無形資產。

- 商標及許可使用權及會籍 2至20年
- 營運權 15至20年
- 聯賽資格 9年
- 主客場合作協議 1.6年
- 轉會權 1至3年
- 軟件 3至5年

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

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.

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.

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.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

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。

租賃條款乃按個別基準磋商，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。租賃資產不得用作貸款擔保物。

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)。

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。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

2.3 Summary of significant accounting policies (Continued)

Leases (Continued)

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.

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)

2.3 主要會計政策概要 (續)

租賃 (續)

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。

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。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Leases (Continued)

The Group has early adopted Amendment to HKFRS 16 – Covid-19-Related Rent Concessions beyond 30 June 2021, which extended the practical expedient to lease payments that were due on or before 30 June 2022.

The amendment provides an optional practical expedient allowing lessees to elect not to assess whether a rent concession related to COVID19 is a lease modification. Lessees adopting this election may account for qualifying 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 2022; and
- there is no substantive change to other terms and conditions of the lease.

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.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

租賃 (續)

本集團已提早採納香港財務報告準則第16號之修訂—二零二一年六月三十日後與COVID-19相關的租金減免，其延長了於二零二二年六月三十日或之前到期的租賃付款的可行權宜方法。

修訂提供可選用的可行權宜方法，在與COVID-19相關租金減免是否屬租賃修訂上，准許承租人選擇不對此進行評估。選用此選項的承租人可按合資格租金減免不屬租賃修訂的相同方式，將合資格租金減免入賬。

此可行權宜方法僅在滿足以下所有條件的情況下，才能應用於因COVID-19疫情之直接影響而產生之租金減免：

- 租賃付款之變動導致租賃之代價修改，與緊接變動前之租賃代價大致相同或低於該代價；
- 租賃付款之任何減少僅影響原於二零二二年六月三十日或之前到期之付款；及
- 租賃的其他條款及條件並無實質性變動。

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。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

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 of disposal 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 (CGUs). 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, at fair value through other comprehensive income, 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)

2.3 主要會計政策概要 (續)

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、透過其他全面收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)

2.3 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.
- **Fair value through profit & loss:** Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit & loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit & loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.
- **Fair value through other comprehensive income:** 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 fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other 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)

2.3 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)

2.3 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 43 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.

Hedge accounting

Cash flow hedges

The Group designates forward exchange contracts as hedging instruments in respect of foreign currency risk in cash flow hedges.

2. 主要會計政策概要 (續)

2.3 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43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。

對沖會計

現金流量對沖

於現金流量對沖中，本集團指定遠期外匯合約為外匯風險的對沖工具。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Hedge accounting (Continued)

Cash flow hedges (Continued)

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in the fair value of a forward exchange contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward exchange contracts.

The effective portion of changes in the fair value of the forward exchange contracts that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in the reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income and other gains – net. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the forecast transaction is no longer highly likely to occur in the future, that amount is considered ineffective, and immediately reclassified to profit or loss.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

對沖會計 (續)

現金流量對沖 (續)

於建立對沖關係時，本集團將對沖工具與對沖項目間之關係存檔，並訂明其風險管理目標及其進行多項對沖交易之策略。此外，於對沖開始時和進行期間，本集團記錄用於對沖關係的對沖工具是否高度有效地抵銷被對沖項目因對沖風險引致的公平值或現金流量之變動，即在對沖關係符合以下所有有關對沖的有效性的規定之時：

- 對沖項目與對沖工具有經濟關係；
- 信貸風險的影響不會主導該經濟關係導致的價值變化；及
- 對沖關係之對沖比率與本集團實際對沖之被對沖項目的數量和本集團實際用於對沖該被對沖項目數量之對沖工具的數量引起的對沖比率一致。

倘對沖關係不再符合與對沖比率有關之對沖的有效性要求，但該指定對沖關係的風險管理目標保持不變，本集團調整對沖關係之對沖比率（即重新調整對沖），以使其再次符合有關合資格標準。

本集團就其涉及遠期外匯合約的所有對沖關係指定遠期合約（即包含遠期要素）的全部公平值變動為對沖工具。

指定及符合現金流量對沖之遠期外匯合約公平值變動，其有效部分於其他全面收益確認並於現金流量對沖儲備下累計，限於自對沖開始起計對沖項目的公平值累計變動。與其無效部分相關之盈虧，即時於損益之其他收入及其他收益淨額內確認。先於其他全面收益確認及於權益累計之金額，重新分類為當被對沖項目影響損益期間之損益。然而，倘對沖預測交易導致確認非財務資產或非財務負債，則先於其他全面收益確認並於權益累計之收益及虧損會自權益轉撥，並計入初步計量之非財務資產或非財務負債成本內。該轉撥不會影響其他全面收益。此外，倘本集團預期部分或全部預測交易日後將不太可能發生，則該金額被視為無效且即時重新分類至損益。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

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.

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 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 21 for further information about the Group's accounting for trade debtors and bills receivable and Note 43 for a description of the Group's impairment policies.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include cash on hand, demand deposits and other short term highly liquid investments with maturity of three months or less, less bank overdrafts, which are repayable on demand and form an integral part of the Group's cash management. Bank overdrafts are shown within bank borrowings in current liabilities in the consolidated statement of financial position.

2. 主要會計政策概要(續)

2.3 主要會計政策概要(續)

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。

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價值確認。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21，而有關本集團減值政策的描述，請參閱附註43。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款及到期日為三個月或以內到期之其他短期高流動性投資，減須應要求償還並構成本集團現金管理不可或缺一部分的銀行透支。銀行透支於綜合財務狀況表項下之流動負債內列示為銀行貸款。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Trade, bills and other payables

Trade and bills payables are obligation to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade, bills and other 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, bills and other 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 obligation, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation 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 obligation 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 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)

2.3 主要會計政策概要 (續)

應付賬款、應付票據及其他應付款項

應付賬款及應付票據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、應付票據及其他應付款項於一年或之內到期，則被分類為流動負債，否則，則以非流動負債呈列。

應付賬款、應付票據及其他應付款項初步按公平值確認，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。

貸款

貸款初步按公平值扣除所產生交易成本確認。貸款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貸款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，否則貸款分類為流動負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 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)

2.3 主要會計政策概要 (續)

貸款成本

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貸款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貸款之臨時投資所賺取投資收入乃自合資格資本化之貸款成本中扣除。

所有其他貸款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。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Income tax (Continued)

(b) Deferred tax (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.

Held for sale

Subsidiaries and investment properties are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Subsidiaries are measured at the lower of their carrying amount and fair value less cost to sell and investment properties are carried at fair value.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

所得稅 (續)

(b) 遞延稅項 (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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倘附屬公司及投資物業主要透過出售交易而非透過持續使用來收回賬面值，並且被視為很可能售出，則分類為持作出售。附屬公司按賬面值與公平值減出售成本之較低者計量，而投資物業按公平值入賬。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Revenue and other income

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)

2.3 主要會計政策概要 (續)

收益及其他收入

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或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。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Revenue and other income (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 the sale of goods, when control of the goods has been transferred to the buyer, which is upon the acceptance of the goods in an amount equal to the contract sales prices less estimated sales allowances for sales returns.
- (b) 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;

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

收益及其他收入 (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利收取代價時，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利收取該等代價。

以下是對本集團主要收益來源之會計政策說明：

- (a) 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，金額相等於合約銷售價格減銷售退貨之估計銷售撥備。
- (b) 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；

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Revenue and other income (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 principal or agent.

If the Group is principal, 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

Rental income is recognised on a straight line basis over the lease terms.

Sale of gift vouchers

Revenue from the sale of gift vouchers is initially recognised as a liability to the customer. This is released to revenue as the vouchers are redeemed. An element of breakage is recognised upfront on gift voucher sales based on historical data. The value of unexpired gift cards is not considered to be material.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

收益及其他收入 (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抑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

租金收入於租期內按直線法確認。

銷售禮券

銷售禮券的收益初始確認為對客戶的負債。其於兌換禮券時撥作收益。根據歷史數據於禮券銷售前識別破損因素。未過期的禮品卡價值被視為不重大。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Revenue and other income (Continued)

Sale with a right of return/exchange

For a sale of products with a right of return/exchange for dissimilar products, the Group recognises all of the following:

- (a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned);
- (b) a refund liability; and
- (c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers.

Loyalty scheme

The Group operates loyalty programmes wherein customers earn points based upon the amount spent on purchases of products, which can be redeemed for gift vouchers once a specified number of points is attained. Points issued represent a separate performance obligation providing a material right. The portion of the total transaction price allocated to the points is determined based on the value of the points to the customer when redeemed, adjusted for expected redemption rates or breakage. The consideration related to points earned is deferred and recognised as a contract liability. Revenue is recognised as the earned vouchers are redeemed by the customers.

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).

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

收益及其他收入 (續)

銷售可退貨／更換的產品

對於銷售可就非類同產品而退貨／更換的產品，本集團確認以下全部：

- (a) 按本集團預期有權收取的代價金額確認所轉讓產品的收益 (因此，預期將交回的產品不會確認收益)；
- (b) 退款負債；及
- (c) 其有權自客戶收回產品的資產 (及銷售成本的相應調整)。

忠誠度計劃

本集團推行忠誠度計劃，客戶根據購買產品的金額賺取積分，一旦達到指定數量的積分，即可兌換禮券。發出的積分代表提供重大權利的單獨履約責任。分配給積分的總交易價格部分根據兌換時客戶的積分價值釐定，並根據預期兌換率或破損率進行調整。與所賺取積分相關的代價予以遞延並確認為合約負債。收益在客戶兌換所得優惠券時確認。

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)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Revenue and other income (Continued)

Royalty income

Royalty income is recognised on a time proportion basis in accordance with the substance of the relevant agreements.

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.

Employee benefit

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.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective the date of the forfeiture. Where the options are expired after the vesting period, any share option reserves previously recognised in relation to such shares would be transferred to accumulated losses or retained earnings.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

收益及其他收入 (續)

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。

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。

僱員福利

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。

倘由於員工未能滿足服務條件而沒收股份，則先前確認與該股份有關的任何費用自沒收之日起轉回。倘購股權於歸屬期後屆滿，先前就該等股份確認的任何購股權儲備將轉移至累計虧損或保留盈利。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Employee benefits (Continued)

Pension plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The liability or asset recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in finance cost-net in the statement of profit or loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

- The employees of the Group's subsidiaries which operate in the mainland China 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.
- The Group operates pension schemes in the UK and US including defined benefit and defined contribution sections. Details are referred to Note 19.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

僱員福利 (續)

退休金計劃

就定額供款計劃而言，本集團以強制、合約或自願基準向公共或私人管理的退休保險計劃供款。供款一經支付，本集團概無進一步支付責任。供款於到期時確認為僱員福利開支。預付供款於可獲得現金退款或未來付款減少的情況下確認為資產。

資產負債表中確認有關界定福利退休金計劃負債或資產為報告期末界定福利責任現值減計劃資產公平值。界定福利責任每年由獨立精算師以預測單位信用法計算。界定福利責任現值乃通過使用高質量公司債券利率對預計未來現金流出進行貼現釐定，以支付福利的貨幣計值，且其期限與相關責任期限相近。於並無有關債券深度市場的國家，則使用政府債券的市場利率。淨利息成本以應用貼現率於界定福利責任淨餘額及計劃資產公平值的方式計算。該成本包括損益表內的財務成本淨額。經驗調整及精算假設變動產生的重新計量收益及虧損於其產生期間直接於其他全面收益內確認。其計入權益變動表及資產負債表之保留盈利。因計劃修訂或縮減而導致的界定福利責任現值變動，將立即於損益確認為過往服務成本。

本集團運作多項離職後計劃，包括界定福利及定額供款退休金計劃。

- 本集團於中國內地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。
- 本集團於英國及美國運作多項退休金計劃，包括界定福利及定額供款部分。詳情請參閱附註19。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Employee benefits (Continued)

Pension plans (Continued)

- The Group operates two pension schemes in Hong Kong, namely the Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance and a defined contribution retirement benefit scheme as defined in the Occupational Retirement Schemes Ordinance (the “ORSO Scheme”), for all of its employees in Hong Kong. Under the MPF Scheme, contributions of 5% of the employees’ relevant income with a maximum monthly contribution of HK\$1,500 per employee are made by each of the employer and the employees. The employer contributions are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme. Under the ORSO Scheme, contributions of 5% of the employees’ basic salaries are made by the employer and are charged to profit or loss as they become payable in accordance with the rules of the ORSO Scheme. The rates of contributions made by the employees are either 0% or 5% of the salary of each employee at the discretion of the employee. When an employee leaves the ORSO Scheme prior to his/her interest in the Group’s employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of forfeited contributions. The assets of the MPF and ORSO Schemes are held separately from those of the Group in independently administered funds.
- The Group’s subsidiaries in Singapore participate in a Central Provident Fund Scheme, which is a contribution plan established by the Central Provident Fund Board in Singapore.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

僱員福利 (續)

退休金計劃 (續)

- 本集團於香港為其全部員工運作兩項退休金計劃，即強制性公積金計劃條例下的強制性公積金退休福利計劃（「強積金計劃」）及職業退休計劃條例界定的定額供款退休福利計劃（「職業退休計劃」）。在強積金計劃下，僱主及僱員各自按僱員有關入息5%之比率供款，供款額最高為每名僱員1,500港元。根據強積金計劃條款，僱主之供款於應繳付時在損益內扣除。本集團之僱主供款於繳入強積金計劃後全數歸僱員所有。在職業退休計劃下，僱主按僱員底薪5%之比率供款，並根據職業退休計劃的規定，供款於應繳付時在損益內扣除。而僱員則可選擇按其薪金0%或5%之比率供款。當僱員在取得本集團僱主之全數供款前退出職業退休計劃，本集團可用沒收供款之數額減低其往後應付之供款。強積金計劃及職業退休計劃之資產，與本集團之資產分開，並由獨立管理之基金持有。
- 本集團在新加坡之附屬公司參與公積金計劃，此乃一項由新加坡公積金局設立之供款計劃。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

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.

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.

2. 主要會計政策概要 (續)

2.3 主要會計政策概要 (續)

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貸款外，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。

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。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (Continued)

Foreign currency translation (Continued)

(c) Group companies (Continued)

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.

(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)

2.3 主要會計政策概要 (續)

外幣換算 (續)

(c) 集團公司 (續)

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。

(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。

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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 CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Both calculations require the use of estimates. The calculation of the fair value less costs of disposal 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 which use cash flow projections or fair value less costs of disposal calculation which use valuation technique such as enterprise value-to-sales model. 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 or fair value less costs of disposal calculation are set out in Note 14. The carrying amounts of the Group's goodwill as at 31 December 2022 were HK\$44,732,000 (2021: HK\$81,516,000).

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。該等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現金流量預測之使用價值計算或使用企業價值比銷售額模型之公平值減出售成本計算等估值技巧釐定。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。使用價值計算或公平值減出售成本計算採用之主要假設載於附註14。本集團商譽於二零二二年十二月三十一日之賬面值為44,732,000港元（二零二一年：81,516,000港元）。

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 2022 were HK\$1,382,750,000 (2021: HK\$120,766,000) and HK\$1,249,135,000 (2021: HK\$321,502,000), respectively. For details, please refer to Note 12(A) and Note 12(B).

(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 2022 was HK\$4,061,130,000 (2021: HK\$281,279,000). For details, please refer to Note 20.

(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, asset useful life, discount rates used and unit price of properties.

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以主要假設(如估計未來店舖表現、經濟環境及銷售增長率)對來自資產之預期未來現金流量作出估計,亦要選擇合適貼現率計算該等現金流量之現值。於二零二二年十二月三十一日,本集團物業、廠房及設備以及使用權資產之賬面值分別為1,382,750,000港元(二零二一年:120,766,000港元)及1,249,135,000港元(二零二一年:321,502,000港元)。詳情請參閱附註12(A)及附註12(B)。

(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任何陳舊存貨作出撥備。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。於二零二二年十二月三十一日,本集團存貨之賬面值為4,061,130,000港元(二零二一年:281,279,000港元)。詳情請參閱附註20。

(iv) 透過業務合併收購的可辨認資產及負債的公平值

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,須以收購日期的公平值計量。估計所收購資產及負債的公平值須運用重大判斷,包括估計未來現金流量、資產的可使用年期、所用貼現率及物業單價。

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3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(v) *Income taxes and deferred taxation*

The Group is subject to income taxes in United Kingdom ("UK") and United States of America ("USA"), Hong Kong, mainland China, and elsewhere in which the Group operates. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets are recognised when management considers it is probable that future taxable profits will be available to utilise those temporary differences and losses. When the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation charges in the period in which such estimate is changed.

(vi) *Valuation for defined benefit pension obligation*

The cost of defined benefit pension plans is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, rates of inflation and mortality rates.

Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency. For details, please refer to Note 19.

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 2022, the Group is organised into two reportable operating segments as follows:

- (a) the multi-brand apparel and footwear segment engages in design and development, branding and sales of sports and lifestyle consumables; and
- (b) the sports experience segment engages in management and operation of sports parks, sports centres and ice-skating rinks and management and operation of e-sports clubs, coordination of sports events and sports-related marketing services.

3. 重大會計估計、假設及判斷 (續)

(v) *所得稅及遞延稅項*

本集團須於英國（「英國」）及美利堅合眾國（「美國」）、香港、中國內地及本集團經營所在的其他地方繳納所得稅。釐定所得稅撥備時需要作出重大判斷。在日常業務過程中，眾多交易及計算的最終釐定均不確定。本集團根據估計額外稅項會否到期確認預期稅務事宜之責任。倘該等事宜之最終稅務結果有別於初步入賬之金額，則有關差額將影響釐定稅務期間之即期稅項及遞延所得稅資產及負債。

當管理層認為未來應課稅利潤可能可用於動用該等暫時性差異及虧損時，確認遞延稅項資產。當預期與原先估計不同時，該差異將影響該估計變更期間遞延所得稅資產及稅項費用的確認。

(vi) *界定福利退休金責任估值*

界定利益退休金計劃的成本使用精算估值釐定。精算估值涉及對貼現率、通脹率及死亡率。

由於估值的複雜性、相關假設及該等計劃的長期性質，此類估計存在重大不確定性。於釐定適當的貼現率時，管理層會考慮以相關貨幣計價的公司債券的利率。詳情請參閱附註19。

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，而本集團於截至二零二二年十二月三十一日止年度分為以下兩個呈報經營分部：

- (a) 多品牌鞋服分部從事運動及休閒消費品的設計及開發、品牌推廣及銷售；及
- (b) 運動體驗分部從事管理及運營體育園、運動中心及滑冰場及管理及運營電競俱樂部、協調體育賽事及體育相關營銷服務。

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

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 income tax. The adjusted profit or loss before income tax is measured consistently with the Group's profit or loss before income tax, with interest income, fair value changes in investment property, financial assets and liabilities at fair value through profit or loss, gain on bargain purchase, gain on disposal of a subsidiary, net gain on disposal of partial interest in an associate, deemed dilution gain on decrease of interest in an associate, equity-settled share option expenses, impairment or reversal of impairment loss on financial assets and intangible assets – net, share of profits less losses of associates and joint ventures, finance costs, as well as corporate and other unallocated expenses are excluded from such measurement.

4. 經營分部資料(續)

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，此乃計量除所得稅前經調整溢利或虧損之方法。除所得稅前經調整溢利或虧損之計量方法與本集團之除所得稅前溢利或虧損計量方法一致，惟利息收入、投資物業之公平值變動、透過損益按公平值計量之財務資產及負債、議價收購收益、出售一間附屬公司之收益、出售一間聯營公司之部分權益收益淨額、減少一間聯營公司之權益產生之視作攤薄收益、以股權結算之購股權開支、財務資產及無形資產之減值或減值虧損回撥淨額、分佔聯營公司及合營企業之溢利減虧損、財務成本以及企業及其他未分配開支則不包括於該計量中。

| Year ended 31 December 2022 | 截至二零二二年 十二月三十一日止年度 | Multi-brand apparel and footwear | Sports experience | Total |
|--|-------------------------|--|----------------------|------------------|
| | | 多品牌鞋服 | 運動體驗 | 總計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Segment revenue: | 分部收益： | | | |
| External | 外部 | 6,399,546 | 500,844 | 6,900,390 |
| Segment results | 分部業績 | (309,861) | (17,800) | (327,661) |
| Reconciliation: | 調節表： | | | |
| Interest income | 利息收入 | | | 24,528 |
| Fair value gain on investment property | 投資物業之公平值收益 | | | 10,600 |
| Fair value loss on financial assets/liabilities at fair value through profit or loss | 透過損益按公平值計量之財務資產/負債公平值虧損 | | | (46,103) |
| Gain on bargain purchases | 議價收購收益 | | | 956,346 |
| Deemed dilution gain on decrease of interest in an associate | 減少一間聯營公司之權益產生之視作攤薄收益 | | | 7,016 |
| Equity-settled share option expense | 以股權結算之購股權開支 | | | (24,443) |
| Impairment on intangible assets | 無形資產之減值 | | | (64,837) |
| Impairment loss on financial assets – net | 財務資產之減值虧損淨額 | | | (4,617) |
| Corporate and other unallocated expenses | 企業及其他未分配開支 | | | (145,198) |
| 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 | | | 543,322 |
| Finance costs | 財務成本 | | | (57,802) |
| Profit before income tax | 除所得稅前溢利 | | | 871,151 |
| Other segment information: | 其他分部資料： | | | |
| Depreciation | 折舊 | 367,072 | 30,416 | 397,488 |
| Add: depreciation related to corporate | 加：與企業有關之折舊 | | | 2,807 |
| | | | | 400,295 |
| Capital expenditure on property, plant and equipment | 物業、廠房及設備之資本開支 | 171,038 | 13,113 | 184,151 |
| Add: capital expenditure on property, plant and equipment related to corporate | 加：與企業有關之物業、廠房及設備之資本開支 | | | 101 |
| | | | | 184,252 |

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料(續)

| Year ended 31 December 2021 | 截至二零二一年 十二月三十一日止年度 | Multi-brand apparel and footwear 多品牌鞋服 | Sports experience 運動體驗 | Total 總計 |
|--|-------------------------|---|------------------------------|------------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Segment revenue: | 分部收益： | | | |
| External | 外部 | 851,222 | 530,415 | 1,381,637 |
| Segment results | 分部業績 | (312,587) | 23,583 | (289,004) |
| Reconciliation: | 調節表： | | | |
| Interest income | 利息收入 | | | 13,176 |
| Fair value gain on investment property | 投資物業之公平值收益 | | | 74,830 |
| Fair value gain on financial assets/liabilities at fair value through profit or loss | 透過損益按公平值計量之財務資產／負債公平值收益 | | | 20,110 |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | | | 52,867 |
| Net gain on disposal of partial interest in an associate | 出售一間聯營公司之部分權益之收益淨額 | | | 3,338,753 |
| Deemed dilution gain on decrease of interest in an associate | 減少一間聯營公司之權益產生之視作攤薄收益 | | | 977,982 |
| Equity-settled share option expense | 以股權結算之購股權開支 | | | (42,285) |
| Reversal of impairment loss on financial assets – net | 撥回財務資產之減值虧損淨額 | | | 9,166 |
| Corporate and other unallocated expenses | 企業及其他未分配開支 | | | (101,128) |
| 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 | | | 492,571 |
| Finance costs | 財務成本 | | | (37,049) |
| Profit before income tax | 除所得稅前溢利 | | | 4,509,989 |
| Other segment information: | 其他分部資料： | | | |
| Depreciation | 折舊 | 122,966 | 33,002 | 155,968 |
| Add: depreciation related to corporate | 加：與企業有關之折舊 | | | 4,372 |
| | | | | 160,340 |
| Capital expenditure on property, plant and equipment | 物業、廠房及設備之資本開支 | 78,912 | 11,480 | 90,392 |
| Add: capital expenditure on property, plant and equipment related to corporate | 加：與企業有關之物業、廠房及設備之資本開支 | | | 47 |
| | | | | 90,439 |

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

Information about major customers

For the year ended 31 December 2022, no customer contributing more than 10% of total revenue. For the year ended 31 December 2021, revenue of approximately HK\$295,956,000 was derived from an individual customer, which is a related party as disclosed in Note 38, and 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, derivative financial instruments 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

於截至二零二二年十二月三十一日止年度，概無客戶佔總收益10%以上。於截至二零二一年十二月三十一日止年度，約295,956,000港元之收益來自一名個別客戶(為附註38所披露的關連人士)，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、衍生財務工具及遞延稅項資產除外)之詳情如下：

