



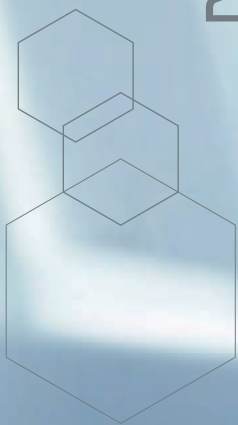
六福集團(國際)有限公司

LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

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



Annual Report 年報 2016



六福珠寶

LUKFOOK JEWELLERY

CONTENTS 目錄

	Global Distribution Network	全球分銷網絡
	Operational Highlights	營運摘要
	Financial Highlights	財務摘要
1	Corporate Profile and Vision	企業簡介及願景
2	Chairman's Statement	主席報告
3	Management Discussion and Analysis	管理層討論及分析
7	Branding	品牌策略
19	Corporate Social Responsibility	企業社會責任
25	Corporate Governance Report	企業管治報告
35	Report of the Directors	董事會報告
57	Independent Auditor's Report	獨立核數師報告
83	Financial Statements	財務報表
85	Corporate Information	企業資料



2015/16
Annual Report
年報



2015/16
Annual Results
Presentation
全年業績簡報



2015/16
Annual Results
Highlights
全年業績摘要



Investor Relations
WeChat
投資者關係微信

GLOBAL DISTRIBUTION NETWORK

全球分銷網絡

31 March 2016
2016年3月31日

1,365 (1,319)
MAINLAND CHINA
中國內地

NORTHERN CHINA 華北 Self-operated 自營店 : 30 (14) Licensed 品牌店 : 429 (422) No. of shops 店舖數目 : 459 (436)	EASTERN CHINA 華東 Self-operated 自營店 : 26 (19) Licensed 品牌店 : 163 (170) No. of shops 店舖數目 : 189 (189)
SOUTHERN CHINA 華南 Self-operated 自營店 : 1 (0) Licensed 品牌店 : 456 (441) No. of shops 店舖數目 : 457 (441)	CENTRAL CHINA 華中 Self-operated 自營店 : 48 (46) Licensed 品牌店 : 212 (207) No. of shops 店舖數目 : 260 (253)

CANADA 加拿大
2⁽¹⁾

THE UNITED STATES 美國
2⁽²⁾

全球總店數 **1,428** (1,383)
Worldwide total number of shops

- * Figures as at 31 March 2015 are shown in brackets
括號內顯示於2015年3月31日之數字
- ** This network included Lukfook shops only
此網絡只包括六福店舖
- *** Shop in Korea was undergoing relocation in March 2016 and was re-opened in May 2016
韓國分店於2016年3月進行搬遷，並於2016年5月重新開幕

HONG KONG 香港
47⁽⁴⁸⁾

MACAU 澳門
10⁽¹⁰⁾

SINGAPORE 新加坡
1⁽¹⁾

AUSTRALIA 澳洲
1⁽¹⁾

NUMBER OF SHOPS | 店舖數目

Lukfook Shops 六福店舖		31 March 2016 2016年3月31日	31 March 2015 2015年3月31日	Y-o-Y Change 按年變化
Hong Kong 香港		47	48	-1
Macau 澳門		10	10	-
Mainland China 中國內地	Self-operated 自營店			
	- Tier I 一線城市	27	20	+7
	- Tier II 二線城市	40	32	+8
	- Tier III & IV 三線及四線城市	38	27	+11
	Sub-total 小計	105	79	+26
Mainland China 中國內地	Licensed 品牌店			
	- Tier I 一線城市	214	212	+2
	- Tier II 二線城市	398	410	-12
	- Tier III & IV 三線及四線城市	648	618	+30
	Sub-total 小計	1,260	1,240	+20
Sub-total 小計		1,365	1,319	+46
Other locations 其他地區	Self-operated 自營店	6	5	+1
	Licensed 品牌店	0	1	-1
Total 合共		1,428	1,383	+45
3D-GOLD Shops 金至尊店舖		31 March 2016 2016年3月31日	31 March 2015 2015年3月31日	Y-o-Y Change 按年變化
Mainland China 中國內地	Self-operated 自營店			
	- Tier II 二線城市	5	-	+5
	- Tier III & IV 三線及四線城市	4	-	+4
Total 合共		9	-	+9

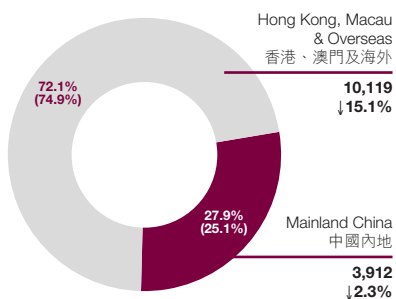
Remarks: During the year under review, the Group opened 9 3D-GOLD self-operated shops established by a new joint venture (the Group held 51% equity) with a licensee in Mainland China. As at 31 December 2015, total number of 3D-GOLD points of sale operated by China Gold Silver Group Company Limited through self-operating and franchising models was approximately 370.
註：於回顧年度內，本集團以新合資公司（本集團佔51%權益）形式開設了9間金至尊自營店。於2015年12月31日，中國金銀集團有限公司以自營及加盟模式共開設約370個金至尊零售點。

OPERATIONAL HIGHLIGHTS

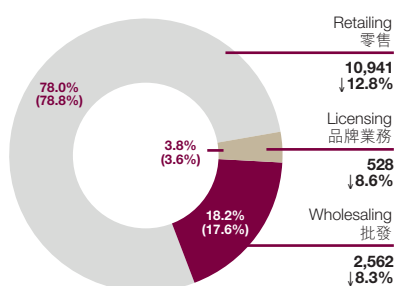
營運摘要

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

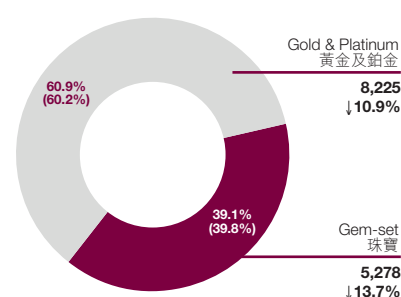
Revenue by Market 收入 — 以市場劃分



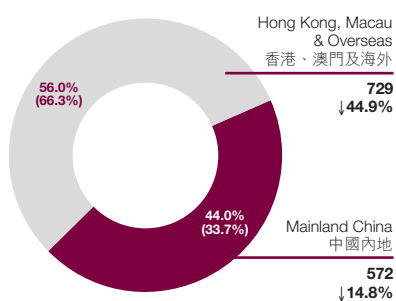
Revenue by Business 收入 — 以業務劃分



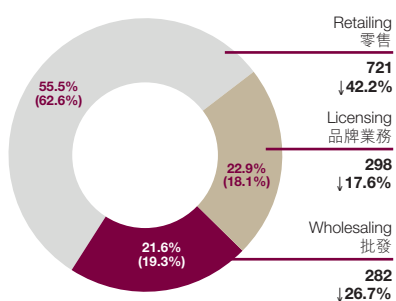
Sales¹ by Product 銷售¹ — 以產品劃分



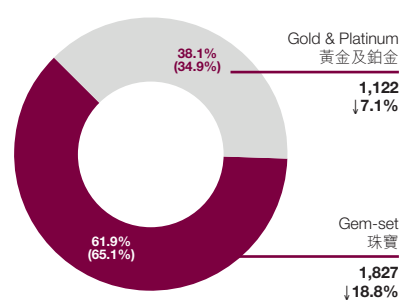
Segmental Profit by Market 分部溢利 — 以市場劃分



Segmental Profit by Business 分部溢利 — 以業務劃分



Gross Profit² by Product 毛利² — 以產品劃分



Remarks: Comparative figures for the year ended 31 March 2015 are shown in brackets
 註：截至2015年3月31日止年度之比較數字於括號內顯示

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

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

RETAIL SALES PERFORMANCE | 零售銷售表現

	For the year ended 31 March 截至3月31日止年度			
	2016	2015	2016	2015
	Y-o-Y Change 按年變化		SSSG* 同店銷售增長	
Overall 整體	-13%	-22%	-19%	-28%
Gold & Platinum 黃金及鉑金	-11%	-28%	-17%	-34%
Gem-set 珠寶	-16%	-8%	-24%	-14%
Hong Kong & Macau 香港及澳門	-15%	-22%	-20%	-28%
Gold & Platinum 黃金及鉑金	-13%	-28%	-17%	-34%
Gem-set 珠寶	-19%	-9%	-25%	-15%
Mainland China 中國內地	+7%	-26%	-8%	-30%
Gold & Platinum 黃金及鉑金	+2%	-33%	-13%	-36%
Gem-set 珠寶	+29%	+16%	+9%	+10%

* Same store sales growth ("SSSG") represented a comparison of sales of the same self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops and Mainland China's e-commerce business.
 同店銷售增長為同一間自營店於可資比較期內完整日營運的銷售額比較，有關數據並不包括品牌店及中國內地電子商貿的銷售額。

FINANCIAL HIGHLIGHTS

財務摘要

FINANCIAL PERFORMANCE | 財務表現

	For the year ended 31 March 2016 截至2016年 3月31日 止年度	For the year ended 31 March 2015 截至2015年 3月31日 止年度	Y-o-Y Change 按年變化
HK\$ m 百萬港元			
Revenue 收入	14,031	15,923	-11.9%
Gross Profit 毛利	3,254	3,832	-15.1%
Operating Profit 經營溢利	1,212	1,976	-38.7%
Profit for the Year 年內溢利	961	1,621	-40.7%
Profit Attributable to Equity Holders 權益持有人應佔溢利	959	1,615	-40.6%
Basic Earnings per Share 每股基本盈利	HK\$1.63 港元	HK\$2.74 港元	-40.5%
Final Dividend per Share 每股末期股息	HK\$0.34 港元	HK\$0.55 港元	-38.2%
Special Dividend per Share 每股特別股息	HK\$0.21 港元	-	N/A 不適用
Annual Dividend per Share 每股全年股息	HK\$1.10 港元	HK\$1.10 港元	-
Dividend Payout Ratio 派息比率	67.5%	40.1%	+27.4p.p. 個百分點
Gross Margin 毛利率	23.2%	24.1%	-0.9p.p. 個百分點
Operating Margin 經營溢利率	8.6%	12.4%	-3.8p.p. 個百分點
Net Margin 淨利率	6.9%	10.2%	-3.3p.p. 個百分點
EBITDA 未計利息、稅項、折舊及攤銷前盈利	1,269	2,112	-39.9%
EBITDA Margin 未計利息、稅項、折舊及攤銷前盈利率	9.0%	13.3%	-4.3p.p. 個百分點
Total Operating Expenses to Revenue Ratio 總經營開支佔收入比率	15.2%	13.1%	+2.1p.p. 個百分點
Effective Tax Rate 實際稅率	17.2%	18.3%	-1.1p.p. 個百分點

KEY FINANCIAL INDICATORS | 主要財務指標

	Financial Year 2016 2016財政年度	Financial Year 2015 2015財政年度	Y-o-Y Change 按年變化
Inventory 存貨 (HK\$ m) (百萬港元)	6,345	7,395	-14.2%
Average Inventory Turnover Days ¹ 平均存貨週轉日數 ¹	238	209	+29
Cash and Bank Balances 現金及銀行結餘 (HK\$ m) (百萬港元)	2,432	2,090	+16.4%
Bank Borrowings & Gold Loans 銀行貸款及黃金借貸 (HK\$ m) (百萬港元)	711	1,713	-58.5%
Net Cash 淨現金 (HK\$ m) (百萬港元)	1,721	377	+356.5%
Net Gearing Ratio 淨債務比率 ²	-	-	N/A 不適用
Debt-to-Equity Ratio 負債權益比率 ³	21.5%	34.1%	-12.6p.p. 個百分點
Return on Equity (ROE) 股東權益回報率 ⁴	11.1%	18.9%	-7.8p.p. 個百分點
Current Ratio 流動比率	5.3	3.6	+1.7
Net Asset Value per Share 每股淨資產值	HK\$14.94 港元	HK\$14.60 港元	+2.3%
CAPEX 資本開支 (HK\$ m) (百萬港元)	113	255	-55.7%

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

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

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

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

CORPORATE PROFILE

企業簡介

Established in 1991, Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) is one of the leading jewellery retailers in Hong Kong and Mainland China. The Group principally engages in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery and gem-set jewellery products, with a total of over 1,400 shops in Hong Kong, Macau, Mainland China, Singapore, Korea, the United States, Canada and Australia.

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

六福集團(國際)有限公司(「本公司」)及其附屬公司(統稱「本集團」)成立於1991年，是香港及中國內地主要珠寶零售商之一。本集團主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。本集團現時在香港、澳門、中國內地、新加坡、韓國、美國、加拿大及澳洲共擁有超過1,400間店舖。

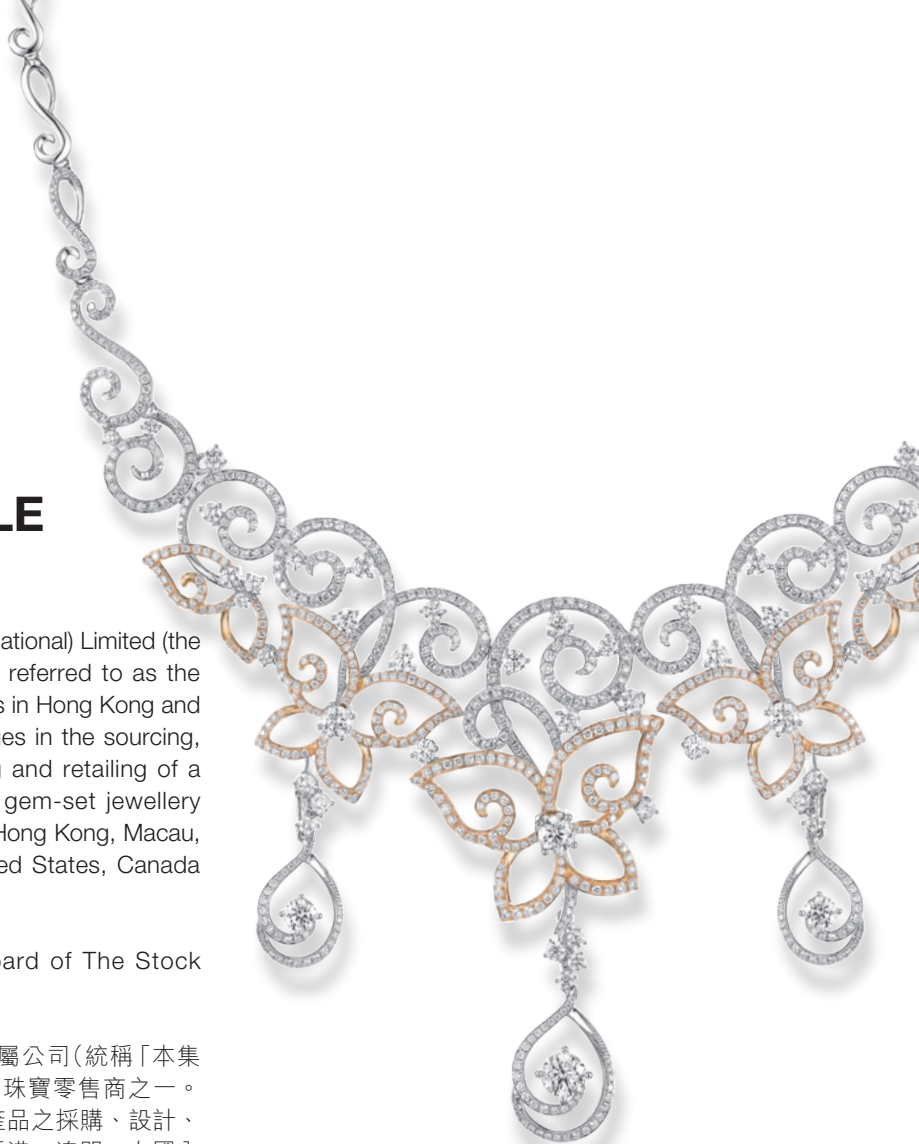
本公司於1997年5月在香港聯合交易所有限公司主板上市。

CORPORATE VISION

企業願景

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

「香港名牌•國際演繹」為本集團的企業願景及品牌核心價值。本集團一直堅持不懈，盡心竭力使六福成為全球認知及喜愛的品牌。作為香港知名奢侈品牌，本集團致力為全球顧客提供最優質首飾，以進一步確立其於國際市場上的聲譽。



CHAIRMAN'S STATEMENT

主席報告



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

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), I hereby present the Group's annual results for the year ended 31 March 2016.

During the year under review, the continued slowdown in the economic growth in Mainland China, the tightening of Individual Visit Scheme Policy, the devaluation of currencies of popular tourist destinations and Renminbi, all imposed negative impacts on the desire of visitors to travel to Hong Kong and Macau. Furthermore, the disappointing performance of the property and stock market in Mainland China also affected the domestic retail market. The Group's revenue for the financial year 2015/16 therefore declined. Moreover, the adjustment to diamond price in accordance with market price leading to the decrease in gross margin of gem-set jewellery products, the continued increase in overall rental expenses and the profit in relation to the investments and operating activities in Hong Kong Resources Holdings Company Limited and its subsidiaries turned into a loss during the year under review. Profit attributable to equity holders for the financial year 2015/16 therefore reduced when compared to last year.

For the year ended 31 March 2016, the Group's total revenue amounted to HK\$14,031,302,000 (2015: HK\$15,922,708,000), representing a decrease of 11.9% over last year. Profit attributable to equity holders decreased by 40.6% to HK\$958,692,000 (2015: HK\$1,614,805,000), with earnings per share of HK\$1.63 (2015: HK\$2.74). The board of directors of the Company proposed a final dividend of HK\$0.34 per share (2015: HK\$0.55) and a special dividend of HK\$0.21 per share (2015: Nil), totaling HK\$0.55 per share for the year ended 31 March 2016. Together with the interim and special dividends of HK\$0.55 per share in total paid in December 2015, the total dividend for the financial year 2015/16 amounted to HK\$1.10 per share (2015: HK\$1.10 per share). The dividend payout ratio reached 67.5% on a full year basis (2015: 40.1%).

各位股東：

本人謹代表六福集團(國際)有限公司(「本公司」)及其附屬公司(統稱「本集團」)謹此提呈本集團截至2016年3月31日止年度之全年業績。

於回顧年度內，中國內地經濟增長的持續放緩、個人遊政策的收緊、熱門旅遊目的地的貨幣和人民幣的貶值，皆為旅客訪港澳意欲帶來負面影響。再者，中國內地樓市及股市的表現不理想，亦影響當地零售市道，本集團於2015/16財政年度的收入因而減少。另外，鑽石價格因應市價之調整，導致珠寶首飾產品的毛利率降低，加上租金開支仍然有所上升，而於香港資源控股有限公司及其子公司之投資及營運項目於回顧年度內由盈轉虧，2015/16財政年度的權益持有人應佔溢利相對去年因此減少。

截至2016年3月31日止年度，本集團總收入為14,031,302,000港元(2015年：15,922,708,000港元)，較去年同期減少11.9%。權益持有人應佔溢利減少40.6%至958,692,000港元(2015年：1,614,805,000港元)，而每股盈利則為1.63港元(2015年：2.74港元)。本公司董事會建議就截至2016年3月31日止年度派付末期股息每股0.34港元(2015年：0.55港元)及特別股息每股0.21港元(2015年：無)，合共每股0.55港元，連同已於2015年12月派付的中期及特別股息合共每股0.55港元(2015年：0.55港元)，2015/16財政年度股息合共為每股1.10港元(2015年：每股1.10港元)，全年派息比率達67.5%(2015年：40.1%)。

CHAIRMAN'S STATEMENT

主席報告

Despite the slowing economic growth in Mainland China, its GDP growth was amongst those at the top of the world. As a result, the Group still actively pursued further development in the Mainland China market. During the year under review, the Group opened a net total of 46 Lukfook shops in Mainland China (of which 20 were licensed shops and 26 were self-operated shops) and 9 3D-GOLD self-operated shops. As at 31 March 2016, the Group had a total of 1,437 shops globally, spanning over Mainland China, Hong Kong, Macau, Singapore, the United States, Canada and Australia.

OUTLOOK

Currently, the global economic situation remains uncertain. Therefore, the Group remains prudent about the business growth in the coming year. In the year ahead, the Group will adopt strategies on three focuses including product, China and branding via product offering enrichment, Mainland China market coverage enlargement and market oriented strategies, respectively, to enhance our business development.

We will enrich product collections by introducing fashionable jewellery that are good value for money to target the mass market and offer more kids-oriented products to capture the rising market opportunity led by the two-child policy.

Given the weak retail sentiment in Hong Kong, the Group will continue to optimise the retail network there by adding points of sale at residential areas in response to the better performance of the shops in such areas while reducing the shops at prime locations with unsatisfactory performance. On the other hand, with the considerable growth of the middle-class population and the implementation of the two-child policy in Mainland China, Mainland China remains to be a market with tremendous growth potential and business opportunities in the long run. Therefore, the Group will continue to expand the distribution network there by achieving a net growth of at least 50 shops in the coming year and increase its revenue mix so as to reduce the reliance on the Hong Kong and Macau market.

The Group will also continue to accommodate the national strategy of "Internet+", actively develop the e-commerce business in Mainland China with a target of increasing e-commerce revenue by 50% in the coming year.

雖然中國內地經濟增長放緩，惟其國民生產總值增長率仍處於世界前列，故此本集團仍繼續積極拓展中國內地市場。於回顧年度內，於中國內地淨增設了46間六福店舖(其中20間為品牌店，26間為自營店)及9間金至尊自營店。於2016年3月31日，本集團於全球共有1,437間店舖，遍及中國內地、香港、澳門、新加坡、美國、加拿大及澳洲。

前景

目前，全球經濟仍然不明朗，因此，本集團對未來一年的業務增長仍持審慎態度。來年，本集團將以三管齊下的策略，專注於產品、中國及品牌推廣，務求分別透過豐富產品組合、擴大中國內地市場覆蓋率及採用市場導向策略，以加強我們的業務發展。

我們將推出款式新穎而又高性價比的珠寶手飾，豐富產品系列，鎖定大眾市場，並提供專為兒童而設的產品，抓緊二孩政策所帶來源源不絕的市場契機。

因應香港零售氣氛疲弱，本集團將繼續於當地優化零售網絡，配合住宅區店舖較好表現的情況，著手於住宅區增設銷售點，並同時減少於主要地段表現欠佳的店舖。另一方面，長遠而言，隨著中國內地中產人口的可觀增長及二孩政策的實施，中國內地市場仍存在龐大的增長潛力及商機。因此，本集團將繼續於來年以不少於50間店舖的淨增長速度，擴展當地的店舖網絡，提高其業務佔比，以減低對港澳市場的倚賴。

本集團亦會繼續迎合「互聯網+」的國家戰略，在中國內地積極發展電子商貿業務，在來年以提升電商銷售收入50%為目標。

CHAIRMAN'S STATEMENT

主席報告

Furthermore, we will adopt a holistic approach in terms of market penetration. Specific products will be introduced to cater for the consumption pattern of and demands from wedding customers, the middle-class, office workers and potential market brought by the two-child policy. The Group will also endeavour to attract customers, and actively stimulate local consumptions through product display enhancement, cross-selling promotions and VIP activities so as to improve sales and profit and nurture customer loyalty as well as capture young customers through online marketing.

Moreover, the Group will enhance productivity via different means, such as reduce staff costs through natural turnover, strive for lower rent in the negotiations with landlords, strengthen service quality control and improve support to licensees. Apart from that, the Group will also endeavour to promote a culture of continuous improvement and automation of internal processes so as to improve efficiency and reduce costs. Mitigation of the impact of economic downturn on the performance of the Group is expected with various income-generating and cost-saving measures.

I would like to extend my sincere gratitude to all our staff members, shareholders, customers, business partners and other stakeholders for their unfaltering support and contributions to the Group's success. Going forward, the Group will continue to adopt pragmatic and sound growth measures, strengthen its competitive advantages and further enhance its leading position in the market. We look forward to generating sustainable returns to our shareholders and establishing a new benchmark for corporate excellence.

By order of the Board
WONG Wai Sheung
Chairman and Chief Executive

Hong Kong, 23 June 2016

此外，我們將採取全面深化市場滲透度的舉措，推出針對性之產品，以配合婚嫁顧客、中產及上班一族等的消費模式及需求和二孩政策所帶來的潛在市場，透過加強產品陳列、交叉促銷和VIP推廣活動，吸引顧客，並積極推動本土消費，以提高銷售和利潤，同時憑藉網絡推廣提升顧客忠誠度及吸納年輕顧客群。

另外，本集團將會運用不同方法促進生產力，例如以自然流失方式減省員工費用、努力向業主爭取調低租金、加強服務質素的監控及完善對品牌商的支援。除此之外，本集團亦會致力推動持續進步之文化及內部流程之自動化以提升效率及減省費用。期望在各方開源節流的措施下，令經濟不景氣對本集團業績之衝擊減至最低。

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

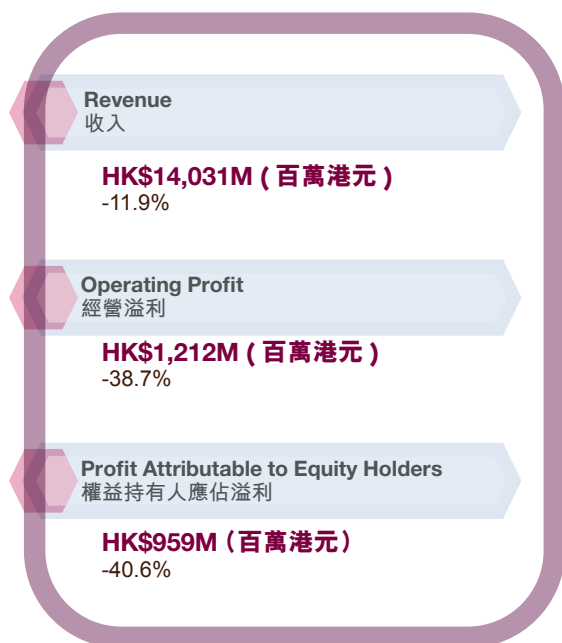
承董事會命
主席兼行政總裁
黃偉常

香港，2016年6月23日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL PERFORMANCE



財務表現



Results

For the year ended 31 March 2016 (the “Year under review”), given the macro-economic downturn, anticipated interest hike of US Dollar leading to strong Hong Kong Dollar and weak Renminbi as well as the currency devaluation in popular tourist destinations such as Japan, Korea and other Southeast Asian countries, together with the adjustment to the Individual Visiting Scheme in Mainland China (the “IVS”), tourist sentiment on travelling to Hong Kong and Macau dampened. Besides, consumer sentiment remained weak under the slowing economic growth in Mainland China. Consequently, during the Year under review, Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) recorded revenue drop of 11.9% to HK\$14,031,302,000 (2015: HK\$15,922,708,000). Furthermore, because of the adjustment of retail price to cope with market price changes of diamond, gross margin of gem-set jewellery products decreased, resulted in overall gross margin drop of 0.9 p.p. to 23.2% (2015: 24.1%). Gross profit decreased by 15.1% to HK\$3,254,111,000 (2015: HK\$3,831,538,000). In addition, as it is common for rental adjustments to lag behind, the rental cost still recorded single-digit growth even when the revenue decreased, which caused the total operating expenses to increase by 2.2% and its ratio to revenue increased to 15.2% (2015: 13.1%). Moreover, the profit

業績

截至2016年3月31日止年度(「回顧年度」), 整體宏觀經濟積弱, 在美元加息預期下港元偏強而人民幣勢弱, 引致熱門旅遊目的地如日本、韓國及其他東南亞國家等貨幣貶值, 加上中國內地個人遊政策(「個人遊政策」)之調整, 皆導致旅客訪港澳意欲下降。除此之外, 中國內地經濟增長持續放緩, 消費者消費意慾未見好轉。因此, 於回顧年度內, 六福集團(國際)有限公司(「本公司」)及其附屬公司(統稱「本集團」)的收入減少11.9%至14,031,302,000港元(2015年: 15,922,708,000港元)。再者, 鑽石產品因應市價之調整使珠寶首飾產品毛利率下調, 令整體毛利率下跌0.9個百分點至23.2%(2015年: 24.1%), 總毛利下跌15.1%至3,254,111,000港元(2015年: 3,831,538,000港元)。此外, 租金調整通常有滯後情況, 因而在收入下降情況下租金支出仍有單位數字升幅, 以致總經營開支上升2.2%, 其佔收入比率上升至15.2%(2015年: 13.1%)水平, 加上於回顧年度香港資源控股有限公司(「香港資源控股」)及其子公司之投資及營運活動的收益由盈轉虧, 經營溢利因而下跌38.7%至1,212,152,000港元

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

derived from the investments and operating activities in relation to Hong Kong Resources Holdings Company Limited ("HKRH") and its subsidiaries turned into a loss during the Year under review. The operating profit therefore decreased by 38.7% to HK\$1,212,152,000 (2015: HK\$1,976,211,000) and the operating margin was 8.6% (2015: 12.4%). With a net margin of 6.9% (2015: 10.2%), the profit attributable to equity holders decreased by 40.6% to HK\$958,692,000 (2015: HK\$1,614,805,000). Basic earnings per share were HK\$1.63 (2015: HK\$2.74).

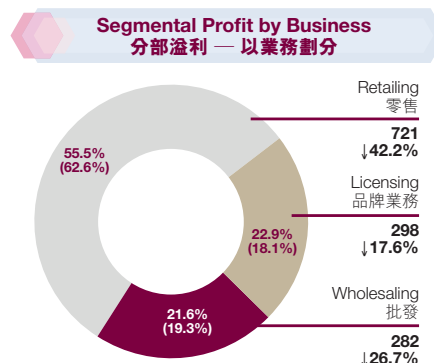
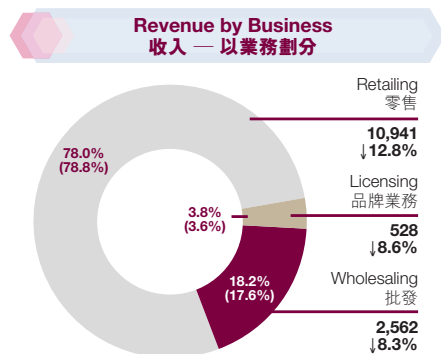
Overview

During the Year under review, the Group added a net total of 54 new shops worldwide, including a net addition of 46 Lukfook shops (among them were 20 licensed shops and 26 self-operated shops) in Mainland China and 9 3D-GOLD self-operated shops through the new joint venture (of which the Group held 51% equity) with a licensee in Mainland China. The Group reduced 1 self-operated Lukfook shop in Hong Kong and opened a new one in Canada while closing the Lukfook licensed shop in Korea temporarily, pending for relocation. As at 31 March 2016, the Group had a global network of 1,437 shops (2015: 1,383), including 1,428 Lukfook shops (2015: 1,383), spanning over in Mainland China, Hong Kong, Macau, Singapore, the United States, Canada and Australia, and operated 9 3D-GOLD shops (2015: Nil) in Mainland China, representing a step forward in the execution of our dual-brand strategy.

(2015年：1,976,211,000港元)，經營溢利率為8.6%（2015年：12.4%），淨利率則為6.9%（2015年：10.2%）。權益持有人應佔溢利下跌40.6%至958,692,000港元（2015年：1,614,805,000港元），每股基本盈利為1.63港元（2015年：2.74港元）。

概覽

於回顧年度內，本集團於全球淨增設54間店舖，包括於中國內地淨增設46間六福店舖（其中20間為品牌店和26間為自營店），及與一名中國內地品牌商以合資公司（本集團佔51%權益）形式開設了9間金至尊自營店；於香港減少1間六福自營店，並於加拿大增設1間，亦暫時關閉了韓國的六福品牌店，以待搬遷。於2016年3月31日，本集團於全球共有1,437間店舖（2015年：1,383間），其中包括1,428間六福店舖（2015年：1,383間），遍及中國內地、香港、澳門、新加坡、美國、加拿大和澳洲，以及在中國內地經營9間金至尊店舖（2015年：無），深化了我們雙品牌策略的執行。



The retail business continued to be the primary revenue source for the Group with its revenue declined by 12.8% to HK\$10,940,712,000 (2015: HK\$12,551,573,000), accounting for 78.0% (2015: 78.8%) of the Group's total revenue. Its segmental profit dropped by 42.2% to HK\$721,645,000 (2015: HK\$1,247,959,000), representing 55.5% (2015: 62.6%) of the total. Its segmental profit margin was 6.6% (2015: 9.9%). The wholesale business revenue decreased by 8.3% over the previous year to HK\$2,562,697,000 (2015: HK\$2,793,382,000),

零售業務繼續成為本集團主要收入來源，零售收入按年減少12.8%至10,940,712,000港元（2015年：12,551,573,000港元），佔本集團總收入的78.0%（2015年：78.8%）。其分部溢利下跌42.2%至721,645,000港元（2015年：1,247,959,000港元），佔比為55.5%（2015年：62.6%），其分部溢利率為6.6%（2015年：9.9%）。批發業務收入較去年同期下跌8.3%至2,562,697,000港元（2015年：

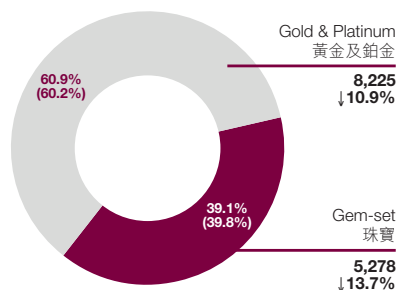
MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

accounting for 18.2% (2015: 17.6%) of the Group's total revenue. Its segmental profit dropped by 26.7% to HK\$281,637,000 (2015: HK\$384,430,000), representing 21.6% (2015: 19.3%) of the total, while its segmental profit margin was 11.0% (2015: 13.8%). Licensing income decreased by 8.6% to HK\$527,893,000 (2015: HK\$577,753,000), accounting for 3.8% (2015: 3.6%) of the Group's total revenue. Its segmental profit dropped by 17.6% to HK\$297,797,000 (2015: HK\$361,439,000), representing 22.9% (2015: 18.1%) of the total, while its segmental profit margin was 56.4% (2015: 62.6%).

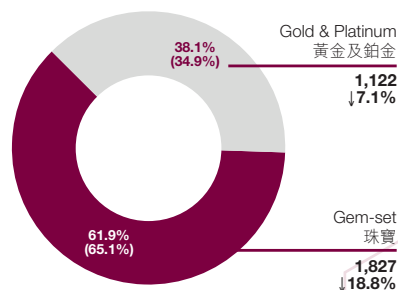
2,793,382,000港元)，佔本集團總收入的18.2%（2015年：17.6%）。其分部溢利下跌26.7%至281,637,000港元（2015年：384,430,000港元），佔比為21.6%（2015年：19.3%），其分部溢利率為11.0%（2015年：13.8%）。品牌業務收入減少8.6%至527,893,000港元（2015年：577,753,000港元），佔本集團總收入的3.8%（2015年：3.6%），其分部溢利下跌17.6%至297,797,000港元（2015年：361,439,000港元），佔比為22.9%（2015年：18.1%），其分部溢利率為56.4%（2015年：62.6%）。

Sales¹ by Product 銷售¹—以產品劃分



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

Gross Profit² by Product 毛利²—以產品劃分



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

Gold products remained the most favourite item among customers and together with platinum products, their revenue decreased by 10.9% (2015: -26.1%) to HK\$8,225,319,000 (2015: HK\$9,231,225,000), accounting for 60.9% (2015: 60.2%) of overall sales (Group revenue minus licensing income). Although there was a slight increase in gross margin of gold products to 13.6% (2015: 13.1%), gross profit of gold and platinum products dropped by 7.1% to HK\$1,122,157,000 (2015: HK\$1,207,811,000), accounting for 38.1% (2015: 34.9%) of overall gross profit (consolidated gross profit of the Group minus gross profit of licensing income). Sales of gem-set jewellery products dropped by 13.7% to HK\$5,278,090,000 (2015: HK\$6,113,730,000), accounting for 39.1% (2015: 39.8%) of overall sales. Because of the adjustment of retail price in response to the changes in diamond market price, gross margin of gem-set jewellery products dropped by 2.2 p.p. to 34.6% (2015: 36.8%), while its gross profit decreased by 18.8% to HK\$1,826,796,000 (2015: HK\$2,249,815,000), accounting for 61.9% (2015: 65.1%) of overall gross profit.

黃金產品仍為最受客戶歡迎的產品，連同鉑金產品，銷售額下跌10.9%（2015年：-26.1%）至8,225,319,000港元（2015年：9,231,225,000港元），佔整體銷售額（本集團收入減去品牌業務收入）的60.9%（2015年：60.2%）。雖然黃金產品毛利率輕微上升至13.6%（2015年：13.1%），黃金及鉑金產品毛利仍下跌7.1%至1,122,157,000港元（2015年：1,207,811,000港元），佔整體毛利（本集團綜合毛利減去品牌業務收入毛利）的38.1%（2015年：34.9%）。珠寶首飾產品的銷售額下跌13.7%至5,278,090,000港元（2015年：6,113,730,000港元），佔整體銷售額的39.1%（2015年：39.8%）。由於鑽石的零售價因市價變動而作出調整，珠寶首飾產品的毛利率下跌2.2個百分點至34.6%（2015年：36.8%），其毛利則下跌18.8%至1,826,796,000港元（2015年：2,249,815,000港元），佔整體毛利的61.9%（2015年：65.1%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year under review, the overall same store sales growth* ("SSSG") of the Group was -19.3% (2015: -28.3%). SSSG for the Hong Kong and Macau market was -20.1% (2015: -28.2%) and that for the Mainland China market was -8.2% (2015: -29.8%). The SSSG for gold and platinum products was -16.7% (2015: -34.3%) and that for gem-set jewellery products was -24.1% (2015: -13.8%).

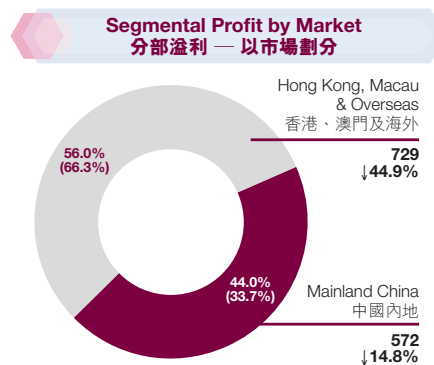
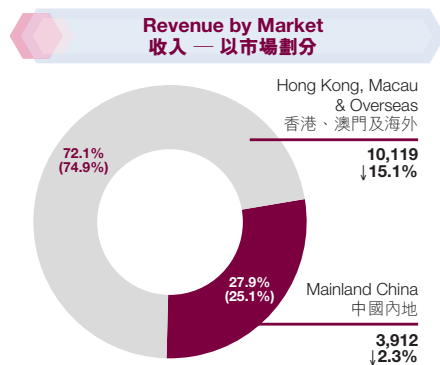
The Group has been striving to diversify its product mix to offer customers with more choices. Since 2010, we have been endeavouring to expand the mid-to-high end watch business. As at 31 March 2016, the Group was the authorised dealer of 34 watch brands, including ARNOLD & SON, AUDEMARS PIGUET, BALL and its BALL for BMW series, BALMAIN, BULOVA, BURBERRY, BVLGARI, CERTINA, COINWATCH, CORUM, DOXA, EMILE CHOURIET, EMPORIO ARMANI, ENICAR, ERNEST BOREL, ETERNA, FREDERIQUE CONSTANT, GRONEFELD, HAMILTON, H. MOSER & CIE, LONGINES, LOUIS ERARD, LUDOVIC BALLOUARD, MAURICE LACROIX, MIDO, OMEGA, ORIS, RADO, ROMAGO SWISS, TAG HEUER, TISSOT, URWERK, VICTORIONX SWISS ARMY and ZENITH. For the Year under review, the watch business contributed a revenue of HK\$247,843,000 (2015: HK\$320,444,000), representing 1.8% (2015: 2.0%) of the Group's total revenue with 22.7% decrease when compared with last year.

於回顧年度內，本集團整體同店銷售增長*（「同店銷售增長」）為-19.3%（2015年：-28.3%），香港及澳門市場的同店銷售增長為-20.1%（2015年：-28.2%），而中國內地市場則為-8.2%（2015年：-29.8%）。黃金及鉑金產品的同店銷售增長為-16.7%（2015年：-34.3%），珠寶首飾產品則為-24.1%（2015年：-13.8%）。

本集團一直銳意拓展多元化產品，為顧客提供更多選擇。自2010年起，我們致力擴充中高檔鐘錶業務，於2016年3月31日，本集團已成為34個鐘錶品牌的授權經銷商，品牌包括亞諾、愛彼錶、波爾及其「波爾寶馬時計」、寶曼、寶路華、博柏利、寶格麗、雪鐵納、科因沃奇、崑崙、時度、艾米龍、EMPORIO ARMANI、英納格、依波路、綺年華、康斯登、GRONEFELD、漢米爾頓、亨利慕時、浪琴、諾時錶、LUDOVIC BALLOUARD、艾美、美度、歐米茄、豪利時、雷達、瑞士雷米格、豪雅、天梭、和域、瑞士維氏及真力時。於回顧年度內，來自鐘錶業務的收入為247,843,000港元（2015年：320,444,000港元），佔本集團總收入1.8%（2015年：2.0%），較去年下跌22.7%。

BUSINESS REVIEW

業務回顧



* Same store sales growth represented a comparison of sales of the same self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops and Mainland China's e-commerce business.

* 同店銷售增長為同一間自營店於可資比較期內完整日營運的銷售額比較，有關數據並不包括品牌店及中國內地電子商貿的銷售額。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Hong Kong, Macau and Overseas

Hong Kong

The Hong Kong market remained the key source of revenue for the Group. Mainland Chinese visitors had been the major driver for the retail business growth in Hong Kong for the past few years. However, due to the slowing economic growth in Mainland China, the adjustment to the IVS and the growing popularity of other travel destinations under currency devaluation, there was a trend of shorter stay period and reduced spending on luxury items in Hong Kong by Mainland tourists. In light of the gloomy macro-economic situation, spending power of consumers reduced. Per capita spending by Mainland Chinese visitors was also declining. According to statistics on visitor arrivals published by the Hong Kong Tourism Board (the "HKTB") in January 2016, visitor arrivals from Mainland China in 2015 decreased by 3% over the previous year and reached approximately 45.84 million. According to the visitor arrival statistics published by the HKTB in March 2016, the number of Mainland arrivals under the IVS decreased by 26% from 3.05 million in January 2015 to 2.27 million in December 2015. In respect of tourist spending, according to the figures on retail sales released by the Census and Statistics Department in February 2016, the value of sales of jewellery, watches and clocks, and valuable gifts in 2015 decreased by 15.6% when compared to 2014. Due to the impact of overall market performance, the Group's retail revenue in Hong Kong decreased by 13.4% to HK\$7,727,658,000 (2015: HK\$8,923,360,000). The revenue of the wholesale business generated from the Hong Kong market decreased by 16.8% to HK\$490,646,000 (2015: HK\$589,721,000) due to the drop in scrap gold and platinum sales and sales to 3D-GOLD shops operated by China Gold Silver Group Company Limited ("CGS"), an associate of the Company which conducts jewellery retail and franchise business under the brandname of "3D-GOLD" in Hong Kong, Macau and Mainland China. As at 31 March 2016, the Group operated a total of 47 self-operated shops (2015: 48) in Hong Kong, 1 shop less than the previous year.

Macau

The performance of Macau market was even worse than that of Hong Kong. According to the tourism statistics published by the Statistics and Census Service of the Macau Special Administrative Region, visitor arrivals slightly decreased by 2.6% in 2015 to 30.71 million, but gross domestic product of Macau decreased by 20.3% over last year. According to figures from the Macau Government Tourist Office of the Macau Special Administrative Region, visiting tourists' per capita spending on jewellery and watches substantially decreased by 59.3% from MOP214 in 2014 to MOP87 in 2015. Therefore, the Group's revenue generated from the Macau market decreased by 22.3% to HK\$1,758,769,000 (2015: HK\$2,264,882,000). As at 31 March 2016, the Group had a total of 10 self-operated shops (2015: 10) in Macau.

香港、澳門及海外

香港

香港市場仍為本集團的主要收入來源，中國內地旅客在過去多年一直為推動香港零售業務增長之主要動力。然而，受到中國內地經濟增長放緩、個人遊政策之調整及其他旅遊目的地因貨幣貶值而興起之影響，中國內地旅客出現縮短留港時間和減少購買奢侈品的趨勢，人均消費亦因宏觀經濟狀況欠佳，消費者消費力下調而連續下滑。根據香港旅遊發展局（「旅發局」）於2016年1月公布之訪港旅客統計數據顯示，2015年訪港的中國內地旅客按年減少3%至約45.84百萬人次；根據旅發局於2016年3月刊發的訪港旅客統計顯示，個人遊內地訪港客由2015年1月的3.05百萬人，減少至2015年12月的2.27百萬人，跌幅達26%。旅客消費方面，據香港政府統計處於2016年2月發表的零售業銷貨額數字顯示，2015年全年的珠寶首飾、鐘錶及名貴禮物的銷貨價值與2014年比較下跌15.6%。由整體市場表現影響所及，本集團香港市場的零售收入也因而減少13.4%至7,727,658,000港元（2015年：8,923,360,000港元）。因黃鉑金廢料銷售及銷售至中國金銀集團有限公司（「中國金銀」）（本公司之聯營公司，以「金至尊」品牌在香港、澳門及中國內地從事珠寶首飾零售及特許經營之業務）經營的金至尊店舖的收入皆下降，香港市場的批發業務收入下跌16.8%至490,646,000港元（2015年：589,721,000港元）。於2016年3月31日，本集團在香港經營的店舖減少1間至合共47間自營店（2015年：48間）。

澳門

澳門市場的表現較香港市場更差。根據澳門特別行政區政府統計暨普查局旅遊統計之數字，2015年訪澳旅客較去年輕微減少2.6%至30.71百萬人次，但本地生產總值卻較去年減少20.3%。根據澳門特別行政區政府旅遊局之數字，訪澳旅客於珠寶手錶項目的人均消費由2014年的214澳門元，大幅減少59.3%至2015年的87澳門元。因此，本集團來自澳門市場的收入減少22.3%至1,758,769,000港元（2015年：2,264,882,000港元）。於2016年3月31日，本集團在澳門共設10間自營店（2015年：10間）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Overseas

Adhering to its motto “Brand of Hong Kong, Sparkling the World”, the Group has been seeking opportunities all over the world in recent years. During the Year under review, the Group opened its second self-operated shop in Canada and temporarily closed its licensed shop in Korea pending for relocation. As at 31 March 2016, the Group has a total of 6 overseas shops (2015: 5), including 1 in Singapore, 2 in the United States, 2 in Canada and 1 in Australia.

