



# 颐海國際控股有限公司

## YIHAI INTERNATIONAL HOLDING LTD.

(於開曼群島註冊成立的有限公司)  
(Incorporated in the Cayman Islands with limited liability)  
股份代號 Stock Code: 1579

# 2020 / Annual Report

## 年度報告



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## Definitions

### 釋義

“AGM”	the annual general meeting of the Company to be held in Shanghai on Friday, 21 May 2021 at 10:00 a.m. or any adjournment thereof	「股東週年大會」	指	將於2021年5月21日(星期五)上午十時正於上海舉行的本公司股東週年大會或其任何續會
“Articles of Association”	the articles of association of the Company, as amended from time to time	「組織章程細則」	指	本公司的組織章程細則(經不時修訂)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules	「聯繫人」	指	具有上市規則所賦予的涵義
“Audit Committee”	the audit committee of the Board	「審計委員會」	指	董事會轄下的審計委員會
“Board”	the board of Directors of the Company	「董事會」	指	本公司董事會
“Cayman Islands Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time	「開曼群島公司法」	指	開曼群島法例第22章公司法(1961年第3號法例, 經綜合及修訂), 經不時修訂、補充或以其他方式修改
“Chengdu Lease Agreement”	the lease agreement dated 6 July 2018 entered into between Chengdu Yueyihai and Sichuan Haidilao in connection with the lease of a parcel of land with the properties and fixtures thereon by Sichuan Haidilao to Chengdu Yueyihai	「成都租賃協議」	指	成都悅頤海與四川海底撈於2018年7月6日訂立的租賃協議, 內容有關四川海底撈向成都悅頤海租賃一幅土地連同其上的物業及裝置物
“Chengdu Yueyihai”	Chengdu Yueyihai Co., Ltd.* (成都悅頤海商貿有限公司), a limited liability company incorporated in the PRC on 28 April 2014 and an indirectly wholly-owned subsidiary of the Company	「成都悅頤海」	指	成都悅頤海商貿有限公司, 一家於2014年4月28日在中國註冊成立的有限公司, 為本公司的間接全資附屬公司
“China” or “PRC”	the People’s Republic of China and, except where the context requires, references in this annual report to the PRC or China exclude Hong Kong, Macau and Taiwan	「中國」	指	中華人民共和國, 除非文義另有所指外, 否則本年報對中國的提述不包括香港、澳門及台灣
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time	「公司條例」	指	香港法例第622章《公司條例》, 經不時修訂、補充或以其他方式修改
“Company”	YIHAI INTERNATIONAL HOLDING LTD. (頤海國際控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 18 October 2013	「本公司」	指	頤海國際控股有限公司, 一家於2013年10月18日在開曼群島註冊成立的獲豁免有限公司

“Controlling Shareholders”	has the meaning ascribed thereto under the Listing Rules, and unless the context otherwise requires, refers to Mr. Zhang Yong, the non-executive Director, Ms. Shu Ping, (the executive Director and spouse of Mr. Zhang Yong) and ZYSP YIHAI Ltd	「控股股東」	指 具有上市規則所賦予的涵義，除非文義另有所指外，否則指張勇先生（非執行董事）、舒萍女士（執行董事及張勇先生的配偶）及 ZYSP YIHAI Ltd
“Corporate Governance Code”	Corporate Governance Code as set out in Appendix 14 to the Listing Rules	「企業管治守則」	指 上市規則附錄十四所載《企業管治守則》
“Director(s)”	director(s) of the Company	「董事」	指 本公司董事
“Financial Statements”	the consolidated financial statements of the Group for the year ended 31 December 2020 as audited by PricewaterhouseCoopers	「財務報表」	指 經羅兵咸永道會計師事務所審核，本集團截至2020年12月31日止年度的綜合財務報表
“Framework Sales and Purchase Agreements”	collectively, the hotpot soup flavouring products sales agreement dated 6 July 2018 entered into between Yihai Shanghai and the Joint Venture in relation to the sales of hotpot soup flavouring products from Yihai Shanghai and its subsidiaries to the Joint Venture, and the self-serving small hotpot products sales agreement dated 6 July 2018 entered into between the Joint Venture and Yihai Shanghai in relation to the sales of Small Hot Pot Products by the Joint Venture to Yihai Shanghai and its subsidiaries	「產品互供框架協議」	指 頤海上海與合資公司於2018年7月6日訂立的火鍋底料產品銷售協議（內容有關頤海上海及其附屬公司向合資公司出售火鍋底料產品）及合資公司與頤海上海於2018年7月6日訂立的自加熱小火鍋產品銷售協議（內容有關合資公司向頤海上海及其附屬公司出售小火鍋產品）的統稱
“Group”	the Company and its subsidiaries	「本集團」	指 本公司及其附屬公司
“Haidilao”	Haidilao International Holding Ltd., whose shares are listed on the Stock Exchange (stock code: 6862)	「海底撈」	指 海底撈国际控股有限公司，其股份於聯交所上市（股份代號：6862）
“Haidilao Customized Products”	the hot pot soup flavoring and Chinese-style compound condiment products manufactured by the Group using formulas owned by Haidilao Group for use in its hot pot restaurants	「海底撈定製產品」	指 使用海底撈集團擁有的配方製成並在其火鍋餐廳使用的火鍋底料及中式複合調味品
“Haidilao Group”	Haidilao and its subsidiaries	「海底撈集團」	指 海底撈及其附屬公司



## Definitions

### 釋義

“Haidilao Master Sales Agreement”	the master sales agreement dated 6 July 2018, entered into between Yihai Shanghai and Singapore Haidilao, each for itself and on behalf of its subsidiaries, in relation to the supply of Haidilao Customized Products and Haidilao Retail Products by the Group to the Haidilao Group	「海底撈總銷售協議」	指	日期為2018年7月6日的總銷售協議，由頤海上海與新加坡海底撈（各自為其本身及代表其附屬公司）就本集團向海底撈集團供應海底撈定製產品及海底撈零售產品而訂立
“Haidilao Retail Products”	the retail hot pot soup flavoring, hot pot dipping sauce and Chinese-style compound condiment products manufactured by the Group using formulas the Group owns for display and sale to consumers in Haidilao Group hot pot restaurants, which are the same products as those sold by the Group through independent third party distributors	「海底撈零售產品」	指	本集團使用本集團擁有的配方製成的零售火鍋底料，火鍋蘸料及中式複合調味品，在海底撈集團火鍋餐廳向消費者展示及銷售，與本集團通過獨立第三方經銷商銷售的產品相同
“HK\$”, “HKD” or “HK dollars” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong	「港元」及「港仙」	分別指	香港法定貨幣港元及港仙
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC	「香港」	指	中國香港特別行政區
“Jingyuan Investment”	Jiayang City Jingyuan Investment Co., Ltd.* (簡陽市靜遠投資有限公司), a limited liability company incorporated in the PRC on 13 March 2009, which is held as to 68% by Mr. Zhang and Ms. Shu (the Controlling Shareholders), 32% by Mr. Shi Yonghong (the executive Director) and his wife	「靜遠投資」	指	簡陽市靜遠投資有限公司，一家於2009年3月13日在中國成立的有限責任公司，由張勇先生及舒萍女士（控股股東）持有68%，由施永宏先生（執行董事）及其妻子持有32%
“Joint Venture”	Fuhai (Shanghai) Food Technology Co., Ltd.* (馥海(上海)食品科技有限公司), a company incorporated in the PRC and a 60% owned subsidiary of the Company	「合資公司」	指	馥海(上海)食品科技有限公司，一家在中國成立的公司，為本公司擁有60%股權的附屬公司
“Latest Practicable Date”	13 April 2021, being the latest practicable date prior to the printing of this annual report for the purpose of ascertaining the information contained herein	「最後實際可行日期」	指	2021年4月13日，即本年報付印前確定其中所載若干資料的最後實際可行日期

“Leda Haisheng”	Shanghai Leda Haisheng Enterprise Management Consulting Co., Ltd.* (上海樂達海生企業管理諮詢有限公司), a limited liability company incorporated in the PRC on May 23, 2017, which is held as to approximately 62.70% by Beijing Yihan Consulting Management Co., Ltd.* (北京宜涵諮詢管理有限公司), a company controlled by Mr. Zhang Yong and Ms. Shu Ping and approximately 14.85% by Mr. Shi Yonghong	「樂達海生」	指	上海樂達海生企業管理諮詢有限公司，一家於2017年5月23日在中國註冊成立的有限責任公司，分別由北京宜涵諮詢管理有限公司（由張勇先生及舒萍女士控制的公司）及施永宏先生擁有約62.70%及約14.85%
“Listing Date”	13 July 2016, the date on which the Shares were listed on the main board of the Stock Exchange	「上市日期」	指	2016年7月13日，股份於聯交所主板上市的日期
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited	「上市規則」	指	香港聯合交易所有限公司證券上市規則
“Macau”	the Macau Special Administrative Region of the PRC	「澳門」	指	中國澳門特別行政區
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules	「標準守則」	指	上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》
“Nomination Committee”	the nomination committee of the Board	「提名委員會」	指	董事會轄下的提名委員會
“Non-competition Undertaking”	the non-competition undertaking entered into between the Company and the Controlling Shareholders on 25 June 2016	「不競爭承諾」	指	本公司與控股股東於2016年6月25日訂立的不競爭承諾
“Prospectus”	the prospectus being issued by the Company on 30 June 2016	「招股章程」	指	本公司於2016年6月30日刊發的招股章程
“Remuneration Committee”	the remuneration committee of the Board	「薪酬委員會」	指	董事會轄下的薪酬委員會
“Renminbi” or “RMB”	Renminbi yuan, the lawful currency of the PRC	「人民幣」	指	中國法定貨幣人民幣元
“RSU”	the restricted share units granted to RSU participants pursuant to the RSU Scheme	「受限制股份單位」	指	根據受限制股份單位計劃向受限制股份單位參與者授出的受限制股份單位

## Definitions

### 釋義

“RSU Scheme”	the RSU scheme approved and adopted by the Company on 24 February 2016 for the grant of RSUs to RSU participants, a summary of the principal terms of which is set forth in the section headed “Appendix IV – Statutory and General Information – D. RSU Scheme” of the Prospectus	「受限制股份單位計劃」	指	本公司就向受限制股份單位參與者授出受限制股份單位而於2016年2月24日批准及採納的受限制股份單位計劃，其主要條款概要載於招股章程「附錄四 – 法定及一般資料 – D. 受限制股份單位計劃」一節
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time	「證券及期貨條例」	指	香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.00001 each	「股份」	指	本公司股本中每股面值0.00001美元的普通股
“Shareholder(s)”	shareholder(s) of the Company	「股東」	指	本公司股東
“Shuhai Purchase Agreement”	the purchase agreement dated 10 June 2019 entered into between the Company and Shuhai Supply Chain in relation to the sale of food ingredients by the Shuhai Supply Chain Group to the Group	「蜀海購買協議」	指	本公司與蜀海供應鏈之間訂立的日期為2019年6月10日的購買協議，內容有關蜀海供應鏈向本集團銷售食材
“Shuhai Sales Agreement”	the sales agreement dated 6 July 2018 entered into between Yihai Shanghai and Shuhai Supply Chain in relation to the sale of hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products by the Group to Shuhai Supply Chain Group	「蜀海銷售協議」	指	頤海上海與蜀海供應鏈之間訂立的日期為2018年7月6日的銷售協議，內容有關本集團向蜀海供應鏈集團銷售火鍋底料產品、火鍋蘸料產品及其他複合調味品
“Shuhai Supply Chain”	Shuhai (Beijing) Supply Chain Management Co., Ltd.* (蜀海(北京)供應鏈管理有限責任公司), a limited liability company established in the PRC on 3 June 2014 and is held as to approximately 45% by Leda Haisheng, and 27.56% by Jinghai Investment	「蜀海供應鏈」	指	蜀海(北京)供應鏈管理有限責任公司，一家於2014年6月3日在中國成立的有限責任公司，由樂達海生持有約45%及由靜海投資持有27.56%
“Shuhai Supply Chain Group”	Shuhai Supply Chain and its subsidiaries	「蜀海供應鏈集團」	指	蜀海供應鏈及其附屬公司

“Shuhai Warehouse Storage Service Agreement”	the warehouse storage service agreement dated 6 July 2018 entered into between Yihai Shanghai and Shuhai Supply Chain in relation to the provision of warehousing facilities and related services by Shuhai Supply Chain Group to the Group	「蜀海倉儲服務協議」	指	頤海上海與蜀海供應鏈之間訂立的日期為2018年7月6日的倉儲服務協議，內容有關蜀海供應鏈集團向本集團提供倉儲設施及相關服務
“Sichuan Haidilao”	Sichuan Haidilao Catering Co., Ltd. (四川海底撈餐飲股份有限公司), previously known as Sichuan Jianyang Haidilao Catering Co., Ltd. (四川省簡陽市海底撈餐飲有限責任公司) a limited company incorporated in the PRC on April 16, 2001, which is owned as to 50% by Jingyuan Investment, 25.50% by Mr. Zhang Yong, 8% by Ms. Li Haiyan (李海燕), 8% by Ms. Shu Ping, 8% by Mr. Shi Yonghong (施永宏), 0.20% by Ms. Yang Lijuan (楊利娟), 0.10% by Mr. Yuan Huaqiang (袁華強), 0.10% by Mr. Gou Yiqun (苟軼群), 0.06% by Mr. Chen Yong (陳勇) and 0.04% by Mr. Yang Bin (楊賓), and its predecessor (as the case maybe).	「四川海底撈」	指	四川海底撈餐飲股份有限公司及其前身(視情況而定)(前稱為四川省簡陽市海底撈餐飲有限責任公司)，一家於2001年4月16日在中國註冊成立的有限公司，分別由靜遠投資、張勇先生、李海燕女士、舒萍女士、施永宏先生、楊利娟女士、袁華強先生、苟軼群先生、陳勇先生及楊賓先生擁有50%、25.50%、8%、8%、8%、0.20%、0.10%、0.10%、0.06%及0.04%
“Sichuan Haidilao Group”	Sichuan Haidilao and its subsidiaries	「四川海底撈集團」	指	四川海底撈及其附屬公司
“Sichuan Haidilao Warehouse Storage Service Agreement”	the warehouse storage service agreement dated 6 July 2018, entered into between Sichuan Haidilao and Yihai Shanghai, each for itself and on behalf of its subsidiaries, Sichuan Haidilao Group agreed to provide warehousing facilities and related services, including sorting process management, stocktaking and other logistics services, to the Group for products we sell to Haidilao Group	「四川海底撈倉儲服務協議」	指	四川海底撈與頤海上海(各自為其本身及代表其附屬公司)於2018年7月6日訂立的倉儲服務協議，四川海底撈集團同意向本集團提供倉儲設施及相關服務，包括分類程序管理、庫存盤點及其他物流服務，以供我們售予海底撈集團的產品之用
“Singapore Haidilao”	HAI DI LAO HOLDING PTE. LTD., a private company limited by shares incorporated in Singapore and is a wholly-owned subsidiary of Haidilao	「新加坡海底撈」	指	HAI DI LAO HOLDING PTE. LTD.，一家於新加坡註冊成立的私人股份有限公司，並為海底撈的全資附屬公司



## Definitions

### 釋義

“Small Hot Pot Products”	the self-serving small hot pot products manufactured and sold by the Joint Venture	「小火鍋產品」	指	合資公司將予生產及銷售的自加熱小火鍋產品
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	指	香港聯合交易所有限公司
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto under the Listing Rules	「附屬公司」	指	具有上市規則所賦予的涵義
“Yihai (China)”	Yihai (China) Food Co., Limited (頤海(中國)食品有限公司), a company with limited liability incorporated in Hong Kong on 6 December 2013 and an indirectly wholly-owned subsidiary of the Company	「頤海(中國)」	指	頤海(中國)食品有限公司，一家於2013年12月6日在香港註冊成立的有限公司，為本公司的間接全資附屬公司
“Yihai Shanghai”	Yihai (Shanghai) Food Co., Ltd. (頤海(上海)食品有限公司), a foreign investment enterprise established in the PRC on 1 December 2014 and an indirectly wholly-owned subsidiary of the Company	「頤海上海」	指	頤海(上海)食品有限公司，一家於2014年12月1日在中國註冊成立的外資企業，為本公司的間接全資附屬公司
“ZYSP YIHAI Ltd”	a business company with limited liability incorporated in the British Virgin Islands on 10 October 2013, one of the Controlling Shareholders	「ZYSP YIHAI Ltd」	指	一家於2013年10月10日在英屬處女群島註冊成立的商業有限公司，為控股股東之一
“US dollars”, “USD” or “US\$”	United States dollars, the lawful currency of the United States	「美元」	指	美國法定貨幣美元
“%”	percentage	「%」	指	百分比

**BOARD OF DIRECTORS****Executive Directors**

Mr. Shi Yonghong (*Chairman*)  
 Mr. Guo Qiang (*Executive Chief Officer*)  
 Mr. Sun Shengfeng  
 Ms. Shu Ping  
 Mr. Zhao Xiaokai <sup>(Note)</sup>

**Non-executive Directors**

Mr. Zhang Yong

**Independent Non-executive Directors**

Mr. Yau Ka Chi  
 Mr. Qian Mingxing  
 Ms. Ye Shujun

**AUDIT COMMITTEE**

Mr. Yau Ka Chi (*Chairman*)  
 Mr. Qian Mingxing  
 Ms. Ye Shujun

**REMUNERATION COMMITTEE**

Ms. Ye Shujun (*Chairman*)  
 Ms. Shu Ping  
 Mr. Qian Mingxing

**NOMINATION COMMITTEE**

Mr. Shi Yonghong (*Chairman*)  
 Mr. Qian Mingxing  
 Ms. Ye Shujun

Note:

With effect from 25 August 2020, Ms. Dang Chunxiang resigned from her positions as an executive Director and vice president of the Company and Mr. Zhao Xiaokai was appointed as an executive Director. Please refer to the announcement of the Company dated 25 August 2020 for details.

**董事會****執行董事**

施永宏先生 (*董事長*)  
 郭強先生 (*首席執行官*)  
 孫勝峰先生  
 舒萍女士  
 趙曉凱先生 <sup>(註)</sup>

**非執行董事**

張勇先生

**獨立非執行董事**

邱家賜先生  
 錢明星先生  
 葉蜀君女士

**審計委員會**

邱家賜先生 (*主席*)  
 錢明星先生  
 葉蜀君女士

**薪酬委員會**

葉蜀君女士 (*主席*)  
 舒萍女士  
 錢明星先生

**提名委員會**

施永宏先生 (*主席*)  
 錢明星先生  
 葉蜀君女士

註：

自2020年8月25日起，黨春香女士已辭任本公司執行董事兼副總裁的職位和趙曉凱先生已獲委任為執行董事，有關詳情請參閱本公司日期為2020年8月25日的公告。

## Corporate Information

### 公司資料

#### JOINT COMPANY SECRETARIES

Mr. Sun Shengfeng  
Ms. Chan Yin Wah

#### AUTHORIZED REPRESENTATIVES

Mr. Sun Shengfeng  
Ms. Chan Yin Wah

#### AUDITOR

PricewaterhouseCoopers  
*Certified Public Accountants and Registered PIE Auditor*

#### LEGAL ADVISER

Davis Polk & Wardwell

#### REGISTERED OFFICE

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#### CORPORATE HEADQUARTERS

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#### 聯席公司秘書

孫勝峰先生  
陳燕華女士

#### 授權代表

孫勝峰先生  
陳燕華女士

#### 核數師

羅兵咸永道會計師事務所  
*註冊會計師及註冊公眾利益實體核數師*

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**HONG KONG SHARE REGISTRAR**

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**STOCK CODE**

The Stock Exchange of Hong Kong Limited: 1579

**開曼群島主要股份過戶登記處和過戶代表**

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香港聯合交易所有限公司：1579

## Five-Year Performance Review

### 五年業績回顧

#### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (RMB' 000)

#### 簡明綜合損益及其他全面收益表

(人民幣千元)

Year ended 31 December  
截至12月31日止年度

		2020 2020年	2019 2019年	2018 2018年	2017 2017年	2016 2016年
Revenue	收入	5,360,021	4,282,488	2,681,373	1,646,221	1,088,014
Gross profit	毛利	2,090,110	1,641,400	1,038,897	611,806	416,942
Profit before income tax	除所得稅前溢利	1,352,183	1,093,620	730,501	369,080	255,089
Profit for the period	期內溢利	982,861	795,005	547,904	261,090	186,720
Profit attributable to:	以下人士應佔溢利：					
- Owners of the Company	- 本公司擁有人	885,222	718,634	517,793	260,670	186,720

#### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (RMB' 000)

#### 簡明綜合財務狀況表 (人民幣千元)

As at 31 December  
於12月31日

		2020 2020年	2019 2019年	2018 2018年	2017 2017年	2016 2016年
Non-current assets	非流動資產總額	1,457,298	957,764	580,875	288,071	165,874
Current assets	流動資產總額	2,830,036	2,353,987	1,881,164	1,518,620	1,257,792
Total Asset	資產總額	4,287,334	3,311,751	2,462,039	1,806,691	1,423,666
Capital and reserves attributable to owners of the company	本公司擁有人應佔資本及儲備	3,295,258	2,613,849	2,005,190	1,501,389	1,266,205
Total Equity	權益總額	3,513,587	2,728,147	2,039,721	1,505,809	1,266,205
Non-current liabilities	非流動負債總額	68,103	26,742	-	-	-
Current liabilities	流動負債總額	705,644	556,862	422,318	300,882	157,461
Total liabilities	負債總額	773,747	583,604	422,318	300,882	157,461
Total equity and liabilities	權益及負債總額	4,287,334	3,311,751	2,462,039	1,806,691	1,423,666



In 2020, the sudden outbreak of the COVID-19 pandemic brought enormous challenges to many industries, including the catering industry, the business of our related parties fell drastically. During the pandemic period, household consumer products such as hotpot soup flavouring products, compound condiments and convenient ready-to-eat products recorded obvious growth in demand, which in turn, boosted the sales amount of the Group.

In 2020, the Group continued to intensify organizational reforms, and upgraded the management and incentive mechanisms. During the past year, we nurtured a pool of capable middle management talents in reserve as our important objective of organizational reforms, with a view to stimulate internal organizational vitality continuously, and to screen and nurture talents. For example, during the year, we began to implement the regional leader system on the basis of the original partnership mechanism, each of the regional leaders shall be responsible for centralized coordination and management of research and development, sales, promotions and related matters within their own regions. Moreover, we have also extended this mechanism from the sales system to the supply system, the head of factory and its core team shall be responsible for the overall product quality, customer complaints and output of the factory, and the innovation, optimization and target achievement of their work will be linked to remuneration. We hope that through continuous reforms of the management and incentive mechanisms, reserve talents with management thought and helicopter view will stand out from the crowd.

In addition, we have also improved the establishment of the supply chain system continuously and optimized supply costs. On the one hand, we have been planning persistently to build a production base covering most regions in China, while on the other hand, we combine all regions where our factories are located and the characteristics of the products produced to establish a number of regional industrial centres gradually, ancillary industries are also introduced to locate in the surrounding areas of our self-owned factories in order to shorten the length of supply chain and lower the costs of transportation and logistics.

Research and development of products have always been one of our most highly emphasized development strategies. In 2020, we have launched a number of new products of different segmental categories and for different consumption scenarios to enrich our existing product portfolio. Meanwhile, we have also highly emphasized the continuous optimization of the relevant system for the research and development of products, with a view to stimulate more creative ideas and facilitate the launching of new products.

2020年，一場突如其來的疫情給許多行業帶來了巨大衝擊，其中也包含餐飲行業，我們的關聯方業務出現大幅下滑；在疫情期間居家消費類產品，如零售類的火鍋底料、複合調味料及方便速食類產品，需求明顯增長，從而帶動本集團的銷售額。

2020年，本集團繼續深化組織變革，升級管理機制及激勵機制。過去的一年，我們把培養儲備一批有能力的中層管理者作為重要的組織變革目的，希望可以繼續激發內部組織活力，篩選培養人才。例如，本年度，在原合夥人機制基礎上，開始推行區域長制，由各區域長統一協調管理區域內研發、銷售、推廣等相關事務。另外，我們還將該機制從銷售體系推行到供應體系，工廠長及其核心團隊對工廠的整體產品質量、客訴及產量等直接負責，且其工作的創新、優化及指標達成度等均與薪酬掛鉤。我們希望通過管理機制和激勵機制的不斷變革，可以讓具有管理思維及全局觀念的後備人才脫穎而出。

除此之外，我們也在不斷完善供應鏈體系建設，優化供應成本。一方面，我們繼續佈局搭建輻射全國大部分地區的生產基地，另一方面，結合各工廠所在區域以及所生產產品的特點，逐步建立多個區域產業中心，引進配套產業入駐自有工廠周邊，希望可以縮短供應鏈長度，降低運輸及物流成本。

產品研發一直是我們最為重視的發展策略之一。2020年，我們針對不同細分品類及消費場景推出多款新品，以豐富目前的產品組合。與此同時，我們也十分重視產品研發相關制度的不斷優化，希望可以激發更多創意，促進新品推出工作的開展。

## Chairman's Statement

### 董事長報告書

During the past year under review, our management knew very well that solving a problem may bring new problems at the same time. In future, we may encounter plenty of problems that need to be resolved urgently in the course of our operation and management. For instance, production needs arise with our increasingly diversified products, the unstable production capacity for multi-categories of products has been affecting our business development and satisfaction of our distributors. Although organizational reforms have improved the competitiveness of middle management staff, increased flexibility of the mechanism and prevented the occurrence of internal monopoly, there are also deficiencies. For example, the overall planning of nationwide and even global supply chain and the actual implementation plans are not clear, and the responsibilities of verification, analysis and marketing plans for fast moving consumer products are not well defined. Moreover, the “multi-brand” strategy has not achieved effective stage progress at the moment. Despite in 2020, we have been exploring marketing plans for sub-brands with a view to enhance the market influence of brands, however, the sub-brands such as Magic Cook (筷手小厨) may not be able to realize our expected promotional impact and market awareness in the near future. The issues mentioned above are only a small part of our many problems, our management has an important mission to pursue in the long run.

Looking ahead in 2021, as the COVID-19 pandemic will be under more effective control, it will be hopeful to release consumer demand for upgraded categories. The Group will continue to enhance organizational structure adjustments, improve the evaluation incentive mechanism, keep on building the supply chain and pursue research and development of new products. On the one hand, we will be focusing on market environment and consumer demand, consolidating our core product categories persistently, expanding the categories of segmental products continuously and concentrating on the creation of regional product categories. On the other hand, the Group will keep on building the supply chain, supplement and optimize the layout of production capacities in our factories, accelerate the formation of industrial parks and overseas factories, in order to lay a solid foundation for the rapid development of the Company and for lowering costs and increasing efficiency. Furthermore, the Group is planning to pursue more proactive brand marketing promotions to further implement the multi-brand strategy.

In the coming year, we will face our own problems positively, attempting to optimize and make improvements continuously so as to provide customers with more satisfactory products and create better quality results for our shareholders.

回望過去一年，作為管理層，我們深知解決一個問題的同時會帶來新的問題。未來的經營管理過程中還會面臨很多亟待解決的問題。比如，伴隨日益豐富的產品生產需求，多品類產能不穩定一直在影響我們的業務發展和經銷商滿意度。雖然組織變革提高中層員工間的競爭力、打破了僵化的機制、防止形成內部壟斷，但是也帶來了弊端。如，全國甚至全球供應鏈總體規劃與具體落地的方案不清晰；對快消品市場的核查、分析、營銷規劃的職責不明確。另外，「多品牌」戰略目前也並未取得階段性成效，2020年，我們雖然在不斷探討子品牌營銷策劃，希望可以增強品牌市場影響力，但短期看，「筷手小廚」等子品牌還未實現我們所期望的推廣力度以及市場認知程度。以上問題只是我們眾多問題的一小部分，我們管理層任重而道遠。

展望2021年，隨著新冠疫情得到更有效的控制，升級類消費需求有望持續釋放。本集團繼續完善組織架構調整，改進考核激勵機制，持續推進供應鏈的建設和新產品的研發。一方面，我們會繼續關注市場環境和消費需求，持續鞏固現有核心品類，不斷擴充細分品類，並著力打造區域類產品。另一方面，本集團將持續推進供應鏈建設，補充及優化工廠的產能佈局，加快產業園及海外工廠建設，為公司的快速發展夯實基礎、降本增效。另外，本集團將有計劃的開展更加積極的品牌營銷推廣，進一步落實多品牌戰略。

新的一年，我們將正視並面對自己的問題，不斷努力優化與改善，為客戶提供更滿意的產品，為股東創造更優質的業績。

### 2020 PERFORMANCE REVIEW

In 2020, the outbreak of COVID-19 pandemic has spread throughout the world and severely disrupted the global economy, which caused the external environment to be more sophisticated and severe. In general, China has attained remarkable results in coordinating the pandemic control and protecting public wellbeing in 2020. The operation of economy rebounded steadily, while employment and public wellbeing were guaranteed and the completion of the major goals of social development achieved better than expected. In early 2020, catering service market was affected significantly by the pandemic, which caused a severe burden in operation. Nevertheless, along with the effective performance of “normalized” pandemic protection, the catering industry has also gradually recovered. By contrast, compound condiment and convenient ready-to-eat food industry have both experienced accelerating demand growth in the first half of 2020, benefiting from the “Stay-at-Home Economy” brought by the pandemic control, however, those demand gradually declined toward the second half.

In 2020, the Group’s major businesses focused on supplementing and optimizing the supply capabilities persistently, continuous development of efficiency of sales channels, improving and enhancing the management structure and incentive mechanism continuously. For the year ended 31 December 2020, the revenue of the Group was RMB5,360.0 million, representing a year-on-year increase of 25.2%; net profit was RMB982.9 million, representing a year-on-year increase of 23.6%.

In 2020, through further rebuilding the optimization of management structure, nurturing middle-level management teams and strengthening the incentive efficiency of each business lines, the Group has also obtained a stable growth in the third-party sales results. Meanwhile, with the benefit of focusing on research and development of new products, the Group has developed a total of 55 new products throughout the year of 2020.

### 2020年度業績回顧

2020年，新冠肺炎疫情肆虐全球，世界經濟陷入嚴重衰退，外部環境更加複雜嚴峻。但總的來看，2020年中國統籌疫情控制和保障民生發展工作成效顯著，經濟運行穩定恢復，就業民生保障有力，社會發展主要目標任務完成情況好於預期。2020年初，餐飲服務市場受疫情影響巨大，面臨嚴重經營壓力。但隨著疫情「常態化」防控的有效進行，餐飲行業亦於年內逐步恢復。相比之下，複合調味料及方便速食行業卻受益於疫情防控下催生的「宅經濟」，於2020年上半年呈現出高速增長態勢，但於下半年需求逐步回落。

2020年，本集團主要業務重點為改善優化供應能力，拓展提升渠道銷售效率，不斷完善和改進管理架構和激勵機制。截至2020年12月31日止年度，本集團的收入達人民幣5,360.0百萬元，同比增長25.2%；淨利潤人民幣982.9百萬元，同比增長23.6%。

2020年，通過進一步重塑優化管理架構，主動培養中層管理團隊，強化各業務條線激勵有效性，本集團的第三方銷售業績亦取得了穩定增長。與此同時，得益於本集團在新品研發上的重點投入，於2020年全年共開發了55種新品。

## Management Discussion and Analysis

### 管理層討論與分析

In addition, the Group put the focus on replenishing and optimizing the supply capacity in 2020. In 2020, Phase I of new production base in Bazhou, Hebei Province has been completed and formally commenced operation during the year. The construction work of production base in Luohe with planned productivity of 100,000 tonnes in Phase I, has commenced in March 2020, and is expected to commence operation in July 2021. The plant project in Zhaoqing, Guangdong has reached the stage of construction plan in the second half of 2020, that covers an area of 30 mu with 2 workshops. It is planned that the plant will commence its operation in May 2021 with 48,000 tonnes of productivity. The Group entered into a land acquisition agreement with the government of Jianyang, Sichuan Province in April 2020 and commenced the construction and planning in the second half of 2020. Apart from the addition of production bases, the Group has also put a focus on the technology research and development of production side. 9 automated production lines of north workshops in Bazhou base have been fully utilized during the year, which significantly enhanced our efficiency, streamlined our staff and strengthened our food safety standards.

In terms of overseas production capacity expansion, the joint venture factory in Malaysia commenced production in early 2020 and the land acquisition agreement in relation to the Thailand factory was concluded. The Thailand factory is now in the overall planning stage and is expected to commence construction in 2021. The construction of overseas factories is expected to alleviate the demand for overseas business expansion and optimize the supply cost of overseas business.

另外，2020年本集團還把工作重點放在了補充優化供應能力方面。2020年，位於河北霸州的新生產基地一期已於年內完成建設並正式投產。漯河生產基地已於2020年3月正式開始建設，一期規劃產能10萬噸，預期將於2021年7月投產。廣東肇慶工廠項目已經於2020年下半年進入建設規劃階段，該工廠佔地30畝，規劃2個車間，計劃2021年5月投產，規劃產能4.8萬噸。本集團於2020年4月與四川簡陽市政府簽訂了土地購買協議，已於2020年下半年開始建設規劃。除了積極增設生產基地，本集團亦對於生產端的技術研發進行了重點投入。霸州北車間9條自動化產線已於年內全部投放使用，大幅提升了效率，精簡了工人數量，提升了食品安全標準。

海外產能擴充方面，馬來西亞合資工廠於2020年初投產，泰國工廠也已經完成土地購買協議，目前處於總體規劃階段，預期將於2021年開始正式建設。海外工廠的建設預期將緩解海外業務擴展的需求，優化海外業務供應成本。



## BUSINESS REVIEW

In 2020, the global economy became even more sophisticated and severe. As a firm in consumer goods, Yihai has experienced an extraordinary year due to the sudden hit by the pandemic. Firstly, the business of sales to related parties has experienced a sharp decline to negative growth resulting from the significant impact on catering industry during the outbreak of COVID-19 pandemic in the first half of the year. Along with the effective implementation of normalized control on the pandemic in the domestic China, clustering economic activity in China has gradually resumed while the catering industry has also slowly recovered. However, the overall sales to related parties were underperformed as compared with the growth level before the pandemic. On the other hand, benefiting from the home quarantine policy during the early period of the pandemic, the sales of retail products of the Group had experienced a higher-than-expected growth in a short run. The demands of family cooking and convenient ready-to-eat food products had turned back to normal level as the catering consumption recovered in the second half of the year. For the year ended 31 December 2020, the revenue of the Group was RMB5,360.0 million, representing a year-on-year increase of 25.2%; net profit was RMB982.9 million, representing a year-on-year increase of 23.6%.

Facing the sudden outbreak of the pandemic, the Group has promptly responded to the government's call and adopted proactive measures towards the pandemic control. On 23 January 2020, the Group established a headquarter for pandemic prevention and control and coordinated employees from different departments in the organizational structure. We clearly differentiated the responsibilities of different management structures in terms of regions and departments, while implementing a strict supervision towards our staff's health and a reporting system. In addition to the collection of health information of our employees, the Group has established an all-staff promotion for pandemic prevention and control according to the expert advice. At the same time, as the resumption of working and production during the pandemic, the Group advocated the guideline principal to "put employees' health and safety on top and never leave them behind" and focused on the protections on anti-pandemic prevention, resources, living security and salary as our major tasks to properly take care of our employees. In response to the large demands of convenient ready-to-eat food products due to the pandemic, the whole management of the Group led our staff of the production plants to make their best effort to accelerate the recovery of our productivity, so as to promptly export quality products to markets. Furthermore, the Group has also quickly established a mental consultant team to proactively communicate with employees and relieve their worries and fear suffered from the pandemic.

## 業務回顧

2020年，世界經濟形勢愈發複雜嚴峻。頤海作為消費品行業公司，亦因新冠病毒疫情的衝擊，經歷了不平凡的一年。首先，上半年國內疫情爆發期間，因餐飲行業受到巨大的衝擊，關聯方銷售業務急轉直下陷入負增長。但隨著中國國內常態化疫情防控的有效施行，國內各項聚集性消費活動逐漸恢復，餐飲行業亦緩慢恢復，但關聯方銷售總體情況仍低於疫情前的增長水平。與此相反，受益於疫情初期的居家隔離政策，本集團的各零售產品銷售皆於短期內呈現較高增長，但隨著下半年的餐飲消費初步恢復，家庭端烹飪及方便速食的需求則逐步恢復正常水平。截至2020年12月31日止年度，本集團的收入人民幣5,360.0百萬元，同比增長25.2%；淨利潤人民幣982.9百萬元，同比增長23.6%。

面對突如其來的疫情爆發，本集團迅速響應國家號召，採取了積極有效的防疫應對措施。2020年1月23日，集團防控疫情總指揮部成立，並迅速對組織架構內的各個部門人員進行梳理，明確劃分各管理架構的防疫責任，以區域和部門為單位，對員工健康實施嚴密的監控及上報制度。除了追蹤收集每一位員工的健康信息，本集團還根據防疫專家的建議，進行全員防疫教育宣傳。與此同時，面對疫情期間的復工復產，本集團以「把員工健康和安全第一，一個員工都不能落下」為核心指導原則，以防護保障、物資保障、生活保障和工資保障為主要工作方向，妥善安置和照顧員工。對於方便速食產品因疫情而催生的巨大需求，本集團全體管理層帶領各地生產供應人員，排除萬難、全力以赴，以最快速度恢復生產能力，力爭保質保量地及時供應市場。不僅如此，本集團還迅速建立了心理疏導團隊，積極主動地與員工溝通，疏解因疫情爆發而產生的不安和恐慌情緒。



## Management Discussion and Analysis

### 管理層討論與分析

#### SALES CHANNELS

The Group continued to be the supplier of hot pot condiment products to Haidilao Group, one of our related parties, while at the same time, it also provided cooking condiment solutions to Chinese family cooking customers, catering service providers and companies in the food industry. As of 2020, the major products of the Group included hot pot condiments, Chinese-style compound condiments and convenient ready-to-eat food products, and major channels for third-party sales included distributors, e-commerce and catering customers. The Group's sales to third-party distributors has covered totally 31 provincial regions in China and Hong Kong-Macau-Taiwan regions and 49 countries and regions overseas.

Expansion and penetration of third-party channels have always been the most important sales strategy of the Group. The core tasks of the Group in 2020 were to expand the channel coverage in county level, enhance the existing individual products with strong performance, increase the quantity of listed products in sales points, innovate new product sale model and enhance the channel satisfaction.

In terms of specific measures, the Group had set satisfaction of distributors and end-points as the starting point and conducted process indicator assessments to the first-tier sales ("Partner(s)"), such as indicators of monthly inventory level of distributors; implementation efficiency of cost investment; logistic satisfaction level of end-sales points; and display performance of end-points, which aim at enhancing sales results of channels and ensuring the relevant indicators were in orders.

#### 銷售渠道

本集團持續作為關聯方海底撈集團的火鍋調味料產品供應商，同時亦為中國家庭烹飪客戶、餐飲服務供應商以及食品行業公司提供烹飪調味料解決方案。截至2020年，本集團的主要產品包含火鍋調味料，中式複合調味料和方便速食等品類，經銷商、電商及餐飲客戶等則為第三方銷售的主要渠道。本集團的第三方經銷商銷售業務共覆蓋了中國31個省級地區與港澳台地區，以及49個海外國家和地區。

第三方渠道的擴展和深耕一直是本集團的主要銷售策略。本集團於2020年內重點工作為開拓縣級市渠道覆蓋，夯實現有強勢單品銷售，增加售點上架產品數量，創新產品銷售模式，提升渠道滿意度。

具體措施上，本集團以經銷商和終端滿意度為出發點，對一線銷售（「合夥人」）進行過程指標考核。例如，以經銷商端月度庫存水平；費用投放執行效率；終端售點物流滿意度；以及終端陳列表現等為指標，旨在提升渠道銷售業績的同時，保證各項相關指標的健康有序。

In the second half of 2020, the Group had conducted an optimizing adjustment to the internal management structure, such as establishing the system of “regional managers”. “Regional manager” system further reorganized the Company’s sales and product research and development teams to categorize the most important products in the business lines of the Company into over 30 small regional teams. Regional manager is responsible for leading the teams to explore the business potential in terms of supply complement, new product research and development, product marketing, and to boost the product opportunity with regional characters, enhance the focus and effectiveness of marketing activities, complement the optimization of regional supply efficiency, and in turn intensify the channel development of different regions. Different from the previous regional management system that only managed sales business, the establishment of regional manager can cultivate quality middle-level management talents with unified thinking mindset of production, research and development and marketing, and further enhance the incentive of first-tier employees and spread the culture of concentration.

In 2020, the number of branch storage area increased to 10 by continuously enhancing the logistic efficiency through increasing the utilization of branch storages in multiple areas. This measure allows us to shorten the delivery cycle, increase the distributors’ flexibility in orders and effectively mitigate the level of channel inventory and ensure the control of channels. Furthermore, the improvement of channel efficiency also improved the production date and freshness of end products and better display of products.

Moreover, to further ensure the display and sales of key accounts (KA), the Group continued to expand “zero inventory” in supermarkets. “Zero inventory” replaced the previous method of delivery from distributors to key customers’ supermarket, the goods would be delivered directly from our branch storage to the warehouse of the supermarket, aiming to reduce the number of logistic nodes and save delivery charges. While the specific distributors would be incentivized, the freshness of the products delivered to the supermarket would be improved. A number of branded supermarket distributors are currently enjoying “Zero Inventory” direct delivery policy, and this policy also benefits individual e-commerce platform customers.

2020年下半年，本集團對於內部管理架構也進行了優化調整，比如設立「區域長」制度。「區域長」制度進一步重組了公司的銷售及產品研發團隊，把公司業務條線最重要的產品營銷劃分為超過30個小區域團隊，區域長則負責帶領團隊全面從供應補充、新品研發、產品營銷等方向挖掘業務潛力，激發具備區域特色的產品機會，提升營銷活動的針對性和有效性，補充優化區域供應效率，進而深化各區域渠道發展。區別於此前僅僅管理銷售業務的大區管理制度，區域長制度的設立，除了可以培養出一批具備產研銷（生產、研發、營銷）為一體的思維能力的優秀中層管理人才，還因賦予了每個區域小團隊更多業務發展機會，進一步加強一線員工激勵，凝聚團隊力量。

2020年，我們持續通過增加物流配送分倉提升物流效率，區域分倉數量增加至十個。該舉措可幫助我們縮短發貨周期，提升經銷商訂貨靈活度，並有效降低渠道庫存水平，保證渠道健康可控。不僅如此，渠道效率提升，亦可令終端產品的生產日期更加新鮮，產品陳列的效果更佳。

除此之外，為了進一步優化重點客戶(KA)的陳列及銷售，本集團繼續擴大賣場「零庫存」實施範圍。「零庫存」是指替代以前的經由經銷商對重點客戶賣場進行配送的方式，貨物直接由我們的分倉運送至大賣場倉庫，以減少物流節點，節省配送費用的方式，達成對特定經銷商激勵提升的同時，達到賣場商品新鮮度的優化。目前已有多個品牌大賣場經銷商可享受「零庫存」直送待遇，並且已擴展到個別電商平台客戶。

## Management Discussion and Analysis

### 管理層討論與分析

In the development of e-commerce channel, the Group continued to adopt the strategy of enhancing interactive experience of consumers, using the flagship store as the major interactive base for brands, enhancing communication among consumers, and providing more heart touching shopping experience for consumers. In 2020, the Group formulated targeted marketing plans on different festivals and promotional campaigns as usual. As at 31 December 2020, the Group had 5 flagship stores on e-commerce platforms such as Tmall.com and JD.com. For the year ended 31 December 2020, the sales revenue of the Group from e-commerce channels was RMB287.3 million, representing a year-on-year increase of 4.5%.

For sales to related parties (referring to the Haidilao Group and Shuhai Supply Chain Group), the global COVID-19 pandemic outbreak adversely affected the restaurant business of the Haidilao Group. Notwithstanding the domestic clustering economic activities gradually recovered, the overall catering industry still remained in recovery. Accordingly, as of 31 December 2020, the revenue from sales to related parties of the Group was RMB1,423.5 million, representing a year-on-year decrease of 14.4% as compared to the year of 2019.

## PRODUCTS

In 2020, the Group continued to explore new product opportunities with the strategy of segmentation of consumption scenarios and customers' needs, and motivated producers to develop more new products to satisfy market demand under the "project-based system for products". For the year ended 31 December 2020, new products of the Company included 15 Chinese-style compound condiment products, 23 hot pot condiment products, 13 convenient ready-to-eat food products and 4 snack products.

In 2020, product research and development had been the major strategic focus of the Group. The optimization of systems, implementation of product marketing projects and the development of new product supply have gained the attention of senior management. The "Project-Based System for Products" was a research and development strategy for new products implemented by the Group since 2018. During the year, we had also carried out further amendments to the system, for the purpose of better in line with the current situation and future development of the group.

電商渠道發展方面，本集團持續以加強消費者互動體驗為策略方向，以旗艦店為主要品牌互動陣地，加強消費者溝通，為消費者提供更為貼心的購物體驗。2020年，本集團依舊根據不同的節日及促銷節點，制定具有針對性的營銷方案。截至2020年12月31日止，本集團在天貓、京東等電商平台擁有5家旗艦店。本集團截至2020年12月31日止全年電商渠道的銷售收入為人民幣287.3百萬元，同比增長4.5%。

在關聯方銷售方面（指向海底撈集團以及蜀海供應鏈集團），由於新冠肺炎疫情全球爆發，海底撈集團旗下餐廳業務受到明顯影響，雖然下半年中國國內聚集類經濟活動逐步恢復，但整體餐飲行業仍處於修復區間。因此，截至2020年12月31日止，本集團向關聯方的銷售收入為人民幣1,423.5百萬元，較2019年同期同比降低14.4%。

## 產品

2020年，本集團以細分消費場景和客戶需求為出發點，持續挖掘新品機會，並繼續以「產品項目制」激勵產品人研發更多符合市場需求的產品。截至2020年12月31日止年度，本公司共新增了15款中式複合調味料產品，23款火鍋調味料產品，13款方便速食產品，4款休閒食品。

2020年，產品研發一直被視為本集團的主要策略重點，因此對於制度的優化打磨，產品的營銷方案實施，以及新品的供應鏈開發，皆獲得了各高級管理層的全心關注。「產品項目制」是本集團自2018年開始施行的新品研發制度。本年度我們也對該制度進行了進一步的修訂，以期其更加符合目前集團的客觀情況並滿足集團發展的需要。

During the year, the Group had different numbers of new product innovations in three categories, and enhanced the sales of new products through various marketing means along with various seasonal themes and promotional campaigns. In the first half of 2020, the Group promoted new products such as brewed silk noodles and brewed rice, and continued to promote products through various online events, such as “New Year Goods Festival”, “Queen’s Day”, “Foodaholic Festival on 17 May”, “618 Carnival”. During the second half of the year, along with the peak season of hot pot, we have launched a marketing campaign, “Hot Pot Festival” in winter and carried out online and offline marketing promotion of a hot pot base, “Eat Alone” and a new hot pot sauce, “Condiment Bar”. We have also carried out a theme campaign of “Double Seventh Festival” in Chinese Valentine’s Day for convenient ready-to-eat food products to make themed marketing campaigns for products with limited packages. In respect of Chinese-style compound condiments, we carried out marketing campaigns, such as tasting activities for new products and “Family Love Delivery” as we had launched many new series of products and promote the brand of “Chopsticks and Kitchen” in retail points to enhance the recognition of our products in sales points.

For the year ended 31 December 2020, the Company added a total of 15 Chinese-style compound condiment products, 23 hot pot condiment products, 13 convenient ready-to-eat food products and 4 snack food. As at 31 December 2020, the Group had a total of sales of 65 hot pot condiment products, 56 Chinese-style compound condiment products, and 24 convenient ready-to-eat food products.

本年度，集團在三個品類中均有不同數量的新品創新，並且配合各個季節主題和促銷節點使用各種營銷手段提升新品的銷售。2020年上半年，集團主推沖泡粉絲、沖泡米飯等新產品，並通過年貨節、女王節、517吃貨節以及618狂歡等線上促銷節點，持續以各類線上活動推廣產品。下半年，伴隨著火鍋旺季的到來，我們於冬季進行了「火鍋節」營銷活動，於線上線下同步推廣「一人食」火鍋底料及「小料台」新品火鍋蘸料。並在中國傳統「七夕」情人節對方便速食品類進行了「七夕說」主題活動，通過節日限定包裝進行話題營銷。中式複合調味料方面，由於下半年推出了不少新系列產品，我們針對售點進行了新品試吃、及親情化送餐等營銷活動，希望可以在零售終端推廣「筷手小廚」品牌，增強售點對產品口味的認可度。

截至2020年12月31日止年度，本公司共新增了15款中式複合調味料產品，23款火鍋調味料產品，13款方便速食產品，4款休閒食品。截至2020年12月31日，本集團共銷售約65款火鍋調味料產品，56款中式複合調味料產品，24款方便速食產品。

## Management Discussion and Analysis

### 管理層討論與分析

The table below sets forth the data on the Group's revenue, sales volume and average selling price by product categories and distribution channels for the periods as indicated:

下表載列於所示期間本集團按產品類別及經銷渠道劃分的收入、銷量及平均售價數據：

		For the year ended 31 December 截至12月31日止年度					
		2020 2020年			2019 2019年		
		Revenue 收入 (RMB' 000) (人民幣千元)	Sales volume 銷量 (Tonnes) (噸)	Average selling price per Kg 每公斤 平均售價 (RMB) (人民幣元)	Revenue 收入 (RMB' 000) (人民幣千元)	Sales volume 銷量 (Tonnes) (噸)	Average selling price per Kg 每公斤 平均售價 (RMB) (人民幣元)
<b>Hot pot condiments<sup>(1)</sup></b>	<b>火鍋調味料<sup>(1)</sup></b>						
Third parties	第三方	1,841,402	61,173	30.1	1,221,033	42,311	28.9
Related parties	關聯方	1,348,680	60,010	22.5	1,592,331	65,666	24.2
Subtotal	小計	3,190,082	121,183	26.3	2,813,364	107,977	26.1
<b>Chinese-style compound condiments<sup>(2)</sup></b>	<b>中式複合調味料<sup>(2)</sup></b>						
Third parties	第三方	495,724	18,294	27.1	345,477	13,775	25.1
Related parties	關聯方	34,693	1,353	25.6	49,468	2,075	23.8
Subtotal	小計	530,417	19,647	27.0	394,945	15,850	24.9
<b>Convenient ready-to-eat food products<sup>(3)</sup></b>	<b>方便速食<sup>(3)</sup></b>						
Third parties	第三方	1,500,552	33,807	44.4	978,475	22,817	42.9
Related parties	關聯方	39,665	844	47.0	20,492	519	39.5
Subtotal	小計	1,540,217	34,651	44.4	998,967	23,336	42.8
<b>Others<sup>(4)</sup></b>	<b>其他<sup>(4)</sup></b>	99,305	22,391	4.4	75,212	13,081	5.7
<b>Total</b>	<b>總計</b>	<b>5,360,021</b>	<b>197,872</b>	<b>27.1</b>	<b>4,282,488</b>	<b>160,244</b>	<b>26.7</b>



Notes:

- (1) Mainly including the Group's sales of products such as hot pot soup flavorings and hot pot dipping sauce
- (2) Mainly including the Group's sales of products such as Chinese-style compound condiments and ready-to-eat sauce
- (3) Mainly including the Group's sales of products such as self-serving product and brewed product series
- (4) Mainly including the Group's sales of products such as snack food, raw materials (such as soybean oil), golden popcorn and snail rice noodle

附註：

- (1) 主要包含本集團銷售的火鍋底料及火鍋蘸料產品
- (2) 主要包含本集團銷售的中式複合調味料和即食醬產品
- (3) 主要包含本集團銷售的自加熱系列和沖泡系列產品
- (4) 主要包含本集團銷售的休閒食品、大豆油等原材料、黃金玉米豆及螺螄粉等

The table below sets forth the revenue in absolute terms and the percentage of the total revenue of the Group, by product categories, for the periods as indicated:

下表載列所示期間本集團按產品類別劃分的收入的絕對值及佔總收入的百分比：

		For the year ended 31 December 截至12月31日止年度			
		2020 2020年		2019 2019年	
		RMB' 000	% of revenue	RMB' 000	% of revenue
		人民幣千元	佔收入 百分比	人民幣千元	佔收入 百分比
Revenue from hot pot condiments	火鍋調味料收入	3,190,082	59.5%	2,813,364	65.7%
Revenue from Chinese-style compound condiments	中式複合調味料收入	530,417	9.9%	394,945	9.2%
Revenue from convenient ready-to-eat food products	方便速食收入	1,540,217	28.7%	998,967	23.3%
Other revenue	其他收入	99,305	1.9%	75,212	1.8%
<b>Total revenue</b>	<b>總收入</b>	<b>5,360,021</b>	<b>100%</b>	<b>4,282,488</b>	<b>100%</b>

For the year ended 31 December 2020, the three major product categories of the Group, namely hot pot condiments, Chinese-style compound condiments and convenient ready-to-eat food products, experienced varying degrees of growth. For the year ended 31 December 2020, the Company added a total of 15 Chinese-style compound condiment products, 23 hot pot condiment products, 13 convenient ready-to-eat food products, 4 snack food. As at 31 December 2020, the Group had a total sales of 65 hot pot condiment products, 56 Chinese-style compound condiment products and 24 convenient ready-to-eat food products.

截至2020年12月31日止年度，本集團的三類主要產品：火鍋調味料、中式複合調味料及方便速食，均有不同程度的增長。截至2020年12月31日止年度，本公司共新增了15款中式複合調味料產品，23款火鍋調味料產品，13款方便速食產品，4款休閒食品。截至2020年12月31日，本集團共銷售65款火鍋調味料產品，56款中式複合調味料產品，24款方便速食產品。

## Management Discussion and Analysis

### 管理層討論與分析

#### FINANCIAL REVIEW

##### Revenue

The revenue of the Group increased by 25.2% from RMB4,282.5 million for the year ended 31 December 2019, to RMB5,360.0 million for the corresponding period in 2020.

##### Revenue by product

#### 財務回顧

##### 收入

本集團的收入由截至2019年12月31日止年度的人民幣4,282.5百萬元增加25.2%至2020年同期的人民幣5,360.0百萬元。

##### 按產品劃分的收入

#### For the year ended 31 December

截至12月31日止年度

		2020 2020年	% of revenue from hot pot condiments 佔火鍋 調味料收入 百分比	2019 2019年	% of revenue from hot pot condiments 佔火鍋 調味料收入 百分比
		Revenue (RMB'000) 收入 (人民幣千元)		Revenue (RMB'000) 收入 (人民幣千元)	
Revenue from hot pot condiments	火鍋調味料收入				
Revenue from third parties	來自第三方收入	1,841,402	57.7%	1,221,033	43.4%
Revenue from related parties	來自關聯方收入	1,348,680	42.3%	1,592,331	56.6%
<b>Total revenue from hot pot condiments</b>	<b>火鍋調味料總收入</b>	<b>3,190,082</b>	<b>100%</b>	<b>2,813,364</b>	<b>100%</b>

Revenue from hot pot condiment products increased by 13.4% from RMB2,813.4 million for the year ended 31 December 2019 to RMB3,190.1 million for the corresponding period in 2020, accounting for 59.5% of the revenue for the year ended 31 December 2020. Of these, revenue from sales of hot pot condiment to third parties decreased by 15.3%. The decline in revenue was mainly due to the material impact of COVID-19 pandemic worldwide on the restaurants' operations. Revenue from sales of hot pot condiment products to third parties increased by 50.8%.

火鍋調味料產品所得收入由截至2019年12月31日止年度的人民幣2,813.4百萬元增加13.4%至2020年同期的人民幣3,190.1百萬元，佔截至2020年12月31日止年度收入的59.5%。其中，向第三方銷售火鍋調味料產品收入降低15.3%，下跌原因主要是由於全球新冠疫情蔓延，嚴重影響餐廳行業經營。向第三方銷售的火鍋調味料產品收入增長50.8%。

For the year ended 31 December  
截至12月31日止年度

		2020 2020年		2019 2019年	
		Revenue (RMB' 000)	% of revenue from Chinese-style compound condiments 佔中式複合 調味料收入 百分比	Revenue (RMB' 000)	% of revenue from Chinese-style compound condiments 佔中式複合 調味料收入 百分比
		收入 (人民幣千元)		收入 (人民幣千元)	
<b>Revenue from Chinese-style compound condiments</b>	中式複合調味料收入				
Revenue from third parties	來自第三方收入	495,724	93.5%	345,477	87.5%
Revenue from related parties	來自關聯方收入	34,693	6.5%	49,468	12.5%
<b>Total revenue from Chinese-style compound condiments</b>	中式複合調味料總收入	<b>530,417</b>	<b>100%</b>	<b>394,945</b>	<b>100%</b>

## Management Discussion and Analysis

### 管理層討論與分析

Revenue from Chinese-style compound condiments increased by 34.3% from RMB394.9 million for the year ended 31 December 2019 to RMB530.4 million for the year of 2020, representing 9.9% of the revenue for the year ended 31 December 2020. Among that, the revenue from sales of Chinese-style compound condiments to related parties decreased by 29.9%, and revenue from sales of Chinese-style compound condiments to third parties increased by 43.5%. In respect of sales to related parties, the Group continued to supply products and services to some of the catering customers in the Shuhai Supply Chain. The Group continued to improve existing individual products with strong performance, researched and developed new products satisfying the trend of market tastes, and conducted marketing activities by combining with product features and market positioning, so that sales of Chinese-style compound condiments to third parties continued to record a steady growth.

中式複合調味料所得收入由截至2019年12月31日止年度的人民幣394.9百萬元增加34.3%至2020年度的人民幣530.4百萬元，佔截至2020年12月31日止年度收入的9.9%。其中，向關聯方銷售中式複合調味料收入下降29.9%，向第三方銷售中式複合調味料收入增長43.5%。在關聯方銷售方面，本集團持續向蜀海供應鏈的部分餐飲客戶提供產品和服務。本集團持續改良現有強勢單品，研發符合市場口味趨勢的新品，並結合產品特點及市場定位進行營銷活動，在第三方中式複合調味料銷售方面持續錄得穩定增長。

#### For the year ended 31 December 截至12月31日止年度

		2020 2020年		2019 2019年	
		Revenue (RMB'000) 收入 (人民幣千元)	% of revenue from convenient ready-to-eat food products 佔方便速食產品 收入百分比	Revenue (RMB'000) 收入 (人民幣千元)	% of revenue from convenient ready-to-eat food products 佔方便速食產品 收入百分比
<b>Revenue from convenient ready-to-eat food products</b>	方便速食產品收入				
Revenue from third parties	來自第三方收入	1,500,552	97.4%	978,475	97.9%
Revenue from related parties	來自關聯方收入	39,665	2.6%	20,492	2.1%
<b>Total revenue from convenient ready-to-eat food products</b>	方便速食產品總收入	<b>1,540,217</b>	<b>100%</b>	<b>998,967</b>	<b>100%</b>

In 2020, the outbreak of the pandemic made convenient ready-to-eat food products popular to consumers and incubated the sales of popular products related to “Stay-at-Home Economy”. In addition to the continuous expansion of sales channels, the Group also launched new brewed products which resulted in a good performance. As such, the convenient ready-to-eat food products continuously recorded a quicker growth. As at 31 December 2020, the revenue from convenient ready-to-eat food products increased by 54.2% from RMB999.0 million for the year ended 31 December 2019 to RMB1,540.2 million, representing 28.7% of the revenue for the year ended 31 December 2020.

2020年，疫情的爆發令方便速食備受消費者追捧，也催生了「宅經濟」相關產品的火熱銷售。除了持續對銷售渠道進行擴張之外，本集團還在年內推出了新的沖泡系列產品，新品市場反饋良好，因此，方便速食持續錄得較快增長。截至2020年12月31日，方便速食產品收入由截至2019年12月31日止年度的人民幣999.0百萬元增加54.2%至人民幣1,540.2百萬元，佔截至2020年12月31日止年度收入的28.7%。

### Revenue by distribution network

按經銷網絡劃分的收入

		For the year ended 31 December 截至12月31日止年度			
		2020 2020年		2019 2019年	
		Revenue (RMB'000) 收入 (人民幣千元)	% of total revenue 佔總收入 百分比	Revenue (RMB'000) 收入 (人民幣千元)	% of total revenue 佔總收入 百分比
<b>Related party customers</b>	<b>關聯方客戶</b>				
Haidilao Group and its affiliates	海底撈集團及其關聯公司	1,401,648	26.2%	1,625,761	38.0%
Shuhai Supply Chain Group	蜀海供應鏈集團	21,843	0.4%	37,410	0.9%
<b>Third party customers</b>	<b>第三方客戶</b>				
Distributors	經銷商	3,619,741	67.5%	2,304,284	53.8%
E-commerce	電商	287,258	5.4%	274,917	6.4%
Others	其他	29,531	0.5%	40,116	0.9%
<b>Total revenue</b>	<b>總收入</b>	<b>5,360,021</b>	<b>100%</b>	<b>4,282,488</b>	<b>100%</b>

In 2020, the global COVID-19 pandemic outbreak in 2019 resulted in strict measures of prevention and control and corresponding restrictions in consumption areas, leading to material impacts to all restaurants' operation of Haidilao Group, a related party of the Company. As such, the sales revenue of the Group from sales to related parties (mainly referring to the Haidilao Group and Shuhai Supply Chain Group) for the year ended 31 December 2020 was RMB1,423.5 million, representing a year-on-year decrease of 14.4%.

2020年，全球各地爆發2019新型冠狀病毒疫情，全球各地均採取了嚴格的防疫措施以及相應的消費場所的限制，因而對本公司關聯方海底撈集團經營的所有餐廳經營均產生了重大影響，因此本集團截至2020年12月31日止年度向關聯方（主要指海底撈集團以及蜀海供應鏈集團）銷售的銷售收入為人民幣1,423.5百萬元，同比降低14.4%。



## Management Discussion and Analysis

### 管理層討論與分析

For sales revenue of third-party distributors, the Group constantly boosted the overall product sales capabilities through continuous development of lower-tier distribution network and increased density of points of sales, and enhancement of service quality to gain distributors' satisfaction. Moreover, benefiting from the boom of the "Stay-at-Home Economy" fueled by COVID-19 pandemic outbreak in the year, the retail products sold by the Group through distributors recorded a rapid growth during the period. In e-commerce, the Group continued to carry out various innovative marketing activities in different points of sales and focused on the improvement of customer service quality and consumption experience. For the year ended 31 December 2020, sales revenue from sales to distributors amounted to RMB3,619.7 million, representing a year-on-year increase of 57.1%. Sales revenue from e-commerce channels amounted to RMB287.3 million, representing a year-on-year increase of 4.5%.

#### Revenue by geographic region

The table below sets forth the revenue by geographic regions of the Group for the periods as indicated:

在第三方經銷商銷售收入方面，本集團持續對經銷網絡的下沉和售點的加密，提升服務質量贏得經銷商滿意度等方式，持續提振整體產品銷售能力。並且結合產品特性開闢創新渠道，增強渠道發展潛力。不僅如此，今年的新冠疫情催生了「宅經濟」的火爆，本集團通過經銷商銷售的零售產品均屬受益品類，故本期內錄得較快業績增長。在電商方面，本集團持續針對不同銷售節點進行各類創新營銷活動，且注重提升客戶服務質量以及消費體驗。截至2020年12月31日止年度向經銷商銷售的銷售收入為人民幣3,619.7百萬元，同比增長57.1%；電商渠道的銷售收入為人民幣287.3百萬元，同比增長4.5%。

#### 按地域劃分的收入

下表列示了本集團於所示期間以地域劃分的收入：

		For the year ended 31 December 截至12月31日止年度			
		2020 2020年		2019 2019年	
		(RMB' 000) (人民幣千元)	% of revenue 佔收入百分比	(RMB' 000) (人民幣千元)	% of revenue 佔收入百分比
Northern China <sup>(5)</sup>	華北 <sup>(5)</sup>	2,321,977	43.3%	1,924,586	44.9%
Southern China <sup>(6)</sup>	華南 <sup>(6)</sup>	2,790,129	52.1%	2,199,216	51.4%
Overseas markets	海外市場	247,915	4.6%	158,686	3.7%
<b>Total</b>	<b>合共</b>	<b>5,360,021</b>	<b>100%</b>	<b>4,282,488</b>	<b>100%</b>

Notes:

- (5) Including Heilongjiang, Jilin, Liaoning, Inner Mongolia, Beijing, Tianjin, Hebei, Shandong, Shanxi, Henan, Ningxia, Shaanxi, Gansu, Qinghai, Xinjiang and Tibet
- (6) Including Jiangsu, Shanghai, Zhejiang, Anhui, Jiangxi, Fujian, Hubei, Hunan, Guangdong, Chongqing, Guizhou, Guangxi, Sichuan, Yunnan and Hainan

### Cost of Sales

The Group's cost of sales, including raw materials, employee benefit expenses, depreciation and amortization and utilities, increased by 23.8% from RMB2,641.1 million for the year ended 31 December 2019 to RMB3,269.9 million for the corresponding period of 2020.

### Gross Profit and Gross Profit Margin

附註：

- (5) 包括黑龍江、吉林、遼寧、內蒙古、北京、天津、河北、山東、山西、河南、寧夏、陝西、甘肅、青海、新疆及西藏
- (6) 包括江蘇、上海、浙江、安徽、江西、福建、湖北、湖南、廣東、重慶、貴州、廣西、四川、雲南及海南

### 銷售成本

本集團的銷售成本（包括原材料、僱員福利開支、折舊及攤銷及公用事業）由截至2019年12月31日止年度的人民幣2,641.1百萬元增加23.8%至2020年同期的人民幣3,269.9百萬元。

### 毛利及毛利率

For the year ended 31 December  
截至12月31日止年度

		2020 2020年		2019 2019年	
		Gross profit		Gross profit	
		Gross profit	margin	Gross profit	margin
		毛利	毛利率	毛利	毛利率
		RMB' 000	%	RMB' 000	%
		人民幣千元	%	人民幣千元	%
<b>Hot pot condiments</b>	火鍋調味料	<b>1,375,284</b>	<b>43.1%</b>	1,116,862	39.7%
Third parties	第三方	1,026,325	55.7%	678,812	55.6%
Related parties	關聯方	348,959	25.9%	438,050	27.5%
<b>Chinese-style compound condiments</b>	中式複合調味料	<b>244,291</b>	<b>46.1%</b>	185,178	46.9%
Third parties	第三方	234,758	47.4%	172,569	50.0%
Related parties	關聯方	9,533	27.5%	12,609	25.5%
<b>Convenient ready-to-eat food products</b>	方便速食	<b>459,588</b>	<b>30.6%</b>	326,855	32.7%
Third parties	第三方	446,894	29.8%	319,616	32.7%
Related parties	關聯方	12,694	32.0%	7,239	35.3%
<b>Others</b>	其他	<b>10,947</b>	<b>11.0%</b>	12,505	16.6%
<b>Total</b>	<b>總計</b>	<b>2,090,110</b>	<b>39.0%</b>	1,641,400	38.3%

## Management Discussion and Analysis

### 管理層討論與分析

The Group's gross profit increased by 27.3% from RMB1,641.4 million for the year ended 31 December 2019 to RMB2,090.1 million for the year of 2020, and the gross profit margin increased from 38.3% as of the year 2019 to 39.0% as of the year 2020. Increase in gross profit margin was mainly due to the significant decline in percentage of total sales revenue derived from related-party sales, and the significant increase in percentage of total sales revenue derived from third-party sales, which had a higher gross profit margin.

#### Distribution Expenses

The Group's distribution expenses increased by 47.0% from RMB383.3 million for the year ended 31 December 2019 to RMB563.5 million for the year of 2020. The Group's distribution expenses as a percentage of the Group's revenue increased from 9.0% for the year of 2019 to 10.5% for the year of 2020. The increase in distribution expenses was mainly due to the tasting promotion activities and the advertising promotion material inputs that led to an increase in the promotion expense, and the establishment of additional branch storages that led to an increase in warehousing and transportation costs, in order to enhance cooperation with distributors.

#### Administrative Expenses

The Group's administrative expenses increased by 5.6% from RMB265.6 million for the year ended 31 December 2019 to RMB280.5 million for the year of 2020. The Group's administrative expenses as a percentage of the Group's revenue decreased from 6.2% for the year of 2019 to 5.2% for the year of 2020.