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|------------------------|------------------|------------------|
| | | 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 | | |
| UK and Republic of Ireland ("ROI") | 英國愛爾蘭共和國 (「愛爾蘭共和國」) | 2,327,041 | - |
| America | 美洲 | 2,415,651 | - |
| The PRC (including Hong Kong and Macau) | 中國(包括香港及澳門) | 1,667,244 | 1,309,752 |
| Asia (Other than the PRC) | 亞洲(中國以外) | 294,344 | 71,885 |
| EMEA | 歐非中東 | 196,110 | - |
| Total | 總計 | 6,900,390 | 1,381,637 |
| ii) Non-Current Assets | ii) 非流動資產 | | |
| UK and ROI | 英國及愛爾蘭共和國 | 2,000,530 | - |
| America | 美洲 | 1,308,544 | - |
| The PRC (including Hong Kong and Macau) | 中國(包括香港及澳門) | 1,039,488 | 1,071,748 |
| Asia (Other than the PRC) | 亞洲(中國以外) | 100,047 | 39,334 |
| EMEA | 歐非中東 | 73,286 | - |
| Total | 總計 | 4,521,895 | 1,111,082 |

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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：

| | | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------------------------|-------------|------------------|-----------------|
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Revenue | 收益 | | | |
| Sales of goods | 銷售貨品 | | 6,362,315 | 874,666 |
| Sports content production and distribution income | 體育內容製作及發行收入 | | 238,116 | 226,925 |
| 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 | | 203,855 | 226,262 |
| Royalty income | 專利費收入 | | 57,050 | – |
| Sports team management income | 體育隊伍管理收入 | | 28,579 | 34,125 |
| Gross rental income | 租金收入總額 | | 7,884 | 13,672 |
| Community development consultancy service income | 社區發展諮詢服務收入 | | 2,591 | 5,987 |
| | | | 6,900,390 | 1,381,637 |
| At a point of time | 在某一時點 | | 6,362,315 | 874,666 |
| Overtime | 隨時間 | | 538,075 | 506,971 |
| | | | 6,900,390 | 1,381,637 |
| Other income | 其他收入 | | | |
| Government grants | 政府補貼 | | 52,895 | 34,092 |
| Interest income | 利息收入 | (a) | 24,528 | 13,176 |
| Others | 其他 | | 20,598 | 34,197 |
| | | | 98,021 | 81,465 |
| Other gains – net | 其他收益淨額 | | | |
| Gain on bargain purchases | 議價收購收益 | 39 | 956,346 | – |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | | – | 52,867 |
| Fair value gain of derivative financial instruments | 衍生財務工具之公平值收益 | 18 | 23,039 | – |
| Fair value gain on investment property | 投資物業之公平值收益 | 13 | 10,600 | 74,830 |
| Fair value (loss)/gain on financial assets/liabilities at fair value through profit or loss | 透過損益按公平值計量之財務資產/負債之公平值(虧損)/收益 | | (46,103) | 20,110 |
| Foreign exchange loss | 匯兌虧損 | | (31,663) | (1,358) |
| Write-off of other payables | 撇銷其他應付款項 | | 16,745 | – |
| Net gain from early termination and modification of leases | 提前終止及修訂租賃之收益淨額 | 12(B) | 4,152 | 5,915 |
| Net gain on disposal of partial interest in an associate | 出售一間聯營公司之部分權益之收益淨額 | 15 | – | 3,338,753 |
| Net loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損淨額 | | (8,553) | (4,780) |
| Loss on disposal of intangible assets | 出售無形資產之虧損 | | (6,142) | – |
| Deemed dilution gain on decrease of interest in an associate | 減少一間聯營公司之權益產生之視作攤薄收益 | 15 | 7,016 | 977,982 |
| Others | 其他 | | 186 | 2,302 |
| | | | 925,623 | 4,466,621 |
| | | | 1,023,644 | 4,548,086 |

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5. REVENUE, OTHER INCOME AND OTHER GAINS – NET (CONTINUED)

Note:

(a) Total interest income on financial assets that are measured at amortised cost for the year was HK\$24,528,000 (2021: HK\$13,176,000 at amortised cost).

Revenue recognised in relation to contract liabilities

The Group has recognised the following liabilities related to contracts with customers:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Contract liabilities – receipts in advance | 合約負債—預收款項 | 109,232 | 103,351 |
| Contract liabilities – customer loyalty programme | 合約負債—客戶忠誠計劃 | 19,885 | 611 |
| | | 129,117 | 103,962 |

Note:

Revenue recognised during the year that was included in the contract liability balance at the beginning of the year was HK\$97,027,000 (2021: HK\$99,692,000).

As at 31 December 2022, included in contract liabilities was an amount of HK\$2,887,000 (2021: HK\$9,682,000) received from associates, which is based on normal commercial terms offered by the Group to major customers.

6. FINANCE COSTS – NET

| | | | 2022 二零二二年 | 2021 二零二一年 |
|---|---------------|------------|-----------------|-----------------|
| | | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Interest on bank borrowings | 銀行貸款利息 | | 20,864 | 16,078 |
| Interest on lease liabilities | 租賃負債利息 | 12(B) | 50,229 | 20,971 |
| Net interest income on the defined benefits schemes | 界定福利計劃之利息收入淨額 | 19 | (13,291) | – |
| | | | 57,802 | 37,049 |

5. 收益、其他收入及其他收益淨額 (續)

附註：

(a) 年內按攤銷成本計量的財務資產的總利息收入為24,528,000港元(二零二一年：按攤銷成本13,176,000港元)。

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：

附註：

計入年初合約負債結餘之年內已確認收益為97,027,000港元(二零二一年：99,692,000港元)。

於二零二二年十二月三十一日，自聯營公司收取之款項2,887,000港元(二零二一年：9,682,000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. 財務成本淨額

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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：

| | | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------------------------|-----------------|-----------------|---------------|
| | 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 | | 3,326,493 | 448,414 |
| – Provision for inventories | – 存貨撥備 | | 47,037 | 822 |
| – Cost of services provided | – 所提供服務成本 | | 366,271 | 360,019 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 12(A) | 125,314 | 34,762 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 12(B) | 274,981 | 125,578 |
| Amortisation of intangible assets | 無形資產攤銷 | 14 | 99,417 | 32,352 |
| Auditor's remuneration | 核數師酬金 | | | |
| – audit and audit-related services | – 核數及核數相關服務 | | 27,036 | 5,575 |
| – non-audit services | – 非核數服務 | | 3,156 | 3,349 |
| 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 | | 1,272,307 | 313,349 |
| – Equity-settled share option expenses | – 以股權結算之購股權開支 | 32 | 24,443 | 42,285 |
| – Defined contribution retirement plans [#] | – 定額供款退休計劃 [#] | | 156,465 | 33,435 |
| – Defined benefit scheme | – 界定福利計劃 | 19 | 5,367 | – |
| Impairment loss/(reversal of impairment loss) on financial assets-net | 財務資產之減值虧損／(減值虧損撥回) 淨額 | 43 | 4,617 | (9,166) |
| Impairment on property, plant and equipment | 物業、廠房及設備之減值 | 12(A) | 64,285 | 16,048 |
| Impairment on right-of-use assets | 使用權資產之減值 | 12(B) | 276,756 | 71,111 |
| Impairment on intangible assets | 無形資產之減值 | 14 | 64,837 | – |
| Net fair value gain on investment properties | 投資物業之公平值收益淨額 | 13 | (10,600) | (74,830) |
| Foreign exchange loss | 匯兌虧損 | 5 | 31,663 | 1,358 |
| Net loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損淨額 | 5 | 8,553 | 4,780 |
| Loss on disposal of intangible assets | 出售無形資產之虧損 | | 6,142 | – |
| Fair value loss/(gain) on financial assets/liabilities at fair value through profit or loss | 透過損益按公平值計量之財務資產／負債之公平值虧損／(收益) | 5 | 46,103 | (20,110) |
| Fair value gain on derivative financial instruments | 衍生財務工具之公平值收益 | 5 | (23,039) | – |
| Gain on disposal of a subsidiary | 出售一間附屬公司之收益 | 5 | – | (52,867) |
| Gain on bargain purchases | 議價收購收益 | 39 | (956,346) | – |
| Deemed dilution gain on decrease of interest in an associate | 減少一間聯營公司之權益產生之視作攤薄收益 | 5 | (7,016) | (977,982) |
| Net gain on disposal of partial interest in an associate | 出售一間聯營公司之部分權益之收益淨額 | 5 | – | (3,338,753) |

[#] For the Group's contributions under defined contribution retirement plan, the amount of forfeited contributions used by the Group to reduce existing level of contributions for the year ended 31 December 2022 under the Occupational Retirement Scheme in Hong Kong was nil (2021: HK\$53,000), and the balance of such forfeited contributions as at 31 December 2022 was nil (2021: Nil).

[#] 就本集團根據定額供款退休計劃作出的供款而言，截至二零二二年十二月三十一日止年度本集團之香港職業退休計劃用於減低現有供款水平的沒收供款金額為零 (二零二一年：53,000 港元)，而該等沒收供款於二零二二年十二月三十一日的結餘為零 (二零二一年：零)。

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:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|--------------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Fees | 袍金 | 1,774 | 1,743 |
| Other emoluments: | 其他酬金： | | |
| Salaries, allowances and benefits in kind (including discretionary bonus) | 薪金、津貼及實物福利(包括酌情花紅) | 15,176 | 14,133 |
| Equity-settled share option expenses | 以股權結算之購股權開支 | 8,243 | 15,535 |
| Pension scheme contributions | 退休金計劃供款 | 199 | 126 |
| | | 23,618 | 29,794 |
| | | 25,392 | 31,537 |

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 32 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32。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。

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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 | Fees | Salaries, allowances and benefits in kind | Discretionary Bonus | Equity-settled share option expenses | Retirement scheme contributions | Total remuneration |
|---|------------------|----------|---|---------------------|--------------------------------------|---------------------------------|--------------------|
| | 附註 | 袍金 | 薪金、津貼及實物福利 | 酌情花紅 | 以股權結算之購股權開支 | 退休金計劃供款 | 酬金總計 |
| | | 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 |
| 2022 | 二零二二年 | | | | | | |
| Executive directors: | 執行董事： | | | | | | |
| Mr. Li Ning | 李寧先生 | 200 | 11,866 | - | 417 | 18 | 12,501 |
| Mr. Li Chunyang | 李春陽先生 | 200 | 830 | - | 2,383 | 163 | 3,576 |
| Mr. Li Qilin | 李麒麟先生 | 200 | 2,015 | 465 | 1,191 | 18 | 3,889 |
| | | 600 | 14,711 | 465 | 3,991 | 199 | 19,966 |
| Non-executive director: | 非執行董事： | | | | | | |
| Mr. Victor Herrero | Victor Herrero先生 | 200 | - | - | 3,574 | - | 3,774 |
| Mr. Ma Wing Man | 馬詠文先生 | 200 | - | - | 357 | - | 557 |
| Ms. Lyu Hong | 呂紅女士 | 24 | - | - | - | - | 24 |
| | | 424 | - | - | 3,931 | - | 4,355 |
| Independent non-executive directors: | 獨立非執行董事： | | | | | | |
| Mr. Wang Yan | 汪延先生 | 250 | - | - | 107 | - | 357 |
| Mr. Pak Wai Keung, Martin | 白偉強先生 | 250 | - | - | 107 | - | 357 |
| Mr. Li Qing | 李勛先生 | 250 | - | - | 107 | - | 357 |
| | | 750 | - | - | 321 | - | 1,071 |
| | | 1,774 | 14,711 | 465 | 8,243 | 199 | 25,392 |

| | Note | Fees | Salaries, allowances and benefits in kind | Discretionary Bonus | Equity-settled share option expenses | Retirement scheme contributions | Total remuneration |
|---|------------------|----------|---|---------------------|--------------------------------------|---------------------------------|--------------------|
| | 附註 | 袍金 | 薪金、津貼及實物福利 | 酌情花紅 | 以股權結算之購股權開支 | 退休金計劃供款 | 酬金總計 |
| | | 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 |
| 2021 | 二零二一年 | | | | | | |
| Executive directors: | 執行董事： | | | | | | |
| Mr. Li Ning | 李寧先生 | 200 | 11,759 | - | 786 | 18 | 12,763 |
| Mr. Li Chunyang | 李春陽先生 | 200 | 537 | - | 4,490 | 90 | 5,317 |
| Mr. Li Qilin | 李麒麟先生 | 200 | 1,837 | - | 2,245 | 18 | 4,300 |
| | | 600 | 14,133 | - | 7,521 | 126 | 22,380 |
| Non-executive director: | 非執行董事： | | | | | | |
| Mr. Victor Herrero | Victor Herrero先生 | 193 | - | - | 6,735 | - | 6,928 |
| Mr. Ma Wing Man | 馬詠文先生 | 200 | - | - | 673 | - | 873 |
| | | 393 | - | - | 7,408 | - | 7,801 |
| Independent non-executive directors: | 獨立非執行董事： | | | | | | |
| Mr. Wang Yan | 汪延先生 | 250 | - | - | 202 | - | 452 |
| Mr. Pak Wai Keung, Martin | 白偉強先生 | 250 | - | - | 202 | - | 452 |
| Mr. Li Qing | 李勛先生 | 250 | - | - | 202 | - | 452 |
| | | 750 | - | - | 606 | - | 1,356 |
| | | 1,743 | 14,133 | - | 15,535 | 126 | 31,537 |

Notes:

- (a) Mr. Victor Herrero, appointed on 14 January 2021.
- (b) Ms. Lyu Hong, appointed on 18 November 2022.

附註：

- (a) Victor Herrero先生於二零二一年一月十四日獲委任。
- (b) 呂紅女士於二零二二年十一月十八日獲委任。

During the year, no emoluments were paid by the Group to any of the Directors as an inducement to join or upon joining the Group or as compensation for loss of office (2021: Nil). There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2021: Nil).

年內，本集團概無向任何董事支付酬金，作為吸引加入或加入本集團的獎勵或離職補償（二零二一年：無）。年內概無董事放棄或同意放棄任何酬金之安排（二零二一年：無）。

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9. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals during the year included one director (2021: four directors), details of whose remuneration are set out in Note 8 above. Details of the remuneration for the year of the remaining four (2021: one) highest paid individuals who are neither a director nor a chief executive of the Company are as follows:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------|-----------------|-----------------|
| | | 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 | 47,926 | 15,544 |
| Equity-settled share option expenses | 以股權結算之購股權開支 | 8,956 | 12,427 |
| Retirement scheme contributions | 退休金計劃供款 | 371 | 36 |
| | | 57,253 | 28,007 |

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 | |
|----------------------------------|---------------------------|-----------------------------|---------------|
| | | 2022 二零二二年 | 2021 二零二一年 |
| HK\$6,000,001 to HK\$6,500,000 | 6,000,001港元至6,500,000港元 | 1 | – |
| HK\$8,500,001 to HK\$9,000,000 | 8,500,001港元至9,000,000港元 | 1 | – |
| HK\$9,000,001 to HK\$9,500,000 | 9,000,001港元至9,500,000港元 | 1 | – |
| HK\$28,000,001 to HK\$28,500,000 | 28,000,001港元至28,500,000港元 | – | 1 |
| HK\$32,500,001 to HK\$33,000,000 | 32,500,001港元至33,000,000港元 | 1 | – |
| | | 4 | 1 |

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 32 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一名董事（二零二一年：四名董事），其酬金詳情載列於上文附註8。年內其餘四名（二零二一年：一名）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32。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

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|--------------------|-----------------|-----------------|
| | Note 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 | 1,051 | 704 |
| Over-provision in prior years | 過往年度超額撥備 | (399) | (1,020) |
| Current tax – other jurisdictions | 本期稅項—其他司法權區 | | |
| Charge for the year | 年內支出 | 89,043 | 31,199 |
| Under-provision in prior years | 過往年度撥備不足 | 6,465 | 331 |
| Deferred tax | 遞延稅項 | | |
| Origination and reversal of temporary differences | 暫時差額的產生及撥回 | 29 | 4,521 |
| Income tax (credit)/expense | 所得稅(抵免)/開支 | (1,860) | 35,735 |

Hong Kong profits tax has been provided at the rate of 16.5% (2021: 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% (2021: 25%) on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof. UK corporate tax has been provided at the rate of 19%, on the estimated assessable profits arising in UK. The US corporate income tax provision is subject to US federal corporate income tax at a rate of 21% and state income tax at rates range from 2.5% to 9.9% to the extent of the apportioned profit. 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% (二零二一年：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% (二零二一年：25%) 之法定稅率計算。英國企業稅已按於英國產生之估計應課稅溢利以稅率19%提撥準備。美國企業所得稅撥備須按21%稅率繳納美國聯邦企業所得稅，並於分攤利潤範圍按2.5%至9.9%稅率繳納州所得稅。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：

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|-----------------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Profit before income tax | 除所得稅前溢利 | 871,151 | 4,509,989 |
| 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 | 85,901 | 724,172 |
| Adjustments of deferred tax arising from change of tax rates | 稅率變動產生的遞延稅項調整 | (21,475) | - |
| 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 | (91,079) | (83,247) |
| Tax effect of income not subject to tax | 毋須課稅收入之稅務影響 | (236,329) | (748,540) |
| Tax effect of expenses not deductible for tax | 不可扣稅開支之稅務影響 | 81,187 | 42,671 |
| Under-provision/(over-provision) in prior years | 過往年度撥備不足/(超額撥備) | 6,066 | (689) |
| Tax effect of tax losses not recognised | 未確認稅項虧損之稅務影響 | 145,057 | 90,823 |
| Tax effect of tax losses utilised | 已動用稅項虧損之稅務影響 | (7,449) | (4,726) |
| Tax effect of unrecognised temporary differences | 未確認暫時差額之稅務影響 | 36,426 | 2,384 |
| Withholding tax on the disposal of a PRC subsidiary | 出售一間中國附屬公司之預扣稅 | - | 12,474 |
| Others | 其他 | (165) | 413 |
| Income tax (credit)/expense | 所得稅(抵免)/開支 | (1,860) | 35,735 |

11. PROFIT PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts for the years ended 31 December 2022 and 2021 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 years ended 31 December 2022 and 2021 is based on the profit for the year attributable to equity holders of the Company after adjustments to the dilutive effects of share of profits in an associate arising from its potential ordinary shares; and the weighted average number of ordinary shares after adjustments for the effects of deemed exercise or conversion of all dilutive potential ordinary shares at no consideration at the beginning of the year. For the years ended 31 December 2022 and 2021, the effect of the outstanding share options were included in the computation of diluted earnings per share as they were dilutive.

11. 本公司權益持有人應佔每股溢利

截至二零二二年及二零二一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。

截至二零二二年及二零二一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。截至二零二二年及二零二一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。

| | | 2022 二零二二年 | 2021 二零二一年 |
|--|------------------------------------|-------------------|---------------|
| 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) | 850,416 | 4,562,639 |
| 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) | (3,675) | (4,523) |
| 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) | 846,741 | 4,558,116 |
| 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) | 11,369,396 | 11,296,273 |
| 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) | 92,293 | 57,175 |
| 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) | 11,461,689 | 11,353,448 |
| Basic earnings per share (HK cents) | 每股基本盈利(港仙) | 7.48 | 40.39 |
| Diluted earnings per share (HK cents) | 每股攤薄盈利(港仙) | 7.39 | 40.15 |

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12(A) PROPERTY, PLANT AND EQUIPMENT

12(A) 物業、廠房及設備

| | | Land and buildings* 土地及樓宇* | Leasehold improvements, furniture and fixtures 租賃物業裝修傢具及裝置 | Machinery and office equipment 機器及辦公室設備 | Motor vehicles 汽車 | Total 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 |
| 31 December 2022 | 二零二二年十二月三十一日 | | | | | |
| At 1 January 2022 | 於二零二二年一月一日： | | | | | |
| Cost | 成本 | - | 113,258 | 122,777 | 5,167 | 241,202 |
| Accumulated depreciation and impairment | 累計折舊及減值 | - | (53,244) | (65,534) | (1,658) | (120,436) |
| Net book amount | 賬面淨值 | - | 60,014 | 57,243 | 3,509 | 120,766 |
| Opening net book amount | 年初賬面淨值 | - | 60,014 | 57,243 | 3,509 | 120,766 |
| Acquisition of subsidiaries | 收購附屬公司 | 744,705 | 405,425 | 150,248 | 39 | 1,300,417 |
| Additions | 添置 | 32,170 | 106,516 | 44,530 | 1,036 | 184,252 |
| Disposal | 處置 | (2,363) | (9,025) | (3,175) | (809) | (15,372) |
| Depreciation charge | 折舊費 | (17,335) | (68,243) | (39,030) | (706) | (125,314) |
| Impairment | 減值 | (15,111) | (47,841) | (1,333) | - | (64,285) |
| Currency translation differences | 匯兌差額 | (11,053) | (807) | (5,608) | (246) | (17,714) |
| Closing net book amount | 年終賬面淨值 | 731,013 | 446,039 | 202,875 | 2,823 | 1,382,750 |
| At 31 December 2021: | 於二零二一年十二月三十一日： | | | | | |
| Cost | 成本 | 761,691 | 531,415 | 291,642 | 5,259 | 1,590,007 |
| Accumulated depreciation and impairment | 累計折舊及減值 | (30,678) | (85,376) | (88,767) | (2,436) | (207,257) |
| Net book amount | 賬面淨值 | 731,013 | 446,039 | 202,875 | 2,823 | 1,382,750 |
| 31 December 2021 | 二零二一年十二月三十一日 | | | | | |
| At 1 January 2021: | 於二零二一年一月一日： | | | | | |
| Cost | 成本 | 11,854 | 55,385 | 97,228 | 3,864 | 168,331 |
| Accumulated depreciation and impairment | 累計折舊及減值 | (326) | (21,546) | (51,599) | (2,238) | (75,709) |
| Net book amount | 賬面淨值 | 11,528 | 33,839 | 45,629 | 1,626 | 92,622 |
| Opening net book amount | 年初賬面淨值 | 11,528 | 33,839 | 45,629 | 1,626 | 92,622 |
| Additions | 添置 | - | 60,474 | 27,275 | 2,690 | 90,439 |
| Disposal | 處置 | (11,489) | (2,795) | (1,918) | (302) | (16,504) |
| Depreciation charge | 折舊費 | (176) | (19,232) | (14,787) | (567) | (34,762) |
| Impairment | 減值 | - | (15,520) | (528) | - | (16,048) |
| Currency translation differences | 匯兌差額 | 137 | 3,248 | 1,572 | 62 | 5,019 |
| Closing net book amount | 年終賬面淨值 | - | 60,014 | 57,243 | 3,509 | 120,766 |
| At 31 December 2021: | 於二零二一年十二月三十一日： | | | | | |
| Cost | 成本 | - | 113,258 | 122,777 | 5,167 | 241,202 |
| Accumulated depreciation and impairment | 累計折舊及減值 | - | (53,244) | (65,534) | (1,658) | (120,436) |
| Net book amount | 賬面淨值 | - | 60,014 | 57,243 | 3,509 | 120,766 |

Because of the slower pace of recovery from COVID-19 in the UK and USA for the year ended 31 December 2022 and challenging retail market in the PRC due to the spread of COVID-19 for the year ended 31 December 2022, particularly in the second half of 2022, the management of the Group considered that certain property, plant and equipment were subject to impairment.

由於截至二零二二年十二月三十一日止年度英國及美國從COVID-19復甦的步伐較慢，且中國零售市場在截至二零二二年十二月三十一日止年度（尤其是二零二二年下半年）因COVID-19傳播而充滿挑戰，故本集團管理層認為若干物業、計劃及設備有所減值。

* As at 31 December 2022, land and buildings include freehold land amounted to HK\$247.3 million (2021: Nil).

* 於二零二二年十二月三十一日，土地及樓宇包括永久業權247.3百萬港元（二零二一年：零）。

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12(A) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The management estimated the recoverable amounts of the CGUs as follows:

CGUs in relation to the property, plant and equipment and right-of-use assets

The recoverable amounts of the “bossini”, “bossini.X”, “LNG”, “Ice-skating rinks” and “Clarks” CGUs comprising from each store have been determined based on a value in use calculation which was approved by the 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 2022 were as follows:

| | | 2022 二零二二年 | | | | |
|-------------------|-------|--|--|----------------------------------|--|--|
| | | “bossini” CGUs 「bossini」 現金產生單位 | “bossini.X” CGUs 「bossini.X」 現金產生單位 | “LNG” CGUs 「LNG」 現金產生單位 | “Ice-skating rinks” CGUs 「滑冰場」 現金產生單位 | “Clarks” CGUs 「Clarks」 現金產生單位 |
| Sales growth rate | 銷售增長率 | 0% | Note 1 附註1 | Note 2 附註2 | Note 3 附註3 | 2.5% |
| Gross margin rate | 毛利率 | 27.8%-62.9% | 17.9%-65.4% | 57.2%-80.1% | 27.1%-46.2% | 39.8%-79.4% |
| Discount rate | 貼現率 | 13.0%-14.0% | 14% | 14.0% | 15.9% | 9.4%-16.0% |

Note 1: Sales growth rate for “bossini.X” CGUs was based on the budgeted sales approved by senior management for the year ending 31 December 2023, 33.0% for the year ending 31 December 2024 and 0% thereafter.