The revenue of the Hong Kong, Macau and overseas markets amounted to HK\$10,119,551,000 (2015: HK\$11,919,446,000), accounting for 72.1% (2015: 74.9%) of the Group’s total revenue. Due to the drop in sales in the Hong Kong and Macau market and the decline in gross margin of gem-set jewellery products, together with the continuing rental rise, the segmental profit of the Hong Kong, Macau and overseas markets declined by 44.9% to HK\$728,696,000 (2015: HK\$1,322,371,000), accounting for 56.0% (2015: 66.3%) of the total. Their segmental profit margin was 7.2% (2015: 11.1%).

The SSSG for gold and platinum products of Hong Kong, Macau and overseas markets was -16.9% (2015: -34.2%) and that for gem-set jewellery products was -25.5% (2015: -14.9%).

Mainland China

During the Year under review, retail revenue from the Mainland China market increased by 7.4% to HK\$1,311,807,000 (2015: HK\$1,221,848,000) due to the increase in the number of self-operated shops. The SSSG for gold and platinum products of Mainland China was -12.8% (2015: -35.8%) and that for gem-set jewellery products was +8.7% (2015: +10.5%).

The revenue of the wholesale business generated from the Mainland China market fell by 6.0% to HK\$2,072,051,000 (2015: HK\$2,203,661,000) mainly because of the decrease in the number of new licensed shops, while the licensing income reduced by 8.6% to HK\$527,893,000 (2015: HK\$577,753,000).

海外

秉承著「香港名牌•國際演繹」的宗旨，本集團近年在世界各地不斷尋找機遇。於回顧年度內，本集團於加拿大開設了第二間自營店，並暫時關閉了韓國的品牌店以等候搬遷。於2016年3月31日，本集團總共經營6間海外店舖（2015年：5間），包括1間位於新加坡、2間位於美國、2間位於加拿大以及1間位於澳洲。

香港、澳門及海外市場的收入為10,119,551,000港元（2015年：11,919,446,000港元），佔本集團整體收入72.1%（2015年：74.9%）。由於港澳市場珠寶首飾產品銷售下跌，加上其毛利率之下調，而在租金仍然上升的情況下，香港、澳門及海外市場的分部溢利下跌44.9%至728,696,000港元（2015年：1,322,371,000港元），佔整體的56.0%（2015年：66.3%），其分部溢利率為7.2%（2015年：11.1%）。

香港、澳門及海外市場黃金及鉑金產品之同店銷售增長為-16.9%（2015年：-34.2%），珠寶首飾產品則為-25.5%（2015年：-14.9%）。

中國內地

於回顧年度內，中國內地市場的零售收入因自營店數目增加而上升7.4%至1,311,807,000港元（2015年：1,221,848,000港元），中國內地黃金及鉑金產品之同店銷售增長為-12.8%（2015年：-35.8%），珠寶首飾產品則為+8.7%（2015年：+10.5%）。

由於新增品牌店數目減少，中國內地市場批發業務之收入因此下跌6.0%至2,072,051,000港元（2015年：2,203,661,000港元），而品牌業務之收入則下跌8.6%至527,893,000港元（2015年：577,753,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 March 2016, the Group had 105 self-operated shops (2015: 79) and 1,260 licensed shops (2015: 1,240), totalling 1,365 shops (2015: 1,319) under the “Lukfook” brand name in Mainland China. During the Year under review, the Group had a net increase of 20 Lukfook licensed shops (2015: 115) and 26 Lukfook self-operated shops (2015: -4) there. 14 of the new self-operated shops were opened by a joint venture (of which the Group held 51% equity) established with a licensee. Apart from that, 9 self-operated 3D-GOLD shops were also opened in Mainland China by the same joint venture during the Year under review, furthering the development of the Group’s dual-brand strategy.

During the Year under review, revenue from the Mainland China market decreased by 2.3% to HK\$3,911,751,000 (2015: HK\$4,003,262,000), accounting for 27.9% (2015: 25.1%) of the Group’s total revenue. Its segmental profit declined by 14.8% to HK\$572,383,000 (2015: HK\$671,457,000), accounting for 44.0% (2015: HK\$33.7%) of the total and its segmental profit margin was 14.6% (2015: 16.8%).

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

於2016年3月31日，本集團在中國內地以「六福」品牌經營的店舖總數達1,365間(2015年：1,319間)，包括105間自營店(2015年：79間)及1,260間品牌店(2015年：1,240間)。於回顧年度內，本集團於當地淨增設了20間六福品牌店(2015年：115間)及26間六福自營店(2015年：-4間)，其中14間新增的自營店乃與品牌商建立的合資公司(本集團佔51%權益)所設立。另外，於回顧年度內，與同一合資公司在中國內地亦開設了9間金至尊自營店，深化了本集團雙品牌策略之發展。

於回顧年度內，來自中國內地市場的收入下跌2.3%至3,911,751,000港元(2015年：4,003,262,000港元)，佔本集團總收入27.9%(2015年：25.1%)。其分部溢利下跌14.8%至572,383,000港元(2015年：671,457,000港元)，佔整體的44.0%(2015年：33.7%)，其分部溢利率為14.6%(2015年：16.8%)。

有關香港資源控股及其附屬公司的投資及營運活動之財務影響

Profit/(Loss) 盈利/(虧損)			
HK\$ m 百萬港元	FY2016 2016財年	FY2015 2015財年	Y-o-Y Change 按年變化
50% Share of Results of Associate 分佔聯營公司50%業績	(81)	(23)	(58)
Valuation (Loss)/Gain on Convertible Bond 可換股債券估值(虧損)/得益	(21)	10	(31)
Wholesale Gross Profit 批發毛利	13	14	(1)
Fair Value Devaluation of Option 購股權公允價值減值	(5)	-	(5)
Interest Income on Working Capital Loan 流動資金貸款利息收入	4	3	1
Interest Income on Convertible Bond 可換股債券利息	2	1	1
Total 整體	(88)	5	(93)

The financial impact of investments and operating activities in HKRH and its subsidiaries during the Year under review turned from a profit into a loss of HK\$88,000,000 (2015: HK\$5,000,000 profit).

於香港資源控股及其附屬公司的投資及營運活動的財務影響於回顧年度內由盈轉虧至88,000,000港元(2015年：5,000,000港元盈利)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 March 2016, the Group's cash and bank balances were approximately HK\$2,432,000,000 (2015: HK\$2,090,000,000). The Group's net gearing ratio at the year-end was 0% (2015: 0%), which was concluded by using the ratio of total bank borrowings and gold loans of approximately HK\$711,000,000 (2015: HK\$1,713,000,000) less cash and bank balances against total shareholders' equity of approximately HK\$8,674,000,000 (2015: HK\$8,536,000,000). Net cash was approximately HK\$1,721,000,000 (2015: HK\$377,000,000). The debt-to-equity ratio was approximately 21.5% (2015: 34.1%), being the ratio of total liabilities of approximately HK\$1,861,000,000 (2015: HK\$2,911,000,000) against total shareholders' equity of approximately HK\$8,674,000,000 (2015: HK\$8,536,000,000). The Group's income and expenditure streams are mainly denominated in Hong Kong dollars.

Inventory

As at 31 March 2016, with proactive inventory control under the declining sales trend in the bleak economic condition, the Group's inventory balance therefore dropped by 14.2% to approximately HK\$6,345,000,000 (2015: HK\$7,395,000,000). The average inventory turnover days were 238 days (2015: 209 days) with inventory turnover days of gold products being 119 days (2015: 104 days) and that of gem-set jewellery products being 469 days (2015: 412 days).

Capital Expenditure

During the Year under review, the Group incurred capital expenditures of approximately HK\$113,000,000 (2015: HK\$255,000,000), including the costs of properties, leasehold lands, land use rights, leasehold improvements, furniture, fixtures and equipments.

Capital Commitments

As at 31 March 2016, the Group had total capital commitments of approximately HK\$12,000,000 (2015: HK\$10,000,000).

財務回顧

流動資金及財務資源

於2016年3月31日，本集團的現金及銀行結餘約為2,432,000,000港元(2015年：2,090,000,000港元)。本集團於年結日的淨債務比率為0%(2015年：0%)，此乃按銀行貸款及黃金借貸總額約711,000,000港元(2015年：1,713,000,000港元)，減去現金及銀行結餘後，相對股東權益總額約8,674,000,000港元(2015年：8,536,000,000港元)之比例計算後之結論，淨現金約為1,721,000,000港元(2015年：377,000,000港元)。負債權益比率約為21.5%(2015年：34.1%)，此乃按總負債約1,861,000,000港元(2015年：2,911,000,000港元)相對股東權益總額約8,674,000,000港元(2015年：8,536,000,000港元)之比例計算。本集團之收支項目主要以港元列值。

存貨

Inventory Turnover Days by Product
期末存貨週轉日數(以產品劃分)

	FY2016 2016財年	FY2015 2015財年
Gold 黃金	119	104
Gem-set 珠寶	469	412
Overall 整體	238	209

於2016年3月31日，本集團在銷售因經濟狀況未見起色而呈下跌的趨勢下，積極控制存貨，存貨因而減少14.2%至約6,345,000,000港元(2015年：7,395,000,000港元)，而平均存貨週轉日數為238日(2015年：209日)，其中黃金產品之存貨週轉日數為119日(2015年：104日)，珠寶首飾產品之存貨週轉日數則為469日(2015年：412日)。

資本開支

於回顧年度內，本集團產生資本開支約為113,000,000港元(2015年：255,000,000港元)，包括物業、租賃土地、土地使用權、租賃物業裝修、傢俬、裝置及設備成本。

資本承擔

於2016年3月31日，本集團的資本承擔總額約為12,000,000港元(2015年：10,000,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Contingent Liabilities

As at 31 March 2016, the Group had outstanding financial guarantees amounting to approximately HK\$673,000,000 (2015: HK\$780,000,000) issued to several banks in respect of banking facilities granted to an associate.

Human Capital Policy

As at 31 March 2016, the number of employees of the Group was approximately 7,100 (2015: 6,900). The increase in headcount was mainly because of increased number of self-operated shops in Mainland China. Remuneration policies were reviewed and approved by the management regularly to ensure fair rewards and compensation for employees. Remuneration packages were structured to be comparable to the market while bonuses and other merit payments were linked to the performances of the Group and the employees. Such a reward system aims to use financial incentives to motivate employees to act in alignment with the Group's business performance objectives.

或然負債

於2016年3月31日，本集團向數間銀行出具有關向一間聯營公司授予銀行融資之未償還財務擔保約為673,000,000港元(2015年：780,000,000港元)。

人力資本政策

於2016年3月31日，本集團的員工人數約為7,100人(2015年：6,900人)，人數增加主要由於中國內地自營店數目增加所致。管理層定期檢討及審核薪酬政策，以確保為員工提供公平報酬及補償。薪酬待遇乃經考慮相近市場水平後釐定，而花紅及其他獎賞則與本集團表現及僱員表現掛鈎。此政策旨在以金錢獎賞，鼓勵員工協力達成提升本集團業務表現的目標。

OUTLOOK

前景



The ongoing uncertainties in global economy, the slowing economic growth in Mainland China, the adjustment to the IVS, the currency devaluation and relaxed visa requirements in other destinations under the backdrop of strong Hong Kong Dollar and weak Renminbi, all adversely affected the Group's retail business. Therefore, the Group remains prudent about the business growth in the near term. Nevertheless, the Group is still optimistic about the mid- to long-term business prospect and will endeavour to uphold the Group's business development with strategies on three focuses including product, China and branding via product offering enrichment, China focus network expansion and market oriented strategies, respectively, in the coming year.

全球經濟仍然不明朗、中國內地經濟增長放緩、個人遊政策之調整、在港元強勢而人民幣勢弱的情況下各地的貨幣貶值及放寬簽證等，均對本集團的零售業務造成負面影響。因此，本集團對來年的業務增長仍保持審慎態度。然而，本集團對於中長線業務前景仍然樂觀，並將在來年採取三管齊下的策略，分別透過豐富產品的組合、集中於中國的網絡擴張及市場導向的策略，專注於產品、中國及品牌推廣，以支持本集團的業務發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Product Focus

It was stated at the Fifth Plenary Session of the Eighteenth Central Committee of the Communist Party of China that China would maintain medium to high economic growth during the Thirteenth Five-Year Plan period (2016–2020) and that China would double its 2010 GDP and per capita income of urban and rural residents by 2020 as planned to build China into a moderately prosperous society in all respects. It is thus clear that the Central Government will continue to actively promote economic development and raise the income of residents. In the long run, the middle-class population will increase substantially, which is conducive to the development of the gold and gem-set jewellery market. Moreover, with the implementation of the two-child policy, demand for luxury products for kids will increase gradually too. Accordingly, the Group will offer more fashionable yet affordable products to cater for the trend of trading down consumption and target at the mass market covering middle-class customers, working groups as well as kids market.

China Focus

Given the weak sentiment in the Hong Kong retail sector, the Group will optimise the retail network in Hong Kong by adding points of sale at residential areas in response to the better sales performance of the shops in these areas while reducing shops at prime locations with unsatisfactory performance. On the other hand, with the considerable growth of middle-class population, the Group will focus its market coverage enlargement in Mainland China. As the market in the first-tier cities has become saturated after years of development, the Group will continue to accelerate the expansion into the sub second-tier cities by leveraging on the joint venture business model with certain licensees and dual-brand strategy advantages. The Group's net shop additions will not be less than 50 in the coming year so as to establish a sound retail network to increase market share.

The Group will also continue to develop e-commerce business and to further strengthen cooperation with e-commerce platforms in Mainland China. During the Year under review, in addition to the 9 online sales platforms, including Tmall.com, JD.com and Suning.com, the Group has established presence in 5 more online sales platforms. The Group targets to grow e-commerce business revenue by 50% in the coming year.

專注於產品

中共十八屆五中全會提出，「十三五」（2016至2020年）期間，中國經濟將保持中高速增長，並強調將會如期在2020年達到國內生產總值和城鄉居民人均收入比2010年翻一番，實現全面建成小康社會目標。可見，中央政府未來會繼續積極推動經濟發展，提升居民收入水平，長遠而言，中產人口將會大幅上升，有利黃金及珠寶首飾市場之發展，加上二孩政策的實行，對兒童奢侈品的需求將會日漸增加。因此，本集團將會積極配合目前消費降級，針對覆蓋了中產、上班一族及兒童市場的大眾市場，推出更多款式新穎、價格相宜的產品。

專注於中國

因應香港零售市道氣氛低迷，本集團將優化香港的零售網絡，配合住宅區店舖較佳的銷售表現，著手於此等區域增設銷售點，並同時減少於主要地段表現欠佳的店舖。另一方面，隨著中產人口的可觀增長，本集團將集中於中國內地擴大市場覆蓋率。鑑於中國內地一線城市經過數年發展已呈現飽和狀態，本集團會繼續憑藉與個別品牌商之合資經營模式及雙品牌營運優勢加速於二線以下城市的擴張。本集團來年在中國內地店舖之淨增長將不少於50間，以助鋪蓋完善的零售網絡以提升市場佔有率。

本集團亦銳意在中國內地繼續發展電子商貿業務，加強與電商的合作。於回顧年度內，本集團在中國內地包括天貓、京東商城和蘇寧易購等9家網上銷售平台的基礎上，新增了5家網上銷售平台。本集團已訂下目標，於來年促進電子商貿收入增長50%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Branding Focus

The Group will adopt a holistic approach to penetrate into middle-class, wedding and kids markets. By understanding customers' consumption habits, the Group aims to provide products tailored to their consumption behaviour and market demand, which would help enhance customers' brand loyalty. Furthermore, the Group will continue to attract customers and boost local consumptions, via product display enhancement, cross-selling promotions and VIP activities so as to improve sales and profit.

The Group will showcase, promote and market products through mobile applications and social media platforms such as Facebook and WeChat. According to the report jointly published by Taobao and CBNDData on Internet spending trends in China, 80% of consumers aged between 20 and 40 learnt about gold and jewellery products through the Internet and 60% of them had spent money on the Internet. The proportion of spending on gold jewellery under RMB1,600 was 64%, while that on gold jewellery over RMB3,000 was a meagre 15%. There is enormous potential from young consumers for their spending on online sales platforms. In light of that, the Group will endeavour to promote sales of low-priced jewellery on online platforms to attract young consumers.

Productivity Enhancement

In the year ahead, there are still uncertainties in the global economic outlook. The SSSG starting from the beginning of the new financial year up to date continues to decline. Apart from exploring various means of increasing revenue source, the Group will strive to implement productivity enhancement as well as cost-saving measures in different operational aspects, including reducing staff costs through voluntary turnover, grasping the opportunity to negotiate with landlords for reducing rents, enhancing service quality control, improving support to licensees, promoting continuous improvement culture and automating operational processes in order to improve efficiency and reduce costs. Through these measures, it is expected that the impacts of lacklustre economic conditions on the Group's performance could be mitigated.

專注於品牌推廣

本集團將採取全面性舉措以滲透中產、婚嫁及兒童市場，期望能透過了解顧客的消費習慣，根據其消費行為量身定制符合市場口味的產品，提高顧客對品牌的忠誠度。此外，本集團會繼續透過加強產品陳列、交叉促銷和VIP推廣活動，吸引顧客，推動本土消費，以提高銷售和利潤。

本集團將透過手機應用程式和網絡社交平台如Facebook和微信，進行產品展示、宣傳及推廣。根據淘寶網和第一財經商業數據中心(CBNDData)公布的中國互聯網消費趨勢報告，20歲至40歲的消費者通過互聯網了解黃金和珠寶產品的比例達八成，而參與消費的比例亦達到六成。黃金首飾消費在1,600人民幣以下的比例為64%，而3,000人民幣以上的比例僅為15%。年輕消費者於網上銷售平台的消費有著無限潛力。有見及此，本集團將致力於網上平台推動低價珠寶首飾之銷售，吸引年輕消費者。

促進生產力

未來一年，環球經濟前景仍然不明朗。由新財政年度首季開始至今之同店銷售仍持續下跌。除以不同方法開源外，本集團會致力在各營運層面盡力提升生產力及節流，其中包括以自然流失方式減省員工費用、把握時機向業主尋求減租、改善服務質量的監控、加強對品牌商提供的支援、推動持續進步之文化及營運流程全面自動化等舉措，以提升效率及減省成本，期望將經濟不景氣對本集團的業績衝擊減至最低。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In the long run, with unique geography and tax advantage of Hong Kong and Macau, cumulative brand awareness over the years, extensive retail network, management's effective sales strategy and increasing per capita income of Mainland China, there will still be strong customer demand for jewellery products. The outlook for jewellery industry remains promising, which will benefit the Group's continuous business development. Therefore, the Group will maintain its pragmatic and prudent business strategy, and will also take a proactive approach towards market challenges, thereby uplifting its competitive advantage and strengthening its leading position in the jewellery retail market.

長遠而言，憑著港澳獨特的地理及稅務優勢、歷年來累積的品牌知名度、龐大的零售網絡、管理層有效的銷售策略及中國內地的人均收入之提升等，顧客對於珠寶產品仍有殷切的剛性需求，珠寶行業前景仍然樂觀，有利本集團業務的持續發展。因此，本集團將貫徹務實穩健的業務策略，積極應對市場挑戰，抓緊發展機遇，藉此提升自身的競爭優勢，鞏固其於珠寶零售市場的領導地位。

BRANDING

品牌策略

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

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

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



為貫徹「愛很美」的品牌推廣主題，本集團一直以來透過出色的市場推廣活動及卓越的顧客服務計劃，建立殷切親和的品牌形象，加強顧客對品牌的情意連繫。

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

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



BRANDING

品牌策略

MARKET ORIENTED STRATEGIES

Targeting the mid-to-high end consumer markets in Mainland China, Hong Kong, Macau and overseas, the Group has implemented comprehensive marketing strategies, and launched diversified product offerings with exquisite designs, together with outstanding marketing campaigns, to seize the business opportunities arising from the middle-class, wedding and kids markets.

Middle-Class Market

To cope with the brand's positioning of mass luxury sector, we have endeavoured to further penetrate the middle-class market through various channels. During the Year under review, the Group held for the first time the "Lukfook Jewellery Raceday" featuring the theme "Crown the Love", and invited Miss Hong Kong Pageant title winners to showcase a series of glamorous diamond jewellery to the guests and audience, so as to raise our brand awareness among the middle-class population. In the light of the popularity of fashionable diamond jewellery suitable for daily wear among this group of customers, the Group stepped up the marketing efforts on the "Love is Beauty" and "Convergence of Love" Collection. We also promoted the "Love Forever" Collection in collaboration with our celebrity endorser Mr. Lam-Fung, and introduced a series of trendy jewellery which turned out to be well received by couples, thus attracting this group of sophisticated, chic young customers.

Nowadays, marathon running has become one of the most popular sports among the middle-class in pursuit of a healthy lifestyle. Therefore, with a view to boosting brand awareness and seizing the business opportunities from the middle-class market, the Group sponsored the medals set with gold and diamonds for the Hong Kong, Beijing and Shanghai marathons to honour over 50,000 marathon finishers. Apart from that, the Group also rolled out various targeted marketing programmes, such as the professional image and etiquette seminar and yacht club activities.

市場導向策略

針對中港澳及海外的中高端消費市場，本集團採取全面的市場推廣策略，配合設計精湛、多元化的產品組合，以及出色的市場推廣活動，以抓緊中產、婚嫁和孩童市場帶來的發展機遇。

中產市場

為配合本集團大眾化奢侈品的市場定位，我們致力透過不同渠道進一步滲透中產市場。本集團於回顧年度內首次舉辦「六福珠寶賽馬日」，以「為愛加冕」為活動主題，邀請了多位香港小姐向現場嘉賓及觀眾完美演繹一系列閃爍瑰麗的鑽石首飾，藉以吸引中產人士對品牌的關注。有見此客戶群追求設計時尚並適合日常佩戴的鑽石首飾，本集團加強宣傳「愛很美」及「亮聚」系列，我們亦推出以林峯先生為代言人的「愛恆久」系列，推廣多款深受情侶歡迎的時尚首飾，吸納富品味及潮流觸覺的年輕顧客群。

現今都市人追求健康生活文化，而馬拉松正是深受中產階層熱愛的運動之一，因此，本集團透過贊助香港、北京及上海馬拉松鑲足金及鑽石獎牌，向超過50,000位完賽跑手致意。此外，本集團亦推出多個針對性推廣活動，如專業形象禮儀講座、遊艇會活動等，以提升品牌的認知度，抓緊中產市場帶來的商機。



BRANDING

品牌策略

Wedding Market

According to the statistics released by the Ministry of Civil Affairs of the People's Republic of China, there has been on average over 12 million pairs of newlyweds per year in the past 5 years. In order to seize this valuable business opportunity of the wedding market, the Group has participated in wedding expos in Hong Kong and Mainland China, and held large-scale wedding shows with high-end hotels and other wedding related partners. Besides, the Group launched a wide range of Chinese and western wedding products. In the traditional Chinese culture, people like to purchase gold jewellery for gifts and wear. Accordingly, the Group introduced the "Beloved" Collection of gold wedding jewellery, which integrates the traditional Chinese wedding culture into trendy gold jewellery design. Nowadays, diamond jewellery, a symbol of promise of eternity, is also a popular choice among wedding couples. To cater for this trend, the Group launched the Wedding Collection of diamond jewellery and the Platinum Bridal Collection which were introduced in cooperation with Platinum Guild International. We have a wide array of wedding rings with complete range of sizes and complimentary engraving services for wedding couples at our shops, aiming to increase our share in the wedding market by leveraging our diversified wedding products and caring services.

Kids Market

In response to the implementation of the two-child policy in Mainland China since last year, the Group has introduced a variety of kids' products, including the "Hugging Family" Collection and the Rilakkuma™ Collection which has been well received by both adults and kids. To boost sales strategically, the Group launched an array of jewellery accessories featuring the adorable Rilakkuma. Lucky coins from this collection became best sellers. The first-ever baby gift sets of this collection came with the accessories invoking blessings for health, peace and safety as well as the exquisitely designed gift boxes, making them the best choice for gifts or personal use.

The Group also organised a series of promotional activities targeting the kids' market, such as arranging members of the "Hugging Family" to interact with customers, and cooperating with shopping malls by distributing painting books for children in kids zones, so as to build a brand image of warm family.

婚嫁市場

根據中華人民共和國民政部發表的統計數據顯示，過去5年每年有超過1,200萬對新人結婚，為把握龐大婚嫁市場的寶貴商機，本集團除參與香港及國內婚慶博覽會、與高端酒店等跟婚嫁有關之合作夥伴舉行大型婚禮秀外，更推出多款中西式婚嫁產品。中國人傳統多喜愛購買黃金首飾作送禮及佩戴之用，本集團精心打造的「囍愛」結婚金飾系列，將傳統婚慶文化完美融入於時尚黃金首飾當中。隨著潮流轉變，現今新人亦喜愛選購鑽石作結婚之用，取其象徵恆久承諾的意思，本集團亦推出婚嫁鑽石系列，以及與國際鉑金協會攜手推出的Pt「純·結」婚嫁系列，店舖備有多款尺碼齊全的結婚對戒供新人選擇，並附有免費即時刻字等增值服務，以多元化的婚嫁產品及貼心的服務去擴大婚嫁市場的份額。



孩童市場

配合去年於中國內地推行的二孩政策，本集團推出不同的孩童產品，如「抱抱家庭」系列及深受大人小朋友歡迎的Rilakkuma™「輕鬆小熊」系列。為策略性地提高銷售，本集團以可愛的輕鬆小熊造型設計出多款首飾產品，當中壓歲錢成為熱賣暢銷產品，並首度推出寶寶禮盒套裝，把寓意平安、健康的飾品配以設計精緻的禮盒，作為饋贈或自用的最佳選擇。

針對孩童市場，本集團亦透過舉辦一系列的宣傳活動，如安排抱抱家庭成員到各地與市民互動、與商場合作於其兒童專區派發兒童繪本，以建立溫馨家庭品牌形象。



BRANDING

品牌策略

BRANDING ACTIVITIES

To increase brand awareness more strategically and secure our market share in Hong Kong and Mainland China, during the Year under review, the Group launched a brand-new “Love is Beauty” TV commercial. To strengthen the connection between love and beauty, the Group not only sponsored the diamond crown and precious jewellery pieces for the “Miss Hong Kong Pageant” for eighteen consecutive years, but also served as the exclusive sponsor of the diamond crown for the “Miss Universe China Reignwood Pageant” for five consecutive years and sponsored the “Miss Chinese Vancouver Pageant”.

Furthermore, the Group also made good use of various promotional platforms, such as organising public relations activities and sponsoring various TV programmes, movies and concerts, to enhance our brand exposure. Moreover, the Group has captured the trend of rapid growth of online marketing by placing advertisements on major social media platforms, portals, video websites and search engines, and organised different types of promotional campaigns. Inter alia, Lukfook Jewellery joined hands with WeChat to promote the “Offers Shared by Friends”. This innovative sales approach attracted more WeChat users to shop at our physical stores, which helped us focus on targeted audience precisely and thereby boost sales.

PRODUCT DESIGN

Producing the finest products with exquisite craftsmanship and stylish designs is one of the core competencies of the Group. To enhance innovation capabilities and broaden design team’s horizon, we arrange overseas trips for the team from time to time to explore and apply different design concepts to jewellery. Our outstanding design team has actively participated in various local and international jewellery design competitions, and won over 170 awards up to now, further raising Lukfook’s brand image.

During the Year under review, our design pieces “Lotus era” and “Take a Chance” stood out from the “Chuk Kam Jewellery Design Competition 2016” under “The Fashionable 18K Group”, while the design entitled “Fair and softly go far in a day” won the award of “Open Group”. In addition, our design piece “Sound of Love” won the “Best of Show Award of Open Group” in “The 17th Hong Kong Jewellery Design Competition”.



品牌推廣活動

為能更有策略地提升品牌知名度，鞏固香港及中國內地的市場佔有率，於回顧年度內，本集團推出全新「愛很美」電視廣告，為緊扣愛與美的不解之緣，更連續十八年贊助「香港小姐競選」的金鑽后冠及名貴珠寶首飾，連續五年獲邀成為「環球小姐中國區大賽」金鑽后冠的獨家贊助商，以及贊助「溫哥華華裔小姐競選」。

此外，本集團亦透過各種宣傳渠道，增加品牌曝光率，如舉辦公關活動及贊助各類電視節目、電影及演唱會等。本集團也抓緊網上推廣快速增長的趨勢，於各大社交平台、門戶、視頻及搜尋網站投放廣告及舉辦不同類型的推廣活動。其中，六福珠寶與「微信」攜手推廣「微信朋友券」，善用創新銷售模式，吸引更多微信用戶到我們的實體店消費，精準地鎖定目標受眾，帶動銷售增長。

產品設計

製造優質精湛、設計新穎時尚的產品為本集團其中一項核心競爭力。為持續提升創新能力及擴闊設計團隊的視野，本集團不時安排團隊外出勘察，將不同設計概念融合於珠寶創意上。我們傑出的設計團隊亦積極參與多個本地及國際珠寶設計比賽，至今共獲得逾170個獎項，進一步提升六福的品牌形象。

於回顧年度內，設計作品「踏蓮登高樓」及「冒險」分別於「足金首飾設計比賽2016」的「時尚K金組」中脫穎而出，而另一作品「寧靜致遠」則榮獲「公開組」獎項，而於「第17屆香港珠寶設計比賽」中，設計作品「心意傳聲」亦獲得「公開組大獎」。



BRANDING

品牌策略

BRANDING AWARDS

During the Year under review, Lukfook's continuous efforts in brand building have resulted in numerous awards and recognition. These included:

- “Hong Kong Top Service Brand Ten Year Achievement Award” in the “2015 Hong Kong Top Service Awards” from the Hong Kong Brand Development Council and the Chinese Manufacturers' Association of Hong Kong
- “2015 Retail Asia-Pacific Top 500 Awards” for four consecutive years, and attained “Top 10 Retailers in the Hong Kong Market”
- “Hong Kong Star Brand Award 2015 — Enterprise” for four consecutive years
- The Group's subsidiary Luk Fook Jewellery (Guangzhou) Limited obtained the honour of “2015 Guangdong Outstanding Credit Model Enterprise”

QUALITY ASSURANCE

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

In 2013, the Group set up Victoria Gemological Institute Limited principally engaging in jewellery authentication and professional training. With branch offices in Hong Kong and Mainland China, the institute provides services for the jewellery sector and customers. The institute has passed the accreditation of the Laboratory Accreditation Bureau (L-A-B) of the United States, and is authorised to issue internationally recognised reports that conform to ISO/IEC 17025 in diamond grading and fei cui (jadeite jade) testing.

品牌殊榮

於回顧年度內，六福在品牌建設上的持續努力，獲得業界及市場認同並贏得多個獎項及嘉許，包括：

- 於「2015年香港服務名牌選舉」中獲香港品牌發展局及香港中華廠商聯合會頒發「香港服務名牌十年成就獎」
- 連續四年入選「2015亞太區最佳零售商500強」，並榮獲「香港區十大零售商」殊榮
- 連續四年榮獲「香港星級品牌2015 — 企業獎」
- 集團旗下六福珠寶(廣州)有限公司獲頒發「2015年廣東省優秀信用示範企業」殊榮

質量保證

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

於2013年，本集團設立維多利亞珠寶學院，業務主要為珠寶鑑定及專業培訓，並在香港及中國設立鑑定中心分站，為珠寶業界和大眾消費者提供服務。學院已通過美國試驗所認可局 Laboratory Accreditation Bureau (L-A-B) 的認可，可簽發國際承認的ISO/IEC 17025鑽石評級報告及翡翠(硬玉質翡翠)檢測報告。

BRANDING

品牌策略

EXCELLENT SERVICE

Lukfook's cultivation of a warm-hearted brand image would not be successful without a commitment to service excellence. In line with the branding theme of "Love is Beauty", the "Delivering the Beauty of Love with Six Heartfelt Services" excellent customer service programme was introduced to fulfil customers' need with a caring heart and offer sincere quality services for customers with a view to relaying the culture of Six Heartfelt Services to each customer all over the world.

SHOPPING EXPERIENCE

To deliver the most enjoyable shopping experience to customers, the Group has established the Member Zone in the shops for our privileged members to enjoy special offers, leisure space and caring services. In addition, featuring warm, romantic pink decoration, the Western Wedding Zone and Chinese Wedding Zone at our shops display different collections of wedding jewellery products. New couples and their families can select wedding jewellery in a comfortable and spacious environment.

Besides, the Group creates a gentle yet noble shopping environment by using luminous materials such as mirrors and metal steel, with leather interspersed throughout our shops to create a more distinct three-dimensional and multi-layered effect. Moreover, we offer a wide selection of jewellery and superior shopping services for customers to enjoy unparalleled shopping experience and pleasure.

優質服務

為能呈現六福殷切親和的品牌形象，本集團對追求卓越服務的承諾及堅持從不怠慢。為貫徹「愛很美」的品牌推廣主題，推出「六心傳為您因為愛很美」卓越顧客服務計劃，用「心」瞭解顧客需要，時刻為顧客提供優質摯誠的服務，矢志把六心服務文化傳至世界各地每一位顧客。

購物體驗

務求令顧客有賓至如歸的感覺，本集團於分店設立會員「優」閒專區，使尊貴會員尊享特別購物優惠、休閒空間以及貼心服務。除此之外，店內亦設置「西式婚嫁」及「中式婚嫁」專區，專區內以溫馨浪漫粉紅色系佈置，陳列了集團設計師悉心設計之不同婚嫁系列的首飾產品，讓新人及其家人在舒適寬敞環境下挑選婚嫁首飾。

另外，本集團店舖全面採用了鏡、金屬鋼等高光度物料，配合皮革物料的點綴，突出店舖的立體和層次感，拼湊成一種柔和而高貴的感覺，加上琳琅滿目的珠寶首飾以及嶄新優越的購物服務，為顧客帶來非凡的購物體驗和樂趣。

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

BUSINESS ETHICS

The Group highly values its business reputation and is committed to maintaining high standards of business ethics and professional conducts by formulating relevant policies, standards and guidelines to ensure strict compliance by all stakeholders.

As effective supply chain management helps improve operational efficiency, the Group has been working closely with suppliers to provide quality products and services for customers. Besides, the Group has established strict tendering guidelines. All approved suppliers have to fulfil the Group's internal approval processes and enter into the Supplier Agreement in order to ensure that their products and services are up to standard. In addition, the Group conducts regular inspections and assessments for their regulatory monitoring. Suppliers are also required to sign the Corruption Prevention Policy which sets out relevant code of integrity, mechanisms for declaration of interest and whistleblowing to prevent and curb conflict of interests and corruption issues.

Besides, all newly employed staff are required to sign the Corruption Prevention Undertaking and comply with the code of conduct and discipline as set out in the Staff Handbook and relevant ordinances in respect of prevention of acceptance of advantages between suppliers and staff. The Group also has a strict approval system in place to monitor transactions and has internal notice specifying approval procedures and requirements for staff's compliance and execution. Such policies and codes are available on our intranet for staff's information.

HUMAN CAPITAL

Adhering to the "People-oriented" management philosophy, the Group believes that staff is the most precious asset to corporations and understands that attracting and retaining talents is essential to enhancing its competitive edge. Therefore, the Group attaches great importance to all-rounded development and well-being of staff by establishing defined promotion mechanisms and incentive schemes while continuously enhancing staff benefits to promote the idea of work-life balance.

商業道德

本集團一向注重營商信譽，致力堅守高水平的商業道德及專業操守，並制定相關政策、標準及指引，確保所有持份者嚴格遵守。

有效的供應鏈管理能提升營運效率，本集團與供應商緊密合作，為顧客提供優質的產品及服務。同時，本集團訂立了嚴謹的招標指引，所有認可供應商必須通過本集團的內部審批流程和簽訂《供應商協議》，以確保其產品及服務符合標準。除此之外，本集團會對其進行定期檢測及評估以作監管。供應商亦須簽署《廉潔交易政策》，當中列明相關廉潔守則、利益申報及舉報機制，防範及遏止任何利益衝突及貪污之情況。

此外，所有新入職員工須簽署《廉潔承諾書》，並須遵守《僱員手冊》內列明之員工品行紀律守則，以及有關防止供應商與員工之間收受利益的條例。本集團亦採取嚴謹的審批制度，監管交易項目，並以內部通告詳細說明審批流程及規定，要求員工遵守及執行，有關政策及守則均已上載我們的內聯網供員工參閱。

人才資本

秉承「以人為本」的管理理念，本集團相信員工為企業最寶貴的資產，深明吸引及挽留人才能讓集團提升競爭優勢。因此，本集團非常關注員工的全面發展及福祉，訂立明確的晉升機制及獎勵計劃，並不斷優化員工福利，提倡工作與生活平衡的理念。

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

The Group provides staff with competitive remuneration and benefits, including paid leave, paternity leave and marriage leave, medical insurance and retirement plans as well as performance-based incentives and bonuses. There is also a comprehensive appraisal system to ensure that staff enjoy equal promotion opportunity and competitive remuneration with a view to nurturing and retaining talents. In addition, the Group endeavours to promote the concept of multi-culture and equality by devising relevant employment policies to supervise recruitment and promotion to ensure that all staff and job applicants will receive equal opportunity and treatment. Our policy also specifies that child labour or forced labour are disallowed and all branches and group companies should strictly comply with and implement.

In order to enhance staff's professionalism and personal development so as to ensure that they meet the requirements of business development of the Group, our training department regularly organises different types of on-the-job training and broadens its training programme offerings with regard to specific business requirements, staff members' experience and skills. Apart from the Hong Kong head office and the online training platform, four regional training centers have been established in Beijing, Shanghai, Guangzhou and Wuhan, providing tailored internal training programmes. The Group also encourages and sponsors employees to participate in professional training programmes held by international institutes and national accreditation bodies, and the "Qualifications Framework (QF)" tests conducted by the Education Bureau of Hong Kong Special Administrative Region, which aim to help staff members further enhance their competitiveness and expand their capability. Furthermore, the Group establishes key performance indicators for the staff to promote a culture of continuous improvement and strives to strengthen their personal development and build their sense of belonging with continuous education, promotion mechanisms and incentive schemes.

In addition, the Group endeavours to provide comfortable and safe work environment for the staff and enhances their safety awareness through regular reviews and amendments to health and safety guidelines. During the Year under review, the number and ratio of work fatality were both zero.

本集團為員工提供具競爭力的薪酬及福利，包括有薪假期、侍產假及婚假、醫療及退休計劃等，以及按員工表現發放之獎金及花紅，並設立完善之績勤考核機制，確保員工獲得公平的晉升機會及具競爭力的薪酬，以培育和挽留人才。此外，本集團致力推廣多元文化及平等觀念，訂立相關僱傭政策以監管招聘及晉升事宜，確保所有員工與職位申請者均享有平等機會及待遇，我們的政策亦列明不得僱用童工或強制勞工，所有分店及集團公司均須嚴格遵守及執行。

本集團矢志提升員工的專業知識及個人發展空間，確保他們能應付本集團業務發展上的需求，我們的培訓部定期舉辦各類型在職培訓，並就特定的業務需要、員工經驗及技能，增設不同培訓課程。除香港總辦事處及網上學習平台外，分別於北京、上海、廣州及武漢四個地區設立分區培訓中心，提供度身設計的內部培訓課程。本集團亦鼓勵及贊助員工參加由國際機構及國家認可機構舉辦的專業培訓課程，以及參加由香港特區教育局設立的「資歷架構」考核等，進一步提升員工競爭力及能力。此外，本集團為員工訂立關鍵績效指標，推動持續改善文化，務求透過持續進修、晉升機制及獎勵計劃加強員工個人發展及建立其歸屬感。

此外，本集團致力為所有員工提供舒適及安全的工作環境，並透過定期性檢討及修訂健康及安全指引，提高員工的安全意識。於回顧年度內，員工因工作關係而死亡的人數及比率為零。

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

During the Year under review, the Group received several awards, affirming its outstanding achievements in manpower training and employee care:

- “Manpower Developer” awarded again by the Employees Retraining Board
- “Happiness-at-work” label awarded for two consecutive years in the “Happiness-at-Work Promotional Scheme” organised by the Promoting Happiness Index Foundation and the Hong Kong Productivity Council
- Front-line employees won awards in the QF “Award Scheme for Learning Experiences”

PRODUCT AND SERVICE RESPONSIBILITY

Quality products and professional services help boost customers’ brand loyalty. The Group therefore has set up the China Gems Laboratory Limited (“CGL”) to implement stringent requirements on product quality. CGL has passed the assessment of Hong Kong Accreditation Service and successfully obtained ISO 11426 accreditation in gold testing. The laboratory is now authorised to issue internationally recognised gold test reports and is the only laboratory in Hong Kong that meets the requirements of the three ISO/IEC 17025 accreditations in jadeite jade testing, diamond testing and gold testing. In addition, CGL is the first laboratory in Hong Kong to obtain GB/T9288 accreditation in gold content testing, demonstrating its dedication to providing customers with quality products over the years.

Apart from CGL’s fulfillment in ISO 9001:2008 Quality Management Systems Requirements, the Group’s jewellery processing plant in Nansha, Guangzhou, also meets the ISO 9001 Quality Management Systems Requirements, affirming that its quality assurance system and product quality standard have reached international standards and obtained professional accreditations.

To ensure a reliable supply of quality diamonds and enhance customer confidence, the Group entered into a sightholder rough diamond sales contract with De Beers, the world’s largest diamond producer and passed the “Natural Diamond Quality Assurance” Mark scheme launched by the Diamond Federation of Hong Kong, which assures that our diamond products sold are natural diamonds.

於回顧年度內，本集團榮獲多個獎項，肯定了本集團在人才培訓及員工關顧工作上的傑出成就：

- 再度榮獲僱員再培訓局頒發「人才企業」殊榮
- 連續兩年在香港提升快樂指數基金及香港生產力促進局所舉辦之「開心工作間」推廣計劃中，獲頒「開心工作間」標誌
- 前線員工於資歷架構「學習體驗獎勵計劃」中獲得大獎

產品及服務責任

優質產品及專業服務有助提升顧客對品牌的忠誠度，本集團因此成立中華珠寶鑑定中心為產品品質嚴格把關。該中心通過香港認可處考核，成功取得黃金檢測火試法國際標準 ISO 11426，可簽發國際認可的黃金檢測報告，成為香港唯一同時符合 ISO/IEC 17025 所訂的三項測試認可要求，認可範圍包括硬玉質翡翠測試、鑽石測試及黃金含量檢測的珠寶鑑定中心。此外，該中心更是香港首間成功考核中國國家標準 GB/T9288 黃金檢測方法認證之珠寶鑑定中心，佐證集團多年來矢志為顧客提供優質產品的決心。

除中華珠寶鑑定中心符合 ISO 9001:2008 品質管理系統的準則外，本集團設於廣州市南沙區的珠寶加工廠房亦達 ISO 9001 品質管理系統的準則，足證其品質保證系統及產品質量標準已達國際水準並獲專業認可。

為確保優質鑽石供應穩定及加強顧客信心，本集團與全球最大鑽石供應商 De Beers 簽訂鑽石毛坯特約配售商合約，並成功通過由香港鑽石總會推行的「天然鑽石品質保證」標誌計劃，保證我們所銷售的鑽石產品皆為天然鑽石。

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

The Group attaches great importance to both product quality and protection of brand integrity and has set up committees in Hong Kong and Mainland China to handle tasks in respect of intellectual properties, including trademark registration, design patent and combating of infringement. The Group also actively monitors any infringement by free-riding brands across the country to safeguard customers from losses caused by misleading brand names.

For continuous optimisation and improvement of services so as to strengthen competitiveness in the market, the Group has engaged an independent agency to conduct seasonal mystery shopper services to assess Lukfook's quality of products and services. Meanwhile, the Group has also carried out customer satisfaction surveys in striving for excellence to cater to customers' changing needs. Currently, the tailored and professional advice provided by our sales team as well as the complimentary services such as free engraving and certificates for jadeite and diamond are well-received by customers.