#### Other Incomes and Gains

The Group's net amount of other incomes and gains – net increased by 11% from RMB79.0 million for the year ended 31 December 2019 to RMB87.7 million for the year of 2020, mainly due to the increase in the amount of financial subsidy received from government.

本集團的毛利由截至2019年12月31日止年度的人民幣1,641.4百萬元增加27.3%至2020年度的人民幣2,090.1百萬元，而毛利率由截至2019年度38.3%提高至2020年度39.0%。毛利率上升的原因主要是關聯方銷售額佔總收入比例與去年同期相比有明顯下降，毛利率較高的第三方銷售業務在總銷售收入中的佔比有明顯上升。

#### 經銷開支

本集團的經銷開支由截至2019年12月31日止年度的人民幣383.3百萬元增加47.0%至2020年度的人民幣563.5百萬元。本集團的經銷開支佔本集團收入百分比從2019年度的9.0%增長至2020年度的10.5%。經銷開支增加主要原因是為深化與經銷商的合作，試吃推廣活動及廣宣物料投入導致促銷費用增加，以及增設若干分倉導致倉儲運輸費用增加。

#### 行政開支

本集團的行政開支由截至2019年12月31日止年度的人民幣265.6百萬元增加5.6%至2020年度的人民幣280.5百萬元。本集團行政開支佔本集團收入的百分比由2019年度6.2%下降至2020年度的5.2%。

#### 其他收入及收益

本集團的其他收入及收益淨額由截至2019年12月31日止年度人民幣79.0百萬元增加11%至2020年度的人民幣87.7百萬元，主要是由於本集團收到的政府財政獎勵補貼對比同期增加。

**Finance Income – Net**

The Group's finance incomes – net decreased by 16.7% from RMB22.1 million for the year ended 31 December 2019 to RMB18.4 million for the year of 2020, mainly due to interest expenses incurred on IFRS 16 Lease Liabilities.

**Profit before Tax**

As a result of the foregoing, the Group's profit before income tax increased by 23.6% from RMB1,093.6 million for the year ended 31 December 2019 to RMB1,352.2 million for the year of 2020.

**Income Tax Expense**

The Group's income tax expense increased by 23.7% from RMB298.6 million for the year ended 31 December 2019 to RMB369.3 million for the year of 2020. The effective tax rate was 27.3% for the year ended 31 December 2019 and 27.3% for the year ended 31 December 2020.

**Net Profit for the Year**

As a result of the foregoing, net profit of the Group increased by 23.6% from RMB795.0 million for the year ended 31 December 2019 to RMB982.9 million for the year of 2020. Basic earnings per share increased from RMB0.741 for the year ended 31 December 2019 to RMB0.902 for the year of 2020, and net profit margin decreased from 18.6% for the year ended 31 December 2019 to 18.3% for the year of 2020, mainly due to the increase in distribution expenses.

**Capital Liquidity and Financial Resources**

For the year ended 31 December 2020, the Group's operations were mainly funded by the cash generated from its operation. The Group intended to utilize internal resources to provide funds for its business operations and expansion through organic growth and sustainable development.

**融資收入淨額**

本集團的融資收入淨額由截至2019年12月31日止年度的人民幣22.1百萬元下降16.7%至2020年度的人民幣18.4百萬元，主要是由於國際財務報告準則第16號租賃負債產生的利息支出所致。

**除稅前利潤**

由於上文所述內容，本集團的除所得稅前利潤由截至2019年12月31日止年度的人民幣1,093.6百萬元增加23.6%至2020年度的人民幣1,352.2百萬元。

**所得稅開支**

本集團的所得稅開支由截至2019年12月31日止年度的人民幣298.6百萬元增加23.7%至2020年度的人民幣369.3百萬元。有效稅率於截至2019年12月31日止年度為27.3%，截至2020年12月31日止年度為27.3%。

**年內淨利潤**

由於上文所述內容，本集團淨利潤由截至2019年12月31日止年度的人民幣795.0百萬元增加23.6%至2020年度的人民幣982.9百萬元。每股基本盈利由截至2019年12月31日止年度的人民幣0.741元增加至2020年度的人民幣0.902元，而淨利率由截至2019年12月31日止年度的18.6%下降至2020年度的18.3%，主要是由於經銷開支費用增加所致。

**資金流動性及財政資源**

截至2020年12月31日止年度，本集團主要通過經營所得現金為營運提供資金。本集團擬動用內部資源、通過自然且可持續發展為其擴展及業務營運提供資金。

## Management Discussion and Analysis

### 管理層討論與分析

#### Cash and Cash Equivalents

As at 31 December 2020, the Group's cash and cash equivalents were mainly composed of Renminbi, Hong Kong dollars and US dollars. Cash and cash equivalents amounted to approximately RMB1,986.9 million (31 December 2019: RMB1,036.4 million).

#### Asset-Liability Ratio

As at 31 December 2020, the Group's asset-liability ratio<sup>(7)</sup> was 18.0% (31 December 2019: 17.6%). The Group did not have any bank borrowings.

Note:

(7) The asset-liability ratio is calculated by dividing total liabilities as at the end of each financial period by total assets

#### Inventories

Inventories mainly include raw materials and finished goods. As at 31 December 2020, the inventories amounted to approximately RMB406.0 million (31 December 2019: RMB297.3 million), the turnover days of inventories decreased from 39.1 days for the year ended 31 December 2019 to 38.7 days for the year ended 31 December 2020. The decrease in turnover days of inventories was mainly due to the Group's enhanced efficiency of inventory control.

#### Trade Receivables

Trade receivables represent the amounts due from customers in respect of sales of goods in the ordinary course of business. As at 31 December 2020, the trade receivables amounted to approximately RMB190.8 million (31 December 2019: RMB269.2 million). The change was mainly due to that payment method changed from sales on credit to advanced payment since the main e-commerce platforms began to be operated by distributors for the year. The turnover days of trade receivables decreased from 20.0 days for the year ended 31 December 2019 to 15.4 days for the year 2020.

#### 現金及現金等價物

截至2020年12月31日，本集團的現金及現金等價物主要是由人民幣、港元和美元組成。現金及現金等價物約為人民幣1,986.9百萬元（2019年12月31日：人民幣1,036.4百萬元）。

#### 資產負債比率

截至2020年12月31日，本集團的資產負債比率<sup>(7)</sup>為18.0%（2019年12月31日：17.6%）。本集團並無任何銀行借款。

附註：

(7) 資產負債比率按財政期末的總負債除以總資產計算

#### 存貨

存貨主要包括原材料與製成品。截至2020年12月31日存貨約為人民幣406.0百萬元（2019年12月31日：人民幣297.3百萬元），存貨周轉天數從截至2019年12月31日止年度的39.1天降低到截至2020年12月31日止年度的38.7天。存貨周轉天數得以減少的主要原因是本集團對庫存效率的把控得以提升。

#### 貿易應收款項

貿易應收款項為日常業務過程中就銷售的商品而應收客戶的款項。截至2020年12月31日貿易應收款項約為人民幣190.8百萬元（2019年12月31日：人民幣269.2百萬元），變動的主要原因是本年度主要電商平台由經銷商經營後，由賒銷方式改為預收款方式。貿易應收款項周轉天數從截至2019年12月31日止年度的20.0天降低到2020年度的15.4天。



**Trade Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Due to the cyclical effects of low and peak seasons for production and sales and the seasonal procurement cycle, trade payables amounted to approximately RMB279.3 million as at 31 December 2020 (31 December 2019: RMB207.5 million). The turnover days of trade payables decreased from 27.7 days for the year ended 31 December 2019 to 26.8 days for the year ended 31 December 2020.

**Contingent Liabilities**

As at 31 December 2020, the Company did not have any contingent liabilities.

**Charge of Assets**

As at 31 December 2020, the Company did not charge any fixed assets as securities for borrowings.

**Borrowings**

As at 31 December 2020, the Company did not have any bank borrowings.

**Debt-to-Equity Ratio**

As at 31 December 2020, the debt-to-equity ratio<sup>(8)</sup> of the Company was 2.1%.

Note:

- (8) Debt-to-equity ratio is calculated by dividing total debt by total equity. Total debt is defined as including interest-bearing liabilities which are not incurred during the ordinary course of business

**貿易應付款項**

貿易應付款項為日常業務過程中向供應商購買商品或服務而應支付的款項。受產銷淡旺季及季節性採購周期的影響，截至2020年12月31日貿易應付款項約為人民幣279.3百萬元（2019年12月31日：人民幣207.5百萬元）。貿易應付款項周轉天數從截至2019年12月31日止年度的27.7天下降到截至2020年12月31日止年度的26.8天。

**或然負債**

截至2020年12月31日，本公司並無任何或然負債。

**資產押記**

截至2020年12月31日，本公司並無抵押任何固定資產作為借款擔保。

**借貸**

截至2020年12月31日，本公司並無任何銀行借款。

**資本負債比率**

截至2020年12月31日，本公司的資本負債比率<sup>(8)</sup>為2.1%。

附註：

- (8) 資本負債比率按總債務除以總權益計算。總債務界定為包括並非於日常業務過程中產生的計息負債

## Management Discussion and Analysis

### 管理層討論與分析

#### Foreign Exchange Risk and Hedging

The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. However, the Group has certain cash in hand denominated in Hong Kong dollars and United States dollars, and is therefore exposed to foreign exchange risks. The Group has not hedged against its foreign exchange risks. However, the Group will closely monitor the exposure and will take specific measures when necessary to make sure the foreign exchange risks are manageable and within control.

#### Employees and Remuneration Policy

As at 31 December 2020, the Group had a total of 2,127 employees (including temporary workers), comprising 1,513 employees in production, 447 employees in marketing and 167 employees in administration and management functions.

As at 31 December 2020, the Group's total staff costs amounted to RMB535.6 million, including salaries, wages, allowances and benefits. The Group continued to optimize the incentive-based system in line with business development needs and implemented remuneration policies with competitiveness.

#### Material Acquisitions and Disposals

As at 31 December 2020, the Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures.

#### 匯率波動風險及相關對沖

本集團主要在中國經營，大部分交易乃以人民幣列值及結算。然而，本集團持有若干以港元及美元列值的現金，面臨外匯匯兌風險。本集團並無對沖外匯風險。然而，本集團將密切監控有關情況並於必要時採取一定措施，確保外匯風險處於可控範圍。

#### 僱員及薪酬政策

截至2020年12月31日，本集團員工總人數為2,127人(含臨時工)，其中包括了生產體系員工1,513人，營銷體系員工447人，行政和管理相關職能體系員工167人。

截至2020年12月31日，本集團的總員工成本為人民幣535.6百萬元，包括薪金、工資、津貼和福利等。本集團緊貼業務發展需求，不斷優化激勵體系，實施具有競爭力的薪酬政策。

#### 重大收購及出售事項

截至2020年12月31日，本集團暫無附屬公司、聯營公司及合營企業的重大收購及出售情況。

## FUTURE PROSPECTS

### Industry and Business Outlook

In 2020, it has been a challenging year for the global economies. The COVID-19 pandemic still caused a material impact on most of the economies in short term. Since the pressure of “guarding against imported cases and preventing a resurgence of the domestic outbreak” in fighting against the pandemic in China is still huge, the positive prospect of domestic economy in long term remained unchanged. The development of global pandemic has numerous uncertainties. In short run, the growth of the Group’s related-party transactions is still under pressure. In terms of the current circumstance, the public hygiene will not cause a negative impact on the retail businesses of condiment and convenient ready-to-eat food products. The market demands remain stable and there is a large room for development of new products.

In 2021, the Group will place strategic focus on brand promotion, production research and development, replenishing supplies, channel building, terminal marketing.

In respect of brand promotion, the Group will continue to adopt the strategy of “multi-brand” with product categories in existing products by segmentation of application scenarios, numerous product models and flavors, to make attempts in different cuisines, flavors and other condiments. Recently, the promotion of the brand of “Magic Cook (筷手小厨)” has been intensified to enhance the brand popularity and continuously deepen the business development of Chinese-style compound condiments by different online and offline marketing models with launching new flavors.

In respect of product development, through innovation in product mix, the scope of business will be widened further. The categories of hot pot condiments, Chinese-style compound condiments, convenient ready-to-eat food and snack food products will continue to evolve with new generations. While reinforcing the existing market positions for popular individual products, the Group will exercise its research and development and market exploration capabilities to enrich the product matrix. In the development of new products, we will continue to utilize the incentive strategy of “Project-Based System for Products”, and introduce different new products with unique local flavors and foreign styles. The market exit system will be strictly enforced to adjust the product mix in a timely manner, large-scale individual products will be developed, and non-performing goods will be removed to enhance the comprehensive competitiveness of the products.

## 未來前景

### 行業及業務展望

過去的2020年對於全球經濟體都是面臨巨大挑戰的一年，新冠疫情短期內仍然影響全球大多數經濟體。雖然當前中國國內疫情防控「外防輸入、內防反彈」的壓力仍然較大，但中國國民經濟長期向好的基本面發展方向沒有改變。針對全球疫情發展依然擁有諸多不確定性，短期來看，本集團關聯交易增速仍面臨壓力。但就目前形勢判斷，公共衛生問題並不會對調味品和方便速食產品零售端業務產生負面影響，市場需求依舊穩健，新品可挖掘空間巨大。

2021年，本集團將把業務重點放在品牌推廣、產品研發、供應補充、渠道建設、終端營銷作為公司策略重點。

在品牌策略方面，本集團將持續嘗試「多品牌」戰略，以更多子品牌系列產品打破現有產品邊界，通過細分消費場景，豐富產品形式和口味，在地方菜系、異國風味、其他調味料品類等進行多樣嘗試。近期計劃對「筷手小厨」品牌進行深度推廣，以各個類型的線上線下營銷形式，配合不斷推陳出新的產品口味，提升品牌認知度，持續深化中式複合調味料業務發展。

在產品開發方面，本集團持續通過產品的結構化創新，進一步拓寬業務邊界，圍繞火鍋調味料、中式複合調味料、方便速食及休閒食品等品類持續推陳出新，在穩固現有強勢單品市場地位的同時，發揮本集團研發及探尋市場的能力，豐富產品矩陣。在新品開發上，我們也將繼續運用「產品項目制」激勵策略，不斷挖掘市場機會，持續引入差異化新品。也將持續配合嚴格的產品下市制度，及時調整產品組合，培育大單品，淘汰表現不佳的產品，提升產品的綜合競爭力。

## Management Discussion and Analysis

### 管理層討論與分析

In respect of channel building, the Group will continue optimizing and developing lower-tier sales channels actively through internal organic growth and outward expansion development strategies, strengthen terminal sales capabilities and develop brand new model for channels to enhance the Group's market share and industry position constantly. Meanwhile, the staff incentive policies will be enhanced and improved continuously to encourage internal sales staff and external distributors in a practical manner, increase the density of points of sales and enhance the sales efficiency. In respect of e-commerce platform, the focus will continue to be enhancing consumer experience, improving sales efficiency and brand image of the e-commerce platform constantly.

In respect of terminal marketing, the Group will continue to carry out online and offline promotions actively, using "Family Love" as the management theme for providing services to distributors and points of sales, enhance the fees utilization efficiency, and optimize the terminal sales efficiency. Meanwhile, the Group will continue to refine the cooperation relationship with distributors, by utilizing branch storages in multiple areas to improve delivery efficiency and implement "Zero Inventory" measures, channel space and distributor potential will be extracted practically and effectively.

In respect of overseas business, the Group has basically completed the establishment of a number of overseas branch companies, and continues to replenish overseas supply by the way of constructing overseas factories actively. In 2021, the Group anticipates that more foreign trade products will be produced by overseas contracting factories, and investment in the construction of overseas factories will be pursued actively. A stable local capacity supply for overseas business will not only reduce transportation costs and enhance the flexibility of product mix, but will also facilitate the regional adjustment of product flavors and the research and development of localized products.

In respect of supply chain, the Group will continue to build local and overseas factories to complement the global product supplies. Meanwhile, we will continue to invest in lean production as well as research and development of equipment automation to enhance efficiency and optimize the supply cost. In addition, the Group plans to establish several industry centers in China and introduce ancillary industries to self-own factories so as to shorten the length of supply chain cycle and form industry groups, optimize and integrate the procurement resources, reduce the costs of transportation and logistics, enhance the efficiency of supply chain and reduce the product costs.

在渠道建設方面，本集團將繼續通過內生增長和外延發展的方式積極優化並下沉銷售渠道、加強終端銷售能力、開拓全新渠道模式，以持續提升本集團的市場佔有率和行業地位。與此同時，將繼續優化和改進人員激勵政策，切實鼓勵內部銷售人員以及外部經銷商，提高售點覆蓋密度及單點銷售效率。在電商平台方面，持續提升消費者體驗為重點，不斷提升電商平台的銷售效率和品牌形象。

在終端營銷方面，本集團將持續進行積極的線上及線下推廣，以「親情化」管理為主題，服務經銷商和售點，提升費用使用效率，優化終端銷售效率。與此同時，本集團將持續深化與經銷商的合作關係，以多個區域分倉提升配送效率和「零庫存」等舉措切實有效的挖掘渠道空間及經銷商潛力。

在海外業務方面，本集團已經基本完成多個海外分公司的設立，並以積極興建海外工廠的方式持續補充海外供應。2021年，本集團預計會有更多的外貿產品交由海外代工廠生產，並積極推進投資興建海外工廠的事宜。海外穩定的當地產能供應，不僅能減少運輸成本，提升產品組合靈活性，更有助於產品口味的區域化調整及符合當地產品的研發。

在供應鏈方面，本集團將持續增設多個國內外工廠，補充全球產品供應。與此同時，我們將持續在精益生產和設備研發上進行投入，提升生產線自動化程度，提升效率，優化供應端成本。另外，本集團計劃在中國成立多個產業中心，並引進配套產業入駐自有工廠周邊，縮短供應鏈長度，形成產業集群，優化整合採購資源，降低運輸和物流成本，提升供應鏈效率，降低產品成本。



### Material Investments and Prospects

In order to ease the pressure from a continuously increasing production capacity utilization rate, the Group mainly adopted the following measures in 2021:

Firstly, the construction project of the north workshop in Bazhou Phase I located in Hebei Province was completed. The total production capacity was 70,000 tonnes. The construction project of Bazhou Phase II has commenced and is expected to commence production by the end of 2023 with a designed production capacity of 30,000 tonnes. The project of Bazhou factory is gradually completed, which will help the Group to control and manage logistics costs and peak season pressure more effectively.

Secondly, the overall planning and construction bidding of new factory project in Maanshan have completed, and it is preparing to enter the civil construction stage. The planned production capacity of Phase I is 60,000 tonnes, which is expected to commence production by May 2022. The completion of the project is expected to release production capacity of 200,000 tonnes. The Maanshan Phase II project will be equipped with condiment production equipment and quality inspection instruments with advanced technologies at domestic and international level to enhance the Company's overall production line efficiency.

Thirdly, Luohe production base has commenced formal construction in March 2020. Phase I workshop has completed its outer construction. The planned production capacity of Phase I is 140,000 tonnes, which is expected to commence production by the end of July 2021. Through the current total designed production capacity of Luohe factory project is 300,000 tonnes, the production capacity will continue to increase after 2022.

Fourthly, the Group entered into a land acquisition agreement with the government of Jianyang, Sichuan Province in April 2020. The Jianyang production base is expected to commence construction in November 2020 and production in early 2022. The planned production capacity of Phase I is 100,000 tonnes, which is expected to commence production in 2022.

### 重大投資的情況與前景

為舒緩日益增長的產能壓力，本集團在2021年主要採取了以下措施：

其一：已完成河北省霸州一期北車間的建設項目，合計產能7萬噸，霸州二期項目已經開工建設，預期在2023年底投產，設計產能3萬噸。霸州工廠的逐步完成，將有助於本集團更好地把控和管理物流成本和旺季產能壓力。

其二：馬鞍山二期新工廠項目已完成總體規劃，已完成土建招標，準備進入土建建設階段，一期規劃產能6萬噸，預期2022年5月投產，該項目全部建成預期可釋放產能20萬噸，馬鞍山二期項目將配備具有國內外先進工藝技術水平的調味料生產設備及質量檢測儀器等，以提升公司整體生產線效率。

其三，漯河生產基地已於2020年3月正式開始建設，1號車間已完成外框架搭建，一期規劃產能14萬噸，預期將於2021年7月底投產。漯河工廠項目預計2022年後還會陸續增加產能，目前設計總產能為30萬噸。

其四，本集團於2020年4月與四川簡陽市政府簽訂了土地購買協議，簡陽生產基地項目於2020年11月開始建設，預計2022年初試生產，一期規劃產能為10萬噸，計劃2022年投產。



## Management Discussion and Analysis

### 管理層討論與分析

Fifthly, in order to establish the Thailand factory, the Group purchased a land parcel in Rojana Industrial Park, Ayutthaya Thailand in May 2020; Phase I of the Thailand factory has a planned capacity of 20,000 tonnes, of which the construction will be commenced in February 2021 and it is expected that production can be commenced in 2022; Phase II has a planned capacity of 20,000 tonnes, and it is expected that production will be commenced in 2025.

Sixthly, Zhaoqing factory with an area of 30 mu, in Guangdong, has entered into the planning stage, and it is expected to have 2 workshops and planned to commence production in May 2021 with planned production capacity of 48,000 tonnes.

#### Future Plans for Material Investments

The Group will continue to extensively identify potential strategic investment opportunities and seek to acquire potential high-quality targets that create synergies for the Group in relation to aspects including product research and development, product portfolio, channel expansion or cost control.

其五，本集團於2020年5月購買了位於泰國大城府洛加納工業園區的土地用於建設泰國工廠；泰國工廠一期設計產能2萬噸，計劃於2021年2月開始建設，預計將於2022年投產；二期設計產能2萬噸，預計將於2025年投產。

其六，廣東肇慶工廠項目已進入籌備規劃階段，該工廠佔地30畝，規劃2個車間，計劃2021年5月投產，規劃產能4.8萬噸。

#### 未來重大投資計劃

本集團將繼續廣泛尋找潛在的策略性投資機會，持續尋求可為集團在產品研發、產品組合、渠道擴張抑或成本控制等方面，帶來協同效應的潛在優質標的。

#### EXECUTIVE DIRECTORS

**Mr. Shi Yonghong (施永宏)**, aged 51, an executive Director and the Chairman of the Company. He has been a Director of the Company since December 2015, primarily responsible for participating in making major decisions for the Company. He was appointed as a non-executive Director of the Company on 7 March 2016 and the Chairman of the Company on 14 November 2017. He was re-designated as the executive director and Chief Executive Officer of the Company on 9 December 2018 and as the executive Director and Chairman of the Company on 25 March 2020. He is responsible for formulation and management of strategic decisions of the Company. Mr. Shi is one of the founders of the Haidilao Group and has over 20 years of food industry and management experience within the Haidilao Group. Mr. Shi has held various positions at Sichuan Haidilao since April 1994. Mr. Shi was the vice general manager at Sichuan Haidilao between April 1994 and March 2001, before assuming the role of supervisor at Sichuan Haidilao between April 2001 and June 2009. Since July 2009, Mr. Shi has been a director at Sichuan Haidilao. Mr. Shi also serves as an executive director of associates of the Company's Controlling Shareholders. He is currently an executive director of Haidilao. Mr. Shi completed his study in mechanics at Sichuan Kongfen Group Technical School (四川空分技工學校) in June 1988.

Mr. Shi is also holding directorships at the following members of the Group:

Yihai (Singapore) Food Pte. Ltd.  
Yihai (US) Food Inc.  
Yihai (Canada) Food Inc.

#### 執行董事

施永宏先生，51歲，本公司執行董事兼董事會主席。彼自2015年12月起擔任本公司的董事，主要負責參與作出本公司的重要決策。彼於2016年3月7日獲委任為本公司非執行董事，並於2017年11月14日獲委任為本公司董事會主席，其後於2018年12月9日起獲調任為本公司執行董事及首席執行官，並於2020年3月25日調任為執行董事兼董事會主席，負責本公司重大戰略決策的制定及管理。施先生為海底撈集團的創辦人之一並於海底撈集團積累逾20年食品行業及管理經驗。施先生自1994年4月起於四川海底撈擔任多個職位。施先生於1994年4月至2001年3月擔任四川海底撈的副總經理，之後於2001年4月至2009年6月擔任四川海底撈的監事。施先生自2009年7月起為四川海底撈的董事。施先生亦於本公司控股股東聯繫人擔任執行董事。彼目前為海底撈的執行董事。施先生於1988年6月於四川空分技工學校完成機械課程。

施先生亦於本集團以下成員公司擔任董事職位：

頤海(新加坡)食品有限公司  
頤海(美國)食品有限公司  
頤海(加拿大)食品公司

## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

**Mr. Guo Qiang (郭強)**, aged 52, an executive Director and the Chief Executive Officer of the Company. He was appointed as an executive Director of the Company on 26 March 2019 and the Chief Executive Officer of the Company on 25 March 2020. He is primarily responsible for implementation of Board's strategy and management of daily operation of the Group. Mr. Guo joined the Company since January 2016 and served as the head of sales management division of the Company and the Company's head of sales division in the southern region in August 2017. In December 2018, he was appointed as the head of marketing and sales of the Company, responsible for the branding, sales and marketing businesses so as to optimize the marketing system of the Company. Before joining the Company, Mr. Guo served as a mechanical engineer of a tractor factory in Shenyang from September 1992 to April 1997; a national sales director of Lotte (China) Investment Co., Ltd. from May 1997 to August 2010; a sales director of Henan Kedi Frozen Food Co., Ltd.\* (河南科迪速凍食品有限公司) from August 2010 to July 2013; and a sales director of national hypermarket division of Haixin Foods Co., Ltd. from April 2014 to December 2015. Mr. Guo graduated from Shenyang Agricultural University in 1992 with a bachelor's degree in mechanical design.

Mr. Guo is also holding directorships at the following members of the Group:

Yihai (UK) Food Ltd.  
Yihai (Birmingham) Food Ltd.  
YIHAI NATURAL FOOD MANUFACTURE SDN. BHD  
Yihai Beijing Trading Co., Ltd. (頤海(北京)商貿有限責任公司)  
Yihai (Shanghai) Food Co., Ltd. (頤海(上海)食品有限公司)

郭強先生，52歲，本公司執行董事兼首席執行官。彼於2019年3月26日獲委任為本公司執行董事，並於2020年3月25日獲委任為本公司首席執行官，主要負責執行董事會的戰略，並管理本集團日常營運。郭先生於2016年1月加入公司任職公司銷售管理部總監，並於2017年8月擔任公司南區銷售部總監，之後於2018年12月獲委任為公司營銷總監，負責公司的品牌、銷售和市場業務，致力於優化公司營銷體系的建設。加入本公司之前，郭先生於1992年9月至1997年4月在瀋陽拖拉機製造廠擔任機械工程師，於1997年5月至2010年8月在樂天(中國)投資有限公司擔任全國銷售總監，於2010年8月至2013年7月在河南科迪速凍食品有限公司擔任銷售總監，於2014年4月至2015年12月在海欣食品股份有限公司擔任全國商超部銷售總監。郭先生於1992年畢業於瀋陽農業大學，取得機械設計學士學位。

郭先生亦於本集團以下成員公司擔任董事職位：

頤海(英國)食品有限公司  
頤海(伯明翰)食品公司  
頤海天然食品製造有限公司  
頤海(北京)商貿有限責任公司  
頤海(上海)食品有限公司

## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

**Mr. Sun Shengfeng (孫勝峰)**, aged 41, was appointed as an executive Director and the chief financial officer on 7 March 2016. He is primarily responsible for overseeing matters relating to the financial, investment and risk management of the Company, including budgeting, disclosure and reporting. Mr. Sun has also served as the chief financial officer of Yihai Shanghai since August 2015. Mr. Sun served as the head of finance in Xi'an Yinqiao Biotechnology Co., Ltd. (西安銀橋生物科技有限公司) from September 2003 to August 2007. He joined Sichuan Haidilao in September 2007 and has held various positions successively: he worked as assistant to the chief financial officer from September 2007 to November 2011, the chief accountant from November 2011 to December 2012, deputy head of the finance management department from December 2012 to August 2013, and deputy head of the asset management department from August 2013 to August 2015. Mr. Sun passed the self-taught higher education examination for undergraduate study in business administration with Xi'an University of Technology (西安理工大學) and obtained a graduation certificate in June 2009. He completed his graduate study in business administration at Tsinghua University in September 2010, and obtained a master's degree in business administration at China Europe International Business School in November 2019. He was accredited as an accountant by the Ministry of Finance of the People's Republic of China (中華人民共和國財政部) in May 2005.

**Ms. Shu Ping (舒萍)**, aged 50, was appointed as an executive Director of the Company on 21 March 2018. She has been the director of Sichuan Haidilao Catering Corporation Ltd.\* (四川海底撈餐飲股份有限公司) since November 2014. She is currently a non-executive director of Haidilao International Holding Ltd. (stock code: 6862). Ms. Shu has completed the EMBA (China) programme and the FMBA programme run by Cheung Kong Graduate School of Business in November 2015 and completed the EMBA programme run jointly by Shanghai Jiao Tong University and Nanyang Technological University in Singapore in July 2016. Ms. Shu is the spouse of Mr. Zhang Yong, a non-executive director of the Company.

孫勝峰先生，41歲，於2016年3月7日獲委任為執行董事兼財務總監。彼主要負責監督與本公司的財務、投資及風險管理相關事宜，包括財務預算、信息披露及報告。孫先生亦自2015年8月起擔任頤海上海的財務總監。於2003年9月至2007年8月，孫先生擔任西安銀橋生物科技有限公司的財務主管。彼於2007年9月加入四川海底撈並先後擔任多個職務，包括於2007年9月至2011年11月擔任財務總監助理，於2011年11月至2012年12月擔任總會計師，於2012年12月至2013年8月擔任財務管理部門的副部長，及於2013年8月至2015年8月擔任資產管理部門副部長。孫先生通過西安理工大學工商企業管理本科高等教育自學考試並於2009年6月取得畢業證書。彼於2010年9月在清華大學完成工商管理專業研究生課程，並於2019年11月獲得中歐國際工商學院授予的工商管理碩士學位。彼於2005年5月獲中華人民共和國財政部認可為會計師。

舒萍女士，50歲，於2018年3月21日獲委任為本公司執行董事。由2014年11月至今擔任四川海底撈餐飲股份有限公司的董事。彼目前為海底撈國際控股有限公司(股份代號：6862)的非執行董事。舒女士於2015年11月完成長江商學院的高級管理人員中國企業工商管理碩士課程以及金融工商管理碩士課程，並於2016年7月完成上海交通大學與新加坡南洋理工大學合作舉辦的高級工商碩士管理課程。舒女士為本公司非執行董事張勇先生的配偶。

## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

**Mr. Zhao Xiaokai (趙曉凱)**, aged 45, was appointed as an executive Director of the Company on 25 August 2020. He is currently the director of the supply system of the Company. He is responsible for the management of the supply system of the Company. He is committed to optimizing and managing the production of factories, inventory logistics and technological research. He has extensive experience in risk management and control, cost optimization, quality control and supply chain management. Mr. Zhao joined the Company on 31 March 2017, and served as the special assistance of the general manager, and the director of the supply management department since 1 December 2017. Prior to this, Mr. Zhao has served as the general manager in production of Douglas (Qingdao) Wines Co., Ltd (青島道格拉斯洋酒有限公司) from May 2016 to March 2017, worked at Heinz (Qingdao) Food Co., Ltd. (亨氏(青島)食品有限公司) from April 2004 to April 2016 (and had been the operational director). He has served as the quality auditor of Unilever Bestfood\* (聯合利華百仕福) from October 2000 to April 2004 and the production officer of Weifang Yue Hwa Food Co., Ltd.\* (濰坊裕華食品有限公司) from July 1998 to October 2000. Mr. Zhao Xiaokai graduated from Jimei University and obtained a bachelor's degree in engineering in 1998.

Mr. Zhao is also holding directorships at the following members of the Group:

Yihai (Bermingham) Food Ltd.  
YIHAI NATURAL FOOD MANUFACTURE SDN. BHD  
Yihai Zhaoqing Food Co., Ltd. (頤海肇慶食品有限公司)  
Fuhai Zhaoqing Food Co., Ltd. (馥海肇慶食品有限公司)

趙曉凱先生，45歲，於2020年8月25日獲委任為本公司執行董事。彼現為本公司供應體系總監。其負責管理本公司供應體系的工作，致力於優化及管控工廠的生產、倉儲物流及技術研究等工作。其於風險管理和控制、成本優化、質量控制與供應鏈管理方面擁有豐富經驗。趙先生於2017年3月31日加入本公司，擔任總經理特別助理職位，並自2017年12月1日起擔任供應管理部之總監。於此之前，趙先生於2016年5月至2017年3月擔任青島道格拉斯洋酒有限公司製造總經理一職，於2004年4月至2016年4月就職於亨氏(青島)食品有限公司，曾擔任運營總監職位，於2000年10月至2004年4月擔任聯合利華百仕福質量審核員，於1998年7月至2000年10月擔任濰坊裕華食品有限公司生產主任。趙曉凱先生於1998年畢業於集美大學，取得工程學士學位。

趙先生亦於本集團以下成員公司擔任董事職位

頤海(伯明翰)食品公司  
頤海天然食品製造有限公司  
頤海肇慶食品有限公司  
馥海肇慶食品有限公司



## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

#### NON-EXECUTIVE DIRECTOR

**Mr. Zhang Yong (張勇)**, aged 50, was appointed as a non-executive Director on 7 March 2016. Mr. Zhang is one of the founders of the Haidilao Group and has over 20 years of food industry and management experience within the Haidilao Group. He has been a Director since December 2015 and is primarily responsible for participating in making major decisions for the Company. Mr. Zhang served as the general manager of Sichuan Haidilao from April 1994 to March 2001. Between April 2001 and June 2009, Mr. Zhang served as both the executive director and the general manager of Sichuan Haidilao. Since July 2009, Mr. Zhang has served as the director and chairman of Sichuan Haidilao. Mr. Zhang also serves as a director and member of senior management of associates of the Company's Controlling Shareholders. He is currently an executive director of Haidilao International Holding Ltd. (stock code: 6862). Mr. Zhang completed the executive master of business administration program and completed the finance master of business administration program from Cheung Kong Graduate School of Business (長江商學院) in October 2011 and August 2012, respectively. Mr. Zhang is the spouse of Ms. Shu Ping, an executive director of the Company.

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Yau Ka Chi (邱家賜)**, aged 63, was appointed as an independent non-executive director of the Company on 20 June 2016. Mr. Yau has over 30 years of professional accounting services experience including 20 years in serving PRC-based enterprises. He had worked for Ernst & Young in its Hong Kong, Toronto and Beijing offices, with a primary focus in providing professional services in accounting and audit, initial public offering, and corporate restructuring, before retiring in September 2015. When he was with Ernst & Young, Mr. Yau was appointed, among others, as the professional practice director of Greater China and the assurance leader for China North Region. Mr. Yau is an independent non-executive director of China Mengniu Dairy Company Limited (中國蒙牛乳業有限公司) (Stock code: 2319) since October 2016 and China Power International Development Limited (中國電力國際發展有限公司) (Stock code: 2380) since December 2016, both companies listed on the main board of The Stock Exchange of Hong Kong Limited. Mr. Yau is also an independent non-executive director of BetterLife Holding Limited, an applicant for listing in Hong Kong. Mr. Yau holds a professional diploma in company secretaryship and administration from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) and is a member of the American Institute of Certified Public Accountants, the Illinois Certified Public Accountants Society and the Hong Kong Institute of Certified Public Accountants. Mr. Yau also holds a certified public accountant license issued by the Illinois Department of Financial and Professional Regulation, the United States.

#### 非執行董事

張勇先生，50歲，於2016年3月7日獲委任為本公司非執行董事。張先生為海底撈集團的創辦人之一並於海底撈集團積累逾20年食品行業及管理經驗。自2015年12月起擔任本公司董事，主要負責參與作出本公司的重要決策。張先生於1994年4月至2001年3月擔任四川海底撈的總經理。2001年4月至2009年6月，張先生擔任四川海底撈的執行董事兼總經理。自2009年7月起，張先生擔任四川海底撈的董事兼董事長。張先生亦於本公司控股股東聯繫人擔任董事及高級管理層成員。彼目前為海底撈國際控股有限公司(股份代號：6862)的執行董事。張先生分別於2011年10月及2012年8月分別完成長江商學院高級管理人員工商管理碩士課程及長江商學院金融工商管理碩士課程。張先生為本公司執行董事舒萍女士的配偶。

#### 獨立非執行董事

邱家賜先生，63歲，於2016年6月20日獲委任為本公司獨立非執行董事。邱先生擁有逾30年的專業會計服務經驗，當中包括20年服務中國企業經驗。彼於2015年9月自安永會計師事務所退休前，先後於其香港、多倫多及北京辦公室任職，主要從事會計與審計、首次公開發售及公司重組專業服務。於安永會計師事務所任職期間，邱先生曾任大中華區專業標準技術部主管和中國審計服務主管(華北區)。邱先生自2016年10月起任中國蒙牛乳業有限公司(股份代號：2319)的獨立非執行董事及自2016年12月起任中國電力國際發展有限公司(股份代號：2380)的獨立非執行董事，兩家公司均在香港聯合交易所有限公司的主板上市。邱先生亦為百得利控股有限公司的獨立非執行董事，一間申請香港上市的公司。邱先生持有香港理工學院(現稱為香港理工大學)公司秘書及行政管理專業文憑，並為美國註冊會計師協會、伊利諾州註冊會計師協會及香港會計師公會的會員。邱先生亦持有美國伊利諾州財政及專業監管部頒發的執業會計師執照。

## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

**Ms. Ye Shujun (葉蜀君)**, aged 59, was appointed as an independent non-executive Director on 20 June 2016. She is primarily responsible for participating in making major decisions for the Company and advising on issues relating to corporate governance, remuneration of Directors and senior management, nomination of Directors and audit. Ms. Ye has been an independent director of Beijing New Universal Science and Technology Co., Ltd (北京萬向新元科技股份有限公司) (stock code: 300472) since June 2011, and an independent director of Anhui Guozhen Environment Protection Technology Joint Stock Co., Limited (安徽國禎環保節能科技股份有限公司) (stock code: 300388) from August 2016 to December 2020, both being companies listed on the Shenzhen Stock Exchange (深圳證券交易所). Ms. Ye has been serving as independent director of Anhui Telit Science and Technology Co., Ltd. (stock code: 831918), a company listed on National Equities Exchange and Quotation System, since July 2017, and as independent director of Wuhu Fuchun Dye And Weave Co., Ltd. (stock code: 870898), a company listed on the New Third Board, since November 2017. Ms. Ye also served as lecturer, associate professor and professor successively at the economic management college of Beijing Jiaotong University (北京交通大學) since December 1994. Ms. Ye completed a program in international accounting and international tax at Xiamen University in January 1990. Ms. Ye then obtained a master's degree in economics from Tsinghua University in July 1994. She obtained a doctoral degree in management from Beijing Jiaotong University in July 2007.

**Mr. Qian Mingxing (錢明星)**, aged 58, was appointed as an independent non-executive Director on 20 June 2016. He is primarily responsible for participating in making major decisions for the Company and advising on issues relating to corporate governance, nomination of Directors and remuneration of Directors and senior management. Mr. Qian has been a professor at Peking University Law School (北京大學法學院) since August 1999. He worked as a teaching assistant and a lecturer of the law department at Peking University from August 1986 to August 1988 and August 1988 to August 1993, respectively. From August 1993 to August 1999, Mr. Qian was an associate professor at Peking University Law School. Mr. Qian obtained a bachelor's degree in law and a master's degree in law from Peking University in July 1983 and July 1986, respectively. In June 2001, Mr. Qian obtained a doctoral degree of laws from Peking University.

葉蜀君女士，59歲，於2016年6月20日獲委任為本公司獨立非執行董事。彼主要負責參與作出本公司的重要決策以及就公司管治、董事及高級管理層薪酬、提名董事及審計有關事宜提供意見。葉女士自2011年6月起出任北京萬向新元科技股份有限公司(股份代號：300472)的獨立董事，並於2016年8月至2020年12月出任安徽國禎環保節能科技股份有限公司(股份代碼：300388)的獨立董事，兩家公司均為深圳證券交易所上市公司。葉女士自2017年7月起擔任在全國中小企業股份轉讓系統掛牌上市的企業安徽天立泰科技股份有限公司(股票代碼：831918)的獨立董事，自2017年11月起任新三板掛牌企業蕪湖富春染織股份有限公司(股票代碼：870898)的獨立董事。葉女士亦自1994年12月起任教於北京交通大學經濟管理學院，先後任職講師、副教授及教授。葉女士於1990年1月在廈門大學完成國際會計與國際稅收班課程。葉女士其後於1994年7月取得清華大學經濟學碩士學位。彼於2007年7月取得北京交通大學管理工程學博士學位。

錢明星先生，58歲，於2016年6月20日獲委任為本公司獨立非執行董事。彼主要負責參與作出本公司的重要決策以及就公司管治、提名董事以及董事及高級管理層薪酬有關事宜提供意見。錢先生自1999年8月起一直在北京大學法學院擔任教授。錢先生於1986年8月至1988年8月期間及1988年8月至1993年8月期間分別在北京大學法律系擔任助教及講師。於1993年8月至1999年8月，錢先生擔任北京大學法學院副教授。錢先生分別於1983年7月及1986年7月取得北京大學的法律學士學位及法律碩士學位。錢先生於2001年6月取得北京大學法律博士學位。

## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

#### SENIOR MANAGEMENT

**Mr. Shi Yonghong (施永宏)**, an executive Director of the Company. See “– Board of Directors – Executive Directors” in this section for his biographical details.

**Mr. Guo Qiang (郭強)**, an executive Director and the Chief Executive Officer of the Company. See “– Board of Directors – Executive Directors” in this section for his biographical details.

**Mr. Sun Shengfeng (孫勝峰)**, an executive Director, the chief financial officer and joint company secretary of the Company. See “– Board of Directors – Executive Directors” in this section for his biographical details.

**Mr. Zhao Xiaokai (趙曉凱)**, an executive Director. See “– Board of Directors – Executive Directors” in this section for his biographical details.

\* For identification purpose only

#### 高級管理層

施永宏先生，本公司執行董事。有關其履歷詳情，請參閱本節「– 董事會 – 執行董事」。

郭強先生，本公司執行董事及首席執行官。有關其履歷詳情，請參閱本節「– 董事會 – 執行董事」。

孫勝峰先生，本公司執行董事、財務總監及聯席公司秘書。有關其履歷詳情，請參閱本節「– 董事會 – 執行董事」。

趙曉凱先生，本公司執行董事。有關其履歷詳情，請參閱本節「– 董事會 – 執行董事」。

\* 僅供識別

## Corporate Governance Report

### 企業管治報告

The Board of the Company presents this corporate governance report in the Group's annual report for the year ended 31 December 2020.

#### CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value, accountability and transparency.

The Company has applied the principles as set out in the Corporate Governance Code and also the corporate governance report as contained in Appendix 14 to the Listing Rules.

The Corporate Governance Code sets out the principles of good corporate governance and two levels of corporate governance practices, as follows:

- (a) code provisions, which listed issuers are expected to comply with or to give considered reasons for deviation; and
- (b) recommended best practices for guidance only, which listed issuers are encouraged to comply with.

The Company's corporate governance practices are based on the principles and the code provisions as set out in the Corporate Governance Code.

Except for the deviation from the Corporate Governance Code provision A.2.1, the Company regularly reviews its compliance with Corporate Governance Code and the Company was in compliance with the code provisions of the Corporate Governance Code during the year ended 31 December 2020.

Please refer to the Corporate Governance Report of this annual report for details.

本公司董事會提呈本集團截至2020年12月31日止年度的年報內所載的本企業管治報告。

#### 本公司的企業管治常規

本集團致力達致高水準的企業管治，務求保障股東權益及提高企業價值、問責性及透明度。

本公司已應用上市規則附錄十四所載企業管治守則的原則及企業管治報告。

企業管治守則訂明的良好企業管治原則及兩個層面的企業管治常規如下：

- (a) 守則條文，期望上市發行人遵守或就偏離行為提供審慎考慮的理由；及
- (b) 建議最佳常規，僅屬指引，鼓勵上市發行人遵守。

本公司的企業管治常規乃以企業管治守則所載原則及守則條文為依據。

除偏離企業管治守則條文A.2.1條外，本公司定期審閱遵守企業管治守則的情況且本公司於截至2020年12月31日止年度內已遵守企業管治守則的守則條文。

有關詳情，請參閱本年報企業管治報告。



## A. THE BOARD

### 1. Responsibilities

The Board is responsible for the leadership and control of the Company and is responsible for promoting the success of the Company by directing and supervising its affairs. The Board also reviews the policies and practices on compliance with legal and regulatory requirements. The Board has established Board committees and has delegated to these Board committees' various responsibilities as set out in their respective terms of reference which are published on the websites of the Stock Exchange and the Company.

All of the Directors have carried out their duties in good faith and in compliance with the standards of applicable laws and regulations, and have acted objectively in the best interests of the Company and its Shareholders.

### 2. Delegation of Management Function

The Board is responsible for making all major decisions of the Company including: the approval and monitoring of all major policies of the Group and overall strategies, risk management and internal control systems, notifiable transactions, connected transactions and continuous connected transactions, nomination of the Directors and joint company secretaries, and other significant financial and operational matters.

All of the Directors have full and timely access to all relevant information as well as the advice and services of the joint company secretaries of the Company, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each Director is entitled to seek independent professional advice in appropriate circumstances at the Company's expense to enable himself/herself to perform his/her responsibilities for the Company.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions are periodically reviewed. Approval has to be obtained from the Board before any significant transaction is entered into.

## A. 董事會

### 1. 責任

董事會負責領導和控制本公司及負責統籌及監督本公司的事務進而促使本公司達成成功。董事會亦審閱遵守法律及法規規定方面的政策及常規。董事會下設董事委員會，並向該等董事委員會轉授其各自職權範圍載列的各項責任。該等董事委員會各自的職權範圍刊載於聯交所及本公司網站。

全體董事已真誠地依據適用法律及規例的標準履行職責，並客觀地為本公司及其股東的最佳利益行事。

### 2. 管理層職能授權

董事會負責制定本公司所有重大決策，包括：批准及監督本集團所有主要政策和整體策略、風險管理及內部控制系統、須予公佈的交易、關連交易、持續關連交易、董事及聯席公司秘書的提名以及其他重要財務及營運事項。

全體董事均可全面及適時地獲取所有相關資料以及獲得本公司聯席公司秘書的意見與服務，以確保董事會程序及所有適用規則及規例均獲遵從。各董事有權於適當情況下尋求獨立專業意見以協助他們履行其對本公司的責任，有關開支由本公司承擔。

本公司的日常管理、行政及營運均已委派予高級管理層。其獲授權的職能會定期予以檢討。訂立任何重大交易前必須取得董事會批准。



### 3. Board Composition

The Board of the Company comprised the following Directors throughout 2020:

Executive Directors	Mr. Shi Yonghong ( <i>Chairman</i> ) Mr. Guo Qiang Mr. Sun Shengfeng Ms. Shu Ping Mr. Zhao Xiaokai (Note 1) Mr. Dang Chunxiang (Note 1)
Non-executive Director	Mr. Zhang Yong
Independent non-executive Directors	Mr. Yau Ka Chi Mr. Qian Mingxing Ms. Ye Shujun

Note 1: Mr. Zhao Xiaokai has been appointed as an executive Director with effect from 25 August 2020. On the same day, Ms. Dang Chunxiang has resigned from her positions as an executive Director and vice president of the Company.

The list of the Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

Save as disclosed in the Prospectus and in this annual report, to the best knowledge of the Company, there are no financial, business, family, or other material/relevant relationships among members of the Board.

During the period from the Listing Date to 31 December 2020, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board and at least one independent non-executive Director with appropriate professional qualifications, or accounting or related financial management expertise.

### 3. 董事會組成

在2020年本公司董事會由以下董事組成：

執行董事	施永宏先生(主席) 郭強先生 孫勝峰先生 舒萍女士 趙曉凱先生(附註1) 黨春香女士(附註1)
非執行董事	張勇先生
獨立非執行董事	邱家賜先生 錢明星先生 葉蜀君女士

附註1：趙曉凱先生已獲委任為執行董事，自2020年8月25日起生效。同日，黨春香女士辭任本公司執行董事兼副總裁。

董事名單(按分類)亦根據上市規則於本公司不時公佈的所有公司通訊內予以披露。獨立非執行董事根據上市規則於所有公司通訊內明確列出。

除招股章程及本年報所披露者外，據本公司所知，董事會成員之間概無財務、業務、家庭或其他重大／相關關係。

於上市日期至2020年12月31日止期間內，董事會一直遵守上市規則有關規定，委任至少三名獨立非執行董事，佔董事會成員人數至少三分之一，以及其中至少一名獨立非執行董事須擁有適當專業資格或會計或相關財務管理專長。

The Company has received written annual confirmation from each independent non-executive Director of his or her independence pursuant to the requirements of the Listing Rules. The Company considers all the independent non-executive Directors to be independent in accordance with the independence requirements set out in the Listing Rules.

#### 4. Appointment, Re-election and Removal of Directors

The procedures and process of appointment, re-election and removal of the Directors are laid down in the Articles of Association. The primary duties of the Nomination Committee include, but are not limited to, reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on matters relating to the appointment of the Directors.

Each of the executive Directors and non-executive Directors has entered into a service contract with the Company pursuant to which each of them has agreed to act as an executive Director or a non-executive Director (as the case may be), subject to re-election as and when required under the Articles of Association, until it is terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than one month's prior notice in writing. Each of the independent non-executive Directors has signed a letter of appointment with the Company and has been appointed for a term of three years. The appointment may be terminated by either party giving to the other not less than one month's prior notice in writing.

In accordance with the Articles of Association, all of the Directors are subject to retirement by rotation at least once every three years and the Board has power from time to time and at any time to appoint any new Director to fill a causal vacancy or as an addition to the Board. Any Director so appointed shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

本公司已收到各獨立非執行董事根據上市規則的規定發出確認本身獨立性的年度確認函。本公司認為，根據上市規則所載的獨立性規定，所有獨立非執行董事均屬獨立人士。

#### 4. 董事的委任、重選及免職

董事的委任、重選及免職程序及過程已載於組織章程細則。提名委員會的主要職責包括但不限於審閱董事會架構、規模及組成、評估獨立非執行董事的獨立性及就有關委任董事的事宜向董事會提出建議。

執行董事及非執行董事各自已與本公司訂立服務合約，據此，彼等分別同意擔任執行董事或非執行董事（視乎情況而定），可根據組織章程細則於需要時重選，直至根據服務合約的條款及條件終止或由其中一方另向另一方發出不少於一個月的事先書面通知予以終止。各獨立非執行董事已與本公司簽立委任函並已獲委任，任期為三年。委任可由其中一方另向另一方發出不少於一個月的事先書面通知予以終止。

根據組織章程細則，全體董事須至少每三年輪值告退一次，而董事會有權不時及隨時委任任何新董事以填補臨時空缺或加入董事會。任何按上述方式獲委任的董事任期僅至本公司下屆股東週年大會，惟屆時可於股東週年大會上膺選連任。

### 5. Induction and Continuing Development for Directors

Each newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment, so as to ensure that he or she understands the business and operations of the Company and that he or she is fully aware of his or her responsibilities and obligations under the Listing Rules and other relevant regulatory requirements.

The Directors are continually provided with information relating to the developments in the legal and regulatory regime and the business and market environments to facilitate the execution of their responsibilities. Continuing briefings and professional development for the Directors were arranged by the Company and its professional advisers.

During the year ended 31 December 2020, each Director has attended online training sessions arranged by the Stock Exchange regarding notifiable transaction rules and connected transaction rules.

According to records provided by the Directors, a summary of training received by the Directors for the year ended 31 December 2020 is as follows:

Name of Director	Training <sup>(Note)</sup>
Mr. Shi Yonghong	√
Mr. Guo Qiang	√
Ms. Dang Chunxiang	√
Mr. Sun Shengfeng	√
Ms. Shu Ping	√
Mr. Zhao Xiaokai	√
Mr. Zhang Yong	√
Mr. Yau Ka Chi	√
Mr. Qian Mingxing	√
Ms. Ye Shujun	√

Note: Each Director has read and learnt relevant information regarding the Company under the "Listing Rules and Guidance" issued by the Stock Exchange in 2020. On top of the above-mentioned trainings, each of the Directors has also read materials prepared by external professional advisers on updated rules and regulations of the Stock Exchange.

### 5. 董事的就任導引及持續發展

本公司於每名新委任董事首次獲委任時向其作出正式、全面及特設的就任導引，以確保其了解本公司的業務及運作，並完全知悉其於上市規則及其他有關監管規例下的職責及責任。

董事持續獲提供有關法律及規管制度以及業務及市場環境最新發展的資料，以協助彼等履行職責。本公司及其專業顧問已為董事安排持續性簡介及專業知識介紹。

截至2020年12月31日止年度，每名董事均已參加由聯交所安排的培訓課程，該等課程內容有關須予公佈的交易規則及關連交易的網上培訓等。

根據董事提供的記錄，董事於截至2020年12月31日止年度獲得的培訓概要如下：

董事姓名	培訓 <sup>(附註)</sup>
施永宏先生	√
郭強先生	√
黨春香女士	√
孫勝峰先生	√
舒萍女士	√
趙曉凱先生	√
張勇先生	√
邱家賜先生	√
錢明星先生	√
葉蜀君女士	√

附註：每名董事均已閱讀及學習聯交所於2020年發佈的與本公司相關的《上市規則與指引》相關資料。除上述培訓外，各董事亦已研讀由外部專業顧問就聯交所規則及監管更新提供的資料。

## 6. Attendance Record of Board Meetings

### a. Number of Meetings and Directors' Attendance

Code provision A.1.1 of the Corporate Governance Code prescribes that at least four regular Board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication.

The Board met 6 times during the year ended 31 December 2020 for reviewing and approving the audited annual results for the year ended 31 December 2019, unaudited interim results for the six months ended 30 June 2020, the change of members of the Board and the renewal continuing connected transaction.

The chairman of the Company held meeting with the independent non-executive Directors once during the year ended 31 December 2020 without the other Directors present.

The Company held two general meetings on 22 May 2020 and 31 December 2020 respectively during the year ended 31 December 2020. All proposed Shareholders' resolutions put to the above general meetings were resolved by poll vote and were duly passed. The vote tally of each such resolution was set out in the Company's announcements released on the day of the general meetings.

## 6. 董事會會議出席記錄

### a. 會議次數及董事出席率

企業管治守則守則條文A.1.1條規定，每年至少召開四次定期董事會會議，至少每季度召開一次，且大多數董事須積極參與會議（無論親身或通過電子通信方式）。

於截至2020年12月31日止年度內，董事會已召開6次會議，以審閱及批准截至2019年12月31日止年度的經審核年度業績及截至2020年6月30日止六個月的未經審核中期業績、董事會成員變動以及更新持續關連交易。

於截至2020年12月31日止年度內，本公司主席與獨立非執行董事進行一次會議，而其他董事未有出席是次會議。

於截至2020年12月31日止年度，本公司分別於2020年5月22日及2020年12月31日舉行兩次股東大會。於上述股東大會上提交的所有建議股東決議案已通過投票方式得以表決並獲得正式通過。各項決議案的表決情況載於本公司於股東大會當日發佈的公告。

## Corporate Governance Report

### 企業管治報告

The attendance records of each Director at the Board meetings and general meetings of the Company during the year ended 31 December 2020 are set out below:

於截至2020年12月31日止年度內，各董事出席董事會會議和本公司的股東大會的記錄載列如下：

Name of Director	董事姓名	Attendance/ Number of Board Meetings 出席次數／ 董事會會議次數	Attendance/ Number of General Meetings 出席次數／股 東大會次數
Mr. Shi Yonghong	施永宏先生	6/6	2/2
Mr. Guo Qiang	郭強先生	6/6	2/2
Ms. Dang Chunxiang (Note 1)	黨春香女士 (附註1)	4/4	1/1
Mr. Sun Shengfeng	孫勝峰先生	6/6	2/2
Ms. Shu Ping	舒萍女士	6/6	2/2
Mr. Zhao Xiaokai (Note 2)	趙曉凱先生 (附註2)	2/2	1/1
Mr. Zhang Yong	張勇先生	6/6	2/2
Mr. Yau Ka Chi	邱家賜先生	6/6	2/2
Mr. Qian Mingxing	錢明星先生	6/6	2/2
Ms. Ye Shujun	葉蜀君女士	6/6	2/2

Notes:

附註：

- Ms. Dang Chunxiang has resigned from her positions as an executive Director and vice president of the Company with effect from 25 August 2020. Given the Company only held 4 Board meetings and the Shareholders' annual general meeting from 1 January 2020 to her resignation, Ms. Dang was only required to attend 4 Board meetings and the Shareholders' annual general meeting.
- Mr. Zhao Xiaokai has been appointed as an executive Director with effect from 25 August 2020. Given the Company only held 2 Board meetings and the Shareholders' extraordinary general meeting from 25 August 2020 to 31 December 2020, he was only required to attend 2 Board meetings and the Shareholders' extraordinary general meeting.
- 黨春香女士於2020年8月25日辭任本公司執行董事兼副總裁的職位。由於2020年1月1日至辭任期間本公司僅舉行4次董事會會議及舉行股東週年大會，故彼僅須出席4次董事會會議及股東週年大會。
- 趙曉凱先生於2020年8月25日獲委任為執行董事。由於2020年8月25日至2020年12月31日期間本公司僅舉行2次董事會會議及股東特別大會，故彼僅須出席2次董事會會議及股東特別大會。



b. *Practices and Conduct of Meetings*

Annual meeting schedules and draft agenda of each meeting are made available to the Directors in advance, to ensure that each Director has the opportunity to raise matters to be discussed and included in the agenda of the Board meetings.

Notices of regular Board meetings are served to all of the Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notices were generally given.

Board papers together with all appropriate, complete and reliable information were sent to all of the Directors at least three days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions.

Each Director also had separate and independent access to the senior management of the Company whenever necessary.

The senior management of the Company attend all regular Board meetings and where necessary, other Board and committee meetings, to advise on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company.

b. *會議常規及指引*

年度會議時間表及每次董事會會議的草擬議程會在會議舉行前事先向董事提供，以確保全體董事皆有機會提出商討事項列入董事會會議議程。

定期董事會會議通知均至少提前14日送交所有董事。就其他董事會及委員會會議而言，在一般情況下將給予合理通知。

董事會會議材料連同所有適當、完整及可靠資料於每次董事會會議或委員會會議前至少提前三日寄發予所有董事，以便董事了解本公司最新發展動態及財務狀況及使董事在知情情況下作出決定。

於需要時，各董事亦可單獨及獨立地聯絡本公司高級管理層。

本公司高級管理層出席所有定期董事會會議並於需要時出席其他董事會及委員會會議，以就本公司業務發展、財務及會計事項、法律及法規合規事宜、企業管治及其他重大事項提供意見。

The joint company secretaries are responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to the Directors for comment within a reasonable time after each meeting and the final version is open for the Directors' inspection.

The Articles of Association contain provisions requiring the Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

#### B. CHAIRMAN AND CHIEF EXECUTIVE

Code provision A.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Shi Yonghong had assumed both the roles of the chairman and the chief executive officer of the Company for the period from 9 December 2018 to 25 March 2020, as he has extensive experience and knowledge in the food and the catering service industry and management experience within the Haidilao Group and in order to improve the efficiency of the operations of the Company.

In view of the ever-changing business environment in which the Group operates, the chairman and the chief executive officer must be proficient in the Chinese condiment market and be sensitive to market changes in order to promote the businesses of the Group. The Board thus considered a segregation of the role of the chairman and chief executive officer might create unnecessary costs for the daily operations of the Group.

聯席公司秘書負責記錄所有董事會會議及委員會會議，並保存有關記錄。記錄草稿一般於每次會議後的合理時間內交予董事傳閱以便其提出意見，定稿可供董事隨時查閱。

組織章程細則載有規定，要求有關董事於批准彼等或其任何聯繫人擁有重大利益的交易時放棄投票且不計入會議法定人數。

#### B. 主席及行政總裁

企業管治守則守則條文A.2.1條訂明，主席及行政總裁的職位應予區分，並不應由同一人兼任。

由於施永宏先生在海底撈集團的食品和餐飲服務行業以及管理經驗方面擁有豐富的經驗和知識，及為提高本公司營運效率，故彼於2018年12月9日至2020年3月25日期間兼任本公司主席及首席執行官。

鑑於本集團經營的業務環境不斷變化，主席及首席執行官必須精通中國調味品市場，並對市場變化敏感，以促進本集團的業務。因此，董事會認為，主席及首席執行官的角色分離可能會為本集團的日常營運帶來不必要的成本。

The Board considered that vesting two roles in Mr. Shi Yonghong enabled the Company to promptly and efficiently make and implement decisions and will not impair the balance of power and authority between the Board and the management of the Company. The Company has established board committees, namely, the Audit Committee, the Remuneration Committee, and the Nomination Committee, with their members mainly comprising of independent non-executive Directors and which are responsible for the important corporate governance functions. The three independent non-executive Directors who possess balance of skills and experience appropriate to the business of the Company also contribute valuable independent views to the Board. All major decisions have been made in consultation with members of the Board and appropriate committees, as well as the senior management team. The Board is therefore of the view that there are adequate balance of power and safeguards in place. Due to good practice of corporate governance, with effect from 25 March 2020, Mr. Shi Yonghong has resigned from the post of chief executive officer and Mr. Guo Qiang has been appointed as the chief executive officer of the Company. Please refer to the announcement on change of chief executive officer dated 25 March 2020 for further details.

To facilitate discussion of all key and appropriate issues by the Board in a timely manner, the chairman of the Company coordinates with the senior management of the Company to provide adequate, complete and reliable information to all of the Directors for consideration and review.

### C. BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee, and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All of these three committees are established with defined written terms of reference which are available at the websites of the Stock Exchange and the Company.

The majority of the members of the Audit Committee, the Remuneration Committee, and the Nomination Committee are independent non-executive Directors.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

董事會認為，施永宏先生擔任兩個職位，可使本公司迅速有效地制定及實施決策，且不會損害董事會與本公司管理層之間的權力及權限平衡。本公司已成立董事委員會，即審計委員會、薪酬委員會及提名委員會，其成員主要由獨立非執行董事組成，並負責重要的企業管治職能。擁有適合本公司業務的技能及經驗平衡的三名獨立非執行董事亦為董事會提供寶貴的獨立意見。所有重大決策都是在與董事會成員和相關委員會以及高級管理團隊協商後作出。因此，董事會認為，已有適當的權力平衡和保障措施。由於奉行良好企業管治常規，自2020年3月25日起，施永宏先生已辭任首席執行官職位，而郭強先生已獲委任為本公司首席執行官。詳情請參閱本公司日期為2020年3月25日首席執行官變更公告。

為方便董事會及時討論所有重要及合適的事項，本公司董事會主席與本公司高級管理層合作，向全體董事提供充足、完整及可靠的資料以供考慮和審閱。

### C. 董事委員會

董事會已成立三個委員會，即審計委員會、薪酬委員會及提名委員會，以監察本公司特定事務。三個委員會均訂有明確書面職權範圍，且該等職權範圍於聯交所及本公司網站上可供查閱。

審計委員會、薪酬委員會及提名委員會的成員大多數為獨立非執行董事。

董事委員會擁有充足資源履行彼等職責，並可於提出合理要求時在適當情況下尋求獨立專業意見，費用由本公司承擔。

#### 1. Audit Committee

We have established the Audit Committee with terms of reference in compliance with Rule 3.21 of the Listing Rules as well as paragraphs C.3 and D.3 of the Corporate Governance Code. The Audit Committee consists of three independent non-executive Directors, namely, Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun. The chairman of the Audit Committee is Mr. Yau, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee meets at least twice a year. The primary duties of the Audit Committee include, but are not limited to, assisting the Board by (i) reviewing and monitoring the relationship of the external auditor and the Group, particularly the independence, objectivity and effectiveness of the external auditor; (ii) providing an independent view of the effectiveness of the financial reporting process, compliance, risk management and internal control systems of the Group; (iii) overseeing the audit process and performing other duties and responsibilities as assigned by the Board; (iv) developing and reviewing the Company's policies and practices on corporate governance, compliance with legal and regulatory requirements and requirements under the Listing Rules; (v) reviewing the financial information of the Company and ensuring compliance with accounting standards and reviewing significant adjustments resulting from audit; and (vi) developing, reviewing and monitoring the code of conduct applicable to the Company's employees and Directors.

#### 1. 審計委員會

我們已按照上市規則第3.21條及企業管治守則第C.3及D.3段成立具職權範圍的審計委員會。審計委員會由三名獨立非執行董事組成，即邱家賜先生、錢明星先生及葉蜀君女士。審計委員會的主席為邱先生，其持有上市規則第3.10(2)及3.21條項下規定的適當專業資格。

審計委員會每年進行至少兩次會議。審計委員會的主要職責包括（但不限於）在以下方面協助董事會：(i) 檢討及監控外聘核數師與本集團之間的關係，尤其是外聘核數師的獨立性、客觀性及有效性；(ii) 就本集團的財務報告過程、合規、風險管理及內部控制制度的有效性提供獨立意見；(iii) 監察審核過程以及履行董事會指派的其他職務與職責；(iv) 制訂及檢討本公司的企業管治政策及常規，以及法律和法規要求及上市規則要求的合規情況；(v) 審閱本公司財務資料，確保遵守會計標準及檢討因核數而出現的重大調整；及(vi) 制訂、檢討及監控適用於本公司僱員及董事的行為守則。

The Audit Committee held three meetings during the year ended 31 December 2020 and its main work involved the following:

- reviewing the audited annual results and financial report for the year ended 31 December 2019;
  - reviewing the unaudited interim results and financial report for the six months ended 30 June 2020;
  - reviewing the financial reporting and the compliance procedures;
  - reviewing the policies and practices on corporate governance;
  - reviewing the compliance with the Corporate Governance Code and the disclosure requirement in the corporate governance report as contained in Appendix 14 to the Listing Rules;
  - reviewing the code of conduct and the compliance manuals for employees and the Directors, the financial, operational and compliance monitoring;
  - reviewing the risk management and internal control systems;
  - reviewing the internal audit work of the risk management and internal audit department; and
  - reviewing the work of the external auditor.
- 於截至2020年12月31日止年度內，審計委員會已舉行三次會議，其主要工作涉及以下各項：
- 審閱截至2019年12月31日止年度的經審核年度業績及財務報告；
  - 審閱截至2020年6月30日止六個月的未經審核中期業績及財務報告；
  - 審閱財務申報及合規程序；
  - 審閱企業管治政策及常規；
  - 審閱遵守上市規則附錄十四所載企業管治守則及企業管治報告的披露規定；
  - 審閱僱員及董事操守準則及合規手冊、財務、運作及合規監控；
  - 審閱風險管理及內部控制系統；
  - 審閱風險管理及內部審計部的內部審計工作；及
  - 審閱外聘核數師的工作。



## Corporate Governance Report

### 企業管治報告

The Audit Committee met with the external auditor of the Company in the absence of management of the Company once in relation to the provision of audit service to the Company for the year ended 31 December 2020.

The attendance records of the Audit Committee Meetings are set out below:

<b>Name of Committee Member</b>	<b>委員會成員姓名</b>	<b>Attendance/ Number of Meeting(s)</b> 出席次數 / 會議次數
Mr. Yau Ka Chi	邱家賜先生	3/3
Mr. Qian Mingxing	錢明星先生	3/3
Ms. Ye Shujun	葉蜀君女士	3/3

The Company's annual results for the year ended 31 December 2020 have been reviewed by the Audit Committee on 18 March 2020. The Audit Committee considers that the annual financial results for the year ended 31 December 2020 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

截至2020年12月31日止年度，審計委員會曾與本公司外聘核數師進行一次有關為本公司提供核數服務的會議，而本公司管理層未有出席是次會議。

審計委員會會議的出席記錄載列如下：

本公司截至2020年12月31日止年度的年度業績已由審計委員會於2020年3月18日審閱。審計委員會認為截至2020年12月31日止年度的年度財務業績符合有關會計標準、規則及規定，並已正式作出適當披露。

## 2. Remuneration Committee

The Company has established the Remuneration Committee with terms of reference in compliance with Rule 3.25 of the Listing Rules as well as paragraph B.1 of the Corporate Governance Code. The Remuneration Committee consists of three Directors, namely, the executive Director Ms. Shu Ping and the independent non-executive Directors Ms. Ye Shujun and Mr. Qian Mingxing. Ms. Ye Shujun serves as the chairman of the Remuneration Committee.

