

HERITAGE
INNOVATION
SHARING

周大福珠寶集團





Corporate Profile

企業簡介

Chow Tai Fook Jewellery Group Limited (the “Group”; SEHK stock code: 1929) listed on the Main Board of The Stock Exchange of Hong Kong in December 2011. The Group’s vision is to become the most trusted jewellery group in the world.

Founded in 1929, the Group’s iconic brand “CHOW TAI FOOK” is widely recognised for its trustworthiness and authenticity, and is renowned for its product design, quality and value. A long-standing commitment to innovation and craftsmanship has contributed to the Group’s success, along with that of its iconic retail brand, and has been embodied in its rich 90 year heritage. Underpinning this success are our long held core values of “Sincerity • Eternity.”

The Group’s multi-brand strategy comprises the ARTRIUM, JEWELRIA and CTF WATCH brands that are endorsed by the CHOW TAI FOOK master brand, in addition to other brands including HEARTS ON FIRE, T MARK, SOINLOVE and MONOLOGUE.

The Group’s commitment to sustainable growth is anchored in its “Smart+” strategy, which is in place to promote long term innovation in the business, in people and in culture. Another asset underpinning sustainable growth is a sophisticated and agile business model. This supports the Group by fostering excellence and extending opportunities along the entire value chain to communities and industry partners across the world.

With an extensive retail network in Greater China, Japan, Korea, Southeast Asia and the United States, and a fast-growing e-commerce business, the Group is implementing effective online-to-offline (“O2O”) strategies to succeed in today’s omni-channel retail environment.

周大福珠寶集團有限公司（「集團」；香港聯交所股份代號：1929）於2011年12月在香港聯合交易所主板上市，以成為全球最值得信賴的珠寶集團為願景。

集團標誌性品牌「周大福」創立於1929年，被廣獲認同為信譽及正貨的象徵，並以產品設計、品質與價值聞名。集團及其標誌性品牌的成功，從過去90年的悠久歷史，體現出對創新和工藝的持久堅持，以及恒久抱持的核心價值「真誠 • 永恒」。

周大福主品牌與周大福藝堂、周大福薈館和周大福鐘錶等關聯品牌，以及HEARTS ON FIRE、T MARK、SOINLOVE與MONOLOGUE等其他品牌組成集團多品牌發展策略。

集團對可持續增長的承諾以「Smart+」策略為基礎，致力於業務、員工和文化推動長遠的創新發展。發展成熟的靈活業務模式為支撐集團可持續增長的另一優勢，在整個價值鏈中支持集團追求卓越，以及延伸商機至不同社區和全球的行業合作夥伴。

集團擁有龐大的零售網絡，遍及大中華、日本、韓國、東南亞與美國，並經營發展迅速的電子商務業務，能有效地執行線上線下策略，在現今的全渠道零售環境下成功突圍而出。

Our Milestones

我們的里程碑

1929

Established in Guangzhou, Mainland China
於中國內地廣州創立

1956

Launched 999.9 gold jewellery products.
The 999.9 fineness of pure gold was adopted as the industry standard by the Hong Kong government in 1984
推出999.9黃金首飾，後於1984年獲香港政府定為黃金首飾成色標準

1998

Opened the first CHOW TAI FOOK JEWELLERY POS in Beijing, Mainland China
開設位於北京的中國內地首家周大福珠寶零售點

2010

Opened the 1,000th Mainland China POS in Beijing and purchased the 507-carat Cullinan Heritage rough diamond for US\$35.3 million
開設位於北京的中國內地第1,000個零售點，同年以3,530萬美元購得「庫里南遺產」(The Cullinan Heritage) 507卡鑽石毛坯

2014

Opened the Group's 2,000th POS in Wuhan, Mainland China and acquired the U.S. premium diamond brand HEARTS ON FIRE
開設位於中國內地武漢的集團第2,000個零售點，同年收購美國高級鑽石品牌 HEARTS ON FIRE

2016

Pioneered the T MARK diamond brand with truly traceable natural diamonds
首創可追溯天然鑽石來源的T MARK 鑽石品牌

2018

Collaborated with GIA to bring digital diamond grading reports to consumers via blockchain
與GIA攜手合作通過區塊鏈向消費者提供數碼鑽石鑒定證書

90
傳創共享
乙亥年·廿三變歲林

2019

Celebrating 90th Anniversary under the theme "Heritage • Innovation • Sharing" and advancing into a new milestone for centenary with our stakeholders hand-in-hand
慶祝成立90周年，以「傳•創•共享」為主題，與持份者攜手邁向百年新里程

2017

Opened a jewellery incubation space Loupe
開設珠寶培育空間 Loupe

2015

Unveiled "A Heritage in Bloom", the Cullinan masterpiece which is centred upon 24 D-colour internally flawless (DIF) diamonds cut from the Cullinan Heritage, an exceptionally rare 507 carat Type IIA rough diamond
Chow Tai Fook spent three years cutting and polishing
發佈「庫里南遺產」珠寶傑作《裕世鑽芳華》，主石為24顆DIF內部純淨無瑕、足色全美鑽石，全部由507卡IIA級「庫里南遺產」鑽石毛坯以三年時間切割打磨出來

2011

Listed on the Main Board of the Stock Exchange of Hong Kong and opened Chow Tai Fook eShop
在香港聯合交易所主板上市，同年成立周大福網路旗艦店

2003

Established the Mainland China headquarters in Shenzhen, Mainland China
設立位於中國內地深圳的中國業務營運總部

1990

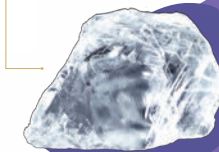
Introduced a "Fixed Price" policy
推行珠寶首飾「一口價」政策

1939

Opened the first CHOW TAI FOOK JEWELLERY POS in Hong Kong
開設香港首間周大福珠寶零售點

1938

Opened the first CHOW TAI FOOK JEWELLERY POS in Macau
開設澳門首間周大福珠寶零售點



HEARTS ON FIRE



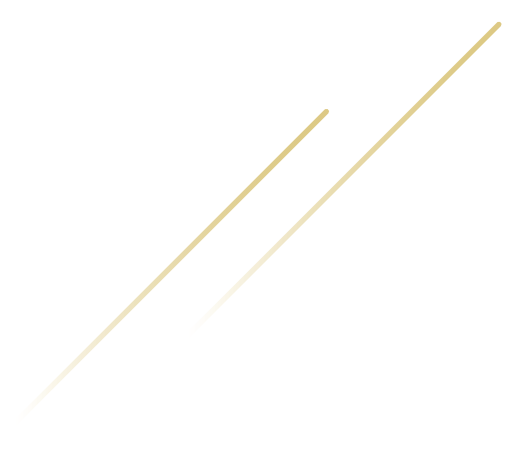
Loupe



Contents

目錄

8	Chairman's Statement 主席報告書
12	Business Model Innovation 商業模式創新
14	Annual Results at a Glance 年度業績概覽
16	Financial and Operational Highlights 財務及營運摘要
19	Managing Director's Strategic Report 董事總經理策略報告
45	Management Discussion and Analysis 管理層討論與分析
79	Major Awards and Recognitions 主要獎項及嘉許
86	Profile of Directors and Senior Management 董事及高級管理人員簡介
105	Corporate Governance 企業管治
165	Risk Management Report 風險管理報告
181	Independent Auditor's Report 獨立核數師報告
190	Financial Statements 財務報表
274	Financial Summary 財務概要
275	Glossary 詞彙



A PRESTIGIOUS JEWELLERY BRAND 家傳戶曉

PASSING DOWN WITH PASSION 傳承・傳情

GLOBAL FOOTPRINT 足跡傳遍

APPRECIATE THE EXQUISITENESS
OF CHINESE ART & HERITAGE
用心傳頌珠寶工藝及文化

LEGEND 傳奇

承傳工藝・孕育創新 PRESERVING CRAFTSMANSHIP
AND NURTURING INNOVATION

「傳」

Carrying on the constructive corporate culture
lay a solid foundation for our continuous success
傳承優秀文化，乃企業繼往開來的重要基石

PERPETUATING THE CULTURAL LEGACY 傳承文化遺產

CULLINAN MASTERPIECE
“A HERITAGE IN BLOOM”

《裕世鑽芳華》

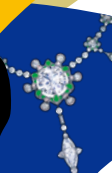
傳承優秀企業文化 SHAPE THE CONTINUUM OF
OUR LEGACY AND HERITAGE

傳承・傳情 PASSING DOWN
WITH PASSION

PASSING ON FROM GENERATION TO GENERATION 代代相傳

SPREAD THROUGH THE WORLD 流傳萬世

傳揚工匠精神 SPREAD THE ARTISANAL SPIRIT



999.9

Heritage

周大福

創

「創」

To keep abreast of the times is the ultimate goal for business transformation

與時並進，是企業創新變革的長遠目標



Innovation

共享

「共享」

Believing that inclusion and sharing are essential to social progress

共融分享，為企業促進社會進步的無私精神



Sharing

Chairman's Statement

主席報告書



“ This year marks a significant moment for the Group, a time in history which we are proud to have reached. Drawing on our passion for “Sincerity • Eternity”, Chow Tai Fook shaped the course of history with amazing innovations along the way.

今年是本集團的重要時刻和里程碑。周大福本著對「真誠 • 永恒」的熱忱與堅持，時刻以無比創意，牽頭為行業締造歷史。”

Dr. Cheng Kar-Shun, Henry 鄭家純博士
Chairman 主席

Dear Shareholders,

2019 marks our 90th Anniversary. I feel immensely grateful that Chow Tai Fook has straddled nine decades with a tremendous success and strong heritage. Adhering to our core values of "Sincerity • Eternity" and staying focused in our core strengths, Chow Tai Fook Jewellery Group has thrived and become a world-renowned jewellery enterprise.

Performance Review

I am pleased to present FY2019 annual results of the Group. FY2019 was a year of inflexion. The Group enjoyed a smooth sailing in 1HFY2019, while it was overcast with macro uncertainties in 2HFY2019. Yet, the Group's underlying competence remained strong and the Group managed to drive growth in FY2019 against the backdrop of the headwinds. Our "Smart+ 2020" three-year strategic plan had a strong start since FY2018 also helped contributing to the revival of the operations in FY2019.

During FY2019, the Group's revenue rose by 12.7% year-on-year to HK\$66,661 million. Core operating profit surged 24.4%. Profit attributable to shareholders of the Company grew by 11.8% to HK\$4,577 million, while earnings per share was HK\$0.46.

The Board has proposed a final dividend and a special dividend of HK\$0.20 and HK\$0.30 per share, respectively. The payout ratio, excluding special dividend, approximates 76.5% in FY2019.

各位股東：

2019年是周大福創立90周年誌慶。周大福跨越90載取得非凡成就，奠定深厚根基，本人對此銘感至深。周大福珠寶集團一直秉承「真誠 • 永恒」核心價值，專注發揮核心本業優勢，因此得以蓬勃發展，成為舉世知名的珠寶企業。

表現回顧

本人欣然報告本集團2019財政年度的全年業績。2019財政年度可謂迂迴曲折：上半年度各項業務進展平順，惟下半年度由於宏觀環境的變化，為本集團增添不明朗因素。然而，本集團根基鞏固、實力雄厚，足以抗衡經濟逆境，於2019財政年度仍能錄得業績增長。這亦有賴我們於2018財政年度強勢展開及貫徹執行「Smart+ 2020」三年策略框架，為2019財政年度的業務表現重拾動力。

本集團2019財政年度的營業額按年增長12.7%至66,661百萬港元。主要經營溢利飆升24.4%。本公司股東應佔溢利上升11.8%至4,577百萬港元，每股盈利為0.46港元。

董事會建議派發末期股息每股0.20港元及特別股息每股0.30港元。撇除特別股息，2019財政年度派息率約相等於76.5%。

Outlook

As we traverse 1H FY2020, we expect that the US-China trade tensions would continue to be volatile while the global economic growth remains soft. While noting the mixed signs of progress in the latest stage of the trade talks, I am indeed pleased to see some signs of recovery of consumer sentiment in Mainland China over recent months which boosted our growth there.

The Group will adhere to its thorough planning of gaining a foothold in Mainland China, especially in lower tier and county level cities to fully capture the rising purchasing power of consumers. In addition, our biggest market Greater China is seeing healthy economic trends with the fruits of decades of urbanisation turning into rising middle class consumption. Being the world's key economic powerhouse, the Chinese government will continuously roll out multiple stimulus measures to bolster its domestic consumption and tackle current macro-economic challenges. Indeed, measures such as tax cuts and reduction on value-added tax should mitigate short-term negative impact and boost local consumption. The Group has been strategically establishing the presence in the Guangdong-Hong Kong-Macao Greater Bay Area for decades, with strong POS network, artistic incubation space and advanced infrastructure projects. The increased connectivity and integration within the region will give more room for economic development, foster the flow of people and goods and promote regional cooperation and interactions. At all events, we remain optimistic and confident about the long-term prospects of the jewellery market.

展望

踏入2020財政年度上半年，我們預期中美貿易問題仍將複雜多變，環球經濟增長或會持續疲軟。雖然貿易談判近期反覆無常，本人欣然見到中國內地消費氣氛近月初現復甦跡象，帶動我們的業務增長。

本集團將全面開拓中國內地版圖之規劃，尤其專注發展較次級城市和縣級城鎮，充分把握當地消費者購買力上升所帶來的商機。此外，大中華作為我們最大的市場，經濟發展走勢穩健，城鎮化發展經歷數十年的演變已見成效，造就中產消費力不斷壯大。中國作為全球經濟主要增長動力來源，中國政府將會繼續推行多方面的經濟振興措施，刺激內需消費，應對當前的宏觀經濟挑戰。事實上，稅項寬減和下調增值稅等措施，應該有助紓緩短期不利因素，刺激當地消費。本集團於粵港澳大灣區市場經營數十年，早已建立戰略據點，坐擁強大零售點網絡、藝術培育空間和先進基建項目。隨著區內交流日漸頻繁和深度融合，不斷擴大經濟發展空間，推動人流、物流增長，促進區內合作與互動。綜觀種種利好因素下，我們對珠寶市場的長遠前景保持樂觀。

A Time to Sow and a Time to Reap

This year marks a significant moment for the Group, a time in history which we are proud to have reached. Drawing on our passion for "Sincerity • Eternity", Chow Tai Fook shaped the course of history with amazing innovations along the way. Committed to nurturing high-calibre staff, the Group in turn achieves continuous development and sets benchmarks to shape the jewellery industry. Our latest blockchain initiative on T MARK is one of the splendid exemplars of how we disrupt the industry standard. As a visionary jewellery titan, I think the transformation is an endless journey that edges us to keep pace with times and stay at the forefront of the disruptions so as to deliver a seamless and unique customer experience. I am confident that if we work as united as one and strive for persistent innovation, we will definitely have more mileposts ahead.

I would like to express my heartfelt gratitude to all loyal staff of the Group, present and past, all incumbent and previous Board members for their strategic guidance, our shareholders, business partners and customers who together have made Chow Tai Fook successful. As Chow Tai Fook's 90th Anniversary celebrations rolled in, I do hope all will join us and share the joy.

Dr. Cheng Kar-Shun, Henry

Chairman

Hong Kong, 6 June 2019

點滴耕耘 成果豐碩

今年是本集團的重要時刻和里程碑。周大福本著對「真誠 • 永恒」的熱忱與堅持，時刻以無比創意，牽頭為行業締造歷史。本集團致力於栽培優秀員工，藉此實現業務持續發展，並且屢創新猷，引領珠寶行業向前邁進。最近T MARK的區塊鏈技術應用項目，正是破格創新出色的典範。作為高瞻遠矚的珠寶業巨擘，本人認為變革轉型是一個永無休止的歷程，能夠鞭策我們與時並進，永遠站在創新潮流的尖端，致力為顧客帶來完美無縫、獨特不凡的體驗。本人深信，只要我們齊心努力、堅持創新，今後必將繼續締造佳績，為集團歷史留下更多美好印記。

周大福能夠取得非凡成就，實有賴本集團所有現職及前任員工的忠誠努力，所有現任和前任董事會成員的策略性指導、以及股東、業務夥伴及顧客的支持，本人謹向他們致以衷心謝意。隨著周大福90周年慶典的開展，希望大家與我們結伴一起，樂在其中。

主席

鄭家純博士

香港，2019年6月6日

Business Model Innovation

商業模式創新

To cater for the evolving customer expectations, we reposition our business around the customer needs and refine our existing business models to continually create, deliver and capture value.

為滿足顧客不斷轉變的期望，我們根據顧客需求重新把業務定位，並完善我們現有的商業模式，持續創建、傳遞和取得價值。



Value Proposition

價值主張

To deliver exceptional customer experience that creates long-term differentiation and loyalty

提供卓越的顧客體驗，締造長期的獨特性和忠誠度

Resources

資源

Key resources that our value proposition requires
我們的價值主張所需的關鍵資源



Chow Tai Fook heritage and culture
周大福傳統和文化



Strong cash flows
強勁現金流



Intellectual capital
智力資本

Revenue Model

收入模式

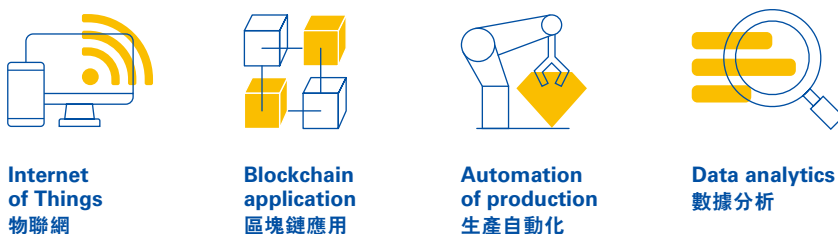
Revenue streams on how we extract the value
我們提取價值的收入流



Process Model

流程模式

Key processes that help to create and deliver the value
有助於創建和傳遞價值的關鍵流程



Annual Results at a Glance

年度業績概覽

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

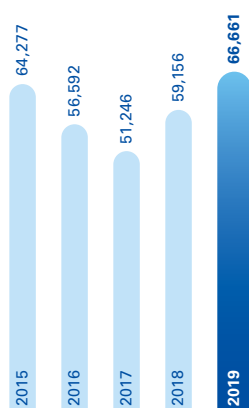
Revenue 營業額

HK\$ million 百萬港元

66,661

▲ 12.7%

YoY change 同比變化



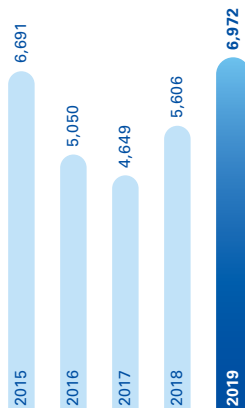
Core operating profit⁽¹⁾ 主要經營溢利⁽¹⁾

HK\$ million 百萬港元

6,972

▲ 24.4%

YoY change 同比變化



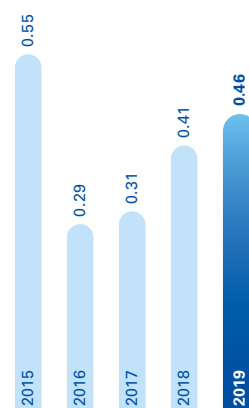
Earnings per share 每股盈利

HK\$ 港元

0.46

▲ 11.8%

YoY change 同比變化



Dividend per share for the year⁽²⁾ 每股全年股息⁽²⁾

HK\$ 港元

0.65



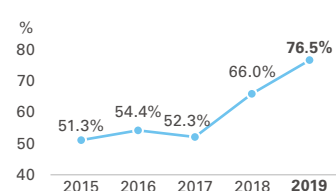
Dividend payout ratio (Special dividend excluded) 全年派息率 (不包括特別股息)

76.5%

Including special dividend per share 包括每股特別股息

HK\$ 港元

0.30



Net gearing ratio 淨資本負債比率

As at 31 March
於3月31日

2018

15.6%

2019

33.2%

Net assets per share 每股資產淨額

As at 31 March
於3月31日

HK\$ 港元

2018

3.4

2019

3.1

(1) Core operating profit, a non-IFRS measure, being the aggregate of gross profit and other income, less selling and distribution costs and general and administrative expenses and unrealised loss (gain) on gold loans, which the Company believes is useful in gaining a more complete understanding of its operational performance and the underlying trend of its core businesses

(2) Being a total of full year dividend of HK\$0.35 per share and special dividend of HK\$0.30 per share. The proposed final and special dividends of HK\$0.50 per share which are subject to the approval of shareholders at the forthcoming annual general meeting

(1) 主要經營溢利並非按國際財務報告準則計算，指毛利及其他收益的合計，減銷售及分銷成本以及一般及行政開支與黃金借貸的未變現虧損(收益)，本公司相信此等數據有助更透徹了解其經營表現及核心業務的實際趨勢

(2) 包括每股全年股息0.35港元和每股特別股息0.30港元，建議每股末期及特別股息共0.50港元須待股東在本公司應屆股東週年大會上批准

As at 31 March 2019
於2019年3月31日

Retail network and performance 零售網絡及表現

Hong Kong and Macau 香港及澳門

101

POS
零售點

▲ **2**

Net openings
淨開店

FY2019

▲ **8.7%**

SSSG
同店銷售增長



Mainland China 中國內地

2,988

POS
零售點

▲ **539**

Net openings
淨開店

FY2019

▲ **3.4%**

SSSG
同店銷售增長

E-commerce 電子商務

FY2019

RSV

零售值

▲ **13.2%**

YoY change
同比變化

4.8%

of respective RSV
佔相關零售值

13.6%

of respective retail
sales volume
佔相關銷量

Chow Tai Fook employees 周大福員工

30,400+

Total number of employees
員工總數



Number of employees by reportable segment 按可呈報分部劃分的員工數目

78.1%

Mainland China
中國內地

21.9%

Hong Kong, Macau and other markets
香港、澳門及其他市場

Chow Tai Fook membership programme 周大福會員計劃

3,250,000

Total number of members
會員總數



Members' repeat purchase as a % of respective RSV 會員再消費佔相關零售值之百分比

FY2019

22.2%

Mainland China
中國內地

34.5%

Hong Kong and Macau
香港及澳門

Financial and Operational Highlights

財務及營運摘要

For the year ended 31 March	截至3月31日止年度	2015 HK\$ million 百萬港元	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Revenue	營業額	64,277	56,592	51,246	59,156	66,661
Gross profit	毛利	19,072	15,641	14,963	16,213	18,602
Core operating profit ⁽¹⁾	主要經營溢利 ⁽¹⁾	6,691	5,050	4,649	5,606	6,972
Profit for the year	年度溢利	5,536	2,979	3,151	4,203	4,684
Profit attributable to shareholders of the Company	本公司股東應佔溢利	5,456	2,941	3,055	4,095	4,577
Earnings per share (HK\$)	每股盈利(港元)	0.55	0.29	0.31	0.41	0.46
Dividend per share (HK\$)	每股股息(港元)					
Full year dividend (HK\$)	全年股息(港元)	0.28	0.16	0.16	0.27	0.35
Special dividend (HK\$)	特別股息(港元)	–	0.64	0.35	0.30	0.30
Gross profit margin	毛利率	29.7%	27.6%	29.2%	27.4%	27.9%
Adjusted gross profit margin ⁽²⁾	經調整後的毛利率 ⁽²⁾	29.2%	28.9%	28.5%	27.2%	27.9%
Core operating profit margin ⁽¹⁾	主要經營溢利率 ⁽¹⁾	10.4%	8.9%	9.1%	9.5%	10.5%
Net profit margin	淨溢利率	8.6%	5.3%	6.1%	7.1%	7.0%
Full year dividend payout ratio ⁽³⁾	全年派息率 ⁽³⁾	51.3%	54.4%	52.3%	66.0%	76.5%

(1) Core operating profit and the corresponding margin, a non-IFRS measure, being the aggregate of adjusted gross profit and other income, less selling and distribution costs and general and administrative expenses, which the Company believes is useful in gaining a more complete understanding of its operational performance and the underlying trend of its core businesses

(2) Adjusted gross profit margin, a non-IFRS measure, eliminates the effect of unrealised loss (gain) on gold loans, which the Company believes is useful in gaining a more complete understanding of its operational performance and the underlying trend of its businesses

(3) Special dividend excluded

(1) 主要經營溢利及相應溢利率並非按國際財務報告準則計算，指經調整後的毛利及其他收益的合計，減銷售及分銷成本以及一般及行政開支，本公司相信此等數據有助更透徹了解其經營表現及核心業務的實際趨勢

(2) 經調整後的毛利率並非按國際財務報告準則計算，扣除了黃金借貸的未變現虧損(收益)的影響，本公司相信此數據有助更透徹了解其經營表現及業務的實際趨勢

(3) 不包括特別股息

For the year ended 31 March	截至3月31日止年度	2015	2016	2017	2018	2019
Mainland China	中國內地					
SSSG	同店銷售增長	(15.6)%	(9.6)%	(5.2)%	8.0%	3.4%
SSS volume growth	同店銷量增長	(15.8)%	(8.4)%	(15.8)%	1.2%	(3.3)%
Hong Kong and Macau	香港及澳門					
SSSG	同店銷售增長	(32.8)%	(21.7)%	(12.4)%	10.2%	8.7%
SSS volume growth	同店銷量增長	(27.7)%	(23.9)%	(18.8)%	6.1%	1.3%
Retail sales volume (unit)	銷量(件數)					
Mainland China	中國內地	13,637,000	13,280,000	12,004,000	13,416,000	14,518,000
Hong Kong, Macau and other markets	香港、澳門及其他市場	4,907,000	3,971,000	3,152,000	3,169,000	3,390,000

As at 31 March	於 3 月 31 日	2015 HK\$ million 百萬港元	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Non-current assets	非流動資產	7,038	6,670	7,133	8,258	8,459
Current assets	流動資產	54,083	49,005	42,269	49,312	53,778
Current liabilities	流動負債	19,880	18,764	15,788	20,719	27,471
Net current assets	流動資產淨額	34,203	30,241	26,480	28,593	26,307
Non-current liabilities	非流動負債	700	1,162	1,112	2,753	3,363
Net assets	資產淨額	40,541	35,750	32,502	34,098	31,403
Total assets	資產總額	61,121	55,675	49,402	57,570	62,237
Inventories	存貨	39,798	31,377	29,259	34,929	39,486
Cash and cash equivalents ⁽⁴⁾	現金及現金等價物 ⁽⁴⁾	8,478	13,001	7,943	7,944	7,641
Bank borrowings	銀行貸款	6,751	7,920	6,793	7,923	10,057
Gold loans	黃金借貸	8,338	6,513	3,216	5,335	8,012
Net debt ⁽⁵⁾	債項淨額 ⁽⁵⁾	6,611	1,432	2,066	5,314	10,428
Net assets per share (HK\$)	每股資產淨額 (港元)	4.1	3.6	3.3	3.4	3.1
Net gearing ratio ⁽⁶⁾	淨資本負債比率 ⁽⁶⁾	16.3%	4.0%	6.4%	15.6%	33.2%
Inventory turnover period (day) ⁽⁷⁾	存貨周轉期 (天數) ⁽⁷⁾	320	279	294	296	299
Return on equity ⁽⁸⁾	股本回報率 ⁽⁸⁾	13.7%	8.3%	9.7%	12.3%	14.9%

(4) Bank balances and cash, pledged bank deposits and short-term bank deposits included

(5) Aggregate of bank borrowings and gold loans, net of cash and cash equivalents

(6) Aggregate of bank borrowings and gold loans, net of cash and cash equivalents, divided by total equity

(7) Being inventory balances, excluding packing materials, at the end of the reporting period divided by cost of goods sold for the year, multiplied by 365 or 366

(8) Being profit for the year divided by total equity at the end of the year

(4) 包括銀行結餘及現金、已抵押銀行存款及短期銀行存款

(5) 銀行貸款及黃金借貸之總額 (扣除現金及現金等價物)

(6) 銀行貸款及黃金借貸之總額 (扣除現金及現金等價物) 除以權益總額

(7) 即報告期末存貨結餘 (不包括包裝物料) 除以年內銷售成本，再乘以 365 或 366

(8) 年內溢利除以年末權益總額

For the year ended 31 March	截至 3 月 31 日止年度	2015 HK\$ million 百萬港元	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	7,288	5,787	5,702	6,879	7,774
Net cash from (used in) operating activities	經營活動所得 (所用) 現金淨額	7,568	13,897	6,252	2,851	8,431
Net cash from (used in) investing activities	投資活動所得 (所用) 現金淨額	(3,093)	(1,045)	(1,147)	(1,577)	(1,222)
Net cash from (used in) financing activities	融資活動所得 (所用) 現金淨額	(5,472)	(8,008)	(9,771)	(1,753)	(7,212)
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加 (減少) 淨額	(996)	4,845	(4,667)	(479)	(3)
Capital expenditure	資本開支	(2,768)	(1,046)	(862)	(1,084)	(1,392)
Pro forma free cash flows ⁽⁹⁾	備考自由現金流 ⁽⁹⁾	2,764	10,690	1,989	3,019	4,100

(9) Net cash from (used in) operating activities less purchase of jewellery collectibles, capital expenditure and net movements for gold loans

Note: The percentages calculated are subject to minor rounding differences

(9) 經營活動所得 (所用) 現金淨額減購買珠寶珍藏、資本開支及黃金借貸淨變動

附註：百分比計算結果或略有進位差異

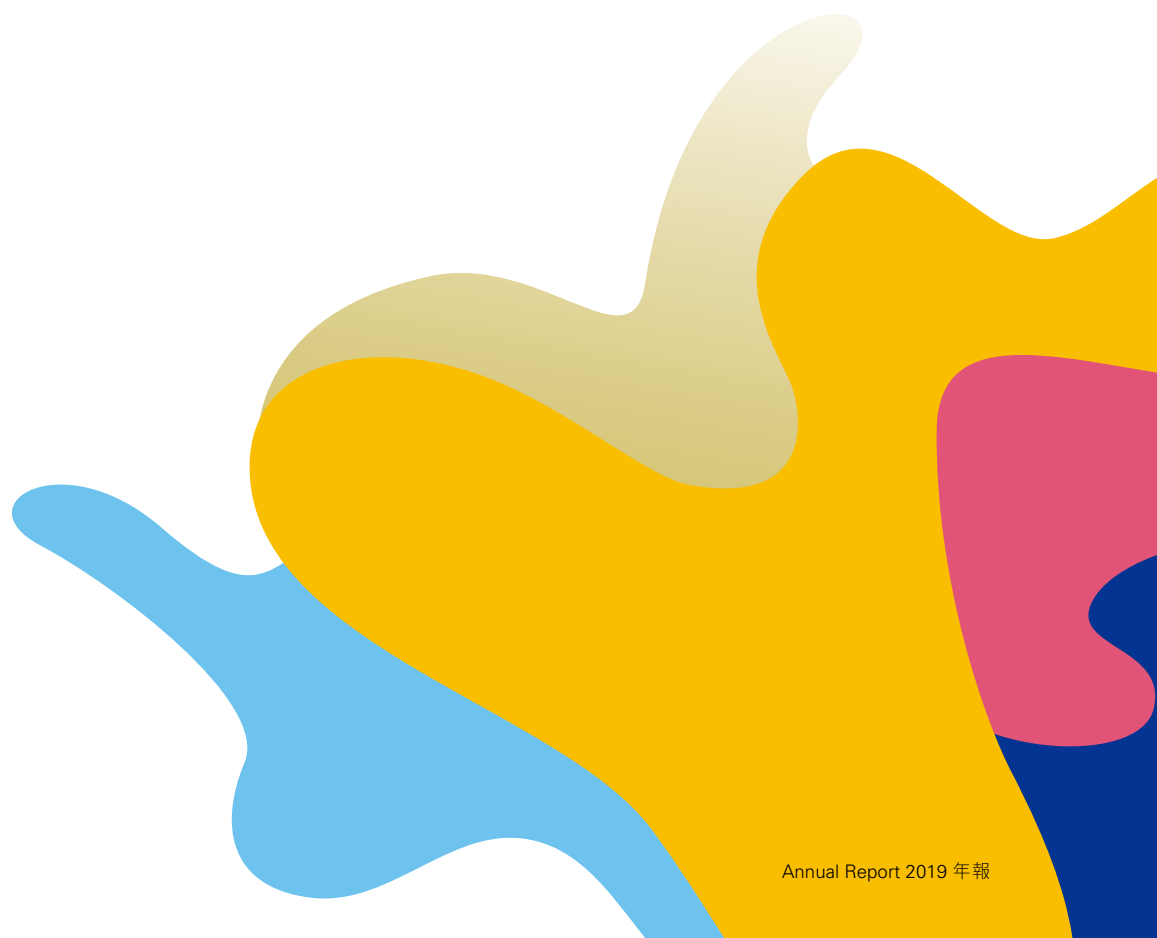
As at 31 March	於 3 月 31 日	2015	2016	2017	2018	2019
POS distribution⁽¹⁰⁾	零售點分佈⁽¹⁰⁾					
Mainland China	中國內地	2,124	2,179	2,246	2,449	2,988
Hong Kong	香港	93	89	83	80	82
Macau	澳門	19	20	19	19	19
Taiwan	台灣	16	23	22	22	22
Cambodia	柬埔寨	–	–	–	–	1
Japan	日本	–	–	–	2	3
Korea	韓國	1	4	5	7	9
Malaysia	馬來西亞	1	1	2	2	4
Singapore	新加坡	1	1	1	1	2
United States	美國	2	2	3	3	3
Vietnam	越南	–	–	–	–	1
Total	總計	2,257	2,319	2,381	2,585	3,134

(10) SIS and CIS excluded

(10) 不包括店中店及店內專櫃

Managing Director's Strategic Report

董事總經理策略報告



Managing Director's Strategic Report

董事總經理策略報告



“FY2019 marked another year of growth for our business. Our core competence as an innovative and agile industry leader has yielded positive results.

我們的業務於2019財政年度繼續錄得增長。作為創新靈活的行業領導者，在我們自身優勢及核心競爭力下，取得不俗的成果。”

Mr. Wong Siu-Kee, Kent 黃紹基先生

Managing Director 董事總經理

FY2019 marked another year of growth for our business. Despite a dampened macro-economic outlook due to continued US-China trade tensions in 2HFY2019, our core competence as an innovative and agile industry leader has yielded positive results.

We have three long-term goals, namely market share expansion, customer experience improvement and stable returns to our shareholders. We have strategies and plans in place across the Group to ensure that we achieve these objectives.