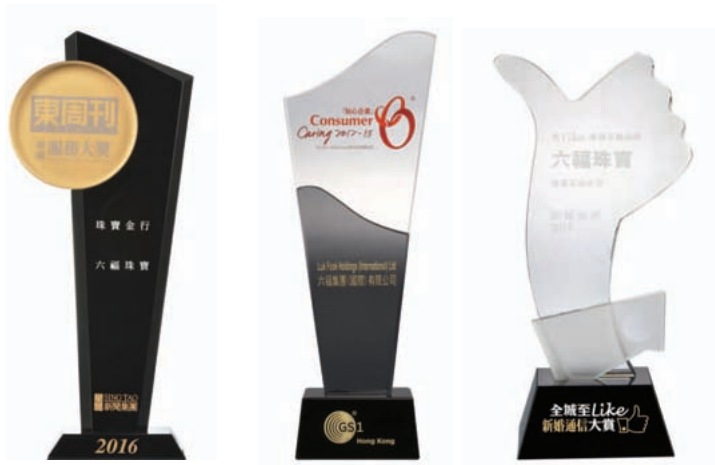
The Group's efforts to serve customers to the highest calibre and make a valuable contribution to the jewellery industry have been recognised with a wide array of awards for management excellence and high-quality products and services. These included:

- “Hong Kong Service Awards 2016 — Quality Living Category (Jewellery and Gold)” from “East Week Magazine”
- “Consumer Caring Company” by GS1 Hong Kong for four consecutive years
- “2015 Most Like Wedding Message Award — Most Like Jewellery Brand” Award
- 榮獲《東周刊》頒發「香港服務大獎2016 — 優越生活組別(珠寶金行)」
- 連續四年獲香港貨品編碼協會評選為「貼心企業」
- 榮獲「2015全城至Like新婚通信大賞 — 至Like珠寶首飾品牌」殊榮

本集團除注重產品品質外，亦致力維護品牌信譽，於香港及中國內地均設有專責小組處理知識產權工作，包括登記商標、外觀設計專利和打擊侵權等，並積極跟進全國各地的傍名品牌之侵權情況，以免顧客被誤導而蒙受損失。

為持續優化及提升服務，加強於市場上的競爭力，本集團委聘獨立機構進行季度性神秘顧客服務調查，以評估六福的產品及服務質素。同時，本集團亦定期進行顧客服務滿意問卷調查，務求精益求精，以滿足多變的顧客需求。現時，我們的專業銷售團隊所提供的貼心及專業建議，以及即時免費刻字、翡翠及鑽石鑑定證書等附帶增值服務，均獲顧客一致好評。

本集團的卓越管理及優質產品與服務，屢獲殊榮，肯定了本集團致力為顧客提供高水準服務，以及為珠寶行業作出的寶貴貢獻。該等獎項包括：



CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

CORPORATE CITIZEN

Adhering to its commitment to reciprocate society, the Group has actively supported a variety of charity and community programmes, and continues to work hand in hand with our staff to fulfil corporate social responsibility and make meaningful contributions to society, in a hope to convert love into blessings and spread them out through community programmes.

In recent years, the Group has launched various “Love is Beauty” charity gift sets for sale in its shops globally and donated a portion of proceeds to social welfare organisations. During the Year under review, the Group launched a brand-new “Love is Beauty” diamond pendant charity gift set “Love Lock” and made donations for the second consecutive years to the “Free Lunch for Children Fund” initiated by China Social Welfare Foundation to provide free lunch for poor children in Mainland China and protect them from starvation and help them grow up healthily.

In response to the Government’s efforts in promoting environmental protection, since the implementation of “Full Implementation of the Plastic Shopping Bag Charging” in the retail industry of Hong Kong, the Group has donated in full the relevant charges to “Collecting Retailers Donation to Advance Waste Reduction” scheme organised by three major green groups. The Conservancy Association, Greeners Action and Green Power, for the promotion of bring-your-own-bag and other waste reduction projects.

企業公民

本集團一直秉承回饋社會的精神，積極支持及參與各類型慈善公益活動，更鼓勵我們的員工共同攜手，以行動實踐企業社會責任、造福社群，冀望透過各項公益活動，將愛化為祝福傳遞出去。

近年，本集團推出不同「愛很美」慈善版禮盒，於全球六福珠寶分店發售，並將慈善禮盒部分收益捐予社福機構。於回顧年度內，本集團推出全新「愛很美」慈善版「心有『鎖』屬」鑽石墜飾禮盒，連續兩年捐款予中國社會福利基金會「免費午餐基金」，為中國內地貧困學童提供免費午餐，以幫助他們免於饑餓，健康成長。

為響應政府的環保理念，自《全面推行塑膠購物袋收費》於香港零售業界推行後，本集團將有關徵費全數捐贈予由長春社、綠領行動及綠色力量三大環團合辦之「商戶捐款 推動減廢」計劃，用於推動市民自備購物袋及其他減廢項目。

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

Besides, the Group also sponsored many charitable activities. Below are some highlights:

此外，本集團亦贊助多項慈善活動，概括如下：

- A donation of HK\$1 million to support “Tung Wah Charity Gala 2015”
- “Sedan Chair Race & Bazaar” held by the Sedan Chair Charities Fund
- Heifer’s Race to Feed 2015
- 2014/2015 Walks for Millions
- Supported Mooncake Donation in Guangzhou
- Hong Kong Red Cross’ “Red Twinkle Star” Campaign
- “Food Angel” food recycle and assistance programme
- “Lifeline Express Charity Auction” held by Lifeline Express
- 捐贈百萬港元支持「歡樂滿東華2015」慈善晚會
- 抬轎比賽慈善基金舉辦的「抬轎比賽暨慈善嘉年華」
- 小母牛競步善行2015
- 2014/2015年度公益金百萬行
- 「溫暖廣州•一人一月餅」捐贈活動
- 香港紅十字會「小紅星」獎勵計劃
- 「惜食堂」食物回收及援助計劃
- 中華健康快車基金會舉辦的「健康快車慈善拍賣」活動



CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

As a good corporate citizen, the Group is committed to corporate social responsibility in the course of its business development and encourages staff members to play an active role in volunteer works. The Group has established the Lukfook volunteer team to participate in community events, such as the Christmas party with SAHK and the cookie-making event jointly held with Fu Hong Society, to spell out the care for the ones in need with real actions and bring positive energy to society.

Apart from being awarded the “5 Years Plus Caring Company” logo by the Hong Kong Council of Social Service, the Group also received other recognitions that affirmed its continued efforts in fulfilling corporate social responsibility. Below are some highlights:

- Awarded “Corporate Citizenship logo (Enterprise Category)” in “The 6th Hong Kong Corporate Citizenship Award Scheme”
- Awarded the Second Runner-up in “Ordering Oxfam Rice (Organization Category)” in “Oxfam Rice Sale 2015”
- 於「第六屆香港企業公民嘉許計劃」中榮獲「企業組別 – 嘉許標誌」
- 於「樂施米義賣大行動2015」中榮獲「集體訂米(機構組)籌款獎」季軍

作為良好企業公民，本集團務求在業務發展的同時，能肩負起社會企業責任，鼓勵員工積極參與義務工作，並成立六福義工隊，身體力行參與社區活動，包括聯同香港耀能協會舉辦聖誕聯歡會，以及與扶康社合作舉辦曲奇製作活動等，以行動關懷社會上有需要人士，為社會帶來正能量。

本集團除榮獲香港社會服務聯會頒發5年Plus「商界展關懷」標誌外，亦獲得其他嘉許，肯定了本集團在履行企業社會責任工作上的長期努力。概括如下：

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

ENVIRONMENTAL PROTECTION

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

In the light of the increasing impact of climate change on the environment, the Group has therefore established various environmental guidelines for its operation and manufacturing processes in respect of waste reduction, emission reduction and energy conservation. The Group's jewellery processing plant in Nansha, Guangzhou, is subject to stringent emission controls. The plant attained ISO 14001:2004 Environmental Management System certification and has been pursuing cleaner production practices for compliance with environmentally friendly principles. The plant has established the corresponding guidelines on emission control in accordance with the national and local laws and regulations for the purpose of regulating its emissions of pollutants such as effluent, waste gas, solid waste and hazardous waste. In addition, the plant also keeps track of the emissions data for regular analysis and further improvement.

環境保護

本集團非常重視環境保護，並致力推動可持續發展。集團為其各個業務範疇制訂相關環保策略，將節能及廢物管理等措施應用於生產、行政及日常零售業務中，以減低對環境的影響。

氣候變化對社會環境影響日益嚴重，因此本集團以減廢、減排及節能為目標，為其營運及生產流程訂立各項環保指引，並對其位於廣州市南沙區的珠寶加工廠房所產生的排放物作嚴格監管，該廠房更獲得ISO 14001:2004環境管理體系認證，實施清潔生產，符合環保原則。廠房根據國家及當地省份的法律及守則制定相應排放工作指引，規管排放污水、廢氣、固體廢物、化學危險品等污染物，並定期記錄及分析排放數據，以尋求更多改善空間。



CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

In order to reduce the volume of wastewater discharged, the Group has installed a water recycling system in the plant to recycle the wastewater discharged from processes like gold plating and polishing. 65% of the wastewater discharged is recyclable, while the remaining 35% would be directed to competent recycle entities. Meanwhile, all waste gas must pass through a tower for neutralisation or a spray device for treatment and satisfy the applicable emission standards upon testing by the environmental agencies before emission. The plant has also implemented the waste separation and recycle scheme that covers general waste paper as well as waste sandpaper, tools and plastic bags. Hazardous waste is handled by a competent recycle entity in a centralised manner. This initiative has reduced general solid waste by approximately 12 tonnes per year.

To improve energy efficiency, the Group has been promoting the replacement of traditional T8 tubes with LED lights, the use of the electronic processing system for administrative applications, as well as the use of electronic corporate communication to replace printed materials in plants, shops and offices. All three have further reduced paper consumption and helped deploy resources in a prudent approach. Meanwhile, the Group keeps vehicle log books of distance travelled, maintains monthly records of electricity, water and paper consumption and also posts the “List of Environmentally Friendly Tasks for General Operation at Offices and Workshops” and reminders to encourage colleagues to save resources. Besides, as a participant of the Charter on External Lighting of the Environment Bureau, the Group pledges to switch off lighting installations with decorative, promotional or advertising purposes which affect the outdoor environment during preset times, with a view to mitigating the problems of light nuisance and energy wastage caused by external lighting while reducing energy costs.

為減低排放廢水量，本集團在廠房添置中水回用系統，把電金、打磨工藝等工序所產生的廢水加以處理，當中65%的水量可循環再用，餘下的35%會交予合資格的回收單位處理，同時，所有排放之廢氣須通過中和塔酸鹼中和或噴淋裝置處理，兩者均會經環保機構檢測並符合其排放準則後才可排放。此外，廠房實行垃圾分類回收，除了一般廢紙外，亦包括廢砂紙、廢生產工具及膠袋，而危險廢物均統一由合資格的回收單位處理，每年減少大約12噸的一般固體廢物。

為提升能源效益，本集團於廠房、分店及辦公室以LED燈取代舊式T8燈管，並將各項行政申請流程及印刷品電子化，降低紙張的耗用量，審慎地運用資源。同時，本集團建立行車哩數記錄，及登記每月電力、水和紙張等資源用量，以及貼出「辦公室及工場一般運作的環保工作清單」和提示標識，以鼓勵同事節省資源。此外，本集團參與了環境局推行之《戶外燈光約章》，承諾在預調時間關掉對戶外環境有影響的裝飾、宣傳或廣告燈光，以減少戶外燈光造成的光滋擾及能源浪費問題，同時節省能源成本。

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

The Group has received numerous awards in recognition of its continuous dedication to environmental protection. These included:

本集團在環保工作上的不斷努力備受嘉許，其中包括：

- Commended as “Hong Kong – Guangdong Cleaner Production Partners (Supply Chain)”, and Luk Fook Jewellery (Guangzhou) Company Limited and Lee Fook Diamond and Jewellery (Guangzhou) Company Limited were again commended as “Hong Kong – Guangdong Cleaner Production Partners (Manufacturing)”
- Won the silver award in CLP “GREEN^{PLUS} Award” Programme
- Luk Fook Jewellery (Guangzhou) Company Limited and Lee Fook Diamond and Jewellery (Guangzhou) Company Limited were recognised as the “EcoPartner” in “2015 BOCHK Corporate Environmental Leadership Awards” co-organised by the Federation of Hong Kong Industries and Bank of China (Hong Kong) Limited, and were also awarded the “5 Years + EcoPioneer Companies” and “3 Years + EcoPioneer Companies”, respectively
- 獲頒發「粵港清潔生產伙伴(供應鏈)」標誌，而旗下之廣州六福首飾有限公司及廣州利福鑽石首飾有限公司再次榮獲「粵港清潔生產伙伴(製造業)」標誌
- 榮獲中電「環保節能機構」嘉許計劃銀獎
- 旗下六福珠寶(廣州)有限公司及廣州利福鑽石首飾有限公司榮獲由香港工業總會與中國銀行(香港)聯合頒發「2015中銀香港企業環保領先大獎」之「環保傑出伙伴」，並分別獲得「5年+參與環保先驅獎章」及「3年+參與環保先驅獎章」



CORPORATE GOVERNANCE REPORT

企業管治報告

The board of directors (the “Board”) of Luk Fook Holdings (International) Limited (the “Company”, together with its subsidiaries, the “Group”) recognises that sound and effective corporate governance practices and procedures, with an emphasis on integrity, transparency, accountability and independence, are essential to enhance the shareholders’ value and safeguard the shareholders’ interest. The Company is committed to maintaining a good corporate governance standard and endeavors to ensure that its businesses are conducted in accordance with all applicable rules and regulations.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Corporate Governance Code and Corporate Governance Report (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) through the year ended 31 March 2016, except for the following deviation:

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

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

Save as disclosed above, none of the directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the year ended 31 March 2016, in compliance with the Code.

六福集團(國際)有限公司(「本公司」, 連同其附屬公司, 統稱「本集團」)董事會(「董事會」)深明, 在強調完整性、透明度、問責性及獨立性之情況下, 穩健及有效之企業管治常規及程序對提升股東價值及保障股東權益極為重要。本公司承諾維持良好企業管治標準, 並致力確保按照所有適用規則及規例進行業務。

企業管治常規

於截至2016年3月31日止年度, 本公司已採用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載之《企業管治守則》及《企業管治報告》(「守則」)的原則, 並已遵守所有守則條文及建議最佳常規(如適用), 惟下列偏離者除外:

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

由於中國內地市場帶動業務增長及基於中國內地市場對「對等階級」之觀念, 黃偉常先生作為本公司主席兼行政總裁, 可望於未來在中國內地進行商務磋商時, 進一步提升本集團在中國內地市場的業務發展。此外, 董事會成員亦包括合資格專業人士及社會上其他顯赫、富經驗之個別人士。董事會認為, 於董事會轄下委員會及兩名副主席之協助下, 現有董事會之組成可確保權力和授權之平衡。

除上文披露者外, 董事概不知悉有任何資料可合理顯示本公司現時或於截至2016年3月31日止年度任何時間曾經違反守則。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as a code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, it is confirmed that all directors have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions during the year ended 31 March 2016.

BOARD OF DIRECTORS

(i) Board Composition

The Board currently comprises six executive directors, four non-executive directors and five independent non-executive directors. They include persons with a wealth of practical experiences in the jewellery industry, accountancy profession, general trading, securities industry, banking industry and legal profession. There is a balance of skills and experiences appropriate for the requirements of the Company's business. The current composition of the Board is set out as follows:

Executive Directors

Mr. WONG Wai Sheung (*Chairman & Chief Executive*)
Mr. TSE Moon Chuen (*Deputy Chairman*)
Ms. WONG Hau Yeung
Ms. WONG Lan Sze, Nancy
Ms. CHUNG Vai Ping
Dr. CHAN So Kuen (Appointed on 21 August 2015)

Non-executive Directors

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

Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander
Mr. IP Shu Kwan, Stephen, GBS, JP
Mr. MAK Wing Sum, Alvin
Ms. WONG Yu Pok, Marina, JP
Mr. HUI King Wai (Appointed on 21 August 2015)

The biographical details of the directors are set out in the section of "Biographical Details of Directors and Senior Management" on pages 64 to 74 of this Annual Report.

董事進行證券交易

本公司已採納上市規則附錄10所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)，作為董事進行證券交易之操守準則。經向全體董事作出具體查詢後，彼等確認，全體董事於截至2016年3月31日止年度一直遵守標準守則所載規定準則及有關董事進行證券交易之操守準則。

董事會

(i) 董事會成員

董事會現時由六名執行董事、四名非執行董事及五名獨立非執行董事組成，當中包括於珠寶行業、會計專業、一般貿易、證券行業、銀行業及法律專業具廣泛實務經驗之人士，亦具備符合本公司業務所需之均衡技能及經驗。現時董事會成員載列如下：

執行董事

黃偉常先生 (*主席兼行政總裁*)
謝滿全先生 (*副主席*)
王巧陽女士
黃蘭詩女士
鍾惠冰女士
陳素娟博士 (於2015年8月21日獲委任)

非執行董事

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

獨立非執行董事

戴國良先生
葉澍堃 GBS 太平紳士
麥永森先生
黃汝璞 太平紳士
許競威先生 (於2015年8月21日獲委任)

董事履歷詳情載於本年報第64頁至第74頁「董事及高層管理人員之履歷詳情」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

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

The attendance records of the individual directors at the Board, Audit Committee, Nomination Committee, Remuneration Committee and general meetings for the year ended 31 March 2016 are set out as follows:

董事會(續)

(ii) 董事會會議、委員會會議及股東大會之出席記錄

個別董事於截至2016年3月31日止年度舉行之董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議及股東大會之出席記錄載列如下：

Directors	董事	No. of Meetings Attended/Held 出席/舉行會議次數				
		Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Annual General 股東週年大會
Executive Directors		執行董事				
Mr. WONG Wai Sheung (Chairman & Chief Executive) (Note 1)	黃偉常先生 (主席兼行政總裁)(附註1)	4/4	N/A 不適用	2/2	3/3	1/1
Mr. TSE Moon Chuen (Deputy Chairman) (Note 2)	謝滿全先生 (副主席)(附註2)	4/4	N/A 不適用	2/2	N/A 不適用	1/1
Ms. WONG Hau Yeung (Note 3)	王巧陽女士(附註3)	4/4	N/A 不適用	N/A 不適用	3/3	1/1
Ms. WONG Lan Sze, Nancy	黃蘭詩女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. CHUNG Vai Ping	鍾惠冰女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Dr. CHAN So Kuen (Appointed on 21 August 2015)	陳素娟博士(於2015年8月21日 獲委任)	2/2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Non-executive Directors		非執行董事				
Mr. WONG Ho Lung, Danny (Deputy Chairman) (Note 4)	黃浩龍先生 (副主席)(附註4)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. YEUNG Po Ling, Pauline	楊寶玲女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. HUI Chiu Chung, JP	許照中太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. LI Hon Hung, MH, JP	李漢雄MH太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Independent Non-executive Directors		獨立非執行董事				
Mr. TAI Kwok Leung, Alexander (Note 5)	戴國良先生(附註5)	4/4	2/2	2/2	3/3	1/1
Mr. IP Shu Kwan, Stephen, GBS, JP	葉樹堃GBS太平紳士	4/4	2/2	2/2	3/3	1/1
Mr. FOK Kwong Man (Note 6)	霍廣文先生(附註6)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. MAK Wing Sum, Alvin (Note 7)	麥永森先生(附註7)	4/4	2/2	2/2	3/3	1/1
Ms. WONG Yu Pok, Marina, JP	黃汝璞太平紳士	4/4	2/2	2/2	3/3	1/1
Mr. HUI King Wai (Appointed on 21 August 2015) (Note 8)	許競威先生(於2015年8月21日 獲委任)(附註8)	2/2	1/1	N/A 不適用	1/1	N/A 不適用

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

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

Notes:

1. Mr. WONG Wai Sheung was re-elected as the Chairman of the Company with effect from 19 August 2015.
2. Mr. TSE Moon Chuen was re-elected as the Deputy Chairman of the Company with effect from 19 August 2015. He also ceased to be a member of the Remuneration Committee with effect from 22 June 2015.
3. Ms. WONG Hau Yeung was appointed a member of the Remuneration Committee with effect from 22 June 2015.
4. Mr. WONG Ho Lung, Danny was re-elected as the Deputy Chairman of the Company with effect from 19 August 2015.
5. Mr. TAI Kwok Leung, Alexander was appointed as the Chairman of the Audit Committee with effect from 22 June 2015. He also ceased to be the Chairman of the Nomination Committee with effect from 22 June 2015.
6. Mr. FOK Kwong Man passed away and ceased to be an independent non-executive director on 18 June 2015.
7. Mr. MAK Wing Sum, Alvin was appointed as the Chairman of the Nomination Committee with effect from 22 June 2015.
8. Mr. HUI King Wai was appointed as a member of the Audit Committee, Nomination Committee and Remuneration Committee with effect from 21 August 2015.

(iii) Board Responsibilities and Delegation

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

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

董事會(續)

(ii) 董事會會議、委員會會議及股東大會之出席記錄(續)

附註：

1. 黃偉常先生自2015年8月19日起獲重選為本公司主席。
2. 謝滿全先生自2015年8月19日起獲重選為本公司副主席。彼亦自2015年6月22日起不再擔任薪酬委員會之成員。
3. 王巧陽女士自2015年6月22日起獲委任為本公司薪酬委員會之成員。
4. 黃浩龍先生自2015年8月19日起獲重選為本公司副主席。
5. 戴國良先生自2015年6月22日起獲委任為本公司審核委員會主席。彼亦自2015年6月22日起不再擔任提名委員會主席。
6. 霍廣文先生於2015年6月18日辭世，並不再為獨立非執行董事。
7. 麥永森先生自2015年6月22日起獲委任為本公司提名委員會主席。
8. 許競威先生自2015年8月21日起獲委任為本公司審核委員會、提名委員會及薪酬委員會之成員。

(iii) 董事會責任及權力的轉授

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(iii) Board Responsibilities and Delegation (Continued)

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

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

(iv) Independence of the Independent Non-executive Directors

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

Throughout the year ended 31 March 2016 and up to the date of this Annual Report, the Board had at all times met the requirements under Rule 3.10 of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise.

董事會(續)

(iii) 董事會責任及權力的轉授(續)

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

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

(iv) 獨立非執行董事之獨立性

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

於截至2016年3月31日止年度內及截至本年報日期，董事會於任何時間均符合上市規則第3.10條有關委任最少三名獨立非執行董事之規定，當中最少一名須具備適當專業資格、或具備會計或相關財務管理專長。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

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

However, following the passing away of Mr. FOK Kwong Man on 18 June 2015, he ceased to be an independent non-executive director of the Company. There remained four independent non-executive directors. The number of independent non-executive directors could not represent at least one-third of the Board as required under the Rule 3.10A of the Listing Rules.

Upon the appointment of Mr. HUI King Wai as an independent non-executive director of the Company with effect from 21 August 2015, the number of independent non-executive directors is five, which meets the requirement under Rule 3.10A of the Listing Rules.

(v) Directors' Relationship

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

(vi) Re-election of Directors

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

(vii) Directors' Ongoing Development

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

董事會(續)

(iv) 獨立非執行董事之獨立性(續)

然而，霍廣文先生於2015年6月18日辭世後，彼不再擔任本公司獨立非執行董事，董事會只有四名獨立非執行董事。繼而，獨立非執行董事的成員人數未能佔董事會成員人數至少三分之一，未能符合上市規則第3.10A條的規定。

繼許競威先生自2015年8月21日起獲委任為本公司獨立非執行董事後，董事會之獨立非執行董事人數為五名，符合上市規則第3.10A條的規定。

(v) 董事關係

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

(vi) 重選董事

全體董事須根據本公司之公司細則，於本公司股東週年大會上輪值告退及重選連任。

(vii) 董事的持續發展

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(vii) Directors' Ongoing Development (Continued)

During the year ended 31 March 2016, the Company arranged a seminar covering updates on Environmental, Social and Governance reporting. Directors' training records during the Year under review are summarised as follows:

董事會(續)

(vii) 董事的持續發展(續)

截至2016年3月31日止年度，本公司曾舉行一次研討會，內容關於環境、社會和管治報告的更新。回顧年度內，董事的培訓記錄概述如下：

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

Directors	董事	
Executive Directors	執行董事	
Mr. WONG Wai Sheung (Chairman & Chief Executive)	黃偉常先生 (主席兼行政總裁)	✓
Mr. TSE Moon Chuen (Deputy Chairman)	謝滿全先生 (副主席)	✓
Ms. WONG Hau Yeung	王巧陽女士	✓
Ms. WONG Lan Sze, Nancy	黃蘭詩女士	✓
Ms. CHUNG Vai Ping	鍾惠冰女士	✓
Dr. CHAN So Kuen (Appointed on 21 August 2015)	陳素娟博士(於2015年8月21日 獲委任)	✓
Non-executive Directors	非執行董事	
Mr. WONG Ho Lung, Danny (Deputy Chairman)	黃浩龍先生 (副主席)	✓
Ms. YEUNG Po Ling, Pauline	楊寶玲女士	✓
Mr. HUI Chiu Chung, JP	許照中太平紳士	✓
Mr. LI Hon Hung, MH, JP	李漢雄MH太平紳士	✓
Independent Non-executive Directors	獨立非執行董事	
Mr. TAI Kwok Leung, Alexander	戴國良先生	✓
Mr. IP Shu Kwan, Stephen, GBS, JP	葉澍堃 GBS 太平紳士	✓
Mr. FOK Kwong Man (Deceased and ceased to be an independent non- executive director on 18 June 2015)	霍廣文先生(於2015年6月18日 辭世，並不再為獨立非執行董事)	N/A 不適用
Mr. MAK Wing Sum, Alvin	麥永森先生	✓
Ms. WONG Yu Pok, Marina, JP	黃汝璞太平紳士	✓
Mr. HUI King Wai (Appointed on 21 August 2015)	許競威先生(於2015年8月21日 獲委任)	✓

CORPORATE GOVERNANCE REPORT

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE

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

NON-EXECUTIVE DIRECTORS

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

BOARD COMMITTEES

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

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

主席及行政總裁

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

非執行董事

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

董事委員會

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(i) Audit Committee

The Audit Committee was established on 1 February 1999 with written terms of reference accessible on the websites of the Company and the Stock Exchange. Until the passing away of Mr. FOK Kwong Man on 18 June 2015, the Audit Committee was chaired by Mr. FOK Kwong Man with four other members, namely, Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, Mr. MAK Wing Sum, Alvin and Ms. WONG Yu Pok, Marina, with all of whom being the independent non-executive directors. Mr. TAI Kwok Leung, Alexander has served as the Chairman of the Audit Committee since 22 June 2015. Upon the appointment of Mr. HUI King Wai as a member of the Audit Committee of the Company since 21 August 2015, the Audit Committee is chaired by Mr. TAI Kwok Leung, Alexander, with four other members namely Mr. IP Shu Kwan, Stephen, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai, with all of whom being the independent non-executive directors. In compliance with Rule 3.10(2) of the Listing Rules, majority of the members possess appropriate professional qualifications or accounting or related financial management expertise.

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

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

董事委員會 (續)

(i) 審核委員會

本公司於1999年2月1日成立審核委員會，其書面職權範圍載於本公司及聯交所網頁。直至霍廣文先生於2015年6月18日辭世，審核委員會之主席為霍廣文先生，其他四名成員為戴國良先生、葉澍堃先生、麥永森先生及黃汝璞女士，全部成員為獨立非執行董事。自2015年6月22日起，戴國良先生擔任審核委員會的主席。繼許競威先生自2015年8月21日起獲委任為審核委員會成員，審核委員會之主席為戴國良先生，其他四名成員為葉澍堃先生、麥永森先生、黃汝璞女士及許競威先生，全部成員為獨立非執行董事。遵照上市規則第3.10(2)條，大部分成員具備合適專業資格、或具備會計或相關財務管理專長。

於回顧年度內，審核委員會曾舉行二次會議，以討論及審閱(其中包括)中期及年度財務報表、提交及刊發中期及年度報告、企業管治報告之披露事項、企業管治及守則合規狀況，以及本集團之內部審核計劃及職能。

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(i) Audit Committee (Continued)

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

- reviewing the Group's interim and annual financial statements and the interim and annual reports before submission to the Board for approval;
- reviewing the financial reporting obligations and considering any matters raised by the Group's staff responsible for the accounting and financial reporting function, compliance officer or external auditor;
- reviewing and monitoring the independence and objectivity of the external auditor, and the effectiveness of the audit process in accordance with applicable standards;
- approving the remuneration and terms of engagement of external auditor and making recommendations on the appointment, re-appointment or removal of external auditor;
- reviewing the internal audit programme and ensuring that the internal audit function is adequately resourced and effective, and considering any major findings of internal control matters;
- reviewing the financial control, internal control and risk management systems of the Group and ensuring that the management has discharged its duty to have effective risk management and internal control systems, in particular, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions; and
- reviewing the Company's policies and practices on corporate governance and the Company's compliance with legal and regulatory requirements.

As at 31 March 2016, the arrangements for employees and stakeholders of the Group to raise concerns about possible improprieties in financial reporting, risk management, internal control or other matters and the whistleblowing procedures are in place.

董事委員會(續)

(i) 審核委員會(續)

審核委員會之主要職能及職責主要包括：

- 於提交董事會批准前審閱本集團中期及全年財務報表以及中期及年度報告；
- 檢討財務申報責任，並考慮任何由本集團屬下會計及財務匯報職員、監察主任或外聘核數師提出之事宜；
- 按適用的標準檢討及監察外聘核數師是否獨立客觀，以及核數程序是否有效；
- 批准外聘核數師之薪酬及聘用條款，並就委任、重新委任或罷免外聘核數師提供建議；
- 檢討內部審核計劃及確保內部審核職能具有足夠資源運作及有效，並考慮內部監控事宜之任何主要調查結果；
- 檢討本集團之財務監控、內部監控及風險管理制度，並確保管理層已履行職責建立有效之風險管理及內部監控制度，尤其是有關本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否充足；及
- 檢討本公司之企業管治政策及常規，以及公司遵守法律及監管規定政策及常規之情況。

於2016年3月31日，本公司已設有制度讓本集團僱員及權益人可就關於財務匯報、風險管理、內部監控或其他方面可能發生的不當事宜提出關注及舉報程序。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(ii) Nomination Committee

The Nomination Committee was established on 1 April 2012 with written terms of reference accessible on the websites of the Company and the Stock Exchange. Until 18 June 2015, the Nomination Committee was chaired by Mr. TAI Kwok Leung, Alexander, being an independent non-executive director, with six other members namely, Mr. WONG Wai Sheung, Mr. TSE Moon Chuen, Mr. IP Shu Kwan, Stephen, Mr. FOK Kwong Man (deceased and ceased to be an independent non-executive director on 18 June 2015), Mr. MAK Wing Sum, Alvin, and Ms. WONG Yu Pok, Marina, with majority of whom being the independent non-executive directors. Starting from 22 June 2015, the Nomination Committee is chaired by Mr. MAK Wing Sum, Alvin, being an independent non-executive director, with five other members namely Mr. WONG Wai Sheung, Mr. TSE Moon Chuen, Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen and Ms. WONG Yu Pok, Marina, with majority of whom being the independent non-executive directors. Upon the appointment of Mr. HUI King Wai as a member of the Nomination Committee of the Company since 21 August 2015, the Nomination Committee is chaired by Mr. MAK Wing Sum, Alvin, being an independent non-executive director, with six other members namely Mr. WONG Wai Sheung, Mr. TSE Moon Chuen, Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai, with majority of whom being the independent non-executive directors.

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

董事委員會(續)

(ii) 提名委員會

本公司於2012年4月1日成立提名委員會，其書面職權範圍載於本公司及聯交所網頁。直至2015年6月18日，提名委員會之主席為獨立非執行董事戴國良先生，其他六名成員為黃偉常先生、謝滿全先生、葉澍堃先生、霍廣文先生(於2015年6月18日辭世，並不再為獨立非執行董事)、麥永森先生及黃汝璞女士，大部分成員為獨立非執行董事。由2015年6月22日開始，提名委員會之主席為獨立非執行董事麥永森先生，其他五名成員為黃偉常先生、謝滿全先生、戴國良先生、葉澍堃先生及黃汝璞女士，大部分成員為獨立非執行董事。繼許競威先生自2015年8月21日起獲委任為提名委員會成員，提名委員會之主席為獨立非執行董事麥永森先生，其他六名成員為黃偉常先生、謝滿全先生、戴國良先生、葉澍堃先生、黃汝璞女士及許競威先生，大部分成員為獨立非執行董事。

於回顧年度內，提名委員會曾舉行二次會議，以評估獨立非執行董事之獨立性、審閱及向董事會建議董事會之架構、人數及組成，以及審閱董事輪值告退計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(ii) Nomination Committee (Continued)

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

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

董事委員會(續)

(ii) 提名委員會(續)

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(iii) Remuneration Committee

The Remuneration Committee was established on 7 April 2005 with written terms of reference posted on the websites of the Company and the Stock Exchange. Until 18 June 2015, the Remuneration Committee was chaired by Mr. IP Shu Kwan, Stephen, being an independent non-executive director, with six other members namely, Mr. WONG Wai Sheung, Mr. TSE Moon Chuen, Mr. TAI Kwok Leung, Alexander, Mr. FOK Kwong Man (deceased and ceased to be an independent non-executive director on 18 June 2015), Mr. MAK Wing Sum, Alvin and Ms. WONG Yu Pok, Marina. On 22 June 2015, Mr. TSE Moon Chuen was replaced by Ms. WONG Hau Yeung to be a member of the Remuneration Committee. Majority of whom are the independent non-executive directors. Starting from 22 June 2015, the Remuneration Committee is chaired by Mr. IP Shu Kwan, Stephen, being an independent non-executive director, with five other members namely, Mr. WONG Wai Sheung, Ms. WONG Hau Yeung, Mr. TAI Kwok Leung, Alexander, Mr. MAK Wing Sum, Alvin and Ms. WONG Yu Pok, Marina, with majority of whom being the independent non-executive directors. Upon the appointment of Mr. HUI King Wai as a member of the Remuneration Committee of the Company since 21 August 2015, the Remuneration Committee is chaired by Mr. IP Shu Kwan, Stephen, being an independent non-executive director, with six other members namely, Mr. WONG Wai Sheung, Ms. WONG Hau Yeung, Mr. TAI Kwok Leung, Alexander, Mr. MAK Wing Sum, Alvin and Ms. WONG Yu Pok, Marina and Mr. HUI King Wai, with majority of whom being the independent non-executive directors.

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

董事委員會 (續)

(iii) 薪酬委員會

本公司於2005年4月7日成立薪酬委員會，其書面職權範圍載於本公司及聯交所網頁。截至2015年6月18日，薪酬委員會之主席為獨立非執行董事葉澍堃先生，其他六名成員為黃偉常先生、謝滿全先生、戴國良先生、霍廣文先生（於2015年6月18日辭世，並不再為獨立非執行董事）、麥永森先生及黃汝璞女士。於2015年6月22日，王巧陽女士接替謝滿全先生，為薪酬委員會成員。大部分成員為獨立非執行董事。由2015年6月22日開始，薪酬委員會之主席為獨立非執行董事葉澍堃先生，其他五名成員為黃偉常先生、王巧陽女士、戴國良先生、麥永森先生及黃汝璞女士，大部分成員為獨立非執行董事。繼許競威先生自2015年8月21日起獲委任為薪酬委員會成員，薪酬委員會之主席為獨立非執行董事葉澍堃先生，其他六名成員為黃偉常先生、王巧陽女士、戴國良先生、麥永森先生、黃汝璞女士及許競威先生，大部分成員為獨立非執行董事。

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(iii) Remuneration Committee (Continued)

The Remuneration Committee held two meetings during the Year under review to review the remuneration policies and recommend for the Board approval of the annual salary increments for the calendar year 2016, the discretionary year-end bonus for 2015 and the performance bonus for all non-sales employees working at the Head Office.

Details of directors' emoluments, five highest paid individuals and the remuneration of the members of the senior management by band during the Year under review are set out in Note 15 to the financial statements on pages 143 to 147 of this Annual Report.

AUDITOR'S REMUNERATION

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

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Audit services	審計服務	4,610	4,520
Non-audit services	非審計服務		
– Review service	– 審閱服務	535	520
– Tax related service	– 稅務相關服務	249	579
– IT security review service	– 資訊系統保安審閱服務	–	320
Total	總計	5,394	5,939

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

董事委員會(續)

(iii) 薪酬委員會(續)

於回顧年度內，薪酬委員會先後舉行二次會議以檢討薪酬政策，及向董事會建議審批2016曆年之年度薪金加幅、2015年年終酌情花紅及總辦事處所有非銷售僱員之獎勵花紅。

於回顧年度內，董事酬金、五名最高薪酬人士及高級管理人員之薪酬範圍之詳情載於本年報第143至147頁之財務報表附註15。

核數師酬金

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

外聘核數師於財務報告方面之職責，載於獨立核數師報告內。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

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

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

CORPORATE GOVERNANCE FUNCTION

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

COMPANY SECRETARY

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

董事對財務報表承擔之責任

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

董事會確保本公司維持健全及有效率之內部監控，以保障股東之權益及本公司之資產。審核委員會在內部審核小組之協助下，定期檢討本公司內部監控制度之成效。內部審核小組主管直接向審核委員會報告。

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

企業管治職能

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

公司秘書

於回顧年度內，公司秘書共接受超過15小時的專業培訓，以更新其技能及知識。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

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

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

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

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

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

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

風險管理及內部監控

董事會負責本公司風險管理及內部監控制度，並透過審核委員會每年檢討其成效。

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

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

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

審核委員會已審閱該報告，並與管理層進行討論。

審核委員會確認，於回顧年度內，內部審核小組已充分進行對風險管理制度的評估及對內部監控制度的檢測。審核委員會確認，管理層積極採納完善之風險管理及內部監控制度，以確保本公司能有效運作。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Committee

As our commitment to establishing and improving the risk management system, ensuring timely identification and management of risks for the achievement of corporate objectives, the Risk Management Committee was set up in 2016, comprising the Chairman and Chief Executive, four executive Directors and senior executives of the Group. The duties of the Risk Management Committee include, but are not limited to: (i) review the Company's compliance with the Code as set out in Appendix 14 of the Listing Rules regarding risk management requirements; (ii) coordinate staff training, including risk management principles, assessment methodology and its implementation; and (iii) assign personnel to support departments to perform risk assessment for newly established business or projects, if necessary. This committee reports directly to the Audit Committee.

Risk Management Framework

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

風險管理及內部監控(續)

風險管理委員會

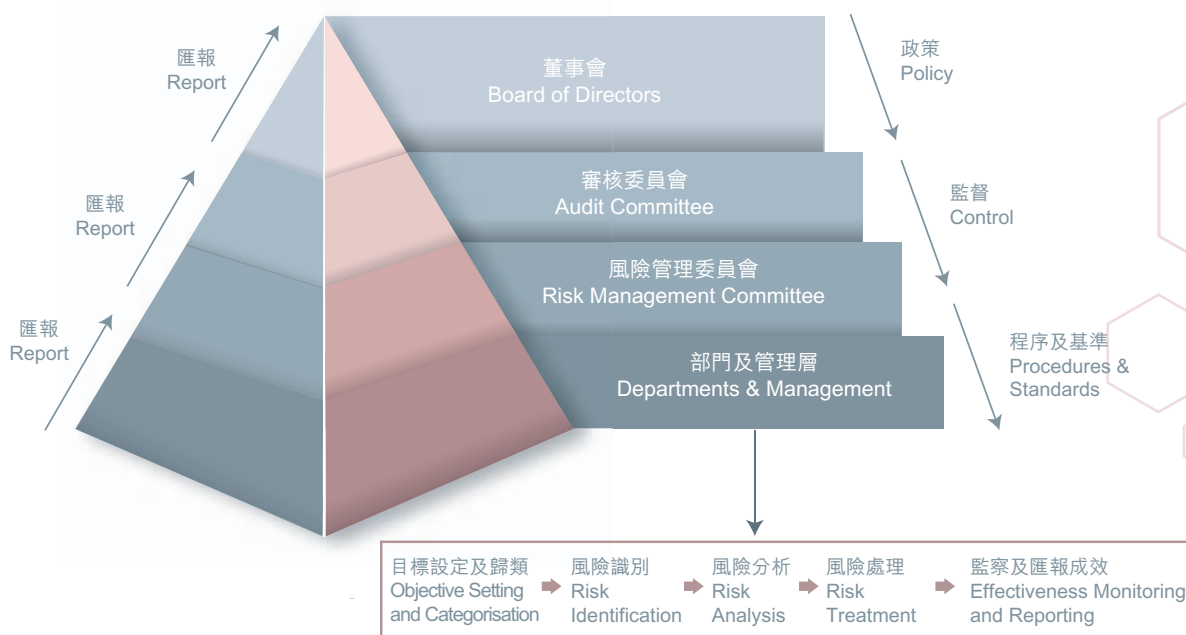
本集團於2016年設立風險管理委員會，此委員會由董事主席兼行政總裁、四名執行董事及本集團高級行政人員組成，目標是為集團建立及改良風險管理系統，並確保及時識別及管理風險，以達致企業目標。風險管理委員會負責包括但不限於：(i) 檢討集團遵守上市規則附錄14所載之守則中有關風險管理的規定；(ii) 統籌員工培訓，包括風險管理的原則及評估方式，與及如何有效實施風險管理；及(iii) 委派人員協助各部門就新設業務或項目進行風險評估。此委員會直接向審核委員會匯報。

風險管理架構

本公司的風險管理架構簡介如下列所示：

風險管理架構

Risk Management Framework



CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework (Continued)

Board of Directors

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

Audit Committee

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

Risk Management Committee

- Recommending the Group's risk tolerant level and criteria;
- Approving standard risk management templates including forms and tools;
- Approving risk registers;
- Reviewing the Group's compliance with the Code as set out in Appendix 14 of the Listing Rules regarding risk management requirements;
- Appointing risk owners;
- Appointing staff to support departments to conduct risk assessments on new ventures and activities;
- Conducting review on procedures and policies of risk management;
- Reporting, if any, significant risks to Audit Committee in a timely manner;
- Coordinating staff training; and
- Using heat map to show the risk ranking

風險管理及內部監控(續)

風險管理架構(續)

董事會

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

審核委員會

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

風險管理委員會

- 建議風險評估準則及風險容忍度；
- 審批用作風險管理的標準化範本包括表格及工具；
- 審批風險登記冊；
- 檢討集團遵守上市規則附錄14所載之守則中有關風險管理的規定；
- 委任風險負責人；
- 委派人員協助各部門就新設業務或項目進行風險評估；
- 檢討風險管理流程及政策；
- 及時向審核委員會匯報重大風險(如有)；
- 統籌員工培訓；及
- 以熱度圖顯示風險程度

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework (Continued)

Departments & Management

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

Objective Setting and Categorisation

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

Risk Identification

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

Risk Analysis

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

Risk Treatment

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

Effectiveness Monitoring and Reporting

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

風險管理及內部監控(續)

風險管理架構(續)

部門及管理層

部門及管理層負責其管轄範圍內的風險識別及評估：

目標設立及歸類

- 策略；
- 營運；
- 財務匯報；及
- 合規

風險識別

- 集團提供風險考慮因素範例；及
- 風險須與策略及目標有關聯

風險分析

- 考慮現有監控措施；
- 採用統一風險評分準則；及
- 評估剩餘風險

風險處理

- 選擇風險應對策略；
- 定立應對計劃；及
- 委任風險負責人

監察及匯報成效

- 定期監察風險及匯報；及
- 設立突發風險匯報制度

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

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

INTERNAL AUDIT

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

The Board has reviewed annually to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting, internal audit and financial reporting functions.

A risk-based audit approach has been adopted by the Internal Audit Team. Internal control reviews are arranged regularly while paying close attention to business or operation changes. Regular audit tests are carried out to ensure key controls are in operation. The Internal Audit Team also conducts other projects and investigating work as may be required.

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

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

風險管理及內部監控系統有效性檢討程序

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

如發現任何嚴重的內部監控缺失，審核委員會會與管理層討論，交由內部審核小組跟進，及／或於風險管理系統內再分類為「嚴重」以進一步制定措施解決或避免該缺失。

內部審核

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

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

內部審核小組採用風險主導審核方針，定期檢討內部監控，密切注意業務或營運變動，定期進行審核測試，以確保主要監控正常運作。內部審核小組亦視乎需要進行其他項目及調查工作。

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS

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

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

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

Procedures for putting forward proposal at general meeting

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

股東權利

股東召開股東特別大會(「股東特別大會」)之程序

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

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

於股東大會上提呈動議之程序

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

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

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

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

Specific enquiries by shareholders requiring the Board’s attention can be sent in writing to the company secretary at the Company’s business address in Hong Kong at Luk Fook Jewellery Centre, No. 239 Temple Street, Jordan, Kowloon, Hong Kong. Shareholders may also make proposals at the general meetings.

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

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

本公司股東提名候選董事之程序已刊登於本公司網站。

投資者關係及與股東之通訊

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

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

股東如欲向董事會作出特定查詢,可以書面形式致函公司秘書,寄往本公司的香港營業地址—香港九龍佐敦廟街239號六福珠寶中心。另外,股東可在股東大會提出建議。

本公司的組織章程文件於回顧年度內並沒有重大變動。

REPORT OF THE DIRECTORS

董事會報告

The directors submit their report together with the audited financial statements for the year ended 31 March 2016 (“the Year under review”).

PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

The principal activity of Luk Fook Holdings (International) Limited (the “Company”) is investment holding. The subsidiaries are principally engaged in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery and gem-set jewellery products.

An analysis of the performance of the Company and its subsidiaries (collectively referred to as the “Group”) for the year by operating segment is set out in Note 6 to the financial statements.

BUSINESS REVIEW

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

- (a) Review of the Group’s business — “Chairman’s Statement” on pages 3 to 6 and “Management Discussion and Analysis” on pages 7 to 18;
- (b) The principal risks and uncertainties the Group is facing — “Report of the Directors” on pages 57 to 82;
- (c) Future development in the Group’s business — “Chairman’s Statement” on pages 3 to 6 and “Management Discussion and Analysis” on pages 7 to 18;
- (d) Analysis using financial key performance indicators — “Financial Highlights” on page 1 and “Management Discussion and Analysis” on pages 7 to 18;
- (e) Discussion on the Group’s environmental policies and performance — “Corporate Social Responsibility” on pages 25 to 34;

董事謹提呈彼等之董事會報告連同截至2016年3月31日止年度(「回顧年度」)的經審核財務報表。

主要業務及業務分部之分析

六福集團(國際)有限公司(「本公司」)主要業務為投資控股，其附屬公司主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。

本公司及其附屬公司(統稱「本集團」)按營運分部劃分之年內業績分析載於財務報表附註6。

業務回顧

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

- (a) 本集團業務回顧 — 第3至6頁的「主席報告」及第7至18頁的「管理層討論及分析」；
- (b) 本集團正面對的主要風險及不明朗因素 — 第57至82頁的「董事會報告」；
- (c) 本集團日後的業務發展 — 第3至6頁的「主席報告」及第7至18頁的「管理層討論及分析」；
- (d) 運用財務主要表現指標進行的分析 — 第1頁的「財務摘要」及第7至18頁的「管理層討論及分析」；
- (e) 探討本集團的環境政策及表現 — 第25至34頁的「企業社會責任」；

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

- (f) Discussion on the Group's compliance with the relevant laws and regulations — “Corporate Governance Report” on pages 35 to 56 and “Report of the Directors” on pages 57 to 82; and
- (g) An account of the Group's key relationships with its employees, customers and suppliers and others — “Corporate Social Responsibility” on pages 25 to 34 and “Report of the Directors” on pages 57 to 82.

