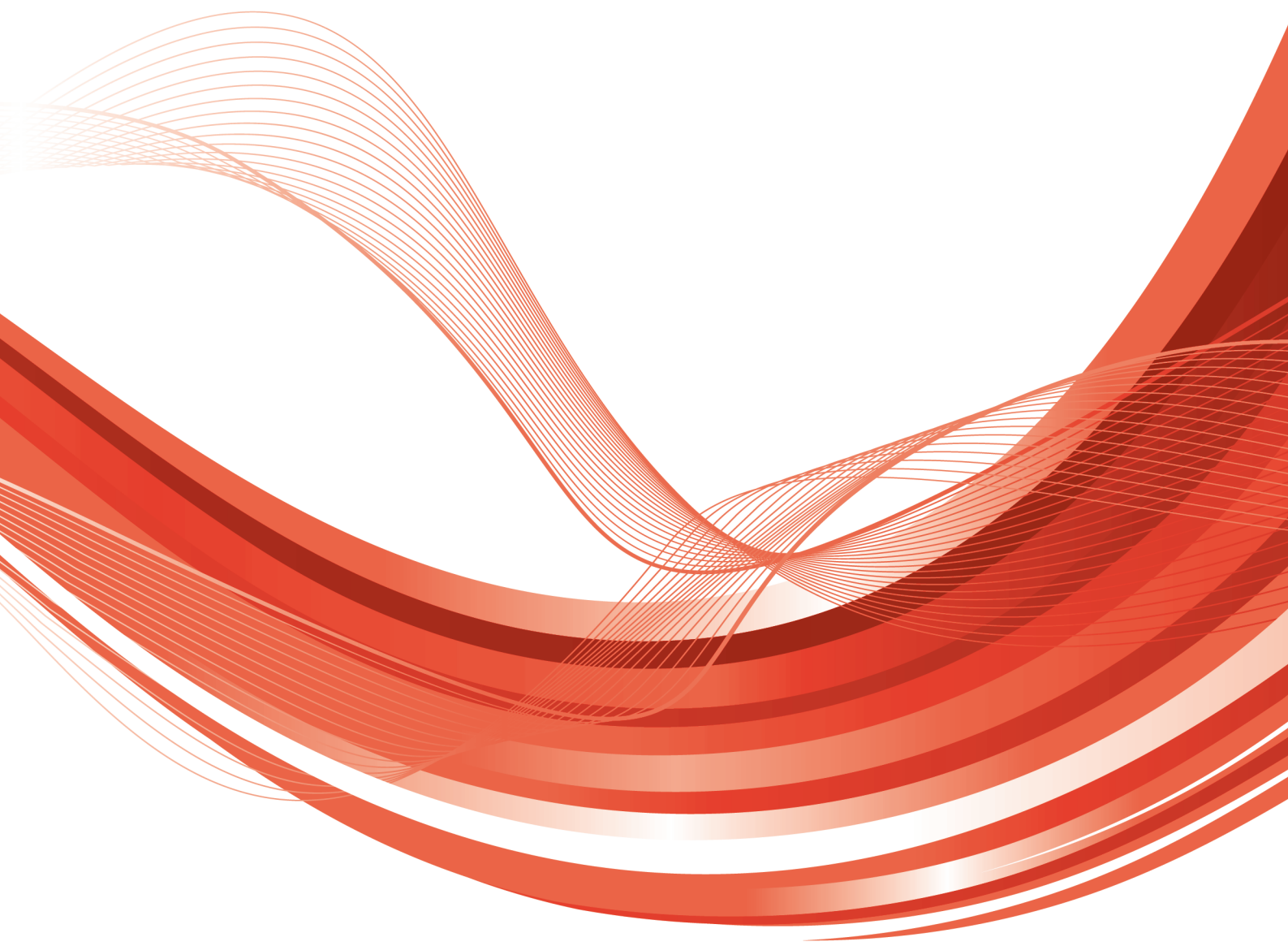


Dominate Group Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號 : 8537



2018/19

Annual Report 年報

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

香港聯合交易所有限公司(「聯交所」) GEM 的特色

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Main Board. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of Dominate Group Holdings Company Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

GEM 乃為較其他於主板上市的公司帶有更高投資風險的中小型公司提供一個上市的市場。有意投資者應了解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。

考慮到 GEM 上市公司一般為中小型公司，在 GEM 買賣的證券可能會較於主板買賣的證券承受較大的市場波動風險，同時無法保證在 GEM 買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及香港聯合交易所有限公司(「聯交所」)對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並表明概不就本報告全部或任何部分內容而產生或因依賴該等內容而引致的任何損失承擔任何責任。

本報告乃根據聯交所 GEM 證券上市規則(「GEM 上市規則」)而提供有關 Dominate Group Holdings Company Limited (「本公司」，連同其附屬公司，統稱為「本集團」)的董事(「董事」)的資料，董事願就本報告所載資料共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在所有重大方面均屬真確完整，並無誤導或欺詐成份，及並無遺漏其他事項，致使本報告中任何陳述或本報告有所誤導。

CONTENTS

目錄

CORPORATE INFORMATION	公司資料	2
CHAIRMAN'S STATEMENT	主席報告書	5
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	6
BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT	董事及高級管理層的履歷詳情	16
CORPORATE GOVERNANCE REPORT	企業管治報告	20
REPORT OF DIRECTORS	董事會報告	35
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19	環境、社會及管治報告 2018/19	53
INDEPENDENT AUDITOR'S REPORT	獨立核數師報告	90
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	綜合損益及其他全面收益表	97
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	綜合財務狀況表	99
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合權益變動表	101
CONSOLIDATED STATEMENT OF CASH FLOWS	綜合現金流量表	102
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	綜合財務報表附註	104
FINANCIAL SUMMARY	財務概要	184

CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Fu Chun Keung (*Chairman and Chief Executive Officer*)
Ms. Cheung Lai Yuk
Ms. Fu Wan Ling

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick
Mr. Chan Chi Ming Tony

AUDIT COMMITTEE

Mr. Chan Chi Ming Tony (*Chairman*)
Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick

REMUNERATION COMMITTEE

Mr. Chan Chi Ming Tony (*Chairman*)
Mr. Fu Chun Keung
Mr. Wong Wing Keung Meyrick

NOMINATION COMMITTEE

Mr. Fu Chun Keung (*Chairman*)
Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick

COMPANY SECRETARY

Ms. So Shuk Yi Betty (*ACIS, ACS*)

COMPLIANCE OFFICER

Ms. Cheung Lai Yuk

AUTHORISED REPRESENTATIVES

Mr. Fu Chun Keung
Ms. So Shuk Yi Betty

執行董事

傅鎮強先生(*主席兼行政總裁*)
張麗玉女士
傅雲玲女士

獨立非執行董事

陳昌達先生
王泳強先生
陳子明先生

審核委員會

陳子明先生(*主席*)
陳昌達先生
王泳強先生

薪酬委員會

陳子明先生(*主席*)
傅鎮強先生
王泳強先生

提名委員會

傅鎮強先生(*主席*)
陳昌達先生
王泳強先生

公司秘書

蘇淑儀女士(*ACIS, ACS*)

合規主任

張麗玉女士

授權代表

傅鎮強先生
蘇淑儀女士

CORPORATE INFORMATION

公司資料

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核數師

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合規顧問

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法律顧問

有關香港法律
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邁普達律師事務所(香港)有限法律責任合夥
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中環中心53樓

主要往來銀行

香港上海滙豐銀行有限公司
香港
皇后大道中1號
滙豐總行大廈

南洋商業銀行有限公司
香港
德輔道中151號

CORPORATE INFORMATION

公司資料

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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183 Queen's Road East
Hong Kong

REGISTERED OFFICE

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Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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STOCK CODE

8537

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本公司網站

www.dghcl.com

股份代號

8537

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

This is our first annual report of Dominate Group Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”). The Company was established on 11 January 2018 and its shares were successfully listed on GEM of the Stock Exchange in Hong Kong on 27 March 2019 (the “**Listing**”), demonstrating the long-term commitment of the Group to further its vision to become an international leading jewellery brand for customers of Hong Kong and nearby regions.

The Group is a vertically integrated jeweller based in Hong Kong and is primarily engaged in the retail of its own products through its network of seven retail stores under the brand name of “Chong Fai Jewellery (創輝珠寶)” strategically located in Kowloon and the New Territories.

The Group's principal products are mass jewellery products including gem-set jewellery and pure gold products, which are produced in-house at its production facility in Shenzhen, Guangdong Province, the People's Republic of China (the “**PRC**”). The Group also engages in the wholesale of its jewellery products to other jewellery retailers, and the trading of recycled gold products from the general public to certain customers.

Looking forward, the Group will adopt its strategy to expand the Group's jewellery design collection in line with customer needs and preferences and market trends and expand its retail presence to capture the market opportunities. We intend to execute our development plan as set forth in the Prospectus carefully and prudently for the purpose of bringing a desirable return to the Shareholders and facilitating the long-term growth of the business of the Group.

Fu Chun Keung

Chairman and Chief Executive Officer

Hong Kong, 20 June 2019

各位股東：

這是 Dominate Group Holdings Company Limited (「**本公司**」，連同其附屬公司統稱「**本集團**」) 的首份年報。本公司於2018年1月11日成立，其股份於2019年3月27日成功在香港聯交所GEM上市(「**上市**」)，展示本集團一直貫徹實踐所作承諾，朝著成為香港及鄰近地區客戶心目中的國際領先珠寶品牌願景邁步向前。

本集團是建基於香港的垂直整合珠寶商，主要從事透過由七間位於九龍及新界策略地點的「創輝珠寶」品牌零售店所組成的網絡，零售其自家產品。

本集團的主要產品是主流珠寶產品，包括寶石鑲嵌珠寶及純金產品，該等產品在中華人民共和國(「**中國**」)廣東省深圳市的生產設施自行生產。本集團亦從事向其他珠寶零售商批發其珠寶產品，並從事從公眾到若干客戶的回收黃金產品貿易。

展望未來，本集團將採取策略以擴大本集團的珠寶設計系列，以迎合客戶需求及喜好以及市場趨勢，同時亦會擴充其零售據點，把握各種市場機遇。我們計劃透過審慎周詳的方式，執行招股章程所載的發展計劃，從而為股東帶來豐厚回報，並促進本集團業務的長期發展。

傅鎮強

主席兼行政總裁

香港，2019年6月20日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS OVERVIEW

The Group is a vertically integrated jeweller based in Hong Kong and is primarily engaged in the retail of its own products through its network of seven retail stores under the brand name of “Chong Fai Jewellery (創輝珠寶)” strategically located in Kowloon and the New Territories. Being vertically integrated, the Group possesses the means to control the diversity, quality and pricing of its own jewellery designs produced in-house at its production facility in Shenzhen, Guangdong Province, the PRC.

The Group's principal products are jewellery products, including gem-set jewellery and pure gold products. The Group also engages in the wholesale of its jewellery products to other jewellery retailers, and the trading of recycled gold products from the general public to certain customers.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by HK\$2.6 million, or 1.5%, from HK\$173.0 million for the year ended 31 March 2018 to HK\$175.6 million for the year ended 31 March 2019. The increase in revenue was mainly caused by the revenue increase from (i) pure gold products by HK\$2.3 million; and (ii) trading of recycled gold products by HK\$1.8 million. Such aggregate increase was partially offset by the revenue decrease from trading of the Gem-set Jewellery Products (as defined below) by HK\$1.5 million.

Revenue by Products

(a) *Diamond, karat gold, jade, pearl, platinum jewellery products (the “Gem-set Jewellery Products”)*

For the year ended 31 March 2019, the Group's revenue from Gem-set Jewellery Products decreased by HK\$1.5 million, or 1.4%, as compared to that for the year ended 31 March 2018. Such decrease was mainly attributable to the combined effect of (i) a decrease in average selling prices during the current year, and (ii) an increase in sales volume during the current year, which was in-line with the Group's shift in focusing selling products at lower unit selling price.

業務概覽

本集團是建基於香港的垂直整合珠寶商，主要從事透過由七間位於九龍及新界策略地點的「創輝珠寶」品牌零售店所組成的網絡，零售其自家產品。垂直整合的結構使本集團有辦法控制其在中國廣東省深圳市的生產設施自行創作的自家珠寶設計的多樣化、品質及定價。

本集團的主要產品是珠寶產品，包括寶石鑲嵌珠寶及純金產品。本集團亦從事向其他珠寶零售商批發其珠寶產品，並從事從公眾到若干客戶的回收黃金產品貿易。

財務審視

收益

本集團的收益由截至2018年3月31日止年度的173.0百萬港元增加2.6百萬港元或1.5%至截至2019年3月31日止年度的175.6百萬港元。收益增加主要由於(i)純金產品收益增加2.3百萬港元；及(ii)回收黃金產品貿易收益增加1.8百萬港元。有關增加總額部分由寶石鑲嵌珠寶產品(定義見下文)貿易收益減少1.5百萬港元所抵銷。

按產品劃分的收益

(a) *鑽石、K金、翡翠、珍珠、鉑金珠寶產品 (「寶石鑲嵌珠寶產品」)*

截至2019年3月31日止年度，本集團來自寶石鑲嵌珠寶產品的收益較截至2018年3月31日止年度減少1.5百萬港元或1.4%。有關減幅主要由於以下事項的綜合影響：(i)本年度的平均銷售價減少；及(ii)本年度的銷量增加，其與本集團將重點轉移到銷售單位售價較低的情況一致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(b) Pure gold products

For the year ended 31 March 2019, the Group's revenue from pure gold products increased by HK\$2.3 million, or 4.4%, as compared to that for the year ended 31 March 2018. The increase was mainly attributable to an increase of the Group's retail revenue of pure gold products by HK\$3.5 million or 7.4% for the year ended 31 March 2019 as compared to that for the year ended 31 March 2018. Such increase in retail revenue was offset by the decrease in wholesale revenue by HK\$1.2 million due to the Group's one of the wholesale customer who mainly required the Group to process its pure gold products decreased its volume.

(c) Trading of recycled gold products

For the year ended 31 March 2019, the Group's revenue from trading of recycled gold products increased by HK\$1.8 million, or 12.7%, as compared to that for the year ended 31 March 2018. The increase was mainly attributable to combined effect of increase in sales volume by weight (tael) and average selling price (HK\$ per tael) during the current year.

Revenue by Business (sales channels)

(a) Retail

For the year ended 31 March 2019, the Group's revenue from retail channel increased by HK\$5.3 million, or 4.7%, as compared to that for the year ended 31 March 2018. The increase was mainly attributable to an increase of the Group's retail revenue of Gem-set Jewellery Products and pure gold products by HK\$1.8 million or 2.7% and HK\$3.5 million or 7.5%, respectively, for the year ended 31 March 2019 as compared to that for the year ended 31 March 2018.

(b) 純金產品

截至2019年3月31日止年度，本集團來自純金產品的收益較截至2018年3月31日止年度增加2.3百萬港元或4.4%。有關增幅主要由於本集團截至2019年3月31日止年度的純金產品零售收益較截至2018年3月31日止年度增加3.5百萬港元或7.4%。有關零售收益的增幅被批發收益減少1.2百萬港元所抵銷，此乃由於本集團的其中一名批發客戶（其主要要求本集團加工其純金產品）減少進貨量所致。

(c) 回收黃金產品貿易

截至2019年3月31日止年度，本集團來自回收黃金產品貿易的收益較截至2018年3月31日止年度的收益增加1.8百萬港元或12.7%。有關增幅主要由於本年度按重量計算銷量（兩）及平均銷售價（每兩港元）增加的綜合影響所致。

按業務劃分的收益（銷售渠道）

(a) 零售

截至2019年3月31日止年度，本集團來自零售渠道的收益較截至2018年3月31日止年度增加5.3百萬港元或4.7%。有關增幅主要由於本集團寶石鑲嵌珠寶產品及純金產品截至2019年3月31日止年度的零售收益較截至2018年3月31日止年度分別增加1.8百萬港元或2.7%及3.5百萬港元或7.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(b) Wholesale

For the year ended 31 March 2019, the Group's revenue from wholesale channel decreased by HK\$4.5 million, or 9.8%, as compared to that for the year ended 31 March 2018. The decrease was mainly attributable to a decrease of the Group's wholesale revenue of Gem-set Jewellery Products and pure gold products by HK\$3.3 million or 8.2% and HK\$1.2 million or 21.6%, respectively, for the year ended 31 March 2019 as compared to that for the year ended 31 March 2018.

(c) Trading of recycled gold products

For the year ended 31 March 2019, the Group's revenue from trading of recycled gold products increased by HK\$1.8 million, or 12.7%, as compared to that for the year ended 31 March 2018.

Cost of goods sold

The Group's cost of goods sold increased by approximately HK\$4.6 million, or 4.0%, from HK\$115.6 million for the year ended 31 March 2018 to HK\$120.2 million for the year ended 31 March 2019. The increase in cost of goods sold was mainly caused by (i) increase in the cost of Gem-set Jewellery Products of approximately HK\$3.6 million; (ii) decrease in the cost of pure gold products of approximately HK\$2.0 million; (iii) increase in cost of trading of recycled gold products by approximately HK\$1.8 million, and (iv) increase in factory overheads include costs incurred for the Group's production process by approximately HK\$1.2 million. The increase in costs of Gem-set Jewellery Products was mainly caused by the increase in units of goods sold.

Overall Gross Profit and Gross Profit Margin

The Group's gross profit decreased by HK\$2.1 million, or 3.6%, from HK\$57.4 million for the year ended 31 March 2018 to HK\$55.3 million for the year ended 31 March 2019. The Group's gross profit margin decreased from 33.2% for the year ended 31 March 2018 to approximately 31.5% for the year ended 31 March 2019 as the gross profit margins of Gem-set Jewellery Products decreased and offset partly by increase of gross profit margin of pure gold products during the current year. The Group's decrease in gross profit and gross profit margin was mainly caused by:

(b) 批發

截至2019年3月31日止年度，本集團來自批發渠道的收益較截至2018年3月31日止年度減少4.5百萬港元或9.8%。有關減幅主要由於本集團寶石鑲嵌珠寶產品及純金產品截至2019年3月31日止年度的批發收益較截至2018年3月31日止年度分別減少3.3百萬港元或8.2%及1.2百萬港元或21.6%。

(c) 回收黃金產品貿易

截至2019年3月31日止年度，本集團來自回收黃金產品貿易的收益較截至2018年3月31日止年度的收益增加1.8百萬港元或12.7%。

已售商品成本

本集團已售商品成本由截至2018年3月31日止年度的115.6百萬港元增加約4.6百萬港元或4.0%至截至2019年3月31日止年度的120.2百萬港元。已售商品成本增加主要由於(i)寶石鑲嵌珠寶產品成本增加約3.6百萬港元；(ii)純金產品成本減少約2.0百萬港元；(iii)回收黃金產品貿易成本增加約1.8百萬港元；及(iv)工廠經常性開支(包括本集團生產過程所產生之成本)增加約1.2百萬港元。寶石鑲嵌珠寶產品成本增加主要由於已售商品數量成本增加。

整體毛利及毛利率

本集團的毛利由截至2018年3月31日止年度的57.4百萬港元減少2.1百萬港元或3.6%至截至2019年3月31日止年度的55.3百萬港元。本集團的毛利率由截至2018年3月31日止年度的33.2%減少至截至2019年3月31日止年度約31.5%，原因是寶石鑲嵌珠寶產品於本年度的毛利率減少，而有關減幅部分為純金產品的毛利率增加所抵銷。本集團的毛利及毛利率減少主要由於以下各項所致：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- (a) Gem-set Jewellery Products: The gross profit margin of Gem-set Jewellery Products decreased from 42.7% for the year ended 31 March 2018 to 39.3% for the year ended 31 March 2019 because more discounts were offered to the Group's customers during the year ended 31 March 2019 as compared to that during the year ended 31 March 2018. Although there was decrease in diamond costs for products with lower unit costs leading to lower cost of sales, there was decrease in selling price as higher discount was given to the customers which outweigh the margin gain from the lower cost of sales leading to overall decrease in gross margin for the current year compared to the prior year.
- (b) Pure gold products: The Group's gross profit margin of pure gold products increased by 3.0%, from 21.4% for the year ended 31 March 2018 to 24.4% for the year ended 31 March 2019. The increase in the Group's gross profit margin was mainly due to the overall trend in gold price movements during the year ended 31 March 2019 compared with the same period in 2018, as the Group's selling price of gold is referenced to the market price of gold at the time of transaction. During the year ended 31 March 2019, average price of gold went up while its average cost remained stable as compared to the same period in 2018.

Other income

Other income for the year ended 31 March 2019 amounted to HK\$458,000 (2018: HK\$67,000), representing an increase of approximately HK\$391,000 as compared with last year. The increase in other income was mainly due to (i) the increase in bank interest income from approximately HK\$4,000 during the year ended 31 March 2018 to approximately HK\$140,000 during the year ended 31 March 2019, and (ii) increase in sundry income from approximately HK\$63,000 during the year ended 31 March 2018 to HK\$318,000 during the year ended 31 March 2019.

Other gains or losses

Other gains or losses for the year ended 31 March 2019 amounted to gains of HK\$1.1 million (2018: losses of HK\$0.5 million), representing an increase of HK\$1.6 million as compared with last year. The increase was mainly due to the revaluation of gold loans increased by approximately HK\$1.8 million.

- (a) 寶石鑲嵌珠寶產品：寶石鑲嵌珠寶產品毛利率由截至2018年3月31日止年度的42.7%減少至截至2019年3月31日止年度的39.3%是因為截至2019年3月31日止年度相比截至2018年3月31日止年度向本集團客戶提供的折扣增加。儘管單位成本較低的產品的鑽石成本減少，致使以致銷售成本下降，惟給予客戶的折扣增加致使銷售價亦減少，有關折扣增加高於銷售成本下降所產生的利潤率，致使本年度的整體毛利較去年有所減少。
- (b) 純金產品：本集團純金產品的毛利率由截至2018年3月31日止年度的21.4%上升3.0%至截至2019年3月31日止年度的24.4%。本集團毛利率上升主要是由於截至2019年3月31日止年度的金價較2018年同期的整體趨勢有所變動所致，而本集團黃金銷售價乃參考交易時黃金市價而定。截至2019年3月31日止年度，與2018年同期相比，黃金平均價格上升，而平均成本則維持穩定。

其他收入

截至2019年3月31日止年度的其他收入為458,000港元(2018年：67,000港元)，較去年增加約391,000港元。其他收入增加主要由於(i)銀行利息收入由截至2018年3月31日止年度約4,000港元增加至截至2019年3月31日止年度約140,000港元，及(ii)雜項收入由截至2018年3月31日止年度約63,000港元增加至截至2019年3月31日止年度的318,000港元。

其他收益或虧損

截至2019年3月31日止年度的其他收益或虧損為收益1.1百萬港元(2018年：虧損0.5百萬港元)，較去年增加1.6百萬港元。有關增幅主要由於黃金貸款重估增加約1.8百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Selling and distribution expenses

Selling and distribution expenses for the year ended 31 March 2019 amounted to HK\$28.7 million (2018: HK\$28.8 million), representing a decrease of HK\$0.1 million or 0.2% as compared with last year. The decrease was mainly due to the closure of Hung Hom outlet which decreased the salary and rental expense.

Administrative expenses

Administrative expenses for the year ended 31 March 2019 amounted to HK\$12.8 million (2018: HK\$10.7 million), representing an increase of HK\$2.1 million or 19.9% as compared with last year. The increase was mainly due to the increase in audit fees of HK\$0.5 million and general increase in office expenses during the year ended 31 March 2019 and reversal of allowance for trade receivable approximately HK\$1.6 million during the year ended 31 March 2018.

Finance costs

Finance costs for the year ended 31 March 2019 amounted to HK\$1.4 million (2018: HK\$1.4 million).

Listing expenses

During the year ended 31 March 2019, the Group recognised non-recurring listing expenses of approximately HK\$10.1 million in connection with the Listing on GEM (2018: HK\$8.2 million).

Taxation

Income tax expense for the year ended 31 March 2019 amounted to approximately HK\$1.7 million (2018: HK\$3.2 million), representing a decrease of approximately HK\$1.5 million or 47.0% as compared with last year. The decrease primarily due to the decrease in profit before taxation in Hong Kong. The particulars of the Group's taxation are set out in note 13 to the consolidated financial statements.

Profit for the year

The Group recorded net profit of HK\$2.2 million for the year ended 31 March 2019 (2018: HK\$4.8 million), representing a decrease of HK\$2.6 million as compared with last year. Such decrease was mainly due to the recognition of non-recurring listing expenses of HK\$10.1 million for the year ended 31 March 2019, compared to that of HK\$8.2 million for the year ended 31 March 2018.

銷售及分銷開支

截至2019年3月31日止年度的銷售及分銷開支為28.7百萬港元(2018年：28.8百萬港元)，較去年減少0.1百萬港元或0.2%。有關減幅主要由於紅磡門市關閉致使薪金及租金開支減少。

行政開支

截至2019年3月31日止年度的行政開支為12.8百萬港元(2018年：10.7百萬港元)，較去年增加2.1百萬港元或19.9%。有關增幅主要由於截至2019年3月31日止年度的審核費用增加0.5百萬港元及辦公室開支總體增加以及於截至2018年3月31日止年度貿易應收款項撥備撥回約1.6百萬港元。

融資成本

截至2019年3月31日止年度的融資成本為1.4百萬港元(2018年：1.4百萬港元)。

上市開支

截至2019年3月31日止年度，本集團有關於GEM上市確認非經常性上市開支約10.1百萬港元(2018年：8.2百萬港元)。

稅項

截至2019年3月31日止年度的所得稅開支約為1.7百萬港元(2018年：3.2百萬港元)，較去年減少約1.5百萬港元或47.0%。有關減幅主要由於在香港的除稅前溢利增加。本集團稅項詳情載於綜合財務報表附註13。

年內溢利

截至2019年3月31日止年度，本集團錄得純利2.2百萬港元(2018年：4.8百萬港元)，較去年減少2.6百萬港元。有關減少主要由於截至2019年3月31日止年度確認非經常性上市開支10.1百萬港元，而於截至2018年3月31日止年度則確認8.2百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's net profit after excluding non-recurring listing expenses would be HK\$12.3 million for the year ended 31 March 2019 (2018: HK\$13.0 million), representing a decrease of HK\$0.7 million or 5.2% as compared with last year. Such decrease was the combined effect of (i) decrease in gross profit of HK\$2.1 million; (ii) increase in other income and other gains or losses of HK\$2.0 million; and (iii) increase in administrative expenses for HK\$2.1 million, and (iv) decrease in taxation expenses of HK\$1.5 million.

Dividend

The Board does not recommend the payment of any dividend for the year ended 31 March 2019. The detail is disclosed in note 14 to the consolidated financial statements.

LIQUIDITY AND FINANCIAL RESOURCES AND TREASURY POLICY

Liquidity and Financial Resources

At 31 March 2019, the Group had total assets of HK\$157.5 million (2018: HK\$138.2 million), which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of HK\$69.7 million (2018: HK\$84.8 million) and HK\$87.8 million (2018: HK\$53.4 million), respectively.

The total interest-bearing borrowings of the Group as at 31 March 2019 were HK\$41.4 million (2018: HK\$36.1 million), and current ratio as at 31 March 2019 was 2.2 times (2018: 1.6 times) mainly due to the increase in cash and cash equivalents attributable to the unutilised proceeds received from the Listing.

Gearing Ratio

The Group's gearing ratio, which is calculated by dividing total debts (total debts are defined to include payables incurred not in the ordinary course of business) by total equity as at the end of each of the financial year, dropped from 92.5% as at 31 March 2018 to 47.1% as at 31 March 2019, primarily due to the decrease in the level of total debts and the increase in total equity.

At 31 March 2019 and 2018, the Group has unutilised banking facilities of HK\$8.0 million and HK\$28.7 million, respectively.

The Directors are of the view that as at the date hereof, the Group's financial resources are sufficient to support its business and operations.

截至2019年3月31日止年度，本集團經扣除非經常性上市開支後的純利為12.3百萬港元(2018年：13.0百萬港元)，較去年減少0.7百萬港元或5.2%。有關減幅由於以下事項的合併影響：(i)毛利減少2.1百萬港元；(ii)其他收入及其他收益或虧損增加2.0百萬港元；及(iii)行政開支增加2.1百萬港元；及(iv)稅務開支減少1.5百萬港元。

股息

董事會不建議就截至2019年3月31日止年度派付任何股息。詳情披露於綜合財務報表附註14。

流動資金及財務資源及庫務政策

流動資金及財務資源

於2019年3月31日，本集團的資產總值為157.5百萬港元(2018年：138.2百萬港元)，此乃由負債總額及股東權益(包括股本及儲備)分別為69.7百萬港元(2018年：84.8百萬港元)及87.8百萬港元(2018年：53.4百萬港元)撥付。

於2019年3月31日，本集團的計息借款總額為41.4百萬港元(2018年：36.1百萬港元)，而於2019年3月31日的流動比率為2.2倍(2018年：1.6倍)，主要由於歸屬於自上市所收取的未動用所得款項的現金及現金等價物增加。

資產負債比率

本集團的資產負債比率(按各財政年度末債務總額(債務總額是指並非於日常業務過程產生的應付款項)除以權益總額計算)由2018年3月31日的92.5%減少至2019年3月31日的47.1%，主要由於債務總額水平下降及權益總額增加。

於2019年及2018年3月31日，本集團尚未動用的銀行融資分別為8.0百萬港元及28.7百萬港元。

董事認為，於本年報日期，本集團的財務資源足以支持其業務及營運。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Treasury Policy

The Group adopts a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position throughout the reporting period. The management of the Group regularly reviews the recoverable amount of trade receivables by performing ongoing credit assessments and monitoring prompt recovery and if necessary to make adequate impairment losses for irrecoverable amounts. In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally deposited with leading licensed banks in Hong Kong and denominated in Hong Kong dollars.

Capital Structure

The Company's shares were successfully listed on GEM on 27 March 2019. There has been no change in the Company's capital structure since 27 March 2019 to the date of this annual report. The capital structure of the Group comprises of issued share capital and reserves. The Directors review the Group's capital structure regularly.

At 31 March 2019, the Company's issued share capital was HK\$7,500,000 and the number of its issued ordinary shares was 750,000,000.

Pledge of Assets

The pledged bank deposit of HK\$2.2 million carries fixed interest rate of 1.55% per annum as at 31 March 2019. The pledged bank deposit will be released upon settlement of approximately HK\$2.0 million bank borrowing.

Future Plans for Material Investments or Capital Assets

Save as disclosed in the Prospectus and this annual report, the Group did not have any other plans for material investment and capital assets as at 31 March 2019.

Foreign Currency Exposure

The Group is mainly exposed to the foreign currency risk of US\$ and RMB. Under the pegged exchange rate system, the financial impact on exchange difference between HK\$ and US\$ will be immaterial as most US\$ denominated monetary assets and liabilities are held by group entities having HK\$ as their functional currency.

庫務政策

本集團已就其庫務政策採納審慎的財務管理策略，因此於整個報告期內維持穩健的流動資金狀況。本集團管理層透過持續進行信貸評估及監督款項及時收回，並在必要時就不可收回的金額作出充足的減值虧損，定期檢討貿易應收款項的可收回金額。為更有效控制成本及盡量降低資金成本，本集團的財資活動乃中央統籌，而現金一般存放於香港主要持牌銀行，以港元計值。

資本架構

本公司的股份於2019年3月27日成功在GEM上市。本公司的資本架構自2019年3月27日至本年報日期並無變動。本集團的資本架構包括已發行股本及儲備。董事定期檢討本集團的資本架構。

於2019年3月31日，本公司的已發行股本為7,500,000港元，而其已發行普通股數目為750,000,000股。

資產抵押

於2019年3月31日，已抵押銀行存款2.2百萬港元按固定利率每年1.55%計息。已抵押銀行存款將於償還銀行借款約2.0百萬港元後解除。

有關重大投資或資本資產的未來計劃

除招股章程及本年報所披露者外，於2019年3月31日，本集團並無有關重大投資及資本資產的任何其他計劃。

外幣風險

本集團主要面對美元及人民幣的外幣風險。根據聯繫匯率制度，有關港元與美元匯兌差額的財務影響並不重大，此乃由於大部分以美元計值的貨幣資產及負債由以港元作為功能貨幣的集團實體持有。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the year ended 31 March 2019, the Group did not have any hedging arrangements. The Group currently does not have a foreign currency hedging policy. However, the management of the Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should the need arises. The management of the Group considers the exposure to the foreign exchange risk fluctuation for the Group is not material.

Capital Commitments

At 31 March 2019, the Group did not have any capital commitments (2018: nil).

Contingent Liabilities

At 31 March 2018, the Group has given guarantees jointly with the executive Director of the Company, the non-controlling shareholders and a related company, Dia Myth Jewelry (MFY) Co., Limited, of HK\$77,623,000 to banks to secure certain general banking facilities granted to a related company and the Group. At 31 March 2018, the aggregate utilised amount of these banking facilities was approximately HK\$51,868,000, the utilisation by the Group and the related company was HK\$49,380,000 and HK\$2,488,000, respectively.

At 31 March 2019, the banking facilities granted to the related company were released and hence there was no financial liability for the financial guarantee contract given to the related company.

Save as disclosed above, the Group and the Company had no other material contingent liabilities as at the end of the current year.

Employees and Remuneration Policies

At 31 March 2019, the Group employed 101 (2018: 113) staff (including Executive Directors). We determine the employees' remuneration based on factors such as qualification, duty, contributions and years of experience. At 31 March 2019, the Group had no significant obligation apart from the defined contributions schemes and there is no forfeited contribution arose upon employees leaving the retirement benefit scheme and which were available to reduce contributions payable. In addition, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

截至2019年3月31日止年度，本集團並無任何對沖安排。本集團現時並無外幣對沖政策。然而，本集團管理層透過密切監察外幣匯率的變動，並於有需要時考慮就重大外幣風險進行對沖，以管理其外幣風險。本集團管理層認為，本集團所面對的外匯風險波動並不重大。

資本承擔

於2019年3月31日，本集團並無任何資本承擔（2018年：無）。

或然負債

於2018年3月31日，本集團分別聯同本公司執行董事、非控股股東及一間關聯公司Dia Myth Jewelry (MFY) Co., Limited向銀行提供擔保77,623,000港元，以取得授予一間關聯公司及本集團的若干一般銀行融資。於2018年3月31日，該等銀行融資的已動用金額合共約為51,868,000港元，本公司及關聯公司分別已動用49,380,000港元及2,488,000港元。

於2019年3月31日，授予關聯公司的銀行融資已解除，因此並無給予關聯公司的財務擔保合約的金融負債。

除上文所披露者外，於本年度末，本集團及本公司並無其他重大或然負債。

僱員及薪酬政策

於2019年3月31日，本集團聘有101名（2018年：113名）員工（包括執行董事）。我們根據資格、職務、貢獻及年資等因素釐定僱員薪酬。於2019年3月31日，除定額供款計劃外，本集團並無任何重大責任，且亦無因僱員退出退休福利計劃而產生及可用以減少應付供款的沒收供款。此外，本集團為其僱員提供全面的培訓計劃或資助僱員參與多種工作相關培訓課程。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND CAPITAL ASSETS

Other than disclosed in this annual report, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries and capital assets during the year ended 31 March 2019.

COMPARISON OF BUSINESS PLAN WITH ACTUAL BUSINESS PROGRESS

The following is a comparison of the Group's business plan as set out in the Prospectus with actual business progress up to 31 March 2019. As the Company's shares were only listed on GEM on 27 March 2019 ("Listing Date")

Business plan up to 31 March 2019 as set out in Prospectus	Actual progress up to 31 March 2019
Expand the Group's Retail presence	We are in the course of identifying a suitable flagship retail store in Kowloon.
Expand the Group's Jewellery design collection	— Actively participate in industry and trade shows — Expand the Group's jewellery design collection in line with customer needs and preference market trends

USE OF PROCEEDS

The net proceeds received by the Group from the Listing after deducting the relevant one-off and non-recurring listing expenses amounted to HK\$24.5 million (based on the public offering price of HK\$0.3 per share). The following sets forth a summary of the allocation of the net proceeds and its utilisation as at 31 March 2019, as compared to that envisaged in the Prospectus.

Allocation of use 用途分配	Amount 金額	Utilised up to 31 March 2019 直至2019年3月31日已動用
Expand the Group's retail presence 擴充本集團零售據點	HK\$22.1 million 22.1百萬港元	NIL 無
Enhance the Group's brand recognition 提升本集團品牌知名度	HK\$1.2 million 1.2百萬港元	NIL 無
For the Group's working capital and other general corporate purposes 本集團營運資金及其他一般公司用途	HK\$1.2 million 1.2百萬港元	NIL 無

重大投資、重大收購及出售附屬公司及資本資產

除本年報披露外，截至2019年3月31日止年度，本集團並無任何重大投資、重大收購及出售附屬公司及資本資產。

比較業務計劃與實際業務進度

以下為直至2019年3月31日招股章程所載本集團業務計劃與實際業務進度的比較。因本公司股份於2019年3月27日（「上市日期」）方始在GEM上市，故

招股章程所載直至2019年3月31日的業務計劃	直至2019年3月31日的實際進度
擴充本集團零售據點	我們目前在九龍物色合適旗艦零售店
擴大本集團的珠寶設計系列	— 積極參與行業及貿易展覽 — 擴大本集團的珠寶設計系列以迎合客戶需要及喜好以及市場趨勢

所得款項用途

經扣除相關一次性及非經常性上市開支後，本集團自上市取得的所得款項淨額為24.5百萬港元（根據公開發售價每股0.3港元計算）。下表載列與招股章程所預計相比，於2019年3月31日的所得款項淨額分配及其動用情況概要。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PRINCIPAL RISKS AND UNCERTAINTIES

There are certain risks and uncertainties involved in the Group's current operations, some of which are beyond the Group's control. The most significant risks relating to the business such as (i) price fluctuation of jewellery raw materials of the Group's jewellery products could materially and adversely affect its business; (ii) the Group may not be able to renew the leases of its retail stores which may affect its business and operation when the relevant leases expire or terminate ; (iii) the Group may not be able to sustain its profitability; (iv) the Group has high gearing ratio that may expose it to liquidity risk; and (iv) challenges or continued downturn in economic conditions may affect the demand for the products which could adversely affect the Group's sales or growth. A detailed discussion of the risk factors is set out in the section headed "Risk Factors" in the Prospectus.

OUTLOOK

Looking forward, the Group will seek to expand the Group's jewellery design collection in line with customer needs, preferences and market trends and expand its retail presence to capture a wider range of market opportunities. We intend to execute our development plan as set forth in the Prospectus carefully and prudently. We are in the course of identifying a suitable flagship retail store in Kowloon and exploring the possibility of extending our marketing campaign to social media in the hope that it will bring a desirable return to the shareholders and sustain a long-term growth of the Group.

主要風險及不確定因素

本集團當前的營運涉及若干風險及不確定因素，其中部分因素超出本集團的控制範圍。有關業務的最重大風險包括(i)本集團珠寶產品的珠寶原材料價格波動，可能對其業務產生重大不利影響；(ii)本集團未必能夠重續零售店租約，在相關租約屆滿或終止時，可能對其業務及營運造成影響；(iii)本集團未必能夠持續其盈利能力；(iv)本集團的高資產負債比率可能使其面臨流動資金風險；及(v)經濟狀況出現挑戰或持續下滑或影響本集團產品的需求，這可能對本集團的銷售或增長造成不利影響。有關風險因素的詳盡論述載於招股章程「風險因素」一節。

前景

展望未來，本集團將致力擴大本集團的珠寶設計系列，以迎合客戶需求、喜好及市場趨勢，同時亦會擴充其零售據點，把握各種市場機遇。我們計劃透過審慎周詳的方式，執行招股章程所載的發展計劃。我們目前在九龍物色合適旗艦零售店，並探討將市場推廣活動拓展至社交媒體的可能性，以期為股東帶來豐厚回報，並維持本集團的長遠發展。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

EXECUTIVE DIRECTORS

Mr. Fu Chun Keung (“Mr. Fu”)

Mr. Fu, aged 51, was appointed as the chairman, the chief executive officer and an executive Director of the Company in January 2018. Mr. Fu is the major founder of the Group which was established in 1997, and now responsible for supervising overall management and strategy planning of the Group as well as its daily operation and management.

Mr. Fu is a member of Kowloon Chamber of Commerce since June 2017, and was elected as a director of the New Territories General Chamber of Commerce for the period from 2016 to 2019. Further, Mr. Fu was admitted to membership of the Hong Kong Institute of Directors as fellow in 2017 and is also the honorary president of Hong Kong Xianyou County Clansmen Association since 2017.

Mr. Fu is the spouse of Ms. Cheung Lai Yuk, an executive Director, and the younger brother of Ms. Fu Wan Ling, an executive Director.

Ms. Cheung Lai Yuk (“Ms. Cheung”)

Ms. Cheung, aged 46, was appointed as an executive Director in March 2018. Ms. Cheung is the head of the Group's procurement department, and is responsible for formulating corporate and business strategies.

Ms. Cheung has over 20 years' experience in the jewellery industry and joined the Group since 1999. Ms. Cheung was awarded by the GIA a certificate for completing the requirements of the program in Diamond Essentials in November 2014, and a certificate for completing the requirements of the program in Diamonds and Diamond Grading as well as a diploma certificate for completing the diploma program in Graduate Diamonds respectively in January 2015.

Ms. Cheung is the spouse of Mr. Fu and a sister-in-law of Ms. Fu Wan Ling, an executive Director.

執行董事

傅鎮強先生(「傅先生」)

傅先生，51歲，於2018年1月被委任為本公司主席、行政總裁兼執行董事。傅先生於1997年成立本集團，是本集團的主要創辦人，目前負責監督本集團整體管理及策略規劃以及日常營運及管理。

傅先生自2017年6月起為九龍總商會會員，以及於2016年至2019年期間獲選為新界總商會董事。此外，傅先生於2017年獲接納為香港董事學會資深會員，並自2017年起擔任香港仙遊同鄉會名譽會長。

傅先生為執行董事張麗玉女士的配偶及執行董事傅雲玲女士的弟弟。

張麗玉女士(「張女士」)

張女士，46歲，於2018年3月受委為執行董事。張女士乃本集團採購部主管，負責制定我們的企業及業務策略。

張女士擁有逾20年珠寶行業經驗，自1999年起加入本集團。張女士於2014年11月獲美國寶石學院發出鑽石入門結業證書，以及於2015年1月分別獲發鑽石及鑽石分級課程結業證書以及鑽石畢業文憑。

張女士為傅先生的配偶及執行董事傅雲玲女士的弟婦。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

Ms. Fu Wan Ling (“Ms. Fu”)

Ms. Fu, aged 58, was appointed as an executive Director in March 2018.

Ms. Fu is responsible for formulating the overall strategy, supervising the administration and overseeing the inventory of the Group.

Ms. Fu has over 20 years of experience in the jewellery industry and joined the Group since August 1997.

Ms. Fu is the elder sister of Mr. Fu and the sister-in-law of Ms. Cheung.

傅雲玲女士(「傅女士」)

傅女士，58歲，於2018年3月受委任為執行董事。

傅女士負責制定本集團整體策略、督導本集團行政及監督存貨。

傅女士擁有逾20年珠寶行業經驗，自1997年8月起加入本集團。

傅女士為傅先生的姊姊及張女士的大姑。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Cheong Tat (“Mr. Chan”)

Mr. Chan, aged 69, is an independent non-executive Director since September 2018. Mr. Chan is responsible for supervising and providing independent judgment to the Board.

