



六福集團(國際)有限公司
LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

(於百慕達註冊成立之有限公司)
(Incorporated in Bermuda with Limited Liability)
Stock Code 股份代號: 0590



年報
Annual Report
2019/20



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GLOBAL DISTRIBUTION NETWORK

全球分銷網絡

Countries and Regions 國家及地區	31 March 2020 2020年3月31日	31 March 2019 2019年3月31日	Y-o-Y Change 按年變化
"Lukfook" Shops 「六福」店			
Self-operated 自營店			
• Mainland China 中國內地 ¹	110	141	-31
• Hong Kong SAR 香港特別行政區 ²	49	49	0
• Macau SAR 澳門特別行政區 ³	11	11	0
• Canada 加拿大	2	2	0
• The United States 美國	4	4	0
• Australia 澳洲	1	1	0
• Malaysia 馬來西亞	3	3	0
• Singapore 新加坡	1	1	0
• Sub-total 小計	181	212	-31
Licensed 品牌店			
• Mainland 內地	1,878	1,614	+264
• The Philippines 菲律賓	2	1	+1
• Cambodia 柬埔寨	1	1	0
• Sub-total 小計	1,881	1,616	+265
Total 總計	2,062	1,828	+234
Other Brands in Mainland 內地其他品牌			
Self-operated 自營店			
• "Goldstyle"	3	0	+3
• "Dear Q"	3	0	+3
• "3D GOLD"「金至尊」	3	5	-2
Licensed 品牌店			
• "Goldstyle"	49	0	+49
Worldwide Total 全球總計	2,120	1,833	+287

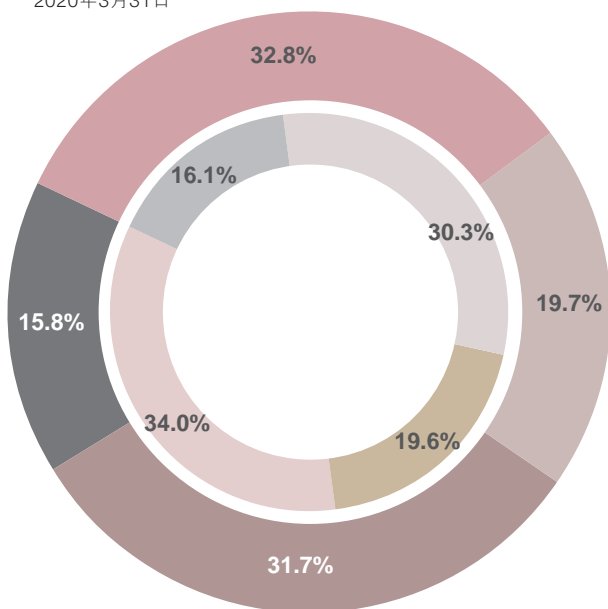
¹ Mainland China: Hereafter refers to as "Mainland" 中國內地：往後稱為「內地」

² Hong Kong SAR: Hereafter refers to as "Hong Kong" 香港特別行政區：往後稱為「香港」

³ Macau SAR: Hereafter refers to as "Macau" 澳門特別行政區：往後稱為「澳門」

"LUKFOOK" DISTRIBUTION NETWORK IN MAINLAND | 「六福」內地分銷網絡

31 March 2020
2020年3月31日



■ Northern China 華北區	■ Tier I 一線
■ Central China 華中區	■ Tier II 二線
■ Southern China 華南區	■ Tier III 三線
■ Eastern China 華東區	■ Tier VI & below 四線及以下

Total No. of shops 店舖總數 1,988 (+233)

Total No. of Licensees 品牌商總數	506(+83)
Total No. of Provinces 省總數	27(0)
Total No. of Municipalities 直轄市總數	4(0)
Total No. of Cities 城市總數	469(+82)

	Self-operated 自營店	Licensed 品牌店	Total 總數	Municipalities/Cities 直轄市/城市
Countries and Regions 國家及地區	No. of Shops 店舖數字	No. of Shops 店舖數字	No. of Shops 店舖數字	No. of Municipalities/Cities 直轄市/城市數字
Tier I 一線	38(+3)	283(+25)	321(+28)	5(0)
Tier II 二線	42(-24)	560(+66)	602(+42)	32(-3)
Tier III 三線	12(0)	378(+51)	390(+51)	79(+7)
Tier VI & below 四線及以下	18(-10)	657(+122)	675(+112)	357(+78)

	Self-operated 自營店	Licensed 品牌店	Total 總數	Provinces 省	Municipalities 直轄市	Cities 城市
Countries and Regions 國家及地區	No. of Shops 店舖數字	No. of Shops 店舖數字	No. of Shops 店舖數字	No. of Provinces 省數字	No. of Municipalities 直轄市數字	No. of Cities 城市數字
Northern China 華北區	44(-17)	608(+103)	652(+86)	13(0)	2(0)	169(+28)
Central China 華中區	44(-5)	348(+58)	392(+53)	6(0)	1(0)	122(+21)
Southern China 華南區	0(0)	630(+50)	630(+50)	4(0)	0(0)	76(+9)
Eastern China 華東區	22(-9)	292(+53)	314(+44)	4(0)	1(0)	102(+24)

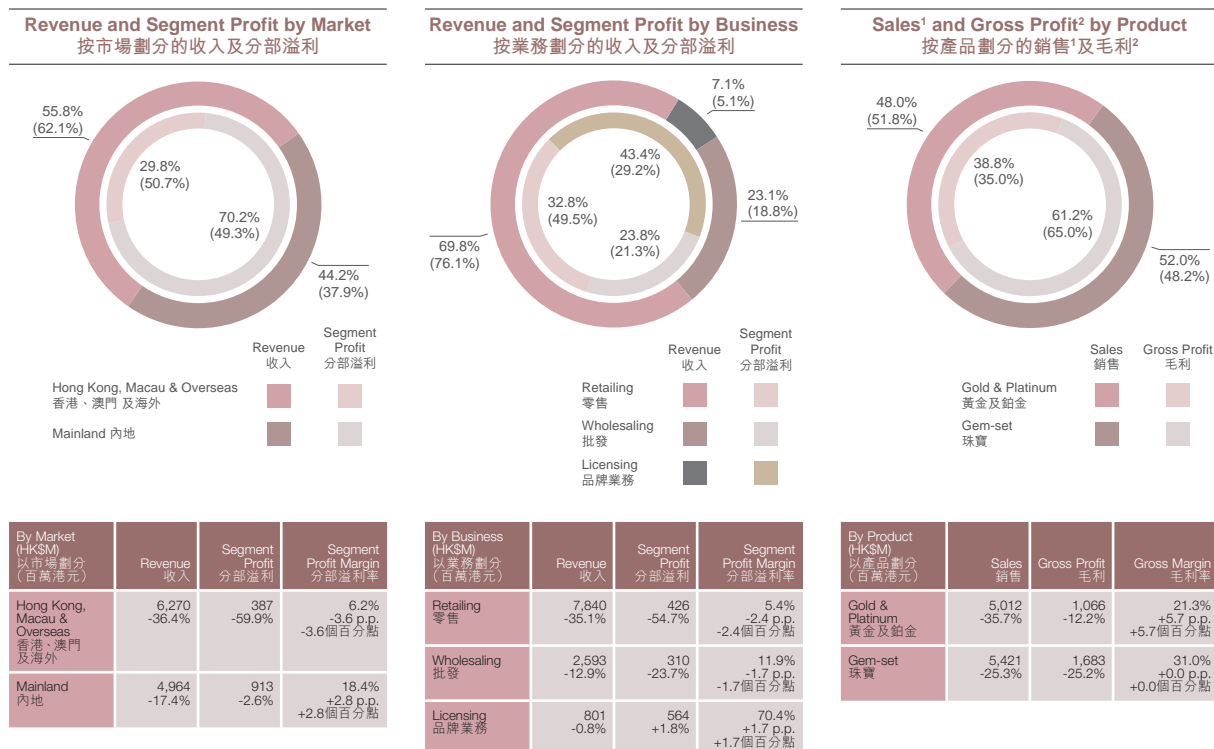
Remarks 註：

- "Lukfook" shops only 只包括「六福」店
- The percentages refer to the contribution to the total no. of shops in Mainland 百分比代表該店舖數目對內地店舖總數之佔比
- Figures in brackets refer to the 12-month changes 括弧內的數字為十二個月之變化

OPERATIONAL HIGHLIGHTS

營運摘要

REVENUE AND PROFIT ANALYSIS (HK\$M) | 收入及溢利分析 (百萬港元)



Remarks: Comparative figures for the year ended 31 March 2019 are shown in brackets
註：截至2019年3月31日止年度之比較數字於括號內顯示

¹ Sales = Revenue – Licensing Income
銷售 = 收入 – 品牌業務收入

² Gross Profit = Consolidated Gross Profit – Gross Profit of Licensing Income
毛利 = 綜合毛利 – 品牌業務收入毛利

RETAIL SALES PERFORMANCE | 零售銷售表現

	For the year ended 31 March 截至3月31日止年度			
	Y-o-Y Change 按年變化		SSSG* 同店銷售增長	
	2020	2019	2020	2019
Overall 整體	-35%	+10%	-32%	+3%
Gold & Platinum 黃金及鉑金	-36%	+11%	-33%	+4%
Gem-set 珠寶	-33%	+8%	-29%	+1%
Hong Kong & Macau 香港及澳門	-38%	+10%	-33%	+5%
Gold & Platinum 黃金及鉑金	-40%	+13%	-35%	+7%
Gem-set 珠寶	-35%	+7%	-31%	+1%
Mainland 內地	-28%	+9%	-20%	-3%
Gold & Platinum 黃金及鉑金	-29%	+6%	-22%	-6%
Gem-set 珠寶	-26%	+16%	-17%	+6%

* Same store sales growth ("SSSG") represented a comparison of sales of the same "Lukfook" self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops and Mainland's e-commerce business.
同店銷售增長(「同店銷售增長」)為同一間「六福」自營店於可比期內完整日營運的銷售額比較。有關數據並不包括品牌店及內地電子商務業務的銷售額。



FINANCIAL HIGHLIGHTS

財務摘要

FINANCIAL PERFORMANCE | 財務表現

(HK\$M) (百萬港元)	FY2019/20 ¹ 2019/20財年 ¹	FY2018/19 ² 2018/19財年 ²	Y-o-Y Change 按年變化
Revenue 收入	11,234	15,860	-29.2%
Gross Profit 毛利	3,323	4,034	-17.6%
Operating Profit 經營溢利	1,156	1,853	-37.6%
Profit for the Year 年內溢利	868	1,504	-42.3%
Profit Attributable to Equity Holders 權益持有人應佔溢利	866	1,493	-42.0%
Basic Earnings per Share 每股基本盈利	HK\$1.48港元	HK\$2.54港元	-41.7%
Interim Dividend per Share 每股中期股息	HK\$0.50港元	HK\$0.55港元	-9.1%
Final Dividend per Share 每股末期股息	HK\$0.50港元	HK\$0.60港元	-16.7%
Annual Dividend per Share 每股全年股息	HK\$1.00港元	HK\$1.15港元	-13.0%
Dividend Payout Ratio ³ 派息比率 ³	67.8%	45.3%	+22.5p.p. 個百分點
Gross Margin 毛利率	29.6%	25.4%	+4.2p.p. 個百分點
Operating Margin 經營溢利率	10.3%	11.7%	-1.4p.p. 個百分點
Net Margin 淨利率	7.7%	9.5%	-1.8p.p. 個百分點
EBITDA ⁵ 未計利息、稅項、折舊及攤銷前盈利 ⁵	1,241	1,937	-35.9%
EBITDA Margin ⁵ 未計利息、稅項、折舊及攤銷前盈利率 ⁵	11.0%	12.2%	-1.2p.p. 個百分點
Total Operating Expenses to Revenue Ratio ⁵ 總經營開支佔收入比率 ⁵	18.9%	15.2% ⁴	+3.7p.p. 個百分點
Effective Tax Rate 實際稅率	20.5%	16.8%	+3.7p.p. 個百分點

¹ FY2019/20: Hereafter refers to as "FY2020" 2019/20財年: 往後稱為「2020財年」

² FY2018/19: Hereafter refers to as "FY2019" 2018/19財年: 往後稱為「2019財年」

³ Dividend Policy: Dividend payout ratio at 40-45% 派息政策: 派息比率為40-45%

⁴ As a result of reclassification of HK\$26M to net impairment losses on financial assets, total operating expenses reduced accordingly and to revenue ratio was revised from 15.4% to 15.2% 由於一項26百萬港元重分類至金融資產減值損失, 總經營開支因而減少令其佔收入比率由15.4%修訂為15.2%

⁵ Represent non-HKFRS measures 指非香港財務報告準則計量

KEY FINANCIAL INDICATORS | 主要財務指標

(HK\$M) (百萬港元)	FY2020 2020財年	FY2019 2019財年	Y-o-Y Change 按年變化
Inventories 存貨	7,533	9,322	-19.2%
Average Inventory Turnover Days ¹ 平均存貨周轉日 ¹	401	273	+128
Closing Inventory Turnover Days ² 期末存貨周轉日 ²	359	294	+65
Cash and Bank Balances 現金及銀行結餘	2,714	2,087	+30.1%
Bank Borrowings & Gold Loans 銀行貸款及黃金借貸	1,513	2,306	-34.4%
Net Cash/(Borrowing) 淨現金/(貸款)	1,201	(219)	+647.1%
Net Gearing Ratio ³ 淨債務比率 ³	N/A 不適用	2.1%	N/A 不適用
Debt-to-Equity Ratio ⁴ 負債權益比率 ⁴	33.9%	36.7%	-2.8p.p. 個百分點
Return on Equity (ROE) ⁵ 股東權益回報率 ⁵	8.4%	14.2%	-5.8p.p. 個百分點
Return on Total Assets ⁶ 總資產回報率 ⁶	6.2%	10.4%	-4.2p.p. 個百分點
Current Ratio 流動比率	3.6	3.3	+0.3

¹ (Opening Inventory + Closing Inventory) ÷ 2 ÷ Cost of Inventories Sold × Number of Days for the Year
(期初存貨+ 期末存貨) ÷ 2 ÷ 已售存貨成本 × 年內日數

² Closing Inventory ÷ Cost of Inventories Sold × Number of Days for the Year
期末存貨 ÷ 已售存貨成本 × 年內日數

³ (Long-term Bank Loans + Short-term Bank Loans + Bank Overdrafts + Gold Loans – Cash and Bank Balances) ÷ Capital and Reserves Attributable to Equity Holders of the Company
(長期銀行貸款+ 短期銀行貸款+ 銀行透支+ 黃金借貸– 現金及銀行結餘) ÷ 本公司權益持有人應佔資本及儲備

⁴ (Long-term Liabilities + Short-term Liabilities) ÷ Capital and Reserves Attributable to Equity Holders of the Company
(長期負債+ 短期負債) ÷ 本公司權益持有人應佔資本及儲備

⁵ Profit Attributable to Equity Holders ÷ Capital and Reserves Attributable to Equity Holders of the Company
權益持有人應佔溢利 ÷ 本公司權益持有人應佔資本及儲備

⁶ Profit Attributable to Equity Holders ÷ (Long-term Assets + Short-term Assets)
權益持有人應佔溢利 ÷ (長期資產+ 短期資產)

CORPORATE PROFILE

企業簡介

Established in 1991, Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) is one of the leading jewellery retailers in Hong Kong and Mainland. The Group principally engages in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery and gem-set jewellery products, with a total of over 2,100 points of sale in 10 countries and regions across Hong Kong, Macau, Mainland, Singapore, Malaysia, Cambodia, the Philippines, the United States, Canada and Australia.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited in May 1997.

六福集團(國際)有限公司(「本公司」)及其附屬公司(統稱「本集團」)成立於1991年，是香港及內地主要珠寶零售商之一。本集團主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。集團現時在香港、澳門、內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲共10個國家和地區共有逾2,100個零售點。

本公司於1997年5月在香港聯合交易所有限公司主板上市。

CORPORATE VISION

企業願景

The corporate vision of the Group is to be the “Brand of Hong Kong, Sparkling the World”. This is also our core brand value. The Group always puts forth maximum effort for “Lukfook” to reach its goal of becoming a globally recognised and desired brand, and as one of the Hong Kong’s most renowned brands in the luxury industry, the Group commits to crafting the finest jewellery for customers to further establish its reputation in the international market.

「香港名牌•國際演繹」為本集團的企業願景及品牌核心價值。本集團一直堅持不懈，盡心竭力使「六福」成為全球認知及喜愛的品牌。作為香港知名奢侈品牌，本集團致力為全球顧客提供優質首飾，以進一步確立其於國際市場上的聲譽。



CHAIRMAN'S STATEMENT

主席報告



WONG Wai Sheung 黃偉常
Chairman and Chief Executive Officer 主席兼行政總裁

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group" or "We"), I hereby present the Group's annual results for the year ended 31 March 2020 ("FY2020" or the "Year under review").

During the Year under review, with the continuing impact of US-China trade war, social activities in Hong Kong and COVID-19 pandemic, both the Group's revenue and profit attributable to equity holders for FY2020 were unsatisfactory.

The Group's total revenue for the Year under review amounted to HK\$11,233,771,000 (2019: HK\$15,859,990,000), representing a decrease of 29.2% over the corresponding period of last year. Profit attributable to equity holders decreased by 42.0% to HK\$866,315,000 (2019: HK\$1,492,747,000), with earnings per share of HK\$1.48 (2019: HK\$2.54). The board of directors of the Company proposed a final dividend of HK\$0.50 per share, together with the interim dividend of HK\$0.50 per share paid in December 2019, the total dividend for FY2020 amounted to HK\$1.00 per share (2019: HK\$1.15 per share). The dividend payout ratio is 67.8% (2019: 45.3%) on a full year basis.

Despite the impact of the pandemic on Mainland economy, with the gradual recovery of industrial, consumption and investment activities, the Group continued to actively pursue further development in the Mainland market. During the Year under review, the Group added a net total of 234 "Lukfook" shops worldwide, 233 shops in Mainland (including a net addition of 264 licensed shops and a net reduction of 31 self-operated shops), and 1 licensed shop in the Philippines. As at 31 March 2020, the Group had a global network of 2,062 "Lukfook" shops (of which 1,881 were licensed shops and 181 were self-operated shops). Together with 58 shops of other brands in Mainland, there were 2,120 shops in total globally, spanning over Hong Kong, Macau, Mainland, Singapore, Malaysia, Cambodia, the Philippines, the United States, Canada and Australia.

各位股東：

本人謹代表六福集團（國際）有限公司（「本公司」）及其附屬公司（統稱「本集團」或「我們」）謹此提呈本集團截至2020年3月31日止年度（「2020財年」或「回顧年度」）之全年業績。

回顧年度內，受中美貿易戰、香港社會事件及2019冠狀病毒病疫情嚴峻的持續影響，本集團於2020財年的收入及全年的權益持有人應佔溢利皆未如理想。

本集團於回顧年度的總收入為11,233,771,000港元（2019年：15,859,990,000港元），較去年同期減少29.2%。權益持有人應佔溢利則減少42.0%至866,315,000港元（2019年：1,492,747,000港元），每股盈利為1.48港元（2019年：2.54港元）。本公司董事會建議派付末期股息每股0.50港元，連同已於2019年12月派付的中期股息每股0.50港元，2020財年股息合共為每股1.00港元（2019年：每股1.15港元），全年派息比率為67.8%（2019年：45.3%）。

雖然內地經濟備受疫情影響，惟工業、消費和投資活動逐步恢復，本集團仍繼續積極拓展內地市場。回顧年度內，「六福」店舖於全球淨增設234間，於內地淨增設233間（當中包括淨增設264間品牌店，淨減少31間自營店），並於菲律賓增設1間品牌店。於2020年3月31日，本集團於全球共有2,062間「六福」店舖（其中1,881間為品牌店，181間為自營店），加上58間位於內地的其他品牌店舖，全球共有2,120間店舖，遍及香港、澳門、內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲。

CHAIRMAN'S STATEMENT

主席報告

OUTLOOK

During the Year under review, the same store sales in the Hong Kong and Macau market of the Group declined significantly as a result of strong gold price, the impact of social activities in Hong Kong, US-China trade war and pandemic, while the same store sales in the Mainland market dropped as well. As the border restrictions have not been fully lifted in Hong Kong, Macau and Mainland under severe pandemic, same store sales in the Hong Kong and Macau market recorded around 80% drop for the period from March to May 2020, while same store sales for self-operated and licensed shops in the Mainland market recorded a much smaller decline with the business resumption of shops and gradual improvement of consumer sentiment. Starting from June, the retail sentiment in the Hong Kong and Macau market gradually recovered. The decline of its same store sales in the first three weeks narrowed to around 60%, while Mainland market as compared to the 40% drop in March 2020 and the 20% drop in April to May 2020, its same store sales of overall shops showed progressive improvements with a less than 20% decline in June. The Group will net reduce 5 shops in Hong Kong in the coming year, and seek opportunities for opening 2 more shops in Macau. In view of the anticipated considerable growth of the middle-class population in Mainland, the Group remains optimistic about the mid- to long-term business prospects, and will focus its expansion in the Mainland market. The Group looks forward to regaining business growth and bringing it to a new height in the near future.

Prior to the Year under Review, the Group has set up its new three-year corporate strategy with Supply Chain Management, Mainland Market Expansion and Strategic Growth as its three main focuses so as to foster its future business growth.

In order to further enhance its competitive edge, the Group will focus on strengthening supply chain management to identify right products, set right price and offer products to market at the right time in order to promote business development and strengthen operational efficiency.

前景

於回顧年度內，本集團受金價高企、香港社會事件、中美貿易戰及疫情的影響下，香港及澳門市場之同店銷售大幅下滑，而內地市場之同店銷售亦下跌。在疫情嚴峻的情況下，港澳及內地尚未通關，以致香港及澳門市場之同店銷售於2020年3月至5月期間錄得約80%跌幅，而內地市場的自營店及品牌店之同店銷售則因店舖恢復營業及顧客購買意欲逐步回升而錄得較少跌幅。踏入6月份，香港及澳門市場零售氣氛逐步恢復，於首三週其同店銷售跌幅放緩至約60%。而內地市場相比於2020年3月的40%跌幅及4至5月的20%跌幅，其整體店舖的同店銷售於6月份逐步改善至少於20%的跌幅。本集團來年將會於香港市場淨減少5間店舖，並於澳門尋找增加2間店舖的機遇。在內地中產人口增長良好的預期下，本集團對於其中長線業務前景仍感樂觀，因此未來擴展仍將集中於內地市場。希望能在不久之將來，令集團業務重拾升軌，再闢高峰。

本集團於回顧年度前已訂立全新的三年企業策略，以「供應鏈管理」、「內地市場拓展」及「策略性增長」作為三大重心，以助推進集團業務的未來增長。

為進一步提升本集團的競爭優勢，本集團將側重於採取多種措施鞏固供應鏈管理找出適當產品，釐定適當價格，並於適當時間向市場供貨，以助促進業務發展及加強營運效益。

CHAIRMAN'S STATEMENT

主席報告

As Mainland remains to be a market with growth potential in the mid- to long-term, the Group will continue to focus on business expansion in Mainland. The target for net addition of "Lukfook" shops in Mainland in the coming year will be not less than 150 shops, while the target for net addition for new brands' stores in Mainland is 50 shops. The Group is also committed to further developing its e-commerce business and strengthening cooperation with various e-commerce platforms in Mainland, aiming to sustain its revenue growth at a target of 15% for the coming year and will step up its efforts to promote the sales of affordable luxury jewellery products to expand its footprint in the young consumer market.

The Group has already adopted multi-brand strategy, and strive to develop more new brands in the future, apart from "Goldstyle" and "Dear Q". In addition, the Group will adopt holistic approach to penetrate into the markets for the middle-class, wedding couples and kids by visual merchandising enhancement, cross-selling boosting and VIP promotional activities, mobile applications and social media platforms so as to promote its products and to attract customers.

I would like to extend my heartfelt gratitude to all our staff members, shareholders, customers, business partners and other stakeholders for their unfaltering support and contributions to the Group's continuing success. Going forward, the Group will adhere to pragmatic and sound growth measures, strengthen its competitive advantages and further enhance its leading position in the market, so as to generate sustainable returns for its shareholders and set a new benchmark for corporate excellence.

By order of the Board

WONG Wai Sheung

Chairman and Chief Executive Officer

Hong Kong, 26 June 2020

由於中長線來說，內地仍為增長潛力所在，本集團仍會專注於內地擴展業務。內地來年「六福」店舖目標淨增長將不少於150間，而新品牌的店舖目標淨增長則為50間。本集團亦會銳意在內地繼續發展電子商務業務，以提升其收入15%為來年目標，並繼續於網上銷售平台致力推動輕奢系列珠寶首飾，拓展年輕消費者市場。

本集團已採取多品牌策略，除「Goldstyle」及「Dear Q」以外，未來將致力於開拓更多新品牌。此外，亦會透過了解顧客的消費習慣，採取全面性舉措以滲透中產、婚嫁及孩童市場，例如透過加強產品陳列、交叉促銷和VIP推廣活動、手機應用程式和網絡社交平台以吸引顧客。

本集團持續的成功，全賴我們的員工、股東、顧客、業務夥伴和其他持份者的鼎力支持和貢獻，本人謹此致以衷心謝意！來年，本集團仍將以務實穩健的發展舉措，加強競爭優勢，進一步鞏固本集團於市場上的領導地位，為股東帶來持續回報及樹立成功的企業典範。

承董事會命

主席兼行政總裁

黃偉常

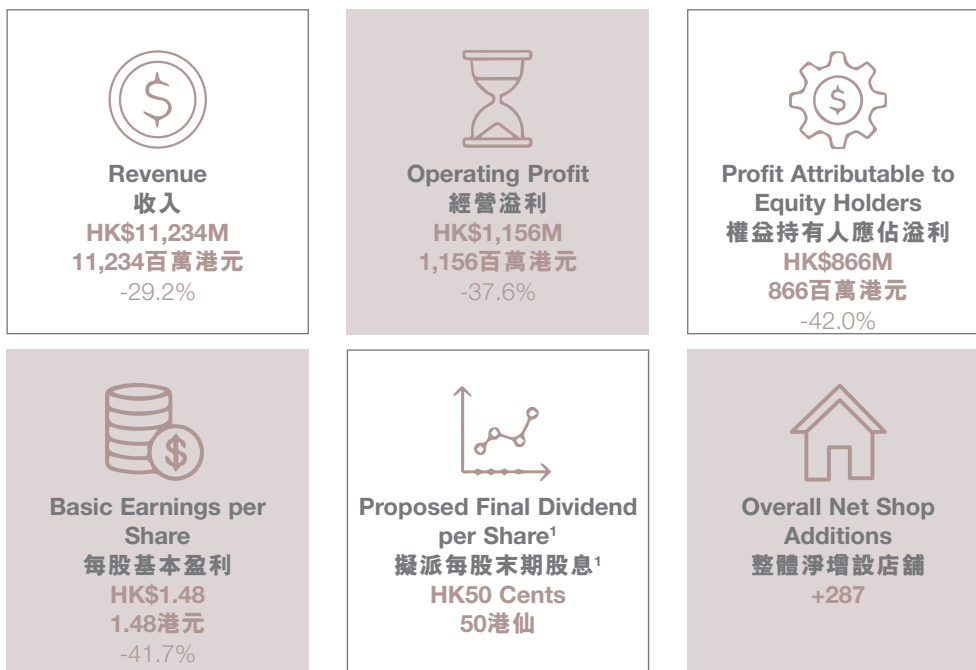
香港，2020年6月26日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL PERFORMANCE

財務表現



¹ Annual Dividend Payout Ratio: 67.8%
全年派息比率: 67.8%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Results

With the continuing impact of US-China trade war, social activities in Hong Kong and COVID-19 pandemic, Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) recorded a revenue drop of 29.2% to HK\$11,233,771,000 (2019: HK\$15,859,990,000) for the year ended 31 March 2020 (the “Year under review”). Nevertheless, as the price of gold rose steadily throughout the Year under review, overall gross margin increased by 4.2 p.p. to 29.6% (2019: 25.4%). Therefore, the gross profit decreased by 17.6% only to HK\$3,323,020,000 (2019: HK\$4,033,836,000). On the other hand, total operating expenses decreased by 12.4%; its ratio to revenue thus increased by 3.7 p.p. to 18.9% (2019: 15.2%). In addition, with the decline in diamond product sales leading to reduced diamond purchases, there was significant decrease of value-added tax refund in relation to diamond import in Mainland by approximately HK\$181.8 million to HK\$23.0 million. Together with gold hedging turned from a profit of HK\$8.4 million same period last year to a loss of HK\$151.1 million this year contributed by the high gold price, operating profit therefore substantially decreased by 37.6% to HK\$1,155,766,000 (2019: HK\$1,853,042,000). Operating margin was 10.3% (2019: 11.7%). The Group’s effective tax rate increased to 20.5% (2019: 16.8%) due to the significant increase in mix of profit contribution to 70.2% (2019: 49.3%) from Mainland market which was under comparatively higher tax rate. Net profit thus reduced by 42.3% to HK\$867,652,000 (2019: HK\$1,503,655,000), and net margin was 7.7% (2019: 9.5%). Profit attributable to equity holders decreased by 42.0% to HK\$866,315,000 (2019: HK\$1,492,747,000) and basic earnings per share thus decreased by 41.7% to HK\$1.48 (2019: HK\$2.54).

業績

受中美貿易戰、香港社會事件及2019冠狀病毒病疫情的持續影響，六福集團（國際）有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至2020年3月31日止年度（「回顧年度」）的收入減少29.2%至11,233,771,000港元（2019年：15,859,990,000港元）。然而，由於金價在回顧年度整年內皆穩步上揚，致使整體毛利率增加4.2個百分點至29.6%（2019年：25.4%），總毛利因此只下跌17.6%至3,323,020,000港元（2019年：4,033,836,000港元）。另一方面，總經營開支則減少了12.4%，其佔收入比率因而增加3.7個百分點至18.9%（2019年：15.2%）。除此之外，因應鑽石產品銷情倒退而減少鑽石採購，內地鑽石進口的增值稅返還大幅減少約181.8百萬港元至23.0百萬港元，加上金價高企令黃金對沖從去年同期的8.4百萬港元利潤轉為今年的151.1百萬港元虧損。因此，經營溢利大幅減少37.6%至1,155,766,000港元（2019年：1,853,042,000港元），經營溢利率為10.3%（2019年：11.7%），由於較高稅率的內地市場盈利貢獻佔比大幅增加至70.2%（2019年：49.3%），令集團實際稅率提升至20.5%（2019年：16.8%），淨利潤因此下降42.3%至867,652,000港元（2019年：1,503,655,000港元），淨利率為7.7%（2019年：9.5%）。權益持有人應佔溢利減少42.0%至866,315,000港元（2019年：1,492,747,000港元），每股基本盈利因而減少41.7%至1.48港元（2019年：2.54港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

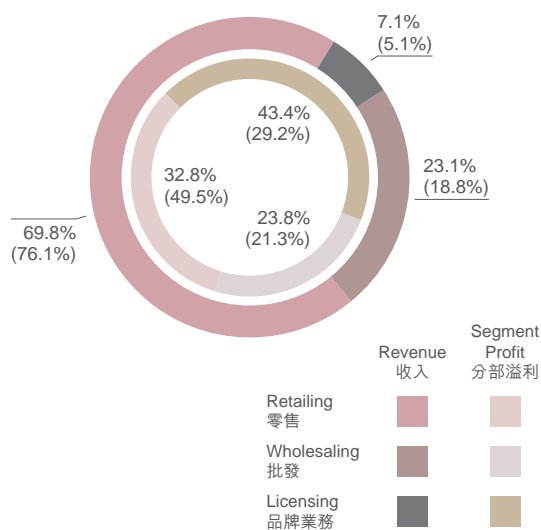
Overview

During the Year under review, the Group operated 4 brands under the multi-brand strategy. There was a net increase of 287 stores that were mainly “Lukfook” shops. During the Year under review, the Group added a net total of 234 “Lukfook” shops worldwide, 233 shops in Mainland (including a net addition of 264 licensed shops and a net reduction of 31 self-operated shops), and 1 licensed shop in the Philippines. As at 31 March 2020, the Group had a global network of 2,120 shops (2019: 1,833 shops), including 2,062 “Lukfook” shops (2019: 1,828 shops), with business spanning across Hong Kong, Macau, Mainland, Singapore, Malaysia, Cambodia, the Philippines, the United States, Canada and Australia, and operated 52 “Goldstyle” shops (49 licensed shops and 3 self-operated shops), 3 “Dear Q” shops and 3 “3D-GOLD” self-operated shops (2019: 5 shops) in Mainland.

概覽

於回顧年度內，在多品牌策略下，本集團合共經營4個品牌，淨增設了287間店舖，其中主要為「六福」店舖。「六福」店舖於回顧年度內全球淨增設234間，於內地淨增設233間（當中包括淨增設264間品牌店，淨減少31間自營店），並於菲律賓增設1間品牌店。於2020年3月31日，本集團於全球共有2,120間店舖（2019年：1,833間），其中包括2,062間「六福」店舖（2019年：1,828間），遍及香港、澳門、內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲，以及在內地經營的52間「Goldstyle」（49間品牌店及3間自營店）、3間「Dear Q」及3間「金至尊」自營店（2019年：5間）。

Revenue and Segment Profit by Business
按業務劃分的收入及分部溢利



Remarks: Comparative figures for FY2019 are shown in brackets
註：括號內為2019財年數字

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

By Business (HK\$M) 以業務劃分 (百萬港元)	Revenue 收入	Segment Profit 分部溢利	Segment Profit Margin 分部溢利率
Retailing 零售	7,840 -35.1%	426 -54.7%	5.4% -2.4 p.p. -2.4個百分點
Wholesaling 批發	2,593 -12.9%	310 -23.7%	11.9% -1.7 p.p. -1.7個百分點
Licensing 品牌業務	801 -0.8%	564 +1.8%	70.4% +1.7 p.p. +1.7個百分點

The retail business was the Group's primary source of revenue. Due to the poor macro-economic condition, its revenue decreased by 35.1% year-on-year to HK\$7,839,502,000 (2019: HK\$12,075,187,000), accounting for 69.8% (2019: 76.1%) of the Group's total revenue. Its segment profit decreased by 54.7% to HK\$425,916,000 (2019: HK\$940,891,000), accounting for 32.8% (2019: 49.5%) of the total, and its segment profit margin was 5.4% (2019: 7.8%).

Despite the increase in the number of licensed shops, with the drop in the wholesaling of diamond products in Mainland, the Group's wholesale business revenue fell by 12.9% over the corresponding period last year to HK\$2,593,498,000 (2019: HK\$2,977,811,000), accounting for 23.1% (2019: 18.8%) of the Group's total revenue. Its segment profit decreased by 23.7% to HK\$309,605,000 (2019: HK\$405,742,000), accounting for 23.8% (2019: 21.3%) of the total. Its segment profit margin was 11.9% (2019: 13.6%).

零售業務為本集團主要收入來源，由於宏觀經濟狀況欠佳，其收入按年減少35.1%至7,839,502,000港元（2019年：12,075,187,000港元），佔本集團總收入69.8%（2019年：76.1%）。其分部溢利則下跌54.7%至425,916,000港元（2019年：940,891,000港元），佔比為32.8%（2019年：49.5%），其分部溢利率為5.4%（2019年：7.8%）。

雖然品牌店有所增加，但由於內地鑽石產品批發銷售下降，令本集團批發業務收入較去年同期減少12.9%至2,593,498,000港元（2019年：2,977,811,000港元），佔本集團總收入的23.1%（2019年：18.8%）。其分部溢利則減少23.7%至309,605,000港元（2019年：405,742,000港元），佔比為23.8%（2019年：21.3%），其分部溢利率為11.9%（2019年：13.6%）。

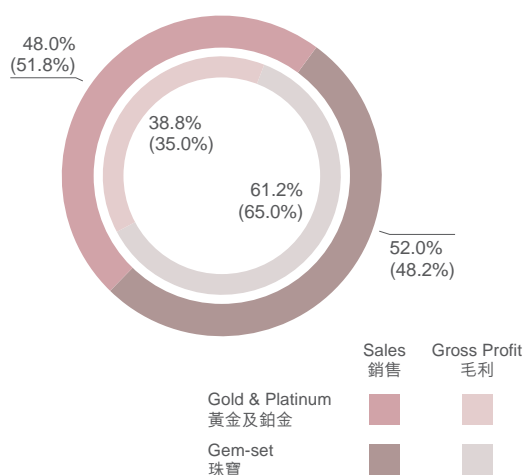
MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year under review, despite the increase in licensing income in the first three quarters due to an increase in the number of licensed shops, with the impact of the pandemic on business in the fourth quarter, licensing income of the year stayed flat at HK\$800,771,000 (2019: HK\$806,992,000), accounting for 7.1% (2019: 5.1%) of the Group's total revenue. Its segment profit margin was 70.4% (2019: 68.7%), while its segment profit increased by 1.8% to HK\$563,951,000 (2019: HK\$554,192,000), accounting for 43.4% (2019: 29.2%) of the total.

回顧年度內首三季度的品牌業務收入因品牌店數目的增加而上升，惟第四季度的業務受到疫情衝擊令全年收入只能持平於800,771,000港元（2019年：806,992,000港元），佔本集團總收入的7.1%（2019年：5.1%）。其分部溢利率為70.4%（2019年：68.7%），其分部溢利則增加1.8%至563,951,000港元（2019年：554,192,000港元），佔比為43.4%（2019年：29.2%）。

Sales¹ and Gross Profit² by Product
按產品劃分的銷售¹及毛利²



¹ Sales = Revenue - Licensing Income

銷售 = 收入 - 品牌業務收入

² Gross Profit = Consolidated Gross Profit - Gross Profit of Licensing Income

毛利 = 綜合毛利 - 品牌業務收入毛利

Remarks: Comparative figures for FY2019 are shown in brackets

註：括號內為2019財年數字

By Product (HK\$M) 以產品劃分 (百萬港元)	Sales 銷售	Gross Profit 毛利	Gross Margin 毛利率
Gold & Platinum 黃金及鉑金	5,012 -35.7%	1,066 -12.2%	21.3% +5.7 p.p. +5.7個百分點
Gem-set 珠寶	5,421 -25.3%	1,683 -25.2%	31.0% +0.0 p.p. +0.0個百分點

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

With a decreasing demand due to the strong gold price and the impact of poor macro-economic conditions on consumer sentiment, sales of gold and platinum products substantially decreased by 35.7% to HK\$5,012,405,000 (2019: HK\$7,797,657,000), accounting for 48.0% (2019: 51.8%) of the overall sales (Group revenue minus licensing income). Its gross margin rose by 5.7 p.p. to 21.3% (2019: 15.6%) because of the continuously rising average gold price by around 16% for the full year. Gross profit of gold and platinum products therefore only declined by 12.2% to HK\$1,065,841,000 (2019: HK\$1,213,791,000), accounting for 38.8% (2019: 35.0%) of the overall gross profit (consolidated gross profit of the Group minus gross profit of licensing income). On the other hand, sales of gem-set jewellery products fell by 25.3% to HK\$5,420,595,000 (2019: HK\$7,255,341,000), accounting for 52.0% (2019: 48.2%) of the overall sales. Gross margin of gem-set jewellery products stayed flat at 31.0% (2019: 31.0%). Its gross profit, as a result, decreased by 25.2% to HK\$1,682,722,000 (2019: HK\$2,251,062,000), accounting for 61.2% (2019: 65.0%) of the overall gross profit.

During the Year under review, the overall SSSG of the Group was -31.5% (2019: +3.1%). SSSG for the Hong Kong and Macau market and that for the Mainland market were -33.3% (2019: +4.6%) and -20.2% (2019: -2.6%) respectively. SSSG for gold and platinum products was -33.2% (2019: +4.4%) and that for gem-set jewellery products was -29.2% (2019: +1.4%).

The Group has been striving to diversify its product mix to offer customers with more choices. Since 2010, the Group has been engaging in the mid- to high-end watch business. As at 31 March 2020, the Group was the authorised dealer of 13 watch brands, including CERTINA, COINWATCH, DOXA, ENICAR, HAMILTON, LONGINES, MIDO, OMEGA, RADO, ROMAGO SWISS, TISSOT, BIJOU MONTRE and SEIKO. For the Year under review, the watch business contributed revenue of HK\$99,709,000 (2019: HK\$165,707,000), accounting for 0.9% (2019: 1.0%) of the Group's total revenue with 39.8% decrease when compared with the same period last year.

黃金及鉑金產品因應金價高企及宏觀經濟狀況不善影響消費意慾，令需求大減，其銷售額大幅減少35.7%至5,012,405,000港元（2019年：7,797,657,000港元），佔整體銷售額（本集團收入減去品牌業務收入）的48.0%（2019年：51.8%）。其毛利率則因平均金價全年持續上升約16%而增加5.7個百分點至21.3%（2019年：15.6%），黃金及鉑金產品毛利因此只減少12.2%至1,065,841,000港元（2019年：1,213,791,000港元），佔整體毛利（本集團綜合毛利減去品牌業務收入毛利）的38.8%（2019年：35.0%）。另一方面，珠寶首飾產品的銷售額減少25.3%至5,420,595,000港元（2019年：7,255,341,000港元），佔整體銷售額的52.0%（2019年：48.2%）。珠寶首飾產品的毛利率則持平於31.0%（2019年：31.0%），其毛利因此亦下降25.2%至1,682,722,000港元（2019年：2,251,062,000港元），佔整體毛利的61.2%（2019年：65.0%）。

於回顧年度內，本集團整體同店銷售增長為-31.5%（2019年：+3.1%）。香港及澳門市場以及內地市場的同店銷售增長分別為-33.3%（2019年：+4.6%）及-20.2%（2019年：-2.6%）。黃金及鉑金產品的同店銷售增長為-33.2%（2019年：+4.4%），珠寶首飾產品則為-29.2%（2019年：+1.4%）。

本集團一直銳意拓展多元化產品，為顧客提供更多選擇。自2010年起，本集團開展中高檔鐘錶業務，於2020年3月31日，本集團為13個鐘錶品牌的授權經銷商，品牌包括雪鐵納、科因沃奇、時度、英納格、漢米爾頓、浪琴、美度、歐米茄、雷達、瑞士雷米格、天梭、寶爵錶及精工錶。於回顧年度內，來自鐘錶業務的收入為99,709,000港元（2019年：165,707,000港元），佔本集團總收入0.9%（2019年：1.0%），與去年同期比較下跌39.8%。

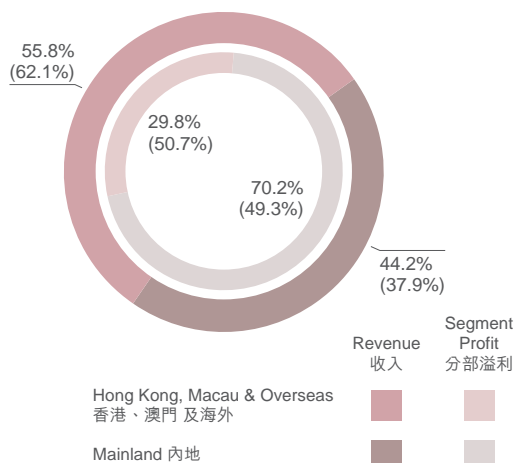
MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

業務回顧

Revenue and Segment Profit by Market 按市場劃分的收入及分部溢利



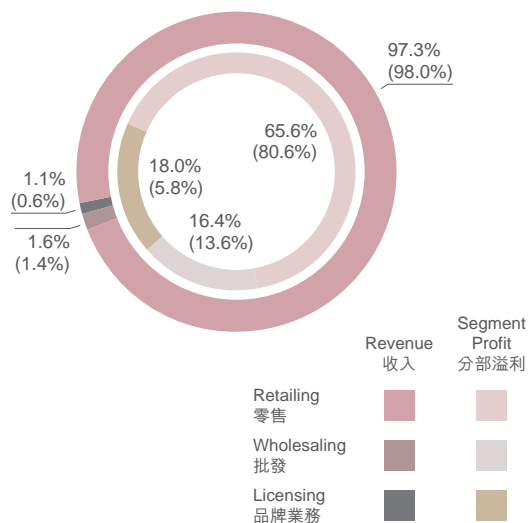
Remarks: Comparative figures for FY2019 are shown in brackets
註：括號內為2019財年數字

By Market (HK\$M) 以市場劃分 (百萬港元)	Revenue 收入	Segment Profit 分部溢利	Segment Profit Margin 分部溢利率
Hong Kong, Macau & Overseas 香港、澳門及海外	6,270 -36.4%	387 -59.9%	6.2% -3.6 p.p. -3.6個百分點
Mainland 內地	4,964 -17.4%	913 -2.6%	18.4% +2.8 p.p. +2.8個百分點

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Hong Kong, Macau and Overseas 香港、澳門及海外



Remarks: Figures for FY2019 are shown in brackets
註：括號內為2019財年數字

	Revenue 收入		Segment Profit 分部溢利		Segment Profit Margin 分部溢利率	
	HK\$M 百萬港元	Y-o-Y Change 按年變化	HK\$M 百萬港元	Y-o-Y Change 按年變化		Y-o-Y Change 按年變化
Retailing 零售	6,100	-36.9%	254	-67.3%	4.2%	-3.8 p.p. -3.8個百分點
Wholesaling 批發	100	-26.2%	63	-51.6%	63.3%	-33.2 p.p. -33.2個百分點
Licensing 品牌業務	70	+24.3%	70	+23.7%	99.6%	-0.5 p.p. -0.5個百分點
Overall 整體	6,270	-36.4%	387	-59.9%	6.2%	-3.6 p.p. -3.6個百分點
Adjusted Wholesaling 經調整後的批發	1,761 ¹	-29.9%	63	-51.6%	3.6%	-1.6 p.p. -1.6個百分點

¹ Adjusted Wholesaling Revenue = Revenue of Wholesale Business to External Parties + Inter-Segment Wholesale Revenue
經調整的批發收入 = 對外批發業務收入 + 分部間批發收入

MANAGEMENT DISCUSSION AND ANALYSIS

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Hong Kong, Macau and Overseas

Hong Kong

As a result of the high gold price, together with substantial decline in the number of visitors to Hong Kong due to the on-going social activities and pandemic, retail sentiment in the Hong Kong and Macau market has been weakening. According to the statistics on visitor arrivals to Hong Kong published by the Hong Kong Tourism Board in January 2020, visitor arrivals from Mainland in 2019 decreased by 14.2% year-on-year to approximately 43.77 million. According to the statistics on visitor arrivals to Hong Kong published in April 2020, Mainland visitors from January to March 2020 decreased by 81.7% year-on-year to approximately 2.70 million. In respect of tourist spending, according to the retail sales figures released by the Census and Statistics Department in February 2020, the sales value of jewellery, watches and clocks and valuable gifts in 2019 decreased by 22.4% year-on-year, while the sales value of jewellery, watches and clocks, and valuable gifts from January to March 2020 decreased by 63.6% over the corresponding period last year, according to the statistics on retail sales published in May 2020. The Group's retail revenue in the Hong Kong market therefore significantly declined by 42.6% to HK\$4,272,284,000 (2019: HK\$7,440,987,000) during the Year under review. As at 31 March 2020, the Group operated a total of 49 self-operated shops (2019: 49 shops) in Hong Kong.

Macau

According to the tourism statistics published by the Statistics and Census Service of Macau in March 2020, Mainland visitor arrivals to Macau in 2019 increased by 10.5% over last year to 27.92 million, while the number of Mainland visitor arrivals to Macau from January to March 2020 fell by 69.2% year-on-year. The Group's revenue generated from the Macau market therefore decreased by 18.7% to HK\$1,566,144,000 (2019: HK\$1,926,870,000) during the Year under review. As at 31 March 2020, the Group had a total of 11 self-operated shops (2019: 11 shops) in Macau.

香港、澳門及海外

香港

香港及澳門市場在金價高昂、社會活動持續及疫情嚴峻導致訪港旅客人數大幅下滑的情況下，零售氣氛越見疲弱。根據香港旅遊發展局於2020年1月公佈之訪港旅客統計數據顯示，2019年訪港的內地旅客按年減少14.2%至約43.77百萬人次；而於2020年4月公佈之訪港旅客統計數據顯示，2020年1月至3月份訪港內地旅客按去年同比減少81.7%至約2.70百萬人次。旅客消費方面，據香港政府統計處於2020年2月發表的零售業銷貨額數字顯示，2019年珠寶首飾、鐘錶及名貴禮物的銷貨價值與去年同比下跌22.4%，而於2020年5月發表的零售業銷貨額數字顯示，2020年1月至3月份珠寶首飾、鐘錶及名貴禮物的銷貨價值與去年同比則下跌63.6%。本集團於回顧年度在香港市場的零售收入因此大幅減少42.6%至4,272,284,000港元（2019年：7,440,987,000港元）。於2020年3月31日，本集團在香港經營的店舖為49間自營店（2019年：49間）。

澳門

根據澳門政府統計暨普查局2020年3月發表的旅遊統計數字，2019年訪澳內地旅客較去年增加10.5%至27.92百萬人次；而2020年1月至3月份訪澳內地旅客與去年同比則下跌69.2%。於回顧年度內，本集團來自澳門市場的收入因而減少18.7%至1,566,144,000港元（2019年：1,926,870,000港元）。於2020年3月31日，本集團在澳門共設有11間自營店（2019年：11間）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Overseas

Adhering to its motto “Brand of Hong Kong, Sparkling the World”, the Group has been seeking new opportunities around the world in recent years. During the Year under review, the Group added 1 licensed shop in the Philippines. As at 31 March 2020, the Group operated a total of 14 overseas shops (2019: 13 shops), including self-operated shops of 1 in Singapore, 3 in Malaysia, 4 in the United States, 2 in Canada and 1 in Australia, as well as 1 licensed shop and 2 licensed shops in Cambodia and the Philippines respectively.

During the Year under review, retail revenue from the Hong Kong, Macau and overseas markets decreased by 36.9% to HK\$6,099,642,000 (2019: HK\$9,660,983,000), accounting for 54.3% (2019: 60.9%) of the Group’s total revenue. Its segment profit fell by 67.3% to HK\$253,864,000 (2019: HK\$776,769,000) because of high fixed cost proportion in its cost structure, which accounted for 19.5% (2019: 40.9%) of the total. Its segment profit margin was 4.2% (2019: 8.0%). In addition, its wholesale business revenue fell by 26.2% to HK\$100,148,000 (2019: HK\$135,772,000), accounting for 0.9% (2019: 0.9%) of the Group’s total revenue. Its segment profit decreased by 51.6% to HK\$63,374,000 (2019: HK\$130,993,000), accounting for 4.9% (2019: 6.9%) of the total, while its segment profit margin decreased to 63.3% (2019: 96.5%). As the segment profit of wholesale business included the profit of inter-segment sales to self-operated shops, if including inter-segment sales in the denominator, its segment profit margin was 3.6% (2019: 5.2%). Apart from that, benefiting from the increase in designated supplier consultancy services revenue as a result of the increase in the number of licensed shops, Hong Kong licensing income increased by 24.3% to HK\$69,900,000 (2019: HK\$56,254,000), accounting for 0.6% (2019: 0.4%) of the Group’s total revenue. Its segment profit rose by 23.7% to HK\$69,602,000 (2019: HK\$56,284,000), accounting for 5.4% (2019: 3.0%) of the total, and its segment profit margin was 99.6% (2019: 100.1%).

Overall speaking, revenue from the Hong Kong, Macau and overseas markets decreased by 36.4% to HK\$6,269,690,000 (2019: HK\$9,853,009,000) during the Year under review, accounting for 55.8% (2019: 62.1%) of the Group’s total revenue. Its segment profit decreased by 59.9% to HK\$386,840,000 (2019: HK\$964,046,000), accounting for 29.8% (2019: 50.7%) of the total, while its segment profit margin was 6.2% (2019: 9.8%).

海外

秉承著「香港名牌•國際演繹」的宗旨，本集團近年在世界各地不斷尋找機遇。於回顧年度內，本集團於菲律賓增設1間品牌店。於2020年3月31日，本集團總共經營14間海外店舖（2019年：13間），包括1間位於新加坡、3間位於馬來西亞、4間位於美國、2間位於加拿大和1間位於澳洲的自營店，以及於柬埔寨和菲律賓分別設有1間及2間品牌店。

於回顧年度內，香港、澳門及海外市場的零售收入下跌36.9%至6,099,642,000港元（2019年：9,660,983,000港元），佔集團整體收入的54.3%（2019年：60.9%）。由於其成本結構中固定費用比重高，其分部溢利因而下跌67.3%至253,864,000港元（2019年：776,769,000港元），佔整體的19.5%（2019年：40.9%），其分部溢利率為4.2%（2019年：8.0%）。另外，其批發業務的收入下跌26.2%至100,148,000港元（2019年：135,772,000港元），佔集團整體收入的0.9%（2019年：0.9%），其分部溢利下跌51.6%至63,374,000港元（2019年：130,993,000港元），佔整體的4.9%（2019年：6.9%），其分部溢利率則下跌至63.3%（2019年：96.5%）。由於批發業務的分部溢利包含分部間銷售至自營店的利潤，倘分母計入分部間銷售，其分部溢利率為3.6%（2019年：5.2%）。除此以外，受惠於品牌店的增加，指定供應商顧問服務收入亦相應增加，香港品牌業務收入因此上升24.3%至69,900,000港元（2019年：56,254,000港元），佔集團整體收入的0.6%（2019年：0.4%），其分部溢利則上升23.7%至69,602,000港元（2019年：56,284,000港元），佔整體的5.4%（2019年：3.0%），其分部溢利率為99.6%（2019年：100.1%）。

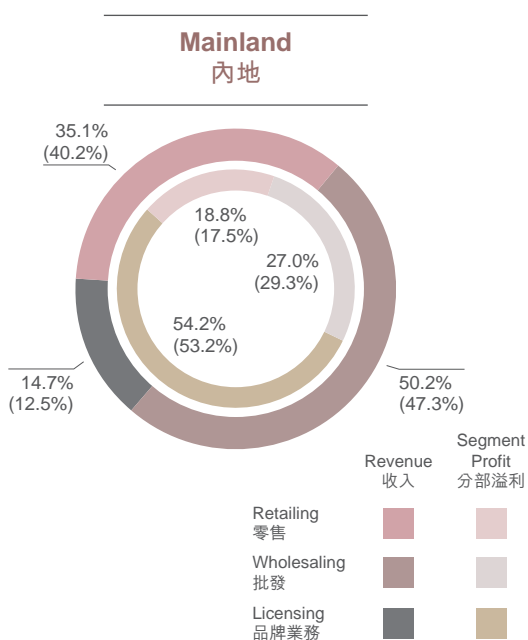
總體而言，於回顧年度內，香港、澳門及海外市場的收入下降36.4%至6,269,690,000港元（2019年：9,853,009,000港元），佔本集團整體收入55.8%（2019年：62.1%），其分部溢利則下跌59.9%至386,840,000港元（2019年：964,046,000港元），佔整體的29.8%（2019年：50.7%），其分部溢利率為6.2%（2019年：9.8%）。

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The SSSG for gold and platinum products in the Hong Kong, Macau and overseas markets was -34.5% (2019: +7.0%), while that for gem-set jewellery products was -30.0% (2019: +1.1%).

香港、澳門及海外市場的黃金及鉑金產品之同店銷售增長為-34.5% (2019年：+7.0%)，珠寶首飾產品則為-30.0% (2019年：+1.1%)。



Remarks: Figures for FY2019 are shown in brackets
 註：括號內為2019財年數字

	Revenue 收入		Segment Profit 分部溢利		Segment Profit Margin 分部溢利率	
	HK\$M 百萬港元	Y-o-Y Change 按年變化	HK\$M 百萬港元	Y-o-Y Change 按年變化	Y-o-Y Change 按年變化	Y-o-Y Change 按年變化
Retailing 零售	1,740	-27.9%	172	+4.8%	9.9%	+3.1 p.p. +3.1個百分點
Wholesaling 批發	2,493	-12.3%	246	-10.4%	9.9%	+0.2 p.p. +0.2個百分點
Licensing 品牌業務	731	-2.6%	495	-0.7%	67.6%	+1.3 p.p. +1.3個百分點
Overall 整體	4,964	-17.4%	913	-2.6%	18.4%	+2.8 p.p. +2.8個百分點
Adjusted Wholesaling 經調整後的批發	3,007 ¹	-14.7%	246	-10.4%	8.2%	+0.4 p.p. +0.4個百分點

¹ Adjusted Wholesaling Revenue = Revenue of Wholesale Business to External Parties + Inter-Segment Wholesale Revenue
 經調整的批發收入 = 對外批發業務收入 + 分部間批發收入

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Mainland

During the Year under review, with the high gold price, as well as the continuing impact of the US-China trade war and pandemic on the macro-economic conditions, retail revenue from the Mainland market declined by 27.9% to HK\$1,739,860,000 (2019: HK\$2,414,204,000), accounting for 15.5% (2019: 15.2%) of the Group's total revenue. Its segment profit, contributed by the reversal of last year's provision of around 26.8 million for impairment loss on trade receivables during the Year under review, increased by 4.8% to HK\$172,052,000 (2019: HK\$164,122,000), accounting for 13.3% (2019: 8.6%) of the total. Its segment profit margin was 9.9% (2019: 6.8%). The SSSG for gold and platinum products in Mainland was -21.5% (2019: -6.1%) and that for gem-set jewellery products was -17.2% (2019: +6.2%).

Revenue of the wholesale business in the Mainland market declined by 12.3% to HK\$2,493,350,000 (2019: HK\$2,842,039,000), which accounted for 22.2% (2019: 17.9%) of the Group's total revenue. Its segment profit decreased by 10.4% to HK\$246,231,000 (2019: HK\$274,749,000), accounting for 18.9% (2019: 14.5%) of the total. Its segment profit margin was 9.9% (2019: 9.7%).

As the increase in the number of licensed shops in Mainland offset the impact of other negative factors, licensing income in the Mainland market fell by 2.6% only to HK\$730,871,000 (2019: HK\$750,738,000), accounting for 6.5% (2019: 4.7%) of the Group's total revenue. Its segment profit fell by 0.7% to HK\$494,349,000 (2019: HK\$497,908,000), accounting for 38.0% (2019: 26.2%) of the total, and its segment profit margin was 67.6% (2019: 66.3%).

內地

於回顧年度內，內地市場的零售收入在金價高企、中美貿易戰及疫情嚴峻持續影響宏觀經濟的情況下減少27.9%至1,739,860,000港元(2019年：2,414,204,000港元)，佔集團整體收入的15.5%(2019年：15.2%)，其分部溢利則因去年撥備的約26.8百萬港元貿易應收賬項減值虧損於回顧年度內回撥而上升4.8%至172,052,000港元(2019年：164,122,000港元)，佔整體的13.3%(2019年：8.6%)，其分部溢利率為9.9%(2019年：6.8%)。內地黃金及鉑金產品之同店銷售增長為-21.5%(2019年：-6.1%)，珠寶首飾產品則為-17.2%(2019年：+6.2%)。

內地市場批發業務的收入下跌12.3%至2,493,350,000港元(2019年：2,842,039,000港元)，佔集團整體收入的22.2%(2019年：17.9%)，其分部溢利則下跌10.4%至246,231,000港元(2019年：274,749,000港元)，佔整體的18.9%(2019年：14.5%)，其分部溢利率為9.9%(2019年：9.7%)。

內地品牌業務收入因品牌店數目增加抵銷了其他負面因素的影響而只下跌2.6%至730,871,000港元(2019年：750,738,000港元)，佔集團整體收入的6.5%(2019年：4.7%)，其分部溢利為494,349,000港元(2019年：497,908,000港元)，跌幅為0.7%，佔整體的38.0%(2019年：26.2%)，其分部溢利率為67.6%(2019年：66.3%)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Mainland distribution network

內地分銷網絡

Shop number of different brands 各品牌店舖數目		31 March 2020 2020年 3月31日	31 March 2019 2019年 3月31日	Changes 變動
“Lukfook” 「六福」	Self-operated 自營店	110	141	-31
	Licensed 品牌店	1,878	1,614	+264
	Sub-total 小計	1,988	1,755	+233
“Goldstyle”	Self-operated 自營店	3	0	+3
	Licensed 品牌店	49	0	+49
	Sub-total 小計	52	0	+52
“Dear Q”	Self-operated 自營店	3	0	+3
“3D-GOLD” 「金至尊」	Self-operated 自營店	3	5	-2
Total 總數	Self-operated 自營店	119	146	-27
	Licensed 品牌店	1,927	1,614	+313
	Total 總數	2,046	1,760	+286

With the adoption of multi-brand strategy, the Group has developed the popular product collections of “Goldstyle” and “Dear Q” into independent brands since May 2019. During the Year under review, the Group operated a total of 52 “Goldstyle” and 3 “Dear Q” individual shops in Mainland. Apart from that, the Group has a net increase of 264 “Lukfook” licensed shops (2019: 210 shops) and a net reduction of 31 “Lukfook” self-operated shops (2019: net reduction of 16 shops) in Mainland. As at 31 March 2020, the Group had a total of 1,988 shops (2019: 1,755 shops) under the “Lukfook” brand name in Mainland, including 110 self-operated shops (2019: 141 shops) and 1,878 licensed shops (2019: 1,614 shops). Furthermore, the Group also operated 3 “3D-GOLD” self-operated shops (2019: 5 shops) in Mainland.

本集團採納多品牌策略，於2019年5月起，將熱門產品系列「Goldstyle」、「Dear Q」發展成獨立品牌。於回顧年度，本集團在內地共經營52間「Goldstyle」及3間「Dear Q」獨立店舖。除此之外，亦淨增設了264間「六福」品牌店（2019年：210間）及淨減少31間「六福」自營店（2019年：淨減少16間）。於2020年3月31日，本集團在內地以「六福」品牌經營的店舖總數達1,988間（2019年：1,755間），包括110間自營店（2019年：141間）及1,878間品牌店（2019年：1,614間）。另外，本集團在內地亦經營3間「金至尊」自營店（2019年：5間）。

MANAGEMENT DISCUSSION AND ANALYSIS

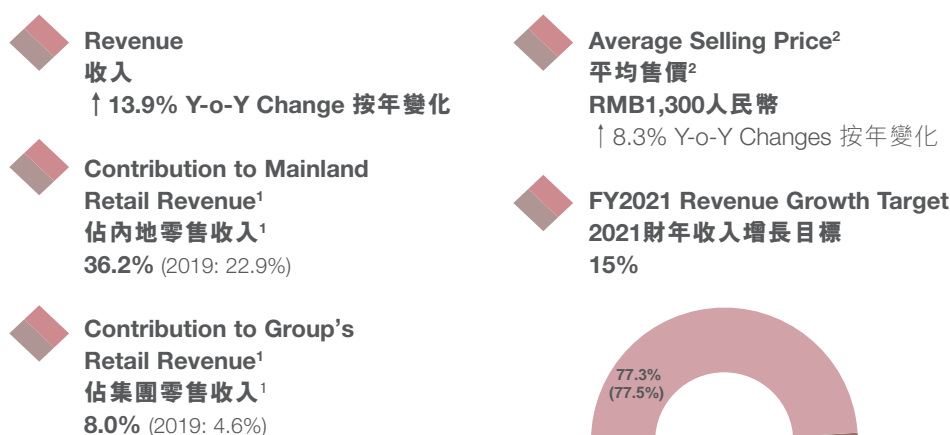
管理層討論及分析

During the Year under review, the overall same store sales of “Lukfook” licensed shops in Mainland declined by 11.8% (2019: +3.2%), while the same store sales for its gold and gem-set jewellery products decreased by 14.5% (2019: +0.0%) and 4.6% (2019: +13.7%) respectively.

於回顧年度內，內地「六福」品牌店整體同店銷售下跌11.8%（2019年：+3.2%），而其黃金及珠寶首飾產品的同店銷售則分別下跌14.5%（2019年：+0.0%）及4.6%（2019年：+13.7%）。

FY2020 Mainland E-commerce Business Performance

2020財年內地電子商務業務表現



Remarks: Comparative figures for FY2019 are shown in brackets
註：括號內為2019財年數字

¹ Sales of self operated shops and e-commerce business
自營店及電子商務銷售額

² ASP included value-added tax (VAT)
平均售價包含增值稅

Revenue of e-commerce business from Mainland increased by 13.9% to HK\$630,281,000 (2019: HK\$553,208,000) during the Year under review, accounting for 36.2% (2019: 22.9%) of the retail revenue in Mainland. Sales of gold and platinum products accounted for 77.3% (2019: 77.5%) of its sales mix while sales of gem-set jewellery products accounted for 22.7% (2019: 22.5%).

內地電子商務業務之收入於回顧年度上升13.9%至630,281,000港元（2019年：553,208,000港元），佔內地零售收入的36.2%（2019年：22.9%）。其黃金及鉑金產品的銷售佔比為77.3%（2019年：77.5%），而其珠寶首飾佔比則為22.7%（2019年：22.5%）。

Overall speaking, during the Year under review, revenue from the Mainland market decreased by 17.4% to HK\$4,964,081,000 (2019: HK\$6,006,981,000), accounting for 44.2% (2019: 37.9%) of the Group's total revenue. Its segment profit decreased by 2.6% only to HK\$912,632,000 (2019: HK\$936,779,000), accounting for 70.2% (2019: 49.3%) of the total, and its segment profit margin was 18.4% (2019: 15.6%).

整體而言，於回顧年度內，來自內地市場的收入減少17.4%至4,964,081,000港元（2019年：6,006,981,000港元），佔本集團總收入44.2%（2019年：37.9%）。其分部溢利則只減少2.6%至912,632,000港元（2019年：936,779,000港元），佔整體的70.2%（2019年：49.3%），其分部溢利率為18.4%（2019年：15.6%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Impact in relation to Investments and Operating Activities in HKRH[#] & Its Subsidiaries

於香港資源控股[#]及其附屬公司的投資及營運活動之財務影響

	Profit / (Loss) 盈利 / (虧損)		
HK\$M 百萬港元	FY2020 2020財年	FY2019 2019財年	Y-o-Y Change 按年變化
50% Share of Loss of Associate 聯營公司50%虧損貢獻	(43)	(42)	(1)
Valuation gain on convertible bond 可換股債券估值得益	6	5	1
Impairment provision on amount due from HKRH 應收香港資源控股賬項減值撥備	(7)	0	(7)
Wholesale Gross Profit 批發毛利	2	4	(2)
Interest Income on Working Capital Loan 流動資金貸款利息收入	1	4	(3)
Interest Income on Convertible Bond and amount due from HKRH 可換股債券及應收香港資源控股賬項利息收入	3	2	1
Overall 整體	(38)	(27)	(11)

Contributed by the impairment provision on amount due from HKRH, the loss of investments and operating activities in HKRH and its subsidiaries widened to HK\$38,000,000 (2019: loss of HK\$27,000,000) during the Year under review.

於香港資源控股及其附屬公司的投資及營運活動的虧損於回顧年度內因應收香港資源控股賬項的減值撥備而增加至38,000,000港元(2019年: 27,000,000港元虧損)。

[#] HKRH represents Hong Kong Resources Holdings Company Limited (Stock Code: 2882) which conducts jewellery retail and franchise businesses under the brand name of "3D-GOLD" in Hong Kong, Macau and Mainland.

香港資源控股代表香港資源控股有限公司(股份代號: 2882), 於香港、澳門及內地經營以「金至尊」品牌從事珠寶零售及特許經營業務。

MANAGEMENT DISCUSSION AND ANALYSIS

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FINANCIAL REVIEW

Non-HKFRS Financial Measure

To supplement the consolidated results of the Group prepared in accordance with HKFRS, certain non-HKFRS financial measures, EBITDA, EBITDA margin and total operating expenses to revenue ratio have been presented in this report. The Company's management believes that such non-HKFRS financial measures provide investors with clearer view on the Group's financial results, and with useful supplementary information to assess the performance of the Group's strategic operations by excluding the impact of certain non-cash items. Nevertheless, the use of this non-HKFRS financial measure has limitations as an analytical tool. These unaudited non-HKFRS financial measures should be considered in addition to, not as a substitute for, analysis of the Company's financial performance prepared in accordance with HKFRS. In addition, these non-HKFRS financial measures may be defined differently from similar terms used by other companies.

Liquidity and Financial Resources

As at 31 March 2020, the Group's cash and bank balances amounted to HK\$2,714,000,000 (2019: HK\$2,087,000,000). Net cash was HK\$1,201,000,000 (2019: net borrowing of HK\$219,000,000). The debt-to-equity ratio was 33.9% (2019: 36.7%), being the ratio of total liabilities of HK\$3,513,000,000 (2019: HK\$3,861,000,000) against total shareholders' equity of HK\$10,372,000,000 (2019: HK\$10,517,000,000). As at 31 March 2020, the Group's banking facilities amounted to HK\$4.3 billion (2019: HK\$4.0 billion), of which HK\$1.5 billion (2019: HK\$2.3 billion) has been utilised. The Group's income and expenditure streams are mainly denominated in Hong Kong dollars.

財務回顧

非香港財務報告準則財務計量

為補充本集團根據香港財務報告準則編製的綜合業績，非香港財務報告準則財務計量未計利息、稅項、折舊及攤銷前盈利、未計利息、稅項、折舊及攤銷前盈利率和總經營開支佔收入比率已於本報告內呈列。本公司管理層相信，該非香港財務報告準則財務計量為投資者提供更清晰的本集團財務業績，並提供有用的補充資料，透過撇除若干非現金項目的影響，評估本集團策略經營的表現。然而，使用該非香港財務報告準則財務計量作為分析工具存在局限性。此未經審核非香港財務報告準則財務計量應被視為根據香港財務報告準則編製的本公司財務表現分析的補充而非替代計量。此外，此項非香港財務報告準則財務計量的定義可能與其他公司所用的類似詞彙有所不同。

流動資金及財務資源

於2020年3月31日，本集團的現金及銀行結餘為2,714,000,000港元（2019年：2,087,000,000港元）。淨現金為1,201,000,000港元（2019年：淨貸款219,000,000港元），負債權益比率為33.9%（2019年：36.7%），此乃按總負債3,513,000,000港元（2019年：3,861,000,000港元）相對股東權益總額10,372,000,000港元（2019年：10,517,000,000港元）之比例計算。於2020年3月31日，本集團的銀行信貸額度為43.0億港元（2019年：40.0億港元），當中15.0億港元（2019年：23.0億港元）經已動用。本集團之收支項目主要以港元列值。

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Inventory

存貨

Inventory Turnover Days (By Product)

存貨周轉日數(以產品劃分)

(Turnover Days) (周轉日數)	Average Inventory 平均存貨		Closing Inventory 期末存貨	
	FY2020 2020財年	Y-o-Y change 按年變化	FY2020 2020財年	Y-o-Y change 按年變化
Gold 黃金	274	+103	249	+69
Gem-set 珠寶	527	+130	469	+33
Overall 整體	401	+128	359	+65

As at 31 March 2020, the Group's inventory decreased by 19.2% to HK\$7,533,000,000 (2019: HK\$9,322,000,000). The average inventory turnover days were 401 days (2019: 273 days), an increase of 128 days. The average inventory turnover days of gold products were 274 days (2019: 171 days) while average inventory turnover days of gem-set jewellery products were 527 days (2019: 397 days).

