



合興集團控股有限公司

HOP HING GROUP HOLDINGS LIMITED

(於開曼群島註冊成立之有限公司) 股份代號: 47

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 47



2021 Interim 中期報告 Report



目錄 CONTENTS

簡明綜合損益表	Condensed Consolidated Income Statement	2
簡明綜合全面收益表	Condensed Consolidated Statement of Comprehensive Income	3
簡明綜合財務狀況表	Condensed Consolidated Statement of Financial Position	4
簡明綜合權益變動表	Condensed Consolidated Statement of Changes in Equity	6
簡明綜合現金流量表	Condensed Consolidated Statement of Cash Flows	10
簡明綜合財務報表附註	Notes to Condensed Consolidated Financial Statements	13
管理層討論及分析	Management Discussion and Analysis	34
企業管治及其他資料	Corporate Governance and Other Information	53
中期財務資料審閱報告	Report on Review of Interim Financial Information	67

合興集團控股有限公司(「**本公司**」)董事會(「**董事會**」)謹此提呈本公司及其附屬公司(統稱「**本集團**」)截至二零二一年六月三十日止六個月(「**回顧期內**」)之未經審核簡明綜合業績及有關比較金額。

本中期財務報告未經審核，惟已由本公司審核委員會及本公司核數師審閱。

The Board of Directors (the "**Board**") of Hop Hing Group Holdings Limited (the "**Company**") herein present their unaudited condensed consolidated results of the Company and its subsidiaries (together, the "**Group**") for the six months ended 30 June 2021, (the "**period under review**"), together with the comparative amounts.

This interim financial report has not been audited, but has been reviewed by the Company's audit committee and the Company's auditor.

簡明綜合損益表

Condensed Consolidated Income Statement

		未經審核 Unaudited		
		截至六月三十日止六個月 For the six months ended 30 June		
		二零二一年 2021	二零二零年 2020	
		人民幣千元 RMB'000	人民幣千元 RMB'000	
	附註 Notes			
營業額	TURNOVER	4	884,478	654,723
銷售成本	Cost of sales		(349,255)	(265,526)
其他收入及收益淨額	Other income and gains, net	4	11,260	7,457
銷售及分銷開支	Selling and distribution expenses		(399,070)	(339,279)
一般及行政費用	General and administrative expenses		(85,164)	(73,579)
非金融資產減值淨額	Impairment of non-financial assets, net		(9,815)	(45,683)
分佔合營企業之溢利及虧損	Share of profits and losses of joint ventures		(1,280)	(1,030)
經營溢利/(虧損)	PROFIT/(LOSS) FROM OPERATING ACTIVITIES	5	51,154	(62,917)
融資成本	Finance costs	6	(24,502)	(26,025)
除稅前溢利/(虧損)	PROFIT/(LOSS) BEFORE TAX		26,652	(88,942)
所得稅(開支)/減免	Income tax (expense)/credit	7	(17,954)	22,616
本期溢利/(虧損)	PROFIT/(LOSS) FOR THE PERIOD		8,698	(66,326)
本公司股權持有人應佔溢利/(虧損)	PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		8,698	(66,326)
本公司股權持有人應佔每股盈利/(虧損)	EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	9		
基本	Basic		人民幣 0.09 分 RMB0.09 cent	人民幣(0.68)分 RMB(0.68) cent
攤薄	Diluted		人民幣 0.09 分 RMB0.09 cent	人民幣(0.68)分 RMB(0.68) cent

簡明綜合全面收益表

Condensed Consolidated Statement of Comprehensive Income

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
本期溢利／(虧損)	PROFIT/(LOSS) FOR THE PERIOD	8,698	(66,326)
其他全面收益／(開支)	OTHER COMPREHENSIVE INCOME/(EXPENSE)		
於往後期間將可能重新分類至損益表之其他全面收益／(開支)：	Other comprehensive income/ (expense) that may be reclassified to income statement in subsequent periods:		
匯兌差額：	Exchange differences:		
換算於中國大陸以外業務之財務報表之匯兌差額	Exchange differences on translation of financial statements of operations outside Mainland China	(301)	3,962
本期其他全面收益／(開支)	OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD	(301)	3,962
本期全面收益／(開支)總額	TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD	8,397	(62,364)
本公司股權持有人應佔全面收益／(開支)總額	TOTAL COMPREHENSIVE INCOME/(EXPENSE) ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	8,397	(62,364)

簡明綜合財務狀況表 Condensed Consolidated Statement of Financial Position

			未經審核 Unaudited 二零二一年 六月三十日 30 June 2021 附註 Notes RMB'000	經審核 Audited 二零二零年 十二月三十一日 31 December 2020 人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	10	160,330	164,272
使用權資產	Right-of-use assets	11	554,464	525,271
於合營企業之投資	Investment in joint ventures		12,349	5,979
遞延稅項資產	Deferred tax assets		125,851	132,531
預付款項及租賃按金	Prepayment and rental deposits		43,380	45,891
非流動資產總額	Total non-current assets		896,374	873,944
流動資產	CURRENT ASSETS			
存貨	Stocks		104,722	127,090
應收賬項	Accounts receivable	12	33,879	27,032
預付款項、按金及 其他應收賬項	Prepayments, deposits and other receivables		108,352	102,687
可收回稅項	Tax recoverable		137	-
受限制存款	Restricted bank balances		1,548	-
大額存單	Deposit certificates	13	60,000	60,000
其他金融資產	Other financial assets	13	20,970	46,141
現金及現金等值物	Cash and cash equivalents		526,182	402,621
流動資產總額	Total current assets		855,790	765,571
流動負債	CURRENT LIABILITIES			
應付賬項	Accounts payable	14	132,623	118,727
其他應付賬項、應計費用 及合約負債	Other payables, accrued charges and contract liabilities	15	378,992	312,971
租賃負債	Lease liabilities		174,000	176,907
計息銀行貸款	Interest-bearing bank loan		8,320	-
應付稅項	Tax payable		25,417	23,382
流動負債總額	Total current liabilities		719,352	631,987
流動資產淨額	NET CURRENT ASSETS		136,438	133,584
資產總額減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		1,032,812	1,007,528

簡明綜合財務狀況表(續) Condensed Consolidated Statement of Financial Position (continued)

		未經審核 Unaudited	經審核 Audited
		二零二一年 六月三十日 30 June 2021	二零二零年 十二月三十一日 31 December 2020
		附註 Notes 人民幣千元 RMB'000	人民幣千元 RMB'000
非流動負債	NON-CURRENT LIABILITIES		
租賃負債	Lease liabilities	592,460	576,740
遞延稅項負債	Deferred tax liabilities	15,719	17,379
非流動負債總額	Total non-current liabilities	608,179	594,119
淨資產	NET ASSETS	424,633	413,409
權益	EQUITY		
本公司股權持有人應佔 權益	Equity attributable to equity holders of the Company		
已發行股本	Issued share capital	820,284	820,284
儲備	Reserves	(395,651)	(406,875)
總權益	TOTAL EQUITY	424,633	413,409

簡明綜合權益變動表 Condensed Consolidated Statement of Changes in Equity

截至二零二一年六月三十日止 六個月(未經審核)		For the six months ended 30 June 2021 (Unaudited)		本公司股權持有人應佔		
				Attributable to equity holders of the Company		
		已發行 股本	股份溢 價賬*	根據股份 獎勵計劃 持有的股份*		
		Issued share capital	Share premium account*	Shares held under share award scheme*		
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000		
於二零二一年一月一日(經審核)	At 1 January 2021 (audited)	820,284	3,024,565	(33,655)		
本期溢利	Profit for the period	-	-	-		
本期其他全面收益：	Other comprehensive income for the period:					
換算於中國大陸 以外業務之財務報表 之匯兌差額	Exchange differences on translation of financial statements of operations outside Mainland China	-	-	-		
本期全面收益/(開支)總額	Total comprehensive income/(expense) for the period	-	-	-		
股份獎勵計劃之股份歸屬	Vesting of shares of share award scheme	-	-	5,093		
購股權及獎勵失效	Share options and awards lapsed	-	-	-		
以股權結算之以股份支付	Equity-settled share-based payments	-	-	-		
於二零二一年六月三十日 (未經審核)	At 30 June 2021 (unaudited)	820,284	3,024,565	(28,562)		

* 該等儲備賬項包括於二零二一年六月三十日之簡明綜合財務狀況表內儲備之借方餘額人民幣395,651,000元(二零二零年十二月三十一日：人民幣406,875,000元)。

† 合併儲備指於二零一二年收購後所出現附屬公司合興餐飲集團控股有限公司(「合興餐飲」)的投資成本人民幣4,012,240,000元(即代價總額為人民幣4,048,440,000元扣減合興餐飲欠付Queen Board Limited及其聯繫人的貸款人民幣36,200,000元)超出合興餐飲的股本人民幣296,000元及股份溢價人民幣50,693,000元之部分。

** 根據中華人民共和國(「中國」)公司法，於中國註冊成立的本公司的附屬公司須將年度法定除稅後純利(經抵銷任何過往年度虧損)之10%轉撥至法定儲備基金。當法定儲備基金之結餘達到各實體註冊資本之50%，則可選擇是否繼續撥款。法定儲備基金可用於抵銷過往年度虧損或增加註冊資本。然而，於動用法定儲備基金後，其結餘最少必須為實體註冊資本之50%。

*** 資本及其他儲備主要是過往年度從集團重組產生之資本儲備。

本公司股權持有人應佔
 Attributable to equity holders of the Company

合併儲備**	以股份 支付儲備* Share- based Merger reserve**	匯兌 波動儲備* Exchange fluctuation reserve*	法定 儲備***	資本 及其他儲備****	保留溢利*	總權益
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 RMB'000
(3,961,251)	19,264	(23,451)	20,029	110,150	437,474	413,409
-	-	-	-	-	8,698	8,698
-	-	(301)	-	-	-	(301)
-	-	(301)	-	-	8,698	8,397
-	(4,130)	-	-	-	(963)	-
-	(2,357)	-	-	-	2,357	-
-	2,827	-	-	-	-	2,827
(3,961,251)	15,604	(23,752)	20,029	110,150	447,566	424,633

* These reserve accounts comprise the reserves in debit balance of RMB395,651,000 (31 December 2020: RMB406,875,000) in the condensed consolidated statement of financial position as at 30 June 2021.

** Merger reserve represents the excess of investment cost in a subsidiary, Hop Hing Fast Food Group Holdings Limited ("Hop Hing Fast Food") of RMB4,012,240,000 (being the total consideration of RMB4,048,440,000 reduced by the loans of RMB36,200,000 owed by Hop Hing Fast Food to Queen Board Limited and its associates) over the share capital and share premium of Hop Hing Fast Food of RMB296,000 and RMB50,693,000, respectively, arose from acquisition in 2012.

** In accordance with the Company Law of the People's Republic of China (the "PRC"), the Company's subsidiaries registered in the PRC are required to appropriate 10% of the annual statutory net profit after tax (after offsetting any prior years' losses) to the statutory reserve fund. When the balance of the statutory reserve fund reaches 50% of each entity's registered capital, any further appropriation is optional. The statutory reserve fund can be utilised to offset prior years' losses or to increase the registered capital. However, such balance of the statutory reserve fund must be maintained at a minimum of 50% of the registered capital after such usages.

*** Capital and other reserves mainly represent the capital reserve arising from group reorganisation in prior years.

簡明綜合權益變動表(續) Condensed Consolidated Statement of Changes in Equity (continued)

截至二零二零年六月三十日止 六個月(未經審核)		For the six months ended 30 June 2020 (Unaudited)		
		本公司股權持有人應佔 Attributable to equity holders of the Company		
		已發行 股本	股份溢 價賬*	根據股份 獎勵計劃 持有的股份*
		Issued share capital	Share premium account*	Shares held under share award scheme*
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零二零年一月一日(經審核)	At 1 January 2020 (audited)	820,284	3,046,507	(37,599)
本期虧損	Loss for the period	-	-	-
本期其他全面收益：	Other comprehensive income for the period:			
換算於中國大陸 以外業務之財務報表 之匯兌差額	Exchange differences on translation of financial statements of operations outside Mainland China	-	-	-
本期全面收益/(開支)總額	Total comprehensive income/(expense) for the period	-	-	-
股份獎勵計劃之股份歸屬	Vesting of shares of share award scheme	-	-	3,944
購股權及獎勵失效	Share options and awards lapsed	-	-	-
以股權結算之以股份支付	Equity-settled share-based payments	-	-	-
二零一九年末期股息(附註8)	Final dividend for 2019 (note 8)	-	(21,942)	-
於二零二零年六月三十日 (未經審核)	At 30 June 2020 (unaudited)	820,284	3,024,565	(33,655)

本公司股權持有人應佔
Attributable to equity holders of the Company

合併儲備**	以股份 支付儲備* Share- based payment reserve*	匯兌 波動儲備* Exchange fluctuation reserve*	法定 儲備**	資本 及其他儲備*** Capital and other reserves***	保留溢利*	總權益
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 RMB'000
(3,961,251)	23,505	(14,656)	12,406	110,150	523,815	523,161
-	-	-	-	-	(66,326)	(66,326)
-	-	3,962	-	-	-	3,962
-	-	3,962	-	-	(66,326)	(62,364)
-	(5,582)	-	-	-	1,638	-
-	(1,329)	-	-	-	1,329	-
-	(1,811)	-	-	-	-	(1,811)
-	-	-	-	-	-	(21,942)
(3,961,251)	14,783	(10,694)	12,406	110,150	460,456	437,044