Mr. Chan has over 32 years of working experience in the Inland Revenue Department and he was an assistant commissioner responsible for tax compliance before he retired in 2005.

Mr. Chan is the sole director of a tax consultancy company, C T Tax Consultants Limited since 2006. Further, Mr. Chan is an independent non-executive director of Guangdong Tannery Limited (stock code: 1058) since 2006; an independent non-executive director of Medicskin Holdings Limited (stock code: 8307) since 2014; and an independent non-executive director of Hyfusin Group Holdings Limited (stock code: 8512) since 2018. He was an independent non-executive director of Man Sang International Limited (stock code: 938) from 2015 to 2016.

Mr. Chan graduated from Central Queensland University of Australia with a master degree in financial management in 1995. He has also been an associate of The Institute of Chartered Secretaries and Administrators (U.K.) since 1974 and The Hong Kong Institute of Chartered Secretaries since 1994. Mr. Chan is a fellow member of the Hong Kong Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants) since 1986; a fellow member of the Association of Chartered Certified Accountants since 1983; and a fellow member of the Australian Society of Certified Practising Accountants since 1990.

獨立非執行董事

陳昌達先生(「陳昌達先生」)

陳昌達先生，69歲，自2018年9月起為獨立非執行董事。陳昌達先生負責監督董事會及向董事會提供獨立判斷意見。

陳昌達先生擁有逾32年在稅務局工作經驗。彼於2005年退休前為助理局長，負責稅務合規工作。

自2006年以來，陳昌達先生一直為一家稅務顧問公司(昌達稅務顧問有限公司)的唯一董事。此外，陳昌達先生自2006年起一直為粵海制革有限公司(股份代號：1058)的獨立非執行董事，自2014年以來一直擔任密迪斯肌控股有限公司(股份代號：8307)的獨立非執行董事，且自2018年起一直為凱富善集團控股有限公司(股份代號：8512)的獨立非執行董事。彼自2015年至2016年曾任民生國際有限公司(股份代號：938)獨立非執行董事。

陳昌達先生於1995年畢業於澳洲中央昆士蘭大學，取得財務管理學碩士學位。彼亦自1974年起為英國特許秘書及行政人員公會會士，並自1994年起為香港特許秘書公會會士。陳昌達先生亦自1986年起為香港會計師公會資深會員、自1983年起為特許公認會計師公會資深會員及自1990年起為澳洲會計師公會資深會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

Mr. Chan Chi Ming, Tony (“Mr. Tony Chan”)

Mr. Tony Chan, aged 51, is an independent non-executive Director since September 2018. Mr. Tony Chan is responsible for supervising and providing independent judgment to the Board.

Mr. Tony Chan possesses over 20 years of experience in the field of business advisory, accounting and auditing.

Mr. Tony Chan obtained a bachelor's degree in Commerce (major in Accounting) from the Australian National University in 1990. He is a member of the Hong Kong Institute of Certified Public Accountants since 2012 and a member of the CPA Australia (formerly known as Australian Society of Certified Practising Accountants) since 1993.

Currently, Mr. Tony Chan is an independent non-executive director of Theme International Holdings Limited (stock code: 990) since 2015. Mr. Tony Chan was as a non-executive director of Good Fellow Healthcare Holdings Limited (stock code: 8143) from 2016 to 2018 and re-designated as an executive director in 2018 and resigned from the position in 2019. Mr. Tony Chan also served as an executive director of Wan Kei Group Holdings Limited (stock code: 1718) from 2016 to 2018.

Mr. Wong Wing Keung Meyrick (“Mr. Wong”)

Mr. Wong, aged 61, is an independent non-executive Director since September 2018. Mr. Wong is responsible for supervising and providing independent judgment to the Board.

Mr. Wong is currently practising as a barrister-at-law in Hong Kong.

Mr. Wong obtained his Bachelor of Laws from The University of London in 1987. Mr. Wong was called to the degree of utter barrister of the Honourable Society of Gray's Inn in 1989 and obtained Master of Laws in international economic law in The Chinese University of Hong Kong in 2009 and Postgraduate Diploma in Corporate Governance and Directorship jointly issued by Hong Kong Baptist University and The Hong Kong Institute of Directors in 2011. Mr. Wong obtained a degree in Master of Science in Corporate Governance and Directorship (Distinction) issued by Hong Kong Baptist University in 2011. Mr. Wong is also a Chartered Engineer, a member of Institute of Energy, Institution of Mechanical Engineers and Institution of Engineering and Technology.

陳子明先生(「陳子明先生」)

陳子明先生，51歲，自2018年9月起為獨立非執行董事。陳子明先生負責監督董事會及向董事會提供獨立判斷意見。

陳子明先生於業務顧問、會計及審計領域擁有逾20年經驗。

陳子明先生於1990年取得澳洲國立大學商學士學位(主修會計)。彼分別自2012年及1993年起為香港會計師公會會員及澳洲會計師公會(前稱澳洲執業會計師公會)會員。

現時，陳子明先生自2015年起為榮暉國際集團有限公司(股份代號：990)獨立非執行董事。自2016年至2018年，陳子明先生曾擔任金威醫療集團有限公司(股份代號：8143)的非執行董事，並於2018年調任為執行董事，後於2019年辭任。自2016年至2018年，陳子明先生亦擔任宏基集團控股有限公司(股份代號：1718)的執行董事。

王泳強先生(「王先生」)

王先生，61歲，自2018年9月起為獨立非執行董事。王先生負責監督董事會及向董事會提供獨立判斷意見。

王先生現時正在香港從事訟務律師工作。

於1987年，王先生取得倫敦大學法律學士學位。王先生於1989年獲英國倫敦格雷榮譽協會(Honourable Society of Gray's Inn)授予外席律師學位，亦於2009年取得香港中文大學國際經濟法法律碩士學位，後於2011年獲香港浸會大學與香港董事學會聯合頒發的公司管治與董事研究生文憑。王先生於2011年獲得香港浸會大學頒發公司管治與董事理學碩士學位(成績優異)。彼亦為特許工程師，並為能源學會、機械工程師學會及工程及科技學會會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

SENIOR MANAGEMENT

Ms. Chan So Kuen (“Ms. Chan”)

Group Account Manager

Ms. Chan, aged 43; is the group account manager since 2016. Ms. Chan is responsible for overseeing the finance and accounts of the Group.

Ms. Chan possesses over 21 years of experience in the accounting industry.

Ms. Chan obtained a bachelor's degree of commerce majoring in accounting from Curtin University of Technology in Australia in 2000. Ms. Chan is an associate member and a fellow member of the Association of International Accountants in since 2008 and 2017, respectively.

Mr. Yung Kam Keung (“Mr. Yung”)

Head of Wholesales and Retail Department

Mr. Yung, aged 51, is the head of the Group's wholesales and retail department. Mr. Yung is responsible for overseeing the wholesaling and retailing functions of the Group. Mr. Yung joined the Group in 2012.

Mr. Yung possesses over 20 years of experience in the jewellery industry.

高級管理層

陳素娟女士(「陳女士」)

集團會計經理

陳女士，43歲，自2016年起為集團會計經理。陳女士負責監察本集團的財務及賬目。

陳女士擁有逾21年會計行業經驗。

陳女士於2000年取得澳洲科廷科技大學(Curtin University of Technology)商學士學位(主修會計)。陳女士並分別自2008年及2017年起為國際會計師公會全權會員及資深全權會員。

翁錦強先生(「翁先生」)

批發及零售部主管

翁先生，51歲，為本集團批發及零售部主管。翁先生負責監察本集團批發及零售工作。彼於2012年加入本集團。

翁先生擁有逾20年珠寶行業經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the Corporate Governance Report of the Company for the year ended 31 March 2019.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining the highest standards of corporate governance consistent with the needs and requirements of the business and its shareholders, and consistent with the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”). The Group has considered the CG Code and has put in place corporate governance practices to meet the code provisions. Since the listing of the shares of the Company on GEM, the Company has adopted and complied with, where applicable, the CG Code from the listing date up to the date of this Annual Report, except for code provision A.2.1. Please refer to the paragraph headed “Chairman and Chief Executive Officer” below.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

Mr. Fu Chun Keung, the major founder of the Group, is chairman of the Board and the chief executive officer. With extensive experience in the jewelry industry, Mr. Fu is responsible for the overall management, decision-making and strategy planning of the Group and is instrumental to the Group’s growth and business expansion. Since Mr. Fu is the key person for the Group’s development and he will not undermine the Group’s interests in any way under any circumstances, the Board considers that vesting the roles of chairman and chief executive officer in Mr. Fu, is in the best interest of the Group and beneficial to the management of the Group. In addition, the senior management and the Board, which comprise of experienced individuals, could effectively check and balance the power and authority of Mr. Fu. Therefore, the Board considers that deviation from CG provision A.2.1 is appropriate in such circumstances.

董事會欣然提呈本公司截至2019年3月31日止年度的企業管治報告。

企業管治常規

本公司致力達致並維持最高企業管治水平，以期切合業務及其股東的需求及要求，並符合香港聯合交易所有限公司GEM證券上市規則（「GEM上市規則」）附錄十五所載的企業管治守則（「企業管治守則」）的守則條文。本集團已考慮企業管治守則並設有企業管治常規，以遵守守則條文。自本公司股份於GEM上市以來，本公司於上市日期起直至本年報日期已採納及遵守（視乎情況而定）企業管治守則，除守則條文第A.2.1條外。請參閱下文「主席及行政總裁」一段。

主席及行政總裁

守則條文第A.2.1條訂明，主席與行政總裁的職務應有區分，不應由一人同時兼任。

本集團的主要創辦人傅鎮強先生為董事會主席兼行政總裁。憑藉傅先生對珠寶行業的豐富經驗，彼負責本集團的整體管理、決策及戰略規劃，且對本集團的增長及業務擴張貢獻良多。由於傅先生為本集團發展的關鍵，且彼於任何情況下將不會以任何方式損害本集團的利益，故董事會認為將主席及行政總裁的職務授予傅先生符合本集團的最佳利益，並對本集團的管理有利。此外，由經驗豐富的個人組成的高級管理層及董事會可有效監察及制衡傅先生的權力及職權。因此，董事會認為於該等情況下偏離企業管治守則條文第A.2.1條乃屬恰當。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The Board is responsible for the leadership and internal control of the Company. It oversees the Group's businesses, lays down strategies and monitors the Group's operational and financial performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board has general powers to manage and conduct the Company's business. The day-to-day operations and management are delegated by the Board to the senior management of the Company, who will implement the strategy and direction as laid down by the Board.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

Composition of the Board of Directors

The Board currently comprises six members as follows:

Executive Directors

Mr. Fu Chun Keung (*Chairman and Chief Executive Officer*)

Ms. Cheung Lai Yuk

Ms. Fu Wan Ling

Independent non-executive Directors

Mr. Chan Cheong Tat

Mr. Wong Wing Keung Meyrick

Mr. Chan Chi Ming Tony

The biographies of the Directors of the Company are set out on pages 16 to 19 of this annual report.

Appointment and Re-election of Directors

Each of the executive Directors has entered into a service contract with the Company and each of independent non-executive Directors has signed a letter of appointment with the Company for an initial term of three years since 27 March 2019 (the "**Listing Date**") and is subject to retirement by rotation at an annual general meeting at least once every three years.

These service contracts and letters of appointment are subject to termination in accordance with their respective terms. The term of the service contracts and the letters of appointment may be renewed in accordance with the articles of association of the Company (the "**Articles**"), the Listing Rules and other applicable laws.

董事會

董事會負責本公司的領導及內部控制。董事會監察本集團的業務、制定戰略，並監察本集團經營及財務表現，且共同負責透過指導及監督本公司事務，促進本公司的成功。董事會擁有管理及進行本公司業務的一般權力。董事會將日常經營及管理授權予本公司高級管理層負責，而管理層將執行董事會所制定的戰略及指示。

全體董事均可全面及適時取閱本公司所有資料，並可在適當情況下應要求徵詢獨立專業意見，以向本公司履行其職責，費用由本公司承擔。

董事須向本公司披露其所任其他職務的詳情。

董事會的組成

董事會目前由下列六名成員組成：

執行董事

傅鎮強先生(主席兼行政總裁)

張麗玉女士

傅雲玲女士

獨立非執行董事

陳昌達先生

王泳強先生

陳子明先生

本公司董事的履歷載於本年報第16頁至第19頁。

委任及重選董事

各執行董事已與本公司訂立服務合約，而各獨立非執行董事已與本公司簽訂委任任函，初步任期自2019年3月27日(「上市日期」)起計為期三年，並須最少每三年最少於股東週年大會上輪席告退一次。

該等服務合約及委任函可根據彼等各自的條款予以終止。服務合約及委任函的年期可根據本公司的組織章程細則(「細則」)、上市規則及其他適用法例重續。

CORPORATE GOVERNANCE REPORT

企業管治報告

At all times during the period from the Listing Date to the date of this annual report (the “**Relevant Period**”), the independent non-executive Directors represent more than one-third of the Board. Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years which shall continue thereafter unless and until terminated by not less than three months’ notice in writing served by either party on the other.

During the year ended 31 March 2019 and up to the date of this annual report, the Board at all times complied with Rule 5.05A of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors, representing more than one-third of the Board, of whom Mr. Chan Chi Ming Tony is the Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received a written confirmation of independence from each of the independent non-executive Directors pursuant to Rule 5.09 of the GEM Listing Rules, and considers them to be independent.

Directors have access to the services of the company secretary of the Company to ensure that the Board procedures are followed. The company secretary of the Company is Ms. So Shuk Yi Betty (“**Ms So**”).

Continuous Professional Development of Directors and Company Secretary

In compliance with Rule 5.15 of the GEM Listing Rules, Ms. So has undertaken no less than 15 hours of relevant professional training during the year ended 31 March 2019. Ms. So is the vice president of SWCS Corporate Services Group (Hong Kong) Limited. Ms. So has the necessary qualifications and experience as required under Rule 5.14 of the GEM Listing Rules. The primary contact person of Ms. So is Ms. Chan So Kuen, Group Account Manager of the Company.

All Directors attended various trainings in the reporting period, including trainings regarding the updating of the GEM Listing Rules, the responsibilities and continuous obligations of Directors and the Environmental, Social and Governance Reporting Guide. The Company had arranged suitable trainings for all Directors in order to develop and refresh their knowledge and skills as part of their continuous professional development.

由上市日期至本年報日期期間(「**相關期間**」)內任何時候，獨立非執行董事佔董事會多於三分之一。各執行董事已與本公司訂立服務協議，初步任期為三年，並將於其後繼續生效，除非及直至任何一方向對方發出不少於三個月的書面通知予以終止為止。

於截至2019年3月31日止年度及直至本年報日期，董事會一直遵守GEM上市規則第5.05A條有關委任最少三名獨立非執行董事(佔董事會多於三分之一)的規定，其中陳子明先生具備合適的專業資格或會計或相關財務管理專業知識。

本公司已根據GEM上市規則第5.09條向各獨立非執行董事收取獨立性書面確認，並認為彼等屬獨立人士。

董事可獲得本公司的公司秘書的服務，以確保遵循董事會程序。本公司的公司秘書為蘇淑儀女士(「**蘇女士**」)。

董事及公司秘書的持續專業發展

根據GEM上市規則第5.15條，蘇女士於截至2019年3月31日止年度內已接受不少於15小時的相關專業培訓。蘇女士為方圓企業服務集團(香港)有限公司的總裁。蘇女士具備GEM上市規則第5.14條所規定的必要資格及經驗。蘇女士的主要聯絡人為本公司集團會計經理陳素娟女士。

於報告期內，全體董事均參與多項培訓，包括關於GEM上市規則修訂、董事責任及持續義務及《環境、社會及管治報告指引》等培訓。本公司已為全體董事安排合適的培訓，旨在作為彼等持續專業發展的一部分及更新其知識及技能。

CORPORATE GOVERNANCE REPORT

企業管治報告

Training record of each Director received for the year ended 31 March 2019 is summarised below:

截至2019年3月31日止年度每名董事所接受培訓的記錄概列如下：

Name of Directors

董事姓名

Mr. Fu Chun Keung	傅鎮強先生
Ms. Cheung Lai Yuk	張麗玉女士
Ms. Fu Wan Ling	傅雲玲女士
Mr. Chan Cheong Tat	陳昌達先生
Mr. Chan Chi Ming, Tony	陳子明先生
Mr. Wong Wing Keung Meyrick	王泳強先生

**Attending seminars/
reading materials
relevant to the
director's duties**
出席研討會／閱讀
有關董事職責之材料

✓
✓
✓
✓
✓
✓

The Company is committed to continuously reviewing and improving its internal systems, including those in relation to internal supervision and control, and risk management.

本公司將持續對本公司的內部系統(包括有關內部監督、控制及風險管理的系統)進行檢討和改善。

Indemnity of the Directors

The Company has arranged appropriate Directors' and Officers' Liability Insurance for its Directors and officers covering the legal action against the Directors and officers.

董事彌償保證

本公司已為其董事及高級職員安排投購合適的董事及高級職員責任保險，當中涵蓋針對董事及高級職員的法律訴訟。

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the period from the Listing Date to the date of this annual report, the Company complied with Rules 5.05(1), 5.05(2) and 5.05A of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate qualifications or accounting or related financial expertise.

獨立非執行董事

於上市日期至本年報日期內，本公司已遵守GEM上市規則第5.05(1)條、第5.05(2)條及第5.05A條，內容分別有關委任最少三名獨立非執行董事(佔董事會三分之一，且其中一名須具合適資格或會計或相關財務管理專業知識)。

The independent non-executive Directors also serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. The Board considers that each independent non-executive Director is independent in character and judgment and that they all meet the specific independence criteria as required by the GEM Listing Rules. The independent non-executive Directors are explicitly identified in all corporate communications of the Company.

獨立非執行董事的重要職能亦為確保企業管治架構行之有效，並監察其基礎。董事會認為，獨立非執行董事具獨立性格及判斷力，且全部符合GEM上市規則所規定的指定獨立標準。於本公司的所有公司通訊中，獨立非執行董事已獲明確識別。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD MEETINGS

As the Company's shares were only listed on GEM on the Listing Date, the Board did not hold any board meeting during the period from the Listing Date to 31 March 2019. A meeting of the Board was held on 20 June 2019.

BOARD COMMITTEES

The Company has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. All Board committees are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference for each of the Audit Committee, Remuneration Committee and Nomination Committee have been published on the websites of GEM (www.hkgem.com) and the Company (www.dghcl.com). Each committee deals with matters in accordance with its terms of reference so that they could perform their functions properly, including but not limited to reporting back to the Board on their decisions or recommendations. All committees are provided with sufficient resources to perform their duties and have access to independent professional advice at the Company's expense if so reasonably required. The list of the chairman, members and duties of each of the committees are as follows:

Audit Committee

The Audit Committee comprises three Independent non-executive Directors. The Board is satisfied that the current mix of experience of the committee members facilitates an effective functioning of their roles. The members of the Audit Committee are:

Mr. Chan Chi Ming Tony (*chairman*)
Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code.

The primary duties of the Audit Committee are to review, and provide an independent view of the effectiveness of the financial reporting process, the risk management and internal control systems of the Group, oversee the audit process, scope of audit and appointment of external auditors and perform other duties and responsibilities as assigned by the Board.

As the Company's shares were only listed on GEM on the Listing Date, the Audit Committee did not hold any meeting during the period from the Listing Date to 31 March 2019. A meeting of the Audit Committee was held on 20 June 2019 to review the annual results of the Group for the year ended 31 March 2019.

董事會會議

由於本公司的股份於上市日期方始於GEM上市，故董事會於上市日期至2019年3月31日期間並無舉行任何會議。董事會於2019年6月20日舉行一次會議。

董事委員會

本公司已成立3個董事委員會，即審核委員會、薪酬委員會及提名委員會。所有董事委員會獲成立後具特定書面職權範圍，當中清楚列明其職權及職責。審核委員會、薪酬委員會及提名委員會各自的職權範圍已刊登於GEM網站(www.hkgem.com)及本公司網站(www.dghcl.com)。各委員會均按其職權範圍處理事宜以便妥善行使其職能，包括但不限於向董事會匯報其決策或推薦意見。所有委員會獲提供足夠資源以履行其職責，並可在合理需要時取得獨立專業意見，費用由本公司承擔。各委員會的主席及成員名單以及職責如下：

審核委員會

審核委員會由3名獨立非執行董事組成。董事會信納，委員會成員現有的不同經驗有助彼等有效履行其職能。審核委員會的成員為：

陳子明先生(*主席*)
陳昌達先生
王泳強先生

審核委員會的職權範圍不比企業管治守則所載者寬鬆。

審核委員會的主要職責為檢討及監督本集團的財務報告流程、風險管理及內部控制系統並就有關事項的有效性提供獨立意見、監察審計流程、審計範圍及委任外聘核數師，以及履行董事會指派的其他職責及責任。

由於本公司的股份於上市日期方始於GEM上市，故審核委員會於上市日期至2019年3月31日期間並無舉行任何會議。審核委員會於2019年6月20日舉行一次會議，以審閱本集團截至2019年3月31日止年度的年度業績。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

The Remuneration Committee comprises three Directors, two of whom are Independent non-executive Directors.

Mr. Chan Chi Ming Tony (*chairman*)
Mr. Fu Chun Keung
Mr. Wong Wing Keung Meyrick

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code.

The primary duties of the Remuneration Committee are to establish and review the policy and structure of the remuneration for the Directors and senior management and make recommendations to the Board on remuneration packages of executive Directors and senior management.

As the Company's shares were only listed on GEM on the Listing Date, the Remuneration Committee did not hold any meeting during the period from the Listing Date to 31 March 2019. A meeting of the Remuneration Committee was held on 20 June 2019 to review the policy and structure of the remuneration for the Directors and senior management and make recommendations to the Board on the remuneration packages of executive Directors and the senior management.

Nomination Committee

The Nomination Committee comprises three Directors, two of whom are independent non-executive Directors and one is executive Director.

Mr. Fu Chun Keung (*chairman*)
Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code.

The Nomination Committee is responsible for reviewing and assessing the composition of the Board and the independence of the independent non-executive Directors and making recommendations to the Board on appointment and removal of Directors. In recommending candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board in accordance with the board diversity policy adopted by the Company. Diversity of the Board will be considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a Director.

薪酬委員會

薪酬委員會由3名董事組成，其中2名為獨立非執行董事。

陳子明先生(主席)
傅鎮強先生
王泳強先生

薪酬委員會的職權範圍不比企業管治守則所載者寬鬆。

薪酬委員會的主要職責為設立並檢討董事及高級管理層薪酬的政策及架構，就執行董事及高級管理層的薪酬待遇並向董事會作出推薦建議。

由於本公司的股份於上市日期方始於GEM上市，故薪酬委員會於上市日期至2019年3月31日期間並無舉行任何會議。薪酬委員會會議於2019年6月20日舉行一次會議，以檢討董事及高級管理層薪酬的政策及架構，並就執行董事及高級管理層的薪酬待遇向董事會作出推薦建議。

提名委員會

提名委員會由3名董事組成，其中2名為獨立非執行董事及1名為執行董事。

傅鎮強先生(主席)
陳昌達先生
王泳強先生

提名委員會的職權範圍不比企業管治守則所載者寬鬆。

提名委員會負責檢討及評估董事會的組成及獨立非執行董事的獨立性，以及就委任及罷免董事向董事會提供推薦建議。於推薦人選以委任加入董事會時，提名委員會將根據本公司所採納的董事會成員多元化政策按客觀條件考慮人選，並適度顧及董事會成員多元化的裨益。董事會成員多元化將從多個方面進行考慮，包括但不限於性別、年齡、文化及教育背景、行業經驗、技術及專業技能及／或資格、知識、服務年期及擔任董事的時間。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

As the Company's shares were only listed on GEM on the Listing Date, the Nomination Committee did not hold any meeting during the period from the Listing Date to 31 March 2019. A meeting of the Nomination Committee was held on 20 June 2019 to review composition of the Board and assess the independence of independent non-executive Directors; and to adopt a nomination policy and the Board Diversity Policy.

Nomination Policy

According to the Nomination Policy, in evaluating and selecting any candidate for directorship, the Nomination Committee would consider the criteria, including, among other things, character and integrity, qualifications (cultural and educational background, professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy), any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and diversity, and willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s).

The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship with a ranking of the candidates (if applicable) by order of preference based on the needs of the Company and reference check of each candidate.

Board Diversity Policy

In designing the Board's composition, the Nomination Committee has considered Board diversity from a number of aspects, including but not limited to gender, race, language, cultural background, educational background, industry experience and professional experience. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

本公司亦將計及與其本身業務模式及不時的具體需求有關的因素。最終決定將以用人唯才為原則，並考慮所挑選的人選將對董事會作出的貢獻。

由於本公司的股份於上市日期方始於GEM上市，故提名委員會於上市日期至2019年3月31日期間並無舉行任何會議。提名委員會曾於2019年6月20日舉行一次會議，以檢討董事會的組成及評估獨立非執行董事的獨立性；及採納提名政策及董事會成員多元化政策。

提名政策

根據提名政策，於評估及挑選任何董事候選人時，提名委員會將考慮的標準包括(其中包括)品格及誠信、資格(文化及教育背景、專業資格、技能、知識及經驗，以及董事會成員多元化政策項下的多元化因素)、候選人的專業資格、技能、經驗、獨立性及多元化方面可為董事會帶來的任何潛在貢獻；以及是否願意及是否能夠投放足夠時間履行董事會及／或董事委員會成員的職責。

提名委員會及／或董事會應在收到委任新董事的建議及候選人的履歷資料(或相關詳情)後，根據上述標準評估該候選人，以確定該候選人是否符合資格擔任董事職務。提名委員會隨後應建議董事會根據本公司的需要及各候選人的資歷審查，按照候選人的優先次序委任合適人選擔任董事(如適用)。

董事會成員多元化政策

於設計董事會的組成時，提名委員會從多個方面考慮董事會成員多元化，包括但不限於性別、種族、語言、文化背景、教育背景、行業經驗及專業經驗。所有董事會的委任將根據任人唯賢的原則，在充分考慮到董事會成員多元化的裨益後，根據客觀標準考慮候選人。

CORPORATE GOVERNANCE REPORT

企業管治報告

We believe the Board has a well-balance of cultural background, educational background, industry experience and professional experience where members of the Board have diversified branch of learning and working experience in different countries and regions.

CORPORATE GOVERNANCE FUNCTIONS

According to code provision D.3.1 of the CG Code, the Board is responsible for performing the duties relating to corporate governance functions. The Board has the following responsibilities in performing the corporate governance duties of the Company as follows: (i) developing and reviewing the Group's policies and practices on corporate governance and making recommendations; (ii) reviewing and monitoring the training and continuous professional development of the Directors and senior management of the Group; (iii) reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and (v) reviewing the Group's compliance with the CG Code and disclose in the corporate governance report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings (the "Required Standard of Dealing") set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all the Directors, each of them have confirmed that they have complied with the Required Standard of Dealings during the period from the Listing Date to 31 March 2019. No incident of non-compliance was noted by the Company during such period.

EXTERNAL AUDITOR

During the year ended 31 March 2019, the fees paid/payable to the external auditor in respect of audit is approximately HK\$1,050,000.

我們相信，董事會在文化背景、教育背景、行業經驗及專業經驗方面具有良好的平衡，董事會成員在不同國家及地區擁有多元化的學習及工作經驗。

企業管治職能

根據企業管治守則守則條文第D.3.1條，董事會負責履行有關企業管治職能的職責。董事會於履行本公司企業管治職責時有以下責任：(i) 制定及審閱本集團有關企業管治的政策及常規，並提供推薦意見；(ii) 審閱及監察董事及本集團高級管理層的培訓及持續專業發展；(iii) 審閱及監察本集團有關遵守法律及監管規定的政策及常規；(iv) 制定、審閱及監察適用於僱員及董事的行為守則及合規守則(如有)；及(v) 審閱本集團遵守企業管治守則的情況，並於企業管治報告內披露。

董事證券交易

本公司已採納GEM上市規則第5.48條至5.67條所載的交易規定標準(「交易規定標準」)作為董事買賣本公司證券的操守守則。向全體董事作出特定查詢後，各董事均已確認彼等於上市日期至2019年3月31日期間一直遵守交易規定標準。於上述期間，本公司概無發現任何不合規事件。

外聘核數師

於截至2019年3月31日止年度，就審計的事項已付／應付予外聘核數師的費用約為1,050,000港元。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENT

The Directors of the Company are responsible for overseeing the preparation of the consolidated financial statements which give a true and fair view of the state of affairs of the Group and of the results and cash flow during the reporting period. A statement from the auditor about its reporting responsibilities on the consolidated financial statements is set out on pages 93 to 96 of this annual report. In preparing the consolidated financial statements for the year ended 31 March 2019, the Directors of the Company have selected suitable accounting policies and applied them consistently, made judgments and estimated that are prudent, fair and reasonable and prepared the financial statements on a going concern basis.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board acknowledges its responsibility for the effectiveness of the Group's internal control and risk management systems. Such internal control and risk management systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board with the supported of the Audit Committee as well as the management, had conducted a review on the effectiveness of the Group's internal control and risk management systems during the year ended 31 March 2019 which covered financial, operational, compliance procedural and risk management functions and had considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function.

In light of the size and scale of the Group's business, the Group does not have an internal audit function as the Board has reviewed the effectiveness of the internal control system of the Group and is currently of the view that there is no immediate need to set up an internal audit function within the Group. The Board will continue to review and consider to establish such department as and when it thinks necessary.

董事有關財務報表的責任

本公司董事負責監督綜合財務報表的編製工作，以真實公平地反映本集團的狀況以及報告期的業績及現金流量。核數師就其對綜合財務報表申報責任的聲明載於本年報第93頁至第96頁。於編製截至2019年3月31日止年度的綜合財務報表時，本公司董事已選擇合適的會計政策並貫徹應用；作出審慎、公平及合理的判斷及估計；並按持續基準編製財務報表。

董事並不知悉任何可能會嚴重影響本集團持續經營能力的重大不確定事件或情況。

內部控制及風險管理

董事會知悉其維持本集團內部控制及風險管理系統有效性的責任。該內部控制及風險管理系統旨在管理而非消除未能實現業務目標的風險，並僅可就避免重大錯誤陳述或損失提供合理但並非絕對的保證。

於截至2019年3月31日止年度，董事會已在審核委員會及管理層的支持下對本集團內部控制及風險管理系統的有效性進行檢討，其涵蓋財務、營運、合規程序及風險管理職能等範疇，並已考慮本集團會計及財務報告職能方面的資源、員工資歷及經驗、培訓課程及預算是否充足。

鑑於本集團業務的規模及範圍，由於董事會對本集團內部控制系統的有效性進行審閱，且認為目前並無在本集團內設立內部審核職能的即時需要，故本集團並無設立內部審核職能。董事會將繼續檢討並於有需要時考慮設立該部門。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group believes that good corporate governance practices are very important for maintaining and promoting investor confidence and for the sustainable growth of the Group. The Group has therefore made continued efforts to uplift its quality of corporate governance. It has established an effective system of internal controls and adopted a series of measures to ensure its safety and effectiveness. As a result, the Group is able to safeguard its assets and protect the interests of the Shareholders. The Board is of the view that the systems of internal control and risk management are effective and there are no irregularities, improprieties, fraud or other deficiencies that suggest material deficiency in the effectiveness of the Group's internal control system.

Internal Control System

The Company has maintained an internal control system and its implementation has been considered by the Audit Committee and the Board as effective. Meanwhile, the Group strives for continual improvement through efforts to enhance controls by providing ongoing employee training and development, talent retention, and other measures. The Group follows a disciplined and balanced compensation framework with strong internal governance and independent Board oversight. The impact of risk and control issues are carefully considered in the Group's performance evaluation and incentive compensation processes.

The Group's internal control system and procedures are designed to meet its specific business needs and to minimise its risk exposure. The Group has adopted different internal guidelines, along with written policies and procedures to monitor and lessen the impact of risks which are relevant to the Group's business and control the Group's daily business operations. In order to ensure sound implementation of the Group's risk management and internal control systems, the Group has also adopted various on-going measures as set out below:

- the Group has engaged an internal control adviser to perform an internal control review on the Group and has adopted a revised operations and procedures manual which has included recommendations from the internal control adviser;
- the Group has improved its existing internal control framework by adopting a set of internal control manual and policies, which cover corporate governance, risk management, operations and legal matters;

本集團相信良好的企業管治常規對於維持及促進投資者信心及本集團可持續發展而言攸關重要。因此，本集團一直致力於提升企業管治質素，建立有效內部控制系統，採取一系列措施保證該系統健全及有效，從而得以確保本集團資產安全及保障股東的利益。董事會認為內部控制及風險管理系統行之有效，且本集團的內部控制系統並無違規、不當、欺詐或其他不足顯示本集團內部控制系統的效能出現重大缺陷。

內部控制系統

本公司已維持內部控制系統，且其實施已獲審核委員會及董事會視為有效。同時，本集團致力透過努力加強控制、提供持續僱員培訓及發展、挽留人才及其他措施作出持續改進。本集團憑藉強大內部管治及獨立董事會監督遵循嚴格及平衡的薪酬框架。本集團在進行表現評估及激勵薪酬程序時會仔細考慮風險及控制問題的影響。

本集團的內部控制系統及程序旨在滿足其特定業務需求並將風險減至最低。本集團已採納不同的內部指引(連同書面政策及程序)，以監察及減輕與本集團業務有關的風險的影響，並控制本集團日常業務營運。為確保本集團風險管理及內部控制系統能夠穩妥執行，本集團亦採取了以下各項持續措施：

- 本集團已委聘一名內部控制顧問，以進行本集團的內部控制檢討並採納經修訂業務及程序手冊，其中包括內部控制顧問的建議；
- 本集團已透過採納一套內部控制手冊及政策改善其現有內部控制架構，其涵蓋企業管治、風險管理、業務經營及法律事宜；

CORPORATE GOVERNANCE REPORT

企業管治報告

- the Group will assess and monitor the implementation of its internal control manual and policies by the relevant departments and companies in the Group through regular audits and inspections; and
- the Group will provide internal training to staff as appropriate in order to enable them to follow the internal control procedures.
- With reference to the internal control manual and policies of the Group, the risk management and internal control systems are reviewed and assessed on an on-going basis by the Board with the support of the Audit Committee and the management and will be further reviewed and assessed at least once each year by the Board. These systems were considered effective and adequate.

The Group will continuously monitor and improve the Group's management procedures to ensure that effective operation of those internal controls are in line with the growth of the Group's business and good corporate governance practice.

Ms. Chan So Kuen, the group account manager is responsible for overseeing the Company's internal control measures in relation to anti-money laundering and cash management.

INFORMATION TECHNOLOGY

The Group has one main IT platform that supports its business operations, namely POS system. The IT platform was developed by an independent third party contractors to suit the Group's requirements and it is continually refined and upgraded to meet the Group's business needs.

The Group's POS system records sales and inventory movements as it is linked to every retail store. The Group's management is able to manage effectively the retail stores through the POS system which provides them with the performance of each retail store and its inventory status. With the ability of the Group's POS system to track the inventory movements in each retail store, the Directors are in a better position to assess what type of products are more popular in each retail store, which in turn enables the Group to respond more swiftly to market demands.

- 本集團將透過定期審核及檢查以評估及監控本集團相關部門及公司對其內部控制手冊及政策的實施情況；及
- 本集團將向員工提供內部培訓(倘適用)，致令其能夠遵守內部控制程序。
- 經參考本集團的內部控制手冊及政策，董事會於審核委員會及管理層的支持下，持續檢討及評估風險管理及內部控制系統，而董事會每年會進一步檢討及評估一次。該等系統被認為屬行之有效及充分。

本集團將持續監察及改善本集團的管理程序，以確保該等內部控制的有效運作符合本集團業務增長及良好企業管治常規。

集團會計經理陳素娟女士負責監察本公司有關反洗黑錢及現金管理的內部控制措施。

資訊科技

本集團設有一個支援其經營業務的主要資訊科技平台，即POS系統。為配合本集團的需要，資訊科技平台由獨立第三方承包商開發，並會持續改善及升級以符合本集團的業務需求。

本集團的POS系統連接每間零售店，並記錄本集團的銷售及庫存變動。本集團的管理層能通過POS系統有效管理零售店，從而為其提供每間零售店的表現及庫存狀況。本集團POS系統追蹤各零售店存貨變動的能力，讓董事更了解每間零售店受歡迎產品的類別，從而令本集團得以更迅速回應市場需求。

CORPORATE GOVERNANCE REPORT

企業管治報告

As detailed in the Company's announcement dated 2 April 2019, the Group discovered an unauthorised access to its IT system and its POS system, while certain financial records and data have been lost as a result of the unauthorised access (the "Issue"). The Group has commenced a thorough investigation regarding the Issue and has conducted a comprehensive check on its IT system. Upon completion of such investigation, the Group has implemented appropriate upgrades of its IT system to defend against any further unauthorised access or attacks. The Group will continue to strengthen the security of its IT system from time to time.

DIVIDEND POLICY

The dividend policy of the Company, was adopted by the Board on 20 June 2019, is set out as follows:

Payment of dividends by the Company is also subject to any restrictions under the Companies Law of Cayman Islands and the memorandum and articles of association of the Company. The Board will review the dividend policy as appropriate from time to time. The declaration and payment of dividends shall be determined at the sole discretion of the Board. The Board shall also take into account the following factors when considering whether to propose dividends and determining the dividend amount:

1. the Group's actual and expected financial performance;
2. retained earnings and distributable reserves of the Company and each of the members of the Group;
3. the Group's working capital requirements, capital expenditure requirements and future expansion plans;
4. the Group's liquidity position;
5. contractual restrictions on the payment of dividends by the Company to the Shareholders or by the Company's subsidiaries to the Company;
6. taxation considerations;
7. general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
8. other factors that the Board deems relevant.

誠如本公司日期為2019年4月2日的公告所述，本集團發現有未經授權進入其資訊科技系統及其POS系統，而若干金融記錄及數據因未經授權進入而遺失(「該事件」)。本集團仔細調查該事件並對資訊科技系統進行全面檢查。於有關調查完成後，本集團對其資訊科技系統實施適當升級，從而防止任何其他未經授權進入或攻擊。本集團將繼續不時加強其資訊科技系統的安全。

股息政策

董事會於2019年6月20日採納的本公司股息政策載列如下：

本公司股息的支付亦受開曼群島公司法及本公司組織章程大綱及細則所限制。董事會將不時適當地檢討股息政策。宣派及派付股息將由董事會全權酌情釐定。於考慮是否建議派付股息及釐定股息金額時，董事會亦應考慮下列因素：

1. 本集團的實際及預期財務表現；
2. 本公司及本集團各成員公司的保留盈利及可分派儲備；
3. 本集團的營運資金要求、資本開支要求及未來擴展計劃；
4. 本集團的流動資金狀況；
5. 對本公司向股東或本公司的附屬公司向本公司支付股息方面的合約限制；
6. 稅務考慮；
7. 一般經濟條件、本集團業務的業務周期及可能對本集團的業務或財務表現及狀況造成影響的其他內部或外部因素；及
8. 董事會認為相關的其他因素。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS AND INVESTORS' RELATIONS

The Company was incorporated in the Cayman Islands. Pursuant to the Articles, general meetings shall also be convened on the written requisition of any one or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. Such meeting should be held within two months after the deposit of such requisition.

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Under Article 12.3 of the Articles, any one or more Shareholders 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 may at all times have the right, by a written requisition to the Board or the company secretary of the Company, to require the convening of an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. If, within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

The Board is not aware of any provisions allowing the shareholders of the Company to put forward proposals at general meetings of the Company under the Articles and the Companies Law of the Cayman Islands. Shareholders who wish to put forward proposals at general meetings may refer to the preceding paragraph to make a written requisition to require the convening of an extraordinary general meeting of the Company.

股東及投資者的關係

本公司於開曼群島註冊成立。根據細則，本公司任何一名或以上股東向本公司香港主要辦事處（倘本公司不再設置該主要辦事處，則為註冊辦事處）發出書面要求後亦可召開股東大會，有關書面提請須列明大會事項並由提請人簽署，惟於提請要求當日持有不少於本公司繳足股本（賦有權利在本公司股東大會投票）十分之一。有關大會應於該要求送達後兩個月內舉行。

為保障股東權益及權利，於股東大會上，各項重大獨立議題（包括選舉個別董事）均以個別決議案作出提呈。所有於股東大會上提呈的決議案將根據GEM上市規則以按股數投票方式進行表決，投票結果將於各股東大會後刊載於本公司及聯交所網站。

根據細則第12.3條，一名或多名於提呈請求當日持有不少於有權於本公司股東大會上投票的繳足股本十分之一的股東，於任何時候均有權以書面請求形式向董事會或本公司的公司秘書提呈請求，以要求董事會就該請求書所指定的任何事務交易召開股東特別大會。倘於有關提呈後21日內，董事會未有召開該大會，則提呈請求人士可以相同方式召開大會，而本公司須向遞呈請求人士償付所有由提呈請求人士因董事會未能召開大會而產生的所有合理開支。

董事會並不知悉細則及開曼群島公司法項下任何條文允許本公司股東於本公司的股東大會上提呈建議。股東擬於本公司股東大會上提呈建議，可參照前段所述提呈請求書以要求召開本公司股東特別大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

Detailed procedures for Shareholders to propose a person for election as a director of the Company are published on the Company's website.

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company as follows:

Address: No. 6-13, Faerie Court, 80 Ko Shan Road, Hung Hom, Kowloon, Hong Kong

Attention: Company Secretary

The Company will not normally deal with verbal or anonymous enquiries.

CONSTITUTIONAL DOCUMENTS

The Articles was conditionally adopted by the Board on 26 September 2018 and became effective on the Listing Date. A copy of the Articles is available on the website of the Company and the Stock Exchange. Since the Listing Date and up to the date of this annual report, there was no significant change in the constitutional documents of the Company.

有關股東提名本公司候選董事的詳細程序已刊載於本公司網站。

如欲向董事會作出任何查詢，股東可將書面查詢發送至本公司，地址如下：

地址：香港九龍紅磡高山道80號富怡閣6-13號

聯絡人：公司秘書

本公司一般將不會處理口頭或匿名查詢。

章程文件

細則於2018年9月26日由董事會有條件採納，並於上市日期生效。細則的文本可於本公司及聯交所網站查閱。自上市日期起直至本年報日期，本公司的章程文件並無任何重大變動。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS

Convening an Extraordinary General Meeting of the Company and putting forward Proposals at General Meetings.

In accordance with article 12.3 of the Articles, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company and carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself /herself/themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting forward enquiries by the Shareholders to the Board can be sent in writing to the Directors or company secretary of the Company to the following address:

Address: No. 6-13, Faerie Court,
80 Ko Shan Road,
Hung Hom, Kowloon, Hong Kong

For share registration related matters, such as share transfer and registration, change of name or address, loss of share certificates or dividend warrants, the Company's registered shareholders can contact the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited.

COMPANY SECRETARY

Ms. So Shuk Yi Betty is the company secretary of the Company. She has complied with Rule 5.15 of GEM Listing Rules by taking no less than 15 hours of relevant professional training to update her skills and knowledge.