The Remuneration Committee meets at least once a year. The primary duties of the Remuneration Committee include, but are not limited to, the following: (i) making recommendations to the Board on the Company's policy and structure for remuneration of all the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy; (ii) reviewing and approving senior management's remuneration proposals with reference to the Board corporate goals and objectives; and (iii) making recommendations to the Board on the remuneration packages of individual Directors and senior management.

The Remuneration Committee held two meetings during the year ended 31 December 2020 to review the remuneration policy and structure of the Company, and consider and make recommendation to the Board on the remuneration packages of the Directors and the senior management of the Company.

## 2. 薪酬委員會

本公司已按照上市規則第3.25條及企業管治守則第B.1段成立具職權範圍的薪酬委員會。薪酬委員會由三名董事組成，即執行董事舒萍女士及獨立非執行董事葉蜀君女士及錢明星先生。葉蜀君女士擔任薪酬委員會的主席。

薪酬委員會每年進行至少一次會議。薪酬委員會的主要職責包括(但不限於)下列各項：(i)就全體董事及高級管理層的薪酬政策及架構以及就制定薪酬政策的正規及透明度程序向董事會提出建議；(ii)因應董事會所訂立的企業方針目標檢討及批准高級管理層的薪酬建議；及(iii)就個別董事及高級管理層的薪酬待遇向董事會提出建議。

於截至2020年12月31日止年度內，薪酬委員會已舉行兩次會議，以檢討本公司的薪酬政策及架構，以及考慮本公司董事及高級管理層的薪酬待遇並就此向董事會提出建議。

## Corporate Governance Report

### 企業管治報告

The attendance records of the Remuneration Committee Meetings are set out below:

薪酬委員會會議的出席記錄載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meeting(s) 出席次數／會議次數
Ms. Ye Shujun	葉蜀君女士	2/2
Ms. Shu Ping	舒萍女士	2/2
Mr. Qian Mingxing	錢明星先生	2/2

Details of the Directors' remuneration are set out in note 35 to the Financial Statements. In addition, the remuneration payable to the senior management of the Company (who are not the Directors) by band for the year ended 31 December 2020 are set out in the section headed "Corporate Governance Report – D. Remuneration of Senior Management" of this annual report.

董事酬金詳情載列於財務報表附註35。此外，應付本公司高級管理層（無兼任董事）於截至2020年12月31日止年度的薪酬按等級載列於本年報中「企業管治報告 – D.高級管理層的薪酬」一節。

### 3. Nomination Committee

The Company has established the Nomination Committee with terms of reference in compliance with paragraph A.5 of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely, the executive Director Mr. Shi Yonghong and the independent non-executive Directors Mr. Qian Mingxing and Ms. Ye Shujun. Mr. Shi Yonghong serves as the chairman of the Nomination Committee.

The Nomination Committee meets at least once a year. The primary duties of the Nomination Committee include, but are not limited to, (i) reviewing the structure, size and composition of the Board; (ii) assessing the independence of the independent non-executive Directors; (iii) making recommendations to the Board on matters relating to the appointment of Directors; and (iv) reviewing the diversity policy and nomination policy of the Board.

### 3. 提名委員會

本公司已按照企業管治守則第A.5段成立具職權範圍的提名委員會。提名委員會由三名董事組成，即執行董事施永宏先生以及獨立非執行董事錢明星先生及葉蜀君女士。施永宏先生擔任提名委員會的主席。

提名委員會每年進行至少一次會議。提名委員會的主要職責包括（但不限於）(i)審閱董事會架構、規模及組成；(ii)評估獨立非執行董事的獨立性；(iii)就有關委任董事的事宜向董事會提出建議及(iv)審閱董事會多元化政策及提名政策。

The Nomination Committee held two meetings during the year ended 31 December 2020 to review the structure, size, composition and diversity (including the skills, knowledge, experience, gender, age, cultural and educational background, ethnicity, professional experience and length of service) of the Board and make recommendations to the Board relating to the appointment and re-election of Directors to ensure that the Board has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company; to review the training and continuous professional development of the Directors and senior management; and to assess the independence of the independent non-executive Directors.

The attendance records of the Nomination Committee Meetings are set out below:

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meeting(s) 出席次數／會議次數
Mr. Shi Yonghong	施永宏先生	2/2
Mr. Qian Mingxing	錢明星先生	2/2
Ms. Ye Shujun	葉蜀君女士	2/2

Where vacancies on the Board arise, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations.

On 26 March 2019, the Nomination Policy was adopted to enable the Nomination Committee to nominate suitable candidates to the Board for its consideration and recommendation to Shareholders for election as Directors of the Company at the Shareholders' annual general meeting or to fill casual vacancies of the Directors for the appointment by the Board. A summary of the Nomination Policy is set out below:

於截至2020年12月31日止年度內，提名委員會已召開兩次會議，以檢討董事會的架構、規模、組成及成員多元化（包括技能、知識、經驗、性別、年齡、文化及教育背景、種族、專業經驗及服務任期方面）並就董事委任以及重選向董事會提出建議，從而確保董事會成員在專業知識、技能及經驗各方面均衡，以配合本公司業務所需，審閱董事及高級管理人員的培訓及持續專業發展，並評核獨立非執行董事的獨立性。

提名委員會會議的出席記錄載列如下：

倘董事會出現空缺，提名委員會將參照提名人選的技能、經驗、專業知識、個人誠信及時間付出，本公司的需要及其他相關法定規定及規例，啟動甄選程序。

於2019年3月26日，本公司採納了提名政策，以使提名委員會能夠向董事會提名合適的候選人供其考慮及推薦予股東以於股東週年大會上選任本公司董事或填補臨時空缺以待董事會委任。提名政策的概要載列如下：

<b>Purpose:</b>	The Nomination Policy aims to set out the approach to enable the Nomination Board to nominate suitable candidates to the Board.	<b>目的：</b>	提名政策旨在訂明使提名委員會能夠向董事會提名合適候選人的方法。
<b>Selection Criteria:</b>	Evaluation of candidates will be based on a range of factors, including but not limited to their reputation in the industry, achievements and experiences in the food and beverage industry, time commitments and board diversity, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.	<b>甄選標準：</b>	對候選人的評估將基於多項因素進行，包括但不限於彼等在業內的聲譽、在食品及飲料行業的成就及經驗、時間付出以及董事會多元化(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期)。
<b>Nomination Procedures:</b>	<p>The Nomination Committee shall hold special meeting and invite the Board members to recommend candidates (if suitable candidates available) for consideration before the meeting. The Nomination Committee may also nominate the candidates who are not recommended by the Board members.</p> <p>In the case of filling the casual vacancies, the Nomination Committee shall recommend candidates to the Board for its consideration and approval. If candidates are recommended to be elected at the Shareholders' annual general meeting, the Nomination Committee shall nominate to the Board for its consideration and recommendation for their election.</p>	<b>提名程序：</b>	<p>提名委員會須舉行特別會議並邀請董事會成員推薦候選人(如有合適的候選人)在會議上審議。提名委員會亦可提名並非由董事會成員推薦的候選人。</p> <p>如為填補臨時空缺，提名委員會須將候選人推薦予董事會供其審批。倘推薦候選人在股東週年大會上選任，提名委員會須向董事會提名供其考慮及推薦選任。</p>



The nominated person should not be presumed to be recommended by the Board for election at the Shareholders' annual general meeting until the publication of the circular to the Shareholders.

在向股東刊發通函前，不得假設獲提名人士由董事會推薦在股東週年大會上選任。

The information of candidates nominated by the Board shall be set out in the circular for the Shareholders' annual general meeting.

董事會所提名候選人的資料須載入股東週年大會通函內。

The candidates may withdraw from election by serving written notice to the Board at any time before holding the Shareholders' annual general meeting.

候選人可於股東週年大會舉行前任何時間向董事會發出書面通知退出選舉。

The Board has absolute final discretion as to all matters in relation to the candidates to be recommended by it for their election at the Shareholders' annual general meeting, and the appointment of candidates is subject to final approval at the Shareholders' annual general meeting.

董事會對所有與其推薦在股東週年大會選舉的候選人有關的事宜擁有絕對的最終酌情權，且候選人的委任須在股東週年大會上最終批准後，方可作實。

**Confidentiality:**

Unless otherwise required by law or any regulatory authorities, under no circumstances shall a member of the Nomination Committee or a staff member of the Company disclose any information to the public or entertain any enquiries from the public, as the case may be, with regard to any nomination or candidate before the publication of the circular to Shareholders.

**保密性：**

除非法律或任何監管機構另有規定，否則在向股東刊發通函前，提名委員會成員或本公司員工不得向公眾披露有關任何提名情況或候選人的任何資料或回應公眾與之有關的任何查詢（視情況而定）。

The composition and diversity of the Board were considered by adopting the Board Diversity Policy including the necessary balance of skills and experience appropriate for the requirements of the business development of the Company and for effective leadership. All the executive and non-executive Directors possess extensive and diversified experience in management and broad industrial experience. The three independent non-executive Directors possess professional knowledge in management, finance, accountancy and legal, respectively with broad and extensive experience in business advisory and management, respectively. A summary of the Board Diversity Policy is set out below:

**Purpose:** The Board Diversity Policy aims to set out the approach to achieve diversity of the Board and enable the Board to comply with the Corporate Governance Code.

**Board Diversity Policy statement:** The Company considers increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

通過採納董事會成員多元化政策，我們已考慮董事會之組成及多元化，包括本公司業務發展要求及有效領導所適用技能與經驗的必要平衡。全體執行及非執行董事均擁有豐富及多元化的管理經驗以及廣泛行業經驗。三名獨立非執行董事分別具備管理、財務、會計及法律專業知識，並分別在商務諮詢及管理方面擁有廣泛而豐富的經驗。董事會成員多元化政策的概要載列如下：

**目的：** 董事會成員多元化政策旨在訂明實現董事會成員多元化的方法，及使董事會符合企業管治守則。

**董事會成員多元化政策聲明：** 本公司視董事會層面的日益多元化為支持其達到策略目標及可持續發展的必要元素。於設計董事會之組成時，本公司已從多方面（包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期）考慮董事會成員多元化。所有董事會成員之任命將按精英制度而定，而候選人將按照目標準則，並適當顧及董事會成員多元化的裨益予以考慮。

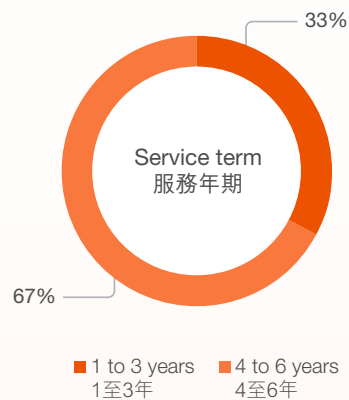
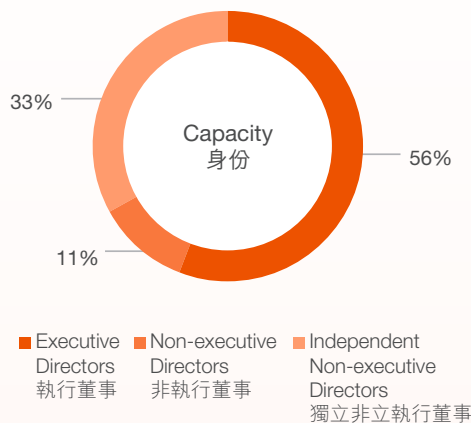
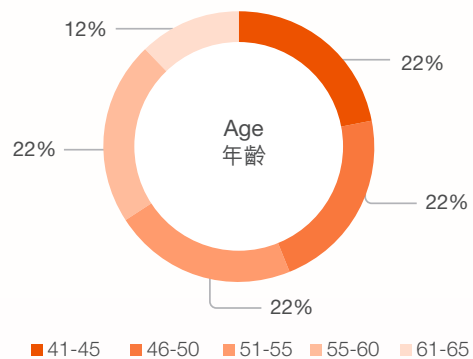
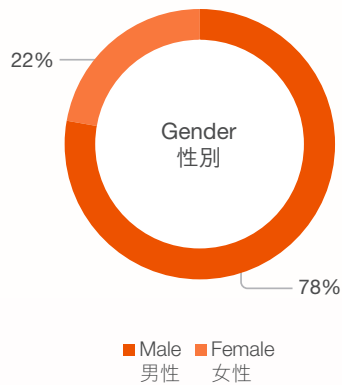
**Measurable Objectives:**

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

**可計量目標：** 候選人的篩選將基於多個方面(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期)。最終決定將基於獲選的候選人可為董事會帶來的價值及貢獻而定。

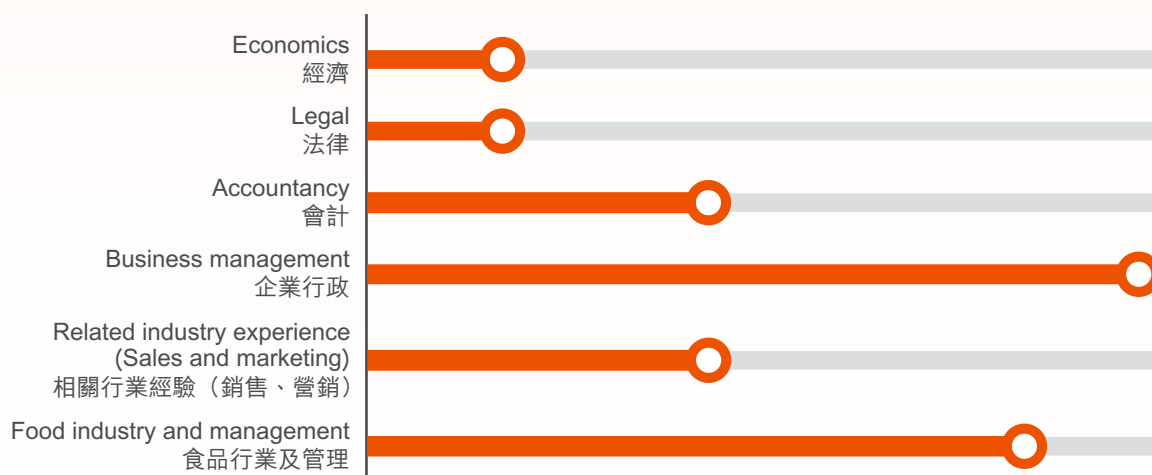
In reviewing the structure, size, composition and diversity of the Board, the Nomination Committee has taken into account the measurable objectives as set out in the Board Diversity Policy.

於檢討董事會的架構、人數、組成及多元化時，提名委員會已考慮董事會成員多元化政策所載的可計量目標。



Board Expertise and Experience

董事會專長及經驗



The Nomination Committee is of the view that the diversity level of the Board is appropriate in terms of knowledge, experience and skills of the directors. However, the Nomination Committee will continue to observe the Board Diversity Policy and consider potential candidates against the objective criteria set out in the Board Diversity Policy in order to achieve increasing diversity at the Board level.

提名委員會認為，董事會成員的多元化水平就董事的知識、經驗及技能而言乃屬合適。然而，提名委員會將繼續遵守董事會成員多元化政策及按董事會成員多元化政策所載的目標準則考慮潛在候選人，以令董事會成員日益多元化。

D. REMUNERATION OF SENIOR MANAGEMENT

The remuneration (including salary only) payable to the senior management of the Company (who are not the Directors) is shown in the following table by band:

D. 高級管理層的薪酬

應付本公司高級管理層（無兼任董事）的薪酬（只包括薪金）按等級如下表列示：

(RMB) (人民幣)	2020 2020年 (members of senior management of the Company) (本公司高級 管理層成員)	2019 2019年 (members of senior management of the Company) (本公司高級 管理層成員)
2,000,000-3,000,000	-	-
6,000,000-7,000,000	-	1

#### E. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the year ended 31 December 2020.

The Company's relevant employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the year ended 31 December 2020.

#### F. DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2020.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules and other regulatory requirements.

The senior management of the Company has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Company in order to put forward such information to the Board for approval.

#### G. EXTERNAL AUDITOR AND AUDITOR REMUNERATION

Pursuant to the resolution of the 2020 Shareholders' annual general meeting, PricewaterhouseCoopers was re-appointed by the Company as the external auditor of financial statements prepared under International Financial Reporting Standards.

The statement of the external auditor of the Company about their reporting responsibilities for the financial statements is set out under the section headed "Independent Auditor's Report" in this annual report.

#### E. 證券交易標準守則

本公司已採納標準守則。本公司已向所有董事作出具體查詢，而董事均已確認彼等已於截至2020年12月31日止年度內一直遵守標準守則。

可能掌握本公司內幕消息的本公司相關僱員亦已遵守證券交易的標準守則。截至2020年12月31日止年度，本公司並無注意到出現本公司相關僱員不遵守標準守則的事件。

#### F. 董事進行財務申報的責任

董事確認彼等編製本公司截至2020年12月31日止年度財務報表的責任。

董事會負責對年度及中期報告、內幕消息公佈及按上市規則及其他監管要求規定的其他財務披露作出平衡、清晰而可理解的評估。

本公司高級管理層已在需要時向董事會提供該等解釋及資料，以便董事會對本公司財務資料及狀況作出知情評估，以提呈該等資料予董事會批准。

#### G. 外聘核數師及核數師酬金

根據2020年的股東週年大會決議案，本公司已重新委聘羅兵咸永道會計師事務所作為根據國際財務報告準則編製財務報表的外聘核數師。

本公司外聘核數師就財務報表的申報責任作出的聲明載於本年報「獨立核數師報告」一節。



The external auditor of the Company will be invited to attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report and auditor's independence.

During the year ended 31 December 2020, the remuneration paid/payable to the external auditor of the Company for the provision of audit services for the year ended 31 December 2020 amounted to RMB2.48 million.

During the year ended 31 December 2020, the remuneration paid/payable to the external auditor of the Company in respect of non-audit services for the year ended 31 December 2020 amounted to RMB0.62 million. The nature of such non-audit services is to provide advisory services.

#### H. RISK MANAGEMENT AND INTERNAL CONTROLS

The Board of Directors is responsible for the establishment and maintenance of sound and effective risk management and internal control systems that are in line with the strategic objective of the Group. The Group established risk management and internal control systems to protect the interests of the Group and Shareholders, ensure the Group is in compliance with relevant laws and regulations, effectively identify and manage significant risks in achieving its strategic objectives, protect the safety of the Group's assets, and ensure the maintenance of proper compliance accounting records and financial reports.

The Board of Directors is responsible for evaluating the nature and extent of the risks the Group is willing to take in achieving strategic objectives and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems as well as overseeing management of the Group in the design, implementation and monitoring of the risk management and internal control systems.

本公司將邀請外聘核數師出席股東週年大會，回答有關審核工作、核數師報告的編製及內容以及核數師的獨立性等問題。

截至2020年12月31日止年度，本公司就截至2020年12月31日止年度獲提供的審核服務向本公司外聘核數師支付／應支付的酬金為人民幣2.48百萬元。

於截至2020年12月31日止年度內，就截至2020年12月31日止年度的非審核服務向本公司外聘核數師支付／應支付的酬金為人民幣0.62百萬元。該等非審核服務的性質為諮詢服務。

#### H. 風險管理及內部控制

董事會負責建立和維持與本集團戰略目標相匹配的、健全有效的風險管理及內部監控系統。本集團建立風險管理及內部監控系統，旨在保障本集團和股東利益，確保本集團遵守相關法律法規，有效識別和管理影響公司戰略目標實現的重大風險，保護本集團資產的安全，保證恰當合規的會計記錄和財務報告。

董事會負責評估本集團達成戰略目標時所願意接納的風險性質及程度，並確保本集團設立及維持合適及有效的風險管理及內部監控系統，同時，負責監督本集團管理層對風險管理及內部監控系統的設計、實施與監察。

The Board periodically receives (at least once a year) reports from the Group's management regarding financial, operational and compliance controls, as well as the establishment, review and assessment of the risk management and internal control functions of the Group. All significant risks are reported to the Board. The Board will also evaluate the corresponding risks and the response plan. The Group would review, among other things, adequacy of resources, staff's qualifications and experience, training programs and budget of our accounting, internal control and financial reporting functions.

The Group's management is authorized by the Board to be in charge of the organization and implementation of the risk management and internal control of the Group and be responsible for establishing the risk management and internal control systems, standardizing the organization, authorization, responsibilities, procedures and methods of the risk management and internal control systems and also responsible for ongoing monitoring of the risk management and internal control systems of the Group, and makes periodic reports to the Board regarding the status of the risk management and internal control systems of the Group.

The risk management and internal audit department of the Group assists the Board and the Audit Committee in their analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. The risk management and internal audit department of the Group adopts an audit approach based on risk and control. The annual work plan of the risk management and internal audit department of the Group covers the major activities and processes of the Group's operations, businesses and service units. Special reviews are also performed at the management's request. The results of these audit activities are reported to the Audit Committee. The risk management and internal audit department of the Group provides independent assurance to the Board, the Audit Committee and the management of the Company as to whether the Group's internal controls are adequate and effective.

董事會定期（至少每年一次）收到本集團管理層關於本集團的財務、運作及合規監控，以及風險管理及內部監控職能建立、審閱及評估的報告。所有重大的風險均會向董事會匯報。董事會亦對相應風險和應對計劃做出評估。本集團會審核其在會計、內部監控及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及培訓課程及有關預算是否充足。

本集團管理層被董事會授權，負責本集團風險管理工作和內部監控的組織和實施，負責制定風險管理及內部監控制度，規範本集團實施風險管理及內部監控的組織機構、授權、責任、流程和方法，負責持續監督本集團風險管理及內部監控的工作，並定期向審計委員會並由其向董事會報告本集團風險管理和內控建設情況。

本集團風控審計部協助董事會及審計委員會，對本集團的風險管理與內部監控系統是否足夠以及其有效性進行分析及獨立評估。本集團風控審計部採用以風險及控制為本的審核方法。本集團風控審計部的全年工作計劃，涵蓋本集團營運、業務及服務單位各項主要工作及過程，並按照管理層的要求進行特別檢討，而審核工作的結果會向審計委員會作出匯報。本集團風控審計部就本集團內部監控是否足夠及有效向董事會、審計委員會及本公司管理層提供獨立保證。

With respect to risk management, the Group has chosen and adopted the risk management framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in the United States of America (“COSO”), and established a risk management system covering design, implementation, monitoring, assessment and continuous improvement based on the ISO 31000: 2009 and ISO 31000: 2018 “Risk Management – Guidelines”. The Group’s management established the overall targets and policies of the risk management system which are in line with the strategic objectives, and identified, analysed and assessed the overall risk of the Company, especially the risks in making major decisions, important events and key business processes. The Group’s management is also responsible for reviewing and approving the response plans to major risks, as well as following-up and periodically reviewing the implementation of such response plans of risks identified, in order to make sure that sufficient attention, monitor and responses will be paid to all key risks of the Company. The risk management reports are submitted to the Board periodically.

With respect to internal control, the Group has chosen and adopted the internal control framework issued by COSO, established an internal control system and mechanism over financial, operational and compliance controls and conducted continuing review and evaluation of the internal control system of the Group to ensure the timeliness, accuracy and completeness of all information reported.

- The management has evaluated the design and operating effectiveness of its internal control regarding the financial report as of 31 December 2020, did not identify any material weakness as a result of the evaluation, was not aware of any areas of concern that would have a material impact on the Company’s financial position or results of operations, and considered the risk management and internal control systems to be generally adequate and effective, including with respect to the adequacy of resources, staff qualifications and experience, training programs and budget of the accounting, and internal audit and financial reporting functions. On the basis of such evaluation, the Board considers that as of 31 December 2020, risk management and internal control systems of the Group were effective and adequate.

在風險管理方面，本集團選用美國Committee of Sponsoring Organizations of the Treadway Commission (「COSO」) 制定的企業風險管理框架，並以ISO 31000: 2009及ISO 31000: 2018標準《風險管理指南》作為重要參考，形成一套設計、實施、監控、評審和持續改進的風險管理體系。本集團管理層根據戰略制定風險管理總體目標和策略，識別、分析及評估本公司綜合風險，重點是重大決策、重大事件和重要業務流程方面，亦負責審查和批准對重大風險的應對方案，同時跟蹤與定期回顧已識別風險的應對方案實施情況，以確保本公司各類重大風險能得到足夠的關注、監控與應對。風險管理報告定期向董事會呈交。

在內部監控方面，本集團選用美國COSO委員會制定的內部監控框架，建立有關財務監控、營運監控和合規監控的內部監控系統及機制，對本集團的內部監控進行持續審視與評估，以確保各項報告信息的及時、準確和完整。

- 管理層已經對本公司截至2020年12月31日財務報告內部監控的設計和運行有效性進行了評估，通過評估未發現任何實質性漏洞，未發現任何將對本公司的財務狀況或經營業績造成重大影響而需多加關注的事項，亦認為風險管理及內部監控系統整體而言充足並具成效，包括具備充足資源、適當的員工資歷及經驗和員工培訓課程，並在會計、內部審計及財務匯報職能方面有足夠的預算。在此評估基礎上，董事會認為截至2020年12月31日，本集團風險管理及內部監控系統是有效及充足的。

- At the same time, the Group has established a mechanism for remediating internal control deficiency under which the person in charge of each unit is assigned clear responsibilities relating to remediating internal control deficiency of the unit.
  - The Group has formulated an inside information policy and regularly reminds its Directors and employees to comply with all inside information policies.
  - The Group established an open channel to handle and discuss internal and external whistle-blowing regarding financial irregularities, internal control deficiencies and fraud, and to ensure that every accusation receives sufficient attention. Significant internal control deficiencies or accusations will be reported directly to the Audit Committee.
- 同時，本集團建立了一套內部監控缺陷整改機制，各單位的負責人對本單位的內部監控缺陷負有明確的整改責任。
  - 本集團已制定了內幕消息政策，並定期提醒董事及僱員妥善遵守所有有關內幕消息的政策。
  - 本集團設立了公開的渠道以處理及討論關於財務違規、內部監控缺陷和舞弊等方面的內部和外部舉報，並確保各項舉報得到足夠的關注，重大內部監控缺陷或舉報可直達審計委員會。

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

本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就重大失實陳述或損失作出合理而非絕對的保證。

For details of the nature and extent of the principal risks faced by the Group, please refer to the section headed “e. Principal Risk and Uncertainties” in the Directors’ Report of this annual report.

有關本集團面對主要風險的性質及程度，請參閱本年報董事會報告「e.主要風險及不確定性」一節。

## I. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

## I. 與股東及投資者的溝通

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and investor understanding of the Group’s business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable the Shareholders and investors to make the best investment decisions.

本公司認為，與股東有效溝通對於促進投資者關係及投資者了解本集團業務表現及策略至關重要。本公司亦認識到公司資料的透明度以及及時披露公司資料以便股東及投資者能夠作出最佳投資決定的重要性。



## Corporate Governance Report

### 企業管治報告

The general meetings of the Company have provided a forum for communication between the Board and the Shareholders. The chairman of the Board as well as chairmen of the Audit Committee, the Remuneration Committee, and the Nomination Committee and, in their absence, other members of the respective committees and, where applicable, the chairman of the independent Board committee, will be available to answer questions at the general meetings. The chairman of a general meeting will provide the detailed procedures for conducting a poll and answer any questions from the Shareholders on voting by poll.

To promote effective communication, the Company maintains a website at [www.yihchina.com](http://www.yihchina.com), where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

#### J. AMENDMENTS OF THE ARTICLES OF ASSOCIATION

For the year ended 31 December 2020, no change had been made to the Articles of Association.

#### K. SHAREHOLDERS' RIGHTS

To safeguard the Shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the re-election of individual Directors. Meanwhile, procedures are in place for the Shareholders to (i) convene an extraordinary general meeting; (ii) direct their enquiries to the Board; and (iii) put forward proposals at general meetings.

In accordance with Article 13.5 of the Articles of Association, all resolutions put forward at a general meeting will be taken by poll save that the chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

In addition, the poll results will be posted on the websites of the Company and the Stock Exchange after the relevant general meeting.

本公司股東大會已為董事會及股東提供互動的溝通平台。董事會主席以及審計委員會、薪酬委員會及提名委員會主席（如彼等未能出席，則有關委員會其他成員）及（如適用）獨立董事委員會主席將會出席股東大會，並回答提問。股東大會主席將提供進行投票的詳細程序及就投票表決回答股東的任何提問。

為促進有效溝通，本公司設有網站 [www.yihchina.com](http://www.yihchina.com)，該網站載有本公司業務發展及營運的資料及最新情況、財務資料、企業管治常規及其他資料，以供公眾人士查閱。

#### J. 修訂組織章程細則

截至2020年12月31日止年度，並無就組織章程細則作出變更。

#### K. 股東權利

為保障股東權益及權利，各重大事宜（包括重選個別董事）以獨立決議案形式於股東大會上提呈，而且股東可根據有關程序提出(i)召開股東特別大會；(ii)向董事會查詢；及(iii)在股東大會上提呈議案。

根據組織章程細則第13.5條，所有在股東大會上提呈的決議案均將以投票方式表決，惟主席秉誠決定容許如上市規則所規定純粹關於程序或行政事宜之決議案以舉手方式表決則除外。

此外，投票表決結果將於相關股東大會後登載於本公司及聯交所網站上。



## 1. Convening an Extraordinary General Meeting by Shareholders

Pursuant to Article 12.3 of the Articles of Association, any two or more Shareholders or any one Shareholder which is a recognised clearing house (or its nominee(s)) (the “Requisitionist(s)”) holding at the date of deposit of the requisition (deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists) not less than one-tenth of the paid-up capital of the Company and carrying the right of voting at general meetings of the Company shall at all times have the right, on written requisition, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition.

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the Requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

According to Article 12.4 of the Articles of Association, any extraordinary general meeting shall be called by not less than 14 days’ notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the auditors of the Company and to all the Shareholders other than those who, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

## 1. 股東召開股東特別大會

根據組織章程細則第12.3條，任何兩名或以上股東或獲結算所認可（或其代名人）的任何一名股東（「請求人士」）於遞呈請求（遞呈本公司於香港的主要辦事處，或倘本公司不再設有該主要辦事處，則遞呈註冊辦事處，當中列明會議事項並由請求人士簽署）當日持有不少於本公司有權於本公司股東大會上投票的繳足股本十分之一，則於任何時候均有權遞呈書面請求，要求董事會就該請求所指定的任何事務交易召開股東特別大會。

倘自遞呈請求日期起21日內董事會未有恰當地召開須於另外21日內舉行的大會，則請求人士或任何請求人士持有當中請求人士總投票權的過半數，則可以以董事會召開股東大會同等方式盡快召開股東大會，惟該有關大會必須由遞呈請求日期起計三個月內舉行，及因董事會的不合作而令請求人士所有產生的合理開支可向本公司報銷。

根據組織章程細則第12.4條，召開任何股東特別大會須發出不少於14日的書面通知。根據上市規則的規定，通知期不包括送達日期或視為送達日期及所通知日期，並須註明舉行會議的時間、地點及議程以及將於會議上討論的決議案詳情及該事項的一般性質。為通過特別決議案而召開大會的通告須註明擬提呈的決議案為特別決議案的目的。各股東大會通告須交予本公司核數師及全體股東，惟按照組織章程細則條文或所持有股份的發行條款的規定無權從本公司收取通告者除外。

#### 2. Putting Forward Proposals at General Meetings

There is no single provision in the Articles of Association or the Cayman Islands Companies Law for the Shareholders to put forward proposals at general meetings. The Shareholders who wish to propose a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding section.

#### 3. Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, the Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Shareholders may send their enquiries, concerns or requests to the Company at 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.

For the avoidance of doubt, the Shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. The information of the Shareholders may be disclosed as required by law.

#### L. DIVIDEND POLICY

Subject to the Cayman Islands Companies Law and the Articles of Association, the Company may declare dividends in any currency through a general meeting, but no dividend may be declared in excess of the amount recommended by the Board. The Articles of Association provide that dividends may be declared and paid out of profit of the Company, realized or unrealized, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of a share premium account or any other fund or account which can be authorized for this purpose in accordance with the Cayman Islands Companies Law.

#### 2. 在股東大會上提呈議案

組織章程細則或開曼群島公司法對於股東在股東大會上提呈決議案並無單一規定。有意願提呈決議案的股東可按照上節所載程序請求本公司召開股東大會。

#### 3. 向董事會作出查詢

向本公司董事會提出任何查詢時，股東可向本公司發出書面查詢。本公司通常不會處理口頭或匿名查詢。

股東可向本公司發出其查詢、關注或請求，地址為香港灣仔皇后大道東248號大新金融中心40樓。

為免生疑問，股東須寄發正式簽署的書面要求、通知或聲明或查詢（視情況而定）的正本到上述地址，並提供彼等全名、聯絡詳情及身份，以便本公司回覆。股東資料可能根據法律規定而予以披露。

#### L. 股息政策

根據開曼群島公司法及組織章程細則，本公司可透過股東大會宣派以任何貨幣計值的股息，但所宣派的股息金額不會超過董事會建議的金額。組織章程細則規定，股息可自本公司已變現或未變現的溢利、或自董事決定不再需要的任何溢利儲備中宣派及派付。經普通決議案批准後，股息亦可自股份溢價賬或根據開曼群島公司法獲授權作此用途的任何其他資金或賬戶中宣派及派付。

Except as provided under the terms of a particular issue, or with respect to the rights attached to any Shares, (i) all dividends will be declared and paid according to the amounts paid up on the Shares in respect of which the dividend is paid, but no amount paid up on a Share in advance of calls may for this purpose be treated as paid up on the Share; and (ii) all dividends will be apportioned and paid pro rata according to the amount paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid. The Directors may deduct from any dividend or other monies payable to any of the Shareholders or in respect of any Shares all sums of money (if any) presently payable by such Shareholder to us on account of calls or otherwise.

In addition, the declaration of dividends is subject to the discretion of the Board, and the amounts of dividends actually declared and paid will also depend on:

- general business conditions of the Company;
- financial results of the Company;
- capital requirements of the Company;
- interests of the Shareholders; and
- any other factors which the Board may deem relevant.

Future dividend payments to the Shareholders will also depend upon the availability of dividends received from our subsidiaries. PRC laws require that dividends be paid out of the net profit calculated according to PRC accounting principles. PRC laws also require PRC enterprises to set aside part of their net profit as statutory reserves before they distribute the net proceeds. These statutory reserves are not available for distribution as cash dividends. In addition, the dividends paid by the PRC subsidiaries are also subject to the withholding tax imposed by the PRC laws.

除特定發行條款或任何股份附有的權利所規定者外，(i)所有股息將按派付股息所涉及股份的已繳股款數額宣派及派付，但催繳股款前就股份繳入的款項就此而言不得被視為股份的已繳股款；及(ii)所有股息將按派付股息所涉及股份於任何一段或多段期間的已繳股款，按比例分配及派付。董事可自應付任何股東或涉及任何股份的任何股息或其他款項當中，扣除該股東因催繳或其他原因現時應向我們支付的所有金額（如有）。

此外，宣派股息乃由董事會酌情宣派，實際宣派及派付的股息金額亦將視乎以下因素而定：

- 本公司的整體業務狀況；
- 本公司的財務業績；
- 本公司的資金需求；
- 股東的利益；及
- 董事會可能認為有關的任何其他因素。

日後是否向股東派付股息亦將視乎是否可自我們附屬公司收取股息而定。中國法律規定，股息須以根據中國會計準則計算的純利派付。中國法律亦規定中國企業在分派收益淨額前須將部分純利撥作法定儲備。該等法定儲備不得以現金股息形式進行分派。此外，中國附屬公司派付的股息亦須根據中國法律計提預扣稅。

The Board has absolute discretion in whether to declare any dividend for any year and, if it decides to declare a dividend, how much dividend to declare. The Company has not paid or declared any dividend since its inception. In the future, the Company expects to distribute no less than 20% of the annual distributable profit as dividends. There is, however, no assurance that the Company will be able to distribute dividends of such amount or any amount each year or in any year. The Company will continue to re-evaluate the dividend policy in light of the financial position and the prevailing economic climate. However, the determination to pay dividends will be made at the discretion of the Board and will be based upon the earnings, cash flow, financial conditions, capital requirements, statutory fund reserve requirements of the Group and any other conditions that the Directors deem relevant.

#### M. USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company's net proceeds from the Global Offering amounted to approximately HK\$797.3 million.

The net proceeds have been used in a manner consistent with those disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

董事會可絕對酌情決定是否宣派任何年度的股息，倘其決定宣派股息，可絕對酌情決定宣派的股息金額。本公司自成立以來並無派付或宣派任何股息。日後，本公司預期分派的股息將不少於年度可分派溢利的20%。然而，概不保證本公司每年或任何年度可分派該等數額或任何數額的股息。本公司將根據財務狀況及當前經濟環境持續重新評估股息政策。然而，是否派付股息將由董事會酌情釐定，並根據本集團的收益、現金流量、財務狀況、資本需求，法定公積金儲備要求及董事視作相關的任何其他條件釐定。

#### M. 全球發售所得款項用途

本公司的全球發售所得款項淨額約為797.3百萬港元。

所得款項淨額已按與招股章程「未來計劃及所得款項用途」一節所披露者一致的方式使用。

For the year ended 31 December 2020, the Group had used the net proceeds from the Global Offering for the following purposes:

截至2020年12月31日止年度，本集團已將全球發售所得款項淨額用於下列用途：

		Use of proceeds in the same manner and proportions as stated in the Prospectus (in RMB million) 以按招股章程所列者相同的方式及比例使用所得款項 (人民幣百萬元)	The cumulative amount of proceeds utilized as of 31 December 2019 (in RMB million) 截至2019年12月31日累計使用所得款項金額 (人民幣百萬元)	The cumulative amount of proceeds utilized as of 31 December 2020 (in RMB million) 截至2020年12月31日累計使用所得款項金額 (人民幣百萬元)
30% used to construct Phase I of our Bazhou Production Base located in Bazhou, Hebei Province	30%用於建設位於河北省霸州的霸州生產基地一期	216.1	216.1	216.1
25% used for potential strategic acquisition opportunities in the future	25%用於潛在的策略性收購機會	180.0	12.0	12.0
25% used to promote our products and brand	25%用於推廣我們的產品和品牌	180.1	180.1	180.1
10% used to enhance our research and development capabilities	10%用於提高我們的研發實力	72.0	42.4	72.0
10% used for working capital and general corporate purposes	10%用於運營資金及一般企業用途	72.0	72.0	72.0
<b>Total</b>	<b>合計</b>	<b>720.2</b>	<b>522.6</b>	<b>552.2</b>

For the year ended 31 December 2020, the Company had unused net proceeds from the Global Offering of approximately RMB168.0 million. Regarding the net proceeds that had not been utilized as of 31 December 2020, the Company intends to use them in the same manner and proportions as stated in the Prospectus. Unutilized amount is expected to be used in three years.

於截至2020年12月31日止年度，本公司尚未使用的全球發售所得款項淨額約為人民幣168.0百萬元。關於截至2020年12月31日尚未使用的所得款項淨額，本公司擬按招股章程所述的相同方式及比例使用。未動用金額預期將於三年內使用。



#### N. JOINT COMPANY SECRETARIES

Mr. Sun Shengfeng (“Mr. Sun”), the executive Director and chief financial officer of the Company, has been engaged by the Company as joint company secretaries effective on 12 March 2016. Ms. Chan Yin Wah (“Ms. Chan”) of SWCS Corporate Services Group (Hong Kong) Limited, has been engaged by the Company as the joint company secretary effective and an authorized representative on 31 May 2018.

During the year ended 31 December 2020, Mr. Sun and Ms. Chan have each undertaken over 15 hours of professional training to update their skill and knowledge.

#### O. PRIMARY CORPORATE CONTACT PERSON

Mr. Sun Shengfeng, the executive Director and chief financial officer, is the primary corporate contact person of the joint company secretary, Ms. Chan.

#### P. GOING CONCERN

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to the Shareholders through the optimization of the debt and equity balance.

There are no material uncertainties relating to events or conditions that cast significant doubt upon the Company’s ability to continue as a going concern.

#### N. 聯席公司秘書

本公司執行董事兼財務總監孫勝峰先生（「孫先生」）已獲委任為本公司聯席公司秘書，此委任於2016年3月12日生效。方圓企業服務集團（香港）有限公司的陳燕華女士（「陳女士」）已獲本公司委任為聯席公司秘書及授權代表，自2018年5月31日起生效。

截至2020年12月31日止年度內，孫先生及陳女士均已參加15小時以上的相關專業培訓，以提高技能及知識。

#### O. 公司主要聯絡人

孫勝峰先生（執行董事兼財務總監）為聯席公司秘書陳女士的公司主要聯絡人。

#### P. 持續經營能力

本集團會對資本進行管理，以確保本集團旗下公司能夠持續經營，同時透過優化債務與資本間的平衡最大限度地提高股東回報。

概無有關任何事件或情況的重大不明朗因素可能對本公司的持續經營能力構成重大疑問。

The Board of the Company presents this directors' report in the Group's annual report for the year ended 31 December 2020.

## PRINCIPAL ACTIVITIES

We are a leading and fast-growing compound condiment manufacturer in China primarily focused on the hot pot condiment market. We are the sole supplier of hot pot soup flavoring products for Haidilao Group in China. We employ a distributor model to sell our products, and our physical distribution network is supplemented by e-commerce channels and third-party catering companies, which have recently experienced significant development. The Group is also expanding its sales network in overseas markets.

The principal activities of the Group are researching and developing, manufacturing, distributing and selling high-quality hot pot condiments, Chinese-style compound condiments and convenient ready-to-eat food products. There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2020.

## RESULTS

The results of the Group for the year ended 31 December 2020 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income of this annual report.

## FINAL DIVIDEND

The Board resolved to propose to the Shareholders in the forthcoming AGM on Friday, 21 May 2021 for the distribution of a final dividend of RMB25.367 cents per share for the year ended 31 December 2020. The final dividend is expected to be paid on or about Wednesday, 16 June 2021 to the Shareholders whose names are listed in the register of members of the Company on Monday, 31 May 2021, in an aggregate amount of RMB265.6 million. Subject to the consideration and approval of the Shareholders at the AGM, the final dividend will be paid in Hong Kong dollars based on the average benchmark exchange rate of Renminbi against Hong Kong Dollars as announced by the People's Bank of China in the five working days prior to but excluding the date of the Board Meeting, that is HK\$30.291 cents per Share.

本公司董事會提呈本集團截至2020年12月31日止年度的年報內所載的董事會報告。

## 主要業務

我們是中國領先且高速發展的複合調味料生產商，主要專注於火鍋調味料市場。我們是海底撈集團在中國的火鍋底料產品的獨家供應商。我們採用經銷商模式銷售我們的產品，且我們的實體經銷網絡由近期顯著發展的電商渠道及第三方餐飲渠道所補充。本集團亦繼續拓展海外市場的銷售網絡。

本集團的主要業務是研發、生產、經銷及銷售優質火鍋調味料、中式複合調味料及方便速食產品。截至2020年12月31日止年度，本集團的主要業務性質並無重大變動。

## 業績

本集團截至2020年12月31日止年度的業績載於本年報的綜合損益及其他全面收益表內。

## 末期股息

董事會決議於2021年5月21日（星期五）舉行的應屆股東週年大會上向股東建議分派截至2020年12月31日止年度的末期股息每股人民幣25.367分。末期股息預期於2021年6月16日（星期三）或前後派付予於2021年5月31日（星期一）名列本公司股東名冊的股東，金額合共為人民幣265.6百萬元。待股東於股東週年大會上考慮及批准後，末期股息將根據董事會會議日期前五個工作天（但不包括董事會會議日期）中國人民銀行公佈的人民幣兌換港元的匯率中間價以港元派付，即每股股份30.291港仙。

## Directors' Report

### 董事會報告

#### SHARE CAPITAL

Details of the issued shares of the Group during the year ended 31 December 2020 are set out in note 17 to the Financial Statements.

#### RESERVES

Details of the movements in reserves of the Group during the year ended 31 December 2020 are set out in the Consolidated Statement of Changes In Equity of this annual report.

#### DISTRIBUTABLE RESERVES

As at 31 December 2020, the Group has distributable reserves of RMB2,516.1 million in total available for distribution.

#### CHARITABLE DONATIONS

During the year ended 31 December 2020, the Group made charitable donations of RMB12.52 million.

#### FINANCIAL SUMMARY

The Group's financial summary for the last five financial years is set out in the section headed "Five-Year Performance Review" of this annual report.

#### BANK LOANS AND OTHER BORROWINGS

As at 31 December 2020, save for lease liabilities, the Group has recorded no bank loans and other borrowings.

#### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2020 are set out in note 7 to the Financial Statements.

#### 股本

有關本集團於截至2020年12月31日止年度的已發行股份詳情載於財務報表附註17。

#### 儲備

有關本集團於截至2020年12月31日止年度的儲備變動詳情載於本年報綜合權益變動表內。

#### 可分派儲備

截至2020年12月31日，本集團可供分派的可分派儲備合共為人民幣2,516.1百萬元。

#### 慈善捐贈

截至2020年12月31日止年度，本集團慈善捐贈額為人民幣12.52百萬元。

#### 財務概要

本集團於過去五個財政年度的財務概要載於本年報「五年業績回顧」一節。

#### 銀行貸款及其他借款

截止2020年12月31日，本集團除租賃負債外並無銀行貸款及其他借款。

#### 物業、廠房及設備

有關本集團於截至2020年12月31日止年度的物業、廠房及設備變動詳情載於財務報表附註7。

### **SUFFICIENCY OF PUBLIC FLOAT**

Based on information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained the amount of public float as required under the Listing Rules as at the Latest Practicable Date.

### **PRE-EMPTIVE RIGHTS**

There is no provision for pre-emptive rights under the Articles of Association and there is no restriction against such rights which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

### **TAX RELIEF**

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

### **USE OF PROCEEDS FROM THE GLOBAL OFFERING**

The net proceeds from the Global Offering amounted to approximately HK\$797.3 million. For details, please refer to the section headed "Corporate Governance Report – Use of Proceeds from the Global Offering" of this annual report.

### **足夠的公眾持股量**

根據本公司所獲之公開資料以及據董事所知，本公司截至最後實際可行日期一直維持上市規則規定之公眾持股量。

### **優先購買權**

本公司的組織章程細則並無載列優先購買權條文，且並無對有關權利的限制要求本公司須按比例基準向現有股東發售新股份。

### **稅務寬免**

董事並不知悉本公司股東基於持有本公司證券為理由而可獲任何稅務寬免。

### **全球發售所得款項用途**

全球發售所得款項淨額約為797.3百萬港元。詳情請參閱本年報中「企業管治報告 – 全球發售所得款項用途」一節。

#### BUSINESS REVIEW

##### a. Overview and performance of the Year

Business review and financial review are provided in the Management's Discussion and Analysis section of this annual report.

##### b. Environmental Policies and Performance

It is our corporate and social responsibility to promote a sustainable and environmental-friendly environment. We strive to minimize our environmental impact by saving electricity and to build our corporation in a sustainable way.

The Group has undergone a series of effective energy-saving and pollutant-reducing measures such as conserving water and electricity, reducing the creation and emission of pollutants during the production process and optimizing production lines.

Additionally, we have adopted a set of emergency planning, response and control procedures as counter-measures for unexpected environmental pollution accidents to minimize our impact on the environment and the adverse effect on our business. We incurred RMB7.82 million (2019: RMB5.1 million) in environmental compliance costs for the year ended 31 December 2020. Such environmental compliance costs relate to expenditures in implementing environmental protection policies, and for the year ended 31 December 2020, the Group has not incurred any fines as a result of pollution.

#### 業務回顧

##### a. 年度回顧及表現

業務回顧及財務回顧刊載於本年報的管理層討論與分析章節。

##### b. 環境政策及表現

促進可持續發展及有利保護的環境是我們的企業及社會責任，我們致力節省電力，並以可持續方式推動企業事務，將對環境的影響減至最少。

本集團已進行一系列有效的節能及防污措施（例如節水節電、於生產工序中減少製造及排放污染物以及優化生產線）。

此外，我們採納一套緊急規劃、應變及控制程序，作為發生出乎意料環境污染意外時的抵禦措施，盡量減少對環境的衝擊及我們業務的不利影響。截至2020年12月31日止年度，我們錄得環境合規成本人民幣7.82百萬元（2019年：人民幣5.1百萬元）。環境合規成本為推行環境保護政策的支出，而截至2020年12月31日止年度本集團沒有因為環境污染而導致須繳付罰款。



### c. Compliance with Relevant Laws and Regulations

The Group has complied with the requirements under the Companies Ordinance, the Listing Rules, the SFO and the Corporate Governance Code for, among other things, the disclosure of information and corporate governance. The Group has also complied with other relevant laws and regulations that have a significant impact on the operations of the Group. Please refer to the section headed "Regulations" in the Prospectus for details.

### d. Key Relationships with Stakeholders

#### *Relationship with Haidilao Group and its Affiliates*

One group of the primary customers of the Company is Haidilao Group and its affiliates. We are the principal supplier of hot pot soup flavoring products to Haidilao Group in China. The hot pot soup flavoring products that we sell to Haidilao Group for use in its hot pot restaurants are customized products meeting Haidilao Group's specific requirements. In addition, our retail products are displayed and sold directly to consumers in Haidilao hot pot restaurants. In general, Haidilao Group makes purchase orders based on customer demands. We have the right to arrange production ahead of time and stock the finished products in anticipation of peak seasons, but had no obsolete inventory in prior years. We also sell retail and customized condiment products to Shuhai Supply Chain, one of our affiliated companies.

#### *Relationship with our distributors*

The other group of the Company's primary customers is the distributors, who in turn resell our products to sub-distributors and retailers, including supermarkets, grocery stores, neighborhood stores and butcher shops across China. As at 31 December 2020, we had an extensive distribution network covering 31 provincial regions of China and the Hong Kong, Macau and Taiwan regions and 49 overseas countries and markets.

### c. 遵守相關法律法規

本集團就(其中包括)資料披露及企業管治一直遵守公司條例、上市規則、證券及期貨條例及企業管治守則規定。本集團亦一直遵守對其營運有重大影響的有關法律及規例。有關詳情請參閱招股章程「法規」一節。

### d. 與利益相關人士的主要關係

#### *與海底撈集團及其聯屬公司的關係*

本公司其中一組主要客戶為海底撈集團及其聯屬公司。我們是海底撈集團在中國的火鍋底料產品主要供應商。我們向海底撈集團銷售供其火鍋餐廳使用的火鍋底料產品主要是滿足海底撈集團具體要求的定制產品。此外，我們的零售產品於海底撈的火鍋餐廳展示並直接向消費者出售。整體而言，海底撈集團根據客戶需要發出購買訂單。我們可預計旺季而安排提早生產及儲存製成品，但我們過往並無陳舊存貨。我們亦向我們的聯屬公司蜀海供應鏈銷售零售及定制調味品。

#### *與經銷商的關係*

本公司其他組別的主要客戶為經銷商，經銷商轉而將產品轉售予下級經銷商及零售商(包括遍佈全國的大型超市、超市、雜貨店、社區門店及肉食店)。截至2020年12月31日，我們已建立起覆蓋中國31個省級地區與港澳台地區，以及49個外國國家及市場的龐大經銷網絡。

#### 1. Management of Our Distributors

Our distributors are typically regional distributors primarily involved in the distribution of food and condiment products with well-established local distribution networks. We select our distributors in each region based on factors including their business qualifications and distribution capabilities. The distribution capabilities we consider include breadth and quality of sales network, reputation, creditworthiness and financial conditions, and capabilities in personnel, warehousing, logistics, facilities and transportation.

We have a seller-buyer relationship with our distributors. The ownership of the products, as well as all risks and rewards associated therewith are transferred to them upon delivery and acceptance. In general, our sales to our distributors are made on a payment-before-delivery basis according to our distribution agreements with our distributors with certain exceptions during our peak seasons. We formulate a monthly production plan based on historical sales and market demand. Upon receipt of purchase orders, we will first deliver the products previously prepared based on the relatively conservative monthly plan and further produce and deliver the shortfall, if any. Due to our effective production and inventory management, our warehouse time of finished products is approximately 7 days for retail products and 30 days for customized products sold to related parties. Once the products are delivered to the distributors, they cannot be returned except for defective products.

#### 1. 管理我們的經銷商

我們的經銷商一般為區域經銷商，其主要從事經銷食品及調味品，具備成熟地方經銷網絡。我們根據經銷商的業務資格及經銷能力等因素在各個區域甄選經銷商。我們考慮的經銷能力包括銷售網絡的廣度及質量、聲譽、信譽及財務狀況以及人事、倉儲、物流，設備及運輸能力。

我們與經銷商之間是買賣關係。產品的所有權以及與產品有關的所有風險及回報均在經銷商驗收後轉移至經銷商。一般而言，我們對經銷商的銷售均根據我們與經銷商訂立的經銷協議按「交貨前付款」基準作出，惟我們於旺季的若干情況例外。我們根據過往銷售及市場需求制定每月的生產計劃。於接獲購買訂單後，我們首先會根據相對保守的每月計劃交付先前準備好的產品並進一步生產及交付缺少的數量（如有）。由於我們有效的生產及存貨管理，我們的製成品倉儲時間就零售產品而言約為7日，就售予關聯方的定制產品而言約為30日。產品一經送到經銷商時，便不能退回（惟有缺陷產品除外）。

## 2. Distributors Performance and Inventory Management

We closely monitor the performance of our distributors. For example, our sales personnel conduct inspections of our distributors from time to time to monitor their sales, prices, marketing activities, storage conditions, logistics facilities, quality control and inventory levels. Generally, we require our distributors to report to us their inventory records every two weeks to cross-check with our internal data base. Our staff also conduct monthly inventory checks at randomly selected distributors. When we notice that our distributors have excessive inventories or their sales volumes drop significantly, we may make inquiries and adopt necessary measures such as suspending the supply of relevant products. We prohibit our distributors from selling any expired products. Through visiting the retailers and sub-distributors and verifying the two-dimensional code that we implanted on our products, we also monitor whether our distributors distribute our products within their designated geographic regions and whether they sell any counterfeit products. Through these activities, we ensure that our sales to distributors reflect genuine market demand and our distributors are complying with the terms and conditions of their distribution agreements. If we discover non-compliance issues, we inform the relevant distributor and request the distributor to cease the non-compliant activities within a specified period of time. Our distributors are also liable for breaches of their distribution agreements, and we can claim compensation from them for relevant breaches. We can terminate the distribution agreements if they breach material provisions stipulated therein.

## 2. 經銷商表現及存貨管理

我們密切監察經銷商的表現。例如，我們的銷售人員不時檢查經銷商以監察其銷售、售價、市場營銷活動、儲存條件、物流設施、質量控制及存貨水平。一般而言，我們要求經銷商每兩個星期向我們匯報其存貨記錄，以與我們的內部數據庫進行交叉核對。我們的員工亦每月核查隨機抽選經銷商的存貨情況。當我們注意到經銷商擁有過多存貨或其銷售量大幅下跌時，我們可進行詢問並採取必要措施（如暫停供應有關產品）。我們禁止我們的經銷商銷售任何到期產品。透過造訪零售商及下級經銷商及核實我們產品上印製的二維碼，我們亦監察經銷商是否在指定地區內經銷產品及有無出售任何假冒產品。透過該等活動，我們確保向經銷商作出的銷售反映真實的市場需求及經銷商遵守經銷協議的條款及條件。倘我們發現不合規事宜，我們將告知相關經銷商並要求經銷商在規定期間內終止此類活動。經銷商亦對違反經銷協議承擔責任，且我們可就相關違規向其申索賠償。倘經銷商違反經銷協議訂明的重大條文，我們可終止經銷協議。

## Directors' Report

### 董事會報告

We will give certain fees to support distributors in activities that promote products and increase sales. Meanwhile, we will use “Family Love” as the activity theme for distributors and the terminal market. Relevant expenses will be reflected in the distributor’s purchase order as a discount. We do not impose minimum annual purchase requirements in the distribution agreement. The distributors decide to place purchase orders by themselves.

#### *Relationship with Our Suppliers*

Our raw materials are generally available from various suppliers. To maintain high standards of product quality and food safety, we place strong emphasis on sourcing high-quality raw materials from large suppliers with good reputations. We minimize our reliance on any single source of supply by maintaining at least two suppliers for each type of raw material. We also implement various measures to monitor the performance of our suppliers, including sample examination and on-site inspections.

We usually enter into supply agreements with our suppliers on an annual basis. Our suppliers are required to provide raw materials adhering to the quality requirement under the supply agreements and are responsible for any liabilities caused by product defects. Our supply agreements do not have an automatic renewal clause.

我們會給予一定費用支持，以協助經銷商就推廣產品、提高銷售而做的活動，同時，我們會針對經銷商業務人員及終端市場做親情化活動。相關費用會在經銷商採購訂單中以折扣形式體現。我們並無於經銷協定中施加最低年度購買要求，經銷商都是自己決定下達採購訂單。

#### *與供應商的關係*

我們的原材料一般可從多名供應商採購。為維持高標準的產品質量及食品安全，我們極為重視向聲譽卓著的大型供應商採購優質的原材料。我們盡量減少依賴任何單一的供應來源，就每類原材料維持至少兩名供應商。我們亦實行多種措施監察供應商的表現，包括抽樣檢查及實地檢查。

我們通常每年與供應商訂立供應協議。我們的供應商須提供達到供應協議質量要求的原材料，並對產品瑕疵所導致的任何責任負責。我們的供應協議並無自動續期條款。

#### *Relationship with Our Employees*

We embrace our employees as the most valuable assets of the Group. The objective of the Group's human resources management is to reward and recognize outstanding employees by providing competitive remuneration packages and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression within the Group by providing adequate training and opportunities.

#### *Relationship with Shareholders*

We recognize the importance of protecting the interests of the Shareholders and of having effective communication with them. We believe communication with the Shareholders is a two-way process and have thrived to ensure the quality and effectiveness of information disclosure, maintain regular dialogue with the Shareholders and listen carefully to the views and feedback from the Shareholders. This has been done through general meetings, corporate communications, interim and annual reports and results announcements.

### **e. Principal Risk and Uncertainties**

#### *Risk of Product Quality*

The quality and safety of our products are very important to our continuous operation. If our quality control system is not sufficiently implemented, quality or food safety issues may arise. With the increase of the number of our self-owned factories and OEM factories, if the management and control is poor, there will be food safety risks and product quality risks, which will have a material adverse impact on the Company's brand, reputation and financial condition.

#### *與僱員的關係*

我們認為僱員是本集團最寶貴的資產，本集團人力資源管理的目標是，以具競爭力的薪酬待遇回饋及肯定傑出僱員的貢獻，以及實施具有適當獎勵的完善績效考核制度，並且藉提供足夠的培訓及機會，推動本集團內服務人士的事業前途與發展。

#### *與股東的關係*

我們認識到保護股東權益和與其進行有效溝通的重要性。我們相信與股東溝通是一個雙向的過程，並竭力確保信息披露的質量及有效性、保持與股東的定期對話及認真聆聽來自股東的意見與反饋。這已通過股東大會、公司通訊、中期報告與年報及業績公佈實現。

### **e. 主要風險及不確定性**

#### *產品質量風險*

產品的質量及安全對我們持續經營至關重要，一旦我們的質量控制體系出現控制不到位，則有可能出現質量或食品安全問題，且隨著自有工廠及OEM工廠數量的增加，管控不善會存在食品安全風險和產品質量風險，進而對本公司的品牌、聲譽及財務狀況造成重大不利影響。



#### Response Measures

The Group's products have passed the HACCP System Certification and the ISO9001 System Certification. From the process of raw materials import to products delivery and sales, strict implementation has been made in accordance with the requirements of such systems to ensure product quality. To prevent food safety risk, the Group has established the Yihai Food Safety and Safe Environmental Protection Red Line Management System (頤海食品安全及安全環保紅線管理制度) to clarify that the regional leader and factory head are the first responsible officers for product quality, a stringent stick and carrot mechanism will be imposed on the responsible officers in breach of food safety issues. At the same time, the adjustment and approval functions of the Group's food safety centre are investigation and verification functions, the duties of formulating criteria and conducting random audits are separated to distinguish between "enactment" and "enforcement" duties, allowing the random audit team to perform the "enforcement" duties. Of second importance, three defense lines have been set up for food safety, including the Food Safety Red Line Inspection List (食品安全紅線檢查表), the Food Safety Daily Inspection List (食品安全日常檢查表) and the random sampling inspection, risk assessment and public announcement on products and raw materials of our own factories and OEM factories conducted by the General Manager's secretariat and the random audit team.

#### *Risk of Overseas Market*

In recent years, the Group has been developing in overseas markets. Our products have been exported to over 40 countries and regions. However, the research and development and production of products exported by the Group mainly catered to the needs of domestic consumers. Therefore, there may be the risk of the flavors and packaging of products not meeting demands in overseas markets. On the other hand, the Group has developed the business of production and operation through other methods such as overseas acquisition of land and joint ventures. However, there may be overseas operation risks during construction and operation of factories due to our insufficient understanding of overseas laws and regulations.

#### 應對措施

本集團產品已經通過HACCP體系及ISO9001體系認證，自原料引入至產品出廠銷售均嚴格按照相關體系的要求執行，以確保產品品質。為防禦食安風險，本集團制定了《頤海食品安全及安全環保紅線管理制度》，明確區域長、廠長為產品質量第一責任人，對責任人員違反食品安全問題進行嚴格獎懲。同時，本集團食安中心調整審批職能為查核職能，並將標準制定和飛行審核職責分開，區分「立法」和「執法」的職責，有效的讓飛行審核組履行「執法」職責。其次，建立食安三條防線。分別為《食品安全紅線檢查表》、《食品安全日常檢查表》，以及總經理秘書處和飛行審核組不定期對自有工廠及OEM工廠的產品和原料等抽樣檢查、評估風險及公示。

#### 海外市場風險

近幾年本集團在不斷開拓海外市場，我們的產品已出口到40多個國家和地區，但本集團出口的產品主要是根據國內消費者需求研發生產的，因此產品的口味及包裝可能會出現不符合國外市場需求的風險；另一方面，本集團在海外通過購買土地、合資等方式開展生產運營業務，但在工程施工及工廠的運營中可能會面臨由於不瞭解海外法律法規而導致的海外運營風險。

### Response Measures

The Group has formed teams that comprise domestic and overseas staff in overseas markets. On one hand, there are designated staff in charge of researching on the needs of overseas markets for the research and development of new products that better meet local needs. On the other hand, the domestic team for regulations and standards served as the technical support for the compliance of local production and operation while cultivating local staff for regulations and standards. Resources of local third-party service institutions are also integrated to observe the food safety line and continuously improve the quality of overseas products. With respect to avoiding operation risks in overseas markets, the Group has incorporated overseas major business into the Material Event Approval Process of the Group, strengthening supervision on overseas business. In addition, local third-party service institutions have been engaged to ensure the operation of the company is in compliance with laws and regulations.

### *Risk of Environmental Protection in Production*

Some individual factories of the Group are in close proximity to the residential area, and the waste gas treatment facilities of the factories have a relatively low treatment efficiency in odour, and considerable odour may arise from the normal production process and such odour may cause nuisance to the surrounding enterprises and residents that may result in complaint cases of environmental protection and, in turn, may have adverse effect on the reputation of the Company.

### Response Measures

The Group has formulated the Environmental Protection Management System (環境保護管理制度) to set up plans and indicators for control of waste gas and odour, all factories are required to enhance daily maintenance and regular overhaul inspection to ensure that the emissions of waste gas have complied with the environmental protection requirements. Meanwhile, the system also requires that any new factory must consider to adopt effective waste gas treatment technique and equipment at the design stage, and the waste gas treatment equipment of old factories must be upgraded gradually to ensure that the ultimate emissions of waste gas will meet and may be even better than the required emission standards. At present, new factories of the Group are mainly built on sites inside industrial parks of various regions, striving to eliminate the problems of environmental protection, such as odour complaints, from the sources.

### 應對措施

本集團在海外市場組建了包含國內和海外人員的團隊配置，一方面有專人負責調研海外市場需求，以研發更符合當地需求的新產品；另一方面，國內法規標準團隊作為當地生產經營合規的技術支援，同步培養當地的法規標準人員，並結合當地第三方服務機構資源，把好食品安全線，不斷提升海外產品品質。在規避海外市場運營風險方面，本集團將海外主要業務納入本集團的《重大事項審批流程》，加強了對於海外業務的監管；以及，聘用當地的第三方服務機構，以確保公司更合規合法運營。

### 環保生產風險

本集團個別工廠位於居民區附近，而工廠的廢氣處理設施對於異味的處理效率較低，正常生產過程中產生異味較大，對周邊企業及居民造成異味困擾，可能會造成環保投訴案件，進而對本公司的聲譽造成負面影響。

### 應對措施

本集團制定了《環境保護管理制度》，設置治理廢氣和異味的方案和指標，並要求各工廠加強日常維保及定期全面檢測等工作，保證廢氣排放符合環保要求。同時，制度要求新工廠在設計階段便需考慮採取有效的廢氣處理工藝和設備，並逐步更新舊工廠的廢氣處理設備，確保最終排放的廢氣滿足並逐步高於排放標準。目前而言，本集團的新工廠主要選址在各地的工業園區，盡量從源頭杜絕異味投訴等環保問題的產生。

## Directors' Report

### 董事會報告

#### PROSPECTS

A description of the future development in the Company's business is provided in the Chairman's Statement and the Management's Discussion and Analysis section of this annual report.

#### EVENTS AFTER THE END OF 31 DECEMBER 2020

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2020 and up to the date of this report.

#### DIRECTORS

The Directors up to the date of this annual report are:

##### Executive Directors

Mr. Shi Yonghong (*Chairman*)  
Mr. Guo Qiang (*Chief Executive Officer*)  
Mr. Sun Shengfeng  
Ms. Shu Ping  
Mr. Zhao Xiaokai

##### Non-executive Director

Mr. Zhang Yong

##### Independent Non-executive Directors

Mr. Yau Ka Chi  
Mr. Qian Mingxing  
Ms. Ye Shujun

Ms. Dang Chunxiang has resigned from her positions as an executive director and vice president of the Company with effect from 25 August 2020 for business affairs which do not compete with the business of the Company and its subsidiaries.

In accordance with Article 16.18 of the Articles of Association, one-third of the Directors will retire by rotation at every annual general meeting (provided that every Director shall be subject to retirement by rotation at least once every three years) and, being eligible, offer themselves for re-election. Mr. Guo Qiang, Ms. Shu Ping and Mr. Yau Ka Chi will retire from the Board by rotation at the AGM and, being eligible, offer themselves for re-election.

#### 展望

有關本公司未來業務發展的描述分別載於本年報的主席報告及管理層討論與分析。

#### 截至2020年12月31日後事項

於2020年12月31日後及直至本報告日期，董事概不知悉任何重大事項須予披露。

#### 董事

截至本年報日期的董事為：

##### 執行董事

施永宏先生 (*董事長*)  
郭強先生 (*首席執行官*)  
孫勝峰先生  
舒萍女士  
趙曉凱先生

##### 非執行董事

張勇先生

##### 獨立非執行董事

邱家賜先生  
錢明星先生  
葉蜀君女士

黨春香女士已辭任本公司執行董事及副總裁，由2020年8月25日起生效，以投放更多時間於其與本公司及其附屬公司業務並無構成競爭的商業事務。

根據組織章程細則第16.18條，三分之一的董事將於每屆股東週年大會上輪換退任（惟每名董事須至少每三年輪換退任一次）並合資格膺選連任。郭強先生、舒萍女士及邱家賜先生將於股東週年大會上自董事會輪換退任並合資格膺選連任。

No Director proposed for re-election at the AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

## DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out in the section headed "Profiles of Directors and Senior Management" of this annual report.

## CHANGES IN THE INFORMATION OF THE DIRECTORS

Ms. Dang Chunxiang has resigned from her positions as an executive director and vice president of the Company with effect from 25 August 2020 in order to devote more time for business affairs which do not compete with the business of the Group.

Mr. Zhao Xiaokai has been appointed as an executive director of the Company with effect from 25 August 2020, and has been re-elected as an executive director of the Company at an extraordinary general meeting held on 31 December 2020.