簡明綜合現金流量表 Condensed Consolidated Statement of Cash Flows

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
		附註 Notes	
經營業務之現金流量	CASH FLOWS FROM OPERATING ACTIVITIES		
除稅前溢利／(虧損)	Profit/(loss) before tax	26,652	(88,942)
就以下項目作出調整：	Adjustments for:		
利息收入	Interest income	4	(5,126)
融資成本	Finance costs	6	24,502
物業、廠房及設備折舊	Depreciation of property, plant and equipment	5	41,646
使用權資產折舊	Depreciation of right-of-use assets	5	67,533
物業、廠房及設備項目之減值，淨額	Impairment of items of property, plant and equipment, net	5	1,862
使用權資產減值，淨額	Impairment of right-of-use assets, net	5	7,953
終止租賃之(收益)／虧損	(Gain)/loss on termination of leases	5	(2,794)
撇銷物業、廠房及設備項目之虧損淨額	Loss on write-off of items of property, plant and equipment, net	5	4,802
其他金融資產之公平值收益	Fair value gain on other financial assets	5	(403)
分佔合營企業之溢利及虧損	Share of profits and losses of joint ventures	1,280	1,030
以股權結算之以股份支付開支／(抵免)	Equity-settled share-based payments expenses/(credit)	2,827	(1,811)
		170,734	98,360
存貨減少	Decrease in stocks	22,368	11,503
應收賬項增加	Increase in accounts receivable	(6,847)	(13,867)
預付款項、按金及其他應收賬項(增加)／減少	(Increase)/decrease in prepayments, deposits and other receivables	(3,154)	982
應付賬項增加／(減少)	Increase/(decrease) in accounts payable	13,896	(11,928)
其他應付賬項、應計費用及合約負債增加	Increase in other payables, accrued charges and contract liabilities	66,021	7,773

簡明綜合現金流量表(續) Condensed Consolidated Statement of Cash Flows (continued)

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
	附註 Notes		
經營業務所得之現金	Cash generated from operations	263,018	92,823
已收利息	Interest received	5,126	3,427
已(已繳)/退回香港 利得稅	Hong Kong profits tax (paid)/refunded	(443)	1,791
已繳海外稅項	Overseas tax paid	(10,593)	(12,552)
經營業務所得之 現金流量淨額	Net cash flows from operating activities	257,108	85,489
投資活動之現金流量	CASH FLOWS FROM INVESTING ACTIVITIES		
購買物業、廠房及 設備項目	Purchases of items of property, plant and equipment	(44,368)	(37,868)
於購入時原訂於三個月 以上到期之定期存款 (增加)/減少	(Increase)/decrease in time deposits with original maturity of more than three months when acquired	(125,000)	20,500
其他金融資產減少	Decrease in other financial assets	25,574	122,067
受限制存款增加*	Increase in restricted bank balance*	(1,548)	-
增加合營企業的投資	Increase in investment in joint ventures	(7,650)	-
投資活動(所耗)/所得 之現金流量淨額	Net cash flows (used in)/from investing activities	(152,992)	104,699
融資活動之現金流量	CASH FLOWS FROM FINANCING ACTIVITIES		
已付融資成本	Finance costs paid	(24,502)	(26,025)
已付股息	Dividends paid	-	(21,942)
新銀行貸款	New bank loan	8,320	9,120
租賃付款的本金部分	Principal portion of lease payments	(89,072)	(61,839)
融資活動所耗之 現金流量淨額	Net cash flows used in financing activities	(105,254)	(100,686)

* 指預付卡受限制存款增加。

This represents increase in restricted bank balances for prepaid cards.

簡明綜合現金流量表(續) Condensed Consolidated Statement of Cash Flows (continued)

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
	附註 Notes		
現金及現金等值物 (減少)/增加淨額	NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,138)	89,502
於本期初之現金及 現金等值物	Cash and cash equivalents at beginning of period	192,621	160,400
匯率變動影響淨額	Effect of foreign exchange rates changes, net	(301)	4,509
於本期終之現金及 現金等值物	CASH AND CASH EQUIVALENTS AT END OF PERIOD	191,182	254,411
現金及現金等值物結餘 分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
簡明綜合財務狀況表所列 之現金及現金等值物	Cash and cash equivalents as stated in the condensed consolidated statement of financial position	526,182	326,411
減：於購入時原訂 於三個月以上 到期之定期存款	Less: Time deposits with original maturity of more than three months when acquired	(335,000)	(72,000)
簡明綜合現金流量表所列 之現金及現金等值物	CASH AND CASH EQUIVALENTS AS STATED IN THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	191,182	254,411

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

1. 編製基準

簡明綜合中期財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號中期財務報告,以及香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十六之披露要求編製。除下文附註2所列於期內採納之經修訂香港財務報告準則(「香港財務報告準則」)外,編製簡明綜合中期財務報表時採納之會計政策及編製基準與編製截至二零二零年十二月三十一日止年度之年度財務報表使用者相同。

2. 新訂及經修訂香港財務報告準則之影響

本集團於本期間之簡明綜合中期財務報表首次採納下列經修訂香港財務報告準則。

香港財務報告準則第9號、
香港會計準則第39號、
香港財務報告準則第7號、
香港財務報告準則第4號
及香港財務報告準則
第16號修訂本

利率基準改革
— 第二階段

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Save for the adoption of revised Hong Kong Financial Reporting Standards (“HKFRSs”) during the period as set out in note 2 below, the accounting policies and basis of preparation adopted in the preparation of the condensed consolidated interim financial statements are the same as those used in the preparation of the annual financial statements for the year ended 31 December 2020.

2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following revised HKFRSs for the first time for the current period’s condensed consolidated interim financial statements.

Amendments to HKFRS 9, *Interest Rate*
HKAS 39, HKFRS 7, *Benchmark Reform*
HKFRS 4 and HKFRS 16 *— Phase 2*

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

2. 新訂及經修訂香港財務報告準則之影響 (續)

經修訂香港財務報告準則之性質及影響說明如下：

現行利率基準由替代無風險利率(「無風險利率」)取代時，香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號修訂本解決先前影響財務報告的修訂本未處理的問題。第二階段的修訂本提供對釐定金融資產及負債合約現金流量的基準變動進行會計處理時毋須調整金融資產及負債賬面值而可更新實際利率的可行權宜方法，前提為該變動為利率基準改革的直接後果且釐定合約現金流量的新基準於經濟上等同於緊接有關變動前的先前基準。此外，該等修訂本准許利率基準改革所規定就對沖指定及對沖文件進行更改，而不會中斷對沖關係。過渡期間可能產生的任何收益或虧損均透過香港財務報告準則第9號的正常規定處理，以計量及確認對沖無效性。倘無風險利率指定為風險組成部分，則該等修訂本亦提供暫時舒緩措施，免實體於達成可單獨識別的規定。倘實體合理地預期無風險利率風險組成部分於未來24個月內將變得可單獨識別，則該舒緩措施准許實體於指定對沖後假定已達成可單獨識別的規定。此外，該等修訂本規定實體須披露額外資料，以使財務報表的使用者能了解利率基準改革對實體的金融工具及風險管理策略構成的影響。該等修訂本對本集團的財務狀況及表現並無任何影響。

2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

The nature and impact of the revised HKFRSs are described below:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate ("RFR"). The phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments did not have any impact on the financial position and performance of the Group.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

3. 經營分部資料

本集團的主要經營分部為快餐(「快餐」)業務。由於快餐業務是本集團唯一的經營分部，因此並無就此呈列進一步分析。所有顧客合約收益於交付產品的某一時間點確認。

此外，快餐業務的收入及非流動資產(不包括遞延稅項資產)主要歸屬於單一地區，即中國。因此並無列報地區分析。

3. OPERATING SEGMENT INFORMATION

The Group's primary operating segment is quick service restaurants ("QSR") business. Since the QSR business is the only operating segment of the Group, no further analysis thereof is presented. All revenue from contracts with customers was recognised when the products were delivered at a point in time.

In addition, the QSR business' revenue and non-current assets, other than deferred tax assets, are predominantly attributable to a single geographical region, which is the PRC. Therefore, no analysis by geographical regions is presented.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

4. 營業額以及其他收入及收益淨額

營業額以及其他收入及收益淨額之分析如下：

4. TURNOVER AND OTHER INCOME AND GAINS, NET

An analysis of turnover and other income and gains, net is as follows:

		未經審核 Unaudited 截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021 人民幣千元 RMB'000	二零二零年 2020 人民幣千元 RMB'000
營業額 — 顧客合約收益	Turnover — revenue from contracts with customers		
於某一時間點銷售產品	Sale of products, at a point in time	884,478	654,723
顧客合約收益	Revenue from contracts with customers		
分拆收益資料	Disaggregated revenue information		
<i>品牌</i>	<i>Brands</i>		
吉野家	Yoshinoya	741,217	551,382
冰雪皇后	Dairy Queen	120,154	72,951
其他	Others	23,107	30,390
		884,478	654,723
地區市場	Geographical markets		
北京 — 天津 — 河北省	Beijing-Tianjin-Hebei Province		
都會地區	Metropolitan Region	658,203	476,948
其他中國北方地區 ⁽¹⁾	Other northern areas of China ⁽¹⁾	226,275	177,775
		884,478	654,723

⁽¹⁾ 包括遼寧、黑龍江及吉林省以及內蒙古自治區

⁽¹⁾ Including Liaoning, Heilongjiang and Jilin provinces and Inner Mongolia autonomous region

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

4. 營業額以及其他收入及收益淨額 (續)

4. TURNOVER AND OTHER INCOME AND GAINS, NET (continued)

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
其他收入及收益淨額	Other income and gains, net		
利息收入	Interest income	5,126	3,427
其他金融資產公平值 收益	Fair value gain on other financial assets	403	3,089
匯兌差額淨額	Foreign exchange differences, net	1,756	(4,290)
政府補助金*	Government grants*	2,788	4,594
其他	Others	1,187	637
		11,260	7,457

* 政府補助金指就本集團在當地進行的業務活動及因應2019冠狀病毒病大流行而從地方政府收取的補貼。於確認政府補助金的期間內並無未達成的條件。

* Government grants represent the subsidies received from the local government for the Group's business activities carried out locally and support under the COVID-19 pandemic. There were no unfulfilled conditions during the period in which they were recognised.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

5. 經營溢利/(虧損)

本集團之經營溢利/(虧損)已扣除/(計入)：

5. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

The Group's profit/(loss) from operating activities is arrived at after charging/(crediting):

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
已售存貨之直接成本*	Direct cost of stocks sold*	320,314	239,751
物業、廠房及設備折舊	Depreciation of property, plant and equipment	41,646	44,217
使用權資產折舊	Depreciation of right-of-use assets	67,533	71,548
未計入租賃負債計量之租賃付款	Lease payments not included in the measurement of lease liabilities	13,114	7,930
撤銷物業、廠房及設備項目之虧損淨額	Loss on write-off of items of property, plant and equipment, net	4,802	5,962
物業、廠房及設備項目減值淨額**	Impairment of items of property, plant and equipment, net**	1,862	11,265
使用權資產減值淨額**	Impairment of right-of-use assets, net**	7,953	34,418
終止租賃之(收益)/虧損	(Gain)/loss on termination of leases	(2,794)	1,164
公平值收益淨額	Fair value gain, net		
— 透過損益按公平值入賬之其他金融資產	— Other financial assets at fair value through profit or loss	(403)	(3,089)

* 已售存貨之直接成本已計入簡明綜合損益表內的「銷售成本」中。

* Direct cost of stocks sold is included in "Cost of sales" in the condensed consolidated income statement.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

5. 經營溢利/(虧損) (續)

** 物業、廠房及設備項目減值淨額及使用權資產減值淨額已計入簡明綜合損益表內的「非金融資產減值淨額」中。

於截至二零二一年六月三十日止期間內，減值虧損淨額人民幣9,815,000元(截至二零二零年六月三十日止期間：人民幣45,683,000元)指(i)將若干表現欠佳的店舖之使用權資產人民幣14,215,000元(截至二零二零年六月三十日止期間：人民幣34,418,000元)及租賃物業裝修人民幣4,546,000元(截至二零二零年六月三十日止期間：人民幣11,265,000元)的賬面值撇減至其可收回金額；及(ii)就若干表現有所改善的店舖之使用權資產人民幣6,262,000元(截至二零二零年六月三十日止期間：無)及租賃物業裝修人民幣2,684,000元(截至二零二零年六月三十日止期間：無)撥回減值虧損。於二零二一年六月三十日的估計可收回金額乃根據使用12.0%(截至二零二零年六月三十日止期間：11.5%)的貼現率估計得出的使用價值釐定。

5. PROFIT/(LOSS) FROM OPERATING ACTIVITIES (continued)

** Impairment of items of property, plant and equipment, net and right-of-use assets, net are included in "Impairment of non-financial assets, net" in the condensed consolidated income statement.

During the period ended 30 June 2021, the net impairment loss of RMB9,815,000 (period ended 30 June 2020: RMB45,683,000) represented (i) the write-down of the carrying amount of right-of-use assets of RMB14,215,000 (period ended 30 June 2020: RMB34,418,000) and leasehold improvements of RMB4,546,000 (period ended 30 June 2020: RMB11,265,000) for certain underperforming stores to their recoverable amounts; and (ii) the reversal of impairment loss of right-of-use assets of RMB6,262,000 (period ended 30 June 2020: Nil) and leasehold improvements of RMB2,684,000 (period ended 30 June 2020: Nil) for certain stores with performance improved. The estimated recoverable amounts as at 30 June 2021 were determined based on their value in use amounts estimated by using a discount rate of 12.0% (period ended 30 June 2020: 11.5%).