股東權利

股東可召開本公司股東特別大會並於股東大會上提呈建議

根據細則第12.3條，任何一名或多名股東於提呈要求當日持有不少於本公司繳足股本(賦有本公司股東大會投票權)的十分之一將隨時有權以書面方式向董事會或本公司的公司秘書提呈要求，要求由董事會就處理有關要求中指明的任何業務的交易而召開股東特別大會。倘董事會未能於該要求提呈後21日內召開會議，提呈請求人士本身亦可按相同方式召開會議，而提呈請求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

將提呈董事會而由股東提出的查詢可以書面形式送遞至以下地址予董事及本公司的公司秘書：

地址：香港九龍紅磡
高山道80號
富怡閣6-13號

就與股份註冊有關的事宜(如股份轉讓及註冊、變更姓名或住址、遺失股份證書或股息支票)，本公司的註冊股東可聯絡本公司的香港股份過戶登記分處卓佳證券登記有限公司。

公司秘書

蘇淑儀女士為本公司的公司秘書。通過參與不少於15個小時的相關職業培訓以提升其技能及知識，彼已符合GEM上市規則第5.15條的規定。

REPORT OF DIRECTORS

董事會報告

The Directors are pleased to present their first report together with the audited consolidated financial statements of the Group for the year ended 31 March 2019 after its listing on GEM of the Stock Exchange on the Listing Date.

CORPORATE REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 11 January 2018. The Company completed the group reorganisation (the “Reorganisation”) on 12 April 2018 in preparation for the Listing, pursuant to which the Company became the holding company of the companies now comprising our Group. Details of the Reorganisation are set out in the section headed “History, Development and Reorganisation” in the Prospectus. The Shares were listed on GEM of the Stock Exchange on Listing Date by way of share offer.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the Group is principally engaged in the retail of its own products through its network of seven retail stores under the brand name of “Chong Fai Jewellery (創輝珠寶)” strategically located in Kowloon and the New Territories. The Group also engages in the wholesale of its jewellery products to other jewellery retailers, and the trading of recycled gold products from the general public to customers who purchase recycled gold products from the Group.

Details of the principal activities of the principal subsidiaries are set out in note 36 to the consolidated financial statements.

RESULTS OF OPERATIONS

The financial results of the Group for 2018/19 are set out on pages 97 to 183 of this annual report.

FINANCIAL SUMMARY

A summary of the results, and assets and liabilities of the Group announced in the past 3 years are set out on page 184 of this annual report.

董事欣然提呈其首份報告，連同本集團於上市日期在聯交所GEM上市後截至2019年3月31日止年度的經審核綜合財務報表。

公司重組

本公司於2018年1月11日在開曼群島註冊成立為獲豁免有限公司。為籌備上市，本公司於2018年4月12日完成集團重組(「重組」)，據此，本公司成為本集團旗下公司的控股公司。重組的詳情載於招股章程「歷史、發展及重組」一節。股份於上市日期以股份發售方式在聯交所GEM上市。

主要業務

本公司為投資控股公司，而本集團主要透過「創輝珠寶」品牌名下七間零售店(策略上位處九龍及新界)的網絡從事自家產品零售。本集團亦從事向其他珠寶零售商供貨的珠寶產品批發及向客戶(從本集團購入回收黃金產品)買賣來自公眾的回收黃金產品。

主要附屬公司的主要業務詳情載於綜合財務報表附註36。

經營業績

本集團2018/19年度的財務業績載於本年報第97至183頁。

財務概要

本集團於過往3年所公佈的業績、資產及負債的概要載於本年報第184頁。

REPORT OF DIRECTORS

董事會報告

BUSINESS REVIEW

Overview

The fair review of the Group's business is detailed in the Management Discussion and Analysis on pages 6 to 15 of this annual report. The discussion constitutes a part of this Directors' Report.

Principal Risks and Uncertainties

The principal risks faced by the Group are set out in page 15 of this annual report. As it is a non-exhaustive list, there may be other risks and uncertainties further to the disclosure. Besides, this annual report does not constitute a recommendation or an advice for anyone to invest in the securities of the Company. Investors are advised to make their own judgement or consult professionals before making any investment in the securities of the Company.

Important Events

The Board has not identified any important events affecting the Group that have occurred since the end of this financial year.

Key Performance Indicators

The key performance indicators are detailed in the financial review set out in the Management Discussion and Analysis on pages 6 to 15 of this annual report. This discussion constitutes a part of this Report of Directors.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2019 are set out in the consolidated statement of profit or loss and other comprehensive income of this annual report.

No final dividend has been paid or proposed by the Company during the year ended 31 March 2019, nor has any dividend been proposed since the end of the reporting period (2018: nil).

業務審視

概覽

有關本集團業務中肯審視詳載於本年報第6至第15頁的管理層討論及分析中。該討論構成本董事會報告的一部分。

主要風險及不確定因素

本集團所面對的主要風險載於本年報第15頁。由於未能盡錄所有因素，除所披露者外，亦可能存在其他風險及不確定因素。此外，本年報概不對任何人士就構成有關投資本公司證券所作出的任何建議或意見。投資者在投資本公司證券前，應自行判斷或諮詢專業人士的意見。

重要事項

董事會並無發現自本財政年度結束起發生對本集團構成影響的任何重要事項。

關鍵績效指標

關鍵績效指標詳載於本年報第6至第15頁管理層討論及分析中的財務審視。該討論構成本董事會報告的一部分。

業績及股息

本集團截至2019年3月31日止年度的業績載於本年報綜合損益及其他全面收益表內。

本公司於截至2019年3月31日止年度內尚未派付或擬派任何末期股息，自報告期末亦未擬派任何股息(2018年：無)。

REPORT OF DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2019, the five largest customers accounted for approximately 16% of the Group's total revenue. The five largest suppliers accounted for approximately 66% of the Group's total purchases. In addition, the largest customer accounted for approximately 9% of the Group's total revenue while the largest supplier accounted for approximately 34% of the Group's total purchases. None of the Directors, their associates or any Shareholders (which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 March 2019, there were no material and significant dispute between the Group and its employees, customers and suppliers.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 36 to the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial performance of the Group for the year ended 31 March 2019 and the consolidated financial position of the Group as at 31 March 2019 are set out in the consolidated financial statements on pages 97 and 183 respectively.

主要客戶及供應商

截至2019年3月31日止年度，五大客戶佔本集團收益總額約16%。五大供應商佔本集團購買總額約66%。此外，最大客戶佔本集團收益總額約9%，而最大供應商佔本集團購買總額約34%。概無董事、彼等的聯繫人或任何股東（據董事所知擁有本公司已發行股本超過5%）於本集團五大客戶及供應商中擁有任何權益。

與僱員、客戶及供應商的關係

本集團深明與僱員、客戶及供應商維持良好關係對實現其短期及長期業務目標的重要性。截至2019年3月31日止年度，本集團與其僱員、客戶及供應商之間並無重大及主要爭議。

附屬公司

有關本公司主要附屬公司的詳情載於綜合財務報表附註36。

綜合財務報表

本集團截至2019年3月31日止年度的綜合財務表現及本集團於2019年3月31日的綜合財務狀況分別載於綜合財務報表第97及183頁。

REPORT OF DIRECTORS

董事會報告

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the share capital and share options of the Company are set out in notes 26 and 27 to the consolidated financial statements respectively.

PRE-EMPTIVE RIGHTS

There is no provision regarding pre-emptive right under the Articles of Association of the Company and the Cayman Islands law, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the year ended 31 March 2019.

RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 101 and in note 37 to the consolidated financial statements, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2019, the Company had distributable reserve of approximately HK\$17,241,000, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Such amount includes share premium which may be distributable provided that immediately following the date on which the dividend is proposed, the Company will be in a position to pay off its debts or when they fall due in the ordinary course of business.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

DIRECTORS

The members of the Board since the Listing Date and up to the date of this annual report are:

Executive Directors

Mr. Fu Chun Keung (*Chairman and Chief Executive Officer*)

Ms. Cheung Lai Yuk

Ms. Fu Wan Ling

股本及購股權

有關本公司股本及購股權變動的詳情分別載於綜合財務報表附註26及27。

優先購買權

本公司的組織章程細則或開曼群島法律均無載列有關優先購買權的條文，規定本公司須按比例向現有股東發售新股份。

購買、出售或贖回上市證券

截至2019年3月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何股份。

儲備

本集團及本公司年內的儲備變動詳情分別載於綜合財務報表第101頁綜合權益變動表及附註37。

可分派儲備

於2019年3月31日，根據開曼群島法例第22章公司法(1961年第三號法例，經綜合及修訂)計算，本公司之可分派儲備約為17,241,000港元。有關款項包括於緊隨建議派發股息當日可供分派的股份溢價。本公司將有能力在日常業務過程中償還其到期的債務時，方可作出分派。

物業、廠房及設備

有關本集團物業、廠房及設備的變動詳情載於綜合財務報表附註15。

董事

自上市日期及直至本年報日期，董事會成員如下：

執行董事

傅鎮強先生(*主席兼行政總裁*)

張麗玉女士

傅雲玲女士

REPORT OF DIRECTORS

董事會報告

Independent non-executive Directors

Mr. Chan Cheong Tat

Mr. Wong Wing Keung Meyrick

Mr. Chan Chi Ming Tony

The biographical details of the Directors and senior management are set out under the section headed “Biographical Details of Directors and Senior Management” of this annual report.

In accordance with article 16.19 of the Articles, at every annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Fu Chun Keung and Ms. Cheung Lai Yuk will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date, which shall continue thereafter unless and until terminated by not less than three months' notice in writing served by either party on the other.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing from the Listing Date, which shall continue thereafter unless and until terminated by not less than three months' notice in writing served by either party on the other. Save as disclosed above, none of the Directors, including those to be re-elected at the forthcoming AGM has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

獨立非執行董事

陳昌達先生

王泳強先生

陳子明先生

董事及高級管理層的履歷詳情載於本年報「董事及高級管理層履歷詳情」一節。

根據細則第 16.19 條，於本公司每年的股東週年大會上，三分之一的在任董事（倘若董事數目並非三或三的倍數，則以最接近但不少於三分之一的董事人數為準）須輪席告退，惟每名董事（包括按特定任期獲委任的董事）均須最少每三年輪席告退一次。因此，傅鎮強先生及張麗玉女士將在應屆股東週年大會上退任並符合資格願意重選連任。

董事服務合約及委任函件

各執行董事已與本公司訂立服務協議，初步年期為自上市日期起計為期三年，惟於屆滿後仍然生效，除非及直至任何一方發出不不少於三個月書面通知予以終止。

各獨立非執行董事已與本公司訂立委任函件，自上市日期起計為期三年，惟於屆滿後仍然生效，除非及直至任何一方發出不不少於三個月書面通知予以終止。除上文所披露者外，概無董事（包括將於應屆股東週年大會上重選連任的董事）與本公司訂立任何不可於一年內終止而毋須支付賠償（法定賠償除外）的服務合約。

REPORT OF DIRECTORS

董事會報告

DIRECTORS' MATERIAL INTEREST IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS

There was no transactions, arrangement or contract of significance connected to the business of the Group to which the Company, its subsidiaries, or its holding company or any of its fellow subsidiaries was a party and in which any Director and the Director's connected party had a direct or indirect material interest, subsisting at the end of the year or at any time during that year.

PERMITTED INDEMNITY PROVISION

Upon the Listing, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefits of the Directors. The permitted indemnity provisions are provided for in the Company's Articles of Association in respect of potential losses and liability associated with legal proceedings that may be brought against such Directors and the payment of any sum primarily due from the Company that may be liable by the Directors.

The Company has maintained appropriate directors and officers liability insurance and such permitted indemnity provision for the benefit of the Directors is currently in force.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or exited during the year.

REMUNERATION OF DIRECTORS

In compliance with the CG Code as set out in Appendix 15 of the GEM Listing Rules, the Company has established a Remuneration Committee to make recommendations to the Board on the Company's policy and structure for all the Directors' remuneration. The Directors' remuneration is determined by the Board with reference to the Directors' duties and responsibilities, the recommendation of the Remuneration Committee and the performance and results of the Group. Details of the remuneration of the Directors are set out in note 12 to the consolidated financial statements of this annual report.

董事於交易、安排及合約的重大權益

本公司、其附屬公司、或其控股公司或其任何同系附屬公司概無訂立任何於年終或於年內任何時間仍然有效並與本集團業務有關，且由董事及董事關連方直接或間接擁有重大權益的重大交易、安排或合約。

獲准許彌償條文

於上市後，本公司按有關法規的允許，備有以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的組織章程細則，就該等董事因可能面對法律訴訟而產生的潛在損失及責任以及該等董事可能承擔主要因本公司引致的任何金額的付款作出彌償。

本公司已維持合適的董事及高級職員責任保險，而惠及董事的相關獲許彌償保證條文現正生效。

管理合約

年內並無訂立或存在有關本公司的全部或任何重大部分業務的管理及行政合約。

董事的薪酬

為遵守GEM上市規則附錄十五所載的企業管治守則，本公司已設立薪酬委員會就本公司全體董事的薪酬政策及架構向董事會提出建議。董事薪酬乃由董事會經參照董事職務及職責、薪酬委員會的推薦意見以及本集團的表現及業績而釐定。有關董事薪酬的詳情載於本年報綜合財務報表附註12。

REPORT OF DIRECTORS

董事會報告

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules from each of the Independent non-executive Directors and considers that all the Independent non-executive Directors namely Mr. Chan Cheong Tat, Mr. Wong Wing Keung Meyrick and Mr. Chan Chi Ming Tony to be independent.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31 March 2019, interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (the "SFO")) which were notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in shares and underlying shares of the Company

Name 姓名	Capacity 身份	Number of Shares ¹ upon Listing 上市後股份數目 ¹	Percentage of shareholding upon Listing 上市後股權比例
Mr. Fu ² 傅先生 ²	Interest in controlled corporation 受控法團權益	562,500,000	75%
Ms. Fu ² 傅女士 ²	Interest in controlled corporation 受控法團權益	562,500,000	75%
Ms. Cheung ^{2,3} 張女士 ^{2,3}	Interest in controlled corporation, interest of spouse 受控法團權益、配偶權益	562,500,000	75%

獨立非執行董事的獨立身份確認

本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條就其獨立身份發出的年度確認書，並認為全體獨立非執行董事(即陳昌達先生、王泳強先生及陳子明先生)均為獨立人士。

董事於本公司及任何相聯法團的股份、相關股份及債權證的權益及淡倉

於2019年3月31日，董事於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須登記於由本公司存置的登記冊的權益或淡倉，或根據GEM上市規則第5.46條至第5.67條須知會本公司及聯交所的權益及淡倉如下：

於本公司股份及相關股份的好倉

REPORT OF DIRECTORS

董事會報告

Notes:

1. All interests stated are long positions.
2. Mr. Fu, Ms. Fu and Ms. Cheung collectively are interested in the entire issued share capital of Mythe Group Holdings Company Limited ("MGH Limited") and they are therefore deemed to be interested in the Shares held by MGH Limited by virtue of the SFO.
3. Ms. Cheung is the spouse of Mr. Fu and she is therefore deemed to be interested in the Shares held by Mr. Fu by virtue of the SFO.

Save as disclosed herein, neither the Directors nor any of their associates had any interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations as at 31 March 2019 as defined in Section 352 of the SFO. In addition, at no time during the year had the Directors and chief executive of the Company (including their spouses and children under 18 years of age) any interest in, or been granted, or exercised any rights to subscribe for shares (or warrants or debentures, if applicable) of the Company and its associated corporations (within the meaning of the SFO). Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

At 31 March 2019, the interests or short positions of person in the shares and underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

附註：

1. 列示的所有權益均為好倉。
2. 傅先生、傅女士及張女士共同擁有 Mythe Group Holdings Company Limited ("MGH Limited") 全部已發行股本權益，因此，根據證券及期貨條例，彼等被視為於 MGH Limited 持有的股份中擁有權益。
3. 張女士為傅先生的配偶，因此，根據證券及期貨條例，彼被視為於傅先生持有的股份中擁有權益。

除本年報所披露者外，於2019年3月31日，概無董事或其任何聯繫人於本公司或其任何相聯法團的股份、相關股份及債權證中擁有任何權益或淡倉(定義見證券及期貨條例第352條)。此外，於年內任何時間，董事及本公司最高行政人員(包括彼等的配偶及18歲以下子女)概無於可認購本公司及其相聯法團(定義見證券及期貨條例)股份(或認股權證或債券(如適用)的權利中擁有任何權益，或獲授或已行使任何有關權利。除上文所披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使董事透過收購本公司或任何其他法人團體的股份或債券而獲得利益。

主要股東於本公司股份及相關股份中的權益及淡倉

於2019年3月31日，將於本公司股份及相關股份及債權證中擁有根據證券及期貨條例第XV部第2及3分部的條文向本公司披露的權益或淡倉，或直接或間接擁有附帶權利可於所有情況下在本集團任何其他成員公司的股東大會投票的任何類別股本面值5%或以上權益的人士，或其權益或淡倉已記入本公司根據證券及期貨條例第336條須存置的登記冊的任何其他主要股東如下：

REPORT OF DIRECTORS

董事會報告

Long positions in shares and underlying shares of the Company

Name 名稱	Capacity 身份	Number of Shares ¹ upon Listing 上市後股份數目 ¹	Percentage of shareholding upon Listing 上市後股權比例
MGH Limited ²	Beneficial Interest 實益權益	562,500,000	75%

Notes:

- All interests stated are long positions.
- The entire issued share capital of MGH Limited is legally and beneficially owned by Mr. Fu, Ms. Fu and Ms. Cheung who are deemed to be interested in the Shares held by MGH Limited by virtue of the SFO.

Save as disclosed above, as at 31 March 2019, the Directors were not aware of any other person (other than the Directors and chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial Shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme as set out below, no equity-linked agreement was entered into by the Group, or existed during the year ended 31 March 2019.

於本公司股份及相關股份的好倉

Number of Shares ¹ upon Listing 上市後股份數目 ¹	Percentage of shareholding upon Listing 上市後股權比例
562,500,000	75%

附註：

- 列示的所有權益均為好倉。
- MGH Limited全部已發行股本由傅先生、傅女士及張女士合法實益擁有，因此，根據證券及期貨條例，彼等被視為於MGH Limited持有的股份中擁有權益。

除上文所披露者外，於2019年3月31日，董事並不知悉於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的權益或淡倉的任何其他人士(本公司董事及最高行政人員除外)，或直接或間接擁有附帶權利可於所有情況下在本集團任何其他成員公司的股東大會投票的任何類別股本面值5%或以上權益的人士，或其權益或淡倉已記入本公司根據證券及期貨條例第336條須存置的登記冊的任何其他主要股東。

股權掛鈎協議

除下文所載購股權計劃外，本集團並無訂立任何股權掛鈎協議，協議截至2019年3月31日止年度內亦不存在。

REPORT OF DIRECTORS

董事會報告

SHARE OPTION SCHEME

A share option scheme was adopted by the written resolutions of the sole Shareholder passed on 6 March 2019 (the "**Share Option Scheme**"). The terms of the Share Option Scheme are in compliance with the provisions of Chapter 23 of the GEM Listing Rules.

Since the date of adoption to the 31 March 2019, no share option was granted, exercised, outstanding, cancelled or lapsed under the Share Option Scheme.

Summary of the principal terms of the Share Option Scheme are as follow:

(a) Purpose of the Share Option Scheme

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the Eligible Participants (as defined in paragraph (b) below) have had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivating the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and
- (ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long term growth of the Group.

(b) Participant of the Share Option Scheme

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (c) below to the following persons (the "**Eligible Participants**"):

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries;

購股權計劃

購股權計劃乃根據唯一股東於2019年3月6日通過的書面決議案而採納(「**購股權計劃**」)。購股權計劃的條款符合GEM上市規則第23章的規定。

自採納日期起至2019年3月31日，概無購股權根據購股權計劃已獲授出、行使、尚未行使、註銷或失效。

以下為購股權計劃的主要條款概要：

(a) 購股權計劃的目的

購股權計劃為一項股份獎勵計劃，乃為嘉許及肯定合資格參與者(定義見下文(b)段)對本集團所作出或可能作出的貢獻而設立。購股權計劃將為合資格參與者提供於本公司持有個人權益的機會，旨在達到下列目的：

- (i) 激勵合資格參與者為本集團的利益而提升工作表現及效率；及
- (ii) 吸引並挽留或以其他方式維持與合資格參與者的持續業務關係，合資格參與者的貢獻有利於或將有利於本集團長期發展。

(b) 購股權計劃參與者

董事會可酌情按下文(c)段釐定的行使價向以下人士(「**合資格參與者**」)提出授予購股權以認購董事會可能釐定的新股份數目：

- (i) 本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員；
- (ii) 本公司或其任何附屬公司的任何董事(包括非執行董事及獨立非執行董事)；

REPORT OF DIRECTORS

董事會報告

- (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and
- (iv) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:
 - (a) contribution to the development and performance of the Group;
 - (b) quality of work performed for the Group;
 - (c) initiative and commitment in performing his/her duties; and
 - (d) length of service or contribution to the Group.

(c) Price of Shares

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

(d) Grant of options and acceptance of offers

An offer for the grant of options must be accepted within twenty-one days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.

(e) Maximum number of Shares of the Company available for issue

The total number of Shares available for issue under the Share Option Scheme is 75,000,000 Shares, represent 10% of the Shares in issue as at the date of this annual report.

- (iii) 本公司或其任何附屬公司的任何諮詢人、顧問、供應商、客戶及代理；及
- (iv) 董事會全權認為將會或已對本集團作出貢獻的其他人士，評估標準為：
 - (a) 對本集團的發展及表現的貢獻；
 - (b) 為本集團開展工作的質素；
 - (c) 履行職責的主動性及承擔；及
 - (d) 於本集團的服務年限或所作貢獻。

(c) 股份價格

根據購股權計劃授出的任何特定購股權所涉股份的認購價，須為董事會全權酌情釐定的價格，惟此價格將不得低於以下最高者：

- (i) 於授出日期(須為聯交所開市辦理證券交易業務的日子)聯交所每日報價表所報股份的收市價；
- (ii) 於緊接授出日期前五個營業日，聯交所每日報價表所報股份的平均收市價；及
- (iii) 股份面值。

(d) 授出購股權及接納要約

授出購股權的要約限於作出有關要約日期(包括當日)起21日內接納。購股權承授人須於接納要約時就獲授的購股權向本公司支付1港元。

(e) 本公司可供發行股份數目上限

於購股權計劃項下可供發行之股份總數為75,000,000股，佔於本年報日期已發行股份之10%。

REPORT OF DIRECTORS

董事會報告

(f) Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue.

(g) Time of exercise of option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

(h) Remaining life of the Share Option Scheme

The Share Option Scheme will remain in force for a period of ten years commencing on 6 March 2019, subject to early termination provisions contained in the Share Option Scheme.

(f) 各參與者的配額上限

截至授出日期止任何 12 個月期間內，因根據購股權計劃或本公司任何其他購股權計劃向任何參與者授出的購股權（包括已行使及尚未行使的購股權）獲行使而發行及將予發行的股份總數，不得超過已發行股份的 1%。

(g) 行使購股權的時限

承授人可於董事會可能釐定的期間，隨時根據購股權計劃的條款行使購股權，惟有關期間不得超過授出日期起計十年，並受有關提前終止條文所規限。

(h) 購股權計劃剩餘年限

購股權計劃將於 2019 年 3 月 6 日起計十年期間內一直有效，惟須受購股權計劃所載提前終止條文所規限。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, there is sufficient public float of not less than 25% of the Company's issued share as required under the GEM Listing Rules.

充足公眾持股量

根據本公司所得公開資料及據董事所知，本公司已發行股份的充足公眾持股量為 GEM 上市規則所規定的不少於 25%。

INTERESTS OF COMPLIANCE ADVISER

Pursuant to the directions of the GEM Listing Committee of the Stock Exchange, the Company has appointed Grand Moore Capital Limited as the independent compliance adviser (the "Compliance Adviser") on an on-going basis for consultation on compliance with the GEM Listing Rules for a period of two years with effect from 27 March 2019. At 31 March 2019, as notified by the Compliance Adviser, save for the compliance adviser's agreement entered into between the Company and the Compliance Adviser, neither the Compliance Adviser nor any of its directors, employees or close associates (as defined under the GEM Listing Rules) had any interests in the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules."

合規顧問的利益

根據聯交所 GEM 上市委員會的指示，本公司已委任中毅資本有限公司作為獨立合規顧問（「合規顧問」），持續進行有關遵守 GEM 上市規則的諮詢，自 2019 年 3 月 27 日起為期兩年。於 2019 年 3 月 31 日，誠如合規顧問所通知，除本公司與合規顧問之間訂立的協議外，合規顧問或其任何董事、僱員或緊密聯繫人（定義見 GEM 上市規則）概無於本集團擁有須根據 GEM 上市規則第 6A.32 條通知本公司的任何權益。

REPORT OF DIRECTORS

董事會報告

RELATED PARTY TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Particulars of the Company's related party transactions are set out in note 32 to the consolidated financial statements.

The Group has been renting a premises for retail use at Shop 2, G/F incl. cockloft, Cheuk Ming Building, 22-26 Chuen Lung Street, 10-22 Tsuen Wan Market Street, Tsuen Wan, New Territories, Hong Kong (the "**Tsuen Wan Premises**") and a premises for office use at Shop Nos. 6-13, Ground Floor Nos. 72, 72A, 72B, 72C, 72D, 74, 76 78, 82, 84, 86 and 88 Ko Shan Road and No. 9 Kiang Hsi Street, Kowloon, Hong Kong (the "**Faerie Court Premises**", together with the Tsuen Wan Premises, the "**Leased Properties**").

On 1 April 2018, CFJ Limited (as tenant), a principal subsidiary of the Group, and Grand Rise Creation Limited (as landlord), a company owned as to 100% by Mr. Fu, entered into a tenancy agreement, pursuant to which CFJ Limited agreed to rent the Tsuen Wan Premises for a term commencing on 1 April 2018 and expiring on 31 March 2020 (both days inclusive) for a deposit of HK\$284,000 at a monthly rent of HK\$142,000 (exclusive of utility charge), which was agreed after arm's length negotiations between the parties with regard to the prevailing market rates.

For the year ended 31 March 2019, the aggregate amount of rents paid by the Group to Grand Rise for the lease of the Tsuen Wan Premises amounted to approximately HK\$1,704,000 (2018: approximately HK\$1,320,000).

On 1 April 2018, CFH Limited (as tenant), a principal subsidiary of the Group, and Dia Myth (as landlord), is owned by Mr. Fu and Ms. Fu in the proportion of 96.02% and 3.98% respectively, entered into a tenancy agreement, pursuant to which CFH Limited agreed to rent the Faerie Court Premises for a term commencing on 1 April 2018 and expiring on 31 March 2020 (both days inclusive) for a deposit of HK\$210,000 at a monthly rent of HK\$105,000 (exclusive of utility charges), which was agreed after arm's length negotiations between the parties with regard to the prevailing market rates.

For the year ended 31 March 2019, the aggregate amount of rents paid by the Group to Dia Myth for the lease of the Faerie Court Premises amounted to approximately HK\$1,260,000 (2018: approximately HK\$600,000).

關聯方交易及持續關連交易

有關本公司的關聯方交易詳情載於綜合財務報表附註32。

本集團於香港新界荃灣荃灣街市街10-22號川龍街22-26號卓明樓地下2號舖(包括閣仔)租用了物業(「荃灣物業」)作零售店舖用途，並於香港九龍高山道第72、72A、72B、72C、72D、74、76、78、82、84、86及88號地下6-13號舖以及江西街第9號租用物業(「富怡閣物業」，連同荃灣物業，統稱「租賃物業」)作辦公室用途。

於2018年4月1日，CFJ Limited(作為租戶)(本集團主要附屬公司)與Grand Rise Creation Limited(作為業主)(由傅先生100%擁有的公司)訂立租賃協議，據此，CFJ Limited同意租用荃灣物業，年期由2018年4月1日起至2020年3月31日到期(包括首尾兩日)，按金為284,000港元，每月租金為142,000港元(不包括水電費)，該等款項乃由訂約各方就現行市場水平經公平磋商後釐定。

截至2019年3月31日止年度，本集團已就租賃荃灣物業向Grand Rise支付租金總額約1,704,000港元(2018年：約1,320,000港元)。

於2018年4月1日，CFH Limited(作為承租人)(本集團主要附屬公司)與Dia Myth(作為業主)(其96.02%及3.98%分別由傅先生及傅女士擁有)訂立租賃協議，據此，CFH Limited同意租用富怡閣物業，年期由2018年4月1日起至2020年3月31日到期(包括首尾兩日)，按金為210,000港元，每月租金105,000港元(不包括水電費)，該等款項乃由訂約各方就現行市場水平經公平磋商後釐定。

截至2019年3月31日止年度，本集團已就租賃富怡閣物業向Dia Myth支付租金總額約1,260,000港元(2018年：約600,000港元)。

REPORT OF DIRECTORS

董事會報告

The aggregate rental expenses paid to such related parties amounted to approximately HK\$3.0 million for the year ended 31 March 2019 (2018: approximately HK\$1.9 million).

Pursuant to Rule 20.74 of the GEM Listing Rules, the relevant applicable percentage ratios (as prescribed under Chapter 20 of the GEM Listing Rules) of the transactions contemplated under the tenancy agreements for the Leased Properties (the “**Tenancy Agreements**”) for the year ended 31 March 2019, on an annual basis, is less than 5% and the total consideration is less than HK\$3,000,000. Therefore, the transactions under the Tenancy Agreements constitutes *de minimis* continuing connected transaction under Rule 20.74 (1)(c) of the GEM Listing Rules and would be fully-exempted from the reporting, announcement, annual review, circular and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

During the year ended 31 March 2019, the actual amounts of the continuing connected transactions paid under the agreements did not exceed the respective aggregate annual cap as previously disclosed in the Prospectus of the Company.

The Group has complied with the relevant requirements under Chapter 20 of the GEM Listing Rules in respect of the aforesaid transactions and will continue to observe the same and make all necessary disclosure should there be any material change to the terms thereof or if the Group enters into any other connected transaction due to latest changes.

Save as disclosed above, there were no other connected transactions or continuing connected transactions with related parties which are required to be disclosed in this annual report in accordance with the requirements of Chapter 20 of the GEM Listing Rules.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

From the Listing Date to 31 March 2019, none of the Directors or their respective close associates (as defined under the GEM Listing Rules) had any business or interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

截至2019年3月31日止年度，向有關關聯方支付的租金開支總額約為3.0百萬港元(2018年：約1.9百萬港元)。

根據GEM上市規則第20.74條，截至2019年3月31日止年度，租賃物業的租賃協議(「租賃協議」)項下擬進行交易的相關適用百分比率(按GEM上市規則第20章所訂明者)按年度基準計低於5%，總代價不超過3,000,000港元。因此，租賃協議項下的交易根據GEM上市規則第20.74 (1)(c)條構成最低限度持續關連交易，並將可獲全面豁免遵守GEM上市規則第20章的申報、公告、年度審閱、通函及獨立股東批准規定。

截至2019年3月31日止年度，相關協議項下的持續關連交易的已付實際金額並不過本公司招股章程先前所披露的有關年度上限總額。

倘GEM上市規則第20章的條款出現任何重大變動，或倘本集團因最新變動而進行任何與其有關的其他關連交易，本集團已就上述交易遵守GEM上市規則第20章項下的相關規定，並將繼續根據相同規定作出所有所需披露。

除上文所披露者外，概無與關聯方進行其他關連交易或持續關連交易須根據GEM上市規則第20章規定於本年報披露。

董事於競爭業務的權益

自上市日期至2019年3月31日，概無董事或彼等各自的緊密聯繫人(定義見GEM上市規則)擁有任何與本集團業務直接或間接存在競爭或可能存在競爭的業務或於該等業務中擁有任何權益。

REPORT OF DIRECTORS

董事會報告

NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

In order to protect the Group's interest in its business activities, on 6 March 2019, each of Mr. Fu, Ms. Cheung, Ms. Fu and MGH Limited, the controlling shareholders of the Company (the "Controlling Shareholders") as covenants executed the deed of non-competition in favour of the Company (the "Deed of Non-Competition").

In accordance with the Deed of Non-Competition, the Controlling Shareholders jointly and severally agreed, whether as principal or agent and whether undertaken directly or indirectly (including through any close associate, subsidiary, partnership, joint venture or other contractual arrangement of theirs), not to do the following from the Listing Date and ending on the occurrence of the earlier of (i) the date on which the shares of the Company cease to be listed on GEM of the Stock Exchange; or (ii) the date of which (a) the Controlling Shareholders, individually or collectively cease to own, directly or indirectly, 30% or more of the then issued share capital of the Company and (b) the Controlling Shareholders, cease to control the composition of a majority of the Board:

- (a) directly or indirectly, either on their own account, in conjunction with, on behalf of, or through any person, firm or company, among other things, in any form carry on, participate or be interested, engage or otherwise be involved in or acquire or hold shares or interests in (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) or assist or support a third party to engage in or participate in the current and potential business engaged or to be engaged by the Group referred to in the Prospectus including but not limited to design, production, retail and wholesale of jewellery products (the "Restricted Business") and where they become aware of such engagement of the Restricted Business they shall notify the Company forthwith;
- (b) solicit or procure any of the suppliers and/or the customers of the Group from time to time to terminate their business relationships or otherwise reduce the amount of business with the Group;
- (c) solicit or procure any of the Directors, senior management or other employees of the Group from time to time to resign or otherwise cease providing services to the Group; and/or

控股股東的不競爭承諾

為保障本集團於其業務活動的權益，於2019年3月6日，本公司控股股東（「控股股東」）傅先生、張女士、傅女士及MGH Limited作為契諾人，各自簽立以本公司為受益人的不競爭契據（「不競爭契據」）。

根據不競爭契據，控股股東共同及個別地同意（無論作為主事人或代理人及無論直接或間接地承諾（包括通過彼等任何緊密聯繫人、附屬公司、合夥、合營企業或其他合約安排）），於上市日期至(i)本公司股份不再於聯交所GEM上市之日；或(ii)(a)控股股東單獨或共同不再直接或間接擁有本公司當時已發行股本30%或以上及(b)控股股東不再控制董事會大多數的組成之日，不會作出以下行為：

- (a) 自行或連同或代表或透過任何人士、商號或公司直接或間接（其中包括）以任何方式進行、參與或於其中擁有權益、從事或以其他方式參與（不論是否以股東、合夥人、代理人或其他身份及不論有否獲得溢利、報酬或其他利益）本集團從事或擬從事的現有及潛在業務，或收購或持有本集團從事或擬從事的現有及潛在業務的股份或權益，或協助或支持第三方從事或參與本集團從事或擬從事的現有及潛在業務，有關業務包括但不限於設計、生產、零售及批發珠寶產品（「受限制業務」），並須在得知彼等從事受限制業務後即時通知本公司；
- (b) 不時招攬本集團任何供應商及／或客戶或促使彼等終止與本集團的業務關係或以其他方式減少與本集團的業務量；
- (c) 不時招攬本集團任何董事、高級管理層或其他僱員或促使彼等辭任或以其他方式不再為本集團提供服務；及／或

REPORT OF DIRECTORS

董事會報告

(d) unless with the prior written consent of the Company, disclose any confidential information of the Group to any other third parties.

The Company has received a confirmation from the Controlling Shareholders on their compliance with the Deed of Non-Competition from the Listing Date to the date of this report.

Details of the undertaking has been set out in the section headed "Relationship with our Controlling Shareholders" of the Prospectus.

BANK BORROWING

Particulars of bank borrowing of the Group as at 31 March 2019 are set out in note 24 to the consolidated financial statements.

CONTRIBUTIONS TO THE RETIREMENT BENEFITS SCHEME

Details of contributions to the retirement benefits schemes of the Group are set out in notes 10 and 31 to the consolidated financial statements.

USE OF PROCEEDS

The shares of the Company were listed on the Stock Exchange on 27 March 2019 and the net proceeds raised from the issue of new shares of the Company, after deduction of the professional fees, underwriting commissions and other fees payable by the Company in connection with the listing, were estimated to be HK\$24.5 million.

Up to the date of this annual report, no proceeds has been utilised. Details are set out in Management Discussion and Analysis on page 14 of this annual report

AUDIT COMMITTEE

The Company established an audit committee with terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee include the review and supervision of the financial reporting process, the internal monitoring system and risk management system of the Group. As at the date of this annual report, the audit committee has three members comprising Mr. Chan Cheong Tat, Mr. Wong Wing Keung Meyrick and Mr. Chan Chi Ming Tony (chairman), the three independent non-executive Directors.

(d) 向任何其他第三方披露本集團任何機密資料，惟經本公司事先同意者除外。

本公司已收到控股股東於上市日期至本報告日期遵守不競爭契據的確認。

有關承諾的詳情載於招股章程「與控股股東的關係」一節。

銀行借款

本集團於2019年3月31日的銀行借款細節載於綜合財務報表附註24。

退休福利計劃供款

本集團退休福利計劃供款詳情載於綜合財務報表附註10及31。

所得款項用途

本公司股份於2019年3月27日於聯交所上市，自發行本公司新股份而籌集的所得款項淨額(經扣除有關上市的專業費用、包銷佣金及本公司應付的其他費用)估計為24.5百萬港元。

直至本年報日期，所得款項尚未動用。詳情載於本年報第14頁的管理層討論及分析內。

審核委員會

本公司已成立審核委員會，並遵照GEM上市規則第5.28至第5.33條列明書面職權範圍。審核委員會的主要職責包括檢討及監督本集團的財務匯報程序、內部控制系統及風險管理系統。於本年報日期，審核委員會設有3名成員，包括3名獨立非執行董事陳昌達先生、王泳強先生及陳子明先生(主席)。

REPORT OF DIRECTORS

董事會報告

CORPORATE GOVERNANCE CODE

In the opinion of the Directors, except for the deviation from provision A.2.1 of the CG Code, the Group has no material deviation from the CG Code as set forth in Appendix 15 to the GEM Listing Rules throughout the accounting period covered by this annual report. Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Fu is both the Chairman and the Chief Executive Officer of the Company. In view that Mr. Fu has been assuming day-to-day responsibilities in operating and managing the Group, the Board believes that with the support of Mr. Fu's extensive experience and knowledge in the business of the Group, vesting the roles of both Chairman and Chief Executive Officer of the Company in Mr. Fu strengthens the solid and consistent leadership and thereby allows for efficient business planning and decision which is in the best interest to the Group.

The Directors consider that the deviation from provision A.2.1 of the CG Code is appropriate in such circumstances. Notwithstanding the above, the Board is of the view that this management structure is effective for the Group's operations, and sufficient checks and balances are in place.

The Directors are committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders as a whole. The principal corporate governance practices adopted by the Company is set out in the section headed "Corporate Governance Report" of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to enhancing environmental protection to minimize the impact of its activities on the environment. It is the policy of the Group to promote clean operation and strives to making the most efficient use of resources in its operations, and minimizing wastes and emission. Details are set out in Environmental, Social and Governance Report on pages 53 to 89 of this annual report.

企業管治守則

董事認為，於最後實際可行日期，除偏離企業管治守則條文第A.2.1條外，於本年報所涵蓋的整個會計期間，本集團並無重大偏離GEM上市規則附錄十五所載的企業管治守則。企業管治守則條文第A.2.1條訂明，主席與行政總裁的角色應有區分，不應由一人同時兼任。傅先生為本公司主席兼行政總裁。有鑒於傅先生一直承擔本集團日常營運及管理的職責，董事會認為，憑藉傅先生對本集團業務的豐富經驗及知識，傅先生同時授任本公司主席及行政總裁職位，可為本公司提供更穩固及一致的領導，從而作出更有效業務規劃及決策，乃符合本集團最佳利益。

董事認為，在上述情況下，偏離企業管治守則條文第A.2.1條乃為適宜。儘管出現上文所述情況，董事會認為，此管理架構對本集團營業有效，且已實施充足制衡措施。

董事致力於實現高水準的企業管治，以保障股東整體的利益。本公司所採納的主要企業管治實踐載於本年報「企業管治報告」一節。

環境政策及表現

本集團致力於加強環境保護，將其營運對環境所產生的影響減至最低。為此，本集團現正推動清潔營運方式，致力在營運中善用資源，盡量減少廢物及排放。詳情載於本年報第53至59頁的環境、社會及管治報告內。

REPORT OF DIRECTORS

董事會報告

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year ended 31 March 2019, the Group's operations are mainly carried out by the subsidiaries of the Company in Hong Kong and the PRC. The Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. There was no material breach of or non-compliance with the applicable laws and regulations committed by the Group.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events affecting the Group have occurred after the reporting period.

AUDITOR

The consolidated financial statements for the year ended 31 March 2019 have been audited by Messrs. Deloitte Touche Tohmatsu, who will retire at the forthcoming Annual General Meeting (the "AGM") and offer themselves for re-appointment. A resolution will be proposed at the forthcoming AGM of the Company to re-appoint Deloitte as the auditor of the Company.

By order of the Board

Dominate Group Holdings Company Limited

Fu Chun Keung

Chairman

Hong Kong, 20 June 2019

遵守相關法律及法規

截至2019年3月31日止年度，本集團的營運主要由本公司於香港及中國的附屬公司執行。本集團已於所有重大方面遵守對本集團業務及營運有重大影響的相關法律及法規。本集團並無作出嚴重違反或不遵守適用法律及法規的行動。

報告期後事項

於報告期後尚無出現影響本集團的任何重大事項。

核數師

截至2019年3月31日止年度的綜合財務報表已由德勤•關黃陳方會計師行審核，德勤•關黃陳方會計師行將於應屆股東週年大會（「股東週年大會」）上退任並願意膺選連任。本公司將於應屆股東週年大會上提呈一項決議案，以續聘德勤為本公司核數師。

承董事會命

Dominate Group Holdings Company Limited

傅鎮強

主席

香港，2019年6月20日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

INTRODUCTION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

Dominate Group Holdings Company Limited (the “**Company**”), together with its subsidiaries (the “**Group**” or “**we**”) is a vertically integrated wholesale and retail jeweller with a network of seven retail stores under the brand name of “Chong Fai Jewellery” which are strategically located in Kowloon and the New Territories in Hong Kong. The Group possesses the means to control the diversity, quality and pricing of its own jewellery designs produced in-house at its production facility (the “**factory**”) in Shenzhen, Guangdong Province, the PRC. The Group also engages in the wholesale of the Group’s jewellery products to other customers including other jewellery retailers, and the trading of recycled gold products.

This is the Group’s first Environmental, Social and Governance Report (the “**ESG Report**”) summarises the environmental, social and governance (“**ESG**”) initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development.

The Group adheres to the management policies of sustainable ESG development. We are also committed to handling the Group’s ESG affairs effectively and responsibly, which is integrated as one of the core components of our business strategy as we believe this is the key to our continuous success in the future.

The ESG Governance Structure

The Group has established the ESG Taskforce (the “**Taskforce**”). The Taskforce comprises core members from different departments and is responsible for collecting relevant information on our ESG aspects for preparing the ESG Report. The Taskforce reports to the Board of Directors (the “**Board**”), assists in identifying and evaluating the Group’s ESG risks and the effectiveness of the internal control mechanisms. The Taskforce also examines and evaluates our performances in different aspects such as environment, health and safety, labour standards and product responsibilities in the ESG aspects. The Board sets up a general direction for the Group’s ESG strategies, ensuring the effectiveness in the control of ESG risks and internal control mechanisms.

