



佳華百貨控股有限公司 JIAHUA STORES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock Code 股份代號: 00602)

2020

INTERIM REPORT 中期報告



Contents 目錄

Corporate Information	公司資料	2-3
Chairman's Statement	董事長報告	4-14
Management Discussion and Analysis	管理層討論及分析	15-31
Interim Condensed Consolidated Statement of Comprehensive Income	簡明中期綜合全面收益表	32
Interim Condensed Consolidated Statement of Financial Position	簡明中期綜合財務狀況表	33-34
Interim Condensed Consolidated Statement of Cash Flows	簡明中期綜合現金流量表	35
Interim Condensed Consolidated Statement of Changes in Equity	簡明中期綜合權益變動表	36
Notes to the Interim Condensed Financial Statements	簡明中期財務報表附註	37-57
Corporate Governance and Other Information	企業管治及其他資料	58-64



Corporate Information

公司資料

STOCK CODE

00602

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 715, 7th Floor
Ocean Centre, Harbour City
5 Canton Road
Tsimshatsui
Kowloon
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

4/F
Jiahua Ming Yuan
Xinhu Road
Baoan Central District
Shenzhen
The PRC

COMPANY'S WEBSITE

www.szbjh.com

AUDITOR

BDO Limited
Certified Public Accountants
25th Floor
Wing On Centre
111 Connaught Road Central
Hong Kong

AUTHORISED REPRESENTATIVES

Mr. Zhuang Lu Kun
Mr. Ho Yuet Lee, Leo

股份代號

00602

註冊辦事處

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

香港總辦事處及主要營業地點

香港
九龍
尖沙咀
廣東道5號
海港城海洋中心
7樓715室

中國總辦事處及主要營業地點

中國
深圳市
寶安中心區
新湖路
佳華名苑
4樓

公司網站

www.szbjh.com

核數師

香港立信德豪會計師
事務所有限公司
執業會計師
香港
中環干諾道中111號
永安中心
25樓

授權代表

莊陸坤先生
何悅利先生

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong law

Woo Kwan Lee & Lo
26th Floor, Jardine House
1 Connaught Place
Central
Hong Kong

As to Cayman Islands law

Conyers Dill & Pearman
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

As to PRC law

Guangdong Pinfang Law Firm
Room 412-415
Huaye Building Longjin Road
Baoan Second District
Shenzhen
The PRC

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House
3rd Floor, 24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

公司法律顧問

香港法律

胡關李羅律師行
香港
中環
康樂廣場1號
怡和大廈26樓

開曼群島法律

Conyers Dill & Pearman
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

中國法律

廣東品方律師事務所
中國
深圳市
寶安二區
龍井路華業大廈
412-415室

主要股份過戶登記處

SMP Partners (Cayman) Limited
Royal Bank House
3rd Floor, 24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

Chairman's Statement 董事長報告



Dear Shareholders,

In the beginning of 2020, the new pandemic has come suddenly. The total retail sales of consumer goods in Mainland provinces fell year-on-year, and Hubei, where the pandemic was severe, fell by about half. During the pandemic period, preventive measures such as social isolation and travel restrictions were implemented, residents reduced daily consumption activities including shopping, entertainment, and dining etc, which had a substantial impact on the retail industry. Business hours of shopping malls in various cities have been shortened to avoid aggregation of people. Shopping malls in most parts of the country have even suspended operations, keeping only supermarket section to maintain people's livelihood. In the meantime, nearly a thousand shopping mall landlords across the country provided rent concession initiative to tenants, with a maximum exemption period of two months. Under these unfavourable conditions, the biannual results of department stores and shopping malls were disastrous, with most companies incurred losses.

尊敬的各位股東：

2020年開始，新冠疫情突如其來。中國內地省份社會消費品零售總額同比下降，疫情嚴重的湖北同比下滑約一半。於疫情持續期間，各地實行社交隔離和出行限制等防疫措施，居民大幅減少外出購物、娛樂以及就餐等線下消費活動，對零售業影響頗大。為避免人流聚集，各地商場紛紛縮短營業時間。於防控措施趨嚴時，全國大部分地區的商場甚至暫停營業，只保留超市業態以保障民生供應。同時，為了共渡時艱，全國近千家商場業主主動為商戶降租免租，最長減免期達兩個月。受這一系列因素影響，百貨及購物中心的季度業績慘不忍睹，大部份企業錄得虧損。

Chairman's Statement 董事長報告

During the pandemic period, supermarket, which focuses on ensuring people's livelihood and stable prices, mainly offers low-margin necessities for residents. Operating income has been declining. Due to the closure of cities and suspension of store operation, revenue has dropped significantly, gross profit margin has fallen. While staff costs have risen as expenditures on prevention measures have increased, it resulted in operating losses. The per capita disposable income of residents has been affected which not only worsen consumption in the first quarter, but have an impact throughout the year. Department stores and shopping malls may be seriously affected this year. In terms of consumable goods, the pandemic has a considerable impact on durable goods sellers. Upstream suppliers and downstream customers of its supply chain have been affected by delayed resumption of work and production, and logistics have been hindered; Customer flow in branded apparel stores has been decreased and temporary suspension of production have led to a year-on-year decline in sales revenue and net profit.

Operation of household appliances and department stores across the country have temporarily been suspended or closed in accordance with local pandemic control regulations which have affected sales turnover; Besides, with traffic restrictions, community and village blockades and onsite installation etc, the sales of home furnishing products have also been greatly affected. Catering business is the centre of attack of the pandemic. Consumption, which is one of the key element to drive economic growth, has been recovered to a certain extent aftermath, but there will hardly be a retaliatory consumption. The pandemic has aroused residents' consciousness to accumulate savings to cope with future uncertainties. In order to boost consumption, various cities have introduced economic stimulus policies, and spending vouchers have become an important means and have also obtained positive effects.

疫情期間，超市門店主要以保障民生穩定物價為主，主要銷售低毛利的社區生活必需品，營業收入下滑。因封城停業影響，營收大幅減少，毛利率下降，同時員工費用上升，防疫消殺用品費用支出增加導致營運虧損。由於疫情影響了居民人均可支配收入，衝擊了首季度消費，對全年後續消費也可能產生影響，百貨、購物中心今年全年業績恐怕都將會受到波及。以消費品分類，疫情對耐用品企業的影響頗大。疫情期間，其供應鏈管理業務上游供應商及下游客戶復工復產延緩、物流受阻；品牌服飾業務專賣店客流減少、復工復產延緩等原因導致銷售收入及淨利潤同比下降。

各地家電、百貨門店根據地方疫情管控規定進行了階段性暫停營業或者縮短營業時間，銷售受到較大影響；受交通管制、社區村莊封鎖及上門安裝等條件的限制，傢俱裝飾產品銷售也受到較大影響。餐飲企業經營是疫情衝擊的「重災區」。作為拉動經濟增長的重要因素之一的消費，情況會得到一定程度回補，但不會出現報復性消費。因為疫情喚醒了居民的危機意識，市民將更多的資金傾向於儲蓄，以應對未來的不確定性。為了促進消費，各地紛紛出台經濟刺激政策，以消費券作為主要途徑及取得一定的效果。

With the coming of new retailing era, traditional retail sales performance improves. The boundary between online and offline retail formats will become increasingly unclear. Through the digital empowerment of traditional retail and the enhancement of supply chain, the online service capabilities of traditional supermarkets, department stores, specialty stores and shopping malls will continue to increase. Driven by new retailing era, the service capabilities of shopping malls will also shift from “providing shopping experience” to “creating entertaining shopping experience” in 2020. The merchants have different performance advantages. In terms of product content, unknown branding and cost saving low-end consumer product manufacturers and merchants will use online and new branding to obtain consumer groups in villages, low-tier cities, and mature-aged consumer groups at lower prices. The current “consumption degradation” phenomenon of the growth of low-end consumer goods is essentially the use of new sales models and traffic efficiency to exchange prices for the market, and to seize online shopping coverage and market share with pipeline fees lower than traditional retailers.

Domestically, the business situation of shopping mall gradually stabilized in the first half of the year. Sales are generally under pressure, but they are showing signs of recovery. During the pandemic from February to April 2020, shopping malls generally reduced the number of business days and operating hours, and sales declined apparently comparatively. Sales of domestic shopping malls in the first half of the year have been steadily picking up after successive promotion through online channel. Major shopping malls performed well during the long holiday of Labour Day. Due to the restrictions on travel abroad and overseas purchase, domestic consumption has been push up and high-end luxury products are more attractive. During the time of pandemic, sales of luxury goods in various malls have exceptional growth, with famous brand name stores have walk-in queue and visitor restriction phenomenon.

國內實體零售業態在新零售模式的推動下，銷售經營情況將持續好轉。線上和線下零售業態的邊界將變得愈發模糊，通過對實體零售的數位化輔助和供應鏈升級，傳統超市、百貨、專賣店、購物中心的線上服務能力不斷增強。在新零售的推動下，2020年購物中心的服務能力也將從「打造購物體驗」轉向「營造娛樂體驗」。商家各式各式，旗鼓相當。商品內容方面，無品牌、以低成本為主的消費品廠家及商家將通過線上化和品牌化，以較低的價格獲取鄉鎮、下線城市消費群體和中老年消費群體市場。當前低端消費品增長的「消費降級」現象，借助新銷售模式和流量價格進行的以價格換市場，憑藉低於實體零售業態的渠道費用搶佔網購市場及佔有率。

國內方面，上半年購物中心經營情況逐步回穩。雖然銷售情況普遍承壓，但已呈現回暖態勢。2020年2-4月受疫情衝擊，購物中心普遍減少開業天數及營業時間，銷售額同比明顯倒退。政策相繼出台線上管道的持續推廣，國內購物中心上半年銷售情況處於穩步回升狀態。尤其是在消費旺季「五一」假期，各大商場表現不俗。由於出國旅遊及代購受限，加速了消費回歸國內，以銷售奢侈品為主的高端項目更受歡迎。在疫情期間，各地廣場奢侈品銷售額均獲得不同的增長，各大品牌店鋪出現限制客流及排隊進店購物的情況。

Chairman's Statement 董事長報告

The decline in rents has eased upon the increase of customer flow in shopping malls. But the pandemic control was tight, business operators were under great pressure, and the willingness and ability to rent have declined significantly. Thus some shopping malls have implemented rent concession policy which led to general decline in unit rental. Among them, the decline in first-tier cities was larger. Major shopping malls actively opened up online channels to hedge against some offline sales risks. After employing online sales applications and launching “Live Shopping Days” and “Cloud Shopping”, they hope to stimulate online consumption frequency. With the improvement of the pandemic situation and the gradual relaxation of control, rent reduction measures have been gradually removed. Shopping malls have put forward sales discount and shopping coupons to bring up customer flow and alleviate rent burden. By the end of June, the average daily customer flow of shopping malls across the country had returned to 90% of the normal level.

The performance of the Group has been affected by many factors, but we are still confident in the development of the retail industry. To accommodate with the new retail era, the main stores continue to be meticulously decorated, remodeled, reformed and consolidated, bringing consumers a refreshing outlook. At the same time, we have also begun to expand other investment areas in order to obtain various investment income. The Group will continue to integrate resources and adopt the strategy of “consolidating growth trends and exploring innovative areas” to enhance its core competitiveness in the industry to cope with the emergence of new business environments and new competitors. In the ever-changing retail market, we are constantly looking for business opportunities with profit potential.

由於商場人流增加，租金下降趨勢減輕。但疫情管制偏緊，商戶經營壓力較大，承租意願及能力均明顯下滑；因此，部分購物中心宣傳行業自救、實施租金減免措施，使樓層租金普遍下跌，其中以一線城市下跌的幅度較大。各大商場積極開闢線上銷售管道，對沖部分線下銷售風險，推出線上銷售應用程式，舉行「品牌直播日」、「雲逛街」等活動，刺激民眾線上消費情緒。隨著疫情形勢轉好、管控逐漸放鬆，租金減免措施逐步取消。商場繼以打折促銷、發放各類優惠券等行銷方式，帶動各地方商場的客流提升，緩解租金負擔。至6月底，全國購物中心平均日均客流恢復至疫前水準90%。

本集團的業績表現受多項因素而有所反覆，但我們對零售行業之發展仍充滿信心。為迎接新零售時代來臨，主力店繼續精心裝潢、改造、變革及整固，帶給消費者耳目一新的景象。同時，我們亦開始擴展其他投資方面，以求取得多方面的投資收入。本集團將繼續整合資源，以「鞏固增長趨勢，開拓創新領域」的策略，在行業中增強核心競爭力，以應對陸續出現的新經營環境及新競爭者。在不斷變化的零售市場內，不斷尋求具有盈利潛質的商機。

INDUSTRY OVERVIEW

In the first half of 2020, the global economy has changed from slow growth to negative growth due to the COVID-19 pandemic. The progress of the first phase of the China-US trade agreement was slow and the lockout of second phase of negotiation. It is expected that the global economy will shrink dramatically by 4.9% in 2020. The growth rate of the gross national product of various countries has declined. Among them, the United States and the Euro zone may show negative growth. The European Union predicts that the real Gross Domestic Product ("GDP") will shrink by more than 7% in 2020, even though the government has taken measures to protect income and employment to support household consumption. The pandemic in Europe and the United States is severe, and the total economic output is predicted to shrink significantly. International Monetary Fund ("IMF") estimated that the growth rate of advanced economies in 2020 is expected to be -8.0%. The impact on economic activity in the first half of this year seems to be more severe than expected. The following countries are expected to experience simultaneous deep recessions. On the other hand, the 2020 growth rate of emerging markets and developing economies is expected to be -3.0%. By country, China's economy is recovering from the sharp contraction in the first quarter, and the growth rate in 2020 is expected to be around 1.0%. India's economic recovery will be even slower, and its economy is currently forecast to shrink by 4.5%. Brazil and Mexico, the two largest Latin America economies, are expected to contract by 9.0% and 10.5% respectively in 2020. The pandemic and trade negotiation are disrupting the economy, and oil exporting countries will experience a severe recession.