The inventory turnover days, if calculated basing on closing inventory, increased by 65 days to 359 days (2019: 294 days). The closing inventory turnover days of gold products were 249 days (2019: 180 days), and the closing inventory turnover days of gem-set jewellery products were 469 days (2019: 436 days).

Capital Expenditure

During the Year under review, the Group's capital expenditures amounted to HK\$392,000,000 (2019: HK\$934,000,000), including the costs of properties, leasehold lands, right-of-use assets, leasehold improvements, furniture, fixtures and equipment.

Capital Commitments

As at 31 March 2020, the Group's total capital commitments amounted to HK\$11,000,000 (2019: HK\$18,000,000).

於2020年3月31日，本集團的存貨減少19.2%至7,533,000,000港元（2019年：9,322,000,000港元），而平均存貨周轉日數為401日（2019年：273日），增加了128天。黃金產品之平均存貨周轉日數為274日（2019年：171日），珠寶首飾產品之平均存貨周轉日數則為527日（2019年：397日）。

若以期末存貨計算之周轉日數為359日（2019年：294日），增加了65天。黃金產品的期末存貨周轉日數為249日（2019年：180日），珠寶首飾產品之期末存貨周轉日數則為469日（2019年：436日）。

資本開支

於回顧年度內，本集團資本開支為392,000,000港元（2019年：934,000,000港元），包括物業、租賃土地、使用權資產、租賃物業裝修、傢俬、裝置及設備成本。

資本承擔

於2020年3月31日，本集團的資本承擔總額為11,000,000港元（2019年：18,000,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Contingent Liabilities and Guarantee

As at 31 March 2020, the Group issued corporate financial guarantee amounting to HK\$1,075,000,000 (2019: HK\$1,075,000,000) to banks in respect of 50% of the aggregated amount of banking facilities granted to an associate. As at 31 March 2020, the banking facilities utilised by the associate is HK\$1,678,000,000 (2019: HK\$1,834,000,000).

As at 31 March 2020 and 2019, the Group did not recognise any liabilities in respect of such corporate financial guarantees as the amounts of loss allowance estimated under the expected credit loss model were insignificant.

As at 31 March 2019, save as disclosed above, the Group had no significant contingent liabilities.

Human Capital Policy

As at 31 March 2020, the number of employees of the Group was 6,500 (2019: 7,600). The reduction was mainly Hong Kong and Mainland staff. Under the pandemic, the Group has adopted natural turnover and no pay leave measures so as to save staff cost.

The management reviews and examines the remuneration policies on a regular basis to ensure that fair rewards and compensation are provided to our employees. Remuneration packages are determined with reference to comparable market rates while bonuses and other rewards are linked to the performances of the Group and the employees. This policy aims to motivate employees with monetary incentives to work together to enhance the Group's business performance.

或然負債及擔保

於2020年3月31日，本集團就向一間聯營公司授予之銀行融資總額之50%向數間銀行出具公司財務擔保1,075,000,000港元（2019年：1,075,000,000港元）。於2020年3月31日，該聯營公司已動用銀行融資1,678,000,000港元（2019年：1,834,000,000港元）。

於2020年及2019年3月31日，本集團並無就該等公司財務擔保確認任何負債，原因為根據預期信貸虧損模式估計之虧損撥備金額並不重大。

於2019年3月31日，除上文披露者外，本集團並無重大或然負債。

人力資本政策

於2020年3月31日，本集團的員工人數為6,500人（2019年：7,600人），減少的人數主要為香港及內地的員工。疫情底下，本集團採取了自然流失及無薪假期等措施以節省員工成本。

管理層定期檢討及審核薪酬政策，以確保為員工提供公平報酬及補償。薪酬待遇乃經考慮相近市場水平後釐定，而花紅及其他獎賞則與本集團及僱員表現掛鉤。此政策旨在以金錢獎賞，鼓勵員工協力達成提升本集團業務表現的目標。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK

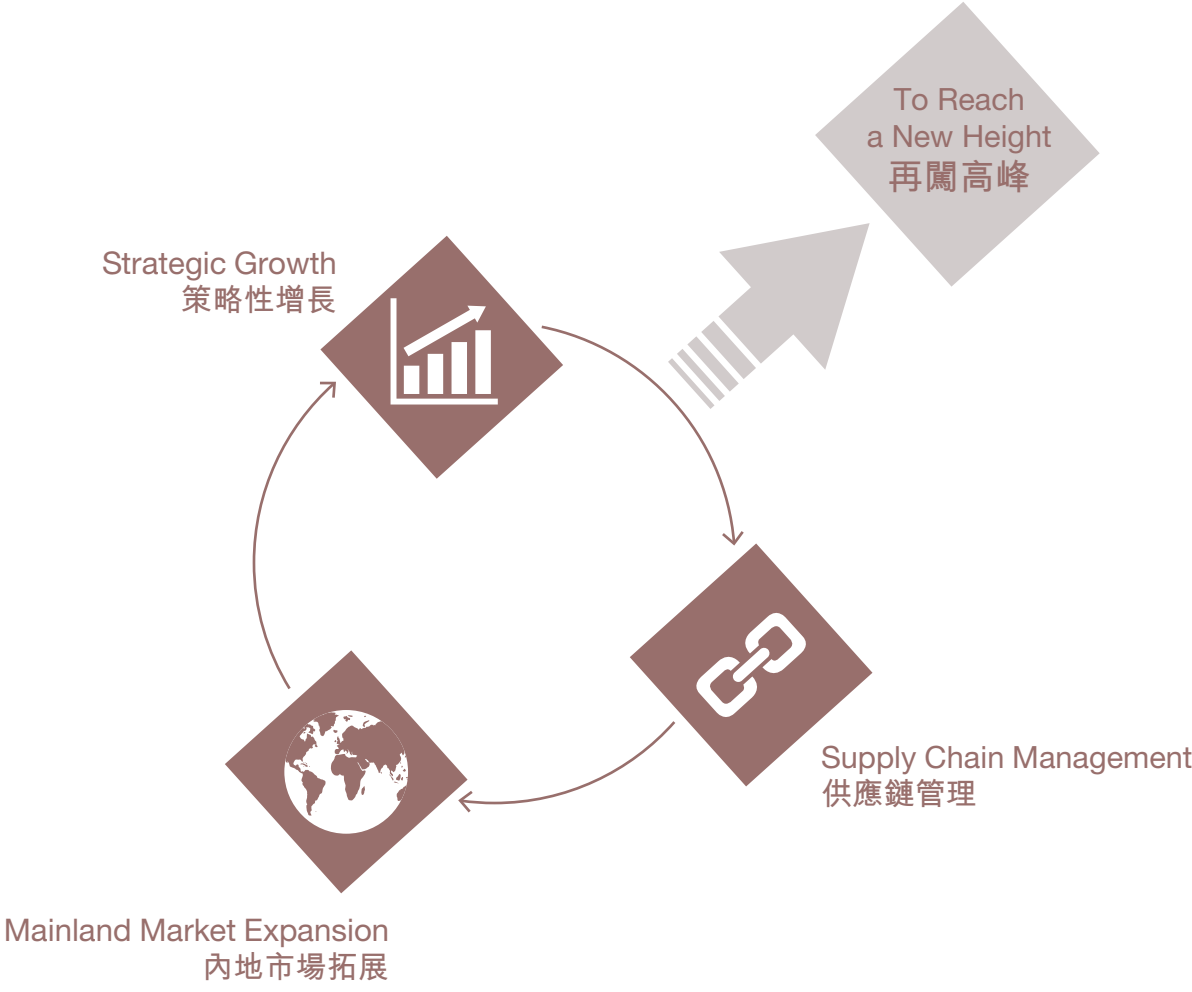
During the Year under review, the same store sales in the Hong Kong and Macau market of the Group declined significantly as a result of strong gold price, the impact of social activities in Hong Kong, US-China trade war and pandemic, while the same store sales in the Mainland market dropped as well. As the border restrictions have not been fully lifted in Hong Kong, Macau and Mainland under severe pandemic, same store sales in the Hong Kong and Macau market recorded around 80% drop for the period from March to May 2020, while same store sales for self-operated and licensed shops in the Mainland market recorded a much smaller decline with the business resumption of shops and gradual improvement of consumer sentiment. Starting from June, the retail sentiment in the Hong Kong and Macau market gradually recovered. The decline of its same store sales in the first three weeks narrowed to around 60%, while same store sales of overall shops of Mainland market as compared to the 40% drop in March 2020 and the 20% drop in April to May 2020, showed progressive improvements with a less than 20% decline in June. As it is expected to take some time for the Mainland tourists to come back to Hong Kong and for retail atmosphere to resume normal, the Group will net reduce 5 shops in Hong Kong in the coming year, and seek opportunities for opening 2 more shops in Macau. In view of the anticipated considerable growth of the middle-class population in Mainland, the Group remains optimistic about the mid- to long-term business prospects, and will focus its expansion in the Mainland market. The Group looks forward to regaining business growth and bringing it to a new height in the near future.

前景

於回顧年度內，本集團受金價高企、香港社會事件、中美貿易戰及疫情的影響，香港及澳門市場之同店銷售大幅下滑，而內地市場之同店銷售亦下跌。在疫情嚴峻的情況下，港澳及內地尚未全面通關，以致香港及澳門市場之同店銷售於2020年3月至5月期間錄得約80%跌幅，而內地市場的自營店及品牌店之同店銷售則因店舖恢復營業及顧客購買意慾逐步回升而錄得較少跌幅。踏入6月份，香港及澳門市場零售氣氛逐步恢復，於首三週其同店銷售跌幅放緩至約60%。而內地市場相比於2020年3月的40%跌幅及2020年4至5月的20%跌幅，其整體店舖的同店銷售於6月份逐步改善至少於20%的跌幅。由於預期訪港內地旅客及零售氣氛恢復需時，本集團來年將會於香港市場淨減少5間店舖，並於澳門尋找增加2間店舖的機遇。在內地中產人口增長良好的預期下，本集團對於其中長線業務前景仍感樂觀，因此未來擴展仍將集中於內地市場。希望能在不久之將來，令集團業務重拾升軌，再闖高峰。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Prior to the Year under Review, the Group has set up its new three-year corporate strategy with Supply Chain Management, Mainland Market Expansion and Strategic Growth as its three main focuses so as to foster its future business growth.

本集團於本回顧年度前已訂立全新的三年企業策略，以「供應鏈管理」、「內地市場拓展」及「策略性增長」作為三大重心，以助推進集團業務的未來增長。



Supply Chain Management

In order to further enhance its competitive edge, the Group will focus on strengthening supply chain management through various means. The Group will try its best endeavour to identify right product, set right price and offer products to market at the right time by implementing higher level of automation and big data management; improving factory productivity; improving inventory turnover period; establishing strategic partnership with suppliers; streamlining logistics on distribution and intensifying support to licensees, with a hope that all these would help promote business development and strengthen operational efficiency and effectiveness.

供應鏈管理

為進一步提升本集團的競爭優勢，本集團將側重於採取多種措施鞏固供應鏈管理。本集團將盡其所能透過實施更高水平自動化及大數據管理、優化廠房生產力、改善存貨週期、與供應商建立戰略合作夥伴關係、精簡分銷流程、加強對品牌商支持以助找出適當產品，釐定適當價格，並於適當時間向市場供貨，期望藉此可促進業務發展及加強營運效益。

MANAGEMENT DISCUSSION AND ANALYSIS

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Mainland Market Expansion

As Mainland remains to be a market with growth potential in the mid- to long-term, the Group will continue to focus on business expansion in Mainland. In order to enhance management efficiency, there will be conversion of around 35 self-operated shops (of which mostly are joint venture shops) into licensed shops in Mainland market in the coming year. Nevertheless, the target for net addition of “Lukfook” shops in Mainland in the coming year will be not less than 150 shops, mainly focused on opening licensed shops in fourth- and fifth-tier cities, while the target for net addition for new brands’ stores in Mainland is 50 shops. The Group is also committed to further developing its e-commerce business and strengthening cooperation with various e-commerce platforms in Mainland, aiming to sustain the growth in e-commerce revenue at a target growth of 15% for the upcoming year. In light of the enormous spending potential of young consumers on online sales platforms, the Group will step up its efforts to promote the sales of affordable luxury jewellery products to expand its footprint in the young consumer market.

內地市場拓展

由於中長線來說，內地仍為增長潛力所在，本集團仍會專注於內地擴展業務。為提升管理效率，來年內地市場將有約35自營店（當中大部分為合資店）改為品牌店。然而，內地來年「六福」店舖目標淨增長將不少於150間，主要集中於四、五線城市開發品牌店。而在新品牌的發展方面，目標於內地淨增長50間店舖。本集團亦會銳意在內地繼續發展電子商務業務，加強與各電商平台的合作，持續提升電商的銷售收入，並以增長15%為來年目標。有見年輕消費者於網上銷售平台的消費有著無限潛力，本集團將繼續致力推動輕奢系列珠寶首飾之銷售，以拓展年輕消費者市場。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Strategic Growth

策略性增長



“Goldstyle”

- “Unconventional gold” – to offer fashionable gold pieces that are suitable for daily wear
令黃金不再傳統—提供時尚新穎、適合日常佩戴之黃金首飾
- Target at tasteful clients who pursue quality products
目標客群為追求潮流時尚及高品質的顧客

“Dear Q”

- “DIY my style” – to deliver the sweet, playful and energetic vibes
DIY真我品味—呈獻甜美、可愛和活潑風格
- Target at fashionable and adventurous young ladies
目標客群為追求時尚潮流、新鮮感的年輕女性



The Group has already adopted multi-brand strategy, and strives to develop more new brands in the future, apart from “Goldstyle” and “Dear Q”. In addition, the Group will adopt holistic approach to penetrate into the markets for the middle-class, wedding couples and kids by understanding customers’ spending habits. It will also continue to attract customers and encourage local consumption by visual merchandising enhancement, cross-selling boosting and VIP promotional activities, so as to improve sales and profits. Given the importance of social media in product promotion, the Group will continue to showcase and promote its products on mobile applications and social media platforms such as Facebook, Weibo and WeChat, etc.

本集團已採取多品牌策略，除「Goldstyle」及「Dear Q」以外，未來將致力於開拓更多新品牌。此外，亦會透過了解顧客的消費習慣，採取全面性舉措以滲透中產、婚嫁及孩童市場。同時會繼續透過加強產品陳列、交叉促銷和VIP推廣活動，吸引顧客，推動本土消費，以提高銷售和利潤。鑑於社交媒體是產品推廣的重要渠道，本集團將繼續以手機應用程式和網絡社交平台如面書、微博和微信等，進行產品展示及宣傳。

BRANDING

品牌策略

In order to consistently align with the branding theme of “Love is Beauty”, the Group has been building a welcoming and warm-hearted brand image, strengthening customers’ emotional attachment to the brand, and striving to become a globally recognised jewellery brand through outstanding marketing campaigns and excellent customer service programmes.

To raise brand image and strengthen customers’ awareness of the brand, we have invited Mr. Li Yi Feng, a popular actor in Mainland who is known as “National School Hunk”, as Lukfook Jewellery’s global brand ambassador to add new vitality to the brand. His healthy, trendy and positive image, coupled with Lukfook Jewellery’s products, creates a romantic interpretation of stylish sophistication, jointly bringing the brand to a new era.

Adhering to the motto of “Exquisite Craftsmanship, Quality Services and Customer Orientation”, the Group acts in the customers’ best interests in our operational management, and is meticulous from product design, quality assurance to sales services. To tie in with our “Six Heartfelt Services” culture, we are dedicated to fulfilling customers’ need with a caring heart and offering sincere quality services, aiming to provide the most enjoyable shopping experience for customers.

Meanwhile, we also extend the concept of “love” to our employees. We strive to promote a caring culture and create a friendly and harmonious working atmosphere. We treat employees as our family members and care for their physical and mental wellbeing in order to enhance their sense of belonging and foster a corporate culture of Lukfook Family.

為持之以恒地貫徹「愛很美」的品牌推廣主題，本集團一直透過出色的市場推廣及卓越的顧客服務計劃，建立殷切親和的品牌形象，加強顧客對品牌的情意連繫，盡心竭力成為全球認知的珠寶品牌。

為了提高品牌形象及加深顧客對品牌的認知，我們邀請內地人氣男演員、有「國民校草」之稱的李易峰先生擔任六福珠寶全球代言人，為品牌注入活力及新意。全球代言人時尚健康的溫暖形象配以六福珠寶各系列，浪漫詮釋了珠寶的別樣「峰」格，共迎全新時代，未來攜手相伴。

本著「匠心獨運、服務為本、以客為先」的精神，在經營理念上本集團以顧客權益為首要，從產品設計、質量保證以及銷售服務均一絲不苟，並秉承本集團「六心服務」的宗旨，用「心」了解顧客需要，時刻提供優質摯誠的服務，務求令每一位客人有賓至如歸的感覺。

與此同時，我們將「愛」的概念延伸至員工層面，積極推廣關愛文化，締造友愛和諧的工作氣氛，並視員工如我們的家庭成員一樣，關顧他們的身心健康，以增強員工歸屬感，締造六福大家庭的企業文化。



BRANDING

品牌策略

MARKET ORIENTED STRATEGY

Targeting the mid- to high-end markets in Mainland, Hong Kong, Macau and overseas, the Group has adopted comprehensive marketing strategies, launched diversified product offerings with exquisite designs, together with meticulous services to seize the business opportunities in the middle-class, wedding and kids markets.

MIDDLE-CLASS MARKET

To cope with the brand's positioning of mass luxury sector, we have endeavoured to further penetrate the middle-class market through various channels. During the Year under review, the Group continued to hold the "Lukfook Jewellery Raceday", and invited celebrities to showcase a series of glamorous diamond jewellery to the guests and audience, so as to raise our brand awareness among the middle-class population.

Nowadays, running marathon has become one of the most popular sports among the middle-class in pursuit of a healthy lifestyle. Therefore, the Group sponsored the medals set with gold and diamonds for the Hong Kong, Beijing, Shanghai, Wuhan and Guangzhou marathons to honour more than 591,600 marathon finishers over the years. Moreover, the Group invited various popular KOLs to livestream at the marathon expos, and made a remarkable single livestreaming views of over 22 million, which built positive reputations and increased brand exposure.



市場導向策略

針對中港澳及海外的中高端消費市場，本集團採取全面的市場推廣策略，配合設計精湛、多元化的產品組合及細緻周到的服務，以抓緊中產、婚嫁和親子市場帶來的發展機遇。

中產市場

為配合本集團大眾化奢侈品的市場定位，我們致力通過不同渠道進一步滲透中產市場。於回顧年度內，本集團繼續舉辦「六福珠寶賽馬日」，邀請了多位名人向現場嘉賓及觀眾完美演繹一系列閃爍瑰麗的鑽石首飾，藉以吸引中產人士對品牌的關注。

現今都市人追求健康生活文化，而馬拉松正是深受中產階層熱愛的運動之一。因此，本集團透過贊助香港、北京、上海、武漢及廣州馬拉松鑲足金及鑽石獎牌，多年來向超過591,600位完賽跑手致意。另外，集團亦在馬拉松展會期間邀請不同直播網紅到場，單次直播最高播放量超過2,200萬，建立口碑與提升曝光率。



BRANDING

品牌策略

In order to cater for the middle-class customers' demands for fashionable jewellery suitable for every day wear, the Group introduced the brand new "Love You Forever" couple jewellery endorsed by Mr. Li Yi Feng to celebrate everlasting love with 18 karat gold couple accessories engraved with "LOVE" and "FOREVER" respectively, with a meaningful message that the couple is an indispensable pair with eternity love. These stylish yet full of personality jewellery pieces aim to attract middle-class customers who are tasteful and chic savvy. The Group also launched the latest "Love is Beauty" Collection products of diamond jewellery made by the newest technique with illusion setting and extraordinary design concepts. Contemporary gold jewellery with diversified designs breaks the traditional boundary and suits well for daily wear. The trendy "Goldstyle" collection is crafted with exquisite techniques to double the hardness of gold and provides the style effects of karat gold. This collection not only retains the advantage of gold as a good store of value, but also puts a new twist on gold jewellery, adding on-trend sparkle to customers.

為滿足中產客戶群對時尚珠寶首飾可日常佩戴的需求，集團推出由李易峰先生代言的全新「Love You Forever 一生唯你」情侶首飾，把時尚的18K金首飾加冕於心中的摯愛。「LOVE」、「FOREVER」首飾一併佩戴，寄語二人成為彼此生命中不可或缺的另一半，延續二人恆久的愛，別具意義。充滿個性的時尚飾品，吸納富品味及潮流觸覺的中產顧客群。集團推出全新「愛很美」系列產品，以嶄新升級版「放閃車花」工藝和非凡的設計理念打造出一系列鑽石首飾。現代金飾款式繁多，令足金不再局限於傳統的框框，成為適合日常佩戴的單品。時尚的「Goldstyle」系列，通過全球首創的精湛製金工藝提升黃金首飾的硬度，接近一般黃金的兩倍，打造出多款可媲美K金設計的黃金首飾。除了保留黃金保值的優勢，更為黃金首飾注入清新活力，增添時尚魅力。



BRANDING

品牌策略

WEDDING MARKET

According to the statistics released by the Ministry of Civil Affairs of the People's Republic of China, there were approximately 10 million pairs of newlyweds in 2019. In order to seize this valuable business opportunity of the wedding market, the Group has participated in wedding expos in Mainland and Hong Kong, and held large-scale wedding shows with high-end hotels and other wedding related partners. Besides, the Group launched a wide range of Chinese and Western wedding products. In all the Guangzhou Wedding Expos during the Year under review, the Group displayed strong presence as Title Sponsor at the "Guangzhou Jewellery Show" with all-round brand promotions, which attracted more than 370,000 visitors, increasing brand exposure and enhancing the brand's awareness in the wedding market.

To meet the increasing consumer demand in the wedding market, Lukfook Jewellery incorporates the symbolic numbers "5", "20", "13", "1" and "4", which together denotes the meaning of "I love you for a lifetime" in Chinese, into wedding jewellery products and services to provide 5 steps for custom-made wedding rings, 20 sets of wedding rings, 13 sets of Chinese and Western wedding jewellery pieces, 1 series of couple watches and 4 caring wedding services for customers. In traditional Chinese culture, people like to purchase gold jewellery for gifts and wear. The Group has introduced the "Beloved" Collection of gold wedding jewellery, integrating the traditional Chinese wedding culture into trendy gold jewellery designs.

KIDS MARKET

In response to the implementation of the two-child policy in Mainland and the rising demand in the kids market, apart from "Hugging Family" Collection and Rilakkuma™ Collection, the Group collaborated with the animated film "Ne Zha" to introduce a series of "Ne Zha" accessories featuring the classic elements of the film. This series of dazzling gold accessories blends the exquisite antique craftsmanship with contemporary culture to convey the wishes for peace, health, and happiness, injecting freshness and vitality to the brand.

To drive strategic growth, the Group has cooperated with the Platinum Guild International and launched Pt "Baby Darling" Collection, so as to celebrate every precious moment between mothers and children by the pure platinum accessories.

婚嫁市場

根據中華人民共和國民政部發表的統計數據顯示，2019年有約1,000萬對新人結婚，為把握龐大婚嫁市場的寶貴商機，本集團除參與內地及香港婚慶博覽會、與高級酒店等跟婚嫁有關之合作夥伴舉行大型婚禮展外，更推出多款中西式婚嫁產品。回顧年度各場廣州婚博會中，集團冠名贊助當中的「廣州珠寶展」，以全方位形式展示及宣傳品牌，吸引超過37萬人入場，增加曝光的同時，亦提高品牌在婚嫁市場的認知。

為滿足婚嫁市場不斷擴張的消費需求，六福珠寶賦予「5」、「20」、「13」、「1」、「4」別具一格的婚嫁新概念，以5個訂製對戒步驟、20款精選婚戒、13套中西婚嫁套裝、1系列情侶腕錶及4項貼心婚嫁服務去為客人提供全方位的貼心周到服務。中國人傳統多喜愛購買黃金首飾作送禮及佩戴之用，本集團精心打造的「囍愛」嫁囍金飾系列，將傳統婚慶文化完美融入於時尚黃金首飾當中。

孩童市場

因應內地推行的二孩政策，以及孩童市場的商機，除了「抱抱家庭」系列及Rilakkuma™「輕鬆小熊」系列外，本集團乘勝追擊，與動漫電影《哪吒之魔童降世》跨界合作，針對電影的經典元素為原型，隆重推出全新《哪吒之魔童降世》系列飾品，寓意平安健康及快樂成長，並採用傳統古法制金工藝，精雕細琢多款璀璨生輝的足金飾品，將古法工藝與現代文化碰撞，為品牌注入新的活力。

為策略性地提高銷售，本集團亦與國際鉑金協會合作，推出Pt「寶貝親愛 Baby Darling」系列，以純淨鉑金見證母親及子女的珍貴時刻。

BRANDING

品牌策略

BRANDING ACTIVITIES

With a strategic initiative to increase brand awareness and secure our market share in Mainland and Hong Kong, the Group continued to strengthen the connection between love and beauty, which is in line with our branding theme of “Love is Beauty”, and sponsored the diamond crown and precious jewellery pieces for the “Miss Hong Kong Pageant” for twenty-two consecutive years.

Furthermore, the Group also actively capitalised on different promotional channels, such as public relations activities, advertising and various kinds of sponsorships, to enhance our brand visibility. We also captured the rapid growth of online marketing by placing advertisements on major social media platforms and search engines, and promoted our products via live broadcast platforms, influential we-media accounts, KOLs and other popular new media platforms.

As for the anniversary promotions during the Year under review, we established “91 Golden Fantasyland” pop-up stores in Shenzhen, Qingdao and Zhengzhou, and also held the “On-screen Bomber Challenge” on the popular social media platform Xiaohongshu, which recorded a total of over 11 million click rates, so as to raise Lukfook’s brand awareness among young consumers. To celebrate the milestone of exceeding 2,000 shops worldwide and the appointment of Mr. Li Yi Feng as our global brand ambassador, a grand celebration ceremony was held in Beijing, and “Gift Box” pop-up stores had been opened across the country, which made our Weibo followers soaring high at over 1 million that swiftly enhanced brand awareness and created hot topics. During the last Chinese New Year, the Group teamed up with AliPay to participate in the “Chinese New Year Five Auspicious Cards Campaign” event with 10 renowned brands through promotion on open platform, which realised brand exposure of nearly 223 million viewers, rapid traffic growth and improved interactions with customers, greatly enhancing the brand penetration.



品牌推廣

為更能策略地提升品牌知名度，鞏固內地及香港的市場佔有率，本集團繼續以「愛很美」為品牌推廣主題，緊扣愛與美的不解之緣，更連續22年贊助「香港小姐競選」的金鑽后冠及名貴珠寶首飾。

此外，本集團亦積極透過各種宣傳渠道，如公關活動、廣告及各類型的贊助等，增加品牌曝光率。更抓緊網絡推廣快速增長的趨勢，針對各大社交平台及搜尋網站投放廣告，並利用當下流行的直播、自媒體大號、網絡紅人等新媒體平台宣傳。

為配合回顧年度中的周年慶宣傳，集團於深圳、青島及鄭州打造「91淘金樂園」快閃店，更於現今流行的社交平台小紅書舉行「黃金霸屏戰」，藉以加強年輕消費群對六福品牌的認識，比賽總點擊率超過一千一百萬。為慶祝本集團全球分店突破2,000家及宣布李易峰先生成為品牌全球代言人，於北京舉行了隆重的慶典儀式，同時開啟「峰格」快閃店全國巡遊，六福珠寶官方微博粉絲數量隨即突破100萬，迅速提升品牌知名度及創造話題。上個春節期間，本集團更與支付寶攜手合作，與十個知名品牌一起參與「新年集五福」活動，通過開放平台的宣傳模式，品牌曝光近2.23億人次，令流量快速增長及提高與顧客的互動，大大提升名牌的滲透力。



BRANDING

品牌策略

Riding on the wave of e-sports and animation comics booms in recent years, the Group has continued to be appointed as the official partner for the “King Pro League” champion rings for six consecutive seasons, and created the champion medal for the first ever “Honour of Kings 2019 World Champion Cup” in 2019, with a view to strengthening our penetration into the millennial generation as their purchasing power is trending upwards, stepping up brand publicity, and enhancing our brand’s penetration into the market of younger generation.

PRODUCT DESIGN

Producing the finest products with exquisite craftsmanship and stylish designs is one of the core competencies of the Group. To boost the creativity and broaden the horizons of our design team, we arrange overseas trips for the team from time to time to explore and apply different design concepts to jewellery. Our outstanding design team has actively taken part in various local and international jewellery design competitions, and has won more than 200 awards up to now, further raising Lukfook’s brand image.

During the Year under review, the Group’s design piece “Generations”, “White Sandalwood and Red Walls”, “Fascinating”, “Henna” and “Connection” won awards in “The Fashionable 18K Group” and the “Open Group” at “Chuk Kam Jewellery Design Competition 2020”.

乘著近年的電競、動漫熱潮，為加強滲透購買力日漸成熟的千禧世代，本集團連續6季成為KPL王者榮耀職業聯賽的冠軍指環之指定合作夥伴，為KPL打造見證榮耀巔峰的王者之戒，到2019年更為首屆「王者榮耀2019年世界冠軍杯」總決賽打造總冠軍獎牌，加強品牌宣傳力度及提升品牌於年輕市場的滲透率。

產品設計

製造優質精湛、設計新穎時尚的產品為本集團核心競爭力之一。為持續提升創新能力及擴闊設計團隊的視野，本集團不時安排團隊外出勘察，將不同設計概念融合於珠寶創意上。我們傑出的設計團隊亦積極參與多個本地及國際珠寶設計比賽，至今共獲得逾200個獎項，進一步提升六福的品牌形象。

於回顧年度內，集團珠寶設計作品「流芳百世」、「紅牆映蘭」、「紙金醉迷」、「傳承的祝福」及「繫」於「足金首飾設計比賽2020」中獲得「時尚K金組」及「公開組」獎項。



Generations
流芳百世



Henna
傳承的祝福



White Sandalwood
and Red Walls
紅牆映蘭



Connection 繫



Fascinating
紙金醉迷

BRANDING

品牌策略

BRANDING AWARDS

During the Year under review, the Group's continuous efforts in brand building have been recognised with the following awards and accolades from the industry and market, which included:

- "Hong Kong Service Awards – Quality Living Category (Jewellery and Gold)" for thirteen consecutive years
- "2019 Outstanding QTS Merchant – Merit Award" from the Hong Kong Quality Tourism Services Association
- "Hong Kong Star Brand Award – Enterprise" for eight consecutive years
- "Retailer of the Year" at JNA Awards 2019
- 連續13年榮獲「香港服務大獎—優越生活組別（珠寶金行）」
- 榮獲優質旅遊服務協會頒發的「2019傑出優質商戶—優異獎」
- 連續8年榮獲「香港星級品牌—企業獎」
- 於「2019年度JNA大獎」榮獲「年度零售商大獎」殊榮

品牌殊榮

於回顧年度內，本集團在品牌建設上的持續努力，獲得業界及市場認同並贏得以下獎項及嘉許，包括：



BRANDING

品牌策略

QUALITY ASSURANCE

The Group puts emphasis on quality control and authentication to enhance consumers' confidence, and is meticulous from procurement to authentication. In 1996, China Gems Laboratory Limited ("CGL"), a wholly-owned subsidiary of the Group, was established for the purpose of providing services including authentication and grading of diamonds, authentication of jadeite jade and coloured gemstones, and quality assessment for jewellery. The laboratory is operated by a group of experienced and certified gemologists specialising in authentication of gemstones and jadeite jade.

In addition, the Group set up Victoria Gemological Institute Limited, which principally engaged in jewellery authentication and professional training. With branch offices, the institute provides services for the jewellery sector and customers. The institute has passed the accreditation of the Laboratory Accreditation Bureau (L-A-B) of the United States, and is authorised to issue internationally recognised reports that conform to ISO/IEC 17025 in diamond grading and fei cui (jadeite jade) testing.

To further boost consumers' confidence, the Group cooperated with The International Institute of Diamond Grading and Research (IIDGR) to provide an additional report for Hearts & Arrows diamond sold at our shops in Hong Kong and Macau, so as to give customers a more comprehensive understanding of the diamond products purchased.

EXCELLENT SERVICE

Lukfook's cultivation of a warm-hearted brand image would not be successful without a commitment to service excellence. Adhering to the motto of "Exquisite Craftsmanship, Quality Services and Customer Orientation", we act in the customers' best interests in our operational management. In line with the branding theme of "Love is Beauty", the Group has introduced the "Delivering the Beauty of Love with Six Heartfelt Services" excellent customer service programme to fulfil customers' needs with a caring heart and offer quality, sincere services to customers with a view to relaying the culture of Six Heartfelt Services to each customer all over the world.

質量保證

本集團十分注重品質監控及鑑定，務求為顧客帶來多一份信心保證，由採購至鑑定均一絲不苟，更於1996年成立全資附屬公司—中華珠寶鑑定中心有限公司（「中華珠寶鑑定中心」），提供鑽石鑑定、評級、翡翠及有色寶石鑑定及珠寶質量檢測等服務。該中心由一群專門從事寶石及翡翠鑑定的資深認可寶石鑑定師營運。

除此之外，本集團設立維多利亞珠寶學院，業務主要是珠寶鑑定及專業培訓，並設立鑑定中心分站，為珠寶業界和大眾消費者提供服務。學院已通過美國試驗所認可局Laboratory Accreditation Bureau (L-A-B)的認可，可簽發國際承認的ISO/IEC 17025鑽石評級報告及翡翠（硬玉質翡翠）檢測報告。

為了給顧客帶來多一份信心保證，本集團與國際鑽石評級及研究所The International Institute of Diamond Grading and Research (IIDGR)合作，為港澳區分店的八心八箭鑽石提供額外一份報告，讓顧客對其所購的鑽石產品有更深入及全面的認識。

優質服務

為能呈現六福殷切親和的品牌形象，本集團對追求卓越服務的承諾及堅持從不怠慢，本著「匠心獨運、服務為本、以客為先」的精神，在經營理念上以顧客權益為首要，為貫徹「愛很美」的品牌推廣主題，推出「六心傳為您 因為愛很美」卓越顧客服務計劃，用「心」瞭解顧客需要，時刻為顧客提供優質摯誠的服務，矢志把六心服務文化傳至世界各地每一位顧客。



BRANDING

品牌策略

SHOPPING EXPERIENCE

To tie in with our fashionable and warm-hearted brand image, our shops have applied soft champagne gold tone, and added curvy lines to showcases at storefronts to create an elegant and romantic ambience. Glass elements are widely used at shops to create a more spacious feeling and impressive displays, so as to make customers feel at home.

The shops introduce the innovative space design to create a corridor-style shopping area where customers can stroll to appreciate and select jewellery. The shops also provide an independent area where customers can enjoy one-to-one service and tailored advice offered by our staff. Besides, the Group has established the Member Zone at shops for our privileged members to enjoy special offers, leisure space and caring services, aiming to deliver unparalleled shopping experience to customers.

購物體驗

為了配合時尚、殷切親和的品牌形象，店舖採用柔和的香檳金色調，店面櫥窗加入弧形線條造型設計，營造高貴優雅及浪漫氛圍。店舖亦大幅採用玻璃元素，提升空間感，增強展示效果，讓每位客人都有猶如在家購物的體驗。

店舖以新穎的空間設計營造長廊式購物區域，客人可以踱步觀賞、選購飾品，並設有獨立一對一區域，顧客可在此尊享職員為其提供度身訂造的產品推介。更設有會員「優」閒專區，使尊貴會員享受特別購物優惠、休閒空間以及貼心服務，務求為顧客帶來非凡的購物體驗。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

Purpose of This Report

The Group is pleased to publish its fourth Environmental, Social and Governance (“ESG”) Report (“this Report”). The Group strives to provide high-quality products and services for customers through years of hard work and effort, and is committed to fulfilling its corporate responsibility. Our strategies, approaches and performance in sustainability for the past year is reviewed in this Report. For information on corporate governance of the Group, please refer to the section headed “Corporate Governance Report” of the this Annual Report.

Report Year and Scope

Unless otherwise stated, this Report covers the reporting period of FY2020 (the “Reporting Period”), and covers the business operations of the Group’s offices, factories, showrooms and self-operated shops in Hong Kong, Macau and Mainland. There were no significant changes in the scope of this Report from that of FY2019 ESG Report published by the Group. The contents of this Report are derived from the official system documents of the Group, statistical reports or relevant public information.

Reporting Standard

This Report complies with the “comply or explain” provisions of the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), and contains all disclosures as recommended in the Guide. This Report adheres to the principles of importance, quantification, balance and consistency. This Report includes a content index to the ESG Reporting Guide to enhance its readability.

Confirmation and Approval of This Report

The Board of Directors (the “Board”) of the Group has convened a meeting in June 2020 to review and approve this Report.

Publication Interval, Version of and Access to This Report

This Report is part of the Group’s annual report available in both Chinese and English versions. It is accessible on the Stock Exchange’s website and the Group’s website at lukfook.com.

關於本報告

報告目的

本集團欣然刊發第四份環境、社會及管治（「環境、社會及管治」）報告（「本報告」）。本集團多年來默默耕耘，努力不懈為顧客提供高素質的產品及服務，同時致力履行企業責任，本報告回顧過往一年的可持續發展策略、方針及表現。有關本集團企業管治的資料，可參閱本年報的「企業管治報告」章節。

報告年度及範圍

除非另有說明，本報告的報告期間為2020財年（「報告期」），涵蓋本集團旗下位於香港、澳門及內地辦事處、廠房、展廳及自營店的業務營運。報告範圍與本集團2019財年刊發的《環境、社會及管治報告》所載者並無重大變動。報告內容均來自於本集團正式制度文件、統計報告或有關公開資料。

報告標準

本報告遵守香港聯合交易所有限公司（「聯交所」）證券上市規則附錄27之《環境、社會及管治報告指引》（「《環境、社會及管治報告指引》」）載列的所有「不遵守就解釋」條文，並根據指引中的所有建議披露作匯報。本報告遵循重要性、量化、平衡、一致性原則編製。本報告載有《環境、社會及管治報告指引》的內容索引，提升本報告的可讀性。

報告確認及批准

本集團董事會（「董事會」）已於2020年6月召開會議審閱及批准本報告。

報告發佈週期、版本與獲取

本報告為本集團年度報告其中章節，具備中文及英文版本，並登載於聯交所網站及本集團網站 lukfook.com 供查閱。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Your Feedback

We welcome your comments and suggestions on this Report or our performance in the fulfilment of corporate social responsibility by email at ir@lukfook.com.

意見反饋

我們歡迎閣下就本報告又或我們的企業社會責任工作表現提出意見和建議，並電郵至 ir@lukfook.com。

HIGHLIGHTS OF THE YEAR

年度焦點

To Customers: Six Heartfelt Services 對顧客：六心服務



Hong Kong Star Brand Award 2019 - Enterprise
「香港星級品牌2019」企業獎



Second Class Award and Third Class Award in the "Production Skills Division" at "China Skills Competition 2019 – National Jewellery Production Skills Competition"
「2019年中國技能大賽—全國珠寶製作職業技能競賽」製作技能組別二等獎及三等獎



Retailer of the Year Award in "JNA Awards 2019"
「2019年度JNA大獎」年度零售商大獎



Ms. Nancy WONG, Executive Director and Deputy Chief Executive Officer, was named Honouree of Young Entrepreneur of the Year in "JNA Awards 2019"
執行董事兼副行政總裁黃蘭詩小姐榮獲「2019年度JNA大獎」傑出青年企業家入圍獎



"2019 Outstanding QTS Merchant" Merit Award
「2019傑出優質商戶」優異獎



Consumers' Most Favourite Brand in "The 4th Top 5 Chinese Jewellery Brands"
「第四屆中國珠寶品牌五大」消費者喜愛品牌

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Excellent Integrity Brand in "The 4th Top 5 Chinese Jewellery Brands"
「第四屆中國珠寶品牌五大」優秀誠信品牌



Excellent After-sales Services Brand in "The 4th Top 5 Chinese Jewellery Brands"
「第四屆中國珠寶品牌五大」優秀售後服務品牌



Quality Living Category (Jewellery and Gold) at "Hong Kong Service Awards 2020"
「香港服務大獎2020」優越生活組別(珠寶金行)

To Public: Love is Beauty 對大眾：愛很美



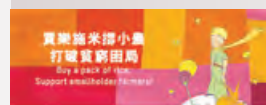
**Corporate Citizen
企業公民**
Charitable donation
of approximately
HK\$2,433,000
慈善捐款約為
2,433,000港元



Recognised as "Caring Company" for 10 Consecutive Years
連續十年獲認可為「商界展關懷」企業



"The 10th Hong Kong Outstanding Corporate Citizenship" Merit Award in the Enterprise Category
「第十屆香港傑出企業公民獎」企業組別優異獎



Champion of Ordering Oxfam Rice (Organisation Category) in "Oxfam Rice Event 2019"
「樂施米義賣大行動2019」集體訂米(機構組)籌款獎冠軍

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Environmental Protection 環境保護

Gold Award at “Charter on External Lighting Award Scheme”
「《戶外燈光約章》計劃」金獎



“EcoPartner” and “5 Years+ EcoPioneer” at the “BOCHK Corporate Environmental Leadership Awards 2018”
「中銀香港企業環保領先大獎2018」之「環保傑出伙伴」及「5年+環保先驅」



Certificate of Merit in Shops and Retailers Category in the “2018 Hong Kong Awards for Environmental Excellence”
「2018香港環境卓越計劃」商舖及零售業組別優異獎



Certificate of Merit in Manufacturing and Industrial Services Category in the “2018 Hong Kong Awards for Environmental Excellence”
「2018香港環境卓越計劃」製造業及工業服務組別優異獎

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Total headcount as at
31 March 2020: 6,500*
截至2020年3月31日
員工人數：6,500*

To Employees: Lukfook Family
對員工：六福大家庭



Happy Company
開心企業



Good MPF Employer
積金好僱主



“The Best Participating Company in Online Learning Program” on the “E-learning Platform”
「智能學習平台」測驗「最踴躍參與電子課程機構」



Mr. WONG Chit, the Group’s employee, was honoured as “The Best Performer” for scoring a success in test results on the “E-learning Platform”
本集團員工王捷先生成為「智能學習平台」測驗「最佳網上測試表現從業員」

* The figure covers all employees of the Group
該數據包括本集團所有員工

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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LUKFOOK'S APPROACH TO SUSTAINABILITY

Adhering to the corporate vision and the core brand value of “Brand of Hong Kong, Sparkling the World”, the Group strives for excellence in quality and service over the years. We are committed to crafting the finest jewellery for customers, and strengthen our leading position in the international jewellery retail market, making “Lukfook” a renowned luxury brand in the world. As a socially responsible company, we actively undertake environmental and social responsibility as well, while striving to expand the development of our jewellery business, to promote environmental protection, contribute to the society and incorporate the caring culture in our business. The Group always puts its greatest effort to reach the expectations of the customers, employees and shareholders and contribute to the community by pursuing the following corporate missions:

- To provide quality and value-added products and sincere services to customers for value appreciation.
- To provide its employees with a professional development environment and grow together to achieve corporate goals.
- To add value to shareholders' investment and maintain a steady growth in business and profit.
- To contribute to the community through reinforcing communications with the public and participating in charity events so as to continue caring for the society.
- 為顧客提升價值，提供優質及物超所值的產品及殷勤摯誠的服務。
- 為員工締造專業發展環境，達致共同成长，邁向理想。
- 為股東提升價值，保持穩健及持續增長的盈利。
- 為社會延續關懷，加強公共溝通，積極參與公益活動，回饋社會。

SUSTAINABILITY GOVERNANCE

The Group continues to improve its environmental, social and governance systems, clearly defines the division of responsibilities from management to administration, and ensures that the environmental, social and governance philosophy is integrated into its strategic planning and operational decision-making processes more effectively. The Board bears the ultimate accountability in the supervision of ESG works, and assesses and manages major ESG related matters. To demonstrate its emphasis on the performance in and reporting on sustainable development, the Board, starting from this Reporting Period, independently reviews the annual ESG report at Board meeting.

六福的可持續發展策略

本集團秉持「香港名牌•國際演繹」的企業願景及品牌核心價值，多年來不斷在品質和服務方面精益求精，為全球顧客提供優質首飾，鞏固我們於國際珠寶零售市場的領導地位，使「六福」成為全球知名的奢侈品品牌。作為一家肩負社會責任的企業，我們在致力拓展珠寶業務發展的同時，亦積極承擔環境與社會責任，推動環保，回饋社會，並將關愛文化融入業務。我們致力落實以下的企業使命，實現顧客、員工及股東對我們的期望和為社會帶來貢獻：

可持續發展管治

本集團持續完善環境、社會及管治體系，明確從管理至執行層面的責任分工，確保將環境、社會及管治理念更有效地融入企業規劃與運營決策過程之中。董事會承擔監管環境、社會及管治工作的最終責任，評估及管理重大的環境、社會及管治事宜。為彰顯對可持續發展工作表現及匯報的重視，董事會於本報告期開始在董事會會議中，獨立審閱年度環境、社會及管治報告。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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The Group regards risk management as an integral part of daily management and sound corporate governance. As economic, industrial, regulatory and operating conditions change rapidly under the competitive business environment, the risk management mechanism can assist the Group in assessing and minimizing risks that may prevent us from achieving our business objectives. The Group assesses and identifies risks and opportunities associated with ESG matters, and reviews their implications. We also formulate ESG-related controls to address significant ESG risks, and those controls are operated effectively. In combination with sound internal controls, these measures help to continuously identify, assess, optimize, manage and monitor the risks faced by the Group during its operations. The Board is informed of the ESG-related risks through the Risk Management Committee. The risk analytical models, including social and environmental factors, are used to conduct relevant macro-analysis and establish appropriate corporate strategies and objectives before the formulation of corporate strategies each year. The Group reviews the progress of implementation of all corporate strategies, goals and key performance indicator targets semi-annually. For details of our risk management methodology, please refer to the section headed Corporate Governance Report.

本集團視風險管理為日常管理及健全企業管治理不可或缺的一部分。由於經濟、行業、法規及經營狀況在充滿競爭的營商環境中瞬息萬變，風險管理機制可協助本集團評估及盡量降低可能妨礙我們實現業務目標的風險。本集團評估並確定與環境、社會及管治事宜相關的風險與機遇並審查其影響。我們亦制定環境、社會及管治相關的控制措施，以應對重大環境、社會及管治風險，而該等控制措施有效運作。結合完善的內部控制，該等措施有助持續確定、評估、優化、管理及監控本集團營運過程中面臨的風險。董事會透過風險管理委員會知悉有關環境、社會及管治的相關風險。每年於制定企業策略前，先以風險分析模型，其中包括社會及環境因素，以進行相關宏觀分析及定立適當的企業策略及目標。本集團每半年回顧所有企業策略、目標及關鍵績效指標目標的執行進度。有關我們風險管理方法的詳情，請參閱企業管治報告一節。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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STAKEHOLDER ENGAGEMENT

The trust from stakeholders and their participation is the basis for the sustainable development of a company. The Group emphasizes on the management of stakeholder relationships, continuously improves the communication mechanism, actively communicates with the employees, investors, shareholders, customers, suppliers, partners, community and other internal and external stakeholders groups through various channels in its daily operations to understand their expectations and suggestions on sustainable development, and takes these as the basis to continuously improve its sustainable development strategies and plans, so that it can deepen the trust and cooperation, and allows us to anticipate risks.

持份者參與

持份者的信任與參與是企業持續發展的基礎。本集團重視持份者關係管理，持續完善對話機制，在日常運作中多渠道積極與員工、投資者、股東、顧客、供應商、合作夥伴、社區公眾及其他內外部持份者保持聯繫，了解他們對可持續發展的期望及建議，並以此為依據持續完善可持續發展策略與規劃，務求鞏固信任與合作關係，同時有助我們預測風險。

Major Stakeholder Category 主要持份者類別	Major Communication Channel 主要溝通渠道	Frequency 頻次
Customers and Community 顧客及社區	<ul style="list-style-type: none"> Direct Communication 直接溝通 Social Network 社交平台 Press Release 新聞稿 	<ul style="list-style-type: none"> All the time 長期進行 Irregularly 不定期 Irregularly 不定期
Employees 員工	<ul style="list-style-type: none"> Employee Performance Appraisal Interview 員工績效考核面談 Meeting 會議 Feedback Mailbox 反饋信箱 Employee Activity 員工活動 	<ul style="list-style-type: none"> Annually 每年度 Irregularly 不定期 Open all the time 長期開放 Irregularly 不定期
Licensees 品牌商	<ul style="list-style-type: none"> Licensees Meeting 品牌商會議 On-site Visit 現場調研 Direct Communication 直接溝通 	<ul style="list-style-type: none"> Irregularly 不定期 Irregularly 不定期 Irregularly 不定期

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Major Stakeholder Category 主要持份者類別	Major Communication Channel 主要溝通渠道	Frequency 頻次
Suppliers 供應商	<ul style="list-style-type: none"> Supplier Meeting 供應商會議 Tendering 招標 On-site Visit 現場調研 Exhibition 展覽會 Direct Communication 直接溝通 	<ul style="list-style-type: none"> Annually 每年度 Irregularly 不定期 Irregularly 不定期 Irregularly 不定期 Irregularly 不定期
Investors and Shareholders 投資者及股東	<ul style="list-style-type: none"> Annual General Meeting 股東大會 Annual Report/Interim Report 年報／中期報告 Investor Conference 投資者會議 Press Release/Announcement 新聞稿／公告 Direct Communication 直接溝通 	<ul style="list-style-type: none"> Annually 每年度 Annually 每年度 Irregularly 不定期 Irregularly 不定期 Irregularly 不定期

MATERIALITY ASSESSMENT

To identify and prioritise the material sustainability issues of the Group, we conduct a comprehensive materiality assessment every two years. In FY2019, we engaged an independent sustainability consultant to conduct materiality assessment and online surveys by inviting stakeholders from various sectors to rate the materiality of various issues. We collect and analyse all the feedback to understand the issues that are of most concern to stakeholders and to provide critical clarity in our ESG Report and the strategies for corporate social responsibility (“CSR”) going forward.

Based upon our existing and previous stakeholder engagement results, industry trends and the ESG Reporting Guide of the Stock Exchange, we have identified 20 ESG issues applicable to the Group. During the materiality assessment process, we invited internal and external stakeholders from Hong Kong, Macau and Mainland to rank those 20 issues. The valuable opinions of the stakeholders help us to prioritise the following issues and establish and implement relevant strategies, policies and measures:

重要性評估

為識別並優先處理本集團的重大可持續發展事宜，我們每兩年進行一次全面的實質性評估。我們於2019財年委聘獨立可持續發展顧問協助展開重要性評估工作，邀請各個界別的持份者進行網上調查，就各項議題進行重要性評分。我們收集所有回饋並作出分析，以了解持份者最為關注的事項，並使環境、社會及管治報告及未來企業社會責任（「企業社會責任」）策略更具針對性。

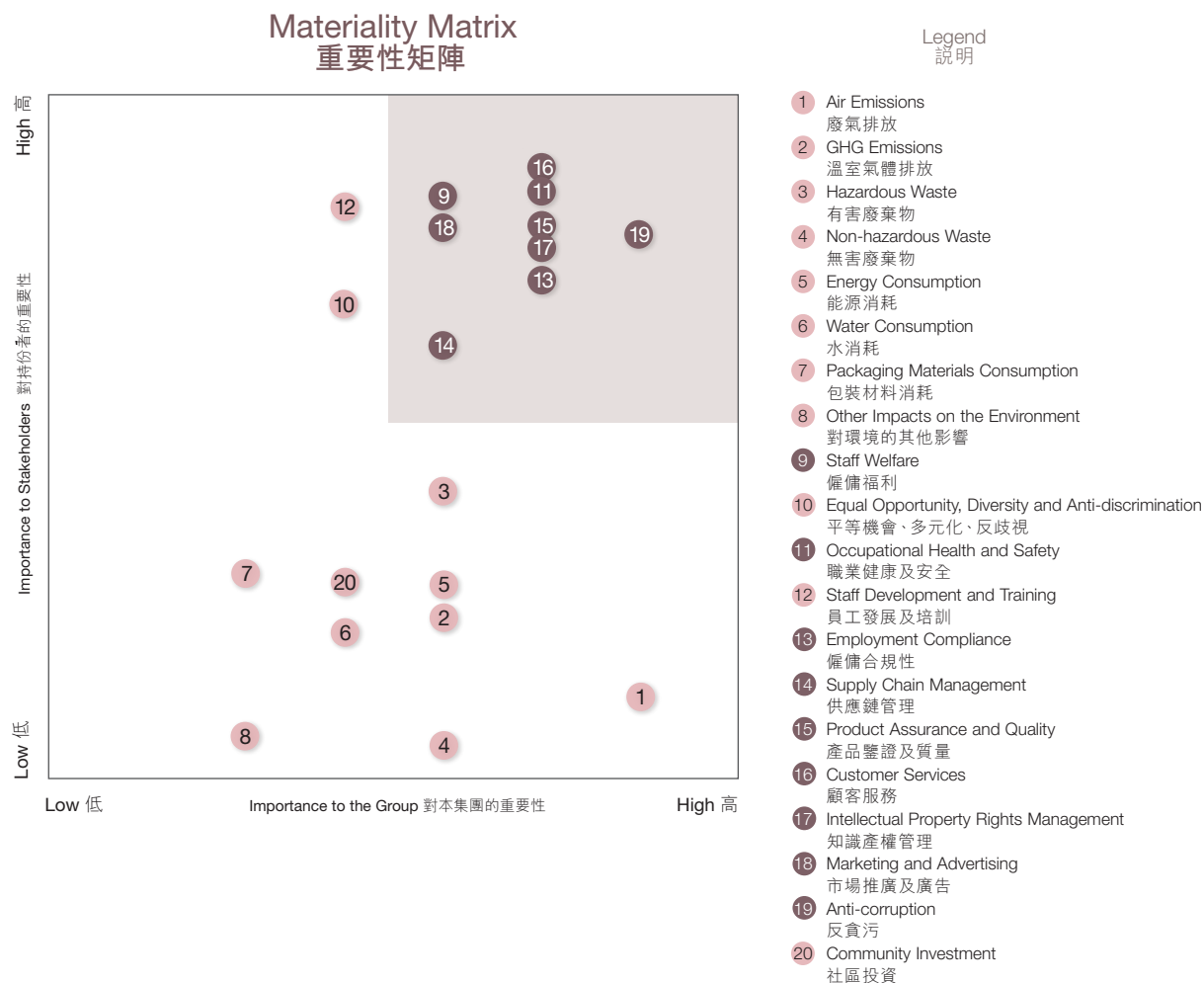
根據與現有及過往持份者溝通活動的成果、業界趨勢及聯交所《環境、社會及管治報告指引》，我們歸納出適用於本集團的20項環境、社會及管治議題。於重要性評估過程中，我們邀請來自香港、澳門及內地的內部及外部持份者，就該20項議題進行評分。持份者的寶貴意見有助我們對下列議題進行優先排序，並制訂相關策略、政策及措施應對：

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Issues Considered

考慮到的議題



The vertical axis of the materiality matrix is “Importance to Stakeholders” and the horizontal axis is “Importance to the Group”. Issues lie within the upper right quadrant in the matrix are considered to be the most important. Based on the above analysis, the 9 most important issues to our stakeholders and the Group identified by us are as follows:

重要性矩陣的豎軸為「對持份者的重要性」，橫軸則為「對本集團的重要性」，圖中右上象限所示乃被視為最重要的議題。根據上述分析，我們識別出對持份者及本集團而言最為重大的9項議題如下：

- | | |
|--|---|
| 19 Anti-corruption
反貪污 | 13 Employment Compliance
僱傭合規性 |
| 16 Customer Services
顧客服務 | 9 Staff Welfare
僱傭福利 |
| 11 Occupational Health and Safety
職業健康及安全 | 18 Marketing and Advertising
市場推廣及廣告 |
| 15 Product Assurance and Quality
產品鑒證及質量 | 14 Supply Chain Management
供應鏈管理 |
| 17 Intellectual Property Rights Management
知識產權管理 | |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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TO CUSTOMERS: SIX HEARTFELT SERVICES

In order to align with the branding theme of “Love is Beauty”, the Group has been building a warm and sincere brand image, and strengthening customers’ emotional attachment to the brand through quality products and excellent customer service programmes. We adhere to our motto “Brand of Hong Kong, Sparkling the World”, and put forth maximum effort to reach our goal of becoming a world-known brand.

During the Reporting Period, there was no non-compliance case relating to the provision and the use of the Group’s products and services.

Excellence Services

To tie in with our “Six Heartfelt Services” culture of “greeting”, “listening”, “caring”, “helping”, “advising” and “following-up”, we are dedicated to fulfilling customers’ need with a caring heart, and offering sincere quality services, aiming to provide the most enjoyable shopping experience for customers in the process of sales. In addition to providing our sales staff regular training on improvement of sales skills, we also arrange mystery shopper assessments quarterly, to seek professionals’ recommendations for improvements.

Customer opinions are the source of motived force for us to keep progressing. The Group collects customer opinions mainly through customer service hotlines, emails, social media platforms and customer satisfaction surveys. The Group has developed procedures for handling customer complaints and product recalls, and responding to customer needs on time.

對顧客：六心服務

為貫徹「愛很美」的品牌推廣主題，本集團一直透過優質的產品及卓越的顧客服務計劃，建立殷切親和的品牌形象，加強顧客對品牌的情意連繫，秉承「香港名牌•國際演繹」的宗旨，盡心竭力成為全球認知的珠寶品牌。

於本報告期，本集團並無涉及有關提供及使用本集團產品和服務方面的法律案件。

卓越服務

秉承代表「開心接待」、「留心傾聽」、「貼心關懷」、「盡心協助」、「信心推介」、以及「細心跟進」的「六心服務」宗旨，本集團用「心」了解顧客需要，時刻提供優質摯誠的服務，以務求在銷售過程中給予客人有賓至如歸的感覺。除了安排銷售員工定期接受提升銷售技巧的培訓，每季度亦安排神秘顧客評核，以取得專業的改善建議。

顧客的意見是我們進步的動力。本集團主要透過顧客服務熱線、電郵、社交平台及顧客滿意度問卷收集顧客意見。本集團已制定處理顧客投訴及產品回收的程序，以及時回應顧客的需要。

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In response to the COVID-19 pandemic in 2020, the Group donated RMB2 million to support hospitals in Wuhan to combat against the COVID-19 pandemic on the frontline. We have also immediately taken the following measures for all our shops to safeguard the health and interests of our customers:

- **Employees**

Employees are required to measure body temperature every day, clean their hands with alcohol-based handrub in a frequent manner, wear surgical masks at all times, carry out enhanced personal hygiene measures, and strictly follow disinfection and cleaning instructions.

- **Facilities**

Cleaning and disinfection work in the shops are strengthened and carried out every 2 to 3 hours; shops are closed or business hours are shortened pursuant to the requirements of the local government or shopping malls.

- **Sales services**

The sales staff will help customers to measure body temperature, and clean their hands with alcohol-based handrub. All jewellery will be disinfected before and after fitting of customers.

- **Reward points of members**

To protect the rights and interests of members, their reward points or membership which expires during the period from January to March 2020 are extended for 3 months during the pandemic, so that they will have more time to process their reward points and enjoy member benefits.

就2020年的新型冠狀病毒疫情，本集團捐贈人民幣200萬元以助武漢醫院支援抗疫一線。同時，我們已即時於所有店舖採取了以下應對措施，以保障客人健康及權益：

- **員工方面**

每天須量度體溫，及經常使用消毒搓手液清潔雙手；任何時候均需要配戴外科手術口罩；全面加强員工個人衛生，及嚴格執行消毒清潔指引。

- **設施方面**

加強店內的清潔及消毒工作，每2至3小時進行清潔及消毒；配合當地政府或商場的要求，停止對外營業或縮短營業時間。

- **銷售服務方面**

銷售員工會協助客人量度體溫及使用消毒搓手液清潔雙手；所有飾物會於客人試戴前及後進行消毒。

- **會員尊享積分方面**

疫情期間，為保障會員權益，積分或會籍於2020年1月至3月期間失效之會員，其有效期均延期3個月，讓各位會員有更多時間處理積分及享受會員禮遇。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Quality Products

Adhering to the motto of “Exquisite Craftsmanship”, we strive for excellence from raw material procurement, products production, inspections to after-sales services, and insist on adopting the most rigorous and conscious attitude towards each process, and strictly controlling products quality. Our jade, gold jewellery and diamonds have been certified to the “Natural Jade Logo”, the “Quality Gold Logo” and the “Natural Diamond Quality Assurance”, respectively, to strengthen customers confidence.

優質產品

本著「匠心獨運」的精神，我們從原材料採購、產品生產、檢驗以至售後服務均精益求精，在每一項流程均堅持最嚴謹、謹慎的態度，為產品質量進行把關。我們所出售的翡翠、金飾和鑽石等產品已分別獲得「天然翡翠標誌」、「優質足金標誌」及「天然鑽石品質保證」等認證，加強顧客的信心。

<p>Raw Material Procurement 原材料採購</p>	<p>We strictly control raw material procurement and only cooperate with suppliers with industry recognition, including members of the Shanghai Gold Exchange and Shanghai Diamond Exchange and De Beers, the world’s largest diamond supplier, to ensure that our jewellery products meet the relevant industry standards. In addition, we purchase in accordance with ethical principles. One of our suppliers, De Beers, has passed the Kimberley Process Certification Scheme, proving that its rough diamonds are not “conflict diamonds” mined in war zones.</p> <p>我們對原材料採購實施嚴格管理，只選擇與受行業認可的供應商合作，包括上海黃金交易所及上海鑽石交易所的會員、全球最大鑽石供應商DeBeers等，確保所出售的珠寶產品符合相關行業標準。此外，我們秉持道德原則進行採購，當中鑽石產品的供應商之一——De Beers已通過金伯利流程認證計劃，證實其鑽石毛坯並非於戰爭區域開採的「衝突鑽石」。</p>
<p>Products Production 產品生產</p>	<p>The Group and its jewellery processing plant in Nansha, Guangzhou have been certified to ISO9001:2015 quality management system. Our production strictly conforms with system standard to ensure product quality.</p> <p>本集團及旗下廣州南沙珠寶加工廠的首飾設計與生產已取得ISO9001：2015質量管理體系認證，我們會嚴格依照體系標準進行生產工作，確保產品質素。</p>
<p>Inspection 檢驗</p>	<p>We carry out quality inspections in every step of process, from raw material sourcing, jewellery production, release of final product to delivery of products to retail shops, in compliance with the Product Quality Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests, the Trade Descriptions Ordinance of Hong Kong and other applicable regulations on product quality standards. We also conduct quality inspections when raw materials are delivered and when finished products are shipped. Our inspection center has been awarded the ISO/IEC17025:2005 International Test/Calibration Laboratory Certification.</p> <p>按照《中華人民共和國產品質量法》、《中華人民共和國消費者權益保護法》、香港《商品說明條例》等有關產品質量標準的適用法規，本集團已於原材料來貨、工藝製作、製成品出貨、零售店抵運等流程執行全方位質量檢驗。原材料來貨時及製成品出貨時會進行質量檢測，該檢驗中心已獲發ISO/IEC17025:2005國際測試／校正實驗室認證。</p>
<p>After-sales Services 售後服務</p>	<p>We are committed to providing comprehensive after-sales services to customer after our products are sold, to ensure the quality of products after delivery. We have drawn up the Products Recall and Complaint Handling Procedures. All quality issues of products identified by customers will be handled and followed up by relevant retail shops. After initial inspection by the retail shops, the products will be handed over to the inspection center for further inspection, to ensure customer satisfaction in terms of product quality.</p> <p>產品售出後，我們仍承諾為顧客提供完善的售後服務，確保產品交付後的質量。我們已制訂產品回收及投訴處理流程，如顧客發現產品有任何質量問題，可交予零售店作跟進處理。零售店會先進行初步檢測，再交由鑑定中心作檢驗並進行後續跟進及處理，確保顧客滿意產品質量。</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Supply Chain Management

To further enhance its competitive edge, the Group has set up a three-year corporate strategy with Supply Chain Management as one of its three main focuses before FY2019, with a hope to promote business development and strengthen operational efficiency. Meanwhile, as a responsible company, the Group is committed to working hand in hand with our suppliers to jointly create a better and more environmentally friendly future. The Group adopts a comprehensive supply chain management mechanism, including a supplier and contractor assessment system and management guidelines, to monitor and evaluate suppliers' performance on products, services, and environmental protection, among others. To promote social responsibility in the supply chain, we require suppliers and contractors to comply with our environmental protection policies and stringent corporate governance standards. We regularly review the performance of suppliers and contractors to ensure that they comply with relevant regulations and continue to make improvements.

供應鏈管理

為進一步提升其競爭優勢，本集團於2019財年之前訂立「供應鏈管理」作為本集團為期三年的企業策略三大重心之一，期望藉此促進業務發展及加強營運效率。與此同時，作為一間負責任的公司，本集團致力與我們的供應商攜手合作，共同創建一個更美好、更環保的未來。本集團採用一套全面的供應鏈管理機制，其中包括供應商及承辦商評估系統和管理工作指引，以監察及評估供應商的產品和服務質素以至環境保護等範疇的表現。為了在供應鏈中推動社會責任，我們要求供應商及承辦商依從本集團的環保政策以及嚴格的企業管治標準。我們會定期檢視供應商和承辦商的表現，確保他們遵守相關規定並持續作出改進。

<p>Quotation and Tendering 報價及招標</p>	<p>We have established a comprehensive procurement process, under which all procurement projects are required to obtain quotation from designated number of suppliers of the Group or carry out bidding procedures based on the project budget. In addition to quality of products and services, we also provide “Guideline on Environmental Procurement”, to suggest our staff to include environmental considerations in their procurement processes.</p> <p>我們建立完善的採購程序，規定任何採購項目須按項目預算金額向指定數目的本集團供應商索取報價或進行招標程序。除了產品及服務品質，我們亦提供《環保採購工作指引》，建議員工於採購過程中考慮環保因素。</p>
<p>Qualification Examination 資歷審查</p>	<p>All approved suppliers and contractors are subject to the Group's internal approval procedures. They also need to sign a “Supplier Agreement” and “Clean Trading Policy” to ensure that the products and services provided are in compliance with the standards.</p> <p>所有認可供應商及承辦商須遵守本集團的內部審批程序，並簽訂《供應商協議》及《廉潔交易政策》以確保所提供的產品及服務符合標準。</p>
<p>Regular Evaluation 定期評估</p>	<p>We conduct regular review of our suppliers and renew their “Supplier Agreements” for supervision. We provide some of our suppliers and contractors with the Environmental Protection Manual of Working Inside a Workplace, and conduct evaluation of environmental protection operation and on-site inspections (if necessary). We will give those who fail the first assessment a chance to improve, and will consider to terminate our business relationships with them if they fail the assessment again.</p> <p>我們會定期審核供應商及續簽《供應商協議》以作監管。我們會向部分供應商及承辦商提供《於場內工作的環保指導書》並進行環保運作評估，如有需要會進行現場考察。如首次評估不及格會給予改善機會，如再次評估不及格會考慮停止與他們的業務關係。</p>

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Intellectual Property Right

The originality of products is of particular importance to the jewellery industry. The Group actively combats infringement and maintains its brand image. We have registered the “Luk Fook”/“Luk Fook Jewellery” in compliance with the Trademark Law of the People’s Republic of China, the Patent Law of the People’s Republic of China, the Trade Marks Ordinance and the Registered Designs Ordinance of Hong Kong. We also apply for design patents/copyrights for some of our products and display props to safeguard and protect the intellectual property of the Group.

Besides, the Group has been supporting the No Fakes Pledge Scheme implemented by the Hong Kong Intellectual Property Department of the Hong Kong Government for many years. We act as role models by promising not to sell or operate counterfeit or pirated goods. Unless otherwise stated, the intellectual property rights of all works completed by employees in performing their jobs and the works derived from amendments thereof shall belong to the Group. During the Reporting Period, the Group has successfully renewed its application for membership of the No Fakes Pledge Scheme, to prove that the Group has no confirmed infringement records in the past year, and there was no non-compliance case in relation to infringement of intellectual property rights.

Privacy Protection

Respecting customer privacy and keeping their information confidential is our commitment to customers. The Group formulates the Privacy Policy and publishes the policy on its website according to the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests, the Personal Data (Privacy) Ordinance of Hong Kong and other relevant laws and regulations, to explain to customers how we collect, use, disclose and retain their personal information. The Employee Manual of the Group also clearly prohibits the unauthorized disclosure of customer data.

During the Reporting Period, there was no non-compliance case concerning breaches of customer privacy or losses of customer data.

知識產權

產品原創性對珠寶行業尤其重要，本集團積極打擊侵權行為，維護本集團品牌形象。我們已按照《中華人民共和國商標法》、《中華人民共和國專利法》、香港的《商標條例》及《註冊外觀設計條例》等，為「六福」／「六福珠寶」等商標進行註冊，並對部分產品和陳列道具申請外觀設計專利／著作權，以維護及保障本集團知識產權。

此外，本集團多年來響應香港政府知識產權署所推行的「正版正貨承諾」計劃，以身作則，承諾不售賣或經營冒牌或盜版貨品。除另有說明外，所有因員工職務而完成的作品，及其修改而成的衍生作品的知識產權均歸本集團所有。報告期間，本集團已成功續期申請「正版正貨承諾」計劃會員資格，以證本集團在過去一年來沒有任何已確認的侵權紀錄，本集團亦無涉及任何侵害他人知識產權的法律案件。

私隱保護

尊重顧客私穩及對其資料保密是本集團對顧客的承諾。本集團按照《中華人民共和國消費者權益保護法》、香港《個人資料（私隱）條例》等相關法律及規例制訂「私隱政策」並於網上發佈，向顧客說明我們對其個人信息的收集、運用、披露和保存方式。本集團的員工手冊亦有清楚列明禁止未經授權向外披露顧客資料的行為。

報告期間，本集團並無涉及任何違反客戶私隱或遺失客戶資料的法律案件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Advertising Labels

To further enhance brand awareness, the Group publishes information on our products, services and activities through different promotional channels. The Legal Department provides legal analysis opinions on promotion projects for relevant departments on an ad hoc basis, and reviews promotional materials and labels together with various departments and third-party advertising teams according to the Advertisement Law of the People's Republic of China, the Broadcasting Ordinance, the TV Advertising Code and the Trade Descriptions Ordinance of Hong Kong and other laws and regulations, to ensure the truthfulness of the contents of promotion, and protect the interests of consumers. During the Reporting Period, there was no non-compliance case relating to marketing communications (including advertising, promotion and sponsorship).

廣告標籤

為進一步提升品牌知名度，本集團會透過各種宣傳渠道向外發佈產品、服務及活動信息。法律部不定期為相關部門提供推廣專案法律分析意見，亦會根據《中華人民共和國廣告法》、香港的《廣播條例》、《電視廣告守則》及《商品說明條例》等法律及規例，聯同多個部門和第三方廣告團隊審閱宣傳物料和標籤，確保其內容的真實性，保障消費者權益。報告期間，本集團並無涉及任何違反市場推廣通訊（包括廣告、推銷及贊助）的法律案件。

The Group was voted Consumers' Most Favourite Brand, Excellent Integrity Brand and Excellent After-sales Services Brand by netizens in "The 4th Top 5 Chinese Jewellery Brands"

本集團於第四屆「中國珠寶品牌五大」獲網民投票選為「消費者喜愛品牌」、「優秀誠信品牌」以及「優秀售後服務品牌」。



The "Top 5 Chinese Jewellery Brands" was initiated by www.wto168.net (國際珠寶網) in 2013 together with more than 100 social media, aiming to capitalise on the strength of cross-media, to build a three-dimensional interactive platform between the associations, enterprises, retailers and consumers, and to enhance consumers' confidence in enterprises and brands, to promote the jewellery industry to a higher level.