序言和環境、社會及管治方針

Dominate Group Holdings Company Limited (「**本公司**」), 連同其附屬公司(「**本集團**」或「**我們**」)是集批發及零售於一身的垂直整合珠寶商, 擁有七間位於香港九龍及新界策略地點上以「創輝珠寶」品牌零售店所組成的網絡。本集團有辦法控制其於中國廣東省深圳市的生產設施(「**加工廠**」)自行創作的自家的珠寶設計多元化、品質及定價。本集團亦從事向其他客戶(包括其他珠寶零售商)批發本集團的珠寶產品, 以及回收黃金產品貿易。

這是本集團第一份環境、社會及管治報告(「**本報告**」)總結本集團在環境、社會及管治(「**環境、社會及管治**」)上的倡議、計劃及績效, 並展示其在可持續發展方面的承諾。

本集團秉承可持續發展的環境、社會及管治的管理方針, 承諾有效及負責任地處理本集團的環境、社會及管治事務, 並以此作為我們商業戰略的一個核心部分, 因為我們相信這是讓我們在未來繼續取得成功的關鍵。

環境、社會及管治治理結構

本集團成立了環境、社會及管治工作小組(「**工作小組**」)。工作小組由本集團不同部門的核心成員組成, 負責搜集我們在環境、社會及管治方面的相關資料及資料以編制環境、社會及管治報告。工作小組會定期向董事會(「**董事會**」)彙報, 協助辨識和評估本集團的環境、社會及管治風險以及內部控制機制的有效性。工作小組亦會檢查和評估我們在環境、社會及管治範疇內如環境、安全生產、勞工標準、產品責任等不同方面的表現。董事會則會設定本集團環境、社會及管治戰略上的大方向, 並確保環境、社會及管治風險控制及內部控制機制的有效性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

SCOPE OF REPORTING

Unless specified otherwise, the ESG Report covers the Group's operating segments, including seven retail stores under the brand name of "Chong Fai Jewellery" which are strategically located in Kowloon and the New Territories in Hong Kong, and the factory in Shenzhen and the office. The ESG Report covers the Group's policies, compliance issues as well as environmental key performance indicators ("KPI") in two subject areas, namely, environmental and social of the above segments under the Group's operation from 1 April 2018 to 31 March 2019. We will continue to expand the scope of disclosure in the future as the Group's data collection system and/or sustainable development work further develop.

REPORTING FRAMEWORK

The ESG Report has been prepared in compliance with all applicable provisions set out in the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") contained in Appendix 20 of the GEM Listing Rules.

For the Group's corporate governance practices, please refer to P.20 to P.34 for the section "Corporate Governance Report" contained in the Group's 2018/19 Annual Report.

CURRENT YEAR

The ESG Report describes the ESG activities, challenges and measures taken by the Group during the year ended 31 March 2019 (the "current year").

報告範圍

除了特別列明以外，本報告的報告範圍涵蓋本集團的營運分部，包括七間位於香港九龍及新界策略地點上以「創輝珠寶」品牌零售店、深圳市加工廠及辦公室。本報告涵蓋於2018年4月1日至2019年3月31日期間以上在本集團營運下的分部在環境及社會兩個主要範疇之政策及合規事宜以及環境關鍵績效指標（「環境關鍵績效指標」）。由於本集團之資料收集系統及／或可持續發展工作進一步發展，我們將於未來繼續擴大披露範圍。

報告框架

本報告依照GEM上市規則附錄二十環境、社會及管治報告指引（「環境、社會及管治報告指引」）所編制編寫。

有關本集團的企業管治常規，刊載於本集團2018/19年報第20至34頁的「企業管治報告」內。

本年度

本報告詳述本集團於截至2019年3月31日止年度（「本年度」）取得的環境、社會及管治方面的活動、挑戰和採取的措施。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their views related to its business and ESG issues. In order to understand and address stakeholders' concerns, we communicate with our key stakeholders, including but not limited to shareholders and investors, customers and business partners, employees, suppliers, regulatory bodies and government authorities, and media and the public through different channels such as conferences and electronic platforms. In formulating operational strategies and ESG measures, the Group takes into account stakeholders' expectations and strives to improve our performance through mutual cooperation to create greater value for society.

持份者參與

本集團重視持份者及其對本集團業務及環境、社會及管治事宜的意見。為瞭解及回應持份者關注事項，本集團與主要持份者(包括但不限於股東及投資者、客戶及商業夥伴、員工、供應商、監管及政府機構，及媒體與公眾等)以不同渠道溝通，例如會議、電子平台等。在制訂營運策略及環境、社會及管治措施時，本集團會考慮持份者的期望，透過彼此合作使本集團不斷改善其表現，為社會締造更大價值。

Stakeholders 持份者	Expectations and Concerns 期望及關注	Communication Channels 溝通渠道
Shareholders and Investors 股東及投資者	<ul style="list-style-type: none"> Return on investment 投資回報 Corporate governance 企業管治 Business compliance 業務合規性 	<ul style="list-style-type: none"> General Meeting and Other Shareholder Meetings 週年大會及其他股東大會 Annual Reports, Quarterly Reports, and Interim Reports 年度報告、季度報告和中期報告 Announcements and Circulars 公告及通函 Website 網站
Customers and Business Partners 客戶及商業夥伴	<ul style="list-style-type: none"> High quality products and services 高品質的產品和服務 Protect the rights of customers 保障客戶權益 	<ul style="list-style-type: none"> Customer Satisfaction Survey 客戶滿意度調查 Customer Service Team 客戶服務團隊 Customer Service Hotline and Email 客戶服務熱線和電子郵件
Employees 員工	<ul style="list-style-type: none"> Employees' compensation and benefits 員工的薪酬和福利 Career development 職業發展 Health and safety working environment 健康安全的工作環境 	<ul style="list-style-type: none"> Trainings, Seminars and Briefing Sessions 培訓、研討會和簡報會 Regular Performance Reviews 定期績效評估

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Stakeholders 持份者	Expectations and Concerns 期望及關注	Communication Channels 溝通渠道
Suppliers 供應商	<ul style="list-style-type: none"> Fair and open procurement 公平及公開的採購 Sustainable sourcing 可持續性採購 	<ul style="list-style-type: none"> Supplier Management Meetings and Events 供應商管理會議和活動 Supplier Audit 供應商審核 Procurement Manager 採購經理
Regulatory Bodies and Government Authorities 監管及政府機構	<ul style="list-style-type: none"> Compliance with laws and regulations 遵守法律法規 Support economic development 支持經濟發展 	<ul style="list-style-type: none"> Compliance Manager 合規經理 On-site Inspections 現場檢查 Project Manager of Regulatory Bodies 監管機構項目經理
Media and the Public 媒體與公眾	<ul style="list-style-type: none"> Involvement in communities 社區參與 Business compliance 業務合規性 Environmental protection awareness 環保意識 	<ul style="list-style-type: none"> Community Activities and Partner Programs 社區活動和合作夥伴計劃 Media 媒體 ESG Report 環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

MATERIALITY ASSESSMENT

The management and staff of the Group's respective major operations have participated in the preparation of the ESG Report to assist the Group in reviewing our operations and identifying relevant ESG issues and assess the importance of related matters to our businesses and stakeholders. Based on the assessed significant ESG issues, a data collection questionnaire was prepared to collect information from relevant departments and business units of the Group.

The following table is a summary of the Group's internal and external material ESG issues included in this ESG Report:

重要範疇評估

本集團各主要職能的管理層與員工均有參與編制本報告，以協助本集團檢討其運作情況及鑒別相關環境、社會及管治事宜，並評估相關事宜對本集團的業務以及各持份者的重要性。根據經評估的環境、社會及管治重要事項，編制問卷，向本集團相關部門及業務單位收集資料。

下表為本報告所載本集團在內和在外屬重大環境、社會及管治事宜之摘要：

Material ESG aspects of the Group 本集團環境、社會及管治重要範疇	Level of Materiality 重要性程度	Within the Group 本集團內	Outside the Group 本集團外
A. Environmental 環境			
Exhaust Gas and Greenhouse Gas ("GHG") Emissions 廢氣及溫室氣體(「溫室氣體」)排放	High 高	✗	✓
Waste Management 廢物管理	High 高	✗	✓
Paper Management 紙張管理	Low 低	✗	✓
Wastewater 廢水	High 高	✗	✓
Electricity and Energy Management 電力及能源管理	High 高	✗	✓
Water Consumption 水源消耗	High 高	✗	✓
Use of Packaging Material 包裝材料使用	Medium 中	✓	✗
Working Environment 工作環境	Medium 中	✓	✗
B. Social 社會			
Compensation and Benefits 薪酬及福利	High 高	✓	✓
Recruitment, Promotion and Dismissal 招聘、晉升及解聘	High 高	✓	✓
Equal Opportunities 平等機會	High 高	✓	✓
Internal Health & Safety Management and System 內部健康與安全管理及制度	High 高	✓	✓

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Material ESG aspects of the Group 本集團環境、社會及管治重要範疇	Level of Materiality 重要性程度	Within the Group 本集團內	Outside the Group 本集團外
Safety Production 安全生產	High 高	✓	✓
Fire Safety 消防安全	High 高	✓	✓
Training Management 培訓管理	Medium 中	✗	✓
Prevention of Child and Forced Labour 防止童工及強制勞工	High 高	✓	✓
Supplier Assessment 供應商評估	Low 低	✓	✓
Fair and Open Procurement 公平及公開採購	Low 低	✓	✓
Quality Assurance 品質控制	High 高	✓	✓
Protection of Intellectual Property Rights 知識產權保護	High 高	✓	✓
Customer Services 客戶服務	High 高	✓	✓
Advertising and Labelling 廣告及標籤	High 高	✓	✓
Protection of Privacy 私隱保護	High 高	✓	✓
Anti-corruption 反貪污	High 高	✓	✓
Corporate Social Responsibility 企業社會責任	High 高	✓	✓

As at the year ended 31 March 2019, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

CONTACT US

We welcome stakeholders to provide their opinions and suggestions. You can provide valuable advice in respect of the ESG Report or our performances in sustainable development by email: info@chongfaijewellery.com.

於截至2019年3月31日止年度，本集團確認已就環境、社會及管治事宜設立合適及有效的管理政策及內部監控系統，並確認所披露內容符合報告指引的要求。

與我們聯絡

本集團歡迎持份者提供意見及建議。閣下可就本報告或其可在可持續發展方面的表現提供寶貴意見，並電郵至 info@chongfaijewellery.com。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

A. ENVIRONMENTAL

A1. Emissions

General Disclosure and KPIs

The Group adheres to the strategy of sustainable development in its operations. With the aim to reduce energy consumption and GHG emissions, the Group has always been exploring protection operating models of less impact to the environment, recognizing the importance of environmental management, and striving to protect the environment in order to fulfil the Group's commitment to social responsibility.

The Group's mission is to minimize the pollution to the environment, make continuous improvement, and comply with relevant environmental laws and regulations. To achieve so, we have identified the opportunities to reduce exhaust gas emission, wastewater discharge, water use, waste generation and disposal, as well as energy consumption by analysing the environmental risks within our operations, and conducted regular monitoring to ensure the issues were well managed.

The Group closely follows the latest national and regional environmental protection laws and regulations, thereby focusing on strengthening environmental protection measures to comply with related local laws and regulations and fully implement environmental policies. The Group complies with applicable laws and regulations, including "Environmental Protection Law of the PRC", "Law of the PRC on Environmental Impact Assessment", "Administrative Regulations on the Environmental Protection of Construction Projects", "Category-based Administration Catalogue for Environmental Impact Assessment of Construction Projects", "Law of the PRC on the Prevention and Control of Atmospheric Pollution", "Water Pollution Prevention and Control Law of the PRC", "Law of PRC on the Prevention and Control of Environmental Noise Pollution", "Law of the PRC on the Prevention and Control of Environmental Pollution caused by Solid Waste", "Work Safety Law of the PRC", "Administrative Regulations on Precursor Chemicals" and Hong Kong's "Waste Disposal Ordinance" etc.

A. 環境

A1. 排放物

一般披露和關鍵績效指標

本集團遵循營運中的可持續發展戰略。為了減少能源消耗和溫室氣體排放，本集團一直在探索對環境影響較小的保護營運模式，認識到環境管理的重要性，並致力保護環境，以履行本集團對社會責任的承諾。

本集團的使命是盡量減少對環境的污染，持續改進，並遵守相關的環境法律法規。為實現這一目標，我們通過分析運營中的環境風險，分辨出減少廢氣排放、廢水排放、用水、廢物產生和處置以及能源消耗的機會，並定期進行監測以確保問題得到妥善管理。

本集團嚴格遵循最新的國家和地區環境保護法律法規，重點加強環境保護措施，遵守當地相關法律法規，全面實施環境政策。本集團遵守適用法律法規，包括《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《建設項目環境保護管理條例》、《建設項目環境影響評價分類管理名錄》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國安全生產法》、《易制毒化學品管理條例》和香港《廢物處置條例》等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

During the current year, the Group did not have any violation of relevant local environmental laws and regulations in relation to exhaust gas and GHG emissions, water and land discharge, and the generation of hazardous and non-hazardous wastes that have a significant impact on the Group.

Exhaust Gas and GHG Emissions

Exhaust Gas Emissions

The Group has generated limited amount of exhaust gas emissions in its factory. To mitigate the exhaust gas emissions, the Group has engaged independent qualified inspector to monitor and test the water, air, soil, and other environmental conditions of its factory. It has also implemented its emission control guidelines for cleaner production, for example, dust filtering system, filtering system with activated carbon absorbent and exhaust scrubber system were installed to treat air pollutants which were mainly the fugitive dust emissions and volatile organic compounds, and met the legal emission standard before releasing to the atmosphere. The installed systems, not only, effectively reduce the exhaust gas emissions, but also protect its workers' health.

GHG Emissions

The major sources of the Group's GHG emissions are direct GHG emissions (Scope 1) from combustion of petrol for transportation and indirect GHG emissions (Scope 2) from purchased electricity.

The Group actively adopts electricity conservation and energy saving measures to reduce GHG emissions, including:

- Adopts environmental conservation and energy saving measures. Relevant measures are described under "Electricity and Energy Management" in Aspect A2;
- Conducts monthly vehicle maintenance to reduce fuel consumption effectively, thereby reducing carbon and exhaust gas emissions;

於本年度，本集團並無任何違反對本集團有重大影響的有關廢氣及溫室氣體排放、水及土地排放及有害及無害廢物產生的相關地方環境法律及法規的規定。

廢氣及溫室氣體排放

廢氣排放

本集團在加工廠的廢氣排放量有限。為減低廢氣排放量，本集團已聘請獨立合格檢驗員監察及測試加工廠的水、空氣、土壤及其他環境條件。本集團亦實行排放控制指引，以實現清潔生產，例如安裝濾塵系統、裝有活性碳吸附劑的過濾系統及廢氣淨化系統以處理主要為揚塵排放物及揮發性有機物的空氣污染物，並在排入大氣前達到法定排放標準。這些設備不僅有效減少廢氣排放，同時亦保障工人健康。

溫室氣體排放

本集團的主要溫室氣體排放來源於交通運輸所消耗的汽油造成的直接溫室氣體排放(範圍一)和外購電力造成的間接溫室氣體排放(範圍二)。

本集團積極採取節電和節能措施，以減少溫室氣體排放，包括：

- 採取環保節能措施。相關措施將在層面A2中「電力及能源管理」一節中說明；
- 每月進行車輛維護，以有效地降低燃油消耗，從而減少碳排放和廢氣排放；

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

- Conducts annual inspections to ensure the compliance with national emission standards; and
- Reduces the number of business trips through utilizing electronic communication such as video conferences and WeChat meetings.

The employee's awareness of reducing GHG emissions has been increased through these GHG mitigation measures.

The summary of GHG emissions and its intensity performances:

Indicator ¹ 指標 ¹	Total emissions (tCO ₂ e) 排放總量 (噸二氧化碳當量)	Intensity (tCO ₂ e/ employee) ² 密度 (噸二氧化碳當量/ 僱員) ²
Direct GHG emissions (Scope 1) — Petrol 直接溫室氣體排放 – 汽油(範圍1)	1.55	0.015
Indirect GHG emissions (Scope 2) — Purchased electricity 間接溫室氣體排放 – 外購電力(範圍2)	162.50	1.61
Total GHG emissions 溫室氣體排放總量	164.05	1.625

Notes:

1. GHG emission data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, the latest released emission factors of China's regional power grid basis and CLP Power Limited, "How to prepare an ESG Report? – Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX, "Global Warming Potential Values" from IPCC Fifth Assessment Report (AR5), 2014.
2. As at 31 March 2019, the Group had 101 full-time employees in total which includes the office, retail shops and factory. The data is also used for calculating other intensity data.

- 進行年度檢查，以確保符合國家排放標準；及
- 通過視頻會議和微信會議等電子通訊減少商務旅行次數。

通過這些溫室氣體減緩措施，員工減少溫室氣體排放的意識得以提升。

溫室氣體排放及其密度表現概述：

備註：

1. 溫室氣體排放資料乃按二氧化碳當量呈列，並參照包括但不限於世界資源研究所及世界可持續發展工商理事會刊發的《溫室氣體盤查議定書：企業會計與報告標準》、香港交易所發佈的《如何準備環境、社會及管治報告？— 附錄二：環境關鍵績效指標彙報指引》、最新發佈的中國區域電網基線和中華電力有限公司排放因數及政府間氣候變化專門委員會發佈的《第五次評估報告》的全球升溫潛能值。
2. 截至2019年3月31日止年度，本集團全職員工總數為101人，包括辦公室、零售商店和加工廠。此數據亦會用作計算其他密度數據。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Waste Management

Hazardous wastes handling method

Factory

The Group produces a wide range of wastes across the operations; therefore, it has established comprehensive procedures to manage wastes – no matter whether they are recyclable, non-recyclable or hazardous. Hazardous wastes such as flammable materials (such as waste cloth, waste gloves, waste cotton swabs and waste cotton yarn) and corrosive wastes (such as container, hydrochloric acid, electroplating rinse-wastewater) are generally required more efforts and clear guidance provided for the workers to follow including wastes segregation, labelling, storage and transportation. All the hazardous wastes are collected by licensed contractors for treatment. The Group purchases any precursor chemical should report the type and quantity in demand, prior to the purchase, to the public security authority of the local people's government at the country level in compliance with the "Administrative Regulations on Precursor Chemicals". To promote waste reduction and recycling practices, the Group encourages its employees to recycle the recyclable materials and reuse useful parts of the waste such as jewellery pieces and packaging to divert the waste from landfills.

During the current year, the Group has established guidelines of governing the management and disposal of hazardous wastes. In addition, the Group engages a certified waste collector to handle such hazardous wastes, which is complied with "The Measures for the Administration of Permit for Operation of Dangerous Wastes".

廢物管理

有害廢棄物處理方法

加工廠

本集團在營運中產生各種廢物；因此，它建立了全面的程序以管理廢物 – 無論是可回收廢物、不可回收廢物或是有害廢棄物。有害廢棄物如易燃物品(如廢布、廢棄手套、廢棉花棒和廢棉紗)和腐蝕性廢物(如容器、鹽酸、電鍍廢水)通常需要更多的精力和為工人提供包括廢物分類、標籤、儲存和運輸的明確指導。所有有害廢物由持有許可證的承包商收集處理。根據《易制毒化學品管理條例》，本集團購買易制毒化學品，應當在購買前將所需購買的品種、數量，向所在地的縣級人民政府公安機關備案。為促進減廢及循環再用，本集團鼓勵員工盡量將可循環再用材料循環再用及重複使用珠寶飾件及包裝材料等廢物的可用部分，有助減少堆填區的廢棄量。

於本年度，本集團制定了危險廢棄物管理和處置的指導方針。再者，本集團聘請經認證的廢物收集商處理此類危險廢棄物，並符合《危險廢物經營授權管理辦法》。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

The summary of major hazardous wastes and its intensity discharge performance:

主要有害廢棄物排放及其密度表現概述：

Category of hazardous wastes 有害廢棄物種類	Total discharge (tonnes) 排放總量(噸)	Intensity (tonnes/ employee) 密度(噸/僱員)
Flammable materials 易燃物品	0.02	0.0002
Corrosive container 腐蝕性容器	0.02	0.0002
Hydrochloric acid 鹽酸	0.02	0.0002
Electroplating rinse-wastewater 電鍍廢水	0.09	0.0009

Non-hazardous wastes handling method

The Group adheres to the waste management principles and strives to properly manage and dispose all wastes produced in its business activities. The waste management practice has been complied with related environmental protection laws and regulations. The non-hazardous wastes generated by the Group's business activities mainly consist of paper, ink cartridges and waste battery. After collection and sorting by the Group, such wastes will eventually be collected and processed by general waste service providers. Recyclables (such as paper and ink cartridges) will be recycled.

The Group regularly monitors the consumption of paper, ink cartridge and battery, and implements various reduction measures. The Group emphasizes the waste management principle of "Reduce, Reuse and Recycle" to encourage employees to sort waste at source and recycle to achieve the objectives in waste reduction in its operations. The Group maintains a high standard in waste reduction, educates employees about the importance of sustainable development and provides relevant supports in order to enhance their skills and knowledge in sustainability.

無害廢棄物處理方法

本集團遵循廢物管理原則，致力妥善管理及處置其業務活動產生的所有廢物。廢物管理方法已遵守相關的環境保護法律法規。本集團業務活動產生的無害廢物主要包括紙張、墨盒和廢電池。在本集團收集和分類後，這些廢物最終將由一般廢物服務供應商收集和處理。可回收物(如紙和墨盒)將被回收利用。

本集團定期監察紙張、墨盒和電池的消耗情況，並實施各項減少措施。本集團注重「減少、重複使用及循環再造」的廢物管理原則，鼓勵員工從源頭分類廢物及循環再造，以達致減少其營運中廢物生產的目標。本集團在減少廢物方面保持高標準，教育員工可持續發展的重要性，並提供相關支持，以提高他們在可持續發展方面的技能和知識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

The Group has implemented measures to handle such non-hazardous wastes and launched different reduction initiatives, including but not limited to:

- Educated all employees on reducing the use of disposable items such as plastic tableware;
- Purchased microwaves in office to encourage employees to take lunch boxes by themselves instead of ordering takeaway food, which could largely reduce the waste of food packages;
- Advocated the reusing of office stationeries; and
- Provided glass cups to clients and guests instead of disposable ones.

Paper Management

Office

One of the main natural resources consumed by the Group is paper from its office printing machines. To minimize the use of paper, the Group has put great efforts into the implementation of following initiatives:

- Chosen suppliers with more environmentally friendly paper source, so as to indirectly reduce the amount of tree losses while consuming the same amount of paper;
- Promoted paperless office, and disseminate information by electronic means (such as via email or e-bulletin boards) as much as possible;
- Set duplex printing as the default mode for most network printers when printouts are needed;
- Disseminated the idea of "Think before print" by using posters and stickers in office to remind the staff of avoiding unnecessary printings;
- Reconsidered boxes and trays as containers beside photocopier to collect single-sided paper for reuse and recycle;
- Used the back of old single-sided documents for printing or as draft paper;

本集團已採取不同措施以處理此類無害廢物，並推行了不同的減排措施，包括但不限於：

- 教育所有員工減少塑料餐具等一次性用品的使用；
- 在辦公室購買微波爐，鼓勵員工自己攜帶飯盒，而非訂購外賣食品，這可以大幅減少食品包裝的浪費；
- 提倡重複使用辦公室文具；及
- 為客戶和客人提供玻璃杯，而不是一次性使用杯。

紙張管理

辦公室

本集團主要自然資源消耗之一是辦公室印刷機用紙。為盡量減少紙張的使用，本集團已大力推行以下措施：

- 選擇更環保的紙張來源供應商，以便在消耗相同數量紙張的同時間接減少樹木損失量；
- 推廣無紙化辦公室，並儘可能通過電子方式(如通過電子郵件或電子公告板)傳播信息；
- 當需要打印時，將雙面打印設置為大多數網絡打印機的默認模式；
- 通過在辦公室使用海報和貼紙傳播「影印前先思考」的想法，提醒員工避免不必要的影印；
- 重新考慮箱子和托盤作為複印機旁邊的容器，收集單面紙張，以便再利用和回收；
- 使用舊的單面文檔背面進行打印或作為草稿紙；

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

- Recycled used stationery whenever possible; and
- Used as less as paper whenever possible.

Retail Shops

The Group has also generated the paper from the retail shops, mainly the sales receipt notes. To minimize the use of paper, the Group has put great efforts into the implementation of following measures:

- Tried to minimize printing excessive sales receipts notes whenever possible;
- Effectively distributed the sales receipts notes to each retail shops according to their sales performance; and
- Used as less as sales receipts notes whenever possible.

The summary of major non-hazardous wastes discharge and its intensity performance:

Category of non-hazardous wastes 無害廢棄物種類	Total discharges (unit) 排放總量(單位)	Intensity (unit/employee) 密度(單位/僱員)
Paper 紙張	0.49 tonnes 0.49 噸	0.005 tonnes/employee 0.005 噸 / 僱員
Ink cartridge 墨盒	40 pieces 40 件	0.40 pieces/employee 0.40 件 / 僱員
Waste battery 廢電池	40 pieces 40 個	0.40 pieces/employee 0.40 個 / 僱員

As a result, the employee's awareness was increased by implementing these non-hazardous waste mitigation measures.

- 盡可能使用回收的舊文具；及
- 盡可能少用紙。

零售商店

本集團的零售店亦會消耗紙張，主要是銷售收據票據。為盡量減少紙張的使用，本集團已大力推行以下措施：

- 嘗試在客戶購買時盡量減少編印銷售收據票據；
- 根據每間零售店的業績，有效分配銷售收據票據的數量；及
- 盡可能減少使用銷售收據票據。

主要無害廢物排放及其密度表現概述：

通過這些無害廢棄物減緩措施，員工減少廢棄物生產的意識得以提升。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Wastewater

The Group's major use of water occurs at its factory in the course of jewellery processing. The wastewater may contain acids, alkali, various chemicals and heavy metals. At the factory in Shenzhen, there is an onsite facility for neutralization, deionization and sedimentation of the wastewater. The treated water is certified safe to discharge into the municipal network, and the slag is properly handled by licensed operators. The Group's operation complies with the laws and regulations, including but not limited to "Water Pollution Control Ordinance of Hong Kong", "the Law of PRC on Prevention and Control of Water Pollution".

Since the office and retail shops' wastewater discharged by the Group will be disposed through the municipal sewage pipe network to the regional water purification plant, its water consumption amount is considered as the amount of sewage discharged. The data on the discharge of sewage will be described in the section "Water Consumption" in Aspect A2.

A2. Use of Resources

General Disclosure and KPIs

The Group upholds and promotes the principle of effective use of resources. We have been immediate monitoring on potential environmental impacts in our business operations. Through the 3Rs principles, namely, "reduce, reuse and recycle", we promote green office and operation environment, and minimize the environmental impacts of the Group.

As mentioned in Aspect A1, the Group has set out related environmental management policies and procedures on resource usages such as water, electricity and petrol. Monthly usage statistics are used for focused management of the main energy consumption equipment and regulation of equipment operation for effective resource usage.

廢水

本集團主要用水來自於加工廠的珠寶加工。廢水可能含有酸、鹼、各種化學物質和重金屬。深圳的加工廠設有現場設施，用於中和、去離子化和沉澱廢水。處理後廢水經認證為安全後可排放到市政網絡中，並且由許可的操作員妥善處理廢渣。本集團的業務符合法律法規，包括但不限於香港的《水污染管制條例》和《中華人民共和國水污染防治法》。

由於本集團排放的辦公室和零售店的廢水將通過政府污水管網輸送到區域淨水廠，其耗水量被視為廢水的排放量。關於廢水排放的數據將在層面A2部分「水源消耗」一節中描述。

A2. 資源使用

一般披露和關鍵績效指標

本集團堅持並推行有效使用資源的原則。我們可以立即監控業務運營中的潛在環境影響。通過3Rs原則，即「減少使用、物盡其用和循環再造」，我們促進綠色辦公和營運環境，並儘量減少本集團對環境的影響。

如層面A1一節所述，本集團已制定水、電力及汽油等資源使用的相關環境管理政策及程序。每月使用統計數據採用於對主要能源消耗設備的重點管理和有效資源使用的設備操作管制。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Electricity and Energy Management

The major energy consumption of the Group in daily operations is electricity consumption in the operations, and petrol consumption via transportation.

The Group has formulated rules and regulations to achieve the goal of electricity saving and efficient consumption. The relevant specific measures are as follows:

- Selects energy-efficient equipment and electrical appliances for factory, office and retail shops;
- Forbids the use of large-power electrical appliances such as heaters, kettles, refrigerators, etc., to avoid electricity overload. Employees should turn off all electrical appliances that come with them when they leave office;
- Turns off all unnecessary lights, air conditioners, computers and other office equipment in office areas, conference rooms and corridors when they are not in use to avoid waste of electricity;
- Standardizes office, factory and even retail shops lighting (when feasible) with energy saving lights and LED lights;
- Maintains indoor temperature at an optimal, comfortable level to conserve energy;
- Switches off shop lightings by 11 p.m. as a commitment to the “Charter on External Lighting” organized by the Hong Kong Government;
- Regulates the use of air conditioners strictly to prevent waste of electricity;
- Turns off computers (host and monitor) when employees go out for a long time, and switch computers to standby or sleep mode when employees go out for lunch; and

電力及能源管理

本集團日常運營的主要能源消耗為運營中的電力消耗以及運輸的汽油消耗。

本集團制定了規章制度，以實現節電和高效消費的目標。相關具體措施如下：

- 於加工廠、辦公室和零售商店選擇使用節能設備和電器；
- 禁止使用加熱器、水壺、冰箱等大功率電器，以避免電力負荷過重。員工離開辦公室時應關掉所啟用的電器；
- 關掉於辦公區域、會議室及走廊內的不必要的燈、空調、電腦及辦公設備，以免浪費電力；
- 規定辦公室、廠房以至店舖照明(如適用)一律使用節能燈及LED燈；
- 維持室內溫度在最佳及最舒適的水平，從而節約能源；
- 於晚上11時關掉店舖的照明裝置，作為簽署成為香港政府籌劃的《戶外燈光約章》的參與者的承諾；
- 嚴格規範空調使用，避免電力浪費；
- 於員工長時間外出時需關閉電腦(主機和顯示器)，在員工外出午餐時將電腦切換到待機或睡眠狀態；及

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

- Enhances the maintenance and overhaul of equipment, maintain the best condition of all electronic equipment for effective use of electricity.

As a result, the employee's awareness was increased by implementing these electricity and energy mitigation measures.

During the current year, the energy consumption of the Group and its intensity were as follows:

Type of energy 能源種類	Energy consumption (kWh) 能源消耗(千瓦時)	Intensity (kWh/employee) 密度(千瓦時/僱員)
Petrol ¹ 汽油 ¹	5,451.34	53.97
Electricity 電力	311,413.00	3,083.30

Note:

- Petrol consumption was equivalent to approximately 584.54 litres, with reference to the conversion provided on U.S. Energy Information Administration Energy Conversion Calculators.

Water Consumption

The Group's major water consumption is from the factory, office and retail shops' fresh-water consumption. The Group encourages all employees and customers to develop the habit of conscious water conservation. The Group has been enhancing its water conservation promotion. Environmental messages are posted on pantry and washrooms to remind employees to save water. The employees' water conservation awareness has been increased with the above water-saving measures.

Due to the Group's business nature and its operations are mainly in the cities, while the mining and alchemy processes are performed by subcontracted organizations, the procurement of suitable water sources is not relevant to the Group.

- 加強設備的維護和檢修，確保所有電子設備處於最佳狀態，以有效地利用電力。

因此，通過上述能源舒緩措施，員工的節電節能意識得以提升。

於本年度，本集團的能源消耗及其密度如下：

備註：

- 有關換算乃經參考美國能源資訊管理局的能源轉換計算器提供的換算進行，實際汽油消耗為約584.54公升。

水源消耗

本集團的主要水源消耗來自加工廠、辦公室和零售商店的自來水消耗。本集團鼓勵所有員工及客戶養成自覺的節水習慣。本集團一直在加強節水宣傳。環境保護信息張貼在餐具室和洗手間，以提醒員工節約用水。通過上述節水措施，提高了員工的節水意識。

由於本集團的業務性質及其營運主要在城市，而採礦及煉金工藝由分包商負責，因此採購合適的水源與本集團無關。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

During the current year, the water consumption of the Group and its intensity were as follows:

於本年度，本集團的耗水量及其密度表現如下：

Water consumption (m ³) 耗水量(立方米)	Intensity (m ³ /employee) 密度(立方米/僱員)
1,602.35	15.86

Use of Packaging Material

包裝物料使用

Since the Group has retail business, it generates packaging materials including paper box, paper bag and jewellery pouch. The Group is actively promoting the paper reduction measures, including:

由於本集團擁有零售業務，因此會使用包裝物料，包括紙盒、紙袋及珠寶袋。本集團積極推行減少用紙措施，包括：

- Tried to minimize excessive packaging when your customers make a purchase;
- Encouraged the use of reusable shopping bags and offered customers an incentive for using a reusable shopping bag instead of plastic or paper; and
- Promoted buy-back programs or upcycling programs to encourage new sales with a trade-in of old gold that can be recycled and reused.

- 嘗試在客戶購買時盡量減少過度包裝；
- 鼓勵使用可重複使用的購物袋，並鼓勵客戶使用可重複使用的購物袋代替塑料或紙張；及
- 推廣回購計劃或升級回收計劃，通過舊金交易來鼓勵新的銷售，可以回收和再利用。

During the current year, the packaging materials consumed of the Group and its intensity were as follows:

本集團於本年度的包裝物料消耗及其密度如下：

Type of packaging materials 包裝物料類型	Consumption (unit) 用量(單位)	Intensity (unit/employee) 密度(單位/僱員)
Paper Boxes 紙盒	10,780.00 boxes 10,780.00 盒	106.73 boxes/employee 106.73 盒/僱員
Paper Bags 紙袋	5,000.00 pieces 5,000.00 個	49.50 pieces/employee 49.50 個/僱員
Pouch Bags 珠寶袋	5,190.00 pieces 5,190.00 個	51.39 pieces/employee 51.39 個/僱員

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

A3. The Environment and Natural Resources

General Disclosure and KPIs

The Group's operations generate limited impact on its environment due to its business nature. The Group still pursues the best practice for environmental protection. In addition to complying with related environmental laws and regulations and international standards for proper natural environment preservation, it has integrated the concept of environmental protection and natural resource conservation into its internal management and daily operations in order to achieve the aim of environmental sustainability.

Working Environment

The Group strives to provide employees with a comfortable working environment to enhance working efficiency. The Group maintains factory, office and retail shops discipline and environmental hygiene, and ensure personal area and common areas are neat and tidy. The staff monitor the conditions of the community and workplace from time to time, set up emergency plans in advance for risk mitigation, adopt preventive and control measures for problem and risk identification, and deal with the identified problems and potential risks in time to maintain a sound working environment.

On the other hand, the Group regularly monitors and measures indoor air quality of the workplace. It maintains indoor air quality and filters pollutants and dust via air purification equipment and regular cleansing of the air conditioning system.

A3. 環境及天然資源

一般披露和關鍵績效指標

由於其業務性質，本集團的營運對環境的影響有限。本集團仍追求保護環境的最佳做法。除了遵守相關的環境法律法規和適當的自然環境保護的國際標準外，還將環境保護和自然資源保護的概念納入其內部管理和日常營運，以實現環境可持續性的目標。

工作環境

本集團致力為員工提供舒適的工作環境，以提升工作效率。本集團維持加工廠、辦公室和商店紀律和環境衛生，並確保個人區域和公共區域整潔。工作人員不時監測社區和工作場所的狀況，提前製定應急預案以減輕風險，採取預防和控制措施進行問題和風險識別，及時處理已發現的問題和潛在風險以維持良好的工作環境。

另一方面，本集團定期監察及測量工作場所的室內空氣質素。為保持室內空氣質量，本集團通過空氣淨化設備過濾污染物和灰塵，並定期清潔空調系統。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

B. SOCIAL

B1. Employment

General Disclosure

Employees are the greatest and most valuable asset of the Group and its core competitive advantage. Therefore, its success highly depends on the ability to attract, cultivate and retain employees. The Group adheres to a people-oriented approach, standardizes labour employment management to respect and protect the legitimate interests of every employee. At the same time, the Group strives to ensure its employees' occupational health and safety for protecting labour rights, stimulating employee's enthusiasm, initiatives and creativity to build a harmonious staff relationship.

The Group actively complied with labour laws and regulations, including but not limited to, the "Labour Law of the PRC", "Labour Contract Law of the PRC", "Regulations on the Implementation of the Labour Contract Law of the PRC", "Social Insurance Law of the PRC", "Interim Regulations on Levying Social Insurance Premiums", "Provisional Measures on Maternity Insurance of Enterprise Employees", "Regulation on Unemployment Insurance", "Regulation on Work-Related Injury Insurances" and "Employment Ordinance" of Hong Kong. The Group has accordingly formulated a series of related personnel management policy to guide employees to actively integrate personal pursuits into the long-term of the Group.

During the current year, the Group did not aware of any material non-compliance of laws and regulations in respect of employment related issues including but not limited to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, anti-discrimination and benefits and welfares.

B. 社會

B1. 僱傭

一般披露

員工是本集團最大及最具價值的資產和競爭優勢的核心，故而本集團的成功十分依賴於吸引、培養及留住員工的能力。本集團堅持以人為本的原則，規範勞動僱傭管理以尊重和保障每一位員工的合法權益。與此同時，本集團積極保障員工職業健康安全，以保護員工權益，同時激發員工積極性、能動性和創造力，以構建和諧的勞動關係。

本集團積極遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國勞動合同法實施條例》、《中華人民共和國社會保險法》、《社會保險費徵繳暫行條例》、《企業職工生育保險試行辦法》、《失業保險條例》、《工傷保險條例》和香港的《僱傭條例》等勞工法律法規。本集團據此制定了一系列相關人事管理政策，引導員工積極將個人追求融入到本集團長遠發展之中。

於本年度，本集團並未發現任何違反有關僱傭的法例和法規的重大事宜，包括但不限於關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、反歧視以及其他待遇及福利。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Compensation and Benefits

The Group has established a fair, reasonable and competitive remuneration system for salary payments to employees. The remuneration package of employees includes salary, bonuses, allowances and commission. Sales staff are entitled to guaranteed commission based on retail sales amount, and will also be entitled to further commissions subject to whether they can meet the sales target laid out by the Group. Generally, employee salaries are determined based on the employees' qualification, experience, position and seniority. The Group believes that the remuneration package is competitive in the market.

The Group has signed and executed the labour contracts with employees in accordance with the "Labour Contract Law of the PRC", and "Employment Ordinance" of Hong Kong. The signing rate of labour contracts is 100%. In accordance with the law and ordinance, the Group pays "five social insurance and one housing fund" for its employees, namely, endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing provident fund, to ensure employees are covered by social insurance.

The Group earnestly safeguards the legitimate interests of labour in accordance with the requirement of the national and local laws and regulations of the "Labour Law of the PRC". The Group respects the rights of employees to rest and leave and the Group believes that sufficient rest is good for employees to work efficiently and so as increase productivity. The Staff Regulations has issued to the employees to regulate the procedure applying annual leave. The Group has also followed the "Regulation on Paid Annual Leave for Employees" and other relevant regulations, regarding the policies about working hours, working overtimes and wages, and paid annual leave. The Group puts emphasis on the employees' rights of rest periods and holidays.

薪酬及福利

本集團建立了一套公平、合理且有競爭力的薪酬體系，基於公平、競爭、激勵、合理及合法原則，為員工發放薪酬。本集團員工薪酬由基本工資、獎金、崗位補貼和佣金等組成。銷售人員有權根據其零售額獲得保證佣金，並有權根據能否達到本集團制定的銷售目標以獲得更多的佣金。一般而言，員工工資根據員工的資格、經驗、職位和資歷確定。本集團相信本集團的薪酬待遇在市場上具競爭力。

本集團按照《中華人民共和國勞動合同法》及香港的《僱傭條例》依法與員工簽訂並履行勞動合同，勞動合同簽約率為100%。本集團依法為員工繳納「五險一金」，即養老保險、醫療保險、失業保險、工傷保險、生育保險以及住房公積金，保障員工享受社會保險待遇。

本集團按照《中華人民共和國勞動法》等國家和地方法律法規的要求切實保障勞動者合法權益，尊重員工的休息和休假的權利，本集團亦相信充足的休息有助提升員工工作效率，從而提升生產力。《員工守則》已對員工發出以規範申請年假的程序。本集團亦遵循《職工帶薪年休假條例》等有關工時，加班及工資及帶薪年假的政策及其他相關規定，本集團重視僱員休息及假期的權利。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Recruitment, Promotion and Dismissal

The Group has continuously established and improved its recruitment system. In the recruitment process, the Group has standardized the hiring procedures and recruitment principles, adhering to the hiring principles of morality, knowledge, ability and experience applicable to the job positions. In such ways to continuously attract talents by upholding principles of justice, fairness, equality and openness.

The Group has implemented a fair and open assessment system to evaluate employees' working performance and internal assessment results. The results would be basis to promote employees. The Group also creates opportunities for their promotion and development as well as explore their potential at work.

The Group specifies the basis and procedures for staff promotion, transfer and demotion management, and regulations for departure process to protect the interests of both employees and the Group and reduce the conflicts in between.

Equal Opportunities

The Group strictly complies with national and local standards by adopting a fair, equitable and open requirement process and develop relevant system files to eliminate discrimination in the recruitment processes. Employees face no discrimination regardless of race, sex, colour, age, family background, family background, ethnic tradition, religion, physical fitness and nationality and thus allowing them to enjoy fair treatment in every aspect including recruitment, salary, training and promotion.

招聘、晉升及解聘

本集團不斷建立和完善人才招聘制度。在招聘過程中規範錄用流程和招聘原則，堅持沿用品德優秀、學識、能力、經驗和體格適合於所任崗位的選拔原則，堅持公正、公平、平等及公開原則，從而不斷吸引和招攬優秀人才。

本集團已經落實了一套公平公開的考核制度以評估員工工作表現及內部考核結果。這些結果將會作為職位晉升的根據。本集團為員工提供晉升及發展的機會，以發掘其工作潛能。

本集團明確人員晉升、調動和降級管理的依據及流程，規範離職流程，以保護員工和公司雙方的利益，並減少勞資雙方之間的糾紛。

平等機會

本集團嚴格遵守國家及地方政府各項法規，採取公平、公正及公開的招聘流程，制定了相關制度文件以杜絕招聘過程中的歧視現象，不因種族、性別、膚色、年齡、家庭背景、民族傳統、宗教、身體素質和國籍等因素歧視任何一位員工，讓員工在招聘、薪酬、培訓和晉升等各個階段享受公平待遇

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

B2. Health and Safety

General Disclosure

The Group highly recognizes the importance of health and safety of the employees. The Group commits to provide employees with a healthy, safe and comfortable working environment and strives to eliminate potential health and safety hazards at the workplace. The Group strictly enforces relevant laws and regulations such as the "Labor Law of the PRC", "Law of the PRC" on the Prevention and Treatment of Occupational Diseases", "Measures for Declaration of Project with Occupational Hazards of the PRC", "Work Safety Law of the PRC" and "Fire Protection Law of the PRC", "Occupational Safety and Health Ordinance" of Hong Kong, etc.

During the current year, the Group did not aware of any accidents that resulted in death or significant physical injury and no claims or compensation were paid to its employees due to such events. No material non-compliance of laws and regulations relevant to health and safety of employees were found.

Internal Health and Safety Management and System

The Group maintains an internal audit and inspection system to ensure the health and safety of customers and employees during its operation in compliance with "Measures for Declaration of Project with Occupational Hazards of the PRC". The review processes are designed to ensure the workplace is under constant monitoring, so as to identify and correct the deficiencies that do not meet the standards. The Group regularly inspects and reviews the safety issues of factory, office and retail shops and actively encourages employees to report health and safety incidents and risks.