Note 2: Sales growth rates for “LNG” CGUs are from -7% to 132% for the year ending 31 December 2023, 35% for the year ending 31 December 2024 and 25% for the year ending 31 December 2025 respectively.

Note 3: Sales growth rates for “Ice-skating rinks” CGUs are from 3% to 10% for the year ending 31 December 2023, 8% for the year ending 31 December 2024, 6% for the year ending 31 December 2025, 5% for the years ending 31 December 2026 and 2027, 3% for the years ending 31 December 2028 and 2029 and 2% for years thereafter.

12(A) 物業、廠房及設備 (續)

管理層估計現金產生單位之可收回金額如下：

有關物業、廠房及設備以及使用權資產的現金產生單位

「bossini」、「bossini.X」、「LNG」、「滑冰場」及「Clarks」現金產生單位(由每個門店組成)的可收回金額使用獲管理層批准的現金流量預測計算之使用價值釐定，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。於二零二二年十二月三十一日計算使用價值所採用之主要假設如下：

附註1：「bossini.X」現金產生單位截至二零二三年十二月三十一日止年度的銷售增長率乃基於獲高級管理層批准之銷售預算得出，於截至二零二四年十二月三十一日止年度為33%，隨後為0%。

附註2：「LNG」現金產生單位截至二零二三年十二月三十一日止年度的銷售增長率為-7%至132%，截至二零二四年十二月三十一日止年度的銷售增長率為35%，而截至二零二五年十二月三十一日止年度的銷售增長率則為25%。

附註3：「滑冰場」現金產生單位截至二零二三年十二月三十一日止年度的銷售增長率為3%至10%，截至二零二四年十二月三十一日止年度的銷售增長率為8%，截至二零二五年十二月三十一日止年度的銷售增長率為6%，截至二零二六年及二零二七年十二月三十一日止年度的銷售增長率為5%，截至二零二八年及二零二九年十二月三十一日止年度的銷售增長率為3%，隨後年度為2%。

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31 December 2022 二零二二年十二月三十一日

12(A) PROPERTY, PLANT AND EQUIPMENT (CONTINUED) CGUs in relation to the property, plant and equipment and right-of-use assets (Continued)

The management determined the above sales growth rate and gross margin rate based on historical operation data, the expectation of future market development and taken into consideration on the recovery from the COVID-19.

Impairment provision on property, plant and equipment of HK\$64,285,000 (2021: HK\$16,048,000) was recognised for certain stores in profit or loss during the year ended 31 December 2022.

(a) Sensitivity analysis on the impairment assessment of "bossini" CGUs in relation to the property, plant and equipment and right-of-use assets

As at 31 December 2022, if the forecast sales for the year ending 31 December 2023 applied to the cash flow projection for "bossini" CGUs had been 10% higher/lower, a lower of impairment charge of HK\$2,789,000 or a higher of impairment charge of HK\$5,035,000, respectively would be resulted.

As at 31 December 2022, if the forecast sales for the year ending 31 December 2023 applied to the cash flow projection for "bossini" CGUs had been 20% higher/lower, a lower of impairment charge of HK\$3,435,000 or a higher of impairment charge of HK\$10,811,000, respectively would be resulted.

As at 31 December 2022, if the discount rate applied to the cash flow projection for "bossini" CGUs had been 1% higher/lower, a higher of impairment charge of HK\$163,000 or a lower of impairment charge of HK\$166,000, respectively would be resulted.

(b) Sensitivity analysis on the impairment assessment of "bossini.X" CGUs in relation to the property, plant and equipment and right-of-use assets

As at 31 December 2022, if the forecast sales for the year ending 31 December 2023 applied to the cash flow projection for "bossini.X" CGUs had been 10% higher/lower, a lower of impairment charge of HK\$11,967,000 or a higher of impairment charge of HK\$6,781,000, respectively would be resulted.

As at 31 December 2022, if the forecast sales for the year ending 31 December 2023 applied to the cash flow projection for "bossini.X" CGUs had been 20% higher/lower, a lower of impairment charge of HK\$24,168,000 or a higher of impairment charge of HK\$12,503,000, respectively would be resulted.

12(A) 物業、廠房及設備 (續)

有關物業、廠房及設備以及使用權資產的現金產生單位 (續)

管理層根據過往營運數據、預期未來市況發展並計及從COVID-19恢復釐定上述銷售增長率及毛利率。

若干店舖之物業、廠房及設備之減值撥備 64,285,000 港元 (二零二一年: 16,048,000 港元) 已於截至二零二二年十二月三十一日止年度之損益內確認。

(a) 有關物業、廠房及設備以及使用權資產的「bossini」現金產生單位減值評估之敏感度分析

於二零二二年十二月三十一日，倘應用於「bossini」現金產生單位之現金流量預測之截至二零二三年十二月三十一日止年度之預測銷售增加／減少10%，將分別導致減值金額減少2,789,000港元或減值金額增加5,035,000港元。

於二零二二年十二月三十一日，倘應用於「bossini」現金產生單位之現金流量預測之截至二零二三年十二月三十一日止年度之預測銷售增加／減少20%，將分別導致減值金額減少3,435,000港元或減值金額增加10,811,000港元。

於二零二二年十二月三十一日，倘應用於「bossini」現金產生單位之現金流量預測之貼現率增加／減少1%，將分別導致減值金額增加163,000港元或減值金額減少166,000港元。

(b) 有關物業、廠房及設備以及使用權資產的「bossini.X」現金產生單位減值評估之敏感度分析

於二零二二年十二月三十一日，倘應用於「bossini.X」現金產生單位之現金流量預測之截至二零二三年十二月三十一日止年度之預測銷售增加／減少10%，將分別導致減值金額減少11,967,000港元或減值金額增加6,781,000港元。

於二零二二年十二月三十一日，倘應用於「bossini.X」現金產生單位之現金流量預測之截至二零二三年十二月三十一日止年度之預測銷售增加／減少20%，將分別導致減值金額減少24,168,000港元或減值金額增加12,503,000港元。

12(A) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)
CGUs in relation to the property, plant and equipment and right-of-use assets (Continued)

(b) *Sensitivity analysis on the impairment assessment of "bossini.X" CGUs in relation to the property, plant and equipment and right-of-use assets (Continued)*

As at 31 December 2022, if the discount rate applied to the cash flow projection for "bossini.X" CGUs had been 1% higher/lower, a higher of impairment charge of HK\$140,000 or a lower of impairment charge of HK\$141,000, respectively would be resulted.

(c) *Sensitivity analysis on the impairment assessment of "LNG" CGUs in relation to the property, plant and equipment and right-of-use assets*

As at 31 December 2022, if the forecast sales for the year ending 31 December 2023 applied to the cash flow projection for "LNG" CGUs had been 10% higher/lower, a lower of impairment charge of HK\$3,286,000 or a higher of impairment charge of HK\$3,985,000, respectively would be resulted.

As at 31 December 2022, if the forecast sales for the year ending 31 December 2023 applied to the cash flow projection for "LNG" CGUs had been 20% higher/lower, a lower of impairment charge of HK\$6,175,000 or a higher of impairment charge of HK\$7,457,000, respectively would be resulted.

As at 31 December 2022, if the discount rate applied to the cash flow projection for "LNG" CGUs had been 1% higher/lower, a higher of impairment charge of HK\$74,000 or a lower of impairment charge of HK\$77,000, respectively would be resulted.

(d) *Sensitivity analysis on the impairment assessment of "Ice-skating rinks" CGUs in relation to the property, plant and equipment and right-of-use assets*

The respective assets that are subject to impairment under "Ice-skating rinks" CGUs are fully impaired as at 31 December 2022.

12(A) 物業、廠房及設備(續)
有關物業、廠房及設備以及使用權資產的現金產生單位(續)

(b) *有關物業、廠房及設備以及使用權資產的「bossini.X」現金產生單位減值評估之敏感度分析(續)*

於二零二二年十二月三十一日，倘應用於「bossini.X」現金產生單位之現金流量預測之貼現率增加／減少1%，將分別導致減值金額增加140,000港元或減值金額減少141,000港元。

(c) *有關物業、廠房及設備以及使用權資產的「LNG」現金產生單位減值評估之敏感度分析*

於二零二二年十二月三十一日，倘適用於「LNG」現金產生單位現金流量預測之截至二零二三年十二月三十一日止年度之預測銷售增加／減少10%，則分別導致減值金額減少3,286,000港元或減值金額增加3,985,000港元。

於二零二二年十二月三十一日，倘適用於「LNG」現金產生單位現金流量預測之截至二零二三年十二月三十一日止年度之預測銷售增加／減少20%，則分別導致減值金額減少6,175,000港元或減值金額增加7,457,000港元。

於二零二二年十二月三十一日，倘應用於「LNG」現金產生單位之現金流量預測之貼現率增加／減少1%，則分別導致減值金額增加74,000港元或減值金額減少77,000港元。

(d) *有關物業、廠房及設備以及使用權資產的「滑冰場」現金產生單位減值評估之敏感度分析*

於二零二二年十二月三十一日，「滑冰場」現金產生單位下須予減值之相關資產已悉數減值。

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12(A) PROPERTY, PLANT AND EQUIPMENT (CONTINUED) CGUs in relation to the property, plant and equipment and right-of-use assets (Continued)

(e) Sensitivity analysis on the impairment assessment of "Clarks" CGUs in relation to the property, plant and equipment and right-of-use assets

As at 31 December 2022, if 0% sales growth rate applied to the cash flow projection for "Clarks" CGUs a higher of impairment charge of HK\$63,649,000 would be resulted.

As at 31 December 2022, if the discount rate applied to the cash flow projection for "Clarks" CGUs had been 1% higher, a higher of impairment charge of HK\$8,085,000 would be resulted.

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:

12(A) 物業、廠房及設備 (續) 有關物業、廠房及設備以及使用權資產的現金產生單位 (續)

(e) 有關物業、廠房及設備以及使用權資產的「Clarks」現金產生單位減值評估之敏感度分析

於二零二二年十二月三十一日，倘應用於「Clarks」現金產生單位之現金流量預測之銷售增長率為0%，將導致減值金額增加63,649,000港元。

於二零二二年十二月三十一日，倘應用於「Clarks」現金產生單位之現金流量預測之貼現率增加1%，將分別導致減值金額增加8,085,000港元。

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：

| | | 31 December 2022 二零二二年 十二月三十一日 | 31 December 2021 二零二一年 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 and properties | 樓宇及物業 | 1,249,135 | 321,502 |
| | | 1,249,135 | 321,502 |
| Lease liabilities | 租賃負債 | | |
| Current | 流動 | 519,199 | 123,689 |
| Non-current | 非流動 | 1,438,100 | 362,630 |
| | | 1,957,299 | 486,319 |

Right-of-use asset of HK\$1,506,608,000 was acquired through addition and acquisition of subsidiaries for the year ended 31 December 2022 (2021: HK\$262,880,000).

截至二零二二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1,506,608,000港元 (二零二一年：262,880,000港元)。

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12(B) LEASES (CONTINUED)

(i) Amounts recognised in the statement of financial position

As at 31 December 2022, the Group's management identified certain shops which continued to underperform. The recoverable amounts of the "bossini", "bossini.X", "LNG", "Ice-skating rinks" and "Clarks" CGUs comprising from each store have been determined based on value in use calculation which was approved by the management using cash flow projections based on financial budgets covering the remaining lease terms. Details on the key assumptions used for the value in use calculation of the above CGUs are disclosed in Note 12(A).

An impairment provision on right-of-use assets of HK\$276,756,000 (2021: HK\$71,111,000) was recognised for certain stores in profit or loss during the year ended 31 December 2022.

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|---|-----------------|-----------------|
| | | 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 | 274,981 | 125,578 |
| Impairment on right-of-use assets | 使用權資產之減值 | 276,756 | 71,111 |
| Net gain from early termination and modification of leases | 提前終止及修訂租賃之收益淨額 | 4,152 | 5,915 |
| Interest expense (included in finance cost) | 利息開支 (計入財務成本) | 50,229 | 20,971 |
| Expense relating to short-term leases and variable lease payments (included in cost of sales, selling leases and distribution expenses and administrative and other operating expenses) | 短期租賃及可變租賃付款相關開支 (計入銷售成本、銷售及分銷開支以及行政及其他經營開支) | 250,587 | 67,904 |

The total cash outflow for leases for the year ended 31 December 2022 was HK\$624,976,000 (2021: HK\$237,018,000).

(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)

(i) 於財務狀況表確認的款項

於二零二二年十二月三十一日，本集團管理層識別若干持續表現欠佳的門店舖。由各門店舖組成之「bossini」、「bossini.X」、「LNG」、「滑冰場」及「Clarks」現金產生單位的可收回金額使用獲管理層批准的現金流量預測計算之使用價值釐定，現金流量預測基於涵蓋餘下租賃年期之財務預算計算。有關以上現金產生單位的計算使用價值所採用之主要假設詳情已在附註12(A)披露。

若干店舖之使用權資產之減值撥備276,756,000港元(二零二一年：71,111,000港元)已於截至二零二二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：

截至二零二二年十二月三十一日止年度，租賃導致的現金流出總額為624,976,000港元(二零二一年：237,018,000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、門店舖及職工宿舍。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貸款擔保物。

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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 37% 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.

13. INVESTMENT PROPERTIES

| | Note 附註 | HK\$'000 千港元 |
|---|---------------------------------|-----------------|
| Carrying amount at 1 January 2021 | | 203,700 |
| Fair value gain | | 74,830 |
| Transfer to assets classified as held-for-sale | 40 | (184,730) |
| Carrying amount at 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及 二零二二年一月一日之賬面值 | 93,800 |
| Fair value gain | 公平值收益 | 10,600 |
| Carrying amount at 31 December 2022 | 於二零二二年十二月三十一日之賬面值 | 104,400 |

Amounts recognised in profit or loss for investment properties

| | 就投資物業之損益確認之金額 | 2022 二零二二年 | 2021 二零二一年 |
|---------------|---------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Rental income | 租金收入 | 2,154 | 6,648 |

As at 31 December 2022, the Group had no unprovided contractual obligation for future repairs and maintenance (2021: Nil).

The Group's investment property was valued as at the end of the reporting period by Roma Appraisals Limited, an independent professionally qualified valuer, at HK\$104,400,000 (2021: HK\$93,800,000). 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 209.

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37%。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. 投資物業

於二零二二年十二月三十一日，本集團並無已簽約但未撥備之將來維修及保養責任(二零二一年：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104,400,000港元(二零二一年：93,800,000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209頁。

Notes to Consolidated Financial Statements 綜合財務報表附註

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13. INVESTMENT PROPERTIES (CONTINUED)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment property:

31 December 2022

| | Quoted prices in active markets 活躍 市場報價 (Level 1) (第一層) HK\$'000 千港元 | Fair value measurement using 採用之公平值計量 | | Total 總計 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 | - | - | 104,400 | 104,400 |

31 December 2021

| | Quoted prices in active markets 活躍 市場報價 (Level 1) (第一層) HK\$'000 千港元 | Fair value measurement using 採用之公平值計量 | | Total 總計 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 | - | - | 93,800 | 93,800 |

13. 投資物業(續)

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：

二零二二年十二月三十一日

二零二一年十二月三十一日

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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 (2021: Nil).

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 (2022: approximately HK\$5,000 (2021: HK\$4,500) per sq.ft for industrial building and HK\$2,400,000 (2021: 2,000,000) 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(二零二一年：無)。

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(二零二二年：工業大廈為每平方呎約5,000港元(二零二一年：4,500港元)，而停車場為2,400,000港元(二零二一年：2,000,000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

14. 無形資產

| | | Goodwill | Trademark and Licensing Right | Operating Rights | League Qualification and Home and Away Co-operation Agreement | Players Registration Rights | Member-Ship | Software | Total |
|---|----------------|-----------------|-------------------------------|------------------|---|-----------------------------|-----------------|-----------------|-----------------|
| | | 商譽 | 商標及許可使用權 | 營運權 | 聯賽資格及主客場合作協議 | 轉會費 | 會籍 | 軟件 | 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 | HK\$'000 千港元 |
| At 1 January 2022: | 於二零二二年一月一日： | | | | | | | | |
| Opening net book amount | 年初賬面淨值 | 81,516 | 70,880 | 14,137 | 77,049 | 6,247 | 17,037 | - | 266,866 |
| Acquisition of subsidiaries | 收購附屬公司 | - | 47,600 | - | - | - | - | 334,390 | 381,990 |
| Additions | 添置 | - | 1,326 | - | - | 17,645 | - | 118,001 | 136,972 |
| Disposal | 處置 | - | - | - | - | - | - | (6,142) | (6,142) |
| Amortisation charge | 攤銷費 | - | (9,793) | (999) | (12,264) | (4,762) | (5,424) | (66,175) | (99,417) |
| Impairment charge | 減值費 | (32,134) | - | - | (24,854) | (7,849) | - | - | (64,837) |
| Currency translation differences | 匯兌差額 | (4,650) | (4,576) | (1,030) | (4,617) | (629) | (1,109) | (4,423) | (21,034) |
| Closing net book amount | 年終賬面淨值 | 44,732 | 105,437 | 12,108 | 35,314 | 10,652 | 10,504 | 375,651 | 594,398 |
| At 31 December 2022: | 於二零二二年十二月三十一日： | | | | | | | | |
| Cost | 成本 | 224,831 | 142,252 | 15,735 | 109,238 | 33,676 | 26,262 | 445,629 | 997,623 |
| Accumulated amortisation and impairment | 累計攤銷及減值 | (180,099) | (36,815) | (3,627) | (73,924) | (23,024) | (15,758) | (69,978) | (403,225) |
| Net book amount | 賬面淨值 | 44,732 | 105,437 | 12,108 | 35,314 | 10,652 | 10,504 | 375,651 | 594,398 |
| At 1 January 2021: | 於二零二一年一月一日： | | | | | | | | |
| Opening net book amount | 年初賬面淨值 | 79,360 | 76,540 | 14,749 | 87,320 | 8,547 | 22,068 | - | 288,584 |
| Additions | 添置 | - | 816 | - | - | 2,406 | - | - | 3,222 |
| Amortisation charge | 攤銷費 | - | (8,205) | (1,029) | (12,621) | (4,914) | (5,583) | - | (32,352) |
| Currency translation differences | 匯兌差額 | 2,156 | 1,729 | 417 | 2,350 | 208 | 552 | - | 7,412 |
| Closing net book amount | 年終賬面淨值 | 81,516 | 70,880 | 14,137 | 77,049 | 6,247 | 17,037 | - | 266,866 |
| At 31 December 2021: | 於二零二一年十二月三十一日： | | | | | | | | |
| Cost | 成本 | 242,605 | 100,252 | 17,014 | 118,116 | 17,938 | 28,397 | - | 524,322 |
| Accumulated amortisation and impairment | 累計攤銷及減值 | (161,089) | (29,372) | (2,877) | (41,067) | (11,691) | (11,360) | - | (257,456) |
| Net book amount | 賬面淨值 | 81,516 | 70,880 | 14,137 | 77,049 | 6,247 | 17,037 | - | 266,866 |

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14. INTANGIBLE ASSETS (CONTINUED)

Goodwill acquired through business combinations are mainly allocated to the following 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:

| | | 2022 二零二二年 | 2021 二零二一年 |
|-----------------------|-----------|-----------------|-----------------|
| | | 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 | — | 33,646 |
| Ice-skating rinks CGU | 滑冰場現金產生單位 | 38,605 | 41,743 |
| Other CGUs | 其他現金產生單位 | 717 | 717 |
| | | 44,732 | 81,516 |

Impairment testing

(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 23.1%. The growth rate used to extrapolate the cash flows of the sports parks CGU beyond the ten-year period is 2.0%.

Assumptions were used in the value in use calculation of the sports parks CGU for 31 December 2022. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

| | |
|------------------------|-------------|
| Revenue growth rate: | 2.0%–27.2% |
| EBITDA margin: | 16.0%–26.9% |
| Pre-tax discount rate: | 23.1% |

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 that is in line with operation period of the sports parks, and have incorporated necessary updates.

14. 無形資產(續)

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，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：

減值測試

(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23.1%。用於推斷體育園現金產生單位超過十年期的現金流量的增長率為2.0%。

在計算二零二二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： | 2.0%–27.2% |
| EBITDA利潤率： | 16.0%–26.9% |
| 除稅前貼現率： | 23.1% |

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，符合體育園的營運期，並已載入必要更新資料。

14. INTANGIBLE ASSETS (CONTINUED)

Impairment testing (Continued)

(i) Sports parks CGU (Continued)

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.

The discount rate used is pre-tax and reflect specific risks relating to the CGU.

For the year ended 31 December 2022, 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 fair value less costs of disposal calculation using the comparable company method under the market approach, prepared by Roma Appraisals Limited, an independent professionally qualified valuer engaged by the Group, to assist in the determination of the fair value less costs of disposal.

The following key assumptions were used in the estimate of fair value less costs of disposal of the Esports CGU as at 31 December 2022 in connection with the impairment testing of goodwill:

- (i) the enterprise value/sales multiples ("EV/Sales Multiple") observed from a group of comparable companies engaged in the same business ranged from 0.4 to 1.9 as at 31 December 2022 (2021: from 2.3 to 2.9);
- (ii) adjustments factors, such as illiquidity discount that market participants would generally consider when estimating the fair value of the Esports CGU (2022: 20.6%) (2021: 20.6%); and
- (iii) appropriate amount of cost of disposal.

14. 無形資產 (續)

減值測試 (續)

(i) 體育園現金產生單位 (續)

EBITDA佔收益之百分比為十年預測期間的平均的百分比，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。

截至二零二二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採用市場法項下可比較公司法，根據公平值減出售成本計算，由獨立專業合資格估值師羅馬國際評估有限公司編製，本集團委聘其協助釐定公平值減出售成本。

關於商譽的減值測試，計算二零二二年十二月三十一日的電競現金產生單位的估計公平值減出售成本時已使用以下關鍵假設：

- (i) 於二零二二年十二月三十一日，觀察從事相同業務的可比較公司得出的介乎0.4至1.9的企業價值／銷售額倍數（「企業價值／銷售額倍數」）（二零二一年：2.3至2.9）；
- (ii) 調整係數，如市場參與者估計電競現金產生單位公平值時通常考慮的非流動資金折現（二零二二年：20.6%）（二零二一年：20.6%）；及
- (iii) 適當的出售成本金額。

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14. INTANGIBLE ASSETS (CONTINUED)

Impairment testing (Continued)

(ii) Esports CGU (Continued)

For the year ended 31 December 2022, impairment loss of HK\$32.1 million (2021: Nil) and HK\$32.7 million (2021: Nil) was recognised for goodwill and intangible assets, respectively. Impairment was made primarily due to the unpredictable poor performance of the business in 2022. The impairment loss recognised for the year represented the difference between the carrying amount of the CGU including goodwill and intangible assets and its estimated recoverable amount.

If the EV/Sales Multiple increases or decreases 5%, a lower of impairment charge of HK\$1,828,000 or a higher of impairment charge of HK\$1,828,000, respectively would be resulted. If the DLOM increases or decreases 1%, a lower of impairment charge of HK\$459,000 or a higher of impairment charge of HK\$459,000, respectively would be resulted.

For the year ended 31 December 2021, 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 20.6%. The growth rate used to extrapolate the cash flows of the ice-skating rinks CGU beyond the five-year period is 2.0%.

Assumptions were used in the value in use calculation of the ice-skating rinks CGU for 31 December 2022. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

| | |
|------------------------|-------------|
| Revenue growth rate: | 2.0%–36.3% |
| EBITDA margin: | 26.3%–31.2% |
| Pre-tax discount rate: | 20.6% |

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)

減值測試(續)

(ii) 電競現金產生單位(續)

截至二零二二年十二月三十一日止年度，已分別就商譽及無形資產確認減值虧損32.1百萬港元(二零二一年：無)及32.7百萬港元(二零二一年：無)。減值乃主要因為二零二二年之業務表現在預料之外不甚理想。年內確認的減值虧損指現金產生單位(包括商譽及無形資產)的賬面值與其估計可收回金額之間的差額。

倘企業價值／銷售額倍數增加或減少5%，將分別導致減值金額減少1,828,000港元或減值金額增加1,828,000港元。倘缺乏可銷售性折讓增加或減少1%，將分別導致減值金額減少459,000港元或減值金額增加459,000港元。

截至二零二一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20.6%。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2.0%。

在計算二零二二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： | 2.0%–36.3% |
| EBITDA利潤率： | 26.3%–31.2% |
| 除稅前貼現率： | 20.6% |

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)

Impairment testing (Continued)

(iii) Ice-skating rinks CGU (Continued)

For the years ended 31 December 2022 and 2021, no impairment loss was recognised as the management believes that a reasonably possible change in any of the above key assumptions would not cause the carrying amount of the ice-skating rinks CGU to exceed its recoverable amount.