Our “Smart+ 2020” strategic framework, a three-year strategic plan focused on enhancing customer experience, launched in FY2018, has provided us with powerful impetus for growth. Over the last year, we have achieved several exciting strategic milestones as a result. Through the relentless and diligent execution of our “Smart+ 2020” strategic framework, we are confident that we can deliver a seamless and compelling customer experience that ensures we create long-term shareholder value.

我們的業務於2019財政年度繼續錄得增長。儘管2019財政年度下半年中美貿易緊張局勢持續，動搖了宏觀經濟前景，但作為創新靈活的行業領導者，在我們自身優勢及核心競爭力下，取得不俗的成果。

我們有三大長遠目標，分別為擴大市場佔有率、提升顧客體驗，以及為股東提供穩健回報。為達成上述目標，我們制定了相關策略及計劃，於整個集團貫徹實行。

我們於2018財政年度推行的「Smart+ 2020」策略框架，為我們提供強大的增長動力，「Smart+ 2020」策略框架是一個為期三年的策略性工作計劃，專注於提升顧客體驗。自策略框架執行後，我們成功締造多項令人雀躍的新里程。通過堅持不懈地執行「Smart+ 2020」策略框架，我們定能為顧客提供無縫且非凡的購物體驗，為股東創造長遠價值。

Business Development

Customers' preference in our key markets have changed rapidly over the last five years. Some themes are common and some are specific to their respective markets. Nowadays, consumers are increasingly sophisticated to seek more personalised products and exclusive experiences. This phenomenon is particularly true for relatively affluent groups. Younger customers, on the other hand, focus on mobile, social media and online experiences as an important benchmarks to evaluate their selection of brands. These two common themes are generally applicable across all of our key markets.

Mainland China shares these common themes, and has the additional challenge of being a vast and geographically diverse market with dispersed retail channels that are forcing brand owners and retailers to reposition their network and channel strategies to stay relevant.

In Hong Kong and Macau, retailers have to deal with longer-term challenges, such as perusing incremental growth in these relatively mature markets, along with the evolving travel and spending preferences of inbound visitors.

In overseas markets, particularly in Southeast Asia, we see potential opportunities that we have yet to fully explore. Southeast Asian countries have greatly benefitted from globalisation trends. Their production capacity has increased rapidly in response to rising labour costs in Mainland China over the past few years. With the emergence of a larger and richer middle class in those Asian economies, we believe that there will be huge demand for quality products and services.

As for the scale of the global diamond jewellery market, it stood at sheering size of US\$82 billion in 2017⁽¹⁾. The United States alone has captured 50% of the global market share. Looking across the United States diamond market's value chain, which is highly fragmented and organised around functions, we believe that there is ample room for us to add value to the upstream, midstream and downstream through our built-in capabilities.

業務發展

過去五年，我們主要市場的顧客喜好變化相當迅速，部份原因是環境大趨勢，而部份個別因素則於相關特定市場才出現。迄今，隨著消費者品味越見提升，他們對個性化產品和專屬體驗的需求均有所提高，此情況於相對富裕的顧客群而言更為明顯。至於年輕顧客群，他們選擇品牌時會以手機、社交媒體及網上的體驗為重要基準。基本上，上述兩種情況均可見於我們所有主要市場。

中國內地除出現上述普遍情況外，由於地域廣泛及市場多元化，使到零售渠道較為分散，為該市場帶來額外的挑戰，迫使品牌及零售商需不時檢視其網絡和渠道策略，做到與時並進，才可緊貼市場的步伐。

於香港及澳門，零售商必須應對較深遠的挑戰，如在這兩個相對成熟的市場爭取持續的增長，以及同時應對入境旅客旅遊和消費喜好的轉變。

至於海外市場，尤其東南亞地區，我們看到正待全面開發的潛在商機。東南亞國家從全球化趨勢中獲益匪淺。過去數年，該等國家的產能迅速增加，以應對中國內地不斷上漲的勞工成本。鑒於有愈來愈多且富裕的中產階級在這些亞洲經濟體系中冒起，我們相信當地對優質產品及服務的需求將會相當殷切。

環顧2017年全球鑽石珠寶市場的市值達到820億美元⁽¹⁾，美國已佔了全球50%的市場佔有率。縱觀美國鑽石市場的價值鏈，主要圍繞功能性且高度分散，因此我們相信仍有充裕的空間供我們通過固有的能力為上、中、下游增值。

(1) Source: De Beers the Diamond Insight Report 2018

(1) 資源來源：戴比爾斯2018年鑽石行業洞察報告

Retail Network in Mainland China 中國內地零售網絡

As at 31 March 2019 於2019年3月31日

CHOW TAI FOOK JEWELLERY 周大福珠寶

2,769 POS 零售點

HEARTS ON FIRE

3 POS 零售點

159 SIS/CIS 店中店 / 店內專櫃

ARTRIUM 周大福藝堂

2 POS 零售點

T MARK

4 POS 零售點

500 CIS 店內專櫃

JEWELRIA 周大福薈館

32 POS 零售點

CTF Watch 周大福鐘錶

113 POS 零售點

SOINLOVE

27 POS 零售點

MONOLOGUE

38 POS 零售點

Total POS in Mainland China 中國內地總零售點

2,988 POS 零售點

Mainland China

CHOW TAI FOOK JEWELLERY and endorsed brands

- Across our established CHOW TAI FOOK JEWELLERY retail network, we have rolled out and upgraded selective POS to JEWELRIA and ARTRIUM, targeting sophisticated customers seeking international luxury jewellery selections and unique experiences. Our shops are segmented strategically in order to provide matching products, environments and experiences to our diverse customer groups.
- Deepening market penetration will be one of our key areas of focus over the next three to five years. Lower tier cities, in particular those at county level, will be further explored through franchise model in order to leverage franchisees' local knowledge and access.

Other brands

- Multi-brand strategy continues to thrive in Mainland China to enrich our product offerings and differentiation that broaden our customer spectrum.
- HEARTS ON FIRE, a premium diamond brand with delicate cutting and polishing skills, is rolled out in relatively mature markets in the form of SIS and CIS, leveraging the strength of our existing network.
- T MARK, our proprietary diamond brand with a unique traceability feature, penetrates quickly in Mainland China primarily in the form of CIS.
- SOINLOVE and MONOLOGUE target millennials' specific needs. They will be further rolled out through online and offline channels to acquire and cultivate brand awareness amongst new younger customers.

中國內地

周大福珠寶及關聯品牌

- 於我們發展成熟的周大福珠寶零售網絡中，我們精心挑選個別零售點，將之升格為周大福薈館及周大福藝堂，針對追求國際名貴珠寶及獨特體驗的有品味顧客。我們將策略性地將店舖進行差異化升級，為不同的顧客群提供更貼心的產品、環境及購物體驗。
- 擴大市場滲透將為我們未來三至五年重點關注範疇之一。我們會進一步利用加盟模式開拓較次級城市，尤其是縣級城鎮的市場，以善用加盟商的當地知識和人脈。

其他品牌

- 多品牌策略於中國內地發展迅速，我們不斷豐富產品選擇和其差異化，以開拓更廣闊的顧客群。
- 擁有精湛切割及打磨工藝的高級鑽石品牌 HEARTS ON FIRE，憑藉我們現有的零售網絡，於相對成熟的市場以店中店及店內專櫃形式經營。
- 獨有具可追溯性的專屬鑽石品牌 T MARK 以店內專櫃形式迅速滲透中國內地市場。
- SOINLOVE 及 MONOLOGUE 針對千禧一代的特定需求。兩大品牌將繼續以線上與線下渠道發展，吸納更多年輕新顧客，從而建立品牌知名度。

Retail Network in Hong Kong, Macau and other markets 香港、澳門及其他市場零售網絡

As at 31 March 2019 於2019年3月31日

CHOW TAI FOOK JEWELLERY 周大福珠寶 Hong Kong and Macau 香港及澳門

98 POS 零售點

Other markets 其他市場

31 POS 零售點

HEARTS ON FIRE

15 POS 零售點

27 SIS/CIS 店中店 / 店內專櫃

ARTRIUUM 周大福藝堂

1 POS 零售點

T MARK

1 POS 零售點

55 CIS 店內專櫃

Total POS in Hong Kong, Macau and other markets 香港、澳門及其他市場總零售點

146 POS 零售點

Hong Kong, Macau and Other Markets

Hong Kong and Macau

CHOW TAI FOOK JEWELLERY and endorsed brands

- Selective POS opening for CHOW TAI FOOK JEWELLERY is planned in FY2020.
- ARTRIUUM made its debut in Hong Kong as an exclusive showroom to provide exquisite jewellery products with unique experience to our high-end customers in the market.

Other brands

- We will consider the rollout of other brands in FY2020 to capture younger customers in the market depending on market demand.

Other markets

- We will focus on CHOW TAI FOOK JEWELLERY by further market penetration through partnerships with local retailers.
- New openings in FY2019 covered Cambodia, Japan, Korea, Malaysia, Singapore and Vietnam.
- Further explorations for opportunities in Southeast Asia, in particular the growth potential from Mainland tourists and local customers there.
- Regional exclusive products with locality features will create differentiation in our product offerings.

Wholesale Business

- We established Chow Tai Fook North America ("CTFNA") business hub in Boston, the United States, which is positioned to be a leading, single source wholesaler by delivering products, services and know-how especially on technological innovations that help drive profitability and strengthen jewellery retail businesses in the North American market.
- CTFNA will offer customised, specialty collections in the diamond and fine jewellery segments, as well as private label offerings, to address the evolving needs of jewellery consumers.
- The Group's know-how and scale, combined with the deep local knowledge and experience of the North American team allows us to deliver deep value to the retail jewellers in North America.

香港、澳門及其他市場

香港及澳門

周大福珠寶及關聯品牌

- 計劃於2020財政年度選擇性開設周大福珠寶零售點。
- 香港首間周大福藝堂陳列室正式開業，為我們的高端顧客提供精美的珠寶產品和締造獨有的體驗。

其他品牌

- 我們將視乎市場需求，計劃於2020財政年度推出其他品牌吸納較年輕顧客。

其他市場

- 我們將專注發展周大福珠寶，與當地零售商合作，進一步提升市場滲透率。
- 2019財政年度新開的店舖覆蓋柬埔寨、日本、韓國、馬來西亞、新加坡及越南。
- 我們將繼續於東南亞發掘商機，尤其看好中國內地旅客和當地顧客的增長潛力。
- 我們推出具當地特色的地區性專屬產品，創造產品差異化。

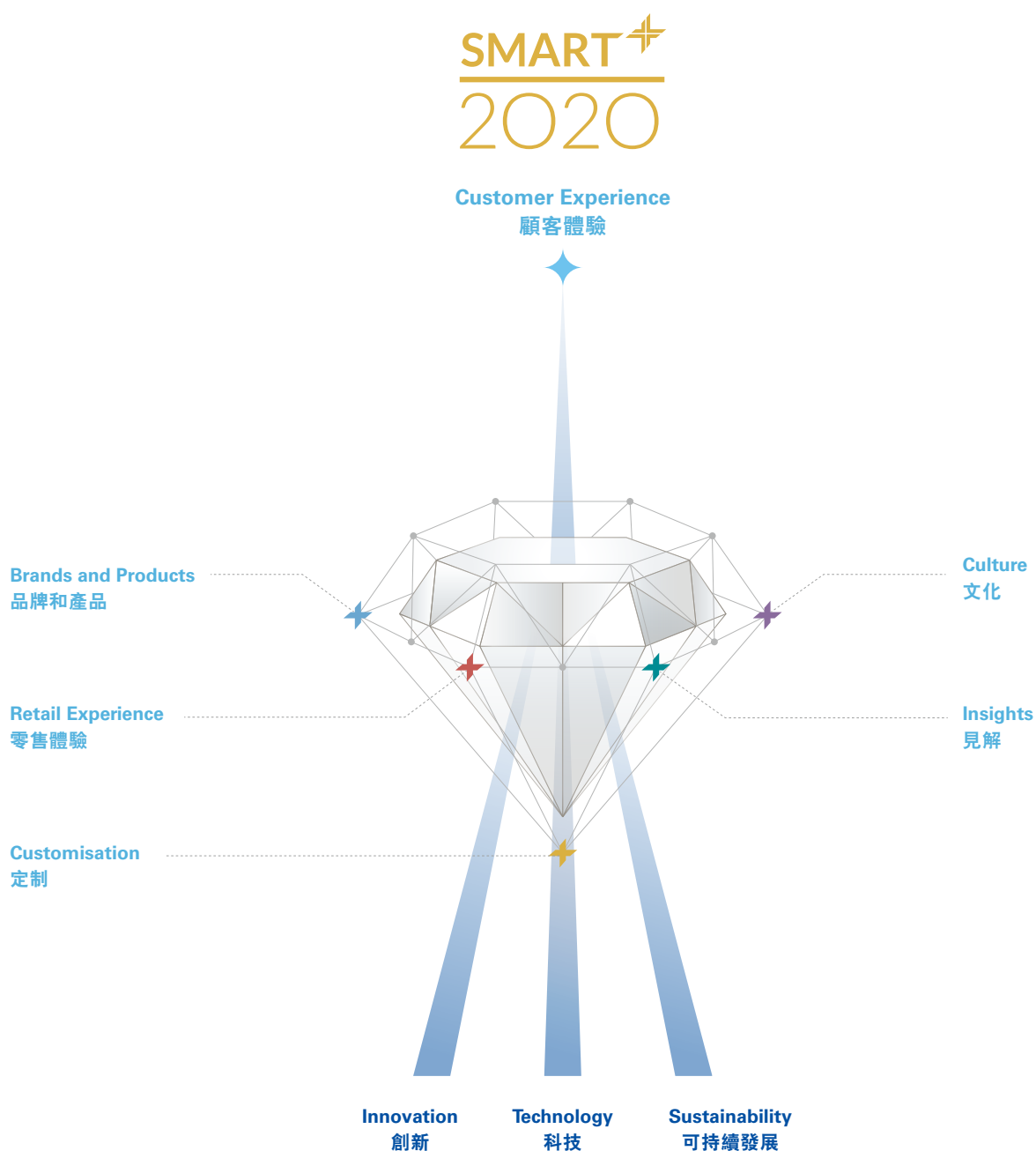
批發業務

- 我們在美國波士頓成立周大福北美辦事處（「周大福北美」），其定位為於北美市場中擔任領先的一站式批發供應商，為該市場的珠寶零售商提供產品、服務以及尤其在科技創新方面的專業知識，協助帶動北美市場的珠寶零售商的盈利能力和加強該市場的珠寶零售業務的發展。
- 周大福北美將會在鑽石和高級珠寶市場提供定制的特色系列，並發展自家品牌產品，迎合消費者不斷變化的需求。
- 憑藉集團的專業知識和規模，加上北美團隊對當地市場的深入了解和多年經驗，為北美珠寶零售商提供深厚的價值。

“Smart+ 2020” Strategic Framework 「Smart+ 2020」策略框架

Our “Smart+ 2020” strategic framework is a three-year strategic work plan supported by our dedicated Smart working teams, which are tasked with the delivery of each strategy from conception through to execution.

我們的「Smart+ 2020」策略框架是一個為期三年的策略性工作計劃，
由專責Smart工作團隊推動，負責各項策略的構思以至執行。



Brands and Products

品牌和產品

ARTRIUM 周大福藝堂

Artisan jewellery pieces with
meticulous craftsmanship
匠心工藝打造的珠寶珍品



JEWELRIA 周大福薈館

International jewellery
product offerings
國際珠寶品牌薈萃



HEARTS ON FIRE

US premium
diamond brand
with exquisite
cutting
craftsmanship
精湛切割工藝的
美國高級鑽石品牌

CHOW TAI FOOK JEWELLERY 周大福珠寶

Iconic brand
with classic
product offerings
提供經典產品的
標誌性品牌



T MARK

In pursuit of true diamond
authenticity and traceability
追溯鑽石真品及歷程

MONOLOGUE

Stylish fashion jewellery
for young generation
年輕一代的型格時尚
珠寶首飾



SOINLOVE

Top of mind
jewellery gifting
product of
millennial
women
千禧一代女生
送禮首選的
珠寶產品



CHOW TAI FOOK JEWELLERY and endorsed brands

CHOW TAI FOOK JEWELLERY

- CHOW TAI FOOK JEWELLERY, an iconic brand with 90-year heritage, continued to invest and innovate in product offerings and features.
- Revamped initiatives continued in selective CHOW TAI FOOK JEWELLERY POS to offer varied store layouts, experiences and diversified product offerings.

周大福珠寶及關聯品牌

周大福珠寶

- 擁有90年歷史的標誌性品牌周大福珠寶，在產品組合及特性上不斷作出投資和創新。
- 持續於特選的周大福珠寶零售點進行店舖優化，以提供不同的門店裝潢、購物體驗及多元化的產品選擇。



Highlighted collections of CHOW TAI FOOK JEWELLERY

周大福珠寶的產品系列推介

- Two highlighted pure gold and 22 Karat gold collections, namely CTF•HUÁ Collection and 17916 Collection were well-received by customers for their craftsmanship, originality and creativity.
- The CTF•HUÁ Collection emphasises a natural balance of cultural footprint and modern aesthetic. A CTF•HUÁ specialty shop was opened in Shunde, Mainland China in April 2019.
- 周大福傳承系列及17916系列，分別為純金及22K金產品系列，其工藝及原創性均獲顧客青睞。
- 周大福傳承系列彰顯出文化精髓與現代美學之間的自然融合。周大福傳承專門店於2019年4月在中國內地順德開幕。

17916 Collection in 22 Karat gold is a response to evolving demand from customers for diversity in jewellery products
以22K金打造的17916系列旨在滿足顧客對多樣化珠寶產品的需求



CTF•HUÁ specialty shop in Shunde, Mainland China
中國內地順德的周大福傳承專門店



CTF•HUÁ Collection transforms historic culture into a trend with dedicated gold craftsmanship
周大福傳承系列以精湛的黃金工藝將傳統文化精髓轉化為時尚



Fantastical Creatures Collection
幻響高級珠寶系列



ARTRIUM showroom in Hong Kong
位於香港的周大福藝堂陳列室

ARTRIUM

- Our first ARTRIUM showroom was opened in Hong Kong in March 2019. It is poised to offer an unprecedented luxury jewellery experience. Guests are invited to browse a selection of jewellery tailored to their tastes and needs in an elegant, private showroom. The exceptional customer service in ARTRIUM brings beauty and enjoyment to customers during their appreciation of the exquisite jewellery creation.
- Fantastical Creatures Collection was awarded "High-end Jewellery Best New Arrival" of Hurun Best of the Best Award 2019 in Mainland China in recognition of its perfect balance of meticulous craftsmanship.

JEWELRIA

- JEWELRIA continues to build up its international product offerings by bringing in more new brands from overseas.

周大福藝堂

- 我們於2019年3月在香港開設首間周大福藝堂陳列室，旨在為顧客提供前所未有的奢華珠寶體驗。顧客可於高雅的私人陳列室挑選合其品味和需要的珠寶款式。顧客除可於周大福藝堂享受卓越的服務外，更可鑒賞華麗悅目的珠寶珍品。

- 幻響高級珠寶系列榮獲中國內地2019年胡潤百富至尚優品獎項的「高級珠寶新秀獎」，以表彰其匠心工藝的完美結合。

周大福薈館

- 周大福薈館繼續從海外引入更多新品牌，以豐富其國際珠寶品牌組合。



MÉMOIRE's products at JEWELRIA
周大福薈館的MÉMOIRE產品



The Group's spokesperson, Wang Kai, was invited to the opening event of JEWELRIA at Xi'an, Mainland China
集團代言人王凱獲邀出席周大福薈館於中國內地西安的開幕典禮

T MARK

- T MARK has been disrupting the jewellery industry since its launch in 2016. We revolutionised industry best practice with the innovative "4Ts" concept and the use of blockchain technology that strengthen the T MARK product as a guarantee for a natural and authentic diamond.
- In FY2019, sales of T MARK products accounted for 19.4% and 25.9% of the RSV of our diamond products in Mainland China and Hong Kong and Macau, respectively.
- RSV growth reached 75.8% and 72.8% in Mainland China and Hong Kong and Macau, respectively.

T MARK

- T MARK自2016年推出以來一直顛覆著整個珠寶業。我們徹底改變了行業的最佳慣例，以創新的「4Ts」概念和區塊鏈技術，確保了T MARK產品天然唯真。
- 於2019財政年度，T MARK產品佔我們在中國內地以及香港及澳門的鑽石產品零售值佔比分別為19.4%及25.9%。
- 於中國內地以及香港及澳門的零售值增長分別為75.8%及72.8%。



Application of innovative technology and value-added services to enhance 4Ts' marketability 應用創新技術及增值服務提升4Ts的市場吸引力



Value-added protection on T MARK diamond

- In collaboration with key insurance providers, a value-added service on selective T MARK diamond products will soon be available for customers in FY2020.

T MARK鑽石增值保障

- 我們與大型保險公司合作，為顧客提供特選T MARK鑽石產品增值服務，有關服務將於2020財政年度推出市場。



Anti-counterfeiting jewellery ID card

- Traceability of T MARK diamond is further enhanced with an anti-counterfeiting feature on the T MARK jewellery ID card. Scan of the unique code on the jewellery ID card will provide the traceable records of the matching T MARK diamond.

具防偽功能的珠寶鑒證卡

- 為進一步提升T MARK鑽石的來源可追溯性，我們於T MARK珠寶鑒證卡附加防偽特徵。利用掃描器對準珠寶鑒證卡的獨有編碼，隨即可顯示相配T MARK鑽石的可追溯記錄。



Famous artist Sammi Cheng was invited to a promotional event of T MARK
影視紅星鄭秀文獲邀出席 T MARK 的推廣活動



Touch Collection from T MARK
T MARK「綴」鑽飾系列



Digital diamond grading report

- Our collaboration with Gemological Institute of America ("GIA") to adopt blockchain technology allows our customers to receive their diamond's permanent and immutable GIA grading certification.
- As of 31 March 2019, GIA digital diamond grading report was made available at 10 POS in Hong Kong and shall be rolled out to Mainland China in FY2020.

數碼鑽石鑒定證書

- 我們與美國寶石研究院(GIA)合作應用區塊鏈技術，為顧客提供永久及不可改變的GIA鑽石鑒定認證。
- 於2019年3月31日，香港有10個零售點提供GIA數碼鑽石鑒定證書，並將於2020財政年度於中國內地推行。

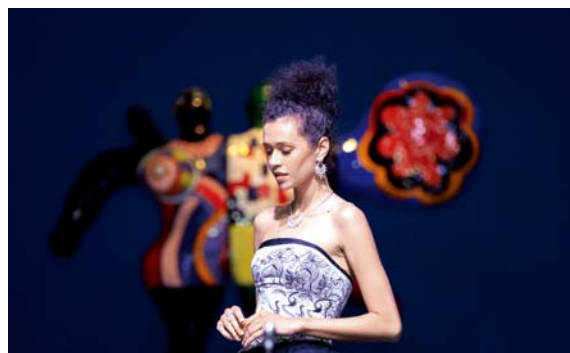


Third-party certification

- The integrity and traceability of T MARK have been certified by the world's leading inspection, verification, testing and certification third party, SGS in April 2019.

第三方認證

- 於2019年4月，T MARK的可靠性和可追溯性獲SGS的認證，SGS為全球領先檢驗、查證、測試和認證機構的第三方認可。



HEARTS ON FIRE jewellery was presented with the art of Niki de Saint Phalle at "Women In Art" VIP dinner in Beijing. HEARTS ON FIRE 的珠寶首飾於北京舉辦的「Women In Art」貴賓晚宴上與 Niki de Saint Phalle 的藝術作品一同展出。



HEARTS ON FIRE sponsored the 13th Asian Film Awards, some of the invited guests were wearing HEARTS ON FIRE jewellery during the event. HEARTS ON FIRE 贊助了第13屆亞洲電影大獎，部分受邀嘉賓佩戴 HEARTS ON FIRE 珠寶參加活動。

HEARTS ON FIRE

- In FY2019, RSV growth of HEARTS ON FIRE was -21.9% and 18.6% in Mainland China and Hong Kong and Macau, respectively.
- Sales of HEARTS ON FIRE accounted for 2.0% and 4.3% of the RSV of our diamond products in Mainland China and Hong Kong and Macau, respectively.

HEARTS ON FIRE

- 於中國內地以及香港及澳門，HEARTS ON FIRE 於2019財政年度的零售值增長分別為-21.9%及18.6%。
- HEARTS ON FIRE 銷售額佔我們在中國內地以及香港及澳門的鑽石產品零售值佔比分別為2.0%及4.3%。

SOINLOVE and MONOLOGUE

- SOINLOVE and MONOLOGUE were successfully introduced to younger customers through revolving interactions between online and offline platforms.
- Endorsement by key opinion leaders (KOLs) on social media and product collections with appealing stories proved to be successful in marketing SOINLOVE and MONOLOGUE to our targeted customers.

SOINLOVE 及 MONOLOGUE

- SOINLOVE 及 MONOLOGUE 一直以來透過線上與線下平台的互動，成功吸引一眾較年輕的顧客。
- SOINLOVE 及 MONOLOGUE 獲社交媒體的關鍵意見領袖(KOL)擁戴，為各產品系列撰寫吸引讀者的故事，成功將品牌推廣至我們的目標顧客。



Baby Ring Collection from SOINLOVE
SOINLOVE BB戒系列



Lightboom Collection from MONOLOGUE
MONOLOGUE Lightboom系列



Customer sharing on social media
顧客於社交媒體上分享



KOL recommendation on MONOLOGUE jewellery
KOL推介MONOLOGUE珠寶首飾

Cloud kiosks were installed in the technology infused shop at Guangzhou, Mainland China to provide digitalised customer experience
此位於中國內地廣州的店舖融匯了科技體驗如雲櫃台，讓顧客享受數碼化的購物體驗



Retail experience

Technology infused shop

- Responding to evolving customer purchase behaviour, especially amongst the younger segments, selective shops in Tier I and II cities in Mainland China will pioneer the application of in-store technology.
- Cloud kiosks were installed in-store to provide a renewed shopping experience, a wider selection of products not limited to store level and support an enhancement in transaction efficiency. We opened the store with these innovations in Guangzhou in FY2019.

Experience shop

- Experience shops with thematic layouts were opened in selective locations in Mainland China after the success of our experience shops in Hong Kong in FY2018. Each experience shop is infused with its respective local culture to create a unique blend for each market.

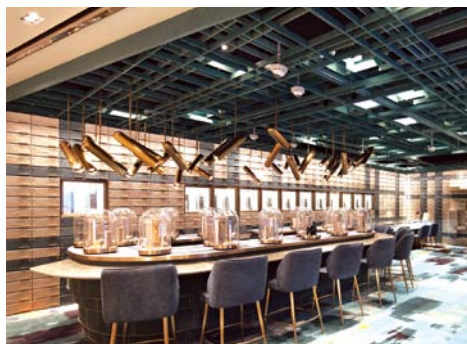
零售體驗

融匯科技的店舖

- 為迎合顧客購物模式的轉變，特別是較年輕的一代，我們於中國內地一、二線城市特選一些店舖率先在店內加入創新科技應用。
- 店內設置雲櫃台以提供嶄新的購物體驗，提供更多不再只限於店內的产品選擇，又大大提升了交易效率。於2019財政年度，我們在廣州開設這類融匯了科技的店舖。

體驗店

- 自2018財政年度於香港開設的體驗店取得成功後，我們於中國內地個別地點開設主題式設計的體驗店。每間體驗店均融入當地的文化，交融出獨特的購物體驗。



A "heritage" themed experience shop in Xi'an, Mainland China
位於中國內地西安以「傳」為主題的體驗店



A "gift giving" themed experience shop in Hefei, Mainland China
位於中國內地合肥以「禮」為主題的體驗店



Chow Tai Fook membership programme 周大福會員計劃

Mainland China 中國內地

As at 31 March 2019
於2019年3月31日

2,200,000

Number of members
會員數目

FY2019

22.2%

Members' repeat purchase as a % of respective RSV
會員再消費佔相關零售值之百分比

Hong Kong and Macau 香港及澳門

As at 31 March 2019
於2019年3月31日

1,050,000

Number of members
會員數目

FY2019

34.5%

Members' repeat purchase as a % of respective RSV
會員再消費佔相關零售值之百分比

Self-service experience corner

- Extension of grab-and-go concept at self-service experience corner in designated locations enables us to reach a broader group of target consumers with ease and explore more opportunities in different settings. During FY2019, 26 self-service experience corners were installed in locations such as hotels and VIP lounges in some key train stations in Mainland China.
- New themes and exclusive jewellery collections were introduced to increase the attractiveness of our experience corners.

Customer relationship management

- In Mainland China, customers can manage their membership accounts through their mobile devices. They can also redeem the earned bonus points through WeChat mini programme for lifestyle rewards and privileges at anytime.
- Members are also invited to join the loyalty programme, Good Living Plus (GLP+), for additional privilege redemptions including leisure, hospitality and travelling enjoyments at our partners' facilities to enjoy greater privileges.

自助體驗區

- 於特定地點增設自助體驗區，伸延grab-and-go概念，有助我們更易接觸更廣大的目標顧客群，於不同的場景發掘更多商機。於2019財政年度，我們於中國內地不同地點包括酒店、大型火車站的貴賓室等，共設置26個自助體驗區。
- 自助體驗區推出新主題且專屬的珠寶首飾系列，從而吸引更多顧客光顧。

顧客關係管理

- 於中國內地，顧客可利用流動裝置管理其會員賬戶，亦可隨時透過微信小程序兌換積分，獲享生活休閒獎賞與優惠。
- 此外，我們的會員亦獲邀參加Good Living Plus (GLP+)會員計劃，以享受額外的獎賞優惠，包括獲享與我們合夥的商戶之休閒、酒店及旅遊優惠。



Customers can witness the full manufacturing process of their customised order in our C2M experience centre
顧客於C2M智定隨心中心可見證其定制訂單的整個製造過程

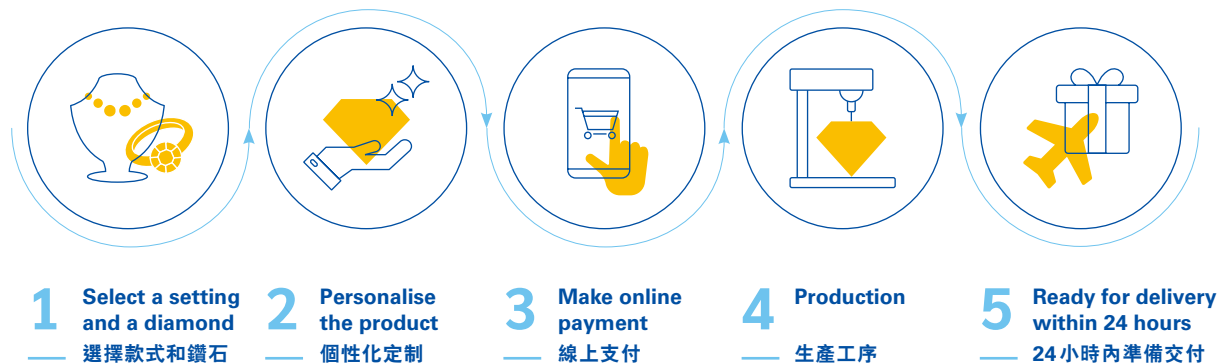
Customisation

- Our C2M experience centre in Shenzhen serves as a platform to interact with our customers and enhance customer experience who use our D-ONE customised order system.
- Customisation initiates when customers selected their diamond and jewellery settings according to their own preferences. Our intellected Smart production framework enables us to manufacture a customised order and have it be ready for delivery within 24 hours. The grand opening of C2M experience centre is expected in FY2020.

定制

- 位於深圳的C2M智定隨心中心是一個與顧客互動的平台，促進顧客在D-ONE定制訂購系統的體驗。
- 當顧客選購心儀的鑽石和款式後，我們便隨即開始定制工序。智能化的Smart生產框架有助我們於24小時內完成定制訂單以備交付。C2M智定隨心中心預計於2020財政年度正式開幕。

D-ONE customisation procedures D-ONE 定制程序



Insights

- Inventory assortment efficiency has improved since an analytics programme was applied to our inventory management system for gold products in Hong Kong and Macau at the beginning of FY2019. The need for manual adjustment is greatly reduced since the inventory assortment process has become more digitalised and efficient. This analytics programme shall be rolled out to Mainland China upon the full launch in Hong Kong and Macau.
- Members' check-in through Smart Trays was piloted at certain selected POS in Mainland China. This initiative helps us identify loyal members and provide relevant products and services that help facilitate product design and assortment strategies.



Our frontline staff presents jewellery products on Smart Tray
我們的前線員工利用智能奉客盤展示珠寶產品



Live broadcast of Managing Director
董事總經理現場直播演說

見解

- 自2019財政年度之初，我們就香港及澳門黃金產品之存貨管理系統使用分析程式以來，配貨效率持續提升。由於配貨工序更數碼化及有效率，我們大大減少了人手調貨的需要。待香港及澳門全面採用該分析程式後，將會套用到中國內地的存貨管理系統上。
- 我們於中國內地選定個別零售點，率先試行利用智能奉客盤助會員到店簽到，助我們識別忠實會員，從而提供更合心意的產品與服務，以協助制定產品設計和配貨策略。



90th Anniversary gold badge
90周年紀念金章

Culture

Celebrating our 90th Anniversary

Live broadcast of Managing Director, Kent Wong

- The first live broadcast from Kent Wong, the Managing Director, to all employees from different regions of the Group took place in March this year to kick off our celebration to the 90th Anniversary of Chow Tai Fook.
- Leveraging this remarkable milestones, we invited Han Meilin, the prominent artist who created the 2008 Beijing Summer Olympics mascots, to design a limited edition gold badge exclusively for our 90th Anniversary celebration. As a token of our appreciation to our employees, every employee was entitled to an extra day leave and a 90th Anniversary gold badge.

Corporate video

- A new corporate video with a theme of "Heritage • Innovation • Sharing" was launched in April this year.

CTF Brand Hall

- Located at our Shenzhen headquarters, the CTF Brand Hall opened in May this year showcasing the key milestones of the Group and jewellery culture over the past 90 years.