On the other hand, the Group provides staff with health and safety notifications to provide related information and increase their awareness. The Group also arranges body checks for employees, particularly pay attention to those who have abnormal examination result and provide treatment advice.

B2. 健康與安全

一般披露

本集團高度重視員工的健康與安全，致力於為員工提供健康、安全和舒適的工作環境，努力消除潛在工作場所健康及安全危害。本集團嚴格執行《中華人民共和國勞動法》、《中華人民共和國職業病防治法》、《職業病危害項目申報辦法》、《中華人民共和國安全生產法》、《中華人民共和國消防法》及香港的《職業安全及健康條例》等相關法律法規。

於本年度，本集團並未錄得任何導致死亡或嚴重肢體受傷的意外事件，並無因該等事件而向其僱員支付索償或補償，以及並未發現任何違反僱員健康與安全相關的法律法規的重大事宜。

內部健康與安全管理及制度

本集團維持內部審核及檢測系統，確保客戶及僱員在營運期間的健康及安全，以符合《中華人民共和國職業病危害項目申報辦法》。審查過程旨在確保不斷監測工作場所，以便識別和糾正不符合標準的缺陷。本集團定期檢查及檢討加工廠，辦公室及商店的安全問題，並積極鼓勵員工報告健康及安全事故及風險。

另一方面，本集團會向員工提供健康和 safety 通知，以提供相關信息並提高他們的意識。本集團亦為員工安排身體檢查，特別注意檢查結果異常的人士，並提供治療意見。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Safety Production

The safety issue is highly concerned by the Group. The Group has also cooperated with independent consulting firm to improve the production safety by establishing GB/T 33000-2016 “Guideline of China Occupational Safety and Health Management System”, and AQ/T9006-2010 “Basic Norms for Work Safety Standardization of enterprises” which in compliance with “Work Safety Law of the PRC”. The mishandling of machinery in the jewellery production may cause injuries. To safeguard the workers, inspection on production facilities would take place on regular basis to prevent the safety hazard. The inspection includes the proper usage of safety equipment aligning with safety production procedures, and the cleanliness of the factory. Any hidden safety danger would be immediately treated by the technical staff to protect the personal safety of the workers.

Fire Safety

The Group has also formulated fire safety system in accordance with the “Fire Protection Law of the PRC” and “Provisions on the Supervision and Administration of Fire Protection of Construction Projects”. To raise employees’ fire prevention awareness, fire drills are conducted regularly and staff are instructed to the correct use of fire extinguishers and the Group’s fire evacuation plans are improved. In response to emergencies, different places of the Group’s workplaces are also equipped and clearly located with first aid kits and fire extinguishers.

安全生產

安全問題受到本集團的高度關注。本集團亦與獨立諮詢公司合作，通過建立GB/T 33000-2016《企業安全生產標準化基本規範》和AQ/T9006-2010《企業安全生產標準化基本規範》等符合《中華人民共和國安全生產法》的法例，以提升生產安全。在珠寶生產中對機器的錯誤操作可能會導致意外的發生，為了保護工人，將定期對生產設施進行檢查，以防止安全隱患。檢查包括正確使用安全設備，遵守安全生產程序，加工廠清潔等。任何隱患都將由技術人員立即處理，以保護工人的人身安全。

消防安全

本集團還根據《中華人民共和國消防法》和《建設工程消防監督管理規定》制定了消防安全制度。為提高員工的防火意識，本集團定期進行消防演習，指示員工正確使用滅火器，並改善我們的防火疏散計劃。為了應對緊急情況，工作場所的不同地方也配備了急救箱和滅火器。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

B3. Development and Training

General Disclosure

The Group aims to create a strong sense of community and a motivating environment for its employees to enhance employee loyalty and work dedication. The Group believes that its ability to recruit, retain experienced and skilled labour is key to growth and development. The Group provides employee orientation to its new employees to explain the Group's internal rules and to enhance employees' safety awareness. The Group also provides various types of employee training regularly.

Training Management

The management formulates the Group's annual training proposal, conduct regular reviews on the effectiveness of the training courses are conducted by the management to improve the quality of the training system. The Group provides relevant on-the-job training for each employee to facilitate their business abilities. For examples, the salespersons in the retail shops would be trained with the sales skills and etiquette with facing the customers; the workers in the factory would be trained with the advanced skills. Through various trainings, employees are able to strengthen related professional knowledge, professions and management skills. It benefits the Group by enhancing employees professional skills and attracting more talents. The Group also provides subsidies, remuneration and promotion incentives to encourage employees to participate in external training courses.

The Group also recognizes the importance of occupational safety training to ensure employees' personal safety. The relevant policies have been described in details in Aspect B2 "Health and Safety".

B3. 發展及培訓

一般披露

本集團旨在為員工創造強烈的社區意識和激勵環境，以提升員工忠誠度和工作奉獻精神。本集團相信其招聘、挽留具豐富經驗及熟練員工的能力是增長及發展的關鍵。本集團為其新員工提供員工入職培訓，以解釋本集團的內部規則及提升員工的安全意識。本集團亦定期提供各類員工培訓。

培訓管理

管理層制定本集團的年度培訓計劃，並定期檢討培訓課程的成效，以改善培訓制度的質素。本集團為每位員工提供相關的在職培訓以提升他們的業務能力。例如零售商店的銷售人員將接受應對客戶的銷售技巧和禮儀培訓；加工廠中的工人將接受高級技能培訓。通過各種培訓，員工能夠加強相關的專業知識，專業和管理技能。提升員工專業技能並吸引更多人才能使本集團受益。本集團亦提供補貼、薪酬及晉升獎勵，以鼓勵員工參與外部培訓課程。

本集團亦明白到職業安全培訓對確保員工人身安全的重要性。相關政策已於B2層面「健康與安全」中詳細描述。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

B4. Labour Standards

General Disclosure

Prevention of Child and Forced Labour

The Group complies with the “Labour Law of the PRC”, “Provisions on the Prohibition of Using Child Labor” of PRC, and Hong Kong’s “Employment Ordinance” with respects to the employment of youths under 16 years of age and their legal rights.

During the current year, the Group was not aware of any material non-compliance with any laws and regulations in relation to the prevention of child or forced labour.

The Group strictly prohibits the use of any child and forced labour in PRC and Hong Kong operations. The Group demands all new employees to provide true and accurate personal information when they join the Group. The recruitment staff will stringently verify their information, including body check results, academic certificates, identity card and hometown information. Regular reviews and checking are conducted to guard against child or forced labour in the operations.

The Group also avoids using the supplies and services of those suppliers and contractors with records of using child or forced labour.

Furthermore, employees work overtime on a voluntary basis, and the Group promises not to force employees to work overtime to prevent any breach of labour standards. The Group also prohibits any punishments, management methods and behaviours involving verbal abuse, physical punishment, physical abuse, oppression, sexual harassment, etc. against its employees for any reason.

B4. 勞工準則

一般披露

防止童工及強制勞工

本集團已遵守有關僱用 16 歲以下青少年及其法律權益的《中華人民共和國勞動法》、《人民共和國禁止使用童工規定》及香港的《僱傭條例》。

於本年度，本集團並未發現任何違反防止童工或強制勞工相關的法律法規的重大事宜。

本集團嚴格禁止中國及香港業務使用任何兒童及強迫勞工。本集團要求所有新員工在加入本集團時提供真實準確的個人資料。招聘人員會嚴格核實其資料，包括身體檢查結果，學歷證明，身份證及家鄉資訊。審查和檢查會定期進行，以防止童工或強制勞工。

本集團亦會避免使用有已知悉使用童工或強制勞工記錄的供應商和承包商的行政用品和服務。

此外，員工加班遵循自願原則，本集團承諾不會強迫員工超時工作，以防止違反勞工標準。本集團還禁止因任何原因對其員工進行任何涉及辱罵、體罰、身體虐待、壓迫、性騷擾等的懲罰、管理方法和行為。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

B5. Supply Chain Management

General Disclosure

The Group highly values the importance of potential environmental and social risks management in its supply chain. For the effective monitoring of procurement procedures and cost control, increasing management transparency in procurement, the Group has established a stringent and standardized procurement system and a systematic selection process for suppliers.

Supplier Assessment

The Group expects suppliers to fulfil the standards of the terms of environment, quality, society, corporate governance and commercial ethnics. The Group selects the suppliers to create positive influences on environmental and social matters, the scopes of which mainly includes operational compliance, employees' security and health, social responsibility, business ethnics and environmental protection. Since the Group does not have suppliers that enter into long-term contracts, it can switch the suppliers flexibly. The Group will terminate cooperation at instant with those suppliers who may cause severe contamination or seriously social harms or have caused material environmental or social incidents. With the above assessment processes, the Group can minimize potential environmental and social risks of supply chain.

Fair and Open Procurement

The Group's procurement procedures strictly abide by the "Bidding Law of the PRC" and related regulations. The Group makes procurement on an open, fair and impartial basis without any discrimination against any particular supplier nor corruption and bribery. The Group sources the raw materials of diamonds, gemstones and precious metals from suppliers at stable and competitive market prices. The Group believes it does not rely on any single supplier for sourcing any raw material to material extent.

B5. 供應鏈管理

一般披露

本集團高度重視潛在環境和社會風險管理在其供應鏈中的重要性。為有效監控採購程序和成本控制，提高採購管理的透明度，本集團建立了嚴格而規範的採購系統和系統化的供應商選擇流程。

供應商評估

本集團期望供應商符合環境、質量、社會、企業管治及商業道德的標準。本集團選擇對環境和社會事務產生正面影響的供應商，其範圍主要包括營運合規、員工安全和健康、社會責任、商業道德和環境保護。由於本集團沒有與供應商簽訂長期合約，因此可以靈活轉換供應商。本集團將立即終止與可能造成嚴重污染或嚴重社會危害或造成重大環境或社會事故的供應商的合作。通過上述評估流程，本集團可以最大限度地降低供應鏈的潛在環境和社會風險。

公平及公開採購

本集團的採購程序嚴格遵守《中華人民共和國招標投標法》及相關規定。本集團在公開、公平和公正的基礎上進行採購，針對任何特定供應商，也不存在貪污和賄賂。本集團以穩定及具競爭力的市場價格從供應商處採購鑽石、寶石及貴金屬的原材料。本集團相信在重大程度上，供應任何原材料均不依賴任何單一供應商。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Employees and any party related to the relevant supplier are forbidden to take part in the subject procurement. The Group stresses the integrity of its suppliers, it only selects those with good business track records and no material non-compliances or unethical behaviours.

B6. Product Responsibility

General Disclosure

The Group actively safeguards the quality of the products with its internal control process. The Group also maintains on-going communication with the customers to ensure understanding and satisfaction of their demands and expectations, and to improve its service quality by learning their satisfactory rates. The Group earnestly complies with laws and regulations in relation to consumers' rights such as the "General Principles of the Civil Law of the PRC", "Product Quality Law of the PRC", "Law of the PRC on Protection of Consumer Rights and Interests", "Tort Law of the PRC", "Law of PRC on Imported and Exported Commodities Inspection", "Advertising Law of the PRC", "Patent Law of the PRC", and Hong Kong's "Personal Data (Privacy) Ordinance" and "Trade Descriptions Ordinance".

During the current year, the Group was not aware of any material non-compliance with any laws and regulations in relation to privacy issues and compensation regarding health and safety, advertisement and labelling on products and service provided.

禁止與供應商相關的員工或任何團體參與主要採購。本集團強調其供應商的誠信，只選擇那些具有良好業務記錄且沒有重大不合規或不道德行為的供應商。

B6. 產品責任

一般披露

本集團積極地通過內部控制流程保障產品質量。本集團亦與客戶保持持續溝通，以確保了解及滿足他們的需求和期望，並通過理解他們的滿意率來改善我們的服務質素。本集團懇切地遵守《中華人民共和國民法通則》、《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》、《中華人民共和國侵權責任法》、《中華人民共和國海關報關單位註冊登記管理規定》、《中華人民共和國廣告法》、《中華人民共和國廣告專利》以及香港的《個人資料(私隱)條例》及《商品說明條例》等有關消費者權利的法律法規。

於本年度，本集團並未發現任何隱私問題和關於健康和安全的賠償、廣告和產品標籤及服務相關的法律法規的重大事宜。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Quality Assurance

The quality of the jewellery is one of the key factors that customer highly concern. The Group has a quality monitoring requirement and quality control inspection before the delivery of the products. The Group has set up a centralized Quality Control Team, which is responsible for monitoring the entire production process. The Group performs quality control in each stage, ensuring the products are with satisfactory quality. We would have overall inspection in the last stage to ensure the product is made according to the specification stated. The Group would also conduct random sample checking by the experienced professionals on the finished jewellery products to ensure that it is up to standard.

The quality of products is reliable and has been ensured by different organizations. Hong Kong Jewellers' and Goldsmiths' Association and The Kowloon Pearls, Precious stones, Jade, Gold and Silver Ornament Merchants Association has recognized the quality of our gold products with the "Quality Gold Mark". Besides, the Group is also recognized by the Quality Tourism Services ("QTS") Scheme of Hong Kong Tourism Board, as the reliable retail restore in Hong Kong. The products are highly qualified to ensure customers would not receive products that substandard to safeguard the consumers' right.

Protection of Intellectual Property Rights

The Group focuses on pioneer innovation in its own jewellery design. The Group has sufficient and all-rounded management system for intellectual properties. The Group continuously strengthens the management of trademark, domain right, designs and trade secrets in the product development processes. The external graphic designers, who outsourced for certain product development stages, would be required to sign an agreement to acknowledge that the designs produced during the engagement are the intellectual property of the Group. For new employees, the Group focuses on training their awareness of conserving trade secrets. The intellectual property, which mainly related to the trademark and designs, are well protected by the Group and it values the intellectual properties as the important assets of the Group.

品質控制

珠寶的質量是客戶高度關注的關鍵因素之一。本集團在交付產品前均有質量監控要求和質量控制檢驗。本集團已成立一個集中的質量控制團隊，負責監控整個生產過程。本集團在每個階段執行質量控制，以確保產品具有令人滿意的質量。我們將在最後階段進行全面檢查以確保產品按照規定的規格製造。本集團亦會由經驗豐富的專業人士對成品珠寶產品進行隨機抽樣檢查，以確保其符合標準。

產品質量可靠並得到不同組織的保證。香港珠石玉器金銀首飾業商會以及九龍珠石玉器金銀首飾業商會認可我們的黃金產品質量頒發「優質足金標誌」。此外，本集團亦獲香港旅遊發展局優質旅遊服務（「**優質旅遊服務**」）計劃的認可，被認可為香港可靠的零售商店。這些產品被高度認可以確保客戶不會收到不合格的產品來保護消費者的權利。

知識產權保護

本集團專注於自身珠寶設計的先鋒創新。本集團擁有足夠使用及全面的知識產權管理系統。本集團在產品開發過程中不斷加強對商標、域名權、設計和商業秘密的管理。在某些產品開發階段外判的圖形設計師將被要求簽署協議，以確認參與期間產生的設計是屬於本集團的知識產權。對於新員工，本集團專注於培養他們保護商業秘密的意識。本集團對主要是商標和外觀設計的知識產權實施良好保護，並將知識產權視為本集團的重要資產。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Customer Services

The Group would provide after-sales service like resizing of rings and complimentary cleaning services to maintain a good relationship with customers. The Group reviews all complaints from customers, suppliers and partners in accordance with internal procedures and guidelines, and appropriate follow-up measures will be taken. If applicable, the Group will conduct relevant investigations and generate case reports and correcting action plans to resolve complaints and make improvements accordingly. The Group believes that complaints are good opportunities to get feedback from the community and customers, so as to assure the necessity of improving the services and policies.

Advertising and Labelling

The Group has adopted a multi-channel advertising strategy to promote the brand and improve the brand image. The Group takes care of the advertisement and labelling issues to ensure that only accurate products' information would be published. Any misleading message is prohibited publishing after the strict monitoring of the teams of professionals.

Protection of Privacy

The Group recognizes the protection of customers' and partners' privacy is the key for success. Therefore, protecting and maintaining customers' privacy are always remained in the first priority of the Group. Security measures have established to provide adequate protection and encryption for all data and information upon operation. At the same time, the Group has implemented policies and procedures to the collection and use of personal data.

客戶服務

本集團提供售後服務，如修改戒指尺寸及免費清潔服務，以維持與客戶的良好關係。本集團根據內部程序及指引檢討客戶、供應商及合作夥伴的所有投訴，並將採取適當的後續措施。如適用，本集團將進行相關調查並生成案例報告及糾正行動計劃以解決投訴並相應地進行改進。本集團相信投訴是獲得社區和客戶反饋的好機會，以確保改善服務和政策的必要性。

廣告及標籤

本集團已採取多渠道廣告策略，以推廣品牌及提升品牌形象。本集團小心留意廣告及標籤事宜，以確保只發佈準確的產品資料。在專業人員團隊的嚴格監控下，任何誤導性信息也不會被發佈。

私隱保護

本集團認為保護客戶及合作夥伴的隱私是成功的關鍵。因此，保護和維護客戶私隱始終是本集團的首要任務。私隱保護措施被已建立以便在營運時為所有數據和信息提供充分的保護和加密。與此同時，本集團實施嚴格的政策來收集和使用個人數據。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

B7. Anti-corruption

General Disclosure

The Group believes that a clean corporate culture is the key to its continuous success. Therefore, the Group stressed on anti-corruption work and system building, devoted in creating a clean and transparent corporate culture. It has already developed adequate codes to ensure all employees (including directors) adhered to the highest standards of business, professional and ethical practices. The Group strictly complies with the requirements under laws and regulations such as the "Company Law of the PRC", "Bidding Law of the PRC", "Interim Provisions on Banning Commercial Bribery", and Hong Kong's "Prevention of Bribery Ordinance".

The Group's major operation formulated such policies on the control and prevention of bribery, extortion, fraud and money laundering between shareholders and related parties in each business operation and trade activity.

During the current year, the Group did not aware of any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering.

Anti-corruption

The Group has an anti-bribery function, which is responsible for developing the overall framework of anti-bribery, fraud and corruption policies and procedures. It also guides and monitors the implementation of such policies and procedures in different aspects of the Group's operation. Each of the Group's subsidiaries will immediately report any suspected bribery, fraud and corruption to the person in charge of the Group's internal control. The internal control advisor was engaged to perform internal control review on the Group and determine the appropriate course of actions if necessary.

B7. 反貪污

一般披露

本集團相信廉潔的企業文化是本公司持續成功的關鍵，因此極為重視反腐倡廉的工作及制度建設，致力於建設廉潔公開透明的企業文化。本集團已經制定了適當的法規，以確保所有員工(包括董事)遵守最高標準的商業、專業和道德實踐。本集團嚴格遵守《中華人民共和國公司法》、《中華人民共和國招標投標法》、《關於禁止商業賄賂行為的暫行規定》及香港的《防止賄賂條例》等法律法規的規定。

本集團的主要業務制定了在每項業務經營活動中控制和防止股東與關聯團體之間的賄賂、勒索、欺詐和洗黑錢的政策。

於本年度，本集團並未發現任何違反有關防止賄賂、勒索、欺詐及洗黑錢的法律法規的重大事宜。

反貪污

本集團具有反賄賂職責，負責制定反賄賂、欺詐和貪污政策和程序的總體框架。本集團還在營運的不同方面指導和監督此類政策和程序的實施。本集團下的子公司將立即向本集團內部控制負責人報告任何涉嫌賄賂、欺詐和貪污行為。內部控制顧問參與對本集團進行內部控制審查，並在必要時確定適當的行動方案。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

The Group fully complies with relevant anti-money laundering laws. The Group minimizes the risk of establishing relationships with individuals or organizations involved in money laundering or terrorist activities through understanding customers and assessment procedures.

B8. Community Investment

General Disclosure

The Group believes in shouldering the responsibility of contributing society. As a responsible corporate citizen, the Group has fulfilled our social responsibilities by being committed to supporting various charitable and community activities. The Group hopes to foster employees' sense of social responsibility, thus encouraging them to participate in charitable activities during their work and spare time to make greater contributions to the community. The Group has also encouraged its employees to participate in environmental and charitable activities, make donations to assist underprivileged students and engage in social services. The Group believes that the participation in activities that repay society can increase its employees' civic awareness and establish their correct values.

Corporate Social Responsibility

The Group has also joined different chambers of commerce to support the charity activities. The Group has become the members of Kowloon Chamber of Commerce and New Territory Chamber of Commerce. The Group has supported many of the charity activities to repay the community. Besides, the Group has also donated to the Youth Outreach's "YO! Let's Walk the Road" to support the service provided by the Youth Outreach on rescuing the teenagers who are in needs. The Group will seek opportunities to identify more suitable projects and contribute to the community and environment to bring positive progress to society.

本集團完全遵守反洗黑錢的相關法例。本集團通過了解客戶和評估程序，把參與洗黑錢或恐怖活動的個人或組織建立關係的風險最少化。

B8. 社區投資

一般披露

本集團相信在經濟發展的同時也應肩負回報社會的責任。作為企業公民的社會責任，本集團積極和支持與公益和慈善活動。本集團希望培養員工的社會責任感，因此一直鼓勵員工於工作期間及私人時間參與社會公益活動，為社會作更大貢獻，亦一直安排員工參與環保公益、捐資助學和社會服務等活動。我們相信，借著親身參與回饋社會的活動，可以令員工的公民意識得以提升，以樹立正確的價值觀。

企業社會責任

本集團還加入了不同的商會，以支持慈善活動。本集團已成為九龍總商會及新界總商會的會員，本集團支持許多慈善活動以回報社區。此外，本集團亦向協青社的「協青慈善行」捐款，以支持青年外展提供的服務，拯救有需要的青少年。本集團將尋求機會分別出更多合適的項目，為社區和環境作出貢獻，積極促進社會發展。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

香港聯合交易所有限公司的《環境、社會及管治報告指引》內容索引表

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節/聲明
Aspect A1: Emissions 層面 A1：排放物		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 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。	Emissions 排放物
KPI A1.1 ("comply or explain") 關鍵績效指標 A1.1 (「不遵守就解釋」)	The types of emissions and respective emissions data. 排放物種類及相關排放資料。	Emissions – Exhaust Gas and GHG Emissions, Waste Management, Wastewater 排放物 – 廢氣及溫室氣體排放、廢物管理、廢水
KPI A1.2 ("comply or explain") 關鍵績效指標 A1.2 (「不遵守就解釋」)	GHG emissions in total (in tonnes) and intensity. 溫室氣體總排放量(以噸計算)及密度。	Emissions – Exhaust Gas and GHG Emissions 排放物 – 廢氣及溫室氣體排放
KPI A1.3 ("comply or explain") 關鍵績效指標 A1.3 (「不遵守就解釋」)	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量(以噸計算)及密度。	Emission — Waste Management 排放物 – 廢物管理
KPI A1.4 ("comply or explain") 關鍵績效指標 A1.4 (「不遵守就解釋」)	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量(以噸計算)及密度。	Emissions – Waste Management 排放物 – 廢物管理

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節 / 聲明
KPI A1.5 (“comply or explain”) 關鍵績效指標 A1.5 (「不遵守就解釋」)	Description of reduction initiatives and results achieved. 描述減低排放量的措施及所得成果。	Emissions – Exhaust Gas and GHG Emissions, Waste Management, Wastewater 排放物 – 廢氣及溫室氣體排放、廢物管理、廢水
KPI A1.6 (“comply or explain”) 關鍵績效指標 A1.6 (「不遵守就解釋」)	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。	Emissions – Waste Management 排放物 – 廢物管理
Aspect A2: Use of Resources 層面 A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Use of Resources 資源使用
KPI A2.1 (“comply or explain”) 關鍵績效指標 A2.1 (「不遵守就解釋」)	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。	Use of Resources – Electricity and Energy Management 資源使用 – 電力及能源管理
KPI A2.2 (“comply or explain”) 關鍵績效指標 A2.2 (「不遵守就解釋」)	Water consumption in total and intensity. 總耗水量及密度。	Use of Resources – Water Consumption 資源使用 – 水源消耗
KPI A2.3 (“comply or explain”) 關鍵績效指標 A2.3 (「不遵守就解釋」)	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Use of Resources – Electricity and Energy Management 資源使用 – 電力及能源管理
KPI A2.4 (“comply or explain”) 關鍵績效指標 A2.4 (「不遵守就解釋」)	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。	Use of Resources – Water Consumption 資源使用 – 水源消耗

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節/聲明
KPI A2.5 ("comply or explain") 關鍵績效指標 A2.5 (「不遵守就解釋」)	Total packaging material used for finished products (in tonnes) and with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及每生產單位佔量。	Use of Resources — Use of Packaging Material 資源使用 – 包裝物料使用
Aspect A3: The Environment and Natural Resources 層面 A3：環境及天然資源		
General Disclosure 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	The Environment and Natural Resources 環境及天然資源
KPI A3.1 ("comply or explain") 關鍵績效指標 A3.1 (「不遵守就解釋」)	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。	The Environment and Natural Resources – Working Environment 環境及天然資源 – 工作環境
Aspect B1: Employment 層面 B1：僱傭		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、多元化、平等機會、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。	Employment – Compensation and Benefits, Recruitment, Promotion and Dismissal, Equal Opportunities 僱傭 – 薪酬及福利、招聘、晉升及解聘、平等機會

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節 / 聲明
Aspect B2: Health and Safety 層面 B2：健康與安全		
General Disclosure 一般披露	Information on: (a) the policies; and (b) Anti-corruption compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 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。	Health and Safety – Internal Health and Safety Management and System, Safety Production, Fire Safety 健康與安全 – 內部健康與安全管理及制度、安全生產、消防安全
Aspect B3: Development and Training 層面 B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 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。	Development and Training – Training Management 發展及培訓 – 培訓管理
Aspect B4: Labour Standards 層面 B4：勞工準則		
General Disclosure 一般披露	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. 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。	Labour Standards – Prevention of Child and Forced Labour 勞工準則 – 防止童工及強制勞工

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節/聲明
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management – Supplier Assessment, Fair and Open Procurement 供應鏈管理 – 供應商評估、公平及公開採購
Aspect B6: Product Responsibility 層面 B6：產品責任		
General Disclosure 一般披露	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. 有關所提供產品和服務的健康與安全、廣告、標籤及隱私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。	Product Responsibility – Quality Assurance, Protection of Intellectual Property Rights, Customer Services, Advertising and Labelling, Protection of Privacy 產品責任 – 品質控制、知識產權保護、客戶服務、廣告及標籤、私隱保護
Aspect B7: Anti-corruption 層面 B7：反貪污		
General Disclosure 一般披露	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. 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。	Anti-corruption — Anti-corruption 反貪污 – 反貪污

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018/19

環境、社會及管治報告 2018/19

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節 / 聲明
Aspect B8: Community Investment 層面 B8：社區投資		
General Disclosure 一般披露	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. 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。	Community Investment – Corporate Social Responsibility 社區投資 – 企業社會責任

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Deloitte.

德勤

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
DOMINATE GROUP HOLDINGS COMPANY LIMITED**
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Dominate Group Holdings Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 97 to 183, which comprise the consolidated statement of financial position as at 31 March 2019 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 2019, 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 ("HKSA") 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

獨立核數師報告
致 **DOMINATE GROUP
HOLDINGS COMPANY LIMITED**
(於開曼群島註冊成立的有限公司)
全體股東

意見

吾等已審計載於第97至183頁 Dominate Group Holdings Company Limited (「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於2019年3月31日的綜合財務狀況報表及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映了貴集團於2019年3月31日的綜合財務狀況及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

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。吾等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。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，吾等獨立於貴集團，並已履行守則中的其他專業道德責任。吾等相信，吾等所獲得的審計憑證能充分及適當地為吾等的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在吾等審計整體綜合財務報表及出具意見時進行處理的。吾等不會對這些事項提供單獨的意見。

Key audit matter

關鍵審計事項

Valuation of inventories

We identified valuation of inventories as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the judgements associated with determining the amount of allowances on inventories.

吾等將存貨估值識別為一項關鍵審計事項，原因為結餘對綜合財務報表整體連同有關釐定存貨撥備金額的判斷的重要性。

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

存貨估值

Our procedures in relation to the valuation of inventories included:

吾等有關存貨估值的程序包括：

- Understanding the Group's internal controls over valuation of inventories;
- Understanding how management identifies slow-moving inventories and the amount of allowances required, and management's process in monitoring the quality of the work of the independent professional gemmologist appointed;

了解貴集團內部控制存貨估值；
了解管理層如何識別滯銷存貨及撥備所需金額，以及管理層監控獲委任獨立專業寶石鑑定師工作質素的程序；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審計事項

Valuation of inventories

As disclosed in Note 5 to the consolidated financial statements, in estimating the amount of allowances on inventories, it is the Group's policy to review the net realisable values of inventories periodically with reference to current market condition and the historical experience in selling goods of similar nature. The Group's management reviewed, on a regular basis, the suitability of its inventory allowance policy and has applied the policy consistently. The Group's management also reviewed, on a regular basis, the inventory age listing to identify any slow-moving inventories and estimated the amount of allowances primarily based on the pricing policy and strategies and the historical experience in selling goods of similar nature. The Group also engaged an independent professional gemologist to perform valuation and assess the conditions of certain items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation.

誠如綜合財務報表附註5所披露，就估計存貨撥備而言，貴集團的政策為參照現時市況及銷售性質相似的貨品的過往經驗以定期檢討存貨可變現淨值。貴集團管理層定期檢討其存貨撥備政策的合適性，並已經一致應用有關政策。貴集團管理層亦定期檢閱貨齡清單，判別任何滯銷存貨，並主要按定價政策及策略以及過往銷售性質相似貨品的經驗估計撥備金額。此外，貴集團亦委聘獨立專業珠寶鑑定師以進行估值，並參照國際鑽石價格、其專業知識及現時市況，對珠寶鑲嵌首飾的寶石測試進行估值以評核若干存貨的狀況。

At 31 March 2019, the carrying amount of inventories was HK\$63,991,000 (net of allowance for inventories of HK\$1,449,000).

於2019年3月31日，存貨的賬面值為63,991,000港元(扣除存貨撥備1,449,000港元)。

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

存貨估值

- Assessing the appropriateness of allowances on inventories made by the management and the accuracy of the net realisable values by comparing the subsequent selling prices of similar products less estimated completion and disposal cost to be incurred, to their carrying amounts on a sample basis;

評估管理層所作存貨撥備的合適性，並透過將其後類似產品的銷售價格減估計完成及將產生的出售成本與其賬面值作出比較，抽樣評估可變現淨值的準確性；

- Evaluating the competence, capabilities and objectivity of the independent professional gemologist and obtaining an understanding of the scope of work and their terms of engagement;

評價獨立專業寶石鑑定師的資歷、能力及客觀性，並了解其工作範疇及彼等的委聘條款；

- Evaluating the appropriateness of the valuation prepared by the independent professional gemologist with reference to international diamond price references for selected gem-set jewellery products and market research reports on jewellery industry, on a sample basis;

抽樣評價經獨立專業寶石鑑定師參考選定寶石鑲嵌珠寶產品的國際鑽石價格及寶石行業的市場研究報告所編製的估值的合適性；

- Checking the accuracy of the inventory age listing, on a sample basis, by tracing to the invoices and delivery documents;

透過追查發票及交付文件，抽樣檢查存貨賬齡的準確性；

- Assessing the reasonableness of the allowances on identified slow-moving non-diamond gem-set jewellery products by checking the aging profile, historical sales pattern and the subsequent sales of these inventories; and

透過檢查逾期日數、過往銷售模式及其後該等存貨的銷售，評估已判別為滯銷的非鑽石寶石鑲嵌珠寶產品；及

- Evaluating the historical accuracy of allowances on inventories assessed by the management by comparing the actual loss to historical allowances recognised.

評價由管理層透過比較實際虧損與已確認過往撥備，以評估存貨撥備的歷史準確性。

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 the information included in the annual report, but does not include 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 THOSE CHARGED WITH GOVERNANCE 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事需對其他資料負責。其他資料包括列載於年報內的資料，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的鑒證結論。

結合吾等對綜合財務報表的審計，吾等的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或吾等在審計過程中所了解的情況存在重大抵觸或者似乎另外存在重大錯誤陳述的情況。基於吾等已執行的工作，如果吾等認為其他資料存在重大錯誤陳述，吾等需要報告該事實。在這方面，吾等沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定真實公平地擬備綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層亦須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

吾等的目標，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，並按照吾等所協定的委聘條款僅向全體股東出具包括吾等意見的核數師報告，除此以外，吾等的報告不可用作其他用途。吾等並不就本報告之內容對任何其他人士負上或承擔責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述被視作重大。

在根據香港審計準則進行審計的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 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，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 就董事採用持續經營會計基礎的恰當性作出結論，並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。如果吾等結論認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，或假若有關披露不足，則吾等應當修改意見。吾等的結論是基於核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容(包括披露)以及綜合財務報表是否公平反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以對綜合財務報表發表意見。吾等負責貴集團審計的方向、監督和執行。吾等為審計意見承擔全部責任。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance 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 those charged with governance, 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.

除其他事項外，吾等與治理層溝通了預設的審計範圍、時間、重大審計發現等，包括吾等在審計中識別出內部控制的任何重大缺陷。

吾等還向治理層提交聲明，說明吾等已符合有關獨立性的相關專業道德要求，並與彼等交流有可能合理地被認為會影響吾等獨立性的所有關係和其他事項以及(倘適用)相關的防範措施。

從與治理層溝通的事項中，吾等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。吾等在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，吾等決定不應在報告中溝通該事項。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

The engagement partner on the audit resulting in the independent auditor's report is Tsang Chi Wai.

發出本獨立核數師報告的審計項目合夥人為曾志偉。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
20 June 2019

德勤 • 關黃陳方會計師行
執業會計師
香港
2019年6月20日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2019 截至2019年3月31日止年度

			2019 二零一九年	2018 二零一八年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	6	175,589	173,020
Cost of goods sold	已售商品成本		(120,248)	(115,590)
Gross profit	毛利		55,341	57,430
Other income	其他收入	7	458	67
Other gains or losses	其他收益及虧損	8	1,125	(475)
Selling and distribution costs	銷售及分銷成本		(28,726)	(28,778)
General and administrative expenses	一般及行政開支		(12,843)	(10,710)
Listing expenses	上市開支		(10,082)	(8,151)
Finance costs	財務成本	9	(1,365)	(1,371)
Profit before taxation	除稅前溢利	10	3,908	8,012
Taxation	稅項	13	(1,685)	(3,177)
Profit for the year	年內溢利		2,223	4,835
Other comprehensive (expense) income for the year	年內其他全面(開支)收入			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>			
Exchange differences arising on translation of a foreign operation	換算外國業務生產的匯兌差額		(1,569)	418
Other comprehensive (expense) income for the year, net of income tax	年內其他全面(開支)收入(除所得稅後)		(1,569)	418
Total comprehensive income for the year	年內全面收入總額		654	5,253
Profit for the year attributable to:	年內以下各項應佔溢利：			
Owners of the Company	本公司擁有人		2,223	4,630
Non-controlling interests	非控股權益		—	205
			2,223	4,835

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2019 截至2019年3月31日止年度

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
		Note 附註	
Total comprehensive income for the year attributable to:	應佔年內全面收入總額：		
Owners of the Company	本公司擁有人	654	5,000
Non-controlling interests	非控股權益	—	253
		654	5,253
Earnings per share	每股盈利		
Basic (HK cents)	基本(港仙)	0.39	0.82
		11	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2019 於 2019年3月31日

			2019 二零一九年	2018 二零一八年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	540	1,050
Deferred tax assets	遞延稅項資產	16	1,491	643
Rental deposits	租金按金	18	2,057	2,290
			4,088	3,983
Current assets	流動資產			
Inventories	存貨	17	63,991	73,105
Trade receivables, prepayments and deposits	貿易應收款項、預付款項及按金	18	10,978	12,780
Amounts due from related companies	應收關聯公司款項	19	—	23,215
Taxation recoverable	可收回稅項		241	587
Pledged bank deposit	已抵押銀行存款	20	2,200	—
Bank balances and cash	銀行結餘及現金	20	75,973	24,526
			153,383	134,213
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	21	20,809	18,025
Contract liabilities	合約負債	22	5,775	5,820
Refund liabilities	退款負債	23	651	280
Amount due to a related company	應付一間關聯公司款項	19	—	11,308
Taxation payable	應付稅項		1,080	—
Bank borrowings	銀行借款	24	41,377	36,117
Gold loans at fair value through profit or loss	按公平值計入損益的黃金貸款	25	—	13,263
			69,692	84,813
Net current assets	流動資產淨值		83,691	49,400
Net assets	資產淨值		87,779	53,383

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2019 於 2019年3月31日

			2019 二零一九年	2018 二零一八年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	26	7,500	20,030
Reserves	儲備		80,279	32,494
Equity attributable to owners of the Company	本公司擁有人應佔權益		87,779	52,524
Non-controlling interests	非控股權益		—	859
Total equity	權益總額		87,779	53,383

The financial statements on pages 97 to 183 were approved and authorised for issue by the Board of Directors on 20 June 2019 and are signed on its behalf by:

第97至183頁的財務報表於2019年6月20日經董事會批准及授權發佈，並由下列董事代表簽署：

Fu Chun Keung
傅鎮強
DIRECTOR
董事

Cheung Lai Yuk
張麗玉
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2019 截至2019年3月31日止年度

		Attributable to owners of the Company					Sub- controlling interests	Total	
		本公司擁有人應佔							
		Share capital	Share premium	Other reserve	Exchange reserve	Retained profits			
		股本	股份溢價	其他儲備	匯兌儲備	保留溢利	小計	非控股權益	
		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	
				(Note) (附註)					
At 1 April 2017	於2017年4月1日	20,030	—	—	720	33,774	54,524	606	55,130
Profit for the year	年內溢利	—	—	—	—	4,630	4,630	205	4,835
Exchange differences arising from translation of a foreign operation	換算外國業務產生的匯兌差額	—	—	—	370	—	370	48	418
Total comprehensive income for the year	年內全面收入總額	—	—	—	370	4,630	5,000	253	5,253
Dividend declared (Note 14)	宣派股息(附註14)	—	—	—	—	(7,000)	(7,000)	—	(7,000)
At 31 March 2018	於2018年3月31日	20,030	—	—	1,090	31,404	52,524	859	53,383
Profit for the year	年內溢利	—	—	—	—	2,223	2,223	—	2,223
Exchange differences arising from translation of a foreign operation	換算外國業務產生的匯兌差額	—	—	—	(1,569)	—	(1,569)	—	(1,569)
Total comprehensive (expense) income for the year	年內全面(開支)收入總額	—	—	—	(1,569)	2,223	654	—	654
Dividend declared (Note 14)	宣派股息(附註14)	—	—	—	—	(9,000)	(9,000)	—	(9,000)
Effect of group reorganisation (Note 2 (steps e and f))	集團重組的影響(附註2(步驟e及f))	(20,030)	—	20,489	—	400	859	(859)	—
Capitalisation issue (Note 26(a))	資本化發行(附註26(a))	5,625	(5,625)	—	—	—	—	—	—
Issue of shares upon listing (Note 26(b))	上市後股份發行(附註26(b))	1,875	54,375	—	—	—	56,250	—	56,250
Expenses incurred in connection with the issue of shares upon listing (Note 26(b))	有關於上市後股份發行所產生的開支(附註26(b))	—	(13,508)	—	—	—	(13,508)	—	(13,508)
At 31 March 2019	於2019年3月31日	7,500	35,242	20,489	(479)	25,027	87,779	—	87,779

Note: The amount is arising from the Group Reorganisation steps (e) and (f) (as defined and details set out in Note 2).

附註：有關金額乃因集團重組步驟(e)及(f)(定義及詳情見附註2)而產生。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至2019年3月31日止年度

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	3,908	8,012
Adjustments for:	經調整：		
Impairment loss (reversal of impairment loss) for trade receivables	貿易應收款項減值虧損 (減值虧損撥回)	64	(1,591)
Reversal of allowance for inventories	存貨撥備撥回	(1,316)	(124)
Depreciation on property, plant and equipment	物業、廠房及設備折舊	577	650
(Gain) loss on fair value changes of gold loans at fair value through profit or loss	按公平值計入損益的黃金貸款公平值變動的(收益)虧損	(1,070)	758
Interest expenses	利息開支	1,365	1,371
Interest income	利息收入	(140)	(4)
Unrealised foreign exchange realignment	未變現匯率調整	(1,712)	—
Operating cash flows before movements in working capital	營運資金變動前經營現金流	1,676	9,072
Decrease in inventories	存貨減少	10,430	241
(Increase) decrease in trade receivables, prepayments and deposits	貿易應收款項、預付款項及按金(增加)減少	(670)	14,755
Increase (decrease) in trade and other payables	貿易及其他應付款項增加(減少)	2,578	(3,578)
(Decrease) increase in contract liabilities	合約負債(減少)增加	(45)	1,712
Increase in refund liabilities	退款負債增加	371	10
Cash generated from operations	經營所產生現金	14,340	22,212
Hong Kong Profits Tax paid	已付香港利得稅	(1,075)	(8,551)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(32)	(233)
Net cash generated from operating activities	經營活動所產生現金淨額	13,233	13,428
Investing activities	投資活動		
Purchase of property, plant and equipment	購置物業、廠房及設備	(67)	(666)
Placement of pledged bank deposit	存放已抵押銀行存款	(2,200)	—
Repayment from related companies	關聯公司還款	3,240	422
Interest received	已收利息	140	4

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至2019年3月31日止年度

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Net cash generated from (used in) investing activities	投資活動所產生(所用)現金淨額	1,113	(240)
Financing activities	融資活動		
Proceeds from bank loans	銀行貸款所得款項	15,500	10,000
Repayments to directors	向董事還款	—	(3,503)
Repayments of bank loans	償還銀行貸款	(10,177)	(3,314)
Repayment of gold loans at fair value through profit or loss	償還按公平值計入損益的黃金貸款	(12,193)	—
Repayment to a related company	償還一間關聯公司款項	—	(1,420)
Repayment to a non-controlling interest	償還一項非控股權益款項	(601)	—
Interests paid	已付利息	(1,365)	(1,371)
Issue costs paid	已付發行成本	(9,889)	(1,574)
Dividend paid	已付股息	(333)	(7,000)
Proceeds from issue of shares	股份發行所得款項	56,250	—
Net cash generated from (used in) financing activities	融資活動所產生(所用)現金淨額	37,192	(8,182)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	51,538	5,006
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	24,463	19,397
Effect of foreign exchange rate changes	外匯匯率變動影響	(28)	60
Cash and cash equivalents at end of the year	年末現金及現金等價物	75,973	24,463
Represented by:	以下列項目呈列：		
Bank balances and cash	銀行結餘及現金	75,973	24,526
Bank overdrafts	銀行透支	—	(63)
		75,973	24,463

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

1. GENERAL

Dominate Group Holdings Company Limited (the “Company”) is a public limited company incorporated in the Cayman Islands on 11 January 2018 and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business of the Company is at No. 6-13 Faerie Court, 80 Ko Shan Road, Hungghom, Kowloon, Hong Kong.

The immediate holding company and ultimate holding company of the Company is Mythe Group Holdings Company Limited (“BVI-1”) which was incorporated in the British Virgin Islands (the “BVI”). Its ultimate controlling party is Mr. Fu Chun Keung (“Mr. Fu”).

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in Note 36.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

In preparation of the initial listing of the Company on GEM of the Stock Exchange, the companies now comprising the Group underwent the group reorganisation as described below (the “Group Reorganisation”).