(iv) Other CGUs

During the years ended 31 December 2022 and 2021, no impairment loss was recognised on goodwill and other intangible assets of other CGUs in profit or loss.

14. 無形資產(續)

減值測試(續)

(iii) 滑冰場現金產生單位(續)

截至二零二二年及二零二一年十二月三十一日止年度，並無確認減值虧損，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滑冰場現金產生單位的賬面值超過其可收回金額。

(iv) 其他現金產生單位

於截至二零二二年及二零二一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。

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES

| | | 2022 | 2021 |
|----------------|------|------------------|------------------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Associates | 聯營公司 | 4,151,531 | 4,123,956 |
| Joint ventures | 合營企業 | 279 | 435 |
| | | 4,151,810 | 4,124,391 |

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：

| | | 2022 | 2021 |
|---|-------------------------|------------------|------------------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| At 1 January | 於一月一日 | 4,123,956 | 3,031,113 |
| Share of profits less losses for the year | 分佔年內溢利減虧損 | 543,449 | 492,641 |
| Share of other comprehensive loss | 分佔其他全面虧損 | (773) | (2,346) |
| Share of reserves | 分佔儲備 | 59,114 | 26,370 |
| Dividend received | 已收股息 | (167,929) | (82,247) |
| Change in interest in associate due to partial disposal and deemed dilution | 由於部分出售及視作攤薄導致於聯營公司的權益變動 | 7,016 | 522,412 |
| Currency translation differences | 匯兌差額 | (413,302) | 136,013 |
| At 31 December | 於十二月三十一日 | 4,151,531 | 4,123,956 |

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15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

- (a) The Group entered into a placing agreement (“the 2021 Placing”) with J.P. Morgan Securities (Asia Pacific) Limited on 18 May 2021 to sell 60,000,000 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 2021 Placing. Upon the completion of the 2021 Placing on 21 May 2021, the Group derecognised the carrying value of the associate proportionate to the percentage reduced, reclassified a proportionate amount of exchange fluctuation reserve previously recognized to the consolidated financial statement, resulted in net proceeds of HK\$3,786.9 million and gain of HK\$3,338.8 million. For details, please refer to the announcements of the Company dated 18 May 2021.
- (b) On 27 October 2021, Li Ning Co, Viva China Development Limited (the “Vendor”, a wholly-owned subsidiary of the Group) and J.P. Morgan Securities plc and Nomura International (Hong Kong) Limited (the “Placing Agents”) entered into the placing and subscription agreement, pursuant to which (i) the Vendor has agreed to place, through the Placing Agents, on a fully-underwritten basis, an aggregate of 120,000,000 Li Ning Co’s shares held by the Vendor (the “Top-up Placing Shares”), at the price of HK\$87.50 per Top-up Placing Share (the “Top-up Placing Price”); and (ii) the Vendor has agreed to subscribe for 120,000,000 new Li Ning Co’s shares (the “Top-up Subscription Shares”) at the price of HK\$87.50 per Top-up Subscription Share (the “Top-up Subscription Price”) which is equivalent to the Top-up Placing Price (the “Top-up Placing and Subscription”).

The placing of the Top-up Placing Shares held by the Vendor (the “Top-up Placing”) was completed on 1 November 2021 and the subscription of the Top-up Subscription Shares by the Vendor (the “Top-up Subscription”) was completed on 3 November 2021.

15. 於聯營公司及合營企業之權益 (續)

- (a) 於二零二一年五月十八日，本集團與 J.P. Morgan Securities (Asia Pacific) Limited 訂立配售協議（「2021 配售事項」）以出售 60,000,000 股李寧公司股份。本集團於李寧公司的投資被視為於聯營公司的投資及於 2021 配售事項前後使用權益法入賬。於二零二一年五月二十一日完成 2021 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 3,786,900,000 港元及收益 3,338,800,000 港元。有關詳情，請參閱本公司日期為二零二一年五月十八日的公告。
- (b) 於二零二一年十月二十七日，李寧公司、非凡中國發展有限公司（「賣方」，本集團的全資附屬公司）及 J.P. Morgan Securities plc 和野村國際（香港）有限公司（「配售代理」）訂立配售及認購協議，據此，(i) 賣方已同意透過配售代理按全數包銷基準配售賣方持有的合共 120,000,000 股李寧公司股份（「先舊後新配售股份」），每股先舊後新配售股份為 87.50 港元（「先舊後新配售價」）；及 (ii) 賣方已同意按相等於先舊後新配售價的先舊後新認購價每股先舊後新認購股份 87.50 港元（「先舊後新認購價」）認購 120,000,000 股新李寧公司股份（「先舊後新認購股份」）（「先舊後新配售及認購事項」）。

配售賣方持有的先舊後新配售股份（「先舊後新配售事項」）已於二零二一年十一月一日完成。賣方認購先舊後新認購股份（「先舊後新認購事項」）已於二零二一年十一月三日完成。

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15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

(b) (Continued)

On 27 October 2021, the Group held 271,201,543 Li Ning Co's shares, representing approximately 10.9% of the issued shares of Li Ning Co. The Group's shareholding in Li Ning Co was decreased from approximately 10.9% to 6.1% upon completion of the Top-up Placing and was restored to approximately 10.4% upon completion of the Top-up Subscription.

The deemed dilution gain arising from the Top-up Placing and Subscription with a decrease of 0.5% shareholding in Li Ning Co was HK\$978.0 million.

For details, please refer to the announcements of the Company dated 28 October 2021 and 3 November 2021.

Particulars of the Group's principal associates are as follows:

15. 於聯營公司及合營企業之權益 (續)

(b) (續)

於二零二一年十月二十七日，本集團持有271,201,543股李寧公司股份，佔李寧公司已發行股份約10.9%。於先舊後新配售事項完成後，本集團於李寧公司的持股量由約10.9%減至6.1%，並於先舊後新認購事項完成後恢復至約10.4%。

因先舊後新配售及認購事項而減少李寧公司0.5%股權的視作攤薄收益為978,000,000港元。

有關詳情，請參閱本公司日期為二零二一年十月二十八日及二零二一年十一月三日之公告。

本集團之主要聯營公司之詳情如下：

| Name 名稱 | Notes 附註 | Place of incorporation/ registration 註冊成立/ 註冊地點 | Percentage of ownership interest directly attributable to the Group 本集團直接應佔擁有權權益之 百分比 | | Principal activities 主要業務 |
|-------------------------|-------------|--|--|---------------|--|
| | | | 2022 二零二二年 | 2021 二零二一年 | |
| Li Ning Co 李寧公司 | (c) | Cayman Islands 開曼群島 | 10.3% | 10.4% | Brand development, design, manufacture, sale and distribution of sport-related footwear, apparel, equipment and accessories in the PRC 於中國境內從事體育相關鞋類、服飾、器材及配件的品牌發展、設計、製造、零售及批發 |
| CITIC Land 中信置業 | | 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 and 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；園林綠化及房地產諮詢服務 |
| 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」旗下主打乒乓球及羽毛球器材及其他體育配件 |

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15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

- (c) Li Ning Co and Double Happiness are regarded as the Group's associates due to the existence of significant influence by the representation on the Li Ning Co and Double Happiness's board of directors.

As at 31 December 2022, the market value of Li Ning Co's listed shares was HK\$67.75 (2021: HK\$85.35) per share. The number of Li Ning Co ordinary shares held by the Group as at 31 December 2022 was approximately 271,202,000 Shares (2021: 271,202,000 Shares).

The following table illustrates the summarised financial information of the Group's principal associate 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 one extracted from Li Ning Co is 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)

- (c) 李寧公司及紅雙喜因於李寧公司及紅雙喜董事會的代表具有重大影響力而被視為本集團之聯營公司。

於二零二二年十二月三十一日，李寧公司上市股份之市價為每股67.75港元（二零二一年：85.35港元）。於二零二二年十二月三十一日，本集團持有之李寧公司普通股數目約為271,202,000股（二零二一年：271,202,000股）。

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）：

| | | 2022 二零二二年 | 2021 二零二一年 |
|--|-----------------------|---|---------------------------------------|
| | | Li Ning Co 李寧公司 HK\$'000 千港元 | Li Ning Co 李寧公司 HK\$'000 千港元 |
| Gross amounts of the associates | 聯營公司之總金額 | | |
| Current assets | 流動資產 | 15,249,178 | 21,919,778 |
| Non-current assets | 非流動資產 | 26,113,719 | 16,951,086 |
| Current liabilities | 流動負債 | 9,929,185 | 9,423,166 |
| Non-current liabilities | 非流動負債 | 2,298,162 | 1,781,625 |
| Net assets | 資產淨值 | 29,135,550 | 27,666,073 |
| Revenue for the period | 期內收益 | 30,994,547 | 24,161,773 |
| Profit for the period | 期內溢利 | 5,090,525 | 4,119,487 |
| Other comprehensive loss | 其他全面虧損 | (7,479) | (55,269) |
| Total comprehensive income | 全面收益總額 | 5,083,046 | 4,064,218 |
| Reconciliation to the Group's interests in 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 | 29,132,796 | 27,662,946 |
| Group's effective interest | 本集團實際權益 | 10.3% | 10.4% |
| Group's share of net assets of the associates | 本集團應佔聯營公司的資產淨值 | 3,000,678 | 2,868,648 |
| Goodwill | 商譽 | 550,722 | 599,527 |
| Carrying amount in the consolidated financial statements | 於綜合財務報表的賬面值 | 3,551,400 | 3,468,175 |

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The Group's consolidated financial statements for the year ended 31 December 2022 include the Group's share of the results and reserves of Li Ning Co for the twelve months ended 30 September 2022 and adjusted for any significant events or transactions for the period from 1 October 2022 to 31 December 2022. The Group's consolidated financial statements for the year ended 31 December 2021 include the Group's share of the results and reserves of Li Ning Co for the twelve months ended 30 September 2021 and adjusted for any significant events or transactions for the period from 1 October 2021 to 31 December 2021. 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 years ended 31 December 2022 and 2021, no impairment loss of investment in joint ventures were recognised in profit or loss.

Commitments in respect of associates and joint ventures

The Group has no commitment to provide funding for associates' and joint ventures' capital commitment as at 31 December 2022 and 2021.

15. 於聯營公司及合營企業之權益 (續)

本集團截至二零二二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二零二二年九月三十日止十二個月之業績及儲備並就自二零二二年十月一日起至二零二二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。本集團截至二零二一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二零二一年九月三十日止十二個月之業績及儲備並就自二零二一年十月一日起至二零二一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

截至二零二二年及二零二一年十二月三十一日止年度，概無於合營企業投資之減值虧損於損益內確認。

關於聯營公司及合營企業的承擔

本集團於二零二二年及二零二一年十二月三十一日並沒有就聯營公司及合營企業資本承擔提供資金之承擔。

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16. FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

16. 透過損益按公平值計量之財務資產／負債

| | | 2022 二零二二年 | | 2021 二零二一年 | |
|-------------------------------|------------|---------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| | Note 附註 | 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 |
| Loan and interest receivables | 應收貸款及利息 | (a) | - | 587,129 | - |
| | | | - | 587,129 | - |

(a) Amount represented a loan with principal amount of HK\$509,796,000 (equivalent to GBP53,550,000) (2021: HK\$563,774,000 (equivalent to GBP53,550,000)) at an interest rate of 4% per annum due from Lionrock Capital GP Limited ("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 owner subsidiary of the Company, in order to subscribe for equity in LionRock Capital Partners QiLe Limited (the "SPV"), a company wholly owned by LionRock, therefore, the balance is accounted for as financial asset at fair value through profit or loss in the consolidated statement of financial position according to the results of assessment of business model.

The acquisition of the SPV was completed on 2 July 2022. The loan and interest receivables were setting off against the subscription amount payable, and the loan was deemed fully paid and satisfied in full and was terminated upon the completion of the acquisition.

For details of the Loan Agreement, please refer to the announcements of the Company dated 28 September 2020.

(a) 該金額為一筆應收Lionrock Capital GP Limited (「Lionrock」) 之貸款，本金額為509,796,000港元(相當於53,550,000英鎊)(二零二一年：563,774,000港元(相當於53,550,000英鎊))，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換及／或抵銷本公司全資附屬公司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)應付之任何認購款項，以認購LionRock Capital Partners QiLe Limited (「SPV」，一間由LionRock全資擁有之公司)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。

收購SPV已於二零二二年七月二日完成。應收貸款及利息抵消應付認購金額，貸款被視為已全額支付並全額清償，並於收購完成後終止。

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。

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17. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | | 2022 二零二二年 | 2021 二零二一年 |
|------------------|------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Government bonds | 政府債券 | 7,959 | - |

The above debt investments were irrevocably designated at fair value through other comprehensive income as the objective of the Group in holding these debt investments is to collect contractual cash flows and to sell the financial assets.

17. 透過其他全面收益按公平值計量之財務資產

上述債務投資已不可撤回地指定為按公平值計入其他全面收益，因為本集團持有該等債務投資的目的是收取合約現金流及出售金融資產。

18. DERIVATIVE FINANCIAL INSTRUMENTS

(i) Derivative financial instruments

The Group has the following derivative financial instruments:

| | | 2022 二零二二年 | 2021 二零二一年 |
|--|----------------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Forward exchange contracts – cash flow hedges | 遠期外匯合約—現金流量對沖 | | |
| Current assets | 流動資產 | 6,289 | - |
| Non-current assets | 非流動資產 | 2,785 | - |
| Current liabilities | 流動負債 | 25,226 | - |
| Non-current liabilities | 非流動負債 | 11,469 | - |

| | | 2022 二零二二年 | 2021 二零二一年 |
|--|-----------------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Forward exchange contracts – not qualified for hedge accounting | 遠期匯兌合約—不符合對沖會計 | | |
| Current assets | 流動資產 | 82,913 | - |
| Non-current assets | 非流動資產 | - | - |
| Current liabilities | 流動負債 | 3,219 | - |
| Non-current liabilities | 非流動負債 | - | - |

The Group uses forward exchange contracts to reduce exposure to foreign exchange rates. The derivatives used are designated as hedging instruments of the cash flow hedges and the portion of the gain or loss that is determined to be an effective hedge is recognised in other comprehensive income.

本集團使用遠期外匯合約以減少外匯風險。所使用的衍生工具被指定為現金流量對沖的對沖工具，釐定為有效對沖的損益部分於其他綜合收益中確認。

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18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(ii) Cash flow hedge

The Group's hedging reserves relate to the following hedging instruments:

18. 衍生財務工具 (續)

(ii) 現金流量對沖

本集團的對沖儲備與下列對沖工具有關：

| | | Cash flow hedge reserve 現金流量 對沖儲備 |
|---|---------------------------------------|--|
| | | HK\$'000 千港元 |
| As at 1 January 2021, 31 December 2021 and 1 January 2022 | 於二零二一年一月一日、二零二一年 十二月三十一日及二零二二年一月一日 | – |
| Fair value loss of hedging instrument recognised in other comprehensive income | 於其他全面收入確認之對沖工具公平值 虧損 | 25,663 |
| Reclassified from other comprehensive income to profit or loss | 自其他全面收入重新分類至損益 | 1,378 |
| Deferred tax | 遞延稅項 | (6,760) |
| Non-controlling interest | 非控股權益 | (15,006) |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | 5,275 |

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18. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(ii) Cash flow hedge (Continued)

Amounts recognised in profit or loss

In addition to the amounts disclosed in the reconciliation of hedging reserves above, the following amounts were recognised in profit or loss in relation to derivatives:

| | 2022 二零二二年 | 2021 二零二一年 |
|---|-----------------|-----------------|
| | HK\$'000 千港元 | HK\$'000 千港元 |
| Net gain on foreign currency forwards not qualifying as hedges included in profit or loss | 22,521 | - |
| Hedge ineffectiveness of foreign currency forwards – amount recognised in other gains | 518 | - |

Hedge ineffectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the Group or the derivative counterparty.

19. DEFINED BENEFITS SCHEMES

| | | 2022 二零二二年 | | |
|--------------------------------------|-------------|-----------------|-----------------|-----------------|
| | | UK 英國 | USA 美國 | Total 總計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Present value of obligation | 責任現值 | (6,991,588) | (956,092) | (7,947,680) |
| Fair value of plan assets | 計劃資產公平值 | 7,812,936 | 864,118 | 8,677,054 |
| Defined benefit surplus/(obligation) | 界定福利盈餘/(責任) | 821,348 | (91,974) | 729,374 |

18. 衍生財務工具(續)

(ii) 現金流量對沖(續)

計入損益的金額

除上述對沖儲備調節中披露的金額外，以下金額已確認為與衍生工具相關的損益：

對沖無效

對沖有效性於對沖關係開始時釐定，並通過定期預測有效性評估以確保對沖項目與對沖工具之間存在經濟關係。

對於外幣購買對沖，本集團於對沖工具的關鍵條款與對沖項目的條款完全匹配的情況下建立對沖關係。因此，本集團對有效性進行定性評估。倘情況變動影響對沖項目的條款，導致關鍵條款與對沖工具的關鍵條款不再完全匹配，本集團採用假設衍生法評估有效性。

於外幣購買對沖中，倘預測交易與最初估計發生變化，或倘本集團或衍生工具交易對手方信貸風險的變化，可能出現無效的情況。

19. 界定福利計劃

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19. DEFINED BENEFITS SCHEMES (CONTINUED)

The Group, through Clark Group, operates pension schemes in the UK and USA including defined benefit and defined contribution sections. The defined benefit plans under the schemes in the UK and USA are administered by separate funds that are legally separated from the entities. The trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders in the plan. The trustees of the pension fund are responsible for the investment policy with regard to the assets of the fund. Both UK and USA schemes were closed to new participants in 2018.

Full actuarial valuations were carried out by qualified independent actuaries for the UK and USA defined benefit schemes.

The defined benefit plans in both the UK and USA typically expose the entity to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk. This is considered in more detail below.

Investment risk

The present value of the defined benefit plan obligation is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a high proportion of its investments in debt instruments with smaller amounts in equity securities and real estate. Due to the level of risk associated with each type of asset, the trustees of the pension fund consider it appropriate that a reasonable portion of the plan assets should be invested in debt instruments, while the long-term nature of the plan obligation means that is considered appropriate that a portion of the investment portfolio is in equity securities and in real estate to leverage the return generated by the fund.

Interest risk

A decrease in the bond interest rate will increase the plan obligation but this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's obligation.

19. 界定福利計劃(續)

本集團透過Clark集團於英國及美國運作退休金計劃，包括界定福利及定額供款部份。計劃項下英國及美國的界定福利計劃由依法獨立於實體的獨立基金管理。養老基金的受託人須按照法律規定以基金及計劃的所有相關持份者的利益行事。養老基金的受託人負責有關基金資產的投資政策。英國及美國計劃均於二零一八年停止向新參與者提供。

英國及美國界定福利計劃的全面精算估值由合資格獨立精算師進行。

一般而言，英國及美國的界定福利計劃均會使實體面臨精算風險，例如：投資風險、利率風險、長壽風險及薪金風險，詳情於下文論述。

投資風險

界定福利計劃責任之現值乃採用參考優質公司債券收益率釐定的貼現率計算；倘計劃資產的回報低於該比率，即會產生計劃赤字。現時，計劃於債務工具之投資比例較高，而於股本證券及房地產之投資比例較小。由於與各類型資產相關之風險水平，養老基金之信託人認為，將計劃資產之合理部分投資於債務工具屬適當，而計劃責任之長期性質意味著，於股本證券及房地產擁有部分投資組合，以利用該基金產生之回報，被認為適當。

利率風險

債券利率降低，計劃責任將增加，但此將部分由計劃債務投資回報的增加所抵銷。

長壽風險

界定福利計劃責任之現值乃參考計劃參與者於受僱期間及於之後死亡率的最佳估計計算。計劃參與者預期壽命增加將導致計劃責任增加。

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19. DEFINED BENEFITS SCHEMES (CONTINUED)

Salary risk

The present value of the defined benefit plan obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's obligation.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation and net plan assets over the year are as follows:

| | | Present value of obligation 責任現值 | Fair value of plan assets 計劃資產公平值 | Total 總計 |
|--|----------------------|--|---|------------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| 1 January 2022 | 二零二二年一月一日 | - | - | - |
| Current service cost | 即期服務成本 | 2,594 | - | 2,594 |
| Administration costs | 行政費用 | 7,191 | 3,900 | 11,091 |
| Interest expense/(income) | 利息支出/(收入) | 122,593 | (135,884) | (13,291) |
| Past service costs | 過往服務成本 | 2,773 | - | 2,773 |
| Total amount recognised in profit or loss | 於損益中確認總額 | 135,151 | (131,984) | 3,167 |
| Remeasurements | 重新計量 | | | |
| Return on plan assets, excluding amounts included in interest (income) | 計劃資產回報，利息(收入)包括之金額除外 | - | 1,480,567 | 1,480,567 |
| Actuarial gain from change in demographic assumptions | 來自人口統計變動之假設精算收益 | (35,221) | - | (35,221) |
| Actuarial gain from change in financial assumptions | 來自財務假設變動之精算收益 | (867,858) | - | (867,858) |
| Total amount recognised in other comprehensive income | 於其他全面收益確認總額 | (903,079) | 1,480,567 | 577,488 |
| Acquired in business combination (Note 39) | 於業務合併過程中收購(附註39) | 9,072,310 | (10,371,951) | (1,299,641) |
| Exchange differences | 匯兌差額 | (97,887) | 119,964 | 22,077 |
| Contributions: | 供款: | | | |
| Employers | 僱主 | - | (32,465) | (32,465) |
| Benefits paid | 已支付福利 | (258,815) | 258,815 | - |
| 31 December 2022 | 二零二二年十二月三十一日 | 7,947,680 | (8,677,054) | (729,374) |

The net assets disclosed above relates to funded and unfunded plans as follows:

上述披露之資產淨值與已撥資及未撥資計劃相關如下:

| | | 2022 二零二二年 |
|---|----------------------|-----------------|
| | | HK\$'000 千港元 |
| Present value of funded obligations | 已撥資責任現值 | 7,940,622 |
| Fair value of plan assets | 計劃資產公平值 | (8,677,054) |
| Surplus of funded plans | 已撥資計劃盈餘 | (736,432) |
| Present value of unfunded obligations | 未撥資責任現值 | 7,058 |
| Total surplus of defined benefit pension plans (before asset ceiling) | 界定福利退休金計劃盈餘總額(資產上限前) | (729,374) |

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19. DEFINED BENEFITS SCHEMES (CONTINUED)

Plan assets

The major categories of the fair value of the total plan assets are as follows:

| | | 2022 二零二二年 |
|--|--------------|------------------|
| | | HK\$'000 千港元 |
| Equities | 股票 | 240,664 |
| Bonds | 債券 | 4,277,266 |
| Real assets/infrastructure | 實物資產／基礎設施 | 745,094 |
| Insurance contract | 保險合約 | 1,778,496 |
| Alternative credit/diversifying strategies | 替代信貸／多元化策略 | 1,231,225 |
| Cash | 現金 | 404,309 |
| Total plan assets | 總計劃資產 | 8,677,054 |

Included in the above, there are debt securities of HK\$3,847.0 million where the fair value of these debt instruments is determined based on quoted market prices.

The weighted average asset allocations at the year end were as follows:

19. 界定福利計劃 (續)

計劃資產

總計劃資產公平值的主要分類如下：

上文所述包括債務證券3,847.0百萬港元，該等債務工具的公平值根據市場報價釐定。

年末之加權平均資產分配如下：

| | | UK plan assets as at 31 December 2022 英國計劃資產 於二零二二年 十二月三十一日 | USA plan assets as at 31 December 2022 美國計劃資產 於二零二二年 十二月三十一日 |
|--|------------|--|---|
| Asset category | 資產類別 | | |
| Equities | 股票 | 0% | 27% |
| Bonds | 債券 | 52% | 22% |
| Real assets/infrastructure | 實物資產／基礎設施 | 7% | 22% |
| Insurance contract | 保險合約 | 23% | 0% |
| Alternative credit/diversifying strategies | 替代信貸／多元化策略 | 13% | 27% |
| Cash | 現金 | 5% | 2% |
| | | 100% | 100% |

The weighted average duration of the defined benefit obligation is 11.4 years as at 31 December 2022.