「中國珠寶品牌五大」於2013年由國際珠寶網(www.wto168.net)聯同100多家社會媒體發起，旨在發揮跨媒體優勢，在協會、企業、零售商和消費者之間搭建立體互動平台，增強消費者對企業及品牌的信心，以推動珠寶行業向更高層次的方向發展。

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The Group was awarded “2019 Outstanding QTS Merchant” by the Quality Tourism Services Association

本集團榮獲優質旅遊服務協會嘉許為「2019傑出優質商戶」



The “Outstanding QTS Merchant Award” aims to recognise merchants who have sustained outstanding performance and whose average scores in the past three evaluations have reached the first 10% for the relevant category, and set high-level codes of practice for the industry, to maintain high standard service ethics and high-quality customer services.

「傑出優質商戶獎」旨在嘉許在過去三次評審的平均得分，達至其所屬類別的首10%以內有持續傑出表現的商戶，並為業界訂定高水平的作業守則，以維持高質素的服務操守及客戶服務水平。

TO PUBLIC: LOVE IS BEAUTY

Environmental Protection

Environmental protection has always been a key area of the Group. We have been committed to reducing waste of resources in areas such as production, administration and retailing, and continuously reviews and optimizes our existing environmental protection measures. The Group's jewellery processing plant in Nansha, Guangzhou manages the identified environmental elements in compliance with the standards of ISO14001: 2015 environmental management system, to reduce the environmental risks of production processes or accidents, and has obtained relevant certifications. The Group will continue to promote the concept of sustainable development, strengthen energy saving and waste reduction in daily operations, and make further contributions to environmental protection.

We strictly abide by applicable laws and regulations relating to the environment, including but not limited to the Environmental Protection Law of the People's Republic of China, the Environmental Protection Tax Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the National Catalogue of Hazardous Wastes. During the Reporting Period, there was no non-compliance case against environmental laws and regulations.

對大眾：愛很美

環境保護

環境保護一向是本集團十分重視的一環，本集團一直致力於生產、行政及零售業務等範疇減少資源浪費，並持續檢討及優化現有環保措施。我們位於廣州南沙的珠寶加工廠按 ISO14001: 2015 環境管理系統標準，針對已識別的環境因素執行有關管理，以減少生產工序或事故發生的環境風險，並已取得相關認證。本集團將繼續推動可持續發展理念，在日常運作中加強節能減廢，為環境保護作出更多貢獻。

我們嚴格遵守與環境相關的適用法律及規例，包括但不限於《中華人民共和國環境保護法》、《中華人民共和國環境保護稅法》、《中華人民共和國固體廢物污染環境防治法》及《國家危險廢物名錄》。報告期間，本集團無涉及任何違反環境保護規例的法律案件。

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環境、社會及管治報告

Management of Waste Gas Emissions

Air quality affects people's health. The Group has always addressed the issue of waste gas and greenhouse gas emissions in our operations and actively strengthened our measures of emission management. The exhaust emissions of the Group mainly come directly from the processes of welding, grinding, melting, pouring, electroforming, jewellery cleaning, etc., as well as, fuel emissions of vehicles, also indirectly from electricity and natural gas consumption in the plant area. We installed activated carbon filtration system and exhaust gas scrubber system in the factory, discharged exhaust gas generated in the production process after pretreatment process, set up a neutralization tower, and added alkali solution in the tower to neutralize acid mist. We also regularly entrusted external third-party testing companies to conduct inspections, to ensure that emissions comply with the Ambient Air and Quantity Standards (GB3095-1996). The person in charge regularly maintained and cleaned the waste disposal facilities to ensure the smooth operation of the facilities.

The following is the Group's greenhouse gas and waste gas emissions data during the Reporting Period and the FY2019:

廢氣排放管理

空氣質素影響人的健康，本集團一直正視我們在營運過程中的廢氣及溫室氣體排放問題，並積極加強排放管理措施。本集團的廢氣排放主要直接來自燒焊、打磨、熔金、倒模、電鑄、首飾清洗等生產工序以及車輛的燃油排放，另外亦間接來自電力和工廠區的天然氣消耗。我們於工廠安裝活性炭過濾系統及廢氣洗滌塔系統，將生產工序所產生的廢氣進行預處理程序方會向外排放，同時設置中和塔，於塔內加添鹼液以中和酸霧。我們會定期委託外部第三方檢測公司進行檢測，確保排放符合《環境空氣質量標準》(GB3095-1996)。負責人員會定期對廢棄處理設施進行維護和清洗，確保設施運作暢順。

以下為本集團於報告期間及2019財年的溫室氣體及廢氣排放數據：

Indicator 指標	Unit 單位	FY2020 2020財年	FY2019 2019財年
Total Greenhouse Gas (GHG) Emissions (Scope 1 & 2) 溫室氣體總排放量(範圍1及2)	tCO ₂ e 公噸二氧化碳當量	9,624.57	10,377.89
Direct Emissions (Scope 1) 直接排放(範圍1)	tCO ₂ e 公噸二氧化碳當量	697.14	852.39
Indirect Emissions (Scope 2) 間接排放(範圍2)	tCO ₂ e 公噸二氧化碳當量	8,940.68	9,525.50
Total GHG Emissions Intensity (Scope 1 & 2) 溫室氣體總排放量密度(範圍1及2)	kgCO ₂ e/turnover (HKD'000) (Note 1) 公斤二氧化碳當量/營業額 (千港元)(附註1)	1.27	0.90
Nitrogen Oxides (NOx) 氮氧化物(NOx)	kg 千克	1,318.78	1,876.01
Sulphur Oxides (SOx) 硫氧化物(SOx)	kg 千克	3.25	3.96
Particulate Matter (PM) 懸浮顆粒(PM)	kg 千克	90.39	130.46

Note 1: This turnover included the self-operated shops in Hong Kong, Macau and Mainland only.

附註1：該營業額僅包括於香港、澳門及內地的自營店。

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Management of Wastewater Emissions

The Group generates production sewage such as gypsum wastewater and electroplating wastewater, as well as, domestic sewage in the course of its production and daily operations. To prevent unprocessed sewage from polluting the surrounding environment, we have set up sewage treatment facilities in the plant area, including an integrated treatment system for gypsum wastewater, a water reuse system and an underground biochemical pool. Our gypsum wastewater, electroplating wastewater, concentrated water and domestic sewage are pretreated before discharging, to meet the second-level standard of the second range of the Water Pollutant Discharge Limit (DB44/26-2001). Also, we inspect the rainwater ditches and toilets of the factory every week, to prevent people from discharging production sewage that falls short of relevant standards and polluting nearby water sources.

The following is our wastewater emissions data during the Reporting Period and the FY2019:

Indicator 指標	Unit 單位	FY2020 2020財年	FY2019 2019財年
Sewage Discharge (Note 2) 污水排放量 (附註2)	m ³ 立方米	94,660.00	106,318.00

Note 2: The figure represented the amount of wastewater discharged from our jewellery processing plants only. Wastewater generated from our retail shops and offices in Hong Kong, Macau and Mainland was properly connected and discharged to the communal sewer drainage system.

Management of General Solid Waste

The Group generates a certain degree of non-hazardous waste in the course of daily operation and production, including food waste, industrial waste, metal, plastic, paper, general waste, etc.

污水排放管理

本集團在生產及日常營運過程中亦會產生石膏廢水、電金廢水等生產污水以及生活污水。為免未經處理的污水對周邊環境造成污染，工廠區已設置污水處理設施，包括石膏廢水一體化處理系統、中水回用系統和地下生化池，將石膏廢水、電金廢水、濃水和生活污水進行預處理，方可對外排放，以滿足《水污染物排放限值》(DB44/26-2001)第二段一級標準。此外，我們每星期會檢查工廠的雨水溝渠和洗手間，防止有人將不達標的生產污水倒入並污染附近水源。

以下為我們於報告期間及2019財年的污水排放數據：

附註2：該數據僅代表我們珠寶加工廠的污水排放量。我們於香港、澳門及內地零售店及辦事處所產生的污水已妥善接入並排放至公用污水渠系統。

一般固體廢物管理

本集團於日常營運和生產過程中會產生一定程度的無害廢棄物，包括廚餘、工業廢物、金屬、塑膠、紙張、生活廢物等。

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To ensure that waste discharge does not cause a heavy burden on the environment, we strictly control the sorting, storage and recycling of waste, and implement several measures to reduce waste at source:

為確保廢棄物排放不會對環境造成重大負擔，我們對廢棄物的分類、存放和回收進行嚴格管理，同時實施多項措施，從源頭減廢：

<p>Sorting and collecting 分類收集</p>	<ul style="list-style-type: none"> • Sorting bins are placed in the factory to collect waste separately, to avoid solid and liquid chemical hazardous waste mixing into general waste 於工廠設置分類垃圾桶將廢棄物分開收集，避免將固體及液體化學危險廢物混入一般廢棄物 • General solid waste is collected and treated by solid waste collectors 安排固體廢物收集商收集及處理一般固體廢物
<p>Recycling and reusing 回收再用</p>	<ul style="list-style-type: none"> • A specific location is designated to collect recyclable wastes, including PVC rubber, waste paper and packaging materials, for the recyclers to collect 劃出指定位置收集可回收物，如PVC膠料、廢紙、包裝物料等，待回收商收集 • During the Reporting Period, 85 computer motherboards and 24 computer display screens were donated to Caritas Computer Workshop of Hong Kong 於報告期間捐贈85台電腦主機及24台電腦顯示屏予香港明愛電腦工場 • During the Reporting Period, 136 toner cartridges and inkjet cartridges were donated to Friends of the Earth (HK) 於報告期間捐贈136盒碳粉盒及噴墨盒予香港地球之友 • Employees are encouraged to reuse waste papers and bubble wraps as the packing materials for product packaging 鼓勵員工循環再用廢紙及汽泡紙作為產品包裝的填充物 • Encouraging the recycling of carton, plastic bags and stone-filled plastic boxes 鼓勵將紙箱、膠袋和裝石膠盒循環再用 • Environmental protection activities, such as recycling and reusing of red packets, were initiated internally 於內部發起利是封回收再用等環保活動
<p>Reducing waste at source 源頭減廢</p>	<ul style="list-style-type: none"> • We have promoted the “Bring Your Own Bag” campaign at our retail outlets since 2015, and donated all fees charged for plastic shopping bags to Green Power, an environmental protection organization in Hong Kong, during the Reporting Period 自2015年起在旗下零售店推行「自備購物袋」活動，並在報告期間將塑料購物袋的收益全數捐贈予香港環保組織綠色力量 • Employees are encouraged to make good use of toilet papers, adopt double-sided printing as far as possible, and promoted electronic communication, to reduce paper consumption at source 鼓勵員工善用廁紙、盡量採用雙面印刷，並提倡電子化溝通，從源頭減少紙張消耗 • Selecting materials in the most appropriate size when cutting materials to reduce wastage 切割物料時，選擇最適當尺寸的物料，以減少剩餘的廢料 • Using the appropriate amount of solvents/cleaners to reduce unnecessary wastage 溶劑／清潔劑等使用適當劑量，減少不必要的浪費

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The following is our non-hazardous waste data during the Reporting Period and the FY2019:

以下為我們於報告期間及2019財年的無害廢棄物數據：

Indicator 指標	Unit 單位	FY2020 2020財年	FY2019 2019財年
Total Amount of Non-hazardous Waste Produced (Note 3) 所產生無害廢棄物總量(附註3)	tonnes 公噸	318.95	526.69
Recycled Waste 已回收廢物量			
Food Wastes 廚餘	tonnes 公噸	8.59	17.00
General Industrial Waste (Note 4) 一般工業廢物(附註4)	tonnes 公噸	33.44	78.46
Metal (Note 4) 金屬(附註4)	tonnes 公噸	0.58	5.53
Other General Waste (Note 4) 其他生活廢物(附註4)	tonnes 公噸	2.42	0.50
Paper (Note 4) 紙張(附註4)	tonnes 公噸	11.27	29.99
Disposed Waste 已處置廢物量			
Plastic 塑膠	tonnes 公噸	0.65	0.51
Other General Waste 其他生活廢物	tonnes 公噸	262.00	394.70
Intensity of Total Non-hazardous Waste Produced 所產生無害廢棄物總量密度	kg/turnover (HKD'000) 公斤／營業額(千港元)	0.042	0.045

Note 3: The figure represented the amount of non-hazardous waste generated from our jewellery processing plants only. The non-hazardous waste generated from our self-operated shops and offices in Hong Kong, Macau and Mainland was handled by property management companies.

附註3：該數據僅代表我們珠寶加工廠產生的無害廢棄物數量。我們於香港、澳門及內地自營店及辦事處所產生的無害廢棄物由物業管理公司進行處理。

Note 4: Classification in handling method of the figures of FY2019 have been updated according to actual situation.

附註4：2019財年的數據已根據實際廢棄物處理方法作出分類上的修正。

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Management of Chemical Hazardous Waste

The Group generates hazardous waste in the course of its production, such as waste parts/components, vacant chemical containers, sludge from sewage treatment systems, waste lubricating grease, waste batteries, waste light pipes, waste ink cartridges, radioactive waste, concentrated acid waste solvents, concentrated alkali waste solvent, waste lubricating oil, waste lubricating coolant, waste paint and grease produced during cooking. Solid chemical hazardous waste is temporarily stored in a sealed container with a lid to avoid leakage of chemical substances. Solid and liquid chemical hazardous waste is stored in containers labelled with the types and characteristics, and is collected and processed by approved chemical hazardous waste handlers. We also arrange special personnel to inspect weekly to ensure proper collection and storage of hazardous waste. Radioactive waste is collected and recycled by the manufacturer. Hazardous wastes such as acid waste liquid, waste light pipe, and solid wastes including gypsum cake, biochemical pool sludge, grease trap slag, are handled by different qualified recyclers.

化學危險廢物管理

本集團於生產過程中會產生有害廢棄物，如廢零／部件、空置的化學危險品容器、污水處理系統所產生的污泥、廢潤滑油脂、廢電池、廢光管、廢墨水匣、放射性廢物、濃酸廢溶劑、濃鹼廢溶劑、廢潤滑油、廢潤滑冷卻劑、廢油漆及煮食時所產生的油脂等。固體化學危險廢物會暫存於有蓋密封容器，避免化學物質洩漏，並在儲存固體及液體化學危險廢物的容器貼上標識，標明其種類及特性，待受認可的化學危險廢物供應商收集及處理，亦會安排專人每星期進行檢查，確保危險廢物被妥善收集及儲存。放射性廢物會由生產廠家收集及回收。含酸廢液、廢光管等危險廢物與石膏餅、生化池污泥、隔油池渣等固廢，會交由不同合資格的回收商收集處理。

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The following is our hazardous waste data during the Reporting Period and the FY2019:

以下為我們於報告期間及2019財年的有害廢棄物數據：

Indicator 指標	Unit 單位	FY2020 2020財年	FY2019 2019財年
Total Amount of Hazardous Waste Generated (Note 5) 所產生有害廢棄物總量(附註5)	tonnes 公噸	6.44	8.42
HW06 Waste Organic Solvent and Waste Containing Organic Solvent HW06廢有機溶劑與含有機溶劑廢物	tonnes 公噸	4.647	4.74
HW08 Waste Mineral Oils and Waste Containing Mineral Oils HW08廢礦物油與含礦物油廢物	tonnes 公噸	0.145	0.33
HW12 Waste Dyes and Paints HW12染料、塗料廢物	tonnes 公噸	0.045	0.05
HW13 Organic resin waste HW13有機樹脂類廢物	tonnes 公噸	0.0035	N/A 不適用
HW29 Mercury Wastes HW29含汞廢物	tonnes 公噸	0.218	0.10
HW34 Waste Acid HW34廢酸	tonnes 公噸	0.466	0.75
HW35 Waste Alkali HW35廢鹼	tonnes 公噸	0.474	2.07
HW49 Other Waste HW49其他廢物	tonnes 公噸	0.439	0.40
Intensity of Total Hazardous Waste Generated 所產生有害廢棄物總量密度	kg/turnover (HKD'000) 公斤／營業額(千港元)	0.00085	0.00071

Note 5: The figure represented the amount of hazardous waste generated from our jewellery processing plants in Nansha only. No hazardous waste was generated from our self-operated shops and offices in Hong Kong, Macau and Mainland.

附註5：該數據僅代表我們南沙珠寶加工廠所產生的有害廢棄物數量。我們於香港、澳門及內地自營店及辦事處並無產生有害廢棄物。

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Use of Water

The Group recognizes the issue of limited water resources, and puts efforts in managing its water consumption and sewage discharge, to protect precious water resources. Our water supply mainly comes from water supply agencies of local government and property management companies. During the Reporting Period, there was no issue in sourcing water that is fit for purpose. Some of the processed gypsum wastewater and electroplating wastewater is recycled for toilet flushing and greening, to improve water efficiency and reduce water consumption. We also repair leaky faucets on time to minimize the waste of drinking water.

Our water consumption data during the Reporting Period and the FY2019 are as follows:

Indicator 指標	Unit 單位	FY2020 2020財年	FY2019 2019財年
Total Water Consumption (Note 6) 總耗水量 (附註6)	m ³ 立方米	163,610.97	209,798.00
Intensity of Total Water Consumption 總耗水量密度	m ³ /turnover (HKD'000) 立方米／營業額 (千港元)	0.022	0.021

Note 6: Some of the Group's self-operated shops in Hong Kong, Macau and Mainland operate in leased spaces. The water supply is controlled by the property management offices. The relevant property management offices considers that it is not feasible to provide water data or sub-meters to individual tenants. Therefore, the total water consumption only covers offices and self-operated shops in Hong Kong, Macau and Mainland, staff quarter and warehouse in Hong Kong and Macau, and our jewellery processing plants in Nansha, where the water supply is controlled by the Group. The relocation of self-operated shops varies from year to year, so the data for FY2020 and FY2019 cannot be directly compared.

水資源使用

本集團深明水資源緊絀的問題，並著力管理自身的用水消耗和污水排放，以保護珍貴的水資源。我們的用水主要來自地方政府供水機構及物業管理公司，於報告期間，我們在求取適用水源上沒有遇到問題。部分經處理過的石膏廢水和電鍍廢水會循環再用於沖廁所與綠化用途，以提高用水效益，減少食水消耗。我們亦會及時對漏水的水龍頭進行維修，盡最大程度減少食水浪費。

以下為我們於報告期間及2019財年的用水數據：

附註6：本集團部分於香港、澳門及內地的自營店在租賃辦公地方營運，供水均為大廈管業處自行控制，而相關管業處認為向個別租戶提供用水數據或分錶並不可行。因此，總耗水量僅涵蓋水供應受本集團控制的香港、澳門和內地辦事處及自營店、香港及澳門的員工宿舍及倉庫、及南沙珠寶加工廠。而自營店的搬遷情況每年各有差異，故2020財年與2019財年的數據不能作直接的比較。

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Use of Energy

We are committed to seeking suitable energy optimization measures in our course of operation and production, to reduce the carbon footprint of the Group. During the Reporting Period, we implemented the following measures:

- Made use of a glass ceiling in the office building of the factory area, to maximise natural lighting and reduce the use of electric lights
- Encouraged employees to turn off computers when they leave the working area to reduce electricity consumption
- Promoted the use of rechargeable batteries
- Participated in the “Charter on External Lighting Programme” implemented by the Environment Bureau of Hong Kong, with 21 branches in Causeway Bay, North Point, Jordan, Mong Kok, Tsim Sha Tsui, Tsuen Wan and Yuen Long turning off external lighting from 12am to 7am, to reduce light nuisance and energy consumption. The Group was awarded the “Gold Award” in the “Charter on External Lighting Programme” during the Reporting Period.

能源使用

我們致力在營運及生產過程中尋求合適的能源優化措施，以減低本集團的碳足印。於報告期間，我們實施的措施包括：

- 工廠區辦公樓頂採用玻璃設計，達到自然採光的效果，減少使用電力照明
- 鼓勵員工離開工作區時關閉電腦，減少耗電
- 提倡使用可充電式電池
- 參與香港環境局推行的《戶外燈光約章》計劃，旗下21間分佈在銅鑼灣、北角、佐敦、旺角、尖沙咀、荃灣及元朗等分店從晚上12時至翌日早上7時的非營業時段關掉戶外燈光，以減低光滋擾和減少能源消耗。本集團於報告期間獲得《戶外燈光約章》計劃的金獎。

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Our energy consumption data during the Reporting Period and the FY2019 are specified in the table below:

下表詳列本集團於報告期間及2019財年的能源使用數據：

Indicator 指標	Unit 單位	FY2020 2020財年	FY2019 2019財年
Total Energy Use 總能源使用	MWh 千個千瓦時	15,535.59	20,386.53
Intensity of Total Energy 總能源密度	kWh/turnover (HKD'000) 千瓦時／營業額(千港元)	2.05	1.73
Direct Energy 直接能源	MWh 千個千瓦時	2,826.73	3,433.16
Unleaded Petrol 無鉛汽油	MWh 千個千瓦時	431.23	398.82
Diesel Oil 柴油	MWh 千個千瓦時	722.05	1,019.46
Natural Gas 天然氣	MWh 千個千瓦時	1,673.45	2,014.87
Intensity of Direct Energy 直接能源密度	kWh/turnover (HKD'000) 千瓦時／營業額(千港元)	0.37	0.29
Indirect Energy – Purchase Electricity (Note 7) 間接能源－購買電力(附註7)	MWh 千個千瓦時	12,708.86	16,952.37
Intensity of Indirect Energy 間接能源密度	kWh/turnover (HKD'000) 千瓦時／營業額(千港元)	1.68	1.44

Note 7: The Group's self-operated shops in Hong Kong, Macau and Mainland operate in leased spaces. The power supply is controlled by the property management offices. Some of the relevant property management offices considers that it is not practicable to provide electricity data or sub-meters to individual tenants. Therefore, the total electricity consumption only covers offices and self-operated shops in Hong Kong, Macau and Mainland, staff quarter and warehouse in Hong Kong and Macau, and jewellery processing plants in Nansha of the Group. The relocation of self-operated shops varies from year to year, so the data for FY2020 and FY2019 cannot be directly compared.

附註7：本集團於香港、澳門及內地的自營店在租賃地方營運，供電均為大廈管業處自行控制，而部份相關管業處認為向個別租戶提供用電數據或分錶並不可行。因此，總耗電量僅涵蓋本集團旗下位於香港、澳門和內地辦事處及自營店、香港及澳門的員工宿舍及倉庫、及南沙珠寶加工廠。而自營店的搬遷情況每年各有差異，故2020財年與2019財年的數據不能作直接的比較。

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Packaging Materials

As our business involves production, we also use packaging materials for product packaging. The data on packaging materials for finished products of the Group during the Reporting Period and the FY2019 are specified in the table below:

Indicator 指標	Unit 單位	FY2020 2020財年	FY2019 2019財年
Total Amount of Packaging Materials Used in Finished Products 製成品所用包裝材料的總量	tonnes 公噸	290.17	306.52
Intensity of Packaging Materials Used in Finished Products 製成品所用包裝材料的密度	kg/turnover (HKD'000) 公斤／營業額（千港元）	0.038	0.026

包裝物料

由於我們的業務涉及生產，我們亦會使用包裝物料為產品進行包裝。下表詳列本集團於報告期間及2019財年的製成品包裝物料數據：

The Group was awarded “BOCHK Corporate Environmental Leadership Awards” for four consecutive years

本集團連續四年於「中銀香港企業環保領先大獎」獲得嘉許



Lukfook Jewellery (Guangzhou) Company Limited and Lee Fook Diamond & Jewellery (GuangZhou) Company Limited won the “EcoPartner” and “5 Years+ EcoPioneer” respectively in the “BOCHK Corporate Environmental Leadership Awards 2018” jointly organised by the Federation of Hong Kong Industries (“FHKI”) and Bank of China (Hong Kong) (“BOCHK”), recognising the Group’s efforts in implementing and promoting environmental protection in various aspects. FHKI and BOCHK have been co-organising the “BOCHK Corporate Environmental Leadership Awards” since 2015, aiming to encourage enterprises operating in Hong Kong and Pan-Pearl River Delta to implement environmental protection measures to fulfil corporate social responsibilities and reduce environmental pollution.

本集團旗下六福珠寶（廣州）有限公司及廣州利福鑽石首飾有限公司分別榮獲由香港工業總會（工總）與中國銀行（香港）（中銀香港）聯合頒發的「中銀香港企業環保領先大獎2018」之「環保傑出伙伴」及「5年+參與環保先驅獎章」，表揚集團於各範疇對環保的實踐與推廣。「中銀香港企業環保領先大獎」自2015年起由工總與中銀香港合辦，旨在鼓勵香港及泛珠三角地區營運的企業推行環保措施，以履行企業社會責任，減少環境污染。

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The Group won two awards in Shops and Retailers Category and Manufacturing and Industrial Services Category in the “Hong Kong Awards for Environmental Excellence”

本集團於「香港環境卓越大獎」「商舖及零售業」及「製造業及工業服務」組別勇奪兩項殊榮



The Group won the Certificate of Merit in Shops and Retailers Category for the first time, and the Certificate of Merit in Manufacturing and Industrial Services Category again in the “Hong Kong Awards for Environmental Excellence”, in recognition of its outstanding contribution in environmental management.

本集團於「香港環境卓越大獎」中首次在「商舖及零售業」組別榮獲優異獎；而在「製造業及工業服務」組別中亦再度獲得優異獎，表揚本集團在環境管理工作上的卓越貢獻。

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Corporate Citizen

The Group has supported community service for many years and commits to fulfilling social responsibilities. We strive to help the needy in society through donations and sponsorships. Also, we have established the Lukfook Volunteer Team to encourage employees and their families to help disadvantaged groups and promote a caring culture.

企業公民

本集團多年來支持公益服務，盡力履行社會責任，透過不同的捐款及贊助項目，幫助社會上有需要的人士。同時，通過成立六福義工隊，鼓勵員工及其家人幫助弱勢社群，提倡關懷文化。

TWGHs Lukfook Group Chinese Medicine Clinic was officially unveiled 「東華三院六福集團中醫診所」正式揭幕



The Group has been enthusiastic about charity and has been supporting the local charity Tung Wah Group of Hospitals. In FY2019, the Group donated a total of HK\$2.2 million to Tung Wah Group of Hospitals. In the “Tung Wah Charity Gala 2018” charity night, we donated HK\$1 million to support the medical service of a Chinese medicine clinic, and the board of directors of Tung Wah Group of Hospitals specially named the Chinese medicine clinic, which is located at Cheung Sha Wan Plaza and was officially unveiled during the Reporting Period, as “TWGHs Lukfook Group Chinese Medicine Clinic”. We aim to serve the residents in the district with quality, convenient and diversified specialist Chinese medicine services, and benefit more people. TWGHs Lukfook Group Chinese Medicine Clinic provides internal medicine, acupuncture, naprapathy (Tui-na) and other specialist Chinese medicine services to the residents. Besides, Tung Wah Group of Hospitals offers Chinese medicine home or office delivery services for the convenience of residents, to meet the needs for Chinese medicine treatment and healthcare services of the residents in the district.

本集團熱心公益，並一直支持本地慈善機構東華三院。本集團於2019財年一共捐贈220萬港元予東華三院，其中於「歡樂滿東華2018」慈善晚會中所捐贈的100萬港元用作支持中醫診所之醫療服務，故東華三院董事局特意將位於長沙灣廣場的中醫診所，命名為「東華三院六福集團中醫診所」，並於報告期內正式揭幕。我們希望能為區內市民提供優質、方便和多元化的中醫專科服務，令更多市民受惠。「東華三院六福集團中醫診所」為市民提供中醫內科、針灸、推拿等專科服務。另外，為方便市民，東華三院亦設有中藥派遞服務到住宅或辦公室，全面照顧區內市民對中醫治療及保健服務的需要。



“TWGHs Lukfook Group Chinese Medicine Clinic” has commenced service
「東華三院六福集團中醫診所」已投入服務



The acupuncture-naprapathy (Tui-na) treatment room in “TWGHs Lukfook Group Chinese Medicine Clinic”
「東華三院六福集團中醫診所」內設有針灸推拿治療室

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group came first in the “Oxfam Rice Event 2019” and ranked among the top three for ten consecutive years

本集團榮獲「樂施米義賣大行動2019」全港冠軍殊榮並連續十年榮登三甲之列



The Group won the championship of Ordering Oxfam Rice (Organisation Category) in “Oxfam Rice Event 2019”, and ranked among the top three for ten consecutive years, to recognise the Group’s active support for the poverty alleviation of Oxfam. The “Oxfam Rice Event” is an annual major fundraising event for Oxfam. The theme of the event for this year is “Don’t let poverty continue on to the next generation”, to reflect and keep an eye on the intergenerational poverty of smallholder farmers. The funds raised would be used to support global poverty-stricken smallholder farmers, helping them to improve their lives, and escape poverty in the long run.

本集團於「樂施米義賣大行動2019」中榮獲「集體訂米（機構組）籌款獎」冠軍，並已連續十年榮登三甲之列，以表彰集團積極支持樂施會的扶貧發展。「樂施米義賣大行動」是樂施會一年一度的大型籌款活動。本年度活動主題為「不要讓貧窮延續下一代」，以反映並關注現有小農戶跨代貧窮問題。所籌得的款項將用以支援全球貧窮中掙扎的小農戶，並幫助他們持續改善生活，長遠脫貧。

The Group enthusiastically supports the “Community Chest 50th Anniversary Walk for Millions”

本集團熱心支持「公益金五十週年百萬行」

The Group adheres to the spirit of giving back to the community and has been actively supporting the fundraising activity of “Community Chest Walk for Millions” for many years. During the Reporting Period, we continued to participate in the “Community Chest 50th Anniversary Walk for Millions” to help people in need in the society to improve their living.

本集團秉承回饋社會的精神，多年來積極支持香港「公益金百萬行」籌款活動，報告期內亦繼續參與「公益金五十週年百萬行」，幫助社會上有需要人士改善生活。



The Group’s employees and their families stepped out to support “The Community Chest Walk for Millions”

本集團員工及其家屬舉步支持百萬行

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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“Hiking × Eco Clean up” Action of the Lukfook Volunteer Team 六福義工隊「行山×執垃圾」行動



The country parks in Hong Kong are full of trash left behind by visitors, which not only damages the scenery, but also brings environmental hygiene issues, and increases the risk of accidental ingestion of trash by wild animals that affects the ecosystem. In view of this, Lukfook Volunteer Team joined hands with Green Power to organize “Hiking × Eco Clean up” Action to carry baskets on their backs and clean up refuse along the trails in country parks, working together to protect our environment.

香港郊野公園滿佈遊人遺下垃圾，不但破壞景觀，亦會帶來環境衛生問題，同時增加野生動物誤食垃圾的風險，影響生態環境。有見及此，六福義工隊與綠色力量舉辦「行山×執垃圾」行動，身體力行背上清潔籃，協助清理郊野公園路徑垃圾，共同努力保護我們的環境。

Lukfook Volunteer Team visited people with mental disabilities 六福義工隊探訪智力發展有障礙人士

To promote the integration of the disabled and able-bodied, Lukfook Volunteer Team partnered with Fu Hong Society to visit mentally challenged people and make “fluid painting” with them, hoping to support their rehabilitation and development through cultural and artistic activities, and enable them to realise their potential. Artistic creation can also promote their communication with volunteers, and help them to integrate into society.

為了實踐促進傷健共融，六福義工隊與扶康會合作，探訪智力發展障礙人士，並與他們一同製作「流體畫」，希望透過文化藝術活動，協助他們身心康復和發展，讓他們盡展所能。藝術創作亦可促進他們與義工的溝通，幫助他們融入社會。



Lukfook Volunteer Team visited the elderly 六福義工隊長者探訪



Lukfook Volunteer Team partnered with the Hong Kong Christian Service to organise an elderly visit campaign. Our volunteers had tea with senior friends, to extend care and warmth to the elderly.

六福義工隊與香港基督教服務處合作，舉辦長者探訪義工活動，與長者共晉下午茶，為長者帶來溫暖和關懷。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

TO EMPLOYEES: LUKFOOK FAMILY

The Group has always regarded every employee as our valuable asset, and valued human resources management, to ensure that employees thrive and grow in a sound working environment and a fair and challenging culture. We also offer a comprehensive career developmental ladder and training opportunities, to integrate staff self-valuation and the development process of the Group, thereby upholding our philosophy of “People Focus, Value for Harmony, and Results Orientation”.

The Group strictly abides by all laws and regulations related to employment, including the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China and the Employment Ordinance of Hong Kong, and formulates our employment policies concerning compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, occupational health and safety, and preventing child or forced labour in compliance with the relevant laws and regulations. To ensure the rights and interests of both the Group and its employees, we set out the arrangement on compensation and benefits, holidays, signing of labor contract, working hours, etc. in our Staff Handbook and other relevant policies. Employees will be notified in due course if there is any update, to ensure that they are kept informed and updated.

對員工：六福大家庭

本集團一向視每位員工為我們的寶貴財富，重視人力資源管理，確保員工在良好的工作環境和公平及具挑戰性的氛圍中茁壯成長，同時提供完善的職業發展階梯和培訓機會，務求把員工的自我價值和企業的發展進程結合，貫徹「人為本、和為貴、效為先」的理念。

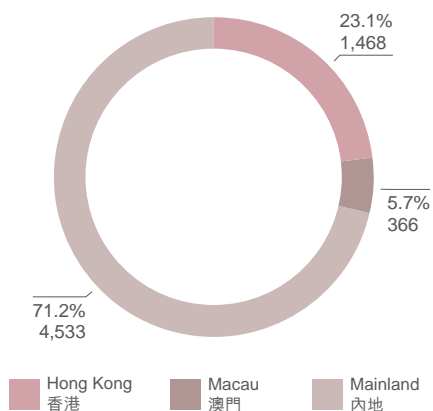
本集團恪守所有與僱傭相關的法律及規例，包括《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及香港《僱傭條例》等，並按照此等法律及規例制訂有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利、職業健康與安全，以及防止童工或強制勞工的人事僱傭制度。為保障本集團及員工的雙方權益，我們在《員工手冊》及其他相關制度列明有關薪酬福利、假期、勞動合同簽訂、工作時數等安排，如有更新時會適時向員工作出通知，確保他們了解最新情況。



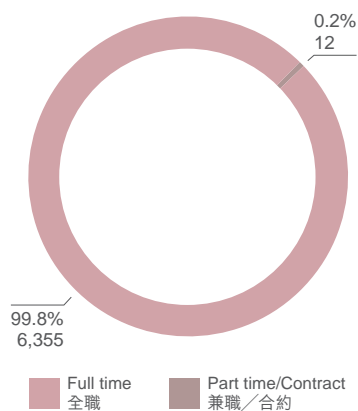
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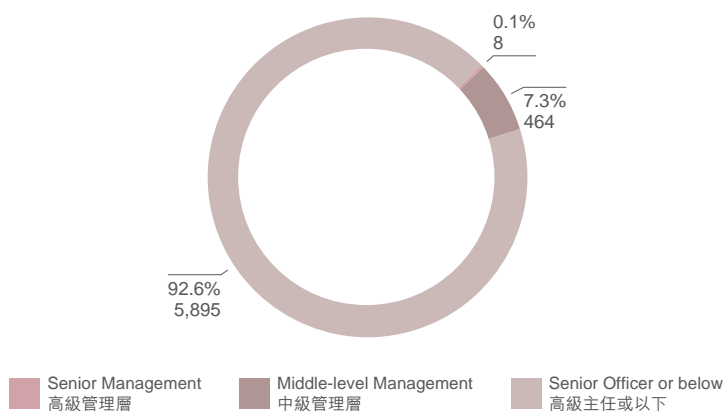
Total Workforce By Geographical Region
按地區劃分的僱員總數



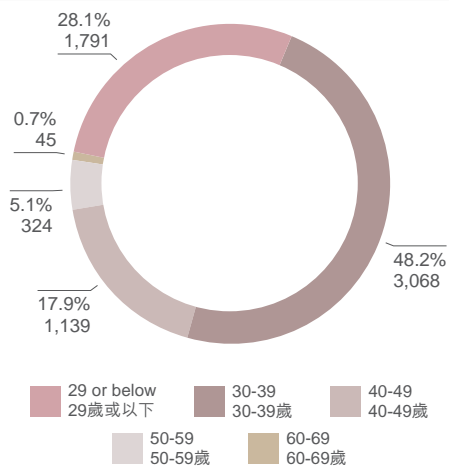
Total Workforce By Employment Type
按僱傭類型劃分的僱員總數



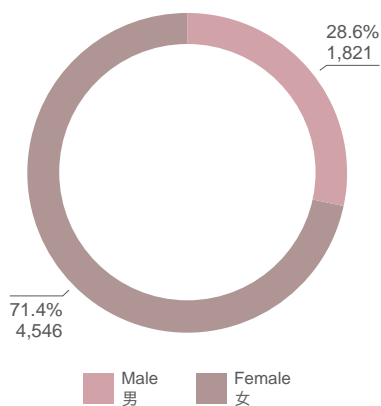
Total Workforce By Grading
按級別劃分的僱員總數



Total Workforce By Age Group
按年齡組別劃分的僱員總數



Total Workforce By Gender
按性別劃分的僱員總數



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

RECRUITING AND RETAINING TALENTS

Through internal training initiatives as well as via local, overseas and on-campus recruitment, we continue to build up and strengthen our talent pool. We have established an inventory of technical cadres, back-up management, and a corresponding evaluation and selection mechanism, creating a platform for employees on career and personal development. Through collaboration with professional recruitment agencies and higher education institutions, the Group actively brings in technical and management specialists via on-campus, local and overseas recruitments. We seek to provide open and equal employment opportunities and platforms, where the ability and qualification of candidates remain as the most important assessment criteria in the recruitment process, factors such as gender, age, disability, family position, ethnicity and religion will not affect the chance of the applicants.

To retain talents, the Group provides staff with good promotion prospects and opportunities. We review the performance of employees via an annual year-end assessments and determine the promotion of staff based on their appraisal results, academic qualifications, and rewards and punishment records.

Also, we have formulated a well-designed remuneration system to maintain a talented employee base. Employee remuneration is determined by factors such as position, working performance and result, and professional and managerial competency. We review the remuneration system regularly to ensure that it is in line with the market and employees are offered with reasonable and competitive remuneration packages.

If an employee terminates his/her employment contract, an exit interview will be arranged to understand his/her reason(s) for departure and collect his/her opinion on the Group for our improvement. If the reason for leaving is related to the working locations or working hours, we will coordinate and adjust on a best effort basis to retain talents.

廣納及挽留人才

我們通過自身培養、社會招聘、海外招聘、校園招聘等方式不斷強化人才團隊建設，並建立技術幹部人才庫、後備管理及相應的考核選拔機制，為員工搭建職業生涯和個人成長的平台。本集團透過與專業招聘機構、高等院校合作，從校園、本地甚至海外積極引進技術及管理專才。我們務求提供公開而平等的就業機會與平台，在招聘的過程中視應徵者的能力和資質為最重要的考核要素，性別、年齡、殘疾、家庭崗位、種族及宗教等因素絕不會影響其受僱機會。

為挽留人才，本集團設有良好的晉升階梯，會透過每年年底的考核，檢視員工的工作表現，並以考核結果、員工學歷以及獎懲紀錄作為取決員工晉升的準則。

此外，制定完善的薪酬制度亦有助我們挽留人才。員工的薪酬由職位、工作表現和業績，以及個人專業及管理能力的因素制訂。我們會定期審視薪酬制度，確保與市場水平掛鈎，向員工報以合理和具競爭力的薪酬。

如員工終止僱傭合約，我們會安排離職面談，了解其離職原因並收集他們對本集團的意見，以便我們作出改善。如離職原因與上班地區或工時相關，我們會盡量作出配合和調整，盡力挽留人才。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

WELFARE AND SAFEGUARDS

To build a sustainable and stable team, the Group places a strong emphasis on the welfares and safeguards for our employees. Our full-time employees are entitled to medical insurance and retirement plans, annual leave, maternity leave, paternity leave, marriage leave, compassionate leave and other holidays, as well as, discounts, bonuses and other benefits, and retail employees are also entitled to meal subsidies, bonuses and other rewards.

To protect the rights and interests of employees, our employment contract clearly prescribes the working hours of our staff, and their working hours will be adjusted according to the needs of the companies to which they are appointed and the job. We have also established a grievance mechanism. Employees can deliver their work-related complaints or grievances of being treated unfairly via email, telephone or face-to-face interview. We undertake to keep the relevant information confidential to protect the whistle-blower.

The Group adopts a zero-tolerance attitude towards child labour or forced labour, while strictly abiding by the major human rights declaration. We establish procedures following relevant national and local laws, regulations and international standards to ensure that the recruitment process and daily operations comply with relevant standards. During FY2020, we did not identify any issue with child labour and forced or compulsory labour, indicating positive results from our efforts in practice.

We aim at creating a platform for employees' enjoyment as well as career growth. We offer various leisure and sports activities such as basketball games, yoga workshops and regular birthday celebrations to light up the working atmosphere and enhance the bonding among employees. In Lukfook Jewellery Park, we provide comfortable quarters for our employees with multiple well-equipped recreational facilities including basketball courts, gymnasiums, karaoke rooms, libraries, TV rooms, etc., to create a relaxing environment to facilitate work-life balance for employees.

福利及保障

為建立一個可持續和穩定的團隊，本集團對員工的福利與保障尤為重視。我們的正式員工可享有醫療保險及退休計劃、年假、產假、侍產假、婚假、恩恤假等假期，折扣優惠及花紅等福利，而零售員工亦可享有餐補和獎金等福利。

為保障勞工權益，我們於員工的僱傭合約清晰列明其工作時間安排，其工作時間會因應所屬公司和工作需要而有所調整。我們亦設有申訴機制，員工如有任何有關工作的投訴或受到不公平待遇，可透過電郵、電話或面談作出申訴。我們承諾會將有關資料保密，以保障申訴人的身份。

本集團對童工或強制勞工採取零容忍態度，同時嚴格遵守主要人權宣言。我們根據相關國家及地方法律、規例及國際準則設立相關程序，確保招聘流程及日常營運符合相關準則。於2020財年並無有關童工及強制或強迫勞工事件的報告，顯示我們的相關舉措成效正面。

我們希望給員工一個能夠成長和享受生活的平台，會舉辦多項文娛休閒及體育活動，例如籃球比賽、瑜伽工作坊及定期生日慶祝活動等，為本集團注入活力，同時讓員工互相交流以加強凝聚。在六福珠寶園，我們為員工提供舒適的宿舍，並配備完善配套和休閒設施，如籃球場、健身設施、卡拉OK廳、圖書閱覽室及影視部等，讓員工適時放鬆，平衡工作與生活。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Recognised as “Happy Company” for 6 Consecutive Years 連續六年獲認可為「開心企業」

The Group has been recognised as “Happy Company” in the “Happiness-at-work Promotional Scheme” for six consecutive years. The Happiness-at-work Promotional Scheme is hosted by the Promoting Happiness Index Foundation of Hong Kong and implemented by the Hong Kong Productivity Council, aiming to raise the recognition of Hong Kong companies and organizations for “Happiness-at-work” and advance the creation of a happy working environment by all sectors of society, thereby raising the happiness-at-work level of Hong Kong people.

本集團連續六年在「開心工作間」推廣計劃中獲認可為「開心企業」。「開心工作間」推廣計劃由香港提升快樂指數基金主辦，並由香港生產力促進局執行，宗旨在於提升香港企業及機構對「開心工作間」的認同感，促進各界攜手建設愉快的工作環境，共同提高香港人的工作快樂水平。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

TRAINING AND DEVELOPMENT

Staff training is one of the key tasks of the Group during the Reporting Period. The Group is committed to improving the training system, refining relevant training and assessment system, integrating internal and external resources, and providing a sound learning and communication platform for employees. In respect of internal training, we have set up district training centres in four areas including Beijing, Shanghai, Wuhan and Nansha, to provide diversified training programs to employees so that they can keep abreast of the latest development of the industry and the Group. As for external training, we actively seek collaboration with external professional bodies, such as the H.K. Institute of Gemmology and the Guangdong Province Jewellery and Precious Metal Testing Centre, to organize training programs. We also sponsor our staff to enroll in external programs so that they can continuously improve professional knowledge and skills to better themselves. The internal and external training courses we provided for employees include, but are not limited to:

- Customer service skills
- Store management
- Product knowledge
- Craftsmanship
- Legal and regulatory training
- China GTC Diamond and Jade Inspector Certificate Course
- 客戶服務技巧
- 店舖管理
- 產品知識
- 工藝技術
- 法律及法規培訓
- 中國GTC鑽石及翡翠檢驗員證書課程



Lukfook Professional Ethics and Etiquette Course
六福職業素養與禮儀班



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the Reporting Period, the Group was named one of the “Best Participating Company in Online Learning Program” on the “E-learning Platform” organised by Hong Kong Jewellers’ & Goldsmiths’ Association (the “HKJGA”) and Mr. WONG Chit, a frontline employee of the Group, was honoured as one of the “The Best Performer” for scoring a success in test results on the “E-learning Platform”. HKJGA, Trade and Industry Department and all players have made dedicated efforts to promote the scheme and roll out the “Intelligent Learning Platform” for the retail jewellery industry, to explore innovative training strategies and development. This platform helps reinforce the jewellery knowledge of frontline employees in the jewellery industry and their adaptability during operation. We hope that more learning and training opportunities will be provided to enhance the overall competitiveness of practitioners and facilitate the long-term development of the jewellery industry. The “Intelligent Learning Platform” is a project implemented by the HK Association and sponsored by the Trade and Industry Department. The platform develops training videos on basic jewellery knowledge and business regulations, as well as, an electronic problem base which can assess the professional knowledge of retail jewellery practitioners. The Group hopes that the service standard and professional image of our frontline staff can be raised via participating in the project, to further enhance the industry reputation of the Group.

於報告期間，本集團於香港珠玉石器金銀首飾業商會（「香港商會」）主辦之「智能學習平台」測驗，榮膺「最踴躍參與電子課程機構」之一，而本集團前線員工王捷先生亦成為「最佳網上測試表現從業員」之一。是次計劃有賴香港商會、工業貿易署及各同業的努力推動，推出針對珠寶零售業的「智能學習平台」，開拓嶄新的培訓策略發展。這平台有助加強珠寶行業前線員工的珠寶知識及營運時的應變能力，我們期望未來會有更多的學習及培訓機會，提高從業員整體競爭力，並促進珠寶行業的長遠發展。「智能學習平台」是由香港商會推行，並獲得工業貿易署撥款支持的項目。該平台具備關於珠寶基礎知識及營商法規條例的培訓短片和電子問題庫，可評估珠寶零售從業員的專業知識。本集團希望可藉參與是次項目加強前線員工服務水平及專業形象，以進一步提升本集團在業界的聲譽。



Training Camp of “Leadership Sand Table for Core Team”
「核心團隊領導力沙盤」訓練營

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Occupational Health and Safety

Protecting the health and safety of our employees is of fundamental importance to us. We comply with the Work Safety Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Occupational Safety and Health Ordinance of Hong Kong and other laws and regulations, and provide employees with adequate protective equipments, facilities and medical coverage, as well as, establish and maintain a safe working environment, to safeguard their health and safety. The measures implemented in our offices, retail stores and factories include:

職業健康及安全

保障員工的健康和安全對我們來說至關重要。我們遵照《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》及香港《職業安全及健康條例》等法律及規例，為員工提供足夠的防護用品、設備和醫療保障，同時建立並維持安全的工作環境，為他們的健康與安全進行把關。我們於辦公室、零售店以及工廠已實施的措施包括：



Take out work-related injury insurance
購買工傷保險



Provide protective equipments such as masks and gloves based on job requirements
按崗位需要提供防護用品，包括口罩和手套



Establish a security department in the jewellery processing plant in Nansha, conduct regular security inspections and occupational hazards and disease risk assessments in the plant, identify safety hazards and rectify on a timely basis
於南沙珠寶加工廠設立安保部門，於工廠定期進行巡查及職業危害及疾病風險評估，識別安全隱患並及時整改



Carry out regular fire drills and training on safety and hygiene, establish occupational safety codes for the staff of offices and retail outlets, enhance their awareness of occupational health and safety, and nip hazards in the bud
定期進行消防演習和安全衛生培訓，並為辦公室及零售店的員工提供職業安全守則，提高員工的職安健意識，防患於未然



Carry out regular inspection and maintenance for occupational hazard protection facilities and emergency rescue facilities to ensure the safety of the facilities
對職業危害防護和應急救護設施進行定期檢查和維護，確保其安全性

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group made a concerted effort to combat the pandemic 集團上下攜手對抗疫情

In response to the outbreak of COVID-19, the Group is well-positioned to prevent and control the pandemic, and safeguard the health and safety of our employees. The jewellery processing plant in Nansha implemented the measures of quarantine inspection, health protection and safety production upon the resumption of operation in compliance with the “Work Program for On-site Inspection of Industrial Enterprises upon Resumption of Work” issued by the local government. We provided online training on “Knowledge of Preventing and Controlling COVID-19” and distributed “Personal Hygiene Handbook for COVID-19” to our employees, to communicate on the working area and knowledge of personal and household protection, instruct employees to wear masks, check body temperature, wash hand frequently, disinfect regularly, reduce meetings and maintain social distance, as well as, minimize the risk of spreading the virus in the park and among employees.

因應2019冠狀病毒病的爆發，本集團全體上下均嚴陣以待，做好防疫抗疫工作，保障員工健康與安全。位於南沙的珠寶加工廠按照地區政府發出的《工業企業復工現場核查工作方案》，於工廠復工時做好檢疫查驗、健康保護和安全生產措施。我們向員工提供「新型冠狀病毒肺炎個人防控知識」線上培訓，並派發《新型冠狀病毒肺炎個人防護手冊》，講解工作區域、個人和居家防護知識，指導員工上班佩戴口罩、接受體溫檢測、勤洗手、定期消毒、減少會議並保持社交距離，盡最大程度減低病毒於園區內和員工之間傳播的風險。



Yoga workshops
瑜伽工作坊

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Anti-corruption

We comply with the Company Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Hong Kong Prevention of Bribery Ordinance and other laws and regulations. We also follow internationally recognised industry standards, including the Kimberley Process Certification Scheme, the "Best Practice Principles" of De Beers, the "Practice Guidelines" of the Responsible Jewellery Council, as well as, other local industry codes, such as the "Code of Practice for the Jewellery Retail Sector" of the Hong Kong Consumer Council. We are committed to maintaining the highest ethical and governance standards in our operations and extend our commitment to the entire supply chain. We request our new staff to sign the "Integrity Undertaking" when they join the Group, and distribute the Staff Handbook to them, which sets out the requirements for conduct and discipline. We will issue notices on from time to time to reiterate Integrity Trading Policy. We will ask our suppliers to sign the "Integrity Trading Policy for Suppliers" when they enter into the supplier contracts with us.

We issue the "Guidelines of Soliciting or Accepting Advantages for Employees of the Group" to all customers, suppliers and peers before Chinese New Year and Christmas every year, to remind them not to offer gifts for business or networking. The Group prohibits employees from requesting and receiving any benefits by taking advantage of business relationships. If it is ungracious not to accept the gifts or red pockets, the employee shall declare and register the "Registration Form for Receiving Gifts and Red Pockets in Lunar New Year" with the Cashier Department, to detail the name of the giver or company name, content and value of the gifts or red pockets, and the form is subject to the written confirmation of the manager-in-charge. Each branch shall equally distribute the red pockets or gifts to colleagues or use the red pockets or gifts for raffles or dining together in the future, and the registration form shall be submitted to the administrative department of the Group by fax for record. We also remind our employees not to accept any benefits offered by suppliers or customers privately or secretly and shall declare to them that such actions have violated the Group's policies and integrity regulations, ask them to take back the benefits, and report to the supervisor and the Group immediately.

We also issue notices to the employees of Macau branches, and arranged for regular inspection of the branches by our Internal Audit Department, to ensure that the branches follow the "Preventive Guidelines against Crimes of Money Laundering and Terrorist Financing" of the Economic Bureau of Macau.

反貪污

我們遵照《中華人民共和國公司法》、《中華人民共和國反不正當競爭法》及香港《防止賄賂條例》等法律及規例，同時亦遵循國際間認可的行業標準，包括金伯利流程認證計劃及De Beers的《最佳執業守則》、責任珠寶業委員會的《從業準則》，以及其他本地行業守則，例如香港消費者委員會的《珠寶零售業營商實務守則》，承諾於業務營運中秉持最高的道德與管治標準，並將承諾擴展至整個供應鏈。我們要求員工辦理入職本集團時需簽署《廉潔承諾書》，並向其派發員工手冊，當中列明有關品行和紀律的要求。我們亦會不定期發出通告，重申廉潔交易政策。而與供應商簽訂供應商合同時，我們會要求對方簽署《供應商廉潔交易政策》。

每年農曆新年及聖誕節前，我們會發出《集團僱員索取及收受利益指引》予所有客戶、供應商及同業友好，提醒不要提供業務上或聯誼上的餽贈。本集團禁止員工藉業務關係向各界友好索取及收受任何利益。如盛意難卻下獲餽贈禮物及利是，員工須向出納部申報並登記《新年收取禮品及利是登記表》，詳列餽贈者姓名或公司名稱，禮品利是的內容及價值，並由主管經理簽署確認。各分行農曆年後須將利是或禮品平均分配予各同事或作日後抽獎、聚餐之用，而詳列之登記表則須傳真至本集團行政部作記錄。如供應商或客人私下或暗中提供任何利益，我們亦提醒員工不得接受，並須向其申明該等行為已觸犯本集團政策及廉政條例，請其收回並馬上向主管及本集團舉報。

我們亦發出通告予澳門分行員工，並安排內部審計部定期巡查分行，確保分行執行澳門經濟局《預防清洗黑錢及資助恐怖主義犯罪指引》。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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THE STOCK EXCHANGE OF HONG KONG ESG REPORTING GUIDE INDEX 香港聯交所環境、社會及管治報告指引索引

Subject Areas, Aspects, General Disclosures and KPI 主要範疇、層面、一般披露及關鍵績效指標	Policy/Procedure 政策/程序	Section/Disclosure 章節/聲明
A. Environmental A. 環境		
Aspect A1: Emissions 層面A1：排放物	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 一般披露 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Air Emission Management Guideline 廢氣排放管理指引 Solid Waste Management Guideline 固體廢物管理指引 Wastewater Emission Management Guideline 污水排放管理指引
KPI A1.1 關鍵績效指標A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	N/A 不適用
KPI A1.2 關鍵績效指標A1.2	Greenhouse gas emissions in total and intensity. 溫室氣體總排放量及密度。	N/A 不適用
KPI A1.3 關鍵績效指標A1.3	Total hazardous waste produced and intensity. 所產生有害廢棄物總量及密度。	N/A 不適用
KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced and intensity. 所產生無害廢棄物總量及密度。	N/A 不適用
KPI A1.5 關鍵績效指標A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	N/A 不適用
KPI A1.6 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	N/A 不適用
		Environmental Protection 環境保護
		Energy, Air and GHG Emissions 能源、廢氣及溫室氣體排放
		Energy, Air and GHG Emissions 能源、廢氣及溫室氣體排放
		Waste and Packaging 廢棄物及包裝物料
		Waste and Packaging 廢棄物及包裝物料
		Energy, Air and GHG Emissions 能源、廢氣及溫室氣體排放
		Waste and Packaging 廢棄物及包裝物料

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Aspect A2: Use of Resources 層面A2：資源使用	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials 一般披露 有效使用資源（包括能源、水及其他原材料）的政策。	Green Office Guideline 綠色辦公指引 Environmental Procurement Guideline 環保採購工作指引 Office and Workshop General Operation Guideline 辦公室及工場一般運作指引	Energy, Air and GHG Emissions 能源、廢氣及溫室氣體排放 Use of Water 用水
KPI A2.1 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及/或間接能源總耗量及密度。	N/A 不適用	Energy, Air and GHG Emissions 能源、廢氣及溫室氣體排放
KPI A2.2 關鍵績效指標A2.2	Water consumption in total and intensity. 總耗水量及密度。	N/A 不適用	Use of Water 用水
KPI A2.3 關鍵績效指標A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	N/A 不適用	Energy, Air and GHG Emissions 能源、廢氣及溫室氣體排放
KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	N/A 不適用	Use of Water 用水
KPI A2.5 關鍵績效指標A2.5	Total packaging material used for finished products, and if applicable, with reference to per unit produced. 製成品所用包裝材料的總量及每生產單位估量（如適用）。	N/A 不適用	Waste and Packaging 廢棄物及包裝物料
Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源	General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources. 一般披露 減低發行人對環境及天然資源造成重大影響的政策。	Green Office Guideline 綠色辦公指引 Environmental Procurement Guideline 環保採購工作指引 Office and Workshop General Operation Guideline 辦公室及工場一般運作指引	Environmental Protection 環境保護
KPI A3.1 關鍵績效指標A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	N/A 不適用	Environmental Protection 環境保護

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B. Social B. 社會		
Employment and Labour Practices 僱傭及勞工常規		
Aspect B1: Employment 層面B1：僱傭	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impacts on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 一般披露 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Staff Handbook 僱員手冊
KPI B1.1 關鍵績效指標B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	N/A 不適用
KPI B1.2 關鍵績效指標B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	N/A 不適用
		For Employees: Lukfook family 對員工：六福大家庭
		For Employees: Lukfook family 對員工：六福大家庭
		To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。

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Aspect B2: Health and Safety 層面B2：健康與安全	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impacts on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 一般披露 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Occupational Health and Safety Guideline for Office and Retail Store 辦公室及零售店的職業健康及安全指引
KPI B2.1 關鍵績效指標B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	N/A 不適用 During the Reporting Period, we are not aware of any case of work-related fatalities. 本報告期並沒有知悉任何因工作關係而死亡的個案。
KPI B2.2 關鍵績效指標B2.2	Lost days due to work injury. 因工傷損失工作日數。	N/A 不適用 To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
KPI B2.3 關鍵績效指標B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	N/A 不適用 Occupational Health and Safety 職業健康及安全

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Aspect B3: Development and Training 層面B3：發展及培訓	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 一般披露 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Staff Handbook 僱員手冊 Training 人才培訓
KPI B3.1 關鍵績效指標B3.1	The percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	N/A 不適用 To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
KPI B3.2 關鍵績效指標B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	N/A 不適用 To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
Aspect B4: Labour Standards 層面B4：勞工準則	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Staff Handbook 僱員手冊 For employees: Lukfook family 對員工：六福大家庭
KPI B4.1 關鍵績效指標B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	N/A 不適用 To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
KPI B4.2 關鍵績效指標B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	N/A 不適用 To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。

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Subject Areas, Aspects, General Disclosures and KPI 主要範疇、層面、一般披露及關鍵績效指標	Policy/Procedure 政策/程序	Section/Disclosure 章節/聲明
Operating Practices 營運慣例		
Aspect B5: Supply Chain Management 層面B5：供應鏈管理	General Disclosure Policies on managing environmental and social risks of the supply chain. 一般披露 管理供應鏈的環境及社會風險政策。	Corruption Prevention Policy 廉潔交易政策 Engineering and Operation of Goods Approval Process 工程及營運物品審批流程 Financial Authorization and Signing Approval Procedure 財務授權及合同簽訂之審批規定
KPI B5.1 關鍵績效指標B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	N/A 不適用
KPI B5.2 關鍵績效指標B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及有關慣例的執行及監察方法。	N/A 不適用
Aspect B6: Product Responsibility 層面B6：產品責任	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 一般披露 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Integrated Manual 綜合手冊 Customer Complaint Handling Procedure 顧客投訴處理程序 To Customers: Six Heartfelt Services 對顧客：六心服務

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KPI B6.1 關鍵績效指標B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	N/A 不適用	To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
KPI B6.2 關鍵績效指標B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Customer Complaint Handling Procedure 顧客投訴處理程序	Number of products and service related complaints received: To be disclosed in future ESG report. 接獲關於產品及服務的投訴數目： 計劃於未來的環境、社會及管治報告披露。 How complaints are dealt with: Customer satisfaction 應對方法： 顧客滿意度
KPI B6.3 關鍵績效指標B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	N/A 不適用	Intellectual Property Right Protection 知識產權維護
KPI B6.4 關鍵績效指標B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序	N/A 不適用	Product Quality Assurance 品質量保證
KPI B6.5 關鍵績效指標B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Privacy Policy 私隱政策	Customer Privacy Protection 顧客私隱保護
Aspect B7: Anti-corruption 層面B7:反貪污	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Staff Handbook 僱員手冊 Corruption Prevention Policy 廉潔交易政策	Anti-corruption 反貪污

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPI 主要範疇、層面、一般披露及關鍵績效指標	Policy/Procedure 政策/程序	Section/Disclosure 章節/聲明
KPI B7.1 關鍵績效指標B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases. 於報告期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	N/A 不適用
KPI B7.2 關鍵績效指標B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程式，以及相關執行及監察方法。	N/A 不適用
Community 社區		
Aspect B8: Community Investment 層面B8:社區投資	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 一般披露 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	We are in the process of setting up the community investment policies. 我們現正制定社區投資政策。
KPI B8.1 關鍵績效指標B8.1	Focus areas of contribution. 專注貢獻範疇。	N/A 不適用
KPI B8.2 關鍵績效指標B8.2	Resources contributed to the focus area. 在專注範疇所貢獻資源。	N/A 不適用
		The Group is not aware of any concluded legal cases regarding corrupt practices brought against the Group or our employees during the Reporting Period. 本集團並未知悉於報告期間有任何對本集團或我們的員工提出並已審結的貪污訴訟案件。 Anti-corruption 反貪污 Corporate citizenship 企業公民 Corporate citizenship 企業公民 Corporate citizenship 企業公民

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPOSITION OF THE BOARD AND BOARD COMMITTEES 董事會及董事委員會的架構

Board of Directors 董事會

Mr. WONG Wai Sheung* (Chairman & Chief Executive Officer)
黃偉常先生* (主席兼行政總裁)

Mr. TSE Moon Chuen* (Deputy Chairman)
謝滿全先生* (副主席)

Ms. WONG Hau Yeung*
王巧陽女士*

Ms. WONG Lan Sze, Nancy*
黃蘭詩女士*

Dr. CHAN So Kuen*
陳素娟博士*

Mr. WONG Ho Lung, Danny# (Deputy Chairman)
黃浩龍先生# (副主席)

Ms. YEUNG Po Ling, Pauline#
楊寶玲女士#

Mr. HUI Chiu Chung, JP#
許照中太平紳士#

Mr. LI Hon Hung, BBS, MH, JP#
李漢雄BBS·MH太平紳士#

Mr. TAI Kwok Leung, Alexander[△]
戴國良先生[△]

Mr. IP Shu Kwan, Stephen, GBS, JP[△]
葉澍堃GBS太平紳士[△]

Mr. MAK Wing Sum, Alvin[△]
麥永森先生[△]

Ms. WONG Yu Pok, Marina, JP[△]
黃汝璞太平紳士[△]

Mr. HUI King Wai[△]
許競威先生[△]

Audit Committee 審核委員會

Mr. TAI Kwok Leung, Alexander[△] (Chairman)
戴國良先生[△] (主席)

Mr. IP Shu Kwan, Stephen, GBS, JP[△]
葉澍堃GBS太平紳士[△]

Mr. MAK Wing Sum, Alvin[△]
麥永森先生[△]

Ms. WONG Yu Pok, Marina, JP[△]
黃汝璞太平紳士[△]

Mr. HUI King Wai[△]
許競威先生[△]

Nomination Committee 提名委員會

Mr. MAK Wing Sum, Alvin[△] (Chairman)
麥永森先生[△] (主席)

Mr. WONG Wai Sheung*
黃偉常先生*

Mr. TSE Moon Chuen*
謝滿全先生*

Mr. TAI Kwok Leung, Alexander[△]
戴國良先生[△]

Mr. IP Shu Kwan, Stephen, GBS, JP[△]
葉澍堃GBS太平紳士[△]

Ms. WONG Yu Pok, Marina, JP[△]
黃汝璞太平紳士[△]

Mr. HUI King Wai[△]
許競威先生[△]

Remuneration Committee 薪酬委員會

Mr. IP Shu Kwan, Stephen, GBS, JP[△] (Chairman)
葉澍堃GBS太平紳士[△] (主席)

Mr. WONG Wai Sheung*
黃偉常先生*

Ms. WONG Hau Yeung*
王巧陽女士*

Mr. TAI Kwok Leung, Alexander[△]
戴國良先生[△]

Mr. MAK Wing Sum, Alvin[△]
麥永森先生[△]

Ms. WONG Yu Pok, Marina, JP[△]
黃汝璞太平紳士[△]

Mr. HUI King Wai[△]
許競威先生[△]

* Executive Director 執行董事

Non-executive Director 非執行董事

△ Independent Non-executive Director 獨立非執行董事

CORPORATE GOVERNANCE REPORT

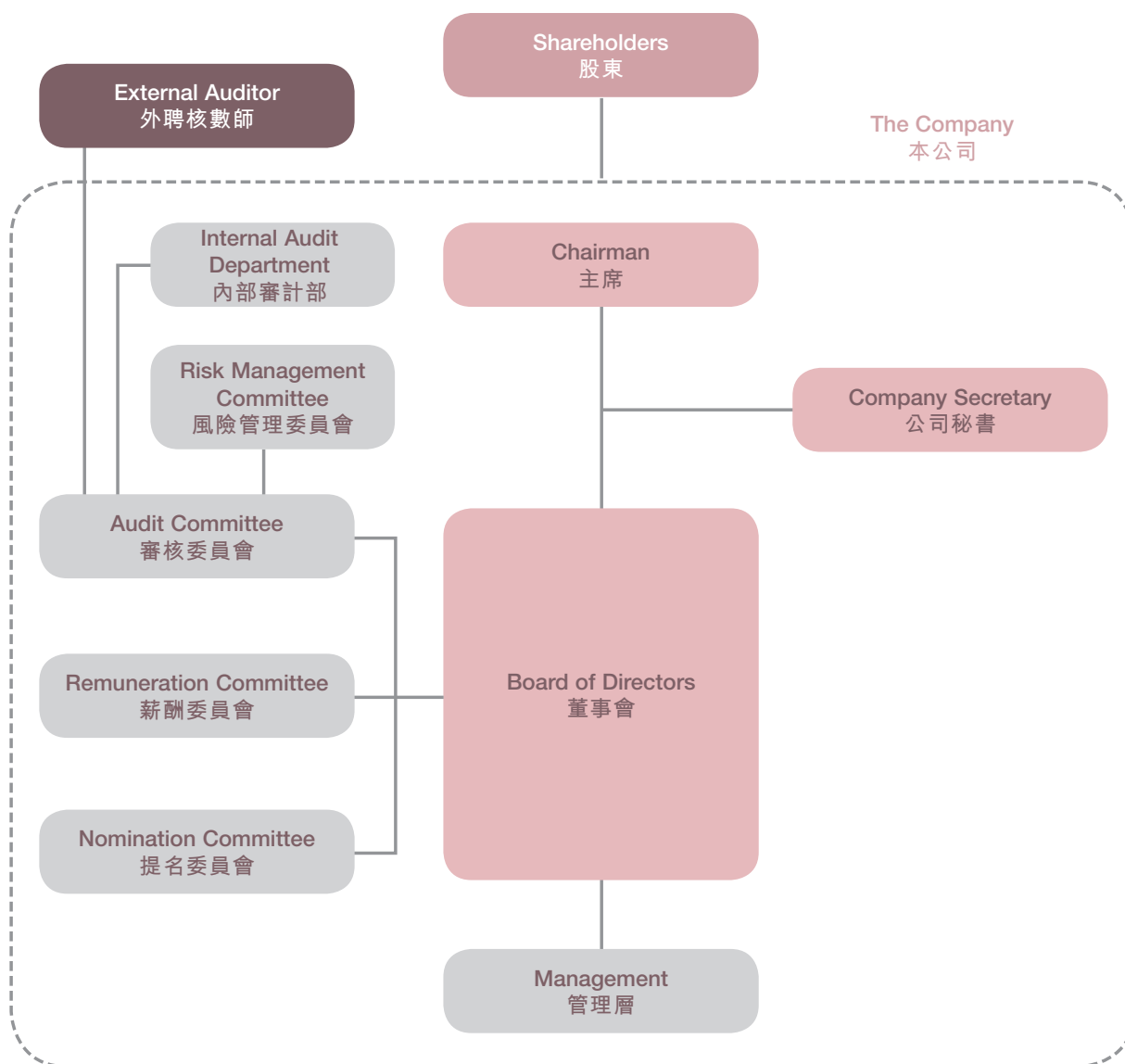
企業管治報告

The Board of the Company recognises that sound and effective corporate governance practices and procedures, with an emphasis on integrity, transparency, accountability and independence, are essential to enhance the shareholders' value and safeguard the shareholders' interests. The Company is committed to maintaining a good corporate governance standard and endeavours to ensure that its businesses are conducted in accordance with all applicable rules and regulations.

本公司的董事會深明，在強調完整性、透明度、問責性及獨立性之情況下，穩健及有效之企業管治常規及程序對提升股東價值及保障股東權益極為重要。本公司承諾維持良好企業管治標準，並致力確保按照所有適用規則及規例進行業務。

CORPORATE GOVERNANCE FRAMEWORK

企業管治架構



CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on Stock Exchange during the Year under review, except for the following deviation:

Code Provision A.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual, so that there is a clear division of responsibilities for the management of the Board and the day-to-day management of the Group’s business to ensure a balance of power and authority.

In view of the increasing trend of business deriving from the Mainland market, it is believed that Mr. WONG Wai Sheung being the Chairman and Chief Executive Officer of the Company will further enhance the business development of the Group in the Mainland market due to its norms on “status parity” when future business negotiations are conducted in Mainland. Besides, members of the Board also include qualified professionals and other prominent and experienced individuals from our community. The Board considers that the existing Board composition, with the support of Board Committees and two Deputy Chairmen, can ensure a balance of power and authority. The Board will nevertheless review this structure from time to time and will consider the segregation of the two roles at the appropriate time.

Save as disclosed above, none of the directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the Year under review, in compliance with the CG Code.

企業管治常規

於回顧年度內，本公司已採用聯交所證券上市規則（「上市規則」）附錄14所載之《企業管治守則》及《企業管治報告》（「企業管治守則」）的原則，並已遵守所有守則條文及建議最佳常規（如適用），惟下列偏離者除外：

守則條文第A.2.1條規定主席與行政總裁的角色應有區分，並不應由一人同時兼任，使董事會管理與本集團日常業務管理之職責清楚劃分，以確保權力和授權之平衡。

由於內地市場帶動業務增長及基於其對「對等階級」之觀念，相信由黃偉常先生擔任本公司主席兼行政總裁，可望於未來在內地進行商務磋商時，進一步提升本集團在內地市場的業務發展。此外，董事會成員亦包括合資格專業人士及社會上其他顯赫、富經驗之個別人士。董事會認為，於董事會轄下委員會及兩名副主席之協助下，現有董事會之組成可確保權力和授權之平衡。儘管如此，董事會將不時檢討此架構，並於適當時候，考慮將兩職分開。

除上文披露者外，董事概不知悉有任何信息可合理顯示本公司現時或於回顧年度任何時間曾經違反企業管治守則。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as a code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, they confirmed that they had complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions during the Year under review.