Prior to the Group Reorganisation, Mr. Fu was the controlling shareholder of the group entities operating the Group’s business including Chong Fai Group Holdings Company Limited (“Chong Fai Holdings”), Chong Fai Jewellery & Gold Company Limited (“Chong Fai Jewellery”), King Jewellery & J Company Limited (“King Jewellery”) and King Jewellery’s subsidiary, Zhidahang Jewellery (Shenzhen) Company Limited (“Zhidahang Jewellery”), W-Rich Company Limited (“W-Rich”) and Chuk Fung Jewellery Manufactory Limited (“Chuk Fung”) and Chuk Fung’s subsidiary, Zhuohui Jewellery (Shenzhen) Company Limited (“Zhuohui Jewellery”), (together, the “Group Entities”). As part of the Group Reorganisation, investment holding companies including Glorieux Group Holdings Company Limited (“BVI-2”) and Depasser Group Holdings Company Limited (“BVI-3”) and the Company were incorporated and became the holding companies of the Group Entities. Since then, the Company became the holding company of the companies now comprising the Group on 12 April 2018. Major steps of the Group Reorganisation include the following:

1. 一般資料

Dominate Group Holdings Company Limited (「本公司」) 於2018年1月11日於開曼群島註冊成立為公眾有限公司，其股份於香港聯合交易所有限公司(「聯交所」) GEM上市。本公司註冊辦事處之地址為PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，以及本公司主要營業地點之地址為香港九龍紅磡高山道80號富怡閣6-13號。

本公司直接控股公司及最終控股公司為於英屬處女群島(「英屬處女群島」)註冊成立的Mythe Group Holdings Company Limited(「英屬處女群島-1」)。其最終控制方為傅鎮強先生(「傅先生」)。

本公司為投資控股公司。其主要附屬公司的主要業務載於附註36。

綜合財務報表以港元(「港元」)呈列，與本公司功能貨幣相同。

2. 綜合財務報表編製及呈列基準

為籌備本公司於聯交所GEM首次上市，現時組成本集團各公司進行了下述集團重組(「集團重組」)。

進行集團重組前，傅先生為經營本集團業務的集團實體控股股東，包括創輝集團控股有限公司(「創輝控股」)、創輝珠寶金行有限公司(「創輝珠寶」)、皇室珠寶玉器有限公司(「皇室珠寶」)及皇室珠寶的附屬公司智達行珠寶(深圳)有限公司(「智達行珠寶」)、智達行有限公司(「智達行」)及卓豐珠寶首飾廠有限公司(「卓豐」)以及卓豐的附屬公司卓薈珠寶(深圳)有限公司(「卓薈珠寶」)(統稱為「集團實體」)。作為集團重組一部分，投資控股公司(包括Glorieux Group Holdings Company Limited(「英屬處女群島-2」)及Depasser Group Holdings Company Limited(「英屬處女群島-3」))以及本公司註冊成立及成為集團實體控股公司。自此，本公司於2018年4月12日成為現時組成本集團各公司的控股公司。集團重組重要步驟如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

— *continued*

- (a) On 10 January 2018, BVI-1 was incorporated in the BVI and the authorised share capital of BVI-1 was 50,000 shares of one class with no par value, of which one share was allotted and issued as fully paid to Mr. Fu at a subscription price of US\$1 on 22 January 2018.
- (b) On 11 January 2018, the Company was incorporated as an exempted company with limited liability in the Cayman Islands with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each. Upon incorporation, one share was allotted and issued to the initial subscriber which was then transferred to BVI-1.
- (c) On 6 February 2018, BVI-2 and BVI-3 were incorporated in the BVI and the authorised share capital of BVI-2 and BVI-3 were 50,000 shares of one class of no par value.
- (d) On 28 February 2018, the Company subscribed one share of BVI-2 and one share of BVI-3.
- (e) On 12 April 2018, 655 shares of Chong Fai Holdings, 700 shares of Chong Fai Jewellery and 640 shares of Chuk Fung were transferred from the official receiver on behalf of Mr. Lo Fong Sang, who is a bankrupt and was one of the non-controlling shareholders of Chong Fai Holdings, Chong Fai Jewellery and Chuk Fung, to Mr. Fu at a consideration of HK\$450,000, HK\$4,000 and HK\$5,000, respectively.

2. 綜合財務報表編製及呈列基準 — 續

- (a) 於2018年1月10日，英屬處女群島-1於英屬處女群島註冊成立，而英屬處女群島-1的法定股本為50,000股一類無面值股份，當中一股股份已於2018年1月22日按認購價格1美元配發及發行予傅先生作為繳足。
- (b) 於2018年1月11日，本公司於開曼群島註冊成立為獲豁免有限公司，法定股本為380,000港元，分為38,000,000股每股0.01港元的股份。於註冊成立後，向初步認購人配發及發行一股股份，其後該初步認購人將該股股份轉讓予英屬處女群島-1。
- (c) 於2018年2月6日，英屬處女群島-2及英屬處女群島-3於英屬處女群島註冊成立，而英屬處女群島-2及英屬處女群島-3的法定股本為50,000股一類無面值股份。
- (d) 於2018年2月28日，本公司認購英屬處女群島-2一股股份及英屬處女群島-3的一股股份。
- (e) 於2018年4月12日，創輝控股655股股份、創輝珠寶700股股份及卓豐640股股份已由破產管理署署長代表羅芳生先生(彼已經破產，並為創輝控股、創輝珠寶及卓豐其中一名非控股股東)轉讓予傅先生，代價分別為450,000港元、4,000港元及5,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

— continued

(f) On 12 April 2018, Mr. Fu, Ms. Fu Wan Ling, the eldest sister of Mr. Fu, and Ms. Cheung Lai Yuk (“Mrs. Fu”), spouse of Mr. Fu, entered into a share swap deed (the “Share Swap Deed”) with BVI-2, BVI-3 and BVI-1, pursuant to which: (i) Mr. Fu, Ms. Fu Wan Ling and Mrs. Fu, shall transfer 9,376 shares, 398 shares, and 226 shares of Chong Fai Holdings respectively, 20,009,025 shares, 398 shares, and 227 shares of Chong Fai Jewellery, respectively, 9,477 shares, 407 shares, and 116 shares of Chuk Fung, respectively, to BVI-2; (ii) Chong Fai Holdings transferred 200 shares of Chong Fai Jewellery to BVI-2; and (iii) Mr. Fu shall transfer 1 share of King Jewellery and 1 share of W-Rich, to BVI-3, in consideration of BVI-1 allotting and issuing 9,928 shares, 48 shares and 23 shares of BVI-1 to Mr. Fu, Ms. Fu Wan Ling and Mrs. Fu representing 99.29%, 0.48% and 0.23% of BVI-1, respectively, all credited as fully paid up in the capital of BVI-1. The Share Swap Deed was completed on 12 April 2018 which was same as the completion date of the Group Reorganisation.

Upon completion of the aforesaid steps, the Company became wholly owned by BVI-1, which is owned as to 99.29%, 0.48% and 0.23% by Mr. Fu, Ms. Fu Wan Ling and Mrs. Fu, respectively.

Pursuant to the Group Reorganisation detailed above, the Company became the holding company of the companies now comprising the Group on 12 April 2018. The Company and its subsidiaries have been under common control of Mr. Fu throughout the years ended 31 March 2019 and 2018, or since their respective dates of incorporations, where there is a shorter period. Accordingly, the consolidated financial statements have been prepared on the basis as if the Company had always been the holding company of the Group. Therefore, the Group Reorganisation is considered as a business combination under common control and accounted for under merger accounting as mentioned below.

2. 綜合財務報表編製及呈列基準 — 續

(f) 於2018年4月12日，傅先生、傅先生之姊傅雲玲女士及傅先生配偶張麗玉女士（「傅太太」）與英屬處女群島-2、英屬處女群島-3及英屬處女群島-1訂立股份置換契據（「股份置換契據」），據此：(i) 傅先生、傅雲玲女士及傅太太應向英屬處女群島-2分別轉讓創輝控股9,376股股份、398股股份及226股股份，創輝珠寶20,009,025股股份、398股股份及227股股份，以及卓豐9,477股股份、407股股份及116股股份；(ii) 創輝控股向英屬處女群島-2轉讓創輝珠寶200股股份；及(iii) 傅先生應向英屬處女群島-3轉讓皇室珠寶1股股份及智達行1股股份，代價為英屬處女群島-1向傅先生、傅雲玲女士及傅太太配發及發行英屬處女群島-1的9,928股股份、48股股份及23股股份，分別佔英屬處女群島-1的99.29%、0.48%及0.23%，全部均入賬為繳足英屬處女群島-1的資本。股份置換契據已於2018年4月12日完成，與集團重組完成日期相同。

上述步驟完成後，本公司由英屬處女群島-1全資擁有，其分別由傅先生、傅雲玲女士及傅太太擁有99.29%、0.48%及0.23%。

根據上文詳述的集團重組，於2018年4月12日，本公司成為現時本集團旗下公司的控股公司。於截至2019年及2018年3月31日止整個年度或自本公司及其附屬公司各自註冊成立日期（以較短者為準）以來，本公司及其附屬公司一直由傅先生共同控制。因此，編製綜合財務報表時乃按猶如本公司一直為本集團控股公司的基準進行。因此，集團重組被視為共同控制項下的業務合併，如下文所述根據合併會計法入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

2. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS — *continued*

The consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the companies now comprising the Group for the year have been prepared as if the Company had always been the holding company of the Group and the current group structure has been in existence throughout the years ended 31 March 2019 and 2018, or since their respective dates of the incorporation.

The consolidated statement of financial position as at 31 March 2018 has been prepared to present the assets and liabilities of the companies now comprising the Group, as if the current group structure had been in existence at those dates taking into account the respective dates of the incorporation, where applicable.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has consistently applied all the new and amendments to HKFRSs that are effective for the Group’s accounting period beginning on 1 April 2018 for the years ended 31 March 2019 and 2018, except that the Group applied HKFRS 9 “Financial Instruments” (“HKFRS 9”) on 1 April 2018 and HKAS 39 “Financial Instruments: Recognition and Measurement” (“HKAS 39”) during the year ended 31 March 2018. Specifically, the Group had adopted HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”) on a consistent basis throughout the year ended 31 March 2019 and 2018.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9. i.e. applied the classification and measurement requirements (including impairment under the expected credit losses (“ECL”) model) retrospectively to instruments that have not been derecognised as at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. There are no material impact on the classification and measurement of financial assets and financial liabilities upon adoption of HKFRS 9 at the date of initial recognition.

2. 綜合財務報表編製及呈列基準 — 續

綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表載有現時組成本集團各公司於年內的業績、權益變動及現金流量，猶如本公司於截至2019年及2018年3月31日止整個年度內或自彼等各自註冊成立日期以來一直為本集團的控股公司且現行集團架構已一直存在。

2018年3月31日的綜合財務狀況表乃為呈列現時組成本集團各公司的資產及負債而編製，猶如現行集團架構於該等日期(已計及各自註冊成立日期(倘適用))已一直存在。

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

本集團已於截至2019年及2018年3月31日止年度貫徹應用於2018年4月1日開始的會計期間生效的所有新訂及經修訂香港財務報告準則，惟本集團於2018年4月1日應用的香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)以及於截至2018年3月31日止年度內應用的香港會計準則第39號「金融工具：確認及計量」(「香港會計準則第39號」)除外。具體而言，本集團於截至2019年及2018年3月31日止年度貫徹採納香港財務報告準則第15號「客戶合約收益」(「香港財務報告準則第15號」)。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即追溯應用分類及計量規定(包括預期信貸虧損(「預期信貸虧損」)模型項下的減值)於在2018年4月1日(初始應用日期)並未被終止確認的工具及並不應用規定於在2018年4月1日已被終止確認的工具。於初始確認當日採納香港財務報告準則第9號對金融資產及金融負債的分類及計量並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) — *continued*

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39. Accounting policies resulting from application of HKFRS 9 are disclosed in Note 4.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs and an interpretation that have been issued but are not yet effective:

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ³
HK(IFRIC) — Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 3	Definition of a Business ⁴
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁵
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 — 2017 Cycle ¹

¹ Effective for annual periods beginning on or after 1 January 2019

² Effective for annual periods beginning on or after a date to be determined

³ Effective for annual periods beginning on or after 1 January 2021

⁴ Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

⁵ Effective for annual periods beginning on or after 1 January 2020.

Except for the new HKFRS mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs and the interpretation will have no material impact on the consolidated financial statements of the Group in the foreseeable future.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) — 續

因此，若干比較資料或不能比較，原因為比較資料乃根據香港會計準則第39號編製。應用香港財務報告準則第9號所致的會計政策於附註4披露。

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則及詮釋：

香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
香港(國際財務報告準則詮釋委員會) — 詮釋第23號	所得稅處理的不確定性 ¹
香港財務報告準則第3號修訂本	業務的定義 ⁴
香港財務報告準則第9號修訂本	反向補償提前還款特徵 ¹
香港財務報告準則第10號及香港會計準則第28號修訂本	投資者與其聯營公司或合營公司之間的資產出售或注資 ²
香港會計準則第1號及香港會計準則第8號修訂本	重大定義 ⁵
香港會計準則第19號修訂本	修訂、縮減或結算計劃 ¹
香港會計準則第28號修訂本	於聯營公司及合營公司的長期權益 ¹
香港財務報告準則修訂本	香港財務報告準則年度改進(2015年至2017年週期) ¹

¹ 於2019年1月1日或之後開始的年度期間生效

² 於確定日期或之後開始的年度期間生效

³ 於2021年1月1日或之後開始的年度期間生效

⁴ 於業務合併及收購資產時生效，有關收購日期為於2020年1月1日或之後開始的首個年度期間開始當日或之後

⁵ 於2020年1月1日或之後開始的年度期間生效。

除下述新訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則及詮釋將不會於可見未來對本集團綜合財務報表的披露構成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) — *continued*

HKFRS 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group and upfront prepaid lease payments will continue to be presented as investing or operating cash flows in accordance to the nature, as appropriate.

Furthermore, extensive disclosures are required by HKFRS 16.

At 31 March 2019, the Group has non-cancellable operating lease commitments of HK\$21,488,000 as disclosed in Note 28. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) — 續

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號於生效時將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權利資產及相應負債的模式替代。

使用權資產初步按成本計量，其後按成本(有若干例外情況)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按於租賃日期未付租賃付款的現值計量。其後，租賃負債就(其中包括)利息、租賃付款及租約修訂的影響作出調整。就現金流量分類而言，本集團現時將經營租賃付款呈列為經營現金流量。應用香港財務報告準則第16號後，有關租賃負債的租賃付款將分為本金及利息部分，並均會由本集團呈列為融資現金流量，而預付租賃付款將根據性質(視情況而定)繼續呈列為投資或經營現金流量。

此外，香港財務報告準則第16號要求更詳盡的披露資料。

本集團於2019年3月31日擁有不可撤銷經營租賃承擔21,488,000港元(披露於附註28)。初步評估顯示，該等安排將符合租賃的定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應的負債，除非有關租賃符合低價值或短期租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) — *continued*

HKFRS 16 “Leases” — *continued*

In addition, the Group currently considers refundable rental deposits paid of HK\$3,300,000 as at 31 March 2019 as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustment to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements would result in changes in measurement, presentation and disclosure as indicated above.

The directors expect that the adoption of HKFRS 16 as compared with the current accounting policy would result in increase in the Group’s right-of-use assets and related lease liability. The combination of straight-line depreciation of the right-of-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to the profit or loss in the initial year of the lease, and decreasing expenses during the latter part of the lease term, but there is no impact on the total expenses recognised over the lease term. Based on facts and circumstances as at 31 March 2019, the directors do not expect the application of HKFRS 16 would have a material impact on the financial performance and net assets of the Group.

The Group would elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) — Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) — Int 4. Therefore, the Group would not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group would elect the modified retrospective approach for the application of HKFRS 16 as lessee and would recognise the cumulative effect of initial application to opening retained profits, right-of-use assets and lease liabilities without restating comparative information.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) — 續

香港財務報告準則第16號「租賃」 — 續

此外，本集團目前認為於2019年3月31日的已支付可退款租金按金為3,300,000港元，作為香港會計準則第17號應用的租賃權利。根據香港財務報告準則第16號項下租賃款項的定義，有關按金並非與使用相關資產權利有關的款項，因此，有關按金賬面值或調整至攤銷成本且有關調整被視為額外租賃款項。所支付可退款租金按金的調整將會計入有使用權資產的賬面值。

此外，應用新規定可能導致上文將所示計量、呈列及披露變動。

董事預期，相比現行會計政策，採納香港財務報告準則第16號將導致本集團使用權資產及相關租賃負債增加。使用權資產的直線折舊及適用於租賃負債的實際利率法相結合將導致租賃首個年度於損益中支銷的總額較高，而租期後期的開支將遞減，惟並不影響租期內確認的開支總額。基於2019年3月31日的事實及情況，董事預期應用香港財務報告準則第16號並將不會對本集團財務表現及資產淨值有重大影響。

本集團將選擇採用實務操作上的簡便方法，採用香港財務報告準則第16號，計量以往應用香港會計準則第17號及香港(國際財務報告準則詮釋委員會) — 詮釋第4號「釐定安排是否包含租約」時確認為租約的合約，但不會採用該項準則計量以往應用香港會計準則第17號及香港(國際財務報告準則詮釋委員會) — 詮釋第4號時不確認為包含租約的合約。因此，本集團不會重新評估合約是否(或有否包含)首次應用日期前已存在的租約。再者，本集團作為承租人應用香港財務報告準則第16號時將選擇經修訂追溯法，然後確認首次應用準則對期初保留溢利、使用權資產及租賃負債的累計影響，而不重列比較資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with the HKFRSs issued by the Hong Kong Institute of Certified Public Accountants. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for gold loans at fair value through profit or loss (“Gold Loans”) that are measured at fair values at the end of the reporting period as explained in the accounting policies set on below.

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements are determined on such basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are within the scope of HKAS 17, and measurement that have some similarities to fair value but are not fair value, such as net realisable values in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

4. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所GEM證券上市規則及香港公司條例所規定適用披露事項。

如下文所載會計政策所述，綜合財務報表乃按歷史成本基準編製，惟於報告期末按公平值計入損益的黃金貸款（「黃金貸款」）按公平值計量者除外。

歷史成本一般為基於為換取貨物及服務所付代價的公平值。

公平值乃於計量日期市場參與者在有序交易中出售資產可收取或轉讓負債須支付的價格，不論該價格是否直接可觀察或可使用其他估值技術估計。倘市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。此綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬於香港財務報告準則第2號「以股份支付的款項」範圍的以股份支付的交易、屬於香港會計準則第17號範圍內的租賃交易以及與公平值有部分類似但並非公平值的計量（例如香港會計準則第2號「存貨」內的可變現淨值或香港會計準則第36號「資產減值」的使用價值）除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset and liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the entities comprising the Group. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

4. 主要會計政策 — 續

此外，就財務申報而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一、第二及第三級，詳情如下：

- 第一級輸入數據為實體可於計量日期取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據為就資產及負債而言可直接或間接觀察的輸入數據，惟第一級所載報價除外；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括組成本集團的實體的財務報表。本公司在下列情況下取得控制權：

- 具有對投資對象的權力；
- 因參與投資對象業務而承擔可變回報的風險或享有可變回報的權利；及
- 能夠使用其權力以影響其回報。

倘事實及情況顯示上文所列控制權的三項元素的一項或多項有變，則本集團重新評估其是否控制投資對象。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Basis of consolidation — *continued*

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

4. 主要會計政策 — 續

綜合基準 — 續

附屬公司於本集團取得該附屬公司的控制權時綜合入賬，並於本集團喪失該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日止，於年內收購或出售的附屬公司收支均計入綜合損益及其他全面收益表。

損益及各其他全面收入項目乃歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

如有需要，附屬公司的財務報表將予調整，使其會計政策與本集團的會計政策一致。

所有集團內公司間資產及負債、權益、收入、開支以及本集團各成員公司間交易的現金流量於綜合入賬時悉數對銷。

涉及共同控制實體的業務合併的合併會計

當共同控制合併發生時，綜合財務報表載有合併實體或業務的財務報表項目，猶如合併實體或業務在首次處於控制方的控制下當日已經合併。

從控制方的角度，合併實體或業務的資產淨值使用現有賬面值合併。在控制方權益持續情況下，於共同控制合併時產生的商譽或收購方應佔被收購方可識別資產、負債及或然負債的公平值超過於共同控制合併時的收購成本金額不予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Merger accounting for business combination involving entities under common control — *continued*

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

Revenue recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract;
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customers.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

4. 主要會計政策 — 續

涉及共同控制實體的業務合併的合併會計 — 續

綜合損益及其他全面收益表包括由最早呈列日期或合併實體或業務首次受共同控制的日期(以較短者為準, 而不論共同控制合併的日期)起各合併實體或業務的業績。

收益確認

本公司確認收益以述明向客戶移交已約定商品或服務的金額, 有關金額反映本集團預期就交換該等商品或服務有權收取的代價。具體而言, 本集團採用五個收益確認步驟:

- 第一步: 確立與客戶訂立的合約;
- 第二步: 確立合約中的履約責任;
- 第三步: 釐定交易價格;
- 第四步: 將交易價格分配至合約中的履約責任;
- 第五步: 於實體完成履約責任時(或就此)確認收益。

本集團於履行履約義務時(或就此)確認收益, 即與特定履約義務相關的貨品或服務的「控制權」轉移予客戶時確認收益。

履約責任指一個明確貨品及一項明確服務(或一批明確貨品或服務)或一系列大致相同的明確貨品或服務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Revenue recognition — *continued*

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

The Group recognises revenue from sales of jewellery products.

Sales of jewellery products

Revenue is recognised at a point in time when the jewellery products are delivered to the customers and the respective controls have been passed.

Provision of jewelcrafting services

The revenue is recognised at a point in time when the jewelcrafting services are rendered.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using the expected value method.

Refund liabilities

The Group recognises a refund liability if the Group expects to refund some or all of the consideration received from customers.

4. 主要會計政策 — 續

收益確認 — 續

倘符合下列其中一項標準，商品或服務的控制權在一段時間內轉移，而收益確認會按一段時間內已完成相關履約責任的進度進行：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；或
- 本集團的履約產生及提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益會在當客戶獲得明確貨品或服務的控制權時在某一時點確認。

本集團自銷售珠寶產品確認收益。

銷售珠寶產品

在將珠寶產品交付予客戶及相關控制權已轉移之時確認收益。

提供珠寶加工服務

收益會在提供珠寶加工服務時在某一時點確認。

可變代價

對於包含可變代價的合約，本集團使用預期價值法進行估計。

退款負債

倘本集團預期退回從客戶取得的部分或全部代價，便會確認退款負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Revenue recognition — *continued*

Contract liabilities

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策 — 續

收益確認 — 續

合約負債

合約負債指本集團因已自客戶收取代價(或代價到期應收)，而須轉讓貨品或服務予本集團客戶的義務。

物業、廠房及設備

物業、廠房及設備乃按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表列示。

折舊於估計可使用年期以直線法確認以撇銷物業、廠房及設備項目的成本再減其剩餘價值。

估計可使用年期、剩餘價值及折舊方法於各報告期末進行檢討，而任何估計變動的影響按前瞻基準入賬。

物業、廠房及設備項目乃於出售或預期繼續使用該資產將不會產生任何未來經濟利益時終止確認。處置或報廢一項物業、廠房及設備項目產生的任何收益或虧損，應按出售所得款項與該資產賬面金額之間的差額予以釐定，並於損益中確認。

借款成本

因收購、興建或生產合資格資產(即需相當長時間方可用作擬定用途或出售的資產)而直接產生的借款成本會撥入該等資產的成本，直至資產大致上可用作擬定用途或出售為止。

所有其他借款成本於產生期間於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Inventories

Inventories are stated at the lower of cost and net realisable values. Cost is determined using weighted average for gold jewellery products and specific identification basis for other jewellery products. Net realisable values represent the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

4. 主要會計政策 — 續

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。就黃金珠寶產品而言，成本按加權平均釐定，而就其他珠寶產品而言，成本按特定識別基準釐定。可變現淨值指存貨估計售價減估計完成所需全部成本以及銷售所需成本。

撥備

倘本集團因過往事項致使現時負有責任(法律或推定責任)，並很可能須結付該責任，且能就該數額作出可靠估計時，須確認撥備。

確認為撥備的金額為報告期末對履行現時責任所需代價的最佳估計，並經計及該項責任所附帶的風險及不確定因素計量。當使用估計現金流量計算撥備以結清現時責任，則其賬面值為該等現金流量的現值(當金錢時間值影響為重大)。

當要求部分或全部經濟利益以結清預期將會由第三方收回的撥備，倘大致確定將可獲償付及應收賬款金額可作可靠計量，則將應收賬款確認為資產。

金融工具

當本集團成為金融工具合約的訂約方時，則確認金融資產及金融負債。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益(「按公平值計入損益」)的金融資產或金融負債除外)的直接應計交易成本，於初始確認時加入金融資產或金融負債的公平值或從中扣減(如適用)。按公平值計入損益的收購金融資產或金融負債直接應佔交易成本即時於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable before 1 April 2018)

The Group's financial assets are mainly loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial assets, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active market. Subsequent to initial recognition, loans and receivables (including trade receivables, amounts due from related companies, pledged bank deposit and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment loss (see accounting policy on impairment of financial assets below).

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日前適用的會計政策)

本集團的金融資產主要為貸款及應收款項。該分類取決於金融資產的性質及用途並於初始確認時釐定。

實際利率法

實際利率法乃計算債務工具的攤銷成本以及按相關期間分配利息收入的方法。實際利率乃按金融資產的預期年期或較短期間(如適用)準確貼現未來現金收入(包括構成實際利率一部分的所有已付或已費用、交易成本及其他溢價或折讓)至初始確認時賬面淨值的利率。

債務工具的利息收入按實際利息基準確認。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款的非衍生金融資產，而其在活躍市場並無報價。於初始確認後，貸款及應收款項(包括貿易應收款項、應收關聯公司款項、已抵押銀行存款以及銀行結餘及現金)採用實際利息法按攤銷成本減任何減值虧損計量(請參閱下文有關金融資產減值的會計政策)。

金融資產減值

於報告期末會評估金融資產有否出現減值跡象。當有客觀證據顯示金融資產的估計未來現金流量因一項或多項於初始確認後出現的事項而受到影響，金融資產將被視為出現減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable before 1 April 2018) — *continued*

Impairment of financial assets — *continued*

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the general credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日前適用的會計政策) — 續

金融資產減值 — 續

客觀減值證據可能包括：

- 發行人或對手方陷入重大財政困難；或
- 違反合約，如違約或拖欠利息或本金付款；或
- 借款人很有可能破產或進行財務重組。

應收款項組合出現減值的客觀證據包括本集團過往收款經驗、組合內拖欠付款次數增加至超過整體信貸期、國家或地方經濟狀況出現明顯變動導致拖欠償還應收款項。

有關按攤銷成本計值的金融資產，所確認的減值虧損金額為資產賬面值與按金融資產的原實際利率貼現的估計未來現金流量現值兩者間的差額。

除貿易應收款項透過使用撥備賬削減賬面值外，所有金融資產的減值虧損直接於金融資產的賬面值扣減。撥備賬的賬面值變動於損益確認。倘貿易應收款項被視為無法收回，則在撥備賬撇銷。其後收回先前已撇銷的款項計入損益。

倘減值虧損金額於後續期間減少，而有關減少客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損將透過損益撥回，惟該資產於減值被撥回當日的賬面值不得超過倘無確認減值時應有的攤銷成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable after 1 April 2018)

Trade receivables arising from contracts with customers are initially measured in accordance with HKFRS 15.

Classification and measurement of financial assets

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest rate

The effective interest method is a method of calculating the amortised cost of debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding ECL through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日後適用的會計政策)

與客戶訂立的合約所產生的貿易應收款項乃按香港財務報告準則第15號初步計量。

金融資產分類及計量

所有屬於香港財務報告準則第9號範圍內的已確認金融資產隨後按攤銷成本計量。

符合下述條件的債務工具隨後按攤銷成本計量：

- 於一個商業模式內持有金融資產，而其持有金融資產的目的是為了收取合約現金流量；及
- 金融資產的合約條款引致於指定日期的現金流量僅為支付本金和未償還本金的利息。

攤銷成本及實際利率

實際利率法為計算債務工具的攤銷成本及於有關期間分配利息收入的方法。

實際利率為按債務工具的預計年期或(如適用)較短期間將估計未來現金收入(包括所有構成實際利率組成部分的已付或已收費用、交易成本及其他溢價或折讓)準確折讓至初始確認時債務工具賬面總值的利率。

金融資產的攤銷成本指金融資產於初始確認時計量的金額減去本金還款，加上初始金額與到期金額之間的任何差額使用實際利率法計算的累計攤銷(就任何虧損撥備作出調整)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable after 1 April 2018) — *continued*

Amortised cost and effective interest rate — *continued*

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the “other income” line item.

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, pledged bank deposit and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日後適用的會計政策) — 續

攤銷成本及實際利率 — 續

其後按攤銷成本計量的債務工具的利息收入乃使用實際利率法確認。利息收入乃對金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外。對於其後出現信貸減值的金融資產，利息收入乃於下一個報告期對金融資產攤銷成本應用實際利率確認。若在後續報告期內，信貸減值金融工具的信貸風險好轉，使金融資產不再信貸減值，利息收入乃於釐定資產不再出現信貸減值後，自報告期開始起對金融資產賬面總值應用實際利率確認。

利息收入於損益確認並計入「其他收入」類項。

預期信貸虧損模式項下的減值

本集團就受限於香港財務報告準則第9號項下減值的金融資產(包括貿易應收款項、已抵押銀行存款及銀行結餘)相關的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期予以更新，以反映信貸風險自初始確認以來的變動。

全期預期信貸虧損指相關工具的預期年期內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期後12個月內可能發生的違約事件而預計產生的該部分全期預期信貸虧損。有關評估乃按本集團歷史信貸虧損經驗為基礎而進行，並按債務人特定因素、一般經濟情況及對於報告日期現行情況的評估以及未來情況的預測作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable after 1 April 2018) — *continued*

Impairment under ECL model — *continued*

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for significant balances or collectively using a provision matrix with appropriate grouping based on shared credit risk characteristics by reference to past default experience and current past due exposure of the debtor.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external credit rating (if available);
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日後適用的會計政策) — 續

預期信貸虧損模式項下的減值 — 續

本集團一直就貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損將對大量結餘作單獨評估，或使用參考債務人過去違約記錄及目前的逾期風險並以共同信貸風險特徵為基準的適當分組的撥備矩陣作統一評估。

就所有其他工具而言，本集團以相等於12個月預期信貸虧損計量虧損撥備，除非信貸風險自初步確認以來已大幅增加，本集團將確認全期預期信貸虧損。評估應否確認全期預期信貸虧損乃以自初步確認以來違約發生的可能性大幅增加或風險是否大幅增加為基準。

信貸風險大幅增加

於評估信貸風險自初步確認以來是否已大幅增加時，本集團將於報告日期金融工具發生違約的風險與於初步確認日期金融工具發生違約的風險進行比較。於進行該評估時，本集團會考慮合理而且具理據的定量及定性資料，包括毋須作出過多成本或努力即可取得的歷史經驗及前瞻性資料。

特別是，當評估信貸風險是否自初步確認以來已大幅增加時，以下資料將予以考慮：

- 金融工具的外部信用評級(如可取得)實際或預期出現大幅惡化；
- 某金融工具信貸風險的外部市場指標出現大幅惡化，例如：信貸息差的大幅增加、債務人信貸違約掉期價格；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable after 1 April 2018) — *continued*

Significant increase in credit risk — *continued*

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the end of each reporting period. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the trade receivables have a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日後適用的會計政策) — 續

信貸風險大幅增加 — 續

- 業務、財務或經濟狀況出現或預測會出現不利變動，預期大幅降低債務人償還債務的能力；
- 債務人營運業績實際或預期大幅惡化；及
- 債務人所處的法規、經濟或技術環境實際或預期出現重大不利變動，導致債務人償還債務的能力大幅降低。

不論上述評估的結果為何，當合約付款逾期超過30天，本集團即假設信貸風險自初步確認以來已大幅增加，除非本集團有合理而具理據的資料證明則另當別論。

儘管上文所述，倘於各報告期末被確定為屬於低信貸風險，則本集團假設自初步確認以來金融工具的信貸風險並無重大增加。倘(i)金融工具屬低違約風險、(ii)具有強大應收貿易款項能力應付其短期內的合約現金流責任及(iii)較長期經濟及業務狀況出現不利變動，金融工具會被確定為屬於低信貸風險，惟將不會減低借款人履行其合約現金流責任的能力。本集團認為，倘金融資產的內部或外部信貸評級屬普遍認知定義的「投資級別」，則其乃屬於低信貸風險。

本集團定期監察識別信貸風險有否大幅增加所用準則的有效性，並作出適當修訂，確保該等準則能於有關金額逾期前識別信貸風險的大幅增加。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable after 1 April 2018) — *continued*

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower; or
- a breach of contract, such as a default or past due event; or
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日後適用的會計政策) — 續

違約定義

就內部信貸風險管理而言，由於過往經驗顯示符合以下任何標準的應收款項普遍無法收回，故本集團認為以下情況構成違約事件：

- 當對手方違反財務契約時；或
- 由內部編製或從外部來源取得的資料顯示債務人不大可能向其債權人(包括本集團)悉數付款(不計及本集團持有的任何抵押品)。

不管是否有上述分析，倘有關工具已逾期超過90天，本集團認為已產生違約，惟本集團有合理及具理據的資料證明較寬鬆的違約標準更為適用，則作別論。

信貸減值金融資產

當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信貸減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- 發行人或借款人出現嚴重財務困難；或
- 違反合約，如拖欠或逾期付款事件；或
- 借款人的貸款人就與借款人財務困難有關的經濟或合約理由，給予借款人其不予另行考慮的優惠條件；或
- 借款人可能宣告破產或進行其他財務重組。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable after 1 April 2018) — *continued*

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. For financial assets, the exposure at default is represented by the assets' gross carrying amount at the reporting date.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the basis below:

- Nature of financial instruments (i.e. the Group's trade receivables are assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日後適用的會計政策) — 續

撇銷政策

當有資料顯示對手方有嚴重財務困難及沒有實際可收回預期，例如對手方處於清盤或進入破產程序時，或就貿易應收款項而言，當該款項逾期超過兩年時(以較早者為準)，本集團會將該金融資產撇銷。經考慮法律建議(如適用)，金融資產撇銷可能仍受到本集團收回程序下執法活動的約束。任何作出的收回均於損益中確認。

預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。違約概率及違約損失率的評估乃基於經前瞻性資料調整的歷史數據。金融資產違約時的風險相當於資產在報告日期的總賬面值。

倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按以下基準歸類：

- 金融工具性質(即本集團貿易應收款項評為獨立組別)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(倘適用)。

歸類工作經管理層定期檢討，以確保各組別成分繼續分擔類似信貸風險特性。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial assets (accounting policy applicable after 1 April 2018) — *continued*

Measurement and recognition of ECL — continued

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by group entities and the Company are recognised at the proceeds received, net of direct issue costs.

4. 主要會計政策 — 續

金融工具 — 續

金融資產(於2018年4月1日後適用的會計政策) — 續

預期信貸虧損的計量及確認 — 續

一般而言，預期信貸虧損乃根據合約應付本集團的所有合約現金流量與本集團預期收取的所有現金流量之間的差額估計，並按初步確認時釐定的實際利率貼現。

倘本集團於先前報告期間已按相等於全期預期信貸虧損之金額計量金融工具的虧損撥備，惟於現行報告日期確定不再符合全期預期信貸虧損條件，則本集團於現行報告日期按相等於12個月預期信貸虧損的金額計量減損撥備。

本集團透過調整彼等賬面值於損益內確認所有金融工具的減值收益或虧損，而貿易應收款項除外，其乃透過虧損撥備賬目確認相應調整。

金融負債及股本工具

集團實體發行的債務及股本工具根據所訂立合約安排的內容及金融負債和股本工具的定義分類為金融負債或股本。

股本工具

股本工具為證明經扣除本集團所有負債後於其資產剩餘權益的任何合約。本公司的集團實體發行的股本工具按已收所得款項扣除直接發行成本確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial liabilities and equity instruments — *continued*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities at FVTPL

The Group has designated the Gold Loans as financial liabilities at FVTPL as the Gold Loans form part of a contract containing one or more embedded derivatives with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, amount due to a related company and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

4. 主要會計政策 — 續

金融工具 — 續

金融負債及股本工具 — 續

實際利率法

實際利率法乃計算金融負債的攤銷成本以及按相關期間分配利息開支的方法。實際利率乃按金融負債的預計年期或較短期間(如適用)準確貼現估計未來現金付款(包括構成實際利率一部分的所有已付或已收費用、交易成本及其他溢價或折讓)至初始確認時賬面淨值的利率。

利息開支按實際利息基準確認。

按公平值計入損益的金融負債

本集團指定黃金貸款為按公平值計入損益的金融負債，乃由於黃金貸款構成包含一項或多項嵌入式衍生工具的合約的一部分，而重新計量產生的任何收益或虧損於損益確認。損益確認的收益或虧損淨額不包括金融負債支付的任何利息。

按攤銷成本計量的金融負債

金融負債(包括貿易及其他應付款項、應付一間關聯公司款項以及銀行借款)隨後使用實際利息法按攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Financial instruments — *continued*

Financial liabilities and equity instruments — *continued*

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9 (since 1 April 2018)/the amount of obligation under the contract, as determined in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” (before application of HKFRS 9 on 1 April 2018); and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 主要會計政策 — 續

金融工具 — 續

金融負債及股本工具 — 續

財務擔保合約

財務擔保合約乃規定發行人就持有人由於指定債務人未能根據債務工具條款於到期時付款而產生向持有人償付指定金額損失。

由本集團發出且初步按其公平值計量的財務擔保合約，且如非指定為按公平值計入損益，則其後按以下較高者計量：

- 根據香港財務報告準則第9號釐定的虧損撥備金額(自2018年4月1日起)／根據香港會計準則第37號「撥備、或然負債及或然資產」釐定的合約責任金額(於2018年4月1日應用香港財務報告準則第9號前)；及
- 根據收益確認政策，以初步確認金額減(如適用)所確認的累計攤銷。

終止確認

本集團僅於自資產收取現金流量的合約權利屆滿時，或當其轉讓金融資產及資產擁有權絕大部分風險及回報至另一實體時終止確認金融資產。

於整體終止確認金融資產時，資產賬面值與已收及應收代價總和的差額於損益確認。

當且僅當本集團的責任獲解除、取消或已到期時，本集團方會終止確認金融負債。終止確認金融負債賬面值與已付及應付代價的差額於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Impairment on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of tangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 主要會計政策 — 續

有形資產減值

本集團於各報告期末審閱其有形資產賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則估計相關資產的可收回金額，以釐定減值虧損(如有)程度。

倘無法估計個別資產的可收回金額，則有形資產的可收回金額會獨立估計，而本集團會估計該資產所屬現金產生單位的可收回金額。倘可識別合理及一致的分配基準，則公司資產亦會分配至個別現金產生單位，否則或會分配至可識別合理及一致分配基準的最小現金產生單位組別。

可收回金額為公平值減出售成本與可使用價值兩者中的較高者。評估可使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映目前市場對貨幣時間值及資產特定風險(或現金產生單位)的評估，而當中並未對估計未來現金流量作出調整。

倘估計一項資產的可收回金額(或現金產生單位)低於其賬面值，則該資產的賬面值將調低至其可收回金額(或現金產生單位)。減值虧損即時於損益確認。

倘其後撥回減值虧損，則將資產的賬面值上調至其經修訂的估計可收回金額(或現金產生單位)，惟經上調的賬面值不得超過假設該資產於過往年度並無確認減值虧損而原本應釐定的賬面值(或現金產生單位)。減值虧損撥回即時確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

4. 主要會計政策 — 續

稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表所呈列的「除稅前溢利」不同，因為其不包括其他年度的應課稅或可扣稅收入或開支項目，且不包括毋須課稅或不可扣稅的項目。本集團的即期稅項負債乃按報告期末已頒佈或實質上已頒佈的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債通常就所有應課稅暫時差額確認。倘可能有足夠應課稅溢利可供抵銷可動用的可扣稅暫時差額，則通常會就所有可扣稅暫時差額確認遞延稅項資產。倘暫時差額因商譽或因既不影響應課稅溢利亦不影響會計溢利的交易（業務合併除外）的其他資產及負債的初始確認而產生，則不會確認該等資產及負債。

遞延稅項負債按與於附屬公司投資相關的應課稅暫時差額確認，惟倘本集團可控制暫時差額撥回但暫時差額可能不會於可見將來撥回的情況除外。與該等投資相關的可扣減暫時差額產生的遞延稅項資產僅於可能有充足應課稅溢利以使用暫時差額利益且該等暫時差額預計在可見將來撥回的情況下方予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Taxation — *continued*

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in term of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

4. 主要會計政策 — 續

稅項 — 續

遞延稅項資產的賬面值於各報告期末進行檢討，並於不可能有足夠應課稅溢利可收回全部或部分資產時調減該賬面值。

遞延稅項資產及負債根據各報告期末已頒佈或實質上已頒佈的稅率(及稅法)按預期償還負債或變現資產期間適用的稅率計量。

稅項負債及資產的計量反映本集團於報告期末預計收回或清算資產及負債賬面值方式的稅務後果。

即期及遞延稅項於損益確認，惟與於其他全面收入或直接於權益確認的項目相關者除外，在有關情況下，即期及遞延稅項亦分別於全面收入或直接於權益確認。

外幣

編製各個別集團實體的財務報表時，以非該實體功能貨幣(外幣)進行的交易，須按交易當日現行匯率確認。於各報告期末，以外幣計值的貨幣項目均按該日匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目則毋須重新換算。

因結算貨幣項目及重新換算貨幣項目而產生的匯兌差額，均於產生期間於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

4. SIGNIFICANT ACCOUNTING POLICIES — *continued*

Foreign currencies — *continued*

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under exchange reserve. Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed of.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expenses in the periods in which they are incurred.

Retirement benefit costs

Payments to government-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

4. 主要會計政策 — 續

稅項 — 續

為呈列綜合財務報表，本集團外國業務的資產及負債按各報告期末的匯率換算成本集團的呈列貨幣(即港元)。收入及開支項目則按年內平均匯率換算，惟匯率於期內大幅波動則除外，在此情況下，採用交易日現行匯率。所產生匯兌差額(如有)於其他全面收益確認及累計於匯兌儲備項下權益。該等匯兌差額於海外業務被出售期間於損益確認。

租賃

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人的租賃，均分類為融資租賃。所有其他租賃則分類為經營租賃。

經營租賃付款於租期內按直線法確認為開支。經營租賃產生的或然租金於產生期間確認為開支。

退休福利成本

政府管理退休福利計劃及強制性公積金計劃的供款於僱員因提供服務而有權享有供款時確認為開支。

短期僱員福利

短期僱員福利於僱員提供服務時按預計將予支付福利的未貼現金額確認。所有短期僱員福利確認為開支，惟另一項香港財務報告準則要求或允許將有關福利納入資產成本則除外。

在扣除已經支付的任何金額後，對僱員應得的福利(例如工資及薪金)確認負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, are described below.

Valuation of inventories

Inventories are stated at the lower of cost and net realisable values. Net realisable values of inventories are based on estimated selling prices less any estimation costs to be incurred for completion and disposal. These estimates are based on the current market condition and the historical experience in selling goods of similar nature.