文化

90周年誌慶

董事總經理黃紹基現場直播演說

- 董事總經理黃紹基於今年3月首次向本集團全體員工現場直播演說，為周大福90周年誌慶掀開序幕。
- 為共同分享是次重要的里程碑，我們特別邀請創作2008年北京奧運吉祥物福娃的著名藝術家韓美林為我們90周年慶典設計一款限量版金章。為答謝員工的辛勞付出，每名員工可額外享有一天休假及一枚90周年紀念金章。

企業短片

- 於今年4月推出「傳•創•共享」為題的全新企業短片展示我們的優勢。

周大福品牌館

- 設於我們深圳總部的周大福品牌館於今年5月開幕，呈獻集團過去90年歷史及珠寶文化的重要里程碑。



The opening of CTF Brand Hall at our Shenzhen headquarters
設於我們深圳總部的周大福品牌館開幕



Corporate video
企業短片



QR code access to corporate video
掃描二維碼連接企業短片



Loupe — Design Residency Programme Loupe — 設計師駐場計劃

FY2019

20

International and local designers
國際及本地設計師

11

Designers-in-residence participated
in jewellery exhibitions
駐場計劃設計師參與的珠寶展覽

43

Seminars organised by
designers-in-residence
設計師駐場計劃籌辦的工作坊



A designer from the Design Residency Programme shared her designs with potential buyers during the Hong Kong Jewellery and Gem Fair in September 2018. 駐場計劃設計師於2018年9月舉行的香港珠寶首飾展覽會上與潛在買家講解其珠寶設計。

Internal innovative incubators

Unbounded working environment

- The “Slash” working space concept was developed to provide an unbounded and user-friendly working environment that enables the flow and exchange of ideas. It is a new working model aimed at providing work flexibility and instilling creativity in our teams and our people.
- An internal online communications tool was piloted in FY2019 across Mainland China. The tool streamlines work through progress tracking digitalisation for projects and administrative tasks. It also serves as an effective and efficient virtual communication platform.

External innovative incubators

Loupe

- Design Residency Programme is established by Loupe for the development of design talent in the jewellery industry. Opportunities are offered to these local and international designers, including the participation in different exhibitions to showcase their jewellery collections.
- We equip our design talent with additional skills in order to further develop their careers. These include special jewellery making techniques, practical knowledge in business operations and sales techniques, along with market updates through interactions with the industry.

內部創新培育

無拘束的工作環境

- 實踐「Slash」工作空間概念，旨在提供無拘束且方便使用的工作環境，以激發構想見解的交流。全新的工作模式為團隊和員工提供工作靈活性和灌輸創造力。
- 我們於2019財政年度在中國內地試行內部線上溝通工具，可為各項目及行政工作實行數碼化進度追蹤，從而精簡工序。它亦可用作有效且具效率的虛擬溝通平台。

外間的創新培育

Loupe

- Loupe推行的設計師駐場計劃目的是為培育珠寶業界的設計人才。計劃會給予本地及國際設計師不同的機會，包括透過參與不同的展覽以展出他們的珠寶作品。
- 為使我們設計人才的發展更加全面，我們協助他們掌握額外技能，包括珠寶製作特別技巧、營商實務知識及銷售技巧，更會透過與業界互動與他們分享市場的最新資訊。

Operations

To adapt to a changing business environment, our three major corporate functions, namely human capital, finance and information technology, were transformed in order to create greater value for all other business units.

While streamlining work process through better use of system and technology, the corporate functions emphasis on partnering with business units, translating data into insight and providing support and analysis to facilitate business decisions.

We believe these changes are essential in supporting the Group's sustainable development into the future.

營運

為適應不斷變化的商業環境，我們三大企業功能包括人力資本、財務與資訊科技進行變革，以求為所有其他業務部門創造更大的價值。

在更好地通過系統和科技簡化工作流程的同時，企業職能部門更強調與業務部門合作，將數據轉化成具價值的信息，並提供支持和分析以協助業務決策。

我們相信這些變革對於支持集團未來業務的可持續發展至關重要。

Global Intellectual Capital

環球智力資本



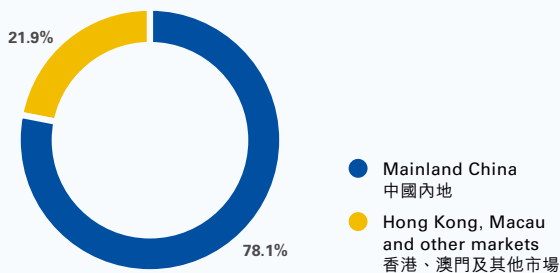
Our employees 我們的員工

As at 31 March 2019
於2019年3月31日

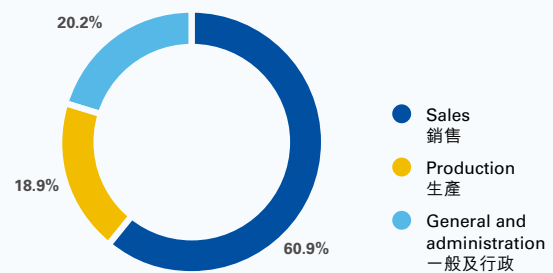
30,400+

Total number of employees
員工總數

Number of employees by reportable segment
按可呈報分部劃分的員工總數



Number of employees by function
按職能劃分的員工總數



A move to Global Intellectual Capital

- In Chow Tai Fook, every colleague is a brand ambassador and advocate for positive change across the organisation. With the support of the most advanced technology and Total Quality Management and collaboration systems, we empower our staff to make continuous improvements and intend to become an employer brand of choice.
- With this goal in mind, our Human Resources Department was rebranded as Global Intellectual Capital Hub in FY2019.

Unleash our employees potentials to be innovators

- A comprehensive talent development strategy was established to attract, retain and inspire our people and to ensure the ongoing sustainable development of the Group.
- To compete in this increasingly complex and volatile business environment, we are committed to providing numerous learning opportunities to every member of staff, ranging from personal growth to cross-industry training.
- In addition to sharpening our employees' skillsets and capabilities, in support of their future development under the ceaseless wave of disruption, there are other key areas of focus in our talent development strategy.

CTF Academy

Qualifications Framework

- To systematically recognise and enhance employees' knowledge, we regularly offer four types of accredited gemstone and jewellery courses to all staff. These are recognised by the Qualifications Framework.
- In August 2018, we were commended by the Education Bureau as a "QF Star Employer" in recognition of our active support and participation over the past years.

轉型至環球智力資本

- 在周大福，我們每位同事都是品牌大使，倡導整個集團的積極變革。在最先進的科技和全面質量管理和協作系統的支持下，我們推動員工與時並進，矢志成為首選的僱主品牌。
- 為達成此目標，於2019財政年度我們將人力資源部正式命名為環球智力資本共享中心。

釋放員工創新潛能

- 我們制定全面的人才發展策略，旨在吸納、保留和啟發我們的員工，並確保集團持續發展。
- 在現今波動複雜的營商環境中競爭，我們致力為每位員工提供從個人成長到跨行業培訓等不同的學習機會。
- 除提升員工的技能和能力以支持他們未來的發展外，我們還重點關注其他人才發展策略。

周大福培訓學院

資歷架構

- 為使員工的知識獲得系統化的認可，我們會定期安排員工參與資歷架構認可的四大類寶石及珠寶認證課程。
- 於2018年8月，我們獲教育局嘉許為「資歷架構星級僱主」，肯定了我們多年來的積極支持與參與。



Training and development 培訓與發展

FY2019

1,100+

Number of learning programmes offered
已提供進修課程數目

1,571,000+

Aggregate training hours (include online training)
培訓總時數 (包括線上培訓)

Internship programme

- “Smart Learning” Internship Programme aims at supporting tertiary students and undergraduates in the development of their competency in the jewellery business. As part of this, “Smart Experience” programmes were offered to visually-impaired students and this was endorsed during the Asia Recruitment Awards in 2019.
- Job rotation programmes between marketing, sales management and human resources were arranged for interns, including those visually-impaired, so that they may acquire new professional, inter-personal and communication skills.
- The programme successfully inspires young talent and builds the creative mindset, which brings new visions and ideas into the company.

Management trainee programme

- Our two-year management trainee programme accelerates the professional development of fresh graduates. Comprehensive training and coaching by senior executives, job rotation and international exposure are emphasised throughout a customised learning journey.
- With the aim of providing professional skills, knowledge and developing leadership competencies, the programme is designed to groom our highest quality talent to become future industry leaders.

見習生計劃

- 「智學大使」見習生計劃旨在支持大專生和大學生於珠寶業發揮所長。其中，「智學體驗」計劃進一步與視障學生合作，並獲得2019亞洲招聘大獎。
- 參與計劃的見習生(包括視障者)會獲安排職位輪換，如市場推廣、銷售管理以及人力資源，從而學習新的專業知識，並發展人際和溝通技巧。
- 該計劃成功啟發見習生的創新思維，為公司注入新視野和元素。

管理培訓生計劃

- 為期兩年的管理培訓生計劃能夠加快大專畢業生的專業發展。整個學習歷程乃按照管理培訓生的需要制訂，強調以全面培訓及高級管理人員指導，工作輪換和開拓國際視野為重點。
- 計劃旨在將優秀人才培育成為未來行業領袖，故此會協助管理培訓生獲取專業技能和知識，同時發展其領導才能。



Management sharing session with our management trainees
管理層與管理培訓生分享工作經驗



Chow Tai Fook executive summit featured an interactive sharing between the management and employees
周大福行政人員峰會內管理層與員工的互動分享環節

Executive leadership programme

- A leadership development programme, tailored to seven different levels of executives in Mainland China, is a step-by-step approach that encourages executives to gain experience, optimise self and peer learning, and unleash their all-round problem-solving and innovative thinking abilities.
- In March 2019, this was recognised as one of the Top 20 Digital L&D Best Practices by the China Europe International Business School for its outstanding performance in promoting digital learning.

Chow Tai Fook executive summits

- The interactive and engaging summits were attended by over 2,100 employees this year. The annual town hall meetings are for executives to understand the latest management direction and share a mindset of our future workforce who is able to embrace change in nowadays disruptive business environment.

行政人員領導力培訓計劃

- 領導力培訓發展計劃乃針對中國內地七個不同階級的行政人員，採取漸進形式鼓勵行政人員親身體驗、提升自我和同事間學習的成效，以全面釋放其解決問題和創新思維的能力。
- 於2019年3月，計劃獲中歐國際工商學院列入20大數碼學習與發展最佳實務，表揚其推廣數碼學習的傑出表現。

周大福行政人員峰會

- 今年峰會加入了互動元素，有超過2,100位員工出席，讓行政管理人員可從中了解最新的管理方向及讓員工分享，裝備他們以擁抱轉變的態度去應對現今顛覆的商業環境。



Our management trainees joined the sharing session presented by Wallace Chan, the renowned jewellery artist who crafted the masterpiece "A Heritage in Bloom" for Chow Tai Fook

我們的管理培訓生參與了著名珠寶藝術家陳世英的分享會。陳世英曾為周大福設計了藝術珍品《裕世鑽芳華》

Cross-company collaboration and exposure

- To broaden our employees' exposure, and equip them with cutting-edge knowledge of today's ever-changing business environment, we engaged in a wide-ranging collaboration effort with different leading experts and outstanding companies. These included:
 - An insightful tutorial by Wallace Chan, a leading jewellery artist who showcased our management trainees with contemporary art and craftsmanship combined with innovation, history and culture.
 - DigiTalent & HEARTS ON FIRE Influencer Programme was jointly organised by Chow Tai Fook and New World Development Co Ltd, providing participants with an exclusive opportunity to learn and practise digital marketing via social media.
 - Cross Company Leadership Forum, co-organised by Chow Tai Fook, Maxim's Caterers Ltd, New World Development Co Ltd and Pfizer Corporation Hong Kong Ltd, provided participants with insightful, thought provoking information through company visits and forums on the hot-button issues disrupting today's business environment.

跨機構合作與交流

- 為擴闊員工的視野，於現今變化多端的營商環境中裝備前瞻知識，我們安排與於不同領域的專家與傑出的機構進行廣泛的合作，包括：
 - 著名珠寶藝術家陳世英向我們的管理培訓生分享其就當代藝術及工藝與創意、歷史及文化結合之深刻見解。
 - 周大福與新世界發展有限公司合辦的DigiTalent x HEARTS ON FIRE 營銷攻略，為參與者提供獨有的機會，學習和實踐透過社交媒體進行數碼營銷。
 - 周大福、美心食品有限公司、新世界發展有限公司與美國輝瑞科研製藥有限公司合辦跨企業領導論壇，透過企業考察以及對顛覆現今營商環境的重要敏感議題進行討論，為參與者提供具深刻見解且引發思考的資訊。

Information technology and data governance

- Strong information technology capabilities, coupled with quality information and data, serve as the fundamentals that support our business objectives and growth.

IT governance framework

- We formalised our IT Governance Framework, that has been in place since FY2017, covering four key elements:
 - Business alignment – to provide a structure for aligning IT strategies and priorities with business strategies and priorities. Provide a framework that guides the allocation of important IT decisions to different parties within the Group.
 - Resources management – to prioritise and allocate resources across different IT projects.
 - Performance measurement – to set up a mechanism and a platform for evaluating the performance of project outcome.
 - Risk management – to monitor and manage IT related risks.
- Our main objective is to build differentiating IT capabilities, that fully support the execution of our business strategies.
- During FY2019, we have enhanced our demand and project management mechanism, to ensure our IT resources are being prioritised in effective ways that maximise value creation for the Group.

Data governance

- As data is a vital asset for our business development, we launched our data governance programme to ensure we have the best quality data for evaluating business performance and enhancing operational efficiencies. This also paves the way for our digital transformation.
- Our programme focuses on three key areas that ensure data quality is up to the highest standard:
 - People – to maintain data ownership and stewardship effectiveness for setting up data standards and quality at every stage of its life cycle including capture, store, use and archive of data.
 - Process – to setup processes that capture, store, organise and secure the data properly.
 - Architecture – to create an IT infrastructure with proper data structure that allows efficient data processing and usage.

資訊科技及數據管治

- 資訊科技的雄厚實力與優質資訊及數據為支持我們達成業務目標和發展的基礎。

資訊科技管治框架

- 我們自2017財政年度正式實行資訊科技管治框架，其中涵蓋四大元素：
 - 配合業務發展—提供與商業策略和優次相符的資訊科技策略及架構，合理地分配集團內部重要的資訊科技決策。
 - 資源管理—將資源按優次等級分配至不同的資訊科技項目。
 - 績效計量—建立評估項目成果績效的機制和平台。
 - 風險管理—監察和管理與資訊科技相關的風險。
- 我們的主要目標為建立具差異化的資訊科技實力，使之能全力支持我們業務策略的執行。
- 於2019財政年度，我們加強了集團的需求和項目管理機制，以確保資訊科技的資源以有效方式作優次排序，從而為集團創造最大價值。

數據管治

- 由於數據為集團業務發展的重要資產，故此我們開展數據管治計劃，以確保備有最優質的數據以評估業務表現，提高營運效率，預先為我們的數碼化轉型作好準備。
- 此計劃針對如可確保數據質素達到最高水平的三大關鍵領域：
 - 員工—維持數據擁有權及管理效能，以便在其生命週期的每個階段建立數據的標準及質量，當中包括數據的擷取、存儲、使用及歸檔。
 - 程序—設定程序以妥善收集、存儲、規劃數據並且將之保密。
 - 建構—以妥善的數據架構建立資訊科技的基礎設施，以便有效處理及使用數據。

Business Outlook and Strategies

In light of the macro headwinds and a tough comparison base as we head into 1H FY2020, we are cautiously optimistic for FY2020. The US-China trade talks may take some time to settle in our view. Nonetheless, with the stimulus measures from the Chinese government such as lowering reserve requirement ratio, various tax cuts, spurring lending, particularly to small and medium-sized companies and enlarging infrastructure spending, we believe these would help to mitigate the impact on the economy and consumer sentiment. As to grab a greater market share and optimise the Group's brand competence in Mainland China, we will continue to deepen our market penetration strategically in lower tier and county level cities in Mainland China in the next three to five years.

As such, our "Smart+ 2020" three-year strategic framework serves as the backbone for our business development and transformation. We are delighted to observe some recognisable outcomes underpinned by technology, innovation and sustainability. We would continue our efforts in the following areas, namely: (1) Implementing multi-brand strategy and enriching retail experience to breakthrough customers' inherent expectations on jewellery store; (2) Reinforcing customer experience with personalised engagement in the manufacturing process through the customer-led C2M business model; (3) Building up of effective operation models by deriving useful insights from big data analytics; and (4) Incubating talents internally within the Group and externally for the jewellery industry by promoting the innovative and entrepreneurial culture and providing broader horizons to unleash their creativity and talents.

業務展望與策略

鑒於宏觀不明朗因素，加上2020財政年度上半年有較高的比較基數效應，故此我們對2020財政年度的業務展望持審慎樂觀的態度。我們相信中美貿易談判解決需時。不過，中國政府推出多項振興經濟措施，如降低存款儲備金率、推出各項減稅措施，增加尤其是對中小企的貸款以及加大基建開支，相信會有助舒緩對經濟和消費意欲之影響。為了爭取更大的市場份額和優化集團在中國內地的品牌競爭力，我們將在未來三至五年內繼續在中國內地較次級城市和縣級城鎮策略性地深化市場滲透。

為期三年的「Smart+ 2020」策略框架乃為我們業務發展和轉型的支柱。至今，我們以科技、創新與可持續發展為基礎的支持下，我們喜見獲各方認同。我們將繼續加強以下範疇：(1) 實行多品牌策略，豐富零售體驗，以打破顧客對珠寶店固有的期望；(2) 透過顧客主導的顧客對工廠業務模式，讓顧客親身參與珠寶製造過程，加強顧客的體驗；(3) 利用大數據分析得出有用的見解，從而建立有效的營運模式；及(4) 通過推廣創新及企業家文化，為人才開拓更廣闊的視野，讓他們盡情發揮創意及才能，為集團內部以至整個珠寶業界培育更多人才。

We are determined to prioritise sustainability as the overarching principle of our future development over the next decade. Our sustainability strategy initiatives are focused in four priority areas: (1) By committing to Responsible Sourcing across our supply chain, we will meet the optimal industry standards and practices; (2) To foster heritage and craftsmanship skills and to promote product innovation under Craftsmanship, Innovation & Technology; (3) To protect our planet via a sustainable operation under Resource Efficiency & Carbon Reduction; and (4) To cultivate a decent people-centric workplace, and uphold our People Focused attitude though nurturing wellbeing in our community. These measurable goals will steer us towards the Group's centenary. Please scan the QR code that will take you to our Sustainability Report for details.



Please scan the QR code
leading to our Sustainability Report for details
掃描二維碼參閱我們的「可持續發展報告」

Lastly, I would like to express our gratitude again to colleagues who have worked for us over the past nine decades. Their passion in search of customer service excellence has set an inspiring example, and this has laid the groundwork for the Group's future growth and success.

Mr. Wong Siu-Kee, Kent

Managing Director

Hong Kong, 6 June 2019

我們有決心以可持續發展為未來十年的首要原則，我們的可持續發展策略圍繞四大重點範圍：(1)致力於供應鏈全面進行負責任的採購，達致行內最佳的標準和實踐；(2)按照工藝、創新與科技三大發展方針，培育傳承和工藝技巧，並且推廣產品創新；(3)按照資源效益及減碳的原則下，透過可持續的業務營運保護我們的環境；及(4)建立以人為本的理想工作環境，在創造社區福祉上堅守我們以人為本的態度。種種可計量的目標將引領本集團邁向百周年。如欲參考有關詳情，請掃描此二維碼參閱我們的可持續發展報告。

最後，本人謹此再次向過去90年與我們共同努力的同事致謝。他們在服務顧客上所付出的熱誠，為本集團之成功及未來發展奠定堅實的基礎。

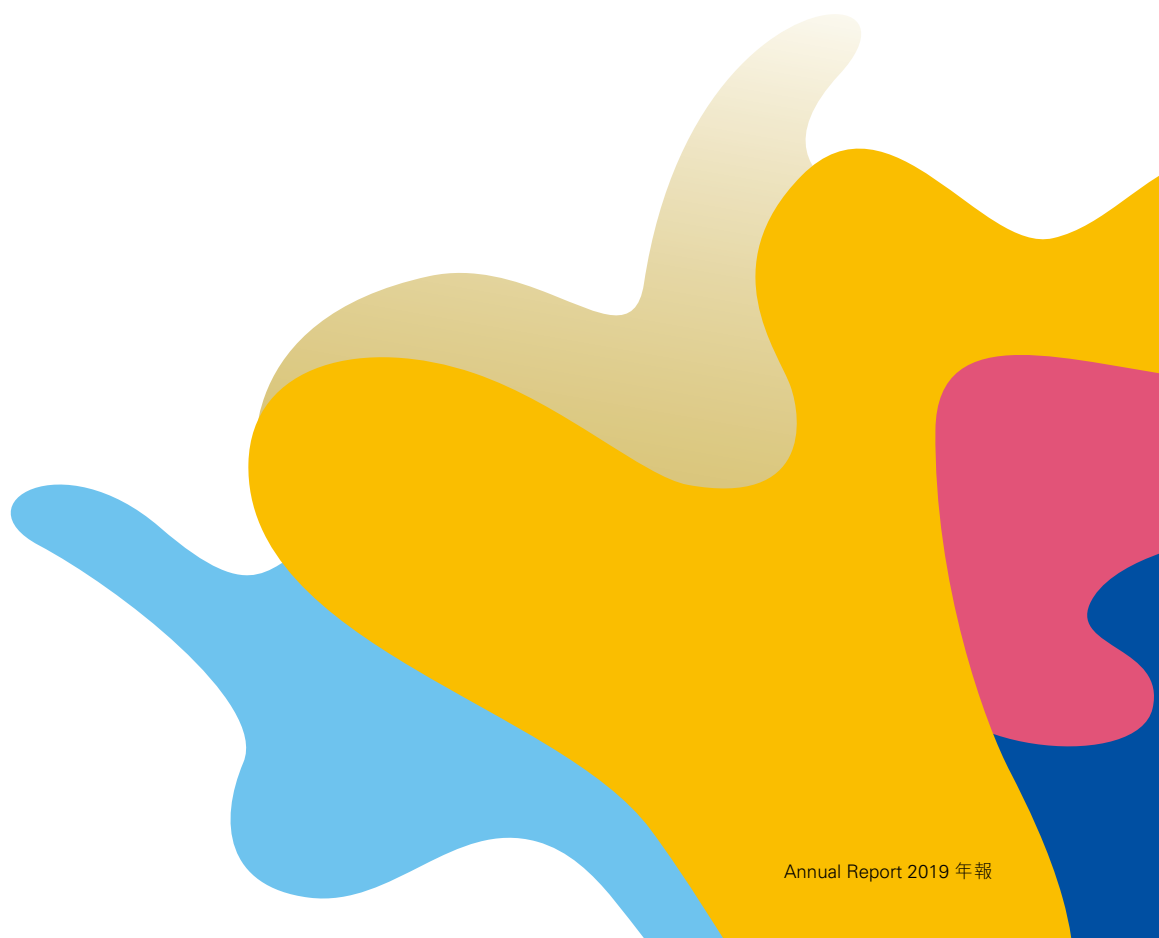
董事總經理

黃紹基先生

香港，2019年6月6日

Management Discussion and Analysis

管理層討論與分析



Business Review

業務回顧

Our operations recorded vibrant growth in revenue and core operating profit during FY2019. All product categories exhibited positive growth during the financial year among which gold products illustrated a relatively stronger performance.

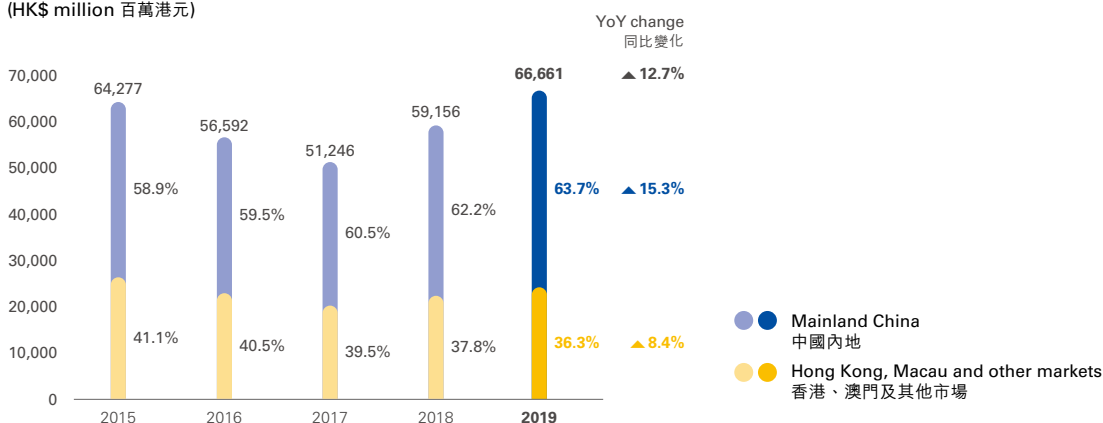
2019財政年度，我們業務經營所得的營業額及主要經營溢利均錄得強勁的增長。所有產品類別於財政年度內均呈正增長，其中黃金產品的表現尤其突出。

Revenue Breakdown

Group

Revenue by reportable segment 按可呈報分部劃分的營業額

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



營業額明細分析

集團

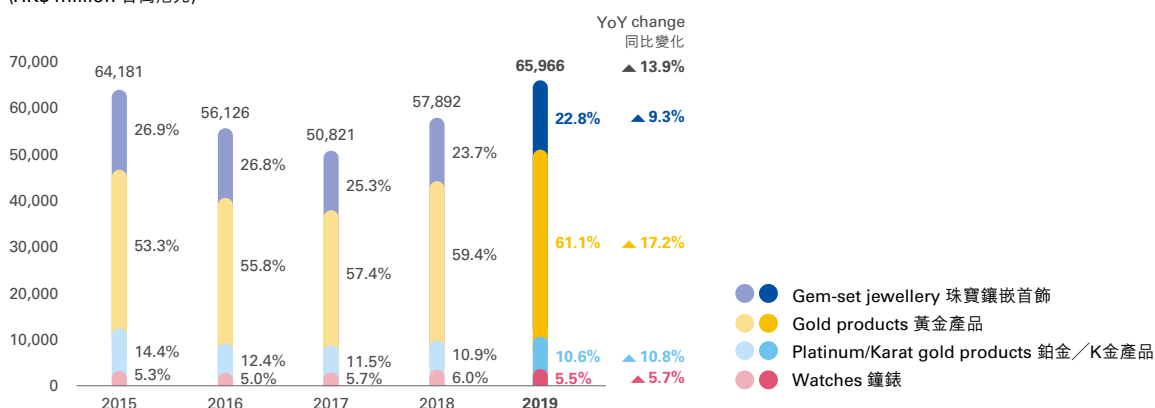
Revenue (HK\$ million)	營業額(百萬港元)	1HFY2018	2HFY2018	1HFY2019	2HFY2019	1HFY YoY change 財政年度 上半年 同比變化	2HFY YoY change 財政年度 下半年 同比變化
Mainland China	中國內地	14,944	21,860	18,022	24,410	▲ 20.6%	▲ 11.7%
Hong Kong, Macau and other markets	香港、澳門及其他市場	9,810	12,542	11,681	12,548	▲ 19.1%	0.0%
Overall	整體	24,754	34,402	29,703	36,958	▲ 20.0%	▲ 7.4%

- The Group's revenue grew 12.7% in FY2019, supported by recovery in both Mainland China and Hong Kong, Macau and other markets.
- Revenue from Mainland China climbed 15.3% in FY2019, mainly fuelled by POS openings. Majority of the openings in FY2019 was franchised, echoing the Group's effort to deepen the penetration into the lower tier cities.
- In Hong Kong, Macau and other markets, revenue rose 8.4% year-on-year in FY2019. A strong growth of 19.1% was recorded in 1HFY2019, while the growth subsided to zero in 2HFY2019 as macro uncertainties clouded the consumer sentiment and the effect of high base kicked in.
- 隨著中國內地與香港、澳門及其他市場的復甦，本集團於2019財政年度營業額增長12.7%。
- 2019財政年度，中國內地的營業額主要由新開的零售點帶動而攀升15.3%。2019財政年度開設的零售點大部份屬加盟模式，反映本集團著力提高在較次級城市的市場滲透率。
- 2019財政年度，香港、澳門及其他市場的營業額按年增長8.4%。2019財政年度上半年的營業額錄得19.1%的強勁增長，惟下半年因宏觀不明朗因素致消費意欲轉弱，再加上比較基數較高的影響下，下半年的營業額增幅持平。

Revenue by product (excluding jewellery trading and service income from franchisees)

按產品劃分的營業額 (不包括珠寶貿易及加盟商的服務收入)

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



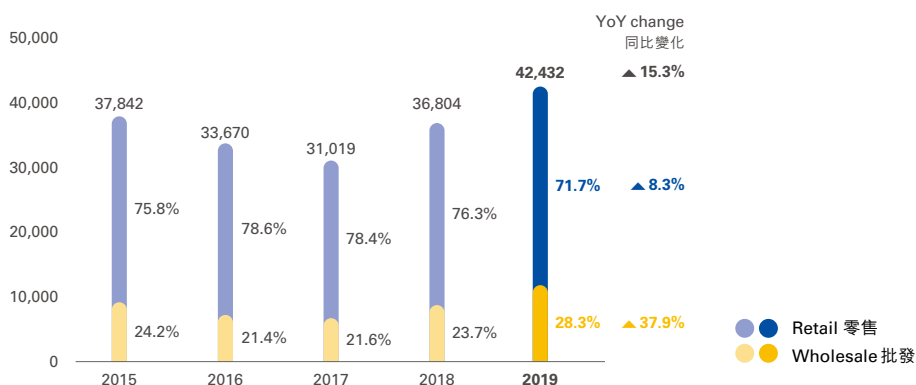
% of Revenue	營業額佔比	1HFY2018	2HFY2018	1HFY2019	2HFY2019
Gem-set jewellery	珠寶鑲嵌首飾	24.2%	23.4%	23.4%	22.2%
Gold products	黃金產品	57.8%	60.5%	60.5%	61.5%
Platinum/Karat gold products	鉑金/K金產品	11.3%	10.6%	10.5%	10.7%
Watches	鐘錶	6.7%	5.4%	5.6%	5.5%

- All product categories exhibited positive growth in FY2019, among which gold products demonstrated a relatively stronger performance. As a result, revenue contribution of the gold products increased by 170 basis points to 61.1%.
- 所有產品類別於2019財政年度表現均呈正增長，其中黃金產品的表現尤其突出。因此，黃金產品的營業額貢獻上升170個點子至61.1%。

Mainland China

Revenue by operation model 按營運模式劃分的營業額

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



- In Mainland China, our retail revenue represents sales from self-operated POS, e-commerce and other direct channels, while wholesale revenue represents sales to franchisees and provision of services to franchisees.
- Revenue in Mainland China rose 15.3% in FY2019. On a constant exchange rate basis, revenue was up by 16.1% during the financial year.
- Wholesale revenue jumped 37.9% as more franchised POS were opened in FY2019 while we deepened our reach in the lower tier and county level cities. Those franchised POS in county level cities were operated under sell-in model where sales is recognised when products are delivered to our franchisees. For the rest, which making up the majority, are under consignment. We retain inventory ownership until sales transactions are completed with retail consumers, upon which wholesale revenue is recognised.

中國內地

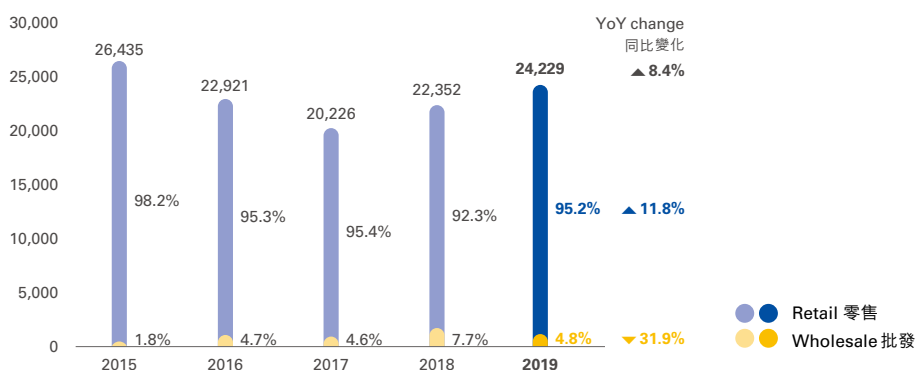
- 於中國內地，我們的零售營業額指來自直營零售點、電子商務及其他直接渠道的銷售額，而批發營業額則指向加盟商銷售貨品及向加盟商提供服務的收入。
- 2019財政年度，中國內地的營業額增長15.3%。按相同匯率計算，年內營業額上升16.1%。
- 2019財政年度，由於我們提高於較次級城市和縣級城鎮的市場滲透率致新開設的加盟零售點數目增加，批發營業額大幅上升37.9%。於縣級城鎮的加盟零售點，當產品交付予我們的加盟商時便會確認銷售金額。至於餘下大部份的加盟零售點，均以寄售模式營運。與零售消費者完成銷售交易前，我們保留存貨擁有權，而交易完成時會確認批發營業額。

Hong Kong, Macau and other markets

香港、澳門及其他市場

Revenue by operation model 按營運模式劃分的營業額

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)

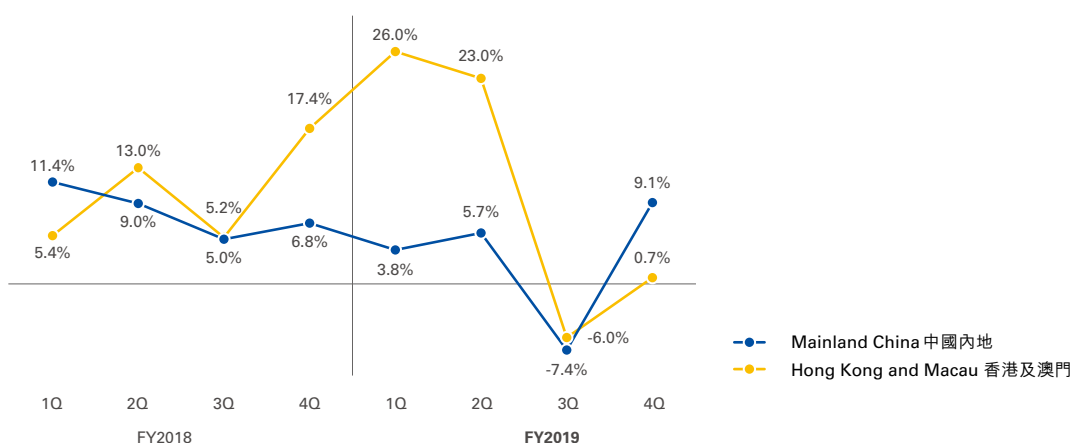


- In Hong Kong, Macau and other markets, our retail revenue represents sales from self-operated POS, e-commerce and other direct channels, while wholesale revenue represents sales to franchisees, sales to retailers and sales from jewellery trading.
- Retail revenue expanded by 11.8% year-on-year in FY2019 thanks to a healthy SSSG as market recovered.
- Wholesale revenue, on the other hand, dropped by 31.9% year-on-year due to a reduced sales in jewellery trading which led to a decline in revenue contribution by 290 basis points in FY2019.