於二零二二年十二月三十一日，界定福利責任的加權平均年期為11.4年。

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19. DEFINED BENEFITS SCHEMES (CONTINUED)

Plan assets (Continued)

The significant actuarial assumptions were as follows:

| | | 2022 二零二二年 | |
|---|----------|---------------|-----------|
| | | UK 英國 | USA 美國 |
| Discount rate | 貼現率 | 4.75% | 5.40% |
| Rate of increase in pensions in payment | 養老金付款增長率 | 2.45%-3.05% | N/A 不適用 |
| Rate of increase in pensions in deferment | 遞延養老金增長率 | 2.45% | N/A 不適用 |
| Inflation assumption | 通脹假設 | 3.15% | N/A 不適用 |

| | | UK as at 31 December 2022 英國 於二零二二年 十二月三十一日 | USA as at 31 December 2022 美國 於二零二二年 十二月三十一日 |
|--|--------------|---|--|
| Weighted average mortality rate assumptions used to determine net pension cost for the period end 用以釐定期末養老金成本淨額之加權平均預期壽命 (死亡率) | | | |
| Member age 65 (current life expectancy) | Male 男性 | 22.2 | 20.7 |
| 65歲成員 (當前預期壽命) | Female 女性 | 24.1 | 22.6 |
| Member age 45 (life expectancy at age 65) | Male 男性 | 23.4 | 22.2 |
| 45歲成員 (65歲時的預期壽命) | Female 女性 | 25.9 | 24.1 |

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, rates of inflation and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

釐定界定福利責任之主要精算假設為貼現率、通脹率及死亡率。以下敏感度分析乃基於有關假設於報告期末發生的合理可能變動而釐定，而所有其他假設維持不變。

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19. DEFINED BENEFITS SCHEMES (CONTINUED) Sensitivity analysis: Impact of change in key assumptions on actuarial value of obligation

19. 界定福利計劃(續) 敏感度分析：責任精算價值主要假設變動影響

| | | UK as at 31 December 2022 英國 於二零二二年 十二月 三十一日 |
|--|------------|---|
| | | HK\$'000 千港元 |
| Base case | 基本案例 | 6,991,588 |
| 0.5% decrease in discount rate | 貼現率下降0.5% | 7,153,632 |
| 1 year increase in member life expectation | 成員預期壽命增加一年 | 7,035,632 |
| +0.5% change in inflation | 通脹率上升0.5% | 7,032,800 |

| | | USA as at 31 December 2022 美國 於二零二二年 十二月 三十一日 |
|--|------------|--|
| | | HK\$'000 千港元 |
| Base case | 基本案例 | 956,092 |
| 0.5% decrease in discount rate | 貼現率下降0.5% | 1,011,047 |
| 1 year increase in member life expectation | 成員預期壽命增加一年 | 981,046 |

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20. INVENTORIES

| | | 2022 二零二二年 | 2021 二零二一年 |
|------------------|-----|------------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Raw materials | 原材料 | 9,844 | 10,335 |
| Work in progress | 半成品 | 9,241 | 5,740 |
| Finished goods | 製成品 | 4,042,045 | 265,204 |
| | | 4,061,130 | 281,279 |

As at 31 December 2022, certain inventories of the Group's subsidiaries were charged as security for bank borrowings. As at 31 December 2021, no inventory has been charged as security. Details are set out in Note 28.

20. 存貨

於二零二二年十二月三十一日，本集團附屬公司的若干存貨已就銀行借款作抵押之用。於二零二一年十二月三十一日，概無存貨作抵押之用。詳情載於附註28。

21. TRADE DEBTORS AND BILLS RECEIVABLE

| | | | 2022 二零二二年 | 2021 二零二一年 |
|------------------------------------|-----------|------------|-----------------|-----------------|
| | | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Trade debtors and bills receivable | 應收賬款及應收票據 | | 869,754 | 104,754 |
| Less: loss allowance | 減：虧損撥備 | 43 | (10,276) | (6,758) |
| | | | 859,478 | 97,996 |

The Group's trading terms with its customers are mainly on credit, generally 30 to 90 days, 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.

As at 31 December 2022, certain trade receivables of the Group's subsidiaries were charged as security for bank borrowings. As at 31 December 2021, no trade debtors receivables has been charged as security. Details are set out in Note 28.

21. 應收賬款及應收票據

本集團主要按記賬方式與客戶交易，信貸期一般為30至90天，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。

於二零二二年十二月三十一日，本集團附屬公司的若干應收賬款已就銀行借款作抵押之用。於二零二一年十二月三十一日，概無應收賬款作抵押之用。詳情載於附註28。

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21. TRADE DEBTORS AND BILLS RECEIVABLE (CONTINUED)

An ageing analysis of the trade debtors and bills receivable based on the payment due date is as follows:

| | | 2022 二零二二年 | 2021 二零二一年 |
|-----------------------------|---------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Current | 即期 | 583,773 | 77,465 |
| Less than 3 months past due | 逾期少於三個月 | 216,288 | 18,155 |
| 3 to 6 months past due | 逾期三至六個月 | 29,127 | 2,198 |
| More than 6 months past due | 逾期超過六個月 | 30,290 | 178 |
| | | 859,478 | 97,996 |

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 43.

Included in the Group's trade debtors and bills receivable are amounts of HK\$40,930,000 and HK\$42,665,000 (2021: HK\$26,701,000 and nil) due from associates and a joint venture, respectively.

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------------|------------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Prepayments | 預付款項 | 789,146 | 334,252 |
| Deposits and other receivables | 按金及其他應收款項 | 329,223 | 223,672 |
| Less: loss allowance for deposits and other receivables | 減：按金及其他應收款項之虧損撥備 | (95,321) | (96,013) |
| | | 1,023,048 | 461,911 |
| Less: current portion | 減：流動部分 | (681,272) | (160,028) |
| Non-current prepayment, deposits and other receivables | 非流動預付款項、按金及其他應收款項 | 341,776 | 301,883 |

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 43.
- (b) Included in the Group's non-current prepayment, deposits and other receivables are amounts of HK\$280,976,000 (2021: HK\$253,177,000) down payment for the acquisition of properties located in Shanghai, PRC.

21. 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43。

計入本集團之應收賬款及應收票據分別為應收聯營公司及一間合營企業款項40,930,000港元及42,665,000港元(二零二一年：26,701,000港元及零港元)。

22. 預付款項、按金及其他應收款項

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43。
- (b) 本集團非流動預付款項、按金及其他應收款項包括有關收購位於中國上海的物業的首期付款金額280,976,000港元(二零二一年：253,177,000港元)。

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23. CASH AND CASH EQUIVALENTS

(a) Cash and bank balances comprise

| | | 2022 | 2021 |
|---|----------------|-----------|-----------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 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 | 1,561,063 | 742,481 |
| Time deposits – less than three months | 定期存款—少於三個月 | 1,413,740 | 1,787,182 |
| Cash and bank balances | 現金及銀行結餘 | 2,974,803 | 2,529,663 |

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$316,591,000 (2021: HK\$472,345,000), approximately HK\$285,581,000 (2021: HK\$368,152,000) of which was domiciled in the mainland China. The RMB is not freely convertible into other currencies in the mainland China, 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 years ended 31 December 2022 and 2021.

| | | 2022 | 2021 |
|--|----------------------|-------------|-----------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Net debt | 債務淨額 | | |
| Cash and cash equivalents (included bank overdraft) | 現金及現金等價物 (包括銀行透支) | 2,930,189 | 2,529,663 |
| Deposit with balance with maturity period over three months | 存款期超過三個月之餘額存款 | 3,962 | 4,284 |
| Restricted bank balances | 限制性銀行結餘 | 19,615 | 6,855 |
| Bank borrowings (excluded bank overdraft) | 銀行貸款 (不包括銀行透支) | (299,516) | – |
| Lease liabilities | 租賃負債 | (1,957,299) | (486,319) |
| Net debt | 債務淨額 | 696,951 | 2,054,483 |

23. 現金及現金等價物

(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316,591,000港元（二零二一年：472,345,000港元），其中約285,581,000港元（二零二一年：368,152,000港元）存於中國內地。人民幣於中國內地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

本節載有截至二零二二年及二零二一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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23. CASH AND CASH EQUIVALENTS (CONTINUED)

23. 現金及現金等價物 (續)

| | | Liabilities from financing activities 來自融資活動之負債 | | | Other assets 其他資產 | | | Total 總計 |
|--|----------------------------------|---|---------------------------|-----------------|--|---|--|-------------|
| | | Bank borrowings (excluded bank overdraft) 銀行貸款 (不包括 銀行透支) | Lease liabilities 租賃負債 | Sub-total 小計 | Cash and cash equivalents (included bank overdraft) 現金及 現金等價物 (包括 銀行透支) | Deposits with maturity period over three months 存款期超過 三個月之 銀行存款 | 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 2021 | 於二零二一年一月一日之債務淨額 | (1,256,000) | (408,788) | (1,664,788) | 1,857,441 | - | 3,627 | 196,280 |
| Cash flows | 現金流量 | 1,272,078 | 169,114 | 1,441,192 | 667,896 | 4,284 | 3,121 | 2,116,493 |
| Interest expenses | 利息開支 | (16,078) | (20,971) | (37,049) | - | - | - | (37,049) |
| Addition – leases | 添置一租賃 | - | (262,880) | (262,880) | - | - | - | (262,880) |
| Modification – leases | 修訂一租賃 | - | 49,239 | 49,239 | - | - | - | 49,239 |
| Foreign exchange adjustments | 外匯調整 | - | (12,033) | (12,033) | 4,326 | - | 107 | (7,600) |
| Net debt as at 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及 二零二二年一月一日之債務淨額 | - | (486,319) | (486,319) | 2,529,663 | 4,284 | 6,855 | 2,054,483 |
| Cash flows | 現金流量 | 215,759 | 374,389 | 590,148 | (536,573) | - | 12,630 | 66,205 |
| Interest expenses | 利息開支 | (20,864) | (50,229) | (71,093) | - | - | - | (71,093) |
| Acquisition of subsidiaries | 收購附屬公司 | (526,841) | (1,428,065) | (1,954,906) | 990,962 | - | 1,007 | (962,937) |
| Addition – leases | 添置一租賃 | - | (416,404) | (416,404) | - | - | - | (416,404) |
| Modification – leases | 修訂一租賃 | - | (16,856) | (16,856) | - | - | - | (16,856) |
| Foreign exchange adjustments | 外匯調整 | 32,430 | 66,185 | 98,615 | (53,863) | (322) | (877) | 43,553 |
| Net debt as at 31 December 2022 | 於二零二二年十二月三十一日之 債務淨額 | (299,516) | (1,957,299) | (2,256,815) | 2,930,189 | 3,962 | 19,615 | 696,951 |

24. RESTRICTED BANK BALANCES

24. 限制性銀行結餘

| | | 2022 二零二二年 | 2021 二零二一年 |
|--------------------------|---------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Restricted bank balances | 限制性銀行結餘 | | |
| Current | 流動 | 2,635 | 3,183 |
| Non-current | 非流動 | 16,980 | 3,672 |
| | | 19,615 | 6,855 |

The restricted bank balances were pledged as security for the operation of sports parks and lease of retail stores and as security for bank guarantee for subsidiaries of the Group.

限制性銀行結餘已抵押作為體育園的營運及租賃零售店之擔保及作為本集團附屬公司銀行擔保之擔保。

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25. TRADE, BILLS AND OTHER PAYABLES

| | | 2022 | 2021 |
|----------------|--------|------------------|----------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Trade payables | 應付賬款 | 2,090,720 | 233,478 |
| Bills payable | 應付票據 | 14,812 | 11,693 |
| Other payables | 其他應付款項 | 691,061 | 272,913 |
| | | 2,796,593 | 518,084 |

Included in trade payables is HK\$351.6 million (2021: Nil) relating to a vendor financing facility arrangement with a bank, allowing certain suppliers to be paid earlier (by the bank) than the Group's standard payments terms. If this option is taken by the supplier, the Group will no longer be able to make earlier direct payments to the supplier and will pay to the partner bank under the Group's standard payments terms when the payable becomes due. The Group has determined that the terms of the trade payable under this arrangement are substantially unchanged and that it is continued presenting the relevant amounts within trade and other payables.

The normal credit period for trade payables generally ranges from 30 to 90 days. Ageing analysis of trade payables based on due date at the respective balance sheet date is as follows:

| | | 2022 | 2021 |
|-----------------------------|---------|------------------|----------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Current | 即期 | 1,925,965 | 211,923 |
| Less than 3 months past due | 逾期少於三個月 | 116,859 | 17,909 |
| 3-6 months past due | 逾期三至六個月 | 5,685 | 2,640 |
| More than 6 months past due | 逾期超過六個月 | 42,211 | 1,006 |
| | | 2,090,720 | 233,478 |

As at 31 December 2022, included in the Group's trade, bills and other payables are amounts of HK\$7,807,000 (2021: HK\$1,221,000) due to associates.

26. ACCRUALS

| | | 2022 | 2021 |
|----------|------|----------|----------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Accruals | 應計費用 | 642,695 | 136,069 |

Included in the Group's accruals is amount of HK\$236,616,000 (2021: HK\$75,845,000) for accrued staff cost. Other accruals mainly represent accrued rent, professional fee and other operating costs.

25. 應付賬款、應付票據及其他應付款項

應付賬款包括與一間銀行之供應商融資安排有關之351.6百萬港元(二零二一年：零)，允許本集團比標準支付條款提前(由銀行)向若干供應商付款。倘供應商採取該選擇，本集團將不能再直接向供應商提前付款，而將根據本集團標準付款條款於應付款項到期時向合作銀行付款。然而，本集團已釐定該安排項下的應付賬款條款於其他方面基本並無變化，因此，相關金額繼續於應付賬款及應付款項中列賬。

應付賬款之正常信貸期一般介乎30至90天。於各資產負債表日，根據付款到期日之應付賬款的賬齡分析如下：

於二零二二年十二月三十一日，本集團之應付賬款、應付票據及其他應付款項包括應付聯營公司之7,807,000港元(二零二一年：1,221,000港元)。

26. 應計費用

本集團應計費用包括應計員工成本236,616,000港元(二零二一年：75,845,000港元)。其他應計費用主要為應計租金、專業費用及其他營運成本。

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27. DEFERRED INCOME

The movements in deferred income as stated under current and non-current liabilities are as follows:

| | | 2022 二零二二年 | 2021 二零二一年 |
|----------------------------------|--------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Carrying amount at 1 January | 於一月一日之賬面值 | 7,759 | 9,810 |
| Credited to profit or loss | 計入損益 | (1,028) | (2,300) |
| Currency translation differences | 匯兌差額 | (552) | 249 |
| Carrying amount at 31 December | 於十二月三十一日之賬面值 | 6,179 | 7,759 |
| Less: current portion | 減：流動部分 | (453) | (1,199) |
| | | 5,726 | 6,560 |

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.

28. BANK BORROWINGS

| | | 2022 二零二二年 | 2021 二零二一年 |
|---------------------------|----------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Bank overdraft, unsecured | 銀行透支，無抵押 | 41,652 | - |
| Bank overdraft, secured | 銀行透支，有抵押 | 2,962 | - |
| Bank loans, secured | 銀行貸款，有抵押 | 299,516 | - |
| | | 344,130 | - |
| Less: Current portion | 減：流動部分 | (55,934) | - |
| | | 288,196 | - |

Bank borrowings bear fixed rate and floating rates of i) CHIBOR minus basis, ii) EURIBOR plus basis and iii) secured overnight financing rate ("SOFR") plus margin.

As at 31 December 2022, property, plant and equipment of HK\$8,477,000, financial assets at fair value through other comprehensive income of HK\$7,959,000, inventories and trade receivables of HK\$863,883,000 had been charged as security for bank borrowings of subsidiaries of the Group. As at 31 December 2021, no asset has been charged as security.

The Group has not breached any covenants for the year ended 31 December 2022.

27. 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。

28. 銀行貸款

銀行貸款按固定利率及i)中國銀行同業拆息減指定息率及ii)歐元區銀行同業拆息加指定息率及iii)有抵押隔夜融資利率（「有抵押隔夜融資利率」）加保證金之浮動利率計息。

於二零二二年十二月三十一日，8,477,000港元的物業、廠房及設備、7,959,000港元的透過其他全面收益按公平值計量之財務資產與863,883,000港元的存貨及應收賬款已抵押作為本集團旗下附屬公司銀行貸款之擔保。於二零二一年十二月三十一日，本集團並沒有資產作抵押之用。

本集團於截至二零二二年十二月三十一日止年度並無違反任何契約。

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29. DEFERRED TAX ASSETS AND LIABILITIES

Net deferred tax assets recognised in the consolidated statement of financial position are as follows:

| | | 2022 二零二二年 | 2021 二零二一年 |
|--------------------------|--------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Deferred tax assets | 遞延稅項資產 | 120,127 | 26,397 |
| Deferred tax liabilities | 遞延稅項負債 | (96,664) | (87,738) |
| | | 23,463 | (61,341) |

29. 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 | | Impairment and other temporary differences | Lease liabilities | Depreciation allowance in excess of related depreciation | Tax losses | Total |
|--|-----------------------------|--|-------------------|--|-----------------|------------------|
| 遞延稅項資產變動 | | 減值及其他暫時差額 | 租賃負債 | 超出相關折舊之折舊撥備 | 稅項虧損 | 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 2021 | 於二零二一年一月一日 | 20,898 | 3,486 | - | - | 24,384 |
| (Charged)/credited to profit or loss | 於損益(扣除)/計入 | (2,320) | 3,615 | - | - | 1,295 |
| Currency translation difference | 匯兌差額 | 483 | 235 | - | - | 718 |
| At 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及 二零二二年一月一日 | 19,061 | 7,336 | - | - | 26,397 |
| Acquisition of subsidiaries | 收購附屬公司 | 70,575 | - | 58,263 | 229,212 | 358,050 |
| Credited/(charged) to profit or loss | 於損益計入/(扣除) | 88,974 | 4,361 | (27,199) | 12,934 | 79,070 |
| Credited to other comprehensive income | 於其他全面收益計入 | 6,760 | - | - | - | 6,760 |
| Currency translation difference | 匯兌差額 | (372) | - | (1,073) | (1,650) | (3,095) |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 184,998 | 11,697 | 29,991 | 240,496 | 467,182 |
| Set-off of deferred tax liabilities | 抵銷遞延稅項負債 | | | | | (347,055) |
| | | | | | | 120,127 |

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29. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

29. 遞延稅項資產及負債(續)

| Deferred tax liabilities movement | | Revaluation of investment properties | Intangible assets | Pension obligations | Fair value adjustments arising from acquisition of subsidiaries | Depreciation allowance in excess of related depreciation | Other temporary differences | Total |
|--|-----------------------------|--------------------------------------|-------------------|---------------------|---|--|-----------------------------|-----------------|
| 遞延稅項負債變動 | | 重估投資物業 | 無形資產 | 退休金責任 | 收購附屬公司之公平值調整 | 超出相關折舊之折舊撥備 | 其他暫時差額 | 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 2021 | 於二零二一年一月一日 | (32,133) | (48,483) | - | (53) | - | - | (80,669) |
| (Charged)/credit to profit or loss | 於損益(扣除)/計入 | (12,347) | 6,531 | - | - | - | - | (5,816) |
| Currency translation difference | 匯兌差額 | - | (1,251) | - | (2) | - | - | (1,253) |
| At 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及 二零二二年一月一日 | (44,480) | (43,203) | - | (55) | - | - | (87,738) |
| Acquisition of subsidiaries | 收購附屬公司 | - | - | (340,862) | (26,030) | (92,890) | (62,666) | (522,448) |
| Credited/(charged) to profit or loss | 於損益計入/(扣除) | 31,460 | 6,346 | (8,319) | - | (6,258) | (4,279) | 18,950 |
| Credited to other comprehensive income | 於其他全面收益計入 | - | - | 136,957 | - | - | - | 136,957 |
| Currency translation difference | 匯兌差額 | - | 2,889 | 6,385 | 222 | 623 | 441 | 10,560 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | (13,020) | (33,968) | (205,839) | (25,863) | (98,525) | (66,504) | (443,719) |
| Set-off of deferred tax assets | 抵銷遞延稅項資產 | - | - | - | - | - | - | 347,055 |
| | | | | | | | | (96,664) |

As at 31 December 2022, the Group had tax losses arising in Hong Kong of approximately HK\$1,771,126,000 (2021: HK\$1,365,534,000), 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.

於二零二二年十二月三十一日，本集團於香港產生稅項虧損約1,771,126,000港元（二零二一年：1,365,534,000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用作抵銷有虧損公司之未來應課稅溢利。

As at 31 December 2022, the Group had estimated tax losses arising in the USA of HK\$1,703,397,000 (2021: Nil) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

於二零二二年十二月三十一日，本集團於美國產生之估計稅項虧損為1,703,397,000港元（二零二一年：無），可無限期用作抵銷產生虧損公司日後之應課稅溢利。

As at 31 December 2022, the Group also has tax losses arising in the mainland China of HK\$783,049,000 (2021: HK\$474,623,000) that will expire within five years to offsetting against future taxable profits.

於二零二二年十二月三十一日，本集團亦於中國內地產生稅項虧損783,049,000港元（二零二一年：474,623,000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。

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.

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。

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.

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為遞延稅項負債，由於該等利潤全部不會於可見將來分配。

During the year ended 31 December 2022, the reversal of deferred tax liabilities of HK\$30,616,000 was arising from the disposal of investment properties in March 2022.

於截至二零二二年十二月三十一日止年度，遞延稅項負債撥回30,616,000港元來自於二零二二年三月出售投資物業。

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

本公司向其股東支付股息並無任何附帶所得稅影響。

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30. PROVISION

30. 撥備

| | | Dilapidation provision [#] | Onerous lease provision | Guarantee to joint venture [*] | Others | Total |
|--|---|--|----------------------------------|---|---------|----------|
| | 復原 重置撥備 [#] | 虧損性 租賃撥備 | 為一家 合營企業 提供擔保 [*] | 其他 | 共計 | |
| | HKD'000 | HKD'000 | HKD'000 | HKD'000 | HKD'000 | |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | |
| At 1 January 2021, 31 December 2021 and 1 January 2022 | 於二零二一年一月一日、 二零二一年十二月三十一日 及二零二二年一月一日 | - | - | - | - | - |
| Acquisition of subsidiaries | 收購附屬公司 | 51,909 | 7,667 | 99,680 | 38,176 | 197,432 |
| Charged to profit or loss | 於損益計入 | 9,135 | 3,968 | - | 11,229 | 24,332 |
| Amounts utilised | 已動用金額 | (521) | (2,132) | - | - | (2,653) |
| Amount released | 已解除金額 | (4,325) | (2,660) | - | (4,376) | (11,361) |
| Currency translation difference | 匯兌差額 | 516 | (292) | (5,387) | (226) | (5,389) |
| Balance at 31 December 2022 | 於二零二二年十二月三十一日 餘額 | 56,714 | 6,551 | 94,293 | 44,803 | 202,361 |
| Less: current portion | 減：流動部分 | - | - | (94,293) | - | (94,293) |
| Non-current portion | 非流動部分 | 56,714 | 6,551 | - | 44,803 | 108,068 |

[#] A provision is recognised for expected costs required to restore leased properties to their original condition per the current closure plan. It is expected that these costs will be incurred at the end of the lease agreement.

^{*} A provision is recognised in relation to a guarantee provided by Clark Group to its joint venture.

[#] 就根據當前關閉計劃將出租物業恢復至其原狀態所需的預期成本確認撥備。預計該等成本將於租賃協議結束時產生。

^{*} 就Clark集團向其合營企業提供擔保確認一項撥備。

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31. SHARE CAPITAL Shares

31. 股本 股份

| | | 2022 二零二二年 | | 2021 二零二一年 | |
|--|----------------------------------|-----------------------|--|-----------------------|--|
| | | 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: | 已發行及繳足： | | | | |
| Ordinary Shares | 普通股 | 9,680,413,727 | 484,021 | 9,621,242,726 | 481,062 |

A summary of the movements in the Company's issued capital during the years ended 31 December 2022 and 2021 is as follows:

截至二零二二年及二零二一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

| | | Number of Ordinary Shares in issue 已發行 普通股數目 | Issued capital 已發行股本 | Share premium account 股份溢價賬 | Total 總計 |
|--------------------------|---------------|---|----------------------------|--------------------------------------|------------------|
| | | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 January 2021 | 於二零二一年一月一日 | 9,496,332,726 | 474,817 | 2,418,755 | 2,893,572 |
| Issue of ordinary shares | 發行普通股 | (a) 124,910,000 | 6,245 | 166,232 | 172,477 |
| Dividend paid | 已付股息 | - | - | (1,504,119) | (1,504,119) |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 9,621,242,726 | 481,062 | 1,080,868 | 1,561,930 |
| Issue of ordinary shares | 發行普通股 | (b) 59,171,001 | 2,959 | 47,227 | 50,186 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 9,680,413,727 | 484,021 | 1,128,095 | 1,612,116 |

Notes:

(a) 64,910,000 Ordinary Shares were issued upon exercise of certain share options for proceeds totalling HK\$32,450,000 and 60,000,000 Ordinary Shares were issued upon conversion of part of the perpetual convertible bonds during the year of 2021. The proceeds of issues upon exercise of certain share options had been applied towards general working capital of the Group.