Principal Risks and Uncertainties

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

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

Economic Risks

- Economic slowdown or prolonged downturn of the global or Mainland China's economy;
- Weakening of mainland tourist spending due to the strong Hong Kong Dollar/weak Renminbi, the adjustment to the policy of Individual Visit Scheme and the increase in popularity of other tourist destinations;

Operational Risks

- Rental increment on retail shops;
- Fluctuations in prices of raw materials which may adversely affect our profitability;
- Strong competition from national and local competitors in jewellery and watch industry;

Regulatory Risks

- Adverse effects which may arise from changes in laws and regulations affecting our businesses;

Financial Risks

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

業務回顧(續)

- (f) 討論本集團對有關法律及規例的遵守 — 第35至56頁的「企業管治報告」及第57至82頁的「董事會報告」；及
- (g) 敘述本集團與其僱員、客戶、供應商及其他人士的重要關係 — 第25至34頁的「社會企業責任」及第57至82頁的「董事會報告」。

主要風險及不明朗因素

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

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

經濟風險

- 全球或中國內地經濟放緩或持續低迷；
- 港元強勢／人民幣弱勢、個人遊政策之調整及其他旅遊目的地興起之影響，削弱內地旅客消費意欲；

經營風險

- 零售店舖租金上升；
- 原材料價格波動，對我們的盈利能力或有不良影響；
- 全國及當地珠寶及鐘錶行業的競爭對手的劇烈競爭；

監管風險

- 影響我們業務的法律及法例出現變動或造成不利的影響；

財務風險

- 財務風險詳情載於綜合財務報表附註4。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Compliance with Laws and Regulations

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

Relationships with Key Stakeholders

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

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

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

業務回顧(續)

法律及規例的遵守

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

與主要持份者的關係

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

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

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

REPORT OF THE DIRECTORS

董事會報告

RESULTS AND APPROPRIATIONS

The results of the Group for the Year under review are set out in the consolidated income statement on page 85.

The directors have declared an interim dividend of HK\$0.315 per ordinary share and a special dividend of HK\$0.235 per ordinary share, totalling HK\$0.55 per ordinary share. A total of HK\$324,009,000 was paid on 21 December 2015.

The directors proposed a final dividend of HK\$0.34 per ordinary share and a special dividend of HK\$0.21 per ordinary share, totalling HK\$0.55 per ordinary share for the Year under review (2015: HK\$0.55 per share) to shareholders whose names appear on the register of members of the Company on 23 August 2016. Taking into account of the interim and special dividends paid, the total dividend for the year would amount to HK\$1.10 per ordinary share, totalling HK\$646,918,000 for the year (2015: HK\$1.10 per ordinary share, totalling HK\$648,018,000). Subject to the approval of the shareholders at the forthcoming annual general meeting of the Company to be held on 17 August 2016, the final and special dividends will be paid on or around 1 September 2016.

DONATIONS

Donations made by the Group during the Year under review amounted to approximately HK\$2,016,000 (2015: HK\$4,250,000).

SHARES ISSUED

Details of the shares issued by the Company during the Year under review are set out in Note 28 to the financial statements.

EQUITY-LINKED AGREEMENTS

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

業績及分派

本集團回顧年度之業績載於第85頁之綜合損益表內。

董事已宣派中期股息每股普通股0.315港元及特別股息每股普通股0.235港元，合共每股普通股0.55港元。總數324,009,000港元已於2015年12月21日派發。

董事建議就回顧年度向於2016年8月23日名列本公司股東名冊之股東派付末期股息每股普通股0.34港元及特別股息每股普通股0.21港元，合共每股普通股0.55港元（2015年：每股0.55港元），連同已派付的中期及特別股息，本年度股息合共為每股普通股1.10港元，年度股息總額為646,918,000港元（2015年：每股普通股1.10港元，總額為648,018,000港元）。待股東於2016年8月17日舉行之本公司應屆股東週年大會上批准後，末期及特別股息將於2016年9月1日前後支付。

捐款

本集團於回顧年度內作出之捐款約2,016,000港元（2015年：4,250,000港元）。

已發行股份

本公司於回顧年度內發行股份之詳情載於財務報表附註28。

股票掛鈎協議

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

REPORT OF THE DIRECTORS

董事會報告

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2016, calculated under the Companies Act of Bermuda, amounted to HK\$947,756,000 (2015: HK\$1,099,747,000).

可供分派儲備

根據百慕達公司法計算，本公司於2016年3月31日之可供分派儲備為947,756,000港元(2015年：1,099,747,000港元)。

FIVE-YEAR FINANCIAL SUMMARY

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

五年財務摘要

本集團截至3月31日止對上五個財政年度各年之業績、資產及負債如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元	2012 HK\$'000 千港元
Results	業績					
Revenue	收入	14,031,302	15,922,708	19,214,930	13,411,691	11,907,440
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	958,692	1,614,805	1,864,928	1,242,951	1,355,523
Assets and liabilities	資產及負債					
Total assets	總資產	10,629,499	11,511,237	9,586,156	7,561,875	6,738,461
Total liabilities	總負債	1,860,580	2,910,730	1,887,001	1,084,282	1,094,179
Shareholders' funds	股東資金	8,673,796	8,536,363	7,640,769	6,424,748	5,595,524

REPORT OF THE DIRECTORS

董事會報告

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company was authorised at its annual general meeting held on 19 August 2015 to repurchase shares up to a maximum of 10% of the shares in issue as at the date of passing the relevant resolution. During the Year under review, the Company repurchased its ordinary shares on the Stock Exchange when they were significantly trading at a discount in order to enhance shareholders' value. During the Year under review, the Company repurchased an aggregate of 2,000,000 ordinary shares for a total consideration of apparently HK\$29,086,000 (excluding transaction cost) on the Stock Exchange. The repurchased shares were cancelled during the Year under review. Details of the shares repurchased are as follows:

購入、出售或贖回證券

本公司於2015年8月19日舉行的股東週年大會獲授權購回本公司普通股，以購回最多相當於有關決議案獲通過日期已發行股份總數之10%。於回顧年度內，本公司在其普通股之買賣出現顯著折讓時，於聯交所購回其普通股，以提升股東價值。於回顧年度內，本公司於聯交所合共購回2,000,000股普通股股份，總代價約為29,086,000港元(不包括交易成本)，該等購回之股份已於回顧年度內註銷。有關購回股份之詳情如下：

Month of repurchase 購回股份之月份	Number of shares repurchased 購回股份總數	Consideration per share 每股代價		Aggregate consideration paid 支付代價總額 (excluding transaction cost) (不包括交易成本) HK\$'000 千港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
December 2015 2015年12月	801,000	16.28	15.92	12,919
January 2016 2016年1月	1,199,000	15.94	12.84	16,167
	2,000,000			29,086

Save as disclosed above, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year under review.

除以上披露外，本公司及其附屬公司於回顧年度內均無購回、出售或贖回任何本公司之上市證券。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The directors who held office during the year ended 31 March 2016 and up to the date of this Annual Report are as follows:

Executive Directors

Mr. WONG Wai Sheung (*Chairman & Chief Executive*)
Mr. TSE Moon Chuen (*Deputy Chairman*)
Ms. WONG Hau Yeung
Ms. WONG Lan Sze, Nancy
Ms. CHUNG Vai Ping
Dr. CHAN So Kuen (Appointed on 21 August 2015)

Non-executive Directors

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

Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander
Mr. IP Shu Kwan, Stephen, GBS, JP
Mr. FOK Kwong Man (Deceased and ceased to be
an independent non-executive director on 18 June 2015)
Mr. MAK Wing Sum, Alvin
Ms. WONG Yu Pok, Marina, JP
Mr. HUI King Wai (Appointed on 21 August 2015)

Pursuant to Bye-law 99 of the Bye-laws, one-third of the directors shall retire from office by rotation at each annual general meeting (the "AGM") of the Company. Accordingly, Mr. TSE Moon Chuen, Dr. CHAN So Kuen, Mr. WONG Ho Lung, Danny, Mr. MAK Wing Sum, Alvin and Mr. HUI King Wai shall retire from office by rotation at the AGM. All the retiring directors, being eligible, will offer themselves for re-election at the AGM. Details of the proposed directors to be re-elected are set out in the circular sent together with this Annual Report.

董事

截至2016年3月31日止年度內及直至本年報日期在任之董事如下：

執行董事

黃偉常先生(主席兼行政總裁)
謝滿全先生(副主席)
王巧陽女士
黃蘭詩女士
鍾惠冰女士
陳素娟博士(於2015年8月21日獲委任)

非執行董事

黃浩龍先生(副主席)
楊寶玲女士
許照中太平紳士
李漢雄MH太平紳士

獨立非執行董事

戴國良先生
葉樹堃 GBS 太平紳士
霍廣文先生(於2015年6月18日辭世，
並不再為獨立非執行董事)
麥永森先生
黃汝璞太平紳士
許競威先生(於2015年8月21日獲委任)

根據公司細則第99條，三分之一之董事須於本公司每屆股東週年大會(「股東週年大會」)輪值告退。據此，謝滿全先生、陳素娟博士、黃浩龍先生、麥永森先生及許競威先生將於股東週年大會上輪值告退。所有退任董事均符合資格，並願意於股東週年大會上膺選連任。有關擬重選董事之資料載於隨本年報寄發之通函內。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. WONG Wai Sheung, aged 65, is the founder, Chairman, Chief Executive and Executive Director of the Group. He is also a member of the Remuneration Committee and Nomination Committee. Mr. WONG has over 49 years of experience in the jewellery industry and is responsible for the overall strategic planning and management of the Group. He is a member of the Guangzhou Huadu District Municipal Committee of the Chinese People's Political Consultative Conference, Honorary Life President and the Associate Director of The Kowloon Gold Silver and Jewel Merchant's Staff Association, the Honorary Permanent Chairman of Hong Kong Jade Association, the Chairman of Supervisory Committee of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, the Honorary Chairman of Macau Goldsmith's Guild, the Honorary Chairman of the First General Committee and Vice President of Guangdong Golden Jewelry and Jade Industry's Association, the Honorary Vice-president of the Gems & Jewelry Trade Association of China, the Honorary Chairman of the Hong Kong Small and Medium Enterprises Association, the Honorary Chairman of Hong Kong Gemstone Manufacturers' Association, Founding Member and Vice-president of Shenzhen Gold & Silver Jewelry Creative Industry Association, Honorary Consultant of H.K. Gold & Silver Ornament Workers & Merchants General Union as well as the President of Hong Kong Precious Metals Traders Association Limited. He is also the elected member of General Committee of Hong Kong Brand Development Council. Mr. WONG is the father of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Company and Ms. WONG Lan Sze, Nancy, Executive Director and Deputy Business Director of the Company.

董事及高層管理人員之履歷詳情

執行董事

黃偉常先生，65歲，為本集團創辦人、主席、行政總裁及執行董事。彼亦為薪酬委員會和提名委員會之成員。黃先生於珠寶業擁有超過49年經驗，負責本集團的整體企業策劃及管理。彼現為中國人民政治協商會議廣州市花都區委員會委員、九龍首飾業文員會永遠榮譽會長及理事長、香港玉器商會永遠名譽會長、九龍珠石玉器金銀首飾業商會監事長、澳門金業同業公會名譽會長、廣東省金銀珠寶玉器業廠商會首屆名譽會長及副主席、中國珠寶玉石首飾行業協會理事會榮譽副會長、香港中小型企業聯合會名譽會長、香港寶石廠商會榮譽會長、深圳市金銀珠寶創意產業協會創會會員及副會長、香港金銀首飾工商總會名譽顧問及香港貴金屬同業協會有限公司會長。彼亦為香港品牌發展局理事會選任理事。黃先生為本公司副主席及非執行董事黃浩龍先生及本公司執行董事及業務副總監黃蘭詩女士之父親。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Mr. TSE Moon Chuen, aged 65, is the co-founder of the Group. Presently, he is the Deputy Chairman, Executive Director and Deputy General Manager of the Group. He is also a member of the Nomination Committee. Mr. TSE has over 43 years of experience in jewellery retailing business and is responsible for the merchandising and production functions of the Group. He is an Executive Committee member of the Diamond Federation of Hong Kong, China Ltd., a Vice President of The Chinese Gold & Silver Exchange Society, the Vice-chairman of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, a Life Honorary Chairman of Hong Kong Tsuen Wan Industries and Commerce Association Limited, the President of The Tsuen Wan Festival Lightings Organizing Committee, a member of the Kwun Tong District Junior Police Call (JPC) Honorary President Council, a Vice-chairman of Macau Goldsmith's Guild, a Director of Hong Kong, Guangzhou, Foshan and Zhaoqing Friendship Association, a Honorary President of Tsuen Wan Committee for Celebration of Reunification of Hong Kong with China, a Honorary President of Tsuen Wan Preparatory Community of National Day, a Vice President of Zhaoqing Overseas Friendship Association, a Honorary Consultant of Shatin Friends Society, a Vice Director of Finance of Hong Kong Jewellers' & Goldsmiths' Association, a Vice-chairperson of Tsuen Wan District Fire Safety Ambassador Honorary Presidents' Association, a Honorary President of H.K. Gold & Silver Ornament Workers & Merchants General Union, a Honorary President of The Residents Association of Tsuen Wan Hoi Bun District, a Honorary President of Hong Kong New Territories District Adviser Alumni Association and a 12th Term Executive Director of Guangzhou Panyu Jewelry Manufacturers Association. Moreover, Mr. TSE was awarded the "Chief Executive's Commendation for Community Service" by the Government of the Hong Kong SAR.

董事及高層管理人員之履歷詳情(續)

執行董事(續)

謝滿全先生，65歲，為本集團之共同創辦人，現職本集團之副主席、執行董事兼副總經理。彼亦為提名委員會成員之一。謝先生具備逾43年珠寶零售業經驗，負責本集團之採購及生產事宜。彼現為香港鑽石總會有限公司常務委員、金銀業貿易場理監事會副理事長、九龍珠石玉器金銀首飾業商會副理事長、香港荃灣工商業聯合會永遠會長、荃灣區節日燈飾籌備委員會會長、觀塘區少年警訊名譽會長會委員、澳門金業同業公會副理事長、香港廣佛肇聯誼總會會董、荃灣各界慶祝回歸委員會名譽會長、荃灣各界慶祝國慶委員會名譽會長、肇慶海外聯誼會副會長、沙田之友社名譽顧問、香港珠石玉器金銀首飾業商會副財務主任、荃灣區消防安全大使名譽會長會副主席、香港金銀首飾工商總會名譽會長、荃灣海濱海灣居民協會名譽會長、香港新界地區事務顧問協會名譽會長及廣州市番禺區珠寶廠商會第十二屆理事會常務理事。此外，謝先生獲香港特別行政區政府頒授「行政長官社區服務獎狀」。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Ms. WONG Hau Yeung, aged 43, is the Executive Director and Deputy General Manager of the Group and a member of the Remuneration Committee. She is also a Director of China Gold Silver Group Company Limited (“CGS”), an associate of the Company which conducts jewellery retail and franchise business under the brandname of “3D-GOLD” in Hong Kong, Macau and Mainland China. Ms. WONG initially joined the Group in 1994 and served various departments for about 7 years until 2002. She rejoined the Group in 2004. Currently, she is responsible for the Group’s operations and development of the retail and licensing businesses. In addition, she is also responsible for the human resources, administration and training functions of the Group. She holds a Master’s Degree in Business Administration from University of Southern Queensland. Ms. WONG is also a member of the Liaison Committee of Guangzhou Panyu District Committee of the Chinese People’s Political Consultative Conference, a Standing Director of Gemmological Association of Fujian, a member of The Jewellery Industry Training Advisory Committee, the Honorary Life President of Hong Kong Pun Yue Industrial and Commercial Fellowship Association and the Fifth Term Standing Director of Guangzhou Panyu Overseas Friendship Association. She has over 22 years of experience in the jewellery industry.

Ms. WONG Lan Sze, Nancy, aged 35, is the Executive Director and Deputy Business Director of the Group. She joined the Group in 2006 and assists in formulating and implementing the Group’s overall business strategies. She is also responsible for the Group’s corporate branding, marketing, corporate communications and e-commerce operations. Ms. WONG holds a Bachelor’s Degree in Commerce from the University of Toronto, Canada and a Master’s Degree of Science in China Business Studies from The Hong Kong Polytechnic University. She is also a Certified Public Accountant of the United States of America. Prior to joining the Group, Ms. WONG worked for an international professional accounting firm in Hong Kong, where she performed auditing and accounting assignments for a variety of business organizations including listed companies. She received the GIA Diamond Graduate title in 2007. She is a Co-opted Member of the Marketing Activities Committee of the Quality Tourism Services Association and a member of Jewellery Advisory Committee of the Hong Kong Trade Development Council. Ms. WONG is the daughter of Mr. WONG Wai Sheung, the Group’s Chairman, Chief Executive and Executive Director and the sister of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Company.

董事及高層管理人員之履歷詳情(續)

執行董事(續)

王巧陽女士，43歲，為本集團之執行董事兼副總經理及薪酬委員會成員之一。彼亦為中國金銀集團有限公司(「中國金銀」)(本公司之聯營公司，以「金至尊」品牌在香港、澳門及中國內地從事珠寶首飾零售及特許經營之業務)之董事。王女士於1994年首次加入本集團，至2002年期間曾於本集團多個部門任職達7年，彼其後於2004年再次加入本集團，現負責本集團之零售與品牌業務之營運及拓展。此外，彼亦負責本集團人力資源、行政及培訓的工作。彼持有澳洲南昆士蘭大學工商管理碩士學位。王女士亦為中國人民政治協商會議廣州市番禺區委員會聯絡委員、福建省寶玉石協會常務理事、珠寶行業培訓諮詢委員會委員、香港番禺工商聯誼會永遠名譽會長及廣州市番禺海外聯誼會第五屆理事會常務理事。彼具備超過22年珠寶業經驗。

黃蘭詩女士，35歲，為本集團執行董事兼業務副總監。彼於2006年加入本集團，協助規劃及實施本集團之整體業務策略，彼亦負責本集團之品牌管理、市場推廣、企業傳訊，以及電子商務營運。黃女士畢業於加拿大多倫多大學，獲頒商學士學位，並持有香港理工大學中國商貿管理理學碩士學位。彼亦為美國註冊執業會計師。加入本集團前，黃女士曾於本港一間國際專業會計師行工作，為包括上市公司的不同商業機構執行核數及會計工作。彼亦於2007年獲取GIA Diamond Graduate銜頭。彼為優質旅遊服務協會推廣活動委員會之增選委員及香港貿發局珠寶業諮詢委員會委員。黃女士為本集團主席、行政總裁及執行董事黃偉常先生之女兒，亦為本公司副主席及非執行董事黃浩龍先生之胞妹。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Ms. CHUNG Vai Ping, aged 46, is the Executive Director and Deputy Product Development Director of the Group. She has over 28 years of experience in the jewellery industry. She joined the Group in 1990 and is responsible for the product design and development functions of the Group. Ms. CHUNG frequently visits jewellery exhibitions worldwide for product exploration and sourcing the finest jewellery and jewellery parts for the Group. In 2001, Ms. CHUNG won the Best of Show Award for her design “Flashing” in the 2nd Hong Kong Jewellery Design Competition. She received the GIA Diamonds Graduate title in 2004. Ms. CHUNG is an Executive Committee member of Hong Kong Jewellers’ & Goldsmiths’ Association, a Director of the 5th Congress of Gemmological Association of Fujian and a fellow of the Professional Validation Centre of Hong Kong Business Sector Limited.

Dr. CHAN So Kuen, aged 56, has been appointed as the Chief Financial Officer and Company Secretary of the Group since September 2012 and the Executive Director of the Group since 21 August 2015. Dr. CHAN graduated from The Hong Kong Polytechnic University and Oklahoma City University (the United States of America), with a doctorate degree and a master’s degree in Business Administration, respectively. She is also a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Dr. CHAN had been the Director of Finance & Company Secretary and the Deputy Chairman of the Board of Directors & Chief Executive Officer of Bossini International Holdings Limited (Stock Code: 0592) for approximately 3 and 4 years respectively during the period from 2003 to 2010. Dr. CHAN has substantial financial and management experiences in vast varieties of businesses for more than 30 years. Dr. CHAN is currently responsible for the overall financial management, corporate finance, information technology, investor relations and company secretarial matters of the Group.

董事及高層管理人員之履歷詳情(續)

執行董事(續)

鍾惠冰女士，46歲，為本集團之執行董事及產品拓展副總監。彼於1990年起加入本集團，於珠寶業擁有超逾28年經驗，主要負責本集團產品設計及拓展事宜。鍾女士經常到世界各地的珠寶展覽進行考察，為本集團搜羅優質的珠寶首飾及原材料。於2001年，鍾女士所設計的作品「煙花」贏取第二屆香港珠寶設計比賽大獎。彼於2004年獲取GIA Diamonds Graduate銜頭。鍾女士為香港珠玉石玉器金銀首飾業商會之理事、福建省寶玉石協會第五屆理事會理事及香港商業專業評審中心有限公司之院士。

陳素娟博士，56歲，於2012年9月起獲委任為本集團之首席財務總監及公司秘書，並於2015年8月21日起獲委任為本集團之執行董事。陳博士畢業於香港理工大學及美國奧克拉荷馬城大學，分別持有工商管理博士及碩士學位。彼亦為英國特許公認會計師公會及香港會計師公會之資深會員。陳博士曾在2003年至2010年期間，於堡獅龍國際集團有限公司(股份代號：0592)擔任財務董事兼公司秘書及董事局副主席兼行政總裁分別約3年及4年。陳博士於多類型業務已積累逾30年之豐富財務及管理經驗。目前，陳博士負責本集團之整體財務管理、企業財務、資訊科技、投資者關係及公司秘書工作。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Non-executive Directors

Mr. WONG Ho Lung, Danny, aged 39, is the Deputy Chairman and Non-executive Director of the Group. He is also the Chief Executive Officer and Director of CGS. He joined the Group as an Operations Manager in 2002. Mr. Danny WONG is an active participant in the community and is currently a Standing Committee member of Sihui Municipal Committee of the Chinese People's Political Consultative Conference, a Permanent President of Sze Wui and Kwong Ning Clansman's Association (Hong Kong) Limited, the President of Sihui Dasha Town Clansman's Association (Hong Kong), an Executive Committee member of Diamond Federation of Hong Kong, China Limited, an Executive Committee member of Hong Kong Jewellers' & Goldsmiths' Association, a Supervisory Committee member of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, a Vice President of Executive Committee of Shamshuipo Council For the Promotion of Cultural & Recreational Services Ltd., a member of Lions Club of Sham Shui Po Hong Kong and a member of The Association of the Hong Kong Members of Guangdong's Chinese People's Political Consultative Conference Committees Limited. In December 2008, Mr. Danny WONG received the GIA Diamond Graduate title. He is the son of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive and Executive Director and the elder brother of Ms. WONG Lan Sze, Nancy, an Executive Director and Deputy Business Director of the Company.

Ms. YEUNG Po Ling, Pauline, aged 49, is the co-founder of the Group. Ms. YEUNG has over 28 years of experience in public relations. Ms. YEUNG was the winner of Miss Hong Kong and Miss International of Goodwill in 1987, and also the 4th Runner-up of Miss Universe and Queen of Asia in 1988. Ms. YEUNG was the President of the Wai Yin Association for the year 1995-1996. She received the GIA Diamonds Graduate title in 2005.

董事及高層管理人員之履歷詳情(續)

非執行董事

黃浩龍先生，39歲，為本集團之副主席及非執行董事。彼亦為中國金銀之行政總裁及董事。彼於2002年加入本集團為營運經理。黃浩龍先生積極參與社區活動，彼現時為中國人民政治協商會議四會市委員會常委、香港會寧同鄉會有限公司永遠會長、香港四會大沙同鄉會會長、香港鑽石總會常務委員、香港珠石玉器金銀首飾業商會理事、九龍珠石玉器金銀首飾業商會監事、深水埗區文娛康樂促進會有限公司執行委員會副主席、香港深水埗獅子會會員及香港廣東各級政協委員聯誼會有限公司會員。於2008年12月，黃浩龍先生亦獲取GIA Diamond Graduate銜頭。彼為本集團主席、行政總裁及執行董事黃偉常先生之兒子，亦為本公司執行董事及業務副總監黃蘭詩女士之胞兄。

楊寶玲女士，49歲，為本集團之共同創辦人。楊女士具備逾28年公關工作經驗。楊女士為1987年度香港小姐冠軍及國際親善大使，亦是1988年環球小姐第五名兼亞洲皇后。楊女士曾任1995-1996年度慧妍雅集主席。彼於2005年獲取GIA Diamonds Graduate銜頭。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Non-executive Directors (Continued)

Mr. HUI Chiu Chung, JP, aged 69, joined the Group in 1997. He was re-designated from an Independent Non-executive Director to a Non-executive Director of the Company on 1 October 2011, owing to changes in factors concerning his independence. Mr. HUI has 45 years of experience in the securities and investment industry. Mr. HUI had for years been serving as a Council Member and Vice Chairman of The Stock Exchange of Hong Kong Limited, a member of the Advisory Committee of the Hong Kong Securities and Futures Commission, Director of the Hong Kong Securities Clearing Company Limited, a member of the Listing Committee of the Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeal Tribunal, a member of Standing Committee on Company Law Reform, a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission and also an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A. Mr. HUI was appointed by the Government of the HKSAR a Justice of the Peace in 2004 and was also appointed a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference in 2006. He had also been a member of Government "Appointees" (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. HUI also serves as Independent Non-executive Director of Zhuhai Holdings Investment Group Limited (Stock Code: 0908), Lifestyle International Holdings Limited (Stock Code: 1212), Gemdale Properties and Investment Corporation Limited (Stock Code: 0535), China South City Holdings Limited (Stock Code: 1668), SINOPEC Engineering (Group) Co., Ltd. (Stock Code: 2386), Agile Property Holdings Limited (Stock Code: 3383) and FSE Engineering Holdings Limited (Stock Code: 0331) whose shares are listed on The Stock Exchange of Hong Kong Limited. He was an Independent Non-executive Director of Chun Wo Development Holdings Limited (Stock Code: 0711) and Hong Kong Exchange and Clearing Limited (Stock Code: 0388) until his resignation effective from 1 February 2015 and his retirement effective from 29 April 2015 respectively.

董事及高層管理人員之履歷詳情(續)

非執行董事(續)

許照中太平紳士，現年69歲，於1997年加入本集團。由於可影響許先生獨立性之因素有所改變，他已於2011年10月1日由獨立非執行董事重新委任為非執行董事。許先生具備45年之證券及投資經驗，多年來曾出任聯交所理事會理事及副主席、香港證券及期貨事務監察委員會諮詢委員會委員、香港中央結算有限公司董事、香港交易及結算所有限公司上市委員會委員、證券及期貨事務上訴審裁處委員、公司法改革常務委員會委員、香港證券及期貨事務監察委員會房地產投資信託基金委員會委員及香港會計師公會調查小組A組委員等。許先生於2004年獲香港特別行政區政府頒授太平紳士榮銜，並於2006年獲中國珠海市人民政治協商會議委任為政協委員。彼亦曾任香港旅遊業議會上訴委員會獨立委員。許先生亦為股份於聯交所上市之珠海控股投資集團有限公司(股份代號：0908)、利福國際集團有限公司(股份代號：1212)、金地商置集團有限公司(股份代號：0535)、華南城控股有限公司(股份代號：1668)、中石化煉化工程(集團)股份有限公司(股份代號：2386)、雅居樂地產控股有限公司(股份代號：3383)及豐盛機電控股有限公司(股份代號：0331)之獨立非執行董事。彼曾為俊和發展集團有限公司(股份代號：0711)及香港交易及結算所有限公司(股份代號：0388)之獨立非執行董事，分別至2015年2月1日辭任及2015年4月29日任滿為止。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Non-executive Directors (Continued)

Mr. LI Hon Hung, MH, JP, aged 59, has been appointed as a Non-executive Director of the Company since 1 October 2011. Mr. LI holds a Diploma of Architectural Design from Humber College of Toronto, Canada in 1981 and a Bachelor's of Architecture from New York Institute of Technology in 1984. Mr. LI was awarded the Certificate of Registration Authorized Person (List of Architects) in 1989 and the Certificate of Registered Inspector in 2012, by the Government of the HKSAR respectively. In professional qualification aspect, Mr. LI is a Fellow of Hong Kong Institute of Architects and a Member of Architect Registration Board. He also got the PRC Class 1 Registered Architect Qualification. Mr. LI has extensive architecture experience and is a Director of Li & Siu Associates Ltd. and A. Li & Associates Architects Ltd. In addition, he is a Director of Keen Mind Kindergarten. Mr. LI was appointed as a District Council Member of Sham Shui Po District from 2000 to 2007 and awarded the Chief Executive's Commendation For Community Service and Medal of Honor. He was also appointed by the Government of the HKSAR a Justice of the Peace in 2008. Mr. LI has been appointed to various positions over the years including: Chairman of Sham Shui Po District Office (East Liaison Team), Chairman of Sham Shui Po District Fire Safety Committee, Chairman of Sham Shui Po Council for the Promotion of Cultural and Recreation Service Limited, Chairman of Sham Shui Po District Fight Crime Committee, Honorary President of Sham Shui Po District Junior Police Call, Honorary President of Kowloon City District Junior Police Call, Honorary President of Yau Tsim District Junior Police Call, Chairman of Yau Yat Chuen Residents Association Ltd., President of Police Dragon Boat Club and Chartered President of Lions Club of Sham Shui Po Hong Kong.

Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander, aged 58, has been an Independent Non-executive Director of the Company since July 2008 and is the Chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee of the Company. Mr. TAI graduated from Victoria University of Wellington in New Zealand with a degree in Bachelor of Commerce and Administration in 1982 and became an associate member of the Hong Kong Institute of Certified Public Accountants in 1983. Mr. TAI has extensive accountancy, corporate finance and investment experience in Hong Kong and overseas. Mr. TAI is an executive director of Investec Capital Asia Limited (formerly known as Access Capital Asia Limited), a licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities. Mr. TAI is an Independent Non-executive Director of Anhui Conch Cement Company Limited (Stock Code: 0914) and Jiayuan International Group Limited (Stock Code: 2768) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

董事及高層管理人員之履歷詳情(續)

非執行董事(續)

李漢雄MH太平紳士，59歲，於2011年10月1日起獲委任為本公司之非執行董事。李先生於1981年持有加拿大多倫多Humber College頒授之理工建築系文憑，及於1984年持有美國紐約理工大學頒授之建築系學士。李先生分別於1989年獲得香港特別行政區認可人士(建築師)證書及於2012年獲得香港特別行政區註冊檢驗人員證書。在專業資格方面，李先生為香港建築師學會資深會員，以及香港建築師註冊管理局及英國皇家建築師學會之會員。彼亦取得中國一級註冊建築師資格，李先生擁有豐富之建築經驗，亦為李邵建築師樓有限公司及李漢雄建築師樓有限公司之董事。另外，彼為劍鳴幼稚園暨幼兒園之董事。李先生於2000年至2007年間擔任香港特別行政區深水埗區議會政府委任區議員，並獲香港特別行政區政府頒授行政長官社區服務獎狀及榮譽勳章，彼更於2008年獲香港特別行政區政府頒授太平紳士榮銜。過往多年來李先生曾擔任多項公職，當中包括：深水埗東分區委員會主席、深水埗防火委員會主席、深水埗區文娛康樂促進會主席、深水埗區撲滅罪行委員會主席、深水埗區少年警訊名譽會長、九龍城區少年警訊名譽會長、油尖區少年警訊名譽會長、又一村居民聯會主席、香港警察龍舟會會長及深水埗獅子會創會會長。

獨立非執行董事

戴國良先生，58歲，由2008年7月起為本公司之獨立非執行董事，彼為本公司審核委員會之主席及提名委員會與薪酬委員會之成員。戴先生於1982年在紐西蘭威靈頓Victoria University畢業，獲取商業及行政學士學位，並於1983年成為香港會計師公會會員。戴先生在香港及海外擁有豐富之會計、企業融資及投資經驗。戴先生為天達融資亞洲有限公司(前稱卓怡融資有限公司)之執行董事，該公司為根據證券及期貨條例可從事第1類(證券交易)、第4類(就證券提供意見)、第6類(就機構融資提供意見)及第9類(提供資產管理)受規管活動之持牌法團。戴先生現為香港聯合交易所有限公司主板上市的安徽海螺水泥股份有限公司(股份代號：0914)及佳源國際控股有限公司(股份代號：2768)之獨立非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Mr. IP Shu Kwan, Stephen, GBS, JP, aged 64, is an Independent Non-executive Director, the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Mr. IP graduated from The University of Hong Kong with a degree of Social Sciences in 1973. He subsequently pursued further studies in Oxford University and Harvard Business School. Mr. IP joined the Hong Kong Government in November 1973 as an Administrative Officer and had served various government departments. Mr. IP was promoted to the rank of Director of Bureau in April 1997. He worked in the Government of the Hong Kong Special Administrative Region (the "Government of the HKSAR") as a Principal Official from July 1997 to June 2007. Senior positions held by Mr. IP in the past included Commissioner of Insurance, Commissioner for Labour, Secretary for Economic Services and Secretary for Financial Services. Mr. IP took up the position of Secretary for Economic Development and Labour on 1 July 2002. His portfolio in respect of economic development covered air and sea transport, logistics development, tourism, energy, postal services, meteorological services, competition and consumer protection. He was also responsible for labour policies including matters relating to employment services, labour relations and employees' rights. In his capacity as Secretary for Economic Development and Labour, Mr. IP was a member of the Hong Kong Airport Authority Board, the Mandatory Provident Fund Authority Board, the Hong Kong International Theme Parks Company Board as well as the Chairman of the Logistics Development Council, Port Development Board, Maritime Industry Council and Aviation Development Advisory Committee. Mr. IP retired from the Government of the HKSAR in July 2007. Mr. IP received the Gold Bauhinia Star award from the Government of the HKSAR in 2001, and is an unofficial Justice of the Peace. Mr. IP is also an Independent Non-executive Director of China Resources Cement Holdings Limited (Stock Code: 1313), Synergis Holdings Limited (Stock Code: 2340), Lai Sun Development Company Limited (Stock Code: 0488) and Kingboard Laminates Holdings Limited (Stock Code: 1888) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

董事及高層管理人員之履歷詳情(續)

獨立非執行董事(續)

葉澍堃 GBS 太平紳士，64 歲，為本公司之獨立非執行董事、薪酬委員會之主席及審核委員會與提名委員會之成員。葉先生於 1973 年於香港大學社會科學系畢業，其後曾赴牛津大學及哈佛商學院深造。葉先生於 1973 年 11 月加入香港政府政務主任職級，亦曾服務多個政府部門。葉先生於 1997 年 4 月升任局長級。彼由 1997 年 7 月至 2007 年 6 月出任香港特別行政區政府主要官員。葉先生曾經出任的高層職位包括保險業監理專員、勞工處處長、經濟局局長(前稱經濟司)及財經事務局局長。葉先生自 2002 年 7 月 1 日起出任經濟發展及勞工局局長。在經濟發展方面，葉先生的職責範疇包括海空交通、物流發展、旅遊、能源、郵政服務、氣象服務、競爭及保障消費者權益。此外，葉先生亦負責勞工政策，處理的事宜包括就業服務、勞資關係和僱員權益。葉先生過去以經濟發展及勞工局局長身份出任香港機場管理局、強制性公積金計劃管理局及香港國際主題樂園公司董事局成員，及香港物流發展局、香港港口發展局、香港航運發展局及航空發展諮詢委員會主席。葉先生於 2007 年 7 月退休離開香港特別行政區政府。葉先生於 2001 年獲香港特別行政區政府頒發金紫荊勳章，及於 2007 年 7 月獲委任為非官守太平紳士。葉先生現時為香港聯合交易所有限公司主板上市的華潤水泥控股有限公司(股份代號：1313)、新昌管理集團有限公司(股份代號：2340)、麗新發展有限公司(股份代號：0488)及建滔積層板控股有限公司(股份代號：1888)之獨立非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Mr. MAK Wing Sum, Alvin, aged 63, is an Independent Non-executive Director of the Company and is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. Mr. MAK graduated from the University of Toronto with a Bachelor of Commerce degree in 1976. He is a member of the Canadian Institute of Chartered Accountants and the Hong Kong Institute of Certified Public Accountants. After working in Citibank for over 26 years, Mr. MAK retired on 1 May 2012. He last served as the Head of Markets and Banking for Citibank Hong Kong, being the country business manager for corporate and investment banking business. Mr. MAK had also held various other senior positions in Citibank including Head of Global Banking responsible for managing all the coverage bankers. Prior to that, he also managed the bank's Hong Kong corporate finance business, regional asset management business and was the Chief Financial Officer of North Asia. Before joining Citibank in 1985, Mr. MAK was an audit group manager at Coopers & Lybrand (now known as PricewaterhouseCoopers). He worked for Coopers & Lybrand for 8 years, 5 of which was in Toronto, Canada.

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

董事及高層管理人員之履歷詳情(續)

獨立非執行董事(續)

麥永森先生，63歲，為本公司之獨立非執行董事，彼為提名委員會之主席及審核委員會與薪酬委員會之成員。麥先生於1976年在多倫多大學畢業，獲取商業學士學位。彼為加拿大特許會計師公會會員及香港會計師公會會員。麥先生於花旗銀行任職逾26年後，於2012年5月1日退休。離任前彼為花旗銀行香港區資本市場及企業銀行業務總裁，主管香港企業和投資銀行業務。麥先生在任職花旗銀行期間亦曾擔任過多項其他高級職務，包括環球銀行香港主管，專責管理所有顧客關係經理。在此之前，彼亦曾管理該銀行香港區企業融資業務、區域資產管理業務，並曾為北亞地區財務總裁。麥先生於1985年加入花旗銀行前，於永道會計師事務所(現為羅兵咸永道會計師事務所)任審計組經理。彼於永道會計師事務所工作了8年，其中5年於加拿大多倫多工作。

麥先生現為香港聯合交易所有限公司主板上市的I.T Limited(股份代號：0999)、麗豐控股有限公司(股份代號：1125)、香港電視網絡有限公司(股份代號：1137)及金邦達寶嘉控股有限公司(股份代號：3315)之獨立非執行董事。彼亦於2015年5月獲委任為香港房屋協會的成員，現亦為其審核委員會和投資特別委員會之成員。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Ms. WONG Yu Pok, Marina, JP, aged 67, is an Independent Non-executive Director, a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Ms. WONG joined the Company on 20 August 2013. Ms. WONG had been with PricewaterhouseCoopers for over 36 years specializing in the Mainland China tax and business advisory services. Since 1978, she was responsible for the development of the firm's business in the Mainland China. Ms. WONG joined Tricor Services Limited as a director from 2004 to 2006 after her retirement as a partner from PricewaterhouseCoopers in 2004. Ms. WONG is the Chairman of The Applied Research Council and a member of Advisory Committee on Social Work Training and Manpower Planning. She is also a Fellow Member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Ms. WONG is also an Independent Non-executive Director of Hong Kong Ferry (Holdings) Company Limited (Stock Code: 0050), Kerry Properties Limited (Stock Code: 0683) and Kerry Logistics Network Limited (Stock Code: 0636), which are listed on the Main Board of The Stock Exchange of Hong Kong Limited and an independent director of China World Trade Center Co., Ltd. (a company listed on the Shanghai Stock Exchange).

Mr. HUI King Wai, aged 66, was appointed as an Independent Non-executive Director and a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company with effect from 21 August 2015. He is a solicitor practising in Hong Kong. Mr. HUI is currently an Of Counsel of Locke Lord LLP. Mr. HUI was admitted the solicitor of the Supreme Court of England and Wales and of the Supreme Court of Hong Kong in 1981 and 1982 respectively. Mr. HUI was a Non-executive Director of the Group during the period from 1999 to 2013.

董事及高層管理人員之履歷詳情(續)

獨立非執行董事(續)

黃汝璞太平紳士，67歲，為本公司獨立非執行董事，以及審核委員會、提名委員會及薪酬委員會之成員。黃女士於2013年8月20日加入本公司。黃女士在羅兵咸永道會計師事務所工作逾36年，對中國稅務法規及外資企業運作尤其熟悉。黃女士自1978年起負責事務所於中國大陸之業務發展。黃女士自2004年退任羅兵咸永道會計師事務所合夥人一職後，於2004年至2006年加盟卓佳專業商務有限公司為董事。黃女士現為香港應用研究局主席及社會工作訓練及人力策劃諮詢委員會委員。彼亦為香港會計師公會及特許公認會計師公會資深會員。

黃女士亦為股份於香港聯合交易所有限公司主板上市之香港小輪(集團)有限公司(股份代號：0050)、嘉里建設有限公司(股份代號：0683)及嘉里物流聯網有限公司(股份代號：0636)之獨立非執行董事及中國國際貿易中心股份有限公司(於上海證券交易所上市之公司)之獨立董事。

許競威先生，66歲，獲委任為本公司獨立非執行董事及審核委員會、提名委員會與薪酬委員會成員，自2015年8月21日生效。彼為香港執業律師。許先生現為洛克律師事務所之顧問律師。許先生分別於1981年及1982年獲英格蘭及威爾斯最高法院以及香港最高法院認為執業律師。許先生於1999年至2013年期間擔任本公司之非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Senior Management

Mr. WONG Wai Tong, aged 55, is the Business Director of the Group. He initially joined the Group in 1998 and served various departments for over 10 years until 2013. Mr. WONG rejoined the Group in 2014. He has over 39 years of manufacturing and purchasing experience in jewellery and gold industry. Mr. WONG is responsible for the Group's merchandising and assembly functions of diamonds and gemstones. He holds the titles of a Diamond Grader of National Gemstone Testing Center and a Certified Diamond Grader of HRD Antwerp Institute of Gemmology. He is the second term member of the Guangzhou Nansha District Municipal Committee of the Chinese People's Political Consultative Conference, the Vice-chairman of Hong Kong Guangzhou Nansha Association, the sixth term executive director of Guangzhou Overseas Friendship Association, a Consultant of Guangzhou Panyu Jewelry Manufacturers Association, the fourth term Executive Director of Guangzhou Panyu Overseas Friendship Association, the third term Director of Guangzhou Panyu District Overseas Exchange Association, a Vice-president Nansha District of Hong Kong Federation of Guangzhou Associations and a Director of Guangzhou Diamond Exchange. Mr. WONG is the brother of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive and Executive Director.

Ms. WONG So Kuen, aged 54, is the Deputy Financial Controller of the Group. Ms. WONG joined the Group in 1997. She is mainly responsible for accounting, finance and tax planning matters of the Group. Ms. WONG often travels to Mainland China in search of information on national tax policies and privileges in order to develop relevant tax plans for the Group. She has over 30 years of experience in financial and accounting for commercial firms.

董事及高層管理人員之履歷詳情(續)

高級管理層

黃偉棠先生，55歲，為本集團之業務總監。彼於1998年首次加入本集團，至2013年期間曾於多個部門任職達10多年。黃先生其後於2014年再次加入本集團。彼具備逾39年珠寶黃金製造及採購經驗。黃先生現負責本集團鑽石與寶石之採購及鑲嵌事宜。彼持有國家珠寶玉石質量監督檢驗中心鑽石分級師及HRD Antwerp Institute of Gemmology之Certified Diamond Grader銜頭。彼亦是中國人民政治協商會議廣州市南沙區第二屆委員會委員、香港廣州南沙聯誼會副會長、廣州市海外聯誼會第六屆理事會常務理事、廣州市番禺區珠寶廠商會顧問、廣州市番禺區海外聯誼會第四屆理事會常務理事、廣州市番禺區海外交流協會第三屆理事會理事、香港廣州社團總會南沙區副會長及廣州鑽石交易中心董事。黃先生為本集團主席、行政總裁及執行董事黃偉常先生之胞弟。

黃蘇娟女士，54歲，為本集團之財務副總監。黃女士於1997年加入本集團。彼主要負責本集團會計、財務及稅務策劃事宜。黃女士經常到中國內地考察，為本集團搜尋國家稅務政策及優惠條款，以制定有關稅務計劃。彼具備逾30年之商業機構財務及會計經驗。

REPORT OF THE DIRECTORS

董事會報告

RETIREMENT SCHEME

Details of the retirement scheme operated by the Group are set out in Note 14 to the financial statements.

DIRECTORS' SERVICE CONTRACTS

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

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

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

Save as disclosed in Note 37 to the financial statements, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company, its subsidiaries or its holding company was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Year under review.

MANAGEMENT CONTRACTS

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

退休計劃

本集團推行之退休計劃詳情載於財務報表附註14。

董事服務合約

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

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

董事於重要交易、安排或合約之重大權益

除財務報表附註37披露者外，於年結日或回顧年度內任何時間內，本公司、其附屬公司或其控股公司概無簽訂任何其他與本集團業務有關而本公司董事直接或間接擁有重大權益之重要交易、安排或合約。

管理合約

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

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 March 2016, save as disclosed below, none of the directors and chief executive of the Company had interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (b) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), to be notified to the Company and the Stock Exchange:

董事及最高行政人員於證券之權益及淡倉

於2016年3月31日，除下文披露者外，本公司董事及最高行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有(a)根據證券及期貨條例第352條規定須記錄於該條所述登記冊；或(b)根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄10所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所之權益及淡倉：

Long positions in shares and underlying shares of the Company:

本公司股份及相關股份之好倉：

Name of Director 董事姓名	Number of Ordinary Shares 普通股數目				Total Interest 權益總額	% of Shares 佔股份百分比
	Beneficial Owner 實益擁有人	Spouse 配偶	Controlled Corporation 受控制法團	Beneficiary of Trust 信託受益人		
Mr. WONG Wai Sheung 黃偉常先生	4,044,561	404,000 note (a) 附註(a)	240,868,176 note (b) 附註(b)	1,511,050 note (d) 附註(d)	246,827,787 (L)	42.04%
Mr. TSE Moon Chuen 謝滿全先生	422,344		240,868,176 note (c) 附註(c)		241,290,520 (L)	41.10%
Ms. WONG Hau Yeung 王巧陽女士	60,000				60,000 (L)	0.01%
Ms. WONG Lan Sze, Nancy 黃蘭詩女士	385,000			1,511,050 note (d) 附註(d)	1,896,050 (L)	0.32%
Ms. CHUNG Vai Ping 鍾惠冰女士	267,865				267,865 (L)	0.05%
Dr. CHAN So Kuen 陳素娟博士	80,000	5,000 note (e) 附註(e)			85,000 (L)	0.01%
Mr. WONG Ho Lung, Danny 黃浩龍先生	370,000			1,511,050 note (d) 附註(d)	1,881,050 (L)	0.32%
Mr. LI Hon Hung 李漢雄先生	837,437				837,437 (L)	0.14%

(L) Long position 好倉

REPORT OF THE DIRECTORS

董事會報告

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

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

Note (a)

Mr. WONG Wai Sheung's spouse, Ms. LUK Chui Yee, held 404,000 shares of the Company.