BOARD OF DIRECTORS

(i) Board Composition

The Board currently comprises five executive directors, four non-executive directors and five independent non-executive directors. They include persons with a wealth of practical experiences in the jewellery industry, accountancy profession, general trading, securities industry, banking industry and legal profession. The Board possesses a balance of skills, experiences and diversity of perspectives appropriate to the requirements of the Company's business. The composition of our Board complies with Rules 3.10(1) and (2) and 3.10A of the Listing Rules. The current composition of the Board is set out as follows:

Executive Directors

Mr. WONG Wai Sheung
(Chairman & Chief Executive Officer)
Mr. TSE Moon Chuen (Deputy Chairman)
Ms. WONG Hau Yeung
Ms. WONG Lan Sze, Nancy
Dr. CHAN So Kuen

Non-executive Directors

Mr. WONG Ho Lung, Danny (Deputy Chairman)
Ms. YEUNG Po Ling, Pauline
Mr. HUI Chiu Chung, JP
Mr. LI Hon Hung, BBS, MH, JP

Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander
Mr. IP Shu Kwan, Stephen, GBS, JP
Mr. MAK Wing Sum, Alvin
Ms. WONG Yu Pok, Marina, JP
Mr. HUI King Wai

The biographical details of the directors are set out in the section of "Biographical Details of Directors and Senior Management" on pages 122 to 133 of this Annual Report.

董事進行證券交易

本公司已採納上市規則附錄10所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)，作為董事進行證券交易之操守準則。經向全體董事作出具體查詢後，彼等確認於回顧年度內一直遵守標準守則所載之規定準則及有關董事進行證券交易之操守準則。

董事會

(i) 董事會成員

董事會現時由五名執行董事、四名非執行董事及五名獨立非執行董事組成，當中包括於珠寶行業、會計專業、一般貿易、證券行業、銀行業及法律專業具廣泛實務經驗之人士。董事會具備符合本公司業務所需之均衡技能、經驗及多樣的角。董事會之組成符合上市規則第3.10(1)及(2)條及第3.10A條。現時董事會成員載列如下：

執行董事

黃偉常先生
(主席兼行政總裁)
謝滿全先生(副主席)
王巧陽女士
黃蘭詩女士
陳素娟博士

非執行董事

黃浩龍先生(副主席)
楊寶玲女士
許照中太平紳士
李漢雄BBS, MH太平紳士

獨立非執行董事

戴國良先生
葉樹堃GBS太平紳士
麥永森先生
黃汝璞太平紳士
許競威先生

董事履歷詳情載於本年報第122頁至第133頁「董事及高級管理人員之履歷詳情」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(ii) Attendance Records at the Board, Board Committees and General Meetings

The attendance records of the individual directors at the Board, Audit Committee, Nomination Committee, Remuneration Committee and general meetings during the Year under review are set out as follows:

董事會(續)

(ii) 董事會會議、董事委員會會議及股東大會之出席記錄

個別董事於回顧年度內舉行之董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議及股東大會之出席記錄載列如下：

Directors	董事	No. of Meetings Attended/Held				Annual General Meeting
		Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	
Executive Directors		執行董事				
Mr. WONG Wai Sheung (<i>Chairman & Chief Executive Officer</i>) (Note 1)	黃偉常先生 (主席兼行政總裁) (附註1)	4/4	N/A 不適用	1/1	2/2	1/1
Mr. TSE Moon Chuen (<i>Deputy Chairman</i>) (Note 2)	謝滿全先生 (副主席) (附註2)	4/4	N/A 不適用	1/1	N/A 不適用	1/1
Ms. WONG Hau Yeung	王巧陽女士	4/4	N/A 不適用	N/A 不適用	2/2	1/1
Ms. WONG Lan Sze, Nancy	黃蘭詩女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. CHUNG Vai Ping (Note 3)	鍾惠冰女士 (附註3)	2/2	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Dr. CHAN So Kuen	陳素娟博士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Non-executive Directors		非執行董事				
Mr. WONG Ho Lung, Danny (<i>Deputy Chairman</i>) (Note 4)	黃浩龍先生 (副主席) (附註4)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. YEUNG Po Ling, Pauline	楊寶玲女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. HUI Chiu Chung, JP	許照中太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. LI Hon Hung, BBS, MH, JP	李漢雄BBS·MH太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Independent Non-executive Directors		獨立非執行董事				
Mr. TAI Kwok Leung, Alexander	戴國良先生	4/4	2/2	1/1	2/2	1/1
Mr. IP Shu Kwan, Stephen, GBS, JP	葉澍堃GBS太平紳士	4/4	2/2	1/1	2/2	1/1
Mr. MAK Wing Sum, Alvin	麥永森先生	4/4	2/2	1/1	2/2	1/1
Ms. WONG Yu Pok, Marina, JP	黃汝璞太平紳士	4/4	2/2	1/1	2/2	1/1
Mr. HUI King Wai	許競威先生	4/4	2/2	1/1	2/2	1/1

Notes:

- Mr. WONG Wai Sheung was re-elected as the Chairman of the Company with effect from 22 August 2019.
- Mr. TSE Moon Chuen was re-elected as the Deputy Chairman of the Company with effect from 22 August 2019.
- Ms. CHUNG Vai Ping ceased to be an Executive Director of the Company with effect from 1 October 2019.
- Mr. WONG Ho Lung, Danny was re-elected as the Deputy Chairman of the Company with effect from 22 August 2019.

附註：

- 黃偉常先生自2019年8月22日起獲重選為本公司主席。
- 謝滿全先生自2019年8月22日起獲重選為本公司副主席。
- 鍾惠冰女士自2019年10月1日起不再擔任本公司之執行董事。
- 黃浩龍先生自2019年8月22日起獲重選為本公司副主席。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(iii) Board Responsibilities and Delegation

The Board's role is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enables risks to be assessed and managed. The Board controls the business but delegates day-to-day responsibilities to the executive management. The Board sets the Company's strategic aims, values and standards and ensures that its obligations to its shareholders and other stakeholders are understood and fulfilled by the members of the Board.

The Company has a formal schedule of matters specifically reserved to the Board for its decision. The Board gives clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the Company.

All the directors of the Company have full and timely access to all relevant information and have access to the advice and services of the company secretary of the Company, with a view to ensuring that all proper Board procedures, applicable rules and regulations are followed. All the directors including the independent non-executive directors may seek independent professional advice in appropriate circumstances at the Company's expense in carrying out their functions, upon making request to the Board.

The Company has arranged appropriate liability insurance to indemnify the directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed regularly.

(iv) Independence of the Independent Non-executive Directors

The Company confirms that the Board has received from each of the independent non-executive directors, namely, Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai, an annual confirmation of his or her independence pursuant to Rule 3.13 of the Listing Rules, and, having taken into account the factors as set out in Rule 3.13 of the Listing Rules in assessing the independence of independent non-executive directors, the Company considers that all independent non-executive directors are independent.

董事會 (續)

(iii) 董事會責任及權力的轉授

董事會之職責為以企業精神，肩負領導本公司之角色，於審慎有效之企業架構內評估及管理風險。董事會監控業務，而日常業務運作則交由執行管理層負責。董事會制訂本公司之策略目標、價值及標準，確保董事會成員瞭解及履行對股東及其他持分者之責任。

本公司已正式表列指定留待董事會決定之事宜。董事會已就須董事會批准方可代表本公司作出決定之事宜，向管理層發出清楚指示。

本公司全體董事均可全面及適時查閱所有相關信息及獲取本公司公司秘書之意見及服務，務求確保已依循所有恰當之董事會程序以及遵守所有適用規則及規例。全體董事（包括獨立非執行董事）於履行職務時，可於向董事會提出要求後，在適當情況下尋求獨立專業意見，有關開支由本公司承擔。

本公司已為董事安排適當責任保險，以保障彼等因企業活動所產生之責任賠償，並定期檢討保險之保障範圍。

(iv) 獨立非執行董事之獨立性

本公司確認董事會已接獲各獨立非執行董事，即戴國良先生、葉澍堃先生、麥永森先生、黃汝璞女士及許競威先生根據上市規則第3.13條作出有關其獨立身份之年度確認，且經參考根據上市規則第3.13條有關評估獨立非執行董事獨立性的因素後，認為各獨立非執行董事具獨立身份。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(iv) Independence of the Independent Non-executive Directors (Continued)

Mr. TAI Kwok Leung, Alexander has served as our Independent Non-executive Director for more than nine years. He shall retire from office by rotation at the forthcoming annual general meeting of the Company to be held on 20 August 2020 ("AGM"). Mr. TAI Kwok Leung, Alexander will not offer himself for re-election owing to personal reason. He confirmed that he has no disagreement with the Board and there are no matters relating to his retirement that need to be brought to the attention of the shareholders of the Company.

During the Year under review and up to the date of this Annual Report, the Board had at all times met the requirements under (i) Rule 3.10 of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise; and (ii) Rule 3.10A of the Listing Rules, the independent non-executive directors representing at least one-third of the board.

(v) Directors' Relationship

Save as disclosed in this Annual Report, there is no financial, business, family or other material or connected relationship between members of the Board.

(vi) Re-election of Directors

All directors are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Bye-laws.

(vii) Directors' Ongoing Development

All directors have the opportunities to receive professional training programmes arranged by the Company during their terms of appointment covering the topics of corporate governance, updates on the Listing Rules and other regulatory developments at the expense of the Company. Directors were encouraged by the Company to participate in the relevant continuous professional training to develop and refresh their knowledge and skills. The Company has also arranged for consultants to provide training programmes. The average training hours that the directors received were not less than 10 hours.

董事會 (續)

(iv) 獨立非執行董事之獨立性 (續)

戴國良先生擔任獨立非執行董事已超逾九年，彼將於本公司於2020年8月20日舉行的應屆股東週年大會（「股東週年大會」）上輪值告退。戴國良先生因個人理由不再重選連任，彼確認與董事會之間並無意見分歧，亦無就彼退任而須提呈本公司股東注意之事宜。

於回顧年度內及截至本年報日期，董事會於任何時間均符合(i)上市規則第3.10條有關委任最少三名獨立非執行董事之規定，當中最少一名須具備適當專業資格或具備會計或相關財務管理專長；及(ii)上市規則第3.10A條，獨立非執行董事必須佔董事會成員人數至少三分之一之規定。

(v) 董事關係

除本年報披露者外，董事會成員之間不存在任何包括財務、業務、家屬或其他重大或關連的關係。

(vi) 重選董事

全體董事須根據本公司之公司細則，於本公司股東週年大會上輪值告退及重選連任。

(vii) 董事的持續發展

所有董事在任期內均有機會獲得本公司為其安排的專業培訓，內容包括企業管治、上市規則之更新及其他監管發展情況，相關費用由本公司承擔。本公司鼓勵董事參與相關持續專業培訓以發展及更新彼等之知識及技能，還專門聘請顧問為董事提供培訓。董事平均培訓時間不少於10個小時。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(vii) Directors' Ongoing Development (Continued)

During the year ended 31 March 2020, the Company arranged a seminar covering latest ESG disclosure requirements. The current directors' training records during the Year under review are summarised as follows:

Directors	董事	
Executive Directors	執行董事	
Mr. WONG Wai Sheung (Chairman & Chief Executive Officer)	黃偉常先生 (主席兼行政總裁)	✓
Mr. TSE Moon Chuen (Deputy Chairman)	謝滿全先生 (副主席)	✓
Ms. WONG Hau Yeung	王巧陽女士	✓
Ms. WONG Lan Sze, Nancy	黃蘭詩女士	✓
Dr. CHAN So Kuen	陳素娟博士	✓
Non-executive Directors	非執行董事	
Mr. WONG Ho Lung, Danny (Deputy Chairman)	黃浩龍先生 (副主席)	✓
Ms. YEUNG Po Ling, Pauline	楊寶玲女士	✓
Mr. HUI Chiu Chung, JP	許照中太平紳士	✓
Mr. LI Hon Hung, BBS, MH, JP	李漢雄BBS·MH太平紳士	✓
Independent Non-executive Directors	獨立非執行董事	
Mr. TAI Kwok Leung, Alexander	戴國良先生	✓
Mr. IP Shu Kwan, Stephen, GBS, JP	葉澍堃GBS太平紳士	✓
Mr. MAK Wing Sum, Alvin	麥永森先生	✓
Ms. WONG Yu Pok, Marina, JP	黃汝璞太平紳士	✓
Mr. HUI King Wai	許競威先生	✓

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman leads the Board in the determination of strategies and in the achievement of objectives and ensures that all directors are properly briefed on issues arising at the Board meetings and receive adequate, complete and reliable information. The Chief Executive Officer is delegated with the authority and responsible for running the Company's business, implementing the Company's strategies in achieving business objectives. Both the Chairman and the Chief Executive Officer positions are currently held by Mr. WONG Wai Sheung, an executive director. The Board believes that the current governance structure, with a combined Chairman and Chief Executive Officer and a vast majority of non-executive directors, provides an effective balance of power and authority for the management of the Company in the best interest of the Company at the present stage.

董事會(續)

(vii) 董事的持續發展(續)

截至2020年3月31日止年度，本公司曾舉行一次研討會，內容關於環境、社會及管治的最新披露規定。於回顧年度內，現任董事的培訓記錄概述如下：

Training on regulatory development, directors profession or duties, or other relevant topics 有關監管發展、董事專業或職責或其他相關議題的培訓

主席及行政總裁

主席領導董事會制定策略及達成目標，並確保全體董事對董事會會議上的事項獲適當的簡介，並及時獲得足夠、完整及可靠的信息。行政總裁獲授權力，負責本公司業務營運、推行本公司之策略，以實踐業務目標。主席及行政總裁兩者的職務現時均由執行董事黃偉常先生出任。董事會相信，以現時的管治架構而言（由一人兼任主席及行政總裁，以及大部分均為非執行董事）足以有效使本公司管理層達致均衡權責，符合本公司現時的最佳利益。

CORPORATE GOVERNANCE REPORT

企業管治報告

NON-EXECUTIVE DIRECTORS

All the non-executive directors are appointed for a term of two years, and the appointments are renewable from time to time, subject to retirement by rotation at annual general meetings.

BOARD COMMITTEES

The Board has established three Board committees, including the Audit Committee, Nomination Committee and Remuneration Committee, for overseeing the respective aspects of the Group's affairs.

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

(i) Audit Committee

The Audit Committee was established on 1 February 1999 with written terms of reference accessible on the websites of the Company and the Stock Exchange. The Audit Committee is chaired by Mr. TAI Kwok Leung, Alexander, with four other members namely Mr. IP Shu Kwan, Stephen, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai. All Committee members are independent non-executive directors, exceeding the requirement of a high majority of independent non-executive directors by the Listing Rules. In compliance with the requirements of Rules 3.10(2) and 3.21 of the Listing Rules, majority of the members possess appropriate professional qualifications or accounting or related financial management expertise.

During the Year under review, the Audit Committee held two meetings to discuss and review, inter alia, the interim and annual financial statements, the submission and publication of the interim and annual reports, the disclosures in the Corporate Governance Report, the corporate governance and compliance status of the CG Code and the internal audit plan and functions of the Group.

The consolidated financial statements of the Group for FY2020 have been reviewed by the Audit Committee. The Audit Committee is of the view that the consolidated financial statements of the Group for FY2020 comply with the applicable accounting standards and the Listing Rules, and that sufficient disclosures have been made.

非執行董事

所有非執行董事之任期為兩年，而其任期可不時重續，惟須於股東週年大會上輪值告退。

董事委員會

董事會轄下設有三個董事委員會，包括審核委員會、提名委員會及薪酬委員會，以監督本集團事務之各有關範疇。

董事會轄下委員會均獲提供充裕資源以履行其職責，並可於提出合理要求後，在適當情況下尋求獨立專業意見，費用由本公司承擔。

(i) 審核委員會

本公司於1999年2月1日成立審核委員會，其書面職權範圍載於本公司及聯交所網頁。審核委員會之主席為戴國良先生，其他四名成員為葉澍堃先生、麥永森先生、黃汝璞女士及許競威先生。該委員會全部成員為獨立非執行董事，超過上市規則有關大部分成員須為獨立非執行董事的規定。遵照上市規則第3.10(2)條及3.21條之規定，大部分成員具備合適專業資格或具備會計或相關財務管理專長。

於回顧年度內，審核委員會曾舉行兩次會議，以討論及審閱（其中包括）中期及年度財務報表、提交及刊發中期及年度報告、企業管治報告之披露事項、企業管治及企業管治守則合規狀況，以及本集團之內部審核計劃及職能。

本集團截至2020財年的綜合財務報表已經由審核委員會審閱。審核委員會認為本集團截至2020財年的綜合財務報表符合適用會計準則及上市規則且已作出充分披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(i) Audit Committee

The Company believes that a clear appreciation of the separate roles of the management, the external auditor and Audit Committee members is crucial to the effective functioning of an audit committee. The Board is responsible for selecting appropriate accounting policies and the preparation of the financial statements. The external auditors are responsible for auditing and attesting to the Group's financial statements and evaluating the Group's risk management and internal control systems, to the extent that they consider necessary to support their audit report. The Audit Committee is responsible for overseeing the entire process.

The major functions and duties of the Audit Committee mainly include:

- reviewing the Group's interim and annual financial statements and the interim and annual reports before submission to the Board for approval;
- reviewing the financial reporting obligations and considering any matters raised by the Group's staff responsible for the accounting and financial reporting function, compliance officer or external auditor;
- reviewing and monitoring the independence and objectivity of the external auditor, and the effectiveness of the audit process in accordance with applicable standards;
- approving the remuneration and terms of engagement of external auditor and making recommendations on the appointment, re-appointment or removal of external auditor;
- reviewing the internal audit programme and ensuring that the internal audit function is adequately resourced and effective, and considering any major findings of risk management and internal control matters;

董事委員會 (續)

(i) 審核委員會

本公司相信，管理層、外聘核數師及審核委員會成員應各自具有清晰的職份，使審核委員會能有效地運作。董事會負責選定適當的會計政策及編製財務報表。外聘核數師負責審核及核證本集團的財務報表及在配合審核報告的範圍內評估本集團的風險管理及內部監控系統。審核委員會負責監督整個過程。

審核委員會之主要職能及職責主要包括：

- 於提交董事會批准前審閱本集團中期及全年財務報表以及中期及年度報告；
- 檢討財務申報責任，並考慮任何由本集團屬下會計及財務匯報職員、監察主任或外聘核數師提出之事宜；
- 按適用的標準檢討及監察外聘核數師是否獨立客觀，以及核數程序是否有效；
- 批准外聘核數師之薪酬及聘用條款，並就委任、重新委任或罷免外聘核數師提供建議；
- 檢討內部審核計劃及確保內部審核職能具有足夠資源及有效地運作，並考慮風險管理及內部監控事宜之任何主要調查結果；

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(i) Audit Committee (Continued)

- reviewing the financial control, risk management and internal control systems of the Group and ensuring that the management has discharged its duty to have effective risk management and internal control systems, in particular, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions; and
- reviewing the Company's policies and practices on corporate governance and the Company's compliance with legal and regulatory requirements.

As at 31 March 2020, the arrangements for employees and stakeholders of the Group to raise concerns about possible improprieties in financial reporting, risk management, internal control or other matters and the whistleblowing procedures are in place.

(ii) Nomination Committee

The Nomination Committee was established on 1 April 2012 with written terms of reference accessible on the websites of the Company and the Stock Exchange. The Nomination Committee is chaired by Mr. MAK Wing Sum, Alvin, being an independent non-executive director, with six other members namely Mr. WONG Wai Sheung, Mr. TSE Moon Chuen, Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai. The Chairman of this Committee and five out of seven members are independent non-executive directors, a high majority of independent non-executive directors which meets the requirement of the CG Code.

During the Year under review, the Nomination Committee held one meeting to assess the independence of the independent non-executive directors, review and make recommendation to the Board on the structure, size and composition of the Board, and to review the retirement and rotation plan of the directors.

董事委員會 (續)

(i) 審核委員會 (續)

- 檢討本集團之財務監控、風險管理及內部監控制度，並確保管理層已履行職責建立有效之風險管理及內部監控制度，尤其是有關本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否充足；及
- 檢討本公司之企業管治政策及常規，以及本公司遵守法律及監管規定之情況。

於2020年3月31日，本公司已設有制度讓本集團僱員及持份者可就關於財務匯報、風險管理、內部監控或其他方面可能發生的不當事宜提出關注及舉報程序。

(ii) 提名委員會

本公司於2012年4月1日成立提名委員會，其書面職權範圍載於本公司及聯交所網頁。提名委員會之主席為獨立非執行董事麥永森先生，其他六名成員為黃偉常先生、謝滿全先生、戴國良先生、葉澍堃先生、黃汝璞女士及許競威先生。該委員會主席及七分之五的成員為獨立非執行董事，符合企業管治守則有關大部分成員須為獨立非執行董事的規定。

於回顧年度內，提名委員會曾舉行一次會議，以評估獨立非執行董事之獨立性、審閱及向董事會建議董事會之架構、人數及組成，以及審閱董事輪值告退計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(ii) Nomination Committee (Continued)

The principal role and responsibilities of the Nomination Committee mainly include giving full consideration to succession planning for directors and senior management, identifying individuals suitably qualified to become Board members and assessing the independence of the independent non-executive directors. In order to achieve a balanced and appropriately qualified Board, the Nomination Committee is also responsible for reviewing the structure, size and composition, including the skills, knowledge, diversity and experience, of the Board, and advising the Board as to any changes that may be required. The Nomination Committee has the authority given by the Board to seek external professional advice in the selection and recommendation for directorship, if necessary, to fulfil the requirements for professional knowledge and industry experience of any proposed candidates.

Nomination Policy

The Nomination Policy sets out the criteria, procedures and process to be adopted when considering candidates to be appointed or re-appointed as directors of the Company. The Nomination Committee would select the candidates based on the objective criteria, including but not limited to qualifications, skills, experience, independence, age, culture, ethnicity and gender. The Nomination Committee would also take into account whether the candidate can demonstrate his/her commitment, competence and integrity required for the position, and in case of independent non-executive directors, the independence requirements under the Listing Rules and their time commitment to the Company. The Nomination Committee monitors the implementation of the Nomination Policy and will review and recommend any revisions to the Board for consideration and approval, when necessary, to enhance effectiveness.

董事委員會 (續)

(ii) 提名委員會 (續)

提名委員會之主要角色及職責主要包括對董事及高級管理人員之繼任計劃作出全面考慮、物色具備合適資格可擔任董事的人士，並評估獨立非執行董事之獨立性。為令董事會資歷平衡及恰宜，提名委員會亦須負責檢討董事會之架構、人數及組成（包括技能、知識、多元化及經驗方面），並就任何需作出的變動向董事會提出建議。董事會已授權提名委員會，於必要時可就挑選及推薦董事人選之事宜尋求外部專業意見，以符合有關任何建議人選之專業知識及業界經驗之要求。

提名政策

提名政策列載考慮本公司董事候選人的委任或重新委任本公司董事時將採納之準則、程序及過程。提名委員會將根據客觀標準挑選候選人，包括但不限於資歷、才能、經驗、獨立性、年齡、文化、種族及性別。提名委員會亦會考慮候選人是否具備職位所需的承擔、能力及正直品格。倘為膺選獨立非執行董事，則還包括上市規則所載之獨立性規定及彼等可為本公司分配的時間。提名委員會將監察提名政策之實施情況，而為提升其成效，亦將檢討並於必要時提出任何修訂建議，以供董事會考慮及批准。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(ii) Nomination Committee (Continued)

Board Diversity

The Company recognises and embraces the benefits of having a diverse Board, and sees diversity at Board level as an essential element in maintaining a competitive advantage. As such, the Company continued to adopt the board diversity policy during the Year under review. In achieving a truly diverse Board, candidates with different talents, skills, knowledge, length of service and professional experience, cultural and educational background, age, gender and other qualities may be selected as members of the Board. Selection of candidates is based on a range of diversity criteria. The ultimate decision is based on merit and contribution which would be brought by the candidates to the Board if he/she was selected as a director. The Nomination Committee is of the view that the current composition of the Board has achieved the objectives set out in the above board diversity policy.

The Board is composed of members from a diverse background. The Company excels in gender equality as female directors account for over one-third of the whole Board. The chief financial officer, an executive director and three independent non-executive directors are qualified accountants. There is also an independent non-executive director who is a qualified solicitor. The Chairman of the Remuneration Committee was the Secretary for Economic Development and Labour of the Government of Hong Kong Special Administrative Region. Seven directors have experience sitting on the boards of other companies listed on the Stock Exchange. The directors have extensive experiences in the retail jewellery business, finance and accounting, taxation, business strategy, securities and investment, public relations, communications and marketing, branding, and exposure or experience in various countries including Mainland, etc. They are members, or committee or panel members of various industry bodies, public service or government bodies or charities. The Directors bring a wealth of diverse experience to the Board, which is conducive to the business development and growth of the Company over the years.

董事委員會 (續)

(ii) 提名委員會 (續)

董事會成員多元化

本公司認同和接納擁有一個多元化董事會的裨益，並認為董事會層面的多元化乃保持競爭優勢的必要元素。因此，本公司於回顧年度內繼續採納董事會成員多元化政策。為達致真正的董事會成員多元化，具備不同才能、技能、知識、服務任期及專業經驗、文化及學術背景、年齡、性別及其他資格的董事候選人可獲選為董事會成員。甄選董事會人選將按一系列多元化範疇為基準。最終乃按照假設候選人獲選為董事，其將為董事會帶來的優勢及貢獻而作出決定。提名委員會認為現時的董事會之組成已達致上述董事會多元化政策所載之目標。

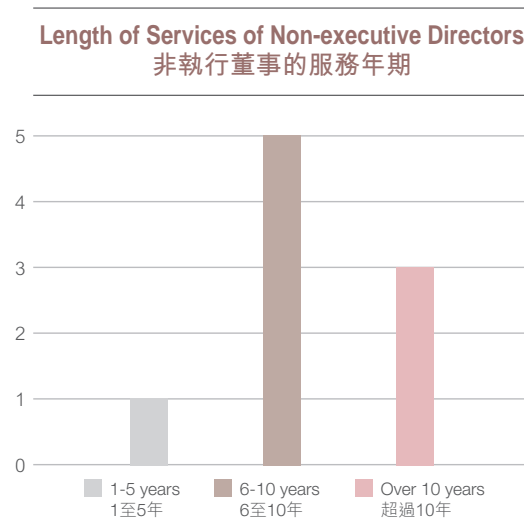
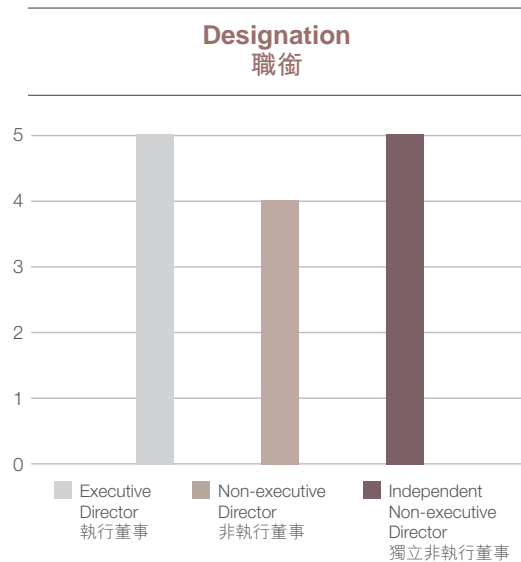
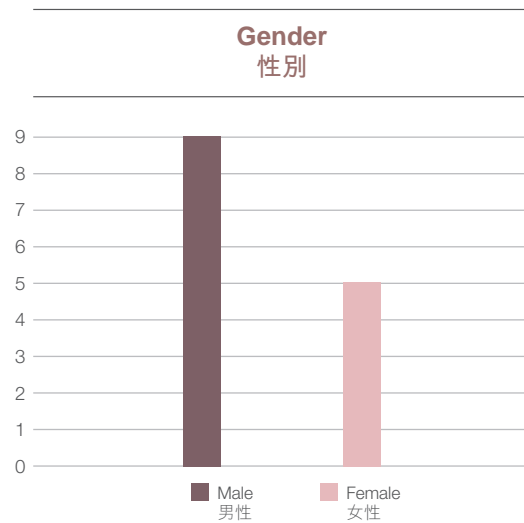
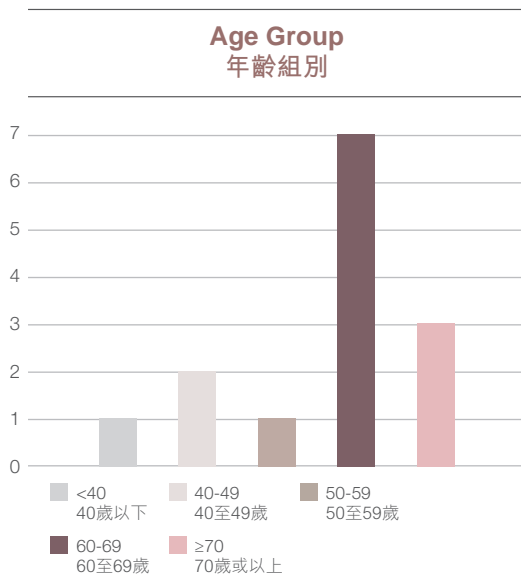
董事會由來自多元化背景的成員組成。女性董事佔董事會全體成員逾三分之一，顯示本公司在性別平等方面表現優越。我們的財務總裁、一名執行董事及三名獨立非執行董事為合資格會計師。另有一名獨立非執行董事為合資格事務律師。薪酬委員會主席曾為香港特別行政區政府經濟發展及勞工局局長。七名董事具備於聯交所上市的其他公司擔任董事會成員的經驗。董事擁有珠寶零售業務、金融及會計、稅務、業務策略、證券及投資、公關工作、通訊及市場推廣、品牌策略的豐富經驗，及在包括內地等多個國家任職的經驗。彼等為多個行業機構、公共服務或政府機構或慈善機構的成員、委員會或小組成員。董事為董事會帶來各種多元化經驗，有利本公司多年來的業務發展及增長。

CORPORATE GOVERNANCE REPORT

企業管治報告

Areas of Diversity

多元化之範疇



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(iii) Remuneration Committee

The Remuneration Committee was established on 7 April 2005 with written terms of reference posted on the websites of the Company and the Stock Exchange. The Remuneration Committee is chaired by Mr. IP Shu Kwan, Stephen, being an independent non-executive director, with six other members namely, Mr. WONG Wai Sheung, Ms. WONG Hau Yeung, Mr. TAI Kwok Leung, Alexander, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai. The Chairman of this Committee and five out of seven members are independent non-executive directors, meeting the requirement of a high majority of independent non-executive directors by the Listing Rules.

The principal role and responsibilities of the Remuneration Committee mainly include making recommendations to the Board on the Company's policy, structure and packages for all remuneration of directors and senior management; reviewing and approving performance-based remuneration and the terms of service contracts of the directors and senior management, reviewing and approving the compensation payable in connection with any loss or termination of office or appointment of directors and senior management, overseeing any major changes in employee benefits structures throughout the Company or the Group; and reviewing the on-going appropriateness of the remuneration policy. No director or member of the senior management determined his/her own remuneration package.

The Remuneration Committee held two meetings during the Year under review to review the remuneration policies and recommend for the Board approval of the annual salary increments for the calendar year 2020, the discretionary year-end bonus for 2019 and the performance bonus for all non-sales employees working at the headquarters.

Details of directors' emoluments, five highest paid individuals and the remuneration of the members of the senior management by band during the Year under review are set out in Note 15 to the consolidated financial statements on pages 226 to 229 of this Annual Report.

董事委員會 (續)

(iii) 薪酬委員會

本公司於2005年4月7日成立薪酬委員會，其書面職權範圍載於本公司及聯交所網頁。薪酬委員會之主席為獨立非執行董事葉澍堃先生，其他六名成員為黃偉常先生、王巧陽女士、戴國良先生、麥永森先生、黃汝璞女士及許競威先生。該委員會主席及七分之五的成員為獨立非執行董事，符合上市規則有關大部分成員須為獨立非執行董事的規定。

薪酬委員會之主要角色及職責主要包括就本公司全體董事及高級管理人員之薪酬政策、結構及組合向董事會作出建議、檢討及審批與績效表現掛鈎之薪酬及董事及高級管理人員服務合約條款、檢討及審核與離職或終止受聘或委任董事及高級管理人員有關之應付補償、監管本公司或本集團僱員福利結構之任何重大變動；以及持續檢討薪酬政策是否合適。董事或高級管理人員概無釐定彼等本身薪酬待遇。

於回顧年度內，薪酬委員會先後舉行兩次會議以檢討薪酬政策，及向董事會建議審批2020曆年之年度薪金加幅、2019年年終酌情花紅及總辦事處所有非銷售僱員之獎勵花紅。

於回顧年度內，董事酬金、五名最高薪酬人士及高級管理人員之薪酬範圍之詳情載於本年報第226至229頁之綜合財務報表附註15。

CORPORATE GOVERNANCE REPORT

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AUDITOR'S REMUNERATION

Analysis of remuneration in respect of audit and non-audit services provided by the external auditor, PricewaterhouseCoopers, Certified Public Accountants, was as follows:

		2020 HK\$'000 千港元
Audit services	審計服務	5,640
Non-audit services	非審計服務	
– Review service	– 審閱服務	560
– Tax related service	– 稅務相關服務	1,307
Total	總計	7,507

The responsibilities of the external auditor with respect to financial reporting are stated in the Independent Auditor's Report.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledged their responsibility for preparing the financial statements of each financial period, which give a true and fair view of the state of affairs of the Group as at the end of the financial period and of the results and cash flows of the Group for the year. In the Company's interim and annual reports which are issued within the time limits stipulated by the Listing Rules, the Board presents a balanced, clear and comprehensive assessment of the Company's performance, position and prospects. The published consolidated financial statements adopt, and consistently apply, suitable accounting policies complying with Hong Kong Financial Reporting Standards.

The Board ensures that the Company maintains sound and effective risk management and internal control to safeguard the shareholders' interests and the Company's assets. The Audit Committee, with the assistance of the Internal Audit Department, regularly reviews the effectiveness of the Company's risk management and internal control systems. The Head of the Internal Audit Department directly reports to the Audit Committee.

The Board establishes monitoring and procedural guidelines for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the Company's external auditors. The Audit Committee established by the Company pursuant to the Listing Rules has clear terms of reference.

核數師酬金

有關外聘核數師羅兵咸永道會計師事務所（執業會計師）提供審計及非審計服務之酬金分析如下：

外聘核數師於財務報告方面之職責，載於獨立核數師報告內。

董事對財務報表承擔之責任

董事深明彼等有責任編製各財政期間之財務報表，以真實公平反映本集團於財政期間結束時之狀況，以及本集團於該年度之業績及現金流量。於本公司在上市規則所規定時限內刊發之中期報告及年報內，董事會對本公司之表現、狀況及前景作出持平、清晰及全面之評估。所刊發綜合財務報表採納及貫徹應用符合香港財務報告準則之會計政策。

董事會確保本公司維持健全及有效率之風險管理及內部監控，以保障股東之權益及本公司之資產。審核委員會在內部審計部之協助下，定期檢討本公司風險管理及內部監控制度之成效。內部審計部主管直接向審核委員會報告。

董事會就如何應用財務報告及內部監控原則以及與本公司之外聘核數師維持適當關係，制定監管及程序指引。本公司根據上市規則成立之審核委員會具清晰職權範圍。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE FUNCTION

In order to achieve enhanced corporate governance of the Company, the Board has undertaken and delegated to the Audit Committee to constantly review the Company's policies and practices on corporate governance, the training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the code of conduct and compliance manual applicable to employees and the directors, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report. During the Year under review, the Audit Committee performed the duties relating to corporate governance matters as aforementioned.

COMPANY SECRETARY

During the Year under review, the company secretary undertook over 15 hours of professional training to update the skills and knowledge, which exceeded the requirements of the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the Company's systems of risk management and internal control and for reviewing their effectiveness annually through the Audit Committee.

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

The Audit Committee has received the risk management and internal control evaluation reports submitted by the Internal Audit Department. The reports summarised information relating to the work carried out in the following areas:

- the results of selective testing of internal control procedures, assets, and financial records of the Company;
- a general evaluation of risk management and internal control systems installed by the Company; and
- an outline of major control issues, if any, noticed during the Year under review.

企業管治職能

為達致加強本公司之企業管治，董事會已承擔並授予審核委員會權力定期檢討本公司之企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司在遵守法律及監管規定方面之政策及常規、適用於僱員及董事之操守守則及合規手冊以及本公司遵守企業管治守則之情況及在本企業管治報告內之披露。於回顧年度內，審核委員會已履行上述有關企業管治事宜之職責。

公司秘書

於回顧年度內，公司秘書共接受超過15個小時的專業培訓，以更新其技能及知識，超過上市規則規定。

風險管理及內部監控

董事會負責本公司風險管理及內部監控制度，並透過審核委員會每年檢討其成效。

風險管理及內部監控制度旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

審核委員會已接獲內部審計部呈交之風險管理及內部監控評估報告。該等報告概述下列工作之詳情：

- 對本公司內部監控程序、資產及財務記錄之抽樣調查結果；
- 本公司所採納風險管理及內部監控制度之一般評估；及
- 列出回顧年度內注意到之任何重大監控問題（如有）。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

The Audit Committee has reviewed the reports and discussed with the management.

The Audit Committee recognised that an evaluation of the risk management system and an examination of the internal control system on an annual basis have been adequately executed by the Internal Audit Department during the Year under review. The Audit Committee acknowledged that the management has been progressively implementing adequate and effective risk management and internal control systems in order to ensure the effective functioning of the Company's operations.

Risk Management Committee

With an aim of establishing and improving the risk management system, ensuring timely identification and management of risks for the achievement of corporate objectives, the Risk Management Committee was set up in 2016, comprising the Chairman and Chief Executive Officer, four executive directors (including Mr. TSE Moon Chuen, Ms. WONG Hau Yeung, Ms. WONG Lan Sze, Nancy and Dr. CHAN So Kuen) and a senior executive of the Group. The duties of the Risk Management Committee include, but are not limited to: (i) review the Company's compliance with the CG Code regarding risk management requirements; (ii) coordinate staff training, including risk management principles, assessment methodology and its implementation; and (iii) assign personnel to support departments to perform risk assessment for newly established business or projects, if necessary. This committee reports directly to the Audit Committee.

During the Year under review, the Risk Management Committee held two meetings to discuss and review, inter alia, reports on effectiveness of risk management processes, reports on departmental risk assessment and the implementation progress of the Group's corporate strategies and key performance indicator targets.

風險管理及內部監控 (續)

審核委員會已審閱該等報告，並與管理層進行討論。

審核委員會確認，於回顧年度內，內部審計部已充分地進行每年的風險管理制度評估及內部監控制度檢測。審核委員會確認，管理層積極採納完善之風險管理及內部監控制度，以確保本公司能有效運作。

風險管理委員會

本集團於2016年設立風險管理委員會，此委員會由本集團主席兼行政總裁、四名執行董事（包括：謝滿全先生、王巧陽女士、黃蘭詩女士和陳素娟博士）及一名高級行政人員組成，目標是為集團建立及改良風險管理系統，並確保及時識別及管理風險，以達致企業目標。風險管理委員會負責（包括但不限於）：(i)檢討本公司遵守企業管治守則中有關風險管理的規定；(ii)統籌員工培訓，包括風險管理的原則及評估方式，以及如何有效實施風險管理；及(iii)於需要時，委派人員協助各部門就新設業務或項目進行風險評估。此委員會直接向審核委員會匯報。

於回顧年度內，風險管理委員會曾舉行兩次會議，以討論及審閱（其中包括）風險管理流程成效報告、各部門風險評核表及本集團企業策略及關鍵績效指標目標的實行進度。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework

The Company's risk management framework provides a systematic and disciplined approach to risk management process, which is embedded in the system of internal controls as an integral part of corporate governance. The risk management framework helps sustain business success, creates value for stakeholders and supports the Board in discharging its corporate governance responsibilities by proactively identifying, addressing and managing key risks within the Group. The risk management framework is aligned with the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") integrated framework for effective internal controls, which comprises 17 principles under 5 components, including Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities. Departments & Management as risk owners take direct risk management responsibilities and reports to the Risk Management Committee.

A summary of the risk management framework of the Company is shown as below:

風險管理及內部監控 (續)

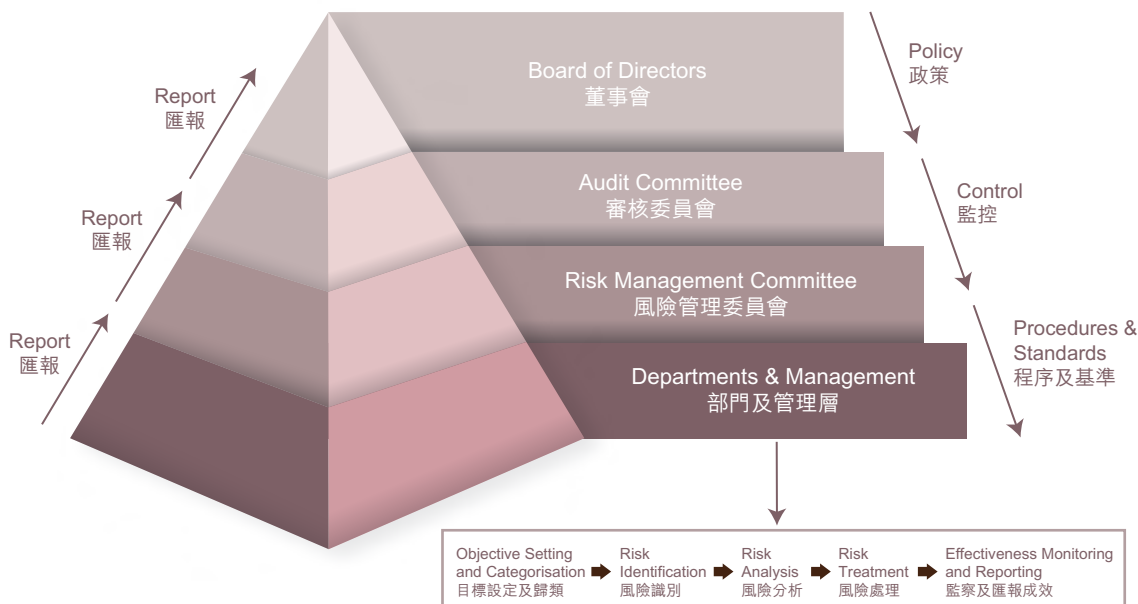
風險管理架構

本公司的風險管理架構為風險管理程序提供系統化及規範化的方法，而有關程序內嵌於內部監控制度，是企業管治中不可或缺的重要一環。透過風險管理架構前瞻性地識別、應對及管理本集團內主要風險來保持業務成功，為持份者創造價值及支援董事會履行其企業管治責任。風險管理架構符合Committee of Sponsoring Organisations of the Treadway Commission (「COSO」)的綜合框架，以達致有效的內部監控，該綜合框架由5個部份分17項原則組成，5個部份包括控制環境、風險評估、控制活動、訊息與溝通及監控活動。部門及管理層作為風險負責人須直接承擔風險管理責任並向風險管理委員會匯報。

本公司的風險管理架構簡介如下列所示：

Risk Management Framework

風險管理架構



CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework (Continued)

Board of Directors

- Setting the basic tone and culture of risk management across the Group;
- Approving the criteria of risk assessment;
- Approving major decisions affecting the Group's risk profile or exposure;
- Approving changes to key elements of the risk management procedures;
- Approving the Group's risk management policy; and
- Monitoring significant risks

Audit Committee

- Reviewing the risk management and internal control systems of the Group; and
- Ensuring that effective systems of risk management and internal control are established by the management

Risk Management Committee

- Recommending the Group's risk tolerant level and criteria;
- Approving standard risk management templates including forms and tools;
- Approving risk registers;
- Reviewing the Group's compliance with the CG Code regarding risk management requirements;
- Appointing risk owners;
- Appointing staff to support departments to conduct risk assessments on new ventures and activities;
- Conducting review on procedures and policies of risk management;
- Reporting, if any, significant risks to Audit Committee in a timely manner; and
- Coordinating staff training

風險管理及內部監控 (續)

風險管理架構 (續)

董事會

- 建立集團風險管理制度的基調及文化;
- 審批風險評估準則;
- 審批對集團風險狀況及曝光有重大影響的決策;
- 審批風險管理流程上關鍵部份的改變;
- 審批集團風險管理政策; 及
- 監察重大風險

審核委員會

- 檢討本集團的風險管理及內部監控系統; 及
- 確保管理層已履行職責建立有效的風險管理及內部監控系統

風險管理委員會

- 建議本集團的風險容忍度及風險評估準則;
- 審批用作風險管理的標準化範本, 包括表格及工具;
- 審批風險登記冊;
- 檢討集團遵守企業管治守則中有關風險管理的規定;
- 委任風險負責人;
- 委派人員協助各部門就新設業務及項目進行風險評估;
- 檢討風險管理流程及政策;
- 及時向審核委員會匯報重大風險 (如有); 及
- 統籌員工培訓

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework (Continued)

Departments & Management

Departments and management are responsible for the identification and assessment of risks within their areas of responsibility:

Objective Setting and Categorisation

- Strategies;
- Operation;
- Financial reporting; and
- Compliance

Risk Identification

- The Group provides examples of risk factors; and
- Risks should be relevant to strategies and objectives

Risk Analysis

- Considering existing control measures;
- Using a consistent scoring criteria; and
- Assessing the residual risks

Risk Treatment

- Choosing a risk treatment strategy;
- Establishing a treatment plan; and
- Appointing risk owners

Effectiveness of Monitoring and Reporting

- Monitoring and reporting risks periodically; and
- Setting up an emergent risk reporting mechanism

風險管理及內部監控 (續)

風險管理架構 (續)

部門及管理層

部門及管理層負責其管轄範圍內的風險識別及評估：

目標設立及歸類

- 策略；
- 營運；
- 財務匯報；及
- 合規

風險識別

- 集團提供風險考慮因素範例；及
- 風險須與策略及目標有關聯

風險分析

- 考慮現有監控措施；
- 採用統一風險評分準則；及
- 評估剩餘風險

風險處理

- 選擇風險應對策略；
- 訂立應對計劃；及
- 委任風險負責人

監察及匯報成效

- 定期監察及匯報風險；及
- 設立突發風險匯報制度

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Review Processes of the Effectiveness of the Risk Management and Internal Control Systems

The management and the Risk Management Committee review the effectiveness of the risk management and internal control systems. The Internal Audit Department also conducts independent audit of the effectiveness of these systems. Separate reports are submitted to the Audit Committee for its review and appraisal. A final report will be submitted to the Board for accessing the effectiveness of the systems.

If any material internal control defects are found, the Audit Committee will discuss them with the management. The Internal Audit Department will follow up and/or re-classified as “severe” risk in the risk management system for further formulating measures to resolve or prevent such defects.

Dissemination of Inside Information

The Company acknowledges its responsibilities under Part XIVA of the Securities and Futures Ordinance (“SFO”), Chapter 571 of the Laws of Hong Kong and the Listing Rules and the overriding principle that inside information should be announced promptly. The Company has established a policy for the disclosure of inside information (the “Inside Information Disclosure Policy”) with close regard to the Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commissions. The Inside Information Disclosure Policy includes, among other things: (a) only designated persons are authorised to communicate the Company’s corporate matters with investors, analysts, the media or other members of the investment community; (b) directors or senior management shall report to the Chief Executive Officer any potential/suspected inside information as soon as practicable for him to consult (if appropriate) the Board thereafter for determining the nature of developments and, if required, making appropriate disclosure; (c) disclosure of inside information must be made in a manner that can provide for equal, timely and effective access by the public to the disclosed inside information; and (d) inside information must be kept strictly confidential until a public announcement is made and shall be disseminated in accordance with the requirements of the Listing Rules before it is released via other means.

風險管理及內部監控 (續)

風險管理及內部監控系統有效性檢討程序

管理層及風險管理委員會檢討風險管理及內部監控系統的有效性。內部審計部亦獨立評審該系統的有效性。個別報告會提交審核委員會以供其審閱及評估。最終之報告將交予董事會評定該系統之有效性。

如發現任何嚴重的內部監控缺失，審核委員會會與管理層對其進行討論而內部審計部將會跟進及／或於風險管理系統內再分類為「嚴重」風險以進一步制定措施解決或避免該缺失。

發佈內幕消息

本公司知悉其於香港法例第571章《證券及期貨條例》（「證券及期貨條例」）第XIVA部及上市規則項下責任及內幕消息須及時公佈的首要原則。本公司已參照證券及期貨事務監察委員會頒佈的內幕消息披露指引就披露內幕消息制定政策（「內幕消息披露政策」）。內幕消息披露政策包括（其中包括）：(a)只有指定人士獲授權與投資者、分析師、媒體或投資界別其他成員交流本公司的企業事宜；(b)董事或高級管理人員須於實際可行情況下盡快向行政總裁匯報任何潛在／涉嫌內幕消息以供其隨後諮詢（如適用）董事會以釐定發展的性質，及如需要，作出適當披露；(c)披露內幕消息須以可為獲取所披露內幕消息之公眾人士提供平等、及時及有效途徑之方式作出；及(d)內幕消息須嚴格保密，直至作出公開公告為止，並須於透過其他途徑刊發前根據上市規則規定發佈。

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INTERNAL AUDIT

The internal audit is an independent function undertaken by the Internal Audit Department reporting administratively to the Company's management and reporting functionally to the Audit Committee. The Internal Audit Department is authorised to obtain all information necessary to accomplish internal audit work.

The Board has conducted an annual review to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions.

A risk-based audit approach has been adopted by the Internal Audit Department. Internal control reviews are conducted regularly to closely monitor business or operation changes. Regular audit tests are carried out to ensure key controls are in operation. The Internal Audit Department also conducts other projects and investigating work as required.

Any significant internal audit findings are discussed with respective department heads to have actions agreed and subsequently followed up, in order to ensure that satisfactory control is maintained.

In each semi-annual work plan, manning levels of the Internal Audit Department are agreed with the Audit Committee. A summary of the internal audit activities and audit results are also submitted to the Audit Committee twice a year.

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene a Special General Meeting ("SGM")

Pursuant to Section 74 of the Bermuda Companies Act 1981, shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right to submit a written requisition requiring a SGM to be called by the Board. The written requisition (i) must state the purposes of the SGM; and (ii) must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form, each signed by one or more requisitionists.

內部審核

內部審核為內部審計部負責的獨立工作，並分別向本公司管理層及審核委員會作出行政及功能匯報。內部審計部獲授權取得一切所需信息，以完成內部審核工作。

董事會已作年度檢討以確保本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗、培訓課程及有關預算均屬足夠。

內部審計部採用風險主導審核方針，定期檢討內部監控，密切監察業務或營運變動，定期進行審核測試，以確保主要監控正常運作。內部審計部亦視乎需要進行其他項目及調查工作。

任何重大內部審核結果均與各有關部門主管予以討論，議定行動並作出跟進，以確保維持滿意的監控。

於各半年工作計劃內，內部審計部與審核委員會議定其人員配備水平，並每年兩次向審核委員會提交內部審核活動概要及審核結果。

股東權利

股東召開股東特別大會（「股東特別大會」）之程序

根據百慕達《1981年公司法》第74條，於遞呈請求董事會召開股東特別大會的書面請求日期持有本公司已繳足股本不少於十分之一，並可於本公司股東大會上投票之一名或多名股東將有權遞交書面請求，以請求董事會召開股東特別大會。書面請求(i)須列明股東特別大會的目的；及(ii)須由呈請人簽署並送交本公司之註冊辦事處，並可由數份同樣格式的文件組成，而每份由一名或多名呈請人簽署。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Procedures for shareholders to convene a Special General Meeting ("SGM") (Continued)

If the Board does not within 21 days from the date of the deposit of the requisition proceed duly to convene a SGM, the requisitionists or any of them representing more than one-half of the total voting rights of all of them may convene a SGM, but any SGM so convened shall not be held after expiration of three months from the said date of deposit of the requisition. A SGM convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in any SGM to be convened by the Board.

Procedures for putting forward proposals at a general meeting

Pursuant to Sections 79 and 80 of the Bermuda Companies Act 1981, either any number of shareholders representing not less than one-twentieth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, or not less than 100 shareholders, can request the Company in writing to (i) give to shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (ii) circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition signed by all the requisitionists must be deposited at the registered office of the Company (contact details are disclosed in the section headed "Corporate Information") with a sum reasonably sufficient to meet the Company's relevant expenses and not less than six weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one week before the meeting in case of any other requisition.

The procedures for shareholders of the Company to propose for election as a director have been posted on the website of the Company.

股東權利 (續)

股東召開股東特別大會 (「股東特別大會」) 之程序 (續)

倘董事會在請求書遞呈日期起計21日內未有召開股東特別大會，則該等呈請人或佔全體呈請人總投票權一半以上之任何呈請人，可自行召開股東特別大會，惟任何如此召開之股東特別大會不得在上述請求書遞呈日期起計三個月屆滿後舉行。由呈請人召開之股東特別大會須盡可能以接近由董事會召開任何股東特別大會之方式召開。

於股東大會上提呈動議之程序

根據百慕達《1981年公司法》第79及80條，持有有權於本公司股東大會投票之本公司繳足股本不少於二十分之一之任何數目股東，或不少於100名股東，可向本公司提交書面要求：(i)向有權接收下一屆股東週年大會通告之股東發出通知，以告知任何可能於該大會上正式動議及擬於會上動議之決議案；及(ii)向有權獲發送任何股東大會通告之股東傳閱不超過1,000字之任何陳述書，以告知於該大會上任何提呈之決議案所述事宜或將處理之事項。

由所有呈請人簽署之呈請須送交本公司註冊辦事處（詳細聯絡信息於「企業資料」一節中披露），並須在（倘為須發送決議案通知之呈請）大會舉行前至少六星期或（倘為任何其他呈請）大會舉行前至少一星期遞交及須支付足以合理彌補本公司相關開支之款項。

本公司股東提名候選董事之程序已刊登於本公司網站。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Board maintains an ongoing dialogue with shareholders and in particular, endeavours to provide transparency and uses the annual general meetings and investors' conferences, to communicate with shareholders and invites their participation in certain marketing events. Besides, the Company's official website serves as a handy communication channel for the shareholders. Press releases and announcements about the Company's business affairs are published from time to time.

The Company informs shareholders of the procedure for voting by poll in the circular to shareholders, and ensures compliance with the requirements regarding voting by poll contained in the Listing Rules and the Company's Bye-laws.

Specific enquiries by shareholders requiring the Board's attention can be sent in writing to the company secretary at the Company's business address in Hong Kong at 25/F, Metropole Square, 2 On Yiu Street, Shatin, New Territories. Shareholders may also make proposals at the general meetings.

There was no significant change in the Company's constitutional documents during the Year under review.

DIVIDEND POLICY

The Dividend Policy sets out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the shareholders of the Company. The Company intends to distribute 40%-45% of its annual net profits as dividends to shareholders, having taken into consideration certain criteria set out in the Dividend Policy, including the Group's financial results; cash flow situation; business conditions and strategies; future operations and earnings; capital requirements and expenditure plans; interests of shareholders; any restrictions on payment of dividends; and any other factors that the Board may consider relevant.

投資者關係及與股東之溝通

董事會與股東保持溝通，尤其致力提高透明度，並透過股東週年大會及投資者會議與股東溝通及邀請彼等參與若干市場推廣活動。此外，本公司之官方網站亦為與股東溝通之便利渠道。本公司亦不時就本公司之業務刊登新聞稿及公告。

本公司於股東通函內知會股東按股數投票方式表決之程序，並確保符合上市規則及本公司之公司細則所載有關按股數投票方式表決之規定。

股東如欲向董事會作出特定查詢，可以書面形式致函公司秘書，寄往本公司的香港營業地址——新界沙田安耀街2號新都廣場25樓。另外，股東可在股東大會提出建議。

本公司的組織章程文件於回顧年度內並沒有重大變動。

股息政策

股息政策列載本公司就宣派、派付或分發其純利予本公司股東作為股息時擬應用的原則及指引。本公司擬分發全年淨利潤的40%至45%予股東作為股息，惟須視乎股息政策所載若干準則而定，包括本集團的財務業績；現金流狀況；業務狀況及策略；未來營運及盈利；資本需求及開支計劃；股東的利益；任何派付股息的限制；及董事會可能視為相關的任何其他因素。

REPORT OF THE DIRECTORS

董事會報告

The directors submit their report together with the audited consolidated financial statements for FY2020.

PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The subsidiaries are principally engaged in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery and gem-set jewellery products.

An analysis of the performance of the Group for the year by operating segment is set out in Note 6 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group and a discussion and analysis of the Group's performance during the Year under review, the material factors underlying its results and financial position and material attributable factors of the development and likely future developments of the Group's business, are provided throughout this Annual Report, particularly in the following separate sections:

- (a) Review of the Group's business – "Chairman's Statement" on pages 3 to 6 and "Management Discussion and Analysis" on pages 7 to 29;
- (b) The principal risks and uncertainties the Group is facing – "Report of the Directors" on pages 113 to 141;
- (c) Future development in the Group's business – "Chairman's Statement" on pages 3 to 6 and "Management Discussion and Analysis" on pages 7 to 29;
- (d) Analysis using financial key performance indicators – "Financial Highlights" on page 1 and "Management Discussion and Analysis" on pages 7 to 29;
- (e) Information about the Group's ESG policies and performance – "ESG Report" on pages 39 to 87 and "Report of the Directors" on pages 113 to 141;

董事謹此提呈彼等之董事會報告連同2020財年的經審核綜合財務報表。

主要業務及業務分部之分析

本公司主要業務為投資控股，其附屬公司主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。

本集團按營運分部劃分之年內業績分析載於綜合財務報表附註6。

業務回顧

有關本集團業務的中肯審視、本集團於回顧年度的表現、其業績及財務狀況的重要因素，及對本集團的業務發展及日後發展的重要因素的探討及分析，已於本年報不同部份披露，於以下個別章節尤其詳盡：

- (a) 本集團業務回顧 — 第3至6頁的「主席報告」及第7至29頁的「管理層討論及分析」；
- (b) 本集團正面對的主要風險及不明朗因素 — 第113至141頁的「董事會報告」；
- (c) 本集團日後的業務發展 — 第3至6頁的「主席報告」及第7至29頁的「管理層討論及分析」；
- (d) 運用財務關鍵績效指標進行的分析 — 第1頁的「財務摘要」及第7至29頁的「管理層討論及分析」；
- (e) 有關本集團環境、社會及管治政策及表現的信息 — 第39至87頁的「環境、社會及管治報告」和第113至141頁的「董事會報告」；

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

- (f) Discussion on the Group's compliance with the relevant laws and regulations – “Corporate Governance Report” on pages 88 to 112 and “Report of the Directors” on pages 113 to 141; and
- (g) An account of the Group's key relationships with its employees, customers and suppliers and others – “ESG Report” on pages 39 to 87 and “Report of the Directors” on pages 113 to 141.

Principal Risks and Uncertainties

The Board is ultimately responsible for ensuring that the risk management practices of the Group are sufficient to mitigate the risks present in our businesses and operations as efficiently and effectively as possible. The Board delegates some of such responsibilities to various departments.

The Group's financial position, operations, business and prospects may be affected by the following identified risks and uncertainties. The Group adopts risk management policies, measures and monitoring systems to pre-empt and contain exposures associated with the identified risks.

Economic Risks

Global Economic Condition

Possible economic slowdown or prolonged downturn of the global or Mainland's economy may affect the retail market sentiment as a whole.

Tourist Destinations

The increase in popularity of other tourist destinations weakens the spending of Mainland tourists in Hong Kong and Macau.

Operational Risks

Rent

As a retailer, rent accounts for a considerable portion of the Group's expenses. Rental increment on retail shops directly affects the profit of the Group. The Group strikes a good balance between shop expansion and profit increment. The Group strives to lower rent via negotiations with landlords, closes branches with low profitability and searches for suitable locations in other areas for new shops.

業務回顧 (續)

- (f) 討論本集團對有關法律及規例的遵守情況 — 第88至112頁的「企業管治報告」及第113至141頁的「董事會報告」；及
- (g) 敘述本集團與其僱員、客戶、供應商及其他人士的重要關係 — 第39至87頁的「環境、社會及管治報告」及第113至141頁的「董事會報告」。

主要風險及不明朗因素

董事會最終負責確保本集團的風險管理常規能充份而有效地減低業務及營運中的風險。董事會將部份職責委派予各個部門。

本集團的財務狀況、營運、業務及前景會受以下已識別風險及不確定因素影響。本集團採用風險管理政策、措施及監控系統，防範及控制所面臨的相應已識別風險。

經濟風險

全球經濟狀況

如全球或內地經濟放緩或持續低迷可能影響整體零售市場氣氛。

旅遊目的地

其他旅遊目的地興起，削弱內地旅客於香港及澳門的消費意欲。

經營風險

租金

作為零售商，租金佔本集團的開支比重不少，零售商舖的租金上升直接影響集團之盈利。我們在店舖擴張與增加盈利之間取得一個良好平衡。本集團積極透過與業主商討減租、關閉盈利能力較低的店舖，並於其他地段尋求合適位置開設新店。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Operational Risks (Continued)

Prices of Raw Materials

Fluctuations in prices of raw materials may adversely affect our profitability. We strive to improve our purchasing procedures in order to maintain reasonable raw materials costs. On the other hand, the Group has a gold hedging ratio of around 20% which mitigate the impact on the profit due to the drop in gold prices.

Fierce Competition

There is strong competition from national and local competitors in jewellery and watch industry. The Group has formulated a set of branding strategies to enhance brand image and awareness. Details of such strategies are set out in “Branding” on pages 30 to 38.

Inventory Turnover

Owing to the impact of volatile macro-economic environment in Asia especially Mainland, our inventory turnover bears the risk of slowing down.

Management of Licensed Shops

Licensed shops play an important role in raising the brand awareness of the Group. Maintaining a good brand image and reputation is a win-win situation for both the Group and the licensed shops. Therefore, the Group uses best endeavours to ensure their operations are consistent with the Group’s image and operation standard. We maintain a close working relationship with our licensed shops as well as provide one-stop support to them, such as shop-opening training, the provision of operation manuals and regular operation review meetings.

We also closely monitor the licensed shops through a stringent control system which consists of 6 areas of control, including Operational Control; Product Quality Control; Distribution Network Control; Pricing Control; Brand Image Control; and Service Quality Control. Details of such system are set out on page 116.

業務回顧 (續)

經營風險 (續)

原材料價格

原材料價格的波動對我們的盈利能力或有不良影響。我們致力改善採購程序，務求將原材料成本維持在合理水平。另一方面，本集團的黃金對沖比率為約20%，以減少金價下跌對盈利的衝擊。

劇烈競爭

全國及當地珠寶及鐘錶行業的競爭對手眾多，競爭十分劇烈。本集團制定了一連串的品牌策略以提升品牌形象及知名度。有關策略詳情可參考第30至38頁的「品牌策略」。

存貨周轉

受到亞洲尤其是內地宏觀經濟波動影響，我們的存貨周轉有放慢的風險。

品牌店管理

品牌店對於提升本集團品牌知名度扮演一個重要的角色。維持一個良好品牌形象及聲譽對本集團及品牌店是一個雙贏局面。因此，本集團以最大努力確保品牌店的營運符合本集團形象及營運準則。我們與品牌店維持緊密合作關係並向其提供一站式支援，例如開店培訓、營運指引和定期營運檢討會議。

我們還採用一個嚴格的監管系統密切監控品牌店，該系統由6個監控領域組成，包括營運監管、貨品品質監管、零售網絡監管、價格監管、品牌形象監管和服務質量監管。有關系統詳情可參考第116頁。

REPORT OF THE DIRECTORS

董事會報告

Control System on Licensed Shops

品牌店監管系統

Operational Control 營運監管

- Whistle-blowing System and Reward Scheme
舉報系統及獎勵計劃
- Sales and Inventory System Access
銷售及存貨系統登入
- DVR System
錄像系統
- Operational Compliance Audit Team
營運合規性審查小組
- Annual Contract Renewal Basis
每年續約機制
- Cash On Delivery Basis
貨到付款機制

Product Quality Control 貨品品質監管

- 100% diamond products in Mainland market offered by Lukfook
內地市場鑽石產品100%由六福提供
- Authorised suppliers on other products
其他產品由指定供應商供應
- Certificate issued by NGTC/GTC for quality assurance
國檢/省檢證書作為質量保證
- Sightholder of De Beers – steady quality rough diamond supply
De Beers特約配售商 – 穩定優質石胚之供應

Distribution Network Control 零售網絡監管

- Prior approval on retail locations
預先批核零售點位置

Pricing Control 價格監管

- Standardised retail price for products through centralised labeling process
透過統一標籤流程，以劃一產品零售價
- Centralised control on discount policy
中央控制折扣政策

Brand Image Control 品牌形象監管

- Authorised renovation contractors
指定裝修承包商
- Prior approval on all advertising & promotion
預先審批所有廣告和宣傳
- Standardised operational materials (e.g. uniform, packaging) in all shops
所有店舖統一營運物資(例如：制服、包裝)

Service Quality Control 服務品質監管

- Mystery Shopper System on service quality control
神秘顧客計劃以監管服務品質
- Centralised Staff Training
統一員工培訓
 - Regional training centres 區域培訓中心
 - E-Learning programmes 網上學習課程
 - On-site training 實地培訓

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Regulatory Risks

Changes in Laws and Regulations

The changes in laws and regulations such as the Competition Ordinance (Cap. 619 of the Laws of Hong Kong) and the adjustment to the policy of Individual Visit Scheme could adversely affect our businesses. Our management keeps a close eye on the change in such laws and regulations and adjusts the Group's operating strategies accordingly, in order to maintain the Group's market competitiveness.

Intellectual Property

We recognise the importance of building a good reputation and protecting our intellectual property. Any unauthorised use of our trademarks in counterfeit products could harm our brand image and reputation, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In view of this, the Group's legal department has set up teams in both Hong Kong and Nansha of Mainland to handle tasks in respect of intellectual properties (such as trademarks, design patents and fighting against infringement).

The Group has successfully registered the "Lukfook" trademark in the regions where "Lukfook" has a presence (such as Hong Kong, Macau, Mainland, Singapore, Malaysia, Cambodia, the Philippines, the United States, Canada and Australia). Our legal department has reached a consensus with our product development department, marketing department and design department that any new product, collection, display prop and fitting out design should be forwarded as soon as practicable to the legal department as appropriate for applying for design patent/copyright in Mainland, Hong Kong and Macau so as to ensure the maximum protection for the Group.

The Group's legal department and business department constantly monitor any infringement by free-riding brands across Mainland, and cooperate with the law enforcement agencies to fight against infringement. The Group always encourages colleagues to monitor any infringement during their business trips and report the infringement to the legal department, and endeavours to fight against infringement of the Group's intellectual properties.

Financial Risks

Details of financial risks are set out in Note 4 to the consolidated financial statements.

業務回顧 (續)

監管風險

法律及規例之變動

法律及規例之變動，例如《競爭條例》(香港法例第619章)和個人遊政策之調整可能對我們的業務造成不利的影響。我們的管理層一直密切留意有關法律及規例之變動及隨之調整營運策略，以維持本集團在市場上的競爭力。

知識產權

我們深明建立良好聲譽及保護知識產權的重要性。若我們的商標品牌被盜用於偽冒產品，可能會損害我們的品牌形象與聲譽，從而對我們的業務、財務狀況、經營業績及前景造成重大不利影響。

有見及此，本集團法務部於香港及內地南沙均設有小組負責處理知識產權工作(如商標、外觀設計專利、打擊侵權等)。

本集團於設有「六福」分店的地區(如香港、澳門、內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲等地)均已成功註冊「六福」商標；而法務部與產品拓展部、市場推廣部及設計等部門已有共識：當本集團有新產品、系列、陳列道具及裝修設計，須盡快按合適性轉交法務部安排主力於內地、香港及澳門申請外觀設計專利／版權，為本集團爭取最大保障。

本集團法務部與業務部有恆常跟進外間傍名牌於內地各地的侵權情況，並與執法機關配合打擊侵權工作；本集團亦時刻鼓勵各部門同事於出差期間多加留意及向法務部舉報任何侵權情況，盡力打擊一切侵犯本集團知識產權的行為。

財務風險

財務風險詳情載於綜合財務報表附註4。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Compliance with Laws and Regulations

The Group recognises the importance of compliance with regulatory requirements and the non-compliance with such requirements could lead to the risk of termination of operating licences. The Group has been allocating systems and human resources to ensure ongoing compliance with rules and regulations and to maintain cordial working relationships with regulators effectively through effective communications. During the Year under review, as far as the Group is aware, it has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

Environmental Policies and Performance

The Group places great importance on environmental protection and endeavours to promote sustainable development. It incorporates relevant environmental strategies in every aspect of its business, and implements initiatives in areas such as energy saving and waste management in manufacturing, administration and daily retail operations to mitigate the impact on the environment.

Relationships with Key Stakeholders

The Group recognises that employees, customers and suppliers are keys to its sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality services to its customers and enhancing cooperation with its business partners. The Group provides a fair and safe work environment, promotes staff diversity, provides competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also puts ongoing efforts to provide adequate training and resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and facilitate their self-fulfillment in their positions.

業務回顧 (續)

法律及規例的遵守

本集團確認符合法規要求的重要性，不符合該等要求可導致終止經營許可證的風險。本集團已分配系統及人力資源，確保持續符合規則及規例，並通過有效溝通與監管部門保持良好工作關係。於回顧年度內，據本集團所知，其已於各重大方面遵循對本集團之業務及營運構成重大影響的有關法律及規例。

環境政策及表現

本集團非常重視環境保護，並致力推動可持續發展。本集團將相關環保策略融入其業務的各個方面，將節能及廢物管理等措施應用於生產、行政及日常零售業務中，以減低對環境的影響。

與主要持份者的關係

本集團深明僱員、客戶及供應商均為其可持續發展之關鍵因素。本集團致力建立與僱員之緊密關切關係、為客戶提供優質服務，並加強與業務夥伴合作。本集團提供公平而安全之工作環境、提倡員工多元化、根據彼等之長處及表現提供具競爭力的薪金及福利以及職業發展機會。本集團亦持續致力為僱員提供充足培訓及資源，以使彼等可緊貼市場及行業的最新發展，與此同時改善其於職位上的表現及幫助其實現自我價值。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Relationships with Key Stakeholders (Continued)

The Group understands the importance of maintaining good relationship with customers and providing products which satisfy their needs and requirements. The Group enhances the relationship by continuous interaction with customers to gain insight into the changing market demand for different products so that the Group can respond proactively. The Group has also established procedures in handling customers' feedbacks and complaints to ensure that customers' opinions are dealt with in prompt and timely manner.

The Group maintains stable business relationships with its suppliers and service providers. In order to have a better and close monitoring of suppliers' performance, the Group's management regularly conducts performance reviews targeting the Group's major suppliers and service providers, and communicates with them for rectification and improvements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year under review are set out in the consolidated income statement on page 153.