- 於香港、澳門及其他市場，我們的零售營業額指來自直營零售點、電子商務及其他直接渠道的銷售額，而批發營業額則指向加盟商銷售貨品、向分銷商銷售貨品以及來自珠寶貿易的銷售額。
- 2019財政年度，受惠於市場復甦而錄得穩健的同店銷售增長，零售營業額亦按年上升11.8%。
- 另一方面，因2019財政年度珠寶貿易銷售額下降，批發營業額按年下滑31.9%，其營業額貢獻亦減少290個點子。

SSSG Group

SSSG by major market 按主要市場劃分的同店銷售增長



同店銷售增長 集團

		FY2018	FY2019	
		SSSG 同店銷售增長	SSSG 同店銷售增長	SSS volume growth 同店銷量增長
Mainland China	中國內地	▲ 8.0%	▲ 3.4%	▼ 3.3%
Hong Kong and Macau	香港及澳門	▲ 10.2%	▲ 8.7%	▲ 1.3%

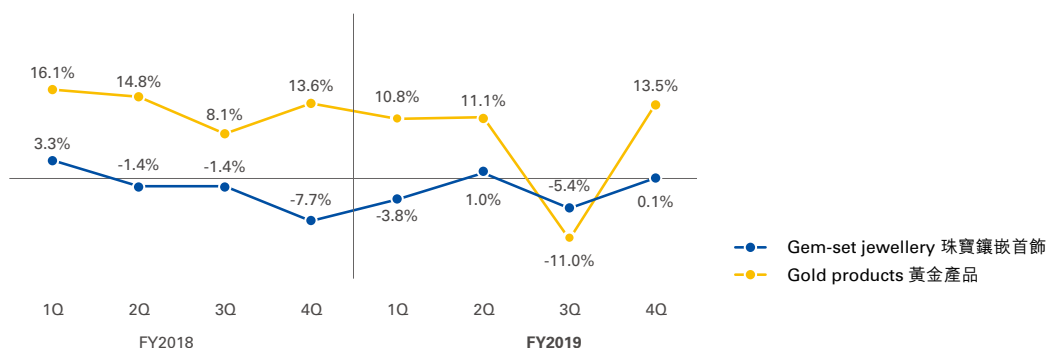
- The recovery track of SSSG in both Mainland China and Hong Kong and Macau, commenced since 2HFY2017, extended into 1HFY2019. Yet, a weaker performance amongst both markets was seen during 2HFY2019 against volatile macro backdrop. With a tougher comparison base, the momentum of Hong Kong and Macau was softer than that of Mainland China.
- SSS in Mainland China went up by 3.4% in FY2019, mainly driven by ASP increase. SSS volume growth remained muted as customer traffic may have been diverted to online channels. Including our e-commerce business, Mainland China SSS volume decline narrowed to 2.4% and SSSG would be 3.0%.
- Hong Kong and Macau delivered a SSSG of 8.7% in FY2019, backed by both ASP and volume growth.

- 中國內地以及香港及澳門的同店銷售增長動力自2017財政年度下半年開始的復甦升勢以來一直延續至2019財政年度上半年。然而，2019財政年度下半年的宏觀經濟環境較為波動，使兩大市場的表現呈轉弱之勢。在比較基數較高的情況下，香港及澳門的增長動力不及中國內地。
- 2019財政年度，中國內地的同店銷售增長3.4%，主要受平均售價上升所帶動。同店銷量增長亦因客流轉往線上渠道而有所放緩。計入我們的電子商務業務，中國內地的同店銷量的降幅收窄至2.4%，同店銷售增長則為3.0%。
- 2019財政年度，香港及澳門市場獲平均售價及銷量增長的支持，其同店銷售增長8.7%。

Mainland China

中國內地

SSSG of major products 主要產品的同店銷售增長



		FY2019		FY2018
		SSSG 同店銷售增長	SSS volume growth 同店銷量增長	Same Store ASP ⁽¹⁾ 同店平均售價 ⁽¹⁾
Gem-set jewellery	珠寶鑲嵌首飾	▼ 1.4%	▼ 1.6%	HK\$6,700
Gold products	黃金產品	▲ 6.2%	▼ 6.2%	HK\$4,400
Platinum/Karat gold products	鉑金／K金產品	▼ 0.8%	▲ 2.3%	HK\$1,700
Watches	鐘錶	▲ 4.7%	▼ 6.6%	HK\$16,300
Overall	整體	▲ 3.4%	▼ 3.3%	

(1) Same Store ASP on FY2019 Same Store basis

(1) 同店平均售價以2019財政年度的同店作基準

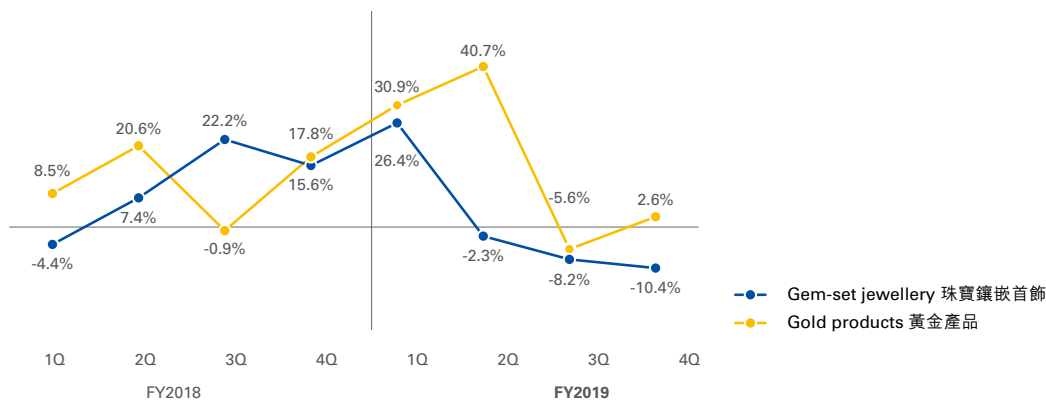
- In Mainland China, SSSG was generally supported by gold products which delivered a growth of 6.2% in FY2019.
- Gold products ASP was lifted by 13.2% largely due to an increase in the average weight per gold product sold during the financial year. The success of CTF • HUÁ Collection also played its part. The average international gold price depreciated by 1.8% year-on-year during the year.
- Gem-set jewellery SSS declined marginally by 1.4% in FY2019. Yet, its respective RSV grew healthily by 7.7%. Same Store ASP of gem-set jewellery increased slightly to HK\$6,700.
- SSSG of watches also remained resilient at 4.7% as ASP improved to HK\$16,300 in FY2019.

- 於中國內地，黃金產品的同店銷售於2019財政年度錄得6.2%的升幅，支持整個市場的同店銷售增長。
- 2019財政年度，主要受惠於已售黃金產品平均單件重量增加，黃金產品的平均售價上升13.2%。而周大福傳承系列的成功亦發揮了一定的作用。年內，國際平均金價按年下降1.8%。
- 2019財政年度，珠寶鑲嵌首飾的同店銷售輕微下跌1.4%。然而，其相關的零售值穩健增長7.7%。珠寶鑲嵌首飾的同店平均售價則稍微上升至6,700港元。
- 2019財政年度，鐘錶同店銷售因平均售價升至16,300港元而增長4.7%，繼續展現韌力。

Hong Kong and Macau

香港及澳門

SSSG of major products 主要產品的同店銷售增長



		FY2019		FY2018
		SSSG	SSS volume growth	Same Store ASP
		同店銷售增長	同店銷量增長	同店平均售價
Gem-set jewellery	珠寶鑲嵌首飾	▼ 0.8%	▲ 5.4%	HK\$11,000
Gold products	黃金產品	▲ 14.4%	▲ 2.5%	HK\$8,200
Platinum/Karat gold products	鉑金/K金產品	▲ 3.8%	▼ 2.0%	HK\$1,800
Watches	鐘錶	▲ 5.2%	▲ 6.1%	HK\$57,500
Overall	整體	▲ 8.7%	▲ 1.3%	

(1) Same Store ASP on FY2019 Same Store basis

(1) 同店平均售價以2019財政年度的同店作基準

- Gold products delivered a SSSG of 14.4% in FY2019, boosted by both volume and ASP increase. Same Store ASP increased by 11.6% in FY2019 due to an increase in the average weight per product sold.
- A healthy SSS volume growth of 5.4% was recorded for gem-set jewellery in Hong Kong and Macau during FY2019. However, ASP trend of gem-set jewellery had turned negative since 2QFY2019 as consumer sentiment in high-end segment weakened owing to the deteriorated macroeconomic environment.

- 2019財政年度，受黃金產品的銷量和平均售價俱升所帶動，黃金產品錄得14.4%的同店銷售增長。2019財政年度，由於已售每件產品的平均重量增加，故此同店平均售價上升11.6%。
- 2019財政年度，香港及澳門珠寶鑲嵌首飾的同店銷量錄得5.4%的健康增長。然而，自2019財政年度第二季度開始，宏觀經濟環境逆轉，削弱了高端產品的消費意欲，故此珠寶鑲嵌首飾的平均售價呈下滑趨勢。

Mainland China Business

中國內地的業務

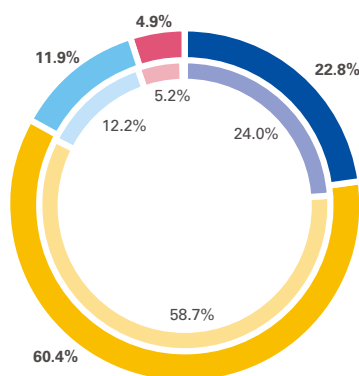
POS movement by store brand⁽¹⁾ — Mainland China 按店舖品牌劃分的零售點變動⁽¹⁾ — 中國內地

As at	於	31.3.2017	31.3.2018	During FY2019 2019 財政年度				31.3.2019
		Total 總計	Total 總計	Addition 增加	Reduction 減少	Net 淨增減	Total 總計	
CHOW TAI FOOK JEWELLERY	周大福珠寶	2,118	2,317	603	(117)	486	2,803	
CTF WATCH	周大福鐘錶	117	106	11	(4)	7	113	
T MARK	T MARK	—	—	4	—	4	4	
HEARTS ON FIRE	HEARTS ON FIRE	8	6	1	(4)	(3)	3	
SOINLOVE	SOINLOVE	—	9	19	(1)	18	27	
MONOLOGUE	MONOLOGUE	3	11	30	(3)	27	38	

(1) SIS and CIS excluded

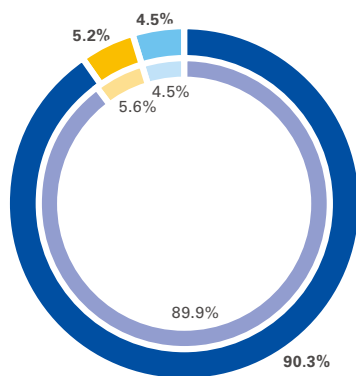
(1) 不包括店中店及店內專櫃

RSV by product 按產品劃分的零售值



FY2018	FY2019	RSV YoY change 零售值同比變化
●	●	Gem-set jewellery 珠寶鑲嵌首飾 ▲ 7.7%
●	●	Gold products 黃金產品 ▲ 16.5%
●	●	Platinum/Karat gold products 鉑金/K金產品 ▲ 10.9%
●	●	Watches 鐘錶 ▲ 7.4%
Overall 整體		▲ 13.3%

RSV by channel 按銷售渠道劃分的零售值



FY2018	FY2019	RSV YoY change 零售值同比變化
●	●	CHOW TAI FOOK JEWELLERY 周大福珠寶 ▲ 13.6%
●	●	Other store brands ⁽²⁾ 其他店舖品牌 ⁽²⁾ ▲ 6.6%
●	●	E-commerce ⁽³⁾ 電子商務 ⁽³⁾ ▲ 13.7%
Overall 整體		▲ 13.3%

(2) CTF WATCH, T MARK, HEARTS ON FIRE, SOINLOVE and MONOLOGUE included

(3) Major platforms included Chow Tai Fook e-shop, Tmall, JD.com, Vipshop; online order distribution excluded (i.e. routing online orders to POS for delivery service)

(2) 包括周大福鐘錶、T MARK、HEARTS ON FIRE、SOINLOVE及MONOLOGUE

(3) 主要平台包括周大福網絡旗艦店、天貓、京東、唯品會，但不包括線上訂單分配（即將線上訂單發送至零售點以安排寄送服務）

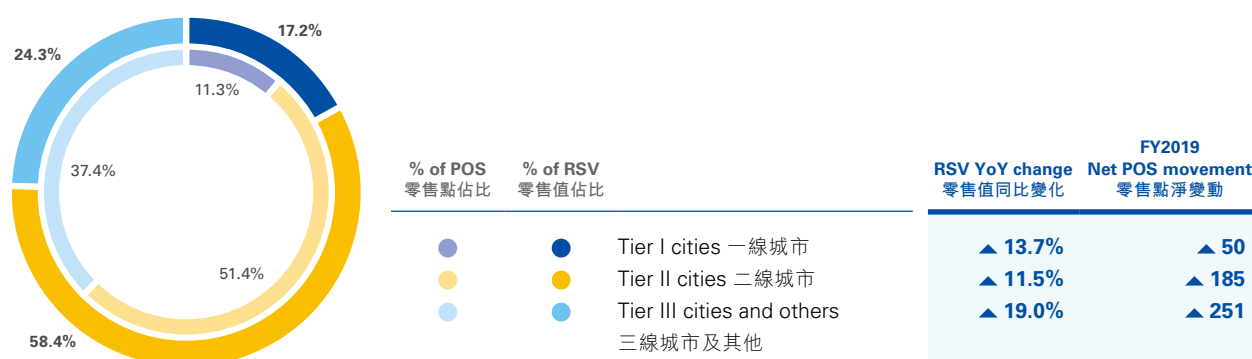
The following analyses focus on CHOW TAI FOOK JEWELLERY POS which contributed approximately 90% of the RSV in Mainland China:

周大福珠寶零售點佔中國內地零售值約90%，以下將集中該業務作分析：

CHOW TAI FOOK JEWELLERY POS

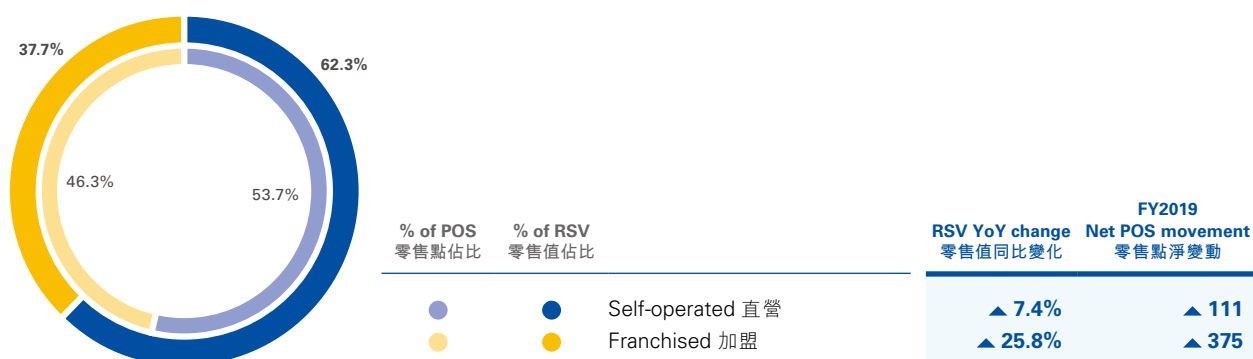
周大福珠寶零售點

RSV and POS by tier of cities 按城市級別劃分的零售值及零售點

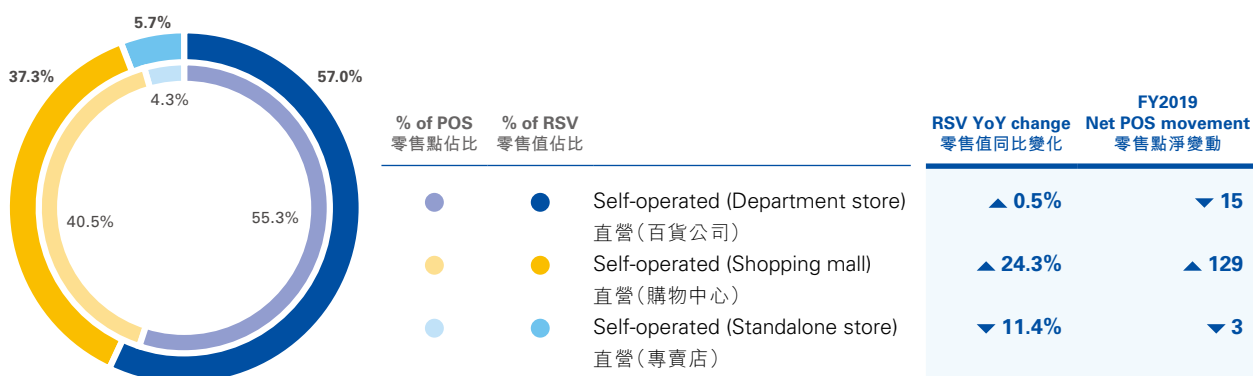


- In order to broaden our presence and extend market share in the county level cities, we have been leveraging franchisees to deepen our market penetration efficiently and effectively in these areas. As such, the pace of expansion in Tier III and lower tier cities was expedited in FY2019. Net openings reached 251 POS during the financial year.
- Coupled with various growth drivers such as progressive urbanisation and infrastructural development, RSV growth in Tier III cities and others reached 19.0% year-on-year and it outperformed Tier I and II cities during FY2019. Its contribution increased to 24.3% in FY2019 compared to 23.0% in FY2018.
- 為拓展我們的業務據點，擴大於縣級城鎮的市場佔有率，我們一直借助加盟商以具效率且有效的方式提高我們於當地的市場滲透率。因此，我們於2019財政年度加快了三線及較次級城市的擴充步伐。於2019財政年度的淨開店達到251個零售點。
- 加上城镇化逐步推進及基建持續發展等增長動力，三線及其他城市於2019財政年度的零售值按年增長達19.0%並超越一線及二線城市。其貢獻由2018財政年度的23.0%上升至2019財政年度的24.3%。

RSV and POS by operation model 按營運模式劃分的零售值及零售點



RSV and POS by self-operated model 按直營模式劃分的零售值及零售點

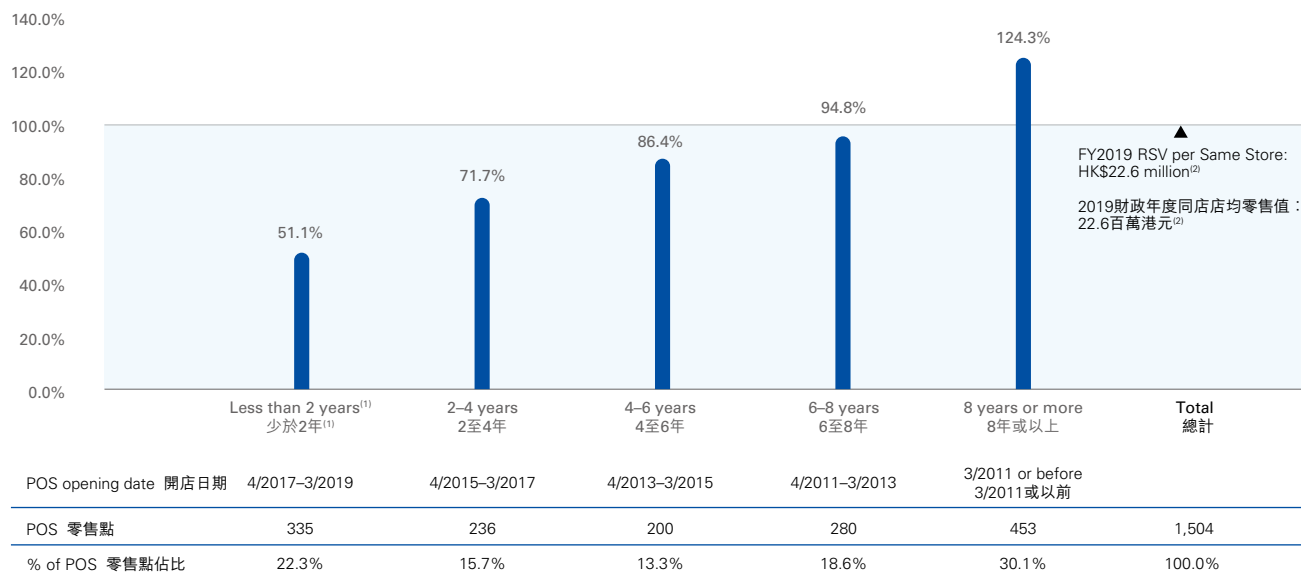


- In FY2019, our self-operated POS at shopping mall demonstrated an encouraging RSV growth of 24.3% as modernised shopping malls continued to be an attraction among the more affluent and sophisticated customers.
- We consolidated a net of 18 POS in standalone and department stores during FY2019.
- 由於時尚的購物中心持續受富裕且具品味的顧客所歡迎，故此2019財政年度，帶動位於購物中心的直營零售點之零售值錄得24.3%的增長，成績令人鼓舞。
- 於2019財政年度，我們淨整合了18個專賣店及位於百貨公司的零售點。

Self-operated CHOW TAI FOOK JEWELLERY POS

直營周大福珠寶零售點

RSV per store by store age 按店齡劃分的每店零售值

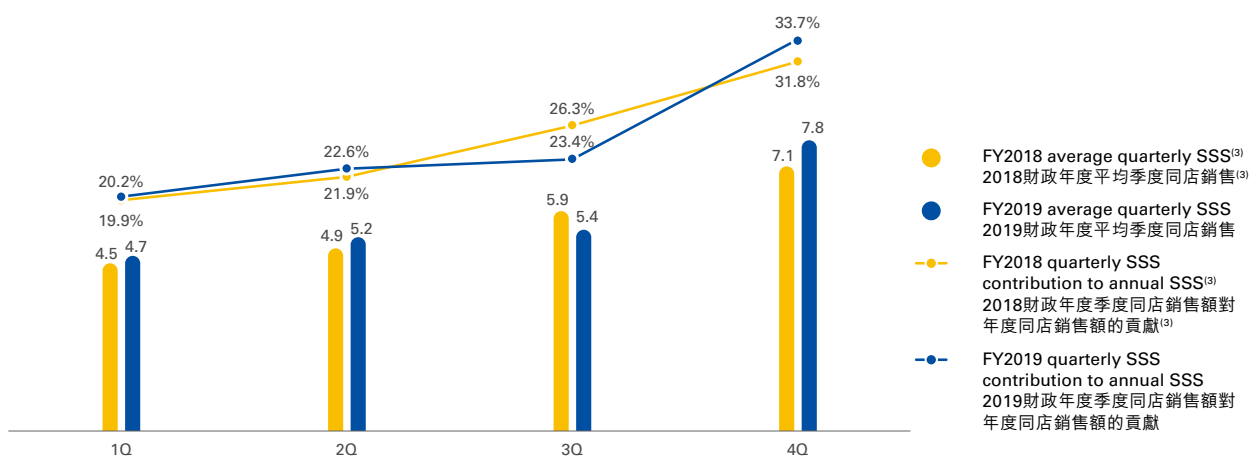


● Ratio of annual RSV per store to RSV per Same Store
每店年度零售值與同店均零售值之比例

- (1) For POS of age less than 1 year, RSV is adjusted on an annualised basis
店齡不足1年的零售點之零售值按年化基準調整
- (2) Value-added tax ("VAT") included
包括增值稅

Average quarterly sales 平均季度銷售額

(HK\$ million 百萬港元)



(3) SSS on FY2019 Same Store basis

(3) 同店銷售以2019財政年度的同店作基準

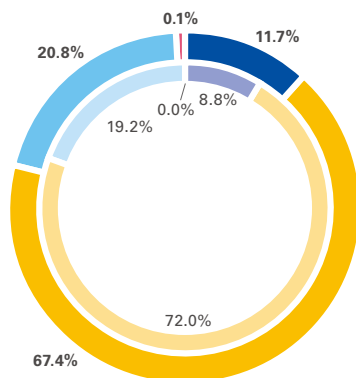
- Average SSS contribution for 2HFY2019 was approximately 57%, generally similar to our normal seasonality.
- 4Q, being our peak season as driven by festive occasions such as Chinese New Year and Valentine's Day, usually accounts for the highest quarterly SSS contribution.

- 2019財政年度下半年錄得的平均同店銷售佔全年同店銷售約57%，整體與正常的季節性表現相若。
- 第四季度適逢農曆新年及情人節等節慶活動，故屬我們的旺季，該季度通常在我們同店銷售中有最高的季度貢獻。

E-commerce business

電子商務業務

RSV by product 按產品劃分的零售值



FY2018	FY2019	
		Gem-set jewellery 珠寶鑲嵌首飾
		Gold products 黃金產品
		Platinum/Karat gold products 鉑金／K金產品
		Watches 鐘錶

		FY2019		FY2018
		RSV YoY change 零售值同比變化	ASP 平均售價	ASP 平均售價
Gem-set jewellery	珠寶鑲嵌首飾	▲ 51.4%	HK\$1,600	HK\$1,500
Gold products	黃金產品	▲ 6.0%	HK\$1,500	HK\$1,600
Platinum/Karat gold products	鉑金／K金產品	▲ 22.4%	HK\$800	HK\$900
Overall	整體	▲ 13.2%	HK\$1,300	HK\$1,400

E-commerce business performance 電子商務業務的表現

FY2019

RSV 零售值



FY2018



ASP 平均售價



FY2018



E-commerce platforms 電子商務平台



Unique daily visitors⁽¹⁾ 平均每日瀏覽量—不重複訪客⁽¹⁾



Number of followers⁽²⁾ 關注人數⁽²⁾



(1) Source: Chow Tai Fook e-shop, Tmall and JD.com

(2) Source: Official Sina Weibo, Tencent Weibo and WeChat accounts

(1) 數據來源：周大福網絡旗艦店、天貓及京東

(2) 數據來源：新浪微博、騰訊微博及微信官方賬戶

- Our e-commerce business delivered a RSV growth of 13.2% in FY2019, a slower growth relative to FY2018 as a result of a high base of comparison.
- Higher-margin gem-set jewellery and platinum/karat gold products delivered a remarkable RSV growth of 51.4% and 22.4%, respectively.
- Contribution of the e-commerce business to the RSV in Mainland China was maintained at 4.8% during the financial year. In terms of retail sales volume, its share to Mainland China's operations further expanded to 13.6% in FY2019, with 12.8% and 0.8% of the contribution coming from e-commerce platforms and online order distribution, respectively.

- 於2019財政年度，我們的電子商務業務錄得13.2%的零售值增長，增幅因基數較高而較2018財政年度為低。
- 毛利率較高的珠寶鑲嵌首飾及鉑金／K金產品則分別錄得51.4%及22.4%的顯著零售值增長。
- 於本財政年度，電子商務業務佔中國內地的零售值維持於4.8%。按銷量計算，電子商務業務於2019財政年度佔中國內地的業務進一步升至13.6%，其中電子商務平台佔12.8%，而線上訂單分配佔0.8%。

Hong Kong, Macau and Other Markets Business 香港、澳門及其他市場的業務

POS movement by store brand⁽¹⁾ — Hong Kong, Macau and other markets 按店舖品牌劃分的零售點變動⁽¹⁾ — 香港、澳門及其他市場

As at	於	31.3.2017	31.3.2018	During FY2019 2019財政年度				31.3.2019
		Total 總計	Total 總計	Addition 增加	Reduction 減少	Net 淨增減	Total 總計	
CHOW TAI FOOK JEWELLERY	周大福珠寶	122	122	12	(4)	8	130	
Hong Kong	香港	83	80	3	(3)	—	80	
Macau	澳門	19	19	—	—	—	19	
Other markets	其他市場	20	23	9	(1)	8	31	
T MARK	T MARK	—	—	1	—	1	1	
HEARTS ON FIRE	HEARTS ON FIRE	13	14	1	—	1	15	

(1) SIS and CIS excluded

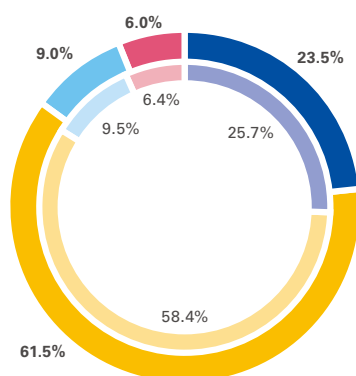
(1) 不包括店中店及店內專櫃

- For CHOW TAI FOOK JEWELLERY, we opened a net of 8 POS in FY2019 in other markets. Retail network in Hong Kong and Macau was stable at 99 POS.
- Furthermore, we opened our debut T MARK specialty store and our first HEARTS ON FIRE POS in Hong Kong in FY2019.

- 就周大福珠寶而言，我們於2019財政年度在其他市場淨開設8個零售點。而香港及澳門的零售網絡則大致保持有99個零售點。
- 此外，我們於2019財政年度在香港開設首間T MARK專門店以及首個HEARTS ON FIRE零售點。

Hong Kong and Macau business 香港及澳門的業務

RSV by product 按產品劃分的零售值



FY2018	FY2019	RSV YoY change 零售值同比變化
		Gem-set jewellery 珠寶鑲嵌首飾 ▲ 1.8%
		Gold products 黃金產品 ▲ 17.6%
		Platinum/Karat gold products 鉑金/K金產品 ▲ 4.9%
		Watches 鐘錶 ▲ 5.5%
Overall 整體		▲ 11.6%

Hong Kong and Macau industry performance 香港及澳門的行業表現

FY2019

Retail sales of jewellery industry in Hong Kong⁽¹⁾ 香港珠寶業銷售貨值⁽¹⁾



Number of Mainland visitors⁽²⁾ 內地訪客人數⁽²⁾



Our Hong Kong and Macau performance 我們香港及澳門的表現

FY2019

Customer traffic at POS 零售點客流量



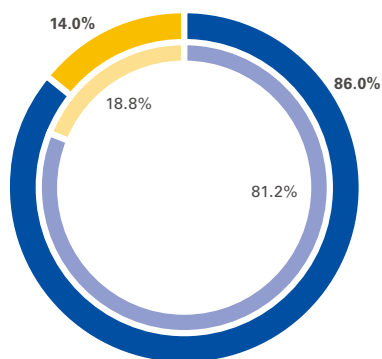
RSV settled by China UnionPay, Alipay, WeChat Pay or RMB 以中國銀聯、支付寶、微信支付或人民幣結算之零售值



- (1) Value of retail sales of jewellery, watches and clocks, and valuable gifts in Hong Kong according to Census and Statistics Department of the HKSAR Government
- (2) Source: Commerce and Economic Development Bureau of the HKSAR Government and Macao Statistics and Census Service

- (1) 珠寶首飾、鐘錶及名貴禮品於香港的零售業銷售貨值，源自香港特別行政區政府統計處
- (2) 數據來源：香港特別行政區商務及經濟發展局與澳門統計暨普查局

RSV and POS by geography 按地區劃分的零售值及零售點

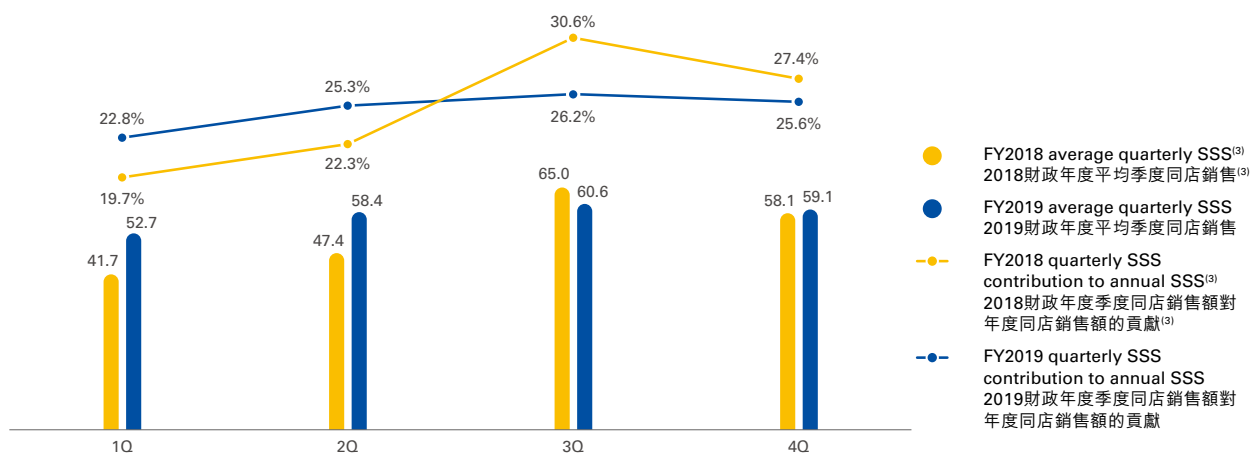


		FY2019	
		RSV YoY change 零售值同比變化	Net POS movement 零售點淨變動
●	Hong Kong 香港	▲ 11.8%	▲ 2
●	Macau 澳門	▲ 9.2%	—

- Customer traffic saw a positive growth of 4.8% year-on-year in FY2019, despite the fact that the growth softened in the second half of the financial year.
- The percentage of RSV settled by China UnionPay, Alipay, WeChat Pay or RMB to the total RSV of Hong Kong and Macau market, a proxy for sales contribution from Mainland tourists, lifted from 44.6% in FY2018 to 46.5% in FY2019.
- 2019財政年度，客流量按年錄得4.8%的正增長，惟下半年的增長有所放緩。
- 以中國銀聯、支付寶、微信支付或人民幣結算之零售值佔香港及澳門市場總零售值的百分比（代表來自中國內地旅客的銷售貢獻）由2018財政年度的44.6%升至2019財政年度的46.5%。

Average quarterly sales 平均季度銷售額

(HK\$ million 百萬港元)



(3) SSS on FY2019 Same Store basis

(3) 同店銷售以2019財政年度的同店作基準

- SSS contribution of 2HFY2019 reduced to 52% from 58% in 2HFY2018 as the unsteady macro environment deterred consumer demand during the period, in particular during 3Q.
- 3Q, being our peak season as driven by Christmas and our annual mega sales, usually accounts for the highest quarterly SSS contribution for the Hong Kong and Macau market.
- 2019財政年度下半年錄得的同店銷售佔全年同店銷售之百分比由2018財政年度下半年的58%降至52%，此乃由於期內尤其於第三季度受到不穩的宏觀經濟環境的影響而減低了消費者的需求。
- 第三季度適逢聖誕節及我們的年度大減價活動，故屬我們的旺季，該季度通常佔香港及澳門市場同店銷售中最高的季度貢獻。

Financials

財務狀況

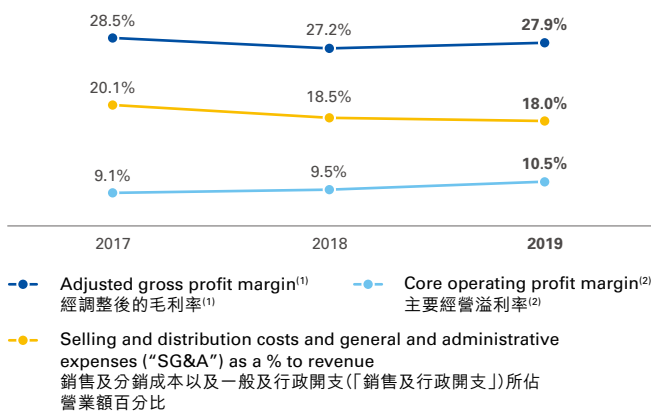
Despite macro uncertainties in 2HFY2019, our underlying competencies remained strong and our profitability demonstrated continuous improvement over the past three financial years.