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

6. 融資成本

融資成本分析如下：

		未經審核 Unaudited 截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021 人民幣千元 RMB'000	二零二零年 2020 人民幣千元 RMB'000
銀行融資費用及其他	Bank financing charges and others	125	158
租賃負債利息	Interest on lease liabilities	24,377	25,867
		24,502	26,025

6. FINANCE COSTS

An analysis of finance costs is as follows:

7. 所得稅

香港利得稅乃根據期內在香港產生之估計應課稅溢利按稅率16.5% (二零二零年：16.5%) 作出撥備，惟本集團一間附屬公司除外，該公司為兩級利得稅率制度下的合資格實體。該附屬公司的首港幣2,000,000元 (二零二零年：港幣2,000,000元) 應課稅溢利按8.25% (二零二零年：8.25%) 繳稅，其餘應課稅溢利則按16.5% (二零二零年：16.5%) 繳稅。其他地區應課稅溢利之稅項乃按本集團於各營運司法權區之通用稅率計算。

本集團於中國內地經營之附屬公司期內按彼等應課稅溢利的25% (二零二零年：25%) 繳納中國企業所得稅。

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2020: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2020: 8.25%) and the remaining assessable profits are taxed at 16.5% (2020: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

The PRC corporate income tax rate for the Group's subsidiaries operated in Mainland China during the period was 25% (2020: 25%) on their taxable profits.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

7. 所得稅(續)

本期之所得稅開支/(減免)之主要組成部份如下：

7. INCOME TAX (continued)

The major components of the income tax expense/(credit) for the period are as follows:

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
即期 — 香港	Current — Hong Kong		
本期支出	Charge for the period	292	260
即期 — 其他地區	Current — Elsewhere		
本期支出	Charge for the period	12,681	7,997
以往年度撥備不足	Under-provision in prior years	—	305
遞延稅項	Deferred tax	4,981	(31,178)
本期所得稅項支出/ (減免)總額	Total income tax charge/(credit) for the period	17,954	(22,616)

在以往年度，中國地方稅務機關對本公司的部分附屬公司進行與先前納稅期間有關的稅務調查。鑒於該稅務調查仍在進行中，其結果尚不確定。截至本中期財務報表批准當日，本公司董事認為已在中期財務報表中作出充分的稅務撥備。

In prior years, the PRC local tax authority carried out tax inspections on certain subsidiaries of the Company in relation to previous tax periods. In view that the tax case is still in progress, the outcome is still uncertain. Up to the date of approval of these interim financial statements, the directors of the Company consider that adequate tax provision has been made in the interim financial statements.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

8. 股息

8. DIVIDEND

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
於本期內支付的股息：	Dividend paid during the period:		
二零二零年之末期股息	Final dividend for 2020 — nil		
— 每股普通股無	(2019: HK0.248 cent)		
(二零一九年：	per ordinary share		
0.248 港仙)		—	21,942

截至二零二零年六月三十日止期間所支付二零一九年之末期股息指就已發行普通股所支付之股息，不包括股份獎勵計劃項下受託人所持之庫存股份。

Final dividend for 2019 paid during the period ended 30 June 2020 represented the dividends paid for issued ordinary shares, excluding treasury shares held by the trustee under the share award scheme.

9. 本公司股權持有人應佔每股盈利／(虧損)

9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

a. 每股基本盈利／(虧損)

a. Basic earnings/(loss) per share

每股基本盈利／(虧損)乃根據期內本公司股權持有人應佔綜合溢利／(虧損)及期內已發行普通股之加權平均數 9,789,668,139 股(截至二零二零年六月三十日止期間：9,743,033,484 股)計算，並經調整以反映根據本公司的股份獎勵計劃所持有的股份數目 258,174,619 股(截至二零二零年六月三十日止期間：304,474,930 股)。

The calculation of basic earnings/(loss) per share is based on the consolidated profit/(loss) for the period attributable to equity holders of the Company, and the weighted average number of 9,789,668,139 (period ended 30 June 2020: 9,743,033,484) ordinary shares in issue during the period, as adjusted to reflect the number of shares of 258,174,619 (period ended 30 June 2020: 304,474,930) held under the share award scheme of the Company.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

9. 本公司股權持有人應佔每股盈利／(虧損) (續)

b. 每股攤薄盈利／(虧損)

截至二零二零年六月三十日止期間，(i)尚未行使的購股權對所呈列的每股虧損金額並無攤薄影響及(ii)本公司股份獎勵對所呈列的每股基本虧損金額具有反攤薄影響，因此無須對期內每股基本虧損金額作出調整。

截至二零二一年六月三十日止期間，每股攤薄盈利乃根據期內本公司股權持有人應佔綜合溢利及已發行普通股之加權平均數9,821,321,850股計算，並已就所有具潛在攤薄影響之普通股31,653,711股予以調整，計算方式如下：

9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (continued)

b. Diluted earnings/(loss) per share

For the period ended 30 June 2020, no adjustment has been made to the basic loss per share amount presented in respect of a dilution as (i) the impact of the share options outstanding had no dilutive effect on the loss per share amounts presented and (ii) the impact of the share awards of the Company had an anti-dilutive effect on the basic loss per share amount presented.

For the period ended 30 June 2021, the calculation of diluted earnings per share is based on the consolidated profit for the period attributable to equity holders of the Company and the weighted average number of 9,821,321,850 ordinary shares in issue after adjusting for the effect of all dilutive potential ordinary shares of 31,653,711 calculated as follows:

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
本公司股權持有人應佔 綜合溢利／(虧損)	Consolidated profit/(loss) attributable to equity holders of the Company	8,698	(66,326)

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

9. 本公司股權持有人應佔每股盈利／(虧損)
(續)
9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY
(continued)
- b. 每股攤薄盈利／(虧損)
(續)
- b. Diluted earnings/(loss) per share
(continued)

		未經審核 Unaudited 股份數目 Number of shares	
		六月三十日 30 June 二零二一年 2021	六月三十日 30 June 二零二零年 2020
股份 用以計算每股基本盈利 之期內已發行普通股 加權平均數	Shares Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	9,789,668,139	9,743,033,484
攤薄之影響 — 普通股 加權平均數：	Effect of dilution — weighted average number of ordinary shares:		
購股權*	Share options*	—	不適用 N/A
股份獎勵	Share awards	31,653,711	不適用 N/A
		9,821,321,850	9,743,033,484

* 本公司尚未行使的購股權並無包括在截至二零二一年六月三十日止期間的每股攤薄盈利的計算中，因為該等購股權對本公司每股基本盈利沒有攤薄影響。

* The outstanding share options of the Company have not been included in the computation of diluted earnings per share for the period ended 30 June 2021 as these options had no dilutive effect on the Company's basic earnings per share.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

10. 物業、廠房及設備

截至二零二一年六月三十日止六個月，本集團以人民幣44,368,000元(二零二零年：人民幣37,868,000元)成本添置物業、廠房及設備項目。於截至二零二一年六月三十日止六個月，本集團撇銷賬面淨值為人民幣4,802,000元(二零二零年：人民幣5,962,000元)之物業、廠房及設備項目。於截至二零二一年六月三十日止六個月，已計提減值淨額人民幣1,862,000元(二零二零年：人民幣11,265,000元)。

11. 使用權資產

截至二零二一年六月三十日止六個月，使用權資產添置為人民幣115,669,000元(二零二零年：人民幣53,508,000元)，租賃修訂為人民幣3,965,000元(二零二零年：人民幣31,542,000)。截至二零二一年六月三十日止六個月，已計提減值淨額人民幣7,953,000元(二零二零年：人民幣34,418,000元)。

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2021, the Group acquired items of property, plant and equipment with a cost of RMB44,368,000 (2020: RMB37,868,000). Items of property, plant and equipment with a net book value of RMB4,802,000 (2020: RMB5,962,000) were written-off during the six months ended 30 June 2021. Impairment of RMB1,862,000, net, was made (2020: RMB11,265,000) during the six months ended 30 June 2021.

11. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2021, the addition on right-of-use assets amounted to RMB115,669,000 (2020: RMB53,508,000) and lease modification amounted to RMB3,965,000 (2020: RMB31,542,000). Impairment of RMB7,953,000, net, was made (2020: RMB34,418,000) during the six months ended 30 June 2021.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

12. 應收賬項

本集團之快餐產品主要以現金進行出售。本集團快餐業務之應收賬項主要是應收具有信貸期60日內之商場及網上平台服務供應商的款項。逾期欠款由高級管理層定期作出審閱。

於報告期終，根據交易日期之應收賬項之賬齡分析如下：

12. ACCOUNTS RECEIVABLE

The Group's QSR products are mainly sold on a cash basis. Accounts receivable of the Group's QSR business were mainly due from shopping malls and internet platform service providers with credit terms within 60 days. The overdue balances are reviewed regularly by senior management.

An aged analysis of the accounts receivable as at the end of the reporting period, based on the transaction date, is as follows:

		未經審核 Unaudited	經審核 Audited
		六月三十日 30 June	十二月三十一日 31 December
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
1個月內	Within 1 month	33,401	26,026
1至2個月	1-2 months	478	1,006
		33,879	27,032

簡明綜合財務報表附註(續)
Notes to Condensed Consolidated Financial Statements (continued)

13. 大額存單及其他金融資產

(a) 大額存單

13. DEPOSIT CERTIFICATES AND OTHER FINANCIAL ASSETS

(a) Deposit certificates

		未經審核 Unaudited	經審核 Audited
		六月三十日 30 June	十二月三十一日 31 December
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
以公平值計量且其變動計入其他全面收益的債務工具	Debt instruments measured at fair value through other comprehensive income	60,000	60,000

餘額指從中國內地信譽卓著的銀行購買的大額存單，固定年利率為3.81%，原訂期限為36個月。大額存單可予以轉讓。大額存單公平值計量分類為第二層次的公平值層級(即使用重大可觀察輸入值計量公平值)。

Balance represented deposit certificates purchased from a creditworthy bank in Mainland China earning interest at a fixed rate of 3.81% per annum with original maturity period of 36 months. The deposit certificates were transferrable. The fair value measurement of the deposit certificates are categorised in Level 2 of the fair value hierarchy (i.e. fair value measurement using significant observable inputs).

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

13. 大額存單及其他金融資產(續)

(b) 其他金融資產

		未經審核 Unaudited	經審核 Audited
		六月三十日 30 June	十二月三十一日 31 December
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
透過損益按公平值計量 之金融資產	Financial assets measured at fair value through profit or loss		
— 非上市金融產品	— Unlisted financial products	—	25,171
— 大額存單	— Deposit certificate	20,970	20,970
		20,970	46,141

於二零二一年六月三十日，其他金融資產指從中國內地信譽卓著的銀行購買的大額存單，固定年利率為3.99%，原訂期限為36個月。於二零二零年十二月三十一日，其他金融資產指從中國內地信譽卓著的銀行所購買原訂期限183天的非上市本金保證金融產品及從中國內地信譽卓著的銀行購買的大額存單，固定年利率為3.99%，原訂期限為36個月。大額存單可予轉讓及贖回。其他金融資產的公平值計量分類為第二層次的公平值層級，即使用重大可觀察輸入值計量公平值。

13. DEPOSIT CERTIFICATES AND OTHER FINANCIAL ASSETS (continued)

(b) Other financial assets

As at 30 June 2021, other financial assets represented a deposit certificate purchased from a creditworthy bank in Mainland China earning interest at a fixed rate of 3.99% per annum with original maturity period of 36 months. As at 31 December 2020, other financial assets represented an unlisted principal-guaranteed financial product purchased from a creditworthy bank in Mainland China with original maturity period of 183 days and a deposit certificate purchase from a creditworthy bank in Mainland China earning interest at a fixed rate of 3.99% per annum with original maturity period of 36 months. The deposit certificate was transferrable and redeemable. The fair value measurements of the other financial assets are categorised in Level 2 of the fair value hierarchy (i.e. fair value measurement using significant observable inputs).

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

14. 應付賬項

於報告期終，根據到期日之應付賬項之賬齡分析如下：

		未經審核 Unaudited	經審核 Audited
		六月三十日 30 June	十二月三十一日 31 December
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
即期及不足60日	Current and less than 60 days	118,471	111,753
超過60日	Over 60 days	14,152	6,974
		132,623	118,727

應付賬項不計息，一般於介乎7日至90日之信貸期內清償。

14. ACCOUNTS PAYABLE

An aged analysis of accounts payable as at the end of the reporting period, based on the payment due date, is as follows:

		未經審核 Unaudited	經審核 Audited
		六月三十日 30 June	十二月三十一日 31 December
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
即期及不足60日	Current and less than 60 days	118,471	111,753
超過60日	Over 60 days	14,152	6,974
		132,623	118,727

The accounts payable are non-interest-bearing and are normally settled within credit terms of 7 to 90 days.

15. 其他應付賬項、應計費用及合約負債

		未經審核 Unaudited	經審核 Audited
		六月三十日 30 June	十二月三十一日 31 December
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
其他應付賬項	Other payables	71,663	64,632
應計費用	Accrued charges	273,086	244,535
合約負債	Contract liabilities	34,243	3,804
		378,992	312,971

15. OTHER PAYABLES, ACCRUED CHARGES AND CONTRACT LIABILITIES

		未經審核 Unaudited	經審核 Audited
		六月三十日 30 June	十二月三十一日 31 December
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
其他應付賬項	Other payables	71,663	64,632
應計費用	Accrued charges	273,086	244,535
合約負債	Contract liabilities	34,243	3,804
		378,992	312,971

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

16. 購股權

所有已授購股權之公平值為人民幣8,712,000元(二零二零年:人民幣8,691,000元),乃經考慮授出購股權所依據之條款及條件,使用二項式購股權定價模式估計。

每份所授出購股權之合約年期為10年。已授出所有未行使購股權之公平值乃使用以下假設而估計:

16. SHARE OPTIONS

The fair value of all the share options granted was RMB8,712,000 (2020: RMB8,691,000) which was estimated using a binomial option pricing model, taking into account the terms and conditions upon which the options were granted.

The contractual life of each option granted is 10 years. The fair value of all outstanding options granted was estimated using the following assumptions:

未經審核
Unaudited
截至六月三十日止六個月
For the six months ended 30 June
二零二一年 二零二零年
2021 2020

股息率(%)	Dividend yield (%)	-	4.13
預期波幅(%)	Expected volatility (%)	40.34-45.27	43.01-46.46
歷史波幅(%)	Historical volatility (%)	40.34-45.27	43.01-46.46
無風險利率(%)	Risk free interest rate (%)	0.65-1.17	0.78-0.99
行使倍數 - 董事	Exercise Multiple - Director	2.80	2.80
行使倍數 - 僱員	Exercise Multiple - Employee	2.20	2.20

截至二零二一年及二零二零年六月三十日止六個月概無購股權授出或獲行使。

No options were granted or exercised during the six months ended 30 June 2021 and 2020.