The directors have declared an interim dividend of HK\$0.50 per ordinary share. A total of HK\$293,554,000 was paid on 24 December 2019.

The directors proposed a final dividend of HK\$0.50 per ordinary share for the year ended 31 March 2020 (2019: HK\$0.60 per share) to shareholders whose names appear on the register of members of the Company on 26 August 2020. Taking into account of the interim dividend paid, the total dividend for the year would amount to HK\$1.00 per ordinary share, totalling HK\$587,108,000 for the year (2019: HK\$1.15 per ordinary share, totalling HK\$675,174,000). Subject to the approval of the shareholders at the forthcoming AGM of the Company to be held on 20 August 2020, the final dividend will be paid on or around 8 September 2020.

業務回顧 (續)

與主要持份者的關係 (續)

本集團明白與客戶保持良好關係及提供能滿足其需要及要求之產品的重要性。本集團透過與客戶持續互動促進關係，以了解各種產品不斷變化之市場需求，從而主動作出回應。本集團亦已設立程序處理客戶反饋及投訴，確保客戶意見可妥為及時處理。

本集團與供應商及服務供應商保持穩健的業務夥伴關係。為了更有效及密切監察供應商表現，本集團管理層定期就本集團主要供應商及服務供應商之表現進行檢討，並與彼等溝通以期作出糾正及改善。

業績及分派

本集團回顧年度之業績載於第153頁之綜合損益表內。

董事已宣派中期股息每股普通股0.50港元。於2019年12月24日合共派息293,554,000港元。

董事建議就截至2020年3月31日止年度向於2020年8月26日名列本公司股東名冊之股東派付末期股息每股普通股0.50港元(2019年：每股0.60港元)，連同已派付的中期股息，本年度股息合共為每股普通股1.00港元，年度股息總額為587,108,000港元(2019年：每股普通股1.15港元，總額為675,174,000港元)。待股東於2020年8月20日舉行之本公司應屆股東週年大會上批准後，末期股息將於2020年9月8日或前後支付。

REPORT OF THE DIRECTORS

董事會報告

DONATIONS

Donations made by the Group during the Year under review amounted to HK\$2,433,000 (2019: HK\$2,437,000).

SHARES ISSUED

Details of the shares issued by the Company during the Year under review are set out in Note 29 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Year under review or subsisted at the end of the year.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2020, calculated under the Companies Act of Bermuda, amounted to HK\$1,053,050,000 (2019: HK\$1,100,963,000).

FIVE-YEAR FINANCIAL SUMMARY

The results, assets and liabilities of the Group for each of the last five financial years ended 31 March are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Results	業績					
Revenue	收入	11,233,771	15,859,990	14,578,409	12,807,277	14,031,302
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	866,315	1,492,747	1,369,393	1,016,838	958,692
Assets and liabilities	資產及負債					
Total assets	總資產	13,925,048	14,423,572	12,214,878	10,679,250	10,629,499
Total liabilities	總負債	3,512,937	3,860,656	2,135,141	1,699,310	1,860,580
Shareholders' funds	股東資金	10,371,705	10,517,270	10,034,769	8,873,350	8,673,796

PURCHASE, SALE OR REDEMPTION OF SECURITIES

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

捐款

本集團於回顧年度內作出之捐款為2,433,000港元(2019年:2,437,000港元)。

已發行股份

本公司於回顧年度內發行股份之詳情載於綜合財務報表附註29。

股票掛鈎協議

於回顧年度內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行股份。

可供分派儲備

根據百慕達公司法計算，本公司於2020年3月31日之可供分派儲備為1,053,050,000港元(2019年:1,100,963,000港元)。

五年財務摘要

本集團截至3月31日止對上五個財政年度各年之業績、資產及負債如下：

購買、出售或贖回證券

本公司及其附屬公司於回顧年度內均無購買、出售或贖回任何本公司之上市證券。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The directors who held office during the year ended 31 March 2020 and up to the date of this Annual Report are as follows:

Executive Directors

Mr. WONG Wai Sheung (*Chairman & Chief Executive Officer*)
Mr. TSE Moon Chuen (*Deputy Chairman*)
Ms. WONG Hau Yeung
Ms. WONG Lan Sze, Nancy
Dr. CHAN So Kuen

Non-executive Directors

Mr. WONG Ho Lung, Danny (*Deputy Chairman*)
Ms. YEUNG Po Ling, Pauline
Mr. HUI Chiu Chung, JP
Mr. LI Hon Hung, BBS, MH, JP

Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander
Mr. IP Shu Kwan, Stephen, GBS, JP
Mr. MAK Wing Sum, Alvin
Ms. WONG Yu Pok, Marina, JP
Mr. HUI King Wai

Pursuant to Bye-law 99 of the Bye-laws, one-third of the directors shall retire from office by rotation at each AGM of the Company. Accordingly, Mr. WONG Wai Sheung, Ms. WONG Hau Yeung, Mr. LI Hon Hung, Mr. TAI Kwok Leung, Alexander and Ms. WONG Yu Pok, Marina, shall retire from office by rotation at the AGM. All the retiring directors, being eligible, will offer themselves for re-election at the AGM, except Mr. TAI Kwok Leung, Alexander who does not offer himself for re-election owing to personal reason. Retiring Mr. TAI Kwok Leung, Alexander confirmed that he has no disagreement with the Board of the Company and there are no matters relating to his retirement that need to be brought to the attention of the shareholders of the Company. The Board would like to express its sincere gratitude to Mr. TAI Kwok Leung, Alexander for his valuable efforts and contributions to the Board during the tenure of his office. Details of the proposed directors to be re-elected are set out in the circular sent together with this Annual Report.

董事

截至2020年3月31日止年度內及直至本年報日期在任之董事如下：

執行董事

黃偉常先生 (*主席兼行政總裁*)
謝滿全先生 (*副主席*)
王巧陽女士
黃蘭詩女士
陳素娟博士

非執行董事

黃浩龍先生 (*副主席*)
楊寶玲女士
許照中太平紳士
李漢雄BBS·MH太平紳士

獨立非執行董事

戴國良先生
葉樹堃GBS太平紳士
麥永森先生
黃汝璞太平紳士
許競威先生

根據公司細則第99條，三分之一董事須於本公司每屆股東週年大會上輪值告退。據此，黃偉常先生、王巧陽女士、李漢雄先生、戴國良先生及黃汝璞女士將於股東週年大會上輪值告退。除戴國良先生因個人理由不再重選連任外，所有退任董事均符合資格，並願意於股東週年大會上膺選連任。退任的戴國良先生確認，彼與本公司董事會之間並無意見分歧，亦無就彼退任而須提呈本公司股東注意之事宜。董事會謹此向戴國良先生於任內為董事會所作寶貴貢獻致以衷心謝意。有關擬重選董事之信息載於隨本年報寄發之通函內。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. WONG Wai Sheung, aged 69, is the founder, Chairman, Chief Executive Officer and Executive Director of the Group. He is also a member of the Remuneration Committee and Nomination Committee. Mr. WONG has over 53 years of experience in the jewellery industry and is responsible for the overall strategic planning and management of the Group. He is the Honorary Life President of The Kowloon Gold Silver and Jewel Merchant's Staff Association, the Honorary Permanent Chairman of Hong Kong Jade Association, the Chairman of Supervisory Committee of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, the Honorary Chairman of Macau Goldsmith's Guild, the Honorary Chairman of Guangdong Golden Jewelry and Jade Industry's Association, the Consultant of the Gems & Jewelry Trade Association of China, the Honorary Chairman of Hong Kong Small and Medium Enterprises Association, the Honorary Chairman of Hong Kong Gemstone Manufacturers' Association, Founding Member and Vice President of Shenzhen Gold & Silver Jewelry Creative Industry Association, Honorary Advisor of H.K. Gold & Silver Ornament Workers & Merchants General Union and the Consultant of the 6th Term General Committee of Hong Kong Brand Development Council. Mr. WONG is the father of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Group and Ms. WONG Lan Sze, Nancy, Executive Director and Deputy Chief Executive Officer of the Group.

董事及高級管理人員之履歷詳情

執行董事

黃偉常先生，69歲，為本集團創辦人、主席、行政總裁兼執行董事。彼亦為薪酬委員會和提名委員會之成員。黃先生於珠寶業擁有超過53年經驗，負責本集團的整體企業策劃及管理。彼現為九龍首飾業文員會永遠榮譽會長、香港玉器商會永遠名譽會長、九龍珠石玉器金銀首飾業商會監事長、澳門金業同業公會名譽會長、廣東省金銀珠寶玉器業廠商會名譽會長、中國珠寶玉石首飾行業協會理事會顧問、香港中小型企業聯合會名譽會長、香港寶石廠商會榮譽會長、深圳市金銀珠寶創意產業協會創會會員兼副會長、香港金銀首飾工商總會名譽顧問及香港品牌發展局第六屆理事會顧問。黃先生為本集團副主席兼非執行董事黃浩龍先生及本集團執行董事兼副行政總裁黃蘭詩女士之父親。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Mr. TSE Moon Chuen, aged 69, is the co-founder of the Group. Presently, he is the Deputy Chairman, Executive Director and Deputy General Manager of the Group. He is also a member of the Nomination Committee. Mr. TSE has over 47 years of experience in jewellery retailing business and is responsible for the merchandising and production functions of the Group. Mr. TSE is an Executive Committee Member of the Diamond Federation of Hong Kong, China Ltd., a Vice President of The Chinese Gold & Silver Exchange Society, the Vice Chairman of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, the President of The Tsuen Wan Festival Lightings Organizing Committee, a Member of the Kwun Tong District Junior Police Call (JPC) Honorary President Council, a Vice Chairman of Macau Goldsmith's Guild, a Director of Hong Kong, Guangzhou, Foshan and Zhaoqing Friendship Association, an Honorary President of Tsuen Wan Committee for Celebration of Reunification of Hong Kong with China, an Honorary President of Tsuen Wan Preparatory Community of National Day, a Vice President of Zhaoqing Overseas Friendship Association, an Honorary Consultant of Shatin Friends Society, an Executive Committee Member and Vice Director of Finance of Hong Kong Jewellers' & Goldsmiths' Association, a Vice Chairperson of Tsuen Wan District Fire Safety Ambassador Honorary Presidents' Association, an Honorary President of H.K. Gold & Silver Ornament Workers & Merchants General Union, an Honorary President of The Residents Association of Tsuen Wan Hoi Bun District, the 13th Term Executive Director of Guangzhou Panyu Jewelry Manufacturers Association, the 20th Term Honorary Consultant of Hong Kong Precious Metals Traders Association Limited, an Honorary Consultant of Tsuen Wan Kwai Ching District Women's Association and the 9th Term Honorary President of Tsuen Wan District Elderly Welfare Association. Moreover, Mr. TSE was awarded the "Chief Executive's Commendation for Community Service" by the Government of the Hong Kong SAR.

董事及高級管理人員之履歷詳情 (續)

執行董事 (續)

謝滿全先生，69歲，為本集團之共同創辦人，現職本集團之副主席、執行董事兼副總經理。彼亦為提名委員會成員之一。謝先生具備逾47年珠寶零售業經驗，負責本集團之採購及生產事宜。彼現為香港鑽石總會有限公司常務委員、金銀業貿易場理監事會副理事長、九龍珠石玉器金銀首飾業商會副理事長、荃灣區節日燈飾籌備委員會會長、觀塘區少年警訊名譽會長會委員、澳門金業同業公會副理事長、香港廣佛肇聯誼總會會董、荃灣各界慶祝回歸委員會名譽會長、荃灣各界慶祝國慶籌委會名譽會長、肇慶海外聯誼會副會長、沙田之友社名譽顧問、香港珠石玉器金銀首飾業商會理事兼副財務主任、荃灣區消防安全大使名譽會長會副主席、香港金銀首飾工商總會名譽會長、荃灣海濱海灣居民協會榮譽會長、廣州市番禺區珠寶廠商會第十三屆理事會常務理事、香港貴金屬同業協會第二十屆名譽顧問、荃灣葵青區婦女會名譽顧問及荃灣區長者福利會第九屆名譽會長。此外，謝先生獲香港特別行政區政府頒授「行政長官社區服務獎狀」。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Ms. WONG Hau Yeung, aged 47, is the Executive Director and Chief Operating Officer of the Group and a member of the Remuneration Committee. She is also a Director of China Gold Silver Group Company Limited (“CGS”), an associate of the Company which conducts jewellery retail and franchise business under the brand name of “3D-GOLD” in Hong Kong, Macau and Mainland. Ms. WONG initially joined the Group in 1994 and served various departments for about 8 years until 2002. She rejoined the Group in 2004. Currently, she is responsible for the Group’s operations and development of the retail, wholesale and licensing businesses. In addition, she is also responsible for the administration and human resources functions of the Group. She holds a Master’s Degree in Business Administration from University of Southern Queensland. Ms. WONG is a Member and Vice-Chairperson of The Jewellery Industry Training Advisory Committee and she has over 26 years of experience in the jewellery industry.

Ms. WONG Lan Sze, Nancy, aged 39, is the Executive Director and Deputy Chief Executive Officer of the Group. She joined the Group in 2006 and assists in formulating and implementing the Group’s overall business strategies. She is also responsible for the Group’s corporate branding, marketing, corporate communications, product design and development functions and e-commerce operations. Ms. WONG holds a Bachelor’s Degree in Commerce from the University of Toronto, Canada and a Master’s Degree of Science in China Business Studies from The Hong Kong Polytechnic University. She is also a Certified Public Accountant of the United States of America. Prior to joining the Group, Ms. WONG worked for an international professional accounting firm in Hong Kong, where she performed auditing and accounting assignments for a variety of business organisations including listed companies. She received the GIA Diamond Graduate title in 2007. She is a Member of Young Diamantaire Group of Diamond Federation of Hong Kong. Ms. WONG is the daughter of Mr. WONG Wai Sheung, the Group’s Chairman, Chief Executive Officer and Executive Director and the sister of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Group.

董事及高級管理人員之履歷詳情 (續)

執行董事 (續)

王巧陽女士，47歲，為本集團之執行董事兼營運總裁及薪酬委員會成員之一。彼亦為中國金銀集團有限公司（「中國金銀」）（本公司之聯營公司，以「金至尊」品牌在香港、澳門及內地從事珠寶首飾零售及特許經營業務）之董事。王女士於1994年首次加入本集團，至2002年期間曾於本集團多個部門任職約達8年，彼其後於2004年再次加入本集團，現負責本集團之零售、批發與品牌業務之營運及拓展。此外，彼亦負責本集團行政及人力資源工作。彼持有澳洲南昆士蘭大學工商管理碩士學位。王女士為珠寶行業培訓諮詢委員會委員及副主席，彼具備超逾26年珠寶業經驗。

黃蘭詩女士，39歲，為本集團執行董事兼副行政總裁。彼於2006年加入本集團，協助規劃及實施本集團之整體業務策略，彼亦負責本集團之品牌管理、市場推廣、企業傳訊、產品設計及拓展事宜，以及電子商務營運。黃女士畢業於加拿大多倫多大學，獲頒商學士學位，並持有香港理工大學中國商貿管理理學碩士學位。彼亦為美國註冊執業會計師。加入本集團前，黃女士曾於本港一間國際專業會計師行工作，為包括上市公司的不同商業機構執行核數及會計工作。彼亦於2007年獲取GIA Diamond Graduate銜頭。彼為香港鑽石總會鑽石商青年小組會員。黃女士為本集團主席、行政總裁兼執行董事黃偉常先生之女兒，亦為本集團副主席兼非執行董事黃浩龍先生之胞妹。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Dr. CHAN So Kuen, aged 60, the Chief Financial Officer and Company Secretary of the Group, joined the Group in 2012 and was appointed as an Executive Director of the Group in 2015. Dr. CHAN graduated from The Hong Kong Polytechnic University and Oklahoma City University (the United States of America), with a Doctorate Degree and a Master's Degree in Business Administration, respectively. She is also a Fellow Member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Dr. CHAN had been the Director of Finance & Company Secretary for around 3 years and the Deputy Chairman of the Board of Directors & Chief Executive Officer of Bossini International Holdings Limited (Stock Code: 0592) for about 4 years after that during the period from 2003 to 2010. Dr. CHAN has substantial financial and management experiences in vast varieties of businesses for more than 34 years. Dr. CHAN is currently responsible for the overall financial management, corporate finance, information technology, investor relations and company secretarial matters of the Group.

Non-executive Directors

Mr. WONG Ho Lung, Danny, aged 43, is the Deputy Chairman and Non-executive Director of the Group. He is also the Chief Executive Officer and Director of CGS. He joined the Group as an Operations Manager in 2002. Mr. Danny WONG is an active participant in the community and is currently a Member of Sihui Municipal Committee of the Chinese People's Political Consultative Conference, a Permanent President of Sze Wui and Kwong Ning Clansman's Association (Hong Kong) Limited, the President of Sihui Dasha Town Clansman's Association (Hong Kong), an Executive Committee Member of Diamond Federation of Hong Kong, China Ltd., a Supervisory Committee Member of Hong Kong Jewellers' & Goldsmiths' Association, a Supervisory Committee Member of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, a Member of Lions Club of Sham Shui Po Hong Kong, a Vice President of Zhaoqing Overseas Friendship Association and a Member of The Association of the Hong Kong Members of Guangdong's Chinese People's Political Consultative Conference Committees Limited. In December 2008, Mr. Danny WONG received the GIA Diamond Graduate title. He is the son of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive Officer and Executive Director and the elder brother of Ms. WONG Lan Sze, Nancy, Executive Director and Deputy Chief Executive Officer of the Group.

董事及高級管理人員之履歷詳情 (續)

執行董事 (續)

陳素娟博士，60歲，為本集團之財務總裁兼公司秘書，於2012年加入本集團，並於2015年獲委任為本集團之執行董事。陳博士畢業於香港理工大學及美國奧克拉荷馬城大學，分別持有工商管理博士及碩士學位。彼亦為英國特許公認會計師公會及香港會計師公會之資深會員。陳博士曾在2003年至2010年期間，於堡獅龍國際集團有限公司（股份代號：0592）擔任財務董事兼公司秘書約3年與及後的董事局副主席兼行政總裁約4年。陳博士於多類型業務已積累逾34年之豐富財務及管理經驗。目前，陳博士負責本集團之整體財務管理、企業財務、資訊科技、投資者關係及公司秘書工作。

非執行董事

黃浩龍先生，43歲，為本集團之副主席兼非執行董事。彼亦為中國金銀之行政總裁兼董事。彼於2002年加入本集團為營運經理。黃浩龍先生積極參與社區活動，彼現時為中國人民政治協商會議四會市委員會委員、香港會寧同鄉會有限公司永遠會長、香港四會大沙同鄉會會長、香港鑽石總會有限公司常務委員、香港珠石玉器金銀首飾業商會監事、九龍珠石玉器金銀首飾業商會監事、香港深水埗獅子會會員、肇興海外聯誼會副會長及香港廣東各級政協委員聯誼會有限公司會員。於2008年12月，黃浩龍先生亦獲GIA Diamond Graduate銜頭。彼為本集團主席、行政總裁兼執行董事黃偉常先生之兒子，亦為本集團執行董事兼副行政總裁黃蘭詩女士之胞兄。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Non-executive Directors (Continued)

Ms. YEUNG Po Ling, Pauline, aged 53, is the co-founder of the Group. Ms. YEUNG has over 32 years of experience in public relations. Ms. YEUNG was the winner of Miss Hong Kong and Miss International of Goodwill in 1987, and also the 4th Runnerup of Miss Universe and Queen of Asia in 1988. Ms. YEUNG was the President of the Wai Yin Association for the year 1995-1996. She received the GIA Diamonds Graduate title in 2005.

Mr. HUI Chiu Chung, JP, aged 73, joined the Group in 1997. He was re-designated from an Independent Non-executive Director to a Non-executive Director of the Company on 1 October 2011, owing to changes in factors concerning his independence. Mr. HUI has 49 years of experience in the securities and investment industry. Mr. HUI had for years been serving as a Council Member and Vice Chairman of The Stock Exchange of Hong Kong Limited, a member of the Advisory Committee of the Hong Kong Securities and Futures Commission, a Director of the Hong Kong Securities Clearing Company Limited, a member of the Listing Committee of the Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeal Tribunal, a member of Standing Committee on Company Law Reform, a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission and also an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A. Mr. HUI was appointed by the Government of the HKSAR as a Justice of the Peace in 2004 and was also a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference from 2006 to 2017. He had also been a member of Government "Appointees" (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. HUI also serves as Independent Non-executive Director of Zhuhai Holdings Investment Group Limited (Stock Code: 0908), Lifestyle International Holdings Limited (Stock Code: 1212), Gemdale Properties and Investment Corporation Limited (Stock Code: 0535), China South City Holdings Limited (Stock Code: 1668), SINOPEC Engineering (Group) Co., Ltd. (Stock Code: 2386), Agile Group Holdings Limited (Stock Code: 3383) and FSE Services Group Limited (Stock Code: 0331) whose shares are listed on The Stock Exchange of Hong Kong Limited. He was an Independent Non-executive Director of Asia Allied Infrastructure Holdings Limited (Stock Code: 0711) and Hong Kong Exchanges and Clearing Limited (Stock Code: 0388) until his resignation effective from 1 February 2015 and his retirement effective from 29 April 2015 respectively.

董事及高級管理人員之履歷詳情 (續)

非執行董事 (續)

楊寶玲女士，53歲，為本集團之共同創辦人。楊女士具備逾32年公關工作經驗。楊女士為1987年度香港小姐冠軍及國際親善大使，亦是1988年環球小姐第四名兼亞洲皇后。楊女士曾任1995-1996年度慧妍雅集主席。彼於2005年獲取GIA Diamonds Graduate銜頭。

許照中太平紳士，73歲，於1997年加入本集團。由於可影響許先生獨立性之因素有所改變，他已於2011年10月1日由獨立非執行董事重新委任為非執行董事。許先生具備49年之證券及投資經驗，多年來曾出任香港聯合交易所有限公司理事會理事及副主席、香港證券及期貨事務監察委員會諮詢委員會委員、香港中央結算有限公司董事、香港交易及結算所有限公司上市委員會委員、證券及期貨事務上訴審裁處委員、公司法改革常務委員會委員、香港證券及期貨事務監察委員會房地產投資信託基金委員會委員及香港會計師公會調查小組A組委員等。許先生於2004年獲香港特別行政區政府頒授太平紳士榮銜，並自2006年至2017年擔任中國珠海市人民政治協商會議政協委員。彼亦曾任香港旅遊業議會上訴委員會獨立委員。許先生亦為股份於香港聯合交易所有限公司上市之珠海控股投資集團有限公司（股份代號：0908）、利福國際集團有限公司（股份代號：1212）、金地商置集團有限公司（股份代號：0535）、華南城控股有限公司（股份代號：1668）、中石化煉化工程（集團）股份有限公司（股份代號：2386）、雅居樂集團控股有限公司（股份代號：3383）及豐盛服務集團有限公司（股份代號：0331）之獨立非執行董事。彼曾為亞洲聯合基建控股有限公司（股份代號：0711）及香港交易及結算所有限公司（股份代號：0388）之獨立非執行董事，分別至2015年2月1日辭任及2015年4月29日任滿為止。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Non-executive Directors (Continued)

Mr. LI Hon Hung, BBS, MH, JP, aged 63, was appointed as a Non-executive Director of the Company in 2011. Mr. LI holds a Diploma of Architectural Design from Humber College of Toronto, Canada in 1981 and a Bachelor's of Architecture from New York Institute of Technology in 1984. Mr. LI was awarded the Certificate of Registration Authorized Person (List of Architects) in 1989 and the Certificate of Registered Inspector in 2012, by the Government of the HKSAR respectively. In professional qualification aspect, Mr. LI is a Fellow of Hong Kong Institute of Architects and a Member of Architect Registration Board. He also got the PRC Class 1 Registered Architect Qualification. Mr. LI has extensive architecture experience and is a Director of Li & Siu Associates Ltd. and A. Li & Associates Architects Ltd. In addition, he is a Director of Keen Mind Kindergarten. Mr. LI was appointed as a District Council Member of Sham Shui Po District from 2000 to 2007 and awarded the Chief Executive's Commendation for Community Service and Medal of Honor. He was also appointed by the Government of the HKSAR a Justice of the Peace in 2008 and was awarded a Bronze Bauhinia Star (BBS) in 2017. Mr. LI has been appointed to various positions over the years including: Chairman of Sham Shui Po District Office (East Liaison Team), Chairman of Sham Shui Po District Fire Safety Committee, Chairman of Sham Shui Po Council for the Promotion of Cultural and Recreation Service Limited, Chairman of Sham Shui Po District Fight Crime Committee, Honorary President of Sham Shui Po District Junior Police Call, Honorary President of Kowloon City District Junior Police Call, Honorary President of Yau Tsim District Junior Police Call, Chairman of Yau Yat Chuen Residents Association Ltd., President of Police Dragon Boat Club and Chartered President of Lions Club of Sham Shui Po Hong Kong. Mr. LI is also an Independent Non-executive Director of Sheung Yue Group Holdings Limited (Stock Code: 1633) which is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

董事及高級管理人員之履歷詳情 (續)

非執行董事 (續)

李漢雄 BBS, MH 太平紳士，63歲，於2011年獲委任為本公司之非執行董事。李先生於1981年持有加拿大多倫多Humber College頒授之理工建築系文憑，及於1984年持有美國紐約理工大學頒授之建築系學士學位。李先生分別於1989年獲得香港特別行政區政府認可人士（建築師）證書及於2012年獲得香港特別行政區政府註冊檢驗人員證書。在專業資格方面，李先生為香港建築師學會資深會員，以及香港建築師註冊管理局之會員。彼亦取得中國一級註冊建築師資格，李先生擁有豐富之建築經驗，亦為李邵建築師樓有限公司及李漢雄建築師樓有限公司之董事。另外，彼為劍鳴幼稚園暨幼兒園之董事。李先生於2000年至2007年間擔任深水埗區議會政府委任區議員，並獲頒授行政長官社區服務獎狀及榮譽勳章，彼更分別於2008年及2017年獲香港特別行政區政府頒授太平紳士榮銜及銅紫荊星章(BBS)。過往多年來李先生曾擔任多項公職，當中包括：深水埗東分區委員會主席、深水埗防火委員會主席、深水埗區文娛康樂促進會主席、深水埗區撲滅罪行委員會主席、深水埗區少年警訊名譽會長、九龍城區少年警訊名譽會長、油尖區少年警訊名譽會長、又一村居民聯會主席、香港警察龍舟會會長及深水埗獅子會創會會長。李先生現時亦為香港聯合交易所有限公司主板上市的上諭集團控股有限公司（股份代號：1633）之獨立非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander, aged 62, was appointed as an Independent Non-executive Director of the Company in 2008 and is the Chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee of the Company. Mr. TAI graduated from Victoria University of Wellington in New Zealand with a degree in Bachelor of Commerce and Administration in 1982 and became an associate member of the Hong Kong Institute of Certified Public Accountants in 1983. Mr. TAI has extensive accountancy, corporate finance and investment experience in Hong Kong and overseas. Mr. TAI is a partner of VMS Securities Limited, a licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities. Mr. TAI is an Independent Non-executive Director of Jiayuan International Group Limited (Stock Code: 2768), G & M Holdings Limited (Stock Code: 6038), Shengjing Bank Co., Ltd. (Stock Code: 2066) and AAG Energy Holdings Limited (Stock Code: 2686) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. He was formerly an Independent Non-executive Director of Anhui Conch Cement Company Limited (Stock Code: 914). He is also a current member of the Shandong Committee of the Chinese People's Political Consultative Conference.

董事及高級管理人員之履歷詳情 (續)

獨立非執行董事

戴國良先生，62歲，於2008年獲委任為本公司之獨立非執行董事，彼為本公司審核委員會之主席及提名委員會與薪酬委員會之成員。戴先生於1982年在紐西蘭威靈頓Victoria University畢業，獲取商業及行政學士學位，並於1983年成為香港會計師公會會員。戴先生在香港及海外擁有豐富之會計、企業融資及投資經驗。戴先生為鼎珮證券有限公司之合夥人，該公司為根據《證券及期貨條例》可從事第1類（證券交易）、第4類（就證券提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動之持牌法團。戴先生現為於香港聯合交易所有限公司主板上市的佳源國際控股有限公司（股份代號：2768）、信越控股有限公司（股份代號：6038）、盛京銀行股份有限公司（股份代號：2066）及亞美能源控股有限公司（股份代號：2686）之獨立非執行董事。彼曾為安徽海螺水泥股份有限公司（股份代號：914）之獨立非執行董事。戴先生現亦為中國人民政治協商會議山東省委員會委員。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Mr. IP Shu Kwan, Stephen, GBS, JP, aged 68, was appointed as an Independent Non-executive Director of the Company in 2011 and is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Mr. IP graduated from The University of Hong Kong with a degree of Social Sciences in 1973. He subsequently pursued further studies in Oxford University and Harvard Business School. Mr. IP joined the Hong Kong Government in November 1973 as an Administrative Officer and had served various government departments. Mr. IP was promoted to the rank of Director of Bureau in April 1997. He worked in the Government of the Hong Kong Special Administrative Region (the "Government of the HKSAR") as a Principal Official from July 1997 to June 2007. Senior positions held by Mr. IP in the past included Commissioner of Insurance, Commissioner for Labour, Secretary for Economic Services and Secretary for Financial Services. Mr. IP took up the position of Secretary for Economic Development and Labour on 1 July 2002. His portfolio in respect of economic development covered air and sea transport, logistics development, tourism, energy, postal services, meteorological services, competition and consumer protection. He was also responsible for labour policies including matters relating to employment services, labour relations and employees' rights. In his capacity as Secretary for Economic Development and Labour, Mr. IP was a member of the Hong Kong Airport Authority Board, the Mandatory Provident Fund Authority Board, the Hong Kong International Theme Parks Company Board as well as the Chairman of the Logistics Development Council, Port Development Board, Maritime Industry Council and Aviation Development Advisory Committee. Mr. IP retired from the Government of the HKSAR in July 2007. Mr. IP received the Gold Bauhinia Star award from the Government of the HKSAR in 2001, and is an unofficial Justice of the Peace. Mr. IP is also an Independent Non-executive Director of China Resources Cement Holdings Limited (Stock Code: 1313), Lai Sun Development Company Limited (Stock Code: 0488), Kingboard Laminates Holdings Limited (Stock Code: 1888), Nameson Holdings Limited (Stock Code: 1982) and Million Cities Holdings Limited (Stock Code: 2892) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. He was formerly an Independent Non-executive Director of Synergis Holdings Limited (Stock Code: 2340).

董事及高級管理人員之履歷詳情 (續)

獨立非執行董事 (續)

葉澍堃 GBS 太平紳士，68歲，於2011年獲委任為本公司之獨立非執行董事，彼為本公司薪酬委員會之主席及審核委員會與提名委員會之成員。葉先生於1973年於香港大學社會科學系畢業，其後曾赴牛津大學及哈佛商學院深造。葉先生於1973年11月加入香港政府政務主任職級，亦曾服務多個政府部門。葉先生於1997年4月升任局長級。彼由1997年7月至2007年6月出任香港特別行政區政府（「香港特別行政區政府」）主要官員。葉先生曾經出任的高層職位包括保險業監理專員、勞工處處長、經濟局局長及財經事務局局長。葉先生自2002年7月1日起出任經濟發展及勞工局局長。在經濟發展方面，葉先生的職責範疇包括海空交通、物流發展、旅遊、能源、郵政服務、氣象服務、競爭及保障消費者權益。葉先生亦負責勞工政策，處理的事宜包括就業服務、勞資關係和僱員權益。葉先生過去以經濟發展及勞工局局長身份出任香港機場管理局、強制性公積金計劃管理局及香港國際主題樂園公司董事局成員，及物流發展局、港口發展局、航運發展局及航空發展諮詢委員會主席。葉先生於2007年7月退休離開香港特別行政區政府。葉先生於2001年獲香港特別行政區政府頒發金紫荊星章，及現時為非官守太平紳士。葉先生現時亦為於香港聯合交易所有限公司主板上市的華潤水泥控股有限公司（股份代號：1313）、麗新發展有限公司（股份代號：0488）、建滔積層板控股有限公司（股份代號：1888）、南旋控股有限公司（股份代號：1982）及萬城控股有限公司（股份代號：2892）之獨立非執行董事。彼曾為昇捷控股有限公司（股份代號：2340）之獨立非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Mr. MAK Wing Sum, Alvin, aged 67, was appointed as an Independent Non-executive Director of the Company in 2012 and is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. Mr. MAK graduated from the University of Toronto with a Bachelor of Commerce degree in 1976. He is a member of the Canadian Institute of Chartered Accountants and the Hong Kong Institute of Certified Public Accountants. After working in Citibank for over 26 years, Mr. MAK retired on 1 May 2012. He last served as the Head of Markets and Banking for Citibank Hong Kong, being the country business manager for corporate and investment banking business. Mr. MAK had also held various other senior positions in Citibank including Head of Global Banking responsible for managing all the coverage bankers. Prior to that, he also managed the bank's Hong Kong corporate finance business, regional asset management business and was the Chief Financial Officer of North Asia. Before joining Citibank in 1985, Mr. MAK was an audit group manager at Coopers & Lybrand (now known as PricewaterhouseCoopers). He worked for Coopers & Lybrand for 8 years, 5 of which was in Toronto, Canada.

Mr. MAK is an Independent Non-executive Director of Lai Fung Holdings Limited (Stock Code: 1125), Hong Kong Television Network Limited (Stock Code: 1137), Goldpac Group Limited (Stock Code: 3315) and Crystal International Group Limited (Stock Code: 2232) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. He was formerly an Independent Non-executive Director of I.T Limited (Stock Code: 0999). Mr. MAK was admitted as a member of Hong Kong Housing Society in May 2015 and is currently a member of its Supervisory Board, Remuneration Committee and Special Committee on Investment as well as the Chairman of Audit Committee.

董事及高級管理人員之履歷詳情 (續)

獨立非執行董事 (續)

麥永森先生，67歲，於2012年獲委任為本公司之獨立非執行董事，彼為本公司提名委員會之主席及審核委員會與薪酬委員會之成員。麥先生於1976年在多倫多大學畢業，獲取商業學士學位。彼為加拿大特許會計師公會會員及香港會計師公會會員。麥先生於花旗銀行任職逾26年後，於2012年5月1日退休。離任前彼為花旗銀行香港區資本市場及企業銀行業務總裁，主管香港企業和投資銀行業務。麥先生在任職花旗銀行期間亦曾擔任過多項其他高級職務，包括環球銀行香港主管，專責管理所有顧客關係經理。在此之前，彼亦曾管理該銀行香港區企業融資業務、區域資產管理業務，並曾為北亞地區財務總裁。麥先生於1985年加入花旗銀行前，於永道會計師事務所（現為羅兵咸永道會計師事務所）任審計組經理。彼於永道會計師事務所工作了8年，其中5年於加拿大多倫多工作。

麥先生現為於香港聯合交易所有限公司主板上市的麗豐控股有限公司（股份代號：1125）、香港電視網絡有限公司（股份代號：1137）、金邦達寶嘉控股有限公司（股份代號：3315）及晶苑國際集團有限公司（股份代號：2232）之獨立非執行董事。彼曾為I.T Limited（股份代號：0999）之獨立非執行董事。彼亦於2015年5月獲委任為香港房屋協會的成員，現亦為其監事會、薪酬委員會和投資特別委員會之成員及審核委員會之主席。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Ms. WONG Yu Pok, Marina, JP, aged 71, was appointed as an Independent Non-executive Director of the Company in 2013. Ms. WONG is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Ms. WONG had been with PricewaterhouseCoopers for over 36 years specializing in Mainland tax and business advisory services. Since 1978, she was responsible for the development of the firm's business in the Mainland. Ms. WONG joined Tricor Services Limited as a director from 2004 to 2006 after her retirement as a partner from PricewaterhouseCoopers in 2004. Ms. WONG is currently a member of the Dental Council of Hong Kong. She is also a Fellow Member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Ms. WONG is also an Independent Non-executive Director of Hong Kong Ferry (Holdings) Company Limited (Stock Code: 0050), Kerry Properties Limited (Stock Code: 0683), Kerry Logistics Network Limited (Stock Code: 0636) and SJM Holdings Limited (Stock Code: 0880), which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Mr. HUI King Wai, aged 70, was appointed as an Independent Non-executive Director of the Company in 2015 and is a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is a solicitor practising in Hong Kong. Mr. HUI is currently a consultant of Holman Fenwick Willan. Mr. HUI was a Non-executive Director of the Group during the period from 1999 to 2013.

董事及高級管理人員之履歷詳情 (續)

獨立非執行董事 (續)

黃汝璞太平紳士，71歲，於2013年獲委任為本公司獨立非執行董事。黃女士亦為本公司審核委員會、提名委員會及薪酬委員會之成員。黃女士在羅兵咸永道會計師事務所工作逾36年，對內地稅務及商業諮詢服務尤其熟悉。黃女士自1978年起負責事務所於內地之業務發展。黃女士自2004年退任羅兵咸永道會計師事務所合夥人一職後，於2004年至2006年出任卓佳專業商務有限公司之董事。黃女士現為香港牙醫管理委員會委員。彼亦為香港會計師公會及特許公認會計師公會資深會員。

黃女士亦為於香港聯合交易所有限公司主板上市之香港小輪(集團)有限公司(股份代號: 0050)、嘉里建設有限公司(股份代號: 0683)、嘉里物流聯網有限公司(股份代號: 0636)及澳門博彩控股有限公司(股份代號: 0880)之獨立非執行董事。

許競威先生，70歲，於2015年獲委任為本公司獨立非執行董事，亦為本公司審核委員會、提名委員會及薪酬委員會之成員。彼為香港執業律師。許先生現為夏禮文律師行之顧問律師。許先生於1999年至2013年期間擔任本集團之非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Senior Management

Mr. WONG Wai Tong, aged 59, is the Business Director of the Group. He initially joined the Group in 1998 and served various departments for over 10 years until 2013. Mr. WONG rejoined the Group in 2014. He has over 43 years of manufacturing and purchasing experience in jewellery and gold industry. Mr. WONG is responsible for the Group's merchandising and assembly functions of diamonds and gemstones. He holds the titles of a Diamond Grader of National Gemstone Testing Center and a Certified Diamond Grader of HRD Antwerp Institute of Gemmology. He is the Vice Chairman of Hong Kong Guangzhou Nansha Association, the 13th Term General Supervisor of the Guangzhou Panyu Jewelry Manufacturers Association, the 6th Term Director of Guangzhou Panyu Overseas Friendship Association, a Director of Guangzhou Diamond Exchange, the 12th Term Director of Guangzhou Panyu District Chamber of Commerce (Chamber) and the 3rd Term Director of Guangzhou Nansha District Chamber of Commerce (Chamber). Mr. WONG was the 2nd Term Member of the Guangzhou Nansha District Municipal Committee of the Chinese People's Political Consultative Conference and the 3rd Term Director of Guangzhou Panyu District Overseas Exchange Association. Mr. WONG is the brother of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive Officer and Executive Director.

Ms. WONG So Kuen, aged 58, is the Deputy Financial Controller of the Group. Ms. WONG joined the Group in 1997. She is mainly responsible for accounting, finance and tax planning matters of the Group. Ms. WONG often travels to Mainland in search of information on national tax policies and privileges in order to develop relevant tax plans for the Group. She has over 34 years of experience in financial and accounting for commercial firms.

董事及高級管理人員之履歷詳情 (續)

高級管理層

黃偉棠先生，59歲，為本集團之業務總監。彼於1998年首次加入本集團，至2013年期間曾於多個部門任職達10多年。黃先生其後於2014年再次加入本集團。彼具備逾43年珠寶黃金製造及採購經驗。黃先生現負責本集團鑽石與寶石之採購及鑲嵌事宜。彼持有國家珠寶玉石質量監督檢驗中心鑽石分級師及HRD Antwerp Institute of Gemmology之Certified Diamond Grader銜頭。彼亦是香港廣州南沙聯誼會副會長、廣州市番禺區珠寶廠商會第十三屆理事會監事長、廣州市番禺海外聯誼會第六屆理事會理事、廣州鑽石交易中心董事、廣州市番禺區工商業聯合會(總商會)第十二屆執委會理事及廣州市南沙區工商業聯合會(總商會)第三屆執委會理事。黃先生曾擔任中國人民政治協商會議廣州市南沙區委員會第二屆委員及廣州市番禺區海外交流協會第三屆理事會理事。黃先生為本集團主席、行政總裁兼執行董事黃偉常先生之胞弟。

黃蘇娟女士，58歲，為本集團之財務副總監。黃女士於1997年加入本集團。彼主要負責本集團會計、財務及稅務策劃事宜。黃女士經常到內地考察，為本集團搜尋國家稅務政策及優惠條款，以制定有關稅務計劃。彼具備逾34年之商業機構財務及會計經驗。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Senior Management (Continued)

Ms. CHUNG Vai Ping, aged 50, is the Deputy Corporate Gift Director of the Group. She has over 32 years of experience in the jewellery industry. She joined the Group in 1990 and is responsible for the corporate gift business of the Group. In 2001, Ms. CHUNG won the Best of Show Award for her design “Flashing” in the 2nd Hong Kong Jewellery Design Competition. She received the GIA Diamonds Graduate title in 2004. Ms. CHUNG is an Executive Committee Member and Vice Director of General Affairs of Hong Kong Jewellers’ & Goldsmiths’ Association, a Director of the 5th Congress of Gemmological Association of Fujian, an Executive Committee Member and Director of Recreation of The Kowloon Gold Silver and Jewel Merchants’ Staff Association, an Executive Committee Member of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association and a Fellow of the Professional Validation Centre of Hong Kong Business Sector Limited.

RETIREMENT SCHEME

Details of the retirement scheme operated by the Group are set out in Note 32 to the consolidated financial statements.

DIRECTORS’ SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the AGM have service contracts with the Company or any of its subsidiaries which are not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The fees and other emoluments of directors are determined by reference to industry norm and market conditions, with discretionary bonus on performance awarded to executive directors.

DIRECTORS’ MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 38 to the consolidated financial statements, no other transactions, arrangements or contracts of significance in relation to the Group’s business to which the Company, its subsidiaries or its holding company was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Year under review.

董事及高級管理人員之履歷詳情 (續)

高級管理層 (續)

鍾惠冰女士，50歲，為本集團之企業禮品副總監。彼於1990年起加入本集團，於珠寶業擁有超逾32年經驗，主要負責本集團企業禮品業務。於2001年，鍾女士所設計的作品「煙花」贏取第二屆香港珠寶設計比賽大獎。彼於2004年獲取GIA Diamonds Graduate銜頭。鍾女士為香港珠石玉器金銀首飾業商會之理事兼副會務主任、福建省寶玉石協會第五屆理事會理事、九龍首飾業文員會之理事兼康樂組主任、九龍珠石玉器金銀首飾業商會理事及香港商業專業評審中心有限公司之院士。

退休計劃

本集團推行之退休計劃詳情載於綜合財務報表附註32。

董事服務合約

擬於股東週年大會上重選連任之董事概無與本公司或其任何附屬公司訂立本集團不可於一年內終止而毋須作出賠償（法定補償除外）之服務合約。

董事袍金及其他酬金乃參考行業慣例及市況釐定，執行董事另可按表現獲發酌情花紅。

董事於重要交易、安排或合約之重大權益

除綜合財務報表附註38披露者外，於年結日或回顧年度內任何時間內，本公司、其附屬公司或其控股公司概無簽訂任何其他與本集團業務有關而本公司董事直接或間接擁有重大權益之重要交易、安排或合約。

REPORT OF THE DIRECTORS

董事會報告

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the Year under review.

管理合約

於回顧年度內，本集團概無訂立或訂有任何與本集團整體或任何主要部分業務有關之管理及行政合約。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 March 2020, save as disclosed below, none of the directors and chief executives of the Company had interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO which (a) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (b) were required, pursuant to the Model Code set out in Appendix 10 to the Listing Rules on the Stock Exchange, to be notified to the Company and the Stock Exchange:

董事及最高行政人員於證券之權益及淡倉

於2020年3月31日，除下文披露者外，本公司董事及最高行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有(a)根據證券及期貨條例第352條規定須記錄於該條所述登記冊；或(b)根據聯交所上市規則附錄10所載的標準守則須知會本公司及聯交所之權益及淡倉：

Long positions in shares and underlying shares of the Company:

本公司股份及相關股份之好倉：

Name of Director 董事姓名	Number of Ordinary Shares 普通股數目				Total Interest 權益總額	% of Shares 佔股份百分比
	Beneficial Owner 實益擁有人	Spouse 配偶	Controlled Corporation 受控制法團	Beneficiary of a Trust 信託受益人		
Mr. WONG Wai Sheung 黃偉常先生	7,530,561	454,000 note (a) 附註 (a)	6,682,504 note (b) 附註 (b)	235,696,722 note (c) 附註 (c)	250,363,787 (L)	42.64%
Mr. TSE Moon Chuen 謝滿全先生	433,344				433,344 (L)	0.07%
Ms. WONG Lan Sze, Nancy 黃蘭詩女士	522,000			235,696,722 note (c) 附註 (c)	236,218,722 (L)	40.23%
Dr. CHAN So Kuen 陳素娟博士	120,000	5,000 note (d) 附註 (d)			125,000 (L)	0.02%
Mr. WONG Ho Lung, Danny 黃浩龍先生	360,000			235,696,722 note (c) 附註 (c)	236,056,722 (L)	40.21%
Mr. LI Hon Hung 李漢雄先生	837,437	70,000 note (e) 附註 (e)	8,956,853 note (f) 附註 (f)		9,864,290 (L)	1.68%

(L) Long position 好倉

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES (Continued)

Long positions in shares and underlying shares of the Company: (Continued)

Note (a)

Mr. WONG Wai Sheung's spouse, Ms. LUK Chui Yee, held 454,000 shares of the Company.

Note (b)

The directors of Dragon King Investment Ltd. were accustomed to act in accordance with the directions of Mr. WONG Wai Sheung, hence Dragon King Investment Ltd. was deemed to be a controlled corporation of Mr. WONG Wai Sheung, and in return Mr. WONG Wai Sheung was deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd..

Mr. WONG Wai Sheung together with other parties acting in concert in respect of the voting matters in Dragon King Investment Ltd., collectively controlled (whether directly or indirectly) over 30% of the voting power of Dragon King Investment Ltd.

Note (c)

Mr. WONG Wai Sheung and Ms. LUK Chui Yee are the founders and settlors of The WS WONG Family Trust (the "Trust"). Mr. WONG Wai Sheung, Ms. LUK Chui Yee, Mr. WONG Ho Lung, Danny and Ms. WONG Lan Sze, Nancy are the discretionary beneficiaries under the Trust. The Trust was interested in 235,696,722 shares in the Company, comprising (i) the 1,511,050 shares in the Company held by the Trust and (ii) the 234,185,672 shares in the Company attributable to Luk Fook (Control) Limited. The Trust indirectly controls over one-third of the voting power of Luk Fook (Control) Limited (being approximately 46.29%) and is therefore deemed to be interested in the shares held by Luk Fook (Control) Limited in the Company.

The members of the Trust, together with other parties who act in concert with Mr. WONG Wai Sheung in respect of the voting matters in Luk Fook (Control) Limited, collectively controlled (whether directly or indirectly) over half of the voting power of Luk Fook (Control) Limited.

Note (d)

Dr. CHAN So Kuen's spouse, Mr. LO Kwing Chi, held 5,000 shares of the Company.

Note (e)

Mr. LI Hon Hung's spouse, Ms. Irene LI, held 70,000 shares of the Company.

Note (f)

Mr. LI Hon Hung, as the administrator of the estate of the late Mr. LEE Shu Kuan, held (i) 6,370,229 shares of the Company (which beneficially held by the late Mr. LEE Shu Kuan); and (ii) 33.3% of the issued share capital of Wah Hang Kimon Investments Limited and 51% of the issued share capital of Wah Hang Kimon Holdings Limited, which each in turn held 630,624 shares and 1,956,000 shares of the Company respectively.

董事及最高行政人員於證券之權益及淡倉 (續)

本公司股份及相關股份之好倉：(續)

附註 (a)

黃偉常先生之配偶陸翠兒女士持有454,000股本公司股份。

附註 (b)

龍寶投資有限公司的董事慣於根據黃偉常先生的指令行事，因此龍寶投資有限公司被視為黃偉常先生之受控制法團，就此黃偉常先生被視為為於龍寶投資有限公司持有的6,682,504股股份中擁有權益。

黃偉常先生連同其他就龍寶投資有限公司投票事宜一致行動之人士，合共控制（不論直接或間接）龍寶投資有限公司超過30%投票權。

附註 (c)

黃偉常先生及陸翠兒女士為The WS WONG Family Trust（「信託」）的創辦人及委託人。黃偉常先生、陸翠兒女士、黃浩龍先生及黃蘭詩女士為信託的全權受益人。信託擁有本公司235,696,722股股份的權益，包括(i)信託於本公司持有之1,511,050股股份及(ii)六福（控股）有限公司應佔之本公司234,185,672股股份。信託間接控制六福（控股）有限公司超過三分之一投票權（即約46.29%），並因此被視為為於六福（控股）有限公司於本公司持有之股份中擁有權益。

信託成員（連同與黃偉常先生就六福（控股）有限公司投票事宜一致行動之其他人士）合共控制（直接或間接）六福（控股）有限公司超過一半投票權。

附註 (d)

陳素娟博士之配偶盧炯志先生持有5,000股本公司股份。

附註 (e)

李漢雄先生之配偶李陳雅玲女士持有70,000股本公司股份。

附註 (f)

李漢雄先生作為已故李樹坤先生的遺產管理人持有(i)由已故李樹坤先生實益持有的6,370,229股本公司股份；及(ii)華亨錦安投資有限公司已發行股本的33.3%及華亨錦安控股有限公司已發行股本的51%，而華亨錦安投資有限公司及華亨錦安控股有限公司則分別持有630,624股及1,956,000股本公司股份。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as known to the directors and chief executive of the Company, as at 31 March 2020, save as disclosed below, no person, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

主要股東於股份及相關股份之權益

於2020年3月31日，除下文披露者外，據本公司董事及最高行政人員所悉，概無其他非本公司董事或最高行政人員之人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露之權益或淡倉。

Name of Shareholder 股東姓名／名稱	Number of Shares 股份數目	Capacity 身份	Total Interest 權益總額	% of Shares 佔股份百分比
Ms. LUK Chui Yee 陸翠兒女士	454,000 (L)	Beneficial Owner 實益擁有人	250,363,787 (L)	42.64%
	14,213,065 (L) note (a) 附註 (a)	Spouse 配偶		
	235,696,722 (L) note (b) 附註 (b)	Beneficiary of a Trust 信託受益人		
Ms. CHEUNG Irene 張雅玲女士	236,056,722 (L) note (c) 附註 (c)	Spouse 配偶	236,056,722 (L)	40.21%
Luk Fook (Control) Limited 六福(控股)有限公司	234,185,672 (L)	Beneficial Owner 實益擁有人	234,185,672 (L)	39.89%
LF Holding Services Limited	235,696,722 (L) note (d) 附註 (d)	Interest of controlled corporation 受控制法團之權益	235,696,722 (L)	40.15%
BOS Trustee Limited as Trustee	235,696,722 (L) note (e) 附註 (e)	Trustee 受託人	235,696,722 (L)	40.15%
Silchester International Investors LLP	82,206,600 (L)	Investment Manager 投資經理	82,206,600 (L)	14.00%
Mitsubishi UFJ Financial Group, Inc.	50,059,000 (L)	Investment Manager 投資經理	50,059,000 (L)	8.53%
Silchester International Investors International Value Equity Trust	35,241,600 (L)	Investment Manager 投資經理	35,241,600 (L)	6.00%

(L) Long position 好倉

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Note (a)

By virtue of SFO, Ms. LUK Chui Yee was deemed to be interested in the shares held by her spouse, Mr. WONG Wai Sheung.

Note (b)

Ms. LUK Chui Yee and Mr. WONG Wai Sheung are the founders and settlors of the Trust. Ms. LUK Chui Yee, Mr. WONG Wai Sheung, Mr. WONG Ho Lung, Danny and Ms. WONG Lan Sze, Nancy are the discretionary beneficiaries under the Trust. The Trust was interested in 235,696,722 shares in the Company, comprising (i) the 1,511,050 shares in the Company held by the Trust and (ii) the 234,185,672 shares in the Company attributable to Luk Fook (Control) Limited. The Trust indirectly controls over one-third of the voting power of Luk Fook (Control) Limited (being approximately 46.29%) and is therefore deemed to be interested in the shares held by Luk Fook (Control) Limited in the Company.

Note (c)

By virtue of SFO, Ms. CHEUNG Irene was deemed to be interested in the shares held by her spouse, Mr. WONG Ho Lung, Danny.

Note (d)

LF Holding Services Limited held 100% of the issued share capital of LF Enterprises Limited and 46.29 % of the issued share capital of Luk Fook (Control) Limited, which held 1,511,050 shares and 234,185,672 shares of the Company respectively. Hence, LF Holding Services Limited was deemed to be interested in 235,696,722 shares in the Company.

Note (e)

BOS Trustee Limited owned 100% of the issued share capital of LF Holding Services Limited and was deemed to be interested in 235,696,722 shares in the Company in the capacity of the trustee of the Trust.

CONNECTED TRANSACTIONS

The related party transactions entered into by the Group during the Year under review as disclosed in Note 38 to the consolidated financial statements do not constitute connected transactions under the Listing Rules.

DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year under review was the Company, its subsidiaries, its associates, its fellow subsidiaries, or its parent company or its other associated corporation a party to any arrangement to enable the directors and the chief executive of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its specified undertakings or other associated corporations.

主要股東於股份及相關股份之權益 (續)

附註 (a)

根據證券及期貨條例，陸翠兒女士被視為為其配偶黃偉常先生所持有股份中擁有權益。

附註 (b)

陸翠兒女士及黃偉常先生為信託的創辦人及委託人。陸翠兒女士、黃偉常先生、黃浩龍先生及黃蘭詩女士為信託的全權受益人。信託擁有本公司235,696,722股股份的權益，包括(i)信託於本公司持有之1,511,050股股份及(ii)六福(控股)有限公司應佔之本公司234,185,672股股份。信託間接控制六福(控股)有限公司超過三分之一投票權(即約46.29%)，並因此被視為為六福(控股)有限公司於本公司持有之股份中擁有權益。

附註 (c)

根據證券及期貨條例，張雅玲女士被視為為其配偶黃浩龍先生所持有股份中擁有權益。

附註 (d)

LF Holding Services Limited持有LF Enterprises Limited的100%已發行股本及六福(控股)有限公司已發行股本的46.29%，而LF Enterprises Limited及六福(控股)有限公司則分別持有1,511,050股及234,185,672股本公司股份。因此，LF Holding Services Limited被視為持有本公司235,696,722股股份的權益。

附註 (e)

BOS Trustee Limited擁有LF Holding Services Limited的100%已發行股本，並因其作為信託的受託人而被視為擁有本公司235,696,722股股份的權益。

關連交易

綜合財務報表附註38所披露本集團於回顧年度內訂立之關連人士之交易，並不構成上市規則項下之關連交易。

董事藉收購股份或債券權利獲取之利益

於回顧年度內任何時間，本公司、其附屬公司、其聯營公司、同系附屬公司或母公司，或其他有聯繫法團概無成為某些安排的其中一方，致使本公司的董事及最高行政人員(包括其配偶及18歲以下子女)能持有本公司或其指明企業或其其他有聯繫法團之股份、相關股份或債權證的權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 31 March 2020, the aggregate amount of financial assistance to an affiliated company and its wholly-owned subsidiaries by the Group exceeded 8% of the assets ratios as defined in Rule 14.07(1) of the Listing Rules. Details of advances (including guarantee given by the Group) which were non-trading in nature, made by the Group to the affiliated company and its wholly-owned subsidiaries were as follows:

根據上市規則第13.22條作出之披露

於2020年3月31日，本集團向一家聯屬公司及其全資附屬公司提供之財務資助總額超過上市規則第14.07(1)條所界定的資產比率之8%。本集團向該聯屬公司及其全資附屬公司提供之非貿易性墊款（包括本集團提供之擔保）之詳情如下：

Name of Company	Relationship with the Group	Advances	Corporate Guarantee	Extent of Corporate Guarantee Utilised
公司名稱	與本集團之關係	墊款 HK\$'000 千港元	公司擔保 HK\$'000 千港元	已使用公司擔保額 HK\$'000 千港元
China Gold Silver Group Company Limited ("CGS") 中國金銀集團有限公司（「中國金銀」）	Associated company 聯營公司	100,000	-	-
3D-GOLD Jewellery (HK) Limited (Note) 金至尊珠寶（香港）有限公司（附註）	Associated company 聯營公司	-	1,075,000	839,000

Note: 3D-GOLD Jewellery (HK) Limited is a subsidiary of CGS.

附註：金至尊珠寶（香港）有限公司為中國金銀之附屬公司。

Pursuant to Rule 13.22 of the Listing Rules, the consolidated balance sheet of CGS with financial assistance from the Group and the Group's attributable interest in CGS as at 31 December 2019 (the latest practical date) are presented as follows:

根據上市規則第13.22條，獲得本集團財務資助之中國金銀之綜合資產負債表及本集團於2019年12月31日（最後可行日期）應佔中國金銀之權益載述如下：

		Consolidated balance sheet	Group's attributable interest
		綜合資產負債表	本集團應佔權益
		HK\$'000 千港元	HK\$'000 千港元
Non-current asset	非流動資產	258,815	129,408
Current asset	流動資產	1,842,458	921,229
Current liabilities	流動負債	(1,914,518)	(957,259)
Non-current liabilities	非流動負債	(252,414)	(126,207)
Net liabilities	淨負債	(65,659)	(32,829)

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISIONS

During the Year under review and up to the date of this report, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefit of the Directors (including former Directors) of the Company or its associated companies. The permitted indemnity provisions are provided for in the Company's Bye-laws and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against such Directors.

MAJOR CUSTOMERS

During the Year under review, the percentages of sales for the year attributable to the Group's major customers are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
The largest customer	最大客戶	0.9%	0.5%
Five largest customers combined	五名最大客戶合計	4.0%	2.4%

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had interest in the major customers noted above.

MAJOR SUPPLIERS

The percentages of purchases for the Year under review attributable to the Group's major suppliers are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
The largest supplier	最大供應商	31.9%	28.6%
Five largest suppliers combined	五名最大供應商合計	78.8%	71.6%

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had interest in the major suppliers noted above.

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

Particulars of bank loans, overdrafts and other borrowings of the Group as at 31 March 2020 are set out in Notes 33 and 34 to the consolidated financial statements.

獲准許彌償條文

於回顧年度內及截至本報告日期為止，本公司按有關法規的允許，備有以本公司或其有聯繫公司董事（包括前董事）為受益人的彌償條文。獲准許彌償條文的規定載於本公司之公司細則，以及於本集團為董事及高級行政人員購買的責任保險內，有關保險就董事的責任和其可能面對法律訴訟而產生相關費用而作出賠償。

主要客戶

於回顧年度內，本集團主要客戶所佔年內銷售額之百分比如下：

各董事、彼等之聯繫人士或據董事所知擁有本公司5%以上股本之任何股東，概無擁有上述主要客戶之權益。

主要供應商

於回顧年度內，本集團主要供應商所佔購貨額之百分比如下：

各董事、彼等之聯繫人士或據董事所知擁有本公司5%以上股本之任何股東，概無擁有上述主要供應商之權益。

銀行貸款、透支及其他借貸

本集團於2020年3月31日之銀行貸款、透支及其他借貸詳情載於綜合財務報表附註33及34。

REPORT OF THE DIRECTORS

董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws of Bermuda.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company for the AGM will be closed from 17 August 2020 to 20 August 2020, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance at the AGM to be held on 20 August 2020, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 14 August 2020.

The register of members of the Company for the final dividend will also be closed on 26 August 2020 and no transfer of shares will be registered on that day. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 25 August 2020.

EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence. The emoluments of the directors are reviewed and determined by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. No director, or any of his or her associates involved in deciding his or her own remuneration.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Company had 4.52% interest in HKRH as at 31 March 2020. HKRH is listed on the Main Board of the Stock Exchange.

As at 31 March 2020, Ms. WONG Hau Yeung and Mr. WONG Ho Lung, Danny who were directors of the Company, were also directors of China Gold Silver Group Company Limited, a subsidiary of HKRH. Mr. WONG Wai Sheung, Mr. TSE Moon Chuen, Ms. WONG Hau Yeung, Dr. CHAN So Kuen and Mr. HUI Chiu Chung who were directors of the Company held certain shares in HKRH, were also considered as having an interest in HKRH under Rule 8.10(2) of the Listing Rules.

優先購買權

本公司之公司細則並無載列有關優先購買權之規定，惟百慕達法例對該等權利並無限制。

暫停辦理股份過戶登記

就股東週年大會而言，本公司將於2020年8月17日至2020年8月20日（首尾兩天包括在內）暫停辦理股份過戶登記手續。為符合資格出席將於2020年8月20日舉行之股東週年大會，所有過戶文件連同有關股票最遲須於2020年8月14日下午4時30分前送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室，以辦理登記手續。

就末期股息而言，本公司亦將於2020年8月26日暫停辦理股份過戶登記手續。為符合資格享有末期股息，所有過戶文件連同有關股票最遲須於2020年8月25日下午4時30分前送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室，以辦理登記手續。

薪酬政策

本集團僱員之薪酬政策乃基於僱員之表現、資歷及能力。董事之薪酬由薪酬委員會經參考本公司之營運業績、個別僱員表現及可資比較市場數據而檢討及釐定。概無任何董事或其任何聯繫人士參與釐定其本身之薪酬。

董事在競爭業務中之權益

於2020年3月31日，本公司於香港資源控股中擁有4.52%的權益。香港資源控股於聯交所主板上市。

於2020年3月31日，本公司董事王巧陽女士及黃浩龍先生亦為香港資源控股附屬公司中國金銀集團有限公司的董事。本公司董事黃偉常先生、謝滿全先生、王巧陽女士、陳素娟博士及許照中先生均持有香港資源控股的若干股份，故根據上市規則第8.10(2)條彼等亦被視為為香港資源控股佔有權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS (Continued)

The retail and franchising operations for selling gold and jewellery products carried on by HKRH and its subsidiaries ("HKRH Group") constitute competing businesses of the Group. As the Company and HKRH were separate listed entities and run by separate and independent management teams, the directors of the Company believed that the Company was capable of carrying on its business independently of the HKRH Group.

For safeguarding the interests of the Group, the independent non-executive directors and the Audit Committee of the Company would on a regular basis review the business and operational results of the Group to ensure, inter alia, that the Group's development of retail, wholesale and licensing operations for selling gold and jewellery products are and continue to be run on the basis that they are independent of, and at arm's length from, the business of the HKRH Group.

Save as disclosed as aforesaid and in this report, none of the directors of the Company and their respective associates (as defined in the Listing Rules) had an interest in any business which competed or might compete with the business in which the Group is engaged.

TAX RELIEF AND EXEMPTION

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

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of its directors as at the date of this Annual Report, the public float of shares in the Company has remained above the minimum percentage required by the Stock Exchange throughout the year.

AUDITOR

The consolidated financial statements of the Group for the Year under review have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment.

By order of the Board,

WONG Wai Sheung

Chairman & Chief Executive Officer

Hong Kong, 26 June 2020

董事在競爭業務中之權益(續)

香港資源控股及其附屬公司(「香港資源控股集團」)從事銷售黃金及珠寶首飾產品的零售及特許權業務構成本集團的競爭業務。由於本公司及香港資源控股為獨立上市實體且由不同的獨立管理團隊運營，故本公司董事認為本公司有能力與香港資源控股集團各不相涉的情況下獨立經營其業務。

為保障本集團的權益，本公司獨立非執行董事及審核委員會會定期檢討本集團的業務及營運業績，以確保(其中包括)本集團黃金及珠寶首飾產品的零售、批發及品牌業務發展是及持續與香港資源控股集團之間在公平原則下獨立經營。

除上文及本報告所披露者外，概無本公司董事及彼等各自聯繫人士(定義見上市規則)於與本集團所從事的業務構成競爭或可能構成競爭的任何業務中擁有權益。

稅務寬減及豁免

本公司概不知悉有任何因股東持有本公司證券而向彼等提供之稅務寬減及豁免。

充裕公眾持股量

根據本公司獲得之公開信息及據董事所知，於本年報日期，本公司股份之公眾持股量全年維持於聯交所規定的最低百分比以上。

核數師

本集團有關回顧年度之綜合財務報表已由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟合資格並表示願意應聘連任。

承董事會命

主席兼行政總裁

黃偉常

香港，2020年6月26日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

TO THE SHAREHOLDERS OF LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

(incorporated in Bermuda with limited liability)

致六福集團(國際)有限公司股東

(於百慕達註冊成立的有限公司)

OPINION

What we have audited

The consolidated financial statements of Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries (the "Group") set out on pages 153 to 272, which comprise:

- the consolidated balance sheet as at 31 March 2020;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

意見

我們已審計的內容

六福集團(國際)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第153至272頁的綜合財務報表,包括:

- 於2020年3月31日的綜合資產負債表;
- 截至該日止年度的綜合損益表;
- 截至該日止年度的綜合全面收入報表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括主要會計政策概要。

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong

羅兵咸永道會計師事務所, 香港中環太子大廈廿二樓

T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

總機: +852 2289 8888, 傳真: +852 2810 9888, www.pwchk.com

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Our opinion

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKASs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於2020年3月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

獨立性

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

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

- Existence and valuation of inventories
- Impairment of retail store assets

Key Audit Matters

關鍵審計事項

Existence and valuation of inventories
存貨之存在性及其價值

Refer to Note 3.10, 5(a) and 25 to the consolidated financial statements.

The carrying value of inventories of the Group is HK\$7,533 million as at 31 March 2020. The Group's inventories mainly comprised of gold, platinum and gem-set jewellery products in the stores, manufacturing facilities and distribution centres. Valuation of inventories is at lower of cost and net realisable value. Significant portion of value at cost includes cost of precious metals and gems which are subject to the risk of changes in market value. The assessment of net realisable value of inventories is based on estimates and judgements by management in respect of, amongst others, the economic condition, forecast sales performance, marketability of products and the forecast market price of precious metals and gems used to make the jewellery products. Furthermore, there is a higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory item.

請參閱綜合財務報表附註3.10、5(a)及25。

於2020年3月31日，貴集團存貨的賬面值為7,533,000,000港元。貴集團存貨主要包括店舖、生產設施及分銷中心的黃金、鉑金及珠寶首飾產品。存貨乃按成本值與可變現淨值兩者之較低者估值。成本值絕大部分為貴金屬及珠寶成本，而該等成本承受市值變動風險。存貨的可變現淨值按管理層就（其中包括）經濟狀況、預期銷售表現、產品的適銷性以及製造珠寶首飾產品所用貴金屬及珠寶的預期市價的估計及判斷進行評估。此外，個別存貨的內在價值高昂兼具便攜性質，令其存在較高的遭偷盜風險。

關鍵審計事項 (續)

我們在審計中識別的關鍵審計事項概述如下：

- 存貨的存在性及其價值
- 零售店舖資產減值

How our audit addressed the Key Audit Matters

我們的審計如何處理關鍵審計事項

Our audit procedures to test the physical existence of inventories mainly consist of evaluating and testing the relevant internal control procedures, in particular, we:

- attended a selection of daily physical cycle counts in stores throughout the year to observe the daily count procedures performed in retail outlets;
- inspected the respective daily physical cycle counts reports for reconciliation of daily ending inventories to the record in the inventory system;
- inspected the in-house and external gemological appraisal or laboratory reports on the authenticity of gold, platinum and gem-set jewellery products.

Furthermore, we attended the annual physical inventory counts at year end date and performed "two-way" sample count procedures in a selected sample of stores, manufacturing facilities and distribution centres of the Group. We compared our sample count results with the counts performed by the Group and the records in the inventory system.

對存貨進行實物檢測時，我們的審計程序主要包括評估及測試有關的內部控制程序，尤其是我們：

- 全年有選擇性地參加店舖的每日實物盤點過程，以觀察零售店的每日盤點程序；
- 查閱有關的每日實物盤點過程報告，以將每日營業結束時存貨與存貨系統記錄進行對賬；
- 檢查內部及外聘第三方有關黃金、鉑金及珠寶首飾產品鑑定的珠寶評估或實驗報告。

此外，我們還參加年結日的每年存貨實物盤點，並對貴集團店舖、生產設施及分銷中心抽樣執行「雙向」樣品點算程序。我們已將抽樣點算的結果與貴集團進行的點算及存貨系統的記錄作對比。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key Audit Matters

關鍵審計事項

The above, in combination with the inventories contributing to a significant portion of total assets of the Group, made us conclude that existence and valuation of inventories is key audit matter of our audit.

由於以上所述，加之存貨構成 貴集團總資產的重大部分，因此，我們將存貨之存在性及其價值列作我們審計時的關鍵審計事項。

關鍵審計事項 (續)

How our audit addressed the Key Audit Matters

我們的審計如何處理關鍵審計事項

We also selected samples of gem-set jewellery, comprising items of different nature, ageing profiles and price for gemmological appraisal carried out by independent gemmologist engaged by the Group to verify their authenticity and assess their conditions and valuations. We have evaluated the competence, capabilities and objectivity of the gemmologist and obtained an understanding of the scope of work and the terms of engagement.

In evaluating management's assessment of net realisable value and provision of inventories, we:

- (i) compared the net realisable values of gold and platinum inventories calculated based on the current market price of precious metals with their purchase or production costs;

我們亦甄選部份珠寶首飾樣品（所選項目涵蓋不同的類別、貨齡及價格），由 貴集團委聘的獨立寶石專家進行珠寶評估，以核實其真實性及評估其狀況及估值。我們已對寶石專家的才能、能力及客觀性作出評估，並了解工作範圍及委聘條款。

在評估管理層對存貨可變現淨值及撥備所作評估的過程中，我們：

- (i) 將按貴金屬當前市價計算的黃金及鉑金存貨可變現淨值與其購買或生產成本進行比較；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key Audit Matters

關鍵審計事項

關鍵審計事項 (續)

How our audit addressed the Key Audit Matters

我們的審計如何處理關鍵審計事項

- (ii) obtained an understanding of management's processes for the identification of slow moving gem-set jewellery products and assessed the basis adopted by management for determining the inventory provision with reference to, amongst others, the market price movement of the materials, the ageing profile and the historical sales pattern and the subsequent selling prices of these products.
- (iii) compared the results of independent gemmological appraisal report of selected samples above to the cost of gem-set jewellery in evaluating the sufficiency of inventory provision made by management.

Based on the procedures performed, we found that the physical existence of inventories, as well as the estimates and judgment made by management in respect of the net realisable value of inventories, are supportable by available evidence.

- (ii) 了解管理層有關滯銷珠寶首飾產品的識別程序，並參考（其中包括）該等產品的材料市價變動、貨齡及以往銷售模式以及之後售價，對管理層採用的存貨撥備釐定基準加以評估。
- (iii) 於評估管理層所作存貨撥備是否充足時，已將上文所述選定樣本的獨立珠寶評定報告結果與珠寶成本進行比較。

根據所進行的程序，我們發現，存貨實質存在，且管理層就存貨之可變現淨值作出之估計及判斷獲得憑證支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key Audit Matters

關鍵審計事項

Impairment of retail store assets

零售店舖資產減值

Refer to Notes 5(b), 16 and 19 to the consolidated financial statements.