Note (b)

Mr. WONG Wai Sheung was a discretionary beneficiary of the WONG's Family Trust (the "Trust"). The Trust was the beneficial owner of the entire issued share capital of Kwai Kee Cheung Jewellery & Goldsmith Company Limited which controlled over one-third of the voting power of Luk Fook (Control) Limited. Accordingly, Mr. WONG Wai Sheung, together with others, collectively controlled (directly or indirectly) over one-half of the voting power of Luk Fook (Control) Limited and was deemed to be interested in 234,185,672 shares held by Luk Fook (Control) Limited in the Company.

In addition, Mr. WONG Wai Sheung, together with others, collectively controlled (directly or indirectly) over one-third of the voting power of Dragon King Investment Ltd.. Accordingly, Mr. WONG Wai Sheung was deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd. in the Company.

Note (c)

Mr. TSE Moon Chuen, together with others, collectively controlled (directly or indirectly) over one-half of the voting power of Luk Fook (Control) Limited. Accordingly, Mr. TSE Moon Chuen was deemed to be interested in 234,185,672 shares held by Luk Fook (Control) Limited in the Company.

In addition, Mr. TSE Moon Chuen, together with others, collectively controlled (directly or indirectly) over one-third of the voting power of Dragon King Investment Ltd.. Accordingly, Mr. TSE Moon Chuen was deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd. in the Company.

Note (d)

Mr. WONG Wai Sheung, Ms. LUK Chui Yee, Ms. WONG Lan Sze, Nancy and Mr. WONG Ho Lung, Danny, were discretionary beneficiaries of the Trust. The Trust was the beneficial owner of the entire issued share capital of Kwai Kee Cheung Jewellery & Goldsmith Company Limited which in turn was the beneficial owner of 1,511,050 shares of the Company.

Note (e)

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

董事及最高行政人員於證券之權益及淡倉(續)

本公司股份及相關股份之好倉：(續)

附註(a)

黃偉常先生之配偶陸翠兒女士持有404,000股本公司股份。

附註(b)

黃偉常先生為黃氏家族信託(「信託」)之全權受益人。該信託為桂記祥珠寶金行有限公司全部已發行股本之實益擁有人，控制六福(控股)有限公司超過三分之一投票權。因此，黃偉常先生連同其他人士共同(直接或間接地)控制六福(控股)有限公司超過一半投票權，並被視為於六福(控股)有限公司持有之234,185,672股本公司股份中擁有權益。

此外，黃偉常先生連同其他人士共同(直接或間接地)控制龍寶投資有限公司超過三分之一投票權。因此，黃偉常先生被視為於龍寶投資有限公司持有之6,682,504股本公司股份中擁有權益。

附註(c)

謝滿全先生連同其他人士共同(直接或間接地)控制六福(控股)有限公司超過一半投票權。因此，謝滿全先生被視為於六福(控股)有限公司持有之234,185,672股本公司股份中擁有權益。

此外，謝滿全先生連同其他人士共同(直接或間接地)控制龍寶投資有限公司超過三分之一投票權。因此，謝滿全先生被視為於龍寶投資有限公司持有之6,682,504股本公司股份中擁有權益。

附註(d)

黃偉常先生、陸翠兒女士、黃蘭詩女士及黃浩龍先生為信託之全權受益人。該信託為桂記祥珠寶金行有限公司全部已發行股本之實益擁有人，而該公司則為1,511,050股本公司股份之實益擁有人。

附註(e)

陳素娟博士之配偶盧炯志先生持有5,000股本公司股份。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to the directors and chief executive of the Company, as at 31 March 2016, save as disclosed below, no person, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

主要股東於股份及相關股份之權益於

於2016年3月31日，除下文披露者外，據本公司董事及最高行政人員所悉，概無其他非本公司董事或最高行政人員之人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露之權益或淡倉。

Name of Shareholder 股東姓名／名稱	Number of shares 股份數目	Capacity 身份	Total Interest 權益總額	% of Shares 佔股份百分比
Mr. CHAN Wai 陳偉先生	3,849,022 (L)	Beneficial Owner 實益擁有人	244,717,198 (L)	41.68%
	240,868,176 (L) (note (a)) (附註(a))	Controlled Corporation 受控制法團		
Mr. WONG Koon Cheung (Deceased on 19 June 2016) 黃冠章先生 (於2016年6月19日辭世)	2,678,090 (L)	Beneficial Owner 實益擁有人	243,546,266 (L)	41.48%
	240,868,176 (L) (note (a)) (附註(a))	Controlled Corporation 受控制法團		
Mr. LEE Shu Kuan (Deceased on 14 July 2011) 李樹坤先生 (於2011年7月14日辭世)	6,370,229 (L)	Beneficial Owner 實益擁有人	249,825,029 (L)	42.55%
	243,454,800 (L) (notes (a), (b) and (c)) (附註(a)、(b) 及(c))	Controlled Corporation 受控制法團		
Luk Fook (Control) Limited 六福(控股)有限公司	234,185,672 (L)	Beneficial Owner 實益擁有人	234,185,672 (L)	39.89%
Silchester International Investment LLP	52,846,000 (L)	Investment Manager 投資經理	52,846,000 (L)	9.00%
Brandes Investment Partners, L.P.	35,430,000 (L)	Investment Manager 投資經理	35,430,000 (L)	6.03%

REPORT OF THE DIRECTORS

董事會報告

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

Note (a)

Mr. CHAN Wai, Mr. WONG Koon Cheung and the administrator of Mr. LEE Shu Kuan, together with others, collectively controlled (directly or indirectly) over one-half of the voting power of Luk Fook (Control) Limited and were deemed to be interested in 234,185,672 shares held by Luk Fook (Control) Limited in the Company.

In addition, Mr. CHAN Wai, Mr. WONG Koon Cheung and the administrator of Mr. LEE Shu Kuan, together with others, collectively controlled (directly or indirectly) over one-third of the voting power of Dragon King Investment Ltd. and were deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd. in the Company.

Note (b)

The administrator of Mr. LEE Shu Kuan held 33.3% of the entire issued share capital of Wah Hang Kimon Investments Limited which in turn held 630,624 shares of the Company.

Note (c)

The administrator of Mr. LEE Shu Kuan held 51% of the entire issued share capital of Wah Hang Kimon Holdings Limited which in turn held 1,956,000 shares of the Company.

CONNECTED TRANSACTIONS

The related party transactions entered into by the Group during the Year under review as disclosed in Note 37 to the financial statements do not constitute connected transactions under the Listing Rules.

DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

PERMITTED INDEMNITY PROVISIONS

During the Year under review and up to the date of this report, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefit of the Directors (including former Directors) of the Company or its associated companies. The permitted indemnity provisions are provided for in the Company's Articles of Association and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against such Directors.

主要股東於股份及相關股份之權益(續)

附註(a)

陳偉先生、黃冠章先生及李樹坤先生的遺產管理人，連同其他人士共同(直接或間接地)控制六福(控股)有限公司逾半數投票權，且被視為於六福(控股)有限公司持有的234,185,672股本公司股份中擁有權益。

此外，陳偉先生、黃冠章先生及李樹坤先生的遺產管理人，連同其他人士共同(直接或間接地)控制龍寶投資有限公司超過三分之一投票權，且被視為於龍寶投資有限公司持有的6,682,504股本公司股份中擁有權益。

附註(b)

李樹坤先生的遺產管理人持有華亨錦安投資有限公司全部已發行股本的33.3%，而華亨錦安投資有限公司則持有630,624股本公司股份。

附註(c)

李樹坤先生的遺產管理人持有華亨錦安控股有限公司全部已發行股本的51%，而華亨錦安控股有限公司則持有1,956,000股本公司股份。

關連交易

財務報表附註37所披露本集團於回顧年度內訂立之關連人士之交易，並不構成上市規則項下之關連交易。

董事藉收購股份或債券權利獲取之利益

於回顧年度內任何時間，本公司、其子公司、各同系子公司、控股公司或其其他有聯繫法團概無成為某些安排的其中一方，致使本公司的董事及行政總裁(包括其配偶及18歲以下子女)能持有本公司或其指明企業或其其他有聯繫法團之股份、相關股份或債權證的權益或淡倉。

獲准許彌償條文

於回顧年度內及截至本報告日期為止，本公司按有關法規的允許，備有以本公司或其有聯繫公司董事(包括前董事)為受益人的彌償條文。獲准許彌償條文的規定載於公司組織章程細則，以及於本集團為董事及高級行政人員購買的責任保險內，有關保險就董事的責任和其可能面對法律訴訟而產生相關費用而作出賠償。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS

During the Year under review, the percentages of sales for the year attributable to the Group's major customers are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
The largest customer	最大客戶	2.7%	2.5%
Five largest customers combined	五名最大客戶合計	4.6%	4.2%

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had interest in the major customers noted above.

MAJOR SUPPLIERS

The percentages of purchases for the Year under review attributable to the Group's major suppliers are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
The largest supplier	最大供應商	25.5%	23.5%
Five largest suppliers combined	五名最大供應商合計	68.6%	61.7%

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had interest in the major suppliers noted above.

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

Particulars of bank loans, overdrafts and other borrowings of the Group as at 31 March 2016 are set out in Notes 32 and 33 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws of Bermuda.

主要客戶

於回顧年度內，本集團主要客戶所佔銷售額之百分比如下：

	2016 HK\$'000 千港元	2015 HK\$'000 千港元
The largest customer	2.7%	2.5%
Five largest customers combined	4.6%	4.2%

各董事、彼等之聯繫人士或據董事所知擁有本公司5%以上股本之任何股東，概無擁有上述主要客戶之權益。

主要供應商

於回顧年度內，本集團主要供應商所佔購貨額之百分比如下：

	2016 HK\$'000 千港元	2015 HK\$'000 千港元
The largest supplier	25.5%	23.5%
Five largest suppliers combined	68.6%	61.7%

各董事、彼等之聯繫人士或據董事所知擁有本公司5%以上股本之任何股東，概無擁有上述主要供應商之權益。

銀行貸款、透支及其他借貸

於2016年3月31日之本集團銀行貸款、透支及其他借貸詳情載於財務報表附註32及33。

優先購買權

本公司之公司細則並無載列有關優先購買權之規定，惟百慕達法例對該等權利並無限制。

REPORT OF THE DIRECTORS

董事會報告

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company for the AGM will be closed from 15 August 2016 to 17 August 2016, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance at the AGM to be held on 17 August 2016, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 12 August 2016.

The register of members of the Company for the final and special dividends will also be closed on 23 August 2016 and no transfer of shares will be registered on that day. In order to qualify for the final and special dividends, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 22 August 2016.

EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence. The emoluments of the directors are reviewed and determined by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. No director, or any of his or her associates involved in deciding his or her own remuneration.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Year under review, none of the directors had an interest in any business constituting competing business to the Group.

TAX RELIEF AND EXEMPTION

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

暫停辦理股份過戶登記

就股東週年大會而言，本公司將於2016年8月15日至2016年8月17日（首尾兩天包括在內）暫停辦理股份過戶登記手續。為符合資格出席將於2016年8月17日舉行之股東週年大會，所有過戶文件連同有關股票最遲須於2016年8月12日下午4時30分送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17M樓。

就末期及特別股息而言，本公司亦將於2016年8月23日暫停辦理股份過戶登記手續。為符合資格享有末期及特別股息，所有過戶文件連同有關股票最遲須於2016年8月22日下午4時30分送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17M樓。

薪酬政策

本集團僱員之薪酬政策乃基於僱員之表現、資歷及能力。董事之薪酬由薪酬委員會經參考本公司之營運業績、個別僱員表現及可資比較市場數據而檢討及釐定。概無任何董事或其任何聯繫人士參與釐定其本身之薪酬。

董事在競爭業務中之權益

於回顧年度內，概無董事在與本集團業務構成競爭之任何業務中擁有權益。

稅務寬減及豁免

本公司概不知悉有任何因股東持有本公司證券而向彼等提供之稅務寬減及豁免。

REPORT OF THE DIRECTORS

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of its directors as at the date of this Annual Report, the public float of shares in the Company has remained above the minimum percentage required by the Stock Exchange throughout the year.

AUDITOR

The financial statements of the Group for the Year under review have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment.

充裕公眾持股量

根據本公司獲得之公開資料及據董事所知，於本年報日期，本公司股份之公眾持股量全年維持於聯交所規定的最低百分比以上。

核數師

本集團有關回顧年度之財務報表已由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟合資格並表示願意應聘連任。

By order of the Board,

WONG Wai Sheung

Chairman & Chief Executive

Hong Kong, 23 June 2016

承董事會命

主席兼行政總裁

黃偉常

香港，2016年6月23日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

TO THE SHAREHOLDERS OF LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries set out on pages 85 to 180, which comprise the consolidated balance sheet as at 31 March 2016, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致六福集團(國際)有限公司股東

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審計載列於第85至180頁六福集團(國際)有限公司(「貴公司」)及其附屬公司的綜合財務報表,此等綜合財務報表包括於2016年3月31日的綜合資產負債表與截至該日止年度的綜合損益表、綜合全面收入報表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他解釋資料。

董事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布的香港財務報告準則及香港《公司條例》的披露規定擬備真實而公平的綜合財務報表,並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

核數師的責任

我們的責任是根據我們的審計對此等綜合財務報表作出意見,並按照百慕達《1981年公司法》第90條僅向閣下(作為整體)報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
羅兵咸永道會計師事務所, 香港中環太子大廈廿二樓
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiaries as at 31 March 2016, and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們已根據香港會計師公會頒佈的香港審計準則進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計以對綜合財務報表是否存在任何重大錯誤陳述獲取合理保證。

審計涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選擇的程序取決於核數師的判斷，包括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。在評估該等風險時，核數師考慮與該公司擬備真實而公平的綜合財務報表相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的恰當性及所作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及其附屬公司於2016年3月31日的財務狀況，及其截至該日止年度的財務表現及現金流量，並已按照香港《公司條例》的披露規定妥為擬備。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 23 June 2016

羅兵咸永道會計師事務所
執業會計師

香港，2016年6月23日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31 March 2016
截至2016年3月31日止年度

		Note	2016 HK\$'000 千港元	2015 HK\$'000 千港元
		附註		
Revenue	收入	6	14,031,302	15,922,708
Cost of sales	銷售成本	8	(10,777,191)	(12,091,170)
Gross profit	毛利		3,254,111	3,831,538
Other income	其他收入	7	139,293	174,386
Selling and distribution costs	銷售及分銷費用		(1,981,763)	(1,937,059)
Administrative expenses	行政費用		(148,818)	(147,247)
Other (losses)/gains, net	其他(虧損)/收益, 淨額	9	(50,671)	54,593
Operating profit	經營溢利	8	1,212,152	1,976,211
Finance income	財務收入		41,725	48,874
Finance costs	財務費用		(13,689)	(20,474)
Finance income, net	財務收入, 淨額	10	28,036	28,400
Share of results of associates	應佔聯營公司業績	19	(79,103)	(21,793)
Profit before income tax	除所得稅前溢利		1,161,085	1,982,818
Income tax expenses	所得稅開支	11	(199,631)	(362,190)
Profit for the year	年內溢利		961,454	1,620,628
Profit attributable to:	應佔溢利:			
Equity holders of the Company	本公司權益持有人		958,692	1,614,805
Non-controlling interests	非控股權益		2,762	5,823
			961,454	1,620,628
Earnings per share for profit attributable to equity holders of the Company during the year	年內本公司權益持有人應佔溢利之每股盈利	12		
Basic	基本		HK\$1.63 港元	HK\$2.74 港元
Diluted	攤薄		HK\$1.63 港元	HK\$2.74 港元

The notes on pages 92 to 180 are an integral part of these consolidated financial statements.

第92至180頁的附註為此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

For the year ended 31 March 2016
截至2016年3月31日止年度

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Profit for the year	年內溢利	961,454	1,620,628
Other comprehensive income:	其他全面收入：		
<i>Items that will not be reclassified to profit or loss</i>	<i>其後不會重新分類至損益的項目</i>		
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	12,766	3,261
<i>Items that may be reclassified to profit or loss</i>	<i>其後可能會重新分類至損益的項目</i>		
Currency translation differences:	匯兌差額：		
— Group	— 本集團	(141,711)	(16,685)
— Associates	— 聯營公司	(12,300)	(1,312)
Revaluation of available-for-sale financial assets	可供出售金融資產的價值變動	(3,977)	(4,680)
Other comprehensive income for the year, net of tax	年內其他全面收入，扣除稅項	(145,222)	(19,416)
Total comprehensive income for the year	年內全面總收入	816,232	1,601,212
Attributable to:	下列人士應佔：		
— Equity holders of the Company	— 本公司權益持有人	814,594	1,595,454
— Non-controlling interests	— 非控股權益	1,638	5,758
Total comprehensive income for the year	年內全面總收入	816,232	1,601,212

The notes on pages 92 to 180 are an integral part of these consolidated financial statements.

第92至180頁的附註為此等綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 March 2016
於2016年3月31日

		As at 31 March 於3月31日	
		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
ASSETS	資產	Note	
Non-current assets	非流動資產	附註	
Property, plant and equipment	物業、廠房及設備	16	603,878
Land use rights	土地使用權	17	215,245
Investment properties	投資物業	18	24,617
Interests in associates	於聯營公司之權益	19	154,531
Loan to an associate	貸款予一家聯營公司	20	86,911
Derivative financial instrument	衍生金融工具	21	46,135
Available-for-sale financial assets	可供出售金融資產	22	8,767
Trading licence	交易執照		1,080
Rental deposits and prepayment	租金按金及預付賬項	23	121,828
Deferred income tax assets	遞延所得稅資產	30	36,770
			1,299,762
Current assets	流動資產		1,450,958
Inventories	存貨	24	6,344,728
Trade receivables	貿易應收賬項	25	214,534
Deposits, prepayments and other receivables	按金、預付賬項及其他應收賬項	23	241,752
Derivative financial instrument	衍生金融工具	21	9
Amount due from an associate	應收一家聯營公司賬項	19	56,374
Loan to an associate	貸款予一家聯營公司	20	20,000
Income tax recoverable	可收回所得稅		20,155
Cash and bank balances	現金及銀行結餘	26	2,432,185
			9,329,737
Total assets	總資產		10,629,499
EQUITY	權益		
Capital and reserves attributable to the equity holders of the Company	本公司權益持有人應佔資本及儲備		
Share capital	股本	28(a)	58,710
Share premium	股份溢價	28(b)	2,494,040
Reserves	儲備	29	5,798,137
Proposed dividends	擬派股息	13	322,909
			8,673,796
Non-controlling interests	非控股權益		95,123
Total equity	權益總額		8,768,919

The notes on pages 92 to 180 are an integral part of these consolidated financial statements.

第92至180頁的附註為此等綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 March 2016
於2016年3月31日

		As at 31 March 於3月31日	
		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Deferred income tax liabilities	遞延所得稅負債	79,892	85,421
Employee benefit obligations	僱員福利責任	23,918	34,008
		103,810	119,429
Current liabilities	流動負債		
Trade payables, other payables and accruals	貿易應付賬項、其他應付 賬項及應計款項	892,459	902,126
Amount due to an associate	應付一家聯營公司賬項	2,235	1,674
Bank borrowings	銀行貸款	400,000	1,470,633
Gold loans	黃金借貸	310,692	242,802
Current income tax liabilities	即期所得稅負債	151,384	174,066
		1,756,770	2,791,301
Total liabilities	總負債	1,860,580	2,910,730
Total equity and liabilities	權益及負債總額	10,629,499	11,511,237

The consolidated financial statements were approved by the Board on 23 June 2016 and were signed by the Directors below on its behalf.

綜合財務報表乃由董事會於2016年6月23日批准並經由下列董事代表簽署。

WONG Wai Sheung

黃偉常

Director

董事

CHAN So Kuen

陳素娟

Director

董事

The notes on pages 92 to 180 are an integral part of these consolidated financial statements.

第92至180頁的附註為此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2016
截至2016年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔				Non- controlling interests	Total equity
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元 (Note 29) (附註29)	Subtotal 小計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	權益總額 HK\$'000 千港元
For the year ended	截至2015年						
31 March 2015	3月31日止年度						
At 1 April 2014	於2014年4月1日	58,910	2,522,983	5,058,876	7,640,769	58,386	7,699,155
Comprehensive income	全面收入						
Profit for the year	年內溢利	-	-	1,614,805	1,614,805	5,823	1,620,628
Other comprehensive income	其他全面收入						
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	-	-	3,261	3,261	-	3,261
Currency translation differences	匯兌差額	-	-	(17,932)	(17,932)	(65)	(17,997)
Revaluation of available-for-sale financial assets	可供出售金融資產的價值變動	-	-	(4,680)	(4,680)	-	(4,680)
Total other comprehensive income	其他全面總收入	-	-	(19,351)	(19,351)	(65)	(19,416)
Total comprehensive income	全面總收入	-	-	1,595,454	1,595,454	5,758	1,601,212
Transactions with owners	與擁有人之交易						
Dividends paid	已付股息	-	-	(699,860)	(699,860)	-	(699,860)
At 31 March 2015	於2015年3月31日	58,910	2,522,983	5,954,470	8,536,363	64,144	8,600,507

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2016
截至2016年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔				Non-	Total
		Share Capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元 (Note 29) (附註29)	Subtotal 小計 HK\$'000 千港元	controlling interests 非控股權益 HK\$'000 千港元	equity 權益總額 HK\$'000 千港元
For the year ended	截至2016年						
31 March 2016	3月31日止年度						
At 1 April 2015	於2015年4月1日	58,910	2,522,983	5,954,470	8,536,363	64,144	8,600,507
Comprehensive income	全面收入						
Profit for the year	年內溢利	-	-	958,692	958,692	2,762	961,454
Other comprehensive income	其他全面收入						
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	-	-	12,766	12,766	-	12,766
Currency translation differences	匯兌差額	-	-	(152,887)	(152,887)	(1,124)	(154,011)
Revaluation of available-for-sale financial assets	可供出售金融資產的價值變動	-	-	(3,977)	(3,977)	-	(3,977)
Total other comprehensive income	其他全面總收入	-	-	(144,098)	(144,098)	(1,124)	(145,222)
Total comprehensive income	全面總收入	-	-	814,594	814,594	1,638	816,232
Transactions with owners	與擁有人之交易						
Dividends paid	已付股息	-	-	(648,018)	(648,018)	-	(648,018)
Establishment of non-wholly owned subsidiaries (Note 38)	成立非全資附屬公司(附註38)	-	-	-	-	29,341	29,341
Repurchase of shares (Note 28(c))	購回股份(附註28(c))	(200)	(28,943)	-	(29,143)	-	(29,143)
At 31 March 2016	於2016年3月31日	58,710	2,494,040	6,121,046	8,673,796	95,123	8,768,919

The notes on pages 92 to 180 are an integral part of these consolidated financial statements.

第92至180頁的附註為此等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2016
截至2016年3月31日止年度

	Note 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Cash flows from operating activities	營運活動之現金流量		
Net cash generated from operations	營運產生之現金淨額		
	34	2,257,712	885,958
Hong Kong profits tax paid	已付香港利得稅	(54,515)	(276,906)
Overseas income taxes paid	已付海外所得稅	(140,541)	(184,887)
Net cash generated from operating activities	營運活動產生之現金淨額	2,062,656	424,165
Cash flows from investing activities	投資活動之現金流量		
Purchases of property, plant and equipment	購置物業、廠房及設備	(104,312)	(180,986)
Purchases of land use right	購置土地使用權	(8,468)	-
Subscription of convertible bond	認購可換股債券	-	(57,080)
Purchases of available-for-sale financial assets	購買可供出售金融資產	(3,924)	-
Decrease/(increase) in short-term bank deposits, with maturities over 3 months	到期日超過三個月的短期銀行存款減少/(增加)	644,458	(556,586)
Loans granted to an associate	向一家聯營公司發放貸款	-	(120,000)
Interest received	已收利息	56,381	25,496
Establishment of a non-wholly owned subsidiary	成立一家非全資附屬公司	29,341	-
Acquisition of an associate	收購一家聯營公司	-	(244,810)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	596	993
Net cash generated from/(used in) investing activities	投資活動所得/(所用)之現金淨額	614,072	(1,132,973)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank borrowings	銀行貸款所得款項	754,496	2,323,437
Proceeds from gold loans	黃金借貸所得款項	1,731,662	869,030
Repayment of bank borrowings	償還銀行貸款	(1,825,748)	(1,418,800)
Repayment of gold loans	償還黃金借貸	(1,637,406)	(602,672)
Repurchase of ordinary shares	購回普通股股份	(29,143)	-
Interest on bank borrowings and gold loans	銀行貸款及黃金借貸利息	(13,689)	(20,474)
Dividends paid	已付股息	(648,018)	(699,860)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得之現金淨額	(1,667,846)	450,661
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加/(減少)淨額	1,008,882	(258,147)
Cash and cash equivalents at 1 April	於4月1日之現金及現金等價物	1,375,079	1,646,475
Exchange differences	匯兌差額	(22,366)	(13,249)
Cash and cash equivalents at 31 March	於3月31日之現金及現金等價物	2,361,595	1,375,079

The notes on pages 92 to 180 are an integral part of these consolidated financial statements.

第92至180頁的附註為此等綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

Luk Fook Holdings (International) Limited (the “Company”) was incorporated in Bermuda on 3 September 1996 as a company with limited liability under the Companies Act of Bermuda. The address of its registered office is Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

The Company and its subsidiaries (together, the “Group”) are principally engaged in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery, and gem-set jewellery products.

The Company’s shares were listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 May 1997.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated, and have been approved for issue by the Board on 23 June 2016.

2 BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). The consolidated financial statements have been prepared under the historical cost convention except that certain financial assets and financial liabilities are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

1 一般資料

六福集團(國際)有限公司(「本公司」)於1996年9月3日在百慕達根據百慕達公司法註冊成立為有限公司，其註冊辦事處地址為Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda。

本公司及其附屬公司(統稱「本集團」)主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。

本公司股份於1997年5月6日在香港聯合交易所有限公司(「聯交所」)主板上市。

除另有說明者外，此等綜合財務報表均以港元(「港元」)呈列，並已於2016年6月23日獲董事會批准刊發。

2 編製基準

本公司之綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)編製。除若干金融資產及金融負債按公允價值列賬外，綜合財務報表按歷史成本慣例編製。

編製與香港財務報告準則貫徹一致之財務報表需要使用若干關鍵會計估算，同時亦需要管理層在應用本集團會計政策時作出判斷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION (Continued)

- (a) New amendments to existing standards that are effective for the first time for the financial year beginning 1 April 2015 and are relevant to the Group's operations:

Amendment to HKAS 19, "Employee benefits on defined benefit plans", this narrow scope amendment applies to contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.

Annual improvements 2012, these amendments include changes from the 2010–2012 cycle of the annual improvements project that affect the below standards:

- (i) HKFRS 8, "Operating segments", the standard is amended to require disclosure of the judgements made by management in aggregating operating segments and a reconciliation of segment assets to the entity's assets when segment assets are reported;
- (ii) HKAS 16, "Property, plant and equipment" and HKAS 38, "Intangible assets", both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model; and
- (iii) HKAS 24, "Related party disclosures", the reporting entity is not required to disclose the compensation paid by the management entity (as a related party) to the management entity's employee or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided.

2 編製基準(續)

- (a) 於2015年4月1日開始之財政年度內首次生效並與本集團經營有關之新訂現有準則之修訂本：

香港會計準則第19號(修訂本)「僱員福利：界定受益計劃－僱員供款」，此有限範圍的修訂本適用於由僱員或第三方向定額福利計劃供款的情況。該修訂本區分了僅與期內服務相關的供款以及與超過一段期間服務相關的供款的情況。該項修訂允許與服務相關且並不會因僱員服務時間長短而改變的供款，可以在該項服務提供期間與福利成本撇減。與服務相關且會因僱員服務時間長短而改變的供款，必須在服務期間內使用與福利適用的相同分配方法予以攤分。

2012年年度改進，該等修訂本包括2010年至2012年週期之年度改進項目的變動，影響下列各項準則：

- (i) 香港財務報告準則第8號「經營分部」，該準則已作修訂，以要求披露管理層於合營營運分部時作出的判斷，以及於報告分部資產時作出分部資產與實體資產的對賬；
- (ii) 香港會計準則第16號「物業、廠房及設備」及香港會計準則第38號「無形資產」，兩項準則已作修訂，以澄清實體使用重估模型時，應如何處理賬面總額及累計折舊；及
- (iii) 香港會計準則第24號「關聯方披露」，報告實體毋須披露管理實體(作為關聯方)向管理實體的僱員或董事支付的薪酬，惟須披露管理實體就所提供服務向報告實體收取的金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION (Continued)

- (a) New amendments to existing standards that are effective for the first time for the financial year beginning 1 April 2015 and are relevant to the Group's operations: (Continued)

Annual improvements 2013, the amendments include changes from the 2011–2013 cycle of the annual improvements project that affect the below standards:

- (i) HKFRS 3, "Business combinations", it clarifies that HKFRS 3 does not apply to the accounting for the formation of any joint arrangement under HKFRS 11 in the financial statements of the joint arrangement;
- (ii) HKFRS 13, "Fair value measurement", it clarifies that the portfolio exception in HKFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of HKAS 39 or HKFRS 9; and
- (iii) HKAS 40, "Investment property", it clarifies the interrelationship between HKAS 40 and HKFRS 3 when classifying property as investment property or owner-occupied property

The adoption of these amendments to standards did not have a significant impact on the consolidated financial statements.

2 編製基準(續)

- (a) 於2015年4月1日開始之財政年度內首次生效並與本集團經營有關之新訂現有準則之修訂本：(續)

2013年年度改進，該等修訂本包括2011年至2013年週期之年度改進項目的變動，影響下列各項準則：

- (i) 香港財務報告準則第3號「業務合併」，該準則澄清香港財務報告準則第3號不適用於合營安排的財務報表中根據香港財務報告準則第11號成立任何合營安排的會計處理；
- (ii) 香港財務報告準則第13號「公允值計量」，該準則澄清香港財務報告準則第13號的投資組合例外情況(容許實體按淨額基準計量一組金融資產及金融負債的公允值)適用於符合香港會計準則第39號或香港財務報告準則第9號範圍的所有合約(包括非財務合約)；及
- (iii) 香港會計準則第40號「投資物業」，該準則澄清將物業分類為投資物業或業主自用物業時，香港會計準則第40號與香港財務報告準則第3號的相互關係。

採納此等準則之修訂本對綜合財務報表並不構成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2016 or later periods, which the Group has not early adopted, are as follows:

HKAS 1 Amendment	Disclosure initiative ⁽¹⁾
HKAS 16 and HKAS 38 Amendment	Clarification of acceptable methods of depreciation and amortisation ⁽¹⁾
HKAS 27 Amendment	Equity method in separate financial statements ⁽¹⁾
HKFRS 9	Financial instruments ⁽²⁾
HKFRS 10, HKFRS 12 and HKAS 28 Amendment	Investment Entities: Applying the consolidation exception ⁽¹⁾
HKFRS 10 and HKAS 28 Amendment	Sale or contribution of assets between an investor and its associate or joint venture ⁽⁴⁾
HKFRS 15	Revenue from contracts with customers ⁽²⁾
HKFRS 16	Leases ⁽³⁾
Annual Improvements Project 2014	Annual improvements 2012–2014 cycle ⁽¹⁾

⁽¹⁾ Effective for annual period beginning on or after 1 April 2016

⁽²⁾ Effective for annual period beginning on or after 1 April 2018

⁽³⁾ Effective for annual period beginning on or after 1 April 2019

⁽⁴⁾ To be announced by HKICPA

2 編製基準(續)

- (b) 本集團必須於2016年4月1日或之後或往後期間開始之會計年度採用之若干與本集團相關之新訂準則及現有準則之修訂已經頒布，惟本集團並未提早採納該等準則，該等準則如下：

香港會計準則第1號(修訂本)	披露計劃 ⁽¹⁾
香港會計準則第16號及香港會計準則第38號(修訂本)	折舊和攤銷的可接受方法的澄清 ⁽¹⁾
香港會計準則第27號(修訂本)	獨立財務報表中使用權益法 ⁽¹⁾
香港財務報告準則第9號	金融工具 ⁽²⁾
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(修訂本)	關於投資性主體；應用合併的例外規定 ⁽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)	投資者與其聯營或合營企業之間的資產出售或注資 ⁽⁴⁾
香港財務報告準則第15號	基於客戶合同的收入確認 ⁽²⁾
香港財務報告準則第16號	租賃 ⁽³⁾
2014年年度改進	2012年至2014年週期之年度改進 ⁽¹⁾

⁽¹⁾ 於2016年4月1日或之後開始之年度期間生效

⁽²⁾ 於2018年4月1日或之後開始之年度期間生效

⁽³⁾ 於2019年4月1日或之後開始之年度期間生效

⁽⁴⁾ 待香港會計師公會公佈

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION (Continued)

- (c) New Hong Kong Companies Ordinance (Cap. 622)
In addition, the requirements of Part 9 “Accounts and Audit” of the new Hong Kong Companies Ordinance (Cap. 622) come into operation during the financial year, as a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 March.

(a) Subsidiaries

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances, unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group’s accounting policies.

2 編製基準(續)

- (c) 新香港《公司條例》(第622章)
此外，新香港《公司條例》(第622章)第9部「帳目及審計」之規定於本財政年度生效，因此，綜合財務報表內若干資料的呈列及披露會有所變動。

3 主要會計政策概要

編製此等綜合財務報表時所應用之主要會計政策載於下文。除另有說明者外，此等政策已於所有呈報年度貫徹應用。

3.1 綜合賬目

綜合財務報表包括本公司及其所有附屬公司截至3月31日止之財務報表。

(a) 附屬公司

附屬公司指本集團擁有控制權的實體(包括結構性實體)。當本集團承受或享有參與實體所得的可變回報，且有能力透過其對實體之權力影響該等回報時，則本集團控制該實體。附屬公司自其控制權轉移至本集團當日起綜合入賬，並自控制權終止當日起取消綜合入賬。

集團內公司間的交易、結餘及交易的未變現利益，均於綜合入賬時對銷。未變現虧損亦予抵銷。附屬公司所呈報的金額已在需要時作出調整，以確保與本集團所採納的會計政策一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Consolidation (Continued)

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

3 主要會計政策概要(續)

3.1 綜合賬目(續)

(b) 並無控制權變動的附屬公司擁有權益變動

與非控股權益進行而不會導致失去控制權之交易入賬列作權益交易—即以彼等作為擁有人之身份與擁有人進行之交易。所支付任何代價之公允價值與所收購附屬公司之資產淨值賬面值相關部分之差額於權益記賬。向非控股權益進行出售所產生之盈虧亦於權益記賬。

(c) 獨立財務報表

附屬公司投資按成本扣除減值列賬。附屬公司的業績由本公司按已收及應收股息入賬。

如股息超過宣派股息期內附屬公司的總全面收益，或如在獨立財務報表的投資賬面值超過綜合財務報表中被投資公司淨資產(包括商譽)的賬面值，則必須對附屬公司投資作減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes any goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associate's post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in the consolidated statement of comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of results of an associate' in the consolidated income statement.

3 主要會計政策概要(續)

3.2 聯營公司

聯營公司指本集團對其有重大影響力而非擁有控制權，且一般附帶20%至50%投票權持股量之實體。於聯營公司之投資乃以權益會計法入賬。根據權益法，有關投資初步按成本值確認，並於收購日期後增加或減少賬面值以確認投資方應佔被投資方之損益。本集團於聯營公司之投資包括收購時識別之任何商譽。

倘於聯營公司之擁有權益減少但仍保留重大影響力，則過往於其他全面收入確認之金額按比例重新分類至損益(如適用)。

本集團應佔其聯營公司收購後溢利或虧損於綜合損益表內確認，而應佔收購後其他全面收入之變動則於綜合全面收入報表內確認，同時對投資賬面值作出相應調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益(包括任何其他無抵押應收賬項)，除非本集團已代聯營公司承擔責任或作出付款，否則，本集團不會確認進一步虧損。

本集團於各報告日期釐定是否有任何客觀證據顯示於聯營公司之投資已減值。倘已減值，則本集團按聯營公司之可收回金額與其賬面值之差額計算減值金額，並於綜合損益表中「應佔一家聯營公司業績」內確認有關金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Associates (Continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported by associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains or losses on dilution of equity interest in an associate are recognised in the consolidated income statement.

3.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, has been identified collectively as the executive director and senior management who make strategic decisions.

3.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and Group's presentation currency.

3 主要會計政策概要(續)

3.2 聯營公司(續)

本集團與其聯營公司之間之上下游交易所產生之損益於本集團財務報表內確認，惟僅以非相關投資方所持聯營公司之權益為限。除非該交易證明已轉讓資產出現減值，否則未變現虧損亦予以對銷。聯營公司所呈報之金額於有需要時亦作出變動，以確保與本集團採納之政策保持一致。

於聯營公司之股權攤薄時的盈虧在綜合損益表確認。

3.3 分部呈報

經營分部按與向最高營運決策者作內部呈報一致之方式呈報。最高營運決策者(負責分配資源及評核經營分部之表現)被認定為共同負責作出策略決定之執行董事與高級管理人員。

3.4 外幣換算

(a) 功能貨幣及列賬貨幣

本集團旗下各實體之財務報表所列項目均採用有關實體經營所在主要經濟環境之通用貨幣(「功能貨幣」)計量。綜合財務報表以港元列賬，港元為本公司之功能貨幣及本集團之列賬貨幣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Foreign currency translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses are presented in the consolidated income statement within 'Other (losses)/gains, net'.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

3 主要會計政策概要(續)

3.4 外幣換算(續)

(b) 交易及結餘

外幣交易按進行交易當日或項目重新計量日適用之匯率換算為功能貨幣。因結算有關交易及按年結日匯率換算以外幣列值之貨幣資產及負債所產生之匯兌損益，於綜合損益表內確認。

匯兌盈虧在綜合損益表內之「其他(虧損)/收益，淨額」內呈列。

(c) 集團公司

所有集團實體(概無實體採用高通脹經濟體系之貨幣)之功能貨幣倘有別於列賬貨幣，其業績及財務狀況須按以下方式換算為列賬貨幣：

- (i) 各資產負債表所列資產及負債按其結算日之收市匯率換算；
- (ii) 各損益表所列收支按平均匯率換算(除非此平均匯率不足以合理概括交易日期適用匯率之累計影響，在此情況下，收支按交易日期之匯率換算)；及
- (iii) 所有因而產生之匯兌差額在其他全面收入中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Foreign currency translation (Continued)

(c) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interests in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

3.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

3 主要會計政策概要(續)

3.4 外幣換算(續)

(c) 集團公司(續)

因收購海外實體所產生的商譽及公允價值調整，乃視作該海外實體的資產及負債處理，並按收市匯率折算。因而產生的匯兌差額於其他全面收入確認。

(d) 出售海外業務及部分出售

於出售海外業務(即出售本集團於海外業務的全部權益、涉及失去對包含海外業務的附屬公司的控制權的出售、涉及失去對包含海外業務的合營企業的共同控制權的出售或涉及失去對包含海外業務的聯營公司的重大影響力的出售)時，就本公司擁有人應佔該業務於權益內累計的所有匯兌差額會重新分類至溢利或虧損。

如部分出售附屬公司並未導致本集團失去對包含海外業務的該附屬公司的控制權，則按比例將累計匯兌差額重新歸屬為非控股權益，而並不於溢利或虧損內確認。對於所有其他部分出售(即部分出售聯營公司或合營企業並無造成本集團失去重大影響力或共同控制權)，會按比例將累計匯兌差異重新分類至溢利或虧損。

3.5 物業、廠房及設備

物業、廠房及設備乃按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔之開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment (Continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Construction in progress, mainly representing buildings on which construction work has not been completed, is stated at cost, which includes development and construction expenditure, interest and other direct costs incurred during the construction period, less accumulated impairment losses, if any. No depreciation is provided for in respect of construction in progress until the construction and installation is completed. On completion, the construction in progress is transferred to the appropriate categories of property, plant and equipment.

Leasehold land interests classified as finance lease and other property, plant and equipment commence amortisation/depreciation from the time when the assets becomes available for their intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold land interests classified as finance leases	Remaining lease term of 16–51 years
Buildings	2% or over the unexpired lease period of leasehold land, whichever is shorter
Leasehold improvements	20% or over the unexpired lease period, whichever is shorter
Furniture and fixtures and computer equipment	20%
Plant and machinery	20%
Motor vehicles	20%

3 主要會計政策概要(續)

3.5 物業、廠房及設備(續)

僅於與項目相關之日後經濟利益可能流入本集團，且該項目之成本能夠可靠計量時，其後成本方會計入該項資產之賬面值或確認為一項獨立資產(視適用情況而定)。重置部分之賬面值會終止確認。所有其他維修及保養會於其產生之財務期間內在綜合損益表支銷。

在建工程主要指尚未竣工之在建樓宇，乃按成本值列賬，包括發展及建築開支、利息及施工期間所產生其他直接成本，扣除累計減值虧損(如有)。概無就在建工程計提折舊，直至建築工程竣工及安裝完成為止。於完成時，在建工程乃轉撥至物業、廠房及設備項下之適當類別。

分類為融資租賃之租賃土地權益及其他物業、廠房及設備自資產可供其擬定使用時開始攤銷/折舊。分類為融資租賃之租賃土地之攤銷及其他資產之折舊採用以下估計可使用年期將成本按直線法分攤至剩餘價值計算：

分類為融資租賃之租賃土地權益	剩餘租期 16 至 51 年
樓宇	2% 或按租賃土地租約尚餘期間(以較短者為準)
租賃物業裝修	20% 或按租約尚餘期間(以較短者為準)
傢俬、裝置及電腦設備	20%
機器及設備	20%
汽車	20%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 3.9).

Gains and losses on disposals are determined by comparing net proceeds with carrying amount of the relevant assets and are included in the consolidated income statement.

3.6 Land use rights

Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, (if any). Cost represents consideration paid for the rights to use the land on which various plants and buildings are generally situated for a period from 19 to 54 years. Amortisation of land use rights is calculated on a straight-line basis over the period of the lease.

3.7 Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and is not occupied by the Group.

Investment property is measured at cost, including related transaction costs, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided using the straight-line method to write off the cost of the investment properties over their estimated useful lives of 30 to 59 years. Where the carrying amount of an investment property is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

3 主要會計政策概要(續)

3.5 物業、廠房及設備(續)

資產之剩餘價值及可使用年期在各結算日檢討，並在適當時調整。

倘資產之賬面值高於其估計可收回金額，則該項資產之賬面值會即時撇減至其可收回金額(附註3.9)。

出售盈虧透過將所得款項淨額與有關資產之賬面值比較釐定並計入綜合損益表。

3.6 土地使用權

土地使用權按成本值減累計攤銷及累計減值虧損(如有)列賬。成本指就使用通常建有多幢廠房及樓宇之土地之權利(為期19至54年)支付之代價。土地使用權攤銷按租賃年期以直線法計算。

3.7 投資物業

投資物業主要由租賃土地及樓宇所組成，為獲得長期租金收益或資本升值或兩者兼備而持有，且並非由本集團佔用。

投資物業按成本值(包括相關交易費用)扣除累計折舊及累計減值虧損(如有)列賬。

折舊採用為期30至59年之估計可使用年期按直線法撇銷投資物業之成本。倘投資物業賬面值高於其估計可收回金額，則即時撇減至其可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.7 Investment properties (Continued)

Subsequent expenditure is charged to the asset's carrying amount only when it is probably that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. At the date of reclassification, its cost and accumulated depreciation are transferred to property, plant and equipment and become its cost and accumulated depreciation for accounting purposes. If an owner-occupied property becomes an investment property because its use has changed, it is reclassified as investment property. At the date of reclassification, its cost and accumulated depreciation are transferred to investment property and become its cost and accumulated depreciation for accounting purposes.

3.8 Trading licence

Trading licence with indefinite useful life represents a membership in Chinese Gold and Silver Exchange Society and is carried at cost less accumulated impairment losses, if any.

3.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3 主要會計政策概要(續)

3.7 投資物業(續)

僅在有關項目之未來經濟收益有可能流向本集團，而該項目成本能夠可靠計量時，方會自資產賬面值扣除其後開支。所有其他維修及保養成本於產生之財政期間在綜合損益表支銷。

倘投資物業由業主自用，則重新分類為物業、廠房及設備。於重新分類當日，其成本與累計折舊乃轉撥至物業、廠房及設備，並按照會計處理成為其成本與累計折舊。倘業主自用物業因改變用途而成為投資物業，則分類為投資物業。於重新分類當日，其成本及累計折舊乃轉撥至投資物業，並按照會計處理成為其成本與累計折舊。

3.8 交易執照

並無特定可使用年期之交易執照(即金銀業貿易場會籍)按成本值減累計減值虧損(如有)列賬。

3.9 非金融資產之減值

沒有確定可使用年期之無形資產或未達到可使用狀態之無形資產毋須攤銷，並每年進行減值檢測。須作攤銷之資產乃於發生任何事件或環境變化顯示其賬面值可能不能收回時作減值檢討。倘資產之賬面值超過其可收回金額，會就其差額確認減值虧損。資產之可收回金額為其公允價值減出售成本與其可使用價值中較高者。就評估減值而言，資產乃按最低水平之可獨立識別現金流量(現金產生單位)予以分類。出現減值之非金融資產(商譽除外)將於每個報告日期審閱是否有撥回減值之可能。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Inventories

Inventories, comprise raw materials and finished goods, are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. The cost of finished goods comprises raw materials, direct labour and other direct costs. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3.11 Financial assets

3.11.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of the Group's financial assets at initial recognition.