儘管2019財政年度下半年充滿宏觀不明朗因素，但我們的固有實力依然強勁，在過往三個財政年度的盈利持續錄得增長。

Profitability

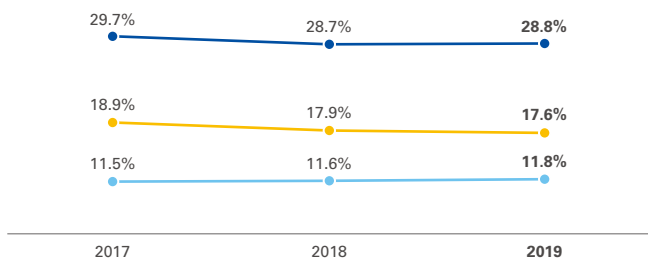
Overall 整體

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



Mainland China 中國內地

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

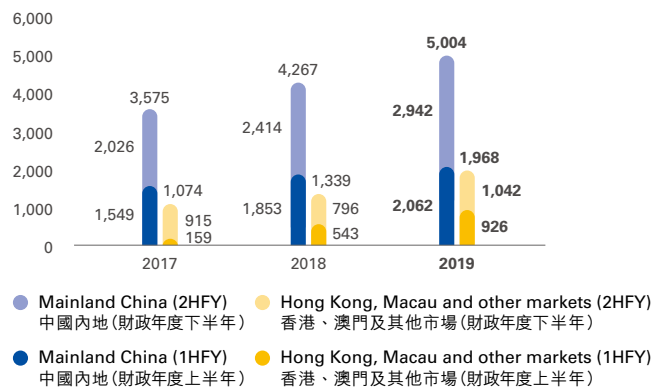


- (1) Adjusted gross profit and the corresponding margin, a non-IFRS measure, eliminates the effect of unrealised loss (gain) on gold loans, which the Company believes is useful in gaining a more complete understanding of its operational performance and the underlying trend of its businesses
- (2) Core operating profit and the corresponding margin, a non-IFRS measure, being the aggregate of adjusted gross profit and other income, less SG&A, which the Company believes is useful in gaining a more complete understanding of its operational performance and the underlying trend of its core business

盈利能力

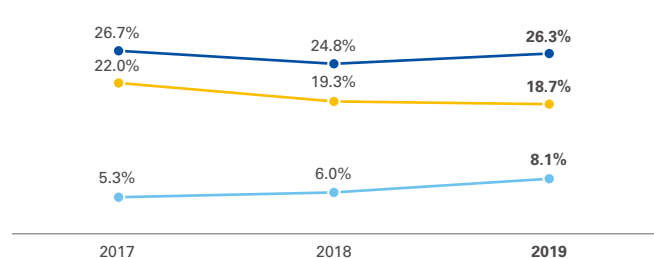
Core operating profit⁽²⁾ of major reportable segment
按可呈報分部劃分的主要經營溢利⁽²⁾

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



Hong Kong, Macau and other markets 香港、澳門及其他市場

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



- (1) 經調整後的毛利及相應毛利率並非按國際財務報告準則計算，扣除了黃金借貸的未變現虧損(收益)的影響，本公司相信此數據有助更透徹了解其經營表現及業務的實際趨勢
- (2) 主要經營溢利及相應溢利率並非按國際財務報告準則計算，指經調整後的毛利及其他收益的合計，減銷售及行政開支，本公司相信此等數據有助更透徹了解其經營表現及核心業務的實際趨勢

Group

集團

(HK\$ million)	(百萬港元)	1H FY2018	2H FY2018	1H FY2019	2H FY2019	1H FY YoY change 財政年度 上半年 同比變化	2H FY YoY change 財政年度 下半年 同比變化
Revenue	營業額	24,754	34,402	29,703	36,958	▲ 20.0%	▲ 7.4%
Adjusted gross profit	經調整後的毛利	7,097	9,022	8,338	10,263	▲ 17.5%	▲ 13.7%
Adjusted gross profit margin	經調整後的毛利率	28.7%	26.2%	28.1%	27.8%	▼ 0.6% pts 個百分點	▲ 1.6% pts 個百分點
Other income	其他收入	186	222	167	229	▼ 10.2%	▲ 3.1%
SG&A	銷售及行政開支	(4,887)	(6,033)	(5,517)	(6,508)	▲ 12.9%	▲ 7.9%
SG&A as a % to revenue	銷售及行政開支所佔 營業額百分比	19.7%	17.5%	18.6%	17.6%	▼ 1.1% pts 個百分點	▲ 0.1% pts 個百分點
Core operating profit	主要經營溢利	2,396	3,211	2,989	3,984	▲ 24.7%	▲ 24.1%
Core operating profit margin	主要經營溢利率	9.7%	9.3%	10.1%	10.8%	▲ 0.4% pts 個百分點	▲ 1.5% pts 個百分點

- Core operating profit margin continuously improved over the past three financial years.
- In FY2019, the core operating profit grew strongly by 24.4% and the corresponding margin improved by 100 basis points. This was attributable to the increase in adjusted gross profit margin as well as the benefit of operating leverage.
- Among the two segments, Mainland China continued to be our main profit contributor and accounted for more than 70% of the Group's core operating profit in FY2019.
- 主要經營溢利率於過往三個財政年度持續攀升。
- 於2019財政年度，主要經營溢利強勁增長24.4%及其相應溢利率亦上升100個點子。此乃由於經調整後的毛利率上升以及受惠於營運效益帶動。
- 我們的兩大業務分部中，中國內地繼續為主要溢利來源，於2019財政年度佔本集團主要經營溢利超過70%。

Mainland China

中國內地

						1HFY YoY change 財政年度 上半年 同比變化	2HFY YoY change 財政年度 下半年 同比變化
(HK\$ million)	(百萬元)	1HFY2018	2HFY2018	1HFY2019	2HFY2019		
Revenue	營業額	14,944	21,860	18,022	24,410	▲ 20.6%	▲ 11.7%
Adjusted gross profit	經調整後的毛利	4,593	5,980	5,358	6,881	▲ 16.7%	▲ 15.1%
Adjusted gross profit margin	經調整後的毛利率	30.7%	27.4%	29.7%	28.2%	▼ 1.0% pts 個百分點	▲ 0.8% pts 個百分點
Other income	其他收入	131	161	102	151	▼ 22.3%	▼ 6.6%
SG&A	銷售及行政開支	(2,872)	(3,727)	(3,398)	(4,089)	▲ 18.3%	▲ 9.7%
SG&A as a % to revenue	銷售及行政開支所佔 營業額百分比	19.2%	17.1%	18.9%	16.8%	▼ 0.3% pts 個百分點	▼ 0.3% pts 個百分點
Core operating profit	主要經營溢利	1,853	2,414	2,062	2,942	▲ 11.3%	▲ 21.9%
Core operating profit margin	主要經營溢利率	12.4%	11.0%	11.4%	12.1%	▼ 1.0% pts 個百分點	▲ 1.1% pts 個百分點

- Core operating profit margin demonstrated continuous improvement across the three financial years. Thanks to operating leverage, core operating profit margin improved sequentially from 11.4% in 1HFY2019 to 12.1% in 2HFY2019.
- In FY2019, core operating profit increased by 17.3% and the corresponding margin grew by 20 basis points.
- Adjusted gross profit margin in FY2019 grew slightly by 10 basis points to 28.8%. Margin by product at retail level improved, yet it was partially offset by a less favourable product mix and higher wholesale contribution.
- Thanks to adjusted gross profit margin improvement by product at retail level and operating leverage, core operating profit growth in 2HFY2019 accelerated by 21.9% and the corresponding margin grew by 110 basis points.
- 主要經營溢利率於三個財政年度持續上升。受惠於營運效益，主要經營溢利率由2019財政年度上半年的11.4%繼續升至2019財政年度下半年的12.1%。
- 於2019財政年度，主要經營溢利上升17.3%及其相應溢利率增長20個點子。
- 於2019財政年度，經調整後的毛利率微升10個點子至28.8%。零售層面按產品劃分的毛利率上升，惟部份升幅因產品組合未如理想及批發業務貢獻上升所抵銷。
- 受惠於零售層面按產品劃分的經調整後的毛利率上升以及營運效益，2019財政年度下半年的主要經營溢利上升21.9%，而其相應溢利率則增加110個點子。

Hong Kong, Macau and other markets

香港、澳門及其他市場

(HK\$ million)	(百萬港元)	1HFY2018	2HFY2018	1HFY2019	2HFY2019	1HFY	2HFY
						YoY change 財政年度 上半年 同比變化	YoY change 財政年度 下半年 同比變化
Revenue	營業額	9,810	12,542	11,681	12,548	▲ 19.1%	▲ 0.0%
Adjusted gross profit	經調整後的毛利	2,504	3,042	2,980	3,382	▲ 19.0%	▲ 11.2%
Adjusted gross profit margin	經調整後的毛利率	25.5%	24.3%	25.5%	27.0%	–	▲ 2.7% pts 個百分點
Other income	其他收入	55	61	65	78	▲ 19.0%	▲ 28.9%
SG&A	銷售及行政開支	(2,016)	(2,306)	(2,119)	(2,419)	▲ 5.1%	▲ 4.9%
SG&A as a % to revenue	銷售及行政開支所佔 營業額百分比	20.5%	18.4%	18.1%	19.3%	▼ 2.4% pts 個百分點	▲ 0.9% pts 個百分點
Core operating profit	主要經營溢利	543	796	926	1,042	▲ 70.5%	▲ 30.8%
Core operating profit margin	主要經營溢利率	5.5%	6.3%	7.9%	8.3%	▲ 2.4% pts 個百分點	▲ 2.0% pts 個百分點

- Core operating profit increased by 46.9% in FY2019 and the corresponding margin demonstrated continuous improvement across the three financial years. It also improved sequentially from 5.5% in 1HFY2018 to 8.3% in 2HFY2019.
- In FY2019, adjusted gross profit margin expanded by 150 basis points to 26.3% as margin normalised, where there was a one-off inventory impairment provision made during FY2018, and the wholesale contribution in FY2019 reduced. Although margin by product at retail level improved, such impact was offset by a higher gold product sales mix.
- In 2HFY2019, uplift in adjusted gross profit margin, coupled with an improvement in SG&A ratio, core operating profit margin grew strongly by 200 basis points year-on-year to 8.3%.
- 於2019財政年度，主要經營溢利增加46.9%及其相應溢利率於三個財政年度持續上升，其中更由2018財政年度上半年的5.5%持續改善至2019財政年度下半年的8.3%。
- 於2019財政年度，經調整後的毛利率回升至正常水平，使其上升150個點子至26.3%。此乃由於2018財政年度曾作一次性存貨減值撥備以及2019財政年度的批發貢獻減少。儘管零售層面按產品劃分的毛利率上升，此升幅被黃金產品銷售佔比增加所抵銷。
- 於2019財政年度下半年，經調整後的毛利率上升，再加上銷售及行政開支比率有所改善，主要經營溢利率按年大幅增加200個點子至8.3%。

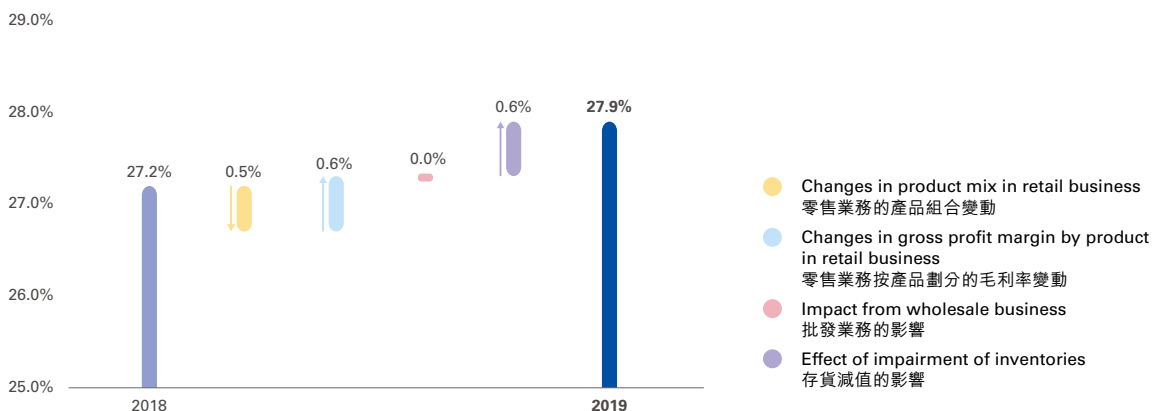
Gross profit margin**Unrealised loss (gain)****毛利率****未變現虧損(收益)**

For the year ended 31 March	截至3月31日止年度	2017	2018	2019
Gross profit margin	毛利率	29.2%	27.4%	27.9%
Unrealised loss (gain) on gold loans	黃金借貸未變現虧損(收益)	(0.7)%	(0.2)%	0.0%
Adjusted gross profit margin	經調整後的毛利率	28.5%	27.2%	27.9%

- Unrealised loss (gain) for the year represents the net effect of (i) the reversal of the loss (gain) recorded due to the timing difference in recognising the effect of long and short position in gold when we take a snapshot position at the end of the previous financial year; and (ii) the loss (gain) arising from such timing difference at the end of the current financial year.
- We use gold loans (short position in gold) for economic hedge purpose to mitigate the financial impact of the gold price fluctuations in our gold inventories (long position). While the long-term effect of long and short positions in gold is expected to net out each other through the sales of gold products, a loss (gain) may arise due to a short-term timing difference between the time when a loss (gain) on gold loans is recorded in the cost of goods sold and the time when sales of hedged gold inventories are recognised, when we take a snapshot position at the end of the reporting period.
- 年內未變現虧損(收益)指(i)撥回於上一個財政年度完結時因確認黃金好倉與淡倉影響之時間差所產生的虧損(收益)與(ii)於當前財政年度結算時，因相關的時間差而產生的虧損(收益)的淨影響。
- 我們利用黃金借貸(黃金淡倉)為經濟避險目的以減輕黃金存貨(黃金好倉)價格波動的財務影響。雖然黃金好淡倉的長線影響預期將會在出售黃金產品時互相抵銷，惟對報告期末的持倉狀況而言，計入銷售成本的黃金借貸虧損(收益)與已對沖黃金存貨的銷售之間或會有短暫的時間差，從而可能產生虧損(收益)。

Changes in adjusted gross profit margin 經調整後的毛利率變動

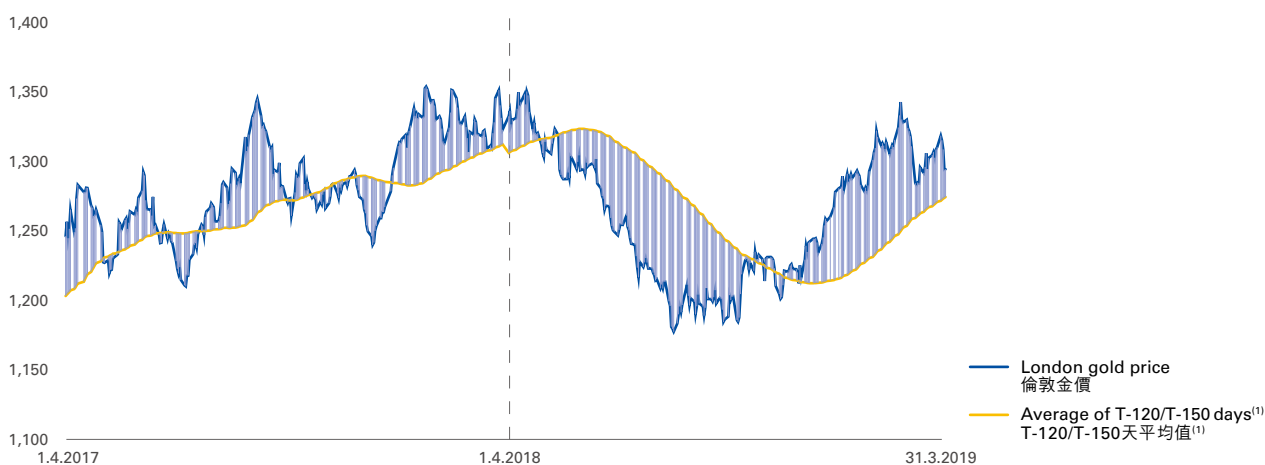
For the year ended 31 March 截至3月31日止年度



- At group level, adjusted gross profit margin increased by 70 basis points when compared to FY2018. The relatively lower margin in FY2018 was affected by a one-off inventory impairment provision made during that financial year.
- 於集團層面，經調整後的毛利率較2018財政年度上升70個點子。2018財政年度毛利率較低乃受該財政年度所作的一次性存貨減值撥備的影響。

- At retail level, benefitting from our differentiated product offerings, gross profit margin by product improved, yet it was partially offset by a less favourable product mix.
- Impact from wholesale business has minimal impact to the adjusted gross profit margin as the wholesale margin improvement was offset by the increased wholesale contribution.
- 於零售層面，受惠於我們具差異化的產品選擇，按產品劃分的毛利率有所上升，惟部份升幅因產品組合未如理想所抵銷。
- 批發業務的影響對經調整後的毛利率影響相當輕微，此乃由於批發毛利率的升幅被批發業務貢獻的增加所抵銷。

London gold price 倫敦金價
(US\$ per ounce 美元每盎司)



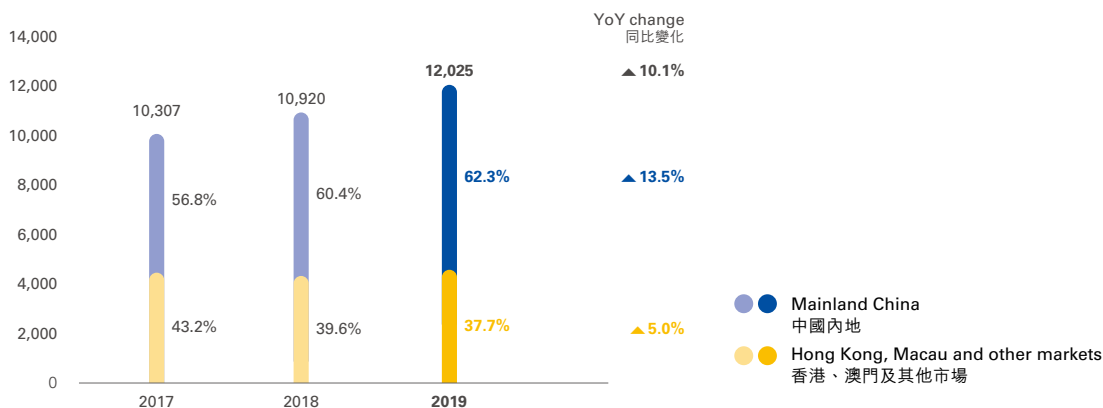
(1) Average of T-120/T-150 days refers to the average gold price of previous 120 or 150 days on rolling basis, being a proxy of the average price of our hedged gold inventories. As gold inventories turnover lengthened in FY2019, average of T-120 days and T-150 days was used for FY2018 and FY2019, respectively

(1) T-120/T-150天平均值指過往連續120天或150天的黃金均價，用作代表我們已對沖黃金存貨的平均價格。由於2019財政年度的黃金存貨周轉延長，2018財政年度及2019財政年度分別使用T-120天及T-150天平均值

SG&A

SG&A by reportable segment 按可呈報分部劃分的銷售及行政開支

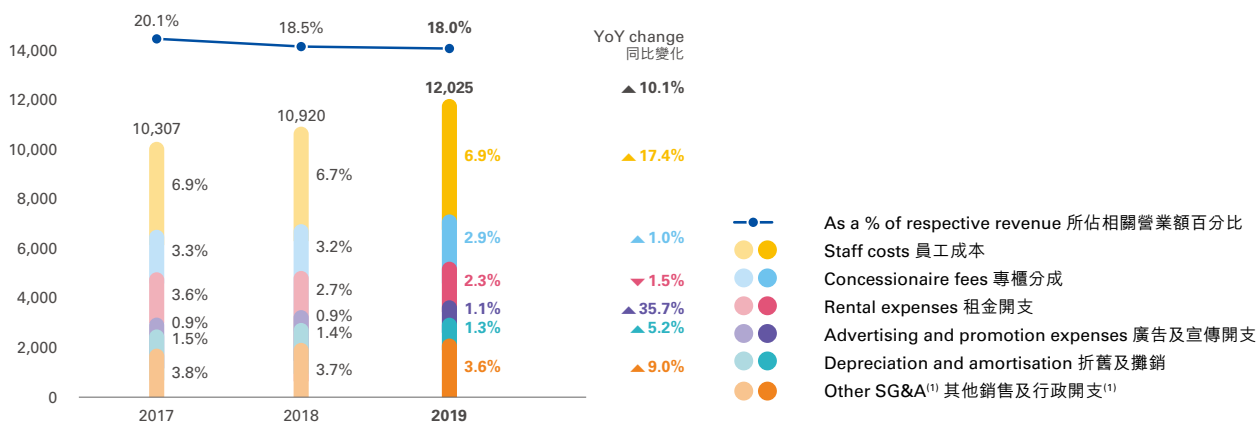
For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



銷售及行政開支

SG&A to revenue ratio 銷售及行政開支佔營業額比率

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



(1) Other SG&A mainly represented bank charges incurred for sales transaction settlement, royalty fees for the sales of licensed products, certificate expenses, packing materials and utilities

(1) 其他銷售及行政開支主要包括銷售交易結算產生的銀行手續費、銷售授權產品的專利費用、證書費、包裝物料及水電費

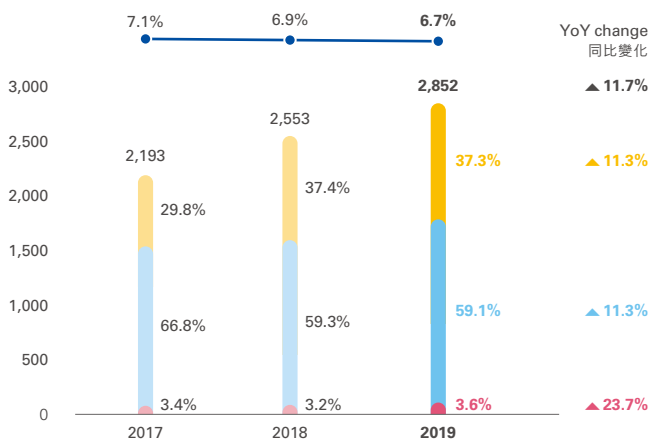
- Mainland China segment contributed over half of SG&A over the past three financial years.
- SG&A expenses increased by 10.1% to HK\$12,025 million in FY2019 as most of our major SG&A components increased, except for rental expenses which recorded a 1.5% decrease.
- Advertising and promotion expenses increased by 35.7% and its corresponding ratio to revenue normalised to 1.1% as more resources have been put on increasing our brands' exposure and lifting brand equity.
- Thanks to operating leverage, SG&A ratio fell by 50 basis points to 18.0%.

- 中國內地分部於過往三個財政年度佔銷售及行政開支超過一半。
- 於2019財政年度，銷售及行政開支增加10.1%至12,025百萬港元，此乃由於我們的銷售及行政開支主要項目俱升，惟租金開支下降1.5%。
- 由於我們投入更多資源增加品牌曝光率及提升品牌價值，廣告及宣傳開支增加35.7%及其相應對營業額的比率已回復1.1%的正常水平。
- 受惠於營運效益，銷售及行政開支比率下降50個點子至18.0%。

Major SG&A components

Staff costs and related expenses

Mainland China 中國內地

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)

銷售及行政開支的主要項目

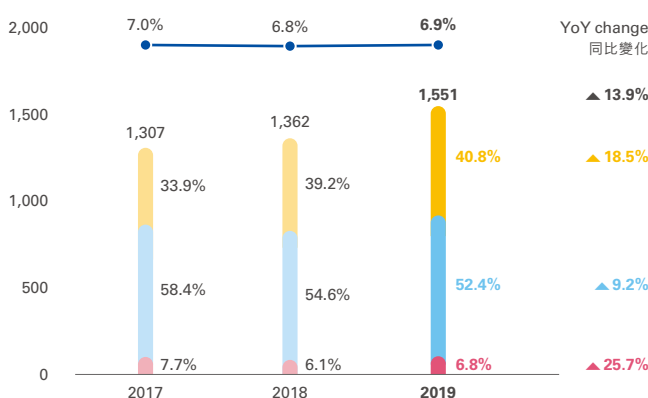
員工成本及相關開支

FY2019



- As a % of respective revenue 所佔相關營業額百分比
- Variable staff costs 浮動員工成本
- Fixed staff costs 固定員工成本
- Other staff related expenses⁽²⁾ 其他員工相關開支⁽²⁾

Hong Kong and Macau 香港及澳門

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)

FY2019



- As a % of respective revenue 所佔相關營業額百分比
- Variable staff costs 浮動員工成本
- Fixed staff costs 固定員工成本
- Other staff related expenses⁽²⁾ 其他員工相關開支⁽²⁾

(1) Employees in production function excluded

(2) Other staff related expenses mainly included staff messing, medical care, educational expenses, etc.

(1) 不包括生產部門的員工

(2) 其他員工相關開支主要包括員工膳食津貼、醫療費和教育經費等

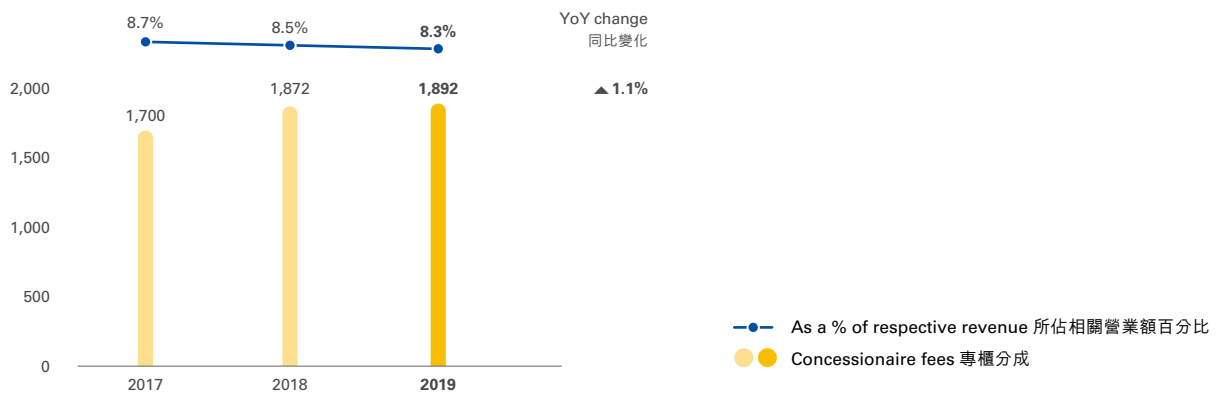
- Staff costs and related expenses in both reportable segments increased in FY2019. We aim for a balance between fixed and variable portion to incentivise performance.
- In Mainland China, increase in staff costs was generally in line with business growth.
- In Hong Kong and Macau, such increment was largely attributable to the additional headcount for experienced specialists in various corporate functions so as to strengthen the Group's capabilities for long-term sustainable growth.

- 於2019財政年度，兩個可呈報分部的員工成本及相關開支均有上升。我們旨在於固定及浮動部分之間取得平衡，以激勵表現。
- 於中國內地，員工成本的增幅基本上與業務增長相符。
- 於香港及澳門，員工成本增加主要為多個企業功能增聘富經驗的專才，以加強集團的實力為長線可持續增長作準備。

Concessionaire fees and rental expenses

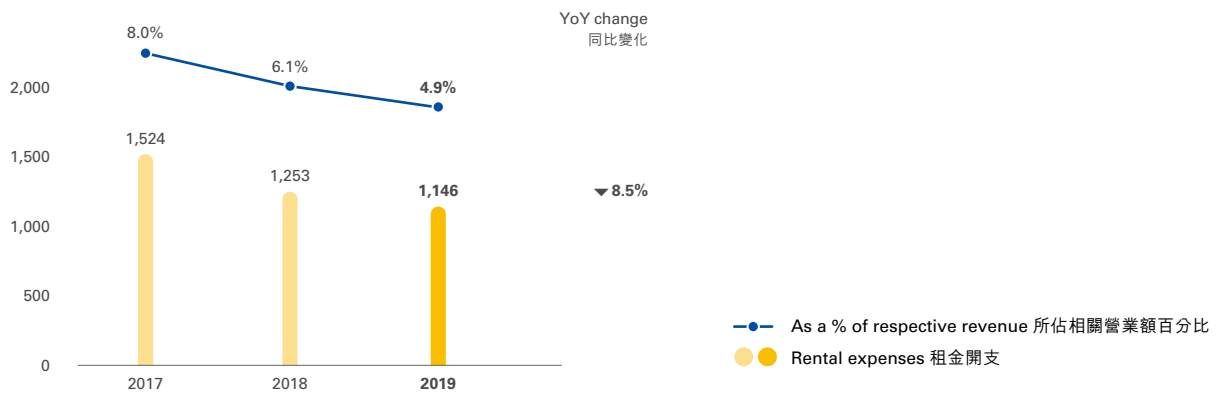
Mainland China 中國內地

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



Hong Kong and Macau 香港及澳門

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



- In Mainland China, concessionaire fees increased by 1.1% as sales improved. The slight decline in concessionaire fees ratio was mainly due to the shift of sales mix towards gold products, which are generally subject to lower rates.
- In Hong Kong and Macau, rental expenses fell by 8.5% and rental expenses ratio shrank by 120 basis points to 4.9% in FY2019, which was mainly attributable to the effect of the renewals and closures in FY2018. We achieved an average reduction on rental renewal of approximately 3% in FY2019.
- 於中國內地，專櫃分成隨銷售上升而增加1.1%。專櫃分成比率微降乃主要由於銷售組合轉向專櫃分成比率一般較低的黃金產品所致。
- 於香港及澳門，2019財政年度的租金開支削減8.5%而租金開支比率下降120個點子至4.9%，主要由於2018財政年度店舖續租及關店所帶來的影響。我們於2019財政年度續租的租金平均減幅約為3%。

Other income, other gains and losses and other expenses

其他收入、其他收益及虧損以及其他開支

For the year ended 31 March	截至3月31日止年度	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	YoY change 同比變化
Other income	其他收入	330	408	396	▼ 3.0%
Other gains and losses	其他收益及虧損	(286)	342	(276)	N/A 不適用
Other expenses	其他開支	(215)	(48)	(57)	▲ 19.1%

- Other income mainly arose from the government grants received by the subsidiaries in Mainland China.
- Other gains and losses mainly represented a net foreign exchange loss of HK\$241 million (FY2018: net foreign exchange gain of HK\$343 million) due to the depreciation of RMB.
- Other expenses mainly represented the amortisation of other intangible assets arising from the acquisition of Hearts On Fire.
- 其他收入主要指來自中國內地附屬公司獲得的政府補貼。
- 其他收益及虧損主要指因人民幣貶值而產生的匯兌淨虧損241百萬港元(2018財政年度：匯兌淨收益343百萬港元)。
- 其他開支主要為收購Hearts On Fire產生之其他無形資產攤銷。

Interest income, finance costs and taxation

利息收入、融資成本及稅項

For the year ended 31 March	截至3月31日止年度	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	YoY change 同比變化
Interest income from banks	銀行利息收入	122	67	83	▲ 23.6%
Other interest income	其他利息收入	18	13	—	▼ 100.0%
Finance costs on bank borrowings	銀行貸款融資成本	(93)	(111)	(209)	▲ 88.7%
Finance costs on gold loans	黃金借貸融資成本	(143)	(133)	(161)	▲ 21.4%
Taxation	稅項	(1,227)	(1,629)	(1,668)	▲ 2.4%

- Finance costs on gold loans increased by 21.4% was mainly due to a relatively higher average ratio between gold loan and gold inventory in FY2019 as compared to FY2018 as the Group stocked up more gold inventories amid robust customer demand.
- Finance costs on bank borrowings increased by 88.7% as the bank borrowings and the corresponding rates increased during FY2019.
- Effective tax rate decreased from 27.9% in FY2018 to 26.3% in FY2019 as more withholding tax expenses were incurred in FY2018.
- 黃金借貸融資成本上升21.4%，主要由於我們於2019財政年度為應付顧客殷切的需求而增加黃金存貨，故此平均黃金借貸與黃金存貨之比率相較2018財政年度為高。
- 於2019財政年度，銀行貸款融資成本上升88.7%，此乃由於銀行貸款及相應的利率上升所致。
- 由於2018財政年度產生的預扣稅較多，實際稅率由2018年財政年度的27.9%降至2019財政年度的26.3%。

Return on equity

- We use return on equity ("ROE") to measure the efficiency of generating profits from each unit of shareholder equity.
- Net profit margin stayed at 7.0%. ROE improved by 260 basis points to 14.9% as the equity multiplier increased.