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

17. 股份獎勵

於截至二零二一年六月三十日止期間內，董事會議決向其中一名獲選參與者(並非本公司董事、主要行政人員或主要股東，亦非上述任何人士的聯繫人(定義見上市規則))授予有關2,367,417股(二零二零年：7,941,756股)股份的股份獎勵。

受託人將以信託形式為有關獲選參與者持有股份，直至股份歸屬為止。所授出之股份將按本公司所發出的有關授予獎勵函件內所指明的比例於各有關日期歸屬。已歸屬股份將會不需任何費用轉讓予獲選參與者，惟相關交易費用及開支應由獲選參與者以承讓人身份支付。

於截至二零二一年六月三十日止期間內，受託人已將有關46,300,311股(二零二零年：33,003,064股)的股份獎勵歸屬及轉移予若干獲選參與者。

17. SHARE AWARDS

During the period ended 30 June 2021, the Board resolved to grant share awards in respect of 2,367,417 (2020: 7,941,756) shares to one of the selected participants who was not a director, chief executive or substantial shareholder of the Company, nor an associate (as defined under the Listing Rules) of any of them.

The trustee holds the shares in trust for the selected participants, until the shares become vested. The shares granted will be vested in the proportions and on the dates as set out in the relevant letters of grant issued by the Company. Vested shares will be transferred to the selected participants at no cost save that transaction fees and expenses will be payable by the selected participants as transferees.

During the period ended 30 June 2021, share awards in respect of 46,300,311 (2020: 33,003,064) shares were vested and transferred by the trustee to certain selected participants.

簡明綜合財務報表附註(續)

Notes to Condensed Consolidated Financial Statements (continued)

18. 有關連人士交易

除於簡明綜合財務報表其他部份披露之重大交易及結餘外，本集團於期內有下列向主要管理人員支付之酬金：

18. RELATED PARTY TRANSACTIONS

In addition to those material transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had the following compensation to key management personnel during the period:

		未經審核 Unaudited	
		截至六月三十日止六個月 For the six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		人民幣千元 RMB'000	人民幣千元 RMB'000
短期僱員福利	Short-term employee benefits	2,269	2,427
退職後福利	Post-employment benefits	38	41
以股權結算之以股份支付	Equity-settled share-based payment	35	(233)
		2,342	2,235

簡明綜合財務報表附註(續) Notes to Condensed Consolidated Financial Statements (continued)

19. 資本承擔

於報告期終，本集團之資本開支承擔如下：

19. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had the following commitments for capital expenditure:

	未經審核 Unaudited	經審核 Audited
	六月三十日 30 June	十二月三十一日 31 December
	二零二一年 2021	二零二零年 2020
	人民幣千元 RMB'000	人民幣千元 RMB'000
已訂約但未計提： 物業、廠房及設備	Contracted, but not provided for: Property, plant and equipment	
	20,593	9,655

20. 中期財務報告之核准

本中期財務報告經由董事會於二零二一年八月三十一日核准及授權刊發。

20. APPROVAL OF THE INTERIM FINANCIAL REPORT

This interim financial report was approved and authorised for issue by the Board on 31 August 2021.

管理層討論及分析 Management Discussion and Analysis

整體表現

於回顧期間(「**本期間**」)，合興集團的業務營業額為人民幣884,500,000元，較二零二零年上半年營業額人民幣654,700,000元增長35.1%。本期間，本公司股權持有人應佔溢利為人民幣8,700,000元，而去年同期本公司股權持有人應佔虧損為人民幣66,300,000元。本集團業績改善主要由於本期間業務在2019冠狀病毒病限制放寬後有所恢復。

本期間每股基本及攤薄盈利分別為人民幣0.09分和人民幣0.09分(截至二零二零年六月三十日止六個月：每股基本及攤薄虧損分別為人民幣0.68分和人民幣0.68分)。

股息

本公司董事(「**董事**」)不建議派發截至二零二一年六月三十日止六個月的中期股息(截至二零二零年六月三十日止六個月：無)。

OVERALL PERFORMANCE

For the period under review (the "**Period**"), the turnover of the Hop Hing Group's business amounted to RMB884.5 million, representing an increase of 35.1% over the turnover of RMB654.7 million for the first half of 2020. Profit attributable to equity holders of the Company for the Period was RMB8.7 million as compared with loss attributable to equity holders of the Company of RMB66.3 million for the corresponding period last year. The improvement in the Group's performance was primarily due to business recovery after the ease of COVID-19 restrictions in the Period.

Basic and diluted earnings per share for the Period were RMB0.09 cent and RMB0.09 cent respectively (six months ended 30 June 2020: Basic and diluted loss per share were RMB0.68 cent and RMB0.68 cent respectively).

DIVIDEND

The directors of the Company (the "**Directors**") do not recommend the payment of an interim dividend for the six months ended 30 June 2021 (six months ended 30 June 2020: Nil).

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景

行業回顧

2019冠狀病毒病大流行餘波未了，持續影響全球的經濟及商業運作，對全球許多行業而言，復蘇之路仍然充斥著不明朗性。然而，國內的情況較為樂觀。中國的經濟活動已經開始常態化，產出水平恢復至以前的長期增長趨勢，國民經濟重現增長。於本期間，中國成為首個將貨幣政策常態化及完成宏觀經濟壓力測試的國家。儘管中國的經濟增長於本期間確實略為放緩，但總體上仍保持穩定的復蘇趨勢。

就中國三大經濟產業而言，第一及第二產業的季度增長率於本期間分別達至及甚至超過二零一九年的水平。事實上，只有第三產業尚未恢復至二零一九年大流行病前的增速。其中，住宿及餐飲業、租賃及商務服務業等行業尚要走過崎嶇長路，才能使增速回到二零一九年的水平；很多其他行業的季度增速則達到或甚至超過二零一九年的水平，說明整體經濟已經開始重回增長正軌。雖然服務業發展滯後，中國的經濟復蘇已擴大並涵蓋更多行業，使宏觀經濟政策能更具針對性。

REVIEW OF OPERATION AND PROSPECTS

Industry Review

With the fallout from the COVID-19 pandemic continuing to affect economies and business operations across the globe, the road to recovery remains fraught with uncertainty for many industries worldwide. Things are looking brighter on the domestic front, however. China's economic activity has begun to normalize, with output levels returning to the previous long-term growth trend and the national economy experiencing growth once again. During the Period, China was the first country to begin monetary policy normalization and to complete macroeconomic stress tests. While China's economic growth did experience a marginal slowdown during the Period, it maintained a steady recovery trend overall.

In terms of the PRC's three economic sectors, the quarterly growth rate of the primary and secondary sectors reached and even exceeded the levels seen in 2019, respectively, during the Period. Indeed, it is only the tertiary sector that has not returned to the pre-pandemic growth rate of 2019. The growth rate of the accommodation and catering industries, leasing and business services industries and other industries still have a long way to go to close the gap between the current growth rate and that of 2019; but the quarterly growth rate of many other industries within the tertiary sector already reached or even exceeded 2019 levels, demonstrating that the overall economy has started returning to a normal growth track. Although the service sector is lagging behind, China's economic recovery has widened and now encompasses more industries, enabling macroeconomic policies to be more targeted.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

行業回顧(續)

經濟復蘇擴大的部分原因是消費者情緒回暖，此外，國家疫苗接種計劃如火如荼，成效顯著，截至七月底，中國各地已接種超過16億劑疫苗，消費者可安心在公共場所逗留更長時間，進一步推動消費。事實上，在遏制2019冠狀病毒病的同時，服務行業的消費也在恢復，餐飲及旅遊業的消費均出現增長。然而，餐飲業的消費復蘇仍然緩慢，而隨著海外2019冠狀病毒病輸入病例增加，加上部分地區仍有零星爆發，消費市場繼續面臨不確定性。由於中國不時有本地或輸入感染新型冠狀病毒的新個案出現，本集團須懂得如何與病毒共存，維持自身業務穩定。另一方面，於本期間，國際大宗商品的價格亦出現上漲，導致生產物價指數的增幅顯著上升。展望未來，在原材料成本上升的情況下，加強市場監管可謂勢在必行，以減輕企業的成本壓力，保護供應鏈，促進經濟穩定健康發展。

REVIEW OF OPERATION AND PROSPECTS (continued)

Industry Review (continued)

This broadened economic recovery can be partly attributed to a rise in consumer sentiment, in addition, the rollout of the national vaccination programme has proved efficient, with more than 1.6 billion doses having been administered across China at the end of July, providing a further boost to consumption as consumers were encouraged to spend more time in public. Indeed, the containment of COVID-19 ran parallel with a recovery in spending in the services sector, with the catering and tourism industries both showing growth in consumption. However, this consumption recovery remained lackluster in the catering industry, and, with imported cases of COVID-19 from overseas rising and sporadic outbreaks still occurring in some regions, the consumer market continues to face uncertainty. As a handful of new local or imported coronavirus cases popped up in China sporadically from time to time, it is essential for the Group to learn living with the virus and maintaining its business stable. On the other hand, the Period also saw a rise in the prices of international bulk commodities, leading to a significant increase in Producer Price Index growth. Going forward, and amid rising costs of raw materials, it will be necessary to strengthen market regulation in order to alleviate the cost pressures on enterprises, protect the supply chain, and promote stable and healthy economic development.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧

於二零二一年上半年，河北及遼寧等多個地區出現2019冠狀病毒病的零星爆發，大量消費者不願外出用餐，不可避免地影響到本集團業務的恢復速度。在確保顧客及員工的健康安全的同時，合興務實而積極地調整了經營方式，從而促進業務逐步恢復。

儘管大流行病於中國各地大致受控，然而消費習慣已產生改變。因此，本集團於本期間堂食餐飲業務的復蘇緩慢，而外送業務於本集團整體收益中的比例則持續上升。大流行病下，商用物業的租金水平低於去年同期，二零二一年已回到二零一九年水平。大流行病餘波繼續帶來挑戰，我們會根據銷售結構及外部市場的變化，不斷調整及重新設計店舖的盈利模式。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review

The first half of 2021 saw sporadic outbreaks of COVID-19 in several regions, including Hebei and Liaoning, which inevitably affected the recovery of the Group's business, with many consumers unwilling to dine out. While ensuring the health and safety of its customers and employees, Hop Hing pragmatically and proactively adjusted the approach of its operations, thereby facilitating the gradual recovery of its business.

While the pandemic has largely been contained across China, it has left its mark in the form of changes to consumption habits. As a result, the recovery of the Group's dine-in catering business has been lackluster during the Period, while the proportion of the delivery business in the Group's overall revenue has continued to increase. Amid the pandemic, the rental level of commercial properties was lower than that of the same period last year, returning to the level of 2019 in 2021. In the face of the challenges still posed by the fallout from the pandemic, we continued to adjust and redesign the profit model of our stores according to the changes in sales structure and external markets.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

適應外出就餐的回歸

由於大範圍疫苗接種，公眾於二零二一年第一季度的大多數時間基本已回歸正常生活。考慮到這一點，合興採取措施鼓勵食客惠顧門店。我們不僅加大推廣力度，推出多款配以新式食法的牛肉產品，更按照盈利店舖模式開店、加快開店速度、提高店舖效率及盈利能力。

於本期間，本集團開設了一家迎合Z世代需求的科技型餐廳。該新店的特色為通過增加自動洗米機、自動盛飯機、洗碗機等設備，提升科技化及自動化水平，從而改善顧客體驗及降低每小時的員工成本。經過兩年的戰略調整、增加火鍋產品種類後，本集團亦於本期間全面推出火鍋業務模式。此新推廣包括提供一人份量的超值火鍋食品，並通過「買一送一」等期間限定的優惠及促銷活動，於線上線下大力推廣。該等促銷活動鼓勵消費者嘗試吉野家的特色小火鍋，通過創造有別於同行的全新消費場景，以增加堂食顧客的佔比，最終令火鍋業務的銷售穩步上升。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

Adapting to the return of dining out

As a result of widespread vaccination, the public largely returned to normal life throughout the majority of the first quarter of 2021. With this in mind, Hop Hing took steps to encourage diners to visit its stores. It not only increased its promotional efforts and launched several new beef products featuring new styles of serving, but also opened stores based on the profitable store model, accelerated store openings and improved store efficiency and profitability.

The Group opened a technology-based restaurant to cater for the needs of the Z-generation during the Period. This new store features an increased level of informatization and automation through the addition of equipment such as automatic rice washers, automatic rice dispensers, and dishwashers, elevating the customer experience and reducing hourly employee costs. The Group also fully launched its hotpot business model during the Period, following two years of refining its strategy and increasing the variety of hotpot products on offer. This new initiative involves offering value hotpot dishes for one person, and was vigorously promoted through both online and offline channels through deals and promotions such as “buy one get one free”. These promotions encourage consumers’ acceptance of Yoshinoya’s unique small hotpot, which differentiated it from its peers by creating a totally different consumption scenario, and increased the share of dine-in customers, ultimately resulting in a gradual increase of sales for the hotpot business.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

適應外出就餐的回歸(續)

由於大流行病控制措施嚴格限制公眾外出就餐的選擇，本集團把握「在家用餐」新常態帶來的機會，及時推出應對措施，包括於二零二零年二月推出的「家庭廚房」產品線，讓顧客能於數分鐘內在家準備高質菜餚。新產品線的成果不俗，使業務更添多元化的同時，亦加快本公司銷售復蘇。

本集團於二零二零年二月推出「家庭廚房」，當時正值大流行病高峰時期，「在家用餐」成為一種新常態。然而，隨著疫情緩和，公眾逐漸恢復到大流行病爆發前的習慣，如外出購物及用餐等，「家庭廚房」產品的需求於本期間有所下降。然而，本集團認為，在國內的「新零售」新常態之下，「家庭廚房」仍然是重要收益來源，潛力非凡。有鑑於此，合興目前正開發第二代零售化業務模式，推進「餐飲收入+新零售收入+線上線下融合」的複合銷售模式計劃。本集團將繼續對「家庭廚房」業務線進行各種調整，以優化其盈利能力。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

Adapting to the return of dining out (continued)

With pandemic measures severely limiting the options available to the public in terms of eating out at restaurants, the Group introduced timely initiatives to take advantage of opportunities arising from the “dine-at-home” new normal. This included the launch of the “Family Kitchen” product line in February 2020, which enabled customers to prepare high-quality meals at home in a matter of minutes. With a substantial achievement, the new line has facilitated further business diversification and accelerated the recovery of the Company’s sales.