行業概覽

二零二零年上半年，全球經濟在新冠肺炎疫情令全球經濟從緩慢增長變為負增長，中美貿易協議第一階段進度緩慢及第二階段停擺，預計2020年全球經濟將急劇收縮4.9%，各國國民生產總值增速都有所下降。其中，美國、歐元區等可能呈現負增長。歐盟預計2020年實際國內生產總值將收縮7%以上。儘管政府採取措施保護收入和就業，以支持家庭消費。歐洲和美國疫情嚴重，預測中經濟總量也將大幅萎縮。國際貨幣基金組織指出，發達經濟體2020年增長率預計為-8.0%。今年上半年經濟活動受到的衝擊似乎比預期更為嚴重。預計以下國家將出現同步的深度衰退。另一方面，新興市場和發展中經濟體2020年增長率預計為-3.0%。按國別來看，中國經濟正在從第一季度的急劇收縮中恢復，2020年增長率預計約為1.0%。印度的經濟復蘇更為緩慢，目前預測其經濟將收縮4.5%。拉丁美洲兩個最大的經濟體巴西和墨西哥2020年預計分別將收縮9.0%和10.5%。疫情及貿易談判對經濟造成干擾，石油出口國將出現嚴重衰退。

In China, the consumer goods market was significantly impacted by the pandemic in the first half of the year. Residents' shopping and dining activities decreased. With the continued consolidation of pandemic prevention and control, and the implementation of various consumer promotion campaign, residents increased their outing activities and market sales improved significantly. The rural consumer goods market has developed better than the urban market. Driven by multiple factors such as the continuous improvement of the logistics system in rural areas and the rapid development of rural e-commerce, the decline in retail sales of rural area in the first half of the year was lower than that of urban area. Online merchandise retail sales continued to grow. Driven by the consumption promotion campaign and the "618" shopping festival, the growth rate of online shopping continued to accelerate. Traditional retail store revenue continued to improve. With the orderly restoration of life order, more residents go for shopping, and traditional retail store business has steadily picked up. Commodity retail continued to improve, and the commodity structure continued to be optimized. The decline in income from catering and accommodation has significantly narrowed. The consumer goods market is well supplied. Policies to maintain stable supply in various regions have resulted in overall stable supply.

In Guangdong Province, the Shenzhen government has put forward measures to boost consumption, including creating a series of "Shopping at Shenzhen" event, promoting the night economy, and high-standard and distinguished business districts. In response to the stall economy, a night economic street was suggested, with the theme of "Night Shenzhen – Trendy Life", to encourage the night economic demonstration street to extend its business hours. Foshan has been built a platform to promote consumption. Create major themes of the four seasons to promote consumption activities, "Home – Life" theme surrounding home renovation, electronic appliances, clothing, food and beverage, transportation and other quality spending activities, "Lingnan flavor – Foshan" food culture festival, and "do the Lunar New Year shopping" spending theme activities etc.

於國內，上半年消費品市場受疫情衝擊明顯，居民外出購物和就餐活動減少，隨著疫情防控向好態勢持續鞏固和推出各項促消費活動，居民增加外出活動，市場銷售明顯好轉。鄉村消費品市場發展好於城鎮市場。在農村地區物流體系不斷完善、農村電子商務快速發展等多因素帶動下，上半年鄉村消費品零售額下降幅度比城鎮消費品零售額低。網上商品零售繼續保持增長。在促消費活動和「618」購物節的帶動下，線上購物增速繼續加快。實體店零售收入繼續改善。隨著生活秩序恢復，居民外出購物增多，實體店零售業務穩步回升。商品零售持續好轉，商品結構繼續優化。餐飲和住宿收入降幅明顯收窄。消費品市場供應充足。各地區保持供應穩定價錢系列政策令供應平穩。

廣東省方面，深圳市政府推措施提升消費，包括打造系列「深圳購物」活動、大力推廣夜間經濟、高標準特色商圈等。與地攤經濟呼應，建議夜間經濟街，以「夜深圳•潮生活」為主題，鼓勵夜間經濟示範街延長營業時間。佛山市搭建促消費平台。打造春夏秋冬四大主題促消費活動，「家•生活」主題裝飾家居、電子電器、服裝服飾、食品飲料、交通工具等品質消費活動、「嶺南味•佛山品」美食文化節、「辦年貨」購物等促消費主題活動。

The Nanning City of Guangxi organized the Nanning Cloud Shopping Festival to extend the online consumption scenes of department stores, supermarkets, automobiles, catering and other industries to stimulate consumption potential. This is to support retail, accommodation, catering companies, large commercial complexes, and pedestrian streets to carry out various forms of consumption promotion activities by a one-off subsidy. Organise home appliance trade-in activities, cultivate emerging business formats, support the construction of cross-border e-commerce pilot zones, and encourage traditional foreign trade companies to use cross-border e-commerce to explore international markets. Support traditional business enterprises to expand online sales, develop O2O business with touchless delivery services, “Old Streets and Alleys” pedestrian area as a high-quality night economic gathering area, and upgrade “Night Boat Ride Yongjiang” as a special tourist attraction. Besides, build a “late night canteen” for special dining place, and subsidize the image enhancement project and supporting facilities construction of the night economic landmark projects.

According to the statistics released by the National Bureau of Statistics of China, GDP on the Mainland amounted to RMB45,600 billion in the first half of 2020, representing a 1.6% decrease over the same period last year.

廣西南寧市組織舉辦南寧雲上購物節，延展百貨超市、汽車、餐飲等行業線上消費場景，釋放消費潛力。透過對每家企業促消費活動費用給予一次性補貼，重點支援零售、住宿、餐飲企業、大型商業綜合體、步行街區開展形式多樣的促消費活動。開展家電以舊換新活動，培育新興業態，支持跨境電商綜試區建設，鼓勵傳統外貿企業應用跨境電商開拓國際市場。支持傳統商貿企業拓展線上銷售，開展線上下單、線下無接觸配送業務、「三街兩巷」步行街區為高品質夜間經濟集聚區，提升「夜遊邕江」為夜間旅遊特色品牌，支持建設「深夜食堂」特色餐飲聚集區，對夜間經濟聚集區、地標專案的形象提升工程及配套設施建設進行補助。

根據國家統計總局資料：二零二零年上半年國內生產總值達人民幣45.6萬億元，比去年同期下降1.6%。

Chairman's Statement 董事長報告

In the first half of the year, total retail sales of social consumer goods was approximately RMB17,200 billion, representing a year-on-year (YOY) decline of 11.4%. Among them, retail sales of consumer goods of the “over-the-threshold” enterprises drop by 10.3% on a YOY basis to approximately RMB6,200 billion. Based on the geographical locations of the operating units, retail sales of urban consumer goods down by 11.5% to approximately RMB14,900 billion YOY, whereas retail sales of rural consumer goods decreased by 10.9% to approximately RMB2,300 billion YOY. By consumption pattern, food and beverage revenue down by 32.8% to approximately RMB1,500 billion YOY, whereas retail sales of commodities down by 8.7% to approximately RMB15,800 billion YOY. In terms of retail sales of commodities, among “over-the-threshold” enterprises amounted to approximately RMB5,900 billion, representing a decrease of 9.0%. In the first half, total domestic online retail sales amounted to RMB5,200 billion, representing a YOY growth of 7.3%. Among them, the commodity goods online retail sales grew by 14.3% on a YOY basis to approximately RMB4,300 billion, accounting for 25.2% of the total retail sales of social consumer goods. The online commodity sales for eat and use categories grew by 38.8% and 17.3% respectively, while for wear category drop by 2.9%. According to business model, the growth rate for supermarket amounted to 3.8%, while the drop rates for department store, specialty store and exclusive store amounted to 23.6%, 14.1% and 14.4% respectively during the period.

上半年，社會消費品零售總額約人民幣17.2萬億元，同比下降11.4%。其中，限額以上企業消費品零售額約人民幣6.2萬億元，同比下降10.3%。按經營單位所在地分，城鎮消費品零售額約人民幣14.9萬億元，同比下降11.5%；鄉村消費品零售額約人民幣2.3萬億元，同比下降10.9%。按消費形態分，餐飲收入約人民幣1.5萬億元，下降32.8%；商品零售約人民幣15.8萬億元，下降8.7%。在商品零售中，限額以上企業商品零售額約人民幣5.9萬億元，下降9.0%。上半年，全國網上零售額人民幣5.2萬億元，同比增長7.3%。其中，實物商品網上零售額人民幣4.3萬億元，增長14.3%，佔社會消費品零售總額的比重為25.2%。在實物商品網上零售額中，吃類和用類商品分別增長38.8%和17.3%，穿類商品下降2.9%。按零售業態分類，期內限額以上零售業單位中的超市零售額同比增長3.8%，百貨店、專業店和專賣店分別下降23.6%、14.1%和14.4%。

Chairman's Statement

董事長報告

All in all, in the first half of 2020, due to sharp decline in international market demand, China's foreign trade has been severely affected. In order to help some foreign trade companies to overcome the crisis, various provinces have successively introduced the internal loop economy of export to domestic sales. The impact of the new pandemic on foreign trade has shifted to a demand side. The transfer of export products to domestic sales will further enrich market supply, meet new consumer demand, increase consumer choice, promote consumption upgrades, and help promote the overall recovery of the consumer market. With the implementation of the "six stability" and "six support" policies, and the effects of various preliminary customer promotion policies, the consumer market is expected to continue its upward trend.

The Group continued to progress with steadily and rationally utilized its core advantages. In terms of traditional retail, we locate Shenzhen as the center to develop surrounding areas to preserve and expand its retail market share. Actively increase revenue and reduce expenditure in order to maintain its position in the industry and operating advantages. In terms of other investments, the group will continue to find suitable investment opportunities to expand the scope of the group's retail business and increase the diversification of business.

It is my pleasure to report to you that, the Group has 8 stores (one of which is a sublet property) and two shopping malls with an total operating area of approximately 175,000 square meters on June 30, 2020. The new COVID-19 pandemic, the impact of the new financial reporting standards, the closure of 3 retail stores, and the fierce competition in shopping centers resulted in operating losses. The operating conditions of some major stores still maintained stable performance in the period. During the period, the total revenue of the Group reached approximately RMB224.6 million, a decrease of approximately 40.4% compared with approximately RMB376.7 million in the first half of 2019. The total loss attributable to shareholders was approximately RMB51.4 million, compared to a profit of approximately RMB8.0 million for the six months ended June 30, 2019.

總體來說，2020年上半年，在國際市場需求大幅下降的背景下，中國外貿受到了嚴重衝擊。為幫助一些外貿企業渡過危機，各省份都出台關於出口轉內銷的內圈經濟的針對性政策措施。新冠肺炎疫情對外貿的影響已轉變為需求側為主。出口產品轉內銷，將進一步豐富市場供應，配合新型消費需求，增加消費者選擇，促進消費升級，有助於推動消費市場整體回升。隨著實施「六穩」和「六保」政策，加上前期各項促消費政策效果，消費市場有望延續回升態勢。

本集團繼續穩中求進，合理利用核心優勢。在實體零售方面，以深圳為中心，開發周邊之地區，保存並擴大本身的零售市場佔有率。積極開源節流，以保持其在行內的地位及經營優勢。在其他投資方面，集團會不斷找尋合適的投資機會，擴大集團在各零售業務的範疇，增加銷售模式的多元性。

本人現向大家報告，於二零二零年六月三十日，本集團旗下擁有8家分店（其中一家為轉租物業）及兩家購物中心，經營總面積約17.5萬平方米，在受2019新冠肺炎疫情影响，新財務報告準則影響，關閉3家零售店，及購物中心競爭激烈的情況下，產生營運虧損，部分主力店營運情況仍具上年度穩定的表現。於期內本集團總收入額達到約人民幣2億2,460萬元，與二零一九年上半年的約人民幣3億7,670萬元相比，減少約40.4%。股東應佔虧損總額約人民幣5,140萬元，相比截至二零一九年六月三十日止六個月溢利約人民幣800萬元。

DIVIDENDS

The Board believes that, backed with its sound financial position and cash flows, the Group will be able to finance the investments for its ongoing development. The Group will strive to offer a reasonable dividend distribution as a recognition to the Shareholders of the Company (the "Shareholders") for their support to the Group.

FUTURE PROSPECT

In the first half of 2020, the Group has formulated a series of measure to enhance sales turnover and to avoid unnecessary costs, so as to achieve management target. Moreover, the Group aimed to consolidate the existing stores by reform and innovation. By this, improvement in sales mix, upgrade brand name, enhance shopping experience to provide new shopping experience to customers.

In addition, the Group has explored new commercial retail mode, including shopping mall, trial experience, internet plus, and tasteful consumption. With the online resource and shopping outlets, and the synergy of online offline capacity, the Group is able to provide a one-stop shopping experience to customers.

The year 2020 has both opportunity and challenge existed, the Group has prepared to cope with all difficulties, to make use of our core competency in the industry.

Looking ahead, China is still under the fast pace of development stage. The macro-economic condition has significant impact to the industry. Rapid growth in information technology has direct and critical effect to the industry. The directors are confident towards the future. The mission of the Group is to become one of the major operators in the retail industry.

股息

董事會相信穩健的財務狀況及現金流量將可有利支持集團持續發展所需的投資。本集團將竭力提供合理的派息作回報，以回饋本公司股東（「股東」）對本集團的支持。

未來展望

二零二零年上半年，集團通過一系列營運管理，將繼續以商業為本質，以營運為中心，提升銷售，開源節流，力爭超額完成年度業績目標。另秉著變革與創新，不進則退的精神，鞏固現有的老店，優化商品結構，升級品牌，加大以消費者為中心場景行銷、體驗式行銷，努力創建以消費者為中心的零售形式。

集團將也將不斷探索新一代的商業模式，包括購物中心，體驗模式，互聯網+，品味消費等綜合零售，打造企業經營特色，樹立集團的競爭優勢。而集團也將充分利用自主的線上應用程式和實體優勢，整合線上與線下資源，發揮運營、市場產品需求與研發各自的功能作用，充分利用移動互聯網工具，促進線下實體店的銷售，提高顧客的體驗度。

二零二零年機遇與挑戰並存，本集團的團隊已做好一切準備，以面對一切困難，充分利用本集團在行業中的實力優勢，脫穎而出。

展望未來，中國仍處於快速發展階段。國內及國外之環境變化對零售業有一定的影響。加上近年資訊科技的迅速發展及擴張，對零售行業亦有很大影響。董事對本集團的業務前景充滿信心。本集團的任務乃成為中國零售業中的主要綜合企業之一。

Chairman's Statement 董事長報告

The Group will follow the trends, more innovative, and expand its income source and improve its operating performance through other means like merger and acquisition to enhance its competitive advantage, to explore new business opportunities and to uplift the value of the Company.

APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere appreciation to the shareholders, suppliers, customers and business partners for their long-term support, and thank all staff for their dedication and contribution to the Group.

Zhuang Lu Kun
Chairman

Shenzhen, the PRC
27 August 2020

本集團將積極緊隨當今零售業變革潮流，積極創新，並繼續透過合併與收購來改善營運表現及擴大收入，從而進一步加強其核心競爭力。本集團亦將繼續開發新商機，以擴充資產，提高公司之價值。

致謝

本人謹代表董事會向廣大股東、供應商、客戶以及合作夥伴，對本集團長期以來的支持，以及本集團上下全體員工一直以來的貢獻，致以衷心的感謝。

董事長
莊陸坤

中國·深圳
二零二零年八月二十七日

Management Discussion and Analysis

管理層討論及分析



BUSINESS REVIEW

For the six months ended 30 June 2020, the Group recorded revenue of approximately RMB224.6 million, representing a year-on-year (YOY) decrease of approximately 40.4%. Gross profit amounted to approximately RMB21.9 million, representing a YOY decrease of approximately 61.8%; while operating loss was approximately RMB50.2 million, representing a YOY decrease of approximately 431.6%. Loss attributable to owners of the Company was approximately RMB51.4 million, representing a YOY decrease of 741.4%. There were 8 stores and 2 shopping malls at the end of the period. During the period, there were closure of 3 stores, namely Shajing store, Sanlian store and Xixiang store. Revenue dropped attributable to the outbreak of the novel coronavirus pneumonia (COVID-19) pandemic in China since January 2020, the adoption of new Hong Kong Financial Reporting Standard 16 – Leases, the infant stage of operation and competitive business environment of shopping malls operation, and the additional expenses on disposal of fixed assets and

業務回顧

集團截至二零二零年六月三十日止六個月，集團總收入約為人民幣2億2,460萬元，同比下跌約40.4%；銷售毛利額約為人民幣2,190萬元，同比下跌約61.8%；經營虧損約為人民幣5,020萬元，同比下降約431.6%；母公司權益持有人應佔虧損約為人民幣5,140萬元，同比下降約741.4%。期末零售門店8家及兩個購物中心。期內關閉了三家零售門店，分別為沙井，三聯及西鄉店。收入減少，主要由於中國自2020年1月起爆發新型冠狀肺炎疫情，採用新財務報告準則16—租賃，購物中心營運仍處於初步階段及行業環境競爭激烈，及期內關閉三家零售門店而產生額外出售固定資產虧損及固定資產撇銷支出。期內主要為節流工作，以保留實力迎接未來的挑戰。商品銷售減少約人民幣1億4,190萬元，專櫃銷售所得

Management Discussion and Analysis 管理層討論及分析



fixed assets written off upon closure of three stores. The main task was reduction of expenditure to keep resources for future challenge during the period. Sales of goods decreased by approximately RMB141.9 million, commissions income from concessionaire decreased by approximately RMB30.5 million, rental income from sub-leasing of shop premises increased by RMB7.5 million, rental income from investment properties decreased by approximately RMB1.0 million, rental income from sub-leasing of shopping malls increased by approximately of RMB12.6 million, and interest income from financing services increased by approximately RMB1.2 million. The Group has adopted positive operating strategy with value-added service in retail stores, and continuously exploring and developing other potential profit opportunities and planned for the expansion of store and shopping mall network.

佣金減少約人民幣3,050萬元，店鋪物業分租收入增加約人民幣750萬元，投資物業收入減少約人民幣100萬元，商場物業租金收入增加約人民幣1,260萬元，及來自金融服務之利息收入增加約人民幣120萬元。集團採取積極穩健的經營策略，對實體零售作增值服務，亦對其他投資項目找尋及發展潛在利潤機會，並開始計畫來年之分店網路及購物中心拓展之籌備工作。

Management Discussion and Analysis

管理層討論及分析

Recapping on the first half of 2020, the Group has the following operation highlights.

(1) Sales of supermarkets and concessionaire have fallen, gross profit has been affected

The local governments of Guangdong and Guangxi and merchants distributed discount spending vouchers which are helpful to retail businesses in supermarkets and department stores. However, the persistent of the pandemic has forced resident's spending more cautious, sales have fallen. The Group implemented a series of remedial measures. In terms of display layout, it is planned to uplift the shelves to enhance the visual feeling, and increase the variety in the daily sundries category to boost sales. In addition, we introduce some popular cooked food and pastry to attract customers through market research. In terms of commodity management, we will focus on the essence of commodities and perform fine management. By enhancing marketing activities and promotion leaflets, we set sales targets, order management, display method, publicity, follow-up procedure and results review of popular products, and push forward seasonal and thematic promotion campaign in stores. We encourage concessionaires/vendors promotional sales not only to create sales for the supermarket section, but also solve the problem of manpower shortage. Expanding online sales by promoting the in-house online sales channel and outside online sales platform. The main reason for the gross profit gap is decline in sales. Increase sales, look for high-margin products in the market to introduce special promotions, increase vendor activities and gift promotions, plan promotional activities to obtain thin profits but quicker sales, and carry out product management to speed up product turnover which in return reduce maturity arrival, minimize damaged goods, and avoid price cuts.

回顧二零二零年之上半年，集團於營運方面作出了以下重大亮點。

(1) 超市及專櫃銷售額倒退，毛利有所影響

廣東及廣西市政府及商家三月起發出折扣消費券，對零售超市及百貨有正面幫助。但受持續疫情影響令市民消費變得謹慎使銷售有所倒退，集團實施一系列補救措施。在陳列鋪排方面，計畫增高貨架增強視覺感，增加日常雜項類品項以提高銷售。另外，為加大新鮮類貨品的吸引顧客作用，通過市場調研將引進部分民生類熟食、麵點等專案達到聚客作用。於商品管理方面，深入商品本質，做好精細化管理。繼續加大每檔行銷活動以及海報、將受歡迎商品的銷售目標設定、訂貨、陳列、宣傳、過程跟進和結果審核，並推行各店加強季節性、主題性促銷。鼓勵專櫃／廠商周促銷，利用專櫃資源為超市部分創造銷售，解決人手短缺難題。擴張線上銷售，推廣自家及外借的線上銷售平台。毛利額缺口主要原因是銷售下降。提升銷售，尋找市場上高毛利商品引進重點促銷，通過增加廠家活動，利用廠家贈品促銷，計畫獲促銷活動以帶動薄利多銷來獲取毛利，及做好商品管理，加快商品周轉，並同時降低臨期商品、破損商品機率，及減少削價。

Management Discussion and Analysis

管理層討論及分析

(2) Improving the furnishings of shopping malls, introducing catering and entertaining providers in stores

The shopping center strengthens decoration spirit to attract online community discussion, and incorporates amusement facilities (such as kid's ball pool) to highlight the parent-child experience and youthful vitality. Using vacant shops for temporary promotional activities and earning additional income. Add fragrance dispenser and decorating green plants in toilets to enhance the style of the mall. We are considering to provide an "professional service room" amenity for shoppers free consultation service. During the period, we have implemented four types of reforms. Standardize operations for system construction, initiate system compilation and active team building to increase training and market research work. Target management, rent collection is strictly controlled to strengthen cash flow. Enhance the operating diversification to increase other income. Vacant shops pending for business invitation, commencement and renovation will be closely followed-up to reduce operating losses. Improve quality, conduct customer satisfaction surveys, and formulate improvement plans. Strengthen quality inspection and supervision, and emphasize on quality stores.

(2) 改善購物中心陳設，分店引進餐飲娛樂商戶

購物中心加強美陳以強化網紅潮流屬性，融入休閒遊樂教育設施，突顯親子體驗與年輕活力。利用臨時空鋪進行活動宣傳、引進多經資源。衛生間、洗手台新增香薰瓶、裝飾植物，提升商場格調。新進考慮引入「專業服務室」，提供免費諮詢。期內，商業公司實行四類改革。營運標準化，加強體系建設，啟動制度編訂，積極團隊建設，增加培訓及市調工作。指標管理，跟進並協助租金收繳，強化現金流。提升多經形象，增加其他收入。緊貼空鋪招商、進場、裝修跟進，減低營運損失。品質提升，開展顧客滿意度調查，制定改善方案。加強品質巡檢及監督，強調品質商店。

Management Discussion and Analysis

管理層討論及分析

(3) Closure of stores to reduce operational risks, renovation enhancement of major stores to enhance store attractiveness

Upon the expiration of the lease agreement in Xixiang Store, the group decided not to renew the contract due to the rapid deterioration of the surrounding business environment during the period. Besides, due to declining geographical advantage and surrounding environmental factors, the performance of Sanlian Store and Shajing Store was badly affected. The Group has decided to terminate the lease agreements before expiry of lease term after granting waiver for compensation of early termination from the respective landlords.

The group continues to upgrade and adjust its stores layout to accommodate with the new retail era. In the food section, the shelves have been uplift and adjusted to make the overall display more coordinated and leisurable, and more convenient for customers to select goods. In the daily necessities section, the shelves are rearranged to expand the best-selling categories of feminine products. In the fresh food section, key items are reviewed every weekend to ensure the best price offered to customers. We have competitive advantage in the fruits category. Meat stalls and vegetables are selling well when the pandemic is severe. All in all, we have increased the product variety for food and daily necessities, relocated the self-service cash counters, introduced renowned daily necessities brand name, and increased the number of food shelves and product variety to refresh the outlook of sales floor.

(3) 關閉門店以減低營運風險，升級主力店以增加店鋪吸引力

期內，西鄉店因租賃協定期滿，加上週邊經營環境急速轉差，集團決定不作續約，以減輕營運負擔。另外，三聯店及沙井店因受失去地理優勢及週邊環境因素，業績轉差，經與業主商討情況及獲得豁免賠償許可後，亦決定提前終止兩店之租賃協議。

集團繼續對分店作升級調整，以形成新零售趨勢。於食品部將貨架進行了增高調整，整體的陳列更協調、美觀，同時更加的方便顧客挑選貨品。於日常用品部調整貨架陳列，擴大暢銷分類婦女用品。於生鮮部，每週末對重點單品以免扣除或降扣除的折扣形式將價格降到最低，使水果類有競爭優勢。生肉檔與蔬菜在疫情比較嚴重的時候為生活必須品相對銷售較好。總括來說，食品、日常用品增加單品數，重置自助收銀台位置，引進有名日用雜項專櫃，及增加食品貨架及單品數以改善賣場面貌。

Management Discussion and Analysis 管理層討論及分析

(4) Implement measures to increase revenue, reduce distribution and administration expenditure

To open up revenue sources, the store and operation department attach great importance to sales, diversification, customer flow, marketing, and Online and Offline (O2O) work; enrich online brands and varieties. In addition, the marketing department expands group purchases, develops member base, and promotes the sales of shopping cards. Information and intelligence enhancement must be made on all level: natural loss of employees, reducing personnel complexity, and reducing labor costs. Manage vacant shelves, vacant store and new business invitation, improving area utilization and floor efficiency, making full use of physical space to improve efficiency, and properly resolve defective brands in advance.

To reduce expenditure, all unnecessary expenses will be cut down. Promote mobile office, paperless office, and information office. Strictly control on all expenses and expenditure audit. Simplify organizational structure and personnel structure, fair and efficient appraisal system. Improve the monthly performance appraisal report of the manager of the supermarket and operation department personnel. Improve work efficiency and enforcement. Advocate self-discipline and professional ethics to enhance execution and sense of responsibility.

(4) 銷售及行政管理下手，實行開源節流措施

對於開源，門店、營運部重視銷售、多項經營、客流、行銷、及線上線下工作；豐富線上品牌和品種；另市場部拓展團購、發展會員群，促進購物卡的銷售工作。資訊化、智慧化工作要全員重視；自然流失員工，減少人員投入，降低人力成本；做好空櫃鋪和新項目招商，提高面積利用率和使用面積效益，充分利用好物理空間以提高效益，及提前妥善解決好預警品牌。

對於節流，減少一切不必要的開支；提倡移動辦公、無紙化辦公、資訊化辦公；嚴格把控一切費用支出審核；刪減冗餘的組織結構、人事架構，公平及有效考核制度，完善超市領導和營運部人員每月績效考核評估報表；提升工作效率和執行力。嚴格自律，遵循職業操守，提升執行力和責任心。

Management Discussion and Analysis 管理層討論及分析

(5) Active development in online sales channel, expand customer base

Currently, Baijiahua's O2O business is divided into two aspects: private and public domain. Private domain refers to our Baijiahua Mini Program ("Mini Program") Mall. Public domain encompasses the three mainstream O2O e-commerce platform of Meituan, Ele.me and Jingdong. Since February, online sales have been going up. The three major O2O platforms of Meituan, JD Daojia, and Ele.me have already been connected and launched. Next, we will be devoted to refine system operations, and improve sales turnover and customer experience. For live events, as there is currently no live broadcast team, and customers have not developed their live shopping consumption habits, large-scale investment has not yet been made. Soon, we will try team purchase activities to increase customer adhesiveness and increase sales. As a new e-commerce provider, Pin Duo Duo integrates entertainment and social elements into e-commerce operations. Through the "social + e-commerce" model, more users can share benefits with fun and enjoy a new shared shopping experience. We try to activate the Mini Program shopping mall module, put all merchants on the Mini Program, increase the overall sales atmosphere, and drive the sales of the Group and merchants.