As at 31 March 2020, net book value of the Group's property, plant and equipment and right-of-use assets amounted to HK\$841.0 million and HK\$919.7 million, of which approximately HK\$56.1 million and HK\$604.8 million were attributable to its retail stores respectively. The carrying amount of the retail store assets is written down to its recoverable amount if the asset's carrying amount is in excess of its estimated recoverable amount.

Management considers each individual retail store as a separately identifiable cash-generating unit and monitors their financial performance for impairment indicators. Management has identified loss making stores and stores that are potentially subject to the negative impact of COVID-19 pandemic for impairment assessment.

請參閱綜合財務報表附註5(b)、16及19。

於2020年3月31日，貴集團物業、廠房及設備以及使用權資產之賬面淨值為841.0百萬港元及919.7百萬港元，其中分別約56.1百萬港元及604.8百萬港元屬於其零售店舖。倘零售店舖資產的賬面值超出其估計可收回金額，則該資產的賬面值將撇減至其可收回金額。

管理層視各個別零售店舖為獨立可識別現金產生單位，並監察零售店舖的財務表現，檢視有否出現減值跡象。管理層已識別產生虧損之店舖及可能受到2019冠狀病毒病疫情之負面影響之店舖，對其作出減值評估。

關鍵審計事項 (續)

How our audit addressed the Key Audit Matters

我們的審計如何處理關鍵審計事項

We evaluated and tested the impairment assessment of the property, plant and equipment and right-of-use assets of the retail stores by performing the following procedures:

- enquired management on their basis of identifying stores with impairment indicators and challenging the appropriateness of these judgements;
- compared the forecasted sales performance, gross profits and estimated running costs applied in the value-in-use calculations to the historical records and enquired of management in relation to key assumptions behind the changes and evaluated the key assumptions applied by comparing them to historical trends and our understanding of latest market information and conditions;
- understood and evaluated management's basis on projected change in revenue, particularly the basis of the estimated timing of easing of travel restrictions and quarantine measures, the estimated speed of recovery of foot traffic and their spending;
- recomputed the impairment loss calculation and checked the tenure of the leases of the retail stores to the lease agreements; and

我們透過執行以下程序以評估及測試零售店舖之物業、廠房及設備以及使用權資產之減值評估：

- 向管理層查詢彼等識別減值跡象的基準及對有關判斷的適當性提出質疑；
- 將預測銷售表現、毛利及使用價值計算中所應用之估計營運成本與歷史記錄作出比較，並向管理層查詢有關變動背後之關鍵假設，並將所採用的關鍵假設與歷史趨勢及我們對最近期市場資料及狀況的理解進行比較，評估有關假設；
- 了解及評估管理層預測收入變動之基準，尤其為估計放寬出行限制及檢疫措施之時間以及估計人流及其消費之回復速度。
- 重新計算減值虧損及檢查租賃協議之零售店舖之租賃期；及

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KEY AUDIT MATTERS (Continued)

Key Audit Matters

關鍵審計事項

Impairment losses of right-of-use assets and property, plant and equipment of HK\$56.4 million and HK\$8.3 million were recognised in the consolidated income statement in accordance with the impairment assessment, respectively. The recoverable amount of the assets of the retail stores is determined by value-in-use calculations using discounted cash flow projections based on the management's forecast covering the remaining tenure of the lease, with major assumptions such as change in revenue, change in operating cost and change in gross profit. The change of revenue is dependent on management assumption in respect of the timing of easing of travel restriction and quarantine measures and the speed of recovery of tourist traffic and the customer spending.

We focused on this area because significant estimation and judgement were involved in determining the recoverable amounts of the relevant retail store assets.

根據減值評估，使用權資產以及物業、廠房及設備之減值虧損分別為56.4百萬港元及8.3百萬港元已於綜合損益表確認。零售店舖資產的可收回金額乃根據管理層涵蓋餘下租賃期的預測，採用貼現現金流量預測所計算的使用價值而釐定，並計及收入變動、經營成本變動及毛利變動等主要假設。收入變動主要取決於管理層有關放寬出行限制及隔離措施之時間以及旅客流量及客戶消費之恢復速度之假設。

我們聚焦於此範疇，乃由於釐定相關零售店舖資產的可收回金額時涉及重大估計及判斷。

關鍵審計事項 (續)

How our audit addressed the Key Audit Matters

我們的審計如何處理關鍵審計事項

- evaluated the sensitivity analysis to ascertain the extent of change in the key assumptions either individually or collectively that would result in the retail store assets being impaired and considered the likelihood of such a change in the key assumptions arising.

Based on our work performed, we found the impairment provision of retail store assets made by management to be supported by available evidence.

- 評估敏感度分析，以確定將導致零售店舖資產出現減值的關鍵假設的變動程度（個別或整體），並考慮關鍵假設出現有關變動的可能性。

根據我們所進行的工作，我們發現，管理層對零售店舖資產作出的減值撥備獲得憑證支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

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

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

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

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他信息

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

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

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

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

董事及審核委員會就綜合財務報表承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的代替方案。

審核委員會須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

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AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達1981年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響該等綜合財務報表使用者依賴該等綜合財務報表所作出的經濟決定，則有關錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容（包括披露），以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Yuen Kwok Kin Andrew.

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律規例不允許公開披露有關事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是袁國健先生。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 June 2020

羅兵咸永道會計師事務所
執業會計師

香港，2020年6月26日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Note	2020	2019
		附註	HK\$'000	HK\$'000
			千港元	千港元
Revenue	收入	6	11,233,771	15,859,990
Cost of sales	銷售成本	8	(7,910,751)	(11,826,154)
Gross profit	毛利		3,323,020	4,033,836
Other income	其他收入	7	130,130	278,197
Other losses, net	其他虧損，淨額	9	(197,482)	(16,345)
Selling and distribution costs	銷售及分銷費用		(1,945,100)	(2,231,871)
Administrative expenses	行政費用		(173,152)	(184,898)
Net reversal of impairment loss/ (net impairment loss) on financial assets	金融資產減值虧損撥回 淨額／(減值虧損淨額)		18,350	(25,877)
Operating profit	經營溢利	8	1,155,766	1,853,042
Finance income	財務收入		45,450	30,053
Finance costs	財務費用		(63,075)	(34,253)
Finance costs, net	財務費用，淨額	10	(17,625)	(4,200)
Share of results of associates	應佔聯營公司業績	20	(47,080)	(42,479)
Profit before income tax	除所得稅前溢利		1,091,061	1,806,363
Income tax expenses	所得稅開支	11	(223,409)	(302,708)
Profit for the year	年內溢利		867,652	1,503,655
Profit attributable to:	應佔溢利：			
Equity holders of the Company	本公司權益持有人		866,315	1,492,747
Non-controlling interests	非控股權益		1,337	10,908
			867,652	1,503,655
Earnings per share for profit attributable to equity holders of the Company during the year	年內本公司權益持有人 應佔溢利之每股盈利			
Basic and diluted	基本及攤薄	12	HK\$1.48港元	HK\$2.54港元

The accompanying notes are an integral part of the consolidated financial statements.

隨附附註為綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Note	2020 HK\$'000 千港元	2019 HK\$'000 千港元
		附註		
Profit for the year	年內溢利		867,652	1,503,655
Other comprehensive income:	其他全面收入：			
<i>Items that may be subsequently reclassified to profit or loss</i>	<i>其後可能會重新分類至損益的項目</i>			
Currency translation differences:	匯兌差額：			
– Group	– 本集團		(338,587)	(300,872)
– Associates	– 聯營公司	20	(5,510)	(11,835)
<i>Items that will not be subsequently reclassified to profit or loss</i>	<i>其後不會重新分類至損益的項目</i>			
Revaluation of financial assets at fair value through other comprehensive income	按公允值計入其他全面收入之金融資產價值變動	23	(769)	(2,941)
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	32	558	(1,767)
Other comprehensive income for the year, net of tax	年內其他全面收入，扣除稅項		(344,308)	(317,415)
Total comprehensive income for the year	年內全面總收入		523,344	1,186,240
Attributable to:	下列人士應佔：			
– Equity holders of the Company	– 本公司權益持有人		524,733	1,178,322
– Non-controlling interests	– 非控股權益		(1,389)	7,918
			523,344	1,186,240

The accompanying notes are an integral part of the consolidated financial statements. 隨附附註為綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 March 2020
於2020年3月31日

		As at 31 March 於3月31日	
		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	841,004	951,782
Land use rights	土地使用權	–	483,131
Investment properties	投資物業	791,617	311,716
Right-of-use assets	使用權資產	919,706	–
Interests in associates	於聯營公司之權益	60,689	13,279
Loan to an associate	貸款予一家聯營公司	–	99,208
Financial assets at fair value through other comprehensive income	按公允值計入其他 全面收入之金融資產	2,365	3,134
Trading licence	交易執照	1,080	1,080
Non-current deposits and prepayments	非流動按金及預付款項	156,284	105,101
Deferred income tax assets	遞延所得稅資產	71,839	54,643
		2,844,584	2,023,074
Current assets	流動資產		
Inventories	存貨	7,533,146	9,321,522
Right of return assets	退回資產的權利	93,383	85,897
Trade receivables	貿易應收賬項	231,309	362,675
Deposits, prepayments and other receivables	按金、預付款項及 其他應收賬項	447,443	474,014
Amount due from an associate	應收一家聯營公司賬項	1,372	3,078
Derivative financial instruments	衍生金融工具	–	56,219
Income tax recoverable	可收回所得稅	59,578	10,571
Cash and cash equivalents	現金及現金等價物	2,714,233	2,086,522
		11,080,464	12,400,498
Total assets	總資產	13,925,048	14,423,572
EQUITY	權益		
Capital and reserves attributable to the equity holders of the Company	本公司權益持有人 應佔資本及儲備		
Share capital	股本	58,710	58,710
Share premium	股份溢價	2,494,040	2,494,040
Reserves	儲備	7,818,955	7,964,520
		10,371,705	10,517,270
Non-controlling interests	非控股權益	40,406	45,646
Total equity	權益總額	10,412,111	10,562,916

The accompanying notes are an integral part of the consolidated financial statements.

隨附附註為綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 March 2020
於2020年3月31日

		As at 31 March 於3月31日	
		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Deferred income tax liabilities	31	146,837	133,690
Lease liabilities	19	283,661	–
Employee benefit obligations	32	9,618	10,823
		440,116	144,513
Current liabilities	流動負債		
Trade payables, other payables and accruals	28	707,861	975,840
Contract liabilities		97,692	122,502
Derivative financial instrument	22	22	3,929
Lease liabilities	19	469,394	–
Sales refund liabilities		173,221	155,768
Amount due to an associate	20	20	2,715
Bank borrowings	33	1,126,072	1,855,224
Gold loans	34	386,739	450,889
Current income tax liabilities		111,800	149,276
		3,072,821	3,716,143
Total liabilities	總負債	3,512,937	3,860,656
Total equity and liabilities	權益及負債總額	13,925,048	14,423,572

The consolidated financial statements were approved by the Board of Directors on 26 June 2020 and were signed on its behalf by the following directors:

綜合財務報表乃由董事會於2020年6月26日批准並經由下列董事代表簽署：

WONG Wai Sheung
黃偉常
Director
董事

CHAN So Kuen
陳素娟
Director
董事

The accompanying notes are an integral part of the consolidated financial statements.

隨附附註為綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔					
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元 (Note 30) (附註 30)	Subtotal 小計 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
For the year ended 31 March 2019	截至2019年3月31日 止年度						
As at 1 April 2018	於2018年4月1日	58,710	2,494,040	7,432,016	9,984,766	44,968	10,029,734
Comprehensive income	全面收入						
Profit for the year	年內溢利	-	-	1,492,747	1,492,747	10,908	1,503,655
Other comprehensive income	其他全面收入						
Remeasurements of employee benefit obligations	僱員福利責任的 重新計量	-	-	(1,767)	(1,767)	-	(1,767)
Currency translation differences	匯兌差額	-	-	(309,717)	(309,717)	(2,990)	(312,707)
Revaluation of financial assets at fair value through other comprehensive income	按公允值計入其他全面 收入之金融資產之 價值變動	-	-	(2,941)	(2,941)	-	(2,941)
Total other comprehensive income	其他全面總收入	-	-	(314,425)	(314,425)	(2,990)	(317,415)
Total comprehensive income	全面總收入	-	-	1,178,322	1,178,322	7,918	1,186,240
Transactions with owners	與擁有人之交易						
Dividends paid	已付股息	-	-	(645,818)	(645,818)	-	(645,818)
Dividend paid to a non-controlling shareholder	向一名非控股股東 派付股息	-	-	-	-	(5,944)	(5,944)
Acquisition of additional equity interest in a subsidiary from a non- controlling interest	自非控股權益收購 一家附屬公司 的額外股本權益	-	-	-	-	(1,296)	(1,296)
At 31 March 2019	於2019年3月31日	58,710	2,494,040	7,964,520	10,517,270	45,646	10,562,916

The accompanying notes are an integral part of the consolidated financial statements

隨附附註為綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔					
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元 (Note 30) (附註 30)	Subtotal 小計 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
For the year ended 31 March 2020	截至2020年3月31日 止年度						
As at 31 March 2019	於2019年3月31日	58,710	2,494,040	7,964,520	10,517,270	45,646	10,562,916
Change in accounting policies (Note 2.2)	會計政策變動 (附註2.2)	-	-	(24,479)	(24,479)	-	(24,479)
Restated total equity as at 1 April 2019	於2019年4月1日經重列 權益總額	58,710	2,494,040	7,940,041	10,492,791	45,646	10,538,437
Comprehensive income	全面收入						
Profit for the year	年內溢利	-	-	866,315	866,315	1,337	867,652
Other comprehensive income	其他全面收入						
Remeasurements of employee benefit obligations	僱員福利責任的 重新計量	-	-	558	558	-	558
Currency translation differences	匯兌差額	-	-	(341,371)	(341,371)	(2,726)	(344,097)
Revaluation of financial assets at fair value through other comprehensive income	按公允值計入其他全面 收入之金融資產之 價值變動	-	-	(769)	(769)	-	(769)
Total other comprehensive income	其他全面總收入	-	-	(341,582)	(341,582)	(2,726)	(344,308)
Total comprehensive income	全面總收入	-	-	524,733	524,733	(1,389)	523,344
Transactions with owners	與擁有人之交易						
Dividends paid	已付股息	-	-	(645,819)	(645,819)	-	(645,819)
Dividend paid to a non-controlling shareholder	向一名非控股股東 派付股息	-	-	-	-	(3,851)	(3,851)
At 31 March 2020	於2020年3月31日	58,710	2,494,040	7,818,955	10,371,705	40,406	10,412,111

The accompanying notes are an integral part of the consolidated financial statements. 隨附附註為綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Note	2020 HK\$'000 千港元	2019 HK\$'000 千港元
		附註		
Cash flows from operating activities	營運活動之現金流量			
Net cash generated from operations	營運產生之現金淨額	35(a)	3,363,365	188,325
Hong Kong profits tax paid	已付香港利得稅		(70,320)	(104,680)
Overseas income taxes paid	已付海外所得稅		(239,592)	(196,641)
Net cash generated/(used in) from operating activities	營運活動產生/(所用)之現金淨額		3,053,453	(112,996)
Cash flows from investing activities	投資活動之現金流量			
Purchases of property, plant and equipment	購置物業、廠房及設備	16	(110,709)	(647,445)
Prepayment for purchase of properties	購置物業之預付款項	24	(48,013)	–
Purchases of land use right	購置土地使用權	17	–	(239,472)
Purchases of investment properties	購置投資物業	18	(233,761)	(46,694)
Decrease in short-term bank deposits, with maturities over 3 months	到期日超過三個月的短期銀行存款減少		–	197,808
Interest received	已收利息		44,658	32,368
Loan advanced to an associate	聯營公司的貸款墊付		–	43,190
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		1,758	3,850
Net cash used in investing activities	投資活動所用之現金淨額		(346,067)	(656,395)
Cash flows from financing activities	融資活動之現金流量			
Proceeds from bank borrowings	銀行貸款所得款項		554,000	2,622,810
Repayment of bank borrowings	償還銀行貸款		(1,283,152)	(1,182,586)
Proceeds from gold loans with cash settlement	以現金結算的黃金借貸所得款項		2,144,256	463,421
Repayment of gold loans with cash settlement	償還以現金結算的黃金借貸		(2,213,157)	(140,692)
Interest on bank borrowings and gold loans	銀行貸款及黃金借貸利息		(35,346)	(34,253)
Principal elements of lease payments	租賃付款之本金部分		(470,189)	–
Interest elements of lease payments	租賃付款之利息部分		(27,729)	–
Dividends paid	已付股息		(645,819)	(645,818)
Dividend paid to a non-controlling interest of a subsidiary	向附屬公司非控股權益派付股息		(3,851)	(5,944)
Acquisition of non-controlling interests of a subsidiary	收購附屬公司的非控股權益		–	(1,296)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生之現金淨額		(1,980,987)	1,075,642
Net increase in cash and cash equivalents	現金及現金等價物之增加淨額		726,399	306,251
Cash and cash equivalents at 1 April	於4月1日之現金及現金等價物		2,086,522	1,900,059
Exchange differences	匯兌差額		(98,688)	(119,788)
Cash and cash equivalents at 31 March	於3月31日之現金及現金等價物	27	2,714,233	2,086,522

The accompanying notes are an integral part of the consolidated financial statements.

隨附附註為綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

Luk Fook Holdings (International) Limited (the “Company”) was incorporated in Bermuda on 3 September 1996 as a company with limited liability under the Companies Act of Bermuda. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda.

The Company and its subsidiaries (together, the “Group”) are principally engaged in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery, and gem-set jewellery products.

The Company’s shares were listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 May 1997.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated, and have been approved for issue by the board of directors on 26 June 2020.

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and the disclosure requirements of Hong Kong Companies Ordinance Cap.622. The consolidated financial statements have been prepared under the historical cost convention except that financial assets at fair value through other comprehensive income, gold loans and derivatives financial instruments are carried at fair values, as explained in Note 4.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

1 一般資料

六福集團(國際)有限公司(「本公司»)於1996年9月3日在百慕達根據百慕達公司法註冊成立為有限公司，其註冊辦事處地址為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda。

本公司及其附屬公司(統稱「本集團»)主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。

本公司股份於1997年5月6日在香港聯合交易所有限公司(「聯交所»)主板上市。

除另有說明者外，此等綜合財務報表均以港元(「港元»)呈列，並已於2020年6月26日獲董事會批准刊發。

2 編製基準及會計政策變動

編製此等綜合財務報表時所應用之主要會計政策載於下文。除另有說明者外，此等政策已於所有呈報年度貫徹應用。

2.1 編製基準

本公司之綜合財務報表乃根據香港財務報告準則(「香港財務報告準則»)及香港公司條例第622章之披露規定編製。除如附註4所解釋，按公允值計入其他全面收入之金融資產、黃金借貸及衍生金融工具為按公允值列賬外，綜合財務報表按歷史成本慣例編製。

編製與香港財務報告準則貫徹一致之綜合財務報表需要使用若干關鍵會計估算，同時亦需要管理層在應用本集團會計政策時作出判斷。涉及高度判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在附註5中披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (a) New standard, amendments to existing standards and interpretation that are effective for the first time for the financial year beginning 1 April 2019 and are relevant to the Group's operations:

Amendments to Annual Improvements Project	Annual improvements 2015-2017 cycle
Amendments to HKFRS 9	Prepayment features with negative compensation
Amendments to HKAS 19	Plan amendment, curtailment or settlement
Amendments to HKAS 28	Long-term interests in associates and joint ventures
HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over income tax treatments

Except as disclosed in Note 2.2 for the adoption of HKFRS 16 "Leases" ("HKFRS 16"), the adoption of the above new interpretation and amendments to existing standards do not have a material impact on the consolidated financial statements of the Group.

2 編製基準及會計政策變動 (續)

2.1 編製基準 (續)

- (a) 於2019年4月1日開始之財政年度內首次生效並與本集團經營有關之新訂準則、現有準則之修訂本及詮釋：

年度改進項目 (修訂本)	2015年至2017年週期之年度改進
香港財務報告準則第9號 (修訂本)	具負補償之預付款項特點
香港會計準則第19號 (修訂本)	計劃修訂、縮減或結算
香港會計準則第28號 (修訂本)	於聯營公司及合營企業之長期權益
香港財務報告準則第16號	租賃
香港 (國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性

除附註2.2所披露採納香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)外，採納上述新訂詮釋及現有準則修訂本不會對本集團的綜合財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) Certain new standard and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2020, which the Group has not early adopted, are as follows:

		Effective for annual periods beginning on or after 於以下日期或 之後開始之 年度期間生效
Amendments to HKAS 1 and HKAS 8 香港會計準則第1號及香港會計準則第8號 (修訂本)	Definition of Material 重大之定義	1 January 2020 2020年1月1日
Amendments to HKAS 39, HKFRS 7 and HKFRS 9 香港會計準則第39號、香港財務報告準則 第7號及香港財務報告準則第9號(修訂本)	Hedge accounting 對沖會計	1 January 2020 2020年1月1日
Amendments to HKFRS 3 香港財務報告準則第3號(修訂本)	Definition of a business 業務之定義	1 January 2020 2020年1月1日
Conceptual Framework for Financial Reporting 2018 2018年財務報告之概念框架	Revised conceptual framework for financial reporting 財務報告之經修訂概念框架	1 January 2020 2020年1月1日
HKFRS 17 香港財務報告準則第17號	Insurance contracts 保險合約	1 January 2022 2022年1月1日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及 香港會計準則第28號(修訂本)	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營公司或合營企業之間之 資產出售或出資	Not yet established by HKICPA 香港會計師公會 尚未制定

The above new and amendments to existing standards do not expect to have a material impact on the consolidated financial statements of the Group. The Group will adopt the new standard and amendments to existing standards when they become effective.

2 編製基準及會計政策變動(續)

2.1 編製基準(續)

- (b) 以下為已頒佈且須於2020年4月1日或之後開始之本集團會計期間強制應用，惟本集團並無提早採納之與本集團相關之若干新訂準則及現有準則之修訂本：

預期上述新訂及現有準則修訂本不會對本集團的綜合財務報表產生重大影響。於新訂準則及現有準則修訂本生效時，本集團將予以採納。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (c) Early adoption of amendment to standard during the year ended 31 March 2020 where early adoption is permitted is as follows:

HKFRS 16 (Amendment), “COVID-19 Related Rent Concessions” (effective for annual periods beginning on or after 1 June 2020). The amendment provides lessees with exemption from assessing whether COVID-19-related rent concession is a lease modification and requires lessees that apply the exemption to account for COVID-19-related rent concession as if they were not lease modifications. In applying HKFRS 16 (Amendment) for the first time, the Group has applied the practical expedient and elected not to assess whether COVID-19-related rent concession is a lease modification. All of the COVID-19 related rent concession amounted to HK\$18,561,000 has been credited to the consolidated income statement within “selling and distribution costs”.

2.2 Change in accounting policies

Below explains the impact of the adoption of HKFRS 16 “Leases” on the Group’s consolidated financial statements and the new accounting policy that have been applied from 1 April 2019 is disclosed in Note 3.21.

The Group has adopted HKFRS 16 from 1 April 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in the standard using a modified retrospective approach. The reclassifications and the adjustments arising from HKFRS 16 are therefore recognised in the opening consolidated balance sheet as at 1 April 2019.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of HKAS 17 “Leases”. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as at 1 April 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 3.14%.

2 編製基準及會計政策變動 (續)

2.1 編製基準 (續)

- (c) 截至2020年3月31日止年度提早採納之準則修訂本，並容許提早採納如下：

香港財務報告準則第16號（修訂本）「2019冠狀病毒病相關租金減免」（於2020年6月1日或以後開始之年度期間生效）。該修訂為承租人提供評估2019冠狀病毒病相關租金減免是否為租賃修改之豁免，並規定應用豁免之承租人將2019冠狀病毒病相關租金減免按猶如其並非租賃修改而入賬。於首次應用香港財務報告準則第16號（修訂本）時，本集團已採用可行權宜方法，並選擇不評估2019冠狀病毒病相關租金減免是否為租賃修改。所有2019冠狀病毒病相關租金減免金額18,561,000港元已計入綜合損益表之「銷售及分銷費用」。

2.2 會計政策變動

以下說明採納香港財務報告準則第16號「租賃」對本集團綜合財務報表的影響，並於附註3.21披露自2019年4月1日起應用的新會計政策。

本集團已自2019年4月1日起採納香港財務報告準則第16號，惟按該準則之具體過渡性條文所允許，使用經修訂追溯採納法而並無重列2019年報告期間之比較資料。因此，香港財務報告準則第16號所導致之重新分類及調整於2019年4月1日之期初綜合資產負債表確認。

於採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號「租賃」之原則分類為「經營租賃」的租賃確認租賃負債。該等負債按餘下租賃付款之現值計量，並使用承租人於2019年4月1日之增量借款利率貼現。應用於2019年4月1日之租賃負債之承租人加權平均增量借款利率為3.14%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) Measurement of lease liabilities

Set out below is a reconciliation of the operating lease commitments disclosed at 31 March 2019 to lease liabilities recognised on 1 April 2019:

		HK\$'000 千港元
Operating lease commitments disclosed as at 31 March 2019	於2019年3月31日披露的經營租賃承擔	817,010
Less: Short-term leases to be recognised on a straight-line basis as expense	減：以直線法確認為開支的短期租賃	(87,382)
		729,628
Effect of discounting at incremental borrowing rate at the date of initial adoption	於首次採納日期按增量借款利率貼現的影響	(14,373)
Lease liabilities recognised upon initial adoption of HKFRS 16	於首次採納香港財務報告準則第16號時確認的租賃負債	715,255
Representing:	即：	
Current lease liabilities	流動租賃負債	358,126
Non-current lease liabilities	非流動租賃負債	357,129
		715,255

(b) Measurement of right-of-use assets

The right-of-use assets were measured on a retrospective basis as if the new rules had always been applied, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated balance sheet as at 31 March 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application. In addition, land use rights previously presented as a separate item and certain property, plant and equipment on the consolidated balance sheet are grouped as part of right-of-use assets with effect from 1 April 2019. The recognised right-of-use assets relate to types of assets as disclosed in Note 19.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 計量租賃負債

下文載列於2019年3月31日披露的經營租賃承擔與於2019年4月1日確認的租賃負債的對賬：

(b) 計量使用權資產

使用權資產按追溯基準計量，猶如新規則一直獲應用，並按照於2019年3月31日之綜合資產負債表中確認與該租賃相關之任何預付或應計租賃付款額進行調整。於首次應用日期，並無須調整使用權資產的虧損性租賃合約。此外，自2019年4月1日起，在綜合資產負債表中先前呈列為單獨項目之土地使用權以及若干物業、廠房及設備分類為使用權資產之一部分。已確認使用權資產與附註19所披露之資產類別有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(c) Adjustments recognised on adoption of HKFRS 16

The change in accounting policy affected the following items in the consolidated balance sheet on 1 April 2019:

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(c) 採納香港財務報告準則第16號時確認之調整

會計政策變動對以下於2019年4月1日之綜合資產負債表中項目造成影響：

		31 March 2019 as originally presented 2019年 3月31日 如原列示 HK\$'000 千港元	Effects of the adoption of HKFRS 16 採納香港財務 報告準則 第16號之影響 HK\$'000 千港元	1 April 2019 Restated 2019年 4月1日 已重列 HK\$'000 千港元
Consolidated balance sheet (Extract) 綜合資產負債表 (摘錄)				
ASSETS 資產				
Non-current assets 非流動資產				
Right-of-use assets	使用權資產	-	1,179,467	1,179,467
Property, plant and equipment	物業、廠房及設備	951,782	(2,714)	949,068
Land use rights	土地使用權	483,131	(483,131)	-
Deferred income tax assets	遞延所得稅資產	54,643	4,029	58,672
Current assets 流動資產				
Deposits, prepayments and other receivables	按金、預付賬項及其他應收賬項	474,014	(12,331)	461,683
LIABILITIES 負債				
Non-current liabilities 非流動負債				
Lease liabilities	租賃負債	-	357,129	357,129
Current liabilities 流動負債				
Lease liabilities	租賃負債	-	358,126	358,126
Trade payables, other payables and accruals	貿易應付賬項、其他應付賬項及應計款項	975,840	(5,456)	970,384
EQUITY 權益				
Retained earnings	保留盈利	7,964,520	(24,479)	7,940,041

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(c) Adjustments recognised on adoption of HKFRS 16 (Continued)

Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease”.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(c) 採納香港財務報告準則第16號時確認之調整 (續)

採用之可行權宜方法

首次應用香港財務報告準則第16號時，本集團已採用以下該準則所許可之可行權宜方法：

- 對具有合理相似特徵之租賃組合採用單一貼現率
- 依賴先前關於租賃是否虧損之評估
- 於2019年4月1日餘下租期少於12個月之經營租賃作為短期租賃處理
- 於首次應用日期計量使用權資產時扣除初始直接成本，及
- 倘合約包含續租或終止租賃之選擇權，則以事後分析結果確定租期。

本集團亦已選擇不重新評估合約在首次應用日期是否為或包含租賃。相反，對於在過渡日期前訂立之合約，本集團依據其應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號「釐定安排是否包括租賃」時作出之評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(d) Investment property

Under HKFRS 16, the Group is required to account for properties that are held to earn rental income and/or for capital appreciation as investment properties. The adoption of HKFRS 16 does not have a significant impact on the Group's consolidated financial statements as the Group previously elected to apply HKAS 40, Investment Properties, to account for all of its investment properties that were held for investment purposes as at 31 March 2019. Consequentially, the investment properties continue to be carried at cost.

(e) Lessor accounting

In addition to leasing out the investment property referred to in paragraph (d) above, the Group leases out certain of its leasehold buildings and sub-leases certain of its leased premise under operating lease arrangements. The accounting policies applicable to the Group as a lessor remain substantially unchanged from those under HKAS 17. Under HKFRS 16, when the Group acts as an intermediate lessor in a sublease arrangement, the Group is required to classify the sublease as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, instead of by reference to the underlying asset. Under the sub-lease agreement, sub-leases of the Group are classified as the operating lease by reference to the head lease, thus the adoption of HKFRS 16 does not have a significant impact on the Group's consolidated financial statements in this regard.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(d) 投資物業

根據香港財務報告準則第16號，本集團須將持作賺取租金收入及／或資本升值的物業入賬為投資物業。由於本集團先前選擇應用香港會計準則第40號投資物業入賬於2019年3月31日持作投資用途的所有投資物業，故採納香港財務報告準則第16號並未對本集團的綜合財務報表產生重大影響。因此，該等投資物業繼續按成本列賬。

(e) 出租人會計處理

除上文(d)段所述出租投資物業外，根據經營租賃安排，本集團出租其若干租賃樓宇及分租若干租賃物業。適用於本集團（作為出租人）的會計政策與香港會計準則第17號下的會計政策基本不變。根據香港財務報告準則第16號，當本集團於分租安排中作為中間出租人時，本集團須參考由主租賃產生的使用權資產（而非參考相關資產）將分租賃分類為融資租賃或經營租賃。根據分租協議，經參考主租賃，本集團的分租賃均分類為經營租賃，因此，採納香港財務報告準則第16號於此方面對本集團的綜合財務報表並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Principles of consolidation and equity accounting

(a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- (i) fair values of the assets transferred
- (ii) liabilities incurred to the former owners of the acquired business
- (iii) equity interests issued by the Group
- (iv) fair value of any asset or liability resulting from a contingent consideration arrangement, and
- (v) fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

3 主要會計政策概要

3.1 合併原則及權益會計處理

(a) 業務合併

本集團採用購買會計法將所有業務合併入賬，不論是否已購買權益工具或其他資產。購買一間附屬公司轉讓的代價包括：

- (i) 所轉讓資產的公允值
- (ii) 被收購業務之前擁有人所產生負債
- (iii) 本集團已發行股本權益
- (iv) 或有代價安排所產生任何資產或負債的公允值，及
- (v) 附屬公司任何先前存在的股本權益的公允值。

在業務合併中所購買的可識別資產以及所承擔的負債及或然負債，初步以其於購買日期的公允值計量（少數例外情況除外）。本集團以逐項購買基準，按公允值或按非控股權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

購買相關成本於產生時支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(a) Business combinations (Continued)

The excess of the:

- (i) consideration transferred,
- (ii) amount of any non-controlling interest in the acquired entity, and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in consolidated income statement as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in consolidated income statement.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in consolidated income statement.

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(a) 業務合併 (續)

以下各項：

- (i) 所轉讓代價，
- (ii) 被收購實體的任何非控股權益金額，及
- (iii) 於被收購實體先前的任何股本權益於收購日期的公允值

超出所收購可識別資產淨值的公允值時，其差額以商譽列賬。倘該等款項低於所收購業務的可識別資產淨值的公允值，則差額將直接於綜合損益表確認為議價購買。

或有代價分類為權益或金融負債。分類為金融負債的金額其後將重新按公允值計量，且公允值變動於綜合損益表確認。

倘業務合併分階段進行，則收購方先前持有的被收購方股本權益於收購日期的賬面值於收購日期重新按公允值計量。任何因該類重新計量產生的收益或虧損於綜合損益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(b) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(b) 附屬公司

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團自參與實體業務而承擔取得其可變回報的風險或享有可變回報的權利，並有能力透過其對實體活動的主導權影響該等回報時，則本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面合併入賬，並於終止控制權當日起不再合併入賬。

集團公司間交易、結存及未變現收益均會對銷。未變現虧損亦會對銷，除非該交易顯示已轉讓資產減值的證據。附屬公司的會計政策已在需要時作出調整，以確保與本集團所採納會計政策一致。

附屬公司業績及權益中的非控股權益分別於綜合損益表、綜合全面收入報表、綜合權益變動表及綜合資產負債表中單獨呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(c) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 3.9.

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(c) 聯營公司

聯營公司指本集團對其有重大影響但無控制權或共同控制權的所有實體，一般本集團擁有其20%至50%投票權。於聯營公司的投資初始按成本確認後以權益會計法入賬。

當本集團分佔權益會計投資的虧損相等於或超過在該實體的權益（包括任何其他無抵押長期應收款），則本集團不確認進一步虧損，除非其已產生義務或已代其他實體付款。

本集團與其聯營公司及合營企業之間的未變現交易利益按本集團在該等實體的權益予以對銷。未變現虧損亦予以對銷，除非交易提供證據證明所轉讓的資產出現減值。權益入賬被投資者的會計政策已按需要作出改動，以確保與本集團所採納者相符。

權益入賬投資的賬面值根據附註3.9所述的政策進行減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(d) 擁有權權益變動

本集團將不會引致失去控制權的非控股權益交易視為與本集團權益持有人進行的交易。擁有權權益變動導致控股權益與非控股權益賬面值之間的調整以反映彼等於附屬公司的相對權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權、共同控制權或重大影響力而不再將投資綜合入賬或終止投資的權益賬目，其於有關實體之任何保留權益按其公允值重新計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益而言，該公允值為初始賬面值。此外，先前於其他全面收入確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這意味著先前在其他全面收入確認之金額將根據適用香港財務報告準則所訂明／准許重新分類至損益或轉撥至另一類別權益。

當於合營企業或聯營公司的擁有權權益減少，而共同控制權或重大影響獲保留，則先前於其他全面收入內確認的金額僅有一定比例部分重新分類至損益（如適用）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

3.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified collectively as the executive directors and senior management who make strategic decisions.

3.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and Group's presentation currency.

3 主要會計政策概要 (續)

3.2 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本包括投資直接應佔成本。附屬公司的業績由本公司按已收及應收股息入賬。

3.3 分部呈報

經營分部按與向最高營運決策者作內部呈報一致之方式呈報。最高營運決策者(負責分配資源及評核經營分部之表現)被認定為共同負責作出策略決定之執行董事與高級管理人員。

3.4 外幣換算

(a) 功能貨幣及列賬貨幣

本集團旗下各實體之財務報表所列項目均採用有關實體經營所在主要經濟環境之通用貨幣(「功能貨幣」)計量。綜合財務報表以港元列賬,港元為本公司之功能貨幣及本集團之列賬貨幣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Foreign currency translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised within 'Other losses, net' in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement within 'Finance costs, net'. All other foreign exchange gains and losses are presented in consolidated income statement within 'Other losses, net'.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

3 主要會計政策概要 (續)

3.4 外幣換算 (續)

(b) 交易及結餘

外幣交易按進行交易當日或項目重新計量日適用之匯率換算為功能貨幣。因結算有關交易及按年結日匯率換算以外幣列值之貨幣資產及負債所產生之匯兌損益，於綜合損益表「其他虧損，淨額」內確認。

與貸款有關的匯兌盈虧在綜合損益表內之「財務費用，淨額」內呈列。所有其他匯兌盈虧在綜合損益表「其他虧損，淨額」中呈列。

(c) 集團公司

所有集團實體（概無實體採用高通脹經濟體系之貨幣）之功能貨幣倘有別於列賬貨幣，其業績及財務狀況須按以下方式換算為列賬貨幣：

- (i) 各資產負債表所列資產及負債按其結算日之收市匯率換算；
- (ii) 各損益表所列收支按平均匯率換算（除非此平均匯率不足以合理概括交易日期適用匯率之累計影響，在此情況下，收支按交易日期之匯率換算）；及
- (iii) 所有因而產生之匯兌差額在其他全面收入中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Foreign currency translation (Continued)

(c) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to consolidated income statement.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in consolidated income statement. For all other partial disposals (that is, reductions in the Group's ownership interests in associates that do not result in the Group losing significant influence) the proportionate share of the accumulated exchange difference is reclassified to consolidated income statement.

3 主要會計政策概要 (續)

3.4 外幣換算 (續)

(c) 集團公司 (續)

因收購海外實體所產生的商譽及公允值調整，乃視作該海外實體的資產及負債處理，並按收市匯率折算。因而產生的匯兌差額於其他全面收入確認。

(d) 出售海外業務及部分出售

於出售海外業務（即出售本集團於海外業務的全部權益、涉及失去對包含海外業務的附屬公司的控制權的出售或涉及失去對包含海外業務的聯營公司的重大影響力的出售）時，就本公司擁有人應佔該業務於權益內累計的所有匯兌差額會重新分類至綜合損益表。

如部分出售附屬公司並未導致本集團失去對包含海外業務的該附屬公司的控制權，則按比例將累計匯兌差額重新歸屬為非控股權益，而並不於綜合損益表內確認。對於所有其他部分出售（即減持本集團於聯營公司的擁有權權益並無造成本集團失去重大影響力），會按比例將累計匯兌差異重新分類至綜合損益表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Buildings	50 years or over the unexpired lease period of leasehold land, whichever is shorter
Leasehold improvements	5 years or over the unexpired lease period, whichever is shorter
Furniture and fixtures and computer equipment	5 years
Plant and machinery	5 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 3.9).

Gains and losses on disposals are determined by comparing net proceeds with carrying amount of the relevant assets and are included in the consolidated income statement.

3 主要會計政策概要 (續)

3.5 物業、廠房及設備

物業、廠房及設備乃按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔之開支。

僅於與項目相關之日後經濟利益可能流入本集團，且該項目之成本能夠可靠計量時，其後成本方會計入該項資產之賬面值或確認為一項獨立資產（視適用情況而定）。重置部分之賬面值會終止確認。所有其他維修及保養會於其產生之財務期間內在綜合損益表支銷。

樓宇	50年或按租賃土地租約尚餘期間（以較短者為準）
租賃物業裝修	5年或按租約尚餘期間（以較短者為準）
傢俬、裝置及電腦設備	5年
機器及設備	5年
汽車	5年

資產之剩餘價值及可使用年期在各結算日檢討，並在適當時調整。

倘資產之賬面值高於其估計可收回金額，則該項資產之賬面值會即時撇減至其可收回金額（附註3.9）。

出售盈虧透過將所得款項淨額與有關資產之賬面值比較釐定並計入綜合損益表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.6 Land use rights

Until 31 March 2019, land use rights were stated at cost less accumulated amortisation and accumulated impairment losses. Cost mainly represented consideration paid for the rights to use the land on which plants and buildings were situated for a period of between 16 and 51 years from the dates the respective rights were granted. Amortisation of land use right was calculated on a straight-line basis over the period of the rights. Land use rights previously presented as a separate item on the balance sheet are grouped as part of right-of-use assets with effect from 1 April 2019 in Note 2.2(c).

3.7 Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and is not occupied by the Group.

Investment property is measured at cost, including related transaction costs, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided using the straight-line method to write off the cost of the investment properties over their estimated useful lives of 30 to 50 years. Where the carrying amount of an investment property is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Subsequent expenditure is charged to the asset's carrying amount only when it is probably that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

3 主要會計政策概要 (續)

3.6 土地使用權

直至2019年3月31日，土地使用權按成本減累計攤銷及累計減值虧損列賬。成本主要指就使用建有廠房及樓宇的土地的權利（自各項權利之授出日期起計為期16至51年）支付的代價。土地使用權攤銷乃於有關權利年期內以直線法計算。自2019年4月1日起，在資產負債表內先前呈列為單獨項目之土地使用權於附註2.2(c)分類為使用權資產之一部分。

3.7 投資物業

投資物業主要由租賃土地及樓宇所組成，為獲得長期租金收益或資本升值或兩者兼備而持有，且並非由本集團佔用。

投資物業按成本值（包括相關交易費用）扣除累計折舊及累計減值虧損（如有）列賬。

折舊採用為期30至50年之估計可使用年期按直線法撇銷投資物業之成本。倘投資物業賬面值高於其估計可收回金額，則即時撇減至其可收回金額。

僅在有關項目之未來經濟收益有可能流向本集團，而該項目成本能夠可靠計量時，方會自資產賬面值扣除其後開支。所有其他維修及保養成本於產生之財政期間在綜合損益表支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.7 Investment properties (Continued)

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. At the date of reclassification, its cost and accumulated depreciation are transferred to property, plant and equipment and become its cost and accumulated depreciation for accounting purposes. If an owner-occupied property becomes an investment property because its use has changed, it is reclassified as investment property.

3.8 Trading licence

Trading licence with indefinite useful life represents a membership in Chinese Gold and Silver Exchange Society and is carried at cost less accumulated impairment losses, if any.

3.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.10 Inventories

Inventories, comprise raw materials and finished goods, are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. The cost of finished goods comprises raw materials, direct labour and other direct costs. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3 主要會計政策概要 (續)

3.7 投資物業 (續)

倘投資物業由業主自用，則重新分類為物業、廠房及設備。於重新分類當日，其成本與累計折舊乃轉撥至物業、廠房及設備，並按照會計處理成為其成本與累計折舊。倘業主自用物業因改變用途而成為投資物業，則重新分類為投資物業。

3.8 交易執照

並無特定可使用年期之交易執照（即金銀業貿易場會籍）按成本值減累計減值虧損（如有）列賬。

3.9 非金融資產之減值

沒有確定可使用年期之無形資產或未達到可使用狀態之無形資產毋須攤銷，並每年進行減值檢測。須作攤銷之資產乃於發生任何事件或環境變化顯示其賬面值可能不能收回時作減值檢討。倘資產之賬面值超過其可收回金額，會就其差額確認減值虧損。資產之可收回金額為其公允值減出售成本與其可使用價值中較高者。就評估減值而言，資產乃按最低水平之可獨立識別現金流量（現金產生單位）予以分類。出現減值之非金融資產（商譽除外）將於每個報告日期審閱是否有撥回減值之可能。

3.10 存貨

存貨（包括原材料及製成品）乃按成本值與可變現淨值兩者之較低者列賬。成本採用先入先出法釐定。製成品成本包括原材料、直接勞工成本及其他直接成本，惟不包括貸款成本。可變現淨值乃按於日常業務過程中之估計售價減適用之可變銷售費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

3 主要會計政策概要 (續)

3.11 投資及其他金融資產

(a) 分類

本集團將其金融資產按以下計量類別分類：

- 其後將按公允值計量（計入其他全面收入或計入損益），及
- 將按攤銷成本計量。

分類取決於實體管理金融資產及現金流量合約期之業務模式。

對於按公允值計量之資產，收益及虧損將於損益或其他全面收入列賬。對於並非持作買賣之股本工具投資，其將取決於本集團於初步確認時是否不可撤回地選擇以按公允值計入其他全面收入將股權投資入賬。

當且僅當其管理該等資產之業務模式發生變動時，本集團方會重新分類債務工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classified its debt instruments as financial assets at amortised cost.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other losses, net, together with foreign exchange gains and losses. Impairment losses are presented in separate line item in the consolidated income statement.

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

(b) 確認及終止確認

金融資產之定期買賣乃於本集團承諾買賣該資產之日(即交易日)確認。本集團於收取來自金融資產之現金流量之權利屆滿或已被轉讓,且本集團已轉讓擁有權之絕大部分風險及回報時終止確認金融資產。

(c) 計量

於初步確認時,本集團按金融資產之公允值另加(倘並非按公允值計入損益之金融資產)直接歸屬於收購金融資產之交易成本計量該金融資產。按公允值計入損益之金融資產的交易成本於損益中支銷。

債務工具

債務工具之其後計量取決於本集團管理資產之業務模式及該資產之現金流量特徵。本集團將其債務工具分類為按攤銷成本列賬之金融資產。

持作收取合約現金流量之資產,倘該等現金流量僅指支付本金及利息,則按攤銷成本計量。該等金融資產之利息收入採用實際利率法計入財務收入。終止確認產生之任何收益或虧損直接於損益中確認,並與匯兌盈虧一併於其他虧損,淨額中呈列。減值虧損於綜合損益表內作為單獨項目呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

(c) Measurement (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other losses, net in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

(d) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

(c) 計量 (續)

股本工具

本集團隨後按公允值計量所有股權投資。倘本集團管理層已選擇於其他全面收入中呈列股權投資之公允值收益及虧損，則於終止確認該投資後，隨後並無重新分類公允值收益及虧損至損益。當本集團收取付款之權利確立時，有關投資之股息繼續於損益中確認為其他收入。

按公允值計入損益的金融資產之公允值變動於綜合損益表的其他虧損，淨額確認（倘適用）。按公允值計入其他全面收入計量的股本投資之減值虧損（及減值虧損撥回）不會與其他公允值變動分開呈報。

(d) 減值

本集團按前瞻性基準評估與其按攤銷成本列賬之債務工具相關的預期信貸虧損。所應用的減值方式視乎信貸風險是否有大幅增加而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract. As at 31 March 2020 and 2019, there were no offsettings performed.

3.13 Derivative financial instruments which do not qualify for hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognising the resulting gains or losses depends on whether the derivative is designated and qualified as a hedging instrument, and if so, the nature of the item being hedged. Since the derivative financial instruments entered into by the Group do not qualify for hedge accounting, changes in fair value of any derivative financial instruments are recognised immediately in the consolidated income statement.

3 主要會計政策概要 (續)

3.12 抵銷金融工具

當具有抵銷已確認金額之合法強制執行權，且擬按淨額基準結算或同時變現資產和結算負債時，金融資產與負債會互相抵銷，並在綜合資產負債表報告其淨額。此項合法強制執行權利不得以未來事項作為條件，且必須可於正常業務過程中及本集團或對手方違約、無力償還或破產時強制執行。本集團亦已經訂立不符合抵銷準則之安排，惟仍然容許在若干情況下抵銷相關金額，如破產或終止合約。於2020年及2019年3月31日，並無進行抵銷。

3.13 不符合資格作對沖會計處理之衍生金融工具

衍生工具初步按衍生工具合約訂立日期之公允值確認，其後按其公允值重新計量。確認所產生盈虧之方法取決於該衍生工具是否指定並符合資格作對沖工具，如指定為對沖工具，則取決於其所對沖項目之性質。由於本集團之衍生金融工具並不符合資格作對沖會計處理，故任何衍生金融工具之公允值變動須即時於綜合損益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

See Note 3.11 for a description of the Group's impairment policies.

3.15 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

3.16 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3 主要會計政策概要 (續)

3.14 貿易及其他應收賬項

貿易應收賬項為於正常業務過程中售出商品或提供服務之客戶結欠金額。如果貿易及其他應收賬項預計於一年或少於一年（或在業務正常經營週期內的更長時間）內收回，則被分類為流動資產。否則，在非流動資產中呈列。

貿易及其他應收賬項初步以公允值確認，其後利用實際利率法按攤銷成本扣除任何減值撥備計量。

有關本集團減值政策的說明，請參閱附註3.11。

3.15 現金及現金等價物

於綜合現金流量表中，現金及現金等價物包括手頭現金、銀行通知存款、原定於三個月或以內到期之其他短期高流通量投資。

3.16 貿易及其他應付賬項

貿易應付賬項是於日常業務過程中從供應商購買商品或接受服務產生之付款責任。倘貿易及其他應付賬項將在一年或一年內（若更長則在業務正常經營週期內）支付，則歸類為流動負債。否則，在非流動負債中呈列。

貿易及其他應付賬項按公允值初步確認，其後以實際利率法按攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.17 Borrowings

Borrowings are carried initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated income statement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

3 主要會計政策概要 (續)

3.17 貸款

貸款初步按公允值 (扣除所產生交易成本) 確認, 其後按攤銷成本列賬; 所得款項 (扣除交易成本) 與贖回價值兩者間之任何差額, 會以實際利率法於貸款期間內在綜合損益表中確認。

為建立貸款融資所支付的費用, 當部分或所有融資很可能將被提取時確認為貸款的交易成本。於此情況下, 該費用在提取貸款融資前予以遞延。倘無證據表明部分或所有融資很可能將被提取, 則該費用將作為流動性服務的預付款項資本化, 並在融資相關之期限內攤銷。

當合約中規定的責任解除、取消或屆滿時, 貸款將從綜合資產負債表中剔除。已消除或轉讓予另一方的金融負債的賬面值與已支付代價 (包括已轉讓的任何非現金資產或已承擔的負債) 之間的差額, 在綜合損益表中確認。

除非本集團有無條件權利可將負債結清時間延遲至報告期末後最少12個月, 否則貸款須分類為流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

3 主要會計政策概要 (續)

3.18 即期及遞延所得稅

期內稅項開支包括即期及遞延稅項。稅項於綜合損益表確認，惟倘稅項與於其他全面收入確認或直接於權益確認之項目有關者除外。在該情況下，稅項亦會分別於其他全面收入或直接於權益內確認。

(a) 即期所得稅

即期所得稅開支乃按結算日在本公司之附屬公司及聯營公司經營及產生應課稅收入之國家已實行或大致已實行之稅法計算。管理層定期評估就適用稅項法規有待詮釋之情況之稅項申報所採取措施，並在適當情況下按預期將支付予稅務機構之款項為基準計提撥備。

(b) 遞延所得稅

遞延所得稅利用負債法就資產和負債之稅基與在綜合財務報表之賬面值產生之暫時差額悉數計提撥備。然而，若遞延稅項負債來自商譽之初步確認，則不予確認。若遞延所得稅來自在交易（不包括業務合併）中對資產或負債之初步確認，而在交易時不影響會計損益或應課稅溢利或虧損，則亦不作記賬。遞延所得稅採用在報告期末前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將應用之稅率（及法例）而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.18 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Regarding the accounting for deferred tax impact in relation to right of use asset and lease liability, the Group considered right of use asset and lease liability separately. Deferred tax was recognised based on temporary difference arise separately from right of use assets and liabilities.

Upon initial recognition of right of use asset and lease liability, if any temporary differences arose, the Group considered initial recognition exemption is not applicable to these temporary differences because right of use asset and liability are recognised at the same time.

3 主要會計政策概要 (續)

3.18 即期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

遞延稅項資產僅就可能有未來應課稅金額而就此可使用該等暫時差額及虧損而確認。

倘公司能夠控制暫時差額之撥回時間且於可見將來可能不會撥回該等差額，遞延稅項負債及資產不會確認海外業務投資之賬面值與稅基之間的暫時差額。

當有合法可強制執行權利抵銷即期稅項資產及負債及當遞延稅項結餘乃關於同一稅務機關時，則會抵銷遞延稅項資產及負債。倘實體有合法可強制執行權利抵銷且擬按淨額基準結算或同時變現資產及結清負債，則會抵銷即期稅項資產及稅項負債。

即期及遞延稅項在損益中確認，惟倘其與在其他全面收入或直接於權益確認的項目相關則除外。在該情況下，亦分別會在其他全面收入或直接於權益內確認稅項。

就與使用權資產及租賃負債有關的遞延稅務影響的會計方法而言，本集團單獨考慮使用權資產及租賃負債。遞延稅項分別按使用權資產及負債各自所產生的暫時性差額確認。

於初始確認使用權資產及租賃負債時，倘有任何暫時性差額，則本集團會認為初始確認豁免並不適用於該等暫時性差額，原因為使用權資產及負債乃於同一時間確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Profit sharing and bonus plans

Provisions for profit sharing and bonus plans are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(c) Pension obligations

Hong Kong

The Group operates a defined contribution Mandatory Provident Fund Scheme (the "MPF Scheme") which is registered under the Mandatory Provident Fund Schemes Ordinance in Hong Kong. The assets of the MPF Scheme are held in a separately administered fund. The MPF Scheme is generally funded by payments from employees and by the Group.

The Group's contributions to the MPF Scheme are expensed as incurred and are reduced by the employer's voluntary contribution forfeited from the MPF Scheme by those employees who leave the scheme prior to vesting fully in the contributions.

3 主要會計政策概要 (續)

3.19 僱員福利

(a) 僱員休假權利

僱員享有年假之權利於此等權利產生時確認。本集團就截至結算日止僱員提供服務產生之年假之估計負債作出撥備。

僱員享有病假及分娩假期之權利於僱員休假時方予確認。

(b) 溢利分享及花紅計劃

當本集團因僱員提供服務而產生現有法定或推定責任，而責任金額能可靠估算時，則確認溢利分享及花紅計劃之撥備。

(c) 退休金責任

香港

本集團推行一項定額供款強制性公積金退休計劃（「強積金計劃」），計劃已根據香港《強制性公積金計劃條例》註冊。強積金計劃之資產乃以獨立管理之基金持有。強積金計劃之資金一般由僱員及本集團撥付。

本集團向強積金計劃作出之供款於產生時支銷，並可以自供款全數撥歸前退出計劃之僱員沒收之強積金計劃僱主自願性供款扣減。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Employee benefits (Continued)

(c) Pension obligations (Continued)

Mainland China

As stipulated by rules and regulations in Mainland China, the Group contributes to state-sponsored retirement schemes for its relevant employees in Mainland China. The state-sponsored retirement schemes are responsible for the entire post-retirement benefit obligations payable to the retired employees.

The Group's contributions to the state-sponsored retirement schemes are expensed as incurred and are fully and immediately vested in the employees.

(d) Defined benefit obligation – long service payment

The Group's net obligation in respect of lump sum long service amounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method by a qualified actuary, discounted to its present value, and the fair value of any related plan assets is deducted. The discount rate is the yield at balance sheet date on Exchange Fund Notes that have maturity dates approximating the terms of the Group's obligations. All remeasurement gains/losses of defined benefit plans are recognised immediately in other comprehensive income in the period in which they occur. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested.

3 主要會計政策概要 (續)

3.19 僱員福利 (續)

(c) 退休金責任 (續)

中國內地

根據中國內地規則及規例，本集團為其有關中國內地僱員向國家資助之退休計劃供款。該等國家資助退休計劃須負責履行向退休僱員支付全部退休後福利之責任。

本集團向國家資助之退休計劃供款於產生時支銷，並即時全數歸屬僱員。

(d) 界定福利責任 — 長期服務金

本集團就根據香港《僱傭條例》在若干情況下於僱員終止受僱時支付一筆過長期服務金之責任為有關僱員於本期間及過往期間以所提供服務賺取之未來福利。該責任乃由合資格精算師利用預算單位信貸法計算並貼現至其現值，而任何相關計劃資產之公允值則予以扣減。貼現率為與本集團付款責任年期相若之外匯基金債券於結算日之息率。界定福利計劃之所有重新計量的收益／虧損均於產生期間內即時於其他全面收入確認。過往服務成本於福利歸屬前以直線法按平均期間確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, sales returns and discounts, after eliminated sales within the Group.

(a) Sales of goods – wholesale

The Group manufactures and sells a range of gold jewellery and gem-set of jewellery products to its customers. Sales of goods are recognised when a Group entity has delivered products to the customers, retains neither continuing managerial involvement to the degree usually associates with ownership nor control over the goods sold, and there is no unfulfilled obligation that could affect the acceptance of the products. Delivery does not occur until the products have been delivered to the specified location, the risks of obsolescence and loss have been transferred to the customers, and either the customers has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A sales refund liability and an asset for the right of return goods are recognised in the consolidated balance sheet. The Group uses the expected value method to estimate the credit refund or return which best predicts the amount of reliable consideration to which the Group entitled.

3 主要會計政策概要 (續)

3.20 收益及收入確認

收益指本集團於日常業務中出售貨物及服務而實收或應收代價之公價值。收益扣除增值稅、退貨及折扣，並對銷本集團內部之銷售後列賬。

(a) 銷售貨品 — 批發

本集團向其客戶製造及銷售一系列黃金首飾及珠寶首飾。當本集團實體已將貨品交付客戶，並無涉及通常與擁有權相關聯的持續管理，亦無保留對已銷售貨品的控制權，且並無未履行責任可能影響對產品的接收時，貨品銷售即確認入賬。當產品已付運至指定地點，廢棄及損失風險已轉讓予客戶，而客戶已根據銷售合約接收產品、接收條款已作廢，或本集團有客觀證據顯示所有接收條款已經履行後，方始計作已交付貨品。

銷售退貨權的退款負債及資產乃於綜合資產負債表中確認。本集團採用預期價值法估計信貸退款或退貨，其為本集團有權獲得的可靠代價金額之最佳預測。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Revenue and income recognition (Continued)

(b) Sales of goods – retail

The Group operates a chain of retail stores selling a variety of gold and platinum jewellery and gem-set jewellery products. Revenue from the sale of goods is recognised when a group entity sells a product to the customer.

Payment of the transaction price is due immediately when the customer purchases the gold and platinum jewellery and gem-set jewellery products. It is the Group's policy to sell its products to the end customer with a right of return within one year at an agreed discount on the original selling price. A sales refund liability and an asset for the right of return goods are recognised in the consolidated balance sheet. The Group uses the expected value method to estimate the sales refund or return which best predicts the amount of reliable consideration to which the Group entitled.

(c) Royalty and service income

Royalty and service income in respect of the use of the Group's trademarks is recognised overtime on an accrual basis in accordance with the substance of the relevant agreements. The refund of credit to licensees when certain credit refund criteria is met are considered as variable consideration. The Group uses expected value method to estimate the credit refund which best predicts the amount of variable consideration to which the Group entitled.

(d) Consultancy fee income

Consultancy fee income in respect of technical support and consultancy services are recognised over the period in which the services are rendered.

3 主要會計政策概要 (續)

3.20 收益及收入確認 (續)

(b) 銷售貨品 — 零售

本集團經營連鎖零售店，售賣各類黃白金首飾及珠寶首飾產品。當集團實體向客戶銷售產品時確認為銷售貨品收入。

客戶購買黃白金首飾及珠寶首飾產品時須即時支付交易價格。本集團的政策是向終端客戶銷售其產品，並附有可於一年內以原售價的協定折扣的退貨權。退貨權的銷售退款負債及資產於綜合資產負債表確認。本集團利用預期價值法估計銷售退款或退貨，其為本集團有權獲得的可靠代價金額的最佳預測。

(c) 品牌及服務費收入

有關使用本集團商標之品牌及服務費收入乃根據相關協議的內容按累計基準隨時間確認。當符合若干信貸退款標準時，退予品牌商之信貸款項被視為可變代價。本集團採用預期價值法估計信貸退款，其為本集團有權獲得的可變代價金額之最佳預測。

(d) 顧問費收入

有關提供技術支援及顧問服務之顧問費收入，於提供服務之期間確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Revenue and income recognition (Continued)

- (e) **Interest income from bank deposits**
Interest income from bank deposits is recognised on a time proportion basis using the effective interest method.
- (f) **Rental income**
Rental income is recognised on a straight-line basis over the lease period.
- (g) **Commission income**
Commission income is recognised in the period when the referral services are provided.

3.21 Leases

As explained in Note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in Note 2.2.

Until the year ended 31 March 2019, leases of property, plant and equipment were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

3 主要會計政策概要 (續)

3.20 收益及收入確認 (續)

- (e) **銀行存款利息收入**
銀行存款利息收入使用實際利率法按時間比例基準確認。
- (f) **租金收入**
租金收入於租期內以直線法確認。
- (g) **佣金收入**
佣金收入於提供轉介服務期間予以確認。

3.21 租賃

誠如上文附註2.2所闡述，本集團已就本集團作為承租人之租賃之會計政策作出變動。新政策載述於下文，而變動之影響載述於附註2.2

直至截至2019年3月31日止年度，物業、廠房及設備之租賃被分類為經營租賃。根據經營租賃支付之款項（扣除已收出租人之任何優惠）以直線法於租賃期內自損益扣除。

自2019年4月1日起，租賃在租賃資產可供本集團使用之日確認為使用權資產，並確認相應負債。每筆租賃付款於負債及財務費用間分配。財務費用於租賃期內自損益扣除，以計算出各期間負債結餘之固定週期利率。使用權資產乃按資產可使用年期或租賃期（以較短者為準）以直線法折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Leases (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable (if any);
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

3 主要會計政策概要 (續)

3.21 租賃 (續)

租賃產生之資產及負債初步以現值進行計量。租賃負債包括以下租賃付款之淨現值：

- 固定付款 (包括實質固定付款) 減任何應收租賃優惠 (如有)；
- 基於指數或利率之可變租賃付款 (初步使用於開始日期之指數或利率計量)；
- 剩餘價值擔保下之本集團預期應付款項；
- 購買選擇權之行使價格 (倘本集團合理地確定行使該選擇權)；及
- 終止租賃所支付之罰款 (倘租賃期反映本集團行使該選擇權)。

租賃付款採用租賃所隱含之利率予以貼現。倘無法釐定該利率，則使用承租人之增量借款利率，即承租人在類似經濟環境中以類似條款及條件借入獲得類似價值資產所需資金所必須支付的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Leases (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received (if any);
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

(a) Variable lease payments

Estimation uncertainty arising from variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, up to 100 percent of lease payments are on the basis of variable payment terms and there is a wide range of sales percentages applied. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in consolidated income statement in the period in which the condition that triggers those payments occurs.

3 主要會計政策概要 (續)

3.21 租賃 (續)

使用權資產按成本計量，包括以下各項：

- 租賃負債之初步計量金額
- 於開始日期或之前所作之任何租賃付款，減所收取之任何租賃優惠（如有）；
- 任何初始直接成本；及
- 修復成本。

使用權資產一般於資產的可使用年期及租期（以較短者為準）內按直線基準予以折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。

與短期租賃及低價值資產租賃相關之付款以直線法於損益中確認為開支。短期租賃指租期為12個月或少於12個月之租賃。低價值資產包括小型辦公室設備。

(a) 可變租賃付款

可變租賃付款導致之估計不確定性

部分物業租賃包含與店舖產生之銷售相關聯之可變付款條款。對於個別店舖，基於可變付款條款之租賃付款額最高可達100%，並且採用之銷售百分比範圍很廣。使用可變付款條款之原因有多種，包括使新設店舖之固定成本基數減至最低。取決於銷售情況之可變租賃付款在觸發可變租賃付款之條件發生當期在綜合損益表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Leases (Continued)

(b) Extension and termination options

Extension and termination options are included in certain property and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term (Note 19). Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expenses over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

3.22 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected credit loss model under HKFRS 9 “Financial Instruments” and the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 Revenue from Contracts with Customers.

3 主要會計政策概要 (續)

3.21 租賃 (續)

(b) 續租及終止選擇權

本集團之若干物業及設備租賃包含續租及終止租賃之選擇權。該等條款用於在管理合約方面最大限度地提高操作靈活性。所擁有的大部分續租及終止租賃選擇權僅可由本集團行使，而非由各自之出租人行使。

本集團作為出租人的經營租賃的租賃收入按直線基準於租期內確認為收入（附註19）。獲取經營租賃產生的初始直接成本計入相關資產的賬面值，並於租期內以確認租賃收入的相同基準確認為開支。個別租賃資產按其性質計入綜合資產負債表。本集團毋須因採納新租賃準則而對作為出租人持有的資產的會計處理作出任何調整。

3.22 財務擔保合約

在發出擔保的同時，財務擔保合約被確認為一項金融負債。該負債按公允值初步計量，並且後續按以下兩者中較高者計量：香港財務報告準則第9號「金融工具」下的預期信貸虧損模式釐定的金額及初步確認的金額減去（如適用）按香港財務報告準則第15號客戶合約產生的收入原則確認的收入累計金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.22 Financial guarantee contracts (Continued)

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

3.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

4 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks, including foreign exchange risk, cash flow and fair value interest rate risks, commodity price risk, credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to manage certain risk exposures. The use of financial derivatives to hedge certain risk exposures is governed by the Board of Directors of the Company.

3 主要會計政策概要 (續)

3.22 財務擔保合約 (續)

財務擔保的公允值由基於債務工具有下要求的合約付款與並無擔保之付款，或與作為承擔責任應付予第三方的估計金額之間的現金流量差異的現值釐定。

當無償提供與聯營之貸款或其他應付款相關的擔保時，公允值作為出資列賬並確認為投資成本的一部分。

3.23 股息分派

向本公司股東分派之股息，在股息獲本公司股東或董事（視適用情況而定）批准之期間內，於本集團綜合財務報表確認為負債。

4 財務風險管理

(a) 財務風險因素

本集團業務承受各種財務風險，包括外匯風險、現金流量及公允值利率風險、商品價格風險、信貸風險及流動資金風險。

本集團的整體風險管理計劃專注於金融市場難以預測之特性，並尋求盡量減低對本集團財務表現之潛在不利影響。本集團利用衍生金融工具管理若干風險。使用金融衍生工具對沖若干風險受本公司董事會規管。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(i) Foreign exchange risk

The Group mainly operates in Hong Kong with most of the transactions settled in HK\$. The Group also has retail and wholesale operations in Mainland China, Macau, Canada, the United States, Australia, Malaysia and Singapore. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk from various currency exposures, primarily with respect to Renminbi ("RMB").

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures. The Group also uses foreign exchange derivative contracts to manage its foreign exchange risk arising from future commercial transactions and recognised asset or liabilities denominated in a currency that is not the group companies' functional currency, primarily with respect to RMB, if necessary.

The Group's assets and liabilities, and transactions arising from its operations primarily do not expose the Group to material foreign exchange risk. The Group's assets and liabilities are primarily denominated in the respective group companies' functional currency.

At 31 March 2020, if RMB had strengthened/weakened by 5% against HK\$, with all other variables held constant, post-tax profit would have been approximately HK\$24,463,000 (2019: HK\$34,968,000) higher/lower respectively.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(i) 外匯風險

本集團主要於香港經營業務，且大部分交易以港元結算。本集團在中國內地、澳門、加拿大、美國、澳大利亞、馬來西亞及新加坡亦有零售及批發業務。外匯風險來自以非實體功能貨幣的貨幣計值之未來商業交易或已確認資產或負債。本集團面對多種貨幣的外匯風險，主要與人民幣（「人民幣」）有關。

本集團透過定期檢討本集團的外匯風險淨額管理其外匯風險。本集團亦根據需要使用外匯衍生合約管理其來自以集團公司功能貨幣之外的貨幣（主要為人民幣）計值之未來商業交易和已確認資產或負債的外匯風險。

本集團的資產及負債，以及其經營業務產生的交易並無導致本集團承受重大外匯風險。本集團的資產及負債主要以有關集團公司的功能貨幣計值。

於2020年3月31日，倘人民幣兌港元增值／貶值5%，而所有其他參數保持不變，除稅後溢利將相應增加／減少約24,463,000港元（2019年：34,968,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(ii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets except for the convertible bonds subscribed and loans to an associate which were issued at fixed rates and interest free respectively, and expose the Group to fair value interest rate risk. The Group's interest rate risk also arises from gold loans and bank borrowings. Gold loans at fixed rates expose the Group to fair value interest-rate risk. Bank borrowings at variables interest rates expose the Group to cash flow interest-rate risk. The Group does not enter into derivatives to address these risks.

At 31 March 2020, if interest rates on borrowings had increased/decreased by 50 basis points with all other variables held constant, the impact on post-tax profit would have been approximately HK\$4,701,000 (2019: HK\$7,746,000) lower/higher respectively.

(iii) Commodity price risk

The Group mainly engaged in the sales of gold ornaments. The gold markets are influenced by global as well as regional supply and demand conditions. A significant change in the prices of gold could adversely affect the Group's financial performance. The Group manages commodity price risks mainly by hedging gold price fluctuations through certain derivative financial instrument-trading of gold contracts, gold loans and gold future contracts. Should the gold price go up, the Group would charge a loss representing the increase in gold price compared to the contract price, and largely net against the increase in turnover of gold products as a result of gold price increase.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(ii) 現金流量及公允值利率風險

本集團的收入及經營現金流量大致上不受市場利率變動影響，蓋因除了已認購的可換股債券及向聯營公司發放分別為定息及免息之貸款會令本集團承受公允值利率風險外，本集團並無重大計息資產。本集團的利率風險亦來自黃金借貸及銀行貸款。定息黃金借貸令本集團承受公允值利率風險。浮息銀行貸款令本集團承受現金流量利率風險。本集團並無訂立衍生工具以應付該等風險。

於2020年3月31日，倘貸款利率上升／下降50個基點，而所有其他參數保持不變，則除稅後溢利將相應減少／增加約4,701,000港元（2019年：7,746,000港元）。

(iii) 商品價格風險

本集團主要從事黃金首飾銷售之業務。黃金市場受全球以及地區供求狀況影響。黃金價格大幅變動可能對本集團之財務表現造成不利影響。本集團主要透過使用若干黃金買賣合約衍生金融工具、黃金借貸及黃金期貨合約對沖黃金價格波動以管理商品價格風險。倘黃金價格上升，本集團將列支之虧損相當於黃金價格相較合約價之升幅，其中大部分為因黃金價格上升導致的黃金產品營業額增加所抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iii) Commodity price risk (Continued)

The gold contracts are settled on daily basis and the differences between the contract price and market price are immediately recognised in the consolidated income statement. As at 31 March 2020, the notional value of the outstanding gold contracts amounted to HK\$217,832,000 (2019: HK\$176,514,000).

The gold future and gold forward contracts are settled at maturity which usually mature in 1 to 2 months from date of inception and the fair value changes are immediately recognised in the consolidated income statement.

As at 31 March 2020, if the market price of gold had increased or decreased by 5%, post-tax profit for the year ended 31 March 2020, due to changes in fair values of gold contracts, would have been approximately HK\$9,095,000 (2019: HK\$7,370,000) lower or higher respectively.

The gold loans (Note 34) are settled at maturity which usually mature in 1 to 3 months from date of inception and the fair value changes are immediately recognised in the consolidated income statement. As at 31 March 2020, gold loans of HK\$386,739,000 (2019: HK\$450,889,000) represents gold loans involved cash settlement.