(b) 59,171,001 Ordinary Shares were issued upon exercise of certain share options for proceeds totalling HK\$39,645,000 during the year of 2022. The proceeds of issues upon exercise of certain share options had been applied toward general working capital of the Group.

附註：

(a) 二零二一年內因若干購股權獲行使而發行64,910,000股普通股，獲得所得款項合共32,450,000港元，及因部分永久性可換股債券獲轉換而發行60,000,000股普通股。因若干購股權獲行使而發行之所得款項已用作本集團之一般營運資金。

(b) 於二零二二年內，因行使若干購股權而發行59,171,001股普通股，所得款項總額為39,645,000港元。因行使若干購股權而發行的所得款項已用作本集團的一般營運資金。

32. 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.

32. 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、業務合作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。

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32. 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.

32. 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。

32. 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 recognise 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 654,373,938, representing approximately 6.76% of the existing number of issued Shares.

32. 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、業務合作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654,373,938份，相當於現有已發行股份數目之約6.76%。

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32. 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.

The following share options were outstanding during the year:

| | | | Weighted average exercise price 加權平均行使價 | Number of options 購股權數目 |
|--|-----------------------------|-------------|--|----------------------------|
| | | Notes 附註 | (HK\$ per share) (每股港元) | '000 千份 |
| At 1 January 2021 | 於二零二一年一月一日 | | 0.65 | 126,425 |
| Granted during the year | 於年內授出 | (a) | 0.67 | 288,600 |
| Forfeited/expired during the year | 於年內沒收/到期 | (c) | 0.79 | (66,425) |
| Exercised during the year | 於年內行使 | (d) | 0.50 | (64,910) |
| At 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及 二零二二年一月一日 | (f) | 0.67 | 283,690 |
| Granted during the year | 於年內授出 | (b) | 1.30 | 15,304 |
| Forfeited/expired during the year | 於年內沒收/到期 | (c) | 0.75 | (7,621) |
| Exercised during the year | 於年內行使 | (d) | 0.67 | (59,171) |
| At 31 December 2022 | 於二零二二年十二月三十一日 | (e), (f) | 0.71 | 232,202 |

32. 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。

年內尚未行使購股權如下：

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32. SHARE OPTION SCHEME (CONTINUED)

(I) Share option scheme of the Company (Continued)

Equity-settled share option expenses of HK\$17,743,000 (2021: HK\$33,922,000) was recognized in profit or loss in respect of the share options granted under the 2010 Scheme and 2021 Scheme during the year ended 31 December 2022.

Notes:

(a) The fair values of the share options granted under the 2021 Scheme during the year ended 31 December 2021 were approximately HK\$55,938,000 in aggregate, which were estimated as at the respective dates of grant using a binominal model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

| | | |
|----------------------------------|------------|-------------|
| Dividend yield (%) | 股息率(%) | 3.6 |
| Expected volatility (%) | 預期波幅(%) | 44.3 – 46.5 |
| Expected life of options (years) | 購股權預期年期(年) | 2 – 8 |
| Risk-free interest rate (%) | 無風險利率(%) | 0.1 – 0.6 |

(b) The fair values of the share options granted under the 2021 Scheme during the year ended 31 December 2022 were approximately HK\$5,540,000 in aggregate, which were estimated as at the respective dates of grant using a binominal model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

| | | |
|----------------------------------|------------|-------------|
| Dividend yield (%) | 股息率(%) | 5.1 |
| Expected volatility (%) | 預期波幅(%) | 43.2 – 52.3 |
| Expected life of options (years) | 購股權預期年期(年) | 0.08 – 8 |
| Risk-free interest rate (%) | 無風險利率(%) | 0.1 – 2.8 |

(c) 7,621,000 (2021: 66,425,000) share options granted under the 2010 Scheme and 2021 Scheme were forfeited/expired during the year ended 31 December 2022.

(d) Total 59,171,000 (2021: 64,910,000) share options granted under the 2010 Scheme and 2021 Scheme were exercised during the year ended 31 December 2022.

32. 購股權計劃(續)

(I) 本公司之購股權計劃(續)

於截至二零二二年十二月三十一日止年度，就根據二零一零年計劃及二零二一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為17,743,000港元(二零二一年：33,922,000港元)。

附註：

(a) 於截至二零二一年十二月三十一日止年度，根據二零二一年計劃所授出購股權的公平值合共約為55,938,000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。下表列示所使用模式之輸入數據：

(b) 於截至二零二二年十二月三十一日止年度，根據二零二一年計劃所授出購股權的公平值合共約為5,540,000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。下表列示所使用模式之輸入數據：

(c) 於截至二零二二年十二月三十一日止年度，根據二零一零年計劃及二零二一年計劃授出之7,621,000份(二零二一年：66,425,000份)購股權已沒收/到期。

(d) 根據二零一零年計劃及二零二一年計劃授出之合共59,171,000份(二零二一年：64,910,000份)購股權已於截至二零二二年十二月三十一日止年度獲行使。

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32. SHARE OPTION SCHEME (CONTINUED)

(I) Share option scheme of the Company (Continued)

(e) As at 31 December 2022, the Company had 232,202,000 share options outstanding under 2021 Scheme, which represented approximately 2.4% of the Ordinary Shares in issue as at 31 December 2022.

(f) The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2022

| 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 | |
|--|---|-------------------------|-----------------------|
| 562 | 0.67 | 18/1/2021 to 17/1/2023 | 二零二一年一月十八日至二零二三年一月十七日 |
| 34,002 | 0.67 | 18/1/2022 to 17/1/2027 | 二零二二年一月十八日至二零二七年一月十七日 |
| 91,667 | 0.67 | 18/1/2023 to 17/1/2028 | 二零二三年一月十八日至二零二八年一月十七日 |
| 4,768 | 1.30 | 8/7/2023 to 7/7/2028 | 二零二三年七月八日至二零二八年七月七日 |
| 91,667 | 0.67 | 18/1/2024 to 17/1/2029 | 二零二四年一月十八日至二零二九年一月十七日 |
| 4,768 | 1.30 | 8/7/2024 to 7/7/2029 | 二零二四年七月八日至二零二九年七月七日 |
| 4,768 | 1.30 | 8/7/2025 to 7/7/2030 | 二零二五年七月八日至二零三零年七月七日 |
| 232,202 | | | |

2021

| 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 | |
|--|---|----------------------------|-----------------------|
| 890 | 0.67 | 18 Jan 2021 to 17 Jan 2023 | 二零二一年一月十八日至二零二三年一月十七日 |
| 94,267 | 0.67 | 18 Jan 2022 to 17 Jan 2027 | 二零二二年一月十八日至二零二七年一月十七日 |
| 94,267 | 0.67 | 18 Jan 2023 to 17 Jan 2028 | 二零二三年一月十八日至二零二八年一月十七日 |
| 94,266 | 0.67 | 18 Jan 2024 to 17 Jan 2029 | 二零二四年一月十八日至二零二九年一月十七日 |
| 283,690 | | | |

* 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)

32. 購股權計劃 (續)

(I) 本公司之購股權計劃 (續)

(e) 於二零二二年十二月三十一日，本公司有232,202,000份二零二一年計劃項下之尚未行使購股權，相當於二零二二年十二月三十一日已發行普通股之約2.4%。

(f) 於報告期末尚未行使購股權之行使價及行使期間如下：

二零二二年

二零二一年

* 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

32. 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 2021 Scheme would, under the present capital structure of the Company, result in the issue of 232,202,000 additional Ordinary Shares and additional share capital of HK\$11,610,000 and share premium of HK\$152,977,000, 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 ordinary shares in the share 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 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. As at the date of this report, the total number of Bossini Shares available for issue under the Bossini Share Option Scheme is 63,472,522, representing approximately 2.57% of the existing number of issued Bossini Shares. 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.

32. 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，二零二一年計劃項下尚未行使購股權獲全數行使後，將額外發行232,202,000股普通股，錄得額外股本11,610,000港元及股份溢價152,977,000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的成功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%。於本報告日期，根據堡獅龍購股權計劃可予發行之堡獅龍股份合共63,472,522股，相當於現有已發行堡獅龍股份數目的約2.57%。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。

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32. 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.

32. 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。

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32. SHARE OPTION SCHEME (CONTINUED)

(II) Share option scheme of a subsidiary (Continued)

The following share options were outstanding during the year:

| | | | Weighted average exercise price 加權平均行使價 | Number of options 購股權數目 |
|--|-----------------------------|-------------|--|----------------------------|
| | | Notes 附註 | (HK\$ per share) (每股港元) | '000 千份 |
| At 1 January 2021 | 於二零二一年一月一日 | | - | - |
| Granted/adjusted during the year | 於年內授出/調整 | (a) | 0.57 | 124,818 |
| Forfeited/expired during the year | 於年內沒收/到期 | (c) | 0.46 | (15,925) |
| At 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日 及二零二二年一月一日 | (e) | 0.58 | 108,893 |
| Granted during the year | 於年內授出 | (b) | 0.59 | 29,000 |
| Forfeited/expired during the year | 於年內沒收/到期 | (c) | 0.54 | (37,091) |
| Exercised during the year | 於年內行使 | (d) | 0.46 | (4,608) |
| At 31 December 2022 | 於二零二二年十二月三十一日 | (e) | 0.61 | 96,194 |

Equity-settled share option expenses of HK\$6,700,000 (2021: 8,363,000) was recognized in profit or loss in respect of the share options granted during the year ended 31 December 2022.

Notes:

(a) The fair values of the share options granted during the year ended 31 December 2021 were HK\$22,300,000 in aggregate, which were estimated as at the respective dates of grant using a binominal model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

| | | |
|----------------------------------|------------|-------------|
| Dividend yield (%) | 股息率(%) | 4.84-6.48 |
| Expected volatility (%) | 預期波幅(%) | 59.81-67.59 |
| Expected life of options (years) | 購股權預期年期(年) | 5.6-6.0 |
| Risk-free interest rate (%) | 無風險利率(%) | 0.37-1.11 |

(b) The fair values of the share options granted during the year ended 31 December 2022 were HK\$6,694,000 in aggregate, which were estimated as at the respective dates of grant using a binominal model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

| | | |
|----------------------------------|------------|-------------|
| Dividend yield (%) | 股息率(%) | 4.09-4.84 |
| Expected volatility (%) | 預期波幅(%) | 69.17-71.34 |
| Expected life of options (years) | 購股權預期年期(年) | 6.0 |
| Risk-free interest rate (%) | 無風險利率(%) | 2.03-3.67 |

32. 購股權計劃(續)

(II) 附屬公司之購股權計劃(續)

年內尚未行使購股權如下：

於截至二零二二年十二月三十一日止年度，就所授出購股權在損益確認以股權結算之購股權開支為6,700,000港元(二零二一年：8,363,000)。

附註：

(a) 於截至二零二一年十二月三十一日止年度，所授出購股權的公平值合共為22,300,000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。下表列示所使用模式之輸入數據：

(b) 於截至二零二二年十二月三十一日止年度，所授出購股權的公平值合共為6,694,000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。下表列示所使用模式之輸入數據：

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32. SHARE OPTION SCHEME (CONTINUED) (II) Share option scheme of a subsidiary (Continued)

Notes:

(c) 37,091,000 (2021: 15,925,000) share options granted were forfeited/expired during the year ended 31 December 2022 upon the resignation of certain grantees during the year.

(d) Total 4,608,000 (2021: nil) share options granted were exercised during the year ended 31 December 2022.

(e) The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2022

| 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 | |
|--|---|----------------------------|-------------------------|
| 15,276 | 0.456 | 1 Jan 2022 to 31 Dec 2026 | 二零二二年一月一日至二零二六年十二月三十一日 |
| 16,942 | 0.456 | 1 Jan 2023 to 31 Dec 2026 | 二零二三年一月一日至二零二六年十二月三十一日 |
| 16,976 | 0.456 | 1 Jan 2024 to 31 Dec 2026 | 二零二四年一月一日至二零二六年十二月三十一日 |
| 5,996 | 1.060 | 16 Nov 2022 to 15 Nov 2027 | 二零二二年十一月十六日至二零二七年十一月十五日 |
| 6,002 | 1.060 | 16 Nov 2023 to 15 Nov 2027 | 二零二三年十一月十六日至二零二七年十一月十五日 |
| 6,002 | 1.060 | 16 Nov 2024 to 15 Nov 2027 | 二零二四年十一月十六日至二零二七年十一月十五日 |
| 6,997 | 0.660 | 23 Mar 2023 to 22 Mar 2028 | 二零二三年三月二十三日至二零二八年三月二十二日 |
| 6,997 | 0.660 | 23 Mar 2024 to 22 Mar 2028 | 二零二四年三月二十三日至二零二八年三月二十二日 |
| 7,006 | 0.660 | 23 Mar 2025 to 22 Mar 2028 | 二零二五年三月二十三日至二零二八年三月二十二日 |
| 2,666 | 0.390 | 17 Nov 2023 to 16 Nov 2028 | 二零二三年十一月十七日至二零二八年十一月十六日 |
| 2,666 | 0.390 | 17 Nov 2024 to 16 Nov 2028 | 二零二四年十一月十七日至二零二八年十一月十六日 |
| 2,668 | 0.390 | 17 Nov 2025 to 16 Nov 2028 | 二零二五年十一月十七日至二零二八年十一月十六日 |
| 96,194 | | | |

2021

| 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 | |
|--|---|----------------------------|-------------------------|
| 25,610 | 0.456 | 1 Jan 2022 to 31 Dec 2026 | 二零二二年一月一日至二零二六年十二月三十一日 |
| 25,616 | 0.456 | 1 Jan 2023 to 31 Dec 2026 | 二零二三年一月一日至二零二六年十二月三十一日 |
| 25,667 | 0.456 | 1 Jan 2024 to 31 Dec 2026 | 二零二四年一月一日至二零二六年十二月三十一日 |
| 666 | 0.510 | 1 Jan 2022 to 31 Dec 2026 | 二零二二年一月一日至二零二六年十二月三十一日 |
| 666 | 0.510 | 1 Jan 2023 to 31 Dec 2026 | 二零二三年一月一日至二零二六年十二月三十一日 |
| 668 | 0.510 | 1 Jan 2024 to 31 Dec 2026 | 二零二四年一月一日至二零二六年十二月三十一日 |
| 3,332 | 0.620 | 8 Aug 2022 to 7 Aug 2027 | 二零二二年八月八日至二零二七年八月七日 |
| 3,334 | 0.620 | 8 Aug 2023 to 7 Aug 2027 | 二零二三年八月八日至二零二七年八月七日 |
| 3,334 | 0.620 | 8 Aug 2024 to 7 Aug 2027 | 二零二四年八月八日至二零二七年八月七日 |
| 6,660 | 1.060 | 16 Nov 2022 to 15 Nov 2027 | 二零二二年十一月十六日至二零二七年十一月十五日 |
| 6,670 | 1.060 | 16 Nov 2023 to 15 Nov 2027 | 二零二三年十一月十六日至二零二七年十一月十五日 |
| 6,670 | 1.060 | 16 Nov 2024 to 15 Nov 2027 | 二零二四年十一月十六日至二零二七年十一月十五日 |
| 108,893 | | | |

* 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 Bossini (other than issuance of Ordinary Shares as consideration in respect of a transaction)

32. 購股權計劃 (續) (II) 附屬公司之購股權計劃 (續)

附註：

(c) 於截至二零二二年十二月三十一日止年度，授出之37,091,000份(二零二一年：15,925,000份)購股權已於年內若干承授人辭任後沒收/到期。

(d) 於截至二零二二年十二月三十一日止年度，授出之合共4,608,000(二零二一年：零)份購股權已獲行使。

(e) 於報告期末尚未行使購股權之行使價及行使期間如下：

二零二二年

二零二一年

* 購股權行使價可於堡獅龍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

33. PERPETUAL CONVERTIBLE BONDS

The perpetual convertible bonds issued are as follows:

| | 2022 二零二二年 | 2021 二零二一年 |
|-----------------------------|-----------------|-----------------|
| | HK\$'000 千港元 | HK\$'000 千港元 |
| Perpetual convertible bonds | 810,621 | 810,621 |
| | 永久性可換股債券 | |

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.

For the year ended 31 December 2022, there was no conversion of perpetual convertible bonds into ordinary shares. For the year ended 31 December 2021, perpetual convertible bonds with principal amount of HK\$19,500,000 were converted into 60,000,000 Ordinary Shares.

34. 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.
- (iv) The hedging reserve includes the cash flow hedge reserve, see Note 18 for details. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the initial cost of inventory or reclassified to profit or loss as appropriate.

33. 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。

截至二零二二年十二月三十一日止年度，概無永久性可換股債券轉換為普通股。截至二零二一年十二月三十一日止年度，本金金額為19,500,000港元之永久性可換股債券已轉換為60,000,000股普通股。

34. 儲備

- (i) 本年度及上一年度本集團儲備金額及其中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。
- (iv) 對沖儲備包括現金流量對沖儲備，詳情請見附註18。現金流量對沖用於確認指定及符合現金流量對沖之損益衍生工具之有效部份。金額隨後轉移至存貨之初始成本或重新分類至損益（倘適用）。

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34. RESERVES (CONTINUED)

(v) Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

35. NON-WHOLLY OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

LionRock Capital Partners QiLe Limited, a non-wholly owned subsidiary (51%), holds 51% equity interest of C&J Clark (No1) Limited ("Clark", together with its subsidiaries, the "Clark Group"). The details of non-controlling interest of Clark Group are set out below:

34. 儲備(續)

(v) 換算外國控制實體產生的匯兌差額於其他綜合收入中確認，並於權益中一項單獨儲備中累積。累計金額於出售淨投資時重新分類至損益。

35. 擁有重大非控股權益之非全資附屬公司

一間非全資附屬公司LionRock Capital Partners QiLe Limited (51%)擁有C&J Clark (No1) Limited (「Clark」，連同其附屬公司統稱「Clark集團」) 51%權益。Clark集團之非控股權益詳情載列如下：

| | | 2022 二零二二年 |
|---|-----------------|-----------------|
| Percentage of equity interest held by non-controlling interests | 非控股權益持有的股權百分比 | 74% |
| | | 2022 二零二二年 |
| | | HK\$'000 千港元 |
| Profit allocated to non-controlling interest | 分配予非控股權益的溢利 | 91,756 |
| Dividend paid to non-controlling interest | 派付於非控股權益的股息 | 46,795 |
| Accumulated balances of non-controlling interests at the reporting date | 非控股權益於報告日期的累計結餘 | 2,396,105 |

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35. NON-WHOLLY OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

The following tables illustrate the summarised financial information of Clark Group. The amount disclosed are before any inter-company eliminations:

| | | 2022 二零二二年 |
|---|--------------------------|-----------------|
| | | HK\$'000 千港元 |
| Revenue | 收益 | 5,390,187 |
| Total costs and expenses | 成本及開支總額 | (5,057,481) |
| Profit after tax | 除稅後溢利 | 124,009 |
| Total comprehensive loss | 全面虧損總額 | (397,452) |
| Current assets | 流動資產 | 5,920,202 |
| Non-current assets | 非流動資產 | 3,584,576 |
| Current liabilities | 流動負債 | (3,604,069) |
| Non-current liabilities | 非流動負債 | (2,662,288) |
| Net cash flows from operating activities | 營運活動所得現金流量淨額 | 490,614 |
| Net cash flows used in investing activities | 投資活動所用之現金流量淨額 | (164,591) |
| Net cash flow used in financing activities | 融資活動所用之現金流量淨額 | (502,238) |
| Net decrease in cash and cash equivalents (including bank overdraft) | 現金及現金等價物(包括銀行透支) 減少淨額 | (176,215) |

Note: Amount in relation to profit or loss and cash flows are for the period from 2 July 2022 (date of acquisition) to 31 December 2022.

35. 擁有重大非控股權益之非全資附屬公司(續)

下表說明Clark集團財務資料概要。所披露的金額為任何集團內公司間抵銷前的金額：

| | | 2022 二零二二年 |
|---|--------------------------|-----------------|
| | | HK\$'000 千港元 |
| Revenue | 收益 | 5,390,187 |
| Total costs and expenses | 成本及開支總額 | (5,057,481) |
| Profit after tax | 除稅後溢利 | 124,009 |
| Total comprehensive loss | 全面虧損總額 | (397,452) |
| Current assets | 流動資產 | 5,920,202 |
| Non-current assets | 非流動資產 | 3,584,576 |
| Current liabilities | 流動負債 | (3,604,069) |
| Non-current liabilities | 非流動負債 | (2,662,288) |
| Net cash flows from operating activities | 營運活動所得現金流量淨額 | 490,614 |
| Net cash flows used in investing activities | 投資活動所用之現金流量淨額 | (164,591) |
| Net cash flow used in financing activities | 融資活動所用之現金流量淨額 | (502,238) |
| Net decrease in cash and cash equivalents (including bank overdraft) | 現金及現金等價物(包括銀行透支) 減少淨額 | (176,215) |

附註：有關損益及現金流量的金額為二零二二年七月二日(收購日期)至二零二二年十二月三十一日期間的金額。

36. OPERATING LEASE ARRANGEMENT

As lessor

As at 31 December 2022 and 2021, 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 1 to 10 years.

As at 31 December 2022 and 2021, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|----------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Within one year | 一年內 | 6,494 | 7,821 |
| In the second to fifth years, inclusive | 第二至第五年(包括首尾兩年) | 12,544 | 11,305 |
| Over five years | 五年以上 | 5,044 | 5,770 |
| | | 24,082 | 24,896 |

36. 經營租賃安排

作為出租人

於二零二二年及二零二一年十二月三十一日，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1至10年。

於二零二二年及二零二一年十二月三十一日，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：

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37. COMMITMENTS FOR CAPITAL EXPENDITURE

As at 31 December 2022 and 2021, the Group had the following commitments for capital expenditure:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|--------------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Contracted, but not provided for: | 已訂約但未撥備： | | |
| Property, plant and equipment | 物業、廠房及設備 | 81,733 | 101,944 |
| Capital contribution/acquisition of joint ventures/associates | 注資／收購合營企業／ 聯營公司 | 17,604 | 19,847 |
| | | 99,337 | 121,791 |

38. 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:

| | | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------------------|-------------|-----------------|-----------------|
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Marketing service income from associates | 來自聯營公司之市場推廣 服務收入 | (i) | 237,752 | 229,106 |
| Purchases from an associate | 向一間聯營公司採購 | (ii) | 14,834 | 9,542 |
| Sales of goods to an associate | 向一間聯營公司銷售貨品 | (iii) | 239,679 | 67,637 |
| Office and car-park rental expense to associates | 向聯營公司支付之辦公室及 停車場租金開支 | (iv) | 9,978 | 2,889 |
| Dividend received from associates | 已收聯營公司之股息 | (v) | 167,929 | 82,247 |
| Consultancy and other service income from an associate | 來自一間聯營公司之顧問及 其他服務收入 | (vi) | 1,103 | 2,618 |
| Sales of goods to a non-controlling shareholder | 向一名非控股股東銷售貨品 | (vii) | - | 2,191 |
| Consultancy fee paid to a non-controlling shareholder | 向一名非控股股東支付之 顧問費 | (viii) | 6,972 | - |
| Purchase from a non-controlling shareholder | 採購自一名非控股股東 | (ix) | 42,360 | - |
| Sales of goods to a joint venture | 向一名合營企業銷售貨品 | (x) | 31,354 | - |

(i) Marketing service income from LN Group* and Double Happiness* in relation to some sports events and competitions and the endorsement of brand products of LN Group* and Double Happiness* managed by the Group, was charged in accordance with the terms negotiated between the related parties.

(ii) Purchases in relation to brand products of 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 to LN Group*, was charged in accordance with the terms negotiated between the Group and LN Group*.

(iv) During the years ended 31 December 2022 and 2021, 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.

37. 資本開支承擔

於二零二二年及二零二一年十二月三十一日，本集團擁有以下資本開支承擔：

38. 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*之品牌產品代言而從李寧集團*及紅雙喜*獲取之市場推廣服務收入按經相關訂約方協定之條款收取。

(ii) 與李寧集團*品牌產品相關採購按本集團與李寧集團*協定的條款收取。

(iii) 銷售予李寧集團*之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) 於截至二零二二年及二零二一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。有關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。

38. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(v) The dividend received were made pursuant to the dividend rates proposed and declared by Li Ning Co* and Double Happiness*.