(5) 積極發展線上銷售，擴闊顧客群

目前百佳華O2O業務，分為私域和公域兩個方面，私域流量就是百佳華小程序（「小程序」）商城，公域方面現已打通美團、餓了麼、京東到家這三個主流O2O電商平臺。從2月開始，線上銷售額呈上升趨勢。美團、京東到家、餓了麼三大O2O平臺已經對接上線完畢，接下來會將更多的精力投入到線上精細化系統化運營，以提升銷售和顧客體驗。直播活動，由於目前沒有專門的直播團隊，而顧客直播購物消費習慣也未養成，暫未作大規模投入。稍後，會進行拼團活動嘗試，增加顧客粘性，提升銷售。拼多多作為新電商開創者，將娛樂社交的元素融入電商運營中，通過「社交+電商」的模式，讓更多的使用者帶著樂趣分享實惠，享受全新的共用式購物體驗。嘗試啟用小程序購物中心模組，將所有商戶上線到小程序，增加整體銷售氛圍，帶動集團和商戶的銷售。

OUTLOOK AND PROSPECT

In the first half of 2020, the Group has formulated a series of measure to enhance sales turnover and to avoid unnecessary costs, so as to achieve management target. Moreover, the Group aimed to consolidate the existing stores by reform and innovation. By this, improvement in sales mix, upgrade brand name, enhance shopping experience to provide new shopping experience to customers.

In addition, the Group has explored new commercial retail mode, including shopping mall, trial experience, internet plus, and tasteful consumption. With the online resource and shopping outlets, and the synergy of online offline capacity, the Group is able to provide a one-stop shopping experience to customers.

The year 2020 has both opportunity and challenge existed, the Group has prepared to cope with all difficulties, to make use of our core competency in the industry.

Looking ahead, China is still under the fast pace of development stage. The macro-economic condition has significant impact to the industry. Rapid growth in information technology has direct and critical effect to the industry. The directors are confident towards the future. The mission of the Group is to become one of the major operators in the retail industry.

The Group will follow the trends, more innovative, and expand its income source and improve its operating performance through other means like merger and acquisition to enhance its competitive advantage, to explore new business opportunities and to uplift the value of the Company.

未來展望及前景

二零二零年上半年，集團通過一系列營運管理，將繼續以商業為本質，以營運為中心，提升銷售，開源節流，力爭超額完成年度業績目標。另秉著變革與創新，不進則退的精神，鞏固現有的老店，優化商品結構，升級品牌，加大以消費者為中心場景行銷、體驗式行銷，努力創建以消費者為中心的零售形式。

集團將也將不斷探索新一代的商業模式，包括購物中心，體驗模式，互聯網+，品味消費等綜合零售，打造企業經營特色，樹立集團的競爭優勢。而集團也將充分利用自主的線上應用程式和實體優勢，整合線上與線下資源，發揮運營、市場產品需求與研發各自的功能作用，充分利用移動互聯網工具，促進線下實體店的銷售，提高顧客的體驗度。

二零二零年機遇與挑戰並存，本集團的團隊已做好一切準備，以面對一切困難，充分利用本集團在行業中的實力優勢，脫穎而出。

展望未來，中國仍處於快速發展階段。國內及國外之環境變化對零售業有一定的影響。加上近年資訊科技的迅速發展及擴張，對零售行業亦有很大影響。董事對本集團的業務前景充滿信心。本集團的任務乃成為中國零售業中的主要綜合企業之一。

本集團將積極緊隨當今零售業變革潮流，積極創新，並繼續透過合併與收購來改善營運表現及擴大收入，從而進一步加強其核心競爭力。本集團亦將繼續開發新商機，以擴充資產，提高公司之價值。

RISK MANAGEMENT

The activities of the Group expose it to a variety of financial risks, including foreign currency risk, credit risk, interest rate risk and liquidity risk.

(i) Foreign currency risk

The Group has operation in the PRC so that the majority of the Group's revenues, expenses and cashflows are denominated in Renminbi (RMB). Assets and liabilities of the Group are mostly denominated in RMB or HK Dollars. Any significant exchange rate fluctuations of foreign currencies against RMB may have financial impact to the Group.

(ii) 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 maximum exposure to credit risk is the carrying amounts of cash and bank balances, trade and loan receivables, deposits paid and other receivables. For the operation and management of retail stores and other related businesses, the Group has no significant concentrations of credit risk. Most of the sales transactions were settled in cash basis, by credit card payment or through online payment platforms. Credit terms are only offered to corporate customers with whom the Group has an established and ongoing relationship. Regarding trade receivables arising from rental income, the Group maintains a defined credit policy including stringent credit evaluation on and payment of a rental deposit from tenants. Receivables are regularly reviewed and closely monitored to minimise any associated credit risk. The Group's trade receivables, deposits paid and other receivables are actively monitored to avoid significant concentrations of credit risk. The Group is not exposed to any significant credit risk from any single counterparty or any group of counterparties having similar characteristics. The Group's bank deposits were deposited with major financial institutions in Hong Kong and the PRC, which management believes are of high-credit-quality without significant credit risk.

風險管理

本集團業務承受各種財務風險，包括外幣風險、信貸風險、利率風險及流動資金風險。

(i) 外幣風險

本集團於中國經營業務，故本集團大部分收入、開支及現金流量均以人民幣計值，而本集團大部分資產及負債均以人民幣或港元計值。外幣兌人民幣匯率的任何重大波動可能對本集團造成財務影響。

(ii) 信貸風險

信貸風險指金融工具的交易對手將無法根據金融工具條款履行其責任，令本集團出現財務虧損的風險。本集團面對的最大信用風險為現金及銀行存款、應收貿易賬款及貸款、已付按金及其他應收款項之賬面值。就經營及管理零售店及其他相關業務而言，本集團的信貸風險並無出現重大集中情況。大部分銷售交易以現金、信用卡付款或透過網上支付平台結算。本集團僅向擁有持續關係的企業客戶提供信貸期。視乎租金收入產生的應收貿易賬款，本集團設有界定清晰的信貸政策，包括嚴格的信貸評估及向租戶收取租賃按金。我們會定期審閱及密切監測應收款項，以減少任何相關信貸風險。我們會主動監測本集團的應收貿易賬款、已付按金及其他應收款項，以免信貸風險嚴重集中。本集團並無因具有類似特徵的任何單一對手方或任何對手方群體受到任何重大信貸風險。本集團的銀行按金存置於香港及中國的主要金融機構，管理層相信該等機構具備高品質信貸，不會出現重大信貸風險。

Management Discussion and Analysis

管理層討論及分析

(iii) Interest rate risk

The Group's exposure to interest rate risk mainly arises from cash and bank balances. The Group has not used any derivative contracts to hedge its exposure to interest rate risk. The Group has not formulated a policy to manage the interest rate risk.

(iv) Liquidity risk

The Group's policy is to maintain sufficient cash and bank balances and have available funding to meet its working capital requirements. The Group's liquidity is dependent upon the cash received from its customers. The directors of the Company are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due in the foreseeable future.

The Group did not use any financial instrument for hedging purposes and the Group did not have any hedging instrument outstanding during the six months ended 30 June 2020.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2020, the Group had approximately 725 employees in the PRC and Hong Kong. The Group continues to recruit high calibre people and provides continuing education and training for employees to help upgrading their skills and knowledge as well as developing team spirit on an on-going basis. For the period, total staff costs were approximately RMB42.5 million. Competitive remuneration packages and performance-based bonuses are structured to commensurate with individual responsibilities, qualification, experience and performance.

The Group also provides other staff benefit such as mandatory provident fund and share option schemes (details of which were set out in the section head "Corporate Governance and Other Information").

(iii) 利率風險

本集團面對的利率風險主要因現金及銀行結餘產生。本集團並無採用任何衍生工具合約對沖其利率風險。本集團並無制定管理利率風險的政策。

(iv) 流動資金風險

本集團的政策為維持充足現金及銀行結餘，並取得資金以配合其營運資金需要。本集團的流動資金依賴自客戶收取的現金。本公司董事信納，本集團將能於可見未來全數履行其到期財務承擔。

本集團並無使用任何財務工具作對沖用途，且本集團在截至二零二零年六月三十日止六個月並無使用任何對沖工具。

本集團的資金管理政策，是保障本集團按持續經營基準繼續營運的能力，以為股東帶來回報，同時兼顧其他權益持有人的利益，並維持最佳的資本結構以減低資金成本。

僱員及薪酬政策

於二零二零年六月三十日，本集團於中港兩地聘有約725名僱員。本集團繼續招聘優秀人才，並為僱員提供持續教育與培訓，以不斷提高僱員的技術及知識，並培養團隊精神。於期內，員工總成本約為人民幣4,250萬元。本集團按個別僱員的職責、資歷、經驗及表現訂立具競爭力的薪酬待遇與按表現釐定的花紅。

本集團亦提供其他員工福利，如強積金及購股權計劃（詳情載於「企業管治及其他資料」一節）。

Management Discussion and Analysis

管理層討論及分析

CONTINGENT LIABILITIES

As at 30 June 2020, the Group has no significant contingent liabilities.

SUBSEQUENT EVENTS

The Group did not have any other significant events taken place subsequent to 30 June 2020.

FINANCIAL REVIEW

Revenue

The Group's revenue amounted to approximately RMB224.6 million for the six months ended 30 June 2020, representing a decrease of 40.4% as compared to approximately RMB376.7 million in the corresponding period of 2019. The drop was principally attributable from the decrease in sales of goods of approximately RMB141.9 million, the decrease in commission from concessionaire sales of approximately RMB30.5 million and the decrease in rental income from investment properties of approximately RMB1.0 million. However, there were increase in rental income from sub-leasing of shop premises of approximately RMB7.5 million, increase in rental income from subleasing of shopping mall of approximately RMB12.6 million, and increase in interest income from financing services of approximately RMB1.2 million, which altogether partly offset the overall decrease of income.

Sales of goods decreased by 52.3% to RMB129.4 million for the six months ended 30 June 2020 from RMB271.3 million in the corresponding period of 2019, principally due to the outbreak of new pandemic in Mainland China which imposed measures including the lockdown of cities and borders and the management of people flow within community. This reduced the customer flow in stores and the Group has closed three stores in response to the pandemic during the period. Besides, the Group has adjusted the sales floor area of direct sales to introduce more leisure experiencing shopping mode. Sales of goods as a percentage of the Group's total revenue was 57.6% for the six months ended 30 June 2020 as compared to 72.0% in the corresponding period of 2019.

或然負債

於二零二零年六月三十日，本集團並無重大或然負債。

結算日後事項

本集團於二零二零年六月三十日後並無其他任何重大結算日後事項。

財務回顧

收入

截至二零二零年六月三十日止六個月，本集團的收入約人民幣2億2,460萬元，較二零一九年同期約人民幣3億7,670萬元減少約40.4%。收入減少主要由於銷售貨物下跌約人民幣1億4,190萬元，專賣銷售所得佣金下跌約人民幣3,050萬元及投資物業租金收入下跌約人民幣100萬元。不過，分租店舖物業的租金收入增加約人民幣750萬元，分租商場物業租金收入增加約人民幣1,260萬元及來自保理業務之利息收入增加約人民幣120萬元而抵銷整體下降。

銷售貨品由二零一九年同期約人民幣2億7,130萬元減少約52.3%至截至二零二零年六月三十日止六個月約人民幣1億2,940萬元，主要由於新型冠狀肺炎爆發令國內實施封城封關及小區人流管理措施令到店人流減少。因此，期內集團關閉了三家零售店舖以應對疫情。另外，集團調整直接銷售商品面積以增加消費體驗購物形式。截至二零二零年六月三十日止六個月銷售貨品佔本集團總收入的百分比為57.6%，而二零一九年同期則為72.0%。

Management Discussion and Analysis

管理層討論及分析

Commission from concessionaire sales dropped by 62.2% to RMB18.5 million for the six months ended 30 June 2020 from RMB49.0 million in the corresponding period of 2019, mainly due to outbreak of pandemic and closure of three stores. Commission from concessionaire sales as a percentage of the Group's total revenue was 8.2% for the six months ended 30 June 2020 as compared to 13.0% for the corresponding period of 2019.

Rental income from sub-leasing of shop premises up by 25.7% to RMB36.7 million for the six months ended 30 June 2020 from RMB29.2 million for the corresponding period in 2019, mainly due to renewal of tenancy agreements and expansion of sales floor area. Rental income as a percentage of the Group's total revenue was 16.3% for the six months ended 30 June 2020 as compared to 7.8% for the corresponding period of 2019.

Rental income from investment properties down by 18.6% to RMB4.3 million for the six months ended 30 June 2020 from RMB5.3 million for the corresponding period in 2019, mainly due to early termination of two tenancies which are still pending for leasing. Rental income from investment properties as a percentage of the Group's total revenue was 1.9% for the six months ended 30 June 2020 as compared to 1.4% for the corresponding period of 2019.

Rental income from sub-leasing of a shopping mall increased by 63.0% of RMB32.7 million for the six months ended 30 June 2020 as compared with RMB20.1 million for the corresponding period in 2019 due to (i) the commencement of business of Shenzhen Guanlan shopping mall in the last quarter of 2019; and (ii) the entering of mature stage of the Shenzhen Bantian shopping mall during the period. Rental income from sub-leasing of a shopping mall as a percentage of the Group's total revenue was 14.6% for the six months ended 30 June 2020 as compared to 5.3% for the corresponding period of 2019.