Save as disclosed above and in the section headed "Profiles of Directors and Senior Management", during the year ended 31 December 2020, there has been no change in the information of the Directors as required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

## DIRECTORS' SERVICE CONTRACTS

The executive Directors and non-executive Directors have each entered into a service contract with the Company pursuant to which each of them agrees to act as an executive Director or a non-executive Director (as the case may be), subject to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than one month's prior notice in writing.

The independent non-executive Directors have each signed a letter of appointment with the Company and have been appointed for a term of three years. The appointment may be terminated by either party giving to the other not less than one month's prior notice in writing.

概無擬於股東週年大會上膺選連任的董事與本公司或其任何附屬公司訂立如無作出賠償（法定賠償除外）則不能釐定於一年內終止的未屆滿服務合約。

## 董事及高級管理層的履歷

董事及本集團高級管理層的履歷詳情載於本年報「董事及高級管理層簡介」一節。

## 董事資料變動

黨春香女士因需投放更多時間於與本集團業務並無構成競爭的商業事務自2020年8月25日起辭任執行董事及副總裁職務。

趙曉凱先生自2020年8月25日獲委任為本公司執行董事，並於2020年12月31日舉行的臨時股東大會上再次獲選為本公司執行董事。

除上文及「董事及高級管理層簡介」一節所披露者外，截至2020年12月31日止年度，董事資料概無出現根據上市規則第13.51B條須予披露的任何變動。

## 董事服務合約

執行董事及非執行董事各自已與本公司訂立服務合約，據此，彼等同意擔任執行董事或非執行董事（視乎情況而定），可根據組織章程細則於需要時重選，直至根據服務合約的條款及條件終止或由其中一方向另一方發出不少於一個月的事先書面通知予以終止。

獨立非執行董事各自已與本公司簽立委任函並已獲委任，任期為期三年。委任可由其中一方向另一方發出不少於一個月的事先書面通知予以終止。



## Directors' Report

### 董事會報告

None of the Directors have an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

#### CONFIRMATION OF INDEPENDENCE FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

We have received from each of the independent non-executive Directors, namely Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun, the confirmation of their respective independence pursuant to Rule 3.13 of the Listing Rules. The Company has duly reviewed the confirmation of independence of each of these Directors. We consider that the independent non-executive Directors have been independent from the date of their appointments to 31 December 2020 and remain so as of the date of this annual report.

#### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

概無董事與本公司或其任何附屬公司訂立如無作出賠償（法定賠償除外）則不能釐定於一年內終止的未屆滿服務合約。

#### 獨立非執行董事的獨立性確認

本公司已接獲各名獨立非執行董事（即邱家賜先生、錢明星先生及葉蜀君女士）根據上市規則第3.13條就彼等各自之獨立性發出的確認書。本公司已妥為審閱該等董事各自的獨立性確認書。我們認為，獨立非執行董事自彼等獲委任日期起至2020年12月31日均為獨立人士，且截至本年報日期仍為獨立人士。

#### 董事及最高行政人員於股份、相關股份及債權證中所擁有的權益及淡倉

於2020年12月31日，本公司董事及最高行政人員於本公司或我們任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中所擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的有關條文被當作或視作擁有的權益及淡倉）；或(b)根據證券及期貨條例第352條須登記於該條所指登記冊的權益及淡倉；或(c)根據標準守則須知會本公司及聯交所的權益及淡倉載列如下：



Name of Director	Capacity/Nature of Interest	Number of Ordinary Shares	Approximate percentage of shareholding in the total issued share capital (%) 於已發行股本總額中的概約 持股百分比(%)
董事姓名	身份／權益性質	普通股數目	持股百分比(%)
Mr. Shi Yonghong <sup>(1)</sup> 施永宏先生 <sup>(1)</sup>	Founder of a discretionary trust, interest of controlled corporation, interest of spouse, beneficial owner and beneficiary of a trust 全權信託的創立人、受控制法團權益、配偶的權益、實益擁有人及信託受益人	177,703,492 (L)	16.97% (L)
Ms. Shu Ping <sup>(2)</sup> 舒萍女士 <sup>(2)</sup>	Founder of a discretionary trust, interest of controlled corporation, beneficial owner, beneficiary of a trust and interest of spouse 全權信託的創立人、受控制法團權益、實益擁有人及信託受益人及配偶權益	373,007,021 (L)	35.63% (L)
Mr. Zhang Yong <sup>(2)</sup> 張勇先生 <sup>(2)</sup>	Founder of a discretionary trust, interest of controlled corporation, beneficial owner, beneficiary of a trust and interest of spouse 全權信託的創立人、受控制法團權益、實益擁有人及信託受益人及配偶權益	373,007,021 (L)	35.63% (L)
Mr. Guo Qiang 郭強先生	Interest of spouse and beneficial owner 配偶權益及實益擁有人	400,000 (L)	0.04% (L)
Mr. Sun Shengfeng 孫勝峰先生	Beneficiary owner 實益擁有人	200,000 (L)	0.02% (L)
Mr. Zhao Xiaokai 趙曉凱先生	Beneficiary owner 實益擁有人	160,000 (L)	0.02% (L)

(L) denotes a long position

(L) 代表好倉

Notes:

附註：

(1) Mr. Shi Yonghong and Ms. Li Haiyan, as the settlors and protectors, established for their own benefit the SL Trust, which indirectly holds the entire share capital of SYH YIHAI Ltd and LHY YIHAI Ltd, which in turn holds a total of 177,243,492 Shares. For the purpose of the SFO, Mr. Shi Yonghong and Ms. Li Haiyan are deemed to be interested in the Shares in which SYH YIHAI Ltd and LHY YIHAI Ltd are interested.

(1) 施永宏先生及李海燕女士（作為財產授予人及保護人）為彼等自身利益成立SL信託，其間接持有SYH YIHAI Ltd及LHY YIHAI Ltd的全部股本，而SYH YIHAI Ltd及LHY YIHAI Ltd則持有合共177,243,492股股份。就證券及期貨條例而言，施永宏先生及李海燕女士被視為於SYH YIHAI Ltd及LHY YIHAI Ltd擁有權益的股份中擁有權益。

Mr. Shi Yonghong is the spouse of Ms. Li Haiyan and is deemed to be interested in the same number of the Shares in which Ms. Li Haiyan is interested for the purpose of the SFO. Ms. Li Haiyan is the spouse of Mr. Shi Yonghong and is deemed to be interested in the same number of the Shares in which Mr. Shi Yonghong is interested for the purpose of the SFO.

施永宏先生為李海燕女士的配偶並就證券及期貨條例而言被視為於李海燕女士擁有權益的相同股份數目中擁有權益。李海燕女士為施永宏先生的配偶並就證券及期貨條例而言被視為於施永宏先生擁有權益的相同股份數目中擁有權益。

## Directors' Report

### 董事會報告

- (2) Mr. Zhang Yong and Ms. Shu Ping, as the settlors and protectors, established for their own benefit the ZYSP Trust, which holds the entire share capital of ZYSP YIHAI Ltd, which in turn holds 372,547,021 Shares. For the purpose of the SFO, Mr. Zhang Yong and Ms. Shu Ping are deemed to be interested in the Shares in which ZYSP YIHAI Ltd is interested.

Mr. Zhang Yong is the spouse of Ms. Shu Ping and is deemed to be interested in the same number of the Shares in which Ms. Shu Ping is interested for the purpose of the SFO. Ms. Shu Ping is the spouse of Mr. Zhang Yong and is deemed to be interested in the same number of the Shares in which Mr. Zhang Yong is interested for the purpose of the SFO.

Save as disclosed above, as at 31 December 2020, none of the Directors or chief executives of the Company has or is deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or which will be required to be recorded in the register to be kept by the Company pursuant to Section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2020, the followings are the persons, other than the Directors or chief executives of the Company, who had interests or short positions in the shares and underlying shares which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO:

- (2) 張勇先生及舒萍女士（作為財產授予人及保護人）為彼等自身利益成立ZYSP信託，其持有ZYSP YIHAI Ltd的全部股本，而ZYSP YIHAI Ltd則持有372,547,021股股份。就證券及期貨條例而言，張勇先生及舒萍女士被視為於ZYSP YIHAI Ltd擁有權益的股份中擁有權益。

張勇先生為舒萍女士的配偶，就證券及期貨條例而言被視為與舒萍女士擁有權益的相同數目股份中擁有權益。舒萍女士為張勇先生的配偶，就證券及期貨條例而言被視為與張勇先生擁有權益的相同數目股份中擁有權益。

除上文所披露者外，截至2020年12月31日，本公司董事或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第XV部）的股份、相關股份或債權證中概無擁有或被視為擁有根據證券及期貨條例第XV部第7及8分部將須知會本公司及聯交所的任何權益或淡倉（包括彼等根據證券及期貨條例的有關條文被當作或被視為擁有的權益及淡倉），或根據證券及期貨條例第352條將須記錄於本公司所存置的登記冊內的任何權益或淡倉，或根據標準守則將須知會本公司及聯交所的任何權益或淡倉。

### 主要股東於股份及相關股份中所擁有的權益及淡倉

截至2020年12月31日，除本公司董事或最高行政人員外，下列人士為擁有根據證券及期貨條例第XV部第2及第3分部的規定須知會本公司及聯交所的本公司股份或相關股份的權益或淡倉的人士，或根據證券及期貨條例第336條本公司須存置的登記冊所記錄的權益或淡倉的人士：

Name of Shareholder 股東姓名	Capacity/Nature of Interest 身份／權益性質	Total number of shares 股份總數	Approximate Percentage of Shareholding (%) 概約持股百分比(%)
UBS Trustees (B.V.I.) Limited <sup>(1)</sup>	Trustee (other than a bare trustee) 受託人(非無條件受託人)	372,547,021 (L)	35.59% (L)
ZYSP YIHAI Ltd <sup>(1)</sup>	Beneficial owner 實益擁有人	372,547,021 (L)	35.59% (L)
Cititrust Private Trust (Cayman) Limited <sup>(2)</sup>	Trustee (other than a bare trustee) 受託人(非無條件受託人)	177,243,492 (L)	16.93% (L)
Li Haiyan <sup>(2)</sup> 李海燕 <sup>(2)</sup>	Founder of a discretionary trust, interest of controlled corporation and interest of spouse 全權信託創立人，受控制法團權益及配偶的權益	177,703,492 (L)	16.97% (L)
Twice Happiness Limited <sup>(2)</sup>	Interest of controlled corporation 受控制法團權益	177,243,492 (L)	16.93% (L)
LHY YIHAI Ltd <sup>(2)</sup>	Beneficial owner 實益擁有人	88,621,746 (L)	8.47% (L)
SYH YIHAI Ltd <sup>(2)</sup>	Beneficial owner 實益擁有人	88,621,746 (L)	8.47% (L)
UBS Group AG <sup>(3)</sup>	Interest of controlled corporation 受控制法團權益	77,917,411 (L)	7.44% (L)
JLJH YIHAI Ltd <sup>(4)</sup>	Beneficial owner and nominee for another person 實益擁有人及另一名人士的代名人	66,568,000 (L)	6.36% (L)
Vistra Trust (Hong Kong) Limited <sup>(4)</sup>	Trustee (other than a bare trustee) 受託人(非無條件受託人)	66,568,000 (L)	6.36% (L)

(L) denotes a long position

(L) 代表好倉

Notes:

附註：

(1) ZYSP Trust is a discretionary trust set up by Mr. Zhang Yong and Ms. Shu Ping as the settlors and protectors on 1 June 2016 for their own benefit. The entire share capital of ZYSP YIHAI Ltd is wholly owned by UBS Trustees (B.V.I.) Limited as the trustee of the ZYSP Trust. Mr. Zhang Yong and Ms. Shu Ping (as founders of the ZYSP Trust) and UBS Trustees (B.V.I.) Limited are taken to be interested in the Shares held by ZYSP YIHAI Ltd for the purpose of the SFO.

(1) ZYSP信託為張勇先生及舒萍女士以財產授予人及保護人的身份為其自身利益於2016年6月1日成立的全權信託。ZYSP YIHAI Ltd的全部股本由UBS Trustees (B.V.I.) Limited以ZYSP信託的受託人身份全資擁有。張勇先生及舒萍女士(作為ZYSP信託的創立人)及UBS Trustees (B.V.I.) Limited就證券期貨條例而言被當作於ZYSP YIHAI Ltd持有的股份擁有權益。

## Directors' Report

### 董事會報告

- (2) SL Trust is a discretionary trust set up by Mr. Shi Yonghong and Ms. Li Haiyan as the settlors and protectors on 2 June 2016 for their own benefit. The entire share capital of SYH YIHAI Ltd and LHY YIHAI Ltd is wholly owned by Twice Happiness Limited and ultimately owned by Cititrust Private Trust (Cayman) Limited as the trustee of the SL Trust. Mr. Shi Yonghong and Ms. Li Haiyan (as founders of the SL Trust), Twice Happiness Limited and Cititrust Private Trust (Cayman) Limited are taken to be interested in the Shares held by SYH YIHAI Ltd and LHY YIHAI Ltd for the purpose of the SFO. Mr. Shi Yonghong is the spouse of Ms. Li Haiyan and is deemed to be interested in the same number of the Shares in which Ms. Li Haiyan is interested for the purpose of the SFO. Ms. Li Haiyan is the spouse of Mr. Shi Yonghong and is deemed to be interested in the same number of the Shares in which Mr. Shi Yonghong is interested for the purpose of the SFO.
- (2) SL信託為施永宏先生及李海燕女士以財產授予人及保護人的身份為其自身利益於2016年6月2日成立的全權信託。SYH YIHAI Ltd及LHY YIHAI Ltd的全部股本由Twice Happiness Limited全資擁有及由Cititrust Private Trust (Cayman) Limited以SL信託的受託人身份最終擁有。施永宏先生及李海燕女士(作為SL信託的創立人)、Twice Happiness Limited及Cititrust Private Trust (Cayman) Limited就證券及期貨條例而言被當作於SYH YIHAI Ltd及LHY YIHAI Ltd持有的股份擁有權益。施永宏先生為李海燕女士的配偶並就證券及期貨條例而言被視為於李海燕女士擁有權益的相同股份數目中擁有權益。李海燕女士為施永宏先生的配偶並就證券及期貨條例而言被視為於施永宏先生擁有權益的相同股份數目中擁有權益。
- (3) UBS Group AG is interested in 79,945,543 Shares as interest of corporation controlled by it via wholly owned subsidiaries.
- (3) UBS Group AG透過全資附屬公司於其控制的法團權益中擁有79,945,543股股份權益。
- (4) Vistra Trust (Hong Kong) Limited is the trustee and JLJH YIHAI Ltd is the nominee to administer the RSU Scheme. JLJH YIHAI Ltd holds the Shares underlying the RSU granted by us for the benefit of eligible participants pursuant to the RSU Scheme.
- (4) Vistra Trust (Hong Kong) Limited為受託人及JLJH YIHAI Ltd為管理受限制股份單位計劃的代名人。JLJH YIHAI Ltd根據受限制股份單位計劃為合資格參與者的利益持有由我們授出涉及受限制股份單位的相關股份。

Save as disclosed above, as at 31 December 2020, the Directors and the chief executives of the Company are not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，截至2020年12月31日，本公司董事及最高行政人員並不知悉任何其他人士(除本公司董事或最高行政人員外)擁有根據證券及期貨條例第XV部第2及第3分部的規定須知會本公司及聯交所的股份或相關股份的權益或淡倉，或根據證券及期貨條例第336條本公司須存置的登記冊所記錄的權益或淡倉。

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed “Directors, and Chief Executives’ Interests and Short Positions in Shares, Underlying Shares and Debentures” above, at no time during the year ended 31 December 2020 and up to the date of this annual report was the Company or any of its subsidiaries, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of the shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

## DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in the section headed “Our History, Reorganization and Corporate Structure – Reorganization” in the Prospectus and save for their respective interests in the Group, none of the Directors and the Controlling Shareholders was interested in any business which competes or is likely to compete with the businesses of the Group for the year ended 31 December 2020.

We have received annual written confirmations from the Controlling Shareholders, consisting of Mr. Zhang Yong, Ms. Shu Ping and ZYSP YIHAI Ltd, of the compliance with the provisions of the Non-competition Undertaking by such Controlling Shareholders and their close associates.

The independent non-executive Directors have reviewed the compliance with the Non-competition Undertaking during the year ended 31 December 2020 based on the information and confirmation provided by or obtained from the Controlling Shareholders, and were satisfied that our Controlling Shareholders have duly complied with the Non-competition Undertaking.

## 董事收購股份或債權證的權利

除上文「董事及最高行政人員於股份、相關股份及債權證中所擁有的權益及淡倉」一節所披露者外，於截至2020年12月31日止年度及至本年報日期期間，本公司或其任何附屬公司均非任何安排的其中一方以讓董事通過收購本公司或任何其他法人團體的股份或債權證的方式收取利益，亦概無董事或任何彼等的配偶或18歲以下的子女獲授任何權利以認購本公司或任何其他法人團體的股本或債務證券或已行使任何該等權利。

## 董事及控股股東於競爭性業務的權益

除招股章程中「歷史、重組及公司架構 – 重組」一節所披露者及彼等各自於本集團的權益外，截至2020年12月31日止年度，董事及控股股東概無在任何與本集團業務產生競爭或可能產生競爭之業務中擁有權益。

我們已接獲控股股東（包括張勇先生、舒萍女士及ZYSP YIHAI Ltd）就控股股東及其緊密聯繫人對不競爭承諾條文之合規情況而發出的年度書面確認書。

獨立非執行董事已根據控股股東所提供或其給予的資料及確認書，審閱於截至2020年12月31日止年度不競爭承諾的合規情況，並信納控股股東已妥為遵守不競爭承諾。



## Directors' Report

### 董事會報告

#### CONVERTIBLE BONDS

As at the date of this annual report, the Company has not issued any convertible bonds.

#### LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDERS

As at the date of this annual report, the Company has not entered into any loan agreement which contains covenants requiring specific performance of the Controlling Shareholders.

#### CONNECTED AND CONTINUING CONNECTED TRANSACTIONS

Among the related party transactions disclosed in note 33 to the Financial Statements, the following transactions constitute continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules and are required to be disclosed in this annual report in accordance with Rule 14A.71 of the Listing Rules. The Company confirmed that for the related party transactions falling under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules, it had complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. Please see below the information required to be disclosed in compliance with Chapter 14A of the Listing Rules.

##### 1. Chengdu Lease Agreement

On 6 July 2018, Sichuan Haidilao and Chengdu Yueyihai, our wholly owned subsidiary, entered into the Chengdu Lease Agreement, including the supplemental agreement, pursuant to which Chengdu Yueyihai agreed to lease from Sichuan Haidilao a parcel of land together with properties and fixtures thereon to be used for production and warehousing. Sichuan Haidilao is our connected person and therefore the transactions under the Chengdu Lease Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Chengdu Lease Agreement has a term of two years from 1 January 2019 to 31 December 2020. Please refer to the announcement of the Company dated 6 July 2018 for details.

#### 可換股債券

截至本年報日期，本公司並無發行任何可換股債券。

#### 附有涉及控股股東履行特定責任之契諾的貸款協議

截至本年報日期，本公司並無訂立任何載有要求控股股東履行特定責任之契諾的貸款協議。

#### 關連及持續關連交易

於財務報表附註33中披露的關連方交易中，下列交易根據上市規則第14A.31條構成本公司的持續關連交易，且根據上市規則第14A.71條的要求須於本年報中披露。本公司確認就關聯方交易歸入上市規則第十四A章有關「關連交易」或「持續關連交易」的定義（視屬何情況而定），其已符合上市規則第十四A章的披露規定。請見下列就遵守上市規則第十四A章的規定而須披露的資料。

##### 1. 成都租賃協議

於2018年7月6日，四川海底撈與我們的全資附屬公司成都悅頤海訂立成都租賃協議（包括補充協議），據此，成都悅頤海同意從四川海底撈租用一幅土地連同其上的物業及裝置以作生產及倉庫使用。四川海底撈為我們的關連人士，因此根據上市規則第十四A章，成都租賃協議項下的交易構成持續關連交易。

成都租賃協議自2019年1月1日至2020年12月31日為期兩年。有關詳情，請參閱本公司日期為2018年7月6日的公告。

As the Chengdu Lease Agreement has expired on 31 December 2020, Sichuan Haidilao and Chengdu Yueyihai entered into the new Chengdu Lease Agreement on 7 December 2020 for an initial term of three years from 1 January 2021 to 31 December 2023. The nature of the new Chengdu Lease Agreement is similar to the Chengdu Lease Agreement. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The annual caps for the rental payable under the Chengdu Lease Agreement for the years ended 31 December 2019 and 2020 are RMB4,500,000 and RMB4,500,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Chengdu Lease Agreement for the year ended 31 December 2020 was RMB2,807,000.

## 2. Sichuan Haidilao Warehouse Storage Service Agreement

On 6 July 2018, Sichuan Haidilao and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Sichuan Haidilao Warehouse Storage Service Agreement, pursuant to which Sichuan Haidilao Group agreed to provide warehousing facilities and related services, including warehouse storage, sorting process management, stock-taking, and other logistics services, to the Group in connection with storage of our products. Sichuan Haidilao is our connected person and therefore the transactions under the Sichuan Haidilao Warehouse Storage Service Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Sichuan Haidilao Warehouse Storage Service Agreement has a term of two years from 1 January 2019 to 31 December 2020. Please refer to the announcement of the Company dated 6 July 2018 for details.

The annual caps for the rental payable under the Haidilao Warehouse Storage Service Agreement for the years ended 31 December 2019 and 2020 are RMB300,000 and RMB360,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Haidilao Warehouse Storage Service Agreement for the year ended 31 December 2020 was nil.

由於成都租賃協議已於2020年12月31日屆滿，四川海底撈與成都悅頤海於2020年12月7日訂立新成都租賃協議，自2021年1月1日至2023年12月31日初步為期三年。新成都租賃協議的性質類似成都租賃協議。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2019年及2020年12月31日止年度，根據成都租賃協議應付租金的年度上限分別為人民幣4,500,000元及人民幣4,500,000元。有關詳情亦請參閱財務報表附註33。截至2020年12月31日止年度，根據成都租賃協議產生的總交易金額為人民幣2,807,000元。

## 2. 四川海底撈倉儲服務協議

於2018年7月6日，四川海底撈與我們的全資附屬公司頤海上海（各自為其本身及代表其附屬公司）訂立四川海底撈倉儲服務協議，據此，四川海底撈集團同意就我們產品的儲存向本集團提供倉儲設施及相關服務（包括倉儲、分類加工管理、盤點及其他物流服務）。四川海底撈為我們的關連人士，因此根據上市規則第十四A章，四川海底撈倉儲服務協議項下的交易構成持續關連交易。

四川海底撈倉儲服務協議自2019年1月1日至2020年12月31日為期兩年。有關詳情，請參閱本公司日期為2018年7月6日的公告。

截至2019年及2020年12月31日止年度，根據海底撈倉儲服務協議應付租金的年度上限分別為人民幣300,000元及人民幣360,000元。有關詳情亦請參閱財務報表附註33。截至2020年12月31日止年度，根據海底撈倉儲服務協議產生的總交易金額為零。

#### 3. Shuhai Warehouse Storage Service Agreement

On 6 July 2018, Shuhai Supply Chain and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Shuhai Warehouse Storage Service Agreement, pursuant to which Shuhai Supply Chain Group agreed to provide warehousing facilities and related services, including warehouse storage, sorting process management, stock-taking, and other logistics services, to the Group in connection with storage of our products. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Warehouse Storage Service Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Shuhai Warehouse Storage Service Agreement has a term of two years from 1 January 2019 to 31 December 2020. Please refer to the announcement of the Company dated 6 July 2018 for details.

As the Shuhai Warehouse Storage Service Agreement has expired on 31 December 2020, our Company and Shuhai Supply Chain entered into the new Shuhai Warehouse Storage Service Agreement on 7 December 2020 for an initial term of three years from 1 January 2021 to 31 December 2023. The nature of the new Shuhai Warehouse Storage Service Agreement is similar to the Shuhai Warehouse Storage Service Agreement. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The annual caps for the rental payable under the Shuhai Warehouse Storage Service Agreement for the years ended 31 December 2019 and 2020 are RMB10,600,000 and RMB17,400,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Shuhai Warehouse Storage Service Agreement for the year ended 31 December 2020 was RMB2,262,000.

#### 3. 蜀海倉儲服務協議

於2018年7月6日，蜀海供應鏈與我們的全資附屬公司頤海上海（各自為其本身及代表其附屬公司）訂立蜀海倉儲服務協議，據此蜀海供應鏈集團同意就儲存我們的產品向本集團提供倉庫設施及相關服務（包括倉儲、分類加工管理、盤點及其他物流服務）。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海倉儲服務協議項下的交易構成持續關連交易。

蜀海倉儲服務協議自2019年1月1日至2020年12月31日為期兩年。有關詳情，請參閱本公司日期為2018年7月6日的公告。

由於蜀海倉儲服務協議已於2020年12月31日屆滿，本公司與蜀海供應鏈於2020年12月7日訂立新蜀海倉儲服務協議，自2021年1月1日至2023年12月31日初步為期三年。新蜀海倉儲服務協議的性質類似蜀海倉儲服務協議。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2019年及2020年12月31日止年度，根據蜀海倉儲服務協議應付租金的年度上限分別修訂為人民幣10,600,000元及人民幣17,400,000元。有關詳情亦請參閱財務報表附註33。截至2020年12月31日止年度，根據蜀海倉儲服務協議產生的總交易金額為人民幣2,262,000元。

#### 4. Haidilao Master Sales Agreement

On 6 July 2018, Singapore Haidilao and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Haidilao Master Sales Agreement, pursuant to which we agreed to supply Haidilao Customized Products, Haidilao Retail Products and Small Hot Pot Products to the Haidilao Group. Singapore Haidilao is our connected person and therefore the transactions under the Haidilao Master Sales Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Haidilao Master Sales Agreement has a term of two years from 1 January 2019 to 31 December 2020. Please refer to the announcement and circular of the Company dated 6 July 2018 and 19 July 2018, respectively, for details.

As the Haidilao Master Sales Agreement has expired on 31 December 2020, our Company and Haidilao entered into the new Haidilao Master Sales Agreement on 7 December 2020 for an initial term of three years from 1 January 2021 to 31 December 2023. The nature of the new Haidilao Master Sales Agreement is similar to the Haidilao Master Sales Agreement. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The annual caps receivable under the Haidilao Master Sales Agreement for the years ended 31 December 2019 and 2020 are RMB2,337,900,000 and RMB3,567,300,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Master Sales Agreement for the year ended 31 December 2020 was RMB1,401,648,000.

#### 4. 海底撈總銷售協議

於2018年7月6日，新加坡海底撈及我們的全資附屬公司頤海上海（各自為其本身及代表其附屬公司）訂立海底撈總銷售協議，據此，我們同意向海底撈集團供應海底撈定制產品、海底撈零售產品及小火鍋產品。新加坡海底撈為我們的關連人士，因此根據上市規則第十四A章，海底撈總銷售協議項下的交易構成持續關連交易。

海底撈總銷售協議自2019年1月1日至2020年12月31日為期兩年。有關詳情，請分別參閱本公司日期為2018年7月6日及2018年7月19日的公告及通函。

由於海底撈總銷售協議已於2020年12月31日屆滿，本公司與海底撈於2020年12月7日訂立新海底撈總銷售協議，自2021年1月1日至2023年12月31日初步為期三年。新海底撈總銷售協議的性質類似海底撈總銷售協議。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2019年及2020年12月31日止年度，根據海底撈總銷售協議應收的年度上限分別修訂為人民幣2,337,900,000元及人民幣3,567,300,000元。有關詳情亦請參閱財務報表附註33。截至2020年12月31日止年度，根據總銷售協議產生的總交易金額為人民幣1,401,648,000元。



#### 5. Shuhai Sales Agreement

On 6 July 2018, Shuhai Supply Chain and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Shuhai Sales Agreement, pursuant to which we agreed to sell hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products to Shuhai Supply Chain Group for sales and distribution to its customers who are catering service providers. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Sales Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Shuhai Sales Agreement has a term of two years from 1 January 2019 to 31 December 2020. Please refer to the announcement and circular of the Company dated 6 July 2018 and 19 July 2018, respectively, for details.

As the Shuhai Sales Agreement has expired on 31 December 2020, Shuhai Supply Chain and our Company entered into the new Shuhai Sales Agreement on 7 December 2020 for an initial term of three years from 1 January 2021 to 31 December 2023. The nature of the new Shuhai Sales Agreement is similar to the Shuhai Sales Agreement. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The annual caps for the transactions under the Shuhai Sales Agreement for the years ended 31 December 2019 and 2020 are initially RMB19,660,000 and RMB29,500,000, and further revised to RMB80,860,000 and RMB131,660,000 respectively. Please refer to the announcement and circular of the Company dated 10 June 2019 and 14 June 2019, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Shuhai Sales Agreement for the year ended 31 December 2020 was RMB21,843,000.

#### 5. 蜀海銷售協議

於2018年7月6日，蜀海供應鏈與我們的全資附屬公司頤海上海（各自為其本身及代表其附屬公司）訂立蜀海銷售協議，據此，我們同意向蜀海供應鏈集團銷售火鍋底料產品、火鍋蘸料產品及其他複合調味品，以供向其餐飲服務供應商客戶進行銷售及經銷。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海銷售協議項下的交易構成持續關連交易。

蜀海銷售協議自2019年1月1日至2020年12月31日為期兩年。有關詳情，請分別參閱本公司日期為2018年7月6日及2018年7月19日的公告及通函。

由於蜀海銷售協議已於2020年12月31日屆滿，蜀海供應鏈與本公司於2020年12月7日訂立新蜀海銷售協議，自2021年1月1日至2023年12月31日初步為期三年。新蜀海銷售協議的性質類似蜀海銷售協議。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2019年及2020年12月31日止年度，根據蜀海銷售協議的交易的年度上限分別為人民幣19,660,000元及人民幣29,500,000元，並進一步修訂至人民幣80,860,000元及人民幣131,660,000元。請參閱本公司日期為2019年6月10日及2019年6月14日的公告及通函。有關詳情亦請參閱財務報表附註33。截至2020年12月31日止年度，根據蜀海銷售協議產生的總交易金額為人民幣21,843,000元。



## 6. Framework Sales and Purchase Agreements

On 18 September 2017, the Joint Venture and Yihai Shanghai, our wholly owned subsidiary and for itself and on behalf of its subsidiaries, entered into the Framework Sales and Purchase Agreements, pursuant to which (i) we agreed to sell hot pot soup flavouring products to the Joint Venture as raw materials for the manufacture of Small Hot Pot Products; and (ii) the Joint Venture agreed to sell Small Hot Pot Products and other convenient ready-to-eat food products to us. The Joint Venture is our connected subsidiary and therefore transactions under the Framework Sales and Purchase Agreements constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Framework Sales and Purchase Agreements have an initial term of three years from 6 November 2017 to 31 August 2020, and was further extended to 31 December 2020. Please refer to the announcements of the Company dated 18 September 2017, 6 November 2017 and 6 July 2018, and the circular of the Company dated 19 July 2018, respectively, for details.

As the Framework Sales and Purchase Agreements expired on 31 December 2020, our Company and the Joint Venture entered into new Joint Venture Framework Sales and Purchase Agreements on 7 December 2020 for an initial term of three years from 1 January 2021 to 31 December 2023. The nature of the new Joint Venture Framework Sales and Purchase Agreements is similar to the Framework Sales and Purchase Agreement. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The annual caps for the transactions under the Framework Sales and Purchase Agreements for the year ended 31 December 2019 and 2020 are initially RMB205,500,000 and RMB356,666,000, and further revised to RMB258,362,000 and RMB452,317,000 respectively. Please refer to the announcement and circular of the Company dated 10 June 2019 and 14 June 2019, respectively, for details. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Framework Sales and Purchase Agreements for the year ended 31 December 2020 was RMB169,480,000.

## 6. 產品互供框架協議

於2017年9月18日，合資公司與我們的全資附屬公司頤海上海（為其本身及代表其附屬公司）訂立產品互供框架協議，據此，(i)我們同意向合資公司出售火鍋底料產品，用作生產小火鍋產品的原材料；及(ii)合資公司同意向我們出售小火鍋等方便速食產品。合資公司為我們的關連附屬公司，因此根據上市規則第十四A章，產品互供框架協議項下的交易構成持續關連交易。

產品互供框架協議初步為期三年，自2017年11月6日起至2020年8月31日止，並進一步延期至2020年12月31日。有關詳情，請分別參閱本公司日期為2017年9月18日、2017年11月6日及2018年7月6日的公告，以及本公司日期為2018年7月19日的通函。

由於產品互供框架協議於2020年12月31日屆滿，本公司與合資公司於2020年12月7日訂立新合資公司產品互供框架協議，自2021年1月1日至2023年12月31日初步為期三年。新合資公司產品互供框架協議的性質類似產品互供框架協議。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2019年及2020年12月31日止年度，根據產品互供框架協議的交易的年度上限初始分別為人民幣205,500,000元及人民幣356,666,000元，而後分別修改為人民幣258,362,000元及人民幣452,317,000元。有關詳情，請分別參閱本公司日期為2019年6月10日及2019年6月14日的公告及通函。有關詳情亦請參閱財務報表附註33。截至2020年12月31日止年度，根據產品互供框架協議產生的總交易金額為人民幣169,480,000元。

#### 7. Shuhai Purchase Agreement

On 10 June 2019, the Company and Shuhai Supply Chain entered into the Shuhai Purchase Agreement, pursuant to which we agreed to purchase food ingredients (such as beef and bovine offal) from Shuhai Supply Chain Group. Such food ingredients will primarily be used in the manufacture of the Small Hot Pot Products. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Purchase Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Shuhai Purchase Agreement has a term of not more than two years from 10 June 2019 to 31 December 2020. Please refer to the announcement and circular of the Company dated 10 June 2019 and 14 June 2019, respectively, for details.

As the Shuhai Purchase Agreement has expired on 31 December 2020, our Company and Shuhai Supply Chain entered into the new Shuhai Purchase Agreement on 7 December 2020 for an initial term of three years from 1 January 2021 to 31 December 2023. The nature of the new Shuhai Purchase Agreement is similar to the Shuhai Purchase Agreement. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The annual caps for the Shuhai Purchase Agreement for the seven months ended 31 December 2019 and the year ended 31 December 2020 are RMB85,584,000 and RMB228,037,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Shuhai Purchase Agreement for the year ended 31 December 2020 was RMB50,941,000.

The Group has followed policies and guidelines when determining the price and terms of the continuing connected transactions conducted for the year ended 31 December 2020.

#### 7. 蜀海購買協議

於2019年6月10日，本公司與蜀海供應鏈訂立蜀海購買協議，據此，我們同意向蜀海供應鏈集團購買牛肉及牛雜等食材。該等食材將主要用於製作小火鍋產品。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海購買協議項下的交易構成持續關連交易。

蜀海購買協議年期為自2019年6月10日至2020年12月31日止為期不超過兩年。有關詳情，請分別參閱本公司日期為2019年6月10日及2019年6月14日的公告及通函。

由於蜀海購買協議已於2020年12月31日屆滿，本公司與蜀海供應鏈於2020年12月7日訂立新蜀海購買協議，自2021年1月1日至2023年12月31日初步為期三年。新蜀海購買協議的性質類似蜀海購買協議。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2019年12月31日止七個月及截至2020年12月31日止年度，蜀海購買協議的年度上限分別為人民幣85,584,000元及人民幣228,037,000元。有關詳情亦請參閱財務報表附註33。截至2020年12月31日止年度，根據蜀海購買協議產生的總交易金額為人民幣50,941,000元。

本集團於釐定截至2020年12月31日止年度進行的持續關連交易的價格及條款時已遵守政策及指引。

The auditor of the Group has reviewed the continuing connected transactions referred to above and confirmed to the Board that the continuing connected transactions: (i) have received the approval of the Board; (ii) were in accordance with the pricing policies of the Group; (iii) were entered into in accordance with the relevant agreement governing the transaction; and (iv) have not exceeded the caps.

The independent non-executive Directors have confirmed that the above continuing connected transactions were entered into by the Group: (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreement (including the pricing principle and guidelines set out therein) governing them and on terms that were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company has designated a team of senior management from business operation, legal, risk control and finance departments and Board office to monitor the continuing connected transactions and ensure that the continuing connected transactions with the abovementioned connected persons are on arm's length basis and that the annual caps are not exceeded. Such team of senior management continuously traces and regularly monitors the progress of the continuing connected transactions and reports to management of the Company. They review the continuing connected transactions with the finance department to ensure that annual caps are not exceeded. They will also communicate with the Audit Committee, management and the Board of Directors, monthly or as needed, to report the progress of the continuing connected transactions, and request for approval of new changes of existing transaction terms. The heads of different departments of the Company will be informed on a periodic basis in relation to the terms and pricing policies of the continuing connected transactions as well. The Audit Committee has also assigned the independent internal audit team the task to ensure that the Company's internal control measures in respect of the continuing connected transactions remain effective and complete. With these measures, the independent non-executive Directors could therefore assess and give the confirmations in the preceding paragraph.

本集團核數師已審閱上述持續關連交易，並向董事會確認，該等持續關連交易：(i)已獲董事會批准；(ii)符合本集團的定價政策；(iii)根據規管交易的相關協議訂立；及(iv)並無超出上限。

獨立非執行董事確認，本集團乃(i)於其日常及一般業務過程中；(ii)根據正常或更佳商業條款；及(iii)根據規管交易的相關協議（包括其中規定的定價原則及指引）並按公平、合理及符合本公司及股東整體利益之條款訂立上述持續關連交易。

本公司已指定一支由業務經營、法律、風險控制及財務部門以及董事會辦公室組成的高級管理層團隊以監察持續關連交易及確保與上文所提及關連人士進行的持續關連交易乃按公平磋商釐定，且並無超出年度上限。有關高級管理層團隊持續追蹤及定期監察持續關連交易進程，並向本公司管理層報告。彼等與財務部審閱持續關連交易以確保並無超出年度上限。彼等亦將會每月或（如需要）與審計委員會、管理層及董事會進行溝通，以報告持續關連交易進程，並要求批准現有交易條款的新變動。本公司不同部門主管將會獲定期知會持續關連交易條款及定價政策。審計委員會亦指派獨立內部審計團隊任務，確保有關持續關連交易的本公司內部控制措施保持有效及完整。隨著該等措施，獨立非執行董事因而可評估於上一段給予確認。

## Directors' Report

### 董事會報告

Save for disclosed above, during the year ended 31 December 2020, we have not entered into any connected transaction or continuing connected transaction which should be disclosed pursuant to the Rules 14A.49 and 14A.71 of the Listing Rules.

### DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected and Continuing Connected Transactions" above, there were no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or its connected entity (within the meaning of Section 486 of the Companies Ordinance) had a material interest, whether directly or indirectly, and subsisting during the year ended 31 December 2020 or as of 31 December 2020.

### CONTRACT OF SIGNIFICANCE

Save as disclosed in the section headed "Connected and Continuing Connected Transactions" above, no contract of significance was entered into between the Company, or one of its subsidiary companies, and any of its Controlling Shareholders or subsidiaries during the year ended 31 December 2020.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2020 and up to the date of this annual report.

### DIRECTORS' PERMITTED INDEMNITY PROVISION

Pursuant to Article 33 of the Articles of Association and subject to Cayman Islands Companies Law, each Director shall be indemnified, out of the assets of the Company, against all losses or liabilities incurred or sustained by him as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favor, or in which he/she is acquitted.

The Company has arranged appropriate directors' liability insurance coverage for the Directors of the Group during the year ended 31 December 2020.

除上文所披露者外，我們於截至2020年12月31日止年度並無訂立任何根據上市規則第14A.49條及第14A.71條須予披露之關連交易或持續關連交易。

### 董事於重要交易、安排或合約中的重大權益

除上文「關連及持續關連交易」一節所披露者外，並無本公司的或其附屬公司屬其中一名訂約方且董事或其關連實體（如《公司條例》第486條所定義）於其中直接或間接擁有重大權益以及於截至2020年12月31日止年度或截至2020年12月31日仍然存續之重要交易、安排或合約。

### 重大合約

除上文「關連及持續關連交易」一節所披露者外，於截至2020年12月31日止年度，本公司或其中一間附屬公司與其任何控股股東或附屬公司之間概無訂立任何重大合約。

### 管理合約

截至2020年12月31日止年度及直至本年報日期為止，概無訂立或存在任何有關本公司全部或重大部分業務之管理及行政的合約。

### 董事獲准許的彌償條文

根據組織章程細則第33條及受開曼群島公司法約束，各董事有權從本公司的資產中獲得彌償，以彌償其作為董事在勝訴或無罪的任何民事或刑事法律訴訟中進行抗辯而招致或蒙受的一切損失或法律責任。

於截至2020年12月31日止年度，本公司已為本集團的董事安排適當的董事責任保險。



## REMUNERATION POLICY, DIRECTORS' REMUNERATION AND PENSION SCHEME

As at 31 December 2020, we had 2,127 employees. The remuneration of our employees includes salaries and allowances. We provide training to our staff to enhance technical and product knowledge. The Group's remuneration policies are formulated based on the performance of individual employees and are reviewed regularly. The Group follows closely the demand of business development and continuously improves its incentive system and implements a competitive remuneration policy.

The Group offers competitive remuneration packages to the Directors. Other emoluments are determined by the Board with reference to the Directors' duties, responsibilities and performance and the results of the Group. Details of the Directors' remuneration during the year ended 31 December 2020 are set out in note 35 to the Financial Statements.

In accordance with the laws and regulations in the PRC, the Group has arranged for its PRC employees to join defined contribution plans, including pension, medical, housing and other welfare benefits, organised by the PRC government. No forfeited contribution under this scheme is available to reduce the contribution payable in future years. The Group also provides social insurance, including pension insurance, unemployment insurance, work-related injury insurance and medical insurance for the employees of the Group.

## SHARE OPTION SCHEME

During the year ended 31 December 2020, the Company did not have any share option scheme which was required to be disclosed.

## 薪酬政策、董事薪酬及退休金計劃

於2020年12月31日，我們擁有2,127名僱員。僱員的薪酬包括薪金及津貼。我們亦為員工提供培訓，以提升其技術及產品知識。本集團的薪酬政策乃基於僱員個人的表現制定，並會定期予以檢討。本集團緊貼業務發展需求，不斷優化激勵體系，實施具有競爭力的薪酬政策。

本集團為董事提供具競爭力的薪酬待遇。其他酬金由董事會經參照董事職務、職責及表現以及本集團的業績而釐定。於截至2020年12月31日止年度董事酬金的詳情載於財務報表附註35。

根據中國法律及法規，本集團已安排其中國僱員加入由中國政府組織的界定供款計劃，當中包括退休金、醫療、住房及其他福利。本計劃並無可供沒收供款以供削減未來年度應付供款。本集團亦為本集團僱員提供社保，當中包括退休金保險、失業保險、工傷保險及醫療保險。

## 購股權計劃

於截至2020年12月31日止年度，本公司並無任何須予披露的購股權計劃。



#### THE RESTRICTED SHARE UNIT SCHEME

The Company has approved and adopted a RSU Scheme by a resolution of the Shareholders on 24 February 2016 and a resolution of the Board on 24 February 2016. The RSU Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the RSU Scheme does not involve the grant of options by the Company to subscribe for new Shares.

The RSUs do not carry any right to vote at general meetings of the Company. No RSU grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an award of RSUs (the "Award") pursuant to the RSU Scheme, unless and until such Shares underlying the Award are actually transferred to the RSU grantee upon vesting of the RSU. Unless otherwise specified by the Board in its entire discretion, the RSU grantees do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying an Award. Please refer to the section headed "Appendix IV – Statutory and General Information" of the Prospectus for details.

The Company approved and granted 9,140,000 RSUs among which 1,510,000 were granted to two Directors pursuant to the RSU Scheme on 28 December 2016. Please refer to the announcement of the Company dated 28 December 2016 for details. As at 31 December 2020, 620,000 RSUs out of the 9,140,000 RSUs that were granted on 28 December 2016 have been cancelled due to resignation of our employees and all of the remaining RSUs (i.e. 8,520,000 RSUs) have been vested in accordance with the vesting period as set out in the announcement.

The Company approved and granted 1,510,000 RSUs among which 770,000 were granted to five Directors pursuant to the RSU Scheme on 9 December 2018. Please refer to the announcement of the Company dated 10 December 2018 for details. As at 31 December 2020, all of the 1,510,000 RSUs have been vested in accordance with the vesting period as set out in the announcement.

#### 受限制股份單位計劃

本公司已根據股東於2016年2月24日的決議案及董事會於2016年2月24日的決議案批准及採納受限制股份單位計劃。受限制股份單位計劃並不受限於上市規則第十七章的條文，因為受限制股份單位計劃並不涉及由本公司授出可認購新股份的購股權。

受限制股份單位並無附帶任何可於本公司股東大會上投票的權利。除非及直至該等與受限制股份單位獎勵（「獎勵」）相關的股份於受限制股份單位歸屬時實際轉讓予受限制股份單位受託人，否則並無受限制股份單位受託人因根據受限制股份單位計劃授出獎勵而享有任何股東權利。除非董事會全權酌情決定別行指明，否則受限制股份單位受託人並無任何權利分享與獎勵相關的任何股份的任何現金或非現金收入、股息或分派及／或出售非現金及非實物分派的所得款項。有關詳情，請參閱招股章程「附錄四 – 法定及一般資料」章節。

於2016年12月28日，本公司已根據受限制股份單位計劃批准及授出9,140,000個受限制股份單位，其中1,510,000份乃授予兩名董事。詳情請參閱本公司日期為2016年12月28日的公告。截至2020年12月31日，於2016年12月28日授出的9,140,000個受限制股份單位中的620,000個受限制股份單位，由於我們僱員辭任已被註銷，而其餘全部受限制股份單位（即8,520,000個受限制股份單位）已根據該公告載列的歸屬期予以歸屬。

於2018年12月9日，本公司已根據受限制股份單位計劃批准及授出1,510,000份受限制股份單位，其中770,000份乃授予五名董事。詳情請參閱該本公司日期為2018年12月10日之公告。於2020年12月31日，全部1,510,000個受限制股份單位已根據該公告載列的歸屬期予以歸屬。

The Company approved and granted 750,000 RSUs among which 670,000 were granted to five Directors pursuant to the RSU Scheme on 27 December 2019. Please refer to the announcement of the Company dated 27 December 2019 for details. As at 31 December 2020, all of the 750,000 RSUs have been vested in accordance with the vesting period as set out in the announcement.

Save as disclosed above, as at 31 December 2020, no RSU had been granted or agreed to be granted by the Company pursuant to the RSU Scheme.

### EQUITY-LINKED AGREEMENT

Save as disclosed in this annual report, there was no equity-linked agreement entered into by the Company during the year ended 31 December 2020.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2020, the respective percentage of purchases attributable to the Group's largest supplier and five largest suppliers in aggregate was 4.9% and 19.6%; and the respective percentage of the total sales attributable to the Group's largest customer and five largest customers was 26.2% and 29.3%.

Our largest customer was Haidilao International Holding Ltd (stock code: 6862) and its subsidiaries. The aggregate percentage of the total sales attributable to the largest customer was 26.2%. Mr. Zhang Yong and Ms. Shu Ping are the controlling shareholders, and Mr. Shi Yonghong and his spouse are the substantial shareholders of Haidilao International Holding Ltd.

Except as disclosed above, none of the Directors or any of their close associates or any Shareholders (which to the best knowledge of the Directors owned more than 5% of the Company's issued share capital) had a material interest in our five largest suppliers or customers.

於2019年12月27日，本公司已根據受限制股份單位計劃批准及授出750,000份受限制股份單位，其中670,000份乃授予五名董事。詳情請參閱該本公司日期為2019年12月27日之公告。於2020年12月31日，全部750,000個受限制股份單位已根據該公告載列的歸屬期予以歸屬。

除上文所披露者外，截至2020年12月31日，並無受限制股份單位已獲本公司根據受限制股份單位計劃授出或同意授出。

### 股權掛鈎協議

除本年報披露者外，本公司於截至2020年12月31日止年度並無訂立股權掛鈎協議。

### 主要客戶及供應商

於截至2020年12月31日止年度，本集團最大供應商及五大供應商應佔相關採購百分比合共為4.9%及19.6%；及本集團最大客戶及五大客戶應佔銷售總額相關百分比為26.2%及29.3%。

我們的最大客戶為海底撈国际控股有限公司（股份代號：6862）及其附屬公司。最大客戶佔總銷量的總百分比為26.2%。張勇先生和舒萍女士為海底撈国际控股有限公司的控股股東，而施永宏先生及其配偶為其主要股東。

除上述披露者外，董事或彼等緊密聯繫人或任何股東（據董事所知其擁有本公司超過5%的已發行股本）概無於五大供應商或客戶中擁有重大權益。

## Directors' Report

### 董事會報告

#### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2020.

#### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code since the Listing Date and up to the date of this annual report.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's employees was noted by the Company since the Listing Date and up to the date of this annual report.

#### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company had applied the principles and code provisions as set out in the Corporate Governance Code and has complied with the code provisions in the Corporate Governance Code for the year ended 31 December 2020, except for the deviation from the Corporate Governance Code provision A.2.1. Please refer to the Corporate Governance Report of this annual report for details.

#### AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2020 have been audited by PricewaterhouseCoopers, certified public accountants.

PricewaterhouseCoopers will retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as auditor of the Company will be proposed at the AGM.

#### 收購、出售或贖回本公司上市證券

於截至2020年12月31日止年度，本公司及其任何附屬公司均無購買、贖回或出售本公司任何上市證券。

#### 證券交易的標準守則

本公司已採納標準守則。已向所有董事作出特別查詢，而董事亦已確認彼等自上市日期起至本報告日期一直遵守標準守則。

可能擁有本公司內幕消息的本公司僱員亦須遵守證券交易的標準守則。自上市日期起至本年報日期，本公司並無注意到出現本公司僱員不遵守標準守則的事件。

#### 遵守企業管治守則

除僅偏離企業管治守則條文A.2.1條外，本公司已採納企業管治守則的原則及守則條文，並於截至2020年12月31日止年度為止一直遵守企業管治守則內之守則條文。有關詳情，請參閱本年報企業管治報告。

#### 核數師

本集團截至2020年12月31日止年度的綜合財務報表乃由執業會計師羅兵咸永道會計師事務所審核。

羅兵咸永道會計師事務所將會退任並合資格應聘續任。該等聘用續任的決議案將於股東週年大會上提呈。

**CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE**

The register of members of the Company will be closed from Monday, 17 May 2021 to Friday, 21 May 2021, both days inclusive, in order to determine the eligibility of the Shareholders to attend and vote at the AGM. The Shareholders whose names appear on the register of members of the Company at the close of business on Friday, 14 May 2021 will be eligible to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Friday, 14 May 2021. The register of members of the Company will also be closed from Thursday, 27 May 2021 to Monday, 31 May 2021, both days inclusive, in order to determine the entitlement of the Shareholders to the final dividend. The Shareholders whose names appear on the register of members of the Company at the close of business on Monday, 31 May 2021 will be entitled to the final dividend. In order to be eligible to entitle to the final dividend, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 26 May 2021.

By order of the Board  
**Shi Yonghong**  
*Chairman of the Board*

Hong Kong, 13 April 2021

**暫停辦理過戶登記及記錄日**

本公司將於2021年5月17日(星期一)至2021年5月21日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續,以釐定合資格出席股東週年大會及於其中投票的股東。於2021年5月14日(星期五)營業時間結束時名列在本公司股東名冊上的股東將有資格參加股東週年大會並於其中投票。為符合資格出席股東週年大會並於會上投票,所有過戶文件連同有關股票證書及過戶表格,須於2021年5月14日(星期五)下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。本公司亦將於2021年5月27日(星期四)至2021年5月31日(星期一)(包括首尾兩日)暫停辦理股份過戶登記手續,以釐定合資格領取末期股息之股東。於2021年5月31日(星期一)營業時間結束時名列本公司股東名冊的股東將有資格收取末期股息。為符合資格收取末期股息,所有過戶文件連同有關股票證書及過戶表格,須不遲於2021年5月26日(星期三)下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

承董事會命  
**施永宏**  
*董事會主席*

香港, 2021年4月13日

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### ABOUT THE REPORT

YIHAI INTERNATIONAL HOLDING LTD. (hereinafter “Yihai”, “the Group”, or “we”) is pleased to present our report on Environmental, Social and Governance (ESG) for the year of 2020 (“the Report”). This is the fifth consecutive ESG report we have disclosed to the public regarding our ESG management philosophy and performance of our practices. We aim to disclose in this report the concepts and practices on sustainable development of the Group in a transparent manner and enhance the mutual understanding and communication of the various stakeholders of the Group.

#### PREPARATION BASIS OF THE REPORT

The Report is prepared in accordance with Appendix 27 *Environmental, Social and Governance Reporting Guide* (the “ESG Reporting Guide”) to the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the “Listing Rules”) by Hong Kong Exchanges and Clearing Limited (“HKEx”). We follow the principles of importance, quantification and consistency, and strive to fully represent our current management status and performance results in terms of environmental, social and governance for the year. This report should be read together in conjunction with the “Corporate Governance Report” in the Group’s *2020 Annual Report* for a more comprehensive understanding of the Group’s ESG performance. The Report has complied with the “comply or explain” provisions set out in the *ESG Reporting Guide*.

#### 關於本報告

頤海國際控股有限公司（下稱「頤海」「本集團」或「我們」）欣然呈列2020年度之環境、社會及管治報告（下稱「本報告」）。本報告系我們連續第五年向社會發佈本集團在環境、社會及管治（下稱「ESG」）方面的管理理念與績效表現。我們希望本報告能傳遞本集團的可持續發展理念與管理實踐，促進各利益相關方對本集團的了解和溝通。

#### 報告編製標準

本報告編製依據為香港交易及結算有限公司發佈的《香港聯合交易所有限公司證券上市規則》（下稱「《上市規則》」）所載之附錄二十七《環境、社會及管治報告指引》（下稱「《ESG報告指引》」），遵循重要性、量化、一致性匯報原則，力求充分反映本集團本年度在ESG方面的管理現狀及績效成果。本報告應與本集團《2020年年度報告》「企業管治報告」章節結合閱讀，以幫助讀者更全面地了解本集團ESG表現。本報告已遵守《ESG報告指引》載列的「不遵守就解釋」條文。



### REPORTING SCOPE

Unless otherwise stated, the Report covers the period from 1 January 2020 to 31 December 2020, which is the same as the period covered by the annual report of the Group. All data involved in the Report are derived from internal documents or statistical reports of the Group.

### ESG MANAGEMENT

#### ESG Concept

We believe that sustainable and robust ESG performance is essential to the sustainable development of the Group's business and the community where the Group operates. The dynamic combination of commercial and social needs is bound to embrace more influential social effects. We are not only committed to achieving sound financial performance, but also realising greater overall benefits through actively identifying stakeholders' expectations, discovering areas where our business development coheres with environmental and social demands, exercising prudent management over our ESG risks, fully integrating our existing and potential resources to provide more value-added products and services for the society, striving to enhance our corporate value and ensuring the Group's long-term sustainable development.

#### ESG Governance System

The Group has established an ESG governance system that functions at different levels where the Board takes responsibilities, the management takes a leading role, and departments cooperate flexibly to effectively carry out ESG actions. The Board regularly reviews and monitors the ESG strategy and objectives. The management is responsible for implementing the ESG strategy and objectives. The ESG working group formed by various departments is responsible for carrying out specific ESG work in their respective fields of work. Branches and sub-branches are responsible for carrying out local ESG work under the guidance of the ESG working group. The establishment of the ESG governance system ensures that the environmental and social risks related to each business are properly managed and that the ESG concept and strategy are effectively implemented.

### 報告範圍

除特別說明外，本報告涵蓋期間為2020年1月1日至2020年12月31日，與公司年報內容所涵蓋時間相同。報告內涉及所有數據均來自本集團內部文件或統計報告。

### ESG管理方針

#### ESG理念

我們相信持續穩健的ESG表現對本集團業務與本集團所在社區的可持續發展至關重要，商業和社會需求的有機結合方能產生更具影響的社會效應。我們不僅致力於實現強健的財務業績，亦致力於積極識別各利益相關方的期望，不斷發掘自身業務發展和環境、社會需求的契合點，審慎管理自身的ESG風險，充分整合現有及潛在資源以為社會創造更具價值的產品和服務，努力提升企業價值，確保本集團的長期持續發展。

#### ESG治理體系

本集團建立了「董事會負責、管理層領導、跨部門配合」上下聯動的ESG治理體系。董事會定期審閱並監督ESG戰略及目標，管理層負責落實ESG戰略及目標，多個部門組成ESG工作小組，在各自工作領域負責ESG具體工作的開展。分支機構在ESG工作小組的指導下，開展當地的ESG工作。ESG治理體系的建立，確保了各項業務涉及的環境、社會風險得到妥善管理，並使ESG理念和策略得到有效落實。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Communication with Stakeholders and Substantial Analysis

The Group has maintained effective communication with the stakeholders through various channels to fully understand and actively respond to their comments and demands. Through continuous enhancement of internal optimisation and management, our business and operations better satisfy their needs and expectations.

#### 利益相關方溝通及實質性分析

本集團通過多種渠道與各利益相關方進行有效溝通，及時了解並積極回應各利益相關方的意見與訴求，不斷加強內部優化與管理，促使本集團業務與運營更好地滿足其需求與期望。

#### Major Stakeholders

主要利益相關方

#### ESG Topics

ESG 議題

#### Communication Channels

溝通渠道

Government and Regulators  
政府監管部門

Operation compliance  
合規經營  
Taxation in accordance with law  
依法納稅  
Food safety  
食品安全  
Environmental management  
環境保護  
Climate change  
氣候變化

Under supervision  
接受監督  
Regular disclosure  
定期披露  
Quality inspection  
質量檢驗  
Strengthen management  
加強管理  
Institutional inspection  
論壇及研討會

Investors  
投資者

Investment return  
投資回報  
Market development  
開拓市場  
Product innovation  
產品創新

Business growth  
業務增長  
Focus on customer needs  
關注客戶需求  
Product development  
產品開發

Employees  
僱員

Employee rights  
員工權益  
Remuneration and benefits  
待遇與福利  
Occupational Health and Safety  
職業健康安全  
Training and development  
發展與培訓

Workers' representative conference  
職工代表大會  
Employee activities  
員工活動  
Security check  
安全檢查  
Training  
培訓

Customers  
消費者

Product quality and safety  
產品質量與安全  
Customer rights  
客戶權益  
Customer service  
客戶服務

Industry Research  
行業調研  
Customer Complaint  
客戶投訴  
Satisfaction survey  
滿意度調查

Major Stakeholders 主要利益相關方	ESG Topics ESG議題	Communication Channels 溝通渠道
Suppliers 供應商	Transparent procurement 透明採購 Communication and evaluation 溝通與評估 Supplier enablement 供應商賦能	Supplier inspection 供應商考察 Supplier management 供應商管理 Supplier training 供應商培訓
Community and the public 社區與公眾	Community development 社區發展 Social welfare 社會公益 Public charity 公益慈善	Volunteer activities 志願者活動 Public welfare activities 公益活動 Charitable contribution 慈善捐贈

We conducted substantial analysis on the 12 ESG topics presented in the *ESG Reporting Guide* and identified the most material topics for the current year by considering the Group's strategy and business development direction for the year. The analysis results indicated that topics in relation to "Product Responsibility", "Emissions", "Use of Resources", "Environmental and Natural Resources", "Climate Change" and "Health and Safety" had a higher level of materiality; while those in relation to "Employment", "Development and Training", "Labour Standards", "Supply Chain Management", "Anti-corruption" and "Community Investment" had a lower level of materiality. The Group will discuss the contents of each topic separately in the report.

### FOOD SAFETY-ORIENTED, CUSTOMER NEEDS FOCUSED

The Group attaches great importance to product quality management and devotes to ensuring product safety and quality and the legitimate rights and interests of consumers through the continuous improvement of quality management procedures. In 2020, There are no litigation cases that violate the laws and regulations on product liability such as product quality, advertising, label, consumer privacy and rights protection and have a significant impact on the Group.

我們結合本年度的戰略和業務發展方向，就《ESG報告指引》所列12個層面的ESG議題進行實質性分析，識別出了本年度重要的議題。評估結果顯示，「產品責任」、「排放物」、「資源使用」、「環境及天然資源」、「氣候變化」和「健康安全」的重要性較高；「員工僱傭」、「發展與培訓」、「勞工準則」、「供應鏈管理」、「反貪污」及「社區投資」的重要性相對較低。本集團將在報告中分別討論各個議題所含內容。

### 食安為本，關注客戶需求

本集團非常重視產品的質量管理，通過對質量管理工作流程的不斷改進和完善，確保產品的安全優質與消費者的合法權益。本年度未發生任何違反產品質量、廣告、標籤、消費者隱私及權益保護等產品責任方面的法律法規並對公司造成重大影響的訴訟案件。

#### Focus on Food Safety

Food safety is the basis of food consumption. It is the responsibility of all food production enterprises to ensure the safety and reliability in food production. As a responsible food production enterprise, the Group strictly observes food-related laws, regulations and standards, such as the *Food Safety Law of the People's Republic of China*, *Measures for the Administration of Food Recall of the People's Republic of China*, and the *National Food Safety Standard – Compound Seasoning*. On that basis, we revised the *Bottom Line Management Policy for Food Safety and Environmental Protection* to develop bottom line standard for food safety, clarify the bottom lines in all processes from raw materials to finished products and standardise bottom line assessment and routine inspection, so as to further enhanced food safety control. Through strictly managing and controlling each and every production procedure, we are committed to providing consumers with qualified, safe and assured products and comprehensively enhancing consumer confidence and satisfaction in our products. In response to the update of the *Food Safety Law of the People's Republic of China* in 2020, we formulated the Standards for Introducing New Raw Materials to make the process of raw materials introduction more standardised. In view of 64 national standards approved in 2020, we also made comparisons based on our standards on a case-by-case basis, and made timely adjustments to the existing enterprise standards.

In terms of production, the Group developed and issued the *Technical Manual for Thermal Sterilisation*, *Technical Manual for Product Protection*, *Technical Manual for Plasticiser Improvement*, *Manual for COVID-19 Prevention and Control* and other standards, which plays a normative role in improving product quality and ensuring quality and safety through standardised production processes and procedures. Especially, the introduction of *Technical Manual for Thermal Sterilisation* helped a lot in sterilisation as well as energy conservation and consumption. In addition, we conducted routine maintenance for thermal sterilisation equipment on a regular or irregular basis by employing third-party professional institutions to check related equipment to eliminate microbial potential damages to products.

#### 專注食品安全

食品安全是食品消費的基本要求，保障食品在生產過程中的安全可靠是所有食品生產企業的責任。作為負責任的食品生產企業，本集團嚴格遵守《中華人民共和國食品安全法》、《中華人民共和國食品召回管理辦法》及《食品安全國家標準－複合調味料》等食品安全相關的法律法規及標準。在此基礎上，我們修訂了《食品安全與安全環保紅線管理制度》，明確食品安全類紅線標準，厘清從原料到產品所有過程的紅線問題，規範紅線的考核和日常檢查，進一步加強食品安全管控。我們致力於為消費者提供優質、安全、放心的產品，通過嚴格管控各個生產環節，全面提升消費者對本集團產品的信賴度與滿意度。針對《中華人民共和國食品安全法》本年度的更新，我們制定了《新品原料引入標準》，進一步規範原料引入流程。同時，針對本年度國家立項發佈的64項國家標準，我們也逐一進行了對標比較，並及時修訂現有企業標準。

在產品生產方面，本集團組織編寫並發佈了《熱殺菌技術手冊》、《產品防護技術手冊》、《塑化劑改善技術手冊》及《新冠病毒防控手冊》等標準，通過標準化產品製作工藝和流程，在提升產品品質及保證質量安全方面起到了規範作用。其中《熱殺菌技術手冊》的發佈，在有效殺菌的同時也起到了節能降耗的效果。同時，我們定期和不定期地對熱殺菌設備進行日常維護，通過聘請第三方專業機構巡檢和盤查相關設備，排除產品的微生物隱患。



In terms of product quality verification, we implemented all-round quality verification process from raw materials to finished products in a more rigorous way to ensure product quality. The Group strengthened the examination on supplier access qualification from the beginning and conducted sample testing, and the supplier could only be introduced after being qualified; each batch of raw materials were verified upon arrival in accordance with relevant standards; during production, parameters were verified and controlled based on the work flow; we developed *Regulations on Food Safety Rewards and Punishments*, and involved external professional organisations to inspect suppliers' factories. The results would affect the factory's points-based management and would be directly associated with the factory's performance; each batch of products were verified before delivery from the factory to ensure every single product can meet our quality requirement. In 2020, as the *Administrative Measures for Food Production Licensing* was revised, the Group continued to promote the improvement and optimisation of sampling management system for food raw materials and product risks, collected and classified sampling inspection projects under national supervision from the professional technical website – [www.foodMate.net](http://www.foodMate.net), so as to develop the product risk sampling management system of enterprises. A total of 9 risk sampling tests were implemented to raw materials and products throughout the year to prevent potential food safety risks in advance; additionally, we strictly screened and evaluated all quality management personnel, and conducted work-with-certification training for employees responsible for on-site quality control, raw material delivery and acceptance, product release, and supplier review.

In terms of OEM product quality control, we set up OEM and ODM management teams who carried out on-site management, inspections and sample tests of products to enhance product quality control of OEM and ODM. When the OEM was introduced, the management team carried out risk assessment in advance and conducted on-site review and certification, so that the companies that passed the certification can be introduced into use; after this, different OEM factories are managed in different ways based on their risk levels, and the A-level factories with high risks required full-time on-site supervision. Meanwhile, the Food and Safety Team conducted in-depth evaluations of the product inspection capabilities of all OEM factories, and required the inspection personnel of OEM factories to work with certification, further improving product safety and quality control.

在產品質量檢定方面，我們嚴格執行從原材料到產成品的全方位質量檢定過程以確保產品品質。本集團從源頭上強化供應商准入資質審核，對提供的樣品進行檢測，合格後方可引入該供應商；在每批原材料到貨後，依照相關標準進行檢驗；在產品生產過程中按照生產工藝流程進行參數檢定和控制，並制定《食品安全獎懲條例》，組織外部專業機構進行查核並將核查結果運用到工廠積分制管理中，與工廠損益直接掛鉤；產品出廠前對每一批次進行檢定，以確保每一件出廠產品都能達到我們的質量要求。2020年，根據國家《食品生產許可證管理辦法》的修訂，本集團推進食品原料和產品風險抽樣管理體系的健全和完善，從專業技術網站—「食品夥伴網」收集國家監督抽查項目並分類匯總，進而推進企業的產品風險抽樣管理。全年我們對原料和產品共進行了9次風險抽樣，提前杜絕潛在的食品安全風險隱患；對所有質量管理崗位人員進行了嚴格的篩選與考核，並對現場質控、原料驗收、產品放行以及供應商審核人員進行了持證上崗培訓。

在代工廠產品質量管控方面，我們設立了原始設備製造商（「OEM」）和原始設計製造商（「ODM」）管理小組，通過駐廠管理、巡檢、產品抽樣檢查等方式加強對OEM和ODM的產品質量管控。管理小組在代工廠引入階段提前進行風險評估，並進行現場審核認證，通過認證的公司方能引入使用；引入後，按照風險級別對不同的代工廠進行分級管理，針對風險較高的A級工廠施行全天駐廠。同時，食品安全團隊對所有OEM工廠產品檢驗能力進行深度評估，培訓OEM工廠的檢驗人員並要求其持證上崗，進一步強化產品的安全與質量控制。



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In terms of product recall, the Group formulated *Food Recall Management Policy* in line with the *Measures for the Administration of Food Recall of People's Republic of China* based on its business characteristics, which elaborated categories and relevant emergency measures for product recall, making product recall process more compliant, clear and convenient. If a problem of quality or safety was detected in the products in stock, the Group would isolate the defective products in a timely manner to stop delivery. If the delivered products were defective, we would look up shipping destinations and communicate with relevant distributors, logistics stations or stores in a timely manner to stop selling, and isolate such products for inspection. Follow-up measures would be taken later in accordance with the *Process for Handling Nonconforming Products* to prevent defective products flowing into the market. If the sold products were reported to have safety problems, the Group would make records according to consumers' feedback in a timely manner, and relevant departments would analyse the causes and put forward schemes for improvement; at the same time, the Group and Customer Service Centre would coordinate and cooperate to solve the problems for consumers in an effective way.