The Group's management reviewed, on a regular basis, the suitability of its inventory allowance policy and has applied the policy consistently. The Group's management also reviewed, on a regular basis, the inventory age listing to identify any slow-moving inventories and estimated the amount of allowances primarily based on the pricing policy and strategies and the historical experience in selling goods of similar nature. The Group also engaged an independent professional gemologist to perform valuation and assess the conditions of certain items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation.

5. 估計不確定性的主要來源

在應用附註4所述的本集團會計政策時，本公司董事須就無法從其他來源得悉的資產及負債的賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及被視為相關的其他因素作出。實際結果可能有別於該等估計。

該等估計及相關假設按持續基準檢討。對會計估計進行修訂時，如修訂僅影響進行修訂的期間，則修訂會計估計會在該期間確認，如修訂影響當期及未來期間，則在修訂期間及未來期間確認。

下述為報告期末有關未來主要假設及估計不確定性的其他主要來源，此等假設及來源均對資產賬面值造成須作出大幅調整的重大風險。

存貨估值

存貨按成本與可變現淨值兩者中的較低者列賬。存貨可變現淨值乃基於估計售價減完成及出售產生的任何估計成本。該等估計乃基於當前市況及銷售性質相若貨品的過往經驗進行。

本集團管理層定期檢討其存貨撥備政策的合適性，並已經一致採納有關政策。本集團管理層亦定期檢閱貨齡清單，判別任何滯銷存貨，並主要按定價政策及策略以及過往銷售類似性質貨品的經驗再估計撥備金額。此外，本集團亦委聘獨立專業珠寶鑑定師以進行估值，並參照國際鑽石價格、其專業知識及現時市況，對珠寶鑲嵌首飾的寶石測試進行估值以評核若干存貨的狀況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

5. KEY SOURCES OF ESTIMATION UNCERTAINTY — *continued*

Valuation of inventories — *continued*

At 31 March 2019, the carrying amount of inventories is HK\$63,991,000 (net of allowance for inventories of HK\$1,449,000) (2018: HK\$73,105,000 (net of allowance for inventories of HK\$2,765,000)).

Valuation of trade receivables

Before the adoption of HKFRS 9, the Group makes allowance for doubtful debts based on an assessment on the recoverability of trade receivables. In determining whether an allowance for doubtful debts is required, the Group takes into consideration of the customers' credit history, settlement patterns, subsequent settlements and aging analysis of the trade receivables. Where the expectation of the recoverability of trade receivables is different from the original estimate, such difference will impact the carrying value of trade receivables and allowance for doubtful debts in the period in which such estimate has changed.

At 31 March 2018, the carrying amount of trade receivables is HK\$8,132,000 (net of allowance for doubtful debts of nil).

Since 1 April 2018, the management of the Group follows the requirements of HKFRS 9 to estimate the amounts of loss allowance for trade receivables, based on the credit risk. The loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit losses. The assessment of the credit risk of trade receivables, involves high degree of estimation and uncertainty as the management of the Group estimates the loss rates for debtors by using forward-looking information. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise accordingly.

At 31 March 2019, the carrying amount of trade receivables is HK\$7,397,000 (net of loss allowance HK\$64,000). For details of impairment assessment, please refer to Note 18.

5. 估計不確定性的主要來源 — 續

存貨估值 — 續

於2019年3月31日，存貨的賬面值為63,991,000港元(扣除存貨撥備1,449,000港元)(2018年：73,105,000港元(扣除存貨撥備2,765,000港元))。

貿易應收款項估值

採納香港財務報告準則第9號前，本集團根據對貿易應收款項可收回性的評估就呆賬作出撥備。於釐定是否須就呆賬作出撥備時，本集團考慮到客戶信貸歷史、結算模式、其後結算及貿易應收款項賬齡分析。當預期貿易應收款項可收回性有別於原估計，則有關差額將會影響有關估計變動期間的貿易應收款項賬面值及呆賬撥備。

於2018年3月31日，貿易應收款項賬面值為8,132,000港元(扣除呆賬撥備零)。

自2018年4月1日起，本集團管理層跟從香港財務報告準則第9號的規定，依據信貸風險估計貿易應收款項撥備的金額。虧損撥備金額乃按資產賬面值與估計未來現金流現值的差額並經考慮預期未來信貸虧損後計量。評估貿易應收款項的信貸風險涉及大程度的估計及不確定因素，原因是本集團管理層以前瞻性資料估計債務人虧損率。倘實際未來現金流少於預期或多於預期，重大減值虧損或重大減值虧損撥回或會因此產生。

於2019年3月31日，貿易應收款項賬面值為7,397,000港元(經扣除虧損撥備64,000港元)。有關減值評估的詳情，請參閱附註18。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. REVENUE AND SEGMENT INFORMATION

Revenue represents amounts received and receivable for the sales of jewellery products and net of discounts and returns during the year.

The executive directors of the Company, being the chief operating decision maker, regularly review revenue analysis by nature of business (including jewellery business and trading of recycled gold products), and by jewellery products (including gem-set jewellery products (representing diamond/karat gold/jade/pearl/platinum jewellery products) and gold jewellery products). The executive directors of the Company considered the operating activities of sales of these products as a single operating segment. The operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs, and is regularly reviewed by the executive directors of the Company. The executive directors of the Company review the overall results, assets and liabilities of the Group as a whole to make decisions about resources allocation. Accordingly, no analysis of this single operating segment is presented.

Entity-wide information

An analysis of the Group's revenue is as follows:

Jewellery business:	珠寶業務：
Retail operation of jewellery shops	珠寶店零售業務
Wholesales of jewellery products (Note)	珠寶產品批發 (附註)
Trading of recycled gold products	回收黃金產品貿易
Total	總計

Note: Wholesales of jewellery products represent revenue from jewellery trading of HK\$37,370,000 (2018: HK\$44,341,000) and provision of jewelcrafting services to the wholesalers of HK\$3,981,000 (2018: HK\$1,494,000).

6. 收益及分部資料

收益指年內珠寶產品銷售以及扣除折扣及回佣的已收及應收金額。

本公司執行董事(即主要營運決策者)定期審閱按業務性質(包括珠寶業務及回收黃金產品貿易)及按珠寶產品(包括(寶石鑲嵌珠寶產品(即鑽石/K金/翡翠/珍珠/鉑金珠寶產品)以及黃金珠寶產品)劃分的收益分析。本公司執行董事視該等產品銷售經營活動為單一經營分部。經營分部已按遵循香港財務報告準則的會計政策編製內部管理報告的基準識別,並由本公司執行董事定期審閱。本公司執行董事審閱本集團整體上的整體業績、資產及負債以作出有關資源分配的決定。因此,概無呈列該單一經營分部分析。

實體間資料

本集團收益分析如下：

2019 二零一九年	2018 二零一八年
HK\$'000 千港元	HK\$'000 千港元
118,608	113,312
41,351	45,835
159,959	159,147
15,630	13,873
175,589	173,020

附註：珠寶產品批發收益指來自珠寶貿易的收益37,370,000港元(2018年：44,341,000港元)及向批發商提供珠寶加工服務所產生的收益3,981,000港元(2018年：1,494,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. REVENUE AND SEGMENT INFORMATION — *continued*

Entity-wide information — *continued*

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Jewellery business by product:	按產品劃分珠寶業務：		
— Gem-set jewellery products	— 寶石鑲嵌珠寶產品	105,766	107,246
— Gold jewellery products	— 黃金珠寶產品	54,193	51,901
		159,959	159,147
Trading of recycled gold products	回收黃金產品貿易	15,630	13,873
		175,589	173,020

The Group is engaged in the retail of its own products through its retail stores in Hong Kong. Wholesales of jewellery products represent sales to jewellery retailers with stores and provision of jewelcrafting services to the wholesalers. The Group also purchase recycled gold products from the general public for sale to some gold product collectors and dealers for trading purpose.

Revenue from sales of jewellery products is recognised at a point in time when the jewellery products and recycled gold products are delivered to the customers and the respective controls have been passed. When the Group receives a deposit for jewellery order or contribution to customer reward scheme, this will give rise to contract liability at the start of a contract, until the revenue is recognised.

Revenue from provision of jewelcrafting services is recognised at a point in time when the jewelcrafting services are rendered.

No individual customer contributing revenue which accounted for more than 10% of the Group's total revenue during both years.

6. 收益及分部資料 — 續

實體間資料 — 續

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Jewellery business by product:	按產品劃分珠寶業務：		
— Gem-set jewellery products	— 寶石鑲嵌珠寶產品	105,766	107,246
— Gold jewellery products	— 黃金珠寶產品	54,193	51,901
		159,959	159,147
Trading of recycled gold products	回收黃金產品貿易	15,630	13,873
		175,589	173,020

本集團透過其於香港的零售店從事其自有產品零售。珠寶產品批發指於店內向珠寶零售商銷售及向批發商提供珠寶加工服務。本集團亦向一般公眾購買回收黃金產品以向部分黃金產品收集商及交易商出售作貿易用途。

來自銷售珠寶的收益於珠寶產品及回收黃金產品已交付予客戶及相關控制權已轉交時確認。於本集團收取珠寶訂單按金或客戶獎勵計劃供款時，合約負債將於合約開始時上升，直至收益獲確認為止。

來自提供珠寶加工服務的收益會在提供珠寶加工服務時在某一時點確認。

於該兩個年度內，概無個別客戶為本集團收益總額貢獻收益逾10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

6. REVENUE AND SEGMENT INFORMATION — *continued*

Entity-wide information — *continued*

Under the Group's standard contract terms, customers have a right to exchange/refund within a year. The Group uses its accumulated historical experience to estimate the exchange/refund rate. A refund liability is recognised when the Group expects to refund some or all of the consideration received from customers. The Group's right to recover the product when customers exercise their right is recognised as a right to returned goods asset and a corresponding adjustment to cost of sales.

All sales contracts have an original expected duration of one year or less. As permitted under HKFRS 15, the transaction price allocated to the unsatisfied contracts is not disclosed.

All of the Group's revenue from external customers are generated in Hong Kong. An analysis of the Group's non-current assets other than deferred tax assets by their physical geographical location is as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Non-current assets:	非流動資產：		
Hong Kong	香港	2,591	3,340
People's Republic of China ("PRC")	中華人民共和國(「中國」)	6	—
		2,597	3,340

6. 收益及分部資料 — 續

實體間資料 — 續

根據本集團的標準合約條款，客戶有權於一年內退換／退款。本集團運用其過往累積的經驗估計退換／退款率。當本集團預期退還部分或全部客戶代價時，則會確認退款負債。本集團於客戶行使其權利時收回產品的權利確認為退貨權資產，並相應調整銷售成本。

所有銷售合約的原先預期時限為一年或以內。誠如根據香港財務報告準則第15號所批准，並無披露分配至未達成合約的交易價格。

本集團來自外部客戶的所有收益均產生自香港。本集團按其實際地理位置劃分的非流動資產(遞延稅項資產除外)如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

7. OTHER INCOME

7. 其他收入

		2019 二零一九年	2018 二零一八年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Sundry income	雜項收入	318	63
Bank interest income	銀行利息收入	140	4
		458	67

8. OTHER GAINS OR LOSSES

8. 其他收益或虧損

		2019 二零一九年	2018 二零一八年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Net foreign exchange gain	外匯收益淨額	55	283
Gain (loss) on fair value changes of Gold Loans	黃金貸款公平值變動的收益 (虧損)	1,070	(758)
		1,125	(475)

9. FINANCE COSTS

9. 財務成本

		2019 二零一九年	2018 二零一八年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Interest on bank borrowings	銀行借款利息	1,133	739
Interest on Gold Loans	黃金貸款利息	232	632
		1,365	1,371

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

10. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging (crediting):

10. 除稅前溢利

除稅前溢利乃經扣除(計入)下列各項後達致：

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Depreciation	折舊		
Cost of goods sold	已售商品成本	—	9
Selling and distribution costs	銷售及分銷成本	385	456
General and administrative expenses	一般及行政開支	192	185
Total depreciation	折舊總額	577	650
Directors' remuneration (Note 12)	董事酬金(附註 12)		
— fee	— 袍金	1,812	1,946
— salaries and other benefits	— 薪金及其他福利	—	—
— retirement benefit scheme contributions	— 退休福利計劃供款	164	162
		1,976	2,108
Other staff's salaries and other benefits	其他員工薪金及其他福利	18,860	18,985
Other staff's retirement benefit schemes contributions	其他員工退休福利計劃供款	1,134	1,197
Total staff costs	員工成本總額	21,970	22,290
Impairment loss (reversal of Impairment loss) for trade receivables (included in general and administrative expenses (Note a))	貿易應收款項減值虧損(減值虧損撥回)(計入一般及行政開支(附註 a))	64	(1,591)
Auditor's remuneration	核數師酬金	1,050	538
Cost of inventories recognised as an expense	確認為開支的存貨成本	121,564	115,705
Minimum lease payments in respect of rented premises (Note c)	有關租賃處所的最低租賃款項(附註 c)	12,147	11,266
Reversal of allowance for inventories (included in cost of goods sold) (Note b)	存貨撥備撥回(計入已售商品成本)(附註 b)	(1,316)	(124)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

10. PROFIT BEFORE TAXATION — *continued*

Notes:

- (a) During the year ended 31 March 2018, the reversal of impairment loss for trade receivables was due to subsequent collection of the trade receivables previously impaired. During the year ended 31 March 2019, the Group had made the impairment loss of HK\$64,000 based on ECL.
- (b) During the year ended 31 March 2019, there was an increase in the net realisable values of certain finished goods due to launch of clearance sales. As a result, a reversal of write-down of HK\$1,316,000 (2018: HK\$124,000) have been recognised and included in cost of goods sold.
- (c) During both years, no contingent rental was charged.

11. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元
Earnings for the purpose of calculating basic earnings per share (profit for the year attributable to owners of the Company)	2,223	4,630

	Number of shares 股份數目	
	2019 二零一九年	2018 二零一八年
	'000 千股	'000 千股
Weighted average number of shares for the purpose of calculating basic earnings per share	565,068	562,500

10. 除稅前溢利 — 續

附註：

- (a) 於截至2018年3月31日止年度撥回貿易應收款項減值虧損，原因是其後收回之前已減值的貿易應收款項。於截至2019年3月31日止年度，本集團已根據預期信貸虧損作出減值虧損64,000港元。
- (b) 於截至2019年3月31日止年度，因舉行清貨銷售活動致使若干製成品可變現淨值增加。因此，已確認撥回撇賬1,316,000港元（2018年：124,000港元）並計入已售商品成本內。
- (c) 兩個年度內並無收取或然租金。

11. 每股盈利

本公司擁有人應佔每股基本盈利乃按下列數據計算：

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元
Earnings for the purpose of calculating basic earnings per share (profit for the year attributable to owners of the Company)	2,223	4,630

	Number of shares 股份數目	
	2019 二零一九年	2018 二零一八年
	'000 千股	'000 千股
Weighted average number of shares for the purpose of calculating basic earnings per share	565,068	562,500

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

11. EARNINGS PER SHARE — continued

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the years ended 31 March 2018 and 2019 have been taken into account the issuance of 187,500,000 shares upon listing and assumption that the capitalisation issue had been effective on 1 April 2017 as described more fully in Note 26.

No diluted earnings per share is presented as there were no potential dilutive ordinary shares in issue during the years ended 31 March 2019 and 2018.

11. 每股盈利 — 續

計算截至2018年及2019年3月31日止年度之每股基本盈利的普通股加權平均數目已計及上市後187,500,000股股份之發行，並假設於附註26詳述之資本化發行已於2017年4月1日起生效。

截至2019年及2018年3月31日止年度，由於概無已發行潛在攤薄普通股，故並無呈列每股攤薄盈利。

12. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS

(a) Directors' and the chief's executive's emoluments

The executive directors and independent non-executive directors were appointed on 12 April 2018 and 27 March 2019, respectively. Details of the emoluments paid or payable to the executive directors and chief executive of the Company (including emoluments for their services as managerial level employees of companies now comprising the Group prior to becoming the directors of the Company) and independent non-executive directors of the Company are as follows:

12. 董事、最高行政人員及僱員薪酬

(a) 董事及最高行政人員薪酬

執行董事及獨立非執行董事分別於2018年4月12日獲委任。2019年3月27日已付或應付本公司執行董事及最高行政人員(包括就其成為本公司董事前擔任現時組成本集團各公司管理級別僱員的服務薪酬)及本公司獨立非執行董事的薪酬詳情如下：

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		費用	薪酬及其他福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
For the year ended 31 March 2019:	截至2019年3月31日止年度：				
Executive directors:	執行董事：				
Mr. Fu (Chief Executive)	傅先生(行政總裁)	1,205	—	135	1,340
(Note)	(附註)				
Ms. Fu Wan Ling	傅雲玲女士	292	—	14	306
Mrs. Fu	傅太太	309	—	15	324
Sub-total	小計	1,806	—	164	1,970

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

12. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS — *continued*

(a) Directors' and the chief's executive's emoluments — *continued*

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		費用	薪酬及其他福利	退休福利計劃供款	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Independent non-executive directors:	獨立非執行董事：				
Mr. Chan Cheong Tat	陳昌達先生	2	—	—	2
Mr. Wong Wing Keung Meyrick	王泳強先生	2	—	—	2
Mr. Chan Chi Ming Tony	陳子明先生	2	—	—	2
Sub-total	小計	6	—	—	6
Total	總計	1,812	—	164	1,976

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

12. 董事、最高行政人員及僱員薪酬 — 續

(a) 董事及最高行政人員薪酬 — 續

上文所示執行董事的薪酬與其為本公司及本集團的管理事務提供的服務有關。上文所示獨立非執行董事的薪酬與其為本公司提供的服務有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

12. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS — *continued*

(a) Directors' and the chief's executive's emoluments — *continued*

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		費用	薪酬及其他福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
For the year ended 31 March 2018:	截至2018年3月31日止年度：				
Executive directors:	執行董事：				
Mr. Fu (<i>Chief Executive</i>)	傅先生(行政總裁)	1,373	—	135	1,508
Ms. Fu Wan Ling	傅雲玲女士	278	—	13	291
Mrs. Fu	傅太太	295	—	14	309
Total	總計	1,946	—	162	2,108

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Note: Mr. Fu was appointed as the chairman of the Group on 12 April 2018.

12. 董事、最高行政人員及僱員薪酬 — 續

(a) 董事及最高行政人員薪酬 — 續

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		費用	薪酬及其他福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
For the year ended 31 March 2018:	截至2018年3月31日止年度：				
Executive directors:	執行董事：				
Mr. Fu (<i>Chief Executive</i>)	傅先生(行政總裁)	1,373	—	135	1,508
Ms. Fu Wan Ling	傅雲玲女士	278	—	13	291
Mrs. Fu	傅太太	295	—	14	309
Total	總計	1,946	—	162	2,108

上文所示執行董事的薪酬與其為本公司及本集團的管理事務提供的服務有關。上文所示獨立非執行董事的薪酬與其為本公司提供的服務有關。

附註：傅先生於2018年4月12日獲委任為本集團主席。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

12. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS — *continued*

(b) Five highest paid employees

The five highest paid employees of the Group include one (2018: one) director of the Company for the year ended 31 March 2019, details of emoluments are included above. The emoluments of the remaining four (2018: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Employees	僱員		
— salaries and allowances	— 薪金及補貼	1,277	2,407
— discretionary bonus	— 酌情花紅	1,046	1,263
— retirement benefit scheme contributions	— 退休福利計劃供款	70	206
		2,393	3,876

12. 董事、最高行政人員及僱員薪酬 — 續

(b) 五名最高薪酬僱員

於截至2019年3月31日止年度的五名最高薪酬僱員包括本公司的1名董事(2018年: 1名), 其薪酬詳情載於上文。其餘4名(2018年: 4名)最高薪酬僱員(既非本公司董事亦非最高行政人員)的薪酬如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

12. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS — *continued*

(b) Five highest paid employees — *continued*

The emoluments of these remaining four highest paid individuals in the Group for the year were within the following bands:

		2019 二零一九年	2018 二零一八年
		No. of Employees 僱員數目	No. of Employees 僱員數目
Nil to HK\$1,000,000	零至 1,000,000 港元	4	4
		4	4

Certain employees of the Group are entitled to bonus payments which are determined based on a percentage of the profit before taxation of the relevant subsidiaries during both years.

During both years, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees), as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments during both years.

12. 董事、最高行政人員及僱員薪酬 — 續

(b) 五名最高薪酬僱員 — 續

於本年度，本集團該等其餘4名最高薪酬個人的薪酬範圍如下：

本集團若干僱員可獲發放花紅，有關花紅金額按該兩個年度內相關附屬公司的除稅前溢利某個百分比釐定。

於該兩個年度內，本集團並無向本公司董事或五名最高薪酬人士(包括董事及僱員)支付任何酬金作為招攬加入或加入本集團時的獎勵或作為失去職位的補償。於該兩個年度內概無董事放棄任何薪酬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

13. TAXATION

13. 稅項

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
The taxation charge comprises:	稅項開支包括：		
Hong Kong Profits Tax	香港利得稅		
— Current year	— 當前年度	2,788	2,297
Overprovision in prior years	過往年度超額撥備	(287)	(34)
		2,501	2,263
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)		
— Current year	— 當前年度	32	150
Deferred tax (credit) charge (Note 16)	遞延稅項(抵免)開支(附註16)	(848)	764
		1,685	3,177

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year.

Under the EIT Law of the PRC and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries in the PRC is 25% for the year.

於2018年3月21日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。該條例草案於2018年3月28日簽署成為法律，並於次日刊憲。根據利得稅兩級制，合資格集團實體首2百萬港元溢利將按8.25%的稅率繳稅，而超過2百萬港元的溢利將按16.5%的稅率繳稅。不符合資格採用利得稅兩級制的集團實體的溢利將繼續按劃一的稅率16.5%繳稅。

本公司董事認為，實施利得稅兩級制所涉的金額對綜合財務報表而言微不足道。年內的香港利得稅按估計應課稅溢利的16.5%計算。

根據中國企業所得稅法以及企業所得稅法實施條例，年內中國附屬公司的稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

13. TAXATION — *continued*

The taxation for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Profit before taxation	除稅前溢利	3,908	8,012
Tax charge at the applicable income tax rate at 16.5%	按適用所得稅稅率 16.5% 徵收的稅項	645	1,322
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	1,706	2,096
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(416)	(262)
Tax effect of tax losses not recognised	未獲確認稅項虧損的稅務影響	5	18
Tax effect of utilisation of tax loss previously not recognised	動用先前尚未確認稅項虧損的稅務影響	(9)	—
Effect of different tax rate applicable to a subsidiary operating in the other jurisdiction	於其他司法權區經營附屬公司適用的不同稅率影響	28	37
Overprovision in prior years	過往年度超額撥備	(287)	(34)
Others	其他	13	—
Taxation charge for the year	年內稅項開支	1,685	3,177

14. DIVIDENDS

During the year ended 31 March 2018, Chong Fai Jewellery, King Jewellery and W-Rich declared and paid dividends in an aggregate amount of HK\$7,000,000 to their shareholders.

During the year ended 31 March 2019, King Jewellery and W-Rich declared a special dividend to Mr. Fu, the controlling shareholder, in aggregate amount of HK\$9,000,000.

No dividend has paid or declared by the Company since its incorporation.

13. 稅項 — 續

年內可按綜合損益及其他全面收益表與除稅前溢利對賬的稅項如下：

14. 股息

於截至2018年3月31日止年度，創輝珠寶、皇室珠寶及智達行向其股東宣派及派付股息合共7,000,000港元。

於截至2019年3月31日止年度，皇室珠寶及智達行向控股股東傅先生宣派特別股息合共9,000,000港元。

本公司自其註冊成立起並無派付或宣派股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold improvements 租賃物業 改良工程 HK\$'000 千港元	Furniture, fixtures and equipment 傢具、固定 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Machinery 機器 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST						
At 1 April 2017	於2017年4月1日	3,120	3,726	862	294	8,002
Additions	添置	442	224	—	—	666
Disposals	出售	—	(1)	—	—	(1)
Exchange adjustment	匯兌調整	—	—	—	32	32
At 31 March 2018	於2018年3月31日	3,562	3,949	862	326	8,699
Additions	添置	6	28	25	8	67
Disposals	出售	—	(314)	—	—	(314)
Exchange adjustment	匯兌調整	—	—	—	(21)	(21)
At 31 March 2019	於2019年3月31日	3,568	3,663	887	313	8,431
DEPRECIATION						
At 1 April 2017	於2017年4月1日	2,842	3,374	467	286	6,969
Provided for the year	年內撥備	289	249	103	9	650
Eliminated on disposal	出售時撇除	—	(1)	—	—	(1)
Exchange adjustment	匯兌調整	—	—	—	31	31
At 31 March 2018	於2018年3月31日	3,131	3,622	570	326	7,649
Provided for the year	年內撥備	346	107	122	2	577
Eliminated on disposal	出售時撇除	—	(314)	—	—	(314)
Exchange adjustment	匯兌調整	—	—	—	(21)	(21)
At 31 March 2019	於2019年3月31日	3,477	3,415	692	307	7,891
NET BOOK VALUES						
At 31 March 2019	於2019年3月31日	91	248	195	6	540
At 31 March 2018	於2018年3月31日	431	327	292	—	1,050

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

15. PROPERTY, PLANT AND EQUIPMENT — *continued*

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives as follows:

Leasehold improvements	Over the lease term or 25% per annum, whichever is the shorter
Furniture, fixtures and equipment	20%
Motor vehicles	30%
Machinery	20%

16. DEFERRED TAX ASSETS

The movements in deferred tax assets during each of the reporting period are as follows:

		Provision for inventories 存貨撥備 HK\$'000 千港元	Impairment loss for trade receivables 貿易應收 款項減值虧損 HK\$'000 千港元	Temporary difference on depreciation 折舊的 暫時差額 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於2017年4月1日	477	262	343	325	1,407
(Charge) credit to profit or loss	於損益(扣除)計入 或	(244)	(262)	67	(325)	(764)
At 31 March 2018	於2018年3月31日	233	—	410	—	643
Credit to profit or loss	於損益計入	6	—	27	815	848
At 31 March 2019	於2019年3月31日	239	—	437	815	1,491

At 31 March 2019, the Group has unused tax losses of HK\$5,357,000 (2018: HK\$439,000) available for offset against future profits. A deferred tax asset of HK\$815,000 has been recognised in respect of losses of HK\$4,943,000 as at 31 March 2019. No deferred tax asset has been recognised in relation to remaining tax losses of HK\$414,000 (2018: HK\$439,000) as at 31 March 2019 due to the unpredictability of future profit streams. The losses may be carried forward indefinitely.

15. 物業、廠房及設備 — 續

物業、廠房及設備的折舊乃使用直線法計算，按下述估計可使用年期分配其成本減其剩餘價值：

租賃物業改良工程	租期內或每年25% (以較短者為準)
傢具、固定裝置及設備	20%
汽車	30%
機器	20%

16. 遞延稅項資產

各報告期內的遞延稅項資產變動如下：

於2019年3月31日，本集團有未動用稅項虧損5,357,000港元(2018年：439,000港元)，可用於抵銷未來溢利。於2019年3月31日，已就虧損4,943,000港元確認遞延稅項資產815,000港元。於2019年3月31日並無就餘下稅項虧損414,000港元(2018年：439,000港元)確認遞延稅項資產，原因為未來溢利流無法預測。虧損可無限期結轉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

17. INVENTORIES

17. 存貨

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Raw material	原材料	5,960	7,606
Work in progress	在製品	206	441
Finished goods	製成品	57,825	65,058
		63,991	73,105

18. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS

18. 貿易應收款項、預付款項及按金

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Trade receivables	貿易應收款項	7,461	8,132
Less: Impairment loss	減：減值虧損	(64)	—
		7,397	8,132
Rental deposits	租賃按金	3,300	3,036
Prepayments, other deposits and other receivables	預付款項、其他按金及其他應收款項	2,338	1,261
Deferred issue costs	遞延發行成本	—	2,641
		13,035	15,070
Less: Non-current portion of rental deposits	減：租賃按金的非流動部分	(2,057)	(2,290)
		10,978	12,780

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

18. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS — *continued*

The following is an analysis of the Group's trade receivables by ages, presented based on the invoice date which approximates the respective revenue recognition date.

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
Over 90 days	超過90天

The Group's retail sales to customers are mainly made in cash or through credit card payments. The trade receivables arise from credit card sales are normally settled in one to two business day in arrears. For the remaining customers, the Group allows a credit period up to 90 days. A longer credit period may be granted to large or long-established customers with good payment history.

Before accepting any new customers, the Group will internally assess the potential customer's credit quality and defines credit limits by customers. The management closely monitors the credit quality and follow up actions will be taken if overdue debts are noted. Credit limits attributed to customers and credit term granted to customers are reviewed on a regular basis. Approximately 66% of the trade receivables as at 31 March 2019 (2018: 69%) are neither past due nor impaired and they were assessed to be of good credit rating by the Group.

18. 貿易應收款項、預付款項及按金 — 續

下文為根據發票日期(與各自收益確認日期相若)呈列按賬齡劃分的本集團貿易應收款項分析。

2019 二零一九年	2018 二零一八年
HK\$'000 千港元	HK\$'000 千港元
2,724	2,493
1,452	2,570
1,696	1,016
1,525	2,053
7,397	8,132

本集團對客戶的零售銷售主要以現金或透過信用卡付款進行。信用卡銷售產生的貿易應收款項通常會遞延1至2個營業日結清。就餘下客戶而言，本集團允許信用期最高達90天。或會向具備良好付款記錄的大型或長期建立的客戶授出較長信用期。

於接受任何新客戶前，本集團將初步評估潛在客戶的信用質素並按客戶界定信用限額。管理層密切監督信用質素並將在留意到逾期債務時採取跟進行動。客戶享有的信用限額以及向客戶授出的信用條款會定期進行覆核。於2019年3月31日約66% (2018年：69%)的貿易應收款項既無逾期亦無減值，因此獲本集團評估為良好信貸級別。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

18. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS — *continued*

Prior to the adoption of HKFRS 9, the Group's management takes into consideration of customers' credit history, settlement patterns, subsequent settlements and aging analysis of trade receivables in determining the recoverability of the overdue trade receivables. The directors of the Company considered that the concentration of credit risk is limited due to customer base spreads over a number of counterparties and customers and they are unrelated.

At 31 March 2019, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$2,544,000 which are past due as at the reporting date. Out of the past due balances, HK\$636,000 has been past due 90 days or more and the directors of the Company considered there has been no default occurred as these trade receivables are still considered fully recoverable due to long term/on-going relationship and good repayment record from these customers.

At 31 March 2018, the Group's trade receivables of approximately HK\$2,524,000 are past due but not impaired. Such receivables related to a number of customers of which substantial subsequent settlements were made. The Group does not hold any collateral as security over these balances. The aging analysis of these trade receivables is as follows:

Overdue by:	逾期：	2018 二零一八年 HK\$'000 千港元
0 to 30 days	0至30天	1,174
31 to 60 days	31至60天	440
61 to 90 days	61至90天	92
Over 90 days	超過90天	818
		<hr/>
		2,524

18. 貿易應收款項、預付款項及按金 — 續

採納香港財務報告準則第9號前，本集團管理層於釐定逾期貿易應收款項的可收回性時，會考慮客戶的信用記錄、結算方式、其後結算情況及貿易應收款項的賬齡分析。本公司董事認為，由於客戶群遍佈多個對手方且客戶之間互不相關，故信貸風險集中有限。

於2019年3月31日，賬面總值為2,544,000港元的債務（於報告日期逾期）獲計入本集團的貿易應收款項結餘。於逾期結餘中，636,000港元已逾期90天或以上，而本公司董事認為並無拖欠的情況出現，該等貿易應收款項仍被認為可悉數收回，因該等客戶還款記錄良好及本公司與該等客戶維持長期／持續關係。

於2018年3月31日，本集團約2,524,000港元的貿易應收款項已逾期但無減值。該等應收款項與多名客戶有關，彼等已於其後償付大部份應收款項。本集團並無持有任何抵押品作為該等結餘的抵押。該等貿易應收款項的賬齡分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

18. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS — *continued*

Movement in allowance for impairment for trade receivables were as follows:

		2018 二零一八年 HK\$'000 千港元
At beginning of the year	年初	1,591
Impairment losses reversed	已撥回減值虧損	(1,591)
At end of the year	年末	—

Impairment assessment on trade receivables subject to ECL model

As part of the Group's credit risk management, the Group makes reference to the historical repayment to assess the impairment for individual debtors with significant balances while the Group collectively assesses the impairment for its remaining customers using a provision matrix with appropriate groupings based on share credit risk characteristics of customers.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix as at 31 March 2019 within lifetime ECL (not credit-impaired).

18. 貿易應收款項、預付款項及按金 — 續

貿易應收款項減值撥備變動如下：

	2018 二零一八年 HK\$'000 千港元
At beginning of the year	1,591
Impairment losses reversed	(1,591)
At end of the year	—

根據預期信貸虧損模式對貿易應收款項的減值評估

作為本集團信貸風險管理的一部分，本集團參考還款記錄以評估具有重大餘額的個別債務人的減值，而本集團使用基於客戶的共同信貸風險特徵的適當分組的撥備矩陣對剩餘客戶減值作集體評估。

作為本集團信貸風險管理的一部分，本集團為其客戶應用內部信貸評級。下表提供有關貿易應收款項信貸風險的資料，該等資料乃根據2019年3月31日的存續期預期信貸虧損(並無信貸減值)的撥備矩陣評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

18. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS — *continued*

Impairment assessment on trade receivables subject to ECL model — *continued*

		Gross carrying amount	Average loss rate	Loss allowance	Net carrying amount
		賬面總值	平均虧損率	虧損撥備	賬面淨值
		HK\$'000		HK\$'000	HK\$'000
		千港元		千港元	千港元
Low risk	低風險	3,419	0.1%	3	3,416
Medium risk	中等風險	4,042	1.5%	61	3,981
		7,461		64	7,397

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

In addition, the directors of the Company considered that the presumption of default has occurred when the instrument is more than 90 days past due would be rebutted by considering the expected subsequent and historical repayment from the trade debtors.

There has been no change in the estimation techniques or significant assumptions made since the application of HKFRS 9 on 1 April 2018.

18. 貿易應收款項、預付款項及按金 — 續

根據預期信貸虧損模式對貿易應收款項的減值評估 — 續

估計虧損率乃根據債務人預期年期的過往可觀察違約率估計，並就毋須付出過多成本或努力即可得的前瞻性資料作出調整。管理層定期審查分組，以確保更新有關特定債務人的相關資料。

此外，本公司董事認為，經考慮來自貿易債務人的預期其後及歷史還款，工具逾期超過90天則發生違約的假設將被推翻。

自2018年4月1日應用香港財務報告準則第9號後，估計技術或所作出的重大假設概無變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

18. TRADE RECEIVABLES, PREPAYMENTS AND DEPOSITS — *continued*

Impairment assessment on trade receivables subject to ECL model — *continued*

The following table shows the movement in lifetime ECL (not credit-impaired) that has been recognised for trade receivables under the simplified approach.

		Lifetime ECL (not credit- impaired) 全期預期信貸虧損 (並無信貸減值) HK\$'000 千港元
At 1 April 2018	於2018年4月1日	—
Impairment losses recognised	已確認減值虧損	64
At 31 March 2019	於2019年3月31日	64

18. 貿易應收款項、預付款項及按金 — 續

根據預期信貸虧損模式對貿易應收款項的減值評估 — 續

下表所示為已按簡化法確認貿易應收款項的全期預期信貸虧損(並無信貸減值)變動。

19. AMOUNTS DUE FROM (TO) RELATED COMPANIES

At 31 March 2018, these amounts were unsecured, non-trade nature, interest-free and repayable on demand. Amounts due from related companies represented the amounts due from Dia Myth Jewelry (MPY) Co., Limited ("Myth") and Grand Rise Creation Limited ("Grand") in which Mr. Fu is a director and shareholder.

Details of amounts due from related companies are as follows:

Name of related company	關聯公司名稱	2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Myth	Myth	—	19,975
Grand	Grand	—	3,240
		—	23,215

19. 應收(應付)關聯公司款項

於2018年3月31日，該等款項為無抵押、非貿易性質、免息及須按要求償還。應收關聯公司款項指應收Dia Myth Jewelry (MPY) Co., Limited (「Myth」)及Grand Rise Creation Limited (「Grand」)的款項，傅先生為上述兩家公司的董事及股東。

應收關聯公司款項的詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

19. AMOUNTS DUE FROM (TO) RELATED COMPANIES — continued

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Maximum amount outstanding during the year ended	年內未結清款額上限		
Myth	Myth	19,975	21,255
Grand	Grand	3,255	3,276

Details of amount due to a related company are as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Name of related company	關聯公司名稱		
Myth	Myth	—	11,308

19. 應收(應付)關聯公司款項 — 續

應付一間關聯公司款項詳情如下：

20. PLEDGED BANK DEPOSIT/BANK BALANCES AND CASH

Included in bank balances are the following amounts denominated in currencies other than the functional currencies of the respective group entities:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Renminbi ("RMB")	人民幣(「人民幣」)	7	461
United States dollar ("US\$")	美元(「美元」)	75	49
		82	510

20. 已抵押銀行存款／銀行結餘及現金

銀行結餘包括下列以有關集團實體功能貨幣以外的貨幣計值的款項：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

20. PLEDGED BANK DEPOSIT/BANK BALANCES AND CASH — continued

Bank balances carry interest at prevailing market rates of 0.01% per annum as at 31 March 2019 (2018: 0.01% per annum). The pledged bank deposit carries fixed interest rate of 1.55% per annum as at 31 March 2019. The pledged bank deposit will be released upon settlement of relevant bank borrowing.

Details of impairment assessment of pledged bank deposit for the year ended 31 March 2019 are set out in Note 34.

20. 已抵押銀行存款／銀行結餘及現金 — 續

銀行結餘按2019年3月31日的現行市場利率每年0.01%計息(2018年：每年0.01%)。已抵押銀行存款按2019年3月31日的固定利率每年1.55%計息。已抵押銀行存款將於償還相關銀行借款後解除。

截至2019年3月31日止年度的已抵押銀行存款減值評估詳情載於附註34。

21. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
Accrued staff costs	應計員工成本
Listing expenses and issue costs payables	上市開支及發行成本應付款項
Other payables and accrued charges (Note)	其他應付款項及應計費用 (附註)

Note: Included in the amount was amount due to a non-controlling interest amounting to HK\$601,000 as at 31 March 2018 (2019: nil). The amount was unsecured, non-trade nature, interest-free and repayable on demand.

21. 貿易及其他應付款項

2019 二零一九年	2018 二零一八年
HK\$'000 千港元	HK\$'000 千港元
6,406	9,024
1,465	1,433
8,024	4,267
4,914	3,301
20,809	18,025

附註：該款項包括2018年3月31日的應付非控股權益款項601,000港元(2019年：無)。該款項為無抵押、非貿易性質、免息及須按要求償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

21. TRADE AND OTHER PAYABLES — continued

The following is an aged analysis of the Group's trade payables based on the invoice date at the end of each reporting period:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
0 to 30 days	0至30天	2,008	1,748
31 to 60 days	31至60天	1,703	1,599
61 to 90 days	61至90天	338	2,269
Over 90 days	超過90天	2,357	3,408
		6,406	9,024

Included in the Group's trade payables are the following amounts denominated in currency other than the functional currencies of the respective group entities.

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
US\$	美元	5,797	8,048

22. CONTRACT LIABILITIES

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Customer reward scheme (Note)	客戶獎勵計劃(附註)	5,503	5,700
Customer deposits	客戶按金	272	120
		5,775	5,820

Note: The Group launched a customer reward scheme in its retail stores in Hong Kong which requires the customers to make regular payments to the Group in return for redemption of the Group's products.

21. 貿易及其他應付款項 — 續

以下為於各報告期末根據發票日期呈列本集團貿易應付款項的賬齡分析：

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
0 to 30 days	0至30天	2,008	1,748
31 to 60 days	31至60天	1,703	1,599
61 to 90 days	61至90天	338	2,269
Over 90 days	超過90天	2,357	3,408
		6,406	9,024

本集團的貿易應付款項包括下列以有關集團實體功能貨幣以外的貨幣計值的款項。

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
US\$	美元	5,797	8,048

22. 合約負債

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Customer reward scheme (Note)	客戶獎勵計劃(附註)	5,503	5,700
Customer deposits	客戶按金	272	120
		5,775	5,820

附註：本集團已於其香港零售店推出一項客戶獎勵計劃。該計劃要求客戶向本集團定期付款以兌換本集團的產品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

22. CONTRACT LIABILITIES — *continued*

At 31 March 2019, the entire amount of contract liabilities are expected to be realised within one year at the end of the reporting period.

The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities.

Revenue recognised that was included in the contract liabilities balance at 1 April 2018	已計入2018年4月1日的合約負債結餘的已確認收益	4,507
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22. 合約負債 — 續

於2019年3月31日，預期合約負債全部金額將於報告期結束後一年內變現。

下表列示本年度已確認收益中有關結轉合約負債的金額。

**Retail
operation of
jewellery shops**
珠寶店零售業務
HK\$'000
千港元

23. REFUND LIABILITIES

Refund liabilities arising from right of return

23. 退款負債

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元
Refund liabilities arising from right of return	651	280

24. BANK BORROWINGS

Secured bank loan 有抵押銀行貸款
Unsecured bank loans 無抵押銀行貸款

Total bank loans 銀行貸款總額
Bank overdrafts 銀行透支

Total bank borrowings 銀行借款總額

24. 銀行借款

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元
Secured bank loan	2,048	36,054
Unsecured bank loans	39,329	—
Total bank loans	41,377	36,054
Bank overdrafts	—	63
Total bank borrowings	41,377	36,117

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

24. BANK BORROWINGS — continued

The Group's bank loans are repayable as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Bank loans are repayable (Note)	銀行貸款應在下列期限內償還(附註)		
Within 1 year	1年內	14,517	3,697
After 1 year but within 2 years	1年後但2年內	4,655	3,869
After 2 years but within 5 years	2年後但5年內	12,457	12,263
After 5 years	5年後	9,748	16,225
Total bank loans	銀行貸款總額	41,377	36,054
Comprising:	包括：		
Amounts due within one year shown under current liabilities and containing a repayment on demand clause	列入流動負債且含有按要求償還條款的一年內到期應付款項	14,517	3,697
Amounts that are not repayable within one year from the end of the reporting period but containing a repayment on demand clause (shown under current liabilities)	毋須在報告期結束起一年內償還但含有按要求償還條款的款項(列入流動負債)	26,860	32,357
Total	總計	41,377	36,054

Note: These amounts are based on the scheduled repayment dates set out in the bank loan agreements.