專賣銷售所得佣金由二零一九年同期約人民幣4,900萬元下跌62.2%至截至二零二零年六月三十日止六個月約人民幣1,850萬元，主要由於於新型冠狀肺炎爆發及關閉了三家零售店舖所致。截至二零二零年六月三十日止六個月，專賣銷售所得佣金佔本集團總收入的百分比為8.2%，而二零一九年同期則為13.0%。

分租店舖物業的租金收入由二零一九年同期約人民幣2,920萬元增加25.7%至截至二零二零年六月三十日止六個月約人民幣3,670萬元，主要由於部份店舖租戶簽訂了新租約及增加租賃面積所致。分租店舖物業的租金收入佔截至二零二零年六月三十日止六個月本集團總收入的百分比為16.3%，而二零一九年同期則為7.8%。

投資物業租金收入由二零一九年同期約人民幣530萬元減少18.6%至截至二零二零年六月三十日止六個月約人民幣430萬元，主要由於有兩租戶提前解約而該面積仍待租出所致。投資物業租金收入佔截至二零二零年六月三十日止六個月本集團總收入的百分比為1.9%，而二零一九年同期則為1.4%。

分租商場物業的租金收入截至二零二零年六月三十日止六個月約人民幣3,270萬元，二零一九年同期約人民幣2,010萬元增加63.0%。主要由於深圳觀瀾購物中心已於二零一九年第四季投入營運，及深圳坂田購物中心已開始進入成熟階段所致。分租商場物業租金的收入佔截至二零二零年六月三十日止六個月本集團總收入的百分比為14.6%，而二零一九年同期則為5.3%。

Management Discussion and Analysis

管理層討論及分析

Interest income from financing services up by 68.0% to RMB3.0 million for the six months ended 30 June 2020 from RMB1.8 million for the corresponding period in 2019, mainly due to the increase in business by the major customer. Interest income from financing services as a percentage of the Group's total revenue was 1.4% for the six months ended 30 June 2020 as compared to 0.5% for the corresponding period of 2019.

Other operating revenue

Other operating revenue decreased by 0.2% to RMB54.1 million for the six months ended 30 June 2020 from RMB54.2 million in the corresponding period in 2019, mainly due to decrease in bank interest income and administration and management fee income of approximately RMB1.4 million and RMB11.2 million respectively. Nevertheless, increase in government subsidies, net gain on disposal of right-of-use assets and lease liabilities, and credit from rent concession from some of the landlord of stores have largely offset the overall decrease.

Purchase of and changes in inventories

Purchase of and changes in inventories amounted to RMB107.5 million for the six months ended 30 June 2020, representing a decrease of 49.8% as compared with RMB214.0 million in the corresponding period of 2019, due to decrease in sales turnover. As a percentage of sales of goods, purchase of and changes in inventories was 83.1% for the six months ended 30 June 2020 as compared with 78.9% in the same period of 2019.

Staff costs

Staff costs decreased by 14.5% to RMB42.5 million for the six months ended 30 June 2020 from RMB49.7 million in the corresponding period of 2019, primarily due to the closure of three stores during the period.

來自金融服務之利息收入由二零一九年同期約人民幣180萬元增加68.0%至截至二零二零年六月三十日止六個月約人民幣300萬元，主要由於主要客戶之業務增加所致。來自金融服務之利息收入佔截至二零二零年六月三十日止六個月本集團總收入的百分比為1.4%，而二零一九年同期則為0.5%。

其他經營收入

其他經營收入由二零一九年同期約人民幣5,420萬元減少0.2%至截至二零二零年六月三十日止六個月約人民幣5,410萬元，主要由於銀行利息收入及行政及管理費收入分別下跌約人民幣140萬元及約人民幣1,120萬元。但政府補助收入，租賃使用權及租賃負債撇賬之淨得益，及部份店舖業主因疫情寬免租金抵銷大部份跌幅。

存貨採購及變動

截至二零二零年六月三十日止六個月，存貨採購及變動金額約人民幣1億750萬元，較二零一九年同期約人民幣2億1,400萬元減少49.8%，主要由於銷售貨品下跌所致。截至二零二零年六月三十日止六個月，存貨採購及變動佔銷售貨品收入百分比為83.1%，而二零一九年同期佔78.9%。

員工成本

員工成本由二零一九年同期約人民幣4,970萬元減14.5%至截至二零二零年六月三十日止六個月約人民幣4,250萬元，主要由於期內集團關閉了三家零售店舖所致。

Management Discussion and Analysis

管理層討論及分析

Depreciation of right-of-use assets

Depreciation of right-of-use assets increased slightly by 1.4% to RMB50.0 million for the six months ended 30 June 2020 from RMB49.3 million in the corresponding period of 2019, primarily due to full period amortization of some of the leases during the period.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment increased by 11.8% to RMB20.8 million for the six months ended 30 June 2020 from RMB18.6 million in the corresponding period in 2019. The increase was mainly due to enhancement of main stores in Shenzhen and the final construction works of Shenzhen Guanlan shopping mall.

Operating lease rental expenses

Operating lease rental expenses decreased by 42.9% to RMB1.6 million for the six months ended 30 June 2020 from RMB2.8 million in the corresponding period of 2019. This was attributable to reduction of short leases during the period.

Other operating expenses

Other operating expenses increased by approximately RMB24.6 million, from RMB0.2 million for the six months ended 30 June 2019 to RMB24.8 million in the corresponding period of 2020. This was primarily due to written off of property, plant and equipment and loss on disposal of property, plant and equipment of approximately RMB21.0 million and RMB2.4 million respectively upon closure of three stores during the period.

Finance costs

Finance costs, arising from the effect of adoption of HKFRS 16, increased by approximately RMB10.3 million, from approximately RMB14.8 million for the six months ended 30 June 2019 to approximately RMB25.1 million in the corresponding period of 2020. This was mainly due to full period interest expenses for some of leases during the period.

租賃使用權攤銷

租賃使用權攤銷由二零一九年同期約人民幣4,930萬元微增加1.4%至截至二零二零年六月三十日止六個月約人民幣5,000萬元，主要由於期內部分租賃協議作全期攤銷所致。

固定資產折舊

截至二零二零年六月三十日止六個月，固定資產折舊由二零一九年同期約人民幣1,860萬元增加11.8%至約人民幣2,080萬元。主要由於深圳主力店升級調整及深圳觀瀾購物中心尾期工程所致。

經營租賃租金開支

經營租賃租金開支由二零一九年同期約人民幣280萬元減少42.9%至截至二零二零年六月三十日止六個月約人民幣160萬元。主要由於期內減少短期租賃所致。

其他營運開支

截至二零二零年六月三十日止六個月的其他營運開支約人民幣2,480萬元，較二零一九年同期約人民幣20萬元增加約人民幣2,460萬元，主要由於期內三家關閉店固定資產撇賬支出及處置固定資產損失分別約人民幣2,100萬及約人民幣240萬所致。

財務成本

截至二零二零年六月三十日止六個月，由於採用香港財務報告準則16而產生的租賃負債利息約人民幣2,510萬元，較二零一九年同期約人民幣1,480萬元增加約人民幣1,030萬元，主要由於部份租賃負債於期內產生全期利息所致。

Management Discussion and Analysis

管理層討論及分析

Operating loss/profit

As a result of the reasons mentioned above, the Group's operating loss amounted to approximately RMB50.2 million for the six months ended 30 June 2020 as compared with operating profit amounted to approximately RMB15.1 million for the six months ended 30 June 2019.

Income tax expense

Income tax expense amounted to approximately RMB1.1 million for the six months ended 30 June 2020, representing a significant decrease of 84.5% from approximately RMB7.1 million in the corresponding period of 2019, mainly due to decrease of operating profit before tax. The effective tax rate applicable to the Group for the six months ended 30 June 2020 were 25% for general subsidiaries (15% for Guangxi subsidiary). In addition, pursuant to the PRC Corporate Income Tax Law, the Group is liable to withholding taxes on dividends distributed by subsidiaries established in China. The applicable tax rate is 10%.

Loss/profit attributable to equity Shareholders of the Company

As a result of the aforementioned, loss attributable to Shareholders amounted to approximately RMB51.4 million for the six months ended 30 June 2020 as compared with the profit of approximately RMB8.0 million in the corresponding period of 2019.

經營虧損／溢利

基於上述原因，本集團於截至二零二零年六月三十日止六個月的經營虧損約人民幣5,020萬元，而本集團於截至二零一九年六月三十日止六個月之經營溢利則錄得約人民幣1,510萬元。

所得稅開支

所得稅開支由二零一九年同期約人民幣710萬元減少84.5%至截至二零二零年六月三十日止六個月約人民幣110萬元，主要由於除所得稅前經營溢利大幅減少所致。截至二零二零年六月三十日止六個月，適用於本集團一般附屬公司的實際稅率為25%（廣西稅率為15%）。此外，根據中國企業所得稅法，本集團須就於中國成立的附屬公司所分派的股息繳付預扣稅，適用稅率為10%。

本公司權益股東應佔虧損／溢利

基於上文所述，截至二零二零年六月三十日止六個月股東應佔虧損約人民幣5,140萬元，較二零一九年同期溢利約人民幣800萬元有所下降。

USE OF PROCEEDS RAISED FROM LISTING

The net proceeds raised from the Company's newly issued and listed shares on the Stock Exchange in 8 May 2007 (after deduction of related issuance expenses) amounted to approximately HK\$265,000,000. As of 30 June 2020, approximately HK\$207,834,000 of the proceeds so raised was used, and the unused proceeds of approximately HK\$57,166,000 was deposited with banks, the security of which was adequately ensured.

Details of the used proceeds raised of approximately HK\$207,834,000 are set out as follows:

- as to approximately HK\$29,000,000 for acquisition of the business of a retail chain in Shenzhen, the PRC;
- as to approximately HK\$28,300,000 for opening of new stores in Yanbu Foshan and Ronggui Foshan, the PRC;
- as to approximately HK\$8,750,000 for opening of a new store in Nanning Guangxi, the PRC;
- as to approximately HK\$4,350,000 for opening of two new stores in Xinan Baoan Shenzhen, the PRC;
- as to approximately HK\$10,400,000 for opening of a new store in Luohu Shenzhen, the PRC;
- as to approximately HK\$15,800,000 for opening of a new store in Buji Shenzhen, the PRC;
- as to approximately HK\$14,300,000 for opening of another new store in Nanning Guangxi, the PRC;

上市所得款項用途

本公司於二零零七年五月八日在聯交所新發行上市股份籌集的所得款項淨額，在扣除相關的發行費用後相等於約265,000,000港元。於二零二零年六月三十日，已動用所籌得款項約207,834,000港元，尚未動用的所得款項約57,166,000港元存放在銀行，其安全性有足夠保證。

已動用所籌得款項約207,834,000港元之詳情載列如下：

- 約29,000,000港元用作收購中國深圳連鎖零售店業務；
- 約28,300,000港元用作於中國佛山鹽步及佛山容桂開設新店舖；
- 約8,750,000港元用作於中國廣西南寧開設新店舖；
- 約4,350,000港元用作於中國寶安新安街道辦開設兩家新店舖；
- 約10,400,000港元用作於中國深圳羅湖區開設新店舖；
- 約15,800,000港元用作於中國深圳布吉開設新店舖；
- 約14,300,000港元用作於中國廣西南寧開設另一家新店舖；

Management Discussion and Analysis

管理層討論及分析

- as to approximately HK\$3,690,000 for opening of a new supermarket in Bantian Longgang, Shenzhen, the PRC;
 - as to approximately HK\$8,800,000 for opening of a theme restaurant and two beverage kiosks in Shenzhen, the PRC;
 - as to approximately HK\$3,600,000 for opening of a theme restaurant and a Chinese restaurant in Baoan and Longgang Shenzhen, the PRC respectively;
 - as to approximately HK\$9,200,000 for setting up of a procurement centre in Shiyan Shenzhen, the PRC;
 - as to approximately HK\$12,919,000 for the purchase of transportation equipment;
 - as to approximately HK\$15,000,000 for the purchase of office equipment;
 - as to approximately HK\$3,000,000 for the upgrade of the MIS;
 - as to approximately HK\$725,000 to promote the Company's brand image; and
 - as to approximately HK\$40,000,000 for the refurbishments of existing retail stores.
- 約3,690,000港元用作於中國深圳龍崗區坂田開設新超市；
 - 約8,800,000港元用作於中國深圳開設一家主題餐廳及兩家茶店；
 - 約3,600,000港元分別用作中國深圳寶安區及龍崗區開設一家主題餐廳及一家中式餐廳；
 - 約9,200,000港元用作於中國深圳石岩開設配送中心；
 - 約12,919,000港元用作於購置運輸工具；
 - 約15,000,000港元用作於購買辦公室設備；
 - 約3,000,000港元用作改良管理資訊系統；
 - 約725,000港元用作提升本公司的品牌形象；及
 - 約40,000,000港元用作翻新現有的零售店。

The unused proceeds will be used by the Company for the purposes as set out in the section headed "Future plans and use of proceeds" in the prospectus of the Company dated 8 May 2007 and subsequent announcements related to the adjustment of use of IPO proceeds.