股本回報率

- 我們使用股本回報率計量自每股股東權益獲取溢利的效率。
- 淨溢利率維持於7.0%。股本回報率隨權益倍數增加而上升260個點子至14.9%。

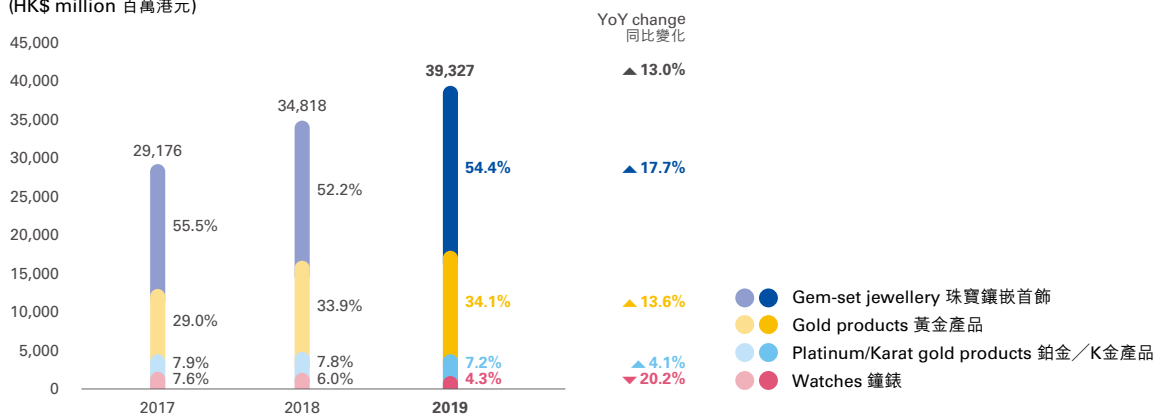


Inventory Turnover and Capital Structure

Inventory balances and turnover period

Inventory balances by product⁽¹⁾ 按產品劃分的存貨結餘⁽¹⁾

As at 31 March 於3月31日
(HK\$ million 百萬港元)

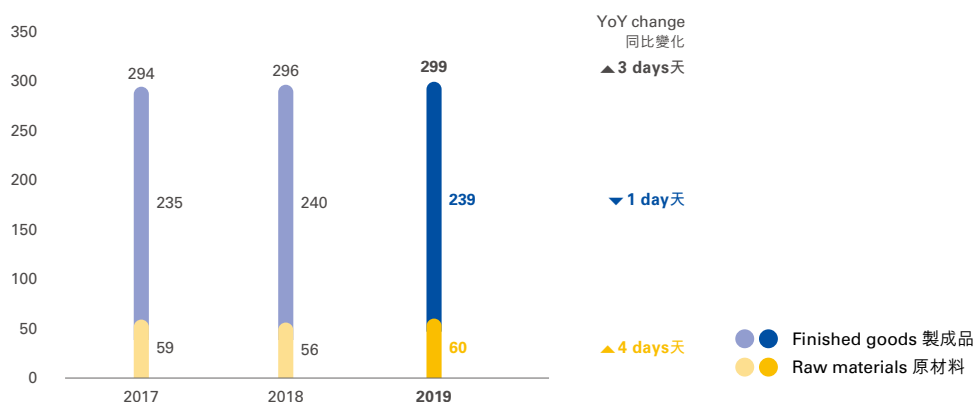


(1) Packing materials excluded

存貨周轉及資本架構

存貨結餘及周轉期

(1) 不包括包裝物料

Inventory turnover period by category⁽²⁾ 按類別劃分的存貨周轉期⁽²⁾For the year ended 31 March 截至3月31日止年度
(Day 天數)

(2) Being inventory balances, excluding packing materials, at the end of the reporting period divided by cost of goods sold for the year, multiplied by 365

(2) 即報告期末存貨結餘(不包括包裝物料)除以年內銷售成本,再乘以365

- Inventory balances, excluding packing materials, increased by 13.0% and reached HK\$39,327 million as at 31 March 2019.
- Inventory turnover period lengthened by 3 days compared to that of FY2018.
- As at 31 March 2019, approximately HK\$4,590 million or 11.6% of our total inventory balances were held by franchised POS (31 March 2018: approximately HK\$3,290 million or 9.4% were held by franchised POS).
- 於2019年3月31日,存貨結餘(不包括包裝物料)上升13.0%至39,327百萬港元。
- 存貨周轉期較2018財政年度多3天。
- 於2019年3月31日,加盟零售點持有我們總存貨結餘約4,590百萬港元(或11.6%)(2018年3月31日:加盟零售點持有約3,290百萬港元(或9.4%))。

Capital structure

資本架構

As at	於	31.3.2018 HK\$ million 百萬元	% to total equity 佔權益總額 百分比	31.3.2019 HK\$ million 百萬元	% to total equity 佔權益總額 百分比	Increase (decrease) 增加(減少) HK\$ million 百萬元	Denominated currency ⁽¹⁾ 計值貨幣 ⁽¹⁾	Interest rate structure ⁽¹⁾ 利率架構 ⁽¹⁾
Non-current assets	非流動資產	8,258	24.2%	8,459	26.9%	201	N/A 不適用	N/A 不適用
Inventories	存貨	34,929	102.4%	39,486	125.7%	4,557	N/A 不適用	N/A 不適用
Cash and cash equivalents ⁽²⁾	現金及現金等價物 ⁽²⁾	7,944	23.3%	7,641	24.3%	(303)	Mainly HKD, RMB and USD 主要為港元、人民幣及美元	Mainly variable interest rate 主要為浮動利率
Total borrowings ⁽³⁾	總貸款 ⁽³⁾	13,258	38.9%	18,069	57.5%	4,811		
Bank borrowings	銀行貸款	7,923	23.3%	10,057	32.0%	2,134	HKD 港元	Variable interest rate 浮動利率
Gold loans	黃金借貸	5,335	15.6%	8,012	25.5%	2,677	RMB and USD 人民幣及美元	Fixed interest rate 固定利率
Net debt ⁽⁴⁾	債項淨額 ⁽⁴⁾	5,314	15.6%	10,428	33.2%	5,114	N/A 不適用	N/A 不適用
Working capital ⁽⁵⁾	營運資金 ⁽⁵⁾	28,593	83.9%	26,307	83.8%	(2,286)	N/A 不適用	N/A 不適用
Total equity	權益總額	34,098	100.0%	31,403	100.0%	(2,695)	N/A 不適用	N/A 不適用

(1) Information about denominated currency and interest rate structure related to the condition as at 31 March 2019

(2) Bank balances and cash equivalents included

(3) As at 31 March 2019, bank borrowings amounted to HK\$7,460 million and all the gold loans would be matured within 12 months while bank borrowings amounted to HK\$1,999 million would be matured in more than 1 year but not exceeding 2 years and HK\$598 million would be mature in more than 2 years but not exceeding five years

(4) Aggregate of bank borrowings, gold loans, net of cash and cash equivalents

(5) Being net current assets

(1) 有關計值貨幣及利率結構的資料為2019年3月31日的情況

(2) 包括銀行結餘及現金等價物

(3) 於2019年3月31日，7,460百萬港元的銀行貸款及所有黃金借貸將於12個月內到期，而1,999百萬港元的銀行貸款將於超過1年但不多於2年內到期及598百萬港元將於超過2年但不多於5年內到期

(4) 銀行貸款、黃金借貸之總額(已扣除現金及現金等價物)

(5) 即淨流動資產

- We principally meet our working capital and other liquidity requirements through a combination of capital contributions, including cash flows from operations, bank borrowings and gold loans. Gold loans are also used for economic hedge purpose to mitigate the financial impact of the price fluctuations in the Group's gold inventories.

- 我們主要透過來自經營現金流量、銀行貸款及黃金借貸的資本來源應付營運資金及其他流動資金需求。黃金借貸亦作經濟避險目的以減輕本集團黃金存貨價格波動的財務影響。

- The Group's daily operation was mainly financed by operating cash flows, and mainly relied on short-term borrowings to satisfy inventory financing needs during peak seasons, working capital for future expansion plans and unexpected needs. The Group has not experienced any difficulties in repaying its borrowings.
- The Group's income and expenditure were mostly denominated in HKD and RMB, while its assets and liabilities were mostly denominated in HKD, RMB and USD.
- 本集團日常業務所需資金主要來自經營現金流量，亦會主要以短期借貸滿足旺季時的存貨資金需求，未來擴展計劃所需營運資金及預計之外的需求。本集團於償還貸款方面並無任何困難。
- 本集團之收入及開支主要以港元及人民幣計值，而資產及負債則主要以港元、人民幣及美元計值。

Effect of RMB fluctuation

- As part of our business operation was in Mainland China, the fluctuation in RMB would post some impact to our performance.
- Transactions entered by the Hong Kong entities but denominated in RMB, including the inter-group transactions with the Mainland China subsidiaries, are converted into HKD, the functional currency of the Group, initially using the spot rate at the date of transaction and the unsettled transactions are retranslated at closing exchange rate at the balance sheet date. Such translation differences between the spot rate and closing exchange rate are recognised in profit or loss, negatively affecting our profit for the year when RMB depreciated.
- Exchange difference also arises when i) incomes and expenses of the Mainland China segment are translated into HKD, the presentation currency of the Group, at the average exchange rate, while the corresponding assets and liabilities are translated at closing exchange rate and ii) change in closing exchange rates at the current financial year of the net assets of the Mainland China segment from the closing rates at the previous financial year. Such differences are recognised in the translation reserve in equity.
- 由於我們有部分業務在中國內地經營，人民幣的波動對我們的表現構成若干影響。
- 香港公司以人民幣計值的交易（包括與中國內地附屬公司進行的集團間交易）會按交易當天的現貨匯率兌換為港元，即本集團的功能貨幣，而未結算的交易則會以收市匯率於結算日換算。現貨匯率與收市匯率的匯兌收益或虧損於損益賬中確認，而人民幣貶值會對我們的年內溢利構成負面影響。
- 此外，匯兌差異源於 i) 中國內地分部的收支按平均匯率換算為港元，即本集團呈列貨幣，而相應的資產及負債按收市匯率換算；及 ii) 中國內地分部的資產淨值於本財政年度的收市匯率較上個財政年度的收市匯率有所變動。有關差異於權益中的換算儲備內確認入賬。

人民幣波動的影響

- The table below illustrates the fluctuation of RMB and the impact to our financial performance:
- 下表列示人民幣波動及對我們財務表現的影響：

FY2019	Closing exchange rate YoY change 收市匯率同比變化	Average exchange rate YoY change 平均匯率同比變化
RMB to HKD 人民幣兌港元	▼ 7%	▼ 1%

For the year ended 31 March	截至3月31日止年度	2018		2019	
		As reported 所呈報	Constant exchange rate basis 按相同匯率計算	As reported 所呈報	Constant exchange rate basis 按相同匯率計算
Revenue YoY change	營業額同比變化	▲ 15.4%	▲ 14.0%	▲ 12.7%	▲ 13.2%
Core operating profit YoY change	主要經營溢利同比變化	▲ 20.6%	▲ 18.7%	▲ 24.4%	▲ 24.9%
Changes in inventory balances	存貨結餘變化	▲ 19.4%	▲ 13.6%	▲ 13.0%	▲ 16.7%
Changes in cash and cash equivalents	現金及現金等價物變化	▲ 0.0%	▼ 7.5%	▼ 3.8%	▲ 0.7%

- Revenue and core operating profit on constant exchange rate basis are calculated by translating current year's revenue and core operating profit of the Mainland China segment in RMB into HKD using the prior year's average RMB to HKD exchange rates. We believe using constant exchange rate basis could enhance the comparability between two financial years.
- 按相同匯率計算的營業額及主要經營溢利乃使用中國內地分部於本年度以人民幣計值的營業額及主要經營溢利以上一年度之人民幣兌港元平均匯率換算為港元，我們相信使用相同匯率基準有助提高兩個財政年度的可比性。

Cash Flows and Others

Cash flows

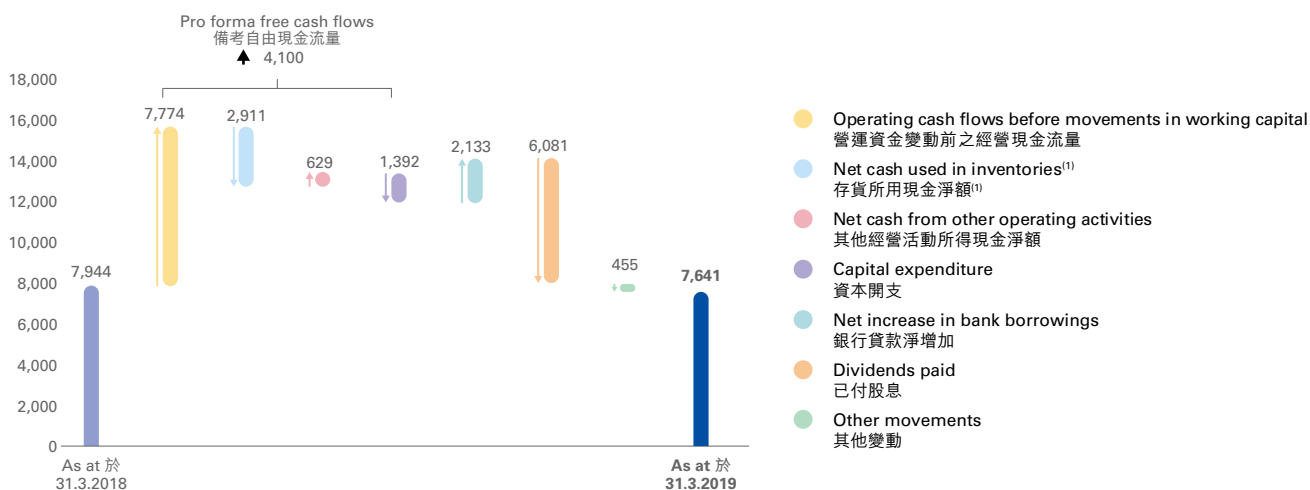
現金流量及其他

現金流量

For the year ended 31 March	截至3月31日止年度	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	5,702	6,879	7,774
Net cash used in inventories ⁽¹⁾	存貨所用現金淨額 ⁽¹⁾	(2,424)	(2,455)	(2,911)
Net cash from (used in) other operating activities	其他經營活動所得(所用)現金淨額	(49)	232	629
Purchase of jewellery collectibles	購買珠寶珍藏	(378)	(553)	—
Capital expenditure	資本開支	(862)	(1,084)	(1,392)
Pro forma free cash flows	備考自由現金流量	1,989	3,019	4,100
Net change in bank borrowings	銀行貸款淨變動	(1,112)	1,102	2,133
Dividends paid	已付股息	(5,148)	(4,260)	(6,081)
Other movements	其他變動	(787)	140	(455)
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	(5,058)	1	(303)

Major cash flows items for FY2019 2019財政年度主要現金流量項目

(HK\$ million 百萬港元)



(1) Net cash used in inventories included net change in inventories, gold loan raised and repayment of gold loans

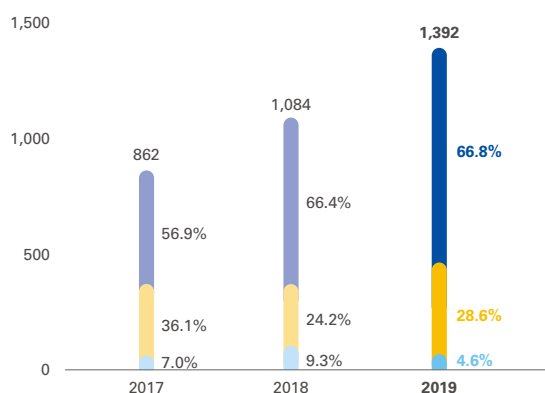
(1) 存貨所用現金淨額包括存貨淨變動、所得黃金貸款及黃金貸款還款。

Capital expenditure

- The Group's capital expenditure incurred during FY2019 amounted to HK\$1,392 million (FY2018: HK\$1,084 million).

Capital expenditure by nature 按性質劃分的資本開支

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)

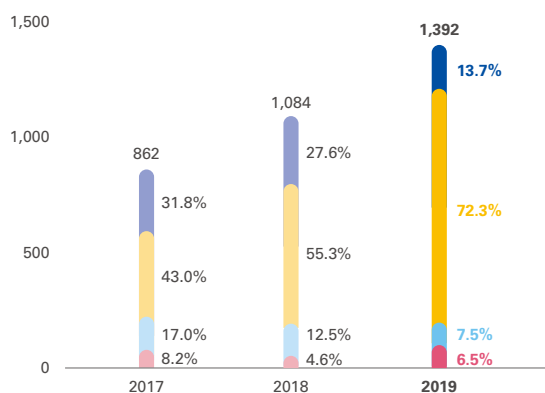


資本開支

- 本集團於2019財政年度的資本開支為1,392百萬港元(2018財政年度：1,084百萬港元)。

Capital expenditure by function 按功能劃分的資本開支

For the year ended 31 March 截至3月31日止年度
(HK\$ million 百萬港元)



- Furniture, fixtures and equipment and leasehold improvements
傢俬、裝置及設備和租賃物業裝修
- Land and buildings and construction in progress
土地及樓宇和在建工程
- Plant and machinery and motor vehicles
廠房及機器和汽車

- Projects 項目
- POS 零售點
- Productions 生產
- Offices 辦公室

Contingent liabilities

- The Group did not have any material contingent liabilities as at 31 March 2019 and 31 March 2018.

或然負債

- 本集團於2019年3月31日及2018年3月31日並無任何重大或然負債。

Capital commitments

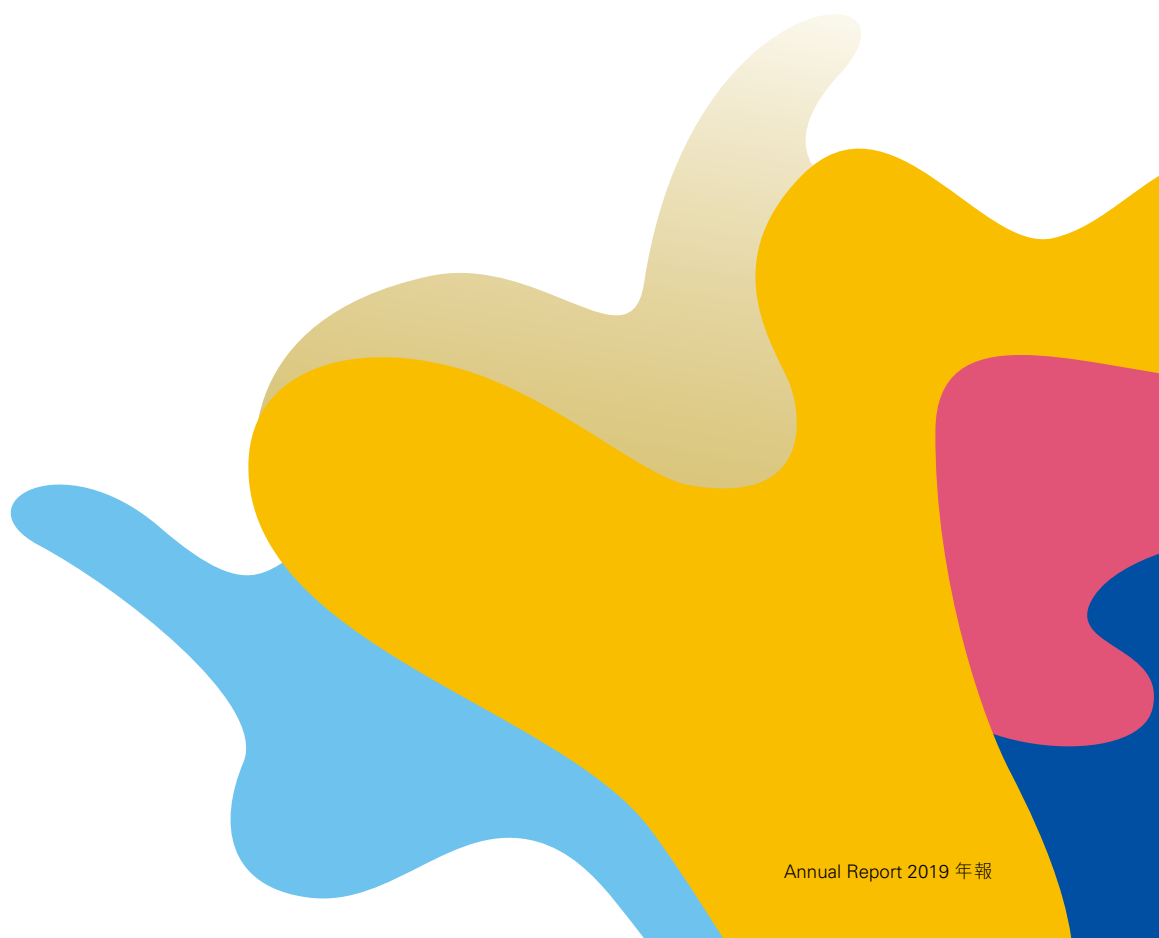
- Details of the Group's capital commitment as at 31 March 2019 and 31 March 2018 are set out in note 32 to the consolidated financial statements.

資本承擔

- 本集團於2019年3月31日及2018年3月31日的資本承擔詳情載於綜合財務報表附註32。

Major Awards and Recognitions

主要獎項及嘉許



Major Awards and Recognitions

主要獎項及嘉許

Governance 管治



Corporate Governance Asia 亞洲企業管治

8th Asian Excellence Award 2018

- Asia's Best CEO (Investor Relations) – Kent Wong
- Asia's Best CFO (Investor Relations) – Hamilton Cheng
- Best Investor Relations Company (Hong Kong)
- Best Investor Relations Professional – Danita On

第八屆亞洲卓越大獎2018

- 亞洲最佳行政總裁(投資者關係) — 黃紹基
- 亞洲最佳首席財務總監(投資者關係) — 鄭炳熙
- 最佳投資者關係企業(香港)
- 最佳投資者關係專員 — 安殷霖



Hong Kong Economic Journal 信報財經新聞

Listed Company Awards of Excellence 2018
– Main Board (Large-Cap)

上市公司卓越大獎2018
— 主板(大市值)

MerComm, Inc.

Mercury Excellence Awards 2018/2019

- Silver Award (Publicity – Sustainability Awareness)
- Honors Award (Websites/Mobile Media – Investor/Shareholder Relations Site)

ARC Awards 2018

- Bronze Award (Traditional Annual Report – Retail – Jewellery)

Galaxy Awards 2018

- Gold Award (Design – Annual Reports – Traditional – Hong Kong)
- Gold Award (Mobile Media – Annual Report)
- Honors Award (Annual Reports – Print – Retail: Other & General)

Mercury 卓越大獎2018/2019

- 銀獎(出版刊物 — 可持續發展意識)
- 榮譽獎(網站/移動媒體 — 投資者/股東關係網站)

ARC大獎2018

- 銅獎(傳統年報 — 零售類 — 珠寶)

Galaxy大獎2018

- 金獎(設計 — 香港區傳統年報)
- 金獎(手機媒體 — 年報)
- 榮譽獎(印刷年報 — 零售: 其他及一般)

Governance 管治



Bloomberg Businessweek/ Chinese Edition 彭博商業周刊／中文版

Listed Enterprises of the Year 2018

- Listed Enterprises of the Year
- Performance Award – Best Sustainability

年度上市企業 2018

- 年度上市企業
- 表現類獎項 — 最佳可持續發展獎

Hong Kong Investor Relations Association 香港投資者關係協會

HKIRA 4th Investor Relations Awards –
Certificate of Excellence

第四屆香港投資者關係大獎 — 卓越獎

Hong Kong Institute of Certified Public Accountants 香港會計師公會

Best Corporate Governance Awards 2018
– Special Mention (H-share Companies
and Other Mainland Enterprises)

最佳企業管治大獎2018 — 評判嘉許
(H股公司與其他中國內地企業組別)



HERA

Hong Kong Environmental, Social and
Governance Reporting Awards 2018

- Merit Award (Best ESG Report
– Large Cap)
- Merit Award (Innovative Frontrunner
Award)

香港環境、社會及管治報告大獎2018

- 優異獎(最佳 ESG 報告大獎 — 大型)
- 優異獎(創新領先報告獎)

Institutional Investor

2018 All-Asia (ex-Japan) Executive Team
Rankings (Consumer/Discretionary
sector)

- Best Investor Relations Professional
Third Place – Danita On (Nominated
by the sell side)

2018 年度 All-Asia Executive Team
(不包括日本) 排行榜 — 非必需消費品類別
— 最佳投資者關係專員 — 第三名 — 安殷霖
(由賣方分析員提名)

Corporate and Branding 企業及品牌



The Hong Kong Management Association 香港管理專業協會

HKMA/TVB Awards for Marketing Excellence 2018

- HKMA/TVB Awards for Marketing Excellence
- Excellence Award
- Chow Tai Fook Jewellery Group Digital Marketing Practice Champion
- Citibank Citation for Innovation

HKMA/TVB 傑出市場策劃獎2018

- HKMA/TVB 傑出市場策劃獎 — 卓越獎
- 周大福珠寶集團 — 最佳數碼營銷實踐獎
- 花旗銀行 — 最具創意獎



World Branding Forum 世界品牌論壇

World Branding Awards 2018

- Brand of the Year – Retailer
- Jewellery, Hong Kong

世界品牌大獎2018

- 年度最佳品牌 — 零售商
- 珠寶，香港



Asian Licensing Association 亞洲授權業協會

Hong Kong Licensing Awards cum The Asian Licensing Award 2018

- Gold Award: Best License
- Best License Award

香港授權業大獎暨亞洲授權業大獎2018

- 金獎：最佳被授權獎
- 最佳被授權獎



Quamnet 華富財經

Quamnet Outstanding Enterprise Awards 2018

- Outstanding Premium Jewellery Brand
- Outstanding Corporate Social Responsibility

華富財經傑出企業大獎2018

- 傑出高級珠寶品牌
- 傑出企業社會責任獎

Corporate and Branding 企業及品牌

Hong Kong Retail Management Association 香港零售管理協會

2018 Service & Courtesy Award

The Best Team Performance Award

- Gold Award (Cheung Ming Wai, Leung Kwan Min, Tai Victor & Zhou Yixin)

Watch & Jewellery Category – Junior Frontline Level

- Gold Award – Cheung Ming Wai
- Bronze Award – Leung Kwan Min
- Outstanding Performance Award – Zhou Yixin

2018傑出服務獎

最佳參賽隊伍

- 金獎(張明慧、梁君勉、戴域加及周意欣)

鐘錶及珠寶店組別 — 基層級別

- 金獎 — 張明慧
- 銅獎 — 梁君勉
- 優越表現獎 — 周意欣



Hong Kong Retail Management Association 香港零售管理協會

2018 Service Retailers of the Year

- Mystery Shopper Programme – Bronze Award
- Mystery Shopper Programme – 2018 The Outstanding Brand Award with Most Visits
- 2018 Top 10 Quality E-Shop Awards

2018年最佳服務零售商大獎

- 神秘顧客巡查計劃 — 銅獎
- 神秘顧客巡查計劃 — 2018最高探訪次數優秀品牌獎
- 2018十大優質網店



ESDlife 生活易

ESDlife Bridal Award 2018

- Best Wedding Jewellery – Gold

新婚生活易大賞2018

- 新人至愛結婚金飾

The BrandLaureate

The BrandLaureate Best Brands Awards 2017–2018

- Most Iconic Brand in Retail Jewellery

The BrandLaureate 品牌大獎2017—2018

- 最具代表性 — 珠寶零售獎

Next Magazine 壹週刊

Top Service Awards 2018

- Jewellery Chain Store Category

服務第壹大獎2018

- 連鎖珠寶公司組別

Corporate Social Responsibility 企業社會責任



CTgoodjobs

Best HR Awards 2018

- Best Corporate Social Responsibility Award (Champion)

最佳人力資源大獎2018

- 最佳社會企業責任大賞(冠軍)



JobMarket

JobMarket 求職廣場

Employer of Choice Award 2018

- Employer of Choice Award
- Corporate Social Responsibility Award

卓越僱主大獎2018

- 卓越僱主大獎
- 卓越社會責任企業大獎

Hong Kong Productivity Council

香港生產力促進局

The 9th Hong Kong Outstanding Corporate Citizenship Award

- Merit Award (Enterprise Category)

第九屆香港傑出企業公民獎

- 優異獎(企業組別)

The Hong Kong Council of Social Service

香港社會服務聯會

Caring Company

- Chow Tai Fook Jewellery Company Limited (10 Years+)
- Chow Tai Fook Jewellery Group Limited (5 Years+)

商界展關懷

- 周大福珠寶金行(連續10年或以上)
- 周大福珠寶集團(連續5年或以上)



GS1 Hong Kong

香港貨品編碼協會

Consumer Caring Scheme 2018

- Consumer Caring 5 Years+ Award

貼心企業嘉許計劃2018

- 貼心企業五年+賞

Hong Kong Quality Assurance Agency (HKQAA)

香港品質保證局

HKQAA CSR Index Plus Mark

香港品質保證局社會責任進階指數



International Financial News

國際金融報

Corporate Social Responsibility Awards 2018

- Outstanding Social Responsibility Contribution Award
- Caring Society Award

企業社會責任大獎2018

- 社會責任貢獻獎
- 社會關懷獎

Corporate Social Responsibility 企業社會責任



Green Council 環保促進會

Hong Kong Green Awards 2018

- Corporate Green Governance Award – Corporate Vision
- Green Management Award – Corporate (Large Corporation) – Silver
- Green Purchaswi\$e Award (Large Corporation) – Bronze
- Environmental, Health and Safety Award (Large Corporation) – Merit

香港綠色企業大獎2018

- 企業綠色管治獎 — 企業使命
- 優越環保管理獎 — 企業(大型企業) — 銀獎
- 明智環保採購獎(大型企業) — 銅獎
- 超卓環保安全健康獎(大型企業) — 優異獎

Global Intellectual Capital 環球智力資本

Human Resources

Asia Recruitment Awards 2019

- Best Internship Program (Silver Award)

亞洲招聘大獎2019

- 最佳實習計劃銀獎



Technology 科技



JNA Awards 2018

- Manufacturer of the Year – Cutting & Polishing

JNA大獎2018

- 年度製造商大獎 — 切割及加工

Design 設計

Hurun Report 胡潤百富

Hurun Best of the Best Awards 2019

- High-end Jewellery Best New Arrival – “Fantastical Creatures” Collection

2019年胡潤百富至尚優品

- 高級珠寶新秀獎 — 幻響系列



Profile of Directors and Senior Management

董事及高級管理人員簡介



- 1 Dr. Cheng Kar-Shun, Henry, GBM, GBS (Chairman)
鄭家純博士 (GBM, GBS) (主席)
- 2 Mr. Wong Siu-Kee, Kent (Managing Director)
黃紹基先生 (董事總經理)
- 3 Dr. Cheng Chi-Kong, Adrian, JP
鄭志剛博士 (JP)
- 4 Mr. Cheng Chi-Heng, Conroy
鄭志恒先生
- 5 Dr. Fung Kwok-King, Victor, GBM, GBS, CBE
馮國經博士 (GBM, GBS, CBE)
- 6 Mr. Chan Hiu-Sang, Albert
陳曉生先生

- 7 Mr. Kwong Che-Keung, Gordon
鄺志強先生
- 8 Mr. Lam Kin-Fung, Jeffrey, GBS, JP
林健鋒先生 (GBS, JP)
- 9 Mr. Chan Sai-Cheong
陳世昌先生
- 10 Ms. Cheng Chi-Man, Sonia
鄭志雯女士
- 11 Mr. Suen Chi-Keung, Peter
孫志強先生
- 12 Ms. Cheng Ka-Lai, Lily
鄭嘉麗女士
- 13 Mr. Cheng Ping-Hei, Hamilton
鄭炳熙先生
- 14 Mr. Liu Chun-Wai, Bobby
廖振為先生

- 15 Mr. Cheng Kam-Biu, Wilson
鄭錦標先生
- 16 Dr. Or Ching-Fai, Raymond, SBS, JP
柯清輝博士 (SBS, JP)
- 17 Mr. Cheng Ming-Fun, Paul, JP
鄭明訓先生 (JP)



Executive Director 執行董事

Responsibilities 職責

Dr. Cheng Kar-Shun, Henry [#] (Chairman) 鄭家純博士 [#] (主席)	NC, RC	Strategic direction and overall performance of the Group 本集團的策略方針及整體表現
Mr. Wong Siu-Kee, Kent (Managing Director) 黃紹基先生 (董事總經理)	NC, RC	Strategic planning and overall management of the Group 本集團的策略規劃及整體管理
Dr. Cheng Chi-Kong, Adrian [#] 鄭志剛博士 [#]		Strategic investment of the Group 本集團的策略投資
Mr. Cheng Chi-Heng, Conroy [#] 鄭志恒先生 [#]		Raw material procurement (diamonds and gemstones) 原料採購 (鑽石、寶石)
Mr. Cheng Ping-Hei, Hamilton 鄭炳熙先生		Financial management and corporate operations 財務管理及企業營運
Mr. Chan Sai-Cheong 陳世昌先生		Mainland China business 中國內地業務
Mr. Suen Chi-Keung, Peter 孫志強先生		Hong Kong, Macau and overseas business 香港、澳門及海外業務
Mr. Chan Hiu-Sang, Albert 陳曉生先生		Raw material procurement (diamonds and gemstones) 原料採購 (鑽石、寶石)
Mr. Liu Chun-Wai, Bobby 廖振為先生		Sustainability and innovation 可持續發展及創新
Mr. Cheng Kam-Biu, Wilson [#] 鄭錦標先生 [#]		Bank and landlord relationship management 銀行及業主關係管理

Non-executive Director 非執行董事

Ms. Cheng Chi-Man, Sonia [#] 鄭志雯女士 [#]

Independent Non-executive Director 獨立非執行董事

Responsibilities 職責

Dr. Fung Kwok-King, Victor 馮國經博士	NC*, RC	Independent Non-executive Directors serve a significant role in the Board to bring independent judgment on the performance, development and risk management of the Group. As chairmen or members of the Nomination Committee, Remuneration Committee and/or Audit Committee, they also undertake detailed governance work under the respective terms of reference of the committees. 獨立非執行董事於董事會內擔當重要職能，就本集團的表現、發展及風險管理給予獨立意見。作為提名委員會、薪酬委員會及／或審核委員會的主席或成員，他們亦根據各委員會相應的職責進行具體的管治工作。
Dr. Or Ching-Fai, Raymond 柯清輝博士	RC*, NC, AC	
Mr. Kwong Che-Keung, Gordon 鄺志強先生	AC*, RC	
Mr. Cheng Ming-Fun, Paul 鄭明訓先生	NC, AC	
Mr. Lam Kin-Fung, Jeffrey 林健鋒先生	NC, AC	
Ms. Cheng Ka-Lai, Lily 鄭嘉麗女士	NC, RC	

NC = Nomination Committee member
提名委員會成員

RC = Remuneration Committee member
薪酬委員會成員

AC = Audit Committee member
審核委員會成員

* Committee Chairman
委員會主席

Five of our directors are family members related to the Company's major shareholders. Apart from them, all other directors of the Company are not related to each other.
五名董事為與本公司主要股東有關的家族成員。除此之外，本公司所有其他董事之間並無關連。

Chairman and Executive Director

Dr. Cheng Kar-Shun, Henry, GBM, GBS

Aged 72, joined the Group in 1971, was appointed as Chairman and an executive Director in July 2011 and is a member of the Nomination Committee and Remuneration Committee of the Company. Dr. Henry Cheng is responsible for the strategic direction and overall performance of the Group.