The Group introduced “Family Kitchen” in February 2020 when the pandemic was the most severe and “dine-at-home” became a new normal. However, with the public gradually resuming pre-pandemic habits such as shopping and dining out following the easing of the pandemic, demands of the “Family Kitchen” products declined during the Period. Yet, the Group still sees “Family Kitchen” an important income stream with huge potentials under the “New Retail” new norm in the country. In light of this, Hop Hing is currently developing the second-generation retail business model and pushing ahead with its plans for the compounded sales model - “catering income + New Retail income + online and offline integration”. The Group will continue to introduce a variety of adjustments to the “Family Kitchen” business line with an aim to optimize its profitability.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

通過技術及營銷促進增長

於本期間，本集團全力開展數字化推廣，全面檢討企業資源計劃系統及數字系統工具，然後作出相應調整。本集團亦已加強資訊科技(「資訊科技」)團隊，改善數字化戰略，務求吸引線上顧客，促進價格優化及銷售推廣。為求向顧客提供更優質的線上訂餐體驗，前端小程序亦已得到加強。該等措施共同構成系統化數字方針，成功改善、吸納、保留和轉化顧客。

接觸不同消費群體的渠道日新月異，有見及此，合興亦已成立新媒體營銷部門，推動傳統營銷及新媒體營銷，以期提高品牌知名度，吸引潛在顧客的關注。

於本期間，本集團收入同比增長35.1%至人民幣884,500,000元(截至二零二零年六月三十日止六個月：人民幣654,700,000元)。2019冠狀病毒病導致許多顧客改變消費習慣，改為線上購買，因此本集團的外送銷售於本期間持續增加。隨著經濟逐步復蘇，本集團堂食銷售在本期間亦錄得增長。然而，新店鋪開設速度在一定程度上受到年初中國北方地區零星爆發的大流行病影響。於二零二一年六月三十日，本集團連同其合營企業共有590間經營中的店鋪。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

Facilitating growth through technology and marketing

The Group's promotion of digitalization was in full swing during the Period. A comprehensive review of its Enterprise Resource Planning system and digital system tools was performed, with adjustments then made accordingly. The Group also enhanced its information technology ("IT") team and improved its digital strategy with the aim of attracting customers online and ensuring better price optimization and sales marketing. The front-end mini-program was also enhanced in order to provide customers with a better online ordering experience. Together, these steps formed a systematic digital approach to enable improved customer acquisition, retention and conversion.

Facing the ever-changing contact channels for different consumer groups, Hop Hing also set up a new media marketing department to drive both traditional marketing and new media marketing, with the aim of increasing brand awareness and attracting the attention of potential customers.

During the Period, the Group's revenue increased by 35.1% year-on-year to RMB884.5 million (six months ended 30 June 2020: RMB654.7 million). The COVID-19 has changed the consumption habits of many customers to buying online and hence the delivery sales of our Group continued to increase during the Period. With a gradual recovery of the economy, the dine-in sales of the Group also recorded an increase in the Period. The speed of opening of new stores was however to certain extent hindered by the scattered outbreaks of the pandemic in the northern part of China at the beginning of the year. The Group together with its joint venture had 590 stores in operation as at 30 June 2021.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

		於	
		As at	
		六月三十日	十二月三十一日
		30 June	31 December
		二零二一年	二零二零年
		2021	2020
吉野家	Yoshinoya		
北京-天津-河北省 都會地區	Beijing-Tianjin-Hebei Province Metropolitan Region	257	256
其他中國北方地區 ⁽¹⁾	Other northern areas of China ⁽¹⁾	132	127
河南省 ⁽²⁾	Henan province ⁽²⁾	7	7
		396	390
冰雪皇后	Dairy Queen		
北京-天津-河北省 都會地區	Beijing-Tianjin-Hebei Province Metropolitan Region	145	142
其他中國北方地區 ⁽¹⁾	Other northern areas of China ⁽¹⁾	48	47
		193	189
其他	Others		
北京-天津-河北省 都會地區	Beijing-Tianjin-Hebei Province Metropolitan Region	1	1
		1	1
總計	Total	590	580

⁽¹⁾ 包括遼寧、黑龍江及吉林省以及
內蒙古自治區

⁽²⁾ 由合營企業經營

⁽¹⁾ Including Liaoning, Heilongjiang and Jilin provinces and
Inner Mongolia autonomous region

⁽²⁾ Operated by Joint Venture

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

於本期間，當中國疫苗接種工作穩步實施後，疫情防控措施有所放寬，而堂食勢頭恢復。為應對市場復蘇及恢復相對較好商業環境，本集團推出更多超值餐，並增加銷售推廣活動。因此，於本期間，本集團吉野家業務的同店銷售增長32.2%（截至二零二零年六月三十日止六個月：下降35.4%），冰雪皇后業務的同店銷售增長60.6%（截至二零二零年六月三十日止六個月：下降47.0%）。本集團整體同店銷售增長34.5%（截至二零二零年六月三十日止六個月：下降37.0%）。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

During the Period, after the steady implementation of vaccination in China, epidemic prevention and control measures were relaxed and the momentum to dine-out resumed. In response to the market recovery and the return of a relatively better business environment, the Group introduced more value-added meals and increased its sales promotion activities. As a result, the Group reported an increase in same-store sales of 32.2% (six months ended 30 June 2020: decrease of 35.4%) from the Yoshinoya network and an increase in same-store sales of 60.6% (six months ended 30 June 2020: decrease of 47.0%) from the DQ network during the Period. The Group's overall same-store sales increased by 34.5% (six months ended 30 June 2020: decrease of 37.0%).

同店銷售增長百分比
Percentage Increase
in Same Stores Sales
截至六月三十日止六個月
Six months ended 30 June
二零二一年 二零二零年
2021 **2020**

整體	Overall	34.5%	-37.0%
按主要品牌	By Main Brands		
吉野家	Yoshinoya	32.2%	-35.4%
冰雪皇后	Dairy Queen	60.6%	-47.0%

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

於本期間，按收入計算，北京-天津-河北省都會地區繼續為本集團的最大市場。吉野家產品之銷售收入佔本集團總收入約84%。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

During the Period, the Beijing-Tianjin-Hebei Province Metropolitan Region remained the largest market of the Group based on revenue. Sales revenue from Yoshinoya products accounted for approximately 84% of the Group's total revenue.

		截至六月三十日止六個月 Six months ended 30 June				
		二零二一年 2021		二零二零年 2020		
		人民幣千元 RMB'000	佔銷售額 % % of sales	人民幣千元 RMB'000	佔銷售額 % % of sales	
a.	按地區 By Region					
	北京-天津- 河北省 都會地區	Beijing-Tianjin- Hebei Province Metropolitan Region	658,203	74.4%	476,948	72.8%
	其他中國 北方地區 ⁽¹⁾	Other northern areas of China ⁽¹⁾	226,275	25.6%	177,775	27.2%

⁽¹⁾ 包括遼寧、黑龍江及吉林省以及內蒙古自治區

⁽¹⁾ Including Liaoning, Heilongjiang and Jilin provinces and Inner Mongolia autonomous region

		截至六月三十日止六個月 Six months ended 30 June				
		二零二一年 2021		二零二零年 2020		
		人民幣千元 RMB'000	佔銷售額 % % of sales	人民幣千元 RMB'000	佔銷售額 % % of sales	
b.	按主要品牌 By Main Brands					
	吉野家	Yoshinoya	741,217	83.8%	551,382	84.2%
	冰雪皇后	Dairy Queen	120,154	13.6%	72,951	11.1%

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

受進口延遲以及市場消費和國內需求回升的影響，主要食品原材料的價格持續上漲。本集團已採取多種應對措施，包括調整產品結構，以應對食品原材料成本上升。儘管如此，本集團的整體原材料成本仍然居高不下，於本期間錄得毛利率60.5%，較二零二零年同期輕微增加1.1個百分點。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

Being affected by import delays and the rebound in market consumption and domestic demand, the prices of major food raw materials continued to rise. The Group has adopted a variety of measures to counter the increase in food ingredient costs, including adjusting product mix. Nonetheless, the overall material cost of the Group remained high and a gross profit margin of 60.5% was recorded in the Period, a slight increase of 1.1 percentage points when compared with the corresponding period of 2020.

截至六月三十日止六個月

Six months ended 30 June

二零二一年

二零二零年

2021

2020

毛利率

Gross Profit Margin

60.5%

59.4%

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

業務回顧(續)

在本期間，雖然整體營運成本隨銷售增長而增加，惟本集團在大流行病造成的嚴峻環境下仍嚴格控制成本。本集團有效的人力調配在一定程度上緩解了中國最低工資及社會保險金增加帶來的影響。因此，在本期間，總營運成本佔收入的百分比有所下降。

REVIEW OF OPERATION AND PROSPECTS (continued)

Business Review (continued)

While the overall operating costs increased in line with increase in sales during the Period, the Group exercised tight cost controls on this challenging environment brought about by the pandemic. The Group's effective manpower deployment to certain extent mitigated the impact of increase in minimum wage and social insurance in China. As a result, the total operating costs expressed as percentage of revenue decreased during the Period.

		截至六月三十日止六個月 Six months ended 30 June			
		二零二一年 2021		二零二零年 2020	
		人民幣千元 RMB'000	佔銷售額% % of sales	人民幣千元 RMB'000	佔銷售額% % of sales
銷售及分銷開支	Selling and distribution expenses				
人工成本	Labour costs	129,503	14.6%	104,987	16.0%
租金成本、使用權 資產折舊及 融資成本*	Rental expenses, depreciation of right-of-use assets and finance costs*	97,662	11.0%	98,100	15.0%
物業、廠房及 設備折舊*	Depreciation of property, plant and equipment*	38,011	4.3%	40,981	6.3%
其他經營開支	Other operating expenses	156,388	17.7%	119,243	18.2%

* 與租賃相關的折舊及融資成本已與租金成本歸為一類，以更好了解本集團與租金有關的開支總額

* Leases relating to depreciation and finance costs have been grouped with rental expenses for better understanding of the Group's total rental related expenses

中國地方稅務機關對本公司若干附屬公司進行的稅務調查仍在進行中，尚未得出結論。管理層將在外聘專業稅務顧問的指導下，繼續與相關地方稅務機關合作，以在適當時候結案。

The tax inspection carried out by the PRC local tax authority on certain subsidiaries of the Company is still in progress and no conclusion has yet been reached. The management will continue to work, under the guidance of an external professional tax consultant, with the relevant local tax authority to conclude the case in due course.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

財務回顧

權益

於二零二一年六月三十日，本公司每股面值港幣0.10元之已發行股份數目為10,070,431,786股(二零二零年十二月三十一日：10,070,431,786股)。

購股權

本期間，概無授出或行使任何購股權(截至二零二零年六月三十日止六個月：無)。本期間，217,500,000份購股權已失效(截至二零二零年六月三十日止六個月：130,914,000份購股權已失效)。

流動資金及負債比率

於二零二一年六月三十日，本集團之銀行借貸總額為一筆銀行貸款人民幣8,300,000元(二零二零年十二月三十一日：無)，乃無抵押，以港元計值，並須在一年內償還。

於二零二一年六月三十日，本集團之負債比率(即計息銀行貸款相對於本公司股權持有人應佔權益之比率)為2.0%(二零二零年十二月三十一日：無)。

本期間，本集團融資成本為人民幣24,500,000元(截至二零二零年六月三十日止六個月：人民幣26,000,000元)，包括租賃負債利息人民幣24,400,000元(截至二零二零年六月三十日止六個月：人民幣25,900,000元)及其他融資成本合共人民幣100,000元(截至二零二零年六月三十日止六個月：人民幣100,000元)。

REVIEW OF OPERATION AND PROSPECTS (continued)

Financial Review

Equity

The number of issued shares of HK\$0.10 each of the Company as at 30 June 2021 was 10,070,431,786 (31 December 2020: 10,070,431,786).

Share Option

No share option was granted nor exercised during the Period (six months ended 30 June 2020: Nil). During the Period, 217,500,000 share options had lapsed (six months ended 30 June 2020: 130,914,000 share options had lapsed).

Liquidity and gearing

As at 30 June 2021, the Group's total bank borrowing of RMB8.3 million (31 December 2020: Nil) which was in the form of a bank loan, was unsecured, denominated in Hong Kong dollar and repayable within one year.

The Group's gearing ratio (expressed as a percentage of interest-bearing bank loans over equity attributable to equity holders of the Company) as at 30 June 2021 was 2.0% (31 December 2020: Nil).

The finance costs for the Period amounted to RMB24.5 million (six months ended 30 June 2020: RMB26.0 million), which consisted of interest of RMB24.4 million on lease liabilities (six months ended 30 June 2020: RMB25.9 million), and other finance costs totaling RMB0.1 million (six months ended 30 June 2020: RMB0.1 million).

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

財務回顧(續)

流動資金及負債比率(續)

本集團之融資政策為以內部產生之現金及銀行信貸作為其業務營運資金。本集團之可用銀行信貸以港幣及人民幣為單位。本集團繼續遵守以外幣資產對沖外幣負債之政策。

薪酬政策

員工薪酬組合包括按照市況、本集團及個人表現釐定之薪金及酌情花紅。本集團亦提供其他員工福利，包括醫療保險、持續進修津貼、公積金、購股權及股份獎勵予合資格員工。本集團僱員於本期間獲支付酬金總額(包括退休金成本及董事酬金)為人民幣214,000,000元(截至二零二零年六月三十日止六個月：人民幣176,000,000元)。於二零二一年六月三十日，本集團共僱用約7,600名全職及臨時僱員(二零二零年六月三十日：約7,400名)。

於截至二零二一年六月三十日止期間，董事會議決向其中之一的指定參與者授予2,367,417股之股份獎勵，彼並非本公司董事、最高行政人員或主要股東或彼等中任何人的聯繫人(按上市規則之定義)。

REVIEW OF OPERATION AND PROSPECTS (continued)

Financial Review (continued)

Liquidity and gearing (continued)

The Group's funding policy is to finance its business operations with internally generated cash and bank facilities. The Group's bank facilities are available in both Hong Kong dollars and Renminbi. The Group continues to adhere to the policy of hedging foreign currency liabilities with foreign currency assets.