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be recovered within 12 months; otherwise, they are classified as non-current.

3 主要會計政策概要(續)

3.10 存貨

存貨(包括原材料及製成品)乃按成本值與可變現淨值兩者之較低者列賬。成本採用先入先出法釐定。製成品成本包括原材料、直接勞工成本及其他直接成本，惟不包括貸款成本。可變現淨值乃按於日常業務過程中之估計售價減適用之可變銷售費用。

3.11 金融資產

3.11.1 分類

本集團將其金融資產分為以下類別：按公允價值計入損益、貸款及應收賬項及可供出售金融資產。類別乃視乎所收購金融資產之目的而定。管理層於本集團初步確認金融資產時釐定類別。

(a) *按公允價值計入損益之金融資產*

按公允價值計入損益之金融資產乃持作買賣之金融資產。倘收購目的主要作短期出售用途，則金融資產被分為此類別。衍生工具分類為持作買賣，惟其指定為對沖工具者除外。此類別之資產如預期可於12個月內收回，則分類為流動資產；否則分類為非流動資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Financial assets (Continued)

3.11.1 Classification (Continued)

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'loans to an associate', 'trade and other receivables', 'cash and bank balances' and 'amounts due from an associate' in the consolidated balance sheet.

(c) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

3.11.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss and available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

3 主要會計政策概要(續)

3.11 金融資產(續)

3.11.1 分類(續)

(b) *貸款及應收賬項*

貸款及應收賬項乃具有固定或可釐定付款額而並無在活躍市場報價之非衍生金融資產。其被列入流動資產，惟倘其到期日於報告期間結算日後逾12個月，則被分類為非流動資產。本集團之貸款及應收賬項包括於綜合資產負債表中之「貸款予一家聯營公司」、「貿易及其他應收賬項」、「現金及銀行結餘」及「應收一家聯營公司賬項」。

(c) *可供出售金融資產*

可供出售金融資產為非衍生項目，無論是否劃分為此類別。除非投資到期或管理層計劃於報告期末起計12個月內出售有關投資，否則可供出售金融資產將計入非流動資產內。

3.11.2 確認及計量

金融資產之定期買賣乃於本集團承諾買賣該資產之日(即交易日)確認。投資乃初步按公允價值加並無按公允價值計入損益之所有金融資產之交易成本確認。按公允價值計入損益之金融資產乃初步按公允價值確認，而交易成本則於綜合損益表內列為開支。本集團於收取來自投資之現金流量之權利屆滿或已被轉讓，且本集團已轉讓擁有權之絕大部分風險及回報時終止確認金融資產。按公允價值計入損益之金融資產及可供出售金融資產於其後按公允價值列賬。貸款及應收賬項乃初步按公允價值確認，其後則採用實際利率法按攤銷成本列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Financial assets (Continued)

3.11.2 Recognition and measurement (Continued)

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the consolidated income statement within ‘Other (losses)/gains, net’ in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of other income when the Group’s right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as ‘Other (losses)/gains, net’.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the consolidated income statement as part of other income when the Group’s right to receive payments is established.

3.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3 主要會計政策概要(續)

3.11 金融資產(續)

3.11.2 確認及計量(續)

因「按公允價值計入損益之金融資產」類別之公允價值變動而產生之盈虧，乃於產生之期間在綜合損益表之「其他(虧損)／收益，淨額」內呈列。來自按公允價值計入損益之金融資產之股息收入，於確立本集團收取付款權利時在綜合損益表內確認為其他收入一部分。

分類為可供出售的貨幣及非貨幣證券的公允價值變動於其他全面收入確認。

當分類為可供出售的證券已出售或減值時，於權益確認的累計公允價值調整計入損益表「其他(虧損)／收益，淨額」項下。

按實際利率法計算的可供出售證券的利息於損益表確認為其他收入一部分。可供出售股本工具的股息，於確立本集團收取付款權利時於綜合損益表確認為其他收入一部分。

3.12 抵銷金融工具

當具有抵銷已確認金額之合法強制執行權，且擬按淨額基準結算或同時變現資產和結算負債時，金融資產與負債會互相抵銷，並在資產負債表報告其淨額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.13 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

3 主要會計政策概要(續)

3.13 金融資產減值

(a) 按攤銷成本列賬的資產

本集團於各報告期間結算日對個別或一組金融資產是否存在減值之客觀證據進行評估。當有客觀減值證據表明資產在初始確認後因發生一項或多項事件(「虧損事件」)，且能可靠估計該虧損事件對該項金融資產或該組金融資產之估計未來現金流產生之影響，則該項或該組金融資產被認定為已發生減值並出現減值虧損。

減值證據包括債務人或一組債務人遇到重大財政困難；違約或拖欠利息或本金還款；可能破產或進行其他財務重組；及觀察資料顯示估計未來現金流量出現可量度之減幅，如欠款數目變更或出現與違約相關的經濟狀況。

就貸款及應收賬項類別而言，虧損金額將按照該資產賬面值與該金融資產按原實際利率貼現後之估計未來現金流(不包括尚未發生之未來信用虧損)之現值之間的差額計量。該資產之賬面值會減少，而虧損金額於綜合損益表內確認。倘一項貸款或持至到期投資按浮動息率計算，計量任何減值虧損之貼現率為根據合約釐定之現行率。

倘有實際需要，本集團可採用觀察所得市價按工具之公允價值計量減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.13 Impairment of financial assets (Continued)

(a) Assets carried at amortised cost (Continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(b) Assets classified as available for sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to in (a) above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

3 主要會計政策概要(續)

3.13 金融資產減值(續)

(a) 按攤銷成本列賬的資產(續)

倘於往後期間，減值虧損金額減少，且該等減少可客觀認為與確認減值後發生之事件有關(例如債務人信貸評級改善)，則過往已確認減值虧損將予撥回並於綜合損益表內確認。

(b) 分類為可供出售的資產

本集團於各報告期末評估一項金融資產或一組金融資產是否有減值的客觀證據。對於債務證券，本集團利用上文(a)所述的條件。如屬分類為可供出售的股本投資，證券公允價值大幅或持續下跌至低於其成本亦為資產減值的證據。如可供出售金融資產有任何該等減值證據，累計虧損(即收購成本與現時公允價值之差額減去該金融資產先前於損益確認的任何減值虧損)自權益刪除並於損益確認。於綜合損益表確認的股本工具減值虧損並無於綜合損益表撥回。倘於其後期間分類為可供出售的債務工具的公允價值增加，而增加可客觀地與發生於減值虧損後並於損益確認的事件相關，則於綜合損益表撥回減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Derivative financial instruments which do not qualify for hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognising the resulting gains or losses depends on whether the derivative is designated and qualified as a hedging instrument, and if so, the nature of the item being hedged. Since the derivative financial instruments entered into by the Group do not qualify for hedge accounting, changes in fair value of any derivative financial instruments are recognised immediately in the consolidated income statement.

3.15 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

3.16 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

3.17 Share capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3 主要會計政策概要(續)

3.14 不符合資格作對沖會計處理之衍生金融工具

衍生工具初步按衍生工具合約訂立日期之公允價值確認，其後按其公允價值重新計量。確認所產生盈虧之方法取決於該衍生工具是否指定並符合資格作對沖工具，如指定為對沖工具，則取決於其所對沖項目之性質。由於本集團之衍生金融工具並不符合資格作對沖會計處理，故任何衍生金融工具之公允價值變動須即時於綜合損益表確認。

3.15 貿易及其他應收賬項

貿易應收賬項為於正常業務過程中售出商品或提供服務之客戶結欠金額。如果貿易及其他應收賬項預計於一年或少於一年內收回(或在業務正常經營周期內的更長時間)，被分類為流動資產。否則，在非流動資產中呈列。

貿易及其他應收賬項初步以公允價值確認，其後利用實際利率法按攤銷成本扣除任何減值撥備計量。

3.16 現金及現金等價物

於綜合現金流量表中，現金及現金等價物包括手頭現金、銀行通知存款、原定於三個月或以內到期之其他短期高流通量投資。

3.17 股本

普通股分類為權益。強制可贖回優先股分類為負債。

發行新股份或購股權的增加的直接應佔成本於權益中列為所得款項的扣減項目(扣除稅項)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.18 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.19 Borrowings

Borrowings are carried initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

3 主要會計政策概要(續)

3.18 貿易及其他應付賬項

貿易及其他應付賬項是於日常業務過程中從供應商購買商品或接受服務產生之付款責任。倘應付賬項將在一年或一年內(若更長則在業務正常經營週期內)支付,則歸類為流動負債。否則,在非流動負債中呈列。

貿易及其他應付賬項按公允價值初步確認,其後以實際利率法按攤銷成本計量。

3.19 貸款

貸款初步按公允價值(扣除所產生交易成本)確認,其後按攤銷成本列賬;所得款項(扣除交易成本)與贖回價值兩者間之任何差額,會以實際利率法於貸款期間內在綜合損益表中確認。

為建立貸款融資所支付的費用,當部分或所有融資很可能將被提取時確認為貸款的交易成本。於此情況下,該費用在提取貸款融資前予以遞延。倘無證據表明部分或所有融資很可能將被提取,則該費用將作為流動性服務的預付款項資本化,並在融資相關之期限內攤銷。

除非本集團有無條件權利可將負債結清時間延遲至結算日後最少12個月,否則貸款須分類為流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Borrowing costs

General and specific 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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised as 'finance cost' in consolidated income statement in the period in which they are incurred.

3.21 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3 主要會計政策概要(續)

3.20 貸款成本

與收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途或銷售的資產)直接相關的一般及特定貸款成本,加入該等資產的成本內,直至資產大致上備妥供其預定用途或銷售為止。

等待作為合資格資產開支的特定貸款臨時投資所賺取的投資收入,須在可資本化的貸款成本中扣除。

所有其他貸款成本均於產生期間內在綜合損益表「財務費用」中扣除。

3.21 即期及遞延所得稅

期內稅項開支包括即期及遞延稅項。稅項於綜合損益表確認,惟倘稅項與其他全面收入確認或直接於權益確認之項目有關者除外。在該情況下,稅項亦會分別於其他全面收入或直接於權益內確認。

(a) 即期所得稅

即期所得稅開支乃按結算日在本公司之附屬公司及聯營公司經營及產生應課稅收入之國家已實行或大致已實行之稅法計算。管理層定期評估就適用稅項法規有待詮釋之情況之稅項申報所採取措施,並在適當情況下按預期將支付予稅務機構之款項為基準計提撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Current and deferred income tax (Continued)

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates, only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

3 主要會計政策概要(續)

3.21 即期及遞延所得稅(續)

(b) 遞延所得稅

內在基準差異

遞延所得稅採用負債法就資產與負債之稅基與在綜合財務報表之賬面值兩者之暫時差額確認。然而，倘遞延所得稅乃源自進行交易(不包括業務合併)時不影響會計或應課稅溢利或虧損之資產或負債之初步確認，則不會計算遞延所得稅。遞延所得稅以結算日頒佈或實質上頒佈之稅率(及法例)釐定，且該等稅率預期將於相關遞延所得稅資產變現或遞延所得稅負債結算時應用。

遞延所得稅資產僅在可能有未來應課稅溢利可動用以抵銷暫時差額之情況下確認。

外在基準差異

按於附屬公司及聯營公司之投資產生之應課稅暫時差額計提遞延所得稅負債，惟遞延所得稅負債則除外，因本集團能控制暫時差額撥回之時間及於可見未來暫時差額可能不會撥回。本集團通常無法控制聯營公司暫時差額之撥回，僅於有適當協議使本集團有能力控制撥回暫時差額時不予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Outside basis differences (Continued)

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.22 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Profit sharing and bonus plans

Provisions for profit sharing and bonus plans are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

3 主要會計政策概要(續)

3.21 即期及遞延所得稅(續)

(b) 遞延所得稅(續)

外在基準差異(續)

遞延所得稅資產就於附屬公司及聯營公司投資產生之可扣減暫時差額予以確認，惟暫時差額可能將於日後撥回，且除可動用暫時差額外尚有足夠應課稅溢利可使用。

抵銷

當具有將即期稅項資產與即期稅項負債抵銷之合法強制執行權，以及當遞延所得稅資產及負債與同一稅務機關就該應課稅實體或不同應課稅實體徵收之所得稅有關，且擬按淨額基準結算時，遞延所得稅資產與負債將會抵銷。

3.22 僱員福利

(a) 僱員休假權利

僱員享有年假之權利於此等權利產生時確認。本集團就截至結算日止僱員提供服務產生之年假之估計負債作出撥備。

僱員享有病假及分娩假期之權利於僱員休假時方予確認。

(b) 溢利分享及花紅計劃

當本集團因僱員提供服務而產生現有法定或推定責任，而責任金額能可靠估算時，則確認溢利分享及花紅計劃之撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.22 Employee benefits (Continued)

(c) Pension obligations

Hong Kong

The Group operates a defined contribution Mandatory Provident Fund Scheme (the “MPF Scheme”) which is registered under the Mandatory Provident Fund Schemes Ordinance in Hong Kong. The assets of the MPF Scheme are held in a separately administered fund. The MPF Scheme is generally funded by payments from employees and by the Group.

The Group’s contributions to the MPF Scheme are expensed as incurred and are reduced by the employer’s voluntary contribution forfeited from the MPF Scheme by those employees who leave the scheme prior to vesting fully in the contributions.

Mainland China

As stipulated by rules and regulations in Mainland China, the Group contributes to state-sponsored retirement schemes for its relevant employees in Mainland China. The state-sponsored retirement schemes are responsible for the entire post-retirement benefit obligations payable to the retired employees.

The Group’s contributions to the state-sponsored retirement schemes are expensed as incurred and are fully and immediately vested in the employees.

3 主要會計政策概要(續)

3.22 僱員福利(續)

(c) 退休金責任

香港

本集團推行一項定額供款強制性公積金退休計劃(「強積金計劃」)，計劃已根據香港強制性公積金計劃條例註冊。強積金計劃之資產乃以獨立管理之基金持有。強積金計劃之資金一般由僱員及本集團撥付。

本集團向強積金計劃作出之供款於產生時支銷，並可以自供款全數撥歸前退出計劃之僱員沒收之強積金計劃僱主自願性供款扣減。

中國內地

根據中國內地規則及規例，本集團為其有關中國內地僱員向國家資助之退休計劃供款。該等國家資助退休計劃須負責履行向退休僱員支付全部退休後福利之責任。

本集團向國家資助之退休計劃供款於產生時支銷，並即時全數歸屬僱員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.22 Employee benefits (Continued)

(d) Long service payment

The Group's net obligation in respect of lump sum long service amounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method by a qualified actuary, discounted to its present value, and the fair value of any related plan assets is deducted. The discount rate is the yield at balance sheet date on Exchange Fund Notes that have maturity dates approximating the terms of the Group's obligations. All actuarial gains and losses of defined benefit plans are recognised immediately in other comprehensive income in the period in which they occur. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested.

3.23 Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, sales returns and discounts, after eliminated sales within the Group.

(a) Sales of goods — wholesale

Sales of goods are recognised when a group entity has delivered products to the wholesaler or licensee, retains neither continuing managerial involvement to the degree usually associated with ownership nor control over the goods sold, and there is no unfulfilled obligation that could affect the acceptance of the products. Delivery does not occur until the products have been delivered to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler or licensee, and either the wholesaler or licensee has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

3 主要會計政策概要(續)

3.22 僱員福利(續)

(d) 長期服務金

本集團就根據香港僱傭條例在若干情況下於僱員終止受僱時支付一筆過長期服務金之責任為有關僱員於本期間及過往期間以所提供服務賺取之未來福利。該責任乃由合資格精算師利用預算單位信貸法計算並貼現至其現值，而任何相關計劃資產之公允價值則予以扣減。貼現率為與本集團付款責任年期相若之外匯基金債券於結算日之息率。界定供款福利計劃之所有精算收益及虧損均於產生期間內即時於其他全面收入確認。過往服務成本於福利歸屬前以直線法按平均期間確認為開支。

3.23 收益及收入確認

收益指本集團於日常業務中出售貨物及服務而實收或應收代價之公允價值。收益扣除增值稅、退貨及折扣，並對銷本集團內部之銷售後列賬。

(a) 銷售貨品 — 批發

當集團實體已將貨品交付批發商或品牌商，並無涉及通常與擁有權相關聯的持續管理，亦無保留對已銷售貨品的控制權，且並無未履行責任可能影響對產品的接收時，貨品銷售即確認入賬。當產品已付運至指定地點，廢棄及損失風險已轉讓予批發商或品牌商，而批發商或品牌商已根據銷售合約接收產品、或接收條款已作廢，或本集團有客觀證據顯示所有接收條款已經履行後，方始計作已交付貨品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.23 Revenue and income recognition (Continued)

(b) Sales of goods – retail

Sales of goods are recognised when a group entity sells a product to the customer. Retail sales are usually in cash or by credit card. It is the Group's policy to sell its jewellery products to the end customers with a right of return within one year at a certain discount on the original selling price. Accumulated experience is used to estimate and provide for such returns at the time of sale.

(c) Royalty and service income

Royalty and service income in respect of the use of the Group's trademarks and related services are recognised on an accrual basis in accordance with the substance of the relevant agreements.

(d) Consultancy fee income

Consultancy fee income in respect of technical support and consultancy services are recognised in the period the services are provided.

(e) Value-added tax refunds

Value-added tax refunds are recognised at their fair values in the consolidated income statement when there is reasonable assurance that the refund will be received and all the relevant conditions will be complied with.

(f) Interest income from bank deposits

Interest income from bank deposits is recognised on a time proportion basis using the effective interest method.

(g) Rental income

Rental income is recognised on a straight-line basis over the lease period.

3 主要會計政策概要(續)

3.23 收益及收入確認(續)

(b) 銷售貨品 – 零售

銷售貨品於集團實體向客戶銷售貨物時確認。零售銷售通常以現金或信用卡結算。本集團的政策是向最終客戶銷售珠寶產品時附有一年可按原來售價之若干折讓退貨之權利。於銷售時估計該等退貨並作出撥備全憑過往累積之經驗。

(c) 品牌及服務費收入

有關使用本集團商標及相關服務的品牌及服務費收入根據相關協議按應計基準確認。

(d) 顧問費收入

有關提供技術支援及顧問服務之顧問費收入，於提供服務之期間確認。

(e) 增值稅退款

增值稅退款乃在有合理保證將可收到退款及所有附帶條件均獲遵守時，按公允價值在綜合損益表中確認。

(f) 銀行存款利息收入

銀行存款利息收入使用實際利率法按時間比例確認。

(g) 租金收入

租金收入於租期內以直線法確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.24 Operating leases (as a lessee)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease. When a component of the lease payment which is not fixed but is based on future amount of a factor, other than with the passage of time, such as percentage of sales or concessionaire fees, the amount is recognised as expenses as it arises.

3.25 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

4 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks, including foreign exchange risk, cash flow and fair value interest rate risks, credit risk, liquidity risk and commodity price risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to manage certain risk exposures. The use of financial derivatives to hedge certain risk exposures is governed by the Board of the Company.

3 主要會計政策概要(續)

3.24 經營租賃(作為承租人)

經營租賃指擁有權之絕大部分風險及回報仍屬出租人所有之租賃。根據經營租賃支付之租金(扣除出租人所給予之優惠後)以直線法按租期自綜合損益表扣除。倘租賃款項其中某部分並非固定而是按某項因素(時間流逝除外,如銷售額百分比或特許經營費)之未來款項計算,則該款項將於產生時確認為開支。

3.25 股息分派

向本公司股東分派之股息,在股息獲本公司股東或董事(視適用情況而定)批准之期間內,於本集團財務報表確認為負債。

4 財務風險管理

(a) 財務風險因素

本集團業務承受各種財務風險,包括外匯風險、現金流量及公允價值利率風險、信貸風險、流動資金風險及商品價格風險。

本集團的整體風險管理計劃專注於金融市場難以預測之特性,並尋求盡量減低對本集團財務表現之潛在不利影響。本集團利用衍生金融工具管理若干風險。使用衍生金融工具對沖若干風險受本公司董事會規管。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(i) Foreign exchange risk

The Group mainly operates in Hong Kong with most of the transactions settled in HK\$. The Group also has retail and wholesale operations in Mainland China, Macau, Canada, the United States and Singapore. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk from various currency exposures, primarily with respect to Renminbi ("RMB").

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures. The Group also use foreign exchange derivative contracts to manage their foreign exchange risk arising from future commercial transactions and recognised asset or liabilities denominated in a currency that is not the group companies' functional currency, preliminary with respect to RMB.

The Group's assets and liabilities, and transactions arising from its operations primarily do not expose the Group to material foreign exchange risk. The Group's assets and liabilities are primarily denominated in the respective group companies' functional currency.

At 31 March 2016, if RMB had strengthened/weakened by 5% against HK\$, with all other variables held constant, profit before tax would have been approximately HK\$62,687,000 (2015: HK\$84,112,000) higher/lower respectively, before taking into the potential hedging effect of the foreign exchange derivative contracts.

4 財務風險管理(續)

(a) 財務風險因素(續)

(i) 外匯風險

本集團主要於香港經營業務，且大部分交易以港元結算。本集團在中國內地、澳門、加拿大、美國及新加坡亦有零售及批發業務。外匯風險來自以非實體功能貨幣的貨幣計值之未來商業交易或已確認資產或負債。本集團面對多種貨幣的外匯風險，主要與人民幣(「人民幣」)有關。

本集團透過定期檢討本集團的外匯風險淨額管理其外匯風險。本集團亦使用外匯衍生合約管理其來自未來商業交易和以集團公司功能貨幣之外的貨幣(初步為人民幣)計值之已確認資產或負債的外匯風險。

本集團的資產及負債，以及其經營業務產生的交易並無導致本集團承受重大外匯風險。本集團的資產及負債主要以有關集團公司的功能貨幣計值。

於2016年3月31日，倘人民幣兌港元增值/貶值5%，而所有其他參數保持不變，除稅前溢利將相應增加/減少約62,687,000港元(2015年：84,112,000港元)(不計外匯衍生合約之潛在對沖影響)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(ii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets except for the convertible bonds subscribed and loans to an associate which were issued at fixed rates and interest free respectively, and expose the Company to fair value interest rate risk. The Group's interest rate risk arises from borrowings. Borrowings at variable rate expose the Group to cash flow interest-rate risk. Borrowings at fixed rates expose the Group to fair value interest-rate risk. The Group does not enter into derivatives to address these risks.

At 31 March 2016, if interest rates on borrowings had increased/decreased by 25 basis points with all other variables held constant, the impact on post-tax profit for the year would not be significant. Management considers the cash flow interest-rate risk related to borrowings to be insignificant also.

(iii) Credit risk

The Group has no significant concentrations of credit risk. The carrying amounts of loan to an associate, amount due from an associate, trade and other receivables, deposits and cash and bank balances included in the consolidated balance sheet and the principal amount of the subscribed convertible bond represent the Group's maximum exposure to credit risk in relation to its financial assets.

4 財務風險管理(續)

(a) 財務風險因素(續)

(ii) 現金流量及公允價值利率風險

本集團的收入及經營現金流量大致上不受市場利率變動影響，除了已認購的可換股債券及向聯營公司出具分別為定息及免息之貸款會令本集團承受公允價值利率風險外，本集團並無重大計息資產。本集團的利率風險來自貸款。浮息借貸令本集團承受現金流量利率風險。定息借貸令本集團承受公允價值利率風險。本集團並無訂立衍生工具以應付該等風險。

於2016年3月31日，倘借貸利率增加／減少25個基點，而所有其他變數維持不變，則對年內除稅後溢利的影響將不重大。管理層認為，與借貸相關的現金流量利率風險亦不重大。

(iii) 信貸風險

本集團並無任何重大集中信貸風險之情況。記入綜合資產負債表內之貸款予一家聯營公司、應收一家聯營公司賬項、貿易及其他應收賬項、按金及現金及銀行結餘之賬面值及已認購之可換股債券的本金額為本集團就金融資產面對之最高信貸風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iii) Credit risk (Continued)

The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's concessionaire sales through department stores are generally collectible within 30 days from the invoice date while credit sales are generally on credit terms within 90 days. Normally the Group does not require collaterals from trade debtors. The existing debtors have no significant defaults in the past. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables, if any, has been made. The Group does not have a significant concentration of credit risk. No single customer accounted for more than 1% of the Group's total trade receivables during the year.

The deposits, other receivables, subscribed convertible bond, amount due from an associate and loan to an associate are from counterparties with good credit history. There is no history of defaults from these counterparties.

As at 31 March 2016 and 2015, substantially all the bank balances as detailed in Note 26 are held in major financial institutions located in Hong Kong and Mainland China, which management believes are of high credit quality. The Group has a policy to limit the amount of credit exposure to any financial institution and management does not expect any losses arising from non-performance by these counterparties.

4 財務風險管理(續)

(a) 財務風險因素(續)

(iii) 信貸風險(續)

本集團有既定政策確保向信貸記錄良好之客戶以信貸形式銷售產品，且本集團對客戶進行定期信用評估。本集團於百貨商場之特許銷售一般可於發票日起30日內收到貨款，而信貸銷售之信貸期一般為90日之內。本集團通常不要求貿易債務人提供擔保。現有債務人過去並無重大拖欠記錄。本集團貿易及其他應收賬項之過往收款經驗屬於記錄撥備幅度內，董事認為，已就不可收回之應收賬項(如有)作出足夠撥備。本集團並無重大集中信貸風險。概無單一客戶佔超過本集團年內貿易應收賬款總額的1%。

按金、其他應收賬項、已認購之可換股債券、應收一家聯營公司賬項及貸款予一家聯營公司乃來自歷來信譽良好之對手方。此等對手方過往並無拖欠記錄。

誠如附註26所詳述，於2016年及2015年3月31日之絕大部分銀行結餘由位於香港及中國內地的大型金融機構持有，管理層認為該等金融機構的信貸質量優良。本集團採取政策限制對任何金融機構的信貸風險，且管理層並不預期會出現任何因此等金融機構不履約而產生的虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities.

The Group's primary cash requirements have been for additions of and upgrades on property, plant and equipment, payment on related debts and payment for purchases and operating expenses. The Group finances its working capital requirements through a combination of internal resources and bank borrowings, as necessary.

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure it maintains sufficient cash and bank balances and has available funding through adequate amount of committed credit facilities to meet its working capital requirements.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows based on the earliest date on which the Group can be required to pay.

4 財務風險管理(續)

(a) 財務風險因素(續)

(iv) 流動資金風險

審慎之流動資金風險管理指維持充足現金及銀行結餘，以及透過充裕之已承擔信貸融資以維持可供動用資金。

本集團之基本現金需求為添置及提升物業、廠房及設備，償還有關債務以及支付購貨及經營開支。本集團以內部資源及按需要以銀行貸款撥付其營運資金需求。

本集團之政策為定期監控目前現金流量及預期流動資金需求，以確保維持足夠之現金及銀行結餘及透過足夠之已承諾信貸融資取得備用資金，以應付其營運資金需要。

下表將本集團金融負債，根據於結算日至合約到期日期間之餘下到期日進行分析，分至有關到期日組別。表內披露之款項乃根據本集團可能被要求付款之最早日期計算之合約未貼現現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Liquidity risk (Continued)

Maturity Analysis – Undiscounted cash outflows

4 財務風險管理(續)

(a) 財務風險因素(續)

(iv) 流動資金風險(續)

到期日分析 – 未貼現現金流出量

		Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
		一年內	超過一年 但少於兩年	超過兩年 但少於五年	未貼現現金 流出量總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 31 March 2016	於2016年3月31日				
Trade payables and other payables	貿易應付賬項及其他應付賬項	834,955	-	-	834,955
Amount due to an associate	應付一家聯營公司賬項	2,235	-	-	2,235
Bank borrowings	銀行貸款	404,920	-	-	404,920
Gold loans	黃金借貸	317,319	-	-	317,319
		1,559,429	-	-	1,559,429
As at 31 March 2015	於2015年3月31日				
Trade payables and other payables	貿易應付賬項及其他應付賬項	823,311	-	-	823,311
Amount due to an associate	應付一家聯營公司賬項	1,674	-	-	1,674
Bank borrowings	銀行貸款	1,472,618	-	-	1,472,618
Gold loans	黃金借貸	243,334	-	-	243,334
		2,540,937	-	-	2,540,937

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Commodity price risk

The Group mainly engaged in the sale of gold ornaments. The gold markets are influenced by global as well as regional supply and demand conditions. A significant decline in the prices of gold could adversely affect the Group's financial performance. The Group manages commodity price risks mainly by hedging gold price fluctuations through certain derivative financial instrument-trading of gold contracts and gold loans contracts. Should the gold price go up, the Group would charge a loss representing the increase in gold price compared to the contract price, and largely net against the increase in turnover of gold products as a result of gold price increase.

The gold contracts which settled on daily basis and the difference between the contract price and market price is immediately recognised in the consolidated income statement. As at 31 March 2016, the notional value of the outstanding contracts amounted to HK\$166,148,000 (2015: HK\$159,432,000).

The gold loans (Note 33) are settled at maturity which usually in 2 to 3 months from date of inception and fair value change is immediately recognised in the consolidated income statement. As at 31 March 2016, the notional value of outstanding gold loan contracts amounted to HK\$310,692,000 (2015: HK\$242,802,000).

At 31 March 2016, if the market price of gold had increased or decreased by 5%, profit before tax for the year ended 31 March 2016, due to changes in fair values of gold contracts, would have been approximately HK\$8,307,000 (2015: HK\$7,972,000) lower or higher respectively.

At 31 March 2016, if the market price of gold had increased or decreased by 5%, profit before tax for the year ended 31 March 2016, due to change in values of gold loans, would have been approximately HK\$15,534,000 (2015: HK\$12,140,000), lower or higher respectively.

4 財務風險管理(續)

(a) 財務風險因素(續)

(v) 商品價格風險

本集團主要從事黃金首飾銷售之業務。黃金市場受全球以及地區供求狀況影響。黃金價格大幅下跌可能對本集團之財務表現造成不利影響。本集團主要透過使用若干黃金買賣合約衍生金融工具及黃金借貸對沖黃金價格波動以管理商品價格風險。倘黃金價格上升，本集團將扣除之虧損相當於黃金價格相較合約價之升幅，其中大部分為因黃金價格上升導致黃金產品營業額增加所抵銷。

該等黃金合約按日結算。合約價及市場價格之差額乃即時於綜合損益表內確認。於2016年3月31日，未平倉合約之名義價值為166,148,000港元(2015年：159,432,000港元)。

黃金借貸(附註33)合約在到期時(大多為開始日期後兩至三個月)結算，公允價值即時於綜合損益表中確認。截至2016年3月31日，未平倉黃金借貸合約之名義價值為310,692,000港元(2015年：242,802,000港元)。

於2016年3月31日，倘黃金之市場價格上升或下跌5%，則因黃金合約之公允價值變動導致截至2016年3月31日止年度之除稅前溢利分別減少或增加約8,307,000港元(2015年：7,972,000港元)。

於2016年3月31日，倘黃金之市場價格上升或下跌5%，則因黃金借貸之價值變動導致截至2016年3月31日止年度之除稅前溢利分別減少或增加約15,534,000港元(2015年：12,140,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation

The carrying amounts of the Group's financial assets, including cash and bank balances, trade receivables, other receivables, deposits, amount due from an associate and loan to an associate and the Group's financial liabilities, including trade and other payables, amount due to an associate and bank borrowings approximate their fair values due to their maturities.

The fair values of financial instruments traded in active markets (such as gold loans) are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair values of financial liabilities for disclosure purposes are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

4 財務風險管理(續)

(b) 公允價值估計

本集團金融資產(包括現金及銀行結餘、貿易應收賬項、其他應收賬項、按金、應收一家聯營公司賬項及貸款予一家聯營公司)以及本集團之金融負債(包括貿易及其他應付賬項、應付一家聯營公司賬款及銀行貸款)因各自的期限,因此其賬面值與公允價值相若。

於活躍市場買賣的金融工具(如黃金借貸)的公允價值,按於結算日的市場報價計算。就本集團所持金融資產採用的市場報價為當前買入價。

就披露目的而言,金融負債之公允價值乃按本集團就類似金融工具可獲得之現時市場利率貼現未來合約現金流量而估計。

下表為採用估值法按公允價值列賬的金融工具的分析。已界定的不同級別如下:

- 同類資產或負債在活躍市場上的報價(未經調整)(第一級)。
- 除第一級所包括的報價外,資產或負債的可直接(即價格)或間接(即從價格得出)觀察所得輸入值(第二級)。
- 並非根據可觀察市場數據釐定的資產或負債輸入值(即不可觀察輸入值)(第三級)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation (Continued)

The following table present the Group's financial assets and liabilities that are measured at fair value at 31 March 2016.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2016	於2016年3月31日				
Assets	資產				
– Derivative financial instruments	– 衍生金融工具				
– CGS Share Option	– 中國金銀購股權	-	-	9	9
– Convertible bond	– 可換股債券	-	46,135	-	46,135
– Available-for-sale financial assets	– 可供出售金融資產	8,767	-	-	8,767
Total assets	總資產	8,767	46,135	9	54,911
Liabilities	負債				
– Gold loans	– 黃金借貸	310,692	-	-	310,692
Total liabilities	總負債	310,692	-	-	310,692

The following table present the Group's financial assets and liabilities that are measured at fair value at 31 March 2015.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2015	於2015年3月31日				
Assets	資產				
– Derivative financial instruments	– 衍生金融工具				
– CGS Share Option	– 中國金銀購股權	-	-	5,234	5,234
– Convertible bond	– 可換股債券	-	66,735	-	66,735
– Available-for-sale financial assets	– 可供出售金融資產	8,820	-	-	8,820
Total assets	總資產	8,820	66,735	5,234	80,789
Liabilities	負債				
– Gold loans	– 黃金借貸	242,802	-	-	242,802
Total liabilities	總負債	242,802	-	-	242,802

There were no transfer between levels 1, 2 and 3 during the year ended 31 March 2016 and 2015.

4 財務風險管理(續)

(b) 公允價值估計(續)

下表呈列本集團於2016年3月31日按公允價值計量的金融資產及負債。

下表呈列本集團於2015年3月31日按公允價值計量的金融資產及負債。

截至2016年及2015年3月31日止年度內，第一級，第二級與第三級之間並無任何轉撥。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Capital risk management

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

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, issue of new shares or obtain new bank borrowings.

The Group also monitors capital on the basis of gearing ratio and the compliance of covenants of its bank borrowings. The gearing ratio is calculated as net (cash)/debt divided by total capital. Net (cash)/debt is calculated as total borrowings (including bank borrowings and gold loans) less cash and bank balances. Total capital is calculated as "equity", as shown in the consolidated balance sheet, plus net (cash)/debt.

The table below analyses the Group's capital structure as at 31 March 2016:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Bank borrowings	銀行貸款	400,000	1,470,633
Gold loans	黃金借貸	310,692	242,802
Less: Cash and bank balances	減：現金及銀行結餘	(2,432,185)	(2,090,127)
Net cash	淨現金	(1,721,493)	(376,692)
Total equity	權益總額	8,768,919	8,600,507
Total capital	總資本	7,047,426	8,223,815
Gearing ratio	負債資產比率	N/A	N/A

The Group's strategy is to maintain a solid capital base to support the operations and development of its business in the long term.

4 財務風險管理(續)

(c) 資本風險管理

本集團管理資本的目標為保障本集團持續運作的能力，從而為股東提供回報、為其他利益相關者提供利益以及保持理想的資本架構以減低資本成本。

本集團管理資本架構，並因應經濟環境的變動作出調整。為保持或調整資本架構，本集團可調整支付予股東的股息、發行新股或獲得新的銀行貸款。

本集團亦以負債資產比率及遵守其銀行貸款契諾監察其資本。負債資產比率是以淨(現金)/債項除總資本計算。淨(現金)/債項是以貸款總額(包括銀行貸款及黃金借貸)減現金及銀行結餘計算得出。總資本乃以「權益」(如綜合資產負債表所示)加淨(現金)/債項計算得出。

本集團於2016年3月31日之資本架構分析如下：

本集團的策略為維持穩定的資本基礎，以為其營運及業務發展提供長期支持。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

(a) Useful lives, residual values and depreciation/amortisation charges of property, plant and equipment, land use rights and investment properties

The Group's management determines the estimated useful lives, residual values and related depreciation/amortisation charges for the Group's property, plant and equipment, land use rights and investment properties with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. Management will revise the depreciation and amortisation charges where useful lives are different to previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Actual economic lives may differ from estimated useful lives and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation/amortisation expense in future periods.

(b) Inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

5 關鍵會計估計及判斷

在編製財務報表時所採用之估計及判斷，乃按過往經驗及其他因素(包括根據不同情況對未來事件作出之合理預計)不斷作出評估。所得會計估算按其定義，甚少會與相關實際結果相等。下文討論有重大風險導致下一財政年度資產及負債之賬面值須作出重大調整之估計及假設。

(a) 物業、廠房及設備、土地使用權及投資物業之可使用年期、剩餘價值及折舊費用／攤銷

本集團管理層參考本集團計劃自使用此等資產而獲得未來經濟效益之估計期限，釐定本集團物業、廠房及設備、土地使用權及投資物業之估計可使用年期、剩餘價值及相關折舊／攤銷費用。倘可使用年期與先前估計者不同，管理層將修訂折舊及攤銷費用，或將技術上過時或已報廢或出售之非策略資產撇銷或撇減。

實際經濟年期可能有別於估計可使用年期，而實際剩餘價值亦可能有別於估計剩餘價值。定期檢討可能會使折舊年期及剩餘價值以致未來期間之折舊／攤銷開支有變。

(b) 存貨

存貨的可變現淨值為日常業務中的估計售價扣除估計完工成本及銷售開支後的數額。此等估計乃根據現時市況及生產與出售類似性質產品的過往經驗而作出，並可因顧客喜好的轉變及競爭對手在嚴峻的行業週期所作的行動而有重大差異。管理層於各結算日重新評估此等估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Impairment of investments in subsidiaries, associates and non-financial assets

Investments in subsidiaries, investments in associates and non-financial assets including property, plant and equipment and land use rights, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of asset can be supported by its recoverable amount, being the higher of fair value less costs to sell and the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's reported financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statement.

5 關鍵會計估計及判斷(續)

(c) 於附屬公司、一家聯營公司之投資及非金融資產的減值

倘出現事件或情況變動顯示於附屬公司之投資、於聯營公司之投資及非金融資產(包括物業、廠房及設備及土地使用權)賬面值可能無法收回,則須檢討減值。可收回數額乃根據使用值計算或按公允價值減出售成本而釐定。此等計算須運用判斷及估計。

釐定資產減值須運用管理層判斷,尤其為評估:(i)是否已出現顯示有關資產值可能無法收回的事件;(ii)其可收回數額(即公允價值減出售成本後的數額及估計繼續在業務中使用資產所帶來的未來現金流量現值淨額兩者的較高者)可否支持資產賬面值;及(iii)現金流量預測所用的適當主要假設,包括此等現金流量預測是否以適當利率貼現。管理層所挑選用作評估減值的假設(包括貼現率或現金流量預測所用的增長率假設)若有變動,可能會對減值檢測所用現值淨額帶來重大影響,從而影響本集團所呈報的財務狀況及經營業績。倘預計表現及有關未來現金流量預測出現重大不利變動,則可能須在綜合損益表中扣除減值開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(d) Current and deferred income taxes

The Group is subject to income taxes in Hong Kong, Mainland China and other jurisdictions. Judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. Deferred income tax liabilities relating to undistributed profit of those subsidiaries in Mainland China are recognised based on the undistributed profit of those subsidiaries in Mainland China generated since 1 January 2008 which is expected to be distributed in the foreseeable future. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and liabilities and taxation charges in the period in which such estimate is changed.

5 關鍵會計估計及判斷(續)

(d) 即期及遞延所得稅

本集團須繳納香港、中國內地及其他司法權區的所得稅。釐定各司法權區的所得稅撥備時，需作出判斷。在日常業務中有若干未能確定最終稅項的交易及計算。倘此等事宜的最終稅務結果有別於最初記錄的數額，則有關差額會影響釐定有關數額期間的所得稅及遞延所得稅撥備。

與若干暫時差異及稅項虧損有關之遞延所得稅資產，按管理層認為未來有可能出現應課稅溢利可用作抵銷該等暫時差異或稅項虧損而確認。與中國內地附屬公司之未分派溢利有關之遞延所得稅負債乃按自2008年1月1日起中國內地附屬公司所產生並預期將於可見將來分派之未分派溢利確認。當預期之金額與原定估計有差異時，則該差異將會於估計改變之期間內，影響遞延所得稅資產及負債與所得稅費用之確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(e) Provision for long service payment

The Group's provision for long service payment is determined with reference to statutory requirements, the employees' remuneration, their year of services and age profile, and demographic assumptions including: pre-retirement termination, involuntary termination, early retirement, normal retirement, death and disability. The basis of estimation is reviewed on an on-going basis and revised where appropriate. Any changes in these assumptions will impact the carrying amount of provision for long service payments and as a result affect the results and financial position of the Group.

(f) Estimated fair value of convertible bond

The fair values of convertible bond that are not traded in an active market are determined by using valuation techniques. The directors have used a Trinomial Option Pricing Model to determine the fair values of the convertible bond. Significant judgement on parameters, such as dividend yield, effective interest rate, volatility and risk-free rate, is required to be made by the directors in applying the Trinomial Option Pricing Model (Note 21). The fair value of convertible bond subscribed for the year ended 31 March 2016 determined using the Trinomial Option Pricing Model was approximately HK\$46,135,000 (2015: HK\$66,735,000).

(g) Purchase price allocation

Purchase prices related to acquisition of an associate were allocated to the underlying assets and liabilities of the investee based on their estimated fair value at the time of acquisition. The determination of fair value required directors to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amounts assigned to individually identifiable assets and liabilities.

5 關鍵會計估計及判斷(續)

(e) 長期服務金撥備

本集團乃按法例規定、僱員酬金、其服務年資及年齡，以及多項人口統計學假設(包括於退休前解僱、非自願終止受僱、提早退休、正常退休、身故及傷殘)釐定長期服務金撥備。本公司不斷檢討估計基準及在適當時作出修訂。此等假設如有任何變更，將影響長期服務金撥備之賬面值，因而影響本集團之業績及財務狀況。

(f) 可換股債券之估計公允價值

並無於活躍市場買賣之可換股債券之公允價值乃以估值技巧釐定。董事利用三項式期權定價模式釐定可換股債券之公允價值。董事應用三項式期權定價模式時，須就股息率、實際利率、波幅及無風險率等變數作出大量判斷(附註21)。於截至2016年3月31日止期間認購可換股債券之公允價值(按三項式期權定價模式釐定)約為46,135,000港元(2015年：66,735,000港元)。

(g) 購入價之分配

與收購一家聯營公司有關之購入價，乃按收購時之估計公允價值分配至被投資方之相關資產及負債中。決定公允價值時，董事須就未來事項作出假設、估計及判斷。分配過程必然主觀，並影響到個別可識別資產及負債獲分配之金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION

The chief operating decision-makers (“CODM”) have been identified as the executive directors and senior management collectively. The CODM review the Group’s internal reporting in order to assess performance and allocate resources. The operating segments are reported in accordance with the internal reporting reviewed by the CODM.

CODM consider the business by nature of business activities and assess the performance of the following operating segments:

- i. Retailing — Hong Kong, Macau and overseas
- ii. Retailing — Mainland China
- iii. Wholesaling — Hong Kong
- iv. Wholesaling — Mainland China
- v. Licensing

CODM assess the performance of the operating segments based on segment results. Finance income and costs, corporate income and expenses are not included in the results for each operating segment that is reviewed by the CODM. Other information provided to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Assets of reportable segments exclude interests in associates, certain land and buildings, investment properties, deferred income tax assets and corporate assets, all of which are managed on a central basis.

Sales to external customers are stated after elimination of inter-segment sales. Sales between segments are carried out at mutually agreed terms. The revenue from external parties, assets and liabilities, reported to the CODM is measured in a manner consistent with that in the consolidated income statement and balance sheet.