#### Promotion of Product Traceability

The Group attaches great importance to source management and continuously promotes the whole-process traceability of products in order to enhance its ability to control the quality of products. All products of the Group can be traced in the factory by the QR code on the product package. In terms of main raw materials such as salad oil, beef tallow, tomato, Sichuan pepper, mushroom, etc., we strive to trace back to specific companies, product batches, and even planting fields to assure our consumers.

在產品召回方面，本集團根據《中華人民共和國食品召回管理辦法》，結合業務特點制定了《食品召回管理辦法》，細化了產品召回類別和相關應急措施，使得產品召回流程更加合規、清晰、便捷。對於庫存產品存在質量安全問題的，本集團將第一時間將問題產品進行隔離，避免出倉發貨；已發貨產品存在異常的，則調取產品發貨去向，及時聯繫相關經銷商、物流站或門店停止銷售，隔離待檢，並依照《不合格品處理流程》進行後續跟進處理，切實避免問題產品在市面流通；已出售產品發現安全問題的，則根據消費者反饋進行及時備案，相關部門分析問題產生的原因並提出改進方案，同時與客服中心積極溝通合作，切實有效解決消費者問題。

#### 推動產品全程追溯

本集團重視源頭管理，持續推動產品全程追溯，以提升自身對於產品的質量管控能力。本集團全部產品均可以利用產品包裝上的二維碼做到廠內追溯。針對主要原材料如色拉油、牛油、番茄、花椒、菌類等，我們努力追溯到具體的企業、產品批次、乃至種植地，讓消費者更加放心。

In 2020, the Group introduced the concept of “industry centre”. Guiding by this concept, we communicated and cooperated with local government in a move to provide financial and technical supports to suppliers while encouraging suppliers to set up production lines nearby to localise the production, which could not only provide better guarantee for product supply, but also could ensure quality control and traceability for raw materials and products in a more effective manner. Meanwhile, with the application of SAP/SRM and other management systems of the Group, we further improved the traceability efficiency on the premise of ensuring the traceability accuracy, reducing the traceability time for products to raw materials from 12 hours to 3 hours. Especially, Fuhai Ma’anshan Factory managed to guide suppliers to complete production localisation, with supporting services for suppliers engaged in vegetable packaging and meal packaging, etc.. Most of the suppliers are close to factories, or even with their own workshops inside the factories, which greatly enhanced the traceability of products and reduced supply costs as well. Henceforth, the Group will work on the production localisation to provide a sound guarantee for our supply resources.

#### Satisfaction of Health Demands

The Group pays close attention to the nutrition and health of food and actively responds to the concept of “Three Reductions and Three Healthies” proposed in the *National Nutrition Plan (2017-2030)*, including salt reduction, oil reduction, sugar reduction, healthy mouth, healthy weight, and healthy bones. The Group takes into account consumers’ health demands and is committed to providing consumers healthy food.

We have met the health needs of consumers in a directional manner. We are implementing “clean labels” throughout the Group to further improve consumer nutrition and health by upgrading ingredients and additives, which currently covers all the products of the Group. We promise that additives of all our products are in compliance with relevant food regulations, based on which we put forward the concept of “less additives and more natural food”, and are committed to solving preservative problems with natural additives.

2020年，本集團提出「產業中心」的概念，通過與當地政府的溝通協作，給予供應商資金和技術支持，鼓勵各供應商就近建設生產線，使生產本地化，既能更好地保障產品的供應，也能更好地對原料和產品進行質量把控和全程追溯。同時，我們結合企業內部運行的SAP/SRM等管理系統，在確保追溯精度的前提下，進一步提升追溯效率，將從產品到原料的追溯時間由此前的12小時縮減至3小時。其中，馥海馬鞍山工廠已成功引導供應商完成本地化生產，目前已有菜包類、肉包類等多品類供應商完成落地配套。大部分供應商與工廠的距離很近，甚至在工廠內部設有自建車間，極大地提升了產品的可追溯性，同時也降低了供應成本。今後，本集團將積極推廣馬鞍山工廠的本地化生產模式，使全集團的供應端有更好的保障。

#### 滿足健康訴求

本集團十分關注食品的營養與健康，積極響應《國民營養計劃(2017-2030年)》提出的「三減三健」概念，即減鹽、減油、減糖，健康口腔、健康體重、健康骨骼，切實考慮消費者的健康訴求，使消費者吃得舒心、吃得健康。

我們有方向性地引領消費者的健康需求，通過在全公司推行「清潔標籤」項目，進一步從配料和添加劑的優化上落實消費者的營養與健康保障，目前該工作已覆蓋本集團所有的產品。我們承諾所有產品的添加劑均符合相關食品要求規定，在此基礎上，我們進一步提出「少添加，更天然」的理念，致力於以天然的添加劑解決防腐問題。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### “Clean Labels” Campaign

- Components: natural, organic, safe, non-chemical/non-pesticide residue, non-allergic and non-GMO;
- Ingredients: addition in positive ingredients (such as grains, fruits and vegetables), reduction in negative ingredients (such as fat, sugar and salt) with less additives to preserve natural food in the ingredient;
- Production: following the principle of “simple and transparent, true and credible”.

Hotpot condiment is the Group’s main product. Traditional Sichuan spicy hotpot leaves consumers the impression of high fat and salt. On such basis, the Group carries out researches on healthy oil and fat, and “Less Salt, Same Taste”, committed to making hotpot condiments with healthier raw materials and healthier fats. In 2020, we launched fresh and spicy vegetable oil hotpot condiments featured composed of rice oil and other healthier raw materials. At the same time, in light of the market research, the Group found that sour tomato hotpot condiments are popular with consumers because they provide customers with a healthier consumption experience. On such basis, we made further improvements on product ingredients in 2020. We removed MSG and other additives while preserving good and natural taste of food materials. Such products have been popular with consumers once they were marketed in Haidilao stores.

#### 「清潔標籤」活動

- 產品成分：天然、有機、安全、無化學／農藥殘留、無過敏源、非轉基因；
- 產品配料：增加正面配料（如谷物、水果和蔬菜等），減少負面配料（如脂肪、糖和鹽等），並盡量少地使用添加劑，保持配料欄食品的天然屬性；
- 產品製作：遵循「簡單透明、真實可信」的原則。

火鍋調味料產品是本集團的主要業務。傳統的川式麻辣火鍋給人以高油脂、高鹽的印象，基於此，本集團開展了健康油脂研究及「減鹽不降味」研究，致力於用更健康的原材料、更健康的油脂製作火鍋底料，據此，2020年度，我們新推出由稻米油等更健康的原料製作而成的鮮辣清油火鍋底料。與此同時，本集團經市場調研發現，番茄底料產品由於能為消費者帶來更健康的消費體驗被廣大消費者喜愛，基於此，2020年我們進一步優化產品配料，在確保口感的同時去除味精等添加劑，充分發揮食材本身的味道，產品在海底撈門店上市後得到了消費者的認可。



Spicy vegetable oil hotpot condiments with rice oil featured  
添加稻米油的清油火鍋底料

The Group also considers the needs of international consumers, and specifically collects dining preferences of consumers in all countries and regions, so as to meet consumers' needs and optimise products. We are aware that international consumers have more demands for oil, fat and tomato products. Therefore, the Group has set up projects and conducted research on such needs. R&D projects currently focus on reducing oil and fat in the hotpot condiments, reducing the irritation to the stomach and intestines from Sichuan pepper and spice, while preserving good taste. The ingredients are optimised to meet the needs of international consumers.

#### Focus on Product Innovation

Focusing on hotpot seasoning, Chinese compound seasoning and fast food, the Group has been committed to product R&D and innovation to meet the needs and preferences of consumers in line with multi-level and diversified consumer trends. In order to stimulate employees' product innovation ability, the Group set up and promoted the product project system. With this system, employees have the right to build a team without any restrictions to propose new product ideas by themselves, and the team will be responsible for the whole process of new product development projects from project approval to launch. The Group also sets up the *Sensory Testing System*, under which a product is tasted for feedback on its flavour in simulated consumption scenarios during product release process, in an attempt to provide a direction for improvement on consumers' sensory experience and reduce poor consumer experience due to unstable taste of our products.

In 2020, following the strategy of "enriching product consumption scenarios and differentiating target customers", we continued to promote product innovation and enrich the product portfolio, launching hotpot condiments featured in small package according to the rising frequency of consumption in using small pot; additionally, the Group launched cup-size hot and sour rice noodles and mixed rice series products targeting at female consumers. Meanwhile, we also improved the formula and packaging of existing products, such as upgrading the recipe of soup base and developing new flavours of soup base in a cooperative manner according to consumer feedback. Considering the low cost performance of small-size hotpot series products, we carried out corresponding upgrading and transformation as well and improved product quality relying on the supply chain advantages to achieve bonus packs.

本集團同樣關注國外消費者的需求，專門收集每個國家和地區消費者的用餐偏好，據此抓取消費者的需求並優化產品。我們了解到，國外消費者對於油脂、番茄製品等有更多需求，因此本集團對此類需求進行立項研究，研究內容包括在保證口感的前提下減少火鍋底料中的油脂，降低花椒、辣椒等對腸胃的刺激等，進行配料優化，以滿足國外消費者的需求。

#### 聚焦產品創新

本集團圍繞火鍋調味料、中式複合調味料及方便速食三大品類，配合當前消費者多層次、多樣化的消費趨勢，持續聚焦產品研發及創新，不斷推出滿足消費者需求和喜好的創新產品。為激發員工的產品創新能力，集團設立並推進產品項目制。在產品項目制下，員工具有充分的權利和自由，可自行組團提出新產品創意，並由該團隊完成新產品開發項目從立項到上市的整個流程。本集團還建立了《感官測試制度》，在產品放行過程中，通過小組模擬消費場景、品評產品口味，為提高消費者感官體驗提供了改進方向，並減少了因終端產品口味不穩定而造成的消費者不佳體驗。

本年度我們以「豐富產品使用場景，細分目標客戶」為策略，持續進行產品創新，擴充產品組合，根據市場上食用小鍋消費頻率的逐漸升高，推出小包裝火鍋底料；以及針對女性消費群體，推出杯裝酸辣粉和拌飯系列產品等。同時，我們也不斷對已有產品進行配方改良和包裝升級，如回應消費者反饋升級了多款鍋底配方；合作研發了多款新口味鍋底；針對性價比較低的小火鍋系列產品依靠供應鏈優勢進行了升級改造並提升產品品質，實現加量不加價。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Optimising Consumption Experience

Online e-commerce has always been one of the important marketing channels of the Group. This year, we revised the *Management Policy for the Authorisation to Dealer Channels* and *Measures for the Administration of the Price in Online Channels* to strictly control the authorisation management of online stores and the price management of online channels. Meanwhile, for the development of online channels, the Group continues to optimise consumer interactive experience as a strategic direction, with flagship stores as the main brand interactive scenarios, to increase consumer communication and provide consumers with a more intimate shopping experience. In terms of products, we focus on both new products launch and product packaging, thus providing personalised packaging for different consumers. For example: packaging boxes are designed in bright colours for female consumers buying hot and sour rice needles, while those will be designed in warm colours targeting at family purchasing compound seasoning.

#### 優化消費體驗

線上電商一直是本集團的重要營銷渠道之一，本年度我們修訂了《經銷商渠道授權管理制度》和《線上渠道價格管理辦法》，嚴格把控線上店鋪的授權管理和線上渠道的價格管理。同時，對於線上渠道發展，本集團持續以加強消費者互動體驗為策略方向，以旗艦店為主要品牌互動陣地，加強消費者溝通，為消費者提供更為貼心的購物體驗。產品方面，我們除了注重推陳出新外，也注重產品包裝，針對不同的消費群體提供個性化的包裝，例如：對於購買酸辣粉的年輕女性，包裝箱以明亮色調為主；對於購買複合調味料的家庭，包裝箱則以溫馨色調為主。



Packaging boxes designed for different consumers  
針對不同群體設計的包裝箱



We provide human customer service to replace the robot service for pre-sale and after-sale services, so that consumers can experience warm services. Meanwhile, we conduct online surveys on consumer satisfaction through online evaluations and fan-based surveys, and decision-making for service quality and our product improvement is based on consumer evaluations. We continue to develop new products and optimise existing products based on the health and nutrition needs of various consumers.

Additionally, the Group also rearranged the logistics distribution of its online flagship stores to enhance the logistics efficiency and customer satisfaction by increasing the distribution warehouses. Currently, the Group has 10 regional warehouses nationwide. The products of various kinds in the warehouses flow fast, which can not only shorten the delivery cycle while ensuring the delivery speed and product health, but also control the issue of product out of stock, so that consumers can also enjoy better logistics experience.

#### GREEN-ORIENTED PRACTICE ON ENVIRONMENTAL RESPONSIBILITIES

Pursuant to the *Environmental Protection Law of the People's Republic of China*, and the *Energy Conservation Law of the People's Republic of China*, the Group practices sustainable development concepts of low-carbon, environmental protection, energy saving and emission reduction, to actively fulfil its environmental responsibilities. We actively identify the latest environmental compliance requirements through the official websites of national and local government agencies and WeChat public accounts, timely update the laws and regulations database applicable to the business of the Group, and continuously improve safety and environmental protection management system on such basis to ensure the operating activities of the Group are in accordance with relevant environmental regulations.

While enhancing our environmental compliance management system, we have been exploring feasible energy-saving and emission reduction technologies and procedures during the course of business. Besides, the Group has also attempted to enhance the staff's awareness of environmental protection to minimise the impact of our production and operation activities on the surrounding environment. No violation of laws and regulations or legal actions concerning the Group's environmental protection was reported in 2020.

針對線上的售前售後服務，我們用人工客服取代機器客服，讓消費者充分感受到有溫度的服務。同時，我們通過線上消費者評價、粉絲團調查等形式開展線上消費者滿意度調查，並基於消費者評價，為服務質量及產品改進提供決策依據。我們根據各類消費者的健康營養的需求，不斷開發新的產品並對已有的產品進行優化。

同時，本集團亦對線上旗艦店的物流配送進行了調整，通過增加物流配送分倉加快物流效率，提升消費者滿意度。目前集團在全國設有10個區域分倉，分倉的產品流轉快，品相全，不僅能縮短發貨周期，保證發貨速度和健康可控，也能減少產品缺貨情況的發生，使消費者在物流體驗上也能得到提升。

#### 綠色為標，踐行環保責任

本集團切實踐行低碳環保、節能減排的可持續發展理念，嚴格遵守《中華人民共和國環境保護法》和《中華人民共和國節約能源法》等法律法規，積極踐行環保責任。我們通過國家及地方政府機構官方網站和微信公眾號等渠道積極識別最新的環保合規要求，實時更新適用於本集團業務的法律法規庫，並在此基礎上不斷完善安全環保管理體系，確保本集團經營活動符合綠色環保相關規定。

我們在強化自身環境合規管理的同時，亦不斷探索生產經營過程中可行的節能減排技術與工藝，提升員工的環境保護意識，降低因本集團生產運營活動對周邊環境造成的影響。2020年度，本集團在環境保護領域未發生相關違法違規訴訟事件。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Improvement of Safety and Environmental Protection Management System

In 2020, the Group developed the “Three Simultaneities” Management Policy for Construction Projects, Management System for Gas Safety and Risk Change Management System for Safety and Environmental Protection, which clarified the management standards for safety, fire protection, occupational health and environmental protection in new reconstruction and expansion projects, management requirements on gas in the design, construction and operation stages of factories, and management regulations in case that the safety and environmental protection procedures are changed. The Group also regularly conducts compliance reviews auditing on the operation of the safety and environmental protection system of various factories, organises safety and environmental protection training for all frontline personnel, and arranges examinations to ensure the effectiveness of the training.

#### Emissions Control

The Group strictly abided by national and local laws, regulations and standards for emissions, such as the *Atmospheric Pollution Prevention and Control Law of the People’s Republic of China*, the *Water Pollution Prevention and Control Law of the People’s Republic of China* and the *Law on the Prevention and Control of Environment Pollution Caused by Solid Wastes of the People’s Republic of China* and the *Law of the People’s Republic of China on the Prevention and Control of Ambient Noise Pollution*, and continuously enhanced management and control measures for exhaust emission, sewage treatment and solid waste management. In addition, the Group formulated and strictly implemented the *Responsibility System for Environmental Protection, Fire Protection, Occupational Health and Production Safety, Management Policy for Environmental Protection and Management System for Environmental Risk Assessment* and revised the “Three Simultaneities” Management Policy for Construction Projects in 2020. These systems or policies stipulate that factories shall evaluate potential environmental risks since the initiation of design and take corresponding effective solution measures to meet environmental protection requirements required by national regulations and local factories. In 2020, the Group further optimised the management and control mechanism of production waste gas, waste water, solid waste, hazardous waste and noise in each factory, effectively implemented various measures for energy conservation, emission reduction and hazardous waste treatment stipulated by the Group, and further standardised and normalised the environmental management.

#### 完善安全環保管理體系

本年度，本集團制定了《建設項目「三同時」管理制度》、《燃氣安全管理制度》及《安全環保風險變更管理制度》，明確了新改擴建項目中對安全、消防、職業衛生和環保的管理規範，工廠在設計階段、施工階段和運營階段對燃氣的管理要求，以及安全環保程序發生變更時的管理規定。本集團亦定期開展針對各工廠安全環保體系運行情況的合規性審計，並針對所有一線人員進行安全環保培訓，設以考試考核，確保培訓的有效性。

#### 控制污染排放

本集團嚴格遵守《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》及《中華人民共和國環境噪聲污染防治法》等國家和地方法律法規和排放標準，並持續推進廢氣排放、污水處理及固廢管理三方面的各項管控措施。此外，本集團制定並嚴格執行《環保、消防、職業衛生、安全生產責任制度》、《環境保護管理制度》及《環境風險評估管理制度》等制度，並於2020年修訂了《建設項目「三同時」管理制度》，要求工廠從設計階段就開始評估工廠可能存在的環保風險，並進行有效的處理，以滿足國家法規和工廠當地的環保要求。2020年度，本集團進一步優化各工廠生產廢氣、廢水、固廢、危廢及噪聲的管控機制，有效執行各項節能減排與危廢處理措施，使得環境管理工作進一步標準化與規範化。

### Exhaust Emission Reduction

The Group requires all new-born factories to install activated carbon adsorption, desorption and catalytic combustion equipment for waste gas treatment according to the enterprise standards. At present, this new treatment is applied by Bazhou Factory and Zhengzhou Factory with treatment efficiency more than 95%. Ma'anshan Factory is undergoing upgrading and transformation, which is expected to be completed in 2021. Some factories have also been equipped with online monitoring systems that can monitor the emission data in time. Besides, the Group employs a third party to conduct waste gas testing every six months to ensure that waste gas emissions meet enterprise standards and we can take timely upgrades for problems identified.

### 降低廢氣排放

本集團要求新建工廠必須按照企業標準安裝活性炭吸附脫附催化燃燒設備進行廢氣處理，目前霸州工廠和鄭州工廠均已經使用了活性炭吸附脫附催化燃燒的處理方式，處理效率均在95%以上；馬鞍山工廠處於升級改造中，預計2021年內完成升級改造。部分工廠還安裝了在線監測系統，能夠將廢氣排放的數據實時進行監測。此外，本集團每半年聘請第三方機構進行廢氣檢測，確保廢氣排放符合企業標準，發現問題後能夠及時更新升級。



Waste Gas Treatment System of Bazhou Factory  
霸州工廠的廢氣處理系統

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### *Improvement of Waste Water Treatment*

Due to the business nature, the Group's sewage arises from the wok washing water discharged by stir-frying workshops. In this regard, all factories have been equipped with a set of centralised suction and discharge vacuum system and oil-water separation system to avoid direct discharge of waste water containing waste oil. In 2020, Zhengzhou Factory was equipped with grease traps, while Ma'anshan Factory was furnished with grease traps and oil-water separation devices. These equipment or devices can reduce the burden of sewage treatment stations while achieving better effect on sewage treatment. Newly built factories are designed with grease traps in place to ensure subsequent sewage treatment.

#### *Enhancement of Solid Waste Management*

The Group stipulates measures for managing solid waste in the *Environmental Protection Management Policy*, requiring all factories must set up storage warehouses and garbage bins and garbage must be classified into general solid waste and hazardous waste by designated staff after being collected from the bins. General waste, such as household waste from the factories, is collected for centralised treatment every day; raw materials waste residues, waste oil collected by oil smoke purifiers and waste package materials are sent to qualified professional waste treatment companies for processing. All hazardous wastes are kept in specialised hazardous waste warehouses, reported to environmental protection authorities and then treated by qualified third parties as required, including waste chemical reagents, waste toner cartridges and ink cartridges and hazardous waste batteries with special symbols. The Group's monthly compliance audit for the environment protecting management system includes the audit for solid waste and hazardous waste. In 2020, all hazardous wastes produced by factories of the Group were stored and treated in line with laws and regulations.

In 2020, Zhengzhou Factory coordinated with activated carbon manufacturers, proposing that manufacturers are supposed to recycle and reuse the activated carbon used in environmental protection deodorant systems, which could recycle 50 cubic metres of activated carbon every year. Factories in Chengdu and Bazhou recycled the wasted hotpot oil bags and used them to carry food waste, which reduced the production of solid waste.

#### *改進污水處理*

基於業務特點，本集團污水主要來源於工廠炒制車間產生的炒鍋清洗廢水。對此本集團所有工廠均安裝整套刷鍋水真空集中吸排系統和油水分離系統，以避免含廢油的污水直接排放。2020年，鄭州工廠增設隔油池，馬鞍山工廠增設隔油池和油水分離裝置，在降低污水處理站負擔的同時提升了污水處理效果。新建的工廠則在設計之初便規畫了隔油池，確保了後續污水處理的效果。

#### *加強固廢管理*

本集團持續按照《環境保護管理制度》中規定的固體廢棄物管理措施，要求各工廠必須配置固體廢棄物存儲倉庫及分類存儲垃圾箱，廢棄物在統一收集後由專人分類為一般固體廢棄物與危險廢棄物。一般廢棄物諸如工廠廠區內的生活垃圾實行日清日結、集中處理；而原料廢渣、油煙淨化器收集的廢油、廢包裝材料等則交由有資質的供應商統一處理。危險廢棄物諸如廢化學試劑、廢舊硒鼓墨盒及有專門標識的危廢電池等，由工廠專用的危廢倉庫儲存，並在環境保護部門備案，最後交由有資質的第三方處置商進行合規處理。本集團每月的安全環保管理體系審計包含對固廢和危廢處理流程的審計，本年度各工廠產生的全部危險廢棄物均已實現合法合規的存儲及處置。

2020年度，鄭州工廠通過與活性炭廠家溝通，由廠家對環保除味系統更換後的活性炭進行回收再利用，每年可循環使用50立方米活性炭；霸州工廠和成都工廠將廢棄火鍋油袋進行了回收利用，用於盛放料渣，降低了固廢的產生。



### Promotion of Energy Conservation and Emission Reduction

We have continued to explore practical energy-saving measures in our production and operation. We have achieved resource saving, energy consumption reduction and carbon emission reduction by measures including enhanced management, process upgrade of factory technology, etc. The Group also steps up publicity efforts for energy conservation and emission reduction to enhance employees' environmental awareness.

#### *Case: Energy saving and emission reduction practice of each factory*

The Group are constantly innovating and exploring more effective energy-saving technologies, making excellent achievements in electricity and gas saving. Ma'anshan Factory saved a total of 66,000 kWh per year by conducting frequency conversion of the original 12 wok waste gas facilities. Chengdu Factory implemented low-nitrogen transformation to boilers, saving 38,831 cubic metres of gas; in addition, the Chengdu Factory improved the cooking process to reduce the cooking time, saving 2.7 cubic meters of natural gas per wok, and 17,728 cubic meters of natural gas per year at the same volume. The no-load loss in Bazhou Factory increased because of the gap between the production load and the full load. In order to avoid the waste of electric energy and make it reasonably distributed and fully utilised, Bazhou Factory reduced the transformer capacity, saving 65,664 kWh of electricity per year.

In terms of carbon emission reduction, the Group optimised all processes of transportation of raw materials, product manufacturing, and transportation of finished products. Fuhai Ma'anshan factory uses baskets instead of boxes, when the transportation distance of raw materials and packaging materials are relatively close, and reuses baskets to reduce packaging material consumption; in this way, a supplier in Ma'anshan can save 25 tons of carton packaging materials per year; another supplier in Ma'anshan can save 495 tons of carton packaging materials every year by reusing outer packing cartons. In addition, due to the upgrading of original small hotpot packaging materials, the breakage rate of outer packing cartons decreased from 5% to 0.3%. By calculation, the heat shrinkable film can be saved up to 2,300 kg a year.

### 推進節能減排

我們在生產運營中持續探索切實可行的節能減排措施，通過精益管理、工廠技術工藝改造等措施達到節約資源、降低能耗、減少碳排放的效果。本集團亦加大節能減排的宣傳力度，以增強員工的環保意識。

#### *案例：各工廠節能減排實踐*

本集團不斷創新和探索更有效的節能技術，在節約電氣方面取得了優異成果。馬鞍山工廠通過將原12台炒鍋廢氣設施進行變頻改造，每年共計節約66,000千瓦時。成都工廠通過對鍋爐進行低氮改造，節約燃氣38,831立方米；此外，成都工廠改善了蒸煮工藝，減少了炒制時間，每鍋節約天然氣2.7立方米，同等產量下全年節約天然氣17,728立方米。霸州工廠因生產負荷未達到滿負荷狀態導致空載損耗增多，為了避免電力資源的浪費，使電能可以合理分配、充分利用，通過為變壓器辦理減容，一年節約電力共計65,664千瓦時。

在碳減排方面，本集團針對運輸原材料、產品製造、成品運輸等各環節進行優化。馥海馬鞍山工廠在原材料採購、包裝材料方面運輸距離較近時採用以筐代箱，並將筐重複利用，減少包材耗用；某馬鞍山供應商採用以筐代箱的方式每年可減少紙箱包裝25噸；另一馬鞍山供應商採用外包裝紙箱重複利用的方式，每年可減少紙箱包裝495噸。此外，原小火鍋包裝改進之後，外包裝破損率從5%下降至0.3%，經計算，一年節約的熱縮膜可達2,300千克。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Environmental Performance

### 環境數據績效表

#### Emissions and Energy Consumption

#### 排放物及能耗概況

Index 指標	Unit <sup>8</sup> 單位 <sup>8</sup>	2020 2020年	2019 <sup>9</sup> 2019年 <sup>9</sup>
<b>Annual revenue</b> 全年收入	million RMB 百萬元人民幣	<b>5,360.021</b>	4,282.488
<b>Emissions</b> 廢氣排放總量	Tonnes 噸	<b>5.53</b>	5.82
<b>Stationary sources emission<sup>1</sup></b> 固定源廢氣排放 <sup>1</sup>	Tonnes 噸	<b>5.53</b>	5.82
No <sub>2</sub> emission 二氧化氮排放量	Tonnes 噸	<b>1.45</b>	1.19
So <sub>2</sub> emission 二氧化硫排放量	Tonnes 噸	<b>0.61</b>	0.46
Fume emission 油煙排放量	Tonnes 噸	<b>2.02</b>	2.98
Smoke and dust 煙塵	Tonnes 噸	<b>1.45</b>	1.19
Annual emissions per revenue <sup>2</sup> 單位經營收入廢氣排放總量 <sup>2</sup>	Tonnes/million RMB 噸／百萬元人民幣	<b>0.0010</b>	0.0014
<b>Total waste water discharged<sup>3</sup></b> 廢水排放總量 <sup>3</sup>	Tonnes 噸	<b>25.85</b>	26.10
COD emission 需氧量(COD)	Tonnes 噸	<b>14.30</b>	15.87
BOD <sub>5</sub> emission 5日生化需氧量(BOD <sub>5</sub> )排放量	Tonnes 噸	<b>3.56</b>	3.42
Suspended solids 懸浮物	Tonnes 噸	<b>7.02</b>	5.65
Ammonia and nitrogen 氨氮	Tonnes 噸	<b>0.80</b>	1.02
Animal and vegetable oils 動植物油	Tonnes 噸	<b>0.17</b>	0.14
Annual waste water discharged per revenue 單位經營收入廢水排放總量	Tonnes/million RMB 噸／百萬元人民幣	<b>0.0048</b>	0.0061
<b>Total hazardous waste<sup>4</sup></b> 有害廢棄物總量 <sup>4</sup>	Tonnes 噸	<b>46.47</b>	7.03
Waste chemical reagent 廢化學試劑	Tonnes 噸	<b>9.66</b>	6.57
Waste engine oil 廢機油	Tonnes 噸	<b>1.32</b>	0.40
Waste mineral oil 廢礦物油	Tonnes 噸	<b>0.00</b>	0.00
Waste lead-acid accumulators 廢鉛蓄電池	Tonnes 噸	<b>0.00</b>	0.00
Waste fluorescent lamps 廢熒光燈管	Tonnes 噸	<b>0.00</b>	0.00
Others 其他	Tonnes 噸	<b>35.28</b>	0.06
Annual hazardous waste per revenue 單位經營收入有害廢棄物總量	Tonnes/million RMB 噸／百萬元人民幣	<b>0.0087</b>	0.0016

## Emissions and Energy Consumption (Cont'd)

## 排放物及能耗概況(續)

Index 指標	Unit 單位	2020 2020年	2019 2019年
<b>Total non-hazardous waste<sup>5</sup></b> 無害廢棄物總量 <sup>5</sup>	Tonnes 噸	<b>13,335.18</b>	8,044.98
Household waste 生活垃圾	Tonnes 噸	<b>1,574.50</b>	586.50
Sludge at sewage treatment stations 污水站污泥	Tonnes 噸	<b>2,001.80</b>	1,413.00
Production waste 生產廢物	Tonnes 噸	<b>9,758.88</b>	6,045.48
Annual non-hazardous waste per revenue 單位經營收入無害廢棄物排放量	Tonnes/million RMB 噸／百萬元人民幣	<b>2.49</b>	1.88
<b>Total energy consumption<sup>6</sup></b> 能源消耗總量 <sup>6</sup>	MWh 兆瓦時	<b>93,559.46</b>	80,756.05
<b>Direct energy consumption</b> 直接能源消耗	MWh 兆瓦時	<b>65,581.48</b>	53,821.70
Petrol consumption 汽油消耗量	MWh 兆瓦時	<b>52,543.41</b>	53,683.83
Diesel consumption 柴油消耗量	MWh 兆瓦時	<b>48.89</b>	97.57
Natural gas consumption 天然氣消耗量	MWh 兆瓦時	<b>32.38</b>	40.30
<b>Indirect energy consumption</b> 間接能源消耗	MWh 兆瓦時	<b>27,977.98</b>	26,934.35
Electricity consumption 電消耗量	MWh 兆瓦時	<b>27,977.98</b>	26,934.35
Annual energy consumption per revenue 全年每單位收入能源消耗量	Tonnes/million RMB 兆瓦時／百萬元人民幣	<b>17.46</b>	18.86
<b>Municipal water consumption</b> 市政自來水耗用量	Tonnes 噸	<b>424,781.00</b>	385,008.00
Annual municipal water consumption per revenue 單位經營收入市政自來水耗用量	Tonnes/million RMB 噸／百萬元人民幣	<b>79.25</b>	89.90
<b>Total packaging materials consumption<sup>7</sup></b> 包裝材料使用總量 <sup>7</sup>	Tonnes 噸	<b>16,016.50</b>	13,154.60
Annual packing materials consumption per revenue 單位經營收入包裝材料使用量	Tonnes/million RMB 噸／百萬元人民幣	<b>2.99</b>	3.07

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Greenhouse Gas Emissions

#### 溫室氣體排放概況

Index 指標	Unit 單位	2020 2020年	2019 2019年
<b>Total greenhouse emissions (Scope 1 and Scope 2)<sup>10</sup></b> 溫室氣體排放總量(範疇一、範疇二) <sup>10</sup>	Tonnes 噸	<b>30,131.93</b>	27,725.84
<b>Direct emissions (Scope 1)</b> 直接排放(範疇一)	Tonnes 噸	<b>12,881.67</b>	10,605.62
Petrol 汽油	Tonnes 噸	<b>12,862.48</b>	10,494.12
Diesel and natural gas 柴油及天然氣	Tonnes 噸	<b>19.19</b>	111.50
<b>Indirect emissions (Scope 2)</b> 間接排放(範疇二)	Tonnes 噸	<b>17,250.26</b>	17,120.22
Outsourced power 外購電力	Tonnes 噸	<b>17,250.26</b>	17,120.22
Annual greenhouse gas emissions per revenue 單位經營收入溫室氣體排放	Tonnes/million RMB 噸／百萬元人民幣	<b>5.62</b>	6.47

#### Notes:

#### 註：

- Waste gases emitted from stationary sources consisting of nitrogen oxides, sulphur dioxide, fumes and particulates contained in exhausted gases emitted by factories, which mainly come from the burning of natural gas. Among others, the nitrogen dioxide emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*, sulphur dioxide emission is calculated based on the *Practical Data Handbook for Environmental Protection*, fume emission is calculated based on the data in monitoring reports prepared by third parties, and smoke and dust emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*.
- Our self-owned vehicles did not consume much petrol and diesel, and according to the principle of materiality, the data of mobile source emissions is not disclosed.
- The data of COD (Chemical Oxygen Demand) emission, BOD<sub>5</sub> (5 day Biochemical Oxygen Demand) emission, suspended solids, ammonia nitrogen indicator in waste water discharged from stationary sources is calculated based on total waste water discharged at the outlet of sewage treatment stations multiplied respectively by the average concentration of BOD<sub>5</sub>, total phosphorus, ammonia and nitrogen at the outlet.
- Hazardous waste is handed over to qualified third parties for treatment, and is calculated based on the data recorded on the hazardous waste transfer manifests or receipts of waste recyclers during the reporting period.
- Fixed source waste gas from factory emissions consists of nitrogen oxides, sulphur dioxide, oil smoke, and particulates, etc., mainly from natural gas combustion, where nitrogen dioxide emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*, sulphur dioxide emission is calculated based on the *Practical Data Handbook for Environmental Protection*, oil smoke emission is calculated based on the data in monitoring reports prepared by third parties, and dust emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*.
- This Group's self-owned vehicles do not consume much petrol and diesel, and according to the principle of materiality, the data of mobile source emissions is not disclosed.
- Fixed source wastewater, chemical oxygen demand (COD) discharge, 5-day biochemical oxygen demand (BOD<sub>5</sub>) discharge, suspended solids, and ammonia nitrogen indicator are calculated based on the total wastewater discharged at the outlet of sewage treatment stations multiplied respectively by the average concentration of BOD<sub>5</sub>, total phosphorus, ammonia, and nitrogen at the outlet.
- Hazardous waste is handed over to qualified third parties for treatment, and is calculated based on the data recorded on the hazardous waste transfer manifests or receipts of waste recyclers during the reporting period.

- |   |   |
|---|---|
| <p>5. Non-hazardous waste includes household waste, sludge at sewage treatment stations and production waste, and is calculated based on the data provided by factories, waste pick-up units, or third-party waste recyclers.</p>   | <p>5. 無害廢棄物包括生活垃圾、污水站污泥、生產廢物，根據工廠或垃圾清運單位、第三方收購單位提供的數據進行核算。</p>  |
| <p>6. Energy consumption data, including electricity consumption, natural gas consumption and fuel consumption of group-financed vehicles, is calculated based on the consumption of electricity and fuel, and the conversion factors provided in the <i>General Principles for Calculation of Total Production Energy Consumption (GB/T 2589-2008)</i>.</p>  | <p>6. 能源消耗量數據是根據電力及燃料的消耗量及《綜合能耗計算通則(GB/T 2589-2008)》提供的相關轉換因子進行計算，包含電力、天然氣和公車耗油。</p>  |
| <p>7. Packaging materials include tabs, inner packaging bags, condiment product packaging boxes, white boxes, sauce product (including box body, transparent cover and cover film), sauce product packaging boxes, trays, small white barrels (including cover, barrel body and handle) and condiment product rolling films.</p>  | <p>7. 包裝材料包括標籤、底料內袋、底料箱、白箱、蘸料(盒身、透明蓋、蓋膜)、蘸料包裝箱、托盤使用量、餐飲裝小白桶(面蓋、桶身、提手)及底料卷膜。</p>   |
| <p>8. The 2020 environmental density data are disclosed using environmental performance data and the Group's annual revenue.</p>  | <p>8. 2020年密度類數據採用環境數據和集團全年收入進行披露。</p>  |
| <p>9. The disclosure scope of environmental performance data in 2020 includes Chengdu Yueyihai factory, Zhengzhou Shuhai factory, Ma'anshan Yihai factory, Bazhou factory and Fuhai factory. The disclosure scope has not changed.</p>  | <p>9. 2020年環境績效數據披露範圍包括成都悅頤海工廠、鄭州蜀海工廠、馬鞍山頤海工廠、霸州工廠及馥海工廠，披露範圍無變化。</p>  |
| <p>10. Greenhouse gases include carbon dioxide, methane and nitrous oxide, mainly resulted from outsourcing electricity, natural gas consumption, diesel consumption of diesel-powered generators and group-financed vehicles. Greenhouse gas emissions are measured in carbon dioxide equivalents and calculated based on <i>2019 Baseline Emission Factors for Regional Power Grids in China</i> issued by the Ministry of Ecological Environment of the People's Republic of China and the <i>2006 IPCC Guidelines for National Greenhouse Gas Inventories revised in 2019</i> issued by the Intergovernmental Panel on Climate Change (IPCC).</p> | <p>10. 溫室氣體清單包括二氧化碳、甲烷和氧化亞氮，主要源自外購電力、天然氣消耗、柴油發電機及自有交通工具耗油。溫室氣體核算乃按二氧化碳當量呈列，並根據中華人民共和國生態環境部刊發的《2019年中國區域電網基準線排放因子》及政府間氣候變化專門委員會(IPCC)刊發的《IPCC 2006年國家溫室氣體清單指南2019修訂版》進行核算。</p> |

### RISK-ORIENTED DEVOTION OF SUPPLY CHAIN SYSTEM

An important component of the development strategy of the Group is to “emphasise safe and quality food and prevent risks in the supply of raw materials”. The Group has established a series of supply chain management systems to develop a responsible supply chain and to promote the improvement and development of the entire supply chain system.

#### Strict Selection Criteria for Suppliers

The Group chooses suppliers in strict compliance with requirements of laws and regulations such as the *Anti-unfair Competition Law of the People's Republic of China*, combined with the formulated *Management Rules for Supplier Selection Review*, mainly focusing on supplier with brand recognition, direct suppliers, designated agents and first-level distributor.

### 風險為尺，深耕供應鏈體系

「注重食品安全質量，防範原材料供應風險」是本集團發展戰略中的重要組成部分。本集團建立了一系列供應鏈管理制度，力求打造責任供應鏈，推動整個供應鏈體系的進步與發展。

#### 嚴把供應商准入關口

本集團嚴格遵守《中華人民共和國反不正當競爭法》等法律法規的要求，並結合制定的《供應商准入審核管理規定》對供貨商進行篩選，盡可能選擇有品牌知名度的供應商和直接廠家、指定代理商及一級經銷商。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

In 2020, the Group established an Expenditure Committee, granting more autonomy to management on supplier selection and daily review. Committee members have decision-making power in introducing new products and suppliers that fit their needs and directly making contact with factories, which improved work efficiency and enhanced management timeliness. At the same time, Committee members are also in charge of daily review of suppliers to ensure that suppliers meet our requirements. The Group will conduct random checks on suppliers and issue rectification reports to those who fail to meet requirements.

We conduct selection review and subsequent supervision review on suppliers in terms of environmental protection and integrity. Suppliers are required to submit qualification certificates and licenses (e.g. pollutant discharge permit) according to the Group's licensing system, and to sign a safety and environmental agreement. Those who fail to provide satisfactory certificates will not be selected. We give priority to products and services of environmental protection and renewable resources. For example, we use recyclable materials as packaging, and use degradable carton packaging instead of plastic barrels for food and beverage products. Due to the special nature of food industry, staff of suppliers are also required to provide qualifications such as health certificate and work license.

During the review and assessment process, potential suppliers will fill in the *Supplier Assessment Form* as required by the Group, which takes environmental performance and employee health status of the suppliers into account. Only those approved by the Group will win potential cooperation. Take suppliers procurement with relevant requirements for an example, in terms of environment protection, we require suppliers to have access to environmental protection facilities such as waste water treatment and review their environmental impact assessment (EIA) construction, acceptance and approval processes. Meanwhile, suppliers are encouraged to optimise process design and reduce the use of resources and energy. In terms of employee health, we will review whether employee health examinations, labour rights as well as training and education are in compliance with the Group's requirements.

本年度，本集團成立了支出委員會，在供應商准入和日常審核管理上下放更多的自主權。支出委員具有決策權，可以根據自己的需求引入新產品和供應商，並通過與工廠直接溝通提升了工作效率，增強了管理時效性。與此同時，支出委員負責供應商的日常審核，確保供應商滿足本集團要求。本集團進行定期抽查，對不符合要求的供應商出具整改報告。

本集團從環境保護、廉潔等方面對供應商進行准入審核及後續的監督審核，要求產品供應商需按照本集團的索證制度提交排污許可證等各類資質證件和牌照，並簽訂安全環保協議，對於證件資質不符合要求的廠家不予准入。我們優先考慮使用環保產品、可再生資源等產品及服務管理，例如使用可回收材料作為包裝，在餐飲渠道產品上使用可降解的紙箱包裝替代塑料桶裝產品。同時，由於食品行業的特殊性，我們也會要求供應商的工作人員具有健康證，上崗證等資質材料。

在審核評估階段，潛在供應商需按照本集團的要求填寫《供應商評審表》，我們將供應商的環保工作、員工健康狀況納入審核範圍，通過本集團審核的廠家才有可能開展正式合作。比如，針對有相關要求的供應商採購，在環保工作方面，我們將具備污水處理等環保設施作為准入條件，並審核該公司的環評建設和驗收批覆，同時鼓勵供應商從工藝設計上進行優化，減少資源和能源的使用；在員工健康方面，我們會審核供應商在員工健康體檢、勞工權益、培訓教育等方面是否符合本集團要求。



After the establishment of cooperative relationship and before the occurrence of formal business, We will also require suppliers to abide by *Supplier Management System, Supplier Award System, Supplier Punishment System, Supplier Delivery Rules* and the *Letter Relating to Spot Check on Supplier Factories* prior to effecting formal business, so as to ensure that the suppliers accept supervision and review from the Group. In 2020, we conducted 119 on-site reviews on new suppliers selection (including existing suppliers supplying new raw materials).

#### Enhancement of the Supplier Daily Management

Based on different categories and risk levels of raw materials, and the Group's special requirements, we have developed customised review standards and specifications to better identify risks. The Group classifies suppliers into three levels of A, B and C based on consumption and risk levels of raw materials. A-level suppliers are the most important with strictest inspection, including salad oil, beef tallow, tomato, Sichuan pepper, mushroom and so on. The Group continuous to strengthen supplier management from both oversea and domestically. We have clarified the control requirements by adding the national risk sampling concerns, as well as matters that are prone to complaints during product use. Based on different industries, we made more detailed adjustments to factory-examination standards on raw material suppliers.

As our cooperation with suppliers grew more stable, we conduct supplier review from two levels this year. Bulk suppliers are subject to reviews arranged by the Group, while grease suppliers of high risk shall be reviewed based on risk levels for every quarter; non-bulk suppliers, self-owned factories and OEM factories mainly conduct reviews on their own (monthly review for OEM factories, quarterly review for others). Reviews are general and special in nature. General reviews are conducted on certificate compliance, ESG-related issues, food safety, on-site hygiene, genetically modified products, etc. Special reviews include foreign substance inspection, equipment reviews, standard implementation, etc. For overseas OEM and partner factories, dedicated staff are assigned to take charge and communicate issues on-site. By the end of 2020, we have conducted 200 on-site spot checks on existing suppliers, ensuring that food safety of upstream suppliers is controllable.

合作關係確立後、正式業務發生前，我們還會要求各供應商遵守本集團的《供應商管理制度》、《供應商獎勵制度》、《供應商處罰制度》、《供應商送貨規定》和《供應商突擊審廠函》，確保供應商接受我們的監督與審核。2020年，針對新供應商准入（含現有供應商供應新原料），我們共開展了現場審核119次。

#### 夯實供應商日常管理

本集團依據原料的種類、風險特性及本集團對原料的特殊要求制定了定制化審核標準規範，以便更好地區別風險。我們根據原料使用量及風險級別將供應商分為A、B、C三級，其中A級供應商最重要，檢查也最為嚴格，包括色拉油、牛油、番茄、花椒、菌類等。本集團不斷強化海外和國內的供應商管理，在審核標準中增加國家風險抽檢關注事項，以及在產品使用過程中容易產生投訴的事項，並明確管控要求。同時，本集團結合不同行業情況，對某些原材料供應商的審廠標準進行了更加細化的調整。

隨著與供應商的合作成熟度不斷提升，本年度我們從兩個層面開展供應商審核。大宗供應商由集團統一安排審核，其中如風險較大的油脂類供應商，需另外進行每季度的分級審核；非大宗供應商、自有工廠和OEM工廠則以自行審核為主，其中OEM工廠審核一個月進行一次，其他工廠審核按季度開展。審核內容分一般性和專項性，其中一般性包括證件合規、ESG相關內容、食品安全、現場衛生、轉基因產品等；專項審核包括異物排查、設備審核、標準化執行等。對於海外的代工廠和合作工廠，公司會派專人負責並進行現場溝通。截止2020年末，我們對現有供應商進行了200次現場突擊檢查，確保上游供應商的食品安全可控。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

The Group has established a performance evaluation system to regularly assess suppliers according to the *Suppliers Performance Assessment and Evaluation Form*, where ranking is divided into four grades of A, B, C, and D. For suppliers with evaluation result of Grade A, the Group would provide them with preferential policies, such as financial support, technical coaching, and guidance to its management personnel and on-site directions from the Group's quality control team. Suppliers rated Grade D twice in a row will be added into the list of eliminated suppliers. If there is a need to engage such a supplier again, the supplier shall go through new application and evaluation procedures for being engaged as a supplier. Suppliers violating relevant regulations of the Group will be added into the Group's supplier blacklist, and in principle, such suppliers will never be engaged again. They can be used only upon meeting special conditions, for example, they must undergo strict assessment, and can only be used after at least a year from the date of being blacklisted. In addition, such suppliers shall provide a warranty statement, and if similar problems occur again, there will be no chance for future cooperation.

Meanwhile, we also proactively carry out continuous on-site visits to suppliers to pay close attention to market information regarding raw materials and auxiliary materials, processing and manufacturing conditions, risk resistance capabilities and state of operation of the suppliers, so as to make better decisions as to whether the suppliers can meet long-term procurement strategies of the Group. The Group requires purchasing staff responsible for contacting major production material suppliers to regular visit these suppliers every half a year to ensure material safety and stabilised product prices. After the visits, the purchasing staff is required to fill in the *Suppliers Revisit and Assessment Form* and submit to the supplier administrator for documentation and records.

#### Extensive Communication with Suppliers

The Group has gathered factories, product project leaders, procurement and standard setting personnel with suppliers for several on-site exchanges, to ensure demands are answered and issues are solved in a prompt manner. To smooth communication channels for suppliers, we have developed a variety of channels such as complaint mailbox, hotline and WeChat platform. Once a complaint is received, the Group will handle the case in accordance with the *Suppliers Complaint Response Procedures* and reply with a *Response Letter to Supplier's Opinion*. For true and verified supplier complaints, the Group will reward the suppliers in accordance with the *Supplier Management System*. In addition, the Group conducts opinion surveys for suppliers every half a year, gives timely feedback to relevant departments and personnel and replies to the suppliers regarding solutions and outcomes.

本集團還針對供應商建立了績效評價體系，依據《供應商績效考核評價表》定期對其進行考核，評分劃分為A、B、C及D共4個等級。對評價結果為A的供應商，本集團可以視情況給予資金支持、技術指導、管理人員指導、品控駐廠指導等優惠政策；對連續兩次評價結果為D的供應商，則將其納入本集團供應商淘汰名單，納入淘汰名單的供應商如需重新啟用，一律按照供應商新建流程進行申請；對於違反本集團相關規定的供應商，會被納入本集團供應商黑名單，被納入黑名單的供貨商原則上永不啟用，若遇特殊情況需啟用的必須經過嚴格審批，拉黑時間和啟用時間需至少要間隔一年，同時供貨商應提供保證書，若再次出現類似問題將永不合作。

與此同時，我們積極開展供應商現場觀察、回訪工作，著重了解關注原輔材料行情、供應商加工生產狀況、抗風險能力以及經營狀況等，從而更好地判斷其是否能滿足本集團產品長期採購策略。對於生產用主要原料供應商，本集團要求負責採購的人員每半年回訪一次，確保供應商產品原料的安全性及產品價格的穩定性。完成回訪後需填寫《供應商回訪考察表》並提報給供應商管理員進行存檔備案。

#### 加強供應商溝通交流

本集團多次組織工廠、產品項目負責人、採購及標準制定人員與供應商進行現場交流，確保需求和問題在第一時間得到響應和解決。本集團為暢通供應商溝通渠道，設立了投訴郵箱、熱線電話以及微信平台等多種溝通方式，接到投訴後，本集團將按《供應商投訴問題處理流程》進行處理並反饋《供應商意見反饋回覆函》，對於投訴、申訴屬實的，本集團會根據《供應商管理制度》落實對供應商的獎勵。此外，本集團每半年進行一次供應商意見調查，將供應商反饋的問題及時與相關部門人員溝通，並將處理方案及結果回覆給供應商。

#### *Case: Standardise Ingredient Lists of Salted Vegetables Suppliers*

We noticed slight differences in ingredient lists of salted vegetables suppliers though the alternative raw materials have the same taste as the original ones, which does not meet requirements of ingredients labelling. Therefore, we called on existing salted vegetables suppliers to standardise their ingredient lists of alternative raw materials, so as to avoid risks arising from non-compliance of product labels, and provide a better platform for those suppliers to exchange experience on product formulation technology.

#### **Support for Supplier Management Enhancement**

The Group focuses on market information regarding product-related raw materials and development in the industry. For suppliers supplying products with characteristics but being engaged in the industries which lacks standardised management, we set up a special support group to provide guidance on operating management and food processing for suppliers. In doing so, characteristics of the products are retained, risks of food safety are lowered, and consequently, enhancing the overall level of the industry. Further, we select suppliers with intentions to build factories around production bases, and help them to solve technical problems in factories building by providing assistance in equipment and location selecting and employees training. The Group organised online internal trainings for OEM suppliers on inspection standards and food safety, playing a regulatory role in improving supplier's product quality and quality assurance. As for customer complaint analysis, we share problem analysis and solving tools with suppliers in a real-time manner for them to solve on-site problems. In 2020, the complaints over self-serving small hot pots were further reduced by 30% since first reduced by 50% in 2019.

#### *案例：規範醬腌菜供應商配料表*

我們發現醬腌菜供應商使用的可替代原料雖然與原料口味一致，但是配料表有輕微差異，不符合標籤配料標識的要求。因此，公司組織現有的醬腌菜供應商對其所有可替代原料的配料表進行統一規範，由此避免了因產品標籤違規產生的風險，同時也讓醬腌菜供應商們在产品配方技術上有了一個更好的交流平台。

#### **賦能供應商管理提升**

本集團重點關注產品原材料行情以及供應商所供產品行業的發展大環境。對於行業整體不規範但是產品具有一定特色的供應商，本集團會成立專門的幫扶小組，對供應商的經營管理和食品工藝提供指導，既能夠保留產品特色，又可以降低本集團食品安全風險，提高行業整體水平。同時公司選擇有意願的供應商，在生產基地周邊建廠，通過對供應商建廠幫扶，在設備、場址選用以及員工培訓等方面進行賦能，幫助解決供應商興建工廠的技術問題。本集團還在OEM供應商內部進行線上培訓宣講，包括檢驗標準、食品安全等培訓內容，對提升供應商產品品質和質量保證起到了規範作用。在客戶投訴分析方面，我們將問題分析和解決工具同步分享到供應商，使供應商利用該方法解決現場問題。2020年，自加熱小火鍋的投訴量在2019年降低了50%的基礎上又降低了30%。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Suppliers Data

#### 供應商數據統計

	Index 指標	2020 2020年	2019 2019年
<b>Total suppliers<sup>11</sup></b>	供應商總數量(家) <sup>11</sup>	<b>551</b>	491
<b>Overseas suppliers<sup>13</sup></b>	境外供應商數量(家) <sup>13</sup>	<b>70</b>	9
<b>Regional suppliers</b>	地區供應商數量(家)	<b>481</b>	482
Suppliers in East China	華東地區供應商數量(家)	<b>186</b>	169
Suppliers in Central and South China	中南地區供應商數量(家)	<b>118</b>	111
Suppliers in North China	華北地區供應商數量(家)	<b>60</b>	104
Suppliers in Northwest China	西北地區供應商數量(家)	<b>19</b>	12
Suppliers in Southwest China	西南地區供應商數量(家)	<b>88</b>	81
Suppliers in Northeast China	東北地區供應商數量(家)	<b>10</b>	5
<b>Suppliers that have completed risk assessments on environment and society<sup>12</sup></b>	已完成環境、社會風險評估的供應商數量(家) <sup>12</sup>	<b>221</b>	285

#### Notes:

- The location of a supplier is determined by its place of registration. The suppliers cover full category types of suppliers.
- Suppliers that have completed risk assessments on environment and society refer to those which went through the risk assessment initiated by relevant departments of the Group on environment and safety (including environmental protection, human resource management, occupational health and safety, etc.).
- The Group is currently undergoing international expansion which calls for a large number of overseas factories. Therefore, the number of overseas suppliers in 2020 increased significantly compared to that in 2019.

#### 註：

- 供應商所在地按其註冊地址確定，供應商口徑為全品類供應商。
- 已完成環境、社會風險評估的供應商：已由公司相關部門完成對其環境、社會類（主要包括對環護工作、人資管理、職業健康與安全等方面）相關風險評估的供應商。
- 公司目前正在進行國際化擴張，需在海外建立大量工廠，因此2020年境外供應商數量相較於2019年境外供應商數量有較大幅度的增長。



### PEOPLE ORIENTATION AND EMPLOYEE CARE

Employees are the most valuable asset to the Group. Adhering to the concept of people oriented, we provide our employees with equal employment opportunities, welfare, a platform for training and development, paying attention to employees' health and care for their growth.

#### Employment

In strict compliance with such laws and regulations as the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection on Minors*, the *Law of the People's Republic of China on the Protection of Rights and Interests of Women and Children*, as well as administrative rules at operating sites, the Group has established and developed human resources management system. The Group strictly abides by the legal procedures in the process of signing, renewing, terminating and cancelling labour contracts with employees, in order to guarantee all relevant procedures are implemented in terms of fairness, open and justice. Any discrimination against gender, nationality, age, race, geographical origin or family status in the recruitment process are forbidden pursuant to the *Employee Recruitment Management Policy*. In addition, employment of child labour is strictly prohibited, which is clearly established in the human resource information system to ensure that the candidates under 16 years old cannot be recruited. We clearly stipulate the working hours required for the position in the employee's labour contract, and add flexible working system to the *Employee Attendance, Vacation and Welfare System* to prohibit forced labour. In addition, to ensure compliance in overseas regions such as Singapore, Malaysia, Thailand, the United States, and Canada, we will hire professional lawyers or third-party human resources companies to tailor and improve employment contracts and employment systems according to local laws and regulations. In 2020, the Group did not engage in any illegal employment, child labour recruitment and forced labour.

We further carried out the talent introduction to recruit middle and high-level talent through internal referrals, website recruitment, head-hunting recommendation, etc. In addition, we also cooperated with colleges and universities specialising in food science and technology. By virtue of students' graduation design and internship, communication and mutual understanding between the Group and the students were enhanced prior to their employment, which helps the Group to identify talent more accurately.

### 以人為本，關愛員工成長

員工是本集團最寶貴的財富。我們貫徹以人為本的理念，為員工提供平等的就業機會、福利待遇、培訓與發展的平台，重視員工健康，關愛員工成長。

#### 員工僱傭

本集團嚴格遵守《中華人民共和國勞動法》《中華人民共和國勞動合同法》《中華人民共和國未成年人保護法》《中華人民共和國婦女兒童權益保護法》等相關法律法規及運營場所所在地的有關管理條例，基於此搭建人事管理體系。本集團在與員工簽訂、續訂、終止、解除勞動合同等過程中，嚴格遵守法定程序，所有流程保證公平、公開、公正。我們在《員工招聘管理制度》中明確規定，不允許由於性別、民族、年齡、膚色、地域、家庭狀況等因素而導致的歧視行為，杜絕招聘過程中任何涉及到歧視的現象。同時，我們明確規定禁止招聘童工，並在人事信息系統中進行專門設置，限制未滿16周歲的求職者信息在集團系統中的錄入。我們在員工勞動合同中明確規定了崗位所要求的工作時長，並在《員工考勤、休假及福利制度》中增加彈性工作制，禁止出現強迫勞工現象。另外，在新加坡、馬來西亞、泰國、美國、加拿大等海外地區，我們會聘請專業的合作律師或第三方人力資源公司，根據當地法律法規的實際情況制定和完善僱傭合同及僱傭制度，確保合法合規。本集團在2020年度未出現非法聘用勞工、僱傭童工或強制勞工的情況。

我們持續開展人才引進工作，不僅通過內部推薦、網站招聘、獵頭推薦等多種途徑招納中高端人才，同時還通過與食品院校對口合作，借助學生畢業設計、實習等環節，促進學生與本集團間的溝通與了解，助力本集團更精準地識別人才。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Employee Remuneration and Benefits

Abiding by the national laws and regulations regarding minimum wage and the basic welfare, the Group formulated *Employee Attendance, Leave and Welfare Policy* to provide employees with various social benefits and public holidays in accordance with relevant laws. For those in high-risk positions, they are additionally covered by the employer's liability insurance.

The Group formulated a fair and transparent remuneration review mechanism, providing competitive remuneration based on different businesses and job requirements, as well as employees' personal ability and performances. In 2020, in accordance to the adjustments made to the Group's organisational structure, we updated our remuneration policies and launched the production partner model, granting supply team the profit commission of production team. In doing so, employees are fully motivated and provided with more development opportunities. At the same time, the Group provides comprehensive welfare benefits, including family visiting vacation, housing subsidies, child care allowance, parental care allowance, child education allowance, congratulatory gifts for birthday/marriage/child-birth, injury allowance, and welfare for grandparents etc. Besides, the Group organises a series of employee activities, including parent-child companionship activities, sports events, skill contests, amusements to enhance employees' experience of satisfaction and belonging.

Valuing employees' essential needs, the Group offers financial and medical assistance to needy and sick employees to effectively address their practical issues. Before the Chinese New Year in 2020, The Group organizes special personnel to visit the poor family employees and sent daily necessities such as grains and oils with a total value of approximately RMB80,000. In addition, after learning that two employees' families were suffering from cancer, we donated RMB50,000 to each family to let employees feel the care from the Group.

#### 員工待遇與福利

本集團遵守國家各地關於最低工資標準和基本福利的法律法規要求，制定了《員工考勤、休假及福利制度》，為員工依法提供各類法定福利和法定假期，針對高危崗位工作的員工，還為其購買僱主責任險。

本集團制定了公平透明的薪酬考核機制，根據業務和崗位要求，以及員工個人能力與表現，提供具有競爭力的薪酬待遇。本年度，基於集團組織架構調整，我們對薪酬制度進行了更新，推行生產合夥人模式，供應體系可以享受生產班組的利潤提成，員工的工作積極性得到充分調動，員工發展也有了更多的可能性。同時，本集團為員工制定了全面福利保障，包括法定假期及其他假期例如探親假、住房補貼、育嬰補貼、父母補貼、子女教育補貼、慶生／結婚／生育賀禮、傷病慰問金、祖父母、外祖父母福利等。此外，本集團開展系列員工活動，包括親子陪伴活動、體育比賽、技能比拼、文娛活動等，以此提升員工滿意度和歸屬感。

本集團重視員工的核心需求，對於困難員工和患病員工提供資金幫扶和醫療救助，切實解決員工的現實困難。2020年春節前夕，公司組織專人看望公司的貧困家庭員工，並贈送糧油等生活用品，合計價值約8萬元；在了解到有兩個員工家庭身受癌症困擾後，分別向其捐贈5萬元，讓員工感受到來自公司的關懷。

*Case: Parent-Child Companionship Activities*

In February 2020, the Group held an award-winning essay contest of “Parent-Child Companion • Stories with Child during COVID-19”, which aimed to boost parent-child interaction and strengthen parent-child relationships by capturing happy moments and writing down the most touching stories. The contest was open for all employees with three prize levels set: cash rewards of RMB500, RMB300 and RMB200 and additional gifts.

To build the parent-child library, the Group also held a “Pass on Love, Send out Books” activity from March to September this year, encouraging staff to donate idle children’s books to children in need and pass love to children through books.

*Case: “Parent-Child Holding Hands • Family Activity on Children’s Day”*

In June 2020, as the epidemic situation in China has improved, the Group organised “Parent-Child Holding Hands • Family Activity on Children’s Day” activity in Zhengzhou and Bazhou so as to promote the company between family members, enhance the relationship between parents and children.

*案例：親子陪伴活動*

2020年2月，本集團組織了「親子陪伴•疫情期間我和孩子在一起的故事」有獎徵文活動，旨在捕捉親子幸福的瞬間，記錄最美親子故事，進而促進親子互動，增進親子感情。活動面向公司全體員工，共設置三個獎項級別，分別給予500元、300元和200元的現金獎勵和額外禮品獎勵。

為實現親子陪伴室書屋建設，本集團在本年度3月至9月期間還組織了「讓愛傳承，讓書飄香」活動，倡導員工將閒置童書捐贈給有需要的孩子，通過書籍將愛傳遞給孩子。

*案例：「大手牽小手•六一家庭活動日」*

2020年6月，國內疫情有所好轉，為了促進家人間的陪伴，增進父母與孩子感情，本集團分別在鄭州和霸州組織了「大手牽小手•六一家庭活動日」活動。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Employment

#### 員工僱傭概況

	Year 年度	2020 2020年		2019 2019年	
Total headcount (Person)	總僱員(人)	2,127		1,907	
<b>By nature</b>	<b>按性質分類</b>				
Full-time employee	全職	2,067	97.2%	1,899	99.6%
Part-time employee	兼職	60	2.8%	8	0.4%
<b>By gender</b>	<b>按性別分類</b>				
Male	男性	1,195	56.2%	1,092	57.3%
Female	女性	932	43.8%	815	42.7%
<b>By age group</b>	<b>按年齡分類</b>				
<30 years old	<30歲	702	33.0%	704	36.9%
30-40 (exclusive) years old	30歲 – 40歲	860	40.4%	703	36.9%
40-50 (exclusive) years old	40歲 – 50歲	460	21.6%	420	22.0%
>=50 years old	>=50歲	105	4.9%	80	4.2%
<b>By region<sup>14</sup></b>	<b>按地區分類<sup>14</sup></b>				
East China	華東地區	973	51.0%	927	48.6%
Central and South China	中南地區	383	20.1%	356	18.7%
North China	華北地區	380	19.9%	364	19.1%
Northwest China	西北地區	38	2.0%	29	1.5%
Southwest China	西南地區	232	12.2%	196	10.3%
Northeast China	東北地區	28	1.5%	24	1.3%
Hong Kong, Macao and Taiwan	港澳台地區	12	0.6%	2	0.1%
Overseas	海外	81	4.2%	9	0.4%

### Employee Turnover

### 員工流失概況

	2020 2020年度	Headcount (Person) 人數(人)	Turnover rate (%) <sup>15</sup> 離職率(%) <sup>15</sup>
<b>Total turnover</b>	總流失	623	29.0%
<b>By gender</b>	按性別分類		
Male	男性	343	28.7%
Female	女性	280	30.0%
<b>By age group</b>	按年齡分類		
<30 years old	<30歲	269	38.3%
30-40 (exclusive) years old	30歲 – 40歲	225	26.2%
40-50 (exclusive) years old	40歲 – 50歲	108	23.5%
>=50 years old	>=50歲	21	20.0%
<b>By region<sup>14</sup></b>	按地區分類 <sup>14</sup>		
East China	華東地區	371	38.1%
Central and South China	中南地區	38	9.9%
North China	華北地區	167	43.9%
Southwest China	西南地區	27	71.1%
Northeast China	東北地區	3	1.3%
Northwest China	西北地區	2	7.1%
Hong Kong, Macao and Taiwan	港澳台地區	3	25.0%
Overseas	海外	12	14.8%

#### Note:

#### 註：

- |   |   |
|---|---|
| <p>14. East China covers Shanghai, Jiangsu, Zhejiang, Anhui, Fujian, Jiangxi and Shandong.</p> <p>Central and South China covers Henan, Hubei, Hunan, Guangdong, Guangxi and Hainan.</p> <p>North China covers Beijing, Tianjin, Hebei, Shanxi and Inner Mongolia.</p> <p>Northwest China covers Ningxia, Xinjiang, Qinghai, Shaanxi and Gansu.</p> <p>Southwest China covers Chongqing, Sichuan, Guizhou, Yunnan and Tibet.</p> <p>Northeast China covers Liaoning, Jilin and Heilongjiang.</p> <p>Overseas covers areas except for mainland China, Hong Kong, Macao and Taiwan.</p> | <p>14. 華東地區：上海、江蘇、浙江、安徽、福建、江西、山東</p> <p>中南地區：河南、湖北、湖南、廣東、廣西、海南</p> <p>華北地區：北京、天津、河北、山西、內蒙古</p> <p>西北地區：寧夏、新疆、青海、陝西、甘肅</p> <p>西南地區：重慶、四川、貴州、雲南、西藏</p> <p>東北地區：遼寧、吉林、黑龍江</p> <p>海外地區：除中國大陸(內地)、港澳台以外的地區</p> |
| <p>15. Turnover rate = the number of turnovers/the total number of employees<br/>Turnover rate by categories = the number of turnovers employed in this category/the total number of employees in this category</p>   | <p>15. 總的離職率=離職人數/員工總數；按類別劃分的離職率=該類別僱傭的離職人數/該類別僱員總數</p>   |

## Environmental, Social and Governance Report

### 環境·社會及管治報告

#### Health and Safety of Employees

The Group has been tracking and strictly complying with national laws and regulations related to health and safety that has a significant impact on production management and day-to-day operations, including the *Labour Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Production Safety Law of the People's Republic of China*, and the *Interim Provisions on Supervision and Administration of Work Safety at Food Production Enterprises*, etc. On this basis, and combined with features of its operations, the Group has established a series of safety management policies, including the *Safety Inspection Management Policy*, the *Hidden Safety Risks Identification and Elimination Policy*, the *Safety Training Management Policy*, the *Safety Incident Management Policy*, the *Warning and Informing Policy for Occupational Hazards*, the *Contractor Safety Management Policy* and the *Fire Safety Management Policy* to standardise production safety procedures and reduce occupational hazardous risks. In 2020, the Group had no reported incidents of death casualties of employee arising from production and operation nor did it have cases of penalties imposed by relevant authorities due to violation of national laws on working safety and hygiene.

Relying on the city-level Centres for Disease Control and Prevention, the new recruits and employees with expired health certificates are subject to medical examinations. The Group also cooperates with third-party physical examination companies to arrange for an additional physical examination every year for employees over 50 years old, so as to help them recognise their health status comprehensively and reduce occupational health risks. In 2020, a total of 90 physical examinations were organized for such employees. In addition, the Group organises annual physical examination for health certificate for every employee. We also attach importance to the mental health of employees. During the pandemic, the Group has engaged experts to carry out free mental health consultation activities for employees.