The Group's banking facility letter contains a clause which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

24. 銀行借款 — 續

本集團銀行貸款的應予償還情況如下：

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Bank loans are repayable (Note)	銀行貸款應在下列期限內償還(附註)		
Within 1 year	1年內	14,517	3,697
After 1 year but within 2 years	1年後但2年內	4,655	3,869
After 2 years but within 5 years	2年後但5年內	12,457	12,263
After 5 years	5年後	9,748	16,225
Total bank loans	銀行貸款總額	41,377	36,054
Comprising:	包括：		
Amounts due within one year shown under current liabilities and containing a repayment on demand clause	列入流動負債且含有按要求償還條款的一年內到期應付款項	14,517	3,697
Amounts that are not repayable within one year from the end of the reporting period but containing a repayment on demand clause (shown under current liabilities)	毋須在報告期結束起一年內償還但含有按要求償還條款的款項(列入流動負債)	26,860	32,357
Total	總計	41,377	36,054

附註：該等款項以銀行貸款協議的約定還款日期為準。

本集團的銀行融資函件含有1項條款，使貸款人有權全權酌情隨時要求立即還款，不論本集團是否遵守契諾及履行約定還款責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

24. BANK BORROWINGS — continued

The exposure of the Group's bank loans are as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Fixed-rate borrowings	固定利率借款	2,048	—
Variable-rate borrowings	浮動利率借款	39,329	36,054
		41,377	36,054

Majority of the above bank loans bear variable-rate ranging from Hong Kong Dollar Prime Rate minus 2.5% to Hong Kong Dollar Prime Rate minus 2% as at 31 March 2019 (2018: Hong Kong Dollar Prime Rate minus 2.5% to Hong Kong Dollar Prime Rate minus 2%). In addition, one new bank loan bears fixed interest rate 5.84% per annum as at 31 March 2019.

At 31 March 2018, bank overdrafts carries interest at market rates which ranged from 12.7% to 13.0% per annum.

The range of effective interest rates (which are also equal to contracted interest rates) per annum on the Group's bank loans as at 31 March 2018 and 2019, is as following:

		2019 二零一九年	2018 二零一八年
Effective interest rates:	實際利率：		
Fixed-rate borrowings	固定利率借款	5.84%	N/A 不適用
Variable-rate borrowings	浮動利率借款	2.625% to 3.125% 2.625% 至 3.125%	2.5% to 3.08% 2.5% 至 3.08%

All bank borrowings are denominated in HK\$.

At 31 March 2018, certain bank loans are secured by the land and building in Hong Kong held by a related company of the Company and/or guaranteed by the director of the Company, the non-controlling shareholders and a related company, details of which are set out in Note 32. During the year ended 31 March 2019, these charges or mortgages and guarantees were released.

24. 銀行借款 — 續

本集團銀行貸款風險如下：

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元
Fixed-rate borrowings	2,048	—
Variable-rate borrowings	39,329	36,054
	41,377	36,054

於2019年3月31日，上述銀行貸款大部分以浮動利率計息，利率區間為每年港元最優惠利率減2.5%至港元最優惠利率減2%（2018年：每年港元最優惠利率減2.5%至港元最優惠利率減2%）。此外，於2019年3月31日，1宗新增銀行貸款按每年5.84%的固定利率計息。

於2018年3月31日，銀行透支以市場利率計息，利率區間為每年12.7%至13.0%。

於2018年及2019年3月31日，本集團銀行貸款的每年實際利率區間（亦等於訂約利率）如下：

	2019 二零一九年	2018 二零一八年
Effective interest rates:		
Fixed-rate borrowings	5.84%	N/A 不適用
Variable-rate borrowings	2.625% to 3.125% 2.625% 至 3.125%	2.5% to 3.08% 2.5% 至 3.08%

所有銀行借款均以港元計值。

於2018年3月31日，若干銀行貸款均以本公司一間關聯公司於香港持有的土地及樓宇作抵押及／或由本公司董事、非控股股東及一間關聯公司作擔保，詳情載於附註32。截至2019年3月31日止年度內，該等押記或按揭及擔保已解除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

25. GOLD LOANS

All of the Group's Gold Loans were guaranteed by the executive director of the Company and a related company, in which the executive director of the Company has control. During the year ended 31 March 2019, these guarantees provided by the related company and the executive director of the Company were released.

The amounts represented borrowings from banks and the amounts payable which were pegged with gold prices.

The Gold Loans carried fixed interest rates of 3.8% per annum as at 31 March 2018 with original maturity of 3 months from date of inception. Included in Gold Loans were the amount of HK\$13,263,000 shown in the amount due within one year shown under current liabilities and containing a repayment on demand clause as at 31 March 2018.

The Gold Loans were fully settled during the year ended 31 March 2019.

Gold Loans were borrowed to reduce the impact of fluctuations in gold prices on gold inventories.

Gold Loans were designated as financial liabilities at FVTPL.

Included in Gold Loans are the following amounts denominated in currency other than functional currency of the respective group entities.

25. 黃金貸款

本集團的黃金貸款全部由本公司執行董事及一間關聯公司作擔保，本公司執行董事擁有該間關聯公司的控制權。截至2019年3月31日止年度，由關聯公司及本公司執行董事提供的該等擔保將會解除。

該等款項指與黃金價格掛鈎的銀行借款及應付款項。

於2018年3月31日，黃金貸款按每年3.8%的固定利率計息，原本自開始日期起計3個月到期。黃金貸款包括於2018年3月31日列入流動負債且含有按要求償還條款的1年內到期的款項13,263,000港元。

黃金貸款已於截至2019年3月31日止年度全數結清。

黃金貸款用於減低黃金價格波動對黃金存貨的影響。

黃金貸款被指定為按公平值計入損益列賬的金融負債。

黃金貸款包括下列以有關集團實體功能貨幣以外的貨幣計值的款項。

		2019 二零一九年	2018 二零一八年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
US\$	美元	—	13,263

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

26. SHARE CAPITAL

The Group

The share capital as at 1 April 2017 and 31 March 2018 represented the combined share capital of the following companies attributable to owners of the Company prior to the completion of the Group Reorganisation. Upon the completion of the Group Reorganisation on 12 April 2018, the Company became the holding company of the Group. The share capital as at 31 March 2019 represents the share capital of the Company.

26. 股本

本集團

於2017年4月1日及2018年3月31日的股本指集團重組完成前本公司擁有人應佔下列公司的合併股本。在集團重組於2018年4月12日完成後，本公司成為本集團的控股公司。於2019年3月31日的股本指本公司的股本。

		2019 二零一九年	2018 二零一八年
		HK\$ 港元	HK\$ 港元
Name of companies	公司名稱		
The Company	本公司	7,500,000	—
BVI-2	英屬處女群島-2	N/A 不適用	8
BVI-3	英屬處女群島-3	N/A 不適用	8
Chong Fai Holdings	創輝控股	N/A 不適用	10,000
Chong Fai Jewellery	創輝珠寶	N/A 不適用	20,010,000
King Jewellery	皇室珠寶	N/A 不適用	1
W-Rich	智達行	N/A 不適用	1
Chuk Fung	卓豐	N/A 不適用	10,000
		7,500,000	20,030,018
		HK\$'000 千港元	HK\$'000 千港元
Shown in the consolidated statement of financial position	綜合財務狀況表所示	7,500	20,030

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

26. SHARE CAPITAL — continued

The Company

Details of movements of authorised and issued capital of the Company are as follow:

26. 股本 — 續

本公司

本公司法定及已發行股本變動詳情如下：

		Number of shares 股份數目	Share capital 股本	
			HK\$ 港元	HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元 普通股			
Authorised:	法定：			
At incorporation, 31 March 2018 and 1 April 2018	於註冊成立時、2018年 3月31日及2018年 4月1日	38,000,000	380,000	380
Increase on 26 September 2018	於2018年9月26日增加	1,462,000,000	14,620,000	14,620
At 31 March 2019	於2019年3月31日	1,500,000,000	15,000,000	15,000
Issued and fully paid:	已發行及繳足：			
At incorporation, 31 March 2018 and 1 April 2018	於註冊成立時、 2018年3月31日及 2018年4月1日	1	—	—
Capitalisation Issue (Note a)	資本化發行(附註a)	562,499,999	5,625,000	5,625
Issue of shares upon listing (Note b)	於上市後發行股份 (附註b)	187,500,000	1,875,000	1,875
At 31 March 2019	於2019年3月31日	750,000,000	7,500,000	7,500

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

26. SHARE CAPITAL — continued

The Company — continued

Notes:

- (a) Pursuant to the written resolutions passed by the sole shareholder of the Company on 6 March 2019, upon completion of the public offer and placing, the Company was authorised to capitalise a sum of HK\$5,625,000 standing to the credit of the share premium account of the Company and applied such amount to pay up in full at par of 562,499,999 ordinary shares of the Company (the "Capitalisation Issue").
- (b) In connection with the listing on 27 March 2019, the Company allotted and issued a total of 187,500,000 new shares at HK\$0.3 per share by way of public offer and placing. The proceeds of HK\$1,875,000 representing the nominal value of the new ordinary shares of the Company, were credited to the Company's share capital. The remaining proceeds of HK\$54,375,000, before offsetting issuance costs of HK\$13,508,000 were credited to the Company's share premium.

27. SHARE OPTION SCHEME

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed on 6 March 2019. The purpose of the Share Option Scheme is to attract and retain or otherwise maintaining on-going business relationships with, and to provide incentive to eligible participant(s) including employees (full-time and part-time), executives or officers, directors, advisers, consultants, suppliers, customers, agent, and other persons approved by the board of directors, to optimise their performance and efficiency for the benefit of the Group.

The board of directors may, at its absolute discretion, offer to grant an option to eligible participant(s) to subscribe for the shares of the Company at an exercise price and subject to the other terms of the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other schemes of the Group must not in aggregate exceed 10% of the total number of shares in issue at the time dealings in the shares of the Company first commence on the Stock Exchange.

The Share Option Scheme will remain in force for a period of ten years from its adoption date.

No options were granted or exercised during the year ended 31 March 2019 and no share options were outstanding as at 31 March 2019.

26. 股本 — 續

本公司 — 續

附註：

- (a) 根據本公司唯一股東於2019年3月6日通過的書面決議案，於公开发售及配售完成後，本公司獲授權資本化本公司股份溢價賬進賬金額合共5,625,000港元，並已應用有關款項按面值悉數支付本公司562,499,999股普通股（「資本化發行」）。
- (b) 就於2019年3月27日上市而言，本公司透過公开发售及配售配發及發行合共187,500,000股每股0.3港元的新股份。所得款項1,875,000港元（相當於本公司新普通股面值）計入本公司股本。餘下所得款項54,375,000港元（抵銷發行成本13,508,000港元前）計入本公司股份溢價。

27. 購股權計劃

本公司的購股權計劃（「購股權計劃」）乃根據於2019年3月6日通過的決議案獲採納。購股權計劃旨在吸引並挽留或以其他方式維持與合資格參與者的持續業務關係，並激勵合資格參與者（包括全職及兼職僱員、高級管理層或高級人員、董事、諮詢人、顧問、供應商、客戶、代理及董事會批准的其他人士）為本集團的利益而提升工作表現及效率。

董事會可全權酌情向合資格參與者授出購股權，以在購股權計劃其他條款的規限下按行使價認購本公司股份。根據購股權計劃及本集團任何其他計劃將授出的所有購股權涉及的股份總數最高不得超過本公司股份首次在聯交所買賣時已發行股份總數的10%。

購股權計劃自其採納日期起計十年期間將仍然有效。

截至2019年3月31日止年度並無授出或行使任何購股權，且於2019年3月31日並無任何購股權尚未行使。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

28. OPERATING LEASE COMMITMENTS

The Group had future aggregate minimum lease payables under non-cancellable operating leases in respects of shops and office premises as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Within one year	一年內	10,169	9,713
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	11,319	2,279
		21,488	11,992

Leases are negotiated for terms of one to three years. Certain operating leases require the Group to pay either minimum guaranteed amounts or turnover rent that is based on prescribed rates of corresponding sales, whichever is the higher.

At 31 March 2019, operating lease commitments included commitments of HK\$2,964,000 (2018: HK\$1,704,000), to an entity controlled by a director of the Company.

29. CONTINGENT LIABILITIES

At 31 March 2018, the Group had given guarantees jointly with the executive director of the Company, the non-controlling shareholders and a related company, Myth, of HK\$77,623,000 to banks to secure certain general banking facilities granted to the Group and a related company amounting to HK\$73,277,000 and HK\$4,346,000, respectively. At 31 March 2018, the Group and the related company had utilised HK\$49,380,000 and HK\$ 2,488,000 of such banking facilities, respectively.

During the year, the banking facilities granted to the related company were released and hence there was no financial liability for the financial guarantee contract given to the related company as at 31 March 2019.

28. 經營租賃承擔

本集團於商舖及辦公室物業不可撤銷經營租賃下的未來最低租賃應付款項總額如下：

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Within one year	一年內	10,169	9,713
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	11,319	2,279
		21,488	11,992

租約按一至三年的期限商定。若干經營租賃要求本集團支付最低保證金額或按相應銷售指定比率計算的營業額租金(以較高者為準)。

於2019年3月31日，經營租賃承擔包括對本公司董事控制的一間實體的承擔2,964,000港元(2018年：1,704,000港元)。

29. 或然負債

於2018年3月31日，本集團分別聯同本公司執行董事、非控股股東及一間關聯公司Myth向銀行提供擔保77,623,000港元，以取得授予本集團及一間關聯公司分別為73,277,000港元及4,346,000港元的若干一般銀行融資。在獲擔保的融資中，其中73,277,000港元由訂約方同意指定予本集團動用。於2018年3月31日，本集團及關聯公司已分別動用有關銀行融資中的49,380,000港元及2,488,000港元。

年內授予關聯公司的銀行融資已解除，因此於2019年3月31日並無給予關聯公司的財務擔保合約的金融負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

30. 融資活動產生的負債對賬

下表詳述本集團融資活動所產生的負債變動。融資活動所產生的負債是指現金流量已經或將會於本集團綜合現金流量表內分類為融資活動現金流量的負債。

		Dividend payable	Interest payables	Accrued issue costs	Bank loans	Gold Loans	Amounts due to directors	Amount due to a related company	Total
		應付股息	應付利息	應計發行成本	銀行貸款	黃金貸款	董事款項	應付公司款項	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
At 1 April 2017	於2017年4月1日	—	—	—	29,368	12,505	3,503	12,728	58,104
Financing cash flows	融資現金流量	(7,000)	(1,371)	(1,574)	6,686	—	(3,503)	(1,420)	(8,182)
Issue costs accrued	應計發行成本	—	—	2,641	—	—	—	—	2,641
Interest accrued	應計利息	—	1,371	—	—	—	—	—	1,371
Dividend declared	已宣派股息	7,000	—	—	—	—	—	—	7,000
Loss on revaluation of Gold Loans	黃金貸款重估虧損	—	—	—	—	758	—	—	758
At 31 March 2018	於2018年3月31日	—	—	1,067	36,054	13,263	—	11,308	61,692
Financing cash flows	融資現金流量	(333)	(1,365)	(9,889)	5,323	(12,193)	—	—	(18,457)
Issue costs accrued	應計發行成本	—	—	10,867	—	—	—	—	10,867
Interest accrued	應計利息	—	1,365	—	—	—	—	—	1,365
Dividend declared	已宣派股息	9,000	—	—	—	—	—	—	9,000
Settled with amounts due from related companies	已收回應收關聯公司款項	(8,667)	—	—	—	—	—	—	(8,667)
Reclassification to amounts due from related companies	重新分類至應收關聯公司款項	—	—	—	—	—	—	(11,308)	(11,308)
Gain on fair value changes of Gold Loans	黃金貸款公平值變動的收益	—	—	—	—	(1,070)	—	—	(1,070)
At 31 March 2019	於2019年3月31日	—	—	2,045	41,377	—	—	—	43,422

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

31. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees but subject to a maximum amount of HK\$1,500 per month for each employee to the scheme.

The employees employed by the PRC subsidiary are members of the state-managed retirement benefits schemes operated by the PRC government. The PRC subsidiary is required to contribute a certain percentage of their payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the required contributions under the schemes.

Details of the retirement benefit schemes contributions for both years are set out in Note 10.

32. RELATED PARTY TRANSACTIONS

(a) Other than the transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transaction with related companies during both years:

Rental expenses paid to related companies controlled by the executive director of the Company	向本公司執行董事控制的關聯公司支付的租金費用
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Included in trade receivables, prepayment and deposits at 31 March 2019 were rental deposits paid to related companies controlled by the executive director of the Company of HK\$494,000 (2018: HK\$330,000).

31. 退休福利計劃

本集團為所有香港合資格僱員設立強制性公積金計劃。計劃的資產與本集團的資產分開處理，並由受託人管理的基金持有。本集團向該計劃作出的供款為有關薪金成本的5%，僱員須作等額供款，惟每名僱員每月向該計劃供款最高金額不超過1,500港元。

由中國附屬公司僱傭的僱員為中國政府營辦的國家管理退休福利計劃的成員。中國附屬公司須按其薪金的若干百分比向退休福利計劃作出供款以為福利提供資金。本集團對於該等退休福利計劃的唯一責任為根據計劃作出所需供款。

該兩個年度內退休福利計劃供款的詳情載於附註10。

32. 關聯方交易

(a) 除綜合財務報表其他部分所披露的交易及結餘外，本集團於該兩個年度與關聯公司進行以下交易：

2019 二零一九年	2018 二零一八年
HK\$'000 千港元	HK\$'000 千港元
2,964	1,920

於2019年3月31日的貿易應收款項、預付款項及按金為支付予本公司執行董事所控制的關聯公司之租金按金494,000港元(2018年：330,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

32. RELATED PARTY TRANSACTIONS — *continued*

- (b) Security and guarantee given to bank by a related company, Myth, is as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Security and guarantee from a related company	一間關聯公司提供的抵押及擔保	—	18,630

In addition, an executive director of the Company provided personal guarantee jointly with the Group, a related company, Myth, and the non-controlling shareholder to banks for the banking facilities granted to a related company and the Group of HK\$77,623,000 as disclosed in Note 29 as at 31 March 2018. Myth also provided security of land and building in Hong Kong to certain bank loans of the Group as at 31 March 2018. At 31 March 2019, the above security or guarantees provided by the related company, the executive director and the non-controlling shareholders of the Company were released.

- (c) Compensation of key management personnel

The remuneration of key management personnel during both years was as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Short-term employee benefits	短期僱員福利	2,986	3,097
Retirement benefit scheme contributions	退休福利計劃供款	200	198
		3,186	3,295

Key management personnel include directors of the Company and other senior management of the Group. The remuneration of key management personnel is determined by the management of the Company having regard to the performance of individuals and market trends.

32. 關聯方交易 — 續

- (b) 關聯公司Myth向銀行提供的抵押及擔保如下：

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Security and guarantee from a related company	一間關聯公司提供的抵押及擔保	—	18,630

此外，本公司執行董事連同本集團、關聯公司Myth及非控股股東就關聯公司及本集團獲授的銀行融資於2018年3月31日向銀行提供個人擔保77,623,000港元(披露於附註29)。Myth亦為本集團於2018年3月31日的若干銀行貸款提供香港土地及樓宇的擔保。於2019年3月31日，由關聯公司、本公司執行董事及非控股股東提供的上述抵押或擔保已解除。

- (c) 主要管理層人員的薪酬

主要管理層人員於該兩個年度的薪酬如下：

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Short-term employee benefits	短期僱員福利	2,986	3,097
Retirement benefit scheme contributions	退休福利計劃供款	200	198
		3,186	3,295

主要管理層人員包括本公司的董事及本集團的其他高級管理層。主要管理層人員薪酬由本公司管理層參考個人表現及市場趨勢釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, amounts due from related companies, pledged bank deposits, bank balances and cash, trade and other payables, amount due to a related company, bank borrowings and Gold Loans. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (foreign currency risk, interest rate risk and commodity price risk), credit risk and liquidity risk, and the policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Foreign currency risk

The Group has limited currency exposure as majority of the revenue were denominated in functional currency of the respective group entities. The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting dates are as follows:

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Assets	資產		
US\$	美元	75	49
RMB	人民幣	7	461
Liabilities	負債		
US\$	美元	5,797	21,311

34. 金融工具 — 續

財務風險管理目標及政策

本集團的主要金融工具包括貿易應收款項、應收關聯公司款項、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項、應付一間關聯公司款項、銀行借款及黃金貸款。該等金融工具的詳情披露於相關附註。與該等金融工具有關的風險包括市場風險(外匯風險、利率風險及商品價格風險)、信貸風險及流動資金風險，而有關如何減輕該等風險的政策載於下文。本公司董事管理及監控該等風險以確保及時有效地實施合適的措施。

市場風險

外匯風險

由於大部分收益以有關集團實體的功能貨幣計值，因此本集團所面對的貨幣風險有限。於報告期末，本集團以外幣計值的貨幣資產及負債的賬面值如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — *continued*

Financial risk management objectives and policies — *continued*

Market risk — *continued*

Foreign currency risk — *continued*

The Group is mainly exposed to the foreign currency risk of US\$ and RMB. Under the pegged exchange rate system, the financial impact on exchange difference between HK\$ and US\$ will be immaterial as most US\$ denominated monetary assets and liabilities are held by group entities having HK\$ as their functional currency, and therefore no sensitivity analysis has been prepared. No sensitivity analysis has been prepared for HK\$ against RMB as the amount involved is insignificant.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank borrowings and Gold Loans (see Notes 24 and 25 for details of these borrowings). The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and variable-rate bank borrowings (see Notes 20 and 24 for details of these balances). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation on Hong Kong Dollar Prime Rate arising from the Group's Hong Kong dollar denominated bank borrowings. The Group currently does not have a policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative financial instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis points and 10 basis points increase or decrease in bank borrowings and bank balances respectively are used which represents management's assessment of the reasonably possible change in interest rates.

If interest rates on interest bearing borrowings and bank balances had been 100 basis points and 10 basis points respectively higher/lower and all of other variables were held constant, the profit for the year ended 31 March 2019 would decrease/increase by HK\$267,000 (2018: HK\$277,000).

34. 金融工具 — 續

財務風險管理目標及政策 — 續

市場風險 — 續

外匯風險 — 續

本集團主要面臨美元及人民幣的外匯風險。根據匯率掛鈎制度，由於集團實體持有的大部分美元計值貨幣資產及負債以港元為其功能貨幣，港元與美元之間的匯率差別的財務影響將不重大，因此並無編製敏感度分析。因為所涉金額並不重大，故並無就港元兌人民幣編製敏感度分析。

利率風險

本集團因固定利率銀行借款及黃金貸款而面臨公平值利率風險(有關該等借款的詳情，請參閱附註24及25)。本集團亦因浮動利率銀行結餘及浮動利率銀行借款而面臨現金流利率風險(有關該結餘詳情，請參閱附註20及24)。本集團的現金流利率風險主要集中於本集團港元計值的銀行借款所產生的港元最優惠利率的波動。本集團現時並無針對利率風險的現金流對沖政策。然而，管理層監察利率風險，並將在必要時考慮對沖重大利率風險。

敏感度分析

下文的敏感度分析乃按報告期末非衍生金融工具的利率風險釐定。分析乃假設於報告期末尚未清償的金融工具於整個年度尚未清償而編製。分別利用銀行借款及銀行結餘100個基點及10個基點的升幅或跌幅，此乃管理層對利率合理可能變動的評估。

倘計息借款及銀行結餘的利率分別增加／減少100個基點及10個基點而所有其他可變因素維持不變，截至2019年3月31日止年度的溢利將會減少／增加267,000港元(2018年：277,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — *continued*

Financial risk management objectives and policies — *continued*

Market risk — *continued*

Commodity price risk

The Group is engaged in the sales of fine jewellery products including gold products. The gold market is influenced by global as well as regional supply and demand conditions. A significant decline in prices of gold could adversely affect the Group's financial performance. In order to reduce the commodity price risk, the Group uses Gold Loans to reduce its exposure to fluctuations in the gold price on gold inventory. Gold Loans are settled at maturity which is usually in 3 months from date of inception and any fair value change is immediately recognised in profit or loss.

If the market price of gold had been higher/lower by 10%, the potential effect on Gold Loans and the resulting impact on profit for the year ended 31 March 2018 would decrease/increase by HK\$1,107,000. No effect for the year ended 31 March 2019 as there is no outstanding Gold Loan as at 31 March 2019.

Credit risk and impairment assessment

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of each reporting period in relation to each class of recognised financial assets is the carrying amount of those assets stated in the consolidated statement of financial position and the amount of contingent liabilities in relation to financial guarantee provided by the Group as disclosed in Note 29. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Given the Group's wholesale customers are widely spread over, management considers that the credit risk associated is low. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting periods to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

34. 金融工具 — 續

財務風險管理目標及政策 — 續

市場風險 — 續

商品價格風險

本集團從事優質珠寶產品(包括黃金產品)銷售。黃金市場受全球以及地區性供求情況影響。黃金價格大跌可能對本集團的財務表現構成不利影響。為降低商品價格風險，本集團使用黃金貸款以減低黃金價格波動對黃金存貨的風險。黃金貸款於到期時清償，通常自初始日起三個月內，公平值的任何變動即時於損益確認。

倘黃金的市價上升/下降10%，截至2018年3月31日止年度的溢利將減少/增加1,107,000港元。由於2019年3月31日並無尚未償還的黃金貸款，故對截至2019年3月31日止年度並無影響。

信貸風險及減值評估

倘於各個報告期末對手方未能履行彼等的責任，則本集團就各類已確認金融資產的最大信貸風險為該等載列於綜合財務狀況表內的資產的賬面值及附註29所披露與本集團提供的財務擔保有關的或然負債金額。為了盡量減低信貸風險，本集團管理層已授權一個團隊負責釐定信貸限額、信貸批核及其他監察程序，確保採取跟進行動以追討逾期債務。鑒於本集團的批發客戶遍佈廣泛，管理層認為有關信貸風險很低。此外，本集團於報告期末審閱各項獨立貿易債務的可收回金額，以確保就不能收回的金額作出足夠的減值虧損撥備。就此，本公司董事認為可大幅減低本集團的信貸風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies —
continued

Market risk — continued

Credit risk and impairment assessment — continued

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables	Financial assets other than trade receivables
內部信貸評級	說明	貿易應收款項	除貿易應收款項外的金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 訂約對手方具有低違約風險，且並無任何逾期款項	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	12m ECL 十二個月 預期信貸虧損
Medium risk 中等風險	Debtor frequently repays after due dates but usually settles after due date 債務人經常於到期日後還款，惟通常於到期日後還清	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	12m ECL 十二個月 預期信貸虧損
High risk 高風險	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 內部制定資料或外來資源顯示信貸風險自初始確認起大幅增加	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示資產為信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人處於嚴重財務困難，而本集團並不認為日後可收回款項	Amount is written off 撇銷款項	Amount is written off 撇銷款項

34. 金融工具 — 續

財務風險管理目標及政策 — 續

市場風險 — 續

信貸風險及減值評估 — 續

本集團的內部信貸風險評級評估包括下列類別：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies — continued

Market risk — continued

Credit risk and impairment assessment — continued

The table below details the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

2019	2019年	Notes 附註	External credit rating 外部 信貸評級	Internal credit rating 內部 信貸評級	12m or lifetime ECL 十二個月 或全期預期 信貸虧損	Gross carrying amount 賬面總值 HK\$'000 千港元
Financial assets at amortised cost	按攤銷成本計值的 金融資產					
Trade receivables	貿易應收款項	18	N/A 不適用	Low risk 低風險	Lifetime ECL (simplified approach) 全期預期 信貸虧損 (簡化法)	3,419
				Medium risk 中等風險	Lifetime ECL (simplified approach) 全期預期 信貸虧損 (簡化法)	4,042
Bank balances	銀行結餘	20	A- to AA+ A- 至 AA+	N/A 不適用	12m ECL 十二個月 預期信貸虧損	71,708
Pledged bank deposit	已抵押銀行存款	20	AA+ AA+	N/A 不適用	12m ECL 十二個月 預期信貸虧損	2,200

The Group has no significant concentration of credit risk on trade receivables, with exposure spread over a number of counterparties.

The credit risk on amounts due from related parties is minimal as such related parties have sufficient capital to settle the debt.

The credit risk on pledged bank deposit and bank balances is minimal as such amounts are placed in banks with good reputation.

34. 金融工具 — 續

財務風險管理目標及政策 — 續

市場風險 — 續

信貸風險及減值評估 — 續

下表詳列本集團金融資產的信貸風險(須進行預期信貸虧損評估)：

本集團於貿易應收款項並無重大信貸風險集中現象，有關風險分佈於多名對手方。

應收關聯方款項信貸風險微乎其微，乃由於有關關聯方有充足資本結清債項。

由於已抵押銀行存款及銀行結餘存放於信譽良好的銀行，因此已抵押銀行存款及銀行結餘的信貸風險極低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies —
continued

Market risk — continued

Credit risk and impairment assessment — continued

From 1 April 2018, the Group assesses the expected credit losses on financial assets upon adoption of HKFRS 9. The Group considers the probability of default upon initial recognition of the respective asset and whether there has been a significant increase in credit risk on an ongoing basis.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition and considers available forward-looking information, including below indicators:

- internal credit rating based on historical information;
- actual or expected significant changes in the operating results of the debtors; and
- significant changes in the expected performance and behavior of the debtors, including changes in the payment status of debtors

Starting from 1 April 2018, the Group applies the simplified approach and assesses the lifetime ECL for trade receivables at the end of each reporting period to ensure that adequate impairment losses are made for significant increases in the likelihood or risk of a default occurring since initial recognition.

Relevant information with regard to the exposure of credit risk and expected credit losses for trade receivables as at 31 March 2019 are set out in Note 18.

For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. Based on the historical default rate and repayment history, the directors of the Company considered the expected credit loss for pledged banks deposit and bank balances is insignificant.

In assessing whether there is any impairment indicator and whether a financial asset has objective evidence of impairment, as well as measurement of impairment loss in this regard, the Group follows the same approach as under HKAS 39.

34. 金融工具 — 續

財務風險管理目標及政策 — 續

市場風險 — 續

信貸風險及減值評估 — 續

自2018年4月1日起，本集團於採納香港財務報告準則第9號後評估金融資產的預期信貸虧損。本集團會考慮初步確認相關資產後違約的可能性以及信貸風險有否持續大幅增加。

為評估信貸風險是否大幅增加，本集團比較報告日期資產發生違約的風險與初步確認日期的違約風險，其考慮可得的前瞻性資料，包括以下指標：

- 基於過往資料的內部信貸評級；
- 債務人經營業績的實際或預期重大變動；及
- 債務人預期表現及行為的重大變動，包括債務人付款情況的變動

自2018年4月1日起，本集團採用簡化方法，於各報告期末評估貿易應收款項的生命週期預期信貸損失，確保就自初步確認起出現違約的可能性或風險大幅增加計提足夠減值虧損撥備。

關於貿易應收款項於2019年3月31日的信貸風險及預期信貸損失的相關資料載於附註18。

就內部信貸風險管理而言，本集團使用逾期資料評估信貸風險自初步確認以來是否大幅增加。本公司董事認為，根據歷史違約率及還款記錄，已抵押銀行存款及銀行結餘的預期信貸虧損不屬重大。

於評估有否任何減值指標及金融資產有否客觀減值證據以及就此計量減值虧損時，本集團遵照香港會計準則第39號下的相同方法。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies — continued

Liquidity risk

The management of the Group has built a liquidity risk management framework for managing the Group's short and medium-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities. At 31 March 2019, the Group has available unutilised bank loan facilities of HK\$8,000,000 (2018: HK\$28,724,000).

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans and Gold Loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The table includes both interest and principal cash flows.

34. 金融工具 — 續

財務風險管理目標及政策 — 續

流動資金風險

本集團管理層已建立流動資金風險管理框架，以管理本集團的中短期資金及流動資金管理需求。本集團透過取得銀行融資及持續監察預測及實際現金流量和其金融負債的到期概況，以管理流動資金風險。於2019年3月31日，本集團有可動用的尚未動用銀行貸款融資8,000,000港元、(2018年：28,724,000港元)。

下表詳列本集團就其金融負債的尚餘合約期限。下表根據本集團可被要求還款的最早日期擬定，以反映財務負債的未貼現現金流量。具體而言，不論銀行行使其權利的概率，含有按要求償還條款的銀行貸款及黃金貸款均被劃分為最早日期的時間範圍。下表同時包括利息及本金現金流量。

		Weighted average interest rate 加權平均利率	On demand or less than 1 year 須按要 或一年內償還	Total undiscounted cash flow 未貼現現金 流量總額	Carrying amount 賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial liabilities	金融負債				
At 31 March 2019	於2019年3月31日				
Trade and other payables	貿易及其他應付款項	—	14,430	14,430	14,430
Bank loans (Note a)	銀行貸款(附註a)	3.07	41,377	41,377	41,377
			55,807	55,807	55,807
At 31 March 2018	於2018年3月31日				
Trade and other payables	貿易及其他應付款項	—	9,625	9,625	9,625
Amount due to a related company	應付一間關聯公司款項	—	11,308	11,308	11,308
Bank loans (Note a)	銀行貸款(附註a)	2.80	36,054	36,054	36,054
Bank overdrafts	銀行透支	13.00	63	63	63
Gold Loans (Note a)	黃金貸款(附註a)	3.80	13,263	13,263	13,263
Financial guarantee contracts (Note b)	財務擔保合約(附註b)	—	4,346	4,346	—
			74,659	74,659	70,313

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies — continued

Liquidity risk — continued

Notes:

- (a) Bank loans and Gold Loans with a repayment on demand clause are included in the “on demand or less than 1 year” time band in the above maturity analysis. At 31 March 2019, the aggregate carrying amount of these bank loans and Gold Loans amounted to HK\$41,377,000 (2018: HK\$49,317,000). Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank loans and Gold Loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements with the principal and interest cash outflows as follows:

Aggregate principal and interest cash outflows repayable:

Within 1 year	一年內
After 1 year but within 2 years	一年後但兩年內
After 2 years but within 5 years	兩年後但五年內
After 5 years	五年後

- (b) The amounts included in the undiscounted cash flow above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. However, based on expectations at the end of the reporting period, the Group considers that it is likely that no amount will be payable under the arrangement. This estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

Fair value measurements of financial instruments

Some of the Group's financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

34. 金融工具 — 續

財務風險管理目標及政策 — 續

流動資金風險 — 續

附註：

- (a) 於以上到期日分析中，凡訂有須按要求還款條款的銀行貸款及黃金貸款均計入「須按要求或一年內償還」的時間範圍內。於2019年3月31日，該等銀行貸款及黃金貸款賬面總金額為41,377,000港元(2018年：49,317,000港元)。經計及本集團的財務狀況，本公司董事認為銀行不大可能會行使其酌情權要求即時還款。本公司董事相信，該等銀行貸款及黃金貸款將按照貸款協議所載的預定還款日期償還，本金及利息現金流出如下：

應償還本金及利息現金流出總額：

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元
Within 1 year	15,555	17,955
After 1 year but within 2 years	5,412	4,692
After 2 years but within 5 years	13,890	14,077
After 5 years	10,000	18,556
	44,857	55,280

- (b) 計入上述財務擔保合約的未貼現現金流量金額為於擔保對手方索回有關款項時，本集團根據安排可能須就全部擔保金額償付的最高金額。然而，根據報告期末的預期，本集團認為，毋須根據安排支付款項的可能性很大。因對手方持有的已擔保財務應收款項遭受信貸損失而可能按擔保條款追討，有關估計或會改變。

金融工具的公平值計量

部分本集團金融負債於各報告期末按公平值計量。下表提供有關該等金融負債公平值如何釐定的資料(特別是，估值技巧及所用輸入數據)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

34. FINANCIAL INSTRUMENTS — *continued*

Fair value measurements of financial instruments — *continued*

The fair value of Gold Loans was determined based on quoted market bid price of gold traded in active liquid market.

		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
At 31 March 2018	於2018年3月31日				
Financial liability	金融負債				
Gold Loans	黃金貸款	—	13,263	—	13,263

There were no transfers into or out of Level 2 during both years.

In estimating the fair value, the Group uses market-observable data to the extent it is available. When Level 1 inputs were not available, the Group performed the valuation using discounted cash flow model with reference to comparable market data.

The directors of the Company consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values which have been determined in accordance with generally accepted pricing models based on discounted cash flow at the end of each reporting period.

35. MAJOR NON-CASH TRANSACTIONS

On 10 October 2018, deed of assignments (the “Deed”) were signed among the Group, Mr. Fu and a related company to make arrangements to settle the inter-company balances in accordance with the terms and conditions of the Deed. The amount due to a related company amounting to HK\$11,308,000 was assigned to and settled through the amount due from a related company, resulting a net amount due from a related company of HK\$8,667,000.

During the year ended 31 March 2019, King Jewellery and W-Rich declared a special dividend to Mr. Fu, in aggregate amount of HK\$9,000,000. Upon the execution of the Deed, HK\$333,000 was paid by cash on 10 October 2018, with the remaining balance of dividend payable HK\$8,667,000 offsetting with amounts due from related companies.

There were no major non-cash transactions during the year ended 31 March 2018.

34. 金融工具 — 續

金融工具的公平值計量 — 續

黃金貸款的公平值乃按在高流通市場買賣的黃金市場買入報價釐定。

兩個年度內均無轉入第二級或從第二級轉出。

本集團使用可得的市場可觀察數據估計公平值。倘未能獲得第一級輸入數據，本集團則使用折讓現金流模型並參考可資比較市場數據進行估值。

本公司董事認為，於綜合財務報表內按攤銷成本入賬的金融資產及負債的賬面值與彼等於各報告期末按根據貼現現金流的公認定價模型所釐定的公平值相若。

35. 主要非現金交易

於2018年10月10日，本集團、傅先生及一間關聯公司已簽訂一份轉讓契據（「契據」），以安排根據契約的條款及條件清償公司間的結餘。應付一間關聯公司款項11,308,000港元乃透過應付一間關聯公司款項轉撥及結算，因而產生應收一間關聯公司款項淨額8,667,000港元。

於截至2019年3月31日止年度，皇室珠寶及智達行向傅先生宣派特別股息合共9,000,000港元。於簽立契約後，已於2018年10月10日以現金支付333,000港元，應付股息餘額8,667,000港元則抵銷應收關聯公司款項。

概無主要非現金交易於截至2018年3月31日止年度進行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

36. PARTICULARS OF PRINCIPAL SUBSIDIARIES

At the end of each reporting period, the Company has indirect equity interests in the following subsidiaries:

36. 主要附屬公司的詳情

於各報告期末，本公司於以下附屬公司擁有間接股權：

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立地點 及日期	Place of operations 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	Equity interest attributable to the Group 本集團應佔股權 At 31 March 於3月31日		Principal activities 主要活動
				2019 二零一九年	2018 二零一八年	
卓蒼珠寶(深圳)有限公司 Zhouhui Jewellery	PRC 18 November 2011	PRC	HK\$8,000,000	100%	88.37%	Manufacture of jewellery
卓蒼珠寶(深圳)有限公司	中國 2011年11月18日	中國	8,000,000港元	100%	88.37%	製造珠寶
智達行珠寶(深圳)有限公司 Zhidahang Jewellery (Note)	PRC 29 May 2015	PRC	US\$1,000,000	N/A	100%	Inactive
智達行珠寶(深圳)有限公司 (附註)	中國 2015年5月29日	中國	1,000,000美元	不適用	100%	暫無業務
Chuk Fung	Hong Kong 7 November 2003	Hong Kong	HK\$10,000	100%	88.37%	Investment holding
卓豐	香港 2003年11月7日	香港	10,000港元	100%	88.37%	投資控股
W-Rich	Hong Kong 29 November 2011	Hong Kong	HK\$1	100%	100%	Procurement, marketing and promotion, distribution and wholesale of jewellery
智達行	香港 2011年11月29日	香港	1港元	100%	100%	珠寶採購、市場推廣及宣傳、分銷及批發

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

36. PARTICULARS OF PRINCIPAL SUBSIDIARIES

— continued

36. 主要附屬公司的詳情 — 續

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立地點 及日期	Place of operations 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	Equity interest attributable to the Group 本集團應佔股權		Principal activities 主要活動
				At 31 March 於3月31日	2018	
				2019 二零一九年	2018 二零一八年	
Chong Fai Holdings	Hong Kong 7 January 2000	Hong Kong	HK\$10,000	100%	87.21%	Procurement, marketing and promotion, distribution of jewellery and trading of recycled gold products
創輝控股	香港 2000年1月7日	香港	10,000 港元	100%	87.21%	珠寶採購、市場推廣及宣傳、分銷及回收黃金產品貿易
Chong Fai Jewellery	Hong Kong 14 March 1997	Hong Kong	HK\$20,010,000	99.99%	99.99%	Procurement, marketing and promotion, distribution, retail of jewellery
創輝珠寶	香港 1997年3月14日	香港	20,010,000 港元	99.99%	99.99%	珠寶採購、市場推廣及宣傳、分銷、零售
King Jewellery	Hong Kong 28 May 2012	Hong Kong	HK\$1	100%	100%	Procurement, marketing and promotion, distribution and wholesale of jewellery
皇室珠寶	香港 2012年5月28日	香港	1 港元	100%	100%	珠寶採購、市場推廣及宣傳、分銷及批發

Note: On 8 January 2019, the subsidiary was deregistered.

附註：於2019年1月8日，該附屬公司已撤銷註冊。

None of the subsidiaries had issued any debt securities at the end of the year or anytime during the year.

概無附屬公司於年終或於本年度任何時間發行任何債務證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

37. FINANCIAL INFORMATION OF THE COMPANY

37. 本公司財務資料

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Non-current asset	非流動資產		
Investments in subsidiaries	於附屬公司的投資	—	—
Current assets	流動資產		
Other receivables	其他應收款項	20	2,641
Bank balances and cash	銀行結餘及現金	45,936	—
		45,956	2,641
Current liabilities	流動負債		
Other payables	其他應付款項	8,054	4,267
Amount due to a subsidiary	應付一間附屬公司款項	13,161	6,525
		21,215	10,792
Net current assets (liabilities)	流動資產(負債)淨值	24,741	(8,151)
Net assets (liabilities)	資產(負債)淨值	24,741	(8,151)
Capital and reserves	資本及儲備		
Share capital	股本	7,500	—
Reserves	儲備	17,241	(8,151)
Total equity	權益總額	24,741	(8,151)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至2019年3月31日止年度

37. FINANCIAL INFORMATION OF THE COMPANY

— continued

Movement of the Company's reserves:

37. 本公司財務資料 — 續

本公司儲備的變動：

		Share premium	Accumulated losses	Total
		股份溢價	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 11 January 2018	於2018年1月11日			
(date of incorporation)	(註冊成立日期)	—	—	—
Loss and total comprehensive expense for the period	虧損及期內全面開支總額	—	(8,151)	(8,151)
At 31 March 2018	於2018年3月31日	—	(8,151)	(8,151)
Loss and total comprehensive expense for the year	虧損及年內全面開支總額	—	(9,850)	(9,850)
Capitalisation Issue	資本化發行	(5,625)	—	(5,625)
Issue of shares upon listing	於上市後發行股份	54,375	—	54,375
Expenses incurred in connection with the issue of shares upon listing	有關於上市後發行股份 的已產生開支	(13,508)	—	(13,508)
At 31 March 2019	於2019年3月31日	35,242	(18,001)	17,241

FINANCIAL SUMMARY

財務概要

RESULTS

業績

For the year ended 31 March

截至3月31日止年度

		2019	2018	2017
		二零一九年	二零一八年	二零一七年
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元	千港元
Revenue	收益	175,589	173,020	203,464
Profit before taxation	除稅前溢利	3,908	8,012	9,881
Income tax expense	所得稅開支	(1,685)	(3,177)	(6,008)
Profit for the year	年內溢利	2,223	4,835	3,873

ASSETS AND LIABILITIES

資產及負債

At 31 March

於3月31日

		2019	2018	2017
		二零一九年	二零一八年	二零一七年
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元	千港元
Total assets	資產總值	157,471	138,196	144,363
Total liabilities	負債總值	(69,692)	(84,813)	(89,233)
Total equity	權益總額	87,779	53,383	55,130

**Dominate Group
Holdings Company Limited**