Dr. Cheng is a director of certain subsidiaries of the Group. He is also a director of several substantial shareholders of the Company, including Cheng Yu Tung Family (Holdings) Limited, Cheng Yu Tung Family (Holdings II) Limited, Chow Tai Fook Capital Limited and Chow Tai Fook (Holding) Limited, and a director of Chow Tai Fook Enterprises Limited, which is a subsidiary of Chow Tai Fook (Holding) Limited.

In addition, Dr. Cheng is chairman and an executive director of New World Development Company Limited and NWS Holdings Limited, chairman and a non-executive director of New World Department Store China Limited and FSE Services Group Limited (formerly known as FSE Engineering Holdings Limited), vice-chairman and a non-executive director of i-CABLE Communications Limited, and a non-executive director of SJM Holdings Limited, all of which are listed public companies in Hong Kong.

He is chairman and managing director of New World China Land Limited, which was a listed public company in Hong Kong until its delisting on 4 August 2016. He was chairman and an executive director of International Entertainment Corporation until his resignation on 10 June 2017; an independent non-executive director of HKR International Limited until his resignation on 31 March 2018; chairman and a non-executive director of Newton Resources Ltd until his resignation on 9 April 2018; and an independent non-executive director of Hang Seng Bank Limited until his retirement on 10 May 2018, all of the foregoing companies are listed public companies in Hong Kong.

Dr. Cheng is chairman of the Advisory Council for The Better Hong Kong Foundation. He was a Standing Committee Member of the Twelfth Chinese People's Political Consultative Conference.

Dr. Henry Cheng is the father of Dr. Cheng Chi-Kong, Adrian and Ms. Cheng Chi-Man, Sonia, an uncle of Mr. Cheng Chi-Heng, Conroy, a cousin of Mr. Cheng Kam-Biu, Wilson and Mr. Cheng Sek-Hung, Timothy, and a nephew of Mr. Cheng Yu-Wai.

主席及執行董事

鄭家純博士 (GBM, GBS)

現年72歲，於1971年加入本集團，2011年7月獲委任為主席及執行董事，並為本公司提名委員會及薪酬委員會成員。鄭家純博士負責本集團的策略方針及整體表現。

鄭博士為本集團若干附屬公司董事。他也是本公司多名主要股東Cheng Yu Tung Family (Holdings) Limited、Cheng Yu Tung Family (Holdings II) Limited、Chow Tai Fook Capital Limited及周大福(控股)有限公司董事，以及周大福(控股)有限公司的附屬公司周大福企業有限公司的董事。

此外，鄭博士擔任新世界發展有限公司及新創建集團有限公司主席兼執行董事、新世界百貨中國有限公司及豐盛服務集團有限公司(前稱豐盛機電控股有限公司)主席及非執行董事、有線寬頻通訊有限公司副主席及非執行董事、以及澳門博彩控股有限公司非執行董事，該等公司均為香港上市公眾公司。

他是新世界中國地產有限公司主席兼董事總經理，該公司曾為香港上市公眾公司，直至2016年8月4日除牌。他也曾擔任國際娛樂有限公司主席及執行董事，於2017年6月10日辭任；香港興業國際集團有限公司獨立非執行董事，於2018年3月31日辭任；新礦資源有限公司主席及非執行董事，於2018年4月9日辭任；以及恒生銀行有限公司獨立非執行董事，直至2018年5月10日退任，前述公司均為香港上市公眾公司。

鄭博士為「香港明天更好基金」顧問委員會主席。他曾為第十二屆全國政協常務委員。

鄭家純博士為鄭志剛博士和鄭志雯女士的父親、鄭志恒先生的伯父、鄭錦標先生及鄭錫鴻先生的堂兄、以及鄭裕偉先生的侄兒。

Executive Director

Mr. Wong Siu-Kee, Kent

Aged 63, joined the Group in 1977, was appointed as Managing Director of the Company in July 2011 and is a member of the Nomination Committee and Remuneration Committee of the Company. Mr. Kent Wong is responsible for the strategic planning and overall management of the Group.

Mr. Wong is a director of certain subsidiaries of the Group and a director of Chow Tai Fook Enterprises Limited, which is a subsidiary of a substantial shareholder of the Company.

Mr. Wong has diverse experience in business development as well as in operations and management. He was responsible for developing the Group's market in Mainland China and in 2008 he was promoted to managing director of Chow Tai Fook Jewellery Company Limited.

Mr. Wong is chairman of the Jewellery Advisory Committee of the Hong Kong Trade Development Council ("HKTDC") and a member of the 2019 Fair Organising Committee of the HKTDC for its Hong Kong International Jewellery Show and Hong Kong International Diamond, Gem and Pearl Show, council member of The Hong Kong Management Association, chairman of executive committee of the Hong Kong Jewellers' & Goldsmiths' Association Ltd, chairman of the supervising committee of the Hong Kong & Kowloon Jewellers' & Goldsmiths' Employees' Association Ltd, a permanent honorable president of the Kowloon Gold Silver and Jewel Merchants' Staff Association, a vice chairman of the Gems & Jewelry Trade Association of China, a board member of the World Diamond Council, a member of Hong Kong Consumer Council, vice-chairman of the Yantian District General Chamber of Commerce and a member of the Anhui Provincial Committee and the Yantian District Committee of the Chinese People's Political Consultative Conference. He is also a board member of the Diamond Empower Fund and vice president of the executive committee of the Youth Outreach.

Mr. Wong was named as "CEO of the Year/Luxury/Asia" at the 2016 IAIR Awards presentation ceremony held by International Alternative Investment Review. He was also named as "Asia's Best CEO (Investor Relations)" by Corporate Governance Asia, an authoritative regional journal on corporate governance, at its 7th and 8th Asian Excellence Award in 2017 and 2018 consecutively.

執行董事

黃紹基先生

現年63歲，於1977年加入本集團，2011年7月獲委任為本公司董事總經理，並為本公司提名委員會及薪酬委員會成員。黃紹基先生負責本集團的策略規劃及整體管理。

黃先生為本集團若干附屬公司的董事，及為本公司主要股東的附屬公司周大福企業有限公司的董事。

黃先生擁有豐富的業務拓展以及營運和管理經驗，曾負責為集團開拓中國內地市場，並於2008年擢升為周大福珠寶金行有限公司董事總經理。

黃先生為香港貿易發展局（「香港貿發局」）珠寶業諮詢委員會主席及香港貿發局香港國際珠寶展與香港國際鑽石、寶石及珍珠展之2019年籌備委員會委員、香港管理專業協會理事會委員、香港珠玉石器金銀首飾業商會有限公司理事長、港九珠寶首飾業文員會有限公司監事長、九龍首飾業文員會永遠名譽會長、中國珠寶玉石首飾行業協會副會長、世界鑽石委員會委員、香港消費者委員會委員、鹽田區總商會理事會副會長以及中國人民政治協商會議安徽省委員會委員及鹽田區委員會委員。他亦是鑽石力量慈善基金理事會成員，及協青社執行委員會副會長。

在International Alternative Investment Review舉行的2016年IAIR Awards頒獎典禮上，黃先生獲選為「年度行政總裁 — 亞洲區奢侈品行業」。在區域企業管治權威雜誌《亞洲企業管治》於2017年和2018年舉辦之第七屆和第八屆亞洲卓越大獎上，他亦連續獲選為「亞洲最佳行政總裁（投資者關係）」。

Dr. Cheng Chi-Kong, Adrian, JP

Aged 39, joined the Group in 2007, was appointed as an executive Director in July 2011. Dr. Adrian Cheng is responsible for the strategic investment of the Group, fostering sustainability and innovation initiatives in the areas of culture & art, craftsmanship and creativity.

Dr. Cheng is also a director of certain subsidiaries of the Group, and a director of a substantial shareholder of the Company, Chow Tai Fook (Holding) Limited and its subsidiary, Chow Tai Fook Enterprises Limited.

Dr. Cheng is an executive vice-chairman and general manager of New World Development Company Limited, overseeing the strategic direction for its property development and investment activities. He is also an executive director of New World Department Store China Limited, and a non-executive director of Giordano International Limited, i-CABLE Communications Limited and New Century Healthcare Holding Co. Limited, all of which are listed public companies in Hong Kong. He is an executive director of New World China Land Limited, which was a listed public company in Hong Kong until its delisting on 4 August 2016. He was an executive director of International Entertainment Corporation until his resignation on 10 June 2017; vice-chairman and a non-executive director of Modern Media Holdings Limited until his resignation on 26 August 2017, both of which are listed public companies in Hong Kong.

Dr. Cheng is the chairman of New World Group Charity Foundation Limited, the vice-chairman of the All-China Youth Federation, a member of the Tianjin Municipal Committee of The Chinese People's Political Consultative Conference, the chairman of the China Young Leaders Foundation and the honorary chairman of K11 Art Foundation.

Dr. Cheng holds a Bachelor of Arts degree (cum laude) from Harvard University and was conferred the Honorary Doctorate of Humanities by the Savannah College of Art and Design. He worked at UBS AG from September 2003 to April 2006 prior to joining the Group, and has substantial experience in corporate finance.

Dr. Adrian Cheng is the son of Dr. Cheng Kar-Shun, Henry, the brother of Ms. Cheng Chi-Man, Sonia, a cousin of Mr. Cheng Chi-Heng, Conroy, a nephew of Mr. Cheng Kam-Biu, Wilson and Mr. Cheng Sek-Hung, Timothy, and a grandnephew of Mr. Cheng Yu-Wai.

鄭志剛博士 (JP)

現年39歲，於2007年加入本集團，於2011年7月獲委任為執行董事。鄭志剛博士負責本集團策略投資，扶植在文化及藝術、工藝和創意方面的可持續發展和創新計劃。

鄭博士也是本集團若干附屬公司的董事，並為本公司主要股東周大福(控股)有限公司及其附屬公司周大福企業有限公司的董事。

鄭博士擔任新世界發展有限公司執行副主席兼總經理，執掌該公司的地產物業和投資項目的策略性方向。他也是新世界百貨中國有限公司執行董事，以及佐丹奴國際有限公司、有線寬頻通訊有限公司及新世紀醫療控股有限公司的非執行董事，該等公司均為香港上市公司。他也是新世界中國地產有限公司執行董事，該公司曾為香港上市公司，直至2016年8月4日除牌。他曾為國際娛樂有限公司執行董事，於2017年6月10日辭任；現代傳播控股有限公司副主席兼非執行董事，於2017年8月26日辭任，此兩間公司均為香港上市公司。

鄭博士為新世界集團慈善基金有限公司主席、中華全國青年聯合會副主席、中國人民政治協商會議天津市委員會委員、中華青年精英基金會主席及K11 Art Foundation榮譽主席。

鄭博士持有哈佛大學文學士學位(優等成績)，並獲得薩凡納藝術設計學院頒授人文學科榮譽博士學位。他於加入本集團前曾在2003年9月至2006年4月期間任職於瑞士銀行，具有豐富企業融資經驗。

鄭志剛博士為鄭家純博士的兒子、鄭志雯女士的兄長、鄭志恒先生的堂弟、鄭錦標先生及鄭錫鴻先生的侄兒、以及鄭裕偉先生的侄孫。

Mr. Cheng Chi-Heng, Conroy

Aged 41, joined the Group in 2007, was appointed as an executive Director in July 2011. Mr. Conroy Cheng is responsible for the procurement of diamonds and gemstones of the Group.

Mr. Cheng is a director of certain subsidiaries of the Group and a director of a substantial shareholder of the Company, Chow Tai Fook (Holding) Limited and its subsidiary, Chow Tai Fook Enterprises Limited.

Mr. Cheng is an executive director of New World Development Company Limited, which is a listed public company in Hong Kong. He is currently a member of the executive committee of the Diamond Federation of Hong Kong, China.

Mr. Cheng holds a Bachelor of Arts degree in Economics from The Western University (formerly known as The University of Western Ontario). Prior to joining the Group, Mr. Cheng had worked at Yu Ming Investment Management Limited from 1999 to 2000 as a corporate finance executive.

Mr. Conroy Cheng is a nephew of Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kam-Biu, Wilson and Mr. Cheng Sek-Hung, Timothy, a cousin of Dr. Cheng Chi-Kong, Adrian and Ms. Cheng Chi-Man, Sonia, and a grandnephew of Mr. Cheng Yu-Wai.

鄭志恒先生

現年41歲，於2007年加入本集團，於2011年7月獲委任為執行董事。鄭志恒先生負責本集團鑽石及寶石採購。

鄭先生為本集團若干附屬公司的董事，並為本公司主要股東周大福(控股)有限公司及其附屬公司周大福企業有限公司的董事。

鄭先生現為新世界發展有限公司執行董事，該公司為香港上市公眾公司。他現為香港鑽石總會常務委員會成員。

鄭先生持有韋仕敦大學(前稱「西安大略大學」)經濟學文學士學位。加入本集團前，鄭先生由1999年至2000年於禹銘投資管理有限公司擔任企業融資行政人員。

鄭志恒先生為鄭家純博士、鄭錦標先生及鄭錫鴻先生的侄兒，鄭志剛博士和鄭志雯女士的堂兄，以及鄭裕偉先生的侄孫。

Mr. Cheng Ping-Hei, Hamilton

Aged 44, joined the Group in 2004, was appointed as an executive Director in July 2011. Mr. Hamilton Cheng is responsible for the Group's financial management and corporate operations, including information technology and human capital management. He also serves as a joint company secretary of the Company and a director of certain subsidiaries of the Group.

Mr. Cheng holds a Bachelor of Business Administration degree in Professional Accountancy from The Chinese University of Hong Kong. He is a Fellow of the Hong Kong Institute of Certified Public Accountants, a Fellow of The Association of Chartered Certified Accountants and a Chartered Financial Analyst. He is also a Graduate of HKIoD Global Directorship Programme (HKIoD.GD) accredited by The Hong Kong Institute of Directors, committing to achieving the highest standard of directorship and the advancement of good corporate governance.

Mr. Cheng was named as "Asia's Best CFO (Investor Relations)" by Corporate Governance Asia, an authoritative regional journal on corporate governance, at its 7th and 8th Asian Excellence Award in 2017 and 2018 consecutively.

Mr. Chan Sai-Cheong

Aged 56, joined the Group in 1985, was appointed as an executive Director in July 2011. Mr. Chan is responsible for the Group's business in Mainland China. He is a director of certain subsidiaries of the Group.

Mr. Chan has been in the jewellery industry for 38 years. He is a senior adviser of the Gems & Jewelry Trade Association of China, a member of National Technical Committee 256 on Jewelry and National Technical Committee 298 on Jewelry and Jade of Standardization Administration of China, a member of the standing council of China Gold Association, an executive vice-chairman of the Guangdong Gold and Silver Jewellery Chamber of Commerce, a vice-chairman of the Shenzhen Gold & Jewellery Association, a general vice-chairman of Gold Association of Guangdong Province, a vice-chairman of the Guangdong Golden Jewellery and Jade Industry's Association and a director of the Gemmological Institute, China University of Geosciences (Wuhan). He is also a member of the Liaoning Province Committee of the Chinese People's Political Consultative Conference.

Mr. Chan is also a non-executive director of Giordano International Limited, which is a listed public company in Hong Kong.

鄭炳熙先生

現年44歲，於2004年加入本集團，2011年7月獲委任為執行董事。鄭炳熙先生負責本集團財務管理及企業營運（包括資訊科技和人力資本管理）。他也是本公司聯席公司秘書和本集團若干附屬公司的董事。

鄭先生持有香港中文大學工商管理學士（專業會計學）學位，為香港會計師公會資深會員、特許公認會計師公會資深會員及特許財務分析師。他亦是香港董事學會認可的卓越文憑「HKIoD.GD（環球董事）」畢業生，致力達成董事職務的最高標準和推進良好企業管治。

在區域企業管治權威雜誌《亞洲企業管治》於2017年及2018年舉辦之第七屆和第八屆亞洲卓越大獎上，鄭先生連續獲選為「亞洲最佳首席財務總監（投資者關係）」。

陳世昌先生

現年56歲，於1985年加入本集團，於2011年7月獲委任為執行董事。陳世昌先生負責本集團中國內地業務。他是本集團若干附屬公司的董事。

陳先生從事珠寶行業已有38年。他是中國珠寶玉石首飾行業協會高級諮事、全國首飾標準化技術委員會和全國珠寶玉石標準化技術委員會委員、中國黃金協會常務理事、廣東省金銀首飾商會常務副會長、深圳市黃金珠寶首飾行業協會副會長、廣東省黃金協會常務副會長、廣東省金銀珠寶玉器業廠商會副主席及中國地質大學（武漢）珠寶學院董事。他亦是中國人民政治協商會議遼寧省委員會委員。

陳先生也是佐丹奴國際有限公司的非執行董事，該公司為香港上市公眾公司。

Mr. Suen Chi-Keung, Peter

Aged 54, joined the Group in 1985, was appointed as an executive Director in July 2011. Mr. Peter Suen is responsible for the Group's Hong Kong, Macau and overseas business. He is also a director of certain subsidiaries of the Group.

Mr. Suen has been in the jewellery industry for 34 years. He's a member of the executive committee of the Hong Kong Jewellers' & Goldsmiths' Association. Mr. Suen holds an Executive Master's degree in Business Administration from The Chinese University of Hong Kong.

Mr. Chan Hiu-Sang, Albert

Aged 68, joined the Group in 1977, was appointed as an executive Director in July 2011. Mr. Albert Chan is responsible for the procurement of diamonds and gemstones of the Group. He is also a director of certain subsidiaries of the Group.

Mr. Chan holds a Bachelor's degree in Business from Western Illinois University. He is a Graduate Gemologist of the Gemological Institute of America, a Fellow of The Gemmological Association of Great Britain and a Lifetime Member of the Gemological Institute of America, Alumni Association.

Mr. Liu Chun-Wai, Bobby

Aged 45, joined the Group in 1999, was appointed as an executive Director in January 2016. Mr. Bobby Liu is responsible for the development of the Sustainability and Innovation Centre of the Group, leading and synergising initiatives in the areas of culture & art, craftsmanship and creativity. He is also a director of certain subsidiaries of the Group.

Mr. Liu has over 20 years of experience in retail and administrative management. He has been responsible for developing the Group's e-commerce and high-end luxury jewellery business since 2010. He has also been in charge of the Group's watch business in Mainland China from 2016 onwards.

Mr. Liu holds a Master of Business Administration degree from The Western University (formerly known as The University of Western Ontario) and a Bachelor of Science degree in Computer Mathematics from Carleton University.

孫志強先生

現年54歲，於1985年加入本集團，2011年7月獲委任為執行董事。孫志強先生負責本集團香港、澳門及海外之業務。他也是本集團若干附屬公司的董事。

孫先生從事珠寶行業已有34年。他是香港珠石玉器金銀首飾業商會理事。孫先生持有香港中文大學行政人員工商管理碩士學位。

陳曉生先生

現年68歲，於1977年加入本集團，2011年7月獲委任為執行董事。陳曉生先生負責本集團鑽石及寶石採購。他也是本集團若干附屬公司的董事。

陳先生持有西伊利諾大學商學學士學位。他是美國寶石學院的寶石鑒證師、大不列顛寶石學協會資深會員及美國寶石學院校友會終身會員。

廖振為先生

現年45歲，於1999年加入本集團，2016年1月獲委任為執行董事。廖振為先生負責本集團可持續發展及創新中心的發展，引領和協同在文化及藝術、工藝和創意方面的創新計劃。他也是本集團若干附屬公司的董事。

廖先生在零售及行政管理方面擁有逾20年經驗。自2010年起，他一直負責為集團開拓電子商務及高端珠寶業務。由2016年起，他也負責集團中國內地之鐘錶業務發展。

廖先生持有韋仕敦大學(前稱「西安大略大學」)工商管理碩士學位及卡爾頓大學計算機數學理學士學位。

Mr. Cheng Kam-Biu, Wilson

Aged 60, joined the Group in 1979, was appointed as a non-executive Director in July 2011 and re-designated as an executive Director with effect from April 2019. Mr. Wilson Cheng is responsible for the Group's bank and landlord relationship management.

Mr. Cheng is also a director of certain subsidiaries of the Group and a director of Chow Tai Fook Enterprises Limited, which is a subsidiary of a substantial shareholder of the Company.

Mr. Cheng was an executive director of International Entertainment Corporation, a listed public company in Hong Kong, until his resignation on 10 June 2017.

Mr. Cheng is a vice-president of The Chinese Gold and Silver Exchange Society. He has over 40 years' experience in administration and finance in jewellery retail business. He holds a Bachelor of Arts degree in Economics from the University of Hawaii, Honolulu.

Mr. Wilson Cheng is a cousin of Dr. Cheng Kar-Shun, Henry and Mr. Cheng Sek-Hung, Timothy, an uncle of Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Chi-Heng, Conroy and Ms. Cheng Chi-Man, Sonia, and a nephew of Mr. Cheng Yu-Wai.

鄭錦標先生

現年60歲，於1979年加入本集團，2011年7月獲委任為非執行董事，並於2019年4月起調任為執行董事。鄭錦標先生負責本集團的銀行及業主關係管理。

鄭先生也是本集團若干附屬公司、及本公司主要股東的附屬公司周大福企業有限公司的董事。

鄭先生曾為香港上市公司公眾公司國際娛樂有限公司的執行董事，直至2017年6月10日辭任。

鄭先生現擔任香港金銀業貿易場副理事長，在珠寶零售業務方面擁有超過40年行政和財務經驗。他持有夏威夷大學檀香山分校經濟學文學士學位。

鄭錦標先生為鄭家純博士和鄭錫鴻先生的堂弟，鄭志剛博士、鄭志恒先生和鄭志雯女士的叔父，以及鄭裕偉先生的侄兒。

Non-executive Director

Ms. Cheng Chi-Man, Sonia

Aged 38, joined the Group in 2019, was appointed as a non-executive Director with effect from April 2019.

Ms. Sonia Cheng is the chief executive officer of Rosewood Hotel Group, chairman of the advisory committee of the School of Hotel and Tourism Management at The Chinese University of Hong Kong and a member of the advisory committee of the School of Hotel & Tourism Management Industry at The Hong Kong Polytechnic University. She is also a member of the Y. Elites Association, the Young Presidents' Organization and the Hong Kong United Youth Association, and a non-official member of the Family Council and the Advisory Committee on Gifted Education.

Ms. Cheng is an executive director of New World Development Company Limited, a listed public company in Hong Kong, and oversees the hotel division and the project management division. She is an executive director of New World China Land Limited, which was previously a listed public company in Hong Kong until its delisting and privatisation by New World Development Company Limited on 4 August 2016.

Before joining New World Development Company Limited, Ms. Cheng worked in a major international investment bank and a global US private equity firm specialising in real estate investments. She holds a Bachelor of Arts Degree with a concentration in Applied Mathematics from Harvard University.

Ms. Sonia Cheng is the daughter of Dr. Cheng Kar-Shun, Henry, the sister of Dr. Cheng Chi-Kong, Adrian, a cousin of Mr. Cheng Chi-Heng, Conroy, a niece of Mr. Cheng Kam-Biu, Wilson and Mr. Cheng Sek Hung, Timothy, and a grandniece of Mr. Cheng Yu-Wai.

非執行董事

鄭志雯女士

現年38歲，於2019年加入本集團，自2019年4月起擔任非執行董事。

鄭志雯女士為瑰麗酒店集團首席行政總裁、香港中文大學酒店旅遊管理學院顧問委員會主席，及香港理工大學酒店旅遊管理學院業界顧問委員會委員。她也是香港菁英會會員、青年總裁協會會員、香港青年聯會會員、家庭議會非官方委員及資優教育諮詢委員會非常當然委員。

鄭女士為香港上市公眾公司新世界發展有限公司的執行董事，負責監管酒店業務部及項目管理業務部。她是新世界中國地產有限公司的執行董事，在2016年8月4日除牌，及被新世界發展有限公司私有化前該公司曾為香港上市公眾公司。

加入新世界發展有限公司前，鄭女士任職於某大國際投資銀行及美國一所全球性私募基金公司，專門從事房地產投資。她持有哈佛大學文學士學位，主修應用數學。

鄭志雯女士為鄭家純博士的女兒、鄭志剛博士的胞妹、鄭志恒先生的堂妹、鄭錦標先生和鄭錫鴻先生的侄女，以及鄭裕偉先生的侄孫女。

Independent Non-executive Director

Dr. Fung Kwok-King, Victor, GBM, GBS, CBE

Aged 73, was appointed as an independent non-executive Director in November 2011 and is chairman of the Nomination Committee and a member of the Remuneration Committee of the Company.

Dr. Victor Fung is group chairman of the Fung Group, a Hong Kong based multinational which comprises major operating groups engaging in trading, logistics, distribution and retailing. They include publicly-listed Li & Fung Limited, Global Brands Group Holding Limited, Convenience Retail Asia Limited and other privately held entities. He is also honorary chairman of Li & Fung Limited. In addition, Dr. Fung is a member of the board of Koc Holding A.S. (a company listed on the Istanbul Stock Exchange).

Dr. Fung is chairman of the Advisory Board of the Asia Global Institute at The University of Hong Kong, a new multidisciplinary think-tank to assume and carry forward the mission and operations of Fung Global Institute, of which Dr. Fung was founding chairman (July 2010–June 2015).

In public service, Dr. Fung is an adviser of the Infrastructure Financing Facilitation Office of The Hong Kong Monetary Authority. Dr. Fung was also appointed as a member of The Chief Executive's Council of Advisers on Innovation and Strategic Development on 21 March 2018. He is also chairman of the 2022 Foundation, a non-profit entity focused on research into Hong Kong's long-term competitiveness. Formerly, he was a member of the Chinese People's Political Consultative Conference (January 2003–January 2018), a member of the Economic Development Commission of the Hong Kong Government (January 2013–March 2018), chairman of the Hong Kong Trade Development Council (1991–2000), the Hong Kong representative on the APEC Business Advisory Council (1996–2003), chairman of the Hong Kong Airport Authority (1999–2008), chairman of the Council of The University of Hong Kong (2001–2009), chairman of the Greater Pearl River Delta Business Council (2004–2013), a member of the Commission on Strategic Development of the Hong Kong Government (2005–2012), chairman of the International Chamber of Commerce ("ICC") (2008–2010), a member of WTO Panel on Defining the Future of Trade (2012–2013), a vice chairman of China Centre for International Economic Exchanges (2009–2014) and chairman of the Steering Committee on the Scholarship for Excellence Scheme (2014–2018). The Government of Hong Kong awarded Dr. Fung the Gold Bauhinia Star in 2003 and the Grand Bauhinia Medal in 2010 for his distinguished service to the community in Hong Kong.

Dr. Fung holds Bachelor's and Master's Degrees in Electrical Engineering from the Massachusetts Institute of Technology and a Doctorate in Business Economics from Harvard University.

獨立非執行董事

馮國經博士 (GBM, GBS, CBE)

現年73歲，於2011年11月獲委任為獨立非執行董事，並為本公司提名委員會主席及薪酬委員會成員。

馮國經博士是馮氏集團主席，該集團是以香港為基地的跨國企業，其主要營運集團從事業務包括貿易、物流、經銷和零售。除私營業務外，主要附屬公司利豐有限公司、利標品牌有限公司及利亞零售有限公司均為上市公眾公司。他也是利豐有限公司的榮譽主席。此外，馮博士擔任Koc Holding A.S. (伊斯坦堡證券交易所上市公司)董事會成員。

馮博士為香港大學亞洲環球研究所(Asia Global Institute)顧問委員會主席，該機構為一個新的傳承及發揚經綸國際經濟研究院之使命和實踐的跨學科智庫，而馮博士亦是經綸國際經濟研究院的創辦主席(2010年7月至2015年6月)。

在社會公職方面，馮博士為香港金融管理局基建融資促進辦公室顧問。馮博士於2018年3月21日獲委任為行政長官創新及策略發展顧問團成員。他亦是非牟利組織2022基金會主席，該組織致力研究香港長遠競爭力。他曾出任中國人民政治協商會議委員(2003年1月至2018年1月)、香港政府經濟發展委員會成員(2013年1月至2018年3月)、香港貿易發展局主席(1991年至2000年)、亞太經濟合作組織(APEC)商業顧問委員會香港代表(1996年至2003年)、香港機場管理局主席(1999年至2008年)、香港大學校務委員會主席(2001年至2009年)、大珠三角商務委員會主席(2004年至2013年)、香港政府策略發展委員會委員(2005年至2012年)、國際商會主席(2008年至2010年)、世界貿易組織「世界貿易未來」的高級別諮詢小組成員(2012年至2013年)、中國國際經濟交流中心副主席(2009年至2014年)以及香港卓越獎學金計劃督導委員會主席(2014年至2018年)。香港政府於2003年向馮博士頒授金紫荊星章並於2010年頒授大紫荊勳章，以表揚其在香港服務社會的傑出貢獻。

馮博士持有美國麻省理工學院電機工程學士及碩士學位，以及哈佛大學經濟學博士學位。

Dr. Or Ching-Fai, Raymond, SBS, JP

Aged 69, was appointed as an independent non-executive Director in November 2011 and is chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company.

Dr. Raymond Or is also chairman and a non-executive director of China Strategic Holdings Limited, executive chairman and an executive director of Esprit Holdings Limited, and an independent non-executive director of Television Broadcasts Limited and Regina Miracle International (Holdings) Limited, all of which are listed public companies in Hong Kong. He is also an independent non-executive director of Industrial and Commercial Bank of China (Asia) Limited (appointed in December 2018).

Dr. Or was vice-chairman and an independent non-executive director of G-Resources Group Limited until his retirement on 30 June 2017; and an independent non-executive director of Industrial and Commercial Bank of China Limited until his retirement upon expiration of his term of office in October 2018, both of which are listed public companies in Hong Kong. He was also deputy chairman and a non-executive director of Aquis Entertainment Limited (a company listed on the Australian Securities Exchange) until his resignation on 31 December 2017.

Dr. Or holds a bachelor of social sciences degree in economics and psychology from the University of Hong Kong and was awarded an Honorary Doctor of Social Science from the City University of Hong Kong in 2014. He was conferred Honorary Fellowship by Hang Seng University of Hong Kong (formerly known as Hang Seng Management College) in May 2017.

柯清輝博士 (SBS, JP)

現年69歲，於2011年11月獲委任為獨立非執行董事，並為本公司薪酬委員會主席及審核委員會和提名委員會成員。

柯清輝博士也擔任中策集團有限公司主席及非執行董事，思捷環球控股有限公司執行主席及執行董事，電視廣播有限公司、及維珍妮國際(控股)有限公司獨立非執行董事，該等公司均為香港上市公眾公司。他也是中國工商銀行(亞洲)有限公司獨立非執行董事(於2018年12月獲委任)。

柯博士曾是國際資源集團有限公司副主席及獨立非執行董事，於2017年6月30日退任；中國工商銀行股份有限公司獨立非執行董事，於2018年10月屆滿退任，兩者均為香港上市公眾公司。他亦曾為Aquis Entertainment Limited副主席及非執行董事(該公司於澳洲證券交易所上市)，於2017年12月31日辭任。

柯博士持有香港大學社會科學學士(經濟學與心理學)學位，及於2014年獲香港城市大學頒授社會科學榮譽博士學位。他於2017年5月獲香港恒生大學(前稱恒生管理學院)頒授榮譽院士榮銜。

Mr. Kwong Che-Keung, Gordon

Aged 69, was appointed as an independent non-executive Director in November 2011 and is chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

Mr. Gordon Kwong is a Fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr. Kwong was a Partner of PriceWaterhouse from 1984 to 1998, an independent member of the Council of the Hong Kong Stock Exchange from 1992 to 1997, during which, he had acted as convener of both the Compliance Committee and the Listing Committee.

Mr. Kwong is an independent non-executive director of Agile Group Holdings Limited, China Power International Development Limited, Global Digital Creations Holdings Limited, Henderson Investment Limited, Henderson Land Development Company Limited, NWS Holdings Limited, OP Financial Limited (formerly known as OP Financial Investments Limited), and FSG Services Group Limited (formerly known as FSE Engineering Holdings Limited), all of which are listed public companies in Hong Kong. Mr. Kwong is also an independent non-executive director of Piraeus Port Authority SA (a company listed on the Athens Stock Exchange). He was an independent non-executive director of COSCO Shipping Holdings Company Limited, until his retirement on 25 May 2017; and an independent non-executive director of CITIC Telecom International Holdings Limited, until his retirement on 1 June 2017.

鄭志強先生

現年69歲，於2011年11月獲委任為獨立非執行董事，並為本公司審核委員會主席及薪酬委員會成員。

鄭志強先生為英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員。鄭先生於1984年至1998年間曾為羅兵咸會計師事務所合夥人，於1992年至1997年間出任香港聯交所獨立理事，在任期間，亦擔任監察委員會及上市委員會召集人。

鄭先生擔任雅居樂集團控股有限公司、中國電力國際發展有限公司、環球數碼創意控股有限公司、恒基兆業發展有限公司、恒基兆業地產有限公司、新創建集團有限公司、東英金融有限公司（前稱「東英金融投資有限公司」）及豐盛服務集團有限公司（前稱豐盛機電控股有限公司）的獨立非執行董事，該等公司均為香港上市公司。鄭先生亦是 Piraeus Port Authority SA（雅典證券交易所上市公司）的獨立非執行董事。他曾是中遠海運控股股份有限公司獨立非執行董事，於2017年5月25日退任；中信國際電訊集團有限公司獨立非執行董事，於2017年6月1日退任。

Mr. Cheng Ming-Fun, Paul, JP

Aged 82, was appointed as an independent non-executive Director in September 2012 and is a member of the Audit Committee and Nomination Committee of the Company.