#### 員工健康與安全

本集團持續追蹤並嚴格遵守對生產管理及日常運營有重大影響的健康安全相關法律及規例，包括《中華人民共和國勞動法》《中華人民共和國職業病防治法》《中華人民共和國安全生產法》及《食品生產企業安全生產監督管理暫行規定》等。在此基礎上，結合業務特點，本集團建立了《安全檢查管理制度》《安全隱患排查制度》《安全培訓管理制度》《安全事故管理制度》《職業危害警示與告知制度》《承包商安全管理制度》及《消防安全管理制度》等一系列安全管理制度，規範安全生產作業流程，降低員工遭受職業性危害的風險。本年度本集團未有員工因生產安全事故而死亡的情況發生，亦沒有因違反關於勞動安全衛生的國家法律而受到相關政府部門的處罰。

本集團依託各地市級疾病預防控制中心對新入職員工和健康證到期員工進行體檢。本集團還與第三方體檢管理集團展開合作，對50歲以上員工每年額外組織一次體檢，幫助員工更加全面地了解自身健康狀況，降低職業健康風險，本年度針對該類員工共組織了體檢90人次。另外，本集團亦會組織每人每年參加一次健康證體檢項目。我們同樣重視員工的心理健康，疫情期間本集團聘請專家為員工開展了免費的心理健康諮詢活動。



The Group takes a series of measures to ensure the employees' safety, including strict health occupational pre-job, on-job and off-job physical examination, separate safety paths for people and vehicles and other measures. We also provide employees with 3M dust-proof cotton face masks, noise-cancelling ear protectors, anti-smash labour protection shoes, etc., so as to provide a material basis for the safety of employees. Additionally, the Group developed events such as "Safety Promotion Month", "Safety Knowledge Contest" to publicise the importance of safety production. During the year, we continued to conduct 5S improvement, optimised and transformed equipment with dust risk to greatly reduce the dust hazard on site and eliminate the risk of dust explosion and ensured the occupational health of employees; we carried out emergency escape drills and fire safety emergency drills to enhance the awareness of employees on safety production.

#### Case: Safety Production Drill Training at Yihai Ma'anshan Factory

In June and December 2020, Yihai Ma'anshan Factory organised employees to carry out safety production drill training. The on-site safety professionals gave detailed explanations and on-site demonstrations on the use of fire extinguishers, putting out the initial fire, the use of escape masks and cardiopulmonary resuscitation (CPR), so as to fully deepen the impression of employees and enhance their awareness of fire safety.

本集團採取系列措施保障員工安全，嚴格執行健康職業崗前、崗中和離崗體檢，實施廠區範圍內人車分流等措施，為員工配備3M防塵棉口罩、防噪護耳器、防砸傷的勞保鞋等，為其安全保障提供物質基礎。此外，本集團還開展了「安全宣傳月」「安全知識競賽」等活動，宣傳安全生產的重要性。本年度，我們持續進行5S精益改善，對存在粉塵風險的設備進行優化改造，極大降低了現場的粉塵危害並杜絕塵爆風險，保證了員工的職業健康；開展了緊急逃生演練、消防安全應急演練活動，以提高員工的安全生產意識。

#### 案例：頤海馬鞍山工廠安全生產演練培訓

2020年6月和12月，頤海馬鞍山工廠有針對性地組織員工開展了安全生產演練培訓。現場安全專業人員對滅火器的使用、撲滅初期火災、逃生面具的使用以及心肺復甦等進行了詳細講解和現場演示，充分加深員工印象，提升消防安全意識。



On-site CPR demonstration  
心肺復甦現場演示



Fire drill  
消防實操演練

## Environmental, Social and Governance Report

### 環境、社會及管治報告

The outbreak of COVID-19 in early 2020 has posed a huge threat to the lives and property safety of employees. In order to work well in the prevention and control of COVID-19, the Group set up a pandemic prevention and control team in January 2020, which clearly defined the functions of various prevention and control teams at the factory and headquarters, and formulated the *Prevention and Control Standards for COVID-19*, the *Disinfection Standards*, the *Emergency Drill Standards* and other management and control measures, making pandemic prevention and control into regular management. We have also carried out several pandemic evacuation drills and question-and-answer (Q&A) activities with rewards for pandemic prevention and control knowledge, effectively strengthening employees' awareness of pandemic prevention and control. Under scientific and strict management and control, none of the Group's employees have been infected with novel coronavirus.

#### Employee Health and Safety<sup>16</sup>

	Programme/Year 項目 / 年度	2020 2020年	2019 2019年
Work-related deaths (persons)	因工死亡人數(人)	0	0
Percentage of work-related deaths (%)	因工死亡比率(%)	0	0
Work-related injuries (persons)	因工受傷人數(人)	13	9
Loss of work time due to work-related injuries (day)	因工傷損失工作時間(天)	286	128.5

Note:

16. Data of health and safety is based on the information on attendance sheets and statistics of manual recording.

#### Training and Development of Employees

We are committed to forging an ideal career development platform for our employees and cultivating talents in line with our goals and development strategies through establishing branded and professional talent development system. At the same time, we constantly update our internal strategies on talent cultivation, in combination with increasing requirements on the comprehensive quality of employees and the tendency of younger, better-educated and more professional business teams. In 2020, the Group organised various training programs, including orientation for new recruits, production safety training, fire safety training and sharing of topic reports of the International Flavors & Fragrances Inc (IFF).

2020年初爆發的新冠肺炎疫情對員工的生命安全和財產安全帶來了巨大的威脅。為做好新冠疫情防控工作，本集團於2020年1月成立了新冠疫情防控小組，明確規定工廠和總部的各個防控小組職能，同時制定了《新冠疫情防控標準》《消毒標準》和《應急演練標準》等管控措施，將疫情防控提升為常態化管理。我們還多次開展疫情疏散演練和疫情防護知識有獎問答活動，有效提升了員工的疫情防護意識。在科學嚴格的管控下，集團所有員工均未感染新冠病毒。

#### 員工健康安全概況<sup>16</sup>

	2020 2020年	2019 2019年
Work-related deaths (persons)	0	0
Percentage of work-related deaths (%)	0	0
Work-related injuries (persons)	13	9
Loss of work time due to work-related injuries (day)	286	128.5

註：

16. 健康與安全數據來源於考勤表及手工台賬統計。

#### 員工培訓與發展

我們致力於成為員工理想的職業發展平台，通過建立品牌化、專業化的人才發展體系，培養與集團目標及發展戰略一致的人才。我們也持續更新內部培養理念，對從業人員綜合素質要求日益提高，對業務團隊年輕化、知識化、專業化的要求不斷提升。本集團本年度組織了包括新員工入職培訓、生產安全培訓、消防安全培訓、美國國際香精香料公司(IFF)課題報告分享等多種類型的培訓。

The Group further improves the training mode of centralised management, division of labour responsibilities and implementation by levels. In order to enable employees to quickly adapt to the working environment, understand the work requirements and intensify their safety awareness, the Group organises on-site trainings on corporate regulations, system operation, finance and personnel for new recruits. The Group also provides some senior executives with training related to business management to improve their management skills and experience. In addition, each factory requires on-job certification and provides on-the-job skill training for employees. They may obtain an on-job qualification certificate after passing the on-job skill training.

#### *Case: IFF Topic Report Sharing*

The IFF topic was a new form of training introduced by the Group in 2020. The employees in core positions of each factory were freely grouped to form a topic team, which took the business problems in the actual production process as the topic, and introduced external experts to explain the methods and ideas of solving the problems. The team members work cooperatively to analyse, improve and finally solve the problems, and carried out regular topic report sharing to share the experience of solving problems periodically. At present, through this method, 11 topics have been established and in continuously advanced.

In 2020, the Group further optimised its organisational structure, promoted the flat management reform, and formulated the *Promotion, Elimination and Remuneration of Employees Promoted to Regional Chiefs*, which updated the career development and promotion system of employees. In terms of career development, we reclassify the marketing area to make it more flexible. Employees can have greater autonomy in production, research and development, sales, etc., aiming to cultivate employees with overall thinking and lay a solid foundation for the development of the Group's talents and reserve force; in terms of the promotion system, two promotion channels, namely, vertical and horizontal, are set up. The vertical development is carried out within the business team through junior staff – middle-level staff – senior staff, while the horizontal development is carried out through cross-department development to foster talents with comprehensive quality and create better development prospects.

公司進一步完善歸口管理、分工負責、分級落實的培訓模式。為使員工快速適應工作環境，理解工作要求，提高自身安全意識，本集團為新入職的員工統一組織公司制度、系統操作、財務及人事現場培訓，為部分高管提供工商管理相關培訓，以提高管理人員的管理水平和經驗技能。此外，每個工廠都設置了上崗認證，為員工提供崗位技能培訓，員工崗位技能培訓合格後方可取得上崗資格證明。

#### *案例：IFF課題報告分享會*

IFF課題是本集團本年度新引入的一種培訓形式，各個工廠的核心崗位員工自由組合形成課題小組，以實際生產過程的業務問題為課題，並引入外部專家講解解決問題的方法和思路，通過小組成員的互相配合，對課題進行分析、改善直至解決，定期開展課題報告分享，階段性地分享解決問題的經驗。目前通過這一方式，已有11個課題立項並持續推進中。

本年度，本集團深入優化組織架構，推動扁平化管理改革，制定了《員工晉升到區域長的升遷、淘汰與薪酬》，對員工的職業發展和晉升體系進行了更新。在職業發展方面，我們重新劃分營銷區域，使之具有更大靈活性，在生產、研發、銷售等方面員工可以擁有更大的自主權，以此培養具備全局思維的員工，為公司人才及後備軍的培養打下了堅實的基礎；在晉升體系方面，設置縱向和橫向兩條升遷渠道，其中縱向發展在業務小組內部實現，路徑為「初級員工－中級員工－高級員工」；橫向發展則通過跨部門發展，培養全面的素質人才，創造更好的發展前景。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Employee training

#### 員工培訓概況

	Year 年度	2020 2020年		2019 2019年	
Number of trainees (persons)	培訓人數(人)	1,804		1,391	
<b>By gender</b>	<b>按性別分類</b>				
Male (persons)	男性(人)	930	51.6%	775	55.7%
Female (persons)	女性(人)	874	48.4%	616	44.3%
<b>By role</b>	<b>按職能分類</b>				
Senior management (persons)	高級管理層人員(人)	5	0.3%	3	0.2%
Middle management (persons)	中級管理層人員(人)	23	1.3%	57	4.1%
Employees other than senior or middle management (persons)	非管理層人員(人)	1,776	98.4%	1,331	95.7%
Total hours of training (hours)	總培訓時長(小時)	23,287.5		23,185	
<b>By gender</b>	<b>按性別分類</b>				
Male (hours)	男性(小時)	13,723.7	58.9%	12,193	52.6%
Female (hours)	女性(小時)	9,563.8	41.1%	10,992	47.4%
<b>By role</b>	<b>按職能分類</b>				
Senior management (hours)	高級管理層人員(小時)	30.5	0.1%	637	2.8%
Middle management (hours)	中級管理層人員(小時)	1,140.0	4.9%	1,280	5.5%
Employees other than senior or middle management (hours)	非管理層人員(小時)	22,117.0	95.0%	21,268	91.7%
Average hours of training (hours)	平均培訓時長(小時)	12.9		17	
<b>By gender</b>	<b>按性別分類</b>				
Male (hours)	男性(小時)	14.8		16	
Female (hours)	女性(小時)	10.9		18	
<b>By role</b>	<b>按職能分類</b>				
Senior management (hours)	高級管理層人員(小時)	6.1		212	
Middle management (hours)	中級管理層人員(小時)	49.6		22	
Employees other than senior or middle management (hours)	非管理層人員(小時)	12.5		16	



**STEADY AND SUSTAINABLE DEVELOPMENT BASED ON COMPLIANCE**

合規為基，穩健持續發展

**Safeguard on Customers' Rights and Interests**

維護客戶權益

For the sake of active response to customers' feedback, complaints and suggestions, and protect consumer rights, the Group strictly abides by the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* and other laws and regulations and develops the *Fleeing Goods Management Policy* and the *Distributor Authorisation Management Policy* and other rules and regulations. In 2020, the Group added the *Channel Management Policy for Marketing System*, which supplemented the standards and specific procedures for channel and platform sales authorisation, and also clarified the specific indicators for the assessment and evaluation of distributors, so as to promote the management of distributors by the Group.

為了能夠積極應對消費者反饋投訴意見及建議，保護客戶權益，本集團嚴格遵守《中華人民共和國消費者權益保護法》等法律法規，並在此基礎上制定了《竄貨管理制度》《經銷商授權管理制度》等規章制度。本年度本集團新增《營銷體系渠道管理制度》，補充了關於渠道及平台銷售授權的標準和具體流程，同時明確了對經銷商考核、評價的具體指標，推動本集團對經銷商的管理。

We have established a thorough customer service system and customer complaint response mechanism to protect the legitimate rights and interests of consumers. The Group sets up an exclusive position, Customer Complaints Dealer. The person on duty is dedicated to fill in the *Registration Form of Customer Complaints in 2020*. The form records details of customer complaints including product batch number, product type, classification and detailed description as well as the expected solutions. Furthermore, the specific information is conveyed to the relevant departments of the Group for clear division of responsibilities and follow-up actions according to the *Customer Complaint Management Measures*. If necessary, we will promptly launch product verification and retrospective recall process to effectively solve the customer complaints. In 2020, we linked customer complaints with factory performance, took customer complaints as one of the assessment indicators for each factory, and set a goal of reducing customer complaints for condiments by 10% and convenience and fast food by 20%, so as to improve product quality and services in all factories.

我們建立了完善的客戶服務體系與客戶投訴應對機制，以保護消費者的合法權益。本集團特設客戶投訴專員崗位，專門負責填寫《2020年客訴問題登記表》，包括產品批號、產品類型、問題歸類及詳細描述、期望處理結果等詳細的客訴情況，並根據《客訴管理辦法》將具體信息傳達至本集團有關部門進行明確的責任劃分與後續對接處理。如有必要，我們會及時啟動產品檢定及追溯召回流程，切實解決客訴問題。2020年度，我們將客戶投訴情況與工廠績效掛鉤，將客訴作為各工廠評比考核的指標之一，並設立了調味品客訴降低10%、方便速食品客訴降低20%的目標，推動各工廠提高產品品質與服務。

**Performance Indicator Related to Customer Complaints**

客戶投訴相關績效指標數據

	Description/Year 項目 / 年度	2020 2020年	2019 2019年
Customer Complaints (times) <sup>17</sup>	客戶投訴事件 (次) <sup>17</sup>	1.68	1.92

Note:

註：

17. Customer complaints (times) for the year = Total complaints that year/ annual production (in millions of packages)

17. 當年客戶投訴事件(次) = 全年客訴起數 / 全年生產量(以百萬包計)。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Protection of Information Security

The Group strictly abides by the *Cybersecurity Law of the People's Republic of China* and the requirements of other laws and regulations, and has formulated the *Corporate Confidentiality Policy* and promulgated and revised more than 10 rules and regulations, which specifies data security measures and supervision methods, as well as corresponding punitive measures in case of any violation, to protect the information of relevant departments and customers, standardise on-line store accounts and safeguard the Group's rights and interests. For the distributor mode, we fully respect the privacy of customers and strictly protect their information. In relation to online sales, the Group has an increasing requirements on IT with the continuous development of the business, and it also attaches great importance to information and data security, account access and cybersecurity specifications, operation and maintenance procedures and rules and regulations.

#### Establishment of Brand Image

In 2020, we continued to strictly adhere to the applicable laws and regulations governing advertising and labelling, such as the *Advertising Law of the People's Republic of China*. In 2020, the updated *Food Safety Law of the People's Republic of China* further increased the requirements on e-commerce, and thus the Group intensified the examination and verification on e-commerce advertisements. All advertisements should be reviewed by the Brand Management Committee to ensure compliance with the requirements of the Advertising Law.

We have developed the *Brand Management Procedures* to ensure the compliance of all promotion materials of major marketing activities in an effective way. The well-established advertising and labelling management mechanism has strongly safeguarded the integrity of our marketing and avoided sending false information to consumers.

In addition, we have formulated the *Emergency Treatment Management Procedures* and the *Emergency Reporting Policy*, which, according to the degree of urgency, classifies public opinion events into three levels, namely, blue, orange and red, with corresponding treatment methods. Major emergencies have been redefined to standardise reporting and treatment management, thus enhancing the Group's ability to deal with risks. At the same time, through the establishment of a public opinion monitoring and prevention- control system, we continuously strengthen public opinion monitoring and prevention and control work, and gradually improve the Group's emergency handling capability.

#### 保護信息安全

本集團嚴格遵守《中華人民共和國網絡安全法》等法律法規的要求，制定了《公司保密制度》，頒佈並修改了十餘項規章制度，明確相關保密措施細則及監察方法，並對各類違反該保密制度的行為作出相應的懲處規定，以保護客戶資料信息、規範管理線上店鋪賬號並維護本集團權益。對於經銷商模式，我們充分尊重客戶隱私，對客戶信息進行嚴密保護；對於線上銷售模式，公司基於業務發展不斷提高對IT的要求，對信息安全和數據安全、賬號權限以及網絡安全規範、運維操作流程、規章制度高度重視。

#### 樹立品牌形象

本年度我們嚴格遵守《中華人民共和國廣告法》等與廣告宣傳營銷及標識規範使用相關的各項法律法規。本年度《中華人民共和國食品安全法》的更新對於電商的要求進一步提升，因此本集團加大對電商廣告的審核力度，所有廣告發佈需經過品牌管理委員會的審核，確保符合相關法律法規要求。

我們制定了《品牌管理辦法》，旨在有效把控所有重大市場活動的宣傳文案的合法合規性。完善的廣告宣傳與標識使用管理機制強有力地保障了本集團的誠信營銷，避免向消費者傳遞錯誤信息。

此外，我們制定了《緊急事件處理管理辦法》和《緊急事件上報制度》，根據緊急程度將輿情事件劃分為藍色、橙色、紅色三個等級，並設置了相應的處理辦法；並對重大緊急事件重新定義，對上報及處理管理進行規範，從而提升企業應對風險的能力。同時，通過建立健全輿情監測及防控體系，我們不斷加強輿情監測及防控工作，逐步提高公司緊急事件處理能力。

#### *Case: Promoting the Introduction of Standards and Assuming Social Responsibilities*

With the rapid expansion of the self-serving food market, the uneven quality of self-serving food heating bags has led to frequent safety incidents and consumer complaints. The Group actively undertakes social responsibility, and pushes the industry to issue relevant standards after communicating with the Consumer Protection Committee and friendly merchants to fill the gap in the industry. After the standards are promulgated, the Group also strictly abides by relevant systems, and continues to promote the updating and improvement of relevant standards to standardise the high-quality development of the self-serving food industry.

#### **Protection of Intellectual Property Rights**

The Group strictly abides by the *Anti-unfair Competition Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and other applicable laws and regulations to establish and maintain intellectual property rights. We always respect the intellectual property rights of others and actively protects the Group's intellectual property rights. Counterfeiting, trademark infringement, malicious competition and other acts are resolutely resisted. In order to minimise possible infringement risks of the Group resulting from publishing pictures, texts, videos and other information in new internet channels, and safeguard the rights and interests of the Group, we specifies measures and supervision methods to prevent infringement, as well as corresponding punitive measures in case of any violation. Meanwhile, the Group also formulates the *Brand Management Measures*, which has clarified the declaration process and processing department of intellectual property rights.

In 2020, the Group carried out a total of 32 technological innovation projects. As at the end of the year, the elimination of the "post-sterilisation project" for bone soup bag and the development project of degradable packaging materials have been successfully completed, which has reduced the energy consumption of the factory while enhancing the Group's technical reserve in degradable packaging materials. In addition, the Group has obtained the utility model patent certificate of self-serving food packaging box in March 2021. There were no incidents involving intellectual property litigation or brand infringement during the year.

#### *案例：推動標準出台，承擔社會責任*

隨著自加熱食品市場的急速擴張，自熱食品發熱包質量參差不齊導致安全事件時有發生，引發消費者投訴。公司積極承擔社會責任，在與消保委、友商多方溝通後推動行業出台相關標準，填補了行業空白。標準出台後，公司也嚴格遵守相關制度，並繼續推動相關標準的更新與完善，規範自熱食品行業高質量發展。

#### **保障知識產權**

本集團遵照《中華人民共和國反不正當競爭法》《中華人民共和國商標法》及相關法律法規制度，開展知識產權的建立及維護，始終尊重他人知識產權，也積極維護本集團的知識產權，對於假冒偽劣、商標侵害、惡意競爭等行為堅決抵制。為在最大程度上規避本集團在各互聯網新渠道展示的图片、文字與視頻等信息可能存在的侵權風險，保障本集團權益，我們明確規定了防止相關侵權的措施與監察方法，並制定了相應的違規懲處辦法。同時，本集團亦制定了《品牌管理辦法》，其中明確了知識產權的申報流程及處理部門。

2020年度，本集團共開展32個技術創新項目。截至年末，骨湯包取消「後殺菌項目」和可降解包材開發項目已順利完成，該項目在降低了工廠能源損耗的同時更增強了公司在可降解包材方面的技術儲備。此外，公司已經於2021年3月份取得了可自加熱食品包裝盒的實用新型專利證書。本年度未有涉及知識產權訴訟或品牌侵權相關事件的發生。

#### Persisting in Integrity

The Group strictly abides by the national laws and regulations related to the prevention of bribery, extortion, fraud and money laundering, including the *Anti-unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Banning Commercial Bribery* and the *Anti-money Laundering Law of the People's Republic of China*, we have formulated the *Anti-fraud and Anti-corruption Management Policy* to regulate the occupational behaviours of the directors, senior and middle management and the general staff, so that they would strictly comply with the relevant laws, industry standards and norms, occupational ethics, and the Group's regulations. The policy also aims to establish a culture of integrity, diligence and dedication to duties, and to prevent infringement of the interests of the Group and its shareholders. We promote and create a corporate culture of honesty, integrity, anti-fraud and anti-corruption, and regularly evaluate risk of fraud and corruption and establish the procedures and mechanisms of control to lower the possibility of fraud and corruption.

The Group has systematically established an internal system for anti-corruption. The *Code of Discipline for Directors and Employees*, for instance, is applicable to all our staff including full-time, part-time and temporary employees. According to the Code, employees are required to strictly observe the applicable rules and regulations on anti-corruption and anti-fraud while performing business on behalf of the Group. Direct/indirect requests, receipts and offers of any benefits are equally prohibited. Besides, prior to accepting other work outside the Group, employees shall apply for a written approval from appropriate approvers, who shall make the decision by giving consideration to the fact that whether the work is in conflict with the applicant's position in the Group and the Group's interests. In addition, we have been continually implementing the *Misconduct Management Measures*, which explicitly forbids illegal and improper behaviors including corruption, embezzlement and fraud. In terms of high-risk positions, such as procurement, marketing and promotion, we require employees to sign the *Letter of Commitment relating to Integrity in Procurement*, and the *Letter of Commitment Relating to Sales and Promotion*, to enable them to get a better understanding of misconduct which is explicitly prohibited in performance of their business, efficiently restraining and regulating their behaviours, and enhancing the awareness of ethical conduct and integrity.

#### 堅持廉潔建設

本集團嚴格遵守《中華人民共和國反不正當競爭法》《關於禁止商業賄賂行為的暫行規定》和《中華人民共和國反洗錢法》等與防止賄賂、勒索、欺詐及洗錢相關的國家法律法規要求，並制定了《反舞弊、反貪腐制度》，旨在規範董事、高中級管理層和普通職員的職業行為，嚴格遵守相關法律、行業規範和準則、職業道德及集團規章制度，樹立廉潔和勤勉敬業的良好風氣，防止損害本集團及股東利益的行為發生。我們倡導誠信正直的企業文化，積極營造反舞弊、反貪腐的企業文化環境，定期評估舞弊、貪腐風險並建立具體的控制程序和機制，以降低舞弊、貪腐發生的機會。

我們系統化建立起本集團內部的反貪腐管理制度。針對本集團董事及包括全職、兼職及臨時工在內的全部員工，本集團制定了《董事及職員紀律守則》，規定員工在執行任何集團事務時，必須嚴格遵守反賄賂舞弊的相關制度條例，禁止直接或間接索取、接受或向他人提供任何利益；本集團職員如欲兼任本集團以外的工作，均須事先申請書面批准，核准人員應在綜合考慮該項工作是否與申請人在本集團職務或本集團利益構成衝突後作出相應批覆。另外，我們繼續堅持執行《禁令管理辦法》，明令禁止包括貪污舞弊、挪用公款、弄虛作假在內的違規失當行為。針對採購、銷售推廣等高風險崗位，我們要求崗位從業員工簽署《採購廉潔承諾書》和《銷售推廣承諾書》，規定其在從業過程中不得觸碰的高壓線，有效約束並規範其行為，增強道德操守與廉潔從業意識。



The Group has also attached great importance to integrity and honesty in the external business cooperation. The key partners, including suppliers and distributors, are required to sign the *Letter of Commitment Relating to Supplier Integrity* or the *Letter of Commitment Relating to Distributor Integrity*, prior to officially signing contracts with us. These letters of commitment explicitly express our integrity requirement for suppliers and distributors and informs them of complaints and reporting channels that aim to prevent possible corruption and fraud to the greatest extent during cooperation. Besides, the Group is entitled to terminate or cease partnership with suppliers, distributors or other partners under the contracts, if they violate any clause under their commitment to cooperate with integrity, and to hold them liable to any breach of contract pursuant to the liability clause in the contract. The Group also implements a reward incentive system for our partners to promote our partners to disclose any non-compliance, misconducts or frauds perpetuated by any employees of the Group.

The Group formulates a special audit and internal control audit plan every year, and conducts anti-fraud audit according to the plan and relevant reporting information, covering the main business processes and key areas of concern of the group. In addition, it also conducts audits on assignment or resignation of personnel in key positions. In 2020, we carried out special audits and internal control inspections to identify and improve the management problems in business process actively and timely, protecting the benefits of the Group. Further, we carried out “sunshine publicity” activities and integrity examinations, and also sent integrity reminders to our partners on public holidays. Through the above ways, we have trained and publicized the integrity policy of the group for all employees and important partners, further deepening their understanding of the integrity policy and anti fraud requirements of the company. During the reporting period, the Group provided anti-corruption training to directors and employees to enhance their anti-corruption awareness education.

本集團亦注重在外部商業合作中的廉潔與誠信。重要商業合作夥伴在與我們正式簽署合同之前，首先需簽署廉潔承諾書，例如供應商需簽訂《供應商廉潔承諾書》、經銷商需簽訂《經銷商廉潔承諾書》，該廉潔承諾書向各供應商與經銷商明確表達了本集團的廉潔要求，並告知其相關投訴和舉報渠道，以最大程度杜絕在合作過程中可能出現的貪腐舞弊事件。另外，若供應商或經銷商等合作方違反廉潔合作承諾的任一條款，本集團有權依照合同約定解除合作關係，亦可執行合同中約定的相應違約責任承擔條款。合作方如投訴或舉報本集團工作人員有違規、舞弊等行為，相關情況一經查實，我們將對該合作夥伴進行相應獎勵。

本集團每年制定專項審計和內控審計計劃，並根據該計劃及相關舉報信息進行反舞弊稽查，範圍覆蓋本集團主要業務流程和重點關注領域，同時亦會對集團關鍵崗位人員調動或離職執行離任審計。2020年，我們開展了專項審計及內控檢查，主動及時發現並改進業務流程中存在的管理問題，保障了公司利益；開展了陽光宣傳、廉潔制度考試以及節假日對合作夥伴的廉潔提醒，通過以上方式對全體員工和重要合作夥伴進行了本集團的廉潔政策培訓和宣導，進一步深化其對公司廉潔政策和反舞弊要求的理解。報告期內，本集團向董事和員工均提供了反貪污培訓，加強反貪污意識教育。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Case: Sunshine Publicity Activity

In 2020, the Group carried out sunshine publicity activities for the supply system and sales system in June and December, respectively. Through case sharing, on-site Q&A and other forms, the Sunshine Publicity Activity explained in detail about the Group's prohibitions, integrity commitments and other rules and regulations, which effectively enhanced the employees' awareness of integrity.

In order to detect and rectify misconduct, fraud and non-compliance matters related to the Group's affairs in a timely manner, we have set up a dedicated hotline and email to encourage insiders to report non-compliance, and all staff and partners can report such violations at any time through the above channels. The Group continues to improve the internal employee supervision and reporting mechanism, and adjusts the reward criteria for internal reporting from the previous classification based on employee level to comprehensive assessment based on employee level, authority, position importance, high-risk positions, etc. For reporting involving violations of the Group's prohibitions, integrity commitments, or other major issues, if the investigation is accurate, we will give the informer a reward of RMB20,000 to 1 million before tax to increase the enthusiasm of employees to discover and report issues. At the same time, we keep all reporting confidential, prevent the leakage of relevant information sources, and ensure that informers are not subject to any form of retaliation. In 2020, the Group was not involved in any litigation caused either by itself or its employee's misconduct relating to corruption, fraud, extortion and money-laundering, and no significant internal control deficiencies were identified.

#### CONTRIBUTION TO THE PUBLIC WELFARE

The Group has constantly carried forward the idea for undertaking social responsibility that provides safety and quality food for the market and customers. We give back to the society in fulfilling our social responsibility and actively participate in public welfare undertakings. We take the initiative to understand the needs and expectation of local and neighbouring communities where we operate and encourage the staff to participate in community public welfare activities. The Group also takes concrete actions to ensure that it has taken the interests of local communities into consideration when conducting our business activities. In addition, we are dedicated to promoting common growth of ourselves and communities and to contributing to public welfare.

#### 案例：陽光宣傳活動

2020年，本集團在6月和12月分別針對供應體系和銷售體系開展了陽光宣傳活動。通過案例分享、現場問答等形式，此次陽光宣傳活動對公司禁令、廉潔承諾等規章制度進行了深入講解，有效提升了員工的廉潔意識。

為及時發現並糾正與本集團事務有關的失當行為、舞弊情況及違規事件，我們設有專門的舉報熱線、郵箱，鼓勵知情人舉報違規行為，所有員工與合作夥伴均可以通過以上渠道隨時舉報。本集團不斷完善內部員工監督舉報機制，將內部舉報的獎勵標準從之前按照員工的級別劃分調整為根據員工級別、權限、崗位重要性、高風險崗位等綜合評判。其中，對於涉及違反公司禁令、廉潔從業承諾或其他重大問題的舉報，經調查準確無誤的，我們將給予舉報人稅前2萬—100萬的獎勵，提高員工發現問題和舉報問題的積極性。同時，我們對所有舉報均進行保密處理，杜絕相關信息來源的洩漏，確保舉報人不受任何形式的打擊報復。2020年，本集團未發生因集團或集團員工提出的貪污、欺詐、勒索及洗黑錢等因素導致的訴訟案件，亦未發現重大內控缺陷。

#### 以愛為名，助力公益事業

本集團不斷傳承優良的社會責任理念，在為市場和廣大消費者提供安全優質食品的同時，注重履行企業責任，關注公益事業，努力回饋社會。我們主動了解運營所在社區及其周邊的內在需求與期望，鼓勵員工參與各項社區公益活動，以實際行動將社區利益與本集團業務共融，促進企業與社區的共同成長，為公益事業助力。



In 2020, the Group focused on social pain points and continued to increase its investment in social public welfare extensively and deeply. We carried out a series of various social public welfare activities, with a total investment of approximately RMB12.52 million.

Facing with the sudden outbreak of COVID-19, the Group, while conducting its own pandemic prevention and control, donated RMB2 million worth of self-serving small hot pot products to the Hubei Charity Federation on 25 January 2020. When the Group learned that Jinyintan Hospital in Wuhan and Renmin Hospital of Wuhan University were in urgent need of living supplies, it donated 40,000 boxes of self-serving small hot pot to these two hospitals on 11 February, 2020, and made a daily donation of 20,000 boxes of self-serving small hot pot to frontline medical staff in Hubei through the Hubei Charity Federation from 12 February to 10 March until the pandemic in Hubei province was under control, contributing to the fight against the pandemic.

2020年，本集團關注社會痛點，由廣泛到深入不斷加大在社會公益方面的投資力度。我們開展了一系列形式多樣的社會公益活動，共投入資金約人民幣1,252萬元。

面對突如其來的疫情，本集團在做好自身疫情控制的同時，於2020年1月25日向湖北慈善總會捐贈了價值人民幣200萬元的自加熱小火鍋產品；在得知武漢金銀潭醫院和武漢大學人民醫院急需生活物資後，於2020年2月11日向兩個醫院定向捐贈4萬盒自加熱小火鍋，並從2月12日至3月10日通過湖北省慈善總會每天捐贈2萬盒自加熱小火鍋給湖北抗疫一線的醫護人員，直到湖北全省疫情平穩，為抗擊疫情貢獻一份力量。

## Independent Auditor's Report

### 獨立核數師報告



羅兵咸永道

**To the Shareholders of Yihai International Holding Ltd.**  
(incorporated in the Cayman Islands with limited liability)

致頤海國際控股有限公司股東  
(於開曼群島註冊成立的有限公司)

#### OPINION

意見

#### What we have audited

我們已審計的內容

The consolidated financial statements of Yihai International Holding Ltd. (the “Company”) and its subsidiaries (the “Group”) set out on pages 162 to 272, which comprise:

頤海國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第162至272頁的綜合財務報表，包括：

- the consolidated balance sheet as at 31 December 2020;
  - the consolidated statement of profit or loss and other comprehensive income for the year then ended;
  - the consolidated statement of changes in equity for the year then ended;
  - the consolidated statement of cash flows for the year then ended; and
  - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於2020年12月31日的綜合資產負債表、
  - 截至該日止年度的綜合損益及其他全面收益表、
  - 截至該日止年度的綜合權益變動表、
  - 截至該日止年度的綜合現金流量表及
  - 綜合財務報表附註，包括主要會計政策概要。

## Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

## 我們的意見

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2020年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

## 意見的基礎

我們已根據《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## 獨立性

根據國際會計師職業道德準則理事會頒佈的《國際會計師職業道德守則（包含國際獨立性標準）》（以下簡稱「道德守則」），我們獨立於貴集團，並已履行道德守則中的其他職業道德責任。

## Independent Auditor's Report

### 獨立核數師報告

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is related to impairment provision for inventories:

#### Key Audit Matter

##### 關鍵審計事項

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Impairment provision for inventories

存貨減值準備

Refer to Notes 2.13, 4.1 and 11 to the consolidated financial statements.

Inventories are carried at the lower of cost and net realisable value, being estimated selling price less estimated selling costs, where applicable, and impairment provision is recognised to write down the inventories to their net realisable value.

As at 31 December 2020, the carrying amount of the Group's inventories was RMB406,033,000 and no provision for impairment of inventories has been recognised.

The estimation of impairment provision for inventories involves significant management's judgment and estimates based on the consideration of certain key factors such as aging profile, prior experiences, estimated future selling prices and selling expenses.

The impairment assessment of inventories is an area of focus for us given the estimation of net realisable value of inventories is subject to high degree of estimation uncertainty and the significant amount of the inventory balance.

#### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項是關於存貨減值準備。

請參閱綜合財務報表附註2.13、4.1及11。

存貨乃按其成本與可變現淨值（即為預估的銷售價格減去預估的銷售成本）孰低者列賬，適用時，確認減值準備以將存貨撇減至其可變現淨值。

於2020年12月31日，貴集團存貨的賬面值為人民幣406,033,000元及並無確認存貨減值準備。

存貨的減值準備估計涉及管理層重大判斷及估計，該等判斷及估計需考慮庫齡結構、過往經驗、預估未來售價以及銷售開支等若干關鍵因素。

鑑於存貨可變現淨值的估計受限於估計高度不確定性以及存貨結額金額龐大，存貨減值評估是我們關注的範疇。

## How our audit addressed the Key Audit Matter

### 我們的審計如何處理關鍵審計事項

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#### Impairment provision for inventories 存貨減值準備

Our audit procedures relating to impairment provision for inventories included the following:

- We obtained and understood the Group's inventory provision policy.
- We understood and evaluated the relevant management's internal controls and assessment process of net realisable value of inventories and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud.
- We evaluated, on sample basis, the assumptions in estimating future selling prices and selling expenses by reference to historical records and sales transactions after year end.
- On sample basis, we tested the aging profile of the year end raw materials and finished goods.
- We observed physical condition of inventories during stocktake to identify if any inventories were slow-moving, damaged, or obsolete.

Based on the above, we considered that management's judgement and estimates applied in the assessment of impairment provision for inventories were supportable by the evidence obtained and procedures performed.

我們針對存貨減值準備的審計程式包括以下各項：

- 我們獲得並了解了貴集團的存貨準備政策。
- 我們對管理層就存貨可變現淨值採取的相關內部監控及評估程序進行了解及評估，並通過考慮估計的不確定程度及其他固有風險因素（例如複雜性、主觀性、變動及受管理層偏見或欺詐影響的程度）水平，評估重大錯誤陳述的固有風險。
- 我們參考歷史記錄及年結日後的銷售交易，在抽樣的基礎上對預估未來售價及銷售開支的假設進行了評估。
- 在抽樣的基礎上，我們對年結日的原材料及產成品的庫齡結構進行了測試。
- 我們在存貨盤點期間查看了存貨的物理狀況，以確定存貨是否出現滯銷、損壞或報廢。

基於上述各項，我們認為管理層在評估存貨減值準備時所作出的判斷及估計有可得的證據及所進行的程序支持。



#### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Five-Year Performance Review, Chairman's Statement, Profiles of Directors and Senior Management, Corporate Governance Report, Directors' Report and the Environmental, Social and Governance Report, which are expected to be made available to us after that date.

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

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

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

When we read the Five-Year Performance Review, Chairman's Statement, Profiles of Directors and Senior Management, Corporate Governance Report, Directors' Report and the Environmental, Social and Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee of the Company and take appropriate action considering our legal rights and obligations.

#### 其他信息

貴公司董事須對其他信息負責。其他信息包括我們在本核數師報告日前取得的管理層討論與分析內的信息(但不包括綜合財務報表及我們的核數師報告),以及預期會在本核數師報告日後取得的五年業績回顧、董事長報告書、董事及高級管理層簡介、企業管治報告、董事會報告和環境、社會及管治報告內的信息。

我們對綜合財務報表的意見並不涵蓋其他信息,我們既不也將不對該等其他信息發表任何形式的鑑證結論。

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

基於我們對在本核數師報告日前取得的其他信息所執行的工作,如果我們認為其他信息存在重大錯誤陳述,我們需要報告該事實。在這方面,我們沒有任何報告。

當我們閱讀五年業績回顧、董事長報告書、董事及高級管理層簡介、企業管治報告、董事會報告和環境、社會及管治報告後,如果我們認為其中存在重大錯誤陳述,我們需要將有關事項與董事溝通,並考慮我們的法律權利和義務後採取適當行動。

## RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE OF THE COMPANY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

貴公司董事和審計委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

貴公司審計委員會須負責監督貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

## Independent Auditor's Report

### 獨立核數師報告

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
  - 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
  - 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
  - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
  - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee of the Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Cheuk Kay.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 23 March 2021

- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與貴公司審計委員溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向貴公司審計委員提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與貴公司審計委員溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是黃焯棋。

羅兵咸永道會計師事務所  
執業會計師

香港，2021年3月23日



## Consolidated Balance Sheet

### 綜合資產負債表

		As at 31 December 於12月31日		
		Note 附註	2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Assets</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	7	790,095	483,393
Right-of-use assets	使用權資產	8	207,509	151,435
Intangible assets	無形資產	6	21,493	17,649
Deferred income tax assets	遞延所得稅資產	10	16,476	25,445
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	16	83,672	84,893
Term deposits with initial term over one year	初始期限超過一年的定期存款	15	190,000	-
Other non-current assets	其他非流動資產	12	148,053	194,949
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>1,457,298</b>	957,764
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	11	406,033	297,334
Trade receivables	貿易應收款項	13	190,829	269,175
Other financial assets at amortised cost	按攤銷成本計量的其他金融資產	14	7,100	7,762
Other current assets	其他流動資產	12	107,208	168,879
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	16	-	89,596
Term deposits with initial term over three months and within one year	初始期限超過三個月及一年以內的定期存款	15	131,937	484,845
Cash and cash equivalents	現金及現金等價物	15	1,986,929	1,036,396
<b>Total current assets</b>	<b>流動資產總值</b>		<b>2,830,036</b>	2,353,987
<b>Total assets</b>	<b>資產總值</b>		<b>4,287,334</b>	3,311,751
<b>Equity</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Share capital	股本	17	68	68
Shares held for employee share scheme	就僱員股份計劃持有的股份	18	(4)	(4)
Reserves	儲備	19	3,295,194	2,613,785
Capital and reserves attributable to owners of the Company	本公司擁有人應佔資本及儲備		3,295,258	2,613,849
Non-controlling interests	非控股權益	9	218,329	114,298
<b>Total equity</b>	<b>權益總額</b>		<b>3,513,587</b>	2,728,147



## Consolidated Balance Sheet

### 綜合資產負債表

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
	Note 附註		
<b>Liabilities</b>	負債		
<b>Non-current liabilities</b>	非流動負債		
Lease liabilities	租賃負債	44,357	26,361
Deferred income tax liabilities	遞延所得稅負債	23,746	381
<b>Total non-current liabilities</b>	非流動負債總額	<b>68,103</b>	26,742
<b>Current liabilities</b>	流動負債		
Trade payables	貿易應付款項	279,322	207,490
Other payables and accruals	其他應付款項及應計費用	192,075	183,517
Contract liabilities	合約負債	80,100	46,224
Lease liabilities	租賃負債	29,279	12,790
Current income tax liabilities	即期所得稅負債	124,868	106,841
<b>Total current liabilities</b>	流動負債總額	<b>705,644</b>	556,862
<b>Total liabilities</b>	負債總額	<b>773,747</b>	583,604
<b>Total equity and liabilities</b>	權益及負債總額	<b>4,287,334</b>	3,311,751
<b>Net current assets</b>	流動資產淨值	<b>2,124,392</b>	1,797,125

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

The consolidated financial statements on pages 162 to 272 were approved by the Board of Directors on 23 March 2021 and were signed on its behalf.

上述綜合資產負債表應與隨附附註一併閱讀。

第162頁至第272頁的綜合財務報表於2021年3月23日獲董事會批准，並由下列董事代為簽署。

**SHI YONGHONG**

施永宏  
Director  
董事

**SUN SHENGFENG**

孫勝峰  
Director  
董事

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

### 綜合損益及其他全面收益表

		Year ended 31 December 截至12月31日止年度		
		Note 附註	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Revenue	收入	5	5,360,021	4,282,488
Cost of sales	銷售成本	24	(3,269,911)	(2,641,088)
<b>Gross profit</b>	<b>毛利</b>		<b>2,090,110</b>	1,641,400
Distribution expenses	經銷開支	24	(563,467)	(383,344)
Administrative expenses	行政開支	24	(280,535)	(265,590)
Other income and gains – net	其他收入及收益淨額	26	87,675	79,035
<b>Operating profit</b>	<b>經營溢利</b>		<b>1,333,783</b>	1,071,501
Finance income	融資收入	27	20,407	23,679
Finance costs	融資成本	27	(2,007)	(1,560)
Finance income – net	融資收入淨額	27	18,400	22,119
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>1,352,183</b>	1,093,620
Income tax expense	所得稅開支	28	(369,322)	(298,615)
<b>Profit for the year</b>	<b>年內溢利</b>		<b>982,861</b>	795,005
<b>Profit is attributable to:</b>	<b>以下人士應佔溢利：</b>			
Owners of the Company	本公司擁有人		885,222	718,634
Non-controlling interests	非控股權益		97,639	76,371
<b>Other comprehensive (loss)/income</b>	<b>其他全面(虧損)/收入</b>			
<i>Items that may be reclassified to profit or loss</i>	<i>可重新分類至損益的項目</i>			
– Currency translation differences	– 匯兌差額		(581)	843
<b>Other comprehensive (loss)/income for the year, net of tax</b>	<b>年內其他全面(虧損)/收入(扣除稅項)</b>		<b>(581)</b>	843
<b>Total comprehensive income</b>	<b>全面收入總額</b>		<b>982,280</b>	795,848
<b>Total comprehensive income attributable to:</b>	<b>以下人士應佔全面收入總額：</b>			
– Owners of the Company	– 本公司擁有人		885,062	719,469
– Non-controlling interests	– 非控股權益		97,218	76,379
<b>Earnings per share attributable to owners of the Company</b>	<b>本公司擁有人應佔每股盈利</b>			
<i>(expressed in RMB cents per share)</i>	<i>(以每股人民幣分列示)</i>			
– Basic	– 基本	29	90.2	74.1
– Diluted	– 攤薄	29	90.2	74.1

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

上述綜合損益及其他全面收益表應與隨附附註一併閱讀。

## Consolidated Statement of Changes in Equity

### 綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔					
		Share capital (Note 17)	Shares held for employee share scheme (Note 18) 就僱員股份 計劃持有的 股份 (附註18)	Reserves (Note 19) 儲備 (附註19)	Total	Non- controlling interests	Total equity
		股本 (附註17)	股份 (附註18)	儲備 (附註19)	總計	非控股權益	權益總額
Note		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
附註		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
<b>Year ended 31 December 2019</b>	<b>截至2019年12月31日止年度</b>						
<b>Balance at 1 January 2019</b>	<b>於2019年1月1日結餘</b>	68	(5)	2,005,127	2,005,190	34,531	2,039,721
<b>Comprehensive income</b>	<b>全面收入</b>						
Profit for the year	年內溢利	-	-	718,634	718,634	76,371	795,005
<b>Other comprehensive income</b>	<b>其他全面收入</b>						
Currency translation differences	匯兌差額	-	-	835	835	8	843
<b>Total comprehensive income</b>	<b>全面收入總額</b>	-	-	719,469	719,469	76,379	795,848
<b>Transactions with owners in their capacity as owners:</b>	<b>與擁有人(以彼等之擁有人身份) 交易:</b>						
Capital injections from non-controlling interests	非控股權益注資	-	-	-	-	3,388	3,388
Share-based payment expense	以股份為基礎的付款開支	20	-	37,487	37,487	-	37,487
Shares vested under employee share scheme	根據僱員股份計劃歸屬的股份	18, 20	1	345	346	-	346
Dividends provided for or paid	已計提或已派付股息	30	-	(148,643)	(148,643)	-	(148,643)
<b>Total transactions with owners</b>	<b>與擁有人交易總額</b>	-	1	(110,811)	(110,810)	3,388	(107,422)
<b>Balance at 31 December 2019</b>	<b>於2019年12月31日結餘</b>	68	(4)	2,613,785	2,613,849	114,298	2,728,147
<b>Year ended 31 December 2020</b>	<b>截至2020年12月31日止年度</b>						
<b>Balance at 1 January 2020</b>	<b>於2020年1月1日結餘</b>	68	(4)	2,613,785	2,613,849	114,298	2,728,147
<b>Comprehensive income</b>	<b>全面收入</b>						
Profit for the year	年內溢利	-	-	885,222	885,222	97,639	982,861
<b>Other comprehensive loss</b>	<b>其他全面虧損</b>						
Currency translation differences	匯兌差額	-	-	(160)	(160)	(421)	(581)
<b>Total comprehensive income</b>	<b>全面收入總額</b>	-	-	885,062	885,062	97,218	982,280
<b>Transactions with owners in their capacity as owners:</b>	<b>與擁有人(以彼等之擁有人身份) 交易:</b>						
Capital injections from non-controlling interests	非控股權益注資	-	-	-	-	6,813	6,813
Dividends provided for or paid	已計提或已派付股息	30	-	(203,653)	(203,653)	-	(203,653)
<b>Total transactions with owners</b>	<b>與擁有人交易總額</b>	-	-	(203,653)	(203,653)	6,813	(196,840)
<b>Balance at 31 December 2020</b>	<b>於2020年12月31日結餘</b>	68	(4)	3,295,194	3,295,258	218,329	3,513,587

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與隨附附註一併閱讀。

## Consolidated Statement of Cash Flows

### 綜合現金流量表

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Cash flows from operating activities</b>	經營活動所得現金流量		
Cash generated from operations	經營所得現金	1,497,308	1,205,355
Interest received	已收利息	20,407	23,679
Income tax paid	已付所得稅	(318,961)	(277,642)
<b>Net cash generated from operating activities</b>	經營活動所得現金淨額	<b>1,198,754</b>	951,392
<b>Cash flows from investing activities</b>	投資活動所得現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(325,994)	(258,049)
Purchases of right-of-use assets	購買使用權資產	(69,059)	(40,305)
Purchases of intangible assets	購買無形資產	(9,395)	(15,069)
Purchases of financial assets at fair value through profit or loss	購買按公平值計入損益的金融資產	(14,812,120)	(8,412,877)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的金融資產所得款項	14,913,361	8,254,176
Investment income from financial assets at fair value through profit or loss	來自按公平值計入損益的金融資產的投資收入	18,150	6,395
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	10,218	3,320
Proceeds from disposal of right-of-use assets	出售使用權資產所得款項	39,420	-
Decrease/(increase) in term deposits	定期存款減少/(增加)	162,908	(484,845)
<b>Net cash used in investing activities</b>	投資活動所用現金淨額	<b>(72,511)</b>	(947,254)
<b>Cash flows from financing activities</b>	融資活動所得現金流量		
Dividends paid to the Company's shareholders	向本公司股東派付股息	(203,653)	(148,643)
Payments for lease liabilities	租賃負債付款	(13,336)	(8,827)
Capital injections from non-controlling interests	非控股權益注資	6,813	3,388
<b>Net cash used in financing activities</b>	融資活動所用現金淨額	<b>(210,176)</b>	(154,082)
<b>Net increase/(decrease) in cash and cash equivalents</b>	現金及現金等價物增加/(減少)淨額	<b>916,067</b>	(149,944)
Cash and cash equivalents at beginning of the financial year	財政年初現金及現金等價物	1,036,396	1,179,910
Effects of exchange rate changes on cash and cash equivalents	現金及現金等價物匯率變動的影響	34,466	6,430
<b>Cash and cash equivalents at end of year</b>	年末現金及現金等價物	<b>1,986,929</b>	1,036,396

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附附註一併閱讀。

1. GENERAL INFORMATION

Yihai International Holding Ltd. (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the production and sales of hot pot condiment, Chinese-style compound condiment, and convenient ready-to-eat food products in the People’s Republic of China.

The Company was incorporated in the Cayman Islands on 18 October 2013 as an exempted company with limited liability under the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands.

The Company’s global offering of its shares (the “Global Offering”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “HKSE”) was completed on 13 July 2016 (the “Listing”).

The consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors of the Company (the “Board of Directors”) on 23 March 2021.

1. 一般資料

頤海國際控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）在中華人民共和國主要從事火鍋調味料、中式複合調味料及方便速食的生產及銷售。

本公司於2013年10月18日在開曼群島根據開曼群島1961年第3號法例第22章公司法（經綜合及修訂）註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands。

本公司股份在香港聯合交易所有限公司（「香港聯交所」）主板的全球發售（「全球發售」）已於2016年7月13日完成（「上市」）。

除非另有指明，否則綜合財務報表以人民幣（「人民幣」）呈列。

該等綜合財務報表已於2021年3月23日獲本公司董事會（「董事會」）批准刊發。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the Group consisting of the Company and its subsidiaries.

### 2.1 Basis of preparation

(i) *Compliance with IFRS and HKCO*

The consolidated financial statements of the Group has been prepared in accordance with International Financial Reporting Standards (“IFRS”) and requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622.

(ii) *Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for certain financial assets at fair value through profit or loss which are measured at fair value.

(iii) *New and amended standards adopted by the Group*

The Group has applied the following standards, and amendments for the first time for their annual reporting period commencing 1 January 2020, which are relevant to its operations:

- Definition of Material – amendments to IFRS 1 and IFRS 8
- Definition of a Business – amendments to IFRS 3

## 2. 重大會計政策概要

本附註提供於編製此等綜合財務報表時採納的重大會計政策清單。除另有註明外，此等政策於所有列報年度內貫徹應用。綜合財務報表乃為本集團（包括本公司及其附屬公司）編製。

### 2.1 編製基準

(i) *遵守國際財務報告準則及香港公司條例*

本集團的綜合財務報表已按照國際財務報告準則（「國際財務報告準則」）及香港公司條例（第622章）的規定編製。

(ii) *歷史成本法*

財務報表已按歷史成本基準編製，惟若干按公平值計量的按公平值計入損益的金融資產除外。

(iii) *本集團採納的新訂及經修訂準則*

本集團就自2020年1月1日起的年度報告期間首次採用下列與經營相關的準則及修訂：

- 重要性的定義 – 國際財務報告準則第1號及國際財務報告準則第8號的修訂本
- 業務的定義 – 國際財務報告準則第3號的修訂本

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

#### (iii) *New and amended standards adopted by the Group (Continued)*

- Interest Rate Benchmark Reform – amendments to IFRS 9, IFRS 39 and IFRS 7
- Revised Conceptual Framework for Financial Reporting

The Group also elected to adopt the following amendments early.

- Annual Improvements to IFRS Standards 2018-2020 Cycle.
- Covid-19-Related Rent Concessions – amendments to IFRS 16 and Interest Rate Benchmark Reform – amendments to IFRS 9, IFRS 39 and IFRS 7

#### (iv) *New standards and interpretations not yet adopted*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

## 2. 重大會計政策概要 (續)

### 2.1 編製基準 (續)

#### (iii) 本集團採納的新訂及經修訂準則 (續)

- 利率基準改革 – 國際財務報告準則第9號、國際財務報告準則第39號及國際財務報告準則第7號的修訂本
- 經修訂財務報告概念框架

本集團亦選擇提早採納下列修訂本。

- 國際財務報告準則2018年至2020年週期的年度改進。
- 與2019新型冠狀病毒疫情相關的租金減免 – 國際財務報告準則第16號的修訂本及利率基準改革 – 國際財務報告準則第9號、國際財務報告準則第39號及國際財務報告準則第7號的修訂本

#### (iv) 尚未採納的新準則及詮釋

若干新會計準則及詮釋已頒佈但並非於2020年12月31日報告期間強制生效及本集團並無提早採納。預期該等準則不會對本報告期間或未來報告期間的本集團以及可預見未來交易產生重大影響。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.2 Changes in accounting policies

The Group has early adopted Amendment to IFRS 16 – Covid-19-Related Rent Concessions retrospectively from 1 January 2020. The amendment provides an optional practical expedient allowing lessees to elect not to assess whether a rent concession related to COVID-19 is a lease modification. Lessees adopting this election may account for qualifying rent concessions in the same way as they would if they were not lease modifications. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met: a. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; b. any reduction in lease payments affects only payments due on or before 30 June 2021; and c. there is no substantive change to other terms and conditions of the lease.

The Group has applied the practical expedient to all qualifying COVID-19-related rent concessions. Rent concessions totalling RMB707,000 have been accounted for as negative variable lease payments and recognised in administrative expenses in the statement of profit or loss for the year ended 31 December 2020 (see Note 3), with a corresponding adjustment to the lease liability. There is no impact on the opening balance of equity at 1 January 2020.

## 2. 重大會計政策概要 (續)

### 2.2 會計政策變動

本集團已由2020年1月1日起提早追溯採納國際財務報告準則第16號的修訂本「與2019新型冠狀病毒疫情相關的租金減免」。該修訂本提供可選擇的可行權宜方法，允許承租人選擇不評估與2019新型冠狀病毒疫情相關的租金減免是否屬租賃修訂。選擇採用該可行權宜方法的承租人可將合資格租金減免以非租賃修訂之入賬方式入賬。該可行權宜方法僅適用於2019新型冠狀病毒疫情直接導致且僅在符合以下所有條件方會產生的租金減免：a.租賃付款變動導致經修訂的租賃代價大致等於或低於與緊接變動前的租賃代價；b.租賃付款的任何減少僅影響原於2021年6月30日或之前到期的應付款項；及c.租賃的其他條款及條件並無發生實質性變化。

本集團已將該可行權宜方法應用於所有符合條件的與2019新型冠狀病毒疫情相關的租金減免。總計人民幣707,000元的租金減免已入賬為負可變租賃付款及於截至2020年12月31日止年度損益表內確認為行政開支（見附註3），並對租賃負債作出相應調整。於2020年1月1日之權益期初結餘未受影響。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.3 Principles of consolidation***(i) Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.4).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and balance sheet respectively.

**2. 重大會計政策概要 (續)****2.3 合併原則***(i) 附屬公司*

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團透過參與實體業務而享有或有權取得該實體的可變回報且有能力透過其指揮該實體業務的權力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移至本集團之日起全部合併入賬，並自控制終止之日起取消合併。

本集團採用收購會計法將業務合併入賬(請參閱附註2.4)。

集團公司間的公司間交易、結餘及未變現交易收益予以對銷。未變現虧損亦會予以抵銷，除非有關交易顯示所轉讓資產的減值證據。附屬公司的會計政策已按需要調整，以確保與本集團採納的政策貫徹一致。

業績內的非控股權益及附屬公司權益分別獨立呈列於綜合損益及其他全面收益表、權益變動表及資產負債表。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.3 Principles of consolidation (Continued)

#### (ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs.

## 2. 重大會計政策概要 (續)

### 2.3 合併原則 (續)

#### (ii) 所有權權益變動

本集團將不導致喪失控制權的非控股權益交易視作與本集團權益擁有人的交易。所有權權益變動導致控股與非控股權益賬面值的調整，以反映其於附屬公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

當本集團因喪失控制權、共同控制權或重大影響力而停止綜合入賬一項投資時，於實體的任何保留權益重新按公平值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或金融資產的保留權益而言，該公平值為初始賬面值。此外，先前於其他全面收入就該實體確認的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這意味著先前於其他全面收入確認的金額重新分類至損益或轉撥至適用國際財務報告準則所指明／許可的另一權益類別內。



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.4 Business combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group,
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

**2. 重大會計政策概要 (續)****2.4 業務合併**

本集團採用收購會計法將所有業務合併入賬，而不論收購股權工具或其他資產。收購附屬公司的已轉讓代價包括：

- 所轉讓資產的公平值，
- 所收購業務先前擁有人產生的負債，
- 本集團發行的股權，
- 或然代價安排產生的任何資產或負債的公平值，及
- 於附屬公司任何已存在股權的公平值。

除少數特殊情況外，在業務合併中所收購的可識別資產、所承擔的負債及或然負債初步按收購日期的公平值計量。本集團按逐項收購基準確認被收購實體任何非控股權益，以公平值或以非控股權益應佔被收購實體可識別資產淨值的比例計量。

收購相關成本於產生時支銷。

- 所轉讓代價，
- 於被收購實體的任何非控股權益金額，及
- 於被收購實體的任何過往股權於收購日期的公平值

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.4 Business combinations (Continued)

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

### 2.5 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

## 2. 重大會計政策概要 (續)

### 2.4 業務合併 (續)

高於所收購的可識別資產淨值的公平值時，其差額以商譽列賬。倘該等金額低於所收購業務可識別資產淨值的公平值，其差額將直接在損益內確認為議價購入。

或然代價分類為權益或金融負債。分類為金融負債的金額隨後按公平值重新計量，而公平值變動則於損益內確認。

如業務合併分階段進行，收購方之前在被收購方持有的股權於收購日期的賬面值於收購日期按公平值重新計量。重新計量產生的任何收入或虧損於損益內確認。

### 2.5 獨立財務報表

於附屬公司的投資按成本扣除減值入賬。成本包括直接應佔投資成本。本公司按已收及應收股息基準將附屬公司的業績入賬。

倘股息超過附屬公司於股息宣派期間的全面收入總額或於獨立財務報表中有關投資的賬面值超過投資對象的淨資產（包括商譽）於綜合財務報表中的賬面值，則於收取該等投資的股息時，須對附屬公司的投資進行減值測試。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.6 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer, vice presidents and directors of the Company that makes strategic decisions.

**2.7 Foreign currency translation***(i) Functional and presentation currency*

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in Renminbi (“RMB”), which is the Company’s functional currency and the Company’s and Group’s presentation currency.

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

**2. 重大會計政策概要 (續)****2.6 分部報告**

經營分部的呈報方式與向主要經營決策者（「主要經營決策者」）作出內部呈報的方式貫徹一致。主要經營決策者負責分配資源及評估經營分部的表現，並已被認定為本公司作出戰略決策的最高行政人員、副總裁及董事。

**2.7 外幣換算***(i) 功能及呈報貨幣*

計入本集團各實體財務報表的項目均採用該實體經營所在主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報表以本公司的功能貨幣及本公司及本集團的呈報貨幣人民幣（「人民幣」）呈列。

*(ii) 交易及結餘*

外幣交易均按交易當日的匯率折算為功能貨幣。結算該等交易以及將以外幣計價的貨幣資產及負債按年終匯率折算產生的匯兌收入及虧損一般於損益內確認。倘其與合資格現金流量對沖及合資格淨投資對沖有關或屬於海外業務淨投資的一部分，則於權益遞延。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.7 Foreign currency translation (Continued)

#### (ii) Transactions and balances (Continued)

Foreign exchange gains and losses that relate to borrowing are presented in the consolidated statement of profit or loss and other comprehensive income within “Finance income – net”. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income within “Other income and gains – net”.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

#### (iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,

## 2. 重大會計政策概要 (續)

### 2.7 外幣換算 (續)

#### (ii) 交易及結餘 (續)

與借款有關的匯兌收入及虧損乃於綜合損益及其他全面收益表「融資收入淨額」內呈列。所有其他匯兌收入及虧損乃於綜合損益及其他全面收益表「其他收入及收益淨額」內呈列。

按外幣公平值計量的非貨幣項目乃按於釐定公平值當日的匯率換算。按公平值列賬的資產及負債的換算差額呈報為公平值收入或虧損的一部分。例如，非貨幣資產及負債（如按公平值計入損益的權益）的換算差額，於損益內確認為公平值收入或虧損的一部分；而非貨幣資產（如按公平值計入其他全面收入的權益）的換算差額，則於其他全面收入內確認。

#### (iii) 集團公司

功能貨幣與呈列貨幣不同的海外業務（當中不涉及嚴重通脹經濟體的貨幣）的業績及財務狀況按下列方法換算為呈列貨幣：

- 每份呈報的資產負債表內的資產與負債按該資產負債表日期的收市匯率換算，

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.7 Foreign currency translation (Continued)***(iii) Group companies (Continued)*

- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

**2. 重大會計政策概要 (續)****2.7 外幣換算 (續)***(iii) 集團公司 (續)*

- 各損益及其他全面收益表的收入及開支按平均匯率換算（除非該匯率並非在交易當日的匯率累計影響的合理估計內，在此情況下，收入及開支於交易日期換算），及
- 所有由此產生的換算差額於其他全面收入確認。

於合併時，換算海外實體任何投資淨額及借款以及指定為對沖有關投資的其他金融工具產生的匯兌差額均於其他全面收入確認。當出售海外業務或償還構成該投資淨額部分的任何借款，相關匯兌差額於損益重新歸類為出售的部分收入或虧損。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.7 Foreign currency translation (Continued)

#### (iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

### 2.8 Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Freehold land is stated at cost less accumulated impairment losses, if any. Cost represents consideration paid for the purchase of the land. Freehold land is not subject to depreciation.

## 2. 重大會計政策概要 (續)

### 2.7 外幣換算 (續)

#### (iv) 處置海外業務及部分處置

於處置海外業務時(即處置本集團於海外業務的全部權益,或處置涉及失去對一家附屬公司(包括海外業務)的控制權)時,所有於本公司擁有人就該項業務應佔的權益累計的匯兌差額重新分類至損益。

對於並不導致本集團喪失對擁有境外經營的附屬公司的控制權的部分處置,本集團在累計匯兌差額中的比例份額重新歸屬於非控制性權益並且不在損益中確認。

### 2.8 物業、廠房及設備

物業、廠房及設備(在建工程除外)按歷史成本減累計折舊及減值列賬。歷史成本包括收購該等項目直接應佔的開支。

永久業權土地按成本減累計減值虧損(如有)列賬。成本指購買土地的已付代價。永久業權土地不計提折舊。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.8 Property, plant and equipment** *(Continued)*

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter of lease term and estimated useful lives as follows:

• Buildings	20 years
• Machinery	5-10 years
• Equipment and others	3-5 years
• Vehicles and furniture	5 years
• Leasehold improvements	5 years or over lease term

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

**2. 重大會計政策概要 (續)****2.8 物業、廠房及設備 (續)**

後續成本只有在該項目很可能為本集團帶來與之有關的未來經濟利益，且其成本能可靠計量時，才計入資產的賬面值或確認為一項單獨資產（倘適用）。入賬列作獨立資產的任何部分被替換時，其賬面值會終止確認。所有其他維修及保養費用在其產生的報告期間內於損益扣除。

折舊以直線法於其估計可使用年期或（倘為租賃裝修）租期或估計可使用年期（以較短者為準）分配其成本（扣除其剩餘價值），詳情如下：

• 樓宇	20年
• 機器	5-10年
• 設備及其他	3-5年
• 汽車及傢具	5年
• 租賃裝修	5年或租期

資產的剩餘價值及可使用年期在各呈報期末進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回金額，其賬面值即時撇減至可收回金額（附註2.10）。

出售收入及虧損按所得款項與賬面值的差額釐定，並計入損益。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.8 Property, plant and equipment (Continued)

Construction-in-progress (“CIP”) represents buildings, plant and machinery under construction or pending for installation and is stated at cost less accumulated impairment losses (if any). Cost includes the costs of construction and acquisition. No provision for depreciation is made on CIP until such time as the relevant assets are completed and ready for intended use. When the assets concerned are available for use, the costs are transferred to the respective categories of property, plant and equipment and depreciated in accordance with the policy as stated above.

### 2.9 Intangible assets

#### (i) Trademarks

Acquired trademarks are shown at historical cost. Trademarks are recognised at fair value at the acquisition date. They have a finite useful lives of 5 years and are subsequently carried at cost less accumulated amortisation and impairment losses.

#### (ii) Software

Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives of 5 years.

## 2. 重大會計政策概要 (續)

### 2.8 物業、廠房及設備 (續)

在建工程指在建或正在安裝的建築、廠房及機器設備，並按成本減累計減值虧損（如有）列賬。成本包括建設成本與收購成本。在建工程不涉及折舊，直至相關資產建設完成至可使用狀態。當相關資產達到可使用狀態時，成本將轉至相應的物業、廠房及設備類別，並根據上述政策進行折舊。

### 2.9 無形資產

#### (i) 商標

收購的商標按歷史成本列示。商標按收購日期的公平值確認。商標具有5年的有限可使用年期且隨後按成本減累計攤銷及減值虧損列賬。

#### (ii) 軟件

購買的電腦軟件按購買及投入使用特定軟件所產生的成本資本化。該等成本於其估計使用年期5年按直線法進行攤銷。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.10 Impairment of non-financial assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**2.11 Investments and other financial assets***(i) Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**2. 重大會計政策概要 (續)****2.10 非金融資產減值**

可使用年期不限定的無形資產毋須攤銷，但每年須就減值進行測試，或於發生事項或情況出現變化而顯示可能出現減值時作出更頻密的減值測試。其他資產會於發生事項或情況出現變化而顯示其賬面值未必能夠收回時，進行減值測試。減值虧損按有關資產賬面值超過其可收回金額的數額確認。可收回金額為資產的公平值減出售成本與使用價值兩者的較高者。就減值評估而言，資產按獨立可識別現金流入的最低分類組合（現金產生單位）分類，其所產生的現金流入基本上獨立於其他資產或資產組別。出現減值的非金融資產（商譽除外）於各報告期末檢討是否可能撥回減值。

**2.11 投資及其他金融資產***(i) 分類*

本集團按以下計量類別將其金融資產分類：

- 隨後按公平值計量（計入其他全面收入（「其他全面收入」）或計入損益）的金融資產，及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模式及現金流量的合約條款而定。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.11 Investments and other financial assets (Continued)

#### (i) Classification (Continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

## 2. 重大會計政策概要 (續)

### 2.11 投資及其他金融資產 (續)

#### (i) 分類 (續)

就按公平值計量的資產而言，收益及虧損將計入損益或其他全面收入。就並未持作買賣股本工具投資而言，其將視乎本集團於初步確認時有否作出不可撤回的選擇將股本投資按公平值計入其他全面收入（「按公平值計入其他全面收入」）列賬。

本集團當且僅當其管理該等資產的業務模式變動時重新分類金融資產。

#### (ii) 確認及終止確認

常規購入及出售的金融資產於交易日（本集團承諾購入或出售該資產的日期）確認。於從該等金融資產收取現金流量的權利屆滿或已轉讓而本集團已實質上轉移一切所有權風險及回報時，終止確認有關金融資產。



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.11 Investments and other financial assets** *(Continued)**(iii) Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income and gains-net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss and other comprehensive income.