6 分部資料

執行董事及高級管理層獲指定為共同最高營運決策者（「最高營運決策者」）。最高營運決策者通過審閱本集團之內部報告評估業績表現及分配資源。本集團根據最高營運決策者審閱之內部報告匯報經營分部。

最高營運決策者按業務活動性質研究業務發展及評估下列各經營分部之表現，即：

- i. 零售 — 香港、澳門及海外
- ii. 零售 — 中國內地
- iii. 批發 — 香港
- iv. 批發 — 中國內地
- v. 品牌業務

最高營運決策者根據分部業績評估經營分部表現。最高營運決策者審閱之各經營分部業績並未包括財務收入及費用以及公司收入及開支。向最高營運決策者提供之其他資料所採用計量方法與綜合財務報表一致。

可呈報分部資產不包括於聯營公司之權益、若干土地及樓宇、投資物業、遞延所得稅資產以及公司資產，全部均為集中管理。

對外客戶銷售已抵銷分部間銷售。分部間銷售按相互協定條款進行。向最高營運決策者所呈報之外來客戶收入以及資產與負債所採納計量方法與綜合損益表及資產負債表一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料(續)

Year ended 31 March 2016
截至2016年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售—香港、 澳門及海外 HK\$'000 千港元	Retailing – Mainland China 零售— 中國內地 HK\$'000 千港元	Wholesaling – Hong Kong 批發— 香港 HK\$'000 千港元	Wholesaling – Mainland China 批發— 中國內地 HK\$'000 千港元	Licensing 品牌業務 HK\$'000 千港元	Inter- segment elimination 分部間 對銷 HK\$'000 千港元	Reportable segments Total 可呈報 分部總計 HK\$'000 千港元
Revenue	收入							
Sales to external customers	對外客戶銷售	9,628,905	1,311,807	32,992	2,072,051	-	-	13,045,755
Sales of scrap gold and platinum	銷售黃金及鉑金廢料	-	-	457,654	-	-	-	457,654
		9,628,905	1,311,807	490,646	2,072,051	-	-	13,503,409
Inter-segment sales	分部間銷售	240,243	8,238	2,085,531	274,428	-	(2,608,440)	-
Sales of merchandises	銷售商品	9,869,148	1,320,045	2,576,177	2,346,479	-	(2,608,440)	13,503,409
Royalty and service income	品牌及服務費收入	-	-	-	-	511,177	-	511,177
Consultancy fee income	顧問費收入	-	-	-	-	16,716	-	16,716
Total	總計	9,869,148	1,320,045	2,576,177	2,346,479	527,893	(2,608,440)	14,031,302
Results of reportable segments	可呈報分部業績	642,129	79,516	86,567	195,070	297,797	-	1,301,079
A reconciliation of results of reportable segments to profit for the year is as follows:	可呈報分部業績與年內溢利對賬如下：							
Results of reportable segments	可呈報分部業績							1,301,079
Unallocated income	未分配收入							67,192
Unallocated expenses	未分配開支							(156,119)
Operating profit	經營溢利							1,212,152
Finance income	財務收入							41,725
Finance costs	財務費用							(13,689)
Share of results of associates	應佔聯營公司業績							(79,103)
Profit before income tax	除所得稅前溢利							1,161,085
Income tax expenses	所得稅開支							(199,631)
Profit for the year	年內溢利							961,454
Non-controlling interests	非控股權益							(2,762)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利							958,692

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料(續)

		Year ended 31 March 2016 截至2016年3月31日止年度							
	Retailing – Hong Kong, Macau and overseas 零售—香港、 澳門及海外	Retailing – Mainland China 零售— 中國內地	Wholesaling – Hong Kong 批發— 香港	Wholesaling – Mainland China 批發— 中國內地	Licensing 品牌業務	Inter- segment elimination 分部間 對銷	Reportable segments Total 可呈報 分部總計	Unallocated 未分配	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Depreciation of property, plant and equipment 物業、廠房及設備折舊	(59,524)	(16,022)	(4,522)	(11,727)	(7,283)	-	(99,078)	(28,464)	(127,542)
Amortisation of land use rights 土地使用權攤銷	-	-	-	(445)	(6,931)	-	(7,376)	(326)	(7,702)
Depreciation of investment properties 投資物業折舊	-	-	-	-	-	-	-	(744)	(744)
Additions of non-current assets 非流動資產添置	46,969	26,797	416	8,785	14,152	-	97,119	15,661	112,780

		As at 31 March 2016 於2016年3月31日							
	Retailing – Hong Kong, Macau and overseas 零售—香港、 澳門及海外	Retailing – Mainland China 零售— 中國內地	Wholesaling – Hong Kong 批發— 香港	Wholesaling – Mainland China 批發— 中國內地	Licensing 品牌業務	Inter- segment elimination 分部間 對銷	Reportable segments Total 可呈報 分部總計	Unallocated 未分配	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets 分部資產	5,842,188	1,489,006	742,357	1,923,297	503,053	(1,611,496)	8,888,405		8,888,405
Interests in associates 於聯營公司之權益								154,531	154,531
Land and buildings 土地及樓宇								282,957	282,957
Investment properties 投資物業								24,617	24,617
Deferred income tax assets 遞延所得稅資產								36,770	36,770
Income tax recoverable 可收回所得稅								20,155	20,155
Other unallocated assets 其他未分配資產								1,222,064	1,222,064
Total assets 總資產									10,629,499
Segment liabilities 分部負債	(198,364)	(56,873)	(1,584,007)	(286,390)	(293,342)	1,611,496	(807,480)		(807,480)
Deferred income tax liabilities 遞延所得稅負債								(79,892)	(79,892)
Current income tax liabilities 即期所得稅負債								(151,384)	(151,384)
Bank borrowings 銀行貸款								(400,000)	(400,000)
Gold loans 黃金借貸								(310,692)	(310,692)
Other unallocated liabilities 其他未分配負債								(111,132)	(111,132)
Total liabilities 總負債									(1,860,580)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料(續)

Year ended 31 March 2015
截至2015年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售—香港、 澳門及海外 HK\$'000 千港元	Retailing – Mainland China 零售— 中國內地 HK\$'000 千港元	Wholesaling – Hong Kong 批發— 香港 HK\$'000 千港元	Wholesaling – Mainland China 批發— 中國內地 HK\$'000 千港元	Licensing	Inter- segment elimination	Reportable segments Total 可呈報 分部總計 HK\$'000 千港元
Revenue	收入							
Sales to external customers	對外客戶銷售	11,329,725	1,221,848	97,258	2,203,661	-	-	14,852,492
Sales of scrap gold and platinum	銷售黃金及鉑金廢料	-	-	492,463	-	-	-	492,463
		11,329,725	1,221,848	589,721	2,203,661	-	-	15,344,955
Inter-segment sales	分部間銷售	93,090	5,631	3,437,945	155,677	-	(3,692,343)	-
Sales of merchandises	銷售商品	11,422,815	1,227,479	4,027,666	2,359,338	-	(3,692,343)	15,344,955
Royalty and service income	品牌及服務費收入	-	-	-	-	545,660	-	545,660
Consultancy fee income	顧問費收入	-	-	-	-	32,093	-	32,093
Total	總計	11,422,815	1,227,479	4,027,666	2,359,338	577,753	(3,692,343)	15,922,708
Results of reportable segments	可呈報分部業績	1,175,023	72,936	147,348	237,082	361,439	-	1,993,828

A reconciliation of results of reportable segments to profit for the year is as follows:

可呈報分部業績與年內溢利對賬如下：

Results of reportable segments	可呈報分部業績	1,993,828
Unallocated income	未分配收入	60,030
Unallocated expenses	未分配開支	(77,647)
Operating profit	經營溢利	1,976,211
Finance income	財務收入	48,874
Finance costs	財務費用	(20,474)
Share of results of associates	應佔聯營公司業績	(21,793)
Profit before income tax	除所得稅前溢利	1,982,818
Income tax expenses	所得稅開支	(362,190)
Profit for the year	年內溢利	1,620,628
Non-controlling interests	非控股權益	(5,823)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	1,614,805

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部資料(續)

Year ended 31 March 2015
截至2015年3月31日止年度

	Retailing – Hong Kong, Macau and overseas 零售—香港、 澳門及海外 HK\$'000 千港元	Retailing – Mainland China 零售— 中國內地 HK\$'000 千港元	Wholesaling – Hong Kong 批發— 香港 HK\$'000 千港元	Wholesaling – Mainland China 批發— 中國內地 HK\$'000 千港元	Licensing 品牌業務 HK\$'000 千港元	Inter- segment elimination 分部間 對銷 HK\$'000 千港元	Reportable segments Total 可呈報 分部總計 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Depreciation of property, plant and equipment 物業、廠房及設備折舊	(65,631)	(17,748)	(7,864)	(20,448)	(10,009)	–	(121,700)	(25,066)	(146,766)
Amortisation of land use rights 土地使用權攤銷	–	–	–	(460)	(8,865)	–	(9,325)	(336)	(9,661)
Depreciation of investment properties 投資物業折舊	–	–	–	–	–	–	–	(1,303)	(1,303)
Additions of non-current assets 非流動資產添置	66,471	16,027	9,852	24,189	6,917	–	123,456	302,340	425,796

As at 31 March 2015
於2015年3月31日

	Retailing – Hong Kong, Macau and overseas 零售—香港、 澳門及海外 HK\$'000 千港元	Retailing – Mainland China 零售— 中國內地 HK\$'000 千港元	Wholesaling – Hong Kong 批發— 香港 HK\$'000 千港元	Wholesaling – Mainland China 批發— 中國內地 HK\$'000 千港元	Licensing 品牌業務 HK\$'000 千港元	Inter- segment elimination 分部間 對銷 HK\$'000 千港元	Reportable segments Total 可呈報 分部總計 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets 分部資產	6,365,889	1,471,458	1,185,377	1,694,687	419,277	(1,595,376)	9,541,312		9,541,312
Interests in associates 於聯營公司之權益								245,934	245,934
Land and buildings 土地及樓宇								270,944	270,944
Investment properties 投資物業								45,792	45,792
Deferred income tax assets 遞延所得稅資產								28,025	28,025
Income tax recoverable 可收回所得稅								61,686	61,686
Other unallocated assets 其他未分配資產								1,317,544	1,317,544
Total assets 總資產									11,511,237
Segment liabilities 分部負債	(215,260)	(11,859)	(1,612,381)	(281,314)	(290,101)	1,595,376	(815,539)		(815,539)
Deferred income tax liabilities 遞延所得稅負債								(85,421)	(85,421)
Current income tax liabilities 即期所得稅負債								(174,066)	(174,066)
Bank borrowings 銀行借貸								(1,470,633)	(1,470,633)
Gold loans 黃金借貸								(242,802)	(242,802)
Other unallocated liabilities 其他未分配負債								(122,269)	(122,269)
Total liabilities 總負債									(2,910,730)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

The Group's revenue are mainly derived from Hong Kong customers, Mainland China visitors to Hong Kong and Macau and Mainland China customers. An analysis of the Group's revenue by location in which the transaction took place is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Revenue	收入		
Hong Kong	香港	8,218,304	9,513,081
Mainland China	中國內地	3,911,751	4,003,262
Macau and overseas	澳門及海外	1,901,247	2,406,365
		14,031,302	15,922,708

An analysis of the Group's non-current assets (other than deferred income tax assets, available-for-sale financial assets, derivative financial instrument, rental deposits and prepayment and loan to an associate) by location of assets is as follows:

		2016				2015			
		Hong Kong	Mainland China	Macau and overseas	Total	Hong Kong	Mainland China	Macau and overseas	Total
		香港	中國內地	澳門及海外	總計	香港	中國內地	澳門及海外	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Property, plant and equipment	物業、廠房及設備	371,080	214,168	18,630	603,878	369,417	222,088	26,507	618,012
Land use rights	土地使用權	-	215,245	-	215,245	-	224,883	-	224,883
Investment properties	投資物業	16,835	7,782	-	24,617	37,309	8,483	-	45,792
Interests in associates	於聯營公司之權益	154,531	-	-	154,531	245,934	-	-	245,934
Trading licence	交易執照	1,080	-	-	1,080	1,080	-	-	1,080
		543,526	437,195	18,630	999,351	653,740	455,454	26,507	1,135,701

6 分部資料(續)

本集團之收入主要來自香港之客戶、於香港及澳門之中國內地旅客及中國內地之客戶。按交易進行之地點劃分之本集團收入分析如下：

按資產所在地劃分之本集團非流動資產(不包括遞延所得稅資產、可供出售金融資產、衍生金融工具、租金按金及預付賬項及貸款予一家聯營公司)分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 OTHER INCOME

7 其他收入

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Value-added tax refund (Note i)	增值稅退款(附註i)	68,884	118,598
Government subsidies (Note ii)	政府補貼(附註ii)	43,879	29,181
Rental income	租金收入	6,850	10,883
Others	其他	19,680	15,724
		139,293	174,386

Notes:

- (i) This represents refund from the tax authority in Mainland China; the amount of refund is based on 13% of the cost of the imported diamonds. The Group is entitled to the refund as it is a member of the Shanghai Diamond Exchange and the diamonds are imported through the Shanghai Diamond Exchange.
- (ii) This represents subsidies from a municipal government in Mainland China.

附註：

- (i) 此為來自中國內地稅務機關之退款，退款金額按進口鑽石成本13%計算。由於本集團為上海鑽石交易所之成員，而鑽石亦透過上海鑽石交易所進口，故本集團有權獲退款。
- (ii) 此為中國內地市政府發放之補貼。

8 OPERATING PROFIT

The operating profit is stated after charging the following:

8 經營溢利

經營溢利扣除以下各項載列如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Cost of sales	銷售成本		
— Cost of inventories sold (Note)	— 已售存貨成本(附註)	10,554,456	11,887,329
— Cost of licensing business (Note)	— 品牌業務成本(附註)	222,735	203,841
		10,777,191	12,091,170
Staff costs (including the directors' emoluments)	員工成本(包括董事酬金)	716,258	747,560
Operating lease	經營租賃		
— Minimum lease payments	— 最低租賃付款	647,484	587,003
— Contingent rents	— 或然租金	134,865	151,266
Commission expenses to credit card companies	支付信用卡公司之佣金開支	111,797	131,339
Depreciation of property, plant and equipment	物業、廠房及設備折舊	127,542	146,766
Depreciation of investment properties	投資物業折舊	744	1,303
Amortisation of land use rights	土地使用權攤銷	7,702	9,661
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	994	755
Auditor's remuneration	核數師酬金	5,145	5,040

Note: Cost of inventories sold and cost of licensing business include staff costs (including the directors' emoluments) of HK\$276,263,000 (2015: HK\$269,776,000).

附註：已售存貨成本及品牌業務成本包括僱員成本(包括董事酬金)276,263,000港元(2015年：269,776,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 OTHER (LOSSES)/GAINS, NET

9 其他(虧損)/收益, 淨額

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Net realised (losses)/gains on derivative financial instruments	衍生金融工具之已變現(虧損)/收益淨額	(6,716)	12,974
Fair value losses on derivative financial instruments	衍生金融工具之公允值虧損	(5,225)	—
Fair value (losses)/gains on convertible bond	可換股債券之公允值(虧損)/收益	(20,600)	9,655
Net realised (losses)/gains on gold loans	黃金借貸之已變現(虧損)/收益淨額	(3,577)	14,874
Net unrealised (losses)/gains on gold loans	黃金借貸之未變現(虧損)/收益淨額	(4,029)	8,687
Net realised losses on foreign exchange forward contracts	外匯遠期合約之已變現虧損淨額	(12,650)	—
Net exchange gains	匯兌收益淨額	2,126	9,222
Others	其他	—	(819)
		(50,671)	54,593

10 FINANCE INCOME, NET

10 財務收入, 淨額

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Finance income:	財務收入:		
— Bank interest income	— 銀行利息收入	35,862	44,357
— Effective interest income on the loan to an associate	— 貸款予一家聯營公司之實際利息收入	3,751	2,953
— Interest income on the convertible bond	— 可換股債券之利息收入	1,712	1,403
— Interest income on the loan to an associate	— 貸款予一家聯營公司之利息收入	400	161
		41,725	48,874
Finance costs:	財務成本:		
— Interest expenses on bank borrowings	— 銀行貸款之利息開支	(12,257)	(18,820)
— Interest expenses on gold loans	— 黃金借貸之利息開支	(1,432)	(1,654)
		(13,689)	(20,474)
Finance income, net	財務收入, 淨額	28,036	28,400

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INCOME TAX EXPENSES

Hong Kong profits tax has been provided for at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

11 所得稅開支

香港利得稅乃按照本年度估計應課稅溢利按稅率16.5%(2015年:16.5%)計提撥備。海外溢利之稅項乃就本年度估計應課稅溢利按本集團業務所在國家當時稅率計算。

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Current taxation:	即期稅項：		
— Hong Kong profits tax	— 香港利得稅	91,355	149,802
— Overseas taxation	— 海外稅項	122,797	173,054
— (Over)/under-provision in prior years	— 過往年度撥備(過度)/不足	(247)	2,520
Deferred income tax (Note 30)	遞延所得稅(附註30)	(14,274)	36,814
		199,631	362,190

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate in Hong Kong as follows:

本集團除所得稅前溢利之稅項與使用香港稅率計算之理論稅項差異如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,161,085	1,982,818
Add: Share of results of associates	加：應佔聯營公司業績	79,103	21,793
		1,240,188	2,004,611
Calculated at a taxation rate of 16.5% (2015: 16.5%)	按稅率16.5%(2015年:16.5%)計算之稅項	204,631	330,761
Effect of different taxation rates in other jurisdictions	其他司法權區稅率不同之影響	(4,617)	(7,668)
Income not subject to taxation	毋須課稅之收入	(10,837)	(16,426)
Expenses not deductible for taxation purposes	不可扣稅之支出	10,311	9,583
(Over)/under-provision in prior years	過往年度撥備(過度)/不足	(247)	2,520
Unrecognised tax losses	未確認稅項虧損	7,514	12,297
Utilisation of previously unrecognised tax losses	動用以往未確認稅項虧損	(8)	(21)
Withholding tax on undistributed profit of those subsidiaries in Mainland China	中國內地附屬公司未分派溢利之預扣稅	(7,116)	31,144
		199,631	362,190

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company of HK\$958,692,000 (2015: HK\$1,614,805,000) and the weighted average number of 588,636,276 (2015: 589,107,850) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 31 March 2016 and 2015 is the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding during the years.

12 每股盈利

每股基本盈利乃根據本公司權益持有人應佔本集團溢利958,692,000港元(2015年：1,614,805,000港元)及年內已發行普通股之加權平均數588,636,276股(2015年：589,107,850股)計算。

由於年內並無已發行具潛在攤薄效應的普通股，故截至2016年及2015年3月31日止年度之每股攤薄盈利與每股基本盈利相同。

13 DIVIDENDS

13 股息

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
2015/16 interim, paid, of HK\$0.315 (2014/15 interim: HK\$0.55) per ordinary share	已付2015/16年度中期股息普通股0.315港元(2014/15年度中期股息：0.55港元)	185,569	324,009
2015/16 special dividend, paid, of HK\$0.235 (2014/15 special: Nil) per ordinary share	已付2015/16年度特別股息每股普通股0.235港元(2014/15年度特別股息：無)	138,440	-
		324,009	324,009
2015/16 final, proposed, of HK\$0.34 (2014/15 final: HK\$0.55) per ordinary share (Note)	擬派2015/16年度末期股息每股普通股0.34港元(2014/15年度末期股息：0.55港元)(附註)	199,617	324,009
2015/16 special dividend, proposed, of HK\$0.21 (2014/15 special: Nil) per ordinary share (Note)	擬派2015/16年度特別股息每股普通股0.21港元(2014/15年度特別股息：無)(附註)	123,292	-
		322,909	324,009

Note: At a meeting held on 23 June 2016, the directors recommended the payment of a final dividend of HK\$0.34 per ordinary share and a special dividend of HK\$0.21 per ordinary share, totalling HK\$0.55. Such dividend is to be approved by the shareholders at the Annual General Meeting of the Company on 17 August 2016. These proposed dividends are not reflected as dividends payable in these financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 March 2017.

附註：於2016年6月23日舉行之會議上，董事建議派付末期股息每股普通股0.34港元及特別股息每股普通股0.21港元，合共0.55港元。有關股息須待股東在本公司於2016年8月17日舉行之股東週年大會批准。此等擬派股息並無在此等財務報表中列作應付股息，惟將反映為截至2017年3月31日止年度之保留盈利分配。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 RETIREMENT BENEFIT COSTS

14 退休福利成本

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Net contributions to pension plans charged to the consolidated income statement	於綜合損益表中扣除之退休金計劃供款淨額	62,039	55,615

The expense is recognised in the following line items in the consolidated income statement:

有關開支乃於綜合損益表之以下項目確認：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Cost of sales	銷售成本	22,989	19,770
Selling and distribution costs	銷售及分銷費用	36,029	33,149
Administrative expenses	行政費用	3,021	2,696
		62,039	55,615

- (i) The Group contributes to a defined contribution scheme for certain of its employees in Hong Kong, under which the Group and its employee each contributes 5% of the employee's salaries. The forfeited contributions made by the Group and the related accrued interest are used to reduce the Group's future employer contribution. At 31 March 2016, there were no unutilised forfeited contributions (2015: Nil).
- (ii) For the Group's employees in Hong Kong who do not take part in the defined contribution scheme, the Group contributes to an MPF Scheme, under which the Group and its employee each makes monthly contribution to the scheme at 5% of the qualifying earnings of the employee, subject to a monthly limit of HK\$1,500 (2015: HK\$1,500).
- (iii) The Group's subsidiaries in Mainland China also contributes to retirement plans for its employees in Mainland China at a percentage of their salaries in compliance with the requirements of the respective municipal governments in Mainland China. The municipal governments undertake to assume the retirement benefit obligation of all existing and future retired employees of the Group in Mainland China.
- (i) 本集團為其若干香港僱員設立界定供款計劃，據此本集團及其僱員均須支付員工薪金5%作為供款。本集團沒收之供款及相關應計利息會用作減少本集團日後之僱主供款。於2016年3月31日，並無未動用沒收供款(2015年：無)。
- (ii) 就本集團並無參與界定供款計劃的香港僱員而言，本集團為香港僱員設立強制性公積金計劃，據此本集團及其僱員均須按僱員之合資格入息5%作每月供款，惟每月供款額上限為1,500港元(2015年：1,500港元)。
- (iii) 本集團於中國內地之附屬公司亦有遵守相關中國內地市政府之規定為其於中國內地的僱員作出為其薪金一定百分比之退休計劃供款。市政府保證承擔所有現有及未來本集團於中國內地僱員之退休福利責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT

(a) Directors' and Chief Executive's emoluments

The aggregate amounts of emoluments payable to the directors and chief executive of the Company during the year were as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Fees	袍金	2,105	2,105
Salaries	薪金	60,717	58,337
Expenses allowances in excess of actual expense	開支津貼超出實際開支	-	-
Performance and discretionary bonuses	按表現酌情發放之花紅	21,917	29,532
Contributions to pension plan	退休金計劃供款	416	310
Total director emoluments, payable and expensed in the financial statements	應付董事酬金及已於財務報表支銷之總額	85,155	90,284

15 董事及高級管理人員福利及權益

(a) 董事及行政總裁酬金

年內應付本公司董事及行政總裁之酬金總額如下：

	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Fees	2,105	2,105
Salaries	60,717	58,337
Expenses allowances in excess of actual expense	-	-
Performance and discretionary bonuses	21,917	29,532
Contributions to pension plan	416	310
Total director emoluments, payable and expensed in the financial statements	85,155	90,284

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' and Chief Executive's emoluments (Continued)

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

The remuneration of each director is set out below:

For the year ended 31 March 2016

Name of director and chief executive	董事及行政總裁姓名	Fees	Salary	Performance and discretionary bonuses	Employer's contribution to a retirement benefit scheme	Total emoluments
		袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	按表現酌情發放之花紅 HK\$'000 千港元	僱主向退休福利計劃供款 HK\$'000 千港元	酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note i)	黃偉常(附註i)	55	54,718	10,398	176	65,347
TSE Moon Chuen	謝滿全	55	1,330	1,920	57	3,362
WONG Hau Yeung	王巧陽	55	884	3,840	38	4,817
WONG Lan Sze, Nancy	黃蘭詩	55	635	3,199	28	3,917
CHUNG Vai Ping	鍾惠冰	55	634	960	27	1,676
CHAN So Kuen (Note ii)	陳素娟(附註ii)	34	2,276	1,600	90	4,000
WONG Ho Lung, Danny	黃浩龍	110	60	-	-	170
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	170
TAI Kwok Leung, Alexander #	戴國良#	300	-	-	-	300
IP Shu Kwan, Stephen #	葉澍堃#	300	-	-	-	300
MAK Wing Sum, Alvin #	麥永森#	289	-	-	-	289
WONG Yu Pok, Marina #	黃汝璞#	250	-	-	-	250
HUI King Wai # (Note ii)	許競威#(附註ii)	153	-	-	-	153
FOK Kwong Man (Note iii)	霍廣文(附註iii)	64	-	-	-	64
		2,105	60,717	21,917	416	85,155

15 董事及高級管理人員福利及權益 (續)

(a) 董事及行政總裁酬金(續)

就個人於本公司或其附屬公司提供之董事服務已付或應付之酬金：

各董事之酬金載列如下：

截至2016年3月31日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' and Chief Executive's emoluments (Continued)

Certain of the comparative information of directors' emoluments for the year ended 31 March 2015 previously disclosed in accordance with the predecessor Companies Ordinance have been restated in order to comply with the new scope and requirement by the Hong Kong Companies Ordinance (Cap. 622).

For the year ended 31 March 2015

Name of director and chief executive	董事及行政總裁姓名	Fees	Salary	Performance and discretionary bonuses	Employer's contribution to a retirement benefit scheme	Total emoluments
		袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	按表現酌情發放之花紅 HK\$'000 千港元	僱主向退休福利計劃供款 HK\$'000 千港元	酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note i)	黃偉常(附註i)	55	54,485	13,876	159	68,575
TSE Moon Chuen	謝滿全	55	1,328	4,270	55	5,708
WONG Hau Yeung	王巧陽	55	880	5,123	37	6,095
WONG Lan Sze, Nancy	黃蘭詩	55	631	4,270	26	4,982
CHUNG Vai Ping	鍾惠冰	55	631	1,281	26	1,993
WONG Ho Lung, Danny	黃浩龍	100	202	712	7	1,021
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	170
TAI Kwok Leung, Alexander #	戴國良#	300	-	-	-	300
IP Shu Kwan, Stephen #	葉澍堃#	300	-	-	-	300
MAK Wing Sum, Alvin #	麥永森#	250	-	-	-	250
WONG Yu Pok, Marina #	黃汝璞#	250	-	-	-	250
FOK Kwong Man #	霍廣文#	300	-	-	-	300
		2,105	58,337	29,532	310	90,284

#: Independent non-executive directors

Notes:

- (i) Mr. WONG Wai Sheung is also the chief executive of the Company.
- (ii) Dr. CHAN So Kuen and Mr. HUI King Wai were appointed as an executive director and an independent non-executive director, respectively on 21 August 2015.
- (iii) Mr. FOK Kwong Man passed away on 18 June 2015.

No directors waived their emoluments in respect of the years ended 31 March 2016 and 2015.

15 董事及高級管理人員福利及權益 (續)

(a) 董事及行政總裁酬金(續)

先前根據前身公司條例披露之截至2015年3月31日止年度董事酬金的若干比較資料經已重列，以遵守香港公司條例(第622章)之新範疇及要求。

截至2015年3月31日止年度

Name of director and chief executive	董事及行政總裁姓名	Fees	Salary	Performance and discretionary bonuses	Employer's contribution to a retirement benefit scheme	Total emoluments
		袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	按表現酌情發放之花紅 HK\$'000 千港元	僱主向退休福利計劃供款 HK\$'000 千港元	酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note i)	黃偉常(附註i)	55	54,485	13,876	159	68,575
TSE Moon Chuen	謝滿全	55	1,328	4,270	55	5,708
WONG Hau Yeung	王巧陽	55	880	5,123	37	6,095
WONG Lan Sze, Nancy	黃蘭詩	55	631	4,270	26	4,982
CHUNG Vai Ping	鍾惠冰	55	631	1,281	26	1,993
WONG Ho Lung, Danny	黃浩龍	100	202	712	7	1,021
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	170
TAI Kwok Leung, Alexander #	戴國良#	300	-	-	-	300
IP Shu Kwan, Stephen #	葉澍堃#	300	-	-	-	300
MAK Wing Sum, Alvin #	麥永森#	250	-	-	-	250
WONG Yu Pok, Marina #	黃汝璞#	250	-	-	-	250
FOK Kwong Man #	霍廣文#	300	-	-	-	300
		2,105	58,337	29,532	310	90,284

#: 獨立非執行董事

附註:

- (i) 黃偉常先生亦為本公司之行政總裁。
- (ii) 陳素娟博士及許競威先生於2015年8月21日分別獲委任為執行董事及獨立非執行董事。
- (iii) 霍廣文先生於2015年6月18日辭世。

截至2016年及2015年3月31日止年度，並無董事放棄酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(b) Directors' retirement benefits

No retirement benefits were paid to the directors of the Company during the year ended 31 March 2016 in respect of their services as directors of the Company (2015: same).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the years ended 31 March 2016 (2015: same).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2016, the Company did not pay any consideration to any third parties for making available the services of themselves as directors of the Company (2015: same).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans and other dealing arrangements were entered into by the Company or its subsidiary undertaking in favour of the directors of the Company, a controlled body corporate or a connected entity of such directors at any time during the year (2015: same).

(f) Directors' material interests in transactions, arrangements or contracts

Save for transactions disclosed elsewhere in the notes to these financial statements, no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 March 2016 (2015: same).

15 董事及高級管理人員福利及權益 (續)

(b) 董事之退休福利

於截至2016年3月31日止年度，並無就本公司董事之服務向彼等支付退休福利(2015年：相同)。

(c) 董事之離職福利

於截至2016年3月31日止年度，概無董事經已或將要收取任何離職福利(2015年：相同)。

(d) 就提供董事服務向第三方支付代價

於截至2016年3月31日止年度，本公司並無向任何第三方就彼等為本公司提供董事服務支付任何代價(2015年：相同)。

(e) 有關貸款、類似貸款及以董事、該等董事之受控法團及關連實體為受益人之其他買賣之資料

於本年度任何時間，本公司或其附屬公司並無訂立以本公司董事、該等董事之受控法團或關連實體為受益人之貸款、類似貸款及其他買賣安排(2015年：相同)。

(f) 董事於交易、安排或合約之重大權益

除該等財務報表附註其他部分所披露之交易外，本公司並無就本集團業務訂立本公司董事於其中有重大直接或間接權益且於截至2016年3月31日止年度結束時或年內任何時間有效之其他重大交易、安排及合約(2015年：相同)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(g) Five highest paid individuals

Among the five highest paid individuals, all (2015: four) of them are directors of the Company and the details of their remuneration are disclosed in the preceding paragraph. The emoluments of the remaining one highest paid individual who was also a senior management for the year ended 31 March 2015 are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Salaries, allowances and benefit-in-kinds	薪金、津貼及實物利益	-	3,361
Performance and discretionary bonuses	按表現酌情發放之花紅	-	2,135
Contributions to pension plan	退休金計劃供款	-	139
		-	5,635

The emoluments fall within the following bands:

彼等之酬金介乎下列組別：

		2016	2015
HK\$5,500,001–HK\$6,000,000	5,500,001 港元至 6,000,000 港元	-	1
		-	1

(h) Senior management's emoluments

The emoluments fall within the following bands:

(h) 高級管理人員酬金

彼等之酬金介乎下列組別：

		2016	2015
HK\$500,001–HK\$1,000,000	500,001 港元至 1,000,000 港元	1	-
HK\$1,000,001–HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	-
HK\$1,500,001–HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	1
HK\$2,500,001–HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	1
HK\$3,500,001–HK\$4,000,000	3,500,001 港元至 4,000,000 港元	-	1
HK\$5,500,001–HK\$6,000,000	5,500,001 港元至 6,000,000 港元	-	1
		4	4

Senior management represents senior management staff who are non-directors.

高級管理層指為非董事之高級管理人員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Land and buildings	Leasehold improvements	Furniture and fixtures and computer equipment	Plant and machinery	Motor vehicles	Construction in progress	Total
		土地及樓宇	租賃 物業裝修	傢俬、裝置及 電腦設備	廠房及 機器	汽車	在建工程	總額
		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
At 1 April 2014	於 2014年4月1日							
Cost	成本	365,418	377,789	140,415	41,270	20,900	41,035	986,827
Accumulated depreciation	累計折舊	(47,398)	(237,245)	(89,270)	(32,039)	(14,554)	-	(420,506)
Net book value	賬面淨值	318,020	140,544	51,145	9,231	6,346	41,035	566,321
Year ended 31 March 2015	截至 2015年3月31日 止年度							
Opening net book value	年初賬面淨值	318,020	140,544	51,145	9,231	6,346	41,035	566,321
Exchange differences	匯兌差額	(332)	(331)	(69)	(13)	(7)	(152)	(904)
Additions	添置	56,575	99,886	21,541	15,494	3,930	2,817	200,243
Transfer from investment properties (Note 18)	自投資物業轉撥 (附註18)	866	-	-	-	-	-	866
Disposals	出售	-	(697)	(1,036)	(15)	-	-	(1,748)
Reclassification	重新分類	43,700	-	-	-	-	(43,700)	-
Depreciation charge	折舊支出	(11,050)	(93,753)	(30,674)	(7,455)	(3,834)	-	(146,766)
Closing net book value	年末賬面淨值	407,779	145,649	40,907	17,242	6,435	-	618,012
At 31 March 2015	於 2015年3月31日							
Cost	成本	466,511	448,229	156,924	55,969	23,793	-	1,151,426
Accumulated depreciation	累計折舊	(58,732)	(302,580)	(116,017)	(38,727)	(17,358)	-	(533,414)
Net book value	賬面淨值	407,779	145,649	40,907	17,242	6,435	-	618,012
Year ended 31 March 2016	截至 2016年3月31日 止年度							
Opening net book value	年初賬面淨值	407,779	145,649	40,907	17,242	6,435	-	618,012
Exchange differences	匯兌差額	(6,728)	(1,509)	(316)	(647)	(152)	-	(9,352)
Additions	添置	1,158	64,559	31,553	5,436	1,606	-	104,312
Transfer from investment properties (Note 18)	自投資物業轉撥 (附註18)	20,038	-	-	-	-	-	20,038
Disposals	出售	-	(163)	(1,193)	(234)	-	-	(1,590)
Depreciation charge	折舊支出	(11,406)	(84,086)	(22,615)	(5,901)	(3,534)	-	(127,542)
Closing net book value	年末賬面淨值	410,841	124,450	48,336	15,896	4,355	-	603,878
At 31 March 2016	於 2016年3月31日							
Cost	成本	479,914	474,820	178,959	55,972	24,689	-	1,214,354
Accumulated depreciation	累計折舊	(69,073)	(350,370)	(130,623)	(40,076)	(20,334)	-	(610,476)
Net book value	賬面淨值	410,841	124,450	48,336	15,896	4,355	-	603,878

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 LAND USE RIGHTS

17 土地使用權

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Year ended 31 March	截至3月31日止年度		
Opening net book amount	年初賬面淨值	224,883	182,576
Addition	添置	8,468	52,622
Amortisation charge	攤銷費用	(7,702)	(9,661)
Exchange differences	匯兌差額	(10,404)	(654)
Closing net book amount	年末賬面淨值	215,245	224,883
At 31 March	於3月31日		
Cost	成本	248,925	252,289
Accumulated amortisation	累計攤銷	(33,680)	(27,406)
		215,245	224,883

18 INVESTMENT PROPERTIES

18 投資物業

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At 1 April	於4月1日	45,792	45,926
Addition	添置	-	2,060
Transfer to property, plant and equipment (Note 16)	轉撥至物業、廠房及設備(附註16)	(20,038)	(866)
Depreciation	折舊	(744)	(1,303)
Exchange difference	匯兌差額	(393)	(25)
At 31 March	於3月31日	24,617	45,792
At 31 March	於3月31日		
Cost	成本	29,189	52,542
Accumulated depreciation	累計折舊	(4,572)	(6,750)
		24,617	45,792
At valuation (Note)	估值(附註)	87,119	160,943

Note: The valuation of the investment properties in respective years were determined by independent valuers as listed below at open market value:

2012: Asset Appraisal Limited
2013: Roma Appraisals Limited
2014, 2015 and 2016: BMI Appraisals Limited

附註：各年度投資物業之估值乃由下文所列獨立估值師按公開市值釐定：

2012年：中誠達資產評估顧問有限公司
2013年：羅馬國際評估有限公司
2014年、2015年及2016年：中和邦盟評估有限公司

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INVESTMENT PROPERTIES (Continued)

Future aggregate minimum lease receipts under non-cancellable operating leases are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Not later than one year	一年內	3,433	5,923
Later than one year and not later than five years	一年後但不超過五年	3,444	2,386
		6,877	8,309

18 投資物業(續)

根據不可撤銷之經營租賃而於未來收取之最低租金總額如下：

19 INTERESTS IN ASSOCIATES

19 於聯營公司之權益

		Group 本集團 2016 HK\$'000 千港元	2015 HK\$'000 千港元
Share of net assets, as at 1 April	應佔資產淨值，於4月1日	245,934	7,046
Acquisition (Note i)	收購(附註i)	-	244,810
Subscription of CGS Share Option (Note ii)	認購中國金銀購股權(附註ii)	-	(5,234)
Effect of shareholder's loan (Note 20)	股東貸款之影響(附註20)	-	19,793
Share of results of associates for the year	年內應佔聯營公司業績	(79,103)	(21,793)
Share of reserve movement of associates for the year	年內應佔聯營公司儲備變動	(12,300)	1,312
Share of net assets, as at 31 March	應佔資產淨值，於3月31日	154,531	245,934
Amount due from an associate (Note iii)	應收一家聯營公司賬項(附註iii)	56,374	30,076
Amount due to an associate (Note iii)	應付一家聯營公司賬項(附註iii)	(2,235)	(1,674)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 INTERESTS IN ASSOCIATES (Continued)

Particulars of the associates of the Group as at 31 March 2016 are as follows:

Name 名稱	Place of incorporation 註冊成立地點	Particulars of issued share capital 已發行股本詳情	% of attributable interests held indirectly 間接持有應佔權益百分比		Principal activities 主要業務
			2016	2015	
Luk Fook Diamond Company Limited 六福鑽石有限公司	Hong Kong 香港	HK\$6,120,000 6,120,000港元	50%	50%	Manufacturing and wholesale of diamond products 鑽石產品製造及批發
China Gold Silver Group Company Limited ("CGS") 中國金銀集團有限公司 ("中國金銀")	The British Virgin Islands ("BVI") 英屬維爾京群島	US\$3,334 3,334美元	50%	50%	Retailing and franchising operations of gold and jewellery products in Hong Kong, Macau and Mainland China 在香港、澳門及中國 大陸從事黃金及 珠寶首飾產品之 零售及特許經營業務

Notes:

- (i) On 6 June 2014, the Company purchased a 50% shareholding in CGS, a wholly-owned subsidiary of Hong Kong Resources Holdings Limited ("HKRH") which is engaged in the retailing and franchising operations of gold and jewellery products in Hong Kong, Macau and Mainland China under the brand name "3D-GOLD", at a consideration of approximately HK\$245 million (the "Acquisition").

The Group accounts for its holding of CGS as investment in an associated company using equity accounting method.

19 於聯營公司之權益(續)

本集團聯營公司於2016年3月31日之詳情如下：

附註：

- (i) 於2014年6月6日，本公司購入中國金銀之50%股權，代價約為245,000,000港元（「收購」）。中國金銀為香港資源控股有限公司（「香港資源控股」）之全資附屬公司，主要以「金至尊」品牌在香港、澳門及中國大陸從事黃金及珠寶首飾產品之零售及特許經營業務。

本集團將於中國金銀之持股作為一家聯營公司投資，以權益會計法入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

- (ii) Prior to the Acquisition, CGS issued to a third party a convertible bond in the principal amount of US\$5 million (equivalent to HK\$39 million) ("the MGIL CGS CB"). If the MGIL CGS CB is exercised by its holder, the Company's equity interest in CGS will be diluted.

In order to maintain at least 50% ownership of CGS, the Company subscribed for a CGS Share Option ("CGS Share Option") for US\$1. The exercise price of the CGS Share Option is US\$5 million at a rate of US\$24,390 per CGS conversion share.

The exercise period is from the date of issue to 3 months after (i) 15 January 2018 or (ii) the date as extended once by one year by mutual agreement.

As the CGS Share Option is negotiated as part of the Acquisition, the fair value of the CGS Share Option at its date of subscription is deducted from the initial investment consideration for the Acquisition at date of completion of the Acquisition.

The CGS Share Option was initially recognised at HK\$5,234,000 and was assessed by an independent valuer using the Trinomial Option Pricing Model at the date of completion of the Acquisition. The CGS Share Option was subsequently revalued to HK\$9,000 (Note 21) and the fair value loss of HK\$5,225,000 (2015: Nil) was included under "Other (losses)/gains, net" in the consolidated income statement for the year ended 31 March 2016.

No revaluation was performed for the year ended 31 March 2015 as the directors consider any change from the date of completion of Acquisition to the year ended 31 March 2015 was not material.

- (iii) Amount due from an associate of HK\$56,374,000 (2015: HK\$30,076,000) represents trade receivables due from the company.

Amount due from/(to) associates are denominated in HK\$ and are unsecured, interest-free and repayable on demand.

- (iv) The Group's associates did not have any significant capital commitments as at 31 March 2016 and 2015.

19 於聯營公司之權益(續)

附註：(續)

- (ii) 收購前，中國金銀向一第三方發行一份可換股債券，本金額為5,000,000美元(相當於39,000,000港元)(「MGIL中國金銀可換股債券」)。若MGIL中國金銀可換股債券獲持有人行使，本公司於中國金銀之股權將予攤薄。

為保持於中國金銀最少50%擁有權，本公司以1美元認購一份中國金銀購股權(「中國金銀購股權」)。中國金銀購股權之行使價為5,000,000美元，比率為每一股中國金銀換股股份24,390美元。

行使期為由發行日至(i) 2018年1月15日或(ii) 經相互同意每年一次而延長之日後三個月。

由於中國金銀購股權乃作為收購一部分而商討，中國金銀購股權於認購當日之公允值乃於完成收購當日從收購初步投資代價中扣除。

中國金銀購股權初步按5,234,000港元確認，並於收購事項完成日期由獨立估值師使用三項式期權定價模型評估。中國金銀購股權其後重新估值至9,000港元(附註21)，公允價值虧損5,225,000港元(2015年：無)於截至2016年3月31日止年度的綜合收益表計入「其他(虧損)/收益，淨額」。

概無於截至2015年3月31日止年度進行重估，因為董事認為自完成收購事項當日起至截至2015年3月31日止年度出現的任何變動並不重大。

- (iii) 應收一家聯營公司56,374,000港元(2015年：30,076,000港元)之賬項為貿易應收賬項。

應收/(應付)一家聯營公司賬項以港元計值、無抵押、免息及須應要求償還。

- (iv) 本集團的聯營公司於2016年及2015年3月31日並無任何重大資本承擔。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 LOANS TO AN ASSOCIATE

Loan to an associate included under non-current assets:

In connection with the Acquisition, both of the Company and HKRH agreed each to provide funding of HK\$100,000,000 to CGS by way of shareholder loan for general working capital and business expansion purpose.

The shareholder loan is unsecured, interest-free and not to be repaid within one year after the end of the reporting period.

The difference between the nominal value of the loan and its fair value of HK\$80,207,000 at the time of the acquisition amounting to HK\$19,793,000 is regarded as part of the cost of the investment in CGS (Note 19).

Loan to an associate included under current assets:

On 4 May 2015, the Group and HKRH agreed each to provide a short term shareholder loan of HK\$20,000,000 to CGS. The short term shareholder loan is interest bearing at 2% per annum and repayable on 4 May 2016. The short term shareholder loan was rolled-over for one year subsequent to the balance sheet date.

20 貸款予一家聯營公司

貸款予一家聯營公司計入非流動資產：

就上述收購事項，本公司及香港資源控股均同意透過一筆股東貸款，向中國金銀提供100,000,000港元資金，作為一般營運資金及業務擴充。

股東貸款乃無抵押、免息，且毋須於報告期結束後一年內償還。

貸款之面值與其公允值80,207,000港元之差額19,793,000港元被視為中國金銀投資成本之一部分(附註19)。

貸款予一家聯營公司計入流動資產：

於2015年5月4日，本集團及香港資源控股各自同意向中國金銀提供一筆20,000,000港元的短期股東貸款。短期股東貸款按2%之年利率計息，並於2016年5月4日到期償還。短期股東貸款已於資產負債表日起計延長一年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DERIVATIVE FINANCIAL INSTRUMENTS

21 衍生金融工具

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Non-current portion	非流動部分		
Convertible bond (Note i)	可換股債券(附註i)	46,135	66,735
Current portion	流動部分		
CGS Share Option (Note 19(ii))	中國金銀購股權(附註19(ii))	9	5,234
		46,144	71,969

Notes:

- (i) On 6 June 2014, the Company subscribed a convertible bond of HKRH of HK\$57,080,000 with 3% interest rate per annum and 5 years of maturity from the date of issuance. The conversion period commences on the 2nd anniversary of the issue date and expires on the date which is three days before its maturity.

The convertible bond comprises a loan receivable component and option component which together have been designated as derivative financial instrument by the Company. The convertible bond was initially recognised at HK\$57,080,000 and subsequently revalued to HK\$46,135,000 at year end (2015: HK\$66,735,000).

附註：

- (i) 於2014年6月6日，本公司認購香港資源控股可換股債券57,080,000港元，年利率3%，由發行日期起計5年內到期。換股期於發行日期後兩週年開始至到期日前3天屆滿。

可換股債券包括應收貸款及購股權，由本公司指定為衍生金融工具。可換股債券按57,080,000港元進行初步確認，其後於年末重估為46,135,000港元(2015年：66,735,000港元)。

		As at 31 March 2016 於2016年3月31日	As at 31 March 2015 於2015年3月31日
Share price of HKRH	香港資源控股股份價格	HK\$0.114 港元	HK\$0.196 港元
Exercise price	行使價	HK\$0.18 港元	HK\$0.18 港元
Dividend yield	股息利率	-	-
Effective interest rate	實際利率	19.22%	20.66%
Volatility	波幅	40.32%	48.52%
Risk free rate	無風險率	0.90%	0.97%

The fair value loss of HK\$20,600,000 (2015: fair value gain of HK\$9,655,000) was included under "Other (losses)/gains, net" in the consolidated income statement for the year ended 31 March 2016.

公允值虧損20,600,000港元(2015年：公允值收益9,655,000港元)計入截至2016年3月31日止年度之綜合損益報表之「其他(虧損)/收益·淨額」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 AVAILABLE-FOR-SALE FINANCIAL ASSETS 22 可供出售金融資產

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At 1 April	於 4 月 1 日	8,820	13,500
Additions	添置	3,924	-
Net loss transfer to equity (Note 29)	轉撥至權益之淨虧損(附註29)	(3,977)	(4,680)
At 31 March	於 3 月 31 日	8,767	8,820

Available-for-sale financial assets represent common shares issued by a company listed on the Stock Exchange. The available-for-sale financial assets are denominated in HK\$. The maximum exposure to credit risk at the reporting date is the fair value of the securities classified as available-for-sale financial assets.