未動用之所得款項將由本公司動用作本公司日期為二零零七年五月八日之售股章程「未來計劃及所得款項用途」一節及以後之調整上市募集資金用途公告內所述用途。

Interim Condensed Consolidated Statement of Comprehensive Income

簡明中期綜合全面收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Revenue	收入	4	224,632
Cost of inventories sold	已售存貨成本		(107,496)
			117,136
Other operating income	其他經營收入	4	54,049
Selling and distribution costs	分銷成本		(142,917)
Administrative expenses	行政開支		(28,574)
Finance cost	財務成本		(25,104)
Other operating expenses	其他營運開支		(24,823)
Operating (loss)/profit before income tax	除稅前經營 (虧損)/溢利	5	(50,233)
Income tax expense	所得稅開支	6	(1,138)
(Loss)/profit and total comprehensive income	期內(虧損)/溢利及 全面收益總額		(51,371)
Dividend	股息		-
(Loss)/earnings per share for (loss)/profit attributable to the owners of the Company during the period	期內本公司擁有人應 佔(虧損)/溢利之 每股(虧損)/盈利		
- Basic and diluted (RMB cents)	- 基本及攤薄 (人民幣分)	8	(4.95)
			0.77

Interim Condensed Consolidated Statement of Financial Position 簡明中期綜合財務狀況表

As at 30 June 2020 於二零二零年六月三十日

		At 30 June 2020 於二零二零年 六月 三十日 RMB'000 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月 三十一日 RMB'000 (Audited) (經審核)
	Notes 附註		
ASSETS AND LIABILITIES	資產及負債		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	229,846	264,614
Investment properties	投資物業	292,100	292,100
Right-of-use assets	租賃使用權資產	533,262	643,753
Intangible assets	無形資產	5,268	4,970
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	32,041	31,448
Interests in an associate	於一間聯營公司權益	-	-
		1,092,517	1,236,885
Current assets	流動資產		
Inventories and consumables	存貨及易耗品	17,854	28,136
Trade and loan receivables	應收貿易賬款及貸款	75,265	70,809
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	39,342	51,955
Cash and bank balances	現金及銀行結餘	57,750	117,737
Tax recoverable	可回收稅項	57	57
		190,268	268,694
Current liabilities	流動負債		
Trade payables	應付貿易賬款	73,229	98,057
Deposits received, other payables and accruals	已收按金、其他應付款項及應計費用	96,436	143,651
Contract liabilities	合約負債	24,575	20,242
Lease liabilities	租賃負債	76,423	75,840
Amount due to a director	應付一名董事款項	59	59
Provision for tax	稅項撥備	3,716	3,723
		274,438	341,572

Interim Condensed Consolidated
Statement of Financial Position
簡明中期綜合財務狀況表

As at 30 June 2020 於二零二零年六月三十日

		At 30 June 2020 於二零二零年 六月 三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月 三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Net current liabilities	流動負債淨值	(84,170)	(72,878)
Total assets less current liabilities	總資產減流動負債	1,008,347	1,164,007
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	501,706	605,995
Deferred tax liabilities	遞延稅項負債	24,131	24,131
		525,837	630,126
Net assets	淨資產	482,510	533,881
EQUITY	權益		
Share capital	股本	10,125	10,125
Reserves	儲備	472,385	523,756
Total equity	權益總額	482,510	533,881

Interim Condensed Consolidated Statement of Cash Flows 簡明中期綜合現金流量表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Net cash (outflow)/inflow from operating activities	經營業務現金 流(出)/入淨額	(5,613)	42,853
Net cash inflow/(outflow) from investing activities	投資活動現金流入/(出) 淨額	13,978	(17,788)
Net cash outflow from financing activities	融資活動現金流出淨額	(68,352)	(53,385)
Decrease in cash and cash equivalents	現金及現金等價物減少	(59,987)	(28,320)
Cash and cash equivalents at 1 January	於一月一日之現金及 現金等價物	117,737	270,896
Cash and cash equivalents at 30 June	於六月三十日之現金及 現金等價物	57,750	242,576

Interim Condensed Consolidated Statement of Changes in Equity

簡明中期綜合權益變動表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Share capital	Share premium	Statutory reserve	Statutory welfare reserve	Property revaluation reserve	Other reserve	Translation reserve	Retained profits	Dividend proposed	Total equity
		股本	股份溢價	法定儲備	福利基金	重估儲備	其他儲備	換算儲備	保留溢利	擬派股息	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
1 January 2019	二零一九年一月一日	10,125	252,478	66,222	2,286	12,373	431	(969)	243,277	19,505	605,728
Loss for the year	年內虧損	-	-	-	-	-	-	-	(52,342)	-	(52,342)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	-	(52,342)	-	(52,342)
Dividend approved for 2018	二零一八年之獲批准股息	-	-	-	-	-	-	-	-	(19,505)	(19,505)
Transfer to statutory reserve	轉移至法定儲備	-	-	619	-	-	-	-	(619)	-	-
At 31 December 2019	於二零一九年十二月三十一日	10,125	252,478	66,841	2,286	12,373	431	(969)	190,316	-	533,881
Loss for the period	期內虧損	-	-	-	-	-	-	-	(51,371)	-	(51,371)
At 30 June 2020	於二零二零年六月三十日	10,125	252,478	66,841	2,286	12,373	431	(969)	138,945	-	482,510

Notes to the Interim Condensed Financial Statements

簡明中期財務報表附註

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

Jiahua Stores Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries are operation and management of retail stores and other related businesses, and provision of financing services in the PRC.

The unaudited interim condensed consolidated financial statements (“Interim Condensed Financial Statements”) of the Company and its subsidiaries (collectively known as the “Group”) for the six months ended 30 June 2020 (the “period”) have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange.

The Interim Condensed Financial Statements have been prepared in accordance with the same accounting policies adopted in the audited financial information of the Company for the year ended 31 December 2019 (the “2019 Annual Financial Statements”), except for the accounting policy changes that are expected to be reflected in the 2020 annual financial statements. Details of these changes in accounting policies are set out in note 2.

1. 集團資訊及編製基準

佳華百貨控股有限公司(「本公司」)於開曼群島註冊成立為獲豁免有限公司。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司主要業務為投資控股。本公司附屬公司之主要業務為於中國經營及管理零售店及其他相關業務及提供金融服務。

本公司及其附屬公司(合稱「本集團」)截至二零二零年六月三十日止六個月(「期內」)的未經審核簡明中期綜合財務報表(「簡明中期財務報表」)乃按照香港會計師公會(「香港會計師公會」)頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」及聯交所證券上市規則附錄16的適用披露規定編製。

除預期於二零二零年年度財務報表反映的會計政策變動外，簡明中期財務報表乃按與編製本公司截至二零一九年十二月三十一日止年度之經審核財務資料(「二零一九年年度財務報表」)所採用的相同會計政策編製。該等會計政策變動的詳情載於附註2。

1. CORPORATE INFORMATION AND BASIS OF PREPARATION (CONTINUED)

The HKICPA has issued a number of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) that are first effective for the current accounting period of the Group and the Company. The Group has not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period.

The preparation of Interim Condensed Financial Statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. Actual results may differ from these estimates.

The Interim Condensed Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited financial information of the Company for the year ended 31 December 2019.

1. 集團資訊及編製基準 (續)

香港會計師公會已頒佈多項於本集團及本公司當前會計期間首次生效之香港財務報告準則(「香港財務報告準則」)修訂本。而本集團並無應用任何於本會計期間尚未生效之新準則、修訂本或詮釋。

按照香港會計準則第34號編製簡明中期財務報表時，管理層須對影響政策之應用以及期內截至目前為止之資產、負債、收入及開支之呈報金額作出判斷、估計及假設。實際結果與此等估計或有差異。

簡明中期財務報表未包括所有於年度財務報表內要求之所需資料及披露，應與本公司截至二零一九年十二月三十一日止年度之經審核財務資料一併閱讀。

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new or revised HKFRSs that are first effective for the current accounting period of the Group:

Revised Conceptual Framework	Amendments to References to the Conceptual Framework in HKFRS Standards
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 16	COVID-19 – Related Rental Concession

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

3. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on regular internal financial information about resources allocation to the Group's business components and review of these components' performance. There are two business components/operating segments, which are operation and management of retail stores and other related businesses, and provision of financing services (2019: operation and management of retail stores and other related businesses, and provision of financing services).

Certain comparative amounts in segment information have been re-presented to conform to the current year's presentation.

2. 會計政策變動

香港會計師公會已頒佈多項於本集團當前會計期間首次生效之新訂或經修訂香港財務報告準則：

經修訂概念框架	香港財務報告準則概念框架參考修訂本
香港會計準則第1號及香港會計準則第8號之修訂本	重大之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂本	利率基準改革
香港財務報告準則第3號之修訂本	業務之定義
香港財務報告準則第16號之修訂本	與 COVID-19 相關的租金減免

於本期間應用新訂及經修訂香港財務報告準則並無對本集團於當前及過往期間之財務表現及狀況及／或該等簡明綜合財務報表所載之披露造成重大影響。

3. 分部資料

就管理而言，本集團已辨識其經營分類及根據本集團有關的內部財務訊息對業務組成部分的資源分配及對該等組成部分表現的審閱編製分類資料。期內，本集團有兩個業務組成部分／經營分類，即經營及管理零售店及其他相關業務，及提供金融服務（二零一九年：經營及管理零售店及其他相關業務，及提供金融服務）。

分類資料中的若干比較金額已重新呈列以符合本年度呈列。

3. SEGMENT INFORMATION (CONTINUED)

3. 分部資料(續)

		Operation and management of retail stores and other related businesses 經營及管理零售店及其他相關業務 (Unaudited) (未經審核) RMB'000 人民幣千元	Provision of financing services 提供金融服務 (Unaudited) (未經審核) RMB'000 人民幣千元	Consolidated 合併 (Unaudited) (未經審核) RMB'000 人民幣千元
Six months ended 30 June 2020	截至二零二零年六月三十日止期間			
Segment revenue	分類收益	221,600	3,032	224,632
Segment results	分類業績	(50,435)	2,471	(47,964)
Other unallocated corporate expenses	其他未分配企業開支			(2,269)
Operating loss before income tax	除所得稅前經營虧損			(50,233)
Income tax expense	所得稅開支			(1,138)
Loss for the period	期內虧損			(51,371)
Other segment information	其他分類資料			
Interest income	利息收入	(859)	(6)	(865)
Additions to non-current assets	非流動資產添置	12,579	-	12,579
Amortisation of intangible assets	無形資產攤銷	162	58	220
Depreciation of property, plant and equipment	物業、廠房及設備折舊	20,790	2	20,792
Depreciation of right-of-use assets	使用權資產折舊	50,033	-	50,033
Interest expense on lease liabilities	租賃負債利息	25,104	-	25,104
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損			
Written off of property, plant and equipment	物業、廠房及設備撇銷	2,393	-	2,393
		21,096	-	21,096

3. SEGMENT INFORMATION (CONTINUED)

3. 分部資料(續)

		Operation and management of retail stores and other related businesses 經營及管理零售店及其他相關業務 (Unaudited) RMB'000 人民幣千元	Provision of financing services 提供金融服務 (Unaudited) RMB'000 人民幣千元	Consolidated 合併 (Unaudited) RMB'000 人民幣千元
At 30 June 2020	於二零二零年六月三十日			
Segment assets	分類資產	1,217,855	63,521	1,281,376
Tax recoverable	可回收稅項			57
Other unallocated corporate assets	其他未分配企業資產			1,352
Total assets	總資產			<u>1,282,785</u>
Segment liabilities	分類負債	770,376	379	770,755
Provision for taxation	稅項撥備			3,716
Deferred tax liabilities	遞延稅項負債			24,131
Other unallocated corporate liabilities	其他未分配企業負債			1,673
Total liabilities	總負債			<u>800,275</u>

Notes to the Interim Condensed Financial Statements
簡明中期財務報表附註

3. SEGMENT INFORMATION
(CONTINUED)

3. 分部資料(續)

		Operation and management of retail stores and other related businesses 經營及管理零售店及其他相關業務 (Unaudited) (未經審核) RMB'000 人民幣千元	Food and catering 食物及餐飲 (Unaudited) (未經審核) RMB'000 人民幣千元	Provision of financing services 提供金融服務 (Unaudited) (未經審核) RMB'000 人民幣千元	Consolidated 合併 (Unaudited) (未經審核) RMB'000 人民幣千元
Six months ended 30 June 2019	截至二零一九年六月三十日止六個月				
Segment revenue	分類收益	374,846	-	1,805	376,651
Segment results	分類業績	17,676	-	879	18,555
Unallocated corporate expenses	未分配企業開支				(3,407)
Operating profit before income tax	除所得稅前經營溢利				15,148
Income tax expense	所得稅開支				(7,139)
Profit for the period	期內溢利				8,009
Other segment information	其他分類資料				
Interest income	利息收入	(2,302)	-	(6)	(2,308)
Additions to non-current assets	非流動資產添置	17,961	-	-	17,961
Amortisation of intangible assets	無形資產攤銷	90	-	-	90
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,573	-	2	18,575
Depreciation of right-of-use assets	使用權資產折舊	49,326	-	-	49,326
Interest expense on lease liabilities	租賃負債利息	14,767	-	-	14,767
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	62	-	-	62
Obsolete inventories written off	陳舊存貨撇銷	17	-	-	17

3. SEGMENT INFORMATION (CONTINUED)

3. 分部資料(續)

		Operation and management of retail stores and other related businesses 經營及管理 零售店及 其他相關業務 (Audited) (經審核) RMB'000 人民幣千元	Provision of financing services 提供 金融服務 (Audited) (經審核) RMB'000 人民幣千元	Consolidated 合併 (Audited) (經審核) RMB'000 人民幣千元
At 31 December 2019	於二零一九年十二月三十一日			
Segment assets	分類資產	1,451,705	50,516	1,502,221
Tax recoverable	可回收稅項			57
Other unallocated corporate assets	其他未分配企業資產			3,301
Total assets	總資產			1,505,579
Segment liabilities	分類負債	941,651	66	941,717
Provision for taxation	稅項撥備			3,723
Deferred tax liabilities	遞延稅項負債			24,131
Other unallocated corporate liabilities	其他未分配企業負債			2,127
Total liabilities	總負債			971,698

3. SEGMENT INFORMATION (CONTINUED)

The PRC is the country of domicile of the Group. The country of domicile is determined by referring to the country which the Group regards as its home country, has the majority of operations and centre of management.

No separate analysis of segment information by geographical segment is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is the PRC.

Information about a major customer

There was no single customer that contributed to 10% or more of the Group's revenue for the six months ended 30 June 2019 and 2020.