Remuneration policies

Staff remuneration packages consist of salary and discretionary bonuses which are determined with reference to market conditions and the performance of the Group and the individual concerned. The Group also provides other staff benefits including medical insurance, continuing education allowances, provident funds, share options and share awards to eligible staff. The total remuneration paid to employees (including pension costs and remuneration to the Directors) of the Group during the Period was RMB214 million (six months ended 30 June 2020: RMB176 million). As at 30 June 2021, the Group had approximately 7,600 full-time and temporary employees (30 June 2020: approximately 7,400).

During the period ended 30 June 2021, the Board resolved to grant share awards in respect of 2,367,417 shares to one of the selected participants who was not a director, chief executive or substantial shareholder of the Company, nor an associate (as defined under the Listing Rules) of any of them.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

財務回顧(續)

經營分部資料

經營分部資料之詳情載於簡明綜合財務報表附註3。

或然負債

於二零二一年六月三十日，本集團並無尚未償還重大或然負債。

資產抵押

於二零二一年六月三十日，本集團並無資產抵押。

報告期間後事項

自報告期間結束後至本中期報告發佈之日止，並無發生任何重大事項。

REVIEW OF OPERATION AND PROSPECTS (continued)

Financial Review (continued)

Operating segment information

Details of the operating segment information are set out in Note 3 of the condensed consolidated financial statements.

Contingent liabilities

The Group had no material contingent liability outstanding as at 30 June 2021.

Pledge of assets

The Group had no pledge of assets as at 30 June 2021.

Events after the reporting period

No material events occurred after the end of the reporting period and up to the date of this interim report.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

本集團業務未來發展

餐飲行業發展趨勢

全球各地已開始疫苗接種，大流行病有望消退，但大多數行業仍面臨疫情影響帶來的挑戰，餐飲行業亦未能倖免。多項因素將繼續塑造未來的經濟環境，從而影響到餐飲行業。當前的全球經濟趨勢仍然複雜而嚴峻，全球通脹壓力上升導致大宗商品價格急劇上升，中國大陸業務亦因此而受到影響。原材料成本上升亦導致各行各業的復蘇速度不一，中小及微型公司面臨著的經營困難更是格外嚴重。

創新及使用新科技已成為塑造餐飲行業的一個重要趨勢。許多公司正應用「互聯網+新科技」的方法支持發展，並通過線上線下服務互聯，促進線上線下發展的融合。為吸引新消費群體，使用移動端連接企業的做法亦越趨普遍。餐飲公司亦越來越注重利用數據來引領戰略發展。在這個數字化、網絡化及共同分享的新時代，有效利用數據對企業至關重要，高品質及全面的數據報告可以作為企業發展戰略的寶貴參考。

REVIEW OF OPERATION AND PROSPECTS (continued)

Future Development of the Group's Business

Development trends in the catering industry

While there is hope that the pandemic will finally subside following the rollout of vaccinations worldwide, the majority of industries still face challenges caused by its impact, and the catering industry is no exception. There are a number of factors that will continue to shape the economic environment going forward, and therefore affect the catering industry. Current global economic trends remain complex and severe, and the rise in global inflationary pressure has led to a sharp increase in bulk commodity prices which has affected business in mainland China. Rising material costs have also led to varied paces of recovery across different industries, with small, medium and micro companies, in particular, facing difficulties in operations.

Innovation and the use of new technologies has become an important trend shaping the catering industry. Many companies are applying an "Internet + new technologies" approach in order to support their development and are promoting the integration of online and offline development through linked online and offline services. The use of mobile terminals to link enterprises is also becoming more widespread in a bid to attract new consumer groups. Catering companies are also increasingly focusing on using data to guide their strategy and development. In this new era of digitalization, networking and co-sharing, it is vital for companies to make efficient use of data, with high-quality and comprehensive data reports serving as a valuable reference for their growth strategy.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

本集團業務未來發展 (續)

餐飲行業發展趨勢(續)

越來越多餐飲公司亦意識到，把品牌作為知識產權，並將餐飲業務當作零售店營運極為有效和重要。現時，該等企業不僅是經營餐飲門店，更根據辦公室、加油站、便利店及超市，乃至餐車、遊樂園及線上服務等不同的銷售場景，採取特定方針，仔細關注顧客群，以創造更具針對性的促銷及推廣內容。

一直以來，餐飲公司主要關注前端消費者，但由於經營規模擴大，許多公司開始將後端供應鏈能力視為核心競爭力。為了領先同儕，餐飲品牌需要具備更有效管理、整合及完善的供應鏈的能力，此舉不僅會提高競爭對手的進入門檻，並且有機會創建自己的平台，共享過剩產能及各部門的強大能力，帶來更高經濟回報。

無可諱言，餐飲公司亦面臨不利的發展趨勢，使其戰略在短期內受到影響。經營成本逐年增加，企業必須確保嚴格有效的成本控制措施，而消費者需求持續瞬息萬變，迫使不同規模的企業持續關注核心顧客群的需求及偏好，且必須盡可能採用線上線下的融合方法。

REVIEW OF OPERATION AND PROSPECTS (continued)

Future Development of the Group's Business (continued)

Development trends in the catering industry (continued)

An increasing number of catering companies have also become aware of the effectiveness and importance of running food and beverage businesses as retail stores, with their brands as intellectual property. Now not only an outlet for food and drink, these enterprises are taking an approach based around specific sales scenarios, from offices and gas stations to convenience stores and supermarkets, as well as food trucks, amusement parks and online services, with careful attention paid to their customer base in order to create more targeted promotions and marketing content.

While catering companies have previously focused largely on front-end consumers, the expansion of the scale of their operations caused many to view their core competitiveness as their back-end supply chain capabilities. In order to stay ahead of their peers, catering brands need to have the ability to manage, integrate and form the supply chain more effectively, and in doing so they will not only increase the barriers to entry for competitors, but also have the chance to create their own platforms and share their surplus production capacity and the strong capabilities of various departments in order to bring greater economic returns.

There are, of course, less favorable development trends that will shape the strategies of catering companies in the near term. Operating costs are increasing year by year, requiring companies to ensure that their cost control measures remain stringent and effective, and consumer demand is continuing to change at a rapid pace, forcing enterprises of all sizes to remain attentive to both the needs and preferences of their core customer bases and to ensure they adopt an integrated online and offline approach where possible.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

本集團業務未來發展 (續)

憑創新及適應能力保持競爭力

鑒於最新市場趨勢，合興將繼續關注僱員及顧客的滿意度。本集團認為顧客滿意度是最重要的業績指標，故實施激勵機制改革以有效激發店舖前線員工的積極性及熱誠，藉此不斷提高顧客滿意度，最終吸引顧客再次消費，提高餐廳業績。

本集團明白，在動盪及具挑戰性的營商環境中，保持務實極為重要。在繼續推廣吉野家新推出的火鍋經營模式的同時，本集團將根據市場變化調整餐廳的盈利模式，以此作為開發及開設新餐廳的指引。本集團亦計劃革新傳統店舖形象，加快翻新週期及新店開業，以及推出更多吸引人的時尚設計，從而保持競爭力。本集團也將根據銷售結構及顧客消費模式的變化，繼續完善開店模型，通過開設科技型店舖、小型店、外送店及火鍋專賣店等多種店舖，創造新消費場景。

REVIEW OF OPERATION AND PROSPECTS (continued)

Future Development of the Group's Business (continued)

Innovation and adaptability to remain competitive

In view of the latest market trend, Hop Hing will continue to focus on employee and customer satisfaction. The Group believes that customer satisfaction is the most important performance indicator, and has therefore launched the reform of an incentive mechanism, which effectively stimulates the incentives of the restaurant-end and the enthusiasm of employees, in a bid to continuously strengthen customer satisfaction and ultimately encourage repeated consumption and improve restaurant performance.

The Group recognizes the importance to remaining pragmatic amid the volatile and challenging business environment. As well as continuing to promote Yoshinoya's newly launched hotpot business model, it will adjust the profit model of its restaurants in response to market changes in order to guide the development and opening of new restaurants. The Group also plans to remain competitive by subverting the traditional store image, accelerating the refurbishment cycle and opening of new stores, and introducing more engaging and trendy designs. The Group will also continue to refine its stores opening model according to the changes in sales structure and customers' consumption pattern and create new scenarios by opening a diverse range of stores, such as technology-based store, smaller-size stores, delivery stores, and hotpot specialty stores etc.

管理層討論及分析(續) Management Discussion and Analysis (continued)

業務回顧及前景(續)

本集團業務未來發展 (續)

憑創新及適應能力保持競爭力(續)

科技及創新仍是本集團未來發展戰略的命脈，本集團將繼續升級餐廳的科技設備，加快業務數字化，採取措施加強資訊科技團隊。面對不斷變化的消費場景，本集團將繼續致力利用多媒體營銷提高其品牌形象及聲譽，吸引新的消費群體。

展望未來，除了與現有的專營權授予者保持良好關係外，本集團正與吉野家初步探討在中國北方現有特許經營區域之外，如山東省，加大我們在中國地區的合作廣度及深度的各種可能性。本集團亦將積極尋求新機遇，尤其是可能促進科技轉型，從而成為精通互聯網的餐飲企業的機會，進一步加強與專營權授予者及現時業務夥伴的聯繫。本集團將進一步探索潛在的併購機會，務求壯大為中國領先的多品牌快餐連鎖店。

代表董事會

行政總裁
洪明基

香港，二零二一年八月三十一日

REVIEW OF OPERATION AND PROSPECTS (continued)

Future Development of the Group's Business (continued)

Innovation and adaptability to remain competitive (continued)

With technology and innovation remaining a vital part of the Group's development strategy going forward, it will continue to upgrade the technological equipment at its restaurants, accelerate the digitalization of its operations and take steps to strengthen its IT team. In the face of changing consumption scenarios, it will remain committed to utilizing multimedia marketing to enhance its brand image and reputation and attract new consumer groups.

Looking ahead, apart from maintaining good relationship with our existing franchisors, the Group has been exploring with Yoshinoya tentatively various possibilities of increasing the width and depth of our cooperation in China beyond the existing franchise regions in the northern part of China, such as Shandong province. The Group will also actively seek new opportunities, particularly those that may facilitate its technological transformation into an internet-proficient catering enterprise, further strengthening its ties with franchisors and current business partners. The Group will further explore potential mergers and acquisitions opportunities with the aim of developing into a leading multi-brand QSR chain in China.

On Behalf of the Board

HUNG MING KEI, MARVIN
Chief Executive Officer

Hong Kong, 31 August 2021

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

董事及行政總裁於股份及相關股份中之權益及淡倉

於二零二一年六月三十日，按本公司根據證券及期貨條例第352條存置之登記冊所記錄，或根據上市規則附錄十上市發行人董事進行證券交易的標準守則（「標準守則」）向本公司及香港聯合交易所有限公司（「聯交所」）知會者，董事及行政總裁於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份及相關股份中擁有之權益或淡倉如下：

於本公司普通股之權益

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2021, the interests or short positions of the Directors and chief executive in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"), were as follows:

Interests in Ordinary Shares of the Company

所持股份數目、身份及權益性質 Number of shares held, capacity and nature of interest

董事姓名 Name of Director	直接及實益擁有 Directly and beneficially owned	透過受控法團 Through controlled corporation	信託之受益人 Beneficiary of a trust	總計 Total	佔本公司已發行股本之百分比 Percentage of the Company's issued share capital
司徒振中 Seto Gin Chung, John	500,847	–	–	500,847	0.005%
洪明基 Hung Ming Kei, Marvin	72,652,163	3,412,399,373 附註 (i) Note (i)	73,332,815 附註 (ii) Note (ii)	3,558,384,351	35.335%
史習陶 Sze Tsai To, Robert	2,454,678	–	–	2,454,678	0.024%

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

董事及行政總裁於股份及相關股份中之權益及淡倉(續)

於本公司普通股之權益(續)

附註：

- (i) 3,412,399,373 股股份由一項全權信託實益擁有，而洪明基先生實益擁有該項全權信託之受託人。
- (ii) 73,332,815 股股份由一項全權信託實益擁有，而該全權信託之全權受益人包括洪明基先生擁有一間公司。

除上文所披露者及本中期報告「購股權計劃」一節所披露授予董事之購股權外，於二零二一年六月三十日，概無董事於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中，擁有須根據證券及期貨條例第352條作出記錄之權益或淡倉，或須根據標準守則知會本公司及聯交所之權益或淡倉。

購股權計劃

本公司於二零零八年三月十二日採納的購股權計劃於二零零八年四月二十五日生效，並於二零一八年四月二十四日屆滿(「二零零八年購股權計劃」)。鑒於二零零八年購股權計劃屆滿，本公司於二零一八年六月八日採納一項新購股權計劃(「二零一八年購股權計劃」)。

由於二零零八年購股權計劃已屆滿，概無其他購股權可根據二零零八年購股權計劃進一步授出。然而，就根據二零零八年購股權計劃授出及尚未行使的購股權而言，承授人的現有權利不受影響。於該等財務報表批准日期，根據二零零八年購股權計劃可予發行227,500,000股股份，佔本公司於該等財務報表日期已發行股本的約2.26%。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Interests in Ordinary Shares of the Company (continued)

Notes:

- (i) 3,412,399,373 shares were beneficially owned by a discretionary trust, the trustee of which is beneficially owned by Mr. Hung Ming Kei, Marvin.
- (ii) 73,332,815 shares were beneficially owned by a discretionary trust whose discretionary beneficiaries included a company owned by Mr. Hung Ming Kei, Marvin.

Save as disclosed above and the share options granted to the Directors as disclosed under the heading "Share Option Scheme" in this interim report, as at 30 June 2021, none of the Directors had registered an interest or short position 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) that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The share option scheme adopted by the Company on 12 March 2008 became effective on 25 April 2008 and expired on 24 April 2018 (the "2008 Share Option Scheme"). In light of the expiry of the 2008 Share Option Scheme, a new share option scheme was adopted by the Company on 8 June 2018 (the "2018 Share Option Scheme").