As at 31 March 2020, if the market price of gold had increased or decreased by 5%, post-tax profit for the year ended 31 March 2020, due to changes in fair values of gold loans, would have been approximately HK\$16,146,000 (2019: HK\$18,825,000), lower or higher respectively.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iii) 商品價格風險 (續)

黃金合約按日結算。合約價及市場價格之差額乃即時於綜合損益表內確認。於2020年3月31日，未平倉黃金合約之名義價值為217,832,000港元 (2019年：176,514,000港元)。

黃金期貨及黃金遠期合約在到期 (通常為開始日期後一至兩個月到期) 時結算，公允值變動即時於綜合損益表中確認。

於2020年3月31日，倘黃金之市場價格上升或下跌5%，則因黃金合約之公允值變動導致截至2020年3月31日止年度之除稅後溢利分別減少或增加約9,095,000港元 (2019年：7,370,000港元)。

黃金借貸 (附註34) 在到期 (通常為開始日期後一至三個月到期) 時結算，公允值變動即時於綜合損益表中確認。於2020年3月31日，黃金借貸386,739,000港元 (2019年：450,889,000港元) 乃涉及現金交割之黃金借貸。

於2020年3月31日，倘黃金之市場價格上升或下跌5%，則因黃金借貸之公允值變動導致截至2020年3月31日止年度之除稅後溢利分別減少或增加約16,146,000港元 (2019年：18,825,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk

The Group has no significant concentrations of credit risk. The carrying amount of the amount due from an associate, trade and other receivables, deposits and bank balances included in the consolidated balance sheet represent the Group's maximum exposure to credit risk in relation to its financial assets and contingent liabilities.

As at 31 March 2020 and 2019, substantially all the bank balances as detailed in Note 27 are held in major financial institutions located in Hong Kong and Mainland China, which management believes are of high credit quality. The Group has a policy to limit the amount of credit exposure to any financial institution and management does not expect any losses arising from non-performance by these counterparties.

The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's concessionaire sales through department stores are generally collectible within 30 days from the invoice date while credit sales are generally on credit terms within 90 days. Normally the Group does not require collaterals from trade debtors. The existing debtors have no significant defaults in the past. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables, if any, has been made.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險

本集團並無任何重大集中信貸風險之情況。記入綜合資產負債表內之應收一家聯營公司賬項、貿易及其他應收賬項、按金及銀行結餘之賬面值為本集團就金融資產及或然負債面對之最高信貸風險。

誠如附註27所詳述，於2020年及2019年3月31日之絕大部分銀行結餘由位於香港及中國內地的大型金融機構持有，管理層認為該等金融機構的信貸質量優良。本集團採取政策限制對任何金融機構的信貸風險，且管理層預期不會出現任何因此等金融機構不履約而產生的虧損。

本集團有既定政策確保向信貸記錄良好之客戶以信貸形式銷售產品，且本集團對客戶進行定期信用評估。本集團於百貨商場之特許銷售一般可於發票日起30日內收到貨款，而信貸銷售之信貸期一般為90日之內。本集團通常不要求貿易債務人提供擔保。現有債務人過去並無重大拖欠記錄。本集團貿易及其他應收賬項之過往收款經驗屬於記錄撥備幅度內，故董事認為，已就不可收回之應收賬項（如有）作出足夠撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:

- Amount due from an associate
- Deposits and other receivables
- Trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure expected credit losses, the Group categorises its trade receivables based in the nature of customer accounts and shared credit risk characteristics.

The expected loss rates are based on the payment profiles of sales over a period of 24 month before 31 March 2020 or 31 March 2019 respectively and the corresponding historical credit losses experienced within the respective period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

金融資產減值

本集團擁有下列須遵照預期信貸虧損模式之金融資產類別：

- 應收一家聯營公司賬項
- 按金及其他應收賬項
- 貿易應收賬項

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，該方法就所有貿易應收賬項採用全期預期虧損撥備。

為計量預期信貸虧損，本集團根據客戶賬戶性質及攤估信貸風險特徵，將其貿易應收賬項分類。

預期虧損率乃分別基於2020年3月31日或2019年3月31日前24個月期間之銷售付款記錄及於有關期間內已經歷之相應過往信貸虧損得出。過往虧損率乃經調整以反映影響客戶結算應收賬項能力之宏觀經濟因素的當前及前瞻性信息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

Impairment of financial assets (Continued)

The lifetime expected credit loss allowance of trade receivables as at 31 March 2020 was determined as follows:

		Current	1-30	31-60	61-90	91-180	Over 180	Total
			days	days	days	days	days	
		past due	past due	past due	past due	past due	past due	
		逾期	逾期	逾期	逾期	逾期	逾期	
		即期	1-30天	31-60天	61-90天	91-180天	180天以上	總計
Gross carrying amount (HK\$'000)	總賬面值 (千港元)	190,023	29,982	9,507	247	550	2,000	232,309
Lifetime expected credit loss allowance (HK\$'000)	全期預期信貸虧損撥備 (千港元)	-	-	-	-	-	(1,000)	(1,000)

The lifetime expected credit loss allowance of trade receivables as at 31 March 2019 was determined as follows:

		Current	1-30	31-60	61-90	91-180	Over 180	Total
			days	days	days	days	days	
		past due	past due	past due	past due	past due	past due	
		逾期	逾期	逾期	逾期	逾期	逾期	
		即期	1-30天	31-60天	61-90天	91-180天	180天以上	總計
Gross carrying amount (HK\$'000)	總賬面值 (千港元)	360,501	320	220	173	165	2,592	363,971
Lifetime expected credit loss allowance (HK\$'000)	全期預期信貸虧損撥備 (千港元)	-	-	-	-	-	(1,296)	(1,296)

As at 31 March 2020, the lifetime expected credit loss rate is 0% (2019: 0%) for current to 180 days past due, and 50% (2019: 50%) for over 180 days past due, respectively.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

金融資產減值 (續)

於2020年3月31日之貿易應收賬項全期預期信貸虧損撥備釐定如下：

於2019年3月31日之貿易應收賬項全期預期信貸虧損撥備釐定如下：

於2020年3月31日，即期至逾期180天之全期預期信貸虧損率為0%（2019年：0%），而逾期180天以上者為50%（2019年：50%）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

Impairment of financial assets (Continued)

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments upon termination of business relationship.

Other financial assets at amortised cost include amount due from an associate, deposits and other receivables. The management applies the general approach and records either 12-month expected credit loss or lifetime expected loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit loss. As at 31 March 2020, the loss allowance for expected credit loss assessed by management on the other receivables was HK\$7,080,000 (31 March 2019: HK\$26,825,000) and reversal of impairment loss of HK\$18,054,000 (2019: provision for impairment of HK\$26,825,000) was recognised.

While cash and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss by the management was determined to be immaterial as at 31 March 2019 and 2020.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

金融資產減值 (續)

貿易應收賬項於並無合理收回款項之預期時撇銷。指標為並無合理收回款項之預期包括 (其中包括) 債務人未能與本集團訂立還款計劃, 及於終止業務關係後未能作出合約付款。

其他按攤銷成本計量之金融資產包括應收一家聯營公司賬項、按金及其他應收賬項。管理層採用一般方法, 並按12個月預期信貸虧損或全期預期虧損入賬, 其取決於初始確認以來信貸風險有否顯著增加。倘初始確認以來應收款項的信貸風險顯著增加, 則按全期預期信貸虧損計量減值。於2020年3月31日, 管理層評估之其他應收賬項預期信貸虧損之虧損撥備為7,080,000港元 (2019年3月31日: 26,825,000港元), 並已確認減值虧損撥回18,054,000港元 (2019年: 減值撥備26,825,000港元)。

儘管現金及銀行結餘亦受限於香港財務報告準則第9號的減值規定, 惟於2019年及2020年3月31日, 管理層所識別之減值虧損釐定為並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities.

The Group's primary cash requirements have been for additions of and upgrades on property, plant and equipment, payment on debts, purchases and operating expenses. The Group finances its working capital requirements through a combination of internal resources and bank borrowings, as necessary.

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure it maintains sufficient cash and bank balances and has available funding through adequate amount of committed credit facilities to meet its working capital requirements.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payments computed using contractual rates, based on the earliest date on which the Group can be required to pay.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險

審慎之流動資金風險管理指維持充足現金及銀行結餘，以及透過充裕之已承諾信貸融資以維持可供動用資金。

本集團之基本現金需求為添置及提升物業、廠房及設備，償還債務以及購貨及經營開支。本集團透過結合內部資源及銀行貸款（如需要）撥付其營運資金需求。

本集團之政策為定期監控目前及預期流動資金需求，以確保維持足夠之現金及銀行結餘及透過足夠之已承諾信貸融資取得備用資金，以應付其營運資金需要。

下表將本集團金融負債根據於結算日至合約到期日之餘下期間進行分析，分至有關到期日組別。表內披露之款項乃根據本集團可能被要求付款之最早日期計算之合約未貼現現金流量（包括採用合約利率計算的利息付款）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

Maturity Analysis – Undiscounted cash outflows

	Repayable on demand	Within 1 year	More than but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
	須按 要求償還	一年內	但少於兩年	但少於五年	未貼現現金 流出量總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
As at 31 March 2020	於2020年3月31日				
Trade payables and other payables	貿易應付賬項及其他				
	-	567,973	-	-	567,973
Lease liabilities	租賃負債				
	-	485,734	254,795	34,144	774,673
Amount due to an associate	應付一家聯營公司賬項				
	-	20	-	-	20
Gold loans with cash settlement	現金交割黃金借貸				
	386,913	-	-	-	386,913
Bank borrowings	銀行貸款				
	1,129,850	-	-	-	1,129,850
	1,516,763	1,053,727	254,795	34,144	2,859,429

	Repayable on demand	Within 1 year	More than but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
	須按 要求償還	一年內	但少於兩年	但少於五年	未貼現現金 流出量總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
As at 31 March 2019	於2019年3月31日				
Trade payables and other payables	貿易應付賬項及其他				
	-	742,811	-	-	742,811
Amount due to an associate	應付一家聯營公司賬項				
	-	2,715	-	-	2,715
Gold loans with cash settlement	現金交割黃金借貸				
	451,475	-	-	-	451,475
Bank borrowings	銀行貸款				
	1,866,393	-	-	-	1,866,393
	2,317,868	745,526	-	-	3,063,394

As at 31 March 2020 and 2019, the Group issued corporate financial guarantee to banks in respect of bank facilities granted to an associate (Note 37). As at 31 March 2020, the maximum aggregated amount which the Group could be demanded under the guarantee in the event of default of the bank borrowings by the associate was HK\$1,075,000,000 (2019: HK\$1,075,000,000).

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

到期日分析 — 未貼現現金流出量

	Repayable on demand	Within 1 year	More than but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
	須按 要求償還	一年內	但少於兩年	但少於五年	未貼現現金 流出量總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
As at 31 March 2020	於2020年3月31日				
Trade payables and other payables	貿易應付賬項及其他				
	-	567,973	-	-	567,973
Lease liabilities	租賃負債				
	-	485,734	254,795	34,144	774,673
Amount due to an associate	應付一家聯營公司賬項				
	-	20	-	-	20
Gold loans with cash settlement	現金交割黃金借貸				
	386,913	-	-	-	386,913
Bank borrowings	銀行貸款				
	1,129,850	-	-	-	1,129,850
	1,516,763	1,053,727	254,795	34,144	2,859,429

	Repayable on demand	Within 1 year	More than but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
	須按 要求償還	一年內	但少於兩年	但少於五年	未貼現現金 流出量總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
As at 31 March 2019	於2019年3月31日				
Trade payables and other payables	貿易應付賬項及其他				
	-	742,811	-	-	742,811
Amount due to an associate	應付一家聯營公司賬項				
	-	2,715	-	-	2,715
Gold loans with cash settlement	現金交割黃金借貸				
	451,475	-	-	-	451,475
Bank borrowings	銀行貸款				
	1,866,393	-	-	-	1,866,393
	2,317,868	745,526	-	-	3,063,394

於2020年及2019年3月31日，本集團就授予一家聯營公司的銀行融資向銀行發出公司財務擔保(附註37)。於2020年3月31日，倘若聯營公司出現逾期償還銀行貸款的情況，本集團根據該擔保可能須被要求償還之最高總金額為1,075,000,000港元(2019年：1,075,000,000)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

Maturity Analysis – Bank borrowings and gold loans with cash settlement subject to repayment on demand clauses based on scheduled repayments including interest payables

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

*到期日分析 — 根據受按要
求償還條款規限之銀行貸款及
現金交割黃金借貸之預定還
款 (包括應付利息)*

		Within 1 year 一年內 HK\$'000 千港元	More than 1 year but less than 2 years 超過一年 但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 超過兩年 但少於五年 HK\$'000 千港元	Total undiscounted cash outflows 未貼現現金 流出量總計 HK\$'000 千港元
As at 31 March 2020	於2020年3月31日				
Bank borrowings	銀行貸款	1,100,715	15,660	13,475	1,129,850
Gold loans with cash settlement	現金交割黃金借貸	386,913	-	-	386,913
		1,487,628	15,660	13,475	1,516,763
As at 31 March 2019	於2019年3月31日				
Bank borrowings	銀行貸款	1,786,374	50,941	29,078	1,866,393
Gold loans with cash settlement	現金交割黃金借貸	451,475	-	-	451,475
		2,237,849	50,941	29,078	2,317,868

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

Maturity Analysis – Derivative financial instruments

The table below analyses the Group's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

到期日分析 — 衍生金融工具

下表根據資產負債表日期餘下期間至合約到期日，將本集團的將按總額基準結算的衍生金融工具按有關到期日組別進行分析。表內披露的金額為合約未貼現現金流量。由於貼現的影響不大，於12個月內到期的結餘與彼等賬面結餘相等。

		More than 1 year but less than 2 years 超過一年 但少於兩年	More than 2 years but less than 5 years 超過兩年 但少於五年	Total undiscounted cash outflows 未貼現現金 流出量總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 March 2020	於2020年3月31日			
Foreign exchange forward contracts	外匯遠期合約			
- Inflow	- 流入	11,508	-	11,508
- Outflow	- 流出	11,414	-	11,414
As at 31 March 2019	於2019年3月31日			
Foreign exchange forward contracts	外匯遠期合約			
- Inflow	- 流入	239,492	-	239,492
- Outflow	- 流出	241,176	-	241,176

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation

The carrying amounts of the Group's financial assets, including cash and bank balances, trade receivables, other receivables, deposits, amount due from an associate and the Group's financial liabilities, including trade and other payables, amount due to an associate and bank borrowings approximate their fair values due to their maturities.

The fair values of financial instruments traded in active markets (such as gold loans) are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair values of financial assets and liabilities not traded in active markets are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The table below analyses financial instruments carried at fair values, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

4 財務風險管理 (續)

(b) 公允值估計

本集團金融資產(包括現金及銀行結餘、貿易應收賬項、其他應收賬項、按金、應收一家聯營公司賬項)以及本集團金融負債(包括貿易及其他應付賬項、應付一家聯營公司賬項及銀行貸款)因各自的期限,其賬面值與公允值相若。

於活躍市場買賣的金融工具(如黃金借貸)的公允值,按於結算日的市場報價計算。就本集團所持金融資產採用的市場報價為當前買入價。

未於活躍市場買賣的金融資產及負債之公允值乃按本集團就類似金融工具可獲得之現時市場利率貼現未來合約現金流量而估計。

下表為採用估值法對按公允值列賬的金融工具的分析。已界定的不同級別如下:

- 同類資產或負債在活躍市場上的報價(未經調整)(第一級)。
- 除第一級所包括的報價外,資產或負債的可直接(即價格)或間接(即從價格得出)觀察所得輸入值(第二級)。
- 並非根據可觀察市場數據釐定的資產或負債輸入值(即不可觀察輸入值)(第三級)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation (Continued)

The following table present the Group's financial assets and financial liabilities that are measured at fair values at 31 March 2020.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2020	於2020年3月31日				
Assets	資產				
- Financial assets at fair value through other comprehensive income	- 按公允值計入其他全面收入之金融資產	2,365	-	-	2,365
Liabilities	負債				
- Derivative financial instrument	- 衍生金融工具				
- Foreign exchange forward contracts	- 外匯遠期合約	-	22	-	22
- Gold loans with cash settlement	- 現金交割黃金借貸	386,739	-	-	386,739
		386,739	22	-	386,761

The following table present the Group's financial assets and financial liabilities that are measured at fair values at 31 March 2019.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2019	於2019年3月31日				
Assets	資產				
- Derivative financial instruments	- 衍生金融工具				
- Convertible bond	- 可換股債券	-	56,219	-	56,219
- Financial assets at fair value through other comprehensive income	- 按公允值計入其他全面收入之金融資產	3,134	-	-	3,134
Total asset	總資產	3,134	56,219	-	59,353
Liabilities	負債				
- Derivative financial instrument	- 衍生金融工具				
- Foreign exchange forward contracts	- 外匯遠期合約	-	3,929	-	3,929
- Gold loans with cash settlement	- 現金交割黃金借貸	450,889	-	-	450,889
		450,889	3,929	-	454,818

4 財務風險管理 (續)

(b) 公允值估計 (續)

下表呈列本集團於2020年3月31日按公允值計量的金融資產及金融負債。

下表呈列本集團於2019年3月31日按公允值計量的金融資產及金融負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation (Continued)

The Group's policy is to recognise transfer into and transfer out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfer between levels 1, 2 and 3 during the years ended 31 March 2020 and 2019.

There were no significant changes in valuation techniques during the year.

(i) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instrument included in level 1 comprises listed equity securities classified as financial assets at fair value through other comprehensive income.

(ii) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

4 財務風險管理 (續)

(b) 公允值估計 (續)

本集團的政策是於導致轉撥之事件發生或情況改變之日確認有關公允值層次轉入和轉出。

截至2020年及2019年3月31日止年度內，第一、第二級與第三級之間並無任何轉撥。

年內之估值技術並無重大變動。

(i) 第1級內之金融工具

於活躍市場買賣之金融工具之公允值乃根據於結算日之市場報價計算。倘該等報價可即時及定期從證券交易所、經銷商、經紀、業內人士、定價服務或監管機構獲得，且該等報價反映實際及定期發生的公平市場交易，則該市場被視為活躍。本集團所持金融資產採用之市場報價為當期買盤價。該等工具被列入第1級。第1級內之工具包括分類為按公允值計入其他全面收入之金融資產之上市股本證券。

(ii) 第2級內之金融工具

並非於活躍市場買賣之金融工具（如場外投資及衍生工具）之公允值乃採用估值技術釐定。該等估值技術盡量利用可取得的可觀察市場數據，盡量少依賴實體的特定估計。倘計算工具公允值所需之所有重大輸入數據均可觀察，則該工具被列入第2級。

倘一項或多項重大輸入值並非依據可觀察之市場數據，則該等工具被列入第3級。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation (Continued)

(ii) Financial instruments in level 2 (Continued)

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of foreign exchange forward contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

(c) Capital risk management

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

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, issue of new shares or obtain new bank borrowings.

The Group also monitors capital on the basis of gearing ratio. The gearing ratio is calculated as net (cash)/debt divided by total capital. Net (cash)/debt is calculated as total borrowings (including bank borrowings and gold loans) less cash and bank balances. Total capital is calculated as "equity", as shown in the consolidated balance sheet, plus net (cash)/debt.

4 財務風險管理 (續)

(b) 公允值估計 (續)

(ii) 第2級內之金融工具 (續)

用於估量金融工具的特定估值技術包括：

- 類似工具的市場報價或交易商報價。
- 外匯遠期合約的公允值按結算日之遠期匯率釐定，所產生之價值將貼現計回現值。
- 其他技術，例如貼現現金流量分析，用以確定其餘財務工具的公允值。

(c) 資本風險管理

本集團管理資本的目標為保障本集團持續運作的能力，從而為股東提供回報、為其他利益相關者提供利益以及保持理想的資本架構以減低資本成本。

本集團管理資本架構，並因應經濟環境的變動作出調整。為保持或調整資本架構，本集團可調整支付予股東的股息、發行新股或獲得新的銀行貸款。

本集團亦以負債資產比率監察其資本。負債資產比率是以淨(現金)/債項除以總資本計算。淨(現金)/債項是以貸款總額(包括銀行貸款及黃金借貸)減現金及銀行結餘計算得出。總資本乃以「權益」(如綜合資產負債表所示)加淨(現金)/債項計算得出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Capital risk management (Continued)

The table below analyses the Group's capital structure as at 31 March 2020 and 2019:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Bank borrowings (Note 33)	銀行貸款 (附註33)	1,126,072	1,855,224
Gold loans (Note 34)	黃金借貸 (附註34)	386,739	450,889
Lease liabilities (Note 19)	租賃負債 (附註19)	753,055	-
Less: Cash and bank balances (Note 27)	減: 現金及銀行結餘 (附註27)	(2,714,233)	(2,086,522)
Net (cash)/debt	淨(現金)/債項	(448,367)	219,591
Total equity	權益總額	10,412,111	10,562,916
Total capital	總資本	9,963,744	10,782,507
Gearing ratio	負債資產比率	N/A不適用	2.0%

The Group's strategy is to maintain a solid capital base to support the operations and development of its business in the long term.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the consolidated financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

4 財務風險管理 (續)

(c) 資本風險管理 (續)

本集團於2020年及2019年3月31日之資本架構分析如下:

本集團的策略為維持穩定的資本基礎，以為其營運及業務發展提供長期支持。

5 關鍵會計估計及判斷

在編製綜合財務報表時所採用之估計及判斷，乃按過往經驗及其他因素（包括根據不同情況對未來事件作出之合理預計）不斷作出評估。所得會計估計按其定義，甚少會與相關實際結果相等。下文討論有重大風險導致下一財政年度資產及負債之賬面值須作出重大調整之估計及假設。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(a) Inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

(b) Impairment of investments in associates and non-financial assets

Investments in associates and non-financial assets including property, plant and equipment, investment properties and right-of-use assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of asset can be supported by its recoverable amount, being the higher of fair value less costs to sell and the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's reported financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statement.

5 關鍵會計估計及判斷 (續)

(a) 存貨

存貨的可變現淨值為日常業務中的估計售價扣除估計完工成本及銷售開支後的數額。此等估計乃根據現時市況及生產與出售類似性質產品的過往經驗而作出，並可因顧客喜好的轉變及競爭對手應對嚴峻的行業週期所作的行動而有重大差異。管理層於各結算日重新評估此等估計。

(b) 於聯營公司之投資及非金融資產的減值

倘出現事件或情況變動顯示於聯營公司之投資及非金融資產（包括物業、廠房及設備、投資物業及使用權資產）賬面值可能無法收回，則須檢討減值。可收回數額乃根據使用價值計算或按公允值減出售成本而釐定。此等計算須運用判斷及估計。

釐定資產減值須運用管理層判斷，尤其為評估：(i) 是否已出現顯示有關資產值可能無法收回的事件；(ii) 其可收回數額（即公允值減出售成本後的數額及估計繼續在業務中使用資產所帶來的未來現金流量現值淨額兩者的較高者）可否支持資產賬面值；及(iii) 現金流量預測所用的適當主要假設，包括此等現金流量預測是否以適當利率貼現。管理層所挑選用作評估減值的假設（包括貼現率或現金流量預測所用的增長率假設）若有變動，可能會對減值檢測所用現值淨額帶來重大影響，從而影響本集團所呈報的財務狀況及經營業績。倘預計表現及有關未來現金流量預測出現重大不利變動，則可能須在綜合損益表中扣除減值開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Impairment of investments in associates and non-financial assets (Continued)

During the year ended 31 March 2020, after reviewing the business environment as well as the Group's strategies and past performance of its cash-generating units, management concluded that there was impairment of right-of-use assets and property, plant and equipment in total of HK\$64,706,000 (2019: Nil). Management believe that any reasonably possible changes in the assumptions used in the impairment reviews would not affect management's view on impairment at 31 March 2020.

(c) Current and deferred income taxes

The Group is subject to income taxes in Hong Kong, Mainland China and other jurisdictions. Judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such as differences will impact the income tax and deferred income tax provisions in the period in which such determination is made. Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised.

Deferred income tax liabilities relating to undistributed profit of those subsidiaries in Mainland China are recognised based on the undistributed profit of those subsidiaries in Mainland China generated since 1 January 2008 which is expected to be distributed in the foreseeable future. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and liabilities and taxation charges in the period in which such estimate is changed.

5 關鍵會計估計及判斷 (續)

(b) 於聯營公司之投資及非金融資產的減值 (續)

截至2020年3月31日止年度，經審閱有關業務環境及本集團之策略以及其現金產生單位之過往表現，管理層得出結論，使用權資產及物業、廠房及設備之減值合共為64,706,000港元(2019年：無)。管理層相信，減值檢討所使用之假設之任何合理可能變動將不會影響管理層對於2020年3月31日減值之意見。

(c) 即期及遞延所得稅

本集團須繳納香港、中國內地及其他司法權區的所得稅。釐定各司法權區的所得稅撥備時，需作出判斷。在日常業務中有若干未能確定最終稅項的交易及計算。倘此等事宜的最終稅務結果有別於最初記錄的數額，則有關差額會影響釐定有關數額期間的所得稅及遞延所得稅撥備。與若干暫時差異及稅項虧損有關之遞延所得稅資產，按管理層認為未來有可能出現應課稅溢利可用作抵銷該等暫時差異或稅項虧損而確認。

與中國內地附屬公司之未分派溢利有關之遞延所得稅負債乃按自2008年1月1日起中國內地附屬公司所產生並預期將於可見將來分派之未分派溢利確認。當預期之金額與原定估計有差異時，則該差異將會於估計發生變動之期間內，影響遞延所得稅資產及負債與稅項開支之確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION

The chief operating decision-makers (“CODM”) have been identified as the executive directors and senior management collectively. The CODM review the Group’s internal reporting in order to assess performance and allocate resources. The operating segments are reported in accordance with the internal reporting reviewed by the CODM.

CODM consider the business by nature of business activities and assess the performance of the following operating segments:

- i. Retailing – Hong Kong, Macau and overseas
- ii. Retailing – Mainland
- iii. Wholesaling – Hong Kong
- iv. Wholesaling – Mainland
- v. Licensing

CODM assess the performance of the operating segments based on segment results. Finance income and costs, corporate income and expenses and share of results of associates are not included in the results for each operating segment that is reviewed by the CODM. Other information provided to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Assets of reportable segments exclude interests in associates, certain land and buildings, investment properties, deferred income tax assets, income tax recoverable and corporate assets, all of which are managed on a central basis. Liabilities of reportable segments exclude deferred income tax liabilities, current income tax liabilities, bank borrowings, gold loans and corporate liabilities, all of which are managed on a central basis.

Sales to external customers are stated after elimination of inter-segment sales. Sales between segments are carried out at mutually agreed terms. The revenue from external parties, assets and liabilities, reported to the CODM is measured in a manner consistent with that in the consolidated income statement and balance sheet.

6 分部資料

執行董事及高級管理層共同獲指定為最高營運決策者（「最高營運決策者」）。最高營運決策者通過審閱本集團之內部報告評估業績表現及分配資源。本集團根據最高營運決策者審閱之內部報告匯報經營分部。

最高營運決策者按業務活動性質研究業務發展及評估下列各經營分部之表現，即：

- i. 零售 — 香港、澳門及海外
- ii. 零售 — 內地
- iii. 批發 — 香港
- iv. 批發 — 內地
- v. 品牌業務

最高營運決策者根據分部業績評估經營分部表現。最高營運決策者審閱之各經營分部業績並未包括財務收入及費用、公司收入及開支以及應佔聯營公司業績。向最高營運決策者提供之其他資料所採用計量方法與綜合財務報表一致。

可呈報分部資產不包括於聯營公司之權益、若干土地及樓宇、投資物業、遞延所得稅資產、可收回所得稅以及公司資產，全部均為集中管理。可呈報分部負債不包括遞延所得稅負債、當期所得稅負債、銀行貸款、黃金借貸及公司負債，全部均為集中管理。

對外客戶銷售於對銷分部間銷售後列賬。分部間銷售按相互協定條款進行。向最高營運決策者所呈報之外來客戶收入以及資產與負債所採納計量方法與綜合損益表及資產負債表一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料 (續)

Year ended 31 March 2020
截至2020年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland 零售 – 內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland 批發 – 內地	Licensing 品牌業務	Inter – segment elimination 分部間對銷	Reportable segments total 可呈報 分部總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue – at a point of time	收入 – 於某時點							
Sales to external customers	對外客戶銷售	6,099,642	1,739,860	72,392	2,493,350	-	-	10,405,244
Sales of scrap	銷售廢料	-	-	27,756	-	-	-	27,756
		6,099,642	1,739,860	100,148	2,493,350	-	-	10,433,000
Inter-segment sales	分部間銷售	126,882	9,627	1,660,706	513,273	-	(2,310,488)	-
Sales of merchandises	銷售商品	6,226,524	1,749,487	1,760,854	3,006,623	-	(2,310,488)	10,433,000
Revenue – over time	收入 – 於一段時間							
Royalty and service income	品牌及服務費收入	-	-	-	-	707,602	-	707,602
Consultancy fee income	顧問費收入	-	-	-	-	93,169	-	93,169
Total	總計	6,226,524	1,749,487	1,760,854	3,006,623	800,771	(2,310,488)	11,233,771
Results of reportable segments	可呈報分部業績	253,864	172,052	63,374	246,231	563,951	-	1,299,472
A reconciliation of results of reportable segments to profit for the year is as follows:	可呈報分部業績與年內溢利對賬如下:							
Results of reportable segments	可呈報分部業績							1,299,472
Unallocated income	未分配收入							91,451
Unallocated expenses	未分配開支							(235,157)
Operating profit	經營溢利							1,155,766
Finance income	財務收入							45,450
Finance costs	財務費用							(63,075)
Share of results of associates	應佔聯營公司業績							(47,080)
Profit before income tax	除所得稅前溢利							1,091,061
Income tax expenses	所得稅開支							(223,409)
Profit for the year	年內溢利							867,652
Less: Profit attributable to non-controlling interests	減: 非控股權益應佔溢利							(1,337)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利							866,315

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料 (續)

		Year ended 31 March 2020 截至2020年3月31日止年度										
		Retailing – Hong Kong, Macau and overseas				Wholesaling – Mainland Mainland		Wholesaling – Mainland	Licensing	Inter – segment elimination	Unallocated	Total
		零售 – 香港、 澳門及海外	零售 – 內地	批發 – 香港	批發 – 內地	批發 – 內地	批發 – 內地	品牌業務	分部間對銷	未分配	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(43,362)	(16,855)	(475)	(9,861)	(5,513)	-	(36,495)	(112,561)			
Depreciation of right-of-use assets	使用權資產折舊	(458,050)	(18,989)	-	(149)	(3,459)	-	(4,105)	(484,752)			
Depreciation of investment properties	投資物業折舊	-	-	-	-	-	-	(20,044)	(20,044)			
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	(7,771)	(543)	-	-	-	-	-	(8,314)			
Impairment loss on right-of-use assets	使用權資產減值虧損	(54,312)	(2,080)	-	-	-	-	-	(56,392)			
Additions of non-current assets	非流動資產添置	67,750	23,992	1,295	6,957	4,384	-	288,104	392,482			

		As at 31 March 2020 於2020年3月31日									
		Retailing – Hong Kong, Macau and overseas				Wholesaling – Mainland Mainland		Wholesaling – Mainland	Licensing	Unallocated	Total
		零售 – 香港、 澳門及海外	零售 – 內地	批發 – 香港	批發 – 內地	批發 – 內地	批發 – 內地	品牌業務	未分配	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Segment assets	分部資產	5,489,209	1,553,067	653,756	2,549,080	1,317,452	-	-	11,562,564		
Interests in associates	於聯營公司之權益	-	-	-	-	-	-	60,689	60,689		
Land and buildings	土地及樓宇	-	-	-	-	-	-	737,210	737,210		
Investment properties	投資物業	-	-	-	-	-	-	791,617	791,617		
Deferred income tax assets	遞延所得稅資產	-	-	-	-	-	-	71,839	71,839		
Income tax recoverable	可收回所得稅	-	-	-	-	-	-	59,578	59,578		
Other unallocated assets	其他未分配資產	-	-	-	-	-	-	641,551	641,551		
Total assets	總資產								13,925,048		
Segment liabilities	分部負債	(915,824)	(51,989)	(38,628)	(139,033)	(517,837)	-	-	(1,663,311)		
Deferred income tax liabilities	遞延所得稅負債	-	-	-	-	-	-	(146,837)	(146,837)		
Current income tax liabilities	即期所得稅負債	-	-	-	-	-	-	(111,800)	(111,800)		
Bank borrowings	銀行貸款	-	-	-	-	-	-	(1,126,072)	(1,126,072)		
Gold loans	黃金借貸	-	-	-	-	-	-	(386,739)	(386,739)		
Other unallocated liabilities	其他未分配負債	-	-	-	-	-	-	(78,178)	(78,178)		
Total liabilities	總負債								(3,512,937)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料 (續)

Year ended 31 March 2019

截至2019年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland 零售 – 內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland 批發 – 內地	Licensing 品牌業務	Inter – segment elimination 分部間對銷	Reportable segments Total 可呈報 分部總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue – at a point of time	收入 – 於某時點							
Sales to external customers	對外客戶銷售	9,660,983	2,414,204	106,835	2,842,039	-	-	15,024,061
Sales of scrap	銷售廢料	-	-	28,937	-	-	-	28,937
		9,660,983	2,414,204	135,772	2,842,039	-	-	15,052,998
Inter-segment sales	分部間銷售	104,741	602	2,374,997	682,588	-	(3,162,928)	-
Sales of merchandises	銷售商品	9,765,724	2,414,806	2,510,769	3,524,627	-	(3,162,928)	15,052,998
Revenue – over time	收入 – 於一段時間							
Royalty and service income	品牌及服務費收入	-	-	-	-	718,560	-	718,560
Consultancy fee income	顧問費收入	-	-	-	-	88,432	-	88,432
Total	總計	9,765,724	2,414,806	2,510,769	3,524,627	806,992	(3,162,928)	15,859,990
Results of reportable segments	可呈報分部業績	776,769	164,122	130,993	274,749	554,192	-	1,900,825
A reconciliation of results of reportable segments to profit for the year is as follows:	可呈報分部業績與年內溢利對賬如下:							
Results of reportable segments	可呈報分部業績							1,900,825
Unallocated income	未分配收入							74,906
Unallocated expenses	未分配開支							(122,689)
Operating profit	經營溢利							1,853,042
Finance income	財務收入							30,053
Finance costs	財務費用							(34,253)
Share of results of associates	應佔聯營公司業績							(42,479)
Profit before income tax	除所得稅前溢利							1,806,363
Income tax expenses	所得稅開支							(302,708)
Profit for the year	年內溢利							1,503,655
Less: Profit attributable to non-controlling interests	減: 非控股權益應佔溢利							(10,908)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利							1,492,747

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料 (續)

Year ended 31 March 2019
截至2019年3月31日止年度

	Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland 零售 – 內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland 批發 – 內地	Licensing 品牌業務	Inter- segment elimination 分部間對銷	Unallocated 未分配	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Depreciation of property, plant and equipment 物業、廠房及設備折舊	(41,846)	(18,835)	(3,778)	(12,635)	(6,578)	-	(28,829)	(112,501)
Amortisation of land use rights 土地使用權攤銷	-	-	-	(427)	(8,845)	-	(1,672)	(10,944)
Depreciation of investment properties 投資物業折舊	-	-	-	-	-	-	(3,002)	(3,002)
Additions of non-current assets 非流動資產添置	29,737	24,937	1,359	10,311	14,484	-	852,783	933,611

As at 31 March 2019
於2019年3月31日

	Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland 零售 – 內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland 批發 – 內地	Licensing 品牌業務	Unallocated 未分配	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets 分部資產	5,352,196	1,683,713	1,263,750	3,542,066	587,827		12,429,552
Interests in associates 於聯營公司之權益						13,279	13,279
Land and buildings 土地及樓宇						620,470	620,470
Investment properties 投資物業						311,716	311,716
Deferred income tax assets 遞延所得稅資產						54,643	54,643
Income tax recoverable 可收回所得稅						10,571	10,571
Other unallocated assets 其他未分配資產						983,341	983,341
Total assets 總資產							14,423,572
Segment liabilities 分部負債	(370,099)	(52,961)	(66,092)	(206,891)	(488,507)		(1,184,550)
Deferred income tax liabilities 遞延所得稅負債						(133,690)	(133,690)
Current income tax liabilities 即期所得稅負債						(149,276)	(149,276)
Bank borrowings 銀行貸款						(1,855,224)	(1,855,224)
Gold loans 黃金借貸						(450,889)	(450,889)
Other unallocated liabilities 其他未分配負債						(87,027)	(87,027)
Total liabilities 總負債							(3,860,656)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

The Group's revenues are mainly derived from Hong Kong customers, Mainland visitors to Hong Kong and Macau and Mainland customers. An analysis of the Group's revenue by location in which the transaction took place is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Revenue	收入		
Hong Kong	香港	4,442,332	7,633,013
Mainland	內地	4,964,081	6,006,981
Macau and overseas	澳門及海外	1,827,358	2,219,996
		11,233,771	15,859,990

During the year ended 31 March 2020, revenue of HK\$122,502,000 was realised from the contract liabilities balance as at beginning of the year (2019: HK\$105,037,000).

An analysis of the Group's non-current assets (other than deferred income tax assets, financial assets at fair value through other comprehensive income, non-current deposits, interests in associates and loan to an associate) by location of assets is as follows:

		2020				2019			
		Hong Kong	Mainland	Macau and overseas	Total	Hong Kong	Mainland	Macau and overseas	Total
		香港	內地	澳門及海外	總計	香港	內地	澳門及海外	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Property, plant and equipment	物業、廠房及設備	603,397	217,756	19,851	841,004	688,225	240,887	22,670	951,782
Right-of-use assets	使用權資產	406,775	271,074	241,857	919,706	-	-	-	-
Land use rights	土地使用權	-	-	-	-	-	483,131	-	483,131
Investment properties	投資物業	310,178	481,439	-	791,617	252,609	59,107	-	311,716
Prepayments for purchase of properties	購買物業之預付賬項	-	48,013	-	48,013	-	-	-	-
Trading licence	交易執照	1,080	-	-	1,080	1,080	-	-	1,080
		1,321,430	1,018,282	261,708	2,601,420	941,914	783,125	22,670	1,747,709

6 分部資料 (續)

本集團之收入主要來自香港之客戶、於香港及澳門之內地旅客及內地之客戶。按交易進行之地點劃分之本集團收入分析如下：

於截至2020年3月31日止年度，計入年初之合約負債結餘已變現收入122,502,000港元（2019年：105,037,000港元）。

按資產所在地劃分之本集團非流動資產（不包括遞延所得稅資產、按公允值計入其他全面收入之金融資產、非流動按金、於聯營公司之權益及貸款予一家聯營公司）分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 OTHER INCOME

7 其他收入

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Government subsidies	政府補貼		
– Value-added tax (“VAT”) refund (Note i)	– 增值稅(「增值稅」)退款(附註i)	23,036	204,811
– Other subsidies (Note ii)	– 其他補貼(附註ii)	51,076	48,265
Rental income	租金收入	35,687	8,522
Others	其他	20,331	16,599
		130,130	278,197

Notes:

- (i) This represents refund from the tax authority in Mainland China. The amount of refund is based on the VAT payment made in excess of 4% of the original input VAT. The Group is entitled to the refund as it is a member of the Shanghai Diamond Exchange and the diamonds are imported through the Shanghai Diamond Exchange.
- (ii) This represents subsidies from a municipal government in Mainland China.

附註：

- (i) 此為來自中國內地稅務機關之退款。退款金額按超過原進項增值稅4%作出之增值稅付款計算。由於本集團為上海鑽石交易所之成員，而鑽石亦透過上海鑽石交易所進口，故本集團有權獲退款。
- (ii) 此為中國內地市政府發放之補貼。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 OPERATING PROFIT

The operating profit is stated after charging the following:

8 經營溢利

經營溢利扣除下列項目後列賬：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cost of sales (Note (i) & (ii))	銷售成本 (附註(i)及(ii))		
– cost of inventories sold	– 已售存貨成本	7,684,436	11,588,145
– cost of licensing business	– 品牌業務成本	226,315	238,009
		7,910,751	11,826,154
Staff costs (including the directors' emoluments) (Note (ii))	員工成本 (包括董事酬金) (附註(ii))	753,339	913,928
Rental expenses in respect of	租賃開支有關		
– Minimum and short-term lease payments	– 最低租賃付款及短期租賃	–	591,677
– Contingent rents	– 或然租金	–	193,491
Expenses relating to short-term leases and variable lease payments (Note iii)	短期租賃及可變租賃付款相關開支 (附註iii)	182,444	–
Commission expenses to credit card companies	支付信用卡公司之佣金開支	65,841	103,354
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊 (附註16)	112,561	112,501
Depreciation of investment properties (Note 18)	投資物業折舊 (附註18)	20,044	3,002
Depreciation of right-of-use assets (Note 19)	使用權資產折舊 (附註19)	484,752	–
Amortisation of land use rights	土地使用權攤銷	–	10,944
Impairment losses on property, plant and equipment (Note 16)	物業、廠房及設備減值虧損 (附註16)	8,314	–
Impairment losses on right-of-use assets (Note 19)	使用權資產減值虧損 (附註19)	56,392	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	15,454	11,034
Auditor's remuneration	核數師酬金		
– Audit services	– 審核服務	5,640	5,640
– Non-audit services	– 非審核服務	1,867	1,157

Notes:

附註

(i) Staff costs (including directors' emoluments) of HK\$289,599,000 (2019: HK\$376,850,000) are included in cost of sales.

(i) 銷售成本包括員工成本 (包括董事酬金) 289,599,000港元 (2019年: 376,850,000港元)。

(ii) Breakdown of total staff costs are as follows:

(ii) 員工成本總額分析如下:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Basic salaries, wages, bonus and allowance	基本薪金、薪資、花紅及津貼	979,970	1,212,462
Pension costs – defined contribution plans (Note 14)	退休金成本 – 定額供款計劃 (附註14)	62,117	77,469
Long service payment (Note 32)	長期服務金 (附註32)	851	847
		1,042,938	1,290,778

(iii) For the year ended 31 March 2020, rent concession related to COVID-19 pandemic of HK\$18,561,000 has been credited in profit or loss and included in selling and distribution costs.

(iii) 於截至2020年3月31日止年度，2019冠狀病毒病疫情相關租金減免18,561,000港元已計入損益，並計入銷售及分銷費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 OTHER LOSSES, NET

9 其他虧損，淨額

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Net realised (losses)/gains on derivative financial instruments (Note)	衍生金融工具之 已變現(虧損)/收益 淨額(附註)	(37,854)	9,844
Fair value gains on convertible bond (Note 22)	可換股債券之公允值收益 (附註22)	861	5,437
Net realised losses on gold loans	黃金借貸之已變現 虧損淨額	(108,462)	(14,002)
Net unrealised (losses)/gains on gold loans (Note 34)	黃金借貸之未變現(虧損)/ 收益淨額(附註34)	(4,751)	12,532
Net unrealised losses on forward exchange contracts	遠期外匯合約之 未變現虧損淨額	(22)	(3,929)
Net realised gains on forward exchange contracts	遠期外匯合約之 已變現收益淨額	6,665	6,707
Net exchange losses	匯兌虧損淨額	(53,919)	(32,934)
		(197,482)	(16,345)

Note:

Derivative financial instruments mainly represent gold contracts and gold future contracts. These derivative financial instruments are not qualified for hedge accounting.

附註：

衍生金融工具主要為黃金合約及黃金期貨合約。該等衍生金融工具不符合對沖會計資格。

10 FINANCE COSTS, NET

10 財務費用，淨額

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Finance income:	財務收入：		
– Bank interest income	– 銀行利息收入	41,141	23,681
– Effective interest income on non-current loan to an associate	– 給予一家聯營公司的 非流動貸款之 實際利息收入	792	4,281
– Interest income on the convertible bond and amount due from HKRH	– 可換股債券及 應收香港資源 控股賬項之利息收入	3,517	1,712
– Interest income on the loan to an associate	– 貸款予一家聯營公司 之利息收入	–	379
		45,450	30,053
Finance costs:	財務費用：		
– Interest expenses on bank borrowings	– 銀行貸款之利息開支	(31,957)	(30,751)
– Interest expenses on gold loans	– 黃金借貸之利息開支	(3,389)	(3,502)
– Interest expenses on lease liabilities	– 租賃負債之利息開支	(27,729)	–
		(63,075)	(34,253)
Finance costs, net	財務費用，淨額	(17,625)	(4,200)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INCOME TAX EXPENSES

Hong Kong profits tax has been provided for at the rate of 16.5% (2019: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

11 所得稅開支

香港利得稅乃按照本年度估計應課稅溢利按稅率16.5% (2019年：16.5%) 計提撥備。海外溢利之稅項乃就本年度估計應課稅溢利按本集團業務所在國家當時稅率計算。

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Current taxation:	即期稅項：		
– Hong Kong profits tax	– 香港利得稅	19,346	83,601
– Overseas taxation	– 海外稅項	210,822	231,522
– Over-provision in prior years	– 過往年度撥備過度	(6,739)	(37,862)
Deferred income tax (Note 31)	遞延所得稅 (附註31)	(20)	25,447
		223,409	302,708

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the tax weighted average tax rate applicable to the profits of the consolidated entities as follows:

本集團除所得稅前溢利之稅項與使用適用於合併實體溢利的加權平均稅率計算之理論稅項差異如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,091,061	1,806,363
Add: Share of results of associates	加：應佔聯營公司業績	47,080	42,479
		1,138,141	1,848,842
Tax calculated at domestic tax rates applicable to profits in the respective jurisdictions	按適用於各司法權區溢利的當地稅率計算之稅項	179,911	297,464
Income not subject to taxation	毋須課稅之收入	(2,171)	(912)
Expenses not deductible for taxation purposes	不可扣稅之支出	22,670	9,789
Over-provision in prior years	過往年度撥備過度	(6,739)	(37,862)
Tax losses of which no deferred tax asset is recognised	未確認遞延稅項資產之稅項虧損	8,666	9,228
Utilisation of previously unrecognised tax losses	動用以往未確認稅項虧損	(248)	(116)
Withholding tax on undistributed profit of those subsidiaries in Mainland China	中國內地附屬公司未分派溢利之預扣稅	21,320	25,117
		223,409	302,708

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company of HK\$866,315,000 (2019: HK\$1,492,747,000) and the weighted average number of 587,107,850 (2019: 587,107,850) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 31 March 2020 and 2019 is the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding during the years.

12 每股盈利

每股基本盈利乃根據本公司權益持有人應佔本集團溢利866,315,000港元(2019年: 1,492,747,000港元)及年內已發行普通股之加權平均數587,107,850股(2019年: 587,107,850股)計算。

由於年內並無已發行具潛在攤薄效應的普通股，故截至2020年及2019年3月31日止年度之每股攤薄盈利與每股基本盈利相同。

13 DIVIDENDS

13 股息

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
2019/20 interim dividend, paid, of HK\$0.50 (2018/19 interim dividend: HK\$0.55) per ordinary share	已派2019/20年度中期股息 每股普通股0.50港元 (2018/19年度 中期股息: 0.55港元)	293,554	322,909
2019/20 final dividend, proposed, of HK\$0.50 (2018/19 final dividend: HK\$0.60) per ordinary share (Note)	擬派2019/20年度末期股息 每股普通股0.50港元 (2018/19年度 末期股息: 0.60港元) (附註)	293,554	352,265

Note:

At a meeting held on 26 June 2020, the directors recommended the payment of a final dividend of HK\$0.50 per ordinary share. Such dividend is to be approved by the shareholders at the Annual General Meeting of the Company on 20 August 2020. The aggregate amount of the proposed dividend is expected to be paid out of retained earnings at 31 March 2020, but not recognised as a liability at year end.

附註:

於2020年6月26日舉行之會議上，董事建議派付末期股息每股普通股0.50港元。有關股息須待股東在本公司於2020年8月20日舉行之股東週年大會批准。擬派股息總額預期將從於2020年3月31日之保留盈利中派發，惟於年末時並無確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 RETIREMENT BENEFIT COSTS

14 退休福利成本

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Net contributions to pension plans charged to the consolidated income statement	62,117	77,469

The expense is recognised in the following line items in the consolidated income statement:

有關開支乃於綜合損益表之以下項目確認：

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cost of sales	25,271	33,689
Selling and distribution costs	33,099	40,059
Administrative expenses	3,747	3,721
	62,117	77,469

(i) The Group contributes to a MPF Scheme for its employees in Hong Kong, under which the Group and each employee each makes monthly contribution to the scheme at 5% of the qualifying earnings of the employee, subject to a maximum of HK\$1,500 (2019: HK\$1,500) per month.

(i) 本集團為其香港僱員設立強制性公積金計劃，據此本集團及各僱員均須按僱員之合資格入息5%作每月供款，惟每月供款額上限為1,500港元（2019年：1,500港元）。

(ii) The Group's subsidiaries in Mainland China also contribute to retirement plans for their employees in Mainland China at a percentage of their salaries in compliance with the requirements of the respective municipal governments in Mainland China. The municipal governments undertake to assume the retirement benefit obligation of all existing and future retired employees of the Group in Mainland China.

(ii) 本集團於中國內地之附屬公司亦有遵守相關中國內地市政府之規定為其於中國內地的僱員作出為其薪金一定百分比之退休計劃供款。市政府保證承擔本集團於中國內地的所有現有及未來退休僱員之退休福利責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT 15 董事及高級管理人員福利及權益

(a) Directors' and Chief Executive's emoluments

The aggregate amounts of emoluments payable to the directors and chief executive of the Company during the year were as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Fees	袍金	2,143	2,170
Salaries	薪金	52,084	63,283
Performance and discretionary bonuses	按表現酌情發放之花紅	20,219	34,712
Contributions to pension plan	退休金計劃供款	505	514
Total directors' emoluments, payable and expensed in the consolidated financial statements	應付及已於綜合財務報表支銷之董事酬金總額	74,951	100,679

(a) 董事及最高行政人員酬金

年內應付本公司董事及最高行政人員之酬金總額如下：

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

就相關人士擔任本公司或其附屬公司董事已付或應收酬金：

For the year ended 31 March 2020

截至2020年3月31日止年度

Name of director and chief executive	董事及最高行政人員姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Performance and discretionary bonuses 按表現酌情發放之花紅 HK\$'000 千港元	Housing allowance 住房津貼 HK\$'000 千港元	Estimated values of other benefits 估計貨幣價值 其他福利之 HK\$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主向退休福利計劃供款 HK\$'000 千港元	Total emoluments 酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note i)	黃偉常 (附註i)	55	44,735	9,956	-	-	184	54,930
TSE Moon Chuen	謝滿全	55	1,266	1,532	-	-	57	2,910
WONG Hau Yeung	王巧陽	55	965	3,829	-	-	44	4,893
WONG Lan Sze, Nancy	黃蘭詩	55	816	3,370	-	-	37	4,278
CHUNG Vai Ping (Note (ii))	鍾惠冰 (附註ii)	28	300	-	-	-	15	343
CHAN So Kuen	陳素娟	55	3,702	1,532	-	-	168	5,457
WONG Ho Lung, Danny	黃浩龍	110	120	-	-	-	-	230
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	-	-	170
TAI Kwok Leung, Alexander [†]	戴國良 [†]	300	-	-	-	-	-	300
IP Shu Kwan, Stephen [†]	葉樹堃 [†]	300	-	-	-	-	-	300
MAK Wing Sum, Alvin [†]	麥永森 [†]	300	-	-	-	-	-	300
WONG Yu Pok, Marina [†]	黃汝璞 [†]	250	-	-	-	-	-	250
HUI King Wai [†]	許競威 [†]	250	-	-	-	-	-	250
		2,143	52,084	20,219	-	-	505	74,951

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' and Chief Executive's emoluments (Continued)

For the year ended 31 March 2019

Name of director and chief executive	董事及最高行政人員姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Performance and discretionary bonuses 按表現酌情發放之花紅 HK\$'000 千港元	Housing allowance 住房津貼 HK\$'000 千港元	Estimated money values of other benefits 其他福利之估計貨幣價值 HK\$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主向退休福利計劃供款 HK\$'000 千港元	Total emoluments 酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note i)	黃偉常(附註i)	55	55,114	16,964	-	-	185	72,318
TSE Moon Chuen	謝滿全	55	1,495	2,610	-	-	62	4,222
WONG Hau Yeung	王巧陽	55	1,024	6,525	-	-	42	7,646
WONG Lan Sze, Nancy	黃蘭詩	55	766	5,742	-	-	32	6,595
CHUNG Vai Ping	鍾惠冰	55	713	261	-	-	30	1,059
CHAN So Kuen	陳素娟	55	3,931	2,610	-	-	163	6,759
WONG Ho Lung, Danny	黃浩龍	110	60	-	-	-	-	170
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	-	-	170
TAI Kwok Leung, Alexander [#]	戴國良 [#]	300	-	-	-	-	-	300
IP Shu Kwan, Stephen [#]	葉澍堃 [#]	300	-	-	-	-	-	300
MAK Wing Sum, Alvin [#]	麥永森 [#]	300	-	-	-	-	-	300
WONG Yu Pok, Marina [#]	黃汝璞 [#]	250	-	-	-	-	-	250
HUI King Wai [#]	許競威 [#]	250	-	-	-	-	-	250
		2,170	63,283	34,712	-	-	514	100,679

[#] Independent non-executive directors

Note:

- (i) Mr. WONG Wai Sheung is also the chief executive officer of the Company.
- (ii) During the year ended 31 March 2020, Ms. CHUNG Vai Ping changed her position from executive director to senior management effective from October 2019.

15 董事及高級管理人員福利及權益 (續)

(a) 董事及最高行政人員酬金 (續)

截至2019年3月31日止年度

[#] 獨立非執行董事

附註：

- (i) 黃偉常先生亦為本公司之行政總裁。
- (ii) 於截至2020年3月31日止年度，鍾惠冰女士之職位已由執行董事更改為高級管理層，自2019年10月起生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' and Chief Executive's emoluments (Continued)

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the company or its subsidiary undertaking	就作為本公司或其附屬公司董事之服務已付董事或董事應收酬金總額	2,143	2,170
Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the company or its subsidiary undertaking	就有關管理本公司或其附屬公司事務之董事其他服務已付或應收之酬金總額	72,808	98,509
		74,951	100,679

During the year ended 31 March 2020, Mr. WONG Wai Sheung waived emoluments of HK\$10,000,000. No directors waived their emoluments in respect of the year ended 31 March 2019.

(b) Directors' retirement benefits

Except for the employer's contribution to a retirement benefit scheme as disclosed in (a), no other retirement benefits were paid to the directors of the Company during the year ended 31 March 2020 in respect of their services as directors of the Company and its subsidiaries (2019: same).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year ended 31 March 2020 (2019: same).

15 董事及高級管理人員福利及權益 (續)

(a) 董事及最高行政人員酬金 (續)

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the company or its subsidiary undertaking	2,143	2,170
Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the company or its subsidiary undertaking	72,808	98,509
	74,951	100,679

截至2020年3月31日止年度，黃偉常先生放棄酬金10,000,000港元。概無董事放棄其截至2019年3月31日止年度之酬金。

(b) 董事之退休福利

除(a)項所披露之僱主向退休福利計劃供款外，截至2020年3月31日止年度，並無向本公司之董事就其擔任本公司及其附屬公司董事所提供之服務支付其他退休福利(2019年：相同)。

(c) 董事之離職福利

於截至2020年3月31日止年度，概無董事經已或將要收取任何離職福利(2019年：相同)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2020, the Company did not pay any consideration to any third parties for making available the services of themselves as directors of the Company (2019: same).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans and other dealing arrangements were entered into by the Company or its subsidiary undertaking in favour of the directors of the Company, a controlled body corporate or a connected entity of such directors at any time during the year (2019: same).

(f) Directors' material interests in transactions, arrangements or contracts

Save for transactions disclosed elsewhere in the notes to these consolidated financial statements, no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 March 2020 (2019: same).

(g) Five highest paid individuals

Among the five highest paid individuals, all (2019: all) of them are directors of the Company and the details of their remuneration are disclosed in the preceding paragraph.

(h) Senior management's emoluments

The emoluments fall within the following bands:

		2020	2019
HK\$1 – HK\$500,000	1港元至500,000港元	1	–
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	1	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	1
		3	2

Senior management represents senior management staff who are non-directors.

15 董事及高級管理人員福利及權益 (續)

(d) 就提供董事服務向第三方支付代價

於截至2020年3月31日止年度，本公司並無向任何第三方就彼等為本公司提供董事服務支付任何代價(2019年：相同)。

(e) 有關以董事、該等董事之受控法團及關連實體為受益人之貸款、類似貸款及其他買賣之資料

於本年度任何時間，本公司或其附屬公司並無訂立以本公司董事、該等董事之受控法團或關連實體為受益人之貸款、類似貸款及其他買賣安排(2019年：相同)。

(f) 董事於交易、安排或合約之重大權益

除該等綜合財務報表附註其他部分所披露之交易外，本公司並無就本集團業務訂立本公司董事於其中有重大直接或間接權益且於截至2020年3月31日止年度結束時或年內任何時間有效之其他重大交易、安排及合約(2019年：相同)。

(g) 五名最高薪酬人士

五名最高薪酬人士當中，全部(2019年：全部)為本公司董事，彼等之酬金詳情已於上段披露。

(h) 高級管理人員酬金

彼等之酬金介乎下列組別：

高級管理層指非董事之高級管理人員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Land and buildings	Leasehold improvements	Furniture and fixtures and computer equipment	Plant and machinery	Motor vehicles	Total
		土地及樓宇	租賃物業 裝修	傢俬、裝置及 電腦設備	廠房及機器	汽車	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於2018年4月1日						
Cost	成本	493,474	508,451	225,154	54,520	25,407	1,307,006
Accumulated depreciation	累計折舊	(96,273)	(432,382)	(164,517)	(42,499)	(23,676)	(759,347)
Net book value	賬面淨值	397,201	76,069	60,637	12,021	1,731	547,659
Year ended 31 March 2019	截至2019年3月31日止年度						
Opening net book value	年初賬面淨值	397,201	76,069	60,637	12,021	1,731	547,659
Additions	添置	640,297	92,309	42,268	1,983	2,131	778,988
Disposals	出售	-	(5,229)	(9,636)	(19)	-	(14,884)
Transfers to investment properties	轉撥至投資物業	(234,778)	-	-	-	-	(234,778)
Depreciation charge	折舊支出	(15,250)	(62,322)	(26,905)	(6,497)	(1,527)	(112,501)
Exchange differences	匯兌差額	(7,977)	(1,334)	(2,515)	(768)	(108)	(12,702)
Closing net book value	年末賬面淨值	779,493	99,493	63,849	6,720	2,227	951,782
At 31 March 2019	於2019年3月31日						
Cost	成本	822,722	549,539	234,501	52,682	25,400	1,684,844
Accumulated depreciation	累計折舊	(43,229)	(450,046)	(170,652)	(45,962)	(23,173)	(733,062)
Net book value	賬面淨值	779,493	99,493	63,849	6,720	2,227	951,782
Year ended 31 March 2020	截至2020年3月31日止年度						
Opening net book value	年初賬面淨值	779,493	99,493	63,849	6,720	2,227	951,782
Effect of adoption of HKFRS 16 (Note 2.2(c))	採納香港財務報告準則第16號 之影響(附註2.2(c))	-	(2,714)	-	-	-	(2,714)
Opening net book amount, as restated	年初賬面淨值(經重列)	779,493	96,779	63,849	6,720	2,227	949,068
Additions	添置	-	75,756	33,076	858	1,019	110,709
Disposals	出售	-	(1,272)	(15,940)	-	-	(17,212)
Transfers to investment properties	轉撥至投資物業	(67,177)	-	-	-	-	(67,177)
Depreciation charge	折舊支出	(23,835)	(60,187)	(24,370)	(3,208)	(961)	(112,561)
Impairment losses (Note)	減值虧損(附註)	-	(8,314)	-	-	-	(8,314)
Exchange differences	匯兌差額	(9,884)	(1,418)	(1,837)	(310)	(60)	(13,509)
Closing net book value	年末賬面淨值	678,597	101,344	54,778	4,060	2,225	841,004
At 31 March 2020	於2020年3月31日						
Cost	成本	743,080	552,494	213,393	50,575	23,734	1,583,276
Accumulated depreciation and impairment	累計折舊及減值	(64,483)	(451,150)	(158,615)	(46,515)	(21,509)	(742,272)
Net book value	賬面淨值	678,597	101,344	54,778	4,060	2,225	841,004

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 PROPERTY, PLANT AND EQUIPMENT

(Continued)

Depreciation expense of HK\$2,260,000 (2019: HK\$6,101,000) was included in cost of sales, HK\$101,130,000 (2019: HK\$97,385,000) in selling and distribution costs and HK\$9,171,000 (2019: HK\$9,015,000) in administrative expenses, respectively.

As at 31 March 2020, leasehold land of HK\$423,608,000 (2019: HK\$491,031,000) were classified under property, plant and equipment.

As at 31 March 2020, land and buildings of HK\$490,683,000 (2019: HK\$575,864,000) were pledged to the Group's bank borrowings of HK\$456,072,000 (2019: HK\$983,244,000).

Note:

As at 31 March 2020, net book amount of retail store assets represented property, plant and equipment and right-of-use assets amounting to HK\$56,137,000 (2019: HK\$41,393,000) and HK\$604,768,000 (2019: Nil) respectively. The Group considers each individual retail store as a separately identifiable cash-generating unit. Management performed impairment assessments for the retail stores that were loss-making and the stores that are potentially subject to negative impact of COVID-19 pandemic.

The carrying amount of the retail store assets is written down to its recoverable amount if the asset's carrying amount is in excess of its estimated recoverable amount. The estimates of the recoverable amounts were based on value-in-use calculations using discounted cash flow projections based on the management's forecasts covering the remaining tenure of the lease, with major assumptions such as change in revenue, change in operating cost and change in gross profit. The change in revenue is dependent on the timing of easing of the various travel restriction and quarantine measures for COVID-19 pandemic. With the assumption that tourist traffic and customer spending would start to gradually recover from the second quarter of financial year 2020/21 onwards in Hong Kong and Macau, an impairment loss of property, plant and equipment and right-of-use assets of HK\$8,314,000 (2019: Nil) and HK\$56,392,000 (2019: Nil), respectively was recognised in selling and distribution costs.

16 物業、廠房及設備 (續)

折舊開支2,260,000港元(2019年: 6,101,000港元)計入銷售成本、101,130,000港元(2019年: 97,385,000港元)計入銷售及分銷費用及9,171,000港元(2019年: 9,015,000港元)計入行政費用。

於2020年3月31日·租賃土地423,608,000港元(2019年: 491,031,000港元)已分類為物業、廠房及設備。

於2020年3月31日·土地及樓宇490,683,000港元(2019年: 575,864,000港元)已用作本集團銀行貸款456,072,000港元(2019年: 983,244,000港元)之抵押。

附註:

於2020年3月31日·零售店舖資產之賬面值指物業、廠房及設備及使用權資產分別56,137,000港元(2019年: 41,393,000港元)及604,768,000港元(2019年: 無)。管理層對產生虧損之零售店舖及可能受2019冠狀病毒病疫情負面影響之店舖進行減值評估。

倘零售店舖資產之賬面值超出其估計可收回金額·則有關資產之賬面值撇減至其可收回金額。有關估計可收回金額乃根據管理層涵蓋餘下租賃期的預測·採用貼現現金流量預測所計算的使用價值而釐定·並計及收益變動·經營成本變動及毛利變動等主要假設。收益變動取決於有關放寬各項有關2019冠狀病毒病疫情之出行限制及檢疫措施之時間。假設香港及澳門之旅客流量及客戶消費將開始於2020/21財政年度第二季度起逐步回升·物業、廠房及設備及使用權資產之減值虧損分別8,314,000港元(2019年: 無)及56,392,000港元(2019年: 無)於銷售及分銷費用中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 LAND USE RIGHTS

17 土地使用權

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At 1 April	於4月1日		
Cost	成本	545,022	327,619
Accumulated amortisation	累計攤銷	(61,891)	(54,600)
At 31 March	於3月31日	483,131	273,019
Year ended 31 March	截至3月31日止年度		
Opening net book value	年初賬面淨值	483,131	273,019
Effect of adoption of HKFRS 16 (Note 2.2(c))	採納香港財務報告準則 第16號之影響 (附註2.2(c))	(483,131)	-
Opening net book value, as restated	年初賬面淨值(經重列)	-	273,019
Additions	添置	-	239,472
Amortisation charge	攤銷費用	-	(10,944)
Exchange differences	匯兌差額	-	(18,416)
Closing net book value	年末賬面淨值	-	483,131
At 31 March	於3月31日		
Cost	成本	-	545,022
Accumulated amortisation	累計攤銷	-	(61,891)
		-	483,131

For the year ended 31 March 2019, amortisation charge of HK\$10,944,000 has been recorded in selling and distribution costs.

於截至2019年3月31日止年度，攤銷費用10,944,000港元已於銷售及分銷費用中入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INVESTMENT PROPERTIES

18 投資物業

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At 1 April	於4月1日		
Cost	成本	321,040	42,661
Accumulated depreciation	累計折舊	(9,324)	(6,851)
		311,716	35,810
Year ended 31 March	截至3月31日止年度		
Opening net book value	年初賬面淨值	311,716	35,810
Additions	添置	233,761	46,694
Transfers from property, plant and equipment	轉撥自物業、廠房及設備	67,177	234,778
Transfers from right-of-use assets	轉撥至使用權資產	215,368	-
Depreciation	折舊	(20,044)	(3,002)
Exchange differences	匯兌差額	(16,361)	(2,564)
Closing net book value	年末賬面淨值	791,617	311,716
At 31 March	於3月31日		
Cost	成本	853,369	321,040
Accumulated depreciation	累計折舊	(61,752)	(9,324)
		791,617	311,716

Amounts recognised in profit or loss for investment properties

就投資物業於損益中確認之金額

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Rental income from operating leases	經營租賃之租金收入	35,687	8,522
Direct operating expenses arising from investment properties that generate rental income	產生租金收入之投資物業所導致之直接經營開支	(21,632)	(3,509)
		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At valuation (Note (a))	按估值(附註(a))	1,348,176	892,342

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INVESTMENT PROPERTIES (Continued)

Note:

- (a) The valuation of the investment properties was determined by an independent valuer BMI Appraisals Limited at open market values (2019: BMI Appraisals Limited).
- (b) Depreciation expense of HK\$20,044,000 (2019: HK\$3,002,000) has been recorded in selling and distribution costs.
- (c) Future aggregate minimum lease receipts under non-cancellable leases are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Not later than one year	一年內	73,576	23,599
Later than one year and not later than five years	一年後但不超過五年	219,209	207,076
		292,785	230,675

- (d) As at 31 March 2020, investment properties of HK\$85,937,000 (2019: HK\$21,914,000) were pledged to the Group's bank borrowings of HK\$456,072,000 (2019: HK\$983,244,000).

18 投資物業 (續)

附註：

- (a) 投資物業之估值乃由獨立估值師中和邦盟評估有限公司(2019年：中和邦盟評估有限公司)按公開市值釐定。
- (b) 折舊開支20,044,000港元(2019年：3,002,000港元)已於銷售及分銷費用中入賬。
- (c) 根據不可撤銷之經營租賃而於未來收取之最低租金總額如下：

- (d) 於2020年3月31日，投資物業85,937,000港元(2019年：21,914,000港元)已用作本集團銀行貸款456,072,000港元(2019年：983,244,000港元)的抵押。

Particulars of Investment Properties

As at 31 March 2020

投資物業資料

於2020年3月31日

Location 地點	Use 用途	Tenure 租期	Attributable interest of the Group 本集團應佔權益百分比
Office A on 10th Floor, Bank Tower, Nos. 351 and 353 King's Road, North Point, Hong Kong. 香港英皇道351及353號銀輝中心10字樓A室	Commercial building for rental 商業大廈出租	Medium-term leases 中期租約	100%
Flat 3 on 10th Floor, Hong Kiu Mansion, No. 313 Nathan Road, Yaumatei, Kowloon, Hong Kong 香港九龍油麻地彌敦道313號康僑大廈10字樓3室	Commercial building for rental 商業大廈出租	Short-term leases 短期租約	100%
Luk Fook Jewellery Centre, No. 239 Temple Street, Jordan, Kowloon, Hong Kong 香港九龍佐敦廟街239號六福珠寶中心	Commercial building for rental 商業大廈出租	Long-term leases 長期租約	100%

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綜合財務報表附註

18 INVESTMENT PROPERTIES (Continued) Particulars of Investment Properties (Continued) As at 31 March 2020 (Continued)

18 投資物業 (續) 投資物業資料 (續) 於2020年3月31日 (續)

Location 地點	Use 用途	Tenure 租期	Attributable interest of the Group 本集團應 佔權益百分比
Units 1506-1516 on 15th Floor, and 22 car parking spaces, Metropole Square, No. 2 On Yiu Street, Shatin, New Territories, Hong Kong 香港新界沙田安耀街2號新都廣場15樓 1506-1516室及22個停車位	Commercial building and car parking spaces for rental 商業大廈及 停車位出租	Medium-term leases 中期租約	100%
Unit 15 on 3rd Floor, Guanghua Changan Building, No.7 Jianguo Men Nei Avenue, Dongcheng District, Beijing, the PRC 中國北京市東城區建國門內大街7號 光華長安大廈3樓15室	Commercial building for rental 商業大廈出租	Medium-term leases 中期租約	100%
Units 1907-1910 on Level 19, Tower 1, Kerry Everbright City, No. 218 West Tianmu Road, Zhabei District, Shanghai, the PRC 中國上海市閘北區天目西路218號 嘉里不夜城第一座19樓1907-1910室	Commercial building for rental 商業大廈出租	Medium-term leases 中期租約	100%
Unit A1802 on Level 16, Fulllink, No. 18 Chaoyang Men Wai Avenue, Chaoyang District, Beijing, the PRC 中國北京市朝陽區朝陽門外大街 18號豐聯廣場16樓A1802	Commercial building for rental 商業大廈出租	Medium-term leases 中期租約	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INVESTMENT PROPERTIES (Continued) Particulars of Investment Properties (Continued) As at 31 March 2020 (Continued)

18 投資物業 (續) 投資物業資料 (續) 於2020年3月31日 (續)

Location 地點	Use 用途	Tenure 租期	Attributable interest of the Group 本集團應佔權益百分比
Level 32-34, Reith International Building, Xinxiu Village, Xiuxiu Road, Luohu District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市羅湖區新秀路新秀村瑞思國際大廈32-34樓	Commercial building for rental 商業大廈出租	Medium-term leases 中期租約	100%
Part of Units 04-05 on Level 14, part of Unit 11 on Level 15, Units 01-12 on Level 17, Units 01-12 on Level 33, Units 01-12 on Level 34, Units 01-12 on Level 35 of, Block B, IBC, No. 3008 Buxin Road, Luohu District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市羅湖區布心路3008號水貝珠寶總部大廈(IBC)B座14樓單位04-05部份, 15樓單位11部份, 17樓單位01-12, 33樓單位01-12, 34樓單位01-12, 35樓單位01-12	Commercial building for rental 商業大廈出租	Medium-term leases 中期租約	100%

19 LEASES

19 租賃

(a) Amounts recognised in the consolidated balance sheet

(a) 於綜合資產負債表確認之金額

		2020 HK\$'000 千港元
Right-of-use assets	使用權資產	
Initial recognition as at 1 April upon adoption of HKFRS 16	於4月1日採納香港財務報告準則第16號時初步確認	1,179,467
Additions	添置	517,637
Depreciation (Note 8)	折舊 (附註8)	(484,752)
Impairment losses (Note 8)	減值虧損 (附註8)	(56,392)
Transfer to investment properties	轉撥至投資物業	(215,368)
Exchange differences	匯兌差額	(20,886)
At 31 March	於3月31日	919,706

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 LEASES (Continued)

(a) Amounts recognised in the consolidated balance sheet (Continued)

Note:

The Group leases various retail spaces and premises and warehouses. Rental contracts are typically made for fixed periods of 1 to 5 years but may have extension options as described in Note 3.21(b). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The Group also leases certain land use rights in Mainland China. These land use rights are leased for a period of between 16 and 51 years on which plants and buildings of the Group are situated on.