3. 分部資料(續)

本集團之註冊國家為中國。註冊國家乃指本集團視作其基地之國家，為其大部分業務及管理中心所在地。

由於本集團之收入及非流動資產主要來自單一地區(即中國)，故並無獨立呈列按地區分部劃分之分部資料分析。

關於主要客戶的資料

於截至二零一九及二零二零年六月三十日止六個月，概無單一客戶佔本集團收益10%或以上。

4. REVENUE AND OTHER OPERATING INCOME

The Group is principally engaged in operation and management of retail stores and other related businesses and provision of financing services (2019: operation and management of retail stores and other related businesses, and provision of financing services). Revenue, which is also the Group's turnover, represents invoiced value of goods sold after allowances for returns and discounts, commission from concessionaire sales, rental income and interest income from financing services. Revenue recognised during the period is as follows:

4. 收入及其他經營收入

本集團主要業務為經營及管理零售店及其他相關業務及提供金融服務(二零一九年：經營及管理零售店及其他相關業務、及提供金融服務)。收入(亦為本集團之營業額)，指售出貨品扣除退貨及折扣、專權銷售所得佣金、租金收入及提供金融服務所產生的利息之後的發票價值。期內確認的收入如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue	收入		
Sales of goods	銷售貨品	129,378	271,288
Commission from concessionaire sales	專賣銷售所得佣金	18,469	48,941
Rental income from sub-leasing of shop premises	分租店舖物業的租金收入	36,684	29,216
Rental income from investment properties	投資物業的租金收入	4,320	5,308
Rental income from sub-leasing of a shopping mall	分租商場物業的租金收入	32,748	20,093
Interest income from financing services	來自金融服務之利息收入	3,033	1,805
		224,632	376,651
Other operating income	其他經營收入		
Interest income	利息收入	865	2,308
Government grants	政府補貼	6,406	843
Administration and management fee income from suppliers	來自供應商的行政及管理費收入	19,635	30,872
Gain arising on early termination of lease contracts	提早終止租賃協議得益	5,077	-
Others	其他	22,066	20,140
		54,049	54,163

5. OPERATING (LOSS)/PROFIT BEFORE INCOME TAX

5. 除稅前經營（虧損）／溢利

Six months ended 30 June
截至六月三十日止六個月

	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
(Loss)/profit is arrived at after charging: (虧損)／溢利已扣除以下項目：		
Depreciation of property, plant and equipment 物業、廠房及設備折舊	20,792	18,575
Depreciation of right-of-use assets 租賃使用權資產折舊	50,033	49,326
Interest expense on lease liabilities 租賃負債利息	25,104	14,767
Amortisation of intangible assets 無形資產攤銷	220	90
Loss on disposal of property, plant and equipment 出售物業、廠房及設備虧損	2,393	62
Written off of property, plant and equipment 物業、廠房及設備撇銷	21,096	-
Operating lease rentals in respect of land and buildings 土地及樓宇的營運租賃租金	1,586	2,797
Obsolete inventories written-off 撇銷陳舊存貨	-	17
Staff costs, including directors' emoluments 員工成本，包括董事酬金		
- salaries and other benefits 一薪金及其他福利	39,685	43,284
- contributions to pension scheme 一退休金計劃供款	2,841	6,431
and crediting: 及已計入：		
Rental income from investment properties 投資物業之租金收入	4,320	5,308
Sub-letting of properties 分租物業		
- Base rents 一基本租金	66,984	47,657
- Contingent rents* 一或然租金*	2,448	1,652
	69,432	49,309

* Contingent rents are calculated based on a percentage of the relevant sales amount of the tenants pursuant to the rental agreements.

* 或然租金乃根據租賃協議按租戶相關銷售額的若干百分比計算。

6. INCOME TAX EXPENSE

Current income tax	即期所得稅
PRC enterprise income tax	中國企業所得稅

The Group is not subject to any taxation under the jurisdiction of the Cayman Islands and British Virgin Islands during the period (six months ended 30 June 2019: Nil).

No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits in Hong Kong for the period (six months ended 30 June 2019: Nil).

For a subsidiary of the Group in Guangxi, its PRC Enterprise Income Tax has been provided at the preferential enterprise income tax rate of 15% (2019: 15%) for the period pursuant to the privilege under the China's Western Development Program (西部大開發計劃).

Other subsidiaries of the Group established in the PRC were mainly subject to PRC Enterprise Income Tax at the rate of 25% (2019: 25%) for the period under the income tax rules and regulations of the PRC.

6. 所得稅開支

Six months ended 30 June
 截至六月三十日止六個月

2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
1,138	7,139

本集團於期內毋須繳納任何開曼群島及英屬處女群島司法權區之稅項(截至二零一九年六月三十日止六個月:無)。

由於本集團於期內並無來自香港的估計應課稅溢利,故並無就香港利得稅作出撥備(截至二零一九年六月三十日止六個月:無)。

就本集團於廣西的一家附屬公司,根據中國西部大開發計劃的優惠政策,期內就其中國企業所得稅按優惠企業所得稅稅率15%(二零一九年:15%)繳納。

本集團於中國成立的其他附屬公司於期內須根據中國所得稅條例及法規按25%(二零一九年:25%)稅率繳納中國企業所得稅。

6. INCOME TAX EXPENSE (CONTINUED)

Pursuant to the Detailed Implementation Regulations for implementation of the new Corporate Income Tax Law of the PRC issued on 6 December 2007, a 10% withholding income tax shall be levied on the dividends remitted by the companies established in the PRC to their foreign investors starting from 1 January 2008. Dividends declared or proposed out from the profits generated by the PRC companies after 1 January 2008 shall be subject to this withholding income tax.

7. DIVIDEND

- (a) The Board of Directors does not recommend the payment of an interim dividend for the period (six months ended 30 June 2019: Nil).
- (b) Dividend attributable to the previous financial year, approved and paid/unpaid during the period:

Final dividend in respect of the previous year, approved and paid during the period, of Nil (six months ended 30 June 2019: RMB Nil) per share

於期間內批准及派付之過往年度末期股息每股人民幣零分(截至二零一九年六月三十日止六個月：人民幣零分)

6. 所得稅開支(續)

根據於二零零七年十二月六日頒佈的中國新企業所得稅法實施條例，由二零零八年一月一日起，將對在中國成立的公司向其海外投資者宣派的股息徵收10%的預扣所得稅。於二零零八年一月一日後，以中國公司產生的溢利宣派或建議宣派的股息須繳納預扣所得稅。

7. 股息

- (a) 董事會不建議派付期內中期股息(截至二零一九年六月三十日止六個月：無)。
- (b) 於期間批准及派付／未派付之過往財政年度股息：

For the six months ended 截至六月三十日止六個月

30 June 2020	30 June 2019
二零二零年	二零一九年
RMB'000	RMB'000
人民幣千元	人民幣千元
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)

-	-
---	---

8. (LOSS)/EARNINGS PER SHARE

The calculation of basic earnings per share is based on the loss attributable to the owners of the Company for the period of approximately RMB51,371,000 (six months ended 30 June 2019: profit of approximately RMB8,009,000) and the weighted average number of approximately 1,037,500,002 (six months ended 30 June 2019: approximately 1,037,500,002) ordinary shares in issue during the period.

Diluted earnings per share were same as the basic earnings per share as there were no other potential dilutive ordinary shares in existence during the periods.

8. 每股(虧損)/盈利

每股基本盈利按期內本公司擁有人應佔虧損約人民幣51,371,000元(截至二零一九年六月三十日止六個月:約盈利人民幣8,009,000元)及期內已發行普通股加權平均數約1,037,500,002股(截至二零一九年六月三十日止六個月:約1,037,500,002股)計算。

由於每股攤薄盈利與每股基本盈利相同及期內並無其他具攤薄潛力之普通股。

9. TRADE AND LOAN RECEIVABLES

All of the Group's sales are on cash basis except for trade receivables from certain bulk sales of merchandise to corporate customers, rental income receivables from tenants and loan receivables from provision of financing services. The credit terms offered to the customers from operation and management of retail stores are generally for a period of one to three months, while to customers from financing services are repayable on demand or one to seven months. Trade receivables were non-interest-bearing, except for loan receivables from provision of financing services.

The aging analysis of the Group's trade receivables, based on invoice dates, is as follows:

Within 30 days	30日內
31 – 60 days	31至60日
61 – 180 days	61至180日
181 – 365 days	181至365日

9. 應收貿易賬款及貸款

除若干向企業客戶作出的大量商品銷售、應收租客的租金收入及應收金融服務的貸款賬款外，本集團所有銷售均以現金進行。授予此等經營及管理零售店的客戶的信貸期一般為一至三個月。而授予金融服務之客戶的信貸期一般為按要求償還或一至七個月。除源自提供金融服務貸款外，應收貿易賬款為免息。

本集團應收貿易賬款按發票日期的賬齡分析如下：

At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
15,590	22,320
6,329	973
11,418	726
539	313
33,876	24,332

9. TRADE AND LOAN RECEIVABLES (CONTINUED)

The aging analysis of the Group's loan receivables, is as follows:

	At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)
Repayable on demand or within one year	41,389
Total	<u>75,265</u>

9. 應收貿易賬款及貸款 (續)

本集團的應收貸款的賬齡分析如下：

	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
	46,477
Total	<u>70,809</u>

10. CASH AND BANK BALANCES

	At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cash at banks and in hand	57,750
Bank deposits maturing within three months	-
Cash and cash equivalents for the purpose of statement of cash flows	57,750
Bank deposits maturing over three months	-
	<u>57,750</u>

10. 現金及銀行結餘

	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
	69,169
	28,568
	97,737
	20,000
	<u>117,737</u>

Notes to the Interim Condensed Financial Statements
 簡明中期財務報表附註

11. TRADE PAYABLES

The credit terms granted by suppliers are generally for a period of 30 to 60 days.

The aging analysis of the trade payables, based on invoice dates, is as follows:

Within 30 days	30日內
31 – 60 days	31至60日
61 – 180 days	61至180日
181 – 365 days	181至365日
Over 1 year	一年以上

11. 應付貿易賬款

供應商授出的信貸期一般為30至60日。

應付貿易賬款按發票日期的賬齡分析如下：

At 30 June 2020	At 31 December 2019
於二零二零年 六月三十日	於二零一九年 十二月三十一日
RMB'000	RMB'000
人民幣千元	人民幣千元
(Unaudited)	(Audited)
(未經審核)	(經審核)
8,219	63,905
7,863	19,589
34,383	9,352
17,288	2,118
5,476	3,093
73,229	98,057

12. OPERATING LEASE ARRANGEMENTS

Group as lessor

The Group sub-leases out a number of land and buildings under operating leases. One of the leases run for an initial period of ten years and is cancellable with four months' notice. The rentals on this lease are calculated based on a percentage of the relevant sales of the tenants pursuant to the rental agreement. Contingent rents recognised in the profit or loss during the six months ended 30 June 2019 and 2020 are disclosed in note 5 to these financial statements. All other leases are cancellable with one to two months' notice.

The Group leases the investment properties under operating lease for initial periods of six to ten years.

The total future minimum lease receivables under non-cancellable operating leases from independent third parties are as follows:

Not later than one year	不遲於一年	71,096	72,035
Later than one year and not later than two years	遲於一年及不遲於兩年	63,795	68,174
Later than two years and not later than three years	遲於兩年及不遲於三年	49,270	57,591
Later than three years and not later than four years	遲於三年及不遲於四年	35,682	42,195
Later than four years and not later than five years	遲於四年及不遲於五年	21,524	27,866
Later than 5 years	五年以上	66,962	76,434

308,329

12. 經營租賃安排

本集團作為出租人

本集團根據經營租賃分租多項土地及樓宇。其中一項租賃初步為期十年，並可於發出四個月通知後予以撤銷。此項租賃的租金乃按租賃協議項下租戶相關銷售的百分比計算。截至二零一九年及二零二零年六月三十日止六個月，在損益確認的或然租金已於財務報表附註5披露。所有其他租賃可發出一至兩個月通知後予以撤銷。

本集團根據經營租賃租用投資物業，初步租期為六至十年。

根據不可撤銷經營租賃應收獨立第三方之未來最低租金總額如下：

At 30 June 2020 於二零二零年六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
71,096	72,035
63,795	68,174
49,270	57,591
35,682	42,195
21,524	27,866
66,962	76,434
308,329	344,295

12. OPERATING LEASE ARRANGEMENTS (CONTINUED)

Group as lessor (continued)

The total future minimum lease receivables under non-cancellable operating lease from related parties, namely JH Real Estate and BJH Group, companies in which Mr. Zhuang Lu Kun and Mrs. Zhuang Su Lan, the wife of Mr. Zhuang Lu Kun, have beneficial interests, is as follow:

12. 經營租賃安排(續)

本集團作為出租人(續)

根據不可撤銷經營租賃，未來應收關連方佳華房地產及百佳華集團(莊陸坤先生及莊素蘭女士(莊陸坤先生妻子)擁有實益權益)之最低租賃付款總額如下：

	At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Not later than one year	3,810	3,993
Later than one year and not later than two years	3,800	3,761
Later than two years and not later than three years	3,930	3,872
Later than three years and not later than four years	3,056	3,821
Later than four years and not later than five years	2,418	2,418
Later than 5 years	2,941	4,150
	19,955	22,015

13. RELATED PARTY TRANSACTIONS

In addition to those transactions and balances detailed elsewhere in this Interim Condensed Financial Statements, the following transactions were carried out with related parties:

(a) Transactions with BJH Group

Operating lease rentals income in respect of land and buildings

有關土地及樓宇的經營租賃租金收入

(i) The amounts were determined in accordance with the terms of the underlying agreements.

(b) During the six months ended 30 June 2020, the Group leased properties to JH Real Estate, the operating lease rental receivable was approximately RMB 383,000 (six months ended 30 June 2019: 365,000). The amount was determined in accordance with the terms of the underlying agreement.

13. 關連人士交易

除本簡明中期財務報表其他部分詳列之交易及結餘外，以下為與關連人士進行之交易：

(a) 與百佳華集團之交易

Six months ended 30 June
 截至六月三十日止六個月

Notes 附註	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
(i)	1,133	1,096

(i) 該款項乃根據相關協議條款釐定。

(b) 於截至二零二零年六月三十日止六個月，本集團向佳華房地產出租物業，應收營運租賃租金約人民幣383,000元（截至二零一九年六月三十日止六個月：人民幣365,000）。該等款項乃按相關協議條款釐定。

13. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Compensation of key management personnel

13. 關連人士交易 (續)

(c) 主要管理人員酬金

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Wages, salaries and allowances (short-term employee benefits)	工資、薪金及津貼 (短期員工福利)	1,436	1,420
Pension costs – defined contribution retirement scheme (post-employment benefits)	退休金成本 – 一定額供款退休計劃 (離職後福利)	41	48
		1,477	1,468

14. PROFESSIONAL TAX ADVICE RECOMMENDED

If the shareholders of the Company are unsure about the taxation implications of purchasing, holdings, disposing of, dealing in, or the exercise of any rights in relation to, the shares, they are advised to consult an expert.

15. TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to shareholders by reason of their holding of the Company's securities.

14. 建議尋求專業稅務意見

倘若本公司股東對購買、持有、出售、買賣股份或行使任何有關股份之權利的稅務影響有所疑問，彼等應諮詢專家意見。

15. 稅務減免

本公司並不知悉股東因持有本公司證券而可享有之任何稅務減免。

16. PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Director's and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance (Chapter 622, Laws of Hong Kong) when the Directors' Report prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance (Chapter 622, Laws of Hong Kong).

17. COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS THAT HAVE A SIGNIFICANT IMPACT ON THE COMPANY

The Group is continuously monitoring their compliance to ensure that the Group abides by such laws and regulations from time to time. Besides those general laws and regulations such as the Company Law of the PRC, the Listing Rules of Hong Kong Stock Exchange, the Group has also complied in all material respects with all the laws and regulations that have a significant impact on the business of the Group.

18. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The Interim Condensed Financial Statements were approved and authorised for issue by the Board of Directors on 27 August 2020.

16. 獲准許之彌償條文

本公司已就其董事及高級管理層可能會面對由企業活動產生之法律行動，為董事及行政人員之職責作適當投保安排。基於董事利益之獲准許彌償條文根據公司條例（香港法例第622章）第470條之規定於董事編製之董事報告按照公司條例（香港法例第622章）第391(1)(a)條獲通過時生效。

17. 遵守對公司有重大影響的有關法律及規例情況

本集團持續監控相關遵守情況，以確保本集團可持續遵守對公司有重大影響的有關法律及規例。除遵守中國公司法、香港聯交所上市規則等常規法律、規例外，於報告期內，本集團亦在各重大方面遵守對本集團業務有重要影響的法律及規例。

18. 批准簡明中期財務報表

簡明中期財務報表於二零二零年八月二十七獲董事會批准及授權刊發。

Corporate Governance and Other Information

企業管治及其他資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2020, the interests or short positions of the Directors and chief executives in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required notification 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 any such Director and chief executives is taken or deemed to have under such provisions of the SFO); or which (b) were required pursuant to Section 352 of the SFO to be entered into the register maintained by the Company; or which (c) were required, pursuant to Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

董事及最高行政人員於本公司或其相聯法團股份及相關股份的權益及淡倉

於二零二零年六月三十日，董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份及相關股份中，擁有(a)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的權益或淡倉（包括任何有關董事及最高行政人員根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉）；或(b)根據證券及期貨條例第352條須載入本公司所存置登記冊內的權益或淡倉；或(c)根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益及淡倉如下：

Ordinary Shares of HK\$0.01 each of the Company

本公司每股面值0.01港元的普通股

Name 姓名	Capacity 身分	Number of shares/ Underlying Shares Held 所持股份/相關股份數目			Percentage of Issued Shares 佔已發行 股份百分比
		Personal Interest 個人權益	Family Interest 家族權益	Total Interest 權益總額	
Mr. Zhuang Lu Kun (“Mr. Zhuang”) 莊陸坤先生 （「莊先生」）	Beneficial Owner 實益擁有人	467,985,000	67,500,000 (Note 1) (附註1)	535,485,000	51.61%
Mr. Zhuang Xiao Xiong 莊小雄先生	Beneficial Owner 實益擁有人	75,000,000	-	75,000,000	7.23%

Corporate Governance and Other Information 企業管治及其他資料

Note:

- (1) 67,500,000 Shares are held by Mrs. Zhuang Su Lan ("Mrs. Zhuang"). Since Mrs. Zhuang is the spouse of Mr. Zhuang, under the SFO, Mr. Zhuang is deemed to be interested in the said Shares held by Mrs. Zhuang.

All the interests disclosed above represent long position in the shares and underlying shares of the Company.

Other than those disclosed in note 13 to the interim condensed financial statements (which were approved by the independent non-executive Directors and in the opinion of the Directors were carried out on normal commercial terms and in ordinary course of the Group's business), no contracts of significance in relation to the Group's business to which the Company, its holding company, fellow subsidiaries or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Period or at any time during the Period. At no time during the Period was the Company, its holding company, fellow subsidiaries or any of its subsidiaries a party of any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, none of Directors, nor their associates, had any other interests or short positions in the shares and underlying shares of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (a) were required notification 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 any such Director or chief executive is taken or deemed to have under such provisions of the SFO); or which (b) were required pursuant to Section 352 of the SFO to be entered into the register maintained by the Company; or which (c) were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company or the Stock Exchange.

附註：

- (1) 67,500,000 股股份由莊素蘭女士（「莊太太」）持有。由於莊太太為莊先生的配偶，故根據證券及期貨條例，莊先生被視作於莊太太持有的上述股份中擁有權益。

上文披露的所有權益指於本公司股份及相關股份的好倉。

除簡明中期財務報表附註13披露者（經獨立非執行董事批准且董事認為乃於本集團日常業務中按一般商業條款進行）外，於期終及期內任何時間，本公司、其控股公司、同系附屬公司或其任何附屬公司概無訂立任何與本集團業務有關，且董事於當中直接或間接擁有重大權益的重大合約。於期內任何時間，本公司、其控股公司、同系附屬公司或其任何附屬公司概無訂立任何安排，致使董事可藉購入本公司或任何其他他人團體的股份或債券而獲益。

除上文披露者外，董事及彼等的聯繫人士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）的股份及相關股份中，擁有(a)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的權益或淡倉（包括任何有關董事或主要行政人員根據證券及期貨條例有關條文被當作或視作擁有的權益或淡倉）；或(b)根據證券及期貨條例第352條須載入本公司所存置登記冊內的權益或淡倉；或(c)根據上市規則所載標準守則須知會本公司及聯交所的權益及淡倉。

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2020, according to the register kept by the Company pursuant to Section 336 of the SFO, and so far as was known to any Director, the following persons (other than the interests of certain Directors disclosed under the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any associated Corporation" above), had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

主要股東權益

於二零二零年六月三十日，按照本公司根據證券及期貨條例第336條存置的登記冊所示，及據董事所知悉，除上文「董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債券的權益及淡倉」一節所披露若干董事之權益外，下列人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益或淡倉：

Name 姓名	Capacity 身份	Personal Interest 個人權益	Family Interest 家族權益	Total 總計	Approximate percentage of shareholding 股權概約百分比
Mrs. Zhuang 莊太	Beneficial owner 實益擁有人	67,500,000	467,985,000 (Note 1) (附註1)	535,485,000	51.61%
Ms. Zhuang Xiao Yun 莊小雲女士	Beneficial owner 實益擁有人	75,000,000 (Note 2) (附註2)	-	75,000,000	7.23%
Ms. Chen Li Jun 陳麗君女士	Beneficial owner 實益擁有人	75,000,000 (Note 3) (附註3)	-	75,000,000	7.23%

Note:

- (1) 467,985,000 Shares are held by Mr. Zhuang. Since Mr. Zhuang is the spouse of Mrs. Zhuang, under the SFO, Mrs. Zhuang is deemed to be interested in the said Shares held by Mr. Zhuang.
- (2) Ms. Zhuang Xiao Yun is the daughter of Mr. Zhuang and Mrs. Zhuang.
- (3) Ms. Chen Li Jun is the daughter-in-law of Mr. Zhuang and Mrs. Zhuang.

附註：

- (1) 該467,985,000股股份由莊先生持有。由於莊先生為莊太的配偶，故根據證券及期貨條例，莊太被視作於莊先生持有的上述股份中擁有權益。
- (2) 莊小雲女士為莊生及莊太之女兒。
- (3) 陳麗君女士為莊生及莊太之媳婦。

Corporate Governance and Other Information 企業管治及其他資料

Save as disclosed above, there was no other person known to the Directors, other than the Directors, who, as at 30 June 2020, had an interest or a short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

DIVIDEND DISTRIBUTION

The directors do not recommend payment of an interim dividend for the Period.

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

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

CORPORATE GOVERNANCE CODE

The Company complied with the code provisions of the Corporate Governance Code (the "Code") and Corporate Governance Report set out in Appendix 14 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The Company had complied with the provisions of the Code throughout the Period save as disclosed below.

Code provision E.1.2 of the Code requires that the chairman of the board should attend the annual general meeting. Mr. Zhuang Lu Kun, the Chairman of the Board was unable to attend the annual general meeting of the Company held on 4 June 2020 due to his other business engagements.

除上文披露者外，於二零二零年六月三十日，就董事所知，除董事外概無任何人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益或淡倉。

股息分派

董事不建議派付期內中期股息。

買賣或贖回本公司的上市證券

本公司或其任何附屬公司於期內並無買賣或贖回本公司任何上市證券。

企業管治

本公司已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載企業管治守則（「守則」）及企業管治報告項下守則條文。除下文所披露外，本公司於期內一直遵守守則之條文。

根據守則下之守則條文E.1.2條，董事會主席應出席本公司之股東周年大會。由於董事會主席莊陸坤先生公務繁忙，故未能出席本公司於二零二零年六月四日舉行的股東周年大會。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Listing Rules as the Company’s own code for securities transactions by its Directors. Following specific detailed enquiries made with all Directors, the Company confirms that all Directors have fully complied with the required standards set out in the Model Code during the six months ended 30 June 2020.

REMUNERATION COMMITTEE

The Company has established a remuneration committee on 30 April 2007. The remuneration committee, which comprises the three Independent Non-executive Directors and one Executive Director, is responsible for reviewing and determining the appropriate remuneration policies of the Directors and senior management and making recommendations to the Board from time to time.

NOMINATION COMMITTEE

The Company has established a nomination committee on 30 April 2007. The nomination committee, which comprises the three Independent Non-executive Directors, is responsible for determining the criteria for identifying candidates suitably qualified, reviewing nominations for the appointment of Directors to the Board and making recommendations to the Board regarding any proposed changes.

進行證券交易的標準守則

董事會已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為本公司本身有關董事進行證券交易的準則。經向全體董事作出具體詳細查詢後，本公司確認，全體董事於截至二零二零年六月三十日止六個月期間一直全面遵守標準守則所載規定準則。

薪酬委員會

本公司於二零零七年四月三十日成立薪酬委員會。薪酬委員會由三名獨立非執行董事及一名執行董事組成，負責檢討及釐定董事及高級管理人員的合適薪酬政策，並不時向董事會提出推薦意見。

提名委員會

本公司於二零零七年四月三十日成立提名委員會。提名委員會由三名獨立非執行董事組成，負責釐定甄選合資格人選的標準、審閱委任董事加入董事會的提名及就任何建議變動向董事會提出推薦意見。

AUDIT COMMITTEE

The Audit Committee consists of three non-executive Directors, namely Mr. Chin Kam Cheung, Mr. Sun Ju Yi and Mr. Ai Ji. Mr. Chin Kam Cheung, who holds the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules, serves as the chairman of the Audit Committee. The primary duties of the Audit Committee include examining independently the financial positions of the Company, overseeing the Company's financial reporting system, risk management and internal control system, the audit process and proposals of internal management, communicating independently with, monitoring and verifying the work of internal audit and external auditors. The Audit Committee reviewed the financial reporting system, compliance procedures, internal control (including the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function), risk management systems and processes and the reappointment of the external auditor and fulfilled duties as required aforesaid. The Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor. They also reviewed the unaudited interim result for the six months ended 30 June 2020. There are proper arrangements for employees, in confidential, to raise concerns about possible improprieties in financial reporting, internal control and other matters. The written terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

審核委員會

審核委員會由三名獨立非執行董事組成，即錢錦祥先生、孫聚義先生及艾及先生。錢錦祥先生擁有上市規則第3.10(2)及3.21條規定的適當專業資格，出任審核委員會主席一職。審核委員會的主要職責包括獨立審查本公司的財務狀況、監察本公司的財務報告系統、風險管理及內部監控系統、審核過程及內部管理建議、與內部審計及外聘核數師獨立溝通，並監督及核實彼等的工作。審核委員會檢討財務申報制度、合規程序、內部監控(包括本公司在會計及財務申報職能方面的資源、員工資歷及經驗是否足夠，以及培訓課程及預算是否充足)、風險管理制度及程序以及外聘核數師的續聘及履行上述規定的職責。董事會並無偏離審核委員會就挑選、委任、辭退或罷免外聘核數師所提供的任何建議。彼等亦審閱截至二零二零年六月三十日止六個月的未經審核中期業績。該委員會為僱員作出適當安排，讓彼等可以保密方式就財務申報、內部監控及其他事宜可能出現的不當行為提出疑問。審核委員會的書面職權範圍可於本公司及聯交所網站查閱。

INTERIM REPORT

The 2020 Interim Report will be despatched to shareholders and published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (www.szbjh.com) in due course.

On behalf of the Board
Jiahua Stores Holdings Limited

Zhuang Lu Kun
Chairman

Shenzhen, the PRC
27 August 2020

As at the date of this report,
the Board comprises:

Executive Directors:
Zhuang Lu Kun, Zhuang Pei Zhong,
Zhuang Xiao Xiong

Independent Non-executive Directors:
Chin Kam Cheung, Sun Ju Yi, Ai Ji

中期報告

二零二零年中期報告將於適當時
候向股東寄發，並於聯交所網站
(www.hkex.com.hk)及本公司網站
(www.szbjh.com)內刊登。

代表董事會
佳華百貨控股有限公司

董事長
莊陸坤

中國，深圳
二零二零年八月二十七日

於本報告日期，
董事會成員包括：

執行董事：
莊陸坤、莊沛忠、
莊小雄

獨立非執行董事：
錢錦祥、孫聚義、艾及

香港地址：香港九龍尖沙咀廣東道5號海港城海洋中心7樓715室
電話：(00852) 3620 2368

Hong Kong Address: Suite 715, 7/F, Ocean Centre, Harbour City,
5 Canton Road, Tsimshatsui, Kowloon
Tel: (00852) 3620 2368

www.szbjh.com