(vi) The consultancy and other service income was charged in accordance with the terms of an agreement entered into between the Group and an associate.

(vii) Sales of goods to a non-controlling shareholder was charged in accordance with the terms negotiated between the Group and the non-controlling shareholder.

(viii) The consultancy fee was charged in accordance with the terms of an agreement entered into between the Group and the non-controlling shareholder.

(ix) Cost of purchase paid and payable were charged in accordance with the terms negotiated between the Group and the non-controlling shareholder.

(x) Sales of goods to a joint venture was charged in accordance with the terms negotiated between the Group and the joint venture.

* Mr. Li Ning and Mr. Li Qilin, the nephew of Mr. Li Ning, are common directors of the Company, LN Group and Double Happiness.

(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 and trade, bills and other payables are disclosed in Notes 5, 21 and 25 to the financial statements.

(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.

All 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.

39. BUSINESS COMBINATION**(a) Acquisition of Amedeo Testoni**

On 3 January 2022, the Group acquired 100% equity interest Viva China Premium Brands Limited (formerly known as Sitoy AT Holdings Company Limited, "VC Premium") at the consideration of HK\$1 and the post-closing payment of EUR2,253,000 (equivalent to HK\$19,894,000 as at the acquisition date). In addition, pursuant to the share purchase agreement, the inter-company loans due to Sitoy Group Holdings Limited amounted to RMB40,643,000 (equivalent to HK\$48,770,000 as at the acquisition date) would be repaid by the Group as part of the consideration by January 2023. As at 31 December 2022, the Group paid the consideration of HK\$1, EUR2,253,000 and RMB32,661,000. The remaining consideration of RMB7,982,000 were fully settled in January 2023. VC Premium became a wholly owned subsidiary of the Company and the financial results were consolidated into the financial results of the Group since January 2022.

38. 重大關連人士交易 (續)

(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) 顧問及其他服務收入根據本集團與一間聯營公司訂立之協議的條款收取。

(vii) 向非控股股東銷售貨品乃根據本集團與非控股股東協商的條款收取費用。

(viii) 顧問費根據本集團與該非控股股東訂立之協議的條款收取。

(viii) 已付及應付採購成本已根據本集團與非控股股東磋商之條款收取。

(ix) 向一名合營企業銷售貨品乃根據本集團與該合營企業協商的條款收費。

* 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。

(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以及應付賬款、應付票據及其他應付款項之關連人士結餘之詳情在財務報表附註5、21及25披露。

(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。

本附註所載之所有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」。

39. 業務合併**(a) 收購Amedeo Testoni**

於二零二二年一月三日，本集團以1港元的代價及完成後付款2,253,000歐元(於收購日期相當於19,894,000港元)收購非凡中國晉譽品牌有限公司(前稱Sitoy AT Holdings Company Limited,「非凡中國晉譽」)100%股權。此外，根據股份購買協議，應付時代集團控股有限公司的公司間貸款人民幣40,643,000元(於收購日期相當於48,770,000港元)將由本集團於二零二三年一月前償還，以作為代價的一部分。於二零二二年十二月三十一日，本集團已支付代價1港元、2,253,000歐元及人民幣32,661,000元。餘下代價人民幣7,982,000元已於二零二三年一月時全數支付。非凡中國晉譽已成為本公司之全資附屬公司，財務業績已自二零二二年一月起與本集團的財務業績綜合入賬。

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39. BUSINESS COMBINATION (CONTINUED)

VC Premium and its subsidiaries own a century-old Italian luxury leader label brand, Amedeo Testoni (formerly known as "a. testoni") and its diffusion line "i29" and are principally engaged in wholesale and retail of leatherware, fashion garments and apparel.

Details of the purchase consideration and the net assets acquired are as follows:

39. 業務合併(續)

非凡中國晉譽及其附屬公司擁有一個意大利百年頂尖奢華品牌Amedeo Testoni (前稱為「a. testoni」) 及其衍生線「i29」, 其主要從事皮具、時裝及服裝的批發及零售。

收購代價及所收購資產淨值詳情如下:

| | | HK\$'000 千港元 |
|----------------------------|------------|-----------------|
| Purchase consideration | 收購代價 | |
| Cash paid | 已付現金 | 59,085 |
| Consideration payable | 應付代價 | 9,579 |
| Total consideration | 總代價 | 68,664 |

| | | Fair value 公平值 |
|---|-------------------|-------------------|
| | | HK\$'000 千港元 |
| Cash and cash equivalents | 現金及現金等價物 | 23,366 |
| Restricted bank balances | 限制性銀行結餘 | 1,007 |
| Trade and other receivables | 貿易及其他應收款項 | 20,343 |
| Inventories | 存貨 | 63,591 |
| Financial assets at fair value through other comprehensive income | 按公平值計入其他全面收益之財務資產 | 8,280 |
| Prepayments | 預付款項 | 5,723 |
| Property, plant and equipment | 物業、廠房及設備 | 16,266 |
| Right-of-use assets | 使用權資產 | 11,567 |
| Deferred tax assets | 遞延稅項資產 | 2,146 |
| Trade payables and other payables | 應付賬款及其他應付款項 | (14,781) |
| Accrual | 應計費用 | (25,406) |
| Contract liabilities | 合約負債 | (3,991) |
| Bank borrowings | 銀行貸款 | (7,513) |
| Lease liabilities | 租賃負債 | (23,973) |
| Deferred tax liabilities | 遞延稅項負債 | (1,139) |
| Net identifiable assets acquired | 所收購可識別資產淨額 | 75,486 |
| Less: non-controlling interest | 減: 非控股權益 | (6,670) |
| gain on bargain purchase | 議價收購收益 | (152) |
| | | 68,664 |

39. BUSINESS COMBINATION (CONTINUED)**(i) Acquisition-related costs**

Acquisition-related costs of HK\$2,420,000 are included in administrative expenses in profit or loss.

(ii) Acquired receivables

The fair value of trade and other receivables is HK\$20,343,000 and includes trade receivables with a fair value of HK\$12,892,000. The gross contractual amount for trade receivables due is HK\$13,881,000 of which HK\$989,000 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 non-controlling interest.

(iv) Revenue and profit contribution

The acquired business contributed revenues of HK\$76,769,000 and net loss of HK\$76,062,000 to the Group for the period from the acquisition date to 31 December 2022.

(b) Acquisition of Clark Group

On 2 July 2022, the Group acquired 51% equity interest LionRock Capital Partners QiLe Limited, which holds a majority interest in Clark Group. Total consideration was GBP56,831,000 (equivalent to HK\$541,027,000), which equal to the principal of purchase shareholder's loan of GBP53,550,000 (equivalent to HK\$509,796,000) and its respective interest of GBP3,281,000 (equivalent to HK\$31,231,000) payable by LionRock before the acquisition. The principal and its respective interest were setting off against the subscription price payable, and the purchase shareholder's loan was deemed fully paid and satisfied in full and was termination upon the completion of the acquisition, and Clark Group became an indirect non-wholly owned subsidiary of the Company and the results were consolidated into the financial results of the Group since July 2022.

Clark is principally engaged in wholesaling and retailing of a shoes and trading in the brand name "Clarks". Clarks brand has a history of nearly two hundred years. Its main markets cover the UK, and the presence in the United States and the Greater China region.

Details of the purchase consideration, the net assets acquired provisional gain on bargain purchase are as follows:

| | | HK\$'000 千港元 |
|---|-----------------|-----------------|
| Purchase consideration | 收購代價 | |
| Non-cash payment – settled by purchase shareholder's loan | 非現金支付—以購買股東貸款結清 | 541,027 |

39. 業務合併(續)**(i) 收購相關成本**

收購相關成本2,420,000港元計入損益內行政開支。

(ii) 所收購應收款項

應收賬款及其他應收款項之公平值為20,343,000港元，當中包括公平值為12,892,000港元的應收賬款。到期應收賬款之合約總值為13,881,000港元，預期將無法收回989,000港元。

(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期至二零二二年十二月三十一日期間為本集團貢獻收益76,769,000港元及產生虧損淨額76,062,000港元。

(b) 收購Clark集團

於二零二二年七月二日，本集團收購 LionRock Capital Partners QiLe Limited 51%股權，一家持有Clark集團的大多數權益的公司。總代價為56,831,000英鎊(相當於541,027,000港元)，相等於收購前LionRock應付購買股東貸款之本金53,550,000英鎊(相當於509,796,000港元)及其相關利息3,281,000英鎊(相當於31,231,000港元)。該本金及其相關利息抵銷應付認購價，而購買股東貸款則被視作全數支付及結清，且於收購完成後予以終止，以及Clark集團已成為本公司之間接非全資附屬公司，財務業績已自二零二二年七月起與本集團的財務業績綜合入賬。

Clark主要從事鞋履批發及零售，並以品牌名稱「Clarks」進行貿易。Clarks品牌已經有接近二百年的歷史，主要市場覆蓋英國，亦於美國和大中華地區有銷售業務。

收購代價、所收購資產淨值及暫定議價收購收益之詳情如下：

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39. BUSINESS COMBINATION (CONTINUED) (iv) Revenue and profit contribution (Continued)

The assets and liabilities recognised as a result of the acquisition are as follows:

39. 業務合併(續) (iv) 收益及溢利貢獻(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 | 1,028,255 |
| Trade and other receivables | 貿易及其他應收款項 | 856,197 |
| Deposits | 按金 | 7,721 |
| Inventories | 存貨 | 3,432,662 |
| Derivative financial assets | 衍生財務資產 | 147,386 |
| Prepayments | 預付款項 | 674,979 |
| Property, plant and equipment | 物業、廠房及設備 | 1,284,151 |
| Intangible assets | 無形資產 | 381,990 |
| Right-of-use assets | 使用權資產 | 1,078,637 |
| Defined benefit surplus | 界定福利盈餘 | 1,361,213 |
| Deferred tax assets | 遞延稅項資產 | 2,612 |
| Trade payables and other payables | 應付賬款及其他應付款項 | (2,445,384) |
| Accruals | 應計費用 | (490,324) |
| Contract liabilities | 合約負債 | (48,815) |
| Other liabilities | 其他負債 | (64,099) |
| Income tax payables | 應付所得稅 | (74,880) |
| Bank borrowings | 銀行貸款 | (579,987) |
| Lease liabilities | 租賃負債 | (1,404,092) |
| Derivative financial liabilities | 衍生財務負債 | (3,899) |
| Deferred tax liabilities | 遞延稅項負債 | (168,017) |
| Defined benefit obligation | 界定福利責任 | (61,572) |
| Provision | 撥備 | (197,432) |
| Net identifiable assets acquired | 所收購可識別資產淨額 | 4,717,302 |
| Less: non-controlling interest provisional gain on bargain purchase | 減：非控股權益 暫定議價收購收益 | (3,220,081) (956,194) |
| | | 541,027 |

(i) Acquisition-related costs

Acquisition-related costs of HK\$21,228,000 are included in administrative expenses in profit or loss.

(ii) Acquired receivables

The fair value of trade and other receivables is HK\$856,197,000 and includes trade receivables with a fair value of HK\$799,043,000. The gross contractual amount for trade receivables due is HK\$954,755,000 of which HK\$155,712,000 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 non-controlling interest.

(iv) Revenue and profit contribution

The acquired business contributed revenues of HK\$5,390,187,000 and net profit of HK\$170,579,000 to the Group for the period from the acquisition date to 31 December 2022. If the acquisition had occurred on 1 January 2022, consolidated revenue and consolidated gain after tax for the year ended 31 December 2022 would have been HK\$10,505,615,000 and HK\$654,280,000 respectively.

(i) 收購相關成本

收購相關成本21,228,000港元計入損益內行政開支。

(ii) 所收購應收款項

應收賬款及其他應收款項之公平值為856,197,000港元，當中包括公平值為799,043,000港元的應收賬款。到期應收賬款之合約總值為954,755,000港元，預期將無法收回155,712,000港元。

(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期至二零二二年十二月三十一日期間為本集團貢獻收益5,390,187,000港元及產生溢利淨額170,579,000港元。倘收購事項於二零二二年一月一日發生，則截至二零二二年十二月三十一日止年度的綜合收益及綜合除稅後收益將分別為10,505,615,000港元及654,280,000港元。

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40. ASSETS CLASSIFIED AS HELD-FOR-SALE

40. 分類為待售資產

| | Note 附註 | 2022 二零二二年 | 2021 二零二一年 |
|-----------------------|------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Investment properties | | | |
| 投資物業 | (a) | - | 184,730 |

(a) On 30 December 2021, Rapid City Limited ("Rapid City", a wholly owned subsidiary of Bossini), Shine Wealthy Limited ("Shine Wealthy", an independent purchaser) and Knight Frank Hong Kong Limited (the "Agent") entered into two provisional sale and purchase agreements (the "Provisional Agreements") for the sale and purchase of two properties held by Rapid City at the aggregate consideration of HK\$184,729,500. Pursuant to the terms of the Provisional Agreements, Rapid City and Shine Wealthy entered into the formal agreements on 13 January 2022. The transaction was completed on 15 March 2022. Therefore, the associated assets were presented as held for sale in the financial statements as at 31 December 2021.

(a) 於二零二一年十二月三十日，捷利城有限公司（「捷利城」，為堡獅龍之全資附屬公司）、亮康有限公司（「亮康」，一名獨立買方）及萊坊（香港）有限公司（「代理人」）就買賣由捷利城持有的兩處物業訂立兩份臨時買賣協議（「臨時協議」），總代價為184,729,500港元。根據臨時協議之條款，捷利城與亮康已於二零二二年一月十三日訂立正式協議。該交易已於二零二二年三月十五日完成。因此，相關資產於二零二一年十二月三十一日的財務報表中呈列為持作出售。

Details of the above were set out in Bossini's announcements dated 30 December 2021.

上述事項的詳情載於堡獅龍日期為二零二一年十二月三十日的公告。

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41. PARTICULARS OF SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2022:

41. 附屬公司詳情

二零二二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 | | Principal activities 主要業務 |
|---|--|--|---|----------------|---------------------------------|
| | | | Direct 直接 | Indirect 間接 | |
| Viva China Development Limited 非凡中國發展有限公司 | BVI 英屬處女群島 | US\$1 & HK\$2,079,000,000 1美元及2,079,000,000港元 | 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 投資控股 |
| 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 Premier Properties Limited 非凡中國領越物業有限公司 | BVI 英屬處女群島 | US\$1 1美元 | – | 100% | Investment holding 投資控股 |
| Viva China Consumables Limited 非凡中國消費品有限公司 | BVI 英屬處女群島 | US\$1 1美元 | – | 100% | Investment holding 投資控股 |
| Dragon Leap Development Limited 龍躍發展有限公司 | BVI 英屬處女群島 | US\$1 1美元 | – | 100% | Investment holding 投資控股 |
| Dragon Leap Consumables Limited 龍躍消費品有限公司 | BVI 英屬處女群島 | US\$1 1美元 | – | 100% | Investment holding 投資控股 |
| 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% | Investment holding 投資控股 |
| 珠海橫琴滿譽貿易有限公司 | PRC 中國 | RMB38,000,000 (Note i) 人民幣38,000,000元 (附註i) | – | 100% | Investment holding 投資控股 |
| 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 |

Notes to Consolidated Financial Statements 綜合財務報表附註

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41. PARTICULARS OF SUBSIDIARIES (CONTINUED)

41. 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 | | Principal activities 主要業務 |
|----------------------|---|--|---|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| 深圳市非凡體育文化產業發展有限公司 | PRC 中國 | RMB500,000 (Note ii) 人民幣500,000元 (附註ii) | — | 100% | Retailing and distribution of garments 成衣零售及分銷 |
| 非凡城悅(上海)商業管理有限公司 | PRC 中國 | RMB258,100,000 人民幣258,100,000元 | — | 100% | Property holding 物業持有 |
| 非系網絡科技(上海)有限公司 | PRC 中國 | RMB20,000,000 人民幣20,000,000元 | — | 100% | Retailing and distribution of garments 成衣零售及分銷 |
| 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 |
| 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 | — | 100% | Sports park management and operation 體育園管理及營運 |
| 非凡領越體育發展(北京)有限公司 | PRC 中國 | RMB102,100,000 (Note iii) 人民幣102,100,000元 (附註iii) | — | 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 及管理及體育相關市場推廣 及諮詢服務 |
| 上海內盛網絡科技有限公司 | PRC 中國 | RMB0 (Note iv) 人民幣零元 (附註iv) | — | 99% | 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 |

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41. PARTICULARS OF SUBSIDIARIES (CONTINUED)

41. 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 | | Principal activities 主要業務 |
|---|--|--|---|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| 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 |
| 來賓寧聚力鞋業有限公司 | PRC 中國 | RMB45,000,000 人民幣45,000,000元 | – | 70% | manufacturing of shoes 生產鞋子 |
| Active Link Limited 弘譽有限公司 | Hong Kong 香港 | HK\$5,000,000 5,000,000港元 | – | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |
| Bossini Clothing Limited | Hong Kong 香港 | HK\$2 2港元 | – | 56.4% | 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 | – | 56.4% | 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 | – | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |
| Bossini Onmay International Limited 堡獅龍上美國際有限公司 | Hong Kong 香港 | HK\$2 2港元 | – | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |
| Bossini Garment Limited | Hong Kong 香港 | HK\$2 2港元 | – | 56.4% | Distribution of garments 成衣分銷 |
| Bossini Investment Limited | BVI 英屬處女群島 | US\$11,928 11,928美元 | – | 56.4% | Investment holding 投資控股 |
| Bossini International Holdings Limited 堡獅龍國際集團有限公司 | Bermuda 百慕達 | HK\$247,035,809 247,035,809港元 | – | 56.4% | Investment holding 投資控股 |
| Bossini Retail Limited | Hong Kong 香港 | HK\$2 2港元 | – | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |
| Bright Star Fashion Limited 耀星服裝有限公司 | Macau 澳門 | MOP\$25,000 25,000澳門元 | – | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |
| 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 | – | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |

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41. PARTICULARS OF SUBSIDIARIES (CONTINUED)

41. 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 | | Principal activities 主要業務 |
|---|---|--|---|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| 廣州富祿龍貿易有限公司 | PRC 中國 | RMB148,000,000 人民幣148,000,000元 | — | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |
| J & R Bossini Fashion Pte. Ltd. | Singapore 新加坡 | SGD2,000,000 2,000,000新加坡元 | — | 56.4% | Retailing and distribution of garments 成衣零售及分銷 |
| Lead Commence Limited 立啟興業有限公司 | Hong Kong 香港 | HK\$2 2港元 | — | 56.4% | 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 | — | 56.4% | Property holding and letting 物業持有及租賃 |
| Viva China Premium Brands Limited 非凡中國晉譽品牌有限公司 | Hong Kong 香港 | HK\$1 1港元 | — | 100% | Investment holding 投資控股 |
| a. Testoni S.p.A. | Italy 意大利 | EUR5,018,542 5,018,542歐元 | — | 100% | Sales of footwear and leather good 鞋類及皮革商品銷售 |
| a. Testoni Hong Kong Limited | Hong Kong 香港 | HK\$1,000,000 1,000,000港元 | — | 100% | Sales of footwear and leather good 鞋類及皮革商品銷售 |
| a. Testoni Japan Co., Ltd. | Japan 日本 | JPY50,000,000 50,000,000日圓 | — | 100% | Sales of footwear and leather good 鞋類及皮革商品銷售 |
| a. Testoni Korea Co., Ltd. | Korea 韓國 | KWD142,860,000 142,860,000韓圓 | — | 100% | Sales of footwear and leather good 鞋類及皮革商品銷售 |
| LionRock Capital Partners Qile Limited | BVI 英屬處女群島 | GBP100,000,001 100,000,001英鎊 | — | 51% | Investment holding 投資控股 |
| C&J Clark (No 1) Limited | UK 英國 | GBP100 100英鎊 | — | 26% | Investment holding 投資控股 |
| C & J International Limited | UK 英國 | GBP18,028,202 18,028,202英鎊 | — | 26% | Sales of footwear 鞋類銷售 |
| C. & J. Clark Retail, Inc. | USA 美國 | US\$3,000 3,000美元 | — | 26% | Sales of footwear 鞋類銷售 |

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41. PARTICULARS OF SUBSIDIARIES (CONTINUED)

41. 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 | |
| C. & J. Clark America, Inc. | USA 美國 | US\$3,777 3,777美元 | – | 26% | Sales of footwear 鞋類銷售 |
| C & J Clark China Trading Company Limited | China 中國 | US\$200,000 200,000美元 | – | 26% | Sales of footwear 鞋類銷售 |
| C. & J. Clark Canada Limited | Canada 加拿大 | CAD62,300 62,300加拿大元 | – | 26% | Sales of footwear 鞋類銷售 |
| Clarks Japan Company Limited | Japan 日本 | JPY80,000,000 80,000,000日圓 | – | 26% | Sales of footwear 鞋類銷售 |
| Clarks Shoes Vertriebs GmbH | Germany 德國 | EUR1,512,000 1,512,000歐元 | – | 26% | Sales of footwear 鞋類銷售 |
| C & J Clark Latin America, Inc | USA 美國 | US\$1 1美元 | – | 26% | Sales of footwear 鞋類銷售 |
| C & J Clark (M) Sdn Bhd | Malaysia 馬來西亞 | MYR500,000 500,000令吉 | – | 26% | Sales of footwear 鞋類銷售 |
| C & J Clark (S) Pte. Ltd | Singapore 新加坡 | SGD300,000 300,000新加坡元 | – | 26% | Sales of footwear 鞋類銷售 |
| Clarks Shoes Benelux BV | Netherlands 荷蘭 | EUR113,445 113,445歐元 | – | 26% | Sales of footwear 鞋類銷售 |

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31 December 2022 二零二二年十二月三十一日

41. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Notes:

- (i) The registered capital of 珠海橫琴滿譽貿易有限公司 is RMB100,000,000.
- (ii) 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.
- (iii) The registered capital of 非凡領越體育發展(北京)有限公司 is RMB150,000,000.
- (iv) The registered capital of 上海內盛網絡科技有限公司 is RMB100,000.

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.

41. 附屬公司詳情(續)

附註：

- (i) 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。
- (ii) 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。
- (iii) 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。
- (iv) 上海內盛網絡科技有限公司之註冊資本為人民幣100,000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。

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31 December 2022 二零二二年十二月三十一日

42. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

42. 本公司之財務狀況表及儲備變動

| | | | 2022 二零二二年 | 2021 二零二一年 |
|--|--------------------|-------------|-----------------|-----------------|
| | | 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 | | 227 | 1,106 |
| Investments in subsidiaries | 於附屬公司之投資 | | 1,376,837 | 1,376,837 |
| Total non-current assets | 非流動資產總值 | | 1,377,064 | 1,377,943 |
| CURRENT ASSETS | 流動資產 | | | |
| Due from subsidiaries | 應收附屬公司款項 | | 3,444,710 | 3,376,610 |
| Prepayments, deposits and other receivables | 預付款項、按金及 其他應收款項 | | 50,014 | 47,903 |
| Cash and cash equivalents | 現金及現金等價物 | | 1,728,281 | 1,908,291 |
| Total current assets | 流動資產總值 | | 5,223,005 | 5,332,804 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Due to subsidiaries | 應付附屬公司款項 | | 5,026,790 | 39,477 |
| Other payables and accruals | 其他應付款項及應計費用 | | 8,253 | 5,148 |
| Total current liabilities | 流動負債總額 | | 5,035,043 | 44,625 |
| NET CURRENT ASSETS | 流動資產淨值 | | 187,962 | 5,288,179 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總值減流動負債 | | 1,565,026 | 6,666,122 |
| NON-CURRENT LIABILITY | 非流動負債 | | | |
| Due to a subsidiary | 應付一間附屬公司款項 | | - | 4,990,000 |
| Total non-current liability | 非流動負債總額 | | - | 4,990,000 |
| NET ASSETS | 資產淨值 | | 1,565,026 | 1,676,122 |
| EQUITY | 權益 | | | |
| Issued capital | 已發行股本 | 31 | 484,021 | 481,062 |
| Perpetual convertible bonds | 永久性可換股債券 | 33 | 810,621 | 810,621 |
| Reserves | 儲備 | (a) | 270,384 | 384,439 |
| TOTAL EQUITY | 權益總額 | | 1,565,026 | 1,676,122 |

The statement of financial position of the Company was approved by the board of directors on 21 March 2023.