可供出售金融資產指一家於聯交所上市之公司發行之普通股。可供出售金融資產以港元計值。於報告日期涉及之最高信貸風險為分類為可供出售金融資產之證券公允價值。

23 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

23 按金、預付賬項及其他應收賬項

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Non-current	非即期		
Rental deposits	租金按金	119,004	128,517
Prepayment	預付賬項	2,824	-
		121,828	128,517
Current	即期		
Rental deposits	租金按金	49,496	45,300
Value-added tax recoverable	可收回增值稅	108,162	106,362
Prepayments	預付賬項	32,870	37,961
Interest receivables	應收利息	1,457	20,264
Other receivables	其他應收賬項	21,534	22,589
Other deposits	其他按金	28,233	25,225
		241,752	257,701
		363,580	386,218

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

The carrying amounts of the deposits, prepayments and other receivables approximate their fair values and are denominated in the following currencies:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
HK\$	港元	164,098	189,279
RMB	人民幣	147,493	148,143
MOP	澳門元	47,675	45,840
Other currencies	其他貨幣	4,314	2,956
		363,580	386,218

The credit quality of deposits and other receivables has been assessed by reference to historical information about the counterparty default rates. The existing counterparties have not defaulted in the past. At 31 March 2016, no deposits and other receivables were considered impaired (2015: Nil).

24 INVENTORIES

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Finished goods	製成品	6,269,269	7,276,696
Raw materials	原材料	75,459	118,000
		6,344,728	7,394,696

At 31 March 2016, inventories carried at net realisable value amounted to approximately HK\$44,621,000 (2015: HK\$253,377,000).

23 按金、預付賬項及其他應收賬項 (續)

按金、預付賬項及其他應收賬項之賬面值與其公允價值相若，並以下列貨幣為單位：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
HK\$	港元	164,098	189,279
RMB	人民幣	147,493	148,143
MOP	澳門元	47,675	45,840
Other currencies	其他貨幣	4,314	2,956
		363,580	386,218

按金及其他應收賬項之信貸質量乃透過參考有關對手方拖欠比率之過往資料進行評估。現有對手方過往並無拖欠記錄。於2016年3月31日，並無按金及其他應收賬項被視為已減值(2015年：無)。

24 存貨

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Finished goods	製成品	6,269,269	7,276,696
Raw materials	原材料	75,459	118,000
		6,344,728	7,394,696

於2016年3月31日，按可變現淨值列賬之存貨約為44,621,000港元(2015年：253,377,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE RECEIVABLES

The Group's sales to retail customers comprised mainly cash sales and credit card sales. Concessionaire sales through department stores and sales to wholesale customers are generally on credit terms ranging from 0 to 90 days.

The ageing of trade receivables is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0–30 days	0 至 30 日	148,719	145,674
31–60 days	31 至 60 日	52,730	49,004
61–90 days	61 至 90 日	12,121	2,163
91–120 days	91 至 120 日	36	1,033
Over 120 days	超過 120 日	928	2,885
		214,534	200,759

The carrying amounts of trade receivables approximate their fair values.

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
HK\$	港元	15,242	24,750
RMB	人民幣	193,259	161,040
MOP	澳門元	5,314	12,912
Other currencies	其他貨幣	719	2,057
		214,534	200,759

The credit quality of trade receivables has been assessed by reference to historical default rate of the counterparty. The existing counterparties have not defaulted in the past.

As at 31 March 2016, trade receivables of HK\$964,000 (2015: HK\$3,918,000) were past due but not considered impaired all of which were aged over 90 days.

25 貿易應收賬項

本集團向零售客戶銷售主要包括現金銷售及信用卡銷售。百貨商場特許銷售及向批發客戶銷售之信貸期一般介乎0至90日。

貿易應收賬項之賬齡如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0–30 days	0 至 30 日	148,719	145,674
31–60 days	31 至 60 日	52,730	49,004
61–90 days	61 至 90 日	12,121	2,163
91–120 days	91 至 120 日	36	1,033
Over 120 days	超過 120 日	928	2,885
		214,534	200,759

貿易應收賬項之賬面值與其公允價值相若。

本集團貿易應收賬項之賬面值以下列貨幣為單位：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
HK\$	港元	15,242	24,750
RMB	人民幣	193,259	161,040
MOP	澳門元	5,314	12,912
Other currencies	其他貨幣	719	2,057
		214,534	200,759

貿易應收賬項信貸質量乃透過參考對手方過往拖欠比率進行評估。現有對手方過往並無拖欠記錄。

截至2016年3月31日止，賬齡超過90日的貿易應收賬項964,000港元(2015年：3,918,000港元)為已逾期但並無被視為減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 CASH AND BANK BALANCES

26 現金及銀行結餘

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Short-term bank deposits	短期銀行存款	186,905	141,945
Cash at bank and on hand	銀行存款及手頭現金	2,174,690	1,233,134
Cash and cash equivalents	現金及現金等價物	2,361,595	1,375,079
Short-term bank deposits, with maturities over 3 months	到期日超過三個月的短期銀行存款	70,590	715,048
Total cash and bank balances	現金及銀行結餘總額	2,432,185	2,090,127
Weighted average effective interest rate	加權平均實際利率	3.18%	4.10%

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Denominated in:	計值貨幣：		
HK\$	港元	1,091,911	404,622
RMB	人民幣	1,168,069	1,578,961
MOP	澳門元	69,779	40,160
US\$	美元	81,479	58,454
Other currencies	其他貨幣	20,947	7,930
		2,432,185	2,090,127

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term bank deposits are with initial terms of less than three months and earn interest at the respective time deposits rates. The conversion of the RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

銀行現金按每日銀行浮動存款利率賺取利息。短期銀行存款初步為期少於三個月，並按各自定期存款利率賺取利息。以人民幣列值之結餘兌換為外幣須受中國政府頒佈之外匯管制規則及法規所規限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS 27 貿易應付賬項、其他應付賬項及應計款項

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Trade payables	貿易應付賬項	246,076	217,909
Deposits from customers and licensees	來自客戶及特許商之訂金	297,397	333,236
Salaries and welfare payables	應付薪金及福利	154,873	181,537
Other payables	其他應付賬項	142,359	104,720
Accrued expenses	應計費用	51,754	64,724
		892,459	902,126

The ageing of trade payables is as follows:

貿易應付賬項之賬齡如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
0–30 days	0至30日	150,510	171,675
31–60 days	31至60日	81,445	41,532
61–90 days	61至90日	9,512	3,395
91–120 days	91至120日	4,583	1,285
Over 120 days	超過120日	26	22
		246,076	217,909

The carrying amounts of trade payables and other payables approximate their fair values.

貿易應付賬項及其他應付賬項之賬面值與其公允價值相若。

The carrying amounts of the Group's trade payables, other payables and accruals are denominated in the following currencies:

本集團貿易應付賬項、其他應付賬項及應計款項之賬面值以下列貨幣為單位：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
HK\$	港元	338,477	333,606
RMB	人民幣	442,575	421,788
US\$	美元	73,386	100,878
MOP	澳門元	35,235	43,307
Other currencies	其他貨幣	2,786	2,547
		892,459	902,126

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 SHARE CAPITAL AND SHARE PREMIUM

(a) Share capital

		2016		2015	
		No. of shares	HK\$'000	No. of shares	HK\$'000
		股份數目	千港元	股份數目	千港元
Authorised:	法定：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股	800,000,000	80,000	800,000,000	80,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股	587,107,850	58,710	589,107,850	58,910

28 股本及股份溢價

(a) 股本

(b) Share premium

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
At 31 March	於3月31日	2,494,040	2,522,983

(b) 股份溢價

(c) A summary of movements in the Company's issued share capital, share premium and capital redemption reserve is as follows:

		Number of shares in issue	Share capital	Share premium	Capital redemption reserve
		已發行股份數目	股本	股份溢價	股本贖回儲備
			HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元
As at 1 April 2014	於2014年4月1日	589,107,850	58,910	2,522,983	–
At 31 March 2015 and 1 April 2015	於2015年3月31日及2015年4月1日	589,107,850	58,910	2,522,983	–
Repurchases of shares (Note)	購回股份(附註)	(2,000,000)	(200)	(28,943)	200
At 31 March 2016	於2016年3月31日	587,107,850	58,710	2,494,040	200

(c) 本公司已發行股本、股份溢價及股本贖回儲備之變動概要列載如下：

Note:

The Company purchased 2,000,000 of its shares on Stock Exchange at a total consideration of HK\$29,143,000. All the repurchased shares were cancelled and the issued share capital of the Company was reduced by the nominal value of these shares accordingly. The premium paid on repurchase was charged against the share premium of the Company. An amount equivalent to the nominal value of the shares cancelled was transferred from retained earnings to the capital redemption reserve.

附註：

本公司已於聯交所購回2,000,000股本公司股份，總代價為29,143,000港元。所有已購回之股份已註銷及本公司已發行股本已按該等股份之面值削減。就購回支付之溢價已計入本公司之股份溢價賬。相同於已註銷股份面值之款額已由保留盈利轉撥至資本贖回儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 RESERVES

29 儲備

		Capital reserve	Capital redemption reserve	Available- for-sale financial assets reserve	Exchange reserve	Statutory reserves	Retained earnings	Total
		資本儲備	資本贖回 儲備	可供出售 金融資產 儲備	匯兌儲備	法定儲備	保留盈利	總額
		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 i)	(Note 28(c))			(Note ii)		
		(附註i)	(附註28(c))			(附註ii)		
Representing:	指：							
Reserves	儲備	135,713	-	5,400	127,802	92,620	4,321,490	4,683,025
Proposed dividend	擬派股息	-	-	-	-	-	375,851	375,851
At 31 March 2014	於2014年3月31日	135,713	-	5,400	127,802	92,620	4,697,341	5,058,876
For the year ended 31 March 2015	截至2015年 3月31日止年度							
At 1 April 2014	於2014年4月1日	135,713	-	5,400	127,802	92,620	4,697,341	5,058,876
Comprehensive income	全面收入							
Profit attributable to equity holders of the Company	本公司權益持有人 應佔溢利	-	-	-	-	-	1,614,805	1,614,805
Other comprehensive income	其他全面收入							
Currency translation differences	匯兌差額	-	-	-	(17,932)	-	-	(17,932)
Remeasurements of employee benefit obligations (Note 31(d))	僱員福利責任的 重新計量 (附註31(d))	-	-	-	-	-	3,261	3,261
Revaluation of available- for-sale financial assets (Note 22)	可供出售金融資產 的價值變動 (附註22)	-	-	(4,680)	-	-	-	(4,680)
Total other comprehensive income	其他全面總收入	-	-	(4,680)	(17,932)	-	3,261	(19,351)
Transactions with owners	與擁有人之交易							
2013/14 final dividend paid	已付2013/14年度 末期股息	-	-	-	-	-	(375,851)	(375,851)
2014/15 interim dividend paid	已付2014/15年度 中期股息	-	-	-	-	-	(324,009)	(324,009)
		-	-	-	-	-	(699,860)	(699,860)
At 31 March 2015	於2015年3月31日	135,713	-	720	109,870	92,620	5,615,547	5,954,470
Representing:	指：							
Reserves	儲備	135,713	-	720	109,870	92,620	5,291,538	5,630,461
Proposed dividend	擬派股息	-	-	-	-	-	324,009	324,009
At 31 March 2015	於2015年3月31日	135,713	-	720	109,870	92,620	5,615,547	5,954,470

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 RESERVES (Continued)

29 儲備(續)

		Capital reserve	Capital redemption reserve	Available- for-sale financial assets reserve	Exchange reserve	Statutory reserves	Retained earnings	Total
		資本儲備	資本贖回 儲備	可供出售 金融資產 儲備	匯兌儲備	法定儲備	保留盈利	總額
		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 i)	(Note 28(c))			(Note ii)		
		(附註i)	(附註28(c))			(附註ii)		
Representing:	指：							
Reserves	儲備	135,713	-	720	109,870	92,620	5,291,538	5,630,461
Proposed dividend	擬派股息	-	-	-	-	-	324,009	324,009
At 31 March 2015	於2015年3月31日	135,713	-	720	109,870	92,620	5,615,547	5,954,470
For the year ended	截至2016年							
31 March 2016	3月31日止年度							
At 1 April 2015	於2015年4月1日	135,713	-	720	109,870	92,620	5,615,547	5,954,470
Comprehensive income	全面收入							
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	958,692	958,692
Other comprehensive income	其他全面收入							
Currency translation differences	匯兌差額	-	-	-	(152,887)	-	-	(152,887)
Remeasurements of employee benefit obligations (Note 31(d))	僱員福利責任的重新計量(附註31(d))	-	-	-	-	-	12,766	12,766
Revaluation of available-for-sale financial assets (Note 22)	可供出售金融資產的價值變動(附註22)	-	-	(3,977)	-	-	-	(3,977)
Total other comprehensive income	其他全面總收入	-	-	(3,977)	(152,887)	-	12,766	(144,098)
Transactions with owners	與擁有人之交易							
2014/15 final dividend paid	已付2014/15年度末期股息	-	-	-	-	-	(324,009)	(324,009)
2015/16 interim dividend paid	已付2015/16年度中期股息	-	-	-	-	-	(185,569)	(185,569)
2015/16 special dividend paid	已付2015/16年度特別股息	-	-	-	-	-	(138,440)	(138,440)
Transfer to capital redemption reserve (Note 28(c))	轉撥至資本贖回儲備(附註28(c))	-	200	-	-	-	(200)	-
		-	200	-	-	-	(648,218)	(648,018)
At 31 March 2016	於2016年3月31日	135,713	200	(3,257)	(43,017)	92,620	5,938,787	6,121,046
Representing:	指：							
Reserves	儲備	135,713	200	(3,257)	(43,017)	92,620	5,615,878	5,798,137
Proposed dividend	擬派股息	-	-	-	-	-	322,909	322,909
At 31 March 2016	於2016年3月31日	135,713	200	(3,257)	(43,017)	92,620	5,938,787	6,121,046

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 RESERVES (Continued)

Notes:

- (i) The capital reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the Group's reorganisation in 1997.
- (ii) Statutory reserves are non-distributable and the transfers of these funds are determined by the board of directors of the relevant Mainland China subsidiaries in accordance with the relevant laws and regulations in Mainland China.

30 DEFERRED INCOME TAX

Deferred income tax of the Group is provided for in respect of:

	Tax depreciation allowances and tax losses		Unrealised profit on closing inventories		Undistributed profit of those subsidiaries in Mainland China		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	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 於4月1日	(746)	(2,737)	23,985	31,646	(80,635)	(49,491)	(57,396)	(20,582)
Credited/(charged) to the consolidated income statement (Note 11) 綜合損益表計入/(扣除)(附註11)	873	1,991	6,285	(7,661)	7,116	(31,144)	14,274	(36,814)
At 31 March 於3月31日	127	(746)	30,270	23,985	(73,519)	(80,635)	(43,122)	(57,396)

Representing:

	2016	2015
	HK\$'000	HK\$'000
	千港元	千港元
Deferred income tax assets 遞延所得稅資產	36,770	28,025
Deferred income tax liabilities 遞延所得稅負債	(79,892)	(85,421)
	(43,122)	(57,396)

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profit is probable. As at 31 March 2016, the Group had potential unrecognised deferred tax assets amounting to HK\$48,393,000 (2015: HK\$40,887,000) in respect of tax losses to be carried forward against future taxable income. Cumulative tax losses of HK\$29,849,000 (2015: HK\$23,088,000) can be carried forward indefinitely; cumulative tax losses of HK\$170,094,000 (2015: HK\$144,513,000) will expire (if not utilised) within the next five years.

29 儲備(續)

附註：

- (i) 本集團之資本儲備指本集團於1997年重組時所收購附屬公司之股份面值與就收購發行本公司股份之面值兩者間之差額。
- (ii) 法定儲備乃不可分派，轉撥有關款項乃由相關中國內地附屬公司董事會根據中國內地相關法律及規例決定。

30 遞延所得稅

本集團遞延所得稅乃就下列各項作出撥備：

指：

遞延所得稅資產乃就結轉之稅項虧損確認，惟須有可能透過日後應課稅溢利將相關稅項利益變現。於2016年3月31日，本集團有潛在未確認遞延稅項資產共48,393,000港元(2015年：40,887,000港元)，乃有關將予結轉以抵銷日後應課稅收入之稅項虧損。累計稅項虧損29,849,000港元(2015年：23,088,000港元)可無限期結轉；累計稅項虧損170,094,000港元(2015年：144,513,000港元)倘不動用，則將於未來五年內屆滿。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT

Under the Hong Kong Employment Ordinance, the Group is obligated to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plan that are attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations. The long service payments are paid out from the Group's cash in hand when such payments are required.

The latest actuarial valuation as at 31 March 2016 specifically designated for the Group's employees was completed by a qualified actuary, Towers Watson Hong Kong Limited (2015: Towers Watson Hong Kong Limited), using projected unit credit method.

- (a) The amount recognised in the consolidated balance sheet is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Present value of defined benefit obligations	界定福利責任之現值	23,918	34,008

- (b) Movements in the net liability recognised in the consolidated balance sheet are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At 1 April	於4月1日	34,008	34,517
Expenses recognised in the consolidated income statement	於綜合損益表確認之開支	3,142	2,752
Income recognised in the consolidated statement of comprehensive income	於綜合全面收入報表確認之收入	(12,766)	(3,261)
Benefits paid directly by employer	僱員直接支付之福利	(466)	–
At 31 March	於3月31日	23,918	34,008

31 僱員福利責任 – 長期服務金

根據香港僱傭條例，本集團有責任於若干情況下，於已服務本集團最少五年之若干僱員終止受僱時向其支付一次性款項。應付款項乃視乎有關僱員之最後薪金及服務年數而定，並減去本集團退休計劃項下及本集團之供款應佔之累算權益。本集團並無撥出任何資產作為任何餘下責任之資金。於需要支付有關款項時，會自本集團之手頭現金撥款支付長期服務金。

合資格精算師韜睿惠悅香港有限公司(2015：韜睿惠悅香港有限公司)以預計單位信貸法完成專為本集團僱員而編製之2016年3月31日最新精算評估。

- (a) 於綜合資產負債表確認之款項如下：

- (b) 於綜合資產負債表確認之負債淨額變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 EMPLOYEE BENEFIT OBLIGATIONS — LONG SERVICE PAYMENT (Continued)

(c) Expenses recognised in the consolidated income statement is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Current service cost	即期服務費	2,507	1,873
Interest cost	利息成本	635	879
		3,142	2,752

(d) Income recognised in the consolidated statement of comprehensive income is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	(12,766)	(3,261)

(e) The expense is recognised in the following line items in the consolidated income statement:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Selling and distribution costs	銷售及分銷費用	1,792	1,569
Administrative expenses	行政費用	1,350	1,183
		3,142	2,752

31 僱員福利責任 — 長期服務金(續)

(c) 於綜合損益表確認之開支如下：

(d) 於綜合全面收入報表確認之收入如下：

(e) 開支乃於綜合損益表以下列項目確認：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT (Continued)

(f) The principal actuarial assumptions used as at 31 March 2016 (expressed as weighted average) are as follows:

		2016	2015
Discount rate	貼現率	2.1%	1.9%
Future salary increment	未來薪金增幅	3%	4%
Return of MPF balances	強積金結餘回報率	3%	3%

31 僱員福利責任 – 長期服務金(續)

(f) 於2016年3月31日使用之主要精算假設(以加權平均呈列)如下:

Impact on employee benefit obligations

對僱員福利責任的影響

	Change in assumption 假設變動	Increase in assumption 假設增加	Decrease in assumption 假設減少
Discount rate	0.25%	Decrease by 3.6%	Increase by 3.8%
貼現率	0.25%	減少3.6%	增加3.8%
Salary growth rate	0.25%	Increase by 6.0%	Decrease by 6.9%
薪金增長率	0.25%	增加6.0%	減少6.9%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

以上敏感度分析乃根據假設變動，而所有其他假設維持不變達致。實際上，此情況不大可能發生，一些假設變動可能相關。

32 BANK BORROWINGS

32 銀行貸款

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Short-term bank borrowings, unsecured	短期銀行貸款，無抵押	400,000	1,470,633

The bank borrowings were due for repayment within 3 months (2015: 3 months).

銀行貸款須於3個月內(2015年: 3個月)償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 BANK BORROWINGS (Continued)

Bank borrowings of HK\$400,000,000 (2015: HK\$1,470,633,000) bore interest at floating rates. The interest rates of the bank borrowings is 1.0% above Hong Kong Interbank Offered Rate (2015: 1.44% to 1.99%) per annum.

The bank borrowings are denominated in the following currencies:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
HK\$	港元	400,000	1,295,000
US\$	美元	-	175,633
		400,000	1,470,633

The fair value of the bank borrowings approximates their carrying amount, as the impact of discounting is not significant due to their short-term maturities.

33 GOLD LOANS

Gold loans were borrowings from banks which are pledged with gold prices. They were designated as financial liabilities at fair value through profit or loss.

As at 31 March 2016, the gold loans are interest bearing at 1.2%–2.5% per annum (2015: 1.2%), with original maturity of 1–3 months from date of inception (2015: 2–3 months).

The net unrealised losses on gold loans arising from change in fair value of HK\$4,029,000 (2015: net unrealised gains of HK\$8,687,000) has been recognised in 'Other (losses)/gains, net' in the consolidated income statement.

32 銀行貸款(續)

為數400,000,000港元(2015年: 1,470,633,000港元)的銀行貸款按浮動利率計息。銀行貸款之年利率介為香港銀行同業拆息加1.0%(2015年: 1.44%至1.99%)。

銀行貸款以下列貨幣計值:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
HK\$	港元	400,000	1,295,000
US\$	美元	-	175,633
		400,000	1,470,633

因銀行貸款的期限較短，貼現影響不大，因此，銀行貸款之公允價值與其賬面值相若。

33 黃金借貸

黃金借貸為銀行貸款，並以黃金價格抵押，指定為按公允價值計入損益之金融負債。

於2016年3月31日，黃金借貸按1.2%至2.5%(2015年: 1.2%)之年利率計息，於其開始日起計1至3個月(2015年: 2至3個月)到期。

黃金借貸公允價值變動所產生之未變現虧損淨額為4,029,000港元(2015年: 未變現收益淨額8,687,000港元)乃於綜合損益表「其他(虧損)/收益，淨額」中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 CONSOLIDATED STATEMENT OF CASH FLOWS

34 綜合現金流量表

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,161,085	1,982,818
Amortisation of land use rights (Note 17)	土地使用權攤銷(附註17)	7,702	9,661
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊(附註16)	127,542	146,766
Depreciation of investment properties (Note 18)	投資物業折舊(附註18)	744	1,303
Loss on disposal of property, plant and equipment (Note 8)	出售物業、廠房及設備之虧損(附註8)	994	755
Provision for long service payment (Note 31(b))	長期服務金撥備(附註31(b))	3,142	2,752
Net realised losses/(gains) on gold loans (Note 9)	黃金借貸之已變現虧損/(收益)淨額(附註9)	3,577	(14,874)
Net unrealised losses/(gains) on gold loans (Note 9)	黃金借貸之未變現虧損/(收益)淨額(附註9)	4,029	(8,687)
Interest income (Note 10)	利息收入(附註10)	(41,725)	(48,874)
Interest expenses (Note 10)	利息開支(附註10)	13,689	20,474
Fair value losses/(gains) on convertible bond (Note 9)	可換股債券之公允價值虧損/(收益)(附註9)	20,600	(9,655)
Fair value losses on derivative financial instruments (Note 9)	衍生金融工具之公允價值虧損(附註9)	5,225	-
Share of results of associates (Note 19)	應佔聯營公司業績(附註19)	79,103	21,793
Operating profit before working capital changes	營運資金變動前經營溢利	1,385,707	2,104,232
Decrease/(increase) in rental deposits	租金按金減少/(增加)	5,316	(26,907)
Decrease/(increase) in inventories	存貨減少/(增加)	947,853	(1,176,030)
(Increase)/decrease in trade receivables, deposits, prepayments and other receivables	貿易應收賬款、按金、預付款項及其他應收款項(增加)/減少	(61,226)	75,746
Increase in amount due from/to associates	應收/應付聯營公司款項增加	(25,337)	(30,012)
Decrease in derivative financial instruments	衍生金融工具減少	-	14,528
Increase/(decrease) in trade payables, other payables and accruals	貿易應付賬款、其他應付款項及應計款項增加/(減少)	5,865	(75,599)
Decrease in employee benefit obligations (Note 31(b))	僱員福利責任減少(附註31(b))	(466)	-
Net cash generated from operations	營運產生之現金淨額	2,257,712	885,958

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 COMMITMENTS

(a) Capital commitments

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Contracted but not provided for:	已訂約但未作出撥備：		
– Property, plant and equipment	– 物業、廠房及設備	5,376	9,832
– Investment in an available-for-sale financial asset	– 投資一項可供出售金融資產	6,588	–
Total capital commitments contracted but not provided for	已訂約但未作出撥備之資本承擔總額	11,964	9,832

As at 31 March 2016 and 31 March 2015, there are no capital commitments which are authorised but not contracted for.

於2016年3月31日及2015年3月31日，並無法定但未訂約之資本承擔。

(b) Commitments under operating leases

At 31 March 2016, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

(b) 經營租賃承擔

於2016年3月31日，本集團就土地及樓宇根據不可撤銷之經營租賃而於未來支付之最低租賃付款總額如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Not later than one year	一年內	689,403	681,149
Later than one year and not later than five years	一年後但不超過五年	768,733	845,227
Later than five years	超過五年	321	6,025
		1,458,457	1,532,401

The actual payments in respect of certain operating leases are calculated at the higher of the minimum commitments as noted above and the amounts determined based on a percentage of the sales of the related outlets.

若干經營租賃實際付款乃按上文所述最低承擔與根據相關店舖銷售額某百分比所釐定金額之較高者計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 CONTINGENT LIABILITIES

As at 31 March 2016, the Group had on outstanding financial guarantee amounting to HK\$672,845,000 (2015: HK\$779,957,000) issued to several banks in respect of banking facilities granted to an associate.

37 RELATED PARTY TRANSACTIONS

The major shareholder of the Company is Luk Fook (Control) Limited ("Luk Fook Control"), a company incorporated in the BVI, which directly owns 39.75% of the Company's shares. The remaining shares of the Company are widely held.

Mr. WONG Wai Sheung and his family including Mr. WONG Ho Lung, Danny and Miss WONG Lan Sze, Nancy are discretionary beneficiaries of the Wong's Family Trust (the "Trust"). The Trust is the beneficial owner of the entire issued share capital of Kwai Kee Cheung Jewellery & Goldsmith Company Limited which is the beneficial owner of 36.72% of issued shares of Luk Fook Control. The remaining shares of Luk Fook Control are held by various shareholders.

Mr. WONG Wai Sheung, Mr. WONG Ho Lung, Danny and Miss WONG Lan Sze, Nancy are directors of the Company.

- (a) The Group has entered into supplementary licensing and maintenance agreement with GS Tech Company Limited (92% owned by the Wong's Family Trust) for acquiring a license to use certain computer programs and to receive maintenance services fees. For the year ended 31 March 2016, license fees of HK\$3,453,000 (2015: HK\$1,394,000) and maintenance services fees of HK\$3,400,000 (2015: HK\$3,135,000) were capitalised in the consolidated balance sheet and charged in the consolidated income statement, respectively.

36 或然負債

於2016年3月31日，本集團就授予聯營公司的銀行融資向若干銀行發行的未償還財務擔保為672,845,000港元(2015年：779,957,000港元)。

37 關連人士之交易

本公司之主要股東為六福(控股)有限公司(「六福控股」)，為於英屬維爾京群島註冊成立之公司，直接擁有本公司39.75%股份。本公司餘下股份分散持有。

黃偉常先生及其家屬(包括黃浩龍先生及黃蘭詩小姐)為黃氏家族信託(「信託」)之全權受益人。該信託為桂記祥珠寶金行有限公司全部已發行股本之實益擁有人，桂記祥珠寶金行有限公司實益擁有人，桂記祥珠寶金行有限公司實益擁有六福控股36.72%已發行股份。六福控股餘下股份由多名股東持有。

黃偉常先生、黃浩龍先生及黃蘭詩小姐均為本公司董事。

- (a) 本集團已與金星資訊顧問有限公司(其92%權益由黃氏家族信託擁有)訂立特許及維修協議，以使用若干電腦程式之特許權及收取維修服務費。截至2016年3月31日止年度，特許權費用3,453,000港元(2015年：1,394,000港元)及維修服務費3,400,000港元(2015年：3,135,000港元)已分別於綜合資產負債表資本化及綜合損益表內扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 RELATED PARTY TRANSACTIONS (Continued)

(b) The Group has entered into a lease agreement of a premise with tenancy period of 36 months with New Merit Corporation Limited, an entity jointly controlled by Mr Wong Wai Sheung and other two independent third parties. For the year ended 31 March 2016, rental deposits of HK\$2,550,000 (2015: Nil) and rental expenses of HK\$8,831,000 (2015: Nil) were recognised in the consolidated balance sheet and consolidated income statement respectively. This transaction was carried out at terms mutually agreed between the respective parties.

(c) Transactions with associates

		Note	2016 HK\$'000 千港元	2015 HK\$'000 千港元
		附註		
Sales	銷售	(i)	75,711	67,109
Subcontracting fee paid	已付分包費用	(i)	20,310	23,713
Rental income	租金收入	(i)	1,329	455
Management fee income	管理費收入	(i)	724	846
Purchases	購貨	(i)	1,181	–
Licensing fee paid	已付品牌業務費用	(i)	600	–
Interest income on the loan to an associate	貸款予一家聯營公司 之利息收入	20	400	161

Notes:

- (i) Sales, subcontracting fee paid, rental income, purchases, licensing fee paid and management fee income were charged at terms based on mutual agreements.
- (ii) As mentioned in Note 36, the Group had financial guarantee amounting to HK\$672,845,000 (2015: HK\$779,957,000) issued to several banks in respect of banking facilities granted to an associate.

37 關連人士之交易(續)

(b) 本集團與New Merit Corporation Limited(由黃偉常先生及另外兩名獨立第三方共同控制的實體)訂立一間物業的租賃協議,租期為36個月。截至2016年3月31日止年度,分別已於綜合資產負債表及綜合損益表確認租賃按金2,550,000港元(2015年:無)及租賃開支8,831,000港元(2015年:無)。該交易乃按相關訂約方互相協定的條款進行。

(c) 與聯營公司之交易

附註:

- (i) 根據相互協議釐定之條款收取之銷售、已付分包費用、租金收入、購貨、品牌業務費用及管理費收入。
- (ii) 誠如附註36,本集團就授予聯營公司的銀行融資向若干銀行發行的財務擔保為672,845,000港元(2015年:779,957,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 RELATED PARTY TRANSACTIONS (Continued) 37 關連人士之交易(續)

(d) Year-end balances (d) 年終結餘

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Loan to an associate	貸款予一家聯營公司		
– non-current (Note 20)	– 非即期(附註20)	86,911	83,160
Loan to an associate	貸款予一家聯營公司		
– current (Note 20)	– 即期(附註20)	20,000	20,000
Amount due from an associate (Note 19(iii))	應收一家聯營公司賬項(附註19(iii))	56,374	30,076
Amount due to an associate (Note 19(iii))	應付一家聯營公司賬項(附註19(iii))	(2,235)	(1,674)

(e) Key management compensation

Key management includes directors (executive and non-executive) and senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

(e) 主要管理層酬金

主要管理層包括董事(執行及非執行董事)及本集團高級管理人員。就僱員提供之服務而已付或應付主要管理層之酬金如下:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Salaries, allowances and benefits-in-kinds	薪金、津貼及實物利益	64,013	65,066
Performance and discretionary bonuses	按表現酌情發放之花紅	24,797	36,576
Contributions to pension plan	退休金計劃供款	565	572
		89,375	102,214

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES

At 31 March 2016, the Company had the following principal subsidiaries:

38 附屬公司

於2016年3月31日，本公司之主要附屬公司如下：

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interests held by the Company 本公司所持 應佔權益百分比		Principal activities 主要業務
			2016	2015	
Interests held directly:	直接持有權益：				
Luk Fook Investment (B.V.I.) Limited	The BVI 英屬維爾京群島	HK\$2 2港元	100	100	Investment holding 投資控股
Interests held indirectly:	間接持有權益：				
China Gems Laboratory Limited 中華珠寶鑑定中心有限公司	Hong Kong 香港	HK\$2 2港元	100	100	Authentication of gemstones 寶石鑑證
Fancy Trend Investment Limited 嘉旋投資有限公司	Hong Kong 香港	HK\$12,100 12,100港元	100	100	Property holding 持有物業
Ice Collection (International) Limited 冰姿(國際)有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Retailing of gold and jewellery products 珠寶金飾產品零售業務
Jewellworld.com Limited 珠寶世界(B.V.I.)有限公司	The BVI 英屬維爾京群島	HK\$8,000,000 8,000,000港元	51	51	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務
Jewellworld.com Limited 珠寶世界(香港)有限公司	Hong Kong 香港	HK\$100 100港元	51	51	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務
Luk Fook Bullions Dealers Limited 六福金號有限公司	Hong Kong 香港	HK\$14,000,000 14,000,000港元	100	100	Gold bullion trading 買賣純金條

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司(續)

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interests held by the Company 本公司所持 應佔權益百分比		Principal activities 主要業務
			2016	2015	
Interests held indirectly: (Continued) 間接持有權益：(續)					
Luk Fook Holdings Company Limited 六福集團有限公司	Hong Kong 香港	HK\$2 2港元	100	100	Provision of management services to group companies and wholesale distribution of gold and jewellery products 提供管理服務予集團公司及批發分銷黃金及珠寶產品
Luk Fook Jewellery & Goldsmith (Australia) Pty Limited	Australia 澳洲	AUS\$ 100,000 100,000 澳元	100	100	Retailing of gold and jewellery products in Australia 於澳洲從事黃金及珠寶產品零售業務
Luk Fook Jewellery & Goldsmith (HK) Company Limited 六福珠寶金行(香港)有限公司	Hong Kong 香港	HK\$100 100 港元	100	100	Retailing of gold and jewellery products 黃金及珠寶產品零售業務
Luk Fook Jewellery & Goldsmith (Macao) Company Limited 六福珠寶金行(澳門)有限公司	Macau 澳門	MOP 1,000,000 1,000,000 澳門元	100	100	Retailing of gold and jewellery products in Macau 於澳門從事黃金及珠寶產品零售業務
Luk Fook Jewellery & Goldsmith (Canada) Limited	Canada 加拿大	CA\$ 100 100 加拿大元	100	100	Retailing of gold and jewellery products in Canada 於加拿大從事黃金及珠寶產品零售業務
Luk Fook Jewellery & Goldsmith (Singapore) Pte. Limited	Singapore 新加坡	S\$1,000,000 1,000,000 新加坡元	100	100	Retailing of gold and jewellery products in Singapore 於新加坡從事黃金及珠寶產品零售業務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司(續)

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interests held by the Company 本公司所持 應佔權益百分比		Principal activities 主要業務
			2016	2015	
Interests held indirectly: (Continued)	間接持有權益：(續)				
Luk Fook Jewellery & Goldsmith (USA) Company Limited	USA 美國	USD100 100美元	100	100	Retailing of gold and jewellery products in USA 於美國從事黃金及珠寶產品零售業務
Luk Fook 3D Management Limited	The BVI 英屬維爾京群島	HK\$1 1港元	100	100	Investment holding 投資控股
Max Forum Development Limited 溢富發展有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Property holding 持有物業
Maxigood Enterprises Limited 萬利佳企業有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000港元	93.3	93.3	Manufacturing and wholesale distribution of jewellery products 製造及批發分銷珠寶產品
廣州六福首飾有限公司 ⁺	Mainland China 中國內地	HK\$60,000,000 60,000,000港元	93.3	93.3	Manufacturing, wholesale, retailing of gold and jewellery products and provision of quality examination services in Mainland China 於中國內地從事製造、批發、零售黃金及珠寶產品以及提供質量鑑定服務
萬利佳(廣州)首飾有限公司 ⁺	Mainland China 中國內地	HK\$6,000,000 6,000,000港元	93.3	93.3	Manufacturing of jewellery products in Mainland China 於中國內地製造珠寶產品
廣州利盈首飾有限公司 ⁺	Mainland China 中國內地	HK\$35,000,000 35,000,000港元	100	100	Property holding in Mainland China 於中國內地持有物業
六福鑽石(上海)有限公司 ⁺ (formerly known as 萬利佳鑽石(上海)有限公司) (前稱萬利佳鑽石(上海)有限公司)	Mainland China 中國內地	USD200,000 200,000美元	100	100	Wholesale of polished diamond in Mainland China 於中國內地批發經打磨之鑽石

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司(續)

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interests held by the Company 本公司所持 應佔權益百分比		Principal activities 主要業務
			2016	2015	
Interests held indirectly: (Continued) 間接持有權益：(續)					
六福珠寶(北京)有限公司*	Mainland China 中國內地	HK\$29,750,000 29,750,000港元	100	100	Retailing of gold and jewellery products in Beijing, Mainland China 在中國內地北京零售黃金及珠寶產品
廣州六福營銷策劃有限公司*	Mainland China 中國內地	HK\$2,000,000 2,000,000港元	100	100	Trademark licensing, brand building and promotion in Mainland China 於中國內地從事商標授權、創建及推廣品牌
六福珠寶營銷策劃(深圳)有限公司*	Mainland China 中國內地	HK\$8,000,000 8,000,000港元	100	100	Trademark licensing, brand building and promotion in Mainland China 於中國內地從事商標授權、創建及推廣品牌
六福飾品設計(重慶)有限公司*	Mainland China 中國內地	HK\$50,000,000 50,000,000港元	100	100	Manufacturing, wholesale of gold and jewellery products in Mainland China 於中國內地從事製造及批發黃金及珠寶產品
六福珠寶首飾(重慶)有限公司*	Mainland China 中國內地	HK\$50,000,000 50,000,000港元	100	100	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務
六福營銷策劃(重慶)有限公司*	Mainland China 中國內地	HK\$3,000,000 3,000,000港元	100	100	Trademark licensing, brand building, promotion and provision of quality examination services in Mainland China 於中國內地從事商標授權、創建及推廣品牌以及提供質量鑑定服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司(續)

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interests held by the Company 本公司所持 應佔權益百分比		Principal activities 主要業務
			2016	2015	
Interests held indirectly: (Continued)	間接持有權益：(續)				
重慶六福世家珠寶加工有限公司 ⁺	Mainland China 中國內地	RMB5,000,000 人民幣 5,000,000 元	100	100	Manufacturing of gold products in Mainland China 於中國內地製造黃金產品
重慶璐雲廊珠寶首飾有限公司 ⁺	Mainland China 中國內地	RMB10,000,000 人民幣 10,000,000 元	100	100	Wholesale of polished diamond and jewellery products in Mainland China 於中國內地批發經打磨鑽石及珠寶產品
六福珠寶(廣州)有限公司 ⁺	Mainland China 中國內地	RMB10,500,000 人民幣 10,500,000 元	100	100	Manufacturing, wholesale of gold and jewellery products in Mainland China 於中國內地從事製造及批發黃金及珠寶產品
廣州六福世家珠寶有限公司	Mainland China 中國內地	RMB5,000,000 人民幣 5,000,000 元	51	51	Manufacturing of gold products in Mainland China 於中國內地製造黃金產品
重慶福華珠寶首飾有限公司	Mainland China 中國內地	RMB50,000,000 人民幣 50,000,000 元	51	-	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務

⁺ The subsidiaries are established as wholly foreign-owned enterprises in Mainland China.

⁺ 該等附屬公司為於中國內地成立之全外資企業。

Unless otherwise stated, all the above companies operate principally in Hong Kong.

除另有說明者外，上述所有公司均主要於香港經營業務。

The above list includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為，上表所列本公司附屬公司主要對本年度業績構成影響或構成本集團資產淨值之主要部分。董事認為，提供其他附屬公司之詳情會令資料過於冗長。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 BALANCE SHEET OF THE COMPANY

39 本公司之資產負債表

		Note	2016	2015
		附註	HK\$'000	HK\$'000
			千港元	千港元
ASSETS	資產			
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司之權益		3,138,225	3,338,225
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司賬項		1,528,711	1,359,225
Cash and bank balances	現金及銀行結餘		596,660	2,882
			2,125,371	1,362,107
Total assets	總資產		5,263,596	4,700,332
EQUITY	權益			
Capital and reserves attributable to the equity holders of the Company	本公司權益持有人應佔資本及儲備			
Share capital	股本		58,710	58,910
Share premium	股份溢價		2,494,040	2,522,983
Reserves	儲備	a	625,047	775,738
Proposed dividends	擬派股息		322,909	324,009
			3,500,706	3,681,640
LIABILITIES	負債			
Current liabilities	流動負債			
Accruals	應計款項		1,264	1,162
Amount due to subsidiaries	應付附屬公司款項		1,285,583	159,400
Bank borrowings	銀行貸款		400,000	650,000
Gold loans	黃金借貸		76,043	208,130
			1,762,890	1,018,692
Total equity and liabilities	權益及負債總額		5,263,596	4,700,332

The balance sheet of the Company was approved by the Board on 23 June 2016 and was signed by the Directors below on its behalf.

本公司資產負債表乃由董事會於2016年6月23日批准並經由下列董事代表簽署。

WONG Wai Sheung

黃偉常

Director

董事

CHAN So Kuen

陳素娟

Director

董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 BALANCE SHEET OF THE COMPANY (Continued)

Note (a) Reserves movement of the Company

39 本公司之資產負債表(續)

附註(a)本公司儲備變動

		Contributed surplus 實繳盈餘 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
For the year ended	截至2016年				
31 March 2016	3月31日止年度				
At 1 April 2015	於2015年4月1日	298,687	–	801,060	1,099,747
Profit for the year	年內溢利	–	–	496,227	496,227
2014/15 final dividend paid	已付2014/15年度 末期股息	–	–	(324,009)	(324,009)
2015/16 interim dividend paid	已付2015/16年度 中期股息	–	–	(185,569)	(185,569)
2015/16 special dividend paid	已付2015/16年度 特別股息	–	–	(138,440)	(138,440)
Transfer to capital redemption reserve (Note 28(c))	轉撥至資本贖回儲備 (附註28(c))	–	200	(200)	–
At 31 March 2016	於2016年3月31日	298,687	200	649,069	947,956
Representing:	指：				
Reserves	儲備	298,687	200	326,160	625,047
Proposed dividend	擬派股息	–	–	322,909	322,909
At 31 March 2016	於2016年3月31日	298,687	200	649,069	947,956
For the year ended	截至2015年				
31 March 2015	3月31日止年度				
At 1 April 2014	於2014年4月1日	298,687	–	803,591	1,102,278
Profit for the year	年內溢利	–	–	697,329	697,329
2013/14 final dividend paid	已付2013/14年度 末期股息	–	–	(375,851)	(375,851)
2014/15 interim dividend paid	已付2014/15年度 中期股息	–	–	(324,009)	(324,009)
At 31 March 2015	於2015年3月31日	298,687	–	801,060	1,099,747
Representing:	指：				
Reserves	儲備	298,687	–	477,051	775,738
Proposed dividend	擬派股息	–	–	324,009	324,009
At 31 March 2015	於2015年3月31日	298,687	–	801,060	1,099,747

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 BALANCE SHEET OF THE COMPANY

(Continued)

The contributed surplus of the Company represents the difference between the nominal value of the shares issued by the Company in exchange for all the issued ordinary shares of Luk Fook Investment (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired by the Company during the Group's reorganisation in 1997. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders, provided that the Company would, after the payment of dividends out of the contributed surplus, be able to pay its liabilities as they become due; or the realisable value of the Company's assets would thereby not be less than the aggregate of its liabilities, its issued share capital and its share premium. At the Group level, the contributed surplus is reclassified into its component of reserves of the underlying subsidiaries.

39 本公司之資產負債表(續)

本公司之實繳盈餘指本公司為交換 Luk Fook Investment (B.V.I.) Limited 全部已發行普通股而發行股份之面值與本公司於 1997 年本集團重組期間所收購相關附屬公司之資產淨值兩者之差額。根據百慕達《1981 年公司法》(經修訂)，實繳盈餘可派發予股東，惟本公司自實繳盈餘派付股息後，須能於負債到期時支付債務；或本公司之資產可變現值據此不會少於其債務、其已發行股本及其股份溢價之總和。就本集團層面而言，此實繳盈餘經重新分類為各有關附屬公司之儲備部分。

CORPORATE INFORMATION

企業資料

DIRECTORS

Executive Directors:

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

Non-executive Directors:

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

Independent Non-executive Directors:

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

COMPANY SECRETARY

Dr. CHAN So Kuen

LEGAL ADVISERS

Oldham, Li & Nie Lawyers
Cleary Gottlieb Steen & Hamilton (Hong Kong)

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Luk Fook Jewellery Centre
No. 239 Temple Street, Jordan
Kowloon, Hong Kong
Tel: (852) 2308 1218
Fax: (852) 2374 1696
E-mail: group@lukfook.com
Website: lukfook.com

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
DBS Bank (Hong Kong) Limited
Citibank, N.A. Hong Kong Branch

SHARE REGISTRAR

Estera Management (Bermuda) Limited

SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited
17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

董事

執行董事：

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

非執行董事：

黃浩龍先生(副主席)
楊寶玲女士
許照中太平紳士
李漢雄MH太平紳士

獨立非執行董事：

戴國良先生
葉樹堃 GBS 太平紳士
麥永森先生
黃汝璞太平紳士
許競威先生

公司秘書

陳素娟博士

法律顧問

高李嚴律師行
佳利(香港)律師事務所

核數師

羅兵咸永道會計師事務所
執業會計師

註冊辦事處

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22 Victoria Street
Hamilton HM 12
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總辦事處及主要營業地點

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主要往來銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
星展銀行(香港)有限公司
花旗銀行香港分行

股份登記處

Estera Management (Bermuda) Limited

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17M樓



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



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