**2. 重大會計政策概要 (續)****2.11 投資及其他金融資產 (續)***(iii) 計量*

初步確認時，本集團按公平值加（倘並非按公平值計入損益的金融資產）收購金融資產直接應佔交易成本計量金融資產。按公平值計入損益的金融資產的交易成本於損益支銷。

在確定具有嵌入衍生工具的金融資產的現金流是否僅為支付本金和利息時，需從金融資產的整體進行考慮。

**債務工具**

債務工具的后續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將債務工具分為兩個計量類別：

- **攤銷成本：**就持作收回合同現金流量的資產而言，倘有關資產的現金流量僅為支付本金及利息，則按攤銷成本計量。來自該等金融資產的利息收入按實際利率法計入融資收入。終止確認產生的任何收益或虧損連同外匯收益及虧損於損益直接確認，並於其他收入及收益－淨額呈列。減值虧損於綜合損益及其他全面收益表作為單獨項目呈列。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.11 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

#### Debt instruments (Continued)

- FVPL: Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income and gains-net in the period in which it arises.

#### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Changes in the fair value of financial assets at FVPL are recognised in other income and gains-net in the consolidated statement of profit or loss and other comprehensive income.

## 2. 重大會計政策概要(續)

### 2.11 投資及其他金融資產(續)

(iii) 計量(續)

#### 債務工具(續)

- 按公平值計入損益：不符合攤銷成本標準的資產按公平值計入損益計量。其後按公平值計入損益計量的債務投資的收益或虧損於損益中確認及於其產生期間在其他收入及收益－淨額以淨值呈列。

#### 股本工具

本集團隨後就所有股本投資按公平值計量。當本集團的管理層已選擇於其他全面收入呈列股本投資的公平值收益及虧損，公平值收益及虧損於終止確認投資後不會重新分類至損益。該等投資的股息於本集團收取款項的權利確立時繼續於損益確認為其他收入。按公平值計入其他全面收入列賬計量的股本投資的減值虧損(及減值虧損撥回)不會與其他公平值變動分開呈報。

按公平值計入損益的金融資產的公平值變動於綜合損益及其他全面收益表確認為其他收入及收益淨額。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.11 Investments and other financial assets** *(Continued)**(iv) Impairment*

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Notes 13 and 3.1(b) for further details.

**2.12 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

**2. 重大會計政策概要 (續)****2.11 投資及其他金融資產 (續)***(iv) 減值*

本集團按前瞻基準評估與其按攤銷成本計值的債務工具相關的預期信貸虧損。所應用減值方法視乎信貸風險有否明顯增加。

就貿易應收款項而言，本集團採用國際財務報告準則第9號允許的簡化方法，規定自初步確認應收款項起確認整個存續期內的預期虧損，詳情請參閱附註13及3.1(b)。

**2.12 抵銷金融工具**

當本集團現有法定可強制執行權力可抵銷已確認金額，且有意圖按其淨額作結算或同時變現資產及結算負債時，有關金融資產與負債可互相抵銷，並在資產負債表報告其淨值。本集團亦已訂立不符合抵銷標準但仍可於某些情況下對銷相關金額（如歸類為破產或終止合約）的安排。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.13 Inventories

Raw materials and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated subsequent production costs of completion and the estimated costs necessary to make the sale.

### 2.14 Trade receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Trade receivables are generally due for settlement within 30-90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 13 for further information about the Group's accounting for trade receivables and Note 3.1 for a description of the Group's impairment policies.

## 2. 重大會計政策概要 (續)

### 2.13 存貨

原材料及產成品按成本與可變現淨值兩者中較低者入賬。成本包括直接材料、直接勞工以及適當比例的可變及固定經常開支(後者按一般運作產能分配)。成本按加權平均成本分配至個別存貨項目。購買存貨的成本乃經扣減回扣及折讓後釐定。可變現淨值按日常業務過程中的估計售價減完成估計其後生產成本及進行銷售所需估計成本計算。

### 2.14 貿易應收款項

貿易應收款項為在日常業務過程中就銷售的商品而應收客戶的款項。貿易應收款項一般於30至90日內進行結算，因此全部被分類為流動資產。

當貿易應收款項按公平值確認時，初步按無條件的代價金額確認，惟彼等包含重大融資部分除外。本集團持有貿易應收款項旨在收回合約現金流量，從而隨後使用實際利率法按攤銷成本計量。有關本集團貿易應收款項的會計處理的進一步資料請參閱附註13及有關本集團減值政策的描述請參閱附註3.1。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.15 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

**2.16 Share capital and shares held for employee share scheme**

Ordinary shares are classified as equity.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the Restricted Share Unit Scheme ("RSU" Scheme) Trustee are disclosed as treasury shares and deducted from contributed equity.

**2. 重大會計政策概要 (續)****2.15 現金及現金等價物**

就於現金流量表的呈列而言，現金及現金等價物包括手頭現金、金融機構通知存款，以及其他初始到期期限為三個月或以下、可即時轉換為已知金額的現金及價值變動風險微小的短期高流動性投資。

**2.16 股本及就僱員股份計劃持有的股份**

普通股分類為權益。

倘集團公司購買（例如因股份購回或以股份為基礎支付計劃）本公司的權益工具，已付代價（包括任何直接應佔增支成本，扣除所得稅）從列為庫存股份的本公司擁有人應佔權益中扣除，直至股份被註銷或重新發行為止。倘其後重新發行該等普通股，則任何已收取代價（扣除任何直接應佔增支交易成本及相關所得稅影響）計入本公司擁有人應佔權益。

根據受限制股份單位計劃（「受限制股份單位」計劃）信託持有的股份從權益股轉換為庫存股。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.17 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30-90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 2.18 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 2. 重大會計政策概要 (續)

### 2.17 貿易及其他應付款項

該等款項指於財政年度結束前向本集團提供商品及服務的尚未支付負債。該等款項為無抵押，且通常於確認後30至90日內支付。除非付款並非於報告期後12個月內到期，否則貿易及其他應付款項呈列為流動負債。其初步按公平值確認，隨後使用實際利率法按攤銷成本計量。

### 2.18 即期及遞延所得稅

本期間的所得稅開支或抵免指就本期間應課稅收入按各司法權區的適用所得稅率支付的稅項（就暫時差額及未動用稅項虧損應佔的遞延所得稅資產及負債變動作出調整）。

#### *即期所得稅*

即期所得稅支出根據本公司及其附屬公司營運及產生應課稅收入所在的國家於報告期末已頒佈或實質已頒佈的稅法計算。管理層就適用稅務法規須作出詮釋的情況定期評估報稅表的狀況，並須在適用情況下根據預期向稅務機關支付的稅款計提撥備。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.18 Current and deferred income tax** *(Continued)**Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

**2. 重大會計政策概要 (續)****2.18 即期及遞延所得稅 (續)***遞延所得稅*

遞延所得稅採用負債法就資產及負債的稅基與其在綜合財務報表中的賬面值之間的暫時差額計提全額撥備。然而，倘遞延所得稅負債於初步確認商譽時產生，則不予確認；倘自初步確認一項交易（業務合併除外）中的資產或負債而產生的遞延所得稅於交易時對會計或應課稅損益並不構成影響，則該遞延所得稅亦不會列賬。遞延所得稅乃使用於報告期末已頒佈或實質已頒佈且預期將於相關遞延所得稅資產變現或遞延所得稅負債結算時適用的稅率（及稅法）釐定。

遞延所得稅資產僅於可能獲得未來應課稅款項可動用該等暫時差額及虧損的情況下予以確認。

倘本集團能夠控制撥回暫時差額的時間，且該等差額可能不會於可見將來撥回，則不會就海外業務的投資賬面值與稅基之間的暫時差額確認遞延所得稅負債及資產。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.18 Current and deferred income tax (Continued)

#### Deferred income tax (Continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax balances relate to the same taxation authority. Current income tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 2.19 Employee benefits

In accordance with the rules and regulations in mainland China, the Group has arranged for its mainland China employees to join defined contribution plans, including pension, medical, housing and other welfare benefits, recognised by mainland China government. According to the relevant regulations, the monthly contributions that should be borne by mainland China subsidiaries of the Company are calculated based on percentages of the total salary of employees, subject to a certain ceiling. The assets of these plans are held separately from those of the Group in independent funds managed by mainland China government.

The Group has no further payment obligations once the above contributions have been paid. The Group's contributions to these plans are charged to profit or loss as incurred.

## 2. 重大會計政策概要 (續)

### 2.18 即期及遞延所得稅 (續)

#### 遞延所得稅 (續)

當存在合法可強制執行的權利將即期所得稅資產與負債抵銷，且遞延所得稅結餘涉及同一稅務機關，遞延所得稅資產與負債互相抵銷。倘實體擁有合法可強制執行的權利抵銷並有意以淨額結算或變現資產及同時償付負債，則即期所得稅資產與稅項負債互相抵銷。

除與於其他全面收入或直接於權益確認的項目有關外，即期及遞延所得稅於損益內確認。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

### 2.19 僱員福利

根據中國內地的規則及法規，本集團已安排中國內地僱員參與中國內地政府組織的界定供款計劃，包括退休、醫療、住房及其他福利。根據有關規例，每月供款應由本公司的中國內地附屬公司承擔，供款額按僱員總薪金的百分比計算，但設有若干上限。該等計劃的資產與本集團其他資產分開，由中國內地政府管理的獨立基金持有。

本集團於支付上述供款後不再承擔支付責任。本集團對上述計劃的供款於產生時計入損益。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.20 Share-based payments**

Share-based compensation benefits are provided to employees via restricted share unit scheme plans. Information relating to the schemes is set out in Note 20. The fair value of the services received in exchange for the grant of the restricted shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the restricted shares granted as at date of grant, including any market performance conditions, excluding the impacts of any service and non-market performance vesting conditions as well as including any non-vesting conditions, when applicable. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

For the Company's separate financial statements, fair value of restricted shares granted to its subsidiaries' employees is recognised as increase in investment in subsidiaries and equity.

At the end of each reporting period, the Group revises its estimates of the number of restricted shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision of original estimates, if any, in profit or loss with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the shares are exercised.

**2. 重大會計政策概要 (續)****2.20 以股份為基礎的付款**

通過受限制股份單位計劃向僱員提供以股份為基礎的薪酬福利。有關計劃的資料載於附註20。為獲授受限制股份而提供的服務的公平值確認為開支。將予支銷總額乃參考授出日期授出受限制股份的公平值釐定，包括任何市場表現條件，但不包括任何服務及非市場表現歸屬條件的影響以及包括任何非歸屬條件（如適用）。已支銷總額於歸屬期內確認，期內所有特定歸屬條件將獲達成。

對於本公司財務報表，授予附屬公司僱員受限制股份時，將按授予日公平值確認對附屬公司的長期股權投資和權益的增加。

於各報告期末，本集團會根據非市場歸屬條件修改其估計預期將予歸屬的受限制股份數目，並於損益內確認修改原來估計數字（如有）的影響，以及對權益作出的相應調整。

倘股份獲行使，所收取的所得款項扣除任何直接應佔交易成本後計入股本（面值）及股份溢價內。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.21 Revenue recognition

(i) *Sale of goods – wholesales*

For wholesale business, sales of goods are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler have accepted the products in accordance with the sales contracts, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The products of the Group is often sold with sales discounts based on aggregate sales over a 12 month period. Revenue from these sales is recognised based on the price specified in the contracts, net of the estimated sales discounts. Accumulated experience is used to estimate and provide for the discounts, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other payables and accruals) is recognised for expected sales discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

## 2. 重大會計政策概要 (續)

### 2.21 收入確認

(i) *銷售貨品 – 批發*

對於批發業務，當產品控制權已轉移（即產品已交付予批發商），批發商對銷售產品的渠道和價格擁有完全決定權，且不存在可能影響批發商對產品接收的未履行義務時，本集團即確認產品銷售收入。當產品已運至指定地點，過時和損失風險已轉讓予批發商，而批發商已根據銷售合約接收產品，或本集團有客觀證據顯示所有接收條款已獲達成後，交付才算產生。

本集團產品的銷售通常會以12個月內的總銷售額提供銷售折扣。這些銷售收入會根據合約規定的價格確認，並扣除估算的銷售折扣。折扣的估算與撥備會根據累積的數據及經驗，且只有在極大可能不會發生重大逆轉的情況下才能確認收入。於報告期內與客戶銷售所產生的未付銷售折扣估算會被確認為退款責任（包括在其他應付款項及應計費用內）。由於銷售的信貸期為30至90日，符合市場慣例，故並不存在重大融資因素。



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.21 Revenue recognition** *(Continued)**(i) Sale of goods – wholesales* *(Continued)*

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

*(ii) Sale of goods – on-line*

Revenue from the sale of goods on the internet is recognised at the point that the control of the products has transferred, being when the products are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Transactions are settled by credit or payment card or through on-line payment platforms. Provisions are made for internet credit sales based on the expected level of returns, which in turn is based upon the historical rate of returns.

**2.22 Earnings per share***(i) Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

**2. 重大會計政策概要 (續)****2.21 收入確認 (續)***(i) 銷售貨品 – 批發 (續)*

當產品交付後，並從那一刻開始，可以無條件收到代價（到期付款前的時間流逝除外），便可確認為應收款。

*(ii) 銷售貨品 – 線上*

互聯網上銷售貨品所得收益於產品控制權轉移時（即產品交付客戶及沒有可能會影響客戶接受產品的未履行義務）確認。交易以信用卡或支付卡或透過線上支付平台結算。線上信用銷售撥備根據預期退貨水平計提，而預期退貨率則根據過往退貨率計算。

**2.22 每股盈利***(i) 每股基本盈利*

每股基本盈利，乃按：

- 本公司擁有人應佔溢利（不包括普通股以外的服務股權的任何成本）
- 除以財政年度內發行在外普通股加權平均數（就年內已發行普通股的分紅因素而調整且不包括庫存股份）計算。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.22 Earnings per share (Continued)

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## 2. 重大會計政策概要 (續)

### 2.22 每股盈利 (續)

#### (ii) 每股攤薄盈利

每股攤薄盈利透過調整每股基本盈利之金額：

- 每股攤薄盈利有關的利息及其他融資成本的除稅後所得稅影響；及
- 假設所有具潛在攤薄效應之股份獲轉換後，額外普通股份之加權平均數計算。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.23 Leases**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the Group under residual value guarantees;

**2. 重大會計政策概要 (續)****2.23 租賃**

在本集團預期可使用租賃資產之日，租賃應確認為使用權資產和相應負債。

合約可包含租賃及非租賃部分。本集團根據其相對獨立的價格將合約的代價分配至租賃及非租賃部分。然而，就本集團作為承租人租賃房地產而言，其已選擇不區分租賃及非租賃部分，而是將該等租賃入賬作為單一租賃部分。

租賃條款按個別基準協商，並包含多種不同的條款和條件。除出租人持有租賃資產的抵押權益外，租賃協議不施加任何契諾。租賃資產不得用作借款抵押。

租賃產生的資產和負債在現值基礎上進行初始計量。租賃負債包括下列租賃付款額的淨現值：

- 固定付款額（包括實質固定付款額），扣除應收的租賃激勵；
- 取決於指數或比率的可變租賃付款額；
- 本集團根據餘值擔保預計應付的金額；

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.23 Leases (Continued)

- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

## 2. 重大會計政策概要 (續)

### 2.23 租賃 (續)

- 購買選擇權的行權價，前提是本集團合理確定將行使該選擇權；及
- 終止租賃的罰款金額，前提是租賃期反映出本集團將行使終止租賃選擇權。

根據合理確定延續選擇權支付的租賃付款亦計入負債計量之內。

租賃付款額按照租賃內含利率折現。如果無法確定該利率，則應採用本集團的增量借款利率，即承租人為在類似經濟環境下獲得價值相近的資產，以類似條款和條件借入資金而必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就本集團所持有租賃的信貸風險（最近並無第三方融資）調整無風險利率；及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

倘個別承租人（通過近期融資或市場數據）可以隨時觀察到攤銷貸款利率，而該等承租人的付款情況與租賃相似，則集團實體可將該利率作為釐定增量借款利率的起點。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.23 Leases** *(Continued)*

Lease payments are allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use asset are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise manufacture equipment.

**2. 重大會計政策概要 (續)****2.23 租賃 (續)**

租賃付款額均在相應負債與融資成本之間分攤。融資成本在租賃期限內計入損益，以使各期負債餘額產生的利息率保持一致。

使用權資產按照成本計量，包括：

- 租賃負債初始計量金額；
- 在租賃期開始日或之前支付的租賃付款額，扣除收到的租賃激勵；
- 任何初始直接費用；及
- 復原成本。

使用權資產一般於資產的可使用年期及租賃期（以較短者為準）內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。

與短期租賃以及所有低價值資產租賃相關的付款按直線法於損益確認為開支。短期租賃指租賃期為12個月或以下的租賃。低價值資產包括生產設備。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.23 Leases (Continued)

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

### 2.24 Dividends distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### 2.25 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

### 2.26 Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the consolidated statement of profit or loss and other comprehensive income as part of other income and other gains-net.

## 2. 重大會計政策概要 (續)

### 2.23 租賃 (續)

本集團作為出租人的經營租賃的租賃收入按直線法於租賃期內確認為收入。獲取經營租賃產生的初始直接成本計入相關資產的賬面值，並於租賃期內以確認租賃收入的相同基準確認為開支。個別租賃資產按其性質計入資產負債表。採納新租賃準則後，本集團無需對作為出租人所持有資產的會計處理作任何調整。

### 2.24 股息分派

就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額（已經適當授權及再不由實體酌情決定）作出撥備。

### 2.25 政府補助

當能夠合理地保證政府補助將可收取及符合補助的附帶條件時，本集團會把政府補助以其公允價值確認入賬。

與成本有關的政府補助遞延入賬，並於需要匹配擬補償的相關成本期間在損益確認。

與購買物業、廠房及設備有關的政府補助列入非流動負債作為遞延收入，並按有關資產的預計年期以直線法在損益表確認。

### 2.26 利息收入

採用實際利率法計算的按攤銷成本計量的金融資產之利息收入，作為其他收入及其他收益淨額的一部份於綜合損益及其他全面收益表確認。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***2.26 Interest income (Continued)**

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 27 below. Any other interest income is included in other income and other gains-net.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

**3. FINANCIAL RISK MANAGEMENT**

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

<b>Risk</b> 風險	<b>Exposure arising from</b> 風險產生原因	<b>Measurement</b> 計量
Market risk – foreign exchange 市場風險 – 外匯	Financial assets and liabilities denominated in foreign currency different from the functional currency. 以不同於其功能貨幣的外幣計值的金融資產及負債。	Cash flow forecasting Sensitivity analysis 現金流量預測 敏感性分析
Credit risk 信用風險	Cash and cash equivalents, trade receivables and other financial assets at amortised cost. 現金及現金等價物、貿易應收款項及按攤銷成本計量的其他金融資產。	Aging analysis Credit limits 賬齡分析 信用限額
Liquidity risk 流動資金風險	Trade payable and other liabilities 貿易應付款項及其他負債	Rolling cash flow forecasts 滾動現金流量預測

**2. 重大會計政策概要 (續)****2.26 利息收入 (續)**

利息收入呈列為持作現金管理用途的金融資產所賺取的融資收入，請參閱下文附註27。任何其他利息收入計入其他收入及其他收益淨額。

利息收入是用實際利率乘以金融資產賬面總額計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入是用實際利率乘以金融資產賬面淨額（經扣除虧損撥備）得出。

**3. 財務風險管理**

本附註闡述本集團面臨的財務風險及該等風險對本集團未來財務表現的影響。倘與增加額外內容有關，則載入本年度溢利及虧損資料。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.1 Financial risk factors

###### (a) Market risk

###### (i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk, primarily the US\$ and HK\$. Foreign exchange risk arises from recognised assets and liabilities and net investments denominated in a currency that is not the functional currency of the relevant Group entity. The risk is measured through a forecast of highly probable US\$/RMB and HK\$/RMB expenditures. The Group did not enter into any forward contract to hedge its exposure to foreign currency risk for the year ended 31 December 2020 and 2019.

###### Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in RMB, was as follows:

		31 December 2020 2020年12月31日		31 December 2019 2019年12月31日	
		US\$ 美元 RMB' 000 人民幣千元	HK\$ 港元 RMB' 000 人民幣千元	US\$ 美元 RMB' 000 人民幣千元	HK\$ 港元 RMB' 000 人民幣千元
Bank deposits	銀行存款	517,080	46,039	611,811	153,122
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	19,576	-	91,294	-
Trade receivables and other assets	貿易應收款項及其他資產	1,322	252	492	257
Trade payables, other payables and accruals and contract liabilities	貿易應付款項、其他應付款項及應計費用以及合約負債	(9,832)	(1,765)	(3,159)	(504)

#### 3. 財務風險管理 (續)

##### 3.1 財務風險因素

###### (a) 市場風險

###### (i) 外匯風險

本集團在國際上經營業務及面臨主要由於美元及港元產生的外匯風險。外匯風險來自以非相關集團實體的功能貨幣的貨幣計值的已確認資產及負債以及投資淨額。風險透過對極可能美元兌人民幣及港元兌人民幣支出的預測而計量。於截至2020年及2019年12月31日止年度，本集團並未訂立任何遠期合約對沖其外匯風險敞口。

###### 風險敞口

本集團於報告期末以人民幣列示的外匯風險敞口如下：

## 3. FINANCIAL RISK MANAGEMENT (Continued)

## 3.1 Financial risk factors (Continued)

## (a) Market risk (Continued)

## (i) Foreign exchange risk (Continued)

## Sensitivity

As shown in the table above, the Group is primarily exposed to changes in US\$/RMB and HK\$/RMB exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises in US\$ and HK\$ in the Company and its mainland China subsidiaries, the functional currency of which are RMB.

## 3. 財務風險管理 (續)

## 3.1 財務風險因素 (續)

## (a) 市場風險 (續)

## (i) 外匯風險 (續)

## 敏感度

如上表所示，本集團主要承受美元兌人民幣以及港元兌人民幣匯率的變動風險。本公司及其中國內地附屬公司以人民幣為功能貨幣，其損益對匯率變動的敏感度源於美元及港元。

## Impact on post tax profit

## 對稅後溢利的影響

		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
US\$/RMB exchange rate – increase 10%	美元兌人民幣匯率 – 上升10%	39,611	52,533
US\$/RMB exchange rate – decrease 10%	美元兌人民幣匯率 – 下降10%	(39,611)	(52,533)
HK\$/RMB exchange rate – increase 10%	港元兌人民幣匯率 – 上升10%	3,339	11,466
HK\$/RMB exchange rate – decrease 10%	港元兌人民幣匯率 – 下降10%	(3,339)	(11,466)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.1 Financial risk factors (Continued)

###### (b) Credit risk

Credit risk arises from cash and cash equivalents, term deposits with banks, financial assets at FVPL, trade receivables and other financial assets at amortised cost.

###### (i) Risk management

The Group is exposed to credit risk primarily in relation to its bank balances, trade receivables and other financial assets at amortised cost.

The carrying amounts of each class of the above financial assets represent the Group's maximum exposures to credit risk in relation to financial assets. To manage this risk arising from bank balance, the Group only transacts with state-owned financial institutions and reputable commercial banks which are all high-credit quality financial institutions. There has been no recent history of default in relation to these financial institutions.

#### 3. 財務風險管理 (續)

##### 3.1 財務風險因素 (續)

###### (b) 信用風險

信用風險產生自現金及現金等價物、定期銀行存款、按公平值計入損益的金融資產、貿易收款項及按攤銷成本計量的其他金融資產。

###### (i) 風險管理

本集團面對主要與銀行結餘、貿易應收款項及按攤銷成本計量的其他金融資產有關的信用風險。

上述各類金融資產的賬面值為本集團所面對與金融資產有關的最大信用風險。為管理由銀行結餘所引起的風險，本集團僅與國有金融機構及信譽良好的商業銀行（均為高信用質量金融機構）交易。近期並無與該等金融機構有關的違約記錄。



**3. FINANCIAL RISK MANAGEMENT (Continued)****3.1 Financial risk factors (Continued)***(b) Credit risk (Continued)**(i) Risk management (Continued)*

Trade receivables at the end of each reporting period were mainly due from Haidilao International Holding Ltd. and its subsidiaries (the “Haidilao Group”) and the distributors in cooperation with the Group. As at 31 December 2020, the amounts due from Haidilao Group represented approximately 96% of total trade receivables of the Group. The management of the Group believes the credit risk on amounts due from related parties is limited because they continuously monitor the credit quality and financial conditions of the related parties. Ageing analysis of the Group’s trade receivables is disclosed in Note 13. The directors of the Company believe that the credit risk inherent in the Group’s outstanding trade receivables balances due from the distributors is low.

**3. 財務風險管理 (續)****3.1 財務風險因素 (續)***(b) 信用風險 (續)**(i) 風險管理 (續)*

各報告期末的貿易應收款項主要為應收海底撈國際控股有限公司及其附屬公司（「海底撈集團」）及與本集團合作的經銷商的款項。於2020年12月31日，應收海底撈集團的款項佔本集團貿易應收款項總額的約96%。本集團管理層認為，應收關聯方款項的信用風險有限，因為彼等持續監察關聯方的信用質量及財務狀況。對本集團貿易應收款項的賬齡分析於附註13中披露。本公司董事認為本集團應收第三方經銷商的未收取貿易應收款項結餘固有的信用風險較低。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.1 Financial risk factors (Continued)

###### (b) Credit risk (Continued)

###### (i) Risk management (Continued)

For other financial assets at amortised cost, management makes periodic collective assessments as well as individual assessment on the recoverability of other financial assets at amortised cost based on historical settlement records and past experience. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of other financial assets at amortised cost.

###### (ii) Impairment of financial assets

The Group has two types of financial assets that are subject to the expected credit loss model.

- trade receivables, and
- other financial assets at amortised cost

While cash and cash equivalents and term deposits are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

#### 3. 財務風險管理 (續)

##### 3.1 財務風險因素 (續)

###### (b) 信用風險 (續)

###### (i) 風險管理 (續)

就按攤銷成本計量的其他金融資產而言，管理層根據過往結算記錄及過往經驗對按攤銷成本計量的其他金融資產的可收回性定期進行整體及個別評估。本公司董事認為本集團按攤銷成本計量的其他金融資產的未結餘額並無重大固有信用風險。

###### (ii) 金融資產減值

本集團擁有兩類金融資產需採用預期信用損失模型。

- 貿易應收款項，及
- 按攤銷成本計量的其他金融資產

雖然現金及現金等價物以及定期存款亦須遵守國際財務報告準則第9號的減值規定，但已識別到的減值虧損並不重大。

**3. FINANCIAL RISK MANAGEMENT (Continued)****3.1 Financial risk factors (Continued)***(b) Credit risk (Continued)**(ii) Impairment of financial assets (Continued)**Trade receivables*

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2020 or 1 January 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

**3. 財務風險管理 (續)****3.1 財務風險因素 (續)***(b) 信用風險 (續)**(ii) 金融資產減值 (續)**貿易應收款項*

本集團採用國際財務報告準則第9號之簡化方法計量預期信用損失，為所有貿易應收賬款撥備整個存續期的預期虧損。

為計算預期信用損失，已根據共有信用風險特徵及到期日將貿易應收款項分組。

預期虧損率乃分別基於2020年12月31日或2020年1月1日之前12個月期間的銷售付款情況及該期間內所錄得之相應過往信貸虧損。過往虧損率已經調整以反映影響客戶結清應收款項能力的宏觀經濟因素的現時及前瞻性資料。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.1 Financial risk factors (Continued)

###### (b) Credit risk (Continued)

###### (ii) Impairment of financial assets (Continued)

###### Trade receivables (Continued)

On that basis, the loss allowance as at 31 December 2020 and 31 December 2019 was determined as follows for trade receivables:

		Current	More than 30 days past due 逾期超過 30日	More than 90 days past due 逾期超過 90日	Total
<b>31 December 2020</b>	<b>2020年12月31日</b>	即期			總計
Expected loss rate	預期虧損率	0.02%	1.49%	N/A 不適用	
Gross carrying amount – trade receivables	總賬面值 – 貿易 應收款項	189,357	1,539	–	190,896
Loss allowance	虧損撥備	44	23	–	67
		Current	More than 30 days past due 逾期超過 30日	More than 90 days past due 逾期超過 90日	Total
<b>31 December 2019</b>	<b>2019年12月31日</b>	即期			總計
Expected loss rate	預期虧損率	0.14%	0.43%	44.41%	
Gross carrying amount – trade receivables	總賬面值 – 貿易 應收款項	255,126	11,729	4,897	271,752
Loss allowance	虧損撥備	352	50	2,175	2,577

#### 3. 財務風險管理 (續)

##### 3.1 財務風險因素 (續)

###### (b) 信用風險 (續)

###### (ii) 金融資產減值 (續)

###### 貿易應收款項 (續)

按該基準計算，貿易應收款項於2020年12月31日及2019年12月31日的虧損撥備如下：

## 3. FINANCIAL RISK MANAGEMENT (Continued)

## 3.1 Financial risk factors (Continued)

## (b) Credit risk (Continued)

## (ii) Impairment of financial assets (Continued)

## Trade receivables (Continued)

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
As at 1 January	於1月1日	2,577	30
Provision for impairment allowance	計提減值撥備	67	2,577
Reversal of impairment allowance	減值撥備撥回	(2,577)	(30)
As at 31 December	於12月31日	67	2,577

The creation and release of provision for impaired receivables have been included in 'Administrative expenses' in the consolidated statement of profit or loss and other comprehensive income.

已減值應收款項撥備增設及解除已計入綜合損益及其他全面收益表的「行政開支」內。

## 3. 財務風險管理 (續)

## 3.1 財務風險因素 (續)

## (b) 信用風險 (續)

## (ii) 金融資產減值 (續)

## 貿易應收款項 (續)

貿易應收款項於12月31日的虧損撥備與年初虧損撥備的對賬如下：



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.1 Financial risk factors (Continued)

###### (b) Credit risk (Continued)

###### (ii) Impairment of financial assets (Continued)

###### Trade receivables (Continued)

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

###### Other financial assets at amortised cost

Other financial assets at amortised cost mainly include deposits for utilities and leases and other receivables. The management of the Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experiences. The Group measures credit risk using Probability of Default (“PD”), Exposure at Default (“EAD”) and Loss Given Default (“LGD”). This is similar to the approach used for the purposes of measuring Expected Credit Loss (“ECL”) under IFRS 9.

#### 3. 財務風險管理 (續)

##### 3.1 財務風險因素 (續)

###### (b) 信用風險 (續)

###### (ii) 金融資產減值 (續)

###### 貿易應收款項 (續)

倘無合理預期可收回貿易應收款項，則予撇銷。無合理預期收回的指標包括 (其中包括) 債務人未能參予本集團的還款計劃及未能就逾期超過 180 日的賬款作出合約付款。

###### 按攤銷成本計量的其他金融資產

按攤銷成本計量的其他金融資產主要包括公用事業存款、租賃及其他應收款項。本集團管理層根據歷史結算記錄及過往經驗，定期對其他應收款項的可收回性進行集體評估及個別評估。本集團利用違約概率 (「違約概率」)、違約風險敞口 (「違約風險敞口」) 及違約虧損率 (「違約虧損率」) 計量信貸風險，與國際財務報告準則第 9 號項下計量預期信貸虧損 (「預期信貸虧損」) 所用方法類似。

## 3. FINANCIAL RISK MANAGEMENT (Continued)

## 3.1 Financial risk factors (Continued)

## (b) Credit risk (Continued)

## (ii) Impairment of financial assets (Continued)

*Other financial assets at amortised cost (Continued)*

- Other receivables that are not credit-impaired on initial recognition are classified in 'Stage 1' and have their credit risk continuously monitored by the Group. The expected credit loss is measured on a 12-month basis.
- If a significant increase in credit risk (specifically, when the debtor is more than 1 day past due on its contractual payments) since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit-impaired. The expected credit loss is measured on lifetime basis.
- If the financial instrument is credit-impaired (specifically, when the debtor is more than 90 days past due on its contractual payments), the financial instrument is then moved to "Stage 3". The expected credit loss is measured on lifetime basis.

## 3. 財務風險管理 (續)

## 3.1 財務風險因素 (續)

## (b) 信用風險 (續)

## (ii) 金融資產減值 (續)

*按攤銷成本計量的  
其他金融資產 (續)*

- 於初始確認時並無信貸減值的其他應收款項分類為「第一階段」，並由本集團持續監控其信貸風險。預期信貸虧損按12個月基準計量。
- 倘從初始確認起信貸風險顯著增加（尤其是當債務人的合同付款逾期超過1天時），財務工具將轉移至「第二階段」，惟尚未視為信貸減值。預期信貸虧損按存續期基準計量。
- 倘財務工具出現信貸減值（尤其是當債務人的合同付款逾期超過90天時），財務工具將轉移至「第三階段」。預期信貸虧損按存續期基準計量。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.1 Financial risk factors (Continued)

###### (b) Credit risk (Continued)

###### (ii) Impairment of financial assets (Continued)

###### Other financial assets at amortised cost (Continued)

In view of the history of cooperation with the debtors and collection from them, the management of the Group believes that all of the Group's other receivables are classified in Stage 1 as at 31 December 2020 and 2019, and the credit risk inherent in the Group's outstanding other receivables is not significant.

###### Net impairment losses on financial assets recognised in profit or loss

During the year, the following losses were recognised in profit or loss in relation to impaired financial assets:

		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Impairment losses</b>	<b>減值虧損</b>		
Impairment losses on trade receivables	貿易應收款項減值虧損	67	2,577
Impairment losses on other financial assets at amortised cost	按攤銷成本計量的其他金融資產的減值虧損	72	24
Reversal of impairment allowance on trade receivables	貿易應收款項減值虧損撥回	(2,577)	(30)
Reversal of impairment allowance on other financial assets at amortised cost	按攤銷成本計量的其他金融資產的減值虧損撥回	(24)	(608)
Net impairment losses on financial assets	金融資產的減值虧損淨額	(2,462)	1,963

#### 3. 財務風險管理 (續)

##### 3.1 財務風險因素 (續)

###### (b) 信用風險 (續)

###### (ii) 金融資產減值 (續)

###### 按攤銷成本計量的其他金融資產 (續)

鑑於本集團與該等債務人合作及向其收款的歷史，本集團管理層認為，於2020年及2019年12月31日，本集團所有其他應收款項應分類為第一階段，且本集團的未清償其他應收款項的固有信貸風險並不重大。

###### 在損益確認的金融資產的減值虧損淨額

年內，下列虧損就已減值金融資產於損益中確認：

## 3. FINANCIAL RISK MANAGEMENT (Continued)

## 3.1 Financial risk factors (Continued)

## (c) Liquidity risk

The Group has significant cash and bank balances and investments in treasury products issued by banks with maturity within one year and liquidity risk is considered to be minimal. Due to the dynamic nature of the underlying business, the Group's finance department maintains flexibility in funding by maintaining adequate cash and cash equivalents.

Cash flow forecasting is performed by the finance department of the Group. The Group's finance department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs as well as the liabilities to other parties.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

## 3. 財務風險管理 (續)

## 3.1 財務風險因素 (續)

## (c) 流動資金風險

本集團有大量現金及銀行結餘以及銀行發行的年期一年以內財務投資產品投資，流動資金風險被視為極微。由於相關業務屬動態性質，本集團的財務部門持有充足的現金及現金等價物從而維持資金方面的靈活性。

現金流量預測乃由本集團財務部作出。本集團財務部監控對本集團流動資金需求的滾動預測以確保持有充足資金滿足營運需求及對其他方的負債。

下表載列本集團的金融負債按照由資產負債表日期至合約到期日的餘下期間分成相關的到期組別進行的分析。表內所披露金額為合約未貼現現金流量。

		Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
		少於1年 RMB' 000 人民幣千元	1至2年 RMB' 000 人民幣千元	2至5年 RMB' 000 人民幣千元	超過5年 RMB' 000 人民幣千元	合約現金 流量合計 RMB' 000 人民幣千元	負債賬面值 RMB' 000 人民幣千元
<b>As at 31 December 2020</b>	<b>於2020年12月31日</b>						
Trade payables (Note 21)	貿易應付款項 (附註21)	279,322	-	-	-	279,322	279,322
Other payables and accruals	其他應付款項及應計費用	63,347	-	-	-	63,347	63,347
Lease liabilities (Note 8)	租賃負債 (附註8)	30,709	17,794	20,613	12,695	81,811	73,636
<b>Total</b>	<b>總計</b>	<b>373,378</b>	<b>17,794</b>	<b>20,613</b>	<b>12,695</b>	<b>424,480</b>	<b>416,305</b>
<b>As at 31 December 2019</b>	<b>於2019年12月31日</b>						
Trade payables (Note 21)	貿易應付款項 (附註21)	207,490	-	-	-	207,490	207,490
Other payables and accruals	其他應付款項及應計費用	64,025	-	-	-	64,025	64,025
Lease liabilities (Note 8)	租賃負債 (附註8)	14,667	7,383	13,969	8,434	44,453	39,151
<b>Total</b>	<b>總計</b>	<b>286,182</b>	<b>7,383</b>	<b>13,969</b>	<b>8,434</b>	<b>315,968</b>	<b>310,666</b>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.2 Capital management

###### (a) Risk management

The Group's objectives when managing capital are to

- safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, or return capital to shareholders, issue new shares or sell assets to reduce debt.

As the Group has no external borrowing in 2020 and 2019, the directors of the Company consider that the capital risk is low.

##### 3.3 Fair value estimation

###### *Financial assets and liabilities*

###### (a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

#### 3. 財務風險管理 (續)

##### 3.2 資本管理

###### (a) 風險管理

本集團的資本管理目標為

- 保障本集團的持續運營，以繼續為股東提供回報及為其他股權持有人帶來利益，及
- 保持最優資本架構以降低資本成本。

為維持或調整資本架構，本集團可調整分派予股東的股息金額，或向股東返還資本、發行新股或出售資產以減少債務。

由於本集團於2020年及2019年並無向外借款，本公司董事認為資本風險較低。

##### 3.3 公平值估計

###### *金融資產及負債*

###### (a) 公平值層級

本節說明於釐定財務報表內按公平值確認及計量的金融工具公平值時作出的判斷及估計。為得出釐定公平值所用輸入數據的可信程度指標，本集團根據會計準則將其金融工具分為三層。各層級的說明如下表所示。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation (Continued)

##### Financial assets and liabilities (Continued)

##### (a) Fair value hierarchy (Continued)

At 31 December 2020	於2020年12月31日	Note 附註	Level 1 第一層 RMB' 000 人民幣千元	Level 2 第二層 RMB' 000 人民幣千元	Level 3 第三層 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>					
Financial assets at fair value through profit or loss (FVPL)	按公平值計入損益的金融資產	16				
- Private equity fund investments	- 私募股權基金投資		-	-	19,576	19,576
- Unlisted equity securities (Note 3.3(d)(ii))	- 非上市股本證券 (附註3.3(d)(ii))		-	-	23,088	23,088
- Unlisted investment in AFTP (i)	- 於集合資金信託計劃的非上市投資(i)		-	41,008	-	41,008
<b>Total financial assets</b>	<b>金融資產總值</b>		-	41,008	42,664	83,672

(i) As at 31 December 2020, the Group's financial assets that are measured at fair value using level 2 inputs represent investment in an assemble fund trust plan (the "AFTP") that are redeemable on demand and with quoted net worth (i.e. the unit return) published by the trust company on a weekly basis. Although the quoted net worth of the AFTP is considered observable, it is included in level 2 as such AFTP is not traded in an active market.

(i) 於2020年12月31日，本集團採用第二層輸入數據按公平值計量的金融資產為對集合資金信託計劃（「集合資金信託計劃」）的投資，可按要求贖回，並由信託公司每週發佈淨值報價（即單位回報）。儘管集合資金信託計劃的淨值報價被認為是可觀察的，但由於該集合資金信託計劃未有在活躍市場上交易，其被計入第二層。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.3 Fair value estimation (Continued)

###### Financial assets and liabilities (Continued)

###### (a) Fair value hierarchy (Continued)

At 31 December 2019	於2019年12月31日	Note 附註	Level 1 第一層 RMB' 000 人民幣千元	Level 2 第二層 RMB' 000 人民幣千元	Level 3 第三層 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>					
Financial assets at fair value through profit or loss (FVPL)	按公平值計入損益 (按公平值計入損益) 的金融資產	16				
- Listed equity security (ii)	- 上市股本證券(ii)		-	11,880	-	11,880
- Private equity fund investments	- 私募股權基金投資		-	-	41,741	41,741
- Debt investment	- 債務投資		-	-	31,272	31,272
- Wealth management products	- 理財產品		-	-	89,596	89,596
<b>Total financial assets</b>	<b>金融資產總值</b>		-	11,880	162,609	174,489

(ii) As at 31 December 2019, the financial instruments held by the Group using Level 2 inputs are listed equity securities traded in an inactive market and the fair value of which has been determined by reference to recent transaction prices in that inactive market.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers into and out of level 3 measurements see (c) below.

#### 3. 財務風險管理 (續)

##### 3.3 公平值估計 (續)

###### 金融資產及負債 (續)

###### (a) 公平值層級 (續)

(ii) 於2019年12月31日，本集團所持有採用第二層輸入數據計量的金融工具為在非活躍市場上交易的上市股本證券，其公平值已參考該非活躍市場上近期的交易價格而釐定。

年內經常性公平值計量第一層與第二層之間並無轉移。有關第三層計量的轉入及轉出見下文(c)。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

*Financial assets and liabilities (Continued)*

(a) Fair value hierarchy (Continued)

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

3. 財務風險管理 (續)

3.3 公平值估計 (續)

*金融資產及負債 (續)*

(a) 公平值層級 (續)

本集團政策為確認於報告期末公平值層級的轉入及轉出。

**第一層：**對於在市場上交易活躍的金融工具（如公開買賣的衍生工具與股本證券），其公平值乃根據於報告期末市場報價而計算。本集團持有的金融資產所用市場報價為即期市價。該等工具計入第一層。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.3 Fair value estimation (Continued)

###### Financial assets and liabilities (Continued)

###### (a) Fair value hierarchy (Continued)

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for private equity fund investments, unlisted equity securities, debt investments and wealth management products.

#### 3. 財務風險管理(續)

##### 3.3 公平值估計(續)

###### 金融資產及負債(續)

###### (a) 公平值層級(續)

**第二層：**對於未有在活躍市場上交易的金融工具(如場外衍生工具)，其公平值乃使用估值技術而釐定。該等估值技術盡量使用可觀察市場數據並極少依賴針對實體的估計。倘工具公平值所需的所有重大輸入數據可觀察，則該工具計入第二層。

**第三層：**倘一項或多項重大輸入數據並非基於可觀察市場數據，則該工具計入第三層。私募基金投資、非上市股本證券、債務投資及理財產品即屬此種情況。

## 3. FINANCIAL RISK MANAGEMENT (Continued)

## 3. 財務風險管理 (續)

## 3.3 Fair value estimation (Continued)

## 3.3 公平值估計 (續)

## Financial assets and liabilities (Continued)

## 金融資產及負債 (續)

- (b) Fair value measurements using significant unobservable inputs (Level 3)

- (b) 公平值計量使用重大不可觀察輸入數據 (第三層)

The following table presents the changes in level 3 items for the periods ended 31 December 2020 and 31 December 2019:

下表呈列截至2020年12月31日及2019年12月31日止期間第三層工具的變動：

		Unlisted equity securities 非上市股本證券 RMB' 000 人民幣千元	Private equity fund investments 私募股權基金投資 RMB' 000 人民幣千元	Debt investment 債務投資 RMB' 000 人民幣千元	Wealth management products 理財產品 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>Opening balance as at 1 January 2019</b>	於2019年1月1日的年初結餘	-	-	-	-	-
Acquisitions	購買	-	41,532	30,000	8,341,345	8,412,877
Disposals	出售	-	-	-	(8,254,176)	(8,254,176)
Gains recognised in other income and gains – net *	於其他收入及收益確認的收益 – 淨額*	-	209	1,272	2,427	3,908
<b>Closing balance as at 31 December 2019</b>	於2019年12月31日的年末結餘	-	41,741	31,272	89,596	162,609
Transfer from level 2 (i)	轉自第二層(i)	11,880	-	-	-	11,880
Acquisitions	購買	-	-	-	425,000	425,000
Disposals	出售	-	(20,373)	(31,272)	(514,596)	(566,241)
Gains/(losses) recognised in other income and gains – net *	於其他收入及收益確認的收益/(虧損) – 淨額*	11,208	(1,792)	-	-	9,416
<b>Closing balance as at 31 December 2020</b>	於2020年12月31日的年末結餘	23,088	19,576	-	-	42,664
* Includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of the reporting period	* 包括報告期末所持結餘中於損益確認的未變現收益/(虧損)					
2020	2020年	11,208	(1,792)	-	-	9,416
2019	2019年	-	209	1,272	2,427	3,788



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.3 Fair value estimation (Continued)

###### Financial assets and liabilities (Continued)

- (b) Fair value measurements using significant unobservable inputs (Level 3) (Continued)

The Group has a team of personnel who performs valuation on these level 3 instruments for financial reporting purposes. The team determines the fair value of these level 3 instruments based on available information obtained from the relevant counter parties (including the general partners of the private equity funds, the management of unlisted investees, etc), at least twice every financial year, which coincides with the Group's semi-annually reporting dates.

- (i) In November 2020, the Group transferred the investment in listed equity securities from level 2 into level 3 as the investee company was delisted from the National Equities Exchange and Quotation ("NEEQ") in China.

#### 3. 財務風險管理 (續)

##### 3.3 公平值估計 (續)

###### 金融資產及負債 (續)

- (b) 公平值計量使用重大不可觀察輸入數據 (第三層) (續)

本集團有一隊專員出於財務報告目的對該等第三層工具進行估值。該隊人員每個財政年度至少兩次 (與本集團每半年的報告日期一致) 根據從有關對手方 (包括私募股權基金普通合夥人、非上市投資對象管理層等) 獲得的可用資料釐定該等第三層工具的公平值。

- (i) 於2020年11月，由於投資對象公司自中國全國中小企業股份轉讓系統 (「NEEQ」) 除牌，本集團將上市股本證券的投資從第二層轉移至第三層。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

### 3. FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 Fair value estimation (Continued)

##### Financial assets and liabilities (Continued)

##### (c) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Description	Fair value at		Valuation Techniques	Unobservable inputs	Range of inputs (probability-weighted average)		Relationship of unobservable inputs to fair value
	公平值於				輸入數據範圍		
	31 December 2020 2020年 12月31日 RMB' 000 人民幣千元	31 December 2019 2019年 12月31日 RMB' 000 人民幣千元			31 December 2020 2020年 12月31日	31 December 2019 2019年 12月31日	
Private equity fund investments (i)	19,576	41,741	Net Asset Value	N/A as quantitative unobservable inputs are not developed by the Group	n/a	n/a	n/a
私募股權基金投資(i)	19,576	41,741	資產淨值	不適用(因定量不可觀察輸入數據並非本集團所制定)	不適用	不適用	不適用
Unlisted equity securities (ii)	23,088	-	Market approach	PS (Price to sales/sales) DLOM (Discount for lack of marketability)	PS: 2.7 DLOM: 20%	n/a	The higher the PS ratio, the higher the fair value. The higher the DLOM, the lower the fair value.
非上市股本證券(ii)	23,088	-	市場法	PS(市銷率) DLOM(缺乏市場流通性貼現率)	PS: 2.7 DLOM: 20%	不適用	A change in the PS by 1 or the DLOM by 10% does not have a significant impact on the fair value as at 31 December 2020 and 2019. PS比率越高，公平值越高。DLOM越高，公平值越低。  PS變動1或DLOM變動10%不會對2020年及2019年12月31日的公平值造成重大影響。

### 3. 財務風險管理(續)

#### 3.3 公平值估計(續)

##### 金融資產及負債(續)

##### (c) 估值輸入數據及與公平值的關係

下表概述與第三層公平值計量所用重大不可觀察輸入數據相關的定量資料：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.3 Fair value estimation (Continued)

###### Financial assets and liabilities (Continued)

###### (c) Valuation inputs and relationships to fair value (Continued)

#### 3. 財務風險管理 (續)

##### 3.3 公平值估計 (續)

###### 金融資產及負債 (續)

###### (c) 估值輸入數據及與公平值的關係 (續)

Description	Fair value at		Valuation		Range of inputs (probability-weighted average)		Relationship of unobservable inputs to fair value
	31 December	31 December	Techniques	Unobservable inputs	31 December	31 December	
	2020 2020年 12月31日 RMB' 000 人民幣千元	2019 2019年 12月31日 RMB' 000 人民幣千元			2020 2020年 12月31日	2019 2019年 12月31日	
Debt investment (iii)	-	31,272	Discounted cash flow	Expected rate of return Discount rate	n/a	10%	The higher the expected rate of return, the higher the fair value. The higher the discount rate, the lower the fair value.
債務投資(iii)	-	31,272	貼現現金流量	預期回報率 貼現率	不適用	10%	A change in the expected rate of return or the discount rate by 1% does not have a significant impact on the fair value as at 31 December 2020 and 2019. 預期回報率越高，公平值越高。貼現率越高，公平值越低。 預期回報率或貼現率變動1%不會對2020年及2019年12月31日的公平值造成重大影響。
Wealth management product (iv)	-	89,596	Discounted cash flow	Expected rate of return	n/a	2%-3.5%	The higher the expected rate of return, the higher the fair value.
理財產品(iv)	-	89,596	貼現現金流量	預期回報率	不適用	2%-3.5%	A change in the expected rate of return by 1% does not have a significant impact on the fair value as at 31 December 2020 and 2019. 預期回報率越高，公平值越高。 預期回報率或貼現率變動1%不會對2020年及2019年12月31日的公平值造成重大影響。

**3. FINANCIAL RISK MANAGEMENT (Continued)****3.3 Fair value estimation (Continued)***Financial assets and liabilities (Continued)*

## (c) Valuation inputs and relationships to fair value (Continued)

## Notes:

- (i) The Group determines the fair value of the private equity fund investments as at 31 December 2020 based on the net asset values of the private equity funds with underlying assets and liabilities measured at fair value as reported by the general partners of the funds.
- (ii) For unlisted equity securities as at 31 December 2020, the fair values are determined by using the market approach and the significant unobservable inputs include the valuation multiples, such as PS and DLOM. Management determines the valuation multiples with reference to the respective multiples of comparable companies, as adjusted by the lack of marketability that market participants would consider when estimating the fair value of these investments.

**3. 財務風險管理 (續)****3.3 公平值估計 (續)***金融資產及負債 (續)*

## (c) 估值輸入數據及與公平值的關係 (續)

## 附註：

- (i) 本集團基於私募股權基金的資產淨值（相關資產及負債按基金普通合夥人所報的公平值計量）釐定於2020年12月31日私募股權基金投資的公平值。
- (ii) 對於2020年12月31日的非上市股本證券，公平值乃使用市場法釐定，而重大不可觀察輸入數據包括估值乘數（如PS及DLOM）。管理層參照可比公司各自的乘數釐定估值乘數，其中已就市場參與者在估算該等投資公平值時會考慮的缺乏市場流通性作出調整。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Continued)

##### 3.3 Fair value estimation (Continued)

###### Financial assets and liabilities (Continued)

###### (c) Valuation inputs and relationships to fair value (Continued)

(iii) As at 31 December 2019, the debt investment was an advanced loan of RMB30,000,000 to a third party with a maturity period of 13 months. The loan bore interest at a fixed rate of 8% per annum plus a variable rate as determined, based on the investment returns of a private equity fund. The loan has been collected back in July 2020 and the Group does not have any investments in the debt investment since then.

(iv) As at 31 December 2019, the Group also invested in certain short-term wealth management products (“WMPs”) of which the expected rates of return, as provided and periodically updated by the banks, cannot be accessed by the Group at the reporting date. As a result, these WMPs were included in level 3 as the respective rates of return are significant unobservable inputs in determining their fair values. As at 31 December 2020, the Group does not have any investments in WMPs.

#### 3. 財務風險管理 (續)

##### 3.3 公平值估計 (續)

###### 金融資產及負債 (續)

###### (c) 估值輸入數據及與公平值的關係 (續)

(iii) 於2019年12月31日，債務投資為授予第三方還款期為13個月的墊付貸款人民幣30,000,000元。該筆貸款按固定年利率8%另加浮動利率（基於私募股權基金的投資回報釐定）計息。該筆貸款已於2020年7月收回，而本集團自此並無投資於任何債務投資。

(iv) 於2019年12月31日，本集團亦投資若干短期理財產品（「理財產品」），其預期回報率由銀行提供及定期更新，而本集團於報告日期未能獲取有關資料。因此，由於釐定該等理財產品的公平值時，其各自的回報率屬重大不可觀察輸入數據，故該等理財產品計入第三層。於2020年12月31日，本集團並無投資於任何理財產品。



#### 4. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

##### 4.1 Critical accounting estimates

(a) *Net realisable value of inventories*

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and historical experience of manufacturing and selling products of similar nature. Management reassesses these estimates at each balance sheet date.

#### 4. 重大估計及判斷

編製財務報表需要使用會計估計，顧名思義，該等估計甚少符合實際結果。管理層亦須在應用本集團會計政策時作出判斷。

估計及判斷會予以持續評估，且基於歷史經驗及其他因素，包括對未來事件的預期，而該等事件可能對實體造成財務影響且據信在某些情況下屬合理。

##### 4.1 重大會計估計

(a) *存貨的可變現淨值*

存貨的可變現淨值按日常業務過程中的估計售價減估計完工成本及銷售開支計算。該等估計乃基於當前市況以及製造及銷售類似性質產品的過往經驗作出。管理層於各資產負債表日期重估該等估計。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 4. CRITICAL ESTIMATES AND JUDGEMENTS (Continued)

##### 4.1 Critical accounting estimates (Continued)

###### (b) Current and deferred income taxes

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be reflected in the income tax expense and deferred tax provisions in the period in which such determination is made. In addition, the realisation of future income tax assets is dependent on the Group's ability to generate sufficient taxable income in future years to utilise income tax benefits and tax loss carry-forwards. Deviations of future profitability from estimates or in the income tax rate would result in adjustments to the value of future income tax assets and liabilities that could have a significant effect on the income tax expenses.

Dividends derived from the Company's subsidiaries in mainland China to foreign investors are subject to withholding tax at the rate of 10%. The Group regularly assesses its needs to make distributions out of its subsidiaries in mainland China. In this regard, deferred tax liability will be provided on the undistributed profits to the extent they are expected to be distributed in the future.

#### 4. 重大估計及判斷(續)

##### 4.1 重大會計估計(續)

###### (b) 即期及遞延所得稅

於日常業務過程中有若干交易及計算難以明確作出最終的稅務釐定。本集團根據對是否將繳付額外稅項的估計確認負債。倘該等事宜的最終稅務結果與初步記錄的金額有所差異，則有關差異將於作出有關釐定期間內所得稅開支及遞延稅項撥備中反映。此外，未來所得稅資產能否變現視乎本集團於未來年度能否產生足夠應課稅收入，以使用所得稅利益及結轉稅項虧損的能力而定。倘估計的未來盈利能力或所得稅稅率有所偏離，則須對未來所得稅資產及負債價值作出調整，繼而可能對所得稅開支構成重大影響。

本公司於中國內地的附屬公司向境外投資者分派股息須按10%的稅率繳納預扣稅。本集團定期評估自其中國內地的附屬公司作出分派的需求。就此而言，將就未分派溢利(倘預期日後將獲分派)作出遞延稅項負債撥備。

## 5. REVENUE AND SEGMENT INFORMATION

Management determines the operating segments based on the reports reviewed by the chief operating decision makers (“CODM”) that are used to make strategic decisions. The Group’s revenue, expenses, assets, liabilities and capital expenditure are primarily attributable to the manufacturing and sales of hot pot condiment, Chinese-style compound condiment, convenient ready-to-eat food products and others to third party and related party customers, which are considered by the CODM as one segment. The Group’s principal market is mainland China and its sales to overseas customers contributed to less than 5% of the total revenues. Accordingly, no geographical information is presented.

Breakdown of revenue by product category is as follows:

		<b>Year ended 31 December</b> 截至12月31日止年度	
		<b>2020</b> 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Revenue recognised at point in time</b>	<b>於某一時點確認的收入</b>		
Hot pot condiment	火鍋調味料		
– Related parties	– 關聯方	<b>1,348,680</b>	1,592,331
– Third parties	– 第三方	<b>1,841,402</b>	1,221,033
Subtotal	小計	<b>3,190,082</b>	2,813,364
Chinese-style compound condiment	中式複合調味料		
– Related parties	– 關聯方	<b>34,693</b>	49,468
– Third parties	– 第三方	<b>495,724</b>	345,477
Subtotal	小計	<b>530,417</b>	394,945
Convenient ready-to-eat food products	方便速食食品		
– Related parties	– 關聯方	<b>39,665</b>	20,492
– Third parties	– 第三方	<b>1,500,552</b>	978,475
Subtotal	小計	<b>1,540,217</b>	998,967
Others	其他		
– Related parties	– 關聯方	<b>453</b>	880
– Third parties	– 第三方	<b>98,852</b>	74,332
Subtotal	小計	<b>99,305</b>	75,212
<b>Total</b>	<b>總計</b>	<b>5,360,021</b>	4,282,488

Revenue from sales attributable to related parties accounted for approximately 26.6% and 38.8% of the total revenue for the years ended 31 December 2020 and 2019 respectively.

## 5. 收入及分部資料

管理層基於主要經營決策者（「主要經營決策者」）審閱的報告（用以作出戰略決策）釐定經營分部。本集團的收入、開支、資產、負債及資本開支主要來源於製造及向第三方及關聯方客戶銷售火鍋調味料、中式複合調味料、方便速食食品及其他（被主要經營決策者視為一個分部）。本集團的主要市場在中國內地，其向海外客戶的銷售額佔總收入不足5%。因此，並無呈列地區資料。

按產品系列劃分的收入明細如下：

		<b>Year ended 31 December</b> 截至12月31日止年度	
		<b>2020</b> 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Revenue recognised at point in time</b>	<b>於某一時點確認的收入</b>		
Hot pot condiment	火鍋調味料		
– Related parties	– 關聯方	<b>1,348,680</b>	1,592,331
– Third parties	– 第三方	<b>1,841,402</b>	1,221,033
Subtotal	小計	<b>3,190,082</b>	2,813,364
Chinese-style compound condiment	中式複合調味料		
– Related parties	– 關聯方	<b>34,693</b>	49,468
– Third parties	– 第三方	<b>495,724</b>	345,477
Subtotal	小計	<b>530,417</b>	394,945
Convenient ready-to-eat food products	方便速食食品		
– Related parties	– 關聯方	<b>39,665</b>	20,492
– Third parties	– 第三方	<b>1,500,552</b>	978,475
Subtotal	小計	<b>1,540,217</b>	998,967
Others	其他		
– Related parties	– 關聯方	<b>453</b>	880
– Third parties	– 第三方	<b>98,852</b>	74,332
Subtotal	小計	<b>99,305</b>	75,212
<b>Total</b>	<b>總計</b>	<b>5,360,021</b>	4,282,488

關聯方應佔銷售收入佔截至2020年及2019年12月31日止年度總收入分別約26.6%及38.8%。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 6. INTANGIBLE ASSETS

#### 6. 無形資產

		Trademark 商標權 RMB' 000 人民幣千元	Software 軟件 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>At 1 January 2019</b>	<b>於2019年1月1日</b>			
Cost	成本	160	7,611	7,771
Accumulated amortisation	累計攤銷	(11)	(2,451)	(2,462)
<b>Net book amount</b>	<b>賬面淨值</b>	149	5,160	5,309
<b>Year ended 31 December 2019</b>	<b>截至2019年12月31日</b>			
	止年度			
Opening net book amount	年初賬面淨值	149	5,160	5,309
Additions	添置	–	15,069	15,069
Amortisation charge	攤銷費用	(16)	(2,713)	(2,729)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	133	17,516	17,649
<b>At 31 December 2019</b>	<b>於2019年12月31日</b>			
Cost	成本	160	22,680	22,840
Accumulated amortisation	累計攤銷	(27)	(5,164)	(5,191)
<b>Net book amount</b>	<b>賬面淨值</b>	133	17,516	17,649
<b>Year ended 31 December 2020</b>	<b>截至2020年12月31日</b>			
	止年度			
Opening net book amount	年初賬面淨值	133	17,516	17,649
Additions	添置	–	9,395	9,395
Amortisation charge	攤銷費用	(16)	(5,535)	(5,551)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	117	21,376	21,493
<b>At 31 December 2020</b>	<b>於2020年12月31日</b>			
Cost	成本	160	32,075	32,235
Accumulated amortisation	累計攤銷	(43)	(10,699)	(10,742)
<b>Net book amount</b>	<b>賬面淨值</b>	117	21,376	21,493

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 6. INTANGIBLE ASSETS (Continued)

Amortisation expenses has been charged to the consolidated statement of profit or loss and other comprehensive income as follows:

#### 6. 無形資產(續)

攤銷費用已於綜合損益及其他全面收益表中扣除，列示如下：

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Cost of sales	銷售成本	500	459
Administrative and distribution expenses	行政及經銷開支	5,051	2,270
<b>Total</b>	<b>總計</b>	<b>5,551</b>	<b>2,729</b>



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 7. PROPERTY, PLANT AND EQUIPMENT

#### 7. 物業、廠房及設備

		Freehold land (a) 永久業權 土地(a) RMB' 000 人民幣千元	Buildings 樓宇 RMB' 000 人民幣千元	Machinery 機器 RMB' 000 人民幣千元	Equipment and others 設備及其他 RMB' 000 人民幣千元	Vehicles and furniture 車輛及家具 RMB' 000 人民幣千元	Construction in progress 在建工程 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>As at 1 January 2019</b>	於2019年1月1日							
Cost	成本	-	78,519	138,289	46,672	4,824	134,439	402,743
Accumulated depreciation	累計折舊	-	(25,071)	(43,836)	(23,022)	(2,198)	-	(94,127)
<b>Net book amount</b>	賬面淨值	-	53,448	94,453	23,650	2,626	134,439	308,616
<b>Year ended 31 December 2019</b>	截至2019年12月31日							
	止年度							
Opening net book amount	年初賬面淨值	-	53,448	94,453	23,650	2,626	134,439	308,616
Additions	添置	-	4,058	116,925	36,661	4,149	57,334	219,127
Disposals	出售	-	(13)	(3,755)	(1,150)	(22)	-	(4,940)
Transfers	轉讓	-	150,541	1,748	9,967	-	(162,256)	-
Depreciation charge	折舊費用	-	(8,375)	(19,222)	(10,960)	(853)	-	(39,410)
<b>Closing net book amount</b>	年末賬面淨值	-	199,659	190,149	58,168	5,900	29,517	483,393
<b>As at 31 December 2019</b>	於2019年12月31日							
Cost	成本	-	233,103	251,453	90,722	8,942	29,517	613,737
Accumulated depreciation	累計折舊	-	(33,444)	(61,304)	(32,554)	(3,042)	-	(130,344)
<b>Net book amount</b>	賬面淨值	-	199,659	190,149	58,168	5,900	29,517	483,393
<b>Year ended 31 December 2020</b>	截至2020年12月31日							
	止年度							
Opening net book amount	年初賬面淨值	-	199,659	190,149	58,168	5,900	29,517	483,393
Additions	添置	38,531	8,672	183,924	15,112	1,043	133,531	380,813
Disposals	出售	-	-	(9,291)	(2,454)	(468)	-	(12,213)
Transfers	轉讓	-	480	-	4,242	-	(4,722)	-
Depreciation charge	折舊費用	-	(13,476)	(31,534)	(14,488)	(1,459)	-	(60,957)
Exchange rate difference	匯率差異	121	(31)	(992)	(14)	(25)	-	(941)
<b>Closing net book amount</b>	年末賬面淨值	38,652	195,304	332,256	60,566	4,991	158,326	790,095
<b>As at 31 December 2020</b>	於2020年12月31日							
Cost	成本	38,652	242,224	421,509	105,273	9,492	158,326	975,476
Accumulated depreciation	累計折舊	-	(46,920)	(89,253)	(44,707)	(4,501)	-	(185,381)
<b>Net book amount</b>	賬面淨值	38,652	195,304	332,256	60,566	4,991	158,326	790,095

(a) In December 2020, the Group acquired a piece of freehold land located in Thailand for the construction of a manufacturing plant.

(a) 於2020年12月，本集團收購位於泰國的一塊永久業權土地，用於建設一個製造工廠。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expenses has been charged to the consolidated statement of profit or loss and other comprehensive income as follows:

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Cost of sales	銷售成本	49,985	33,211
Administrative and distribution expenses	行政及經銷開支	10,972	6,199
<b>Total</b>	<b>總計</b>	<b>60,957</b>	<b>39,410</b>

#### 8. LEASES

This note provides information for leases where the Group is a lessee.

##### (i) Amounts recognised in the balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
<b>Right-of-use assets</b>	<b>使用權資產</b>		
Land use rights	土地使用權	133,256	110,788
Properties and warehouses	不動產及倉庫	74,253	40,647
<b>Total</b>	<b>總計</b>	<b>207,509</b>	<b>151,435</b>

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
<b>Lease liabilities</b>	<b>租賃負債</b>		
Current	流動	29,279	12,790
Non – current	非流動	44,357	26,361
<b>Total</b>	<b>總計</b>	<b>73,636</b>	<b>39,151</b>

#### 7. 物業、廠房及設備(續)

折舊開支已於綜合損益及其他全面收益表中扣除，列示如下：

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Cost of sales	銷售成本	49,985	33,211
Administrative and distribution expenses	行政及經銷開支	10,972	6,199
<b>Total</b>	<b>總計</b>	<b>60,957</b>	<b>39,410</b>

#### 8. 租賃

該附註載列有關本集團作為承租人所訂立租約的資料。

##### (i) 於資產負債表內確認的款項

綜合資產負債表所載列與租賃有關的款項如下：

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
<b>Right-of-use assets</b>	<b>使用權資產</b>		
Land use rights	土地使用權	133,256	110,788
Properties and warehouses	不動產及倉庫	74,253	40,647
<b>Total</b>	<b>總計</b>	<b>207,509</b>	<b>151,435</b>

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
<b>Lease liabilities</b>	<b>租賃負債</b>		
Current	流動	29,279	12,790
Non – current	非流動	44,357	26,361
<b>Total</b>	<b>總計</b>	<b>73,636</b>	<b>39,151</b>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 8. LEASES (Continued)

##### (i) Amounts recognised in the balance sheet (Continued)

During the year ended 31 December 2020, the additions to land use rights and leased properties and warehouse amounted to RMB64,778,000 and RMB51,778,000 respectively (2019: RMB37,940,000 and RMB33,977,000 respectively).

##### (ii) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

#### 8. 租賃(續)

##### (i) 於資產負債表內確認的款項(續)

截至2020年12月31日止年度，土地使用權和租賃物業及倉庫新增金額分別為人民幣64,778,000元及人民幣51,778,000元(2019年：人民幣37,940,000元及人民幣33,977,000元)。

##### (ii) 於綜合損益及其他全面收益表內確認的款項

綜合損益及其他全面收益表所載列與租賃有關的款項如下：

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
<b>Depreciation charge of right-of-use assets</b>	<b>使用權資產的折舊費用</b>		
Land use rights	土地使用權	2,867	2,184
Properties and warehouses	不動產及倉庫	16,786	10,247
<b>Total</b>	<b>總計</b>	<b>19,653</b>	<b>12,431</b>
Interest expense (included in finance costs)	利息支出(計入融資成本)	2,007	1,560
Expense relating to short-term leases (included in cost of sales and administrative expenses)	與短期租賃有關的開支(計入銷售成本及行政開支)	15,317	13,207

**8. LEASES (Continued)**

(iii) The total cash outflow for leases in 2020 was RMB28,799,000 (2019: RMB20,382,000) (not including the land use rights as acquired during the current year of RMB64,778,000 (2019: RMB37,940,000)).