本公司之財務狀況表已於二零二三年三月二十一日獲董事會批准。

Notes to Consolidated Financial Statements 綜合財務報表附註

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42. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

Note:

(a) Reserve movement of the Company

| | | Share premium account 股份溢價賬 HK\$'000 千港元 | Share option reserve 購股權儲備 HK\$'000 千港元 | Accumulated losses 累計虧損 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|--------------------------------|---|--|---|--------------------------------|
| As at 1 January 2021 | 於二零二一年一月一日 | 2,418,755 | 44,852 | (2,144,025) | 319,582 |
| Profit for the year and total comprehensive income for the year | 年內溢利及年內全面收益總額 | - | - | 1,385,824 | 1,385,824 |
| Share issued upon exercise of share option | 購股權獲行使時發行之股份 | 46,207 | (17,002) | - | 29,205 |
| 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 | 120,025 | - | - | 120,025 |
| Equity-settled share option arrangements | 以股權結算之購股權安排 | - | 33,922 | - | 33,922 |
| Transfer of share option reserve upon the lapse of share options | 於購股權失效時轉撥購股權儲備 | - | (30,387) | 30,387 | - |
| Dividend paid | 已付股息 | (1,504,119) | - | - | (1,504,119) |
| At 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及二零二二年一月一日 | 1,080,868 | 31,385 | (727,814) | 384,439 |
| Loss for the year and total comprehensive loss for the year | 年內虧損及年內全面虧損總額 | - | - | (168,484) | (168,484) |
| Share issued upon exercise of share option | 購股權獲行使時發行之股份 | 47,227 | (10,541) | - | 36,686 |
| Equity-settled share option arrangements | 以股權結算之購股權安排 | - | 17,743 | - | 17,743 |
| Transfer of share option reserve upon the lapse of share options | 於購股權失效時轉撥購股權儲備 | - | (651) | 651 | - |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 1,128,095 | 37,936 | (895,647) | 270,384 |

42. 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

Notes to Consolidated Financial Statements 綜合財務報表附註

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43. 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, mainly in relation to cash and cash equivalents and bank borrowings, details of which are disclosed in Notes 23 and 28, 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 and cash equivalents are considered minimal.

As at 31 December 2022, the Group has bank borrowing with floating rate of HK\$302,478,000 (2021: Nil). If interest rate increase/decrease by 1%, the pre-tax result of the Group would be decreased/increased by HK\$3,025,000 (2021: Nil).

Foreign currency risk

Foreign 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 UK, USA, mainland China, Hong Kong, European and Asian countries. Most of the Group's sales are in GBP, US\$, EUR, RMB and HK\$. The Group invested into various bank deposits mainly denominated in GBP, US\$, EUR, RMB and HK\$.

The Group's exposure to foreign currency risk arising from monetary assets and liabilities denominated in a currency that is not the functional currency of the relevant group entities at the end of the reporting period, expressed in HK\$, was mainly as follows:

| | | 31 December 2022 二零二二年十二月三十一日 | | | | 31 December 2021 二零二一年十二月三十一日 | | | |
|---|-----------------|----------------------------------|-----------------|-----------------|-----------------|----------------------------------|-----------------|-----------------|-----------------|
| | | RMB 人民幣 | GBP 英鎊 | EUR 歐元 | US\$ 美元 | RMB 人民幣 | GBP 英鎊 | EUR 歐元 | US\$ 美元 |
| | | 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 | HK\$'000 千港元 | HK\$'000 千港元 |
| Cash and cash equivalents | 現金及現金等價物 | 5,259 | 859,816 | 23,373 | 401,786 | 104,193 | 15,794 | - | - |
| Trade receivables | 應收賬款 | - | - | 62,103 | - | - | - | - | - |
| Financial assets at fair value through profit or loss | 透過損益按公平值計量之財務資產 | - | - | - | - | 587,129 | - | - | - |
| Trade payables | 應付賬款 | (25,881) | - | - | (990,043) | - | - | - | - |

43. 財務風險管理目標及政策

本集團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，主要涉及現金及現金等價物以及銀行貸款。有關詳情分別於財務報表附註23及28披露。本集團並未使用任何財務工具對沖潛在利率波動。本集團現金及現金等價物以之利率風險被視為輕微。

於二零二二年十二月三十一日，本集團浮動利率的銀行借款為302,478,000港元（二零二一年：無）。倘利率增加／減少1%，本集團的除稅前業績將減少／增加3,025,000港元（二零二一年：無）。

外幣風險

外幣風險指財務工具（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。本集團於英國、美國、中國內地、香港、歐洲與亞洲各國營運。本集團大部分銷售均以英鎊、美元、歐元、人民幣及港元進行。本集團於各種銀行存款投資，主要以英鎊、美元、歐元、人民幣和港元計值。

於報告期末，本集團以非相關集團實體功能貨幣的貨幣計值的貨幣資產及負債產生的外匯風險以港元主要列示如下：

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk (Continued)

It is the Group's policy to enter into forward currency contracts to mitigate foreign currency risk arising from material transactions.

The Group uses foreign currency forwards to hedge its exposure to foreign currency risk. Under the group's policy, the critical terms of the forwards must align with the hedged items.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to foreign currency risk at year end date.

If GBP appreciates/depreciates against HK\$ by 5%, the pre-tax results of the Group would be increased/decreased by approximately HK\$42,991,000 (2021: HK\$29,674,000).

If EUR appreciates/depreciates against GBP by 5%, the pre-tax results of the Group would be increase/decrease by approximately HK\$4,187,000 (2021: Nil).

If US\$ appreciates/depreciates against GBP by 5%, the pre-tax results of the Group would be decrease/increased by approximately HK\$26,181,000 (2021: Nil).

If RMB appreciates/depreciates against HK\$ by 5%, the pre-tax results of the Group would be decreased/increased by approximately HK\$1,087,000 (2021: HK\$5,210,000).

Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation 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.

43. 財務風險管理目標及政策 (續)

外幣風險 (續)

本集團之政策為訂立遠期貨幣合約以減低重大交易所產生之外幣風險。

本集團以外幣遠期對沖其外幣風險。根據本集團政策，遠期之重要條款必須與對沖項目一致。

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。

倘英鎊兌港元升值／貶值5%，則本集團除稅前業績將增加／減少約42,991,000港元 (二零二一年：29,674,000港元)。

倘歐元兌英鎊升值／貶值5%，本集團除稅前業績將增加／減少約4,187,000港元 (二零二一年：無)。

倘美元兌英鎊升值／貶值5%，本集團除稅前業績將減少／增加約26,181,000港元 (二零二一年：無)。

倘人民幣兌港元升值／貶值5%，則本集團除稅前業績將減少／增加約1,087,000港元 (二零二一年：5,210,000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。

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43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

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 historical payment pattern and credit status of each borrower and the value of the collaterals has been taken into account when calculating the allowances of expected credit loss. 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 allowance for credit loss for uncollectible receivables has been made in the consolidated financial statements.

The Group maintains its cash and cash equivalents with reputable banks in Mainland China, Hong Kong, the UK and USA, 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.

Impairment of financial assets

The Group applies the expected credit loss model to financial assets measured at cost, including trade debtors and bills receivable, deposits and other receivables, cash and cash equivalents and financial guarantee contracts.

Impairment on trade debtors and bills receivable is measured as the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the 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 information.

Trade debtors and bills receivable, 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.

43. 財務風險管理目標及政策 (續)

信貸風險 (續)

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過往還款模式及信貸狀況，並於計算預期信貸虧損撥備時，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信貸虧損撥備。

本集團將其現金及現金等價物存於中國內地、香港、英國及美國信譽良好之銀行，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。

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、現金及現金等價物以及財務擔保合約) 採用預期信貸虧損模式。

應收賬款及應收票據之減值按香港財務報告準則第9號 (其規定就首次確認應收款項確認預期全期虧損) 允許的簡化方法計量，而按金及其他應收款項之減值則按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證明資料，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。

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43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Trade debtors and bill receivables

To measure the expected credit losses, trade debtors and bills receivable have been grouped based on shared credit risk characteristics and the days past due.

| | | Current | Less than 3 months past due | 3 to 6 months past due | More than 6 months past due | Total |
|----------------------------------|--------------|----------------|-----------------------------|------------------------|-----------------------------|----------------|
| | | 即期 | 逾期少於三個月 | 逾期三至六個月 | 逾期超過六個月 | 合計 |
| 31 December 2022 | 二零二二年十二月三十一日 | | | | | |
| Expected loss rate | 預期虧損率 | 0.1% | 0.1% | 2.5% | 22.8% | 1.2% |
| Gross carrying amount (HK\$'000) | 總賬面值 (千港元) | 584,222 | 216,422 | 29,886 | 39,224 | 869,754 |
| Loss allowance (HK\$'000) | 虧損撥備 (千港元) | (449) | (134) | (759) | (8,934) | (10,276) |
| | | 583,773 | 216,288 | 29,127 | 30,290 | 859,478 |
| 31 December 2021 | 二零二一年十二月三十一日 | | | | | |
| Expected loss rate | 預期虧損率 | 0.2% | 0.3% | 15.4% | 97.2% | 6.5% |
| Gross carrying amount (HK\$'000) | 總賬面值 (千港元) | 77,623 | 18,208 | 2,598 | 6,325 | 104,754 |
| Loss allowance (HK\$'000) | 虧損撥備 (千港元) | (158) | (53) | (400) | (6,147) | (6,758) |
| | | 77,465 | 18,155 | 2,198 | 178 | 97,996 |

The movement of loss allowances for trade debtors and bill receivables during the year is as follows:

43. 財務風險管理目標及政策 (續)

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。

年內，應收賬款及應收票據之虧損撥備變動如下：

| | | 2022 | 2021 |
|---|-----------------|---------------|----------|
| | | 二零二二年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| As at 1 January | 於一月一日 | 6,758 | 16,352 |
| Net impairment loss recognised/(reversed) | 已確認／(撥回) 減值虧損淨額 | 4,116 | (9,893) |
| Currency translation difference | 匯兌差額 | (598) | 299 |
| As at 31 December | 於十二月三十一日 | 10,276 | 6,758 |

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43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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\$236,673,000 are classified in Stage 1 as at 31 December 2022 (2021: HK\$129,937,000) and the credit risk inherent in these other receivables is not significant. The average loss rate of 1% was applied as at the 31 December 2022 (2021: 2%).

43. 財務風險管理目標及政策 (續)

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。

鑒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236,673,000港元（二零二一年：129,937,000港元）於二零二二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。於二零二二年十二月三十一日已應用平均虧損率1%（二零二一年：2%）。

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Deposits and other receivables (Continued)**

For the remaining deposits and other receivables of approximately HK\$92,550,000 as at 31 December 2022 (2021: HK\$93,735,000), it was classified in Stage 3 and the loss allowance associated with these deposits and other receivables was approximately HK\$92,550,000 as at 31 December 2022 (2021: HK\$93,735,000).

The movement of loss allowances for deposits and other receivables during the year is as follows:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---------------------------------|-----------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| As at 1 January | 於一月一日 | 96,013 | 94,836 |
| Net impairment loss recognised | 已確認減值虧損淨額 | 501 | 727 |
| Currency translation difference | 匯兌差額 | (1,193) | 450 |
| As at 31 December | 於十二月三十一日 | 95,321 | 96,013 |

43. 財務風險管理目標及政策 (續)**按金及其他應收款項 (續)**

於二零二二年十二月三十一日的餘下按金及其他應收款項約92,550,000港元(二零二一年：93,735,000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二零二二年十二月三十一日約為92,550,000港元(二零二一年：93,735,000港元)。

年內，按金及其他應收款項之虧損撥備變動如下：

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43. 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 obligation 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 borrowings, 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. 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 obligation 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 borrowings disclosed in Notes 28 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.

As at 31 December 2022, the Group has bank facilities of HK\$2,614,763,000 (2021: HK\$205,890,000), of which HK\$1,828,321,000 (2021: HK\$193,138,000) remained unutilised at 31 December 2022.

43. 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。應付長期流動資金需求之資金則由充足貸款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28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。

於二零二二年十二月三十一日，本集團擁有銀行融資2,614,763,000港元（二零二一年：205,890,000港元），其中1,828,321,000港元（二零二一年：193,138,000港元）於二零二二年十二月三十一日尚未動用。

Notes to Consolidated Financial Statements 綜合財務報表附註

31 December 2022 二零二二年十二月三十一日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value risk and disclosures

At 31 December 2022 and 2021, the Group held certain derivative financial instruments and loans and interest receivables which are carried in the financial statements at fair value, as further detailed in Notes 16, 17 and 18 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 2022 and 2021:

| | | Level 1 | Level 2 | Level 3 | Total |
|---|---------------------|----------|----------|----------|----------|
| | | 第一級 | 第二級 | 第三級 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Financial assets at fair value through profit or loss | 透過損益按公平值計量之財務資產 | | | | |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | | | | |
| – Loan and interest receivable | – 應收貸款及利息 | - | - | - | - |
| As at 31 December 2021 | 於二零二一年十二月三十一日 | | | | |
| – Loan and interest receivable | – 應收貸款及利息 | - | - | 587,129 | 587,129 |
| Derivative financial assets | 衍生財務資產 | | | | |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | | | | |
| – Forward currency contracts | – 遠期貨幣合約 | - | 91,987 | - | 91,987 |
| As at 31 December 2021 | 於二零二一年十二月三十一日 | | | | |
| – Forward currency contracts | – 遠期貨幣合約 | - | - | - | - |
| Derivative financial liabilities | 衍生財務負債 | | | | |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | | | | |
| – Forward currency contracts | – 遠期貨幣合約 | - | 39,914 | - | 39,914 |
| As at 31 December 2021 | 於二零二一年十二月三十一日 | | | | |
| – Forward currency contracts | – 遠期貨幣合約 | - | - | - | - |
| Financial assets at fair value through other comprehensive income | 透過其他全面收益按公平值計量之財務資產 | | | | |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | | | | |
| – Government bonds | – 政府債券 | 7,959 | - | - | 7,959 |
| As at 31 December 2021 | 於二零二一年十二月三十一日 | | | | |
| – Government bonds | – 政府債券 | - | - | - | - |

There were no transfers among different categories during the years ended 31 December 2022 and 2021.

Investments measured at fair value through other comprehensive income are mainly investments in government bonds, where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets. The fair values of such debt securities were determined based on market price. None of these investments are past due.

43. 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、17及18進一步詳述，於二零二二年及二零二一年十二月三十一日，本集團持有若干按公平值計入財務報表之衍生財務工具及貸款及應收利息。

(i) 公平值架構

下表呈列本集團於二零二二年及二零二一年十二月三十一日按公平值計量的財務資產及負債：

截至二零二二年及二零二一年十二月三十一日止年度不同層級之間並無轉撥。

透過其他全面收益按公平值計量之投資主要為政府債券投資，其合約現金流量僅為本金及利息，及本集團業務模式目標乃通過收集合約現金流量及出售財務資產實現。該等債務證券之公平值乃按市場價格釐定。該等投資概無逾期。

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Fair value risk and disclosures (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.

43. 財務風險管理目標及政策 (續)**公平值風險及披露 (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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43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value risk and disclosures (Continued)

| Description | Fair Value As at 31 December 2022 HK\$'000 公平值 於二零二二年 十二月三十一日 千港元 | Fair Value As at 31 December 2021 HK\$'000 公平值 於二零二一年 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 2022 於二零二二年 十二月三十一日 | As at 31 December 2021 於二零二一年 十二月三十一日 | Range of inputs Relationship of 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 and interest receivable | - | 587,129 | Discounted cash flow | Discount rate | N/A | 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. |
| 應收貸款及利息 | | | 貼現現金流量法 | 貼現率 | 不適用 | | 貼現率越高，公平值越低。 貼現率變動10%不會對公平值造成重大影響。 |

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 2022 and 2021.

The Group regards total equity plus total debt (including bank borrowings and lease liabilities) of the Company presented on the face of the consolidated statement of financial position as capital, for capital management purposes. The amount of capital as at 31 December 2022 amounted to approximately HK\$13,299,657,000 (2021: HK\$8,240,761,000), which the management considers as optimal having considered the projected capital expenditures and the forecast strategic investment opportunities.

43. 財務風險管理目標及政策 (續)

公平值風險及披露 (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。截至二零二二年及二零二一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權益總額及債務總額（包括銀行貸款及租賃負債）視作資本。於二零二二年十二月三十一日之資本為數約13,299,657,000港元（二零二一年：8,240,761,000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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44. FINANCIAL INSTRUMENTS BY CATEGORY

Other than financial asset/liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial instruments as disclosed in Notes 16, 17 and 18 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.

44. 按種類劃分之財務工具

除財務報表附註16、17及18所披露分類為透過損益按公平值計量之財務資產／負債、透過其他全面收益按公平值計量之財務資產及衍生財務工具外，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號下分別按攤銷成本分類的條件。

45. CONTINGENT LIABILITIES

| | | 2022 二零二二年 | 2021 二零二一年 |
|--|-----------------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Guarantee related to arrangement with land lords, HMRC and insurance cover | 與出租人、英國海關總署及保險相關安排之擔保 | 54,461 | - |
| Bank guarantee given in lieu of utility and property rental deposits | 代替水電及租用物業按金之銀行擔保 | 8,855 | 1,047 |
| Total | 總計 | 63,316 | 1,047 |

45. 或然負債

46. DIVIDEND

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|---------------------------|-----------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Special dividend of HK\$nil (2021: HK\$0.133) per share | 特別股息每股零港元 (二零二一年：0.133港元) | - | 1,504,119 |

46. 股息

The Directors do not recommend the payment of any final dividend in respect of the year ended 31 December 2022 (2021: Nil).

董事不建議就截至二零二二年十二月三十一日止年度派發任何末期股息 (二零二一年：無)。

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47. SUBSEQUENT EVENTS

Subsequent Events

- (a) On 17 November 2022, Viva China Consumables Limited and the LionRock Capital GP Limited entered into a sale and purchase agreement in relation to the acquisition of the remaining 49% interest in the LionRock Capital Partners QiLe Limited (the "Clark SPA"). Pursuant to the Clark SPA, Viva China Consumables Limited agreed to acquire 490 shares of the LionRock Capital Partners QiLe Limited at the consideration of GBP110,000,000.

Following the shareholders' approval of the Clark SPA at the extraordinary general meeting of the Company on 18 January 2023, the acquisition was completed in late January 2023 and the SPV become a wholly owned subsidiary of the Company.

Further details of the above were set out in the Company's announcement dated 17 November 2022 and 30 January 2023 and the circular dated 30 December 2022.

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

On 24 February 2023, Bossini International Holdings Limited ("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 implement a rights issue on the basis of one (1) rights share for every two (2) existing shares held on the record date at the subscription price of HK\$0.370 per rights share, to raise up to (i) approximately HK\$465 million before expenses by way of issuing up to 1,257,784,545 rights shares (assuming no change in the number of shares in issue on or before the record date other than the full exercise of the vested share options); or (ii) approximately HK\$457 million before expenses by way of issuing up to 1,235,179,045 rights shares (assuming no change in the number of shares in issue on or before the record date).

Details of the above were set out in Bossini's announcement dated 24 February 2023.

47. 期後事項

期後事項

- (a) 於二零二二年十一月十七日，非凡中國消費品有限公司及LionRock Capital GP Limited就收購LionRock Capital Partners QiLe Limited剩餘49%權益簽訂買賣協議（「Clark購股協議」）。根據Clark購股協議，非凡中國消費品有限公司同意以代價110,000,000英鎊收購LionRock Capital Partners QiLe Limited的490股股份。

Clark購股協議於二零二三年一月十八日的本公司股東特別大會上獲股東批准後，收購於二零二三年一月下旬完成，SPV 成為本公司的全資附屬公司。

上述詳情載於本公司日期為二零二二年十一月十七日及二零二三年一月三十日的公告及日期為二零二二年十二月三十日的通函。

- (b) 非全資附屬公司建議進行供股

於二零二三年二月二十四日，本公司之非全資附屬公司堡獅龍國際集團有限公司（「堡獅龍」，其股份於聯交所主板上市，股份代號：592）建議以認購價每股供股股份0.370港元按於記錄日期每持有兩(2)股現有股份獲發一(1)股供股股份之基準進行供股，以(i)透過發行最多1,257,784,545股供股股份（假設除全面行使已歸屬購股權外，於記錄日期或之前已發行股份數目並無變動）籌集約4.65億港元（扣除開支前）；或(ii)透過發行最多1,235,179,045股供股股份（假設於記錄日期或之前已發行股份數目並無變動）籌集約4.57億港元（扣除開支前）。

有關上述者之詳情載於堡獅龍日期為二零二三年二月二十四日之公告。

Particulars of Properties

物業之詳情

Investment properties

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 on 9th Floor and Car Park No. L12 on 1st Floor Cheung Fung Industrial Building No. 23-39 Pak Tin Par Street Tsuen Wan, New Territories | 56.4% | Medium term | 1,894 |
| 新界荃灣白田壩街23-39號 長豐工業大廈9樓1室 及1樓L12號泊車位 | 56.4% | 中期 | 1,894 |

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 | | | | |
|---|----------------|--|-----------------|-----------------|-----------------|-----------------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | 二零二二年 | 二零二一年 | 二零二零年 | 二零一九年 | 二零一八年 |
| | | 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 | 6,900,390 | 1,381,637 | 819,036 | 625,004 | 1,134,584 |
| Profit before tax | 除稅前溢利 | 871,151 | 4,509,989 | 1,213,362 | 834,137 | 94,723 |
| Profit for the year attributable to equity holders of the company | 本公司權益持有人應佔年內溢利 | 850,416 | 4,562,639 | 1,192,392 | 834,366 | 76,982 |

ASSETS AND LIABILITIES AND TOTAL EQUITY

資產與負債及權益總額

| | | 31 December 十二月三十一日 | | | | |
|--|--------------|------------------------|-----------------|-----------------|-----------------|-----------------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | 二零二二年 | 二零二一年 | 二零二零年 | 二零一九年 | 二零一八年 |
| | | 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 | 8,796,617 | 5,261,870 | 3,975,162 | 3,671,737 | 3,867,676 |
| Current assets | 流動資產 | 8,675,314 | 3,848,292 | 2,874,758 | 1,194,828 | 1,193,328 |
| Current liabilities | 流動負債 | 4,428,192 | 896,323 | 694,864 | 327,551 | 290,979 |
| Net current assets | 流動資產淨值 | 4,247,122 | 2,951,969 | 2,179,894 | 867,277 | 902,349 |
| Total assets | 資產總值 | 17,471,931 | 9,110,162 | 6,849,920 | 4,866,565 | 5,061,004 |
| Total assets less current liabilities | 資產總值減流動負債 | 13,043,739 | 8,213,839 | 6,155,056 | 4,539,014 | 4,770,025 |
| Equity attributable to equity holders of the company | 本公司權益持有人應佔權益 | 7,993,175 | 7,616,277 | 4,329,371 | 3,021,297 | 3,891,137 |

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：

| | | |
|---|---|---|
| “Board” 「董事會」 | 指 | the board of Directors 董事會 |
| “Bossini” 「堡獅龍」 | 指 | Bossini International Holdings Limited, a company incorporated in the Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 592) 堡獅龍國際集團有限公司，於百慕達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：592） |
| “Bossini Group” 「堡獅龍集團」 | 指 | Bossini and its subsidiaries 堡獅龍及其附屬公司 |
| “BVI” 「英屬處女群島」 | 指 | the British Virgin Islands 英屬處女群島 |
| “China” or “PRC” 「中國」 | 指 | 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 |
| “close associate(s)” 「緊密聯繫人」 | 指 | has the meaning ascribed thereto under the GEM Listing Rules 具有GEM上市規則所賦予的涵義 |
| “Company” or “Viva China” 「本公司」或「非凡中國」 | 指 | 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） |
| “connected transaction(s)” 「關連交易」 | 指 | has the meaning ascribed to it in the GEM Listing Rules 具有GEM上市規則所賦予的涵義 |
| “Directors” 「董事」 | 指 | the directors of the Company 本公司董事 |
| “EMEA” 「歐非中東」 | 指 | Europe, the Middle East and Africa 歐洲、中東及非洲 |
| “GBP” 「英鎊」 | 指 | Pound sterling, the lawful currency of the United Kingdom 英鎊，英國法定貨幣 |
| “GEM” 「GEM」 | 指 | GEM of the Stock Exchange 聯交所GEM |
| “GEM Listing Rules” 「GEM上市規則」 | 指 | the Rules Governing the Listing of Securities on GEM GEM證券上市規則 |
| “Group” or “Viva Group” 「本集團」或「非凡集團」 | 指 | the Company and its subsidiaries 本公司及其附屬公司 |
| “HK\$” 「港元」 | 指 | Hong Kong dollars, the lawful currency of the Hong Kong 港元，香港法定貨幣 |

Glossary 詞彙

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| “Hong Kong” 「香港」 | 指 | the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區 |
| “HMRC” 「HMRC」 | 指 | Her Majesty's Revenue and Customs 英國稅務及海關總署 |
| “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 2021 to 31 December 2021 二零二一年一月一日至二零二一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 |



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