As the 2008 Share Option Scheme has expired, no options can further be granted under the 2008 Share Option Scheme. However, for the outstanding options granted and yet to be exercised under the 2008 Share Option Scheme, the existing rights of the grantees are not affected. As at the date of approval of these financial statements, there were 227,500,000 shares available for issue under the 2008 Share Option Scheme representing approximately 2.26% of the issued share capital of the Company as at the date of these financial statements.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

購股權計劃(續)

購股權計劃旨在激勵合資格人士日後為本集團作出最大的貢獻及／或就彼等過去的貢獻給予獎勵，以吸引及挽留或以其他方式與該等對本集團的表現、發展或成功而言屬重要及／或其貢獻有利於或將有利於本集團的表現、發展或成功的該等合資格人士維持持續的合作關係。另外就僱員而言，讓本集團可持續吸引及挽留經驗豐富且具才能的人士及／或就其過往貢獻給予獎勵，並透過績效獎勵激勵彼等向本集團及其附屬公司提供持續及不斷改善之服務。根據購股權計劃，參與者包括任何僱員(本集團任何成員公司的執行董事、高級管理層或其他全職或兼職僱員)；本集團任何成員公司的任何非執行董事或候任董事(無論是否獨立)；本集團任何成員公司之任何顧問、專家、代理或代表；以及本公司董事會或股東批准之任何人士。

二零一八年購股權計劃為期10年，於二零一八年六月八日開始及於二零二八年六月七日屆滿。於該等財務報表批准日期，根據二零一八年購股權計劃可予發行股份總數為803,629,178股，佔本公司於該等財務報表已發行股本的約7.98%。任何12個月期間內因行使授予各參與者之購股權(包括已行使、已註銷以及尚未行使之購股權)而已發行及將予發行之股份總數不得超過本公司已發行股份之1%。此外，於任何12個月期間授予一名主要股東或一名獨立非執行董事或其各自之任何聯繫人之任何購股權如超過本公司於任何時間之已發行股份數目0.1%及總值(根據本公司股份於授出日期的收市價)超過港幣5,000,000元，則須於股東大會預先獲得股東批准。

SHARE OPTION SCHEME (continued)

The purpose of the share option schemes are to motivate eligible persons to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of employees, to continue to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions and to provide such individuals with a performance incentive for continued and improved services with the Group and its subsidiaries. Under the share option schemes, the participants include any employee (being executive director of, senior management of, or other full-time or part-time employee of any member of the Group); any non-executive director or proposed director (whether independent or not) of any member of the Group; any consultant, expert, agent or representative of any member of the Group; and any person approved by the Board or shareholders of the Company.

The term of the 2018 Share Option Scheme is 10 years commencing on 8 June 2018 and expiring on 7 June 2028. As at the date of approval of these financial statements, the total number of shares available for issue under the 2018 Share Option Scheme was 803,629,178 shares, which represented approximately 7.98% of the issued share capital of the Company as at these financial statements. The total number of shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in any 12-month period must not exceed 1% of the shares of the Company in issue. In addition, any share options granted to a substantial shareholder or an independent non-executive Director, or to any of their respective associates, in excess of 0.1% of the number of shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

購股權計劃(續)

根據二零一八年購股權計劃之條款，可行使購股權之期間須：(i)由董事釐定；(ii)自授出購股權日期起12個月屆滿起(或董事可能釐定之較短期間)開始；及(iii)於任何情況下，由開始日期起計均不得長於十年。

建議授出之購股權必須於授出日期起計21日內接納，授出代價為港幣1.00元。根據購股權計劃所授出可認購股份之購股權之行使價由董事會釐定且不得低於：(i)股份於參與者獲授當日(必須為營業日)在聯交所日報表所載之收市價；及(ii)緊接股份於授出當日前五個營業日在聯交所日報表所載之平均收市價中之較高者。

購股權並不授予持有人權利享有股息或於股東大會投票。

SHARE OPTION SCHEME (continued)

The period within which the options may be exercised in accordance with the terms of the 2018 Share Option Scheme, shall: (i) be determined by the Directors; (ii) commence on the expiration of 12 months (or such shorter period as may be determined by the Directors) from the date of grant of options; and (iii) in any event not more than 10 years from the date on which it commences.

The offer of a grant of options must be accepted within 21 days from the date of the grant at a consideration of HK\$1.00 for the grant. The exercise price of an option to subscribe for shares granted pursuant to the share option schemes is determined by the Board, and shall not be less than the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date on which the grant is made to a participant, which must be a business day; and (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date on which the grant is made.

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

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

購股權計劃(續)

於二零二一年六月三十日，下列根據二零零八年購股權計劃及二零一八年購股權計劃授出而尚未行使之購股權：

SHARE OPTION SCHEME (continued)

As at 30 June 2021, the following share options granted under the 2008 Share Option Scheme and 2018 Share Option Scheme were outstanding:

參與者姓名 或類別	購股權數目 Number of share options					本公司股份價格 Price of the Company's shares				
	於二零二一年 一月一日	期內授出	期內行使	期內失效/ 註銷	於二零二一年 六月三十日	授出日期 (附註3)	行使期	行使價 (附註4)	於授出日期 (附註5)	緊接授出 購股權 日期前
Name or category of participant	At 1 January 2021	Granted during the period	Exercised during the period	Lapsed/ cancelled during the period	At 30 June 2021	Date of grant (Note 3)	Exercise period	Exercise price (Note 4) 每股港幣 HK\$ per share	At date of grant (Note 5) 每股港幣 HK\$ per share	Immediately before the grant date of share options 每股港幣 HK\$ per share
董事 Directors										
司徒振中 Seto Gin Chung, John	10,070,000	-	-	-	10,070,000	二零一八年 六月八日 (附註1) 8 June 2018 (Note 1)	二零一九年六月八日至 二零二八年六月七日 二零一九年六月八日至 二零二八年六月七日 8 June 2019 up to 7 June 2028	0.189	0.189	0.190
史習陶 Sze Tsai To, Robert	10,070,000	-	-	-	10,070,000	二零一八年 六月八日 (附註1) 8 June 2018 (Note 1)	二零一九年六月八日至 二零二八年六月七日 二零一九年六月八日至 二零二八年六月七日 8 June 2019 up to 7 June 2028	0.189	0.189	0.190
溫世昌 Wan Sai Cheong, Joseph	10,070,000	-	-	-	10,070,000	二零一八年 六月八日 (附註1) 8 June 2018 (Note 1)	二零一九年六月八日至 二零二八年六月七日 二零一九年六月八日至 二零二八年六月七日 8 June 2019 up to 7 June 2028	0.189	0.189	0.190
黃國英 Wong Kwok Ying	72,500,000	-	-	-	72,500,000	二零一五年 四月九日 (附註2) 9 April 2015 (Note 2)	自達成以下附註6 所述規定後開始， 直至二零二五年 四月八日止 Commencement subject to Note 6 below and up to 8 April 2025	0.127	0.127	0.130
	102,710,000	-	-	-	102,710,000					

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

購股權計劃(續)

SHARE OPTION SCHEME (continued)

參與者姓名 或類別	購股權數目 Number of share options					本公司股份價格 Price of the Company's shares				
	於二零二一年 一月一日	期內授出	期內行使	期內失效/ 註銷	於二零二一年 六月三十日	授出日期 (附註3)	行使期	行使價 (附註4)	於授出日期 (附註5)	緊接授出 購股權 日期前
Name or category of participant	At 1 January 2021	Granted during the period	Exercised during the period	Lapsed/ cancelled during the period	At 30 June 2021	Date of grant (Note 3)	Exercise period	Exercise price (Note 4) 每股港幣 HK\$ per share	At date of grant (Note 5) 每股港幣 HK\$ per share	Immediately before the grant date of share options 每股港幣 HK\$ per share
僱員總計 Employees in aggregate	227,500,000	-	-	(72,500,000)	155,000,000	二零一五年 四月九日 (附註2)	自達成以下附註6 所述規定後開始， 直至二零二五年 四月八日止	0.127	0.127	0.130
						9 April 2015 (Note 2)	Commencement subject to Note 6 below and up to 8 April 2025			
	72,500,000	-	-	(72,500,000)	0	二零一七年 六月二十二日 (附註2)	自達成以下附註6 所述規定後開始， 直至二零二七年 六月二十一日止	0.1988	0.197	0.185
						22 June 2017 (Note 2)	Commencement subject to Note 6 below and up to 21 June 2027			
	332,319,000	-	-	-	332,319,000	二零一八年 六月八日 (附註1)	自達成以下附註6 所述規定後開始， 直至二零二八年 六月七日止	0.189	0.189	0.190
						8 June 2018 (Note 1)	Commencement subject to Note 6 below and up to 7 June 2028			
	72,500,000	-	-	(72,500,000)	0	二零一九年 一月二十一日 (附註1)	自達成以下附註6 所述規定後開始， 直至二零一九年 一月二十日止	0.1628	0.162	0.162
						21 January 2019 (Note 1)	Commencement subject to Note 6 below and up to 20 January 2029			
	704,819,000	-	-	(217,500,000)	487,319,000					
前董事(附註7) Ex-Director (Note 7)	10,070,000	-	-	-	10,070,000	二零一八年 六月八日 (附註1)	二零一九年六月八日至 二零二八年六月七日止	0.189	0.189	0.190
						8 June 2018 (Note 1)	8 June 2019 up to 7 June 2028			
	817,599,000	-	-	(217,500,000)	600,099,000					

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

購股權計劃(續)

附註：

- (1) 有關購股權乃根據二零一八年購股權計劃授出。
- (2) 有關購股權乃根據二零零八年購股權計劃授出。
- (3) 購股權之歸屬期由授出日期起至行使期開始為止。
- (4) 購股權之行使價可予調整。
- (5) 本公司股份於授出日期的價格為於授出日期於聯交所日報表所載之股份收市價。
- (6) 購股權的歸屬期視乎參與者是否達到董事會不時設定之績效目標而定。董事會經考慮參與者對預設目標之績效及成果後，將通知參與者購股權歸屬之詳情，包括將予歸屬之購股權數目及根據購股權計劃已歸屬購股權之行使期開始日期。
- (7) 石禮謙議員*GBS* *太平紳士*於二零二零年六月二日舉行之本公司股東週年大會結束後，退任獨立非執行董事。根據二零一八年購股權計劃，授予彼之10,070,000份購股權仍然有效，直至行使期結束為止。
- (8) 緊接行使日期前概無披露有關證券行使價及加權平均收市價的資料，因截至二零二一年六月三十日止六個月並無購股權獲行使。

董事購買股份或債券之權利

除上文「董事及行政總裁於股份及相關股份中之權益及淡倉」及「購股權計劃」兩節所披露者外，本公司或其任何附屬公司於回顧期內概無訂立任何安排，致使董事或其各自之配偶或未成年子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

SHARE OPTION SCHEME (continued)

Notes:

- (1) The relevant share options were granted under the 2018 Share Option Scheme.
- (2) The relevant share options were granted under the 2008 Share Option Scheme.
- (3) The vesting periods of the share options run from the date of grant to the commencement of the exercise period.
- (4) The exercise price of the share options is subject to adjustments.
- (5) The price of the Company's shares at the date of grant is the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant.
- (6) The vesting of share options is subject to the participants' achievement of performance targets to be set by the Board from time to time. The Board will notify the participants, after considering the participants' performance and achievement of the pre-set targets, the details of the vesting of share options, including the number of share options to be vested and the date of commencement of the exercise period of the vested share options in accordance with the share option schemes.
- (7) Hon. Shek Lai Him, Abraham, *GBS, JP* retired as an independent non-executive Director with effect from the conclusion of the annual general meeting of the Company on 2 June 2020. In accordance with the 2018 Share Option Scheme, share options of 10,070,000 granted to him remain effective until the end of the exercise period.
- (8) No information on the exercise price and the weighted average closing price of the securities immediately before the exercise date has been disclosed as there was no share option exercised during the six months ended 30 June 2021.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the headings "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" and "Share Option Scheme" above, at no time during the period under review was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or their respective spouse or minor children to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

主要股東及其他人士於股份及相關股份中之權益及淡倉

於二零二一年六月三十日，按本公司所獲知會及根據本公司遵照證券及期貨條例第336條所存置之登記冊所記錄，主要股東／其他人士於本公司股份及相關股份中之權益或淡倉如下：

於本公司普通股之權益

股東名稱	附註	所持普通股數目	佔本公司已發行股本之百分比
Name of shareholder	Notes	Number of ordinary shares held	Percentage of the Company's issued share capital
True Force Ventures Limited	(i)	1,408,783,784	13.99%
Earn Field International (PHT) Limited	(ii)	1,408,783,784	13.99%
H H Hung Foundation Limited	(iii)	3,579,187,103	35.54%
洪克協	(iv)	3,929,297,734	39.02%
Hung Hak Hip, Peter			
洪鄧蘊玲	(v)	3,929,297,734	39.02%
Hung Diana Wan Ling			
Winner Planet Limited	(vi)	1,625,526,805	16.14%
Creative Mount Limited	(vii)	1,587,229,730	15.76%
North China Fast Food (2008) Limited	(viii)	3,412,399,373	33.89%
Ample Great Ventures Limited	(ix)	3,412,399,373	33.89%
洪明基	(x)	3,558,384,351	35.34%
Hung Ming Kei, Marvin			

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2021, the interests or short positions of substantial shareholders/other persons in the shares and underlying shares of the Company, as notified to the Company and recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Interests in Ordinary Shares of the Company

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

主要股東及其他人士於股份及相關股份中之權益及淡倉(續)

於本公司普通股之權益(續)

附註：

- (i) 上述所披露之股份之登記持有人。
- (ii) 上述所披露之股份之登記持有人。
- (iii) H H Hung Foundation Limited 間 接 控 制 Predominance (PHT) Limited 及 Action Success (PHT) Limited 在 股 東 大 會 上 超 過 三 分 之 一 的 投 票 權。Predominance (PHT) Limited 被 視 為 於 上 文 附 註 (i) 及 (ii) 所 述 之 股 份 及 本 公 司 若 干 股 東 持 有 之 594,831,805 股 股 份 中 擁 有 權 益。Action Success (PHT) Limited 持 有 166,787,730 股 本 公 司 股 份。
- (iv) 洪克協先生被視為擁有下列權益：
 - (a) 上 文 附 註 (iii) 所 述 透 過 H H Hung Foundation Limited 持 有 之 3,579,187,103 股 股 份；
 - (b) 透 過 Fortune Blessing (PH) Limited 持 有 之 73,332,815 股 股 份；
 - (c) 透 過 受 控 法 團 持 有 之 274,766,648 股 股 份；及
 - (d) 透 過 洪 克 協 先 生 之 配 偶 洪 鄧 蘊 玲 女 士 被 視 為 擁 有 權 益 之 受 控 法 團 持 有 之 2,011,168 股 股 份。
- (v) 洪鄧蘊玲女士被視為透過一間受控法團持有 2,011,168 股股份中之權益。洪鄧蘊玲女士為洪克協先生之配偶，彼被視為於上文附註 (iv) (a) 至 (c) 所述之股份中擁有權益。
- (vi) 上述所披露之股份之登記持有人。
- (vii) 上述所披露之股份之登記持有人。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Interests in Ordinary Shares of the Company (continued)