**(iv) The Group's leasing activities and how these are accounted for**

The Group leases various offices, warehouses and has land use rights under long-term lease agreements. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

**(v) Extension and termination options**

Extension and termination options are included in some property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

**8. 租賃(續)**

(iii) 2020年租賃相關現金流出總額為人民幣28,799,000元(2019年:人民幣20,382,000元)(不包括於本年度收購的土地使用權人民幣64,778,000元(2019年:人民幣37,940,000元))。

**(iv) 本集團的租賃活動及其會計處理**

本集團租賃多處辦公室、倉庫及擁有長期租賃協議下的土地使用權。每份合同的租賃條款均單獨商定，並且包括眾多不同的條款及條件。租賃協議不包含契約條款，但租賃資產不得用作借款抵押。

**(v) 續租及終止選擇權**

續租及終止選擇權包含在本集團若干物業租賃中。該等條款用於提高管理合約的運作靈活性。所持有的大部分續租及終止選擇權僅可由本集團行使，惟不可由各出租人行使。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9. SUBSIDIARIES

(a) The Group's subsidiaries at 31 December 2020 are set out below:

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及 法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的 所有權權益	
				2020 2020年 %	2019 2019年 %	2020 2020年 %	2019 2019年 %
<i>Directly held:</i> 直接持有：							
Yihai Ltd.	British Virgin Islands Limited liability company	Investment holding and consulting in British Virgin Islands	US\$1	100%	100%	-	-
Yihai Ltd.	英屬處女群島有限責任公司	在英屬處女群島從事投資 控股與諮詢	1美元	100%	100%	-	-
<i>Indirectly held:</i> 間接持有：							
Yihai (China) Food Co., Ltd.	Hong Kong Limited liability company	Investment holding, consulting, and sales of hot pot condiment in Hong Kong	HK\$10,000,000	100%	100%	-	-
頤海(中國)食品有限公司	香港有限責任公司	在香港從事投資控股、諮 詢及銷售火鍋調味料	10,000,000港元	100%	100%	-	-
Yihai (Singapore) Food Pte. Ltd.	Singapore Limited liability company	Sales of hot pot condiment in Singapore	SGD5,000,000	100%	100%	-	-
Yihai (Singapore) Food Pte. Ltd.	新加坡有限責任公司	在新加坡銷售火鍋調味料	5,000,000新加坡元	100%	100%	-	-
Yihai (US) Food Inc.	USA Incorporated company	Sales of hot pot condiment in the United States	US\$100,000	100%	100%	-	-
Yihai (US) Food Inc.	在美國註冊成立公司	在美國銷售火鍋調味料	100,000美元	100%	100%	-	-
YIHAI (AUSTRALIA) FOOD PROPRIETARY LIMITED	Australia Limited liability company	Yet to commence operation in Australia	-	100%	-	-	-
YIHAI (AUSTRALIA) FOOD PROPRIETARY LIMITED	澳大利亞有限責任公司	尚未在澳大利亞營運	-	100%	-	-	-

#### 9. 附屬公司

(a) 本集團於2020年12月31日的附屬公司載列如下：



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9. SUBSIDIARIES (Continued)

(a) The Group's subsidiaries at 31 December 2020 are set out below: (Continued)

#### 9. 附屬公司 (續)

(a) 本集團於2020年12月31日的附屬公司載列如下(續):

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及 法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的 所有權權益	
				2020 2020年 %	2019 2019年 %	2020 2020年 %	2019 2019年 %
<i>Indirectly held:</i> 間接持有:							
Taiwan Yihai Food Co., Ltd.	Taiwan Limited liability company	Sales of hot pot condiment in Taiwan	TWD6,500,000	100%	100%	-	-
Taiwan Yihai Food Co., Ltd.	台灣有限責任公司	在台灣銷售火鍋調味料	6,500,000新台幣	100%	100%	-	-
Yihai Food (Thailand) Co., Ltd.	Thailand Limited liability company	Yet to commence operation in Thailand	THB343,000,000	100%	100%	-	-
Yihai Food (Thailand) Co., Ltd.	泰國有限責任公司	尚未在泰國營運	343,000,000泰銖	100%	100%	-	-
Yihai (Korea) Food Co., Ltd.	South Korea Limited liability company	Sales of hot pot condiment in South Korea	KRW300,000,000	100%	100%	-	-
Yihai (Korea) Food Co., Ltd.	韓國有限責任公司	在韓國銷售火鍋調味料	300,000,000韓元	100%	100%	-	-
Yihai Natural Food Manufacturing Sdn. Bhd.	Malaysia Private limited company	Manufacture and sales of hot pot condiment in Malaysia	MYR9,000,000	60%	60%	40%	40%
Yihai Natural Food Manufacturing Sdn. Bhd.	馬來西亞私人有限責任公司	在馬來西亞生產及銷售火鍋調味料	9,000,000 馬來西亞令吉	60%	60%	40%	40%
Yihai (UK) Food Ltd.	The United Kingdom Limited liability company	Sales of hot pot condiment in the United Kingdom	GBP1,000,000	100%	100%	-	-
Yihai (UK) Food Ltd.	英國有限責任公司	在英國銷售火鍋調味料	1,000,000英鎊	100%	100%	-	-
Yihai (Birmingham) Food Ltd	The United Kingdom Limited liability company	Manufacture and sales of hot pot condiment in the United Kingdom	GBP500,000	100%	100%	-	-
Yihai (Birmingham) Food Ltd	英國有限責任公司	在英國生產及銷售火鍋調味料	500,000英鎊	100%	100%	-	-

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9. SUBSIDIARIES (Continued)

(a) The Group's subsidiaries at 31 December 2020 are set out below: (Continued)

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及 法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的 所有權權益	
				2020 2020年 %	2019 2019年 %	2020 2020年 %	2019 2019年 %
<i>Indirectly held:</i> 間接持有：							
Yihai (Shanghai) Food Co., Ltd. (i) 頤海(上海)食品有限公司(i)	Mainland China Limited liability company 中國內地有限責任公司	Sales of hot pot condiment in China 在中國銷售火鍋調味料	US\$50,000,000 50,000,000美元	100%	100%	-	-
Zhengzhou Shuhai Enterprise Co., Ltd. 鄭州蜀海實業有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調 味料	RMB1,000,000 人民幣1,000,000元	100%	100%	-	-
Chengdu Yueyihai Co., Ltd. 成都悅頤海商貿有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調 味料	RMB1,000,000 人民幣1,000,000元	100%	100%	-	-
Yihai Beijing Trading Co., Ltd. 頤海(北京)商貿有限責任公司	Mainland China Limited liability company 中國內地有限責任公司	Sales of hot pot condiment in China 在中國銷售火鍋調味料	RMB1,000,000 人民幣1,000,000元	100%	100%	-	-
Yihai (Bazhou) Food Co., Ltd. 頤海(霸州)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調 味料	RMB10,000,000 人民幣 10,000,000元	100%	100%	-	-
Yihai (Maanshan) Food Co., Ltd. 頤海(馬鞍山)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調 味料	RMB30,000,000 人民幣 30,000,000元	100%	100%	-	-

#### 9. 附屬公司(續)

(a) 本集團於2020年12月31日的附屬公司載列如下(續):

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9. SUBSIDIARIES (Continued)

#### 9. 附屬公司 (續)

(a) The Group's subsidiaries at 31 December 2020 are set out below: (Continued)

(a) 本集團於2020年12月31日的附屬公司載列如下(續):

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及 法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的 所有權權益	
				2020 2020年 %	2019 2019年 %	2020 2020年 %	2019 2019年 %
<i>Indirectly held:</i> 間接持有:							
Fuhai (Maanshan) Food Co., Ltd. 馥海(馬鞍山)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB10,000,000 人民幣 10,000,000元	100%	100%	-	-
Fuhai (Shanghai) Food Technology Co., Ltd. (ii) 馥海(上海)食品科技有限公司(ii)	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB10,000,000 人民幣 10,000,000元	60%	60%	40%	40%
Fuhai Bazhou Food Co., Ltd. 馥海霸州食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	-	100%	100%	-	-
Yihai (Chengdu) Food Co., Ltd. 頤海(成都)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	-	100%	100%	-	-
Yihai (Luohe) Food Co., Ltd. 頤海(漯河)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB10,000,000 人民幣 10,000,000元	100%	100%	-	-
Yihai Japan Co., Ltd. Yihai Japan Co., Ltd.	Japan Limited liability company 日本有限責任公司	Sales of hot pot condiment in Japan 在日本銷售火鍋調味料	JPY6,000,000 6,000,000日圓	100%	-	-	-

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9. SUBSIDIARIES (Continued)

(a) The Group's subsidiaries at 31 December 2020 are set out below: (Continued)

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及 法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的 所有權權益	
				2020 2020年 %	2019 2019年 %	2020 2020年 %	2019 2019年 %
Yihai (Canada) Food Inc.	Canada Limited liability company 加拿大有限責任公司	Sales of hot pot condiment in Canada 在加拿大銷售火鍋調味料	CAD10 10加元	100%	-	-	-
Yihai Malaysia Food SDN.BHD.	Malaysia Limited liability company 馬來西亞有限責任公司	Sales of hot pot condiment in Malaysia 在馬來西亞銷售火鍋調味 料	MYR10,000,000 10,000,000 馬來西亞令吉	100%	-	-	-
Chengdu Fuhai Food Co., Ltd. 成都馥海食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調 味料	RMB1,000,000 人民幣1,000,000元	100%	-	-	-
Yihai (Kaifeng) Food Co., Ltd 頤海(開封)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	RMB1,000,000 人民幣1,000,000元	100%	-	-	-
Fuhai (Henan) Food Co., Ltd 馥海(河南)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調 味料	RMB1,000,000 人民幣1,000,000元	100%	-	-	-
Fuhai (Zhaoqing) Food Co., Ltd. 馥海(肇慶)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	-	100%	-	-	-
Yihai (Zhaoqing) Food Co., Ltd. 頤海(肇慶)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	-	100%	-	-	-

#### 9. 附屬公司(續)

(a) 本集團於2020年12月31日的附屬公司載列如下(續):

## 9. SUBSIDIARIES (Continued)

## (a) The Group's subsidiaries at 31 December 2020 are set out below: (Continued)

Notes:

- (i) This subsidiary is wholly foreign owned enterprises with limited liability established in mainland China.
- (ii) This subsidiary is a foreign invested enterprise with limited liability established in mainland China.
- (iii) Other subsidiaries established in the mainland China are wholly domestic owned companies.

## (b) Non-controlling interests ("NCI")

Set out below is summarised financial information for a subsidiary that has non-controlling interests that are material to the Group.

The amounts disclosed for the subsidiary are before inter-company eliminations.

## Summarised balance sheet

資產負債表概要

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Current assets	流動資產	549,472	307,885
Current liabilities	流動負債	107,254	81,456
<b>Current net assets</b>	<b>流動資產淨值</b>	<b>442,218</b>	<b>226,429</b>
Non-current assets	非流動資產	88,634	54,883
Non-current liabilities	非流動負債	1,906	3,858
<b>Non-current net assets</b>	<b>非流動資產淨值</b>	<b>86,728</b>	<b>51,025</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>528,946</b>	<b>277,454</b>
Accumulated NCI	累計非控制權益	211,578	110,981

## 9. 附屬公司(續)

## (a) 本集團於2020年12月31日的附屬公司載列如下(續):

附註:

- (i) 該附屬公司為於中國內地成立的外商獨資企業有限責任公司。
- (ii) 該附屬公司為於中國內地成立的外商投資企業有限責任公司。
- (iii) 其他於中國內地成立的附屬公司為國內獨資公司。

## (b) 非控制權益(「非控制權益」)

以下所載為一家附屬公司(擁有對本集團而言屬重大的非控制權益)的財務資料摘要。

就該附屬公司披露的金額尚未進行公司間對銷。

**Fuhai (Shanghai)**  
**Food Technology Co., Ltd.**  
馥海(上海)食品科技  
有限公司  
**As at 31 December**  
於12月31日



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9. SUBSIDIARIES (Continued)

##### (b) Non-controlling interests ("NCI") (Continued)

#### Summarised statement of profit or loss and other comprehensive income

損益及其他全面收益表概要

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Revenue	收入	1,471,152	968,554
<b>Profit for the year</b>	<b>年內溢利</b>	<b>251,489</b>	191,125
Other comprehensive income	其他全面收入	-	-
<b>Total comprehensive income</b>	<b>全面收入總額</b>	<b>251,489</b>	191,125
Profit allocated to NCI	分配至非控制權益的溢利	100,596	76,451

#### Summarised cash flows

現金流量概要

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Cash flows generated from operating activities	經營活動所得現金流量	284,186	66,531
Cash flows used in investing activities	投資活動所用現金流量	(32,528)	(38,564)
Cash flows used in financing activities	融資活動所用現金流量	(1,740)	(1,884)
<b>Net increase in cash and cash equivalents</b>	<b>現金及現金等價物增加淨額</b>	<b>249,918</b>	26,083

#### 9. 附屬公司 (續)

##### (b) 非控制權益 (「非控制權益」) (續)

## 10. DEFERRED INCOME TAX

## (i) Deferred income tax assets

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>The balance comprises temporary differences attributable to:</b>	<b>結餘包括歸屬於下列各項的暫時差異：</b>		
Unrealised profit on intragroup sales	集團內部銷售未變現溢利	4,379	7,978
Tax losses	稅項虧損	10,711	9,527
Lease liabilities	租賃負債	9,681	9,610
Sales rebates	銷售返利	-	5,864
Others	其他	1,199	1,849
Total deferred income tax assets	遞延所得稅資產總值	25,970	34,828
Set-off of deferred income tax liabilities	抵銷遞延所得稅負債	(9,494)	(9,383)
Net deferred income tax assets	遞延所得稅資產淨額	16,476	25,445

## 10. 遞延所得稅

## (i) 遞延所得稅資產

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 10. DEFERRED INCOME TAX (Continued)

##### (i) Deferred income tax assets (Continued)

The movement in deferred income tax assets during the year ended 31 December 2020, without taking into consideration of the offsetting of balances within the same tax jurisdiction, is as follows:

Movements	變動	Unrealised profit on intra-group sales	Tax losses	Lease liabilities	Sales rebates	Others	Total
		集團內部銷售未變現溢利 RMB'000 人民幣千元	稅項虧損 RMB'000 人民幣千元	租賃負債 RMB'000 人民幣千元	銷售返利 RMB'000 人民幣千元	其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 1 January 2019	於2019年1月1日	12,559	4,385	-	5,432	1,513	23,889
Credited/(charged) to profit or loss	計入/(扣除)損益表	(4,581)	5,142	9,610	432	336	10,939
As at 31 December 2019	於2019年12月31日	7,978	9,527	9,610	5,864	1,849	34,828
(Charged)/credited to profit or loss	(扣除)/計入損益表	(3,599)	1,184	71	(5,864)	(650)	(8,858)
As at 31 December 2020	於2020年12月31日	4,379	10,711	9,681	-	1,199	25,970

#### 10. 遞延所得稅(續)

##### (i) 遞延所得稅資產(續)

在不考慮相同稅務司法權區內可抵銷餘額的情況下，於截至2020年12月31日止年度的遞延所得稅資產變動如下：

## 10. DEFERRED INCOME TAX (Continued)

## (ii) Deferred income tax liabilities

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>The balance comprises temporary differences attributable to:</b>	結餘包括歸屬於下列各項的暫時差異：		
Withholding income tax on profit distribution of mainland China subsidiaries	中國內地附屬公司分派溢利的預提所得稅	20,000	–
Right-of-use assets	使用權資產	9,805	9,383
Fair value changes of investments in financial assets	金融資產投資公平值變動	3,435	381
<b>Total deferred income tax liabilities</b>	<b>遞延所得稅負債總額</b>	<b>33,240</b>	<b>9,764</b>
Set-off of deferred income tax liabilities	抵銷遞延所得稅負債	(9,494)	(9,383)
<b>Net deferred income tax liabilities</b>	<b>遞延所得稅負債淨值</b>	<b>23,746</b>	<b>381</b>

Movements	變動	Withholding income tax on profit distribution of mainland China subsidiaries (Note 28) 中國內地附屬公司分派溢利的預提所得稅 (附註28) RMB' 000 人民幣千元	Fair value changes of investments in financial assets 金融資產投資公平值變動 RMB' 000 人民幣千元	Right-of-use assets 使用權資產 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
As at 1 January 2019	於2019年1月1日	–	–	–	–
Charged to the profit or loss	於損益表扣除	–	381	9,383	9,764
As at 31 December 2019	於2019年12月31日	–	381	9,383	9,764
Charged to the profit or loss	於損益表扣除	20,000	3,054	422	23,476
As at 31 December 2020	於2020年12月31日	20,000	3,435	9,805	33,240

## 10. 遞延所得稅 (續)

## (ii) 遞延所得稅負債

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 11. INVENTORIES

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Raw materials	原材料	145,657	111,721
Finished goods	製成品	260,376	185,613
Total inventories	存貨總額	406,033	297,334

The cost of inventories recognised as expense and included in 'cost of sales' amounted to RMB3,269,911,000 (2019: RMB2,641,088,000), which included inventory write-down of RMB3,914,000 (2019: RMB1,521,000).

確認為開支並計入「銷售成本」的存貨成本為人民幣3,269,911,000元（2019年：人民幣2,641,088,000元），其包括存貨撇減人民幣3,914,000元（2019年：人民幣1,521,000元）。

#### 12. OTHER ASSETS

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Prepayments for property, plant and equipment	物業、廠房及設備預付款項	148,053	194,949
Prepayments for purchase of raw materials	購買原材料預付款項	53,635	90,357
Value – added tax recoverable	可收回增值稅	33,301	49,089
Prepayments for technology and other services expenses	科技及其他服務費用預付款項	10,570	15,632
Prepayments for short-term leases of warehouses and staff quarters	倉庫及員工宿舍短期租約預付款項	6,130	10,265
Others	其他	3,572	3,536
		255,261	363,828
Less: non – current items	減：非即期項目	(148,053)	(194,949)
Other current assets	其他流動資產	107,208	168,879

#### 11. 存貨

#### 12. 其他資產



## 13. TRADE RECEIVABLES

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Third parties	第三方	6,184	57,480
Related parties (Note 33(d))	關聯方(附註33(d))	184,712	214,272
		190,896	271,752
Less: provision for impairment	減: 減值撥備	(67)	(2,577)
Trade receivables – net	貿易應收款項 – 淨額	190,829	269,175

(i) The majority of the Group's third party sales are conducted through receiving advances from customers before delivering the goods to customers, with only a few customers who are granted with credit periods ranged from 30 to 90 days. The related party customers of the Group are granted with 30 days credit period. Ageing analysis based on recognition date of the trade receivables-net at the respective balance sheet dates is as follows:

(i) 本集團的第三方銷售大部分以向客戶交付貨物前收取客戶墊款的方式進行，當中僅有少數客戶獲授出介乎30至90天的信貸期。本集團的關聯方客戶獲授出30天的信貸期。根據貿易應收款項 – 淨額的確認日期於各結算日的賬齡分析如下：

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Within 3 months	3個月內	190,523	266,581
3 to 6 months	3至6個月	306	2,594
		190,829	269,175

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 13. TRADE RECEIVABLES (Continued)

- (ii) The carrying amounts of trade receivables approximate their fair values.
- (iii) Impairment and risk exposure

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Note 3.1(b) provides for details about the calculation of the allowance.

Information about the impairment of trade receivables and the Group's exposure to credit risk and foreign currency risk can be found in Note 3.1.

#### 14. OTHER FINANCIAL ASSETS AT AMORTISED COST

Deposit for utilities and leases	公用設施及租賃押金		
Others	其他		
Subtotal	小計		
Less: provision for impairment	減：減值撥備		
Total	總計		

- (i) The carrying amounts of other financial assets at amortised cost approximate their fair values.

#### 13. 貿易應收款項 (續)

- (ii) 貿易應收款項的賬面值與其公平值相若。
- (iii) 減值及風險承擔

本集團採用國際財務報告準則第9號的簡化方法計量預期信貸虧損，就所有貿易應收款項整個存續期計量預期虧損撥備。附註3.1(b)提供有關撥備的計算方法詳情。

有關貿易應收款項減值及本集團信貸風險與外幣風險承擔的資料可參閱附註3.1。

#### 14. 按攤銷成本列賬的其他金融資產

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Deposit for utilities and leases	公用設施及租賃押金	5,961	5,100
Others	其他	1,211	2,686
Subtotal	小計	7,172	7,786
Less: provision for impairment	減：減值撥備	(72)	(24)
Total	總計	7,100	7,762

- (i) 按攤銷成本列賬的其他金融資產的賬面值與其公平值相若。

## 14. OTHER FINANCIAL ASSETS AT AMORTISED COST

(Continued)

## (ii) Impairment and risk exposure

Note 3.1 sets out information about the impairment of financial assets and the Group's exposure to credit risk.

All of the financial assets at amortised cost are denominated in RMB. As a result, there is no exposure to foreign currency risk. There is also no exposure to price risk as the investments will be held to maturity.

## 15. CASH AND BANK BALANCES

## 14. 按攤銷成本列賬的其他金融資產

(續)

## (ii) 減值及風險承擔

附註3.1載列有關金融資產減值及本集團信貸風險承擔的資料。

全部按攤銷成本列賬的金融資產均以人民幣計值。因此，不存在外匯風險。由於投資將持有至到期，因此亦不存在價格風險。

## 15. 現金及銀行結餘

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Cash and cash equivalents (a)	現金及現金等價物(a)	1,986,929	1,036,396
Term deposits with initial term over one year (b)	初始期限超過一年的定期存款(b)	190,000	-
Term deposits with initial term over three months and within one year (b)	初始期限超過三個月及一年以內的定期存款(b)	131,937	484,845
		<b>2,308,866</b>	<b>1,521,241</b>

(a) Cash and cash equivalents include current deposits and term deposits with initial term within three months.

(b) The interest rates on term deposits with initial term over three months and within one year as at 31 December 2020 range from 0.7% to 1.65% per annum. The interest rates on term deposits with initial term over one year as at 31 December 2020 is 3.65% per annum. The deposits earn interests at fixed rates based on prevailing market rates.

(a) 現金及現金等價物包括活期存款及初始期限為三個月內的定期存款。

(b) 於2020年12月31日，初始期限為三個月以上及一年以內的定期存款的年利率為介乎0.7%至1.65%。於2020年12月31日，初始期限為一年以上的定期存款的年利率為3.65%。存款按現行市價的固定利率賺取利息。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 15. CASH AND BANK BALANCES (Continued)

- (c) As at 31 December 2020 and 2019, cash and bank balances were denominated in the following currencies:

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
RMB	人民幣	1,678,010	727,301
US\$	美元	518,794	615,165
HK\$	港元	46,039	153,122
Others	其他	66,023	25,653
Total	總計	2,308,866	1,521,241

As at 31 December 2020, cash and cash equivalents of RMB38,573,000 (2019: RMB10,170,000) represented deposits held in certain on line payment platforms.

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of mainland China are subject to relevant rules and regulations of foreign exchange control promulgated by mainland China government.

#### 15. 現金及銀行結餘 (續)

- (c) 於2020年及2019年12月31日，現金及銀行結餘以下列貨幣計值：

As at 31 December  
於12月31日

2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
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RMB	人民幣	1,678,010	727,301
US\$	美元	518,794	615,165
HK\$	港元	46,039	153,122
Others	其他	66,023	25,653
Total	總計	2,308,866	1,521,241

於2020年12月31日，現金及現金等價物人民幣38,573,000元(2019年：人民幣10,170,000元)為在若干網絡付款平台持有的存款。

將以人民幣列值的結餘換算為外幣及將該等外幣計值的銀行結餘及現金匯出中國內地，須遵守中國內地政府頒佈的有關外匯管制規則及法規。

## 16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

## (i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are held for trading; and
- equity investments for which the Group has not elected to recognise fair value gains and losses through OCI.

Financial assets measured at FVPL include the following:

## 16. 按公平值計入損益的金融資產

## (i) 按公平值計入損益的金融資產的分類

本集團將下列金融資產分類為按公平值計入損益（按公平值計入損益）：

- 不合資格按攤銷成本或按公平值計入其他全面收益計量的債務投資
- 持作交易的股本投資；及
- 本集團並無選擇透過其他全面收益確認公平值收益及虧損的股本投資。

按公平值計入損益計量的金融資產包括以下各項：

		<b>As at 31 December</b>	
		<b>於12月31日</b>	
		<b>2020</b>	2019
		<b>2020年</b>	2019年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
– Private equity fund investments (Note 3.3(a))	– 私募股權基金投資 (附註3.3(a))	<b>19,576</b>	41,741
– Unlisted equity securities (Note 3.3(c)(i))	– 非上市股本證券 (附註3.3(c)(i))	<b>23,088</b>	–
– Debt investment	– 債務投資	–	31,272
– Listed equity securities	– 上市股本證券	–	11,880
– Unlisted investment in AFTP (Note 3.3(a))	– 於集合資金信託計劃的非上市投資 (附註3.3(a))	<b>41,008</b>	–
		<b>83,672</b>	84,893
<b>Current assets</b>	<b>流動資產</b>		
– Wealth management products	– 理財產品	–	89,596



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

##### (ii) Amounts recognised in profit or loss

During the year, the following gains were recognised in profit or loss:

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Fair value gains on investments at FVPL (Note 26)	按公平值計入損益的公平值投資收益(附註26)	28,574	10,183

##### (iii) Risk exposure and fair value measurements

For information about the methods and assumptions used in determining fair value please refer to Note 3.3.

#### 16. 按公平值計入損益的金融資產(續)

##### (ii) 於損益內確認的金額

年內，下列收益於損益內確認：

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Fair value gains on investments at FVPL (Note 26)	按公平值計入損益的公平值投資收益(附註26)	28,574	10,183

##### (iii) 風險承擔及公平值計量

有關釐定公平值時所用的方法及假設的資料，請參閱附註3.3。

#### 17. SHARE CAPITAL

		2020 2020年 Shares 股份	2019 2019年 Shares 股份	2020 2020年 US\$' 000 千美元	2019 2019年 US\$' 000 千美元
<b>Authorised:</b>	法定：				
Ordinary shares of US\$0.00001 each	每股0.00001美元的普通股				
On 1 January 2019, 31 December 2019 and 2020	於2019年1月1日、2019年及2020年12月31日	5,000,000,000	5,000,000,000	50	50

#### 17. 股本

## 17. SHARE CAPITAL (Continued)

Issued and fully paid ordinary shares:

		Number of ordinary shares 普通股數目	Nominal value of ordinary shares 普通股面值 US\$ 美元	Equivalent nominal value of ordinary shares 普通股 等額面值 RMB' 000 人民幣千元
On 1 January 2019, 31 December 2019 and 2020	於2019年1月1日、 2019年及 2020年12月31日	1,046,900,000	10,469	68

## 17. 股本(續)

已發行及繳足普通股：

## 18. SHARES HELD FOR EMPLOYEE SHARE SCHEME

		2020 2020年 Shares 股份	2019 2019年 Shares 股份	2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Shares held for employee share scheme of US\$0.00001 each	就僱員股份計劃持有 每股0.00001美元 的股份	66,568,000	66,568,000	4	4

## 18. 就僱員股份計劃持有的股份

Details 詳情		Number of shares 股份數目	RMB' 000 人民幣千元
Balance at 1 January 2019	於2019年1月1日的結餘	74,006,000	5
Shares vested under RSU scheme (Note 20)	受限制股份單位計劃中的已歸屬股份 (附註20)	(7,438,000)	(1)
Balance at 31 December 2019	於2019年12月31日的結餘	66,568,000	4
Shares vested under RSU scheme	受限制股份單位計劃中的已歸屬股份	-	-
Balance at 31 December 2020	於2020年12月31日的結餘	66,568,000	4

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 19. RESERVES

The following table shows a breakdown of the balance sheet line item 'reserves' and the movements in these reserves during the year.

		Share premium	Merger reserve (Note a) 合併儲備 (附註a)	Statutory reserve (Note b) 法定儲備 (附註b)	Share-based payment reserve 以股份為基礎 付款儲備	Foreign currency translation	Retained earnings	Total
		RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元	RMB' 000 人民幣千元
<b>As at 1 January 2019</b>	於2019年1月1日	902,587	(445)	73,417	14,627	-	1,014,941	2,005,127
Profit for the year	年內溢利	-	-	-	-	-	718,634	718,634
Currency translation differences	匯兌差額	-	-	-	-	835	-	835
Appropriation to statutory reserves	撥作法定儲備	-	-	69,547	-	-	(69,547)	-
Share-based payment expense (Note 20)	以股份為基礎的付款開支 (附註20)	-	-	-	37,487	-	-	37,487
Shares vested under employee share scheme (Note 20)	僱員股份計劃項下歸屬的股份 (附註20)	52,459	-	-	(52,114)	-	-	345
Dividends paid (Note 30)	已付股息 (附註30)	(148,643)	-	-	-	-	-	(148,643)
<b>As at 31 December 2019</b>	於2019年12月31日	806,403	(445)	142,964	-	835	1,664,028	2,613,785
<b>As at 1 January 2020</b>	於2020年1月1日	806,403	(445)	142,964	-	835	1,664,028	2,613,785
Profit for the year	年內溢利	-	-	-	-	-	885,222	885,222
Currency translation differences	匯兌差額	-	-	-	-	(160)	-	(160)
Appropriation to statutory reserves	撥作法定儲備	-	-	33,102	-	-	(33,102)	-
Dividends paid (Note 30)	已付股息 (附註30)	(203,653)	-	-	-	-	-	(203,653)
<b>As at 31 December 2020</b>	於2020年12月31日	602,750	(445)	176,066	-	675	2,516,148	3,295,194

#### 19. 儲備

下表列示資產負債表項目「儲備」的明細及該等儲備於年內的變化。

(a) The merger reserve represented the aggregate difference between the considerations paid and the carrying amounts of the acquired assets for the Listing pursuant to the completion of the reorganisation of the Group.

(a) 合併儲備指已付代價與根據本集團重組完成所收購上市資產的賬面值之間的總差額。

**19. RESERVES (Continued)**

- (b) The Company's subsidiaries incorporated in mainland China are required to make appropriations to statutory reserves from their profit for the year after offsetting accumulated losses carried forward from prior years as determined under mainland China accounting regulations and before distribution to equity holders. The percentages to be appropriated to such statutory reserve are determined according to the relevant regulations in mainland China, and further appropriation is optional when the accumulated fund is 50% or more of the registered capital of the subsidiaries.

**20. SHARE-BASED COMPENSATION****Restricted Share Unit Scheme**

The Company adopted Restricted Share Unit (the "RSU") Scheme on 24 February 2016 with a duration of 10 years commencing from the adoption date. The objective of the RSU Scheme is to encourage and retain selected participants which include directors, employees, officers, and distributors of the Group, to work with the Group and to provide additional incentive for them to achieve performance goals.

Under the RSU Scheme, the Company repurchased 53,680,000 ordinary shares from JLJH YIHAI Ltd., one of the shareholders of the Company, at a total consideration of US\$638,108 (equivalent to RMB4,166,000) in 2016. The shares under the RSU Scheme have been changed to 77,220,000 after the capitalisation issue on 13 July 2016. These RSU shares have been held by Vistra Fiduciary (HK) Limited ("RSU Trustee") in trust for the benefit of the participants to the scheme and will be released to participants upon vesting of each RSU.

The maximum number of ordinary shares that may be awarded by the Board of Directors pursuant to the Share Award Scheme must not, on an aggregate basis, exceed 10% of the issued ordinary shares in the share capital of the Company as at 24 February 2016.

**19. 儲備 (續)**

- (b) 本公司於中國內地註冊成立的附屬公司須自年內溢利中，經抵銷根據中國內地會計規例釐定的過往年度結轉累計虧損後以及於向股權持有人分派前，提撥法定儲備。向法定儲備撥款的百分比乃按照中國內地相關規例釐定，而倘累計資金達附屬公司註冊資本的50%或以上，則可選擇是否作進一步提撥。

**20. 以股份為基礎的補償****受限制股份單位計劃**

本公司於2016年2月24日採納受限制股份單位（「受限制股份單位」）計劃，自採納日期起計為期10年。受限制股份單位計劃的目的為鼓勵及留住特定參與者（包括本集團董事、僱員、高級職員及經銷商）於本集團工作，並為彼等提供額外獎勵以實現業績目標。

根據受限制股份單位計劃，於2016年，本公司自本公司其中一名股東JLJH YIHAI Ltd.購回53,680,000股普通股，總代價為638,108美元（相等於人民幣4,166,000元）。於2016年7月13日資本化發行後，受限制股份單位計劃中的股份已變更為77,220,000股。該等受限制股份單位股份以信託方式由Vistra Fiduciary (HK) Limited（「受限制股份單位受託人」）就計劃參與者的利益持有，並將於每個受限制股份單位歸屬後發放予參與者。

董事會根據股份獎勵計劃可能獲得的普通股數目上限合共不得超過本公司股本於2016年2月24日已發行普通股的10%。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 20. SHARE-BASED COMPENSATION (Continued)

##### Restricted Share Unit Scheme (Continued)

The fair value of Restricted Shares based on the market value of the Company's shares on the grant date is charged to profit or loss as employee benefit expenses of the Group.

As at 31 December 2020, the Group granted an aggregate of 10,652,000 shares under the Share Award Scheme and all awarded shares were vested. The vested shares are transferred to selected participants at certain consideration without vesting conditions. Dividends declared for unvested awarded shares shall become part of the trust fund for future grantees.

		2020 2020年		2019 2019年	
		Weighted average fair value (per share) 加權平均 公平值 (每股) HK\$ 港元	Number of Restricted Shares granted 已授出 受限制 股份數目 (Thousands) (千股)	Weighted average fair value (per share) 加權平均 公平值 (每股) HK\$ 港元	Number of Restricted Shares granted 已授出 受限制 股份數目 (Thousands) (千股)
As at 1 January	於1月1日	-	-	3.18	6,816
Granted	已授出	-	-	46.10	750
Vested	已歸屬	-	-	7.51	(7,438)
Forfeited	已沒收	-	-	3.18	(128)
As at 31 December	於12月31日	-	-	3.18	-

The fair value of RSU shares charged to profits or loss was nil during the year ending 31 December 2020 (2019: RMB37,487,000).

#### 20. 以股份為基礎的補償 (續)

##### 受限制股份單位計劃 (續)

按本公司股份於授出日期的市場價值計算的受限制股份的公平值於本集團損益內作為僱員福利開支扣除。

於2020年12月31日，本集團根據股份獎勵計劃授出合共10,652,000股股份，所有獎勵股份已歸屬。已歸屬股份已以若干代價在無歸屬條件情況下轉讓予獲選參與者。就未歸屬獎勵股份宣派的股息將為未來承授人的部分信託基金。

截至2020年12月31日止年度，計入損益的受限制股份單位股份公平值為零(2019年：人民幣37,487,000元)。



## 21. TRADE PAYABLES

Trade payables mainly arose from the purchase of materials. The credit terms of trade payables granted by the vendors are usually 30 to 90 days.

At 31 December 2020 and 2019, the ageing analysis of the trade payables based on invoice date is as follows:

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Within 3 months	3個月內	278,045	204,803
3 to 6 months	3個月至6個月	1,069	2,449
6 months to 1 year	6個月至1年	208	238
Total	總計	279,322	207,490

## 22. OTHER PAYABLES AND ACCRUALS

## 22. 其他應付款項及應計費用

		As at 31 December 於12月31日	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Wages, salaries and other employee benefits	工資、薪金及其他僱員福利	80,825	72,718
Other tax payables	其他應付稅項	47,903	46,774
Suppliers' deposits	供應商按金	21,980	16,587
Payables for equipment	應付設備款項	17,671	9,928
Payables for storage fee	應付存儲費用	6,164	854
Payables for legal and professional fees	應付法律及專業費用	4,059	3,814
Payables for construction	應付工程款	2,872	2,692
Related parties (Note 33(d))	關聯方(附註33(d))	519	704
Sales rebates	銷售返利	-	23,821
Others	其他	10,082	5,625
Total	總計	192,075	183,517

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### 綜合財務報表附註

#### 23. CONTRACT LIABILITIES

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Advances from customers	預收客戶款項	80,100	46,224

(i) Revenue recognised in relation to contract liabilities:

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Revenue recognised that was included in the contract liability balance at the beginning of the reporting period	計入報告期初合約負債結餘的已確認收益	46,224	45,025

The increase in the contract liabilities in 2020 is due to the increase in the number of distributors resulted from continuous business development activities the Group.

#### 23. 合約負債

(i) 就合約負債確認的收益：

下表列示於本報告期確認的與結轉合約負債有關的收益金額。

2020年合約負債增加是由於本集團持續業務發展活動令經銷商數目增加。

## 24. EXPENSES BY NATURE

Expenses included in cost of sales, distribution expenses and administrative expenses are analysed as follows:

## 24. 按性質劃分的開支

計入銷售成本、經銷開支及行政開支的開支分析如下：

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Changes in inventories of finished goods	製成品存貨變動	(74,763)	25,060
Raw materials and consumables used	已使用原材料及耗材	3,010,331	2,340,663
Employee benefit expenses (Note 25)	僱員福利開支(附註25)	535,589	449,853
Transportation and related charges	運輸及相關支出	172,458	117,009
Advertising and other marketing expenses	廣告及其他營銷開支	139,478	75,000
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊(附註7)	60,957	39,410
Warehouse expenses	倉儲費用	45,324	38,674
Utilities	公共事業	37,640	33,920
Taxes and surcharges	稅項及附加費	35,583	33,351
Travel and entertainment expenses	差旅及招待費	27,489	35,499
Technical supporting fees, professional fees and other services fees	技術支援費用、專業費用及其他服務費用	27,384	25,038
Depreciation of right-of-use assets (Note 8)	使用權資產折舊(附註8)	19,653	12,431
Expense relating to short-term leases (Note 8)	與短期租賃有關的開支(附註8)	15,317	13,207
Auditor's remuneration	核數師薪酬		
– Audit services	– 核數服務	2,480	2,100
– Non-audit services	– 非核數服務	622	464
Amortisation of intangible assets	無形資產攤銷	5,551	2,729
(Reversal of)/provision for impairment on financial assets (Note 3.1(b))	金融資產的減值(撥回)/撥備(附註3.1(b))	(2,462)	1,963
Write-down of inventories	存貨撇減	3,914	1,521
Other expenses	其他開支	51,368	42,130
<b>Total</b>	<b>總計</b>	<b>4,113,913</b>	<b>3,290,022</b>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 25. EMPLOYEE BENEFIT EXPENSES

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	535,589	412,366
Restricted shares granted to directors and employees	授予董事及僱員的受限制股份	-	37,487
<b>Total</b>	<b>總計</b>	<b>535,589</b>	<b>449,853</b>

#### Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2020 include 5 (2019: 5) directors whose emoluments are reflected in the analysis shown in Note 35.

#### 25. 僱員福利費用

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	535,589	412,366
Restricted shares granted to directors and employees	授予董事及僱員的受限制股份	-	37,487
<b>Total</b>	<b>總計</b>	<b>535,589</b>	<b>449,853</b>

#### Five highest paid individuals

本集團截至2020年12月31日止年度的五名最高薪酬人士包括5名董事（2019年：5名），其酬金於附註35所示的分析反映。

#### 26. OTHER INCOME AND GAINS – NET

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Government grants	政府補助	101,333	51,919
Change in fair value of financial assets at fair value through profit or loss (Note 16(ii))	按公平值計入損益的金融資產的公平值變動(附註16(ii))		
– Realised investment income	– 經變現投資收入	18,150	6,395
– Unrealised fair value gain	– 未變現公平值收益	10,424	3,788
Sales of scrap materials	廢料銷售	8,606	6,347
Losses on disposal of property, plant and equipment	處置物業、廠房及設備的虧損	(1,995)	(1,620)
Donation	捐贈	(12,523)	(625)
Net foreign exchange (loss)/gains	外匯(虧損)/收入淨額	(39,862)	6,430
Others	其他	3,542	6,401
<b>Total other income and gains – net</b>	<b>其他收入及收益淨額總額</b>	<b>87,675</b>	<b>79,035</b>

Government grant is mainly from value added tax refund for growing local economic development. There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance.

#### 26. 其他收入及收益淨額

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Government grants	政府補助	101,333	51,919
Change in fair value of financial assets at fair value through profit or loss (Note 16(ii))	按公平值計入損益的金融資產的公平值變動(附註16(ii))		
– Realised investment income	– 經變現投資收入	18,150	6,395
– Unrealised fair value gain	– 未變現公平值收益	10,424	3,788
Sales of scrap materials	廢料銷售	8,606	6,347
Losses on disposal of property, plant and equipment	處置物業、廠房及設備的虧損	(1,995)	(1,620)
Donation	捐贈	(12,523)	(625)
Net foreign exchange (loss)/gains	外匯(虧損)/收入淨額	(39,862)	6,430
Others	其他	3,542	6,401
<b>Total other income and gains – net</b>	<b>其他收入及收益淨額總額</b>	<b>87,675</b>	<b>79,035</b>

政府補助主要來自用於提升地方經濟開發的增值稅退稅。並無有關該等補助的未履行情況或其他或然情況。本集團並無直接受惠於任何其他形式的政府資助。

## 27. FINANCE INCOME -NET

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
<i>Finance income</i>	融資收入		
– Interest income	– 利息收入	20,407	23,679
<i>Finance costs</i>	融資成本		
– Interest of lease liabilities (Note 8(ii))	– 租賃負債利息 (附註8(ii))	(2,007)	(1,560)
Finance income -net	融資收入淨額	18,400	22,119

## 27. 融資收入淨額

## 28. INCOME TAX EXPENSE

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Current income tax	即期所得稅	336,988	299,790
Deferred income tax expense/(credit) (Note 10)	遞延所得稅開支/ (抵免)(附註10)		
– Origination and reversal of temporary differences	– 暫時差額的產生及 撥回	32,334	(1,175)
Income tax expense	所得稅開支	369,322	298,615

## 28. 所得稅開支

## (a) Cayman Islands income tax

The Company was incorporated in Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and, accordingly, is exempted from payment of local income tax.

## (b) Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of 16.5% on the Group's estimated assessable profit for the year ended 31 December 2020 (2019:16.5%).

## (c) Overseas income tax

The Company's subsidiaries incorporated overseas are subject to overseas profits tax at 10% to 27% on estimated assessable profit for this year.

## (a) 開曼群島所得稅

本公司根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司，故獲豁免繳納當地所得稅。

## (b) 香港利得稅

截至2020年12月31日止年度，本集團已就估計應課稅溢利按16.5%的稅率撥備香港利得稅(2019年：16.5%)。

## (c) 海外所得稅

本公司在海外註冊成立的附屬公司須就年內估計應課稅溢利按10%至27%的稅率繳納海外利得稅。



## Notes to the Consolidated Financial Statements

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#### 28. INCOME TAX EXPENSE (Continued)

##### (d) Mainland China Corporate Income Tax (“CIT”)

The income tax provision of the Group in respect of operations in mainland China has been calculated at the tax rate of 25% on the estimated assessable profits for the years end 31 December 2020 and 2019, based on the existing legislation, interpretations and practices in respect thereof.

##### (e) Mainland China withholding tax (“WHT”)

According to the applicable mainland China tax regulations, dividends distributed by a company established in mainland China to a foreign investor with respect to profit derived after 1 January 2008 are generally subject to WHT at the rate of 10%. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between mainland China and Hong Kong, the relevant withholding tax rate will be 5%.

In anticipation of distributing a proportion of the profit earned for the year ended 31 December 2020 by one of the Company’s mainland China subsidiaries to its overseas shareholder, also a subsidiary of the Company, a deferred tax liability of RMB20,000,000 (2019: Nil) was recognised in these financial statements. In 2019, a withholding tax of RMB20,000,000 was deducted directly from the distribution of the profit earned for the year then ended by this mainland China subsidiary to its overseas shareholder.

#### 28. 所得稅開支(續)

##### (d) 中國內地企業所得稅(「企業所得稅」)

本集團已根據現行法例、詮釋及有關慣例於截至2020年及2019年12月31日止年度就估計應課稅溢利按25%的稅率計算其中國內地業務的所得稅撥備。

##### (e) 中國內地預扣稅(「預扣稅」)

根據適用的中國內地稅務法規，於中國內地成立的公司就2008年1月1日之後賺取的溢利向境外投資者分派股息一般須按10%的稅率繳納預扣稅。倘若境外投資者於香港註冊成立，並符合中國內地與香港訂立的雙邊稅務安排項下的條件及規定，則相關預扣稅稅率將為5%。

預計將截至2020年12月31日止年度本公司其中一家中國內地附屬公司賺取的部分溢利分配予其境外股東(亦為本公司的附屬公司)，已於該等財務報表確認遞延稅項負債人民幣20,000,000元(2019年：無)。於2019年，預扣稅人民幣20,000,000元從該年度此中國內地附屬公司賺取的溢利向其境外股東的分配中直接扣除。

## 28. INCOME TAX EXPENSE (Continued)

## (e) Mainland China withholding tax (“WHT”) (Continued)

Deferred income tax liabilities of RMB224,147,200 (2019: RMB156,237,400) have not been recognised in these financial statements as the withholding tax that would be payable on the distributable retained profits of the Company’s subsidiaries in mainland China. Such amounts totaling RMB2,241,472,000 (2019: RMB1,562,374,000) are not currently intended to be distributed to the subsidiaries incorporated overseas in the foreseeable future.

The tax on the Group’s profit before income tax differs from the theoretical amount that would arise using the domestic tax rates applicable to profits in the respective countries are as follows:

## 28. 所得稅開支(續)

## (e) 中國內地預扣稅(「預扣稅」)(續)

本集團並未於該等財務報表將遞延所得稅負債人民幣224,147,200元(2019年：人民幣156,237,400元)確認為本公司中國內地附屬公司產生的可分派保留溢利而可能需支付的預扣稅。該等保留溢利為人民幣2,241,472,000元(2019年：人民幣1,562,374,000元)，目前並無計劃在可見將來分配予在海外註冊成立的附屬公司。

對本集團除所得稅前溢利所徵稅款與按有關國家適用於溢利的國內稅率產生的理論稅款的差額如下：

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	1,352,183	1,093,620
Tax calculated at domestic tax rates applicable to profits in the respective countries	按有關國家適用於溢利的國內稅率計算的稅項	345,765	303,530
Expenses not deductible for tax purposes	不可扣稅開支	3,776	9,180
Income not subject to tax	毋須課稅收入	(219)	(34,095)
Withholding taxation on the distribution of profits of a mainland China subsidiary to an overseas subsidiary during the year	年內中國內地附屬公司向境外附屬公司所分派溢利的預扣稅	20,000	20,000
Taxation charge	稅項支出	369,322	298,615

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### 綜合財務報表附註

#### 29. EARNINGS PER SHARE

##### a. Basic earnings per share

Basic earnings per share for each of the years ended 31 December 2020 and 2019 are calculated by dividing the profit of the Group attributable to the owners of the Company by the weighted average number of ordinary shares in issue less shares held for RSU Scheme during the year.

		Year ended 31 December 截至12月31日止年度	
		2020 2020年	2019 2019年
Profit attributable to owners of the Company (RMB' 000)	本公司擁有人應佔溢利 (人民幣千元)	885,222	718,634
Weighted average number of ordinary shares in issue less shares held for RSU Scheme (thousands)	已發行普通股的加權平均數減去就受限制股份單位計劃持有的股份 (千股)	980,952	969,884
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	90.2	74.1

##### b. Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

No diluted earnings per share have been presented since there was no potential dilutive ordinary share in issue for the year ended 31 December 2020 and 2019.

#### 29. 每股盈利

##### a. 每股基本盈利

截至2020年及2019年12月31日止年度各年的每股基本盈利乃按本公司擁有人應佔本集團溢利除以已發行普通股加權平均數與年內根據受限制股份單位計劃所持股份數目之差額計算。

##### b. 每股攤薄盈利

每股攤薄盈利透過調整已發行普通股加權平均數以假設轉換所有潛在攤薄普通股而計算。

由於截至2020年及2019年12月31日止年度並無已發行潛在攤薄普通股，因而並無呈列每股攤薄盈利。

**30. DIVIDENDS****(i) Ordinary shares**

The total dividends paid in 2020 amounted to RMB203,653,000 or RMB20.660 cents per share (2019: RMB148,643,000 or RMB15.2952 cents per share) (which are net of the dividend of RMB13,829,000 (2019: RMB11,297,000) attributable to the shares held for the RSU Scheme).

**(ii) Dividends declared but not recognised at the end of the reporting period**

Pursuant to resolution passed on 23 March 2021, the Board of Directors of proposed a final dividend of RMB25.367 cents per ordinary share of the Company, amounting to RMB265,567,000 for the year ended 31 December 2020 from the Company's share premium. The final dividend is to be proposed for approval by the shareholders of the Company at the annual general meeting to be held on 21 May 2021. This proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as an appropriation from the share premium account for the year ending 31 December 2021.

**30. 股息****(i) 普通股**

於2020年已付股息總額為人民幣203,653,000元或每股人民幣20.660分(2019年：人民幣148,643,000元或每股人民幣15.2952分)(乃扣除為受限股份單位計劃持有的股份應佔股息人民幣13,829,000元(2019年：人民幣11,297,000元))。

**(ii) 於報告期末已宣派但未確認的股息**

根據於2021年3月23日通過的決議案，董事會建議以本公司的股份溢價派付末期股息每股本公司普通股人民幣25.367分，其截至2020年12月31日止年度的金額為人民幣265,567,000元。末期股息將於2021年5月21日舉行的股東週年大會上提呈本公司股東批准。截至2021年12月31日止年度，建議派發的股息不會於該等綜合財務報表中反映為應付股息，而是反映為股份溢價賬撥備。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 31. THE CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION:

##### (a) Cash generated from operations:

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	1,352,183	1,093,620
Adjustments for:	就以下各項作出調整：		
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊 (附註7)	60,957	39,410
Depreciation of right-of-use assets (Note 8)	使用權資產折舊 (附註8)	19,653	12,431
Amortisation of intangible assets (Note 6)	無形資產攤銷 (附註6)	5,551	2,729
Write-down of inventories (Note 11)	撇銷存貨 (附註11)	3,914	1,521
Losses on disposal of property, plant and equipment (Note 26)	處置物業、廠房及設備的虧損 (附註26)	1,995	1,620
Change in fair value of financial assets at fair value through profit or loss (Note 26)	按公平值計入損益的金融資產公平值變動 (附註26)	(28,574)	(10,183)
Finance income – net (Note 27)	融資收入 – 淨額 (附註27)	(18,400)	(22,119)
(Reversal of)/provision for impairment on financial assets (Note 24)	金融資產的減值 (撥回)/撥備 (附註24)	(2,462)	1,963
Losses on disposal of right-of-use assets	處置使用權資產的虧損	(275)	–
Share-based payment expense (Note 20)	以股份為基礎的付款開支 (附註20)	–	37,487
Net foreign exchange gains (Note 26)	匯兌收入淨額 (附註26)	39,862	(6,430)
Changes in working capital:	營運資金變動：		
– Inventories	– 存貨	(112,613)	(23,040)
– Trade receivables, other financial assets at amortised cost and other current assets	– 貿易應收款項、按攤銷成本計量的其他金融資產及其他流動資產	100,701	(24,449)
– Trade payables, other payables and accruals and contract liabilities	– 貿易應付款項、其他應付款項及應計費用以及合約負債	74,816	100,795
Cash generated from operations	經營所得現金	1,497,308	1,205,355

#### 31. 綜合現金流量表資料：

##### (a) 經營所得現金：



**31. THE CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION:** (Continued)

**(b) Proceeds from disposal of property, plant and equipment comprise:**

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Net book amount – property, plant and equipment	賬面淨值 – 物業、廠房及設備	12,213	4,940
Loss on disposal of property, plant and equipment (Note 26)	處置物業、廠房及設備的虧損(附註26)	(1,995)	(1,620)
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備所得款項	10,218	3,320

**(c) Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

As at 31 December 2020 and 2019, the Group did not have a net debt position.

**31. 綜合現金流量表資料：(續)**

**(b) 出售物業、廠房及設備所得款項包括：**

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Net book amount – property, plant and equipment	賬面淨值 – 物業、廠房及設備	12,213	4,940
Loss on disposal of property, plant and equipment (Note 26)	處置物業、廠房及設備的虧損(附註26)	(1,995)	(1,620)
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備所得款項	10,218	3,320

**(c) 淨債務對賬**

這部分列示了所呈列各期的淨債務分析及淨債務變動。

截至2020年及2019年12月31日，本集團無淨債務。

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	1,986,929	1,036,396
Lease liabilities	租賃負債	(73,636)	(39,151)
		1,913,293	997,245
Cash and cash equivalents	現金及現金等價物	1,986,929	1,036,396
Gross debt – fixed interest rates	總債務 – 固定利率	(73,636)	(39,151)
		1,913,293	997,245

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 31. THE CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION: (Continued)

##### (c) Net debt reconciliation (Continued)

		Cash and cash equivalents 現金及現金等價物 RMB' 000 人民幣千元	Liabilities from financing activities- Leases liabilities 融資活動租賃負債 RMB' 000 人民幣千元	Total 合計 RMB' 000 人民幣千元
<b>As at 1 January 2019</b>	<b>於2019年1月1日</b>	1,179,910	(16,366)	1,163,544
Cash flows	現金流	(149,944)	8,827	(141,117)
Addition – leases liabilities	新增一租賃負債	–	(31,612)	(31,612)
Foreign exchange adjustments	外匯調整	6,430	–	6,430
<b>As at 31 December 2019</b>	<b>於2019年12月31日</b>	1,036,396	(39,151)	997,245
Cash flows	現金流	<b>916,067</b>	<b>13,336</b>	<b>929,403</b>
Addition – leases liabilities	新增一租賃負債	–	<b>(47,821)</b>	<b>(47,821)</b>
Foreign exchange adjustments	外匯調整	<b>34,466</b>	–	<b>34,466</b>
<b>As at 31 December 2020</b>	<b>於2020年12月31日</b>	<b>1,986,929</b>	<b>(73,636)</b>	<b>1,913,293</b>

#### 32. COMMITMENTS

##### Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follow:

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Property, plant and equipment	物業、廠房及設備	<b>261,013</b>	49,073

#### 31. 綜合現金流量表資料：(續)

##### (c) 淨債務對賬 (續)

		Cash and cash equivalents 現金及現金等價物 RMB' 000 人民幣千元	Liabilities from financing activities- Leases liabilities 融資活動租賃負債 RMB' 000 人民幣千元	Total 合計 RMB' 000 人民幣千元
<b>As at 1 January 2019</b>	<b>於2019年1月1日</b>	1,179,910	(16,366)	1,163,544
Cash flows	現金流	(149,944)	8,827	(141,117)
Addition – leases liabilities	新增一租賃負債	–	(31,612)	(31,612)
Foreign exchange adjustments	外匯調整	6,430	–	6,430
<b>As at 31 December 2019</b>	<b>於2019年12月31日</b>	1,036,396	(39,151)	997,245
Cash flows	現金流	<b>916,067</b>	<b>13,336</b>	<b>929,403</b>
Addition – leases liabilities	新增一租賃負債	–	<b>(47,821)</b>	<b>(47,821)</b>
Foreign exchange adjustments	外匯調整	<b>34,466</b>	–	<b>34,466</b>
<b>As at 31 December 2020</b>	<b>於2020年12月31日</b>	<b>1,986,929</b>	<b>(73,636)</b>	<b>1,913,293</b>

#### 32. 承擔

##### 資本承擔

報告期末已訂約但尚未確認為負債的重大資本開支如下：

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Property, plant and equipment	物業、廠房及設備	<b>261,013</b>	49,073

**33. RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

Save as disclosed elsewhere in these consolidated financial statements, the Group has the following related party transactions, and they were carried out in the ordinary course of the Group's business and were determined based on mutually agreed terms.

Name and relationship with related parties:

**Names of the related parties**

關聯方名稱

Haidilao International Holding Ltd. and its subsidiaries  
("Haidilao Group")  
海底撈國際控股有限公司及其附屬公司(「海底撈集團」)  
Shuhai (Beijing) Supply Chain Management Co., Ltd.  
and its subsidiaries ("Shuhai Group")  
蜀海(北京)供應鏈管理有限責任公司及其附屬公司(「蜀海集團」)  
Sichuan Haidilao Catering Co., Ltd. ("Sichuan Haidilao")  
四川海底撈餐飲股份有限公司(「四川海底撈」)

**33. 關聯方交易**

如一方有能力直接或間接控制另一方或對另一方作出財務及經營決策行使重大影響力，則各方被視為有關聯。如彼等受共同控制，各方亦被視為有關聯。本集團主要管理層成員及其近親亦被視為關聯方。

除該等綜合財務報表其他部分所披露者外，本集團有以下關聯方交易，該等交易於本集團日常業務過程中進行且基於相互協定的條款釐定。

關聯方名稱及與關聯方的關係：

**Nature of relationship**

關係性質

Companies beneficially owned by the  
ultimate shareholders  
由最終股東實益擁有的公司  
Companies beneficially owned by the  
ultimate shareholders  
由最終股東實益擁有的公司  
Companies beneficially owned by the  
ultimate shareholders  
由最終股東實益擁有的公司

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 33. RELATED PARTY TRANSACTIONS (Continued)

##### (a) Transactions with related parties

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Sales of goods to related parties	向關聯方銷售商品	1,423,491	1,663,171
Purchase of goods from related parties	向關聯方採購商品	50,941	22,266

##### (b) Warehouse and rental expenses

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Warehouse expenses	倉庫開支	2,262	9,753
Rental expenses	租賃開支	2,807	2,932

##### (c) Key management compensation

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Salaries, allowance and other benefits	薪金、津貼及其他福利	61,349	67,578

#### 33. 關聯方交易 (續)

##### (a) 與關聯方的交易

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Sales of goods to related parties	向關聯方銷售商品	1,423,491	1,663,171
Purchase of goods from related parties	向關聯方採購商品	50,941	22,266

##### (b) 倉庫及租賃開支

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Warehouse expenses	倉庫開支	2,262	9,753
Rental expenses	租賃開支	2,807	2,932

##### (c) 主要管理人員薪酬

		Year ended 31 December 截至12月31日止年度	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
Salaries, allowance and other benefits	薪金、津貼及其他福利	61,349	67,578

## 33. RELATED PARTY TRANSACTIONS (Continued)

(d) Year-end balances with related parties were as follows:

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Assets</b>	<b>資產</b>		
Trade receivables	貿易應收款項	184,712	214,272

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Liabilities</b>	<b>負債</b>		
Trade payables	貿易應付款項	3,778	6,443
Other payables and accrual	其他應付款項及 應計費用	519	704
Contract liabilities	合約負債	547	321
		4,844	7,468

All the balances with related parties are unsecured, interest free and have no fixed terms of repayment.

與關聯方的所有結餘均屬於無抵押、免息且無固定償還期。

## (e) Free trademark license agreement

On 1 December 2015, the Group entered into two trademark license agreements with Sichuan Haidilao in respect of certain trademarks which had been registered by the name of Sichuan Haidilao in mainland China and certain trademarks which are in the process of registration by Sichuan Haidilao in mainland China (collectively, the "Trademark License Agreements"), pursuant to which Sichuan Haidilao agreed to license such trademarks for the Group to use in connection with the Group's operations on an exclusive and royalty-free basis for a perpetual term commencing from 1 January 2007 to the extent permissible under the Listing Rules of The Stock Exchange of Hong Kong Limited (the "HKSE"), relevant laws and regulations.

## (e) 免費商標許可協議

於2015年12月1日，本集團與四川海底撈就四川海底撈已在中國內地以四川海底撈名義註冊的若干商標和正在中國內地辦理註冊的若干商標訂立兩份商標許可協議（統稱「商標許可協議」），據此，四川海底撈同意按獨家及免特許權使用費基準許可本集團在香港聯合交易所有限公司（「香港聯合交易所」）上市規則及相關法律法規允許的情況下就其業務營運永久使用該等商標，自2007年1月1日開始。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 34. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

##### Balance sheet of the Company

		As at 31 December 於12月31日	
		2020 2020年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元
<b>Assets</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司的投資	1,198,319	1,198,319
<b>Current assets</b>	<b>流動資產</b>		
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	-	69,762
Other financial assets at amortised cost	按攤銷成本計量的其他金融資產	249,890	173,002
Cash and cash equivalents	現金及現金等價物	231,989	480,460
<b>Total current assets</b>	<b>流動資產總值</b>	<b>481,879</b>	<b>723,224</b>
<b>Total assets</b>	<b>資產總值</b>	<b>1,680,198</b>	<b>1,921,543</b>
<b>Equity</b>	<b>權益</b>		
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>		
Share capital	股本	68	68
Share held for employee share scheme (Note 18)	僱員股份計劃持有的股份(附註18)	(4)	(4)
Reserves (a)	儲備(a)	1,662,849	1,916,858
<b>Total equity</b>	<b>權益總額</b>	<b>1,662,913</b>	<b>1,916,922</b>
<b>Liabilities</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	17,285	4,621
<b>Total liabilities</b>	<b>負債總額</b>	<b>17,285</b>	<b>4,621</b>
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>1,680,198</b>	<b>1,921,543</b>

The balance sheet of the Company was approved by the Board of Directors on 23 March 2021 and was signed on its behalf.

本公司資產負債表已於2021年3月23日獲董事會批准，並已代其簽署。

SHI YONGHONG

施永宏  
Director  
董事

SUN SHENGFENG

孫勝峰  
Director  
董事

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 34. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

#### 34. 本公司資產負債表及儲備變動 (續)

##### (a) Reserve movement of the Company

##### (a) 本公司儲備變動

		Share-based premium	Share-based payment reserve	Capital reserve	Accumulated losses	Total
		以股份為基礎 股份溢價	的付款儲備	資本儲備	累計虧損	總計
		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
<b>As at 1 January 2019</b>	於2019年1月1日	899,063	14,627	1,130,000	(18,794)	2,024,896
Profit for the year	年內溢利	-	-	-	14,471	14,471
Share-based payment expense (Note 20)	以股份為基礎的付款開支 (附註20)	-	37,487	-	-	37,487
Shares vested under employee scheme	根據僱員計劃歸屬的股份	52,058	(52,114)	-	-	(56)
Dividends paid	已付股息	(159,940)	-	-	-	(159,940)
<b>As at 31 December 2019</b>	於2019年12月31日	791,181	-	1,130,000	(4,323)	1,916,858
<b>As at 1 January 2020</b>	於2020年1月1日	791,181	-	1,130,000	(4,323)	1,916,858
Loss for the year	年內虧損	-	-	-	(36,527)	(36,527)
Dividends paid	已付股息	(217,482)	-	-	-	(217,482)
<b>As at 31 December 2020</b>	於2020年12月31日	573,699	-	1,130,000	(40,850)	1,662,849

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 35. BENEFITS AND INTERESTS OF DIRECTORS

##### (a) Directors' and chief executives' emoluments

The remuneration of each director and chief executives for the year ended 31 December 2020 is set out below:

Name	姓名	Fees 袍金 RMB' 000 人民幣千元	Salary 薪資 RMB' 000 人民幣千元	Discretionary	Estimated	Total 總計 RMB' 000 人民幣千元
				bonuses (i) 酌情花紅 (i) RMB' 000 人民幣千元	money value of benefits (ii) 福利的 估計金額價值 (ii) RMB' 000 人民幣千元	
<b>Executive directors</b>		<b>執行董事</b>				
Mr. Shi Yonghong ( <i>Chairman</i> )	施永宏先生 ( <i>主席</i> )	-	8,340	23,307	-	31,647
Mr. Guo Qiang	郭強先生	-	11,652	-	-	11,652
Ms. Dang Chunxiang	黨春香女士	-	4,698	-	-	4,698
Mr. Sun Shengfeng	孫勝峰先生	-	5,856	-	-	5,856
Ms. Shu Ping	舒萍女士	-	1,813	5,700	-	7,513
Non-executive directors		非執行董事				
Mr. Zhang Yong	張勇先生	-	-	9,838	-	9,838
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>				
Mr. Yau Ka Chi	邱家賜先生	337	-	-	-	337
Mr. Qian Mingxing	錢明星先生	337	-	-	-	337
Ms. Ye Shujun	葉蜀君女士	337	-	-	-	337
<b>Chief executives</b>		<b>主要行政人員</b>				
Mr. Zhao Xiaokai	趙曉凱先生	-	7,496	-	-	7,496
<b>Total</b>	<b>總計</b>	<b>1,011</b>	<b>39,855</b>	<b>38,845</b>	<b>-</b>	<b>79,711</b>

#### 35. 董事利益及權益

##### (a) 董事及主要行政人員酬金

各董事及主要行政人員截至2020年12月31日止年度的酬金如下：

## 35. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

## (a) Directors' and chief executives' emoluments (Continued)

The remuneration of each director and chief executives for the year ended 31 December 2019 is set out below:

Name	姓名	Fees 袍金 RMB' 000 人民幣千元	Salary 薪資 RMB' 000 人民幣千元	Discretionary bonuses (i) 酌情花紅 (i) RMB' 000 人民幣千元	Estimated money value of benefits (ii) 福利的 估計金額價值 (ii) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>Executive directors</b> 執行董事						
Mr. Shi Yonghong (Chairman)	施永宏先生(主席)	-	16,562	-	10,753	27,315
Mr. Guo Qiang (iii)	郭強先生(iii)	-	8,053	-	5,086	13,139
Ms. Dang Chunxiang	黨春香女士	-	6,376	-	3,725	10,101
Mr. Sun Shengfeng	孫勝峰先生	-	4,721	-	2,892	7,613
Ms. Shu Ping	舒萍女士	-	5,032	-	-	5,032
<b>Non-executive directors</b> 非執行董事						
Mr. Zhang Yong	張勇先生	-	-	-	6,617	6,617
<b>Independent non-executive directors</b> 獨立非執行董事						
Mr. Yau Ka Chi	邱家賜先生	354	-	-	-	354
Mr. Qian Mingxing	錢明星先生	354	-	-	-	354
Ms. Ye Shujun	葉蜀君女士	354	-	-	-	354
<b>Chief executives</b> 主要行政人員						
Mr. Zhao Xiaokai	趙曉凱先生	-	6,101	-	3,309	9,410
Total	總計	1,062	46,845	-	32,382	80,289

## 35. 董事利益及權益(續)

## (a) 董事及主要行政人員酬金(續)

各董事及主要行政人員截至2019年12月31日止年度的酬金如下：

- |  |   |
|--|---|
| <p>(i) Discretionary bonuses paid for the year ended December 31, 2020 represent the amounts in connection with the performance bonuses for the year ended December 31, 2020.</p> <p>(ii) Estimated money value of benefits include the fair value of RSU Scheme at grant date charged to profit or loss during the year.</p> <p>(iii) Mr. Guo Qiang were appointed as executive directors on 26 March 2019.</p> <p>(iv) No directors of the Company waived any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as a compensation for loss of office as director.</p> | <p>(i) 截至2020年12月31日止年度支付的酌情花紅指截至2020年12月31日止年度表現花紅相關金額。</p> <p>(ii) 福利的估計金額價值包括年內於授出日計入損益的受限制股份單位計劃公平值。</p> <p>(iii) 郭強先生於2019年3月26日獲委任為執行董事。</p> <p>(iv) 概無本公司任何董事放棄收取酬金，且本集團並無向本公司任何董事支付任何酬金，作為彼等加入本集團時或加入本集團後的獎勵或作為失去董事職位的補償。</p> |
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## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 35. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

##### (b) Directors' retirement benefits

No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking.

##### (c) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment during the year ended 31 December 2020.

##### (d) Consideration provided to third parties for making available directors' service

No payment was made to the former employer of directors for making available the services of them as a director of the Company.

##### (e) There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the year ended 31 December 2020.

##### (f) Directors' material interests in transactions, arrangements or contracts

Save for the disclosure in the "Connected and Continuing Connected Transactions" section of this annual report, no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 December 2020.

#### 35. 董事利益及權益 (續)

##### (b) 董事的退休福利

概無董事就彼等有關本公司或其附屬公司事務管理的其他服務而收取或應收取任何退休福利。

##### (c) 董事的離職福利

截至2020年12月31日止年度，本公司並無就提前終止任期向董事作出任何付款作為補償。

##### (d) 就董事提供董事服務向第三方支付代價

本公司並無就董事提供董事服務而向其前任僱主作出任何付款。

##### (e) 截至2020年12月31日止年度，概無以董事、有關董事的受控制法人團體及關聯實體為受益人的貸款、準貸款及其他交易。

##### (f) 董事於交易、安排或合約中的重大權益

除本年報「關連及持續關連交易」一節所作披露外，截至2020年12月31日止年度結束時或於該年內任何時間，概無本公司參與訂立且本公司董事於其中擁有重大權益（無論是直接或間接）的與本集團業務有關的任何重大交易、安排及合約存續。