The lease agreements do not impose any covenants and no leased assets are used as security for borrowing purposes.

For details of impairment losses on right-of-use assets, refer to Note 16.

The consolidated balance sheet shows the following amounts relating to the leases:

		As at 31 March 2020 於2020年 3月31日 HK\$'000 千港元	As at 1 April 2019 於2019年 4月1日 HK\$'000 千港元
Right-of-use assets	使用權資產		
Land use rights in Mainland China	於中國內地之土地使用權	244,442	483,131
Properties leases	物業租賃	675,264	696,336
Total right-of-use assets	使用權資產總額	919,706	1,179,467
		As at 31 March 2020 於2020年 3月31日 HK\$'000 千港元	As at 1 April 2019 於2019年 4月1日 HK\$'000 千港元
Lease liabilities	租賃負債		
Current	流動	469,394	358,126
Non-current	非流動	283,661	357,129
		753,055	715,255

19 租賃 (續)

(a) 於綜合資產負債表確認之金額 (續)

附註：

本集團租賃多個零售空間及物業以及倉庫。租賃合約通常為1至5年之固定期限，惟有權按下文附註3.21(b)所述續租。租賃條款乃單獨磋商達致，當中包含各種不同的條款及條件。本集團亦於中國內地租賃若干土地使用權。該等土地使用權之租期介乎16至51年不等，乃本集團廠房及樓宇所在地。

租賃協議並無施加任何契約，惟租賃資產不得用作借款之擔保品。

有關使用權資產減值虧損之詳情，請參閱附註16。

綜合資產負債表呈列以下有關租賃之金額：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 LEASES (Continued)

(b) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to the leases:

19 租賃 (續)

(b) 於綜合損益表確認之金額

綜合損益表呈列以下有關租賃之金額：

		Year ended 31 March 截至3月31日止年度	
		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation of right-of-use assets	使用權資產折舊		
Land use rights in Mainland China	於中國內地之土地使用權	7,328	—
Properties leases	物業租賃	477,424	—
		484,752	—
Interest expense (included in finance cost)	利息開支 (計入財務費用)	27,729	—
Expense relating to short-term leases (included in selling and distribution costs)	有關短期租賃之開支 (計入銷售及分銷費用)	80,912	—
Expense relating to variable lease payments not included in lease liabilities (included in selling and distribution costs)	有關並無計入租賃負債之可變租賃付款之開支 (計入銷售及分銷費用)	101,532	—

Note:

For the year ended 31 March 2020, depreciation of right-of-use assets of HK\$484,752,000 was included in selling and distribution costs.

For the year ended 31 March 2020, the total cash outflow for leases was HK\$680,362,000.

附註：

截至2020年3月31日止年度，使用權資產折舊484,752,000港元已計入銷售及分銷費用。

截至2020年3月31日止年度，租賃之現金流出總額為680,362,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INTERESTS IN ASSOCIATES

20 於聯營公司之權益

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
As at 1 April	於4月1日	13,279	67,593
Capitalised from loan to an associate (Note 21)	由貸款予一家聯營公司 資本化(附註21)	100,000	-
Share of results of associates for the year	年內應佔聯營公司業績	(47,080)	(42,479)
Share of reserve movement of associates for the year	年內應佔聯營公司儲備變動	(5,510)	(11,835)
As at 31 March	於3月31日	60,689	13,279
Amount due from an associate (Note i)	應收一家聯營公司賬項 (附註i)	1,372	3,078
Amount due to an associate (Note i)	應付一家聯營公司賬項 (附註i)	(20)	(2,715)

Particulars of the associates of the Group as at 31 March 2020 are as follows:

於2020年3月31日本集團聯營公司之詳情如下：

Name 名稱	Place of incorporation 註冊成立地點	Particulars of issued share capital 已發行股本詳情	% of attributable interests held indirectly 間接持有應佔權益百分比		Principal activities 主要業務
			2020	2019	
Luk Fook Diamond Company Limited# 六福鑽石有限公司#	Hong Kong 香港	HK\$6,120,000 6,120,000港元	50%	50%	Manufacturing and wholesaling of diamond products 鑽石產品製造及批發
China Gold Silver Group Company Limited ("CGS")* 中國金銀集團有限公司 ("中國金銀")*	The British Virgin Islands ("BVI") 英屬維爾京群島 (「英屬維爾京 群島」)	USD3,334 3,334美元	50%	50%	Retailing and franchising operations of gold and jewellery products in Hong Kong, Macau and Mainland China 在香港、澳門及中國內地 從事黃金及珠寶首飾 產品之零售及特許經 營業務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 INTERESTS IN ASSOCIATES (Continued)

- # Pursuant to the shareholders' agreement, this associate is controlled by a third party, who holds the casting vote in the directors' meetings.
- * Pursuant to the shareholders' agreement, the company is controlled by its holding company, which holds the casting vote in the directors' meetings. The financial year of this associate is not continuous with that of the Group and the financial statements used for equity accounting are for the 12 months period ended 31 December 2019. This associate uses 30 June as its financial year end, which is conformed with its holding company's reporting date.

Notes:

- (i) Amount due from/(to) an associate were trade in nature. Amount due from/(to) an associate were denominated in HK\$ and were unsecured, interest-free and repayable on demand. As at 31 March 2020 and 2019, the amount due from/(to) an associate were aged within 30 days.
- (ii) The Group's associates did not have any significant capital commitments as at 31 March 2020 and 2019.

20 於聯營公司之權益 (續)

- # 根據股東協議，該聯營公司由於董事會會議可投決定票之第三方控制。
- * 根據股東協議，該公司由其控股公司控制，該控股公司於董事會會議可投決定票。該聯營公司之財政年度與本集團不同，其財務報表乃採用權益會計法，涵蓋截至2019年12月31日止12個月期間。該聯營公司採用6月30日作為其財政年度年結日，與其控股公司的報告日期一致。

附註：

- (i) 應收／(應付)一家聯營公司賬項為貿易性質。應收／(應付)一家聯營公司賬項以港元計值、無抵押、免息及須應要求償還。於2020年及2019年3月31日，應收／(應付)一家聯營公司賬項之賬齡為30日內。
- (ii) 本集團的聯營公司於2020年及2019年3月31日並無任何重大資本承擔。

21 LOAN TO AN ASSOCIATE

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Non-current portion	非流動部分		
Loan to an associate	貸款予一家聯營公司	100,000	99,208
Reclassified as interest in an associate (Note 20)	重新分類為於一家聯營公司 之權益 (附註20)	(100,000)	-
		-	99,208

Note:

In connection with the acquisition of CGS on 6 June 2014, the Group and Hong Kong Resources Holdings Limited ("HKRH") each agreed to provide funding of HK\$100,000,000 to CGS by way of shareholder loan for general working capital and business expansion purpose.

The shareholder loan was unsecured, interest-free and not to be repaid within one year after the end of the reporting period. The carrying amount was denominated in HK\$.

During the year ended 31 March 2020, having considered the financial position and future business development of CGS, it is not expected that this shareholder loan will be demanded for in the near future and therefore the balance is reclassified as part of interest in the associate.

附註：

就於2014年6月6日收購中國金銀，本集團及香港資源控股有限公司（「香港資源控股」）均同意透過一筆股東貸款，向中國金銀提供100,000,000港元資金，作為一般營運資金及業務擴充。

股東貸款乃無抵押、免息，且毋須於報告期末後一年內償還。賬面值乃以港元計值。

於截至2020年3月31日止年度，經考慮中國金銀之財務狀況及未來業務發展後，本集團預計該筆股東貸款將不會於近期內被要求償還，因此該結餘重新分類為於一家聯營公司之權益之一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 DERIVATIVE FINANCIAL INSTRUMENTS

21 衍生金融工具

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Assets	資產		
Current asset	流動資產		
Convertible bond (Note i)	可換股債券 (附註i)	-	56,219
Liabilities	負債		
Current liabilities	流動負債		
Foreign exchange forward contracts (Note ii)	外匯遠期合約 (附註ii)	22	3,929

Note:

- (i) On 6 June 2014, the Group subscribed a convertible bond of HKRH of HK\$57,080,000 with 3% interest rate per annum and 5 years of maturity from the date of issuance. The conversion period commences on the 2nd anniversary of the issue date and expires on the date which is three days before its maturity. The convertible bond comprises a loan receivable component and option component which together have been designated as derivative financial instrument by the Group. The convertible bond was initially recognised at HK\$57,080,000.

On 26 June 2019, the Group entered into an agreement with HKRH to extend the final repayment date of the convertible bond to 9 September 2019. It bore an interest rate at 8% per annum from 6 June 2019 to the date of repayment. Since conversion option are expired, it was reclassified to other receivables and subsequently accounted for at amortised cost (Note 24).

The fair values as at 31 March 2019 was valued by an independent valuer using the Trinomial Tree Model. The key assumptions used are as follows:

附註:

- (i) 於2014年6月6日，本集團認購香港資源控股可換股債券57,080,000港元，年利率3%，由發行日期起計5年內到期。換股期於發行日期後兩週年開始至到期日前3天屆滿。可換股債券包括應收貸款部分及購股權部分，其已由本集團整體指定為衍生金融工具。可換股債券初步確認為57,080,000港元。

於2019年6月26日，本集團與香港資源控股訂立一份協議以將可換股債券之最後還款日期延長至2019年9月9日，且自2019年6月6日起至還款日期按年利率8%計息。由於轉換權屆滿，該債券重新分類至其他應收賬項，且其後按攤銷成本入賬（附註24）。

於2019年3月31日之公允值由獨立估值師採用三叉樹模型進行估值。所採用關鍵假設如下：

		As at 31 March 於3月31日 2019
Share price of HKRH	香港資源控股股份價格	HK\$0.16港元
Exercise price *	行使價*	HK\$0.712港元
Dividend yield	股息利率	0%
Effective interest rate	實際利率	16.46%
Volatility	波幅	33.94%
Risk free rate	無風險率	1.37%

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綜合財務報表附註

22 DERIVATIVE FINANCIAL INSTRUMENTS

(Continued)

Note: (Continued)

(i) (Continued)
For the year ended 31 March 2020, the fair value gains of HK\$861,000 (2019: HK\$5,437,000) was included under 'Other losses, net' in the consolidated income statement.

* Pursuant to the resolution passed by HKRH on 17 July 2018 and with effect from 18 July 2018, every four issued and unissued ordinary shares of HKRH with par value of HK\$0.01 each are consolidated into one consolidated ordinary share of HKRH with par value of HK\$0.04 (the "Share Consolidation"). Upon the completion of the Share Consolidation and according to the terms of the convertible bond of HKRH, the exercise price was adjusted.

(ii) The notional amount of the outstanding RMB denominated foreign exchange forward contracts as at 31 March 2020 represented RMB exchange forward contracts of HK\$11,530,000. (2019: HK\$239,492,000).

21 衍生金融工具 (續)

附註：(續)

(i) (續)
公允價值收益861,000港元(2019年：5,437,000港元)計入截至2020年3月31日止年度之綜合損益表之「其他虧損·淨額」。

* 根據香港資源控股於2018年7月17日通過並於2018年7月18日生效之決議案，香港資源控股每四股每股面值0.01港元之已發行及未發行普通股合併為香港資源控股一股面值0.04港元之合併普通股(「股份合併」)。股份合併完成時及根據香港資源控股可換股債券的條款，行使價已予調整。

(ii) 於2020年3月31日，未平倉以人民幣計值之外匯遠期合約之名義金額指人民幣外匯遠期合約11,530,000港元(2019年：239,492,000港元)。

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

23 按公允值計入其他全面收入之金融資產

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Financial assets at fair value through other comprehensive income	按公允值計入其他全面收入之金融資產		
At 1 April	於4月1日	3,134	6,075
Net fair value loss recorded in equity (Note 30)	於權益入賬之公允價值虧損淨額(附註30)	(769)	(2,941)
At 31 March	於3月31日	2,365	3,134

Financial assets at fair value through other comprehensive income represent common shares issued by a company listed on The Stock Exchange of Hong Kong Limited. The financial assets at fair value through other comprehensive income are denominated in HK\$ and stated at fair values.

按公允值計入其他全面收入之金融資產指在香港聯合交易所有限公司上市之公司發行之普通股。按公允值計入其他全面收入之金融資產以港元計值，並以公允值列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

24 按金、預付款項及其他應收賬項

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Non-current	非即期		
Rental deposits	租金按金	105,672	102,334
Prepayments (Note i)	預付款項 (附註i)	50,612	2,767
		156,284	105,101
Current	即期		
Rental deposits	租金按金	53,737	53,584
Value-added tax recoverable	可收回增值稅	139,612	223,807
Prepayments	預付款項	88,378	88,362
Other receivables (Note ii)	其他應收賬項 (附註ii)	129,049	58,972
Other deposits	其他按金	36,667	49,289
		447,443	474,014
		603,727	579,115

Note:

- (i) As at 31 March 2020, included in non-current prepayment is an amount of HK\$48,013,000, equivalent to RMB44,333,000, prepaid for the acquisition of several commercial properties located in Mainland China.
- (ii) As at 31 March 2020, other receivables included the amount due from HKRH amounting to HK\$20,000,000. Such balance was reclassified from derivative financial instruments (Note 22), of which HK\$30,000,000 was settled during the year ended 31 March 2020.

The carrying amounts of the deposits, prepayments and other receivables approximate their fair values and are denominated in the following currencies:

附註:

- (i) 於2020年3月31日，非流動預付款項中48,013,000港元(相當於人民幣44,333,000元)為有關收購位於中國內地的若干商業物業的預付款項。
- (ii) 於2020年3月31日，其他應收賬項包括應收香港資源控股之款項20,000,000港元。該結餘由衍生金融工具重新分類(附註22)，其中30,000,000港元已於截至2020年3月31日止年度償付。

按金、預付款項及其他應收賬項之賬面值與其公允值相若，並以下列貨幣為單位：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
HK\$	港元	239,995	167,191
RMB	人民幣	300,000	351,606
MOP	澳門元	55,579	48,102
Other currencies	其他貨幣	8,153	12,216
		603,727	579,115

Note 4 sets out the information about the impairment of other receivables and the Group's exposures to credit risk. The Group does not hold any collateral for its deposits and other receivables.

附註4載列有關其他應收賬項之減值及本集團面臨之信貸風險的資料。本集團並無就其按金及其他應收賬項持有任何抵押。

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綜合財務報表附註

25 INVENTORIES

The inventories net of provision are as follow:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Finished goods	製成品	7,491,050	9,248,683
Raw materials	原材料	42,096	72,839
		7,533,146	9,321,522

At 31 March 2020, inventories carried at net realisable value amounted to approximately HK\$379,449,000 (2019: HK\$268,182,000). As at 31 March 2020, the Group recognised inventory provision of HK\$37,945,000 (2019: HK\$26,818,000), resulted in inventory provision amounting to HK\$11,127,000 (2019: HK\$17,612,000) and included in 'cost of sales' in the consolidated income statement.

25 存貨

扣除撥備之存貨如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
於2020年3月31日，按可變現淨值列賬之存貨約為379,449,000港元（2019年：268,182,000港元）。於2020年3月31日，本集團確認存貨撥備37,945,000港元（2019年：26,818,000港元），導致存貨撥備11,127,000港元（2019年：17,612,000港元），並計入於綜合損益表「銷售成本」。			

26 TRADE RECEIVABLES

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Trade receivables	貿易應收賬項	232,309	363,971
Less: Allowance for impairment of trade receivables	減：貿易應收賬項減值撥備	(1,000)	(1,296)
		231,309	362,675

The Group's sales to retail customers comprised mainly cash sales and credit card sales. Concessionaire sales through department stores and sales to wholesale customers are generally on credit terms ranging from 0 to 90 days.

25 貿易應收賬項

本集團向零售客戶銷售主要包括現金銷售及信用卡銷售。百貨商場特許銷售及向批發客戶銷售之信貸期一般介乎0至90日。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 TRADE RECEIVABLES (Continued)

The ageing of trade receivables is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
0 – 30 days	0至30日	163,081	311,167
31 – 60 days	31至60日	6,138	34,784
61 – 90 days	61至90日	49,657	12,103
91 – 120 days	91至120日	8,966	2,214
Over 120 days	超過120日	4,467	3,703
		232,309	363,971
Less: Allowance for impairment of trade receivables	減：貿易應收賬項減值撥備	(1,000)	(1,296)
		231,309	362,675

The carrying amounts of trade receivables approximate their fair values and are denominated in the following currencies:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
HK\$	港元	5,632	133,186
RMB	人民幣	219,620	210,333
MOP	澳門元	3,763	17,578
Other currencies	其他貨幣	2,294	2,874
		231,309	363,971

The credit quality of trade receivables has been assessed by reference to historical default rate of the counterparty. The existing counterparties have not defaulted in the past. The Group does not hold any collateral for its trade receivables. Details are disclosed in Note 4.

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which use a lifetime expected loss allowance for all trade receivables. The Group also continuously monitors the credit risks by assessing the credit quality of respective counterparties. The provision and reversal of provision for impaired receivables was charged to the consolidated income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering the amount.

26 貿易應收賬項 (續)

貿易應收賬項之賬齡如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
0 – 30 days	0至30日	163,081	311,167
31 – 60 days	31至60日	6,138	34,784
61 – 90 days	61至90日	49,657	12,103
91 – 120 days	91至120日	8,966	2,214
Over 120 days	超過120日	4,467	3,703
		232,309	363,971
Less: Allowance for impairment of trade receivables	減：貿易應收賬項減值撥備	(1,000)	(1,296)
		231,309	362,675

貿易應收賬項之賬面值與其公允值相若，並以下列貨幣為單位：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
HK\$	港元	5,632	133,186
RMB	人民幣	219,620	210,333
MOP	澳門元	3,763	17,578
Other currencies	其他貨幣	2,294	2,874
		231,309	363,971

貿易應收賬項信貸質量乃透過參考對手方過往拖欠比率進行評估。現有對手方過往並無拖欠記錄。本集團並無就其貿易應收賬項持有任何抵押。詳情於附註4內披露。

本集團應用香港財務報告準則第9號簡化法計量預期信貸虧損，並就所有貿易應收賬項採用全期預期虧損撥備。本集團亦透過評估有關對手方的信貸質量持續監控信貸風險。計提及撥回已減值應收賬項之撥備乃於綜合損益表扣除。當預期不會收回於撥備賬扣除之金額時，該金額通常予以撇銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 CASH AND CASH EQUIVALENTS

27 現金及現金等價物

		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
Short-term bank deposits, with maturities less than 3 months	到期日少於三個月的短期銀行存款	296,499	224,796
Cash at bank and on hand	銀行現金及手頭現金	2,417,734	1,861,726
Cash and cash equivalents	現金及現金等價物	2,714,233	2,086,522
Maximum exposure to credit risk	最高信貸風險	2,679,248	2,053,966

As at 31 March 2020, the cash and cash equivalents denominated in RMB, amounting to approximately HK\$1,795,305,000 (2019: HK\$1,126,766,000), are held by the Group's subsidiaries in Mainland China. The conversion of the RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the government of the People's Republic of China ("PRC").

於2020年3月31日，以人民幣計值的現金及現金等價物約1,795,305,000港元（2019年：1,126,766,000港元）乃由本集團於中國內地之附屬公司持有。將該等以人民幣計值的結餘換算為外幣須遵守中華人民共和國（「中國」）政府所頒佈之外匯管制規則及規例。

As at 31 March 2020, short-term bank deposits with maturities less than 3 months, amounting to HK\$296,499,000 (2019: HK\$224,796,000) bear an average interest rate of 1.49% (2019: 2.34%) per annum with maturity in April 2020 (2019: in April 2019).

於2020年3月31日，到期日少於三個月的短期銀行存款296,499,000港元（2019年：224,796,000港元）以平均年利率1.49%計息（2019年：2.34%），並於2020年4月（2019年：2019年4月）到期。

28 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

28 貿易應付賬項、其他應付賬項及應計款項

		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	貿易應付賬項	98,440	292,456
Deposits from customers and licensees	來自客戶及品牌商之訂金	389,155	345,269
Salaries and welfare payables	應付薪金及福利	126,054	206,959
Other payables	其他應付賬項	80,378	105,086
Accrued expenses	應計費用	13,834	26,070
		707,861	975,840

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS (Continued)

The ageing of trade payables is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
0 – 30 days	0至30日	73,096	255,580
31 – 60 days	31至60日	17,201	25,396
61 – 90 days	61至90日	7,187	7,908
91 – 120 days	91至120日	617	2,663
Over 120 days	超過120日	339	909
		98,440	292,456

The carrying amounts of the trade payables, other payables and accruals approximate their fair values.

28 貿易應付賬項、其他應付賬項及應計款項 (續)

貿易應付賬項之賬齡如下：

貿易應付賬項、其他應付賬項及應計款項之賬面值與彼等之公允值相若。

29 SHARE CAPITAL AND SHARE PREMIUM (a) Share capital

		2020		2019	
		No. of shares 股份數目	HK\$'000 千港元	No. of shares 股份數目	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之 普通股	800,000,000	80,000	800,000,000	80,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之 普通股	587,107,850	58,710	587,107,850	58,710

(b) Share premium

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At 31 March	於3月31日	2,494,040	2,494,040

29 股本及股份溢價 (a) 股本

(b) 股份溢價

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 RESERVES

30 儲備

		Capital reserve	Capital redemption reserve	Financial assets at fair value through other comprehensive income revaluation reserve	Exchange reserve	Statutory reserves	Other reserves	Retained earnings	Total
		資本儲備	資本贖回儲備	按公允值計入 其他全面收入 之金融資產 重估儲備	匯兌儲備	法定儲備	其他儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i)	(Note iv)			(Note ii)	(Note iii)		
		(附註i)	(附註iv)			(附註ii)	(附註iii)		
For the year ended	截至2019年3月31日止年度								
31 March 2019									
As at 1 April 2018	於2018年4月1日	135,713	200	(5,949)	190,489	92,620	17,569	7,001,374	7,432,016
Comprehensive income	全面收入								
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	-	1,492,747	1,492,747
Other comprehensive income	其他全面收入								
Currency translation differences	匯兌差額	-	-	-	(309,717)	-	-	-	(309,717)
Remeasurement of employee benefit obligations (Note 32(b))	僱員福利責任的重新計量 (附註32(b))	-	-	-	-	-	-	(1,767)	(1,767)
Revaluation of financial assets at fair value through other comprehensive income (Note 23)	按公允值計入其他全面收入之 金融資產價值變動 (附註23)	-	-	(2,941)	-	-	-	-	(2,941)
Total other comprehensive income	其他全面總收入	-	-	(2,941)	(309,717)	-	-	1,490,980	1,178,322
Transactions with owners	與擁有人之交易								
2017/18 final dividend paid	已付2017/18年度末期股息	-	-	-	-	-	-	(322,909)	(322,909)
2018/19 interim dividend paid	已付2018/19年度中期股息	-	-	-	-	-	-	(322,909)	(322,909)
		-	-	-	-	-	-	(645,818)	(645,818)
At 31 March 2019	於2019年3月31日	135,713	200	(8,890)	(119,228)	92,620	17,569	7,846,536	7,964,520
Representing:	指:								
Reserves (excluding proposed dividend)	儲備 (不包括擬派股息)	135,713	200	(8,890)	(119,228)	92,620	17,569	7,494,271	7,612,255
Proposed dividend	擬派股息	-	-	-	-	-	-	352,265	352,265
At 31 March 2019	於2019年3月31日	135,713	200	(8,890)	(119,228)	92,620	17,569	7,846,536	7,964,520

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 RESERVES (Continued)

30 儲備(續)

		Capital reserve	Capital redemption reserve	Financial assets at fair value through other comprehensive income revaluation reserve	Exchange reserve	Statutory reserves	Other reserves	Retained earnings	Total
		資本儲備	資本贖回儲備	按公允值計入 其他全面收入 之金融資產 重估儲備	匯兌儲備	法定儲備	其他儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i)	(Note iv)			(Note ii)	(Note iii)		
		(附註i)	(附註iv)			(附註ii)	(附註iii)		
Representing:	指:								
Reserves	儲備(不包括擬派股息)								
(excluded proposed dividend)		135,713	200	(8,890)	(119,228)	92,620	17,569	7,494,271	7,612,255
Proposed dividend	擬派股息	-	-	-	-	-	-	352,265	352,265
At 31 March 2019	於2019年3月31日	135,713	200	(8,890)	(119,228)	92,620	17,569	7,846,536	7,964,520
For the year ended 31 March 2020	截至2020年3月31日止年度								
At 31 March 2019	於2019年3月31日	135,713	200	(8,890)	(119,228)	92,620	17,569	7,846,536	7,964,520
Change in accounting policies	會計政策變動(附註2.2)	-	-	-	-	-	-	(24,479)	(24,479)
(Note 2.2)									
Restated total equity as at	於2019年4月1日								
1 April 2019	經重列權益總額	135,713	200	(8,890)	(119,228)	92,620	17,569	7,822,057	7,940,041
Comprehensive income	全面收入								
Profit attributable to equity holders	本公司權益持有人應佔溢利	-	-	-	-	-	-	866,315	866,315
of the Company									
Other comprehensive income	其他全面收入								
Currency translation differences	匯兌差額	-	-	-	(341,371)	-	-	-	(341,371)
Remeasurement of employee benefit	僱員福利責任的重新計量								
obligations (Note 32(b))	(附註32(b))	-	-	-	-	-	-	558	558
Revaluation of financial assets at	按公允值計入其他全面收入								
fair value through other	之金融資產價值變動								
comprehensive income (Note 23)	(附註23)	-	-	(769)	-	-	-	-	(769)
Total other comprehensive income	其他全面總收入	-	-	(769)	(341,371)	-	-	558	(341,582)
Transactions with owners	與擁有人之交易								
2018/19 final dividend paid	已付2018/19年度末期股息	-	-	-	-	-	-	(352,265)	(352,265)
2019/20 interim dividend paid	已付2019/20年度中期股息	-	-	-	-	-	-	(293,554)	(293,554)
		-	-	-	-	-	-	(645,819)	(645,819)
At 31 March 2020	於2020年3月31日	135,713	200	(9,659)	(460,599)	92,620	17,569	8,043,111	7,818,955
Representing:	指:								
Reserves	儲備								
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(9,659)	(460,599)	92,620	17,569	7,749,557	7,525,401
Proposed dividend	擬派股息	-	-	-	-	-	-	293,554	293,554
At 31 March 2020	於2020年3月31日	135,713	200	(9,659)	(460,599)	92,620	17,569	8,043,111	7,818,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 RESERVES (Continued)

Notes:

- (i) The capital reserve of the Group arising on shares exchanged on merger represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the Group's reorganisation in 1997.
- (ii) Statutory reserves are non-distributable and the transfers of these funds are determined by the Board of Directors of the relevant Mainland China subsidiaries in accordance with the relevant laws and regulations in Mainland China.
- (iii) Other reserve represents the differences between the fair value of the consideration paid and carrying amount of additional equity interests acquired in non-wholly owned subsidiaries.
- (iv) During the year ended 31 March 2016, the Group purchased 2,000,000 of its shares on Hong Kong Stock Exchange at a total consideration of HK\$29,143,000. All the repurchased shares were cancelled and the issued share capital of the Group was reduced by the nominal value of these shares accordingly. The premium paid on repurchase was charged against the share premium of the Company. An amount equivalent to the nominal value of the shares cancelled was transferred from retained earnings to the capital redemption reserve.

31 DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

30 儲備(續)

附註:

- (i) 本集團按合併會計法計算所產生之資本儲備指本集團於1997年重組時所收購附屬公司之股份面值與就收購發行本公司股份之面值兩者間之差額。
- (ii) 法定儲備乃不可分派，轉撥有關款項乃由相關中國內地附屬公司董事會根據中國內地相關法律及規例決定。
- (iii) 其他儲備指已付代價之公允值與自非全資附屬公司收購的額外股本權益賬面值之差額。
- (iv) 於截至2016年3月31日止年度，本集團以總代價29,143,000港元於香港聯交所購買其2,000,000股股份。所有購回股份均已註銷，而本集團的已發行股本已相應減少該等股份之賬面值。購回所支付的溢價乃自本公司的股份溢價扣除。與已註銷股份面值相等之金額已自保留盈利轉撥至資本贖回儲備。

31 遞延所得稅

延稅項資產及遞延稅項負債之分析如下：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Deferred income tax assets:	遞延所得稅資產：		
- Deferred income tax assets to be recovered after more than 12 months	- 於超過十二個月後將收回的遞延所得稅資產	48,302	35,160
- Deferred income tax assets to be recovered within 12 months	- 於十二個月內將收回的遞延所得稅資產	23,537	19,483
		71,839	54,643
Deferred income tax liabilities:	遞延所得稅負債：		
- Deferred income tax liabilities to be recovered after more than 12 months	- 於超過十二個月後將收回的遞延所得稅負債	(146,498)	(126,631)
- Deferred income tax liabilities to be recovered within 12 months	- 於十二個月內將收回的遞延所得稅負債	(339)	(7,059)
		(146,837)	(133,690)
Deferred income tax liabilities	遞延所得稅負債	(74,998)	(79,047)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 DEFERRED INCOME TAX (Continued)

The gross movements on the deferred income tax account are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At 1 April	於4月1日	(79,047)	(53,600)
Impact of initial adoption of HKFRS 16 (Note 2.2)	首次採納香港財務報告準則第16號之影響 (附註2.2)	4,029	-
At 1 April (restated)	於4月1日 (經重列)	(75,018)	(53,600)
Charged/(credited) to the statement of profit or loss	損益表扣除/(計入)	20	(25,447)
At 31 March	於3月31日	(74,998)	(79,047)

The gross movements in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

(a) Deferred tax liabilities

		Withholding taxes on undistributed profit of subsidiaries 附屬公司未分派溢利之預扣稅 HK\$'000 千港元	Right-of-use assets 使用權資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	(95,720)	-	(95,720)
Charged to the consolidated income statement (Note 11)	綜合損益表扣除 (附註11)	(25,117)	-	(25,117)
At 31 March 2019	於2019年3月31日	(120,837)	-	(120,837)
Impact on initial adoption of HKFRS 16	首次採納香港財務報告準則第16號之影響	-	(111,842)	(111,842)
At 1 April 2019 (restated)	於2019年4月1日 (經重列)	(120,837)	(111,842)	(232,679)
(Charged)/credited to the consolidated income statement (Note 11)	綜合損益表 (扣除)/計入 (附註11)	(21,320)	4,357	(16,963)
At 31 March 2020	於2020年3月31日	(142,157)	(107,485)	(249,642)

31 遞延所得稅 (續)

遞延所得稅賬之變動總額如下:

遞延稅項資產及負債於年內之變動總額 (不計及抵銷相同稅務司法權區內之結餘) 如下:

(a) 遞延稅項負債

	Withholding taxes on undistributed profit of subsidiaries 附屬公司未分派溢利之預扣稅 HK\$'000 千港元	Right-of-use assets 使用權資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
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At 1 April 2018	於2018年4月1日	(95,720)	-	(95,720)
Charged to the consolidated income statement (Note 11)	綜合損益表扣除 (附註11)	(25,117)	-	(25,117)
At 31 March 2019	於2019年3月31日	(120,837)	-	(120,837)
Impact on initial adoption of HKFRS 16	首次採納香港財務報告準則第16號之影響	-	(111,842)	(111,842)
At 1 April 2019 (restated)	於2019年4月1日 (經重列)	(120,837)	(111,842)	(232,679)
(Charged)/credited to the consolidated income statement (Note 11)	綜合損益表 (扣除)/計入 (附註11)	(21,320)	4,357	(16,963)
At 31 March 2020	於2020年3月31日	(142,157)	(107,485)	(249,642)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 DEFERRED INCOME TAX (Continued)

(b) Deferred tax assets

31 遞延所得稅 (續)

(b) 遞延稅項資產

		Tax depreciation allowances and tax losses 稅務折舊撥備 及稅項虧損 HK\$'000 千港元	Unrealised profit on closing inventories 期末存貨 之未變現溢利 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	3,507	38,613	-	42,120
Credited/(charged) to the consolidated income statement (Note 11)	綜合損益表計入/ (扣除) (附註11)	25,079	(25,409)	-	(330)
At 31 March 2019	於2019年3月31日	28,586	13,204	-	41,790
Adjustment on adoption of HKFRS 16	採納香港財務報告 準則第16號之調整	-	-	115,871	115,871
At 1 April 2019 (restated)	於2019年4月1日 (經重列)	28,586	13,204	115,871	157,661
Credited to the consolidated income statement (Note 11)	綜合損益表計入 (附註11)	3,371	10,207	3,405	16,983
At 31 March 2020	於2020年3月31日	31,957	23,411	119,276	174,644

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profit is probable. As at 31 March 2020, the Group had potential unrecognised deferred tax assets amounting to HK\$29,327,000 (2019: HK\$23,450,000) in respect of tax losses to be carried forward against future taxable income. Cumulative tax losses of HK\$104,806,000 (2019: HK\$88,294,000) can be carried forward indefinitely; cumulative tax losses of HK\$32,582,000 (2019: HK\$24,634,000) will expire (if not utilised) within the next five years. The remaining balance of the cumulative tax losses of HK\$7,355,000 (2019: HK\$4,587,000) will expire (if not utilised) in the next seven to twenty years.

遞延所得稅資產乃就結轉之稅項虧損確認，惟須有可能透過日後應課稅溢利將相關稅項利益變現。於2020年3月31日，本集團有潛在未確認遞延稅項資產共29,327,000港元（2019年：23,450,000港元），乃有關將予結轉以抵銷日後應課稅收入之稅項虧損。累計稅項虧損104,806,000港元（2019年：88,294,000港元）可無限期結轉；累計稅項虧損32,582,000港元（2019年：24,634,000港元）倘不動用，則將於未來五年內屆滿。累計稅項虧損的餘下結餘7,355,000港元（2019年：4,587,000港元）倘不動用，則將於未來七年至二十年內屆滿。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT

Under the Hong Kong Employment Ordinance, the Group is obligated to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plan that are attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations. The long service payments are paid out from the Group's cash in hand when such payments are required.

The latest actuarial valuation as at 31 March 2020 and 31 March 2019 specifically designated for the Group's employees was completed by a qualified actuary, Towers Watson Hong Kong Limited, using projected unit credit method.

(a) The amount recognised in the consolidated balance sheet is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Present value of defined benefit obligations	界定福利責任之現值	9,618	10,823

(b) Movements in the net liability recognised in the consolidated balance sheet are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
At 1 April	於4月1日	10,823	8,237
Expenses recognised in the consolidated income statement	於綜合損益表確認之開支	851	847
Remeasurements recognised in other comprehensive income	於其他全面收入確認之重新計量	(558)	1,767
Benefits paid directly by employer	僱主直接支付之福利	(1,498)	(28)
At 31 March	於3月31日	9,618	10,823

32 僱員福利責任 — 長期服務金

根據香港《僱傭條例》，本集團有責任於若干情況下，於已服務本集團最少五年之若干僱員終止受僱時向其支付一次性款項。應付款項乃視乎有關僱員之最後薪金及服務年數而定，並減去本集團退休計劃項下及本集團之供款應佔之累算權益。本集團並無撥出任何資產作為任何餘下責任之資金。於需要支付有關款項時，會自本集團之手頭現金撥款支付長期服務金。

合資格精算師韜睿惠悅香港有限公司以預計單位信貸法完成專為本集團僱員而編製之2020年3月31日及2019年3月31日最新精算評估。

(a) 於綜合資產負債表確認之款項如下：

(b) 於綜合資產負債表確認之負債淨額變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT (Continued)

(c) Expenses charged to the consolidated income statement is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Current service cost	即期服務費	584	635
Interest cost	利息成本	267	212
		851	847

(d) Amount (credited)/charged to in the consolidated statement of comprehensive income is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Remeasurements of employees benefit obligations	僱員福利責任的重新計量	(558)	1,767

(e) The principal actuarial assumptions used as at 31 March 2020 and 2019 (expressed as weighted average) are as follows:

		2020	2019
Discount rate	貼現率	1%	2.5%
Future salary increment	未來薪金增幅	3%	3%
Return of MPF balances	強積金結餘回報率	3%	3%

32 僱員福利責任 — 長期服務金 (續)

(c) 於綜合損益表扣除之開支如下：

(d) 於綜合全面收入報表(計入)／扣除之金額如下：

(e) 於2020年及2019年3月31日使用之主要精算假設(以加權平均呈列)如下：

Impact on employee benefit obligations 對僱員福利責任的影響

	Change in assumption 假設變動	Increase in assumption 假設增加	Decrease in assumption 假設減少
Discount rate 貼現率	0.25%	Decrease by 4.3% 減少4.3%	Increase by 4.6% 增加4.6%
Salary growth rate 薪金增長率	0.25%	Increase by 23.1% 增加23.1%	Decrease by 23.5% 減少23.5%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

以上敏感度分析乃根據假設變動，而所有其他假設維持不變達致。實際上，此情況不大可能發生，一些假設變動可能相關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 BANK BORROWINGS

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Bank borrowings, secured	銀行貸款·有抵押	456,072	983,244
Bank borrowings, unsecured	銀行貸款·無抵押	670,000	871,980
		1,126,072	1,855,224

As at 31 March 2020, bank borrowings of HK\$456,072,000 (2019: HK\$983,244,000) were secured by land and buildings of HK\$490,683,000 (2019: HK\$575,864,000) and investment properties of HK\$85,937,000 (2019: HK\$21,914,000), which bear interest at floating rates ranging from 1.68% – 2.78% (2019: 1.6% – 2.5%) per annum and are denominated in HK\$.

As at 31 March 2020, the bank borrowings of HK\$670,000,000 (2019: HK\$871,980,000) bore interest at floating rates and due for repayment within one month (2019: within two months). The interest rates of the bank borrowing ranged from 2.37%-2.89% (2019: 1.6% – 3.1%) per annum and are denominated in HK\$.

The carrying amounts of the bank borrowings approximate their fair values, as the impact of discounting is not significant due to their short-term maturities.

34 GOLD LOANS

Gold loans are measured at fair value at the end of each reporting period and the change in fair value is recognised in 'Other losses, net' in the consolidated income statement.

As at 31 March 2020, gold loans of HK\$386,739,000 (2019: HK\$450,889,000) represent borrowings from banks of which the repayment amounts are pledged with gold prices.

As at 31 March 2020, the gold loans are interest bearing at 0.65% per annum (2019: 0.90% – 0.98% per annum), with original maturity of 1-3 months (2019: 1 – 3 months) from date of inception.

The net unrealised loss on gold loans arising from change in fair value of HK\$4,751,000 (2019: net unrealised gain of HK\$12,532,000) has been recognised in 'Other losses, net' in the consolidated income statement.

33 銀行貸款

於2020年3月31日，銀行貸款456,072,000港元(2019年：983,244,000港元)乃以土地及樓宇490,683,000港元(2019年：575,864,000港元)及投資物業85,937,000港元(2019年：21,914,000港元)作抵押。該等銀行貸款按浮動利率計息，年利率為1.68%至2.78%(2019年：1.6%至2.5%)，以港元計值。

於2020年3月31日，銀行貸款670,000,000港元(2019年：871,980,000港元)按浮動利率計息且須於1個月內償還(2019年：兩個月內)。銀行貸款年利率為2.37%至2.89%(2019年：1.6%至3.1%)，以港元計值。

因銀行貸款的期限較短，貼現影響不大，因此，銀行貸款之賬面值與其公允值相若。

34 黃金借貸

黃金借貸乃於各報告期末按公允值計量及公允值變動於綜合損益表「其他虧損，淨額」中確認。

於2020年3月31日，黃金借貸386,739,000港元(2019年：450,889,000港元)為銀行貸款，還款金額以黃金價格結算。

於2020年3月31日，黃金借貸按0.65%(2019年：0.90%至0.98%)之年利率計息，原到期日為自其開始日起計1至3個月(2019年：1至3個月)。

黃金借貸公允值變動所產生之未變現虧損淨額為4,751,000港元(2019年：未變現收益淨額12,532,000港元)乃於綜合損益表「其他虧損，淨額」中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED STATEMENT OF CASH FLOWS

35 綜合現金流量表

(a) Reconciliation of operating profit to cash generated from operations: (a) 經營溢利與經營產生之現金對賬：

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,091,061	1,806,363
Amortisation of land use rights (Note 17)	土地使用權攤銷 (附註17)	-	10,944
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊 (附註16)	112,561	112,501
Depreciation of investment properties (Note 18)	投資物業折舊 (附註18)	20,044	3,002
Depreciation of right-of-use assets (Note 19)	使用權資產折舊 (附註19)	484,752	-
Impairment loss on right-of-use assets (Note 19)	使用權資產減值虧損 (附註19)	56,392	-
Impairment loss on property, plant and equipment (Note 16)	物業、廠房及設備減值虧損 (附註16)	8,314	-
Loss on disposal of property, plant and equipment (Note 8)	出售物業、廠房及設備之虧損 (附註8)	15,454	11,034
Provision for long service payment (Note 32(c))	長期服務金撥備 (附註32(c))	851	847
Net reversal of impairment loss/(net impairment loss) on financial assets	金融資產減值虧損撥回淨額 / (減值虧損淨額)	(18,350)	25,442
Net unrealised losses/(gains) on gold loans (Note 9)	黃金借貸之未變現虧損 / (收益)淨額 (附註9)	4,751	(12,532)
Finance income (Note 10)	財務收入 (附註10)	(45,450)	(30,053)
Finance costs (Note 10)	財務費用 (附註10)	63,075	34,253
Fair value gains on convertible bond (Note 9)	可換股債券之公允值收益 (附註9)	(861)	(5,437)
Net unrealised losses on forward exchange contracts (Note 9)	遠期外匯合約之未變現虧損淨額 (附註9)	22	3,929
Share of results of associates (Note 20)	應佔聯營公司業績 (附註20)	47,080	42,479
Operating profit before working capital changes	營運資金變動前經營溢利	1,839,696	2,002,772
(Increase)/decrease in rental deposits	租金按金 (增加) / 減少	(3,491)	6,411
Decrease/(increase) in inventories	存貨減少 / (增加)	1,539,964	(1,613,311)
Decrease/(increase) in trade receivables, deposits, prepayments and other receivables	貿易應收賬項、按金、預付款項及其他應收賬項減少 / (增加)	262,509	(212,446)
(Increase)/decrease in amount due from/to associates, net	應收 / 應付聯營公司款項 (增加) / 減少淨額	(989)	9,255
Decrease in trade payables, other payables and accruals and contract liabilities	貿易應付賬項、其他應付賬項及應計款項及合約負債減少	(272,826)	(4,328)
Decrease in employee benefit obligations (Note 32(b))	僱員福利責任減少 (附註32(b))	(1,498)	(28)
Net cash generated from operation	營運產生之現金淨額	3,363,365	188,325

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Significant non-cash transactions

During the year ended 31 March 2020, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$517,637,000 and HK\$512,838,000 respectively, in respect of lease arrangements for properties (2019: Nil).

(c) Net debt reconciliation

Below sets out an analysis of net debt and movements in net debt for each year:

		2020	2019
		Total	Total
		總計	總計
		HK\$'000	HK\$'000
		千港元	千港元
Gold loans with cash settlement	現金交割的黃金借貸	386,739	450,889
Bank borrowings	銀行貸款	1,126,072	1,855,224
Lease liabilities	租賃負債	753,055	-
Net debt	債務淨額	2,265,866	2,306,113

35 綜合現金流量表 (續)

(b) 重大非現金交易

截至2020年3月31日止年度，本集團就物業租賃安排有非現金添置使用權資產及租賃負債分別為517,637,000港元及512,838,000港元(2019年：無)。

(c) 債務淨額對賬

下表呈列各年度債務淨額分析及債務淨額的變動：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(c) Net debt reconciliation (Continued)

Liabilities from financing activities:

35 綜合現金流量表 (續)

(c) 債務淨額對賬 (續)

融資活動產生的負債：

		Gold loans with cash settlement 現金交割的 黃金借貸 HK\$'000 千港元	Bank borrowings 銀行貸款 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	140,692	415,000	–	555,692
Net cash inflows – financing activities	現金流入淨額 — 融資活動	322,729	1,440,224	–	1,762,953
Unrealised gains on gold loans	黃金借貸之未變現 收益	(12,532)	–	–	(12,532)
At 31 March 2019 and 1 April 2019	於2019年3月31日 及2019年4月1日	450,889	1,855,224	–	2,306,113
Effect of adoption of HKFRS 16 (Note 2.2(c))	採納香港財務報告 準則第16號之影 響 (附註2.2(c))	–	–	715,255	715,255
At 1 April 2019, as restated	於2019年4月1日 (經重列)	450,889	1,855,224	715,255	3,021,368
Net cash outflows – financing activities	現金流出淨額 — 融資活動	(68,901)	(729,152)	(497,918)	(1,295,971)
Additions	添置	–	–	512,838	512,838
Exchange difference	匯兌差額	–	–	(4,849)	(4,849)
Unrealised losses on gold loans	黃金借貸之未變現 虧損	4,751	–	–	4,751
Unwinding interest	撥回利息	–	–	27,729	27,729
At 31 March 2020	於2020年3月31日	386,739	1,126,072	753,055	2,265,866

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 COMMITMENTS

(a) Capital commitments

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Contracted but not provided for:	已訂約但未作出撥備：		
– property, plant and equipment	– 物業、廠房及設備	5,371	11,090
– investment in financial assets at fair value through other comprehensive income	– 投資按公允值計入 其他全面收入之 金融資產	6,065	6,456
Total capital commitments contracted but not provided for	已訂約但未作出撥備之 資本承擔總額	11,436	17,546

As at 31 March 2020 and 31 March 2019, there are no capital commitments which are authorised but not contracted for.

As at 31 March 2020, the Group had entered into properties lease agreements in respect of right-of-use assets and lease liabilities of HK\$29,292,000 which are contracted but not yet commenced.

(b) Commitments under short-term leases

As at 31 March 2020, the Group had commitments under short-term leases of HK\$5,246,000 which will be recognised as an expense in the forthcoming consolidated income statement.

36 承擔

(a) 資本承擔

於2020年3月31日及2019年3月31日，並無已授權但未訂約之資本承擔。

於2020年3月31日，本集團已就使用權資產及租賃負債29,292,000港元訂立物業租賃協議，有關協議已訂約惟尚未開始。

(b) 短期租賃承擔

於2020年3月31日，本集團之短期租賃承擔5,246,000港元將於即將刊發之綜合損益表內確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 FINANCIAL GUARANTEE

As at 31 March 2020, the Group issued corporate financial guarantee amounting to HK\$1,075,000,000 (2019: HK\$1,075,000,000) to several banks in respect of 50% of the aggregated amount of bank facilities granted to an associate. As at 31 March 2020, the bank facilities utilised by the associate is approximately HK\$1,678,000,000 (2019: HK\$1,834,000,000).

During the year ended 31 March 2020, the other guarantor of the above banking facilities of the associates has failed to comply with certain undertakings as stipulated in the agreements with certain banks and such non-compliance may cause an event of default or cross-default in respect of other bank borrowings of the associate. The associate has subsequently obtained written letters and confirmations from the relevant banks to waive their rights arising from the non-compliance of this guarantor's undertaking and to confirm that no event of default has occurred.

As at 31 March 2020 and 2019, the Group did not recognise any liabilities in respect of such corporate financial guarantees as the amounts of loss allowance determined in accordance with expected credit loss model under HKFRS 9 at 31 March 2019 and 2020 are insignificant.

38 RELATED PARTY TRANSACTIONS

The major shareholder of the Company is Luk Fook (Control) Limited ("Luk Fook Control"), a company incorporated in the BVI, which directly owns 39.89% of the Company's shares. The remaining shares of the Company are widely held.

Mr. WONG Wai Sheung and Ms. LUK Chui Yee are the founders and settlors of The WS WONG Family Trust (the "Trust"). Mr. WONG Wai Sheung, Ms. LUK Chui Yee, Mr. WONG Ho Lung, Danny and Ms. WONG Lan Sze, Nancy are the discretionary beneficiaries under the Trust. The Trust was interested in 235,696,722 shares in the Company, comprising (i) the 1,511,050 shares in the Company held by the Trust and (ii) the 234,185,672 shares in the Company attributable to Luk Fook (Control) Limited. The Trust indirectly controls over one-third of the voting power of Luk Fook (Control) Limited (being approximately 46.29%) and is therefore deemed to be interested in the shares held by Luk Fook (Control) Limited in the Company.

Mr. WONG Wai Sheung, Mr. WONG Ho Lung, Danny and Miss WONG Lan Sze, Nancy are directors of the Company.

37 財務擔保

於2020年3月31日，本集團就授予一家聯營公司的銀行融資總額之50%向若干銀行發出公司財務擔保為1,075,000,000港元（2019年：1,075,000,000港元）。於2020年3月31日，聯營公司已動用銀行融資為約1,678,000,000港元（2019年：1,834,000,000港元）。

截至2020年3月31日止年度，聯營公司上述銀行融資之其他擔保人未遵守與若干銀行之協議所規定之若干承諾，而有關未遵守情況可能導致聯營公司其他銀行貸款之違約或交叉違約事件。聯營公司其後自相關銀行獲得書面函件及確認書，放棄其因有關擔保人未有遵守該承諾而享有之權利，並確認並未發生違約事件。

於2020年及2019年3月31日，本集團並無就該等公司財務擔保確認任何負債，原因為於2019年及2020年3月31日，根據香港財務報告準則第9號項下之預期信貸虧損模式釐定之虧損撥備金額並不重大。

38 關連人士之交易

本公司之主要股東為六福（控股）有限公司（「六福控股」），為於英屬維爾京群島註冊成立之公司，直接擁有本公司39.89%股份。本公司餘下股份分散持有。

黃偉常先生及陸翠兒女士為The WS WONG Family Trust（「信託」）的創辦人及委託人。黃偉常先生、陸翠兒女士、黃浩龍先生及黃蘭詩女士為信託的全權受益人。信託擁有本公司235,696,722股股份的權益，包括(i)信託於本公司持有之1,511,050股股份及(ii)六福（控股）有限公司應佔之本公司234,185,672股股份。信託間接控制六福（控股）有限公司超過三分之一投票權（即約46.29%），並因此被視為於六福（控股）有限公司於本公司持有之股份中擁有權益。

黃偉常先生、黃浩龍先生及黃蘭詩小姐均為本公司董事。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 RELATED PARTY TRANSACTIONS (Continued)

Save as disclosed elsewhere in the financial statements, the significant related party transactions are disclosed as follows. The transactions with related parties were conducted in the ordinary and usual course of business in accordance with terms agreed between the Group and its related parties.

(a) Significant related party transactions

Name 名稱	Nature 性質	Year ended 31 March 截至3月31日止年度	
		2020 HK\$'000 千港元	2019 HK\$'000 千港元
GS Tech Company Limited# 金星資訊顧問有限公司#	License fees 特許權費用	1,103	2,588
	Maintenance services fees 維修服務費	4,459	4,931
	Rental expenses 租金開支	-	611
	Rental income 租金收入	167	228
New Merit Corporation Limited*	Rental expense 租金開支	-	8,504
	Interest expenses of lease liabilities 租賃負債之利息開支	387	-
	Addition of right-of-use assets 添置使用權資產	8,706	-

38 關連人士之交易 (續)

除財務報表其他部分所披露者外，重大關連人士交易披露如下。與關連人士之交易乃於一般及日常業務過程中按照本集團與關連人士協定之條款進行。

(a) 重大關連人士交易

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 RELATED PARTY TRANSACTIONS (Continued)

(a) Significant related party transactions (Continued)

Name 名稱	Nature 性質	Year ended 31 March 截至3月31日止年度	
		2020 HK\$'000 千港元	2019 HK\$'000 千港元
China Gold Silver Group Company Limited 中國金銀集團有限公司	Sales of goods 銷售貨品	10,242	19,020
	Purchases of goods 購貨	1,115	875
	Sales of fixed assets 銷售固定資產	-	619
	Rental income 租金收入	4,556	3,525
	Licensing fee refund 已退品牌業務費用	(9)	(859)
	Interest income on the loan to an associate (Note 10) 貸款予一家聯營公司之利息 收入(附註10)	792	379
	Luk Fook Diamond Company Limited 六福鑽石有限公司	Subcontracting fee paid 已付分包費用	8,084
	Management fee income 管理費收入	619	764
	Rental income 租金收入	373	386

The company is 92% owned by a family trust of which Mr. WONG Wai Sheung and his family members are discretionary beneficiaries.

* The company is jointly controlled by Mr WONG Wai Sheung and other two independent third parties.

During the year ended 31 March 2020, the Group entered agreements with a director to borrow physical gold of 300kg (2019: Nil) amounting to approximately HK\$113,762,000 (2019: Nil) with interest bearing at 0.60% per annum. Such borrowings were fully settled as at 31 March 2020 and related interest expense was HK\$174,000 (2019: Nil).

38 關連人士之交易(續)

(a) 重大關連人士交易(續)

該公司其92%權益由黃偉常先生及其家庭成員為全權受益人之家族信託擁有。

* 該公司由黃偉常先生及另外兩名獨立第三方共同控制。

截至2020年3月31日止年度，本集團與一名董事訂立協議，以借入實物黃金300公斤(2019年：無)，金額約為113,762,000港元(2019年：無)，按年利率0.60%計息。該借貸已於2020年3月31日悉數清償及相關利息開支為174,000港元(2019年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 RELATED PARTY TRANSACTIONS (Continued) 38 關連人士之交易 (續)

(b) Year-end balances (b) 年終結餘

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Loan to an associate – non-current (Note 21)	貸款予一家聯營公司 – 非即期 (附註21)	–	99,208
Amount due from an associate (Note 20(i))	應收一家聯營公司賬項 (附註20(i))	1,372	3,078
Amount due to an associate (Note 20(i))	應付一家聯營公司賬項 (附註20(i))	(20)	(2,715)
Rental deposit related to a related company	有關一家關連公司之租金按金	2,550	2,550
Lease liabilities related to a related company	有關一家關連公司之租賃負債	8,483	–

(c) Key management compensation

Key management includes directors (executive and non-executive) and senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

(c) 主要管理層酬金

主要管理層包括本集團董事(執行及非執行董事)及高級管理人員。就僱員服務已付或應付主要管理層之酬金如下:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Salaries, allowances and benefits-in-kinds	薪金、津貼及實物利益	54,155	65,226
Performance and discretionary bonuses	按表現酌情發放之花紅	22,440	38,888
Contributions to pension plan	退休金計劃供款	596	595
		77,191	104,709

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 SUBSIDIARIES

At 31 March 2020, the Company had the following principal subsidiaries:

39 附屬公司

於2020年3月31日，本公司之主要附屬公司如下：

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
Luk Fook Investment (B.V.I.) Limited	The BVI 英屬維爾京群島	Investment holding 投資控股	HK\$2 2港元	100	-	-
China Gems Laboratory Limited 中華珠寶鑑定中心有限公司	Hong Kong 香港	Authentication of gemstones 寶石鑑證	HK\$2 2港元	-	100	-
Fancy Trend Investment Limited 嘉旋投資有限公司	Hong Kong 香港	Property holding 持有物業	HK\$12,100 12,100港元	-	100	-
Ice Collection (International) Limited 冰姿(國際)有限公司	Hong Kong 香港	Retailing of gold and jewellery products 金飾珠寶產品零售業務	HK\$100 100港元	-	100	-
Jewellworld.com Limited 珠寶世界(B.V.I.)有限公司	The BVI 英屬維爾京群島	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務	HK\$8,000,000 8,000,000港元	-	51	49
Jewellworld.com Limited 珠寶世界(香港)有限公司	Hong Kong 香港	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務	HK\$100 100港元	-	51	49
Luk Fook Bullions Dealers Limited 六福金號有限公司	Hong Kong 香港	Gold bullion trading 買賣純金條	HK\$14,000,000 14,000,000港元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 SUBSIDIARIES (Continued)

39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例	本公司所持普通股比例	非控股權益所持普通股比例
				直接	間接	
Luk Fook Holdings Company Limited 六福集團有限公司	Hong Kong 香港	Provision of management services to group companies and wholesale distribution of gold and jewellery products 提供管理服務予集團公司及批發分銷黃金及珠寶產品	HK\$2 2港元	-	100	-
Luk Fook Jewellery & Goldsmith (Australia) Pty Limited	Australia 澳洲	Retailing of gold and jewellery products in Australia 於澳洲從事黃金及珠寶產品零售業務	AU\$100,000 100,000澳元	-	100	-
Luk Fook Jewellery & Goldsmith (HK) Company Limited 六福珠寶金行(香港)有限公司	Hong Kong 香港	Retailing of gold and jewellery products 黃金及珠寶產品零售業務	HK\$100 100港元	-	100	-
Luk Fook Jewellery & Goldsmith (Macao) Company Limited 六福珠寶金行(澳門)有限公司	Macau 澳門	Retailing of gold and jewellery products in Macau 於澳門從事黃金及珠寶產品零售業務	MOP1,000,000 1,000,000澳門元	-	100	-
Luk Fook Jewellery & Goldsmith (Canada) Limited	Canada 加拿大	Retailing of gold and jewellery products in Canada 於加拿大從事黃金及珠寶產品零售業務	CA\$100 100加拿大元	-	100	-
Luk Fook Jewellery & Goldsmith (Singapore) Pte. Limited	Singapore 新加坡	Retailing of gold and jewellery products in Singapore 於新加坡從事黃金及珠寶產品零售業務	S\$1,000,000 1,000,000新加坡元	-	100	-
Luk Fook Jewellery & Goldsmith (USA) Company Limited	USA 美國	Retailing of gold and jewellery products in USA 於美國從事黃金及珠寶產品零售業務	USD100 100美元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 SUBSIDIARIES (Continued)

39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益 所持普通股 比例
				直接	間接	
Luk Fook 3D Management Company Limited 六福3D管理有限公司	The BVI 英屬維爾京群島	Investment holding 投資控股	HK\$1 1港元	-	100	-
Max Forum Development Limited 溢富發展有限公司	Hong Kong 香港	Property holding 持有物業	HK\$100 100港元	-	100	-
Maxigood Enterprises Limited 萬利佳企業有限公司	Hong Kong 香港	Manufacturing and wholesale distribution of jewellery products 製造及批發分銷珠寶產品	HK\$3,000,000 3,000,000港元	-	100	-
廣州利盈首飾有限公司+	PRC 中國	Property holding in PRC 於中國持有物業	HK\$35,000,000 35,000,000港元	-	100	-
六福鑽石(上海)有限公司+	PRC 中國	Wholesale of polished diamond in PRC 於中國批發經打磨之鑽石	USD200,000 200,000美元	-	100	-
六福珠寶(北京)有限公司+	PRC 中國	Retailing of gold and jewellery products in Beijing, PRC 於中國北京從事黃金及珠寶產品零售業務	HK\$29,750,000 29,750,000港元	-	100	-
廣州六福營銷策劃有限公司+	PRC 中國	Trademark licensing, brand building and promotion in PRC 於中國從事商標授權、創建及推廣品牌	HK\$2,000,000 2,000,000港元	-	100	-
六福珠寶營銷策劃(深圳)有限公司+	PRC 中國	Trademark licensing, brand building and promotion in PRC 於中國從事商標授權、創建及推廣品牌	HK\$8,000,000 8,000,000港元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 SUBSIDIARIES (Continued)

39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益 所持普通股 比例
				直接	間接	
六福飾品設計(重慶)有限公司+	PRC 中國	Manufacturing, wholesale of gold and jewellery products in PRC 於中國從事製造及批發黃金及珠寶產品	HK\$50,000,000 50,000,000港元	-	100	-
六福珠寶首飾(重慶)有限公司+	PRC 中國	Retailing of gold and jewellery products in PRC 於中國從事黃金及珠寶產品零售業務	HK\$50,000,000 50,000,000港元	-	100	-
六福營銷策劃(重慶)有限公司+	PRC 中國	Trademark licensing, brand building, promotion and provision of quality examination services in PRC 於中國從事商標授權·創建及推廣品牌以及提供質量鑑定服務	HK\$3,000,000 3,000,000港元	-	100	-
重慶六福世家珠寶加工有限公司+	PRC 中國	Manufacturing of gold products in PRC 於中國製造黃金產品	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶瑞雲廊珠寶首飾有限公司+	PRC 中國	Wholesale of polished diamond and jewellery products in PRC 於中國批發經打磨鑽石及珠寶產品	RMB10,000,000 人民幣10,000,000元	-	100	-
六福珠寶(廣州)有限公司+	PRC 中國	Manufacturing, wholesale of gold and jewellery products in PRC 於中國從事製造及批發黃金及珠寶產品	RMB65,500,000 人民幣65,500,000元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 SUBSIDIARIES (Continued)

39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
廣州六福時尚珠寶有限公司	PRC 中國	Manufacturing of gold products in PRC 於中國製造黃金產品	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶福華珠寶首飾有限公司	PRC 中國	Retailing of gold and jewellery products in PRC 於中國從事黃金及珠寶產品零售業務	RMB50,000,000 人民幣50,000,000元	-	51	49
太原六福珠寶有限公司+	PRC 中國	Retailing of gold and jewellery products in PRC 於中國從事黃金及珠寶產品零售業務	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶六福電子商務有限公司+	PRC 中國	Electronic retailing of gold and jewellery products in PRC 於中國從事黃金及珠寶產品電子零售業務	RMB5,000,000 人民幣5,000,000元	-	100	-
Luk Fook Prestige (Malaysia) SDN. BHD.	Malaysia 馬來西亞	Retailing of gold and jewellery products in Malaysia 於馬來西亞從事黃金及珠寶產品零售業務	MYR2,000,000 2,000,000 馬來西亞令吉	-	100	-
Bright Billion Corporation Limited 億輝行有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-
Green Rich Corporation Limited 富翠有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-
Talent Up Corporation Limited 傑全有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-
Ultra Power Corporation Limited 越能有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 SUBSIDIARIES (Continued)

39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益 所持普通股 比例
				直接	間接	
六福珠寶(西安)有限公司	PRC 中國	Electronic retailing of gold and jewellery products in PRC 於中國從事黃金及珠寶產品電子零售業務	RMB1,000,000 人民幣1,000,000元	-	100	-
廣州甜美時尚營銷策劃有限公司	PRC 中國	Electronic retailing of gold and jewellery products in PRC 於中國從事黃金及珠寶產品電子零售業務	RMB1,000,000 人民幣1,000,000元	-	100	-
廣州金飾魅力營銷策劃有限公司	PRC 中國	Trademark licensing, brand building, promotion and provision of quality examination services in PRC 於中國從事商標授權、創建及推廣品牌以及提供質量鑑定服務	RMB1,000,000 人民幣1,000,000元	-	100	-

+ The subsidiaries are established as wholly foreign-owned enterprises in PRC.

+ 該等附屬公司為於中國成立之全外資企業。

Unless otherwise stated, all the above companies operate principally in Hong Kong.

除另有說明者外，上述所有公司均主要於香港經營業務。

The above list includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為，上表所列本公司附屬公司主要對本年度業績構成影響或構成本集團資產淨值之主要部分。董事認為，提供其他附屬公司之詳情會令信息過於冗長。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 BALANCE SHEET OF THE COMPANY

40 本公司之資產負債表

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
ASSETS	資產		
Non-current asset	非流動資產		
Interests in subsidiaries	於附屬公司之權益	3,138,225	3,138,225
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司賬項	3,170,439	2,852,041
Deposits, prepayment and other deposits	按金、預付款項及 其他按金	75	-
Cash and bank balances	現金及銀行結餘	126,376	154,889
		3,296,890	3,006,930
Total assets	總資產	6,435,115	6,145,155
EQUITY	權益		
Capital and reserve attributable to the equity holders of the Company	本公司權益持有人應佔資本及儲備		
Share capital	股本	58,710	58,710
Share premium	股份溢價	2,494,040	2,494,040
Reserves (Note a)	儲備(附註a)	1,053,250	1,101,163
		3,606,000	3,653,913
LIABILITIES	負債		
Current liabilities	流動負債		
Accruals	應計款項	1,229	1,277
Amounts due to subsidiaries	應付附屬公司款項	1,867,333	1,288,602
Bank borrowings	銀行貸款	758,000	900,000
Gold loans	黃金借貸	202,553	301,363
		2,829,115	2,491,242
Total equity and liabilities	權益及負債總額	6,435,115	6,145,155

The balance sheet of the Company was approved by the Board of Directors on 26 June 2020 and was signed on its behalf by the following directors:

本公司資產負債表乃由董事會於2020年6月26日批准並經由下列董事代表簽署：

WONG Wai Sheung
黃偉常
Director
董事

CHAN So Kuen
陳素娟
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 BALANCE SHEET OF THE COMPANY

(Continued)

Note (a) Reserves movement of the Company

40 本公司之資產負債表(續)

附註(a)本公司儲備變動

		Contributed surplus 實繳盈餘 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
For the year ended 31 March 2020	截至2020年3月31日 止年度				
At 1 April 2019	於2019年4月1日	298,687	200	802,276	1,101,163
Profit for the year	年內溢利	-	-	597,906	597,906
2018/19 final dividend paid	已付2018/19年度 末期股息	-	-	(352,265)	(352,265)
2019/20 interim dividend paid	已付2019/20年度 中期股息	-	-	(293,554)	(293,554)
At 31 March 2020	於2020年3月31日	298,687	200	754,363	1,053,250
Representing:	指:				
Reserves (excluded proposed dividend)	儲備(不包括 擬派股息)	298,687	200	460,809	759,696
Proposed dividend	擬派股息	-	-	293,554	293,554
At 31 March 2020	於2020年3月31日	298,687	200	754,363	1,053,250
For the year ended 31 March 2019	截至2019年3月31日 止年度				
At 1 April 2018	於2018年4月1日	298,687	200	750,871	1,049,758
Profit for the year	年內溢利	-	-	697,223	697,223
2017/18 final dividend paid	已付2017/18年度 末期股息	-	-	(322,909)	(322,909)
2018/19 interim dividend paid	已付2018/19年度 中期股息	-	-	(322,909)	(322,909)
At 31 March 2019	於2019年3月31日	298,687	200	802,276	1,101,163
Representing:	指:				
Reserves (excluded proposed dividend)	儲備(不包括擬 派股息)	298,687	200	450,011	748,898
Proposed dividend	擬派股息	-	-	352,265	352,265
At 31 March 2019	於2019年3月31日	298,687	200	802,276	1,101,163

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 BALANCE SHEET OF THE COMPANY

(Continued)

Note (a) Reserves movement of the Company (Continued)

The contributed surplus of the Company represents the difference between the nominal value of the shares issued by the Company in exchange for all the issued ordinary shares of Luk Fook Investment (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired by the Company during the Group's reorganisation in 1997. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders, provided that the Company would, after the payment of dividends out of the contributed surplus, be able to pay its liabilities as they become due; or the realisable value of the Company's assets would thereby not be less than the aggregate of its liabilities, its issued share capital and its share premium. At the Group level, the contributed surplus is reclassified into its component of reserves of the underlying subsidiaries.

40 本公司之資產負債表(續)

附註(a) 本公司儲備變動(續)

本公司之實繳盈餘指本公司為交換Luk Fook Investment (B.V.I.) Limited全部已發行普通股而發行股份之面值與本公司於1997年本集團重組期間所收購相關附屬公司之資產淨值兩者之差額。根據百慕達《1981年公司法》(經修訂)，實繳盈餘可派發予股東，惟本公司自實繳盈餘派付股息後，須能於負債到期時支付債務；或本公司之資產可變現值據此不會少於其債務、其已發行股本及其股份溢價之總和。就本集團層面而言，此實繳盈餘重新分類為各相關附屬公司之儲備部分。

CORPORATE INFORMATION

企業資料

DIRECTORS

Executive Directors:

Mr. WONG Wai Sheung (*Chairman and Chief Executive Officer*)
Mr. TSE Moon Chuen (*Deputy Chairman*)
Ms. WONG Hau Yeung
Ms. WONG Lan Sze, Nancy
Dr. CHAN So Kuen

Non-executive Directors:

Mr. WONG Ho Lung, Danny (*Deputy Chairman*)
Ms. YEUNG Po Ling, Pauline
Mr. HUI Chiu Chung, JP
Mr. LI Hon Hung, BBS, MH, JP

Independent Non-executive Directors:

Mr. TAI Kwok Leung, Alexander
Mr. IP Shu Kwan, Stephen, GBS, JP
Mr. MAK Wing Sum, Alvin
Ms. WONG Yu Pok, Marina, JP
Mr. HUI King Wai

COMPANY SECRETARY

Dr. CHAN So Kuen

LEGAL ADVISERS

Baker & McKenzie
K&L Gates
Cleary Gottlieb Steen & Hamilton (Hong Kong)

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

Registered Public Interest Entity Auditor
22/F Prince's Building
Central, Hong Kong

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

15th, 20th, 25th & 27th Floor
Metropole Square
No.2 On Yiu Street, Shatin
New Territories, Hong Kong
Tel: (852) 2308 1218
Fax: (852) 2374 1696
E-mail: group@lukfook.com
Website: lukfook.com

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
MUFG Bank, Ltd.
DBS Bank (Hong Kong) Limited
Citibank, N.A. Hong Kong Branch

SHARE REGISTRAR

Ocorian Management (Bermuda) Limited

SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

董事

執行董事:

黃偉常先生 (*主席兼行政總裁*)
謝滿全先生 (*副主席*)
王巧陽女士
黃蘭詩女士
陳素娟博士

非執行董事:

黃浩龍先生 (*副主席*)
楊寶玲女士
許照中太平紳士
李漢雄BBS·MH太平紳士

獨立非執行董事:

戴國良先生
葉澍堃GBS太平紳士
麥永森先生
黃汝璞太平紳士
許競威先生

公司秘書

陳素娟博士

法律顧問

貝克·麥堅時律師事務所
高蓋茨律師事務所
佳利(香港)律師事務所

核數師

羅兵咸永道會計師事務所
執業會計師

註冊公眾利益實體核數師
香港中環
太子大廈22樓

註冊辦事處

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

總辦事處及主要營業地點

香港新界
沙田安耀街2號
新都廣場
15、20、25及27樓
電話: (852) 2308 1218
傳真: (852) 2374 1696
電郵: group@lukfook.com
網址: lukfook.com

主要往來銀行

恒生銀行有限公司
香港上海滙豐銀行有限公司
三菱UFJ銀行
星展銀行(香港)有限公司
花旗銀行香港分行

股份登記處

Ocorian Management (Bermuda) Limited

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716室



六福集團(國際)有限公司
LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

香港新界沙田安耀街2號新都廣場27樓

Floor 27, Metropole Square, No.2 On Yiu Street, Shatin, New Territories, Hong Kong

Tel : (852) 2308 1218 Fax : (852) 2374 1696

Website : lukfook.com

E-mail : group@lukfook.com