Notes:

- (i) The registered holder of the shares disclosed above.
- (ii) The registered holder of the shares disclosed above.
- (iii) H H Hung Foundation Limited indirectly controls more than one-third of the voting power at general meetings of Predominance (PHT) Limited and Action Success (PHT) Limited. Predominance (PHT) Limited is deemed to be interested in the shares mentioned in Notes (i) and (ii) above, and 594,831,805 shares held by certain shareholders of the Company. Action Success (PHT) Limited held 166,787,730 shares of the Company.
- (iv) Mr. Hung Hak Hip, Peter is deemed to be interested in:
 - (a) 3,579,187,103 shares held through H H Hung Foundation Limited mentioned in Note (iii) above;
 - (b) 73,332,815 shares held through Fortune Blessing (PH) Limited;
 - (c) 274,766,648 shares held through controlled corporations; and
 - (d) 2,011,168 shares held through a controlled corporation which Mrs. Hung Diana Wan Ling, Mr. Hung Hak Hip, Peter's spouse is deemed to be interested in.
- (v) Mrs. Hung Diana Wan Ling is deemed to be interested in 2,011,168 shares held through a controlled corporation. Mrs. Hung Diana Wan Ling, Mr. Hung Hak Hip, Peter's spouse is deemed to be interested in the shares mentioned in (a) to (c) of Note (iv) above.
- (vi) The registered holder of the shares disclosed above.
- (vii) The registered holder of the shares disclosed above.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

主要股東及其他人士於股份及相關股份中之權益及淡倉(續)

於本公司普通股之權益(續)

附註：(續)

- (viii) North China Fast Food (2008) Limited間接控制若干登記股東在股東大會上超過三分之一之投票權，包括Winner Planet Limited、Creative Mount Limited及Predominance Fortune Limited。該公司被視為擁有於上文附註(vi)及(vii)所述股份及Predominance Fortune Limited持有之199,642,838股股份之權益。
- (ix) Ample Great Ventures Limited為North China Fast Food (2008) Limited之唯一股東，而該公司被視為於上文附註(viii)內所述之股份中擁有權益。
- (x) 洪明基先生持有Ample Great Ventures Limited之全部已發行股本，而彼被視為於上文附註(viii)所述之股份中擁有權益。其亦直接實益擁有72,652,163股股份。此外，73,332,815股股份由一項全權信託實益擁有，其全權受益人包括一間由洪明基先生擁有之公司，而洪明基先生被視為於該等股份中擁有權益。

除上文所披露者外，於二零二一年六月三十日，本公司並無獲悉有任何其他人士(除董事之權益及購股權已列於上文兩節之「董事及行政總裁於股份及相關股份中之權益及淡倉」及「購股權計劃」外)於本公司股份或相關股份中擁有須記錄於本公司根據證券及期貨條例第336條存置之登記冊中之權益或淡倉。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Interests in Ordinary Shares of the Company (continued)

Notes: (continued)

- (viii) North China Fast Food (2008) Limited indirectly controls more than one-third of the voting power at general meetings of certain registered shareholders including Winner Planet Limited, Creative Mount Limited and Predominance Fortune Limited. The company is deemed to be interested in the shares mentioned in Notes (vi) and (vii) above and 199,642,838 shares held by Predominance Fortune Limited.
- (ix) Ample Great Ventures Limited is the sole shareholder of North China Fast Food (2008) Limited which is deemed to be interested in shares mentioned in Note (viii) above.
- (x) Mr. Hung Ming Kei, Marvin holds the entire issued share capital of Ample Great Ventures Limited and is deemed to be interested in the shares mentioned in Note (viii) above. He also directly and beneficially owns 72,652,163 shares. In addition, Mr. Hung Ming Kei, Marvin is deemed to be interested in 73,332,815 shares beneficially owned by a discretionary trust whose discretionary beneficiaries included a company owned by him.

Save as disclosed above, as at 30 June 2021, the Company had not been notified of any persons other than the Directors whose interests and share options are set out in the sections "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" and "Share Option Scheme" above, who had interests or short positions in the shares or underlying shares of the Company, which are required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

公眾持股量充足

根據本公司可公開取得之資料及就董事所知，於本中期報告日期，本公司已發行股本總額中至少25%由公眾人士持有。

企業管治

企業管治守則

本公司致力維持高水平之企業管治常規及程序。本公司於回顧期內已遵守上市規則附錄十四內的企業管治守則(「**企業管治守則**」)所載的守則條文(「**守則條文**」)。企業管治守則所載的原則已納入本集團的企業管治常規之內。

進行證券交易的標準守則

本公司已採納標準守則作為董事買賣本公司證券之操守守則。標準守則亦適用於依照企業管治守則所界定之「**相關僱員**」。

經向董事作出具體查詢後，董事已確認，彼等於本中期報告所涵蓋會計期內一直遵守本公司採納的標準守則內所規定之準則。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this interim report.

CORPORATE GOVERNANCE

Corporate Governance Code

The Company is committed to maintaining a high standard of corporate governance practices and procedures. The Company has complied with the code provisions (the "**CP**") of the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 of the Listing Rules for the period under review. The principles as set out in the CG Code have been adopted into our corporate governance practice.

Model Code For Securities Transactions

The Company has adopted the Model Code as its code of conduct of dealings in securities of the Company by the Directors. The Model Code also applies to "relevant employees" as defined in the CG Code.

Based on specific enquiry of the Directors, the Directors confirmed that they complied with the required standards in the Model Code adopted by the Company throughout the accounting period covered by this interim report.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

企業管治(續)

審核委員會

董事已委聘本集團外聘核數師審閱截至二零二一年六月三十日止六個月之中期報告。本集團之外聘核數師已根據香港會計師公會頒佈之香港審閱準則第2410號「由實體之獨立核數師執行之中期財務資料審閱」進行審閱。

本公司已設立審核委員會，其職權範圍與企業管治守則之守則條文一致，以檢討及監察本集團之財務報告程序以及風險管理及內部監控系統。審核委員會之職權範圍已登載於香港交易及結算有限公司(「港交所」)及本公司之網站。

於二零二一年六月三十日，審核委員會由獨立非執行董事溫世昌先生(委員會主席)、司徒振中先生(董事會主席)及史習陶先生組成。審核委員會主席具備所須之適當專業財務資格及經驗。

於回顧期內，審核委員會與管理層已審閱本集團所採用之會計準則及常規，並討論核數、風險管理及內部監控系統以及財務匯報等事宜。審核委員會亦已審閱本集團截至二零二零年十二月三十一日止年度之財務報表。期末後，審核委員會審閱本集團截至二零二一年六月三十日止六個月之財務報表。

CORPORATE GOVERNANCE (continued)

Audit Committee

The Directors have engaged the Group's external auditors to review the interim report for the six months ended 30 June 2021. The Group's external auditors have carried out their review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by HKICPA.

The Company has established the Audit Committee with terms of reference aligned with the CP of the CG Code for the purpose of reviewing and providing supervision over the Group's financial reporting process and risk management and internal control systems. The terms of reference of the Audit Committee have been posted on the websites of the Hong Kong Exchanges and Clearing Limited (the "HKEx") and the Company.

As at 30 June 2021, the Audit Committee was comprised of Mr. Wan Sai Cheong, Joseph (chairman of the committee), Mr. Seto Gin Chung, John (chairman of the Board) and Mr. Sze Tsai To, Robert, all of them were independent non-executive Directors. The chairman of the Audit Committee has the required appropriate professional financial qualifications and experience.

During the period under review, the Audit Committee reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal control systems and financial reporting matters. The Audit Committee also reviewed the Group's financial statements for the year ended 31 December 2020. Subsequent to the period end, the Audit Committee reviewed the Group's financial statements for the six months ended 30 June 2021.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

企業管治(續)

薪酬委員會

本公司已設立薪酬委員會，負責檢討董事及高級管理層成員薪酬政策。於二零二一年六月三十日，薪酬委員會由獨立非執行董事史習陶先生(委員會主席)、司徒振中先生(董事會主席)及溫世昌先生組成。

薪酬委員會之職權範圍與企業管治守則之守則條文一致。薪酬委員會職權範圍已登載於港交所及本公司之網站。

提名委員會

為遵守企業管治守則，本公司已成立提名委員會，於二零二一年六月三十日，其包括獨立非執行董事司徒振中先生(委員會主席及董事會主席)、史習陶先生及溫世昌先生，以及本公司執行董事兼行政總裁洪明基先生。

提名委員會之職權範圍與企業管治守則之守則條文一致。提名委員會職權範圍已登載於港交所及本公司之網站。

CORPORATE GOVERNANCE (continued)

Remuneration Committee

The Remuneration Committee was established with a particular responsibility to review the Company's remuneration policy for Directors and members of the senior management. As at 30 June 2021, the Remuneration Committee was comprised of Mr. Sze Tsai To, Robert (chairman of the committee), Mr. Seto Gin Chung, John (chairman of the Board) and Mr. Wan Sai Cheong, Joseph, all of them were independent non-executive Directors.

The terms of reference of the Remuneration Committee align with the CP of the CG Code and have been posted on the websites of the HKEx and the Company.

Nomination Committee

To comply with the CG Code, a Nomination Committee was established and it was comprised of Mr. Seto Gin Chung, John (chairman of the committee and chairman of the Board), Mr. Sze Tsai To, Robert and Mr. Wan Sai Cheong, Joseph, all of them were independent non-executive Directors, and Mr. Hung Ming Kei, Marvin, an executive Director and the chief executive officer of the Company as at 30 June 2021.

The terms of reference of the Nomination Committee align with the CP of the CG Code and have been posted on the websites of the HKEx and the Company.

企業管治及其他資料(續) Corporate Governance and Other Information (continued)

購買、出售或贖回本身上市證券

於回顧期內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

董事會

於二零二一年六月三十日，執行董事為洪明基先生及黃國英先生；獨立非執行董事為司徒振中先生(董事會主席)、史習陶先生及溫世昌先生；非執行董事為林鳳明女士。

致謝

本人謹代表本集團對所有顧客、供應商、業務聯繫人士與往來銀行一直給予堅定不移的支持，致以衷心感謝。本人亦感激全體管理人員及員工在回顧期內的勤奮工作及不屈不撓的精神。

代表董事會

主席
司徒振中

香港，二零二一年八月三十一日

PURCHASE, SALE OR REDEMPTION OF OWN LISTED SECURITIES

During the period under review, there were no purchases, sales or redemptions by the Company or any of its subsidiaries of the Company's listed securities.

BOARD OF DIRECTORS

As at 30 June 2021, the executive Directors were Mr. Hung Ming Kei, Marvin and Mr. Wong Kwok Ying. The independent non-executive Directors were Mr. Seto Gin Chung, John (chairman of the Board), Mr. Sze Tsai To, Robert and Mr. Wan Sai Cheong, Joseph. The non-executive Director was Ms. Lam Fung Ming, Tammy.

VOTE OF THANKS

On behalf of the Group, I would like to thank all of our customers, suppliers, business associates and bankers for their unwavering support. I wish to also express my gratitude to members of our management team and staff for their diligence and perseverance during the period under review.

On Behalf of the Board

SETO GIN CHUNG, JOHN
Chairman

Hong Kong, 31 August 2021

中期財務資料審閱報告 Report on Review of Interim Financial Information

致合興集團控股有限公司董事會

(於開曼群島註冊成立的有限公司)

引言

本核數師已審閱列載於第2頁至第33頁的中期財務資料，中期財務資料包括合興集團控股有限公司(「貴公司」)及其附屬公司(「貴集團」)於二零二一年六月三十日的簡明綜合財務狀況表以及截至該日止六個月期間的有關簡明綜合損益表、簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，以及其他說明附註。香港聯合交易所有限公司證券上市規則規定，中期財務資料報告的編製必須符合上市規則的相關條文及香港會計師公會(「香港會計師公會」)頒佈的香港會計準則第34號「**中期財務報告**」(「**香港會計準則第34號**」)。貴公司董事須負責根據香港會計準則第34號編製及呈列本中期財務資料。本核數師須負責根據吾等的審閱對本中期財務資料發表結論。吾等的報告乃根據協定的委聘條款，僅向閣下作為一個實體作出，而並無其他用途。本核數師不會就本報告的內容而對任何其他人士承擔或負上任何責任。

To the board of directors of Hop Hing Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 2 to 33, which comprises the condensed consolidated statement of financial position of Hop Hing Group Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) as at 30 June 2021 and the related condensed consolidated income statement, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

中期財務資料審閱報告(續) Report on Review of Interim Financial Information (continued)

審閱範圍

本核數師乃根據香港會計師公會頒佈的香港審閱準則第2410號「由實體之獨立核數師執行之中期財務資料審閱」進行審閱工作。中期財務資料的審閱包括主要向負責財務及會計事宜的人員作出查詢，並運用分析及其他審閱程序。由於審閱的範圍遠較根據香港審核準則進行的審核為小，因此不能保證本核數師會知悉在審核中可能會發現的所有重大事宜。因此，本核數師不發表審核意見。

結論

根據本核數師的審閱工作，本核數師並無發現任何事宜，使本核數師相信中期財務資料在任何重大方面並無根據香港會計準則第34號的規定而編製。

安永會計師事務所

執業會計師

香港

鯉魚涌英皇道979號太古坊一座27樓

二零二一年八月三十一日

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young

Certified Public Accountants

27/F One Taikoo Place 979 King's Road Quarry Bay

Hong Kong

31 August 2021



合興集團控股有限公司
HOP HING GROUP HOLDINGS LIMITED