Mr. Paul Cheng is an independent non-executive director of Pacific Alliance China Land Limited (a company listed on the AIM Board of the London Stock Exchange); and a director of the CHG Capital Growth Fund. He retired as deputy chairman and an independent non-executive director of Esprit Holdings Limited in December 2018, which is a listed public company in Hong Kong; and was an independent non-executive director of Global Logistic Properties Limited (which was listed on the Singapore Stock Exchange until its delisting on 22 January 2018).

Mr. Cheng was a former member of the Hong Kong Legislative Council as well as the former chairman of Inchcape Pacific Limited, N M Rothschild & Sons (Hong Kong) Limited, The Link Management Limited and the Hong Kong General Chamber of Commerce.

Mr. Cheng holds a Bachelor of Arts degree from Lake Forest College (Illinois, the United States) and a Master's degree in Business Administration from the Wharton Graduate School of Business at The University of Pennsylvania.

鄭明訓先生 (JP)

現年82歲，於2012年9月獲委任為獨立非執行董事，並為本公司審核委員會及提名委員會成員。

鄭明訓先生現任 Pacific Alliance China Land Limited (於倫敦證券交易所另項投資市場 AIM Board 上市) 的獨立非執行董事；以及 CHG Capital Growth Fund 董事。他曾擔任思捷環球控股有限公司副主席及獨立非執行董事，並於2018年12月退任，該公司為香港上市公眾公司；亦曾為普洛斯公司獨立非執行董事（該公司曾於新加坡證券交易所上市，直至2018年1月22日除牌）。

鄭先生為前香港立法會議員，以及英之傑太平洋有限公司、洛希爾父子(香港)有限公司、領匯管理有限公司及香港總商會之前任主席。

鄭先生持有美國伊利諾州森林湖學院大學文學士學位，及賓夕凡尼亞州大學華頓商學院工商管理碩士學位。

Mr. Lam Kin-Fung, Jeffrey, GBS, JP

Aged 67, was appointed as an independent non-executive Director in November 2011 and is a member of the Audit Committee and Nomination Committee of the Company.

Mr. Jeffrey Lam is an independent non-executive director of C C Land Holdings Limited, China Overseas Grand Oceans Group Limited, Wynn Macau, Limited, CWT International Limited, i-CABLE Communications Limited, and Wing Tai Properties Limited, all of which are listed public companies in Hong Kong. He was an independent non-executive director of Bracell Limited until his resignation on 1 November 2016 after its delisting.

Mr. Lam is a member of the National Committee of the Chinese People's Political Consultative Conference. He also holds a number of other public and community service positions including being a non-official member of the Executive Council of the Hong Kong Special Administrative Region and a member of the Legislative Council in Hong Kong, a general committee member of the Hong Kong General Chamber of Commerce, chairman of Independent Commission Against Corruption (ICAC) Complaints Committee, a director of the Hong Kong Mortgage Corporation Limited and the board of Heifer Hong Kong. He was the former chairman of the Assessment Committee of Mega Events Fund and a member of Fight Crime Committee.

Mr. Lam holds a Bachelor Degree in mechanical engineering from Tufts University in the United States. He has over 40 years of experience in the toy industry and is currently the managing director of Forward Winsome Industries Limited which is engaged in toy manufacturing.

林健鋒先生 (GBS, JP)

現年67歲，於2011年11月獲委任為獨立非執行董事，並為本公司審核委員會及提名委員會成員。

林健鋒先生擔任中渝置地控股有限公司、中國海外宏洋集團有限公司、永利澳門有限公司、CWT International Limited、有線寬頻通訊有限公司及永泰地產有限公司之獨立非執行董事，該等公司均為香港上市公眾公司。他曾擔任Bracell Limited獨立非執行董事，在該公司除牌後於2016年11月1日辭任。

林先生為中國人民政治協商會議全國委員會委員。林先生亦身兼多項其他公職及社區服務職銜，包括為香港特別行政區行政會議非官守議員、香港立法會議員、香港總商會理事會成員、廉政公署事宜投訴委員會主席、香港按揭證券有限公司董事及香港小母牛董事局成員。他曾為盛事基金評審委員會前主席和撲滅罪行委員會成員。

林先生持有美國塔夫斯大學機械工程學士學位。他在玩具業擁有逾40年經驗，現為玩具製造商永和實業有限公司之董事總經理。

Ms. Cheng Ka-Lai, Lily

Aged 40, was appointed as an independent non-executive Director with effect from April 2019 and is a member of the Nomination Committee and the Remuneration Committee of the Company.

Ms. Lily Cheng has served in the technology and internet industry for over 19 years, both as an entrepreneur and as a corporate executive. She is the founder and an executive director of Hubel Labs Limited, a virtual applied-AI software lab. She served as the President of TripAdvisor, APAC from 2014 to 2016 and held various management roles at TripAdvisor, Inc. and Expedia, Inc. from 2008 to 2016. She was a management consultant with The Boston Consulting Group from 2006 to 2008.

Ms. Cheng holds a Bachelor of Arts degree in Engineering and a Master of Engineering degree from the University of Cambridge. She is currently pursuing a Graduate Certificate in Artificial Intelligence at the Stanford Center for Professional Development.

Ms. Cheng is an independent non-executive director of Swire Properties Limited, which is a listed public company in Hong Kong. She is also an independent non-executive director of Octopus Cards Limited, a board observer and advisor to HotelBeds Group and an advisor to the Office of the President of Mars, Incorporated.

鄭嘉麗女士

現年40歲，自2019年4月起擔任獨立非執行董事，並為本公司提名委員會和薪酬委員會成員。

鄭嘉麗女士在科技和互聯網行業擁有超過19年經驗，包括作為創業者和企業管理層。她是虛擬軟件實驗室Hubel Labs Limited的創辦人兼執行董事。她曾在2014年至2016年擔任TripAdvisor亞太區總裁，並於2008年至2016年間出任TripAdvisor, Inc.和Expedia, Inc.多個管理職位。她在2006年至2008年間曾任波士頓諮詢公司的管理顧問。

鄭女士持有劍橋大學工程文學士學位和工程碩士學位。她目前正在斯坦福專業發展中心攻讀人工智能研究生證書課程。

鄭女士是香港上市公眾公司太古地產有限公司的獨立非執行董事。她也是八達通卡有限公司的獨立非執行董事、HotelBeds Group的董事會觀察員兼顧問，及瑪氏公司總裁辦公室顧問。

Honorary adviser to the Board of Directors

Mr. Cheng Yu-Wai

Aged 87, joined the Group in 1949, was appointed as an honorary adviser to the Board with effect from August 2011 and is responsible for advising on procurement. Mr. Cheng is also a director of a substantial shareholder of the Company, Chow Tai Fook (Holding) Limited and its subsidiary, Chow Tai Fook Enterprises Limited. Mr. Cheng is an uncle of Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kam-Biu, Wilson and Mr. Cheng Sek-Hung, Timothy, and a granduncle of Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Chi-Heng, Conroy and Ms. Cheng Chi-Man, Sonia.

Mr. Cheng Sek-Hung, Timothy

Aged 68, joined the Group in 1994, was appointed as an honorary adviser to the Board with effect from August 2011. Mr. Cheng is a director of certain subsidiaries of the Group. Mr. Cheng is also a director of a substantial shareholder of the Company, Chow Tai Fook (Holding) Limited and its subsidiary, Chow Tai Fook Enterprises Limited. Mr. Cheng is a cousin of Dr. Cheng Kar-Shun, Henry and Mr. Cheng Kam-Biu, Wilson, an uncle of Dr. Cheng Chi-Kong Adrian, Mr. Cheng Chi-Heng, Conroy and Ms. Cheng Chi-Man, Sonia, and a nephew of Mr. Cheng Yu-Wai.

Joint Company Secretary

Mr. Cheng Ping-Hei, Hamilton

Mr. Cheng Ping-Hei, Hamilton is an executive Director and Joint Company Secretary. His profile is set out on page 92 of this annual report under the sub-section of "Executive Director".

Mr. Lai Sau-Cheong, Simon

Aged 58, is Group General Counsel and Joint Company Secretary. Mr. Simon Lai is also the general counsel of Chow Tai Fook Enterprises Limited, a subsidiary of a substantial shareholder of the Company.

Mr. Lai is admitted as a solicitor in Hong Kong, England and Wales, and New South Wales, Australia and has over 30 years of experience in corporate, commercial and related regulatory practice. He was a long standing partner and later on, consultant, of a leading law firm before joining the Group and has extensive experience on corporate finance matters. Mr. Lai has also served on a number of public appointments.

董事會名譽顧問

鄭裕偉先生

現年87歲，於1949年加入本集團，2011年8月起獲任董事會名譽顧問，負責就採購提出意見。鄭先生兼任本公司主要股東周大福(控股)有限公司及其附屬公司周大福企業有限公司董事。鄭先生為鄭家純博士、鄭錦標先生及鄭錫鴻先生的叔父，以及鄭志剛博士、鄭志恒先生和鄭志雯女士的叔公。

鄭錫鴻先生

現年68歲，於1994年加入本集團，2011年8月起獲任董事會名譽顧問。鄭先生亦為本集團若干附屬公司之董事。鄭先生兼任本公司主要股東周大福(控股)有限公司及其附屬公司周大福企業有限公司董事。鄭先生為鄭家純博士和鄭錦標先生的堂兄弟，鄭志剛博士、鄭志恒先生和鄭志雯女士的堂叔父，及鄭裕偉先生的侄兒。

聯席公司秘書

鄭炳熙先生

鄭炳熙先生為執行董事及聯席公司秘書。他的簡介載於本年報第92頁「執行董事」分部。

黎壽昌先生

現年58歲，為本集團法務總監及聯席公司秘書。黎壽昌先生亦為本公司主要股東附屬公司周大福企業有限公司的法務總監。

黎先生持有香港、英格蘭及威爾士、澳大利亞新南威爾士執業律師資格，在企業、商業及相關的監管實踐方面擁有逾30年經驗。加入本集團之前，他曾為一間領先律師事務所的長期合夥人，隨後成為該所顧問並在企業融資方面擁有豐富經驗。黎先生亦身兼數項公職。

Senior Management

Ms. Leung Man-Yan, Ivy

Aged 49, joined the Group in 2019, is the Global Chief Intellectual Capital Officer of the Group. Ms. Leung has over 25 years of experience in human resources, training, total quality management and customer service spanning across Fintech, Media, Hospitality and Petrochemical industries.

To promote excellence in her areas of expertise, Ms. Leung is actively engaged in public service. She is a member of the Organising Committee of the Awards for Excellence in Training and Development of Hong Kong Management Association (HKMA), and has been on the Board of Examiners of the Quality Award of HKMA since 2008. She is also a member of the Cross-Industry Training Advisory Committee and the Specification of Competency Standards Drafting Subcommittee for the Human Resources Management sector of Qualifications Framework of the HKSAR Government.

Ms. Danita On

Aged 42, joined the Group in 2012, is the director of Investor Relations and Corporate Communications of the Group, responsible for maintaining effective communications with investors and media. Ms. On has over 20 years of experiences in auditing, management consulting, equity research, asset management and investor relations. She is a member of Hong Kong Institute of Certified Public Accountants and a Chartered Financial Analyst.

Mr. Lee Tin-Hei, Jade

Aged 44, joined the Group in 2016, is the general manager responsible for business strategy and analytics as well as technology applications of the Group. Mr. Lee has over 20 years of experience in advanced analytics carrying out consulting and business management roles with leading business analytics corporations.

Mr. Tsang Siu-Kwong, Patrick

Aged 48, joined the Group in 1993, is the general manager responsible for managing and developing the information infrastructures and technologies of the Group. Mr. Tsang has over 26 years of experience in information technology. He is currently vice president (business) of the Internet of Things Industry Advisory Council.

高級管理人員

梁蔓茵女士

現年49歲，於2019年加入本集團，是本集團首席環球智力資本長。梁女士在人力資源、培訓、全面質量管理和客戶服務累積超過25年經驗，涉足多個行業包括金融科技、媒體、酒店服務及石油化工等。

梁女士致力推動其專業領域的發展，積極參與多項公職。她是香港管理專業協會「最佳管理培訓及發展獎」籌委會成員，並自2008年起擔任該協會「優質管理獎」評審委員會成員。梁女士亦同時擔任香港特別行政區政府資歷架構人力資源管理界別《跨行業培訓諮詢委員會》和《能力標準說明》編撰專責小組成員。

安殷霖女士

現年42歲，於2012年加入本集團，為本集團投資者關係與企業傳訊總監，負責與投資者和媒體之間的有效溝通。安女士擁有逾20年審核、管理諮詢、證券研究、資產管理及投資者關係方面的經驗，也是香港會計師公會會員及特許財務分析師。

李天熹先生

現年44歲，於2016年加入本集團，擔任總經理，負責本集團商業策略與分析、以及科技應用。李先生擁有逾20年高端統計分析經驗，曾在多間領先的商業數據分析公司負責諮詢及管理工作。

曾紹光先生

現年48歲，於1993年加入本集團，擔任總經理，負責本集團資訊設施及資訊科技的管理與開發。曾先生擁有逾26年資訊科技經驗。他現擔任香港物聯網產業諮詢委員會副主席（商業）。

Mr. Wong Kim-Ming, Mark

Aged 57, joined the Group in 1986, is the senior manager responsible for the operation of Diamond Department and diamond manufacturing management of the Group. Mr. Wong has over 33 years of experience in the jewellery industry.

Mr. Cheng Ming-Chi

Aged 47, joined the Group in 1994, is the senior manager responsible for managing and purchasing gemstones such as jadeite, colour stones and pearls for the Group. Mr. Cheng has over 24 years of experience in the jewellery industry.

Mr. Lau King-Ming

Aged 52, joined the Group in 2013, is the general manager responsible for managing production and logistics capacities as well as the related infrastructures of the Group. Mr. Lau has over 29 years of management and consultancy experience.

Mr. Chan Yee-Pong, Alan

Aged 47, joined the Group in 2010, is the general manager responsible for the branding and marketing management of the Group. Mr. Chan has over 24 years of experience in luxury branding and marketing.

Mr. Lam Hung-Shing, Max

Aged 36, joined the Group in 2011, is the general manager responsible for the creative design and development of jewellery products. Mr. Lam has over 15 years of experience in jewellery design. He was awarded Hong Kong Ten Outstanding Designer Award in 2014 and was conferred Fellowship and Chartered Manager by Canadian Chartered Institute of Business Administration.

Mr. Wong-Tang, Alex

Aged 60, joined the Group in 2000, is the general manager responsible for managing the Hong Kong and Macau Management Centre and Chow Tai Fook Fei Cui Testing Centre of the Group. Mr. Wong has over 45 years of experience in the jewellery industry. He holds an Executive Master's degree in Business Administration from The Chinese University of Hong Kong. He is also a Graduate Gemologist of the Gemological Institute of America and a Certified Gemmologist (Fei Cui) of the Gemmological Association of Hong Kong.

黃劍明先生

現年57歲，於1986年加入本集團，擔任高級經理，負責本集團鑽石部的營運及鑽石生產管理。黃先生於珠寶行業擁有逾33年經驗。

鄭明智先生

現年47歲，於1994年加入本集團，擔任高級經理，負責本集團寶石，如翡翠、有色寶石及珍珠之管理和採購。鄭先生在珠寶行業擁有逾24年的經驗。

劉競明先生

現年52歲，於2013年加入本集團，擔任總經理，負責管理本集團生產與物流的效能和相關基礎設施。劉先生擁有逾29年管理及顧問經驗。

陳義邦先生

現年47歲，於2010年加入本集團，擔任總經理，負責本集團品牌管理及市場推廣工作。陳先生擁有逾24年名貴品牌管理及市場推廣經驗。

林鴻勝先生

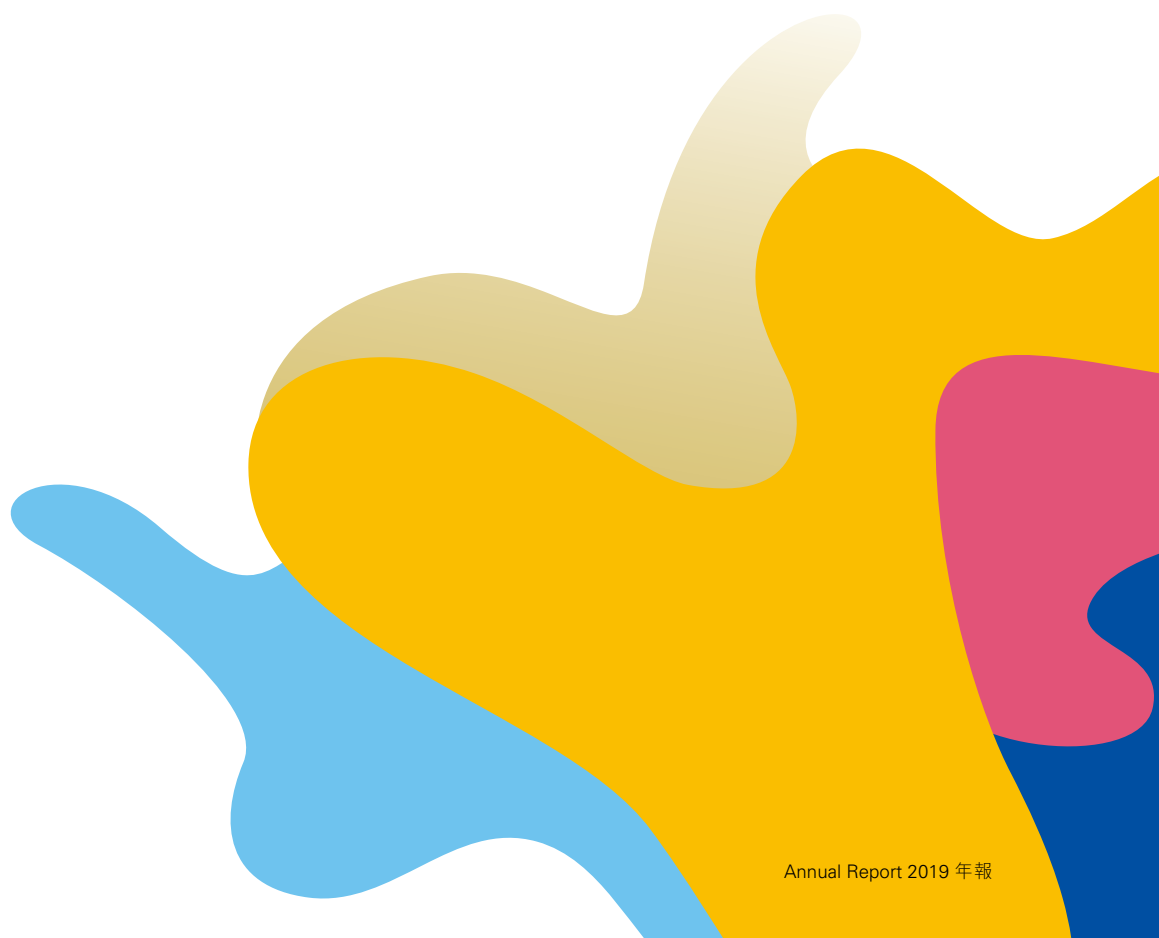
現年36歲，於2011年加入本集團，擔任總經理，負責珠寶產品創意設計與研發。林先生於珠寶設計領域擁有逾15年經驗。他曾獲評為「2014年香港十大傑出設計師」，及獲得加拿大特許管理學院授予院士及特許經理資格。

王騰先生

現年60歲，於2000年加入本集團，擔任總經理，負責管理本集團之港澳營運管理中心和周大福翡翠鑒證中心。王先生於珠寶行業擁有逾45年經驗。他持有香港中文大學行政人員工商管理碩士學位，並為美國寶石學院的寶石鑒證師及香港寶石學協會的註冊認可寶石(翡翠)鑒證師。

Corporate Governance

企業管治



Our Corporate Governance Framework

企業管治框架

Stakeholder Relations 持份者關係 → P.109	Stakeholder Approach 以持份者為本的方針 Investor Relations 投資者關係 Corporate Communications 企業傳訊
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Board Governance 董事會管治 → P.123	Board Governance Framework and Major Tasks 董事會管治框架與主要工作
	Directors' Composition and Appointments 董事組成與委任
	Board Effectiveness 董事會的有效運作
	Remuneration and Continuing Development 薪酬與持續發展

Corporate Management 企業管理 → P.139	Corporate Culture 企業文化
	Organisational Structure 組織架構
	Performance and Analysis 績效與分析
	IT Governance 資訊科技管治
	Risk Management and Internal Controls 風險管理與內部監控
	Compliance and Audit 合規與審核

	Information for Investors 投資者資訊	→ P.119
	Profile of Directors and Senior Management 董事及高級管理人員簡介	→ P.86
	Leadership and Control 領導與監督	
	Board Independence in Decision-making 董事會的獨立決策	
	Compliance and Audit 合規與審核	
	Dedication and Evaluation 盡責與評價	
	Directors' Report 董事會報告	→ P.151
	Sustainability Report (electronic version) 可持續發展報告(電子版)	
	Risk Management Report 風險管理報告	→ P.165
	Ethics and Regulatory Compliance 操守及監管合規	
	Internal Audit 內部審核	
	External Assurance 外部鑒證	
	Whistleblowing 舉報機制	

The “4Ts” concept introduced by T MARK diamond brand in ensuring our diamonds are natural and ethically sourced is reinforced by our rigorous controls under the agile business model. The same set of principles, Transparent, Thoughtful, Truthful and Traceable, is in place to guide the development of our corporate governance framework, supporting the Group in better achieving our strategic objectives towards sustainable growth and development.

T MARK鑽石品牌推出的「4Ts」概念，在集團靈活的業務模式嚴格監控下，確保我們的鑽石天然唯真，來源可靠。同一套原則（即可知、可頌、可信及可尋）同時指導企業管治框架的發展，支持本集團更妥善達成策略性目標，成就可持續增長和發展。



Stakeholder Relations

持份者關係

Stakeholder Approach

- The Board has adopted a stakeholder approach to foster relations with a wider range of stakeholders both inside and outside the Group based on the principles of transparency, interactive engagement and fair treatment.
- In the pursuit of good corporate governance, our relationship with stakeholders is critical to the long-term performance of the Group and our shareholders' value. This is because by maintaining a close connection with stakeholders, it fosters the growth of our value creation chain by enabling better Board decisions and creating a supportive ecosystem for the operations.

Enabling better board decisions

- From the Board's point of view, engaging with a wider range of stakeholders helps to identify emerging trends of social needs and business opportunities; enhance our capacity to innovate by feeding in stakeholders' lines of sight; foster high quality strategy and customer-centric business model; identify synergies between the Group and our stakeholders which encourage collaborations and integrated solutions to future challenges.
- Examples of our approaches to the key stakeholders in connection with the above include proactive investor relations, win-win collaboration with business partners, customer-driven "Smart+ 2020" strategic framework, partnership with non-profit organisations on community projects for preserving craftsmanship and nurturing innovation, and a diversified Board which engages with a broad spectrum of stakeholders.

Creating a supportive ecosystem for the operations

- In view of facilitating corporate management, engaging with stakeholders assists the business to gain access to a supportive ecosystem, where valuable human capital and social resources are available and barriers and resistance to the business are lessened.
- We embed into our operations the people-oriented culture and value creation objectives for a wider range of stakeholders which gather our people working together for meaningful purposes beneficial to the communities at large.

以持份者為本的方針

- 董事會已採納以持份者為本的方針，本著透明、互動與公平對待的原則，與本集團內外更廣泛的持份者建立關係。
- 為實行良好企業管治，我們與持份者的關係對本集團長遠表現和我們股東的價值相當重要。此乃由於與持份者維持緊密關係，將有助董事會作出更完善的決策，建構有效支持業務營運的生態系統，促進我們價值鏈的發展。

協助董事會作出更完善決策

- 從董事會的角度，使更廣泛的持份者參與有助識別社會需要和商業機遇的新興趨勢；以不同持份者的洞見，提升我們的創新能力；制定優質策略和「以客為本」的業務模式；識別出本集團與持份者達致的協同效益，有助促成合作和綜合解決方案，應對未來的挑戰。
- 與上述有關以主要持份者為本的方針的例子包括主動建立投資者關係、與業務夥伴進行雙贏合作、執行顧客主導的「Smart+ 2020」策略框架、為承傳工藝和培育創新與非牟利組織合作發展社區項目、以及多元化董事會以連繫更廣泛的持份者。

建構有效支持業務營運的生態系統

- 提升企業管理方面，持份者的參與有助連接業務與支持其營運的生態系統，其中可提供寶貴的人力資本和社會資源，同時減低業務經營的屏障和阻礙。
- 我們將以人為本的文化和為更廣泛持份者創造價值的目標灌輸我們的業務經營，拉近人與人之間距離，合力建立更美好的社區。

- While mutual trust is paramount to the success of our business, we build it up by open, honest and transparent communications with stakeholders through active listening and communicating with them the outcomes of these engagements.
- As an iconic and trusted brand, we safeguard our reputational capital and reduce business risks by addressing early on potential misalignment between our corporate behaviour and social expectations on our social, environmental and governance performance as a responsible corporate citizen, and by promoting both economic and social well-beings of our stakeholders by efficient use of resources.
- Examples of our approaches to the key stakeholders in connection with the above include responsible media and public communications, “Do Good” campaign for caring employees and the communities, “Listen to Your Hearts” engagement programme for soliciting feedbacks from frontline employees and business partners, and comprehensive sustainability reporting for the public to understand our position and practices on material issues concerned by the stakeholders and the context and business realities that we are operating in and facing with.
- 互信對我們業務的成功極為重要，故此我們通過主動聆聽持份者且就互動的結果與他們溝通，從而以公開、誠懇且透明的交流建立互信。
- 作為標誌性且備受信賴的品牌，為保障我們的聲譽資本，減低營商風險，我們以擔當負責任的企業公民為己任，如果我們在社會、環境及管治表現方面的企業行為與社會期望之間有潛在差異，當盡早處理；而且我們促使有效使用資源，務求改善我們持份者的經濟和社會狀況。
- 與上述有關以主要持份者為本的方針的例子包括負責任的傳媒及公關通訊、關顧員工及社區的「Do Good」計劃、徵求前線員工及業務合夥人回饋意見的「聆聽心聲」計劃、並向公眾人士作全面可持續發展專題的報告（以供了解我們就持份者關注重要事宜的狀況及處理實務、以及我們所處及所面對的環境和營商實況）。

Stakeholder engagement

Our key stakeholders mainly include business partners, customers, employees, investors, media and non-profit organisations. Their primary areas of interest and the results of materiality assessment are detailed in our Sustainability Report.



Scan the QR code to refer to our Sustainability Report
掃描二維碼參閱我們的「可持續發展報告」

持份者參與

我們的主要持份者，主要包括商業合作夥伴、顧客、員工、投資者、傳媒和非牟利機構。他們首要的關注領域和重要性評估的結果詳情，列載於我們的可持續發展報告。

Investor Relations

- We are committed to being responsible and transparent towards our investors in order to bolster their confidence towards the Company.
- Since being founded in 1929, we have stayed focused on the development of the jewellery business. We supervise directly the key functions throughout our value chain from procurement of raw materials, design and production, to marketing and sales.
- After we became listed on the Stock Exchange in 2011, transparency, communication and fair treatment have always been the core values to our approach in investor relations. We believe that facilitating investors to make informed investment decisions would enhance their confidence towards the Company.
- In FY2019, the Company received various industry accolades in recognition of our relentless effort in corporate governance and investor relations.

投資者關係

- 「對股東負責任及提升透明度，從而給予投資者信心」是我們的宗旨。
- 自1929年創始以來，我們一直專注發展珠寶首飾業務，親自監督價值鏈上包括原材料採購、設計、生產、市場推廣和銷售等主要活動。
- 自2011年在聯交所上市後，我們遵從透明度、溝通和公平對待這三大原則來建立與投資者的關係。我們相信能夠幫助投資者作出知情的決定，有助增加他們對公司的信心。
- 於2019財政年度，公司獲得各種行業獎項以表彰我們在企業管治和投資者關係方面的不懈努力。



Corporate Governance Asia

亞洲企業管治

8th Asian Excellence Award 2018

- Asia's Best CEO (Investor Relations)
– Kent Wong
- Asia's Best CFO (Investor Relations)
– Hamilton Cheng
- Best Investor Relations Company (Hong Kong)
- Best Investor Relations Professional
– Danita On

第八屆亞洲卓越大獎2018

- 亞洲最佳行政總裁(投資者關係) — 黃紹基
- 亞洲最佳首席財務總監(投資者關係)
— 鄭炳熙
- 最佳投資者關係企業(香港)
- 最佳投資者關係專員 — 安殷霖

Hong Kong Economic Journal 信報財經新聞

Listed Company Awards of Excellence 2018 – Main Board (Large-Cap)

上市公司卓越大獎2018 — 主板(大市值)



MerComm, Inc.

ARC Awards 2018

- Bronze Award (Traditional Annual Report – Retail – Jewellery)

Galaxy Awards 2018

- Gold Award (Design – Annual Reports – Traditional – Hong Kong)
- Gold Award (Mobile Media – Annual Report)

ARC 大獎2018

- 銅獎(傳統年報 — 零售類 — 珠寶)

Galaxy 大獎2018

- 金獎(設計 — 香港區傳統年報)
- 金獎(手機媒體 — 年報)

Institutional Investor

2018 All-Asia (ex-Japan)

- Executive Team Rankings (Consumer/Discretionary sector)
- Best Investor Relations Professional – Third Place – Danita On (Nominated by the sell side)

2018 年度All-Asia Executive Team (不包括日本) 排行榜 — 非必需消費品類別

- 最佳投資者關係專員 — 第三名 — 安殷霖(由賣方分析員提名)

Bloomberg Businessweek/ Chinese Edition

彭博商業周刊／中文版

- Listed Enterprises of the Year 2018
- Listed Enterprises of the Year

年度上市企業2018

- 年度上市企業

Timely and transparent disclosure

- Enhancing transparency has been our Board's crucial mission in governance. Maintaining a high level of transparency prompts us to be responsible to stakeholders in our decisions and operations, and to proactively prepare for scrutiny and the ever-changing regulatory environment.
- To ensure timely and simultaneous public access to the Group's material information, we publish announcements and results presentations, annual and interim reports and press releases via public channels including websites of the Stock Exchange and the Company. We also hold press and analyst conferences at least twice a year after releasing the interim and annual results.
- The presentations and webcasts for these conferences are uploaded to our company website. In addition, we keep our website up-to-date and provide an "Investor FAQ" section for ease of reference. Furthermore, investors can subscribe to our email alerts and have access to contact our investor relations and corporate communications team directly via email at ir@chowtaifook.com.
- We publish quarterly voluntary announcements of key operational data in standard format shortly after each quarter end.
- The Company has policies and internal control measures in place regarding inside information disclosure to ensure announcements are published in due course. We adhere to the principle of providing timely, transparent and effective disclosures with the aim of keeping the market regularly informed of the Group's performance and minimising market surprises.
- Our motives for enhancing annual reports go beyond compliance with the Listing Rules. The annual report is not only a means of communication with our shareholders, but also an internal management tool that drives us to continuously improve and create value.

及時和透明的披露

- 董事會以致力提升透明度為管治方面的核心工作。高透明度驅使我們無論在決策及營運當中都應考慮要對持份者負責任，時刻裝備自己以面對各方監察和不斷變化的規管環境。
- 為確保大眾能夠及時和同步獲取本集團的重要訊息，我們利用公開渠道包括聯交所和公司網站，發佈公告及業績簡報、全年及中期報告和新聞稿等。我們亦會在發佈中期及全年業績公告後舉行記者及分析員招待會，該等會議每年最少舉行兩次。
- 這些會議的簡報和錄影片段都會上載到公司網站。我們亦不時更新有關網頁，並設有「投資者常見問題」以方便瀏覽。投資者亦可登記收取公司的電郵信息，同時可透過投資者關係及企業傳訊團隊的官方電郵 ir@chowtaifook.com 直接聯絡我們。
- 公司以標準的匯報格式自願公佈每年4個季度的主要經營數據，並於季度完結後盡快發佈。
- 對於內幕消息的披露管理，公司設有相關政策及內控措施，務求適時發出公告。我們的原則是保持及時、透明、有效的披露，務求使市場可定期知悉集團的業務表現，而不會對公司業績感到特別意外。
- 我們認為編製公司年報不只是為了符合上市規則，它是我們與股東溝通的橋樑，同時也是推動我們內部力求進步、積極創造價值的管理工具。

Interactive engagement

- We believe communication with our shareholders is a two-way process. We make no distinction between institutional and retail investors.
- While we try to understand investors' perspective, we also share with them a full picture of our business through the eyes of the management, including our thoughts in making decisions, our views on market outlook, our development strategies etc. In addition to reporting results, we take a step forward to show how we run the business and how the Group shall evolve in the future.
- Our executive directors and senior management in the investor relations team participate in various investor meetings, conferences and non-deal roadshows every year. Pursuant to our regular shareholding analyses conducted during the year, over half of the institutional shareholdings were held by overseas investors, mainly from Europe and North America. In FY2019, we attended investor relations events held in Boston, Hong Kong, London, New York, Paris, Shenzhen, Singapore, Sydney, Taipei, Tokyo and Toronto.
- We also maintained continuous dialogues with a large number of analysts from research institutions, 17 of which published research reports of our Company on a regular basis.
- Investor visits are often arranged to our operation centres, POS and production facilities. In FY2019, we invited investors to our Mainland China headquarters in Shenzhen to showcase different store and product experiences under our multi-brand strategy.

雙向互動關係

- 我們相信與股東的溝通應該是一個雙向的過程，並對機構投資者和個人投資者一視同仁。
- 我們嘗試置身投資者的角度，同時亦主動跟投資者分享管理層的思維縱觀全局，包括作出決策時的考慮、市場見解、發展策略等。我們目標是走前一步，除匯報業績，也讓投資者能夠看見我們的業務是怎樣經營，集團的未來將會是如何。
- 由執行董事及高級管理層組成的投資者關係團隊，每年參加多個投資者會議、研討會和非交易路演。根據我們於年內定期進行的股權分析結果，逾半的機構股權由主要來自歐洲及北美之海外投資者持有。2019財政年度內，我們出席參與的投資者關係活動遍及波士頓、香港、倫敦、紐約、巴黎、深圳、新加坡、悉尼、台北、東京及多倫多。
- 此外，我們與多間證券研究機構的多名分析師定期會談，其中17名分析員就本公司業務定期發表研究報告。
- 我們不時安排投資者到訪我們的營運中心、零售點及生產設施。於2019財政年度，我們邀請投資者到訪深圳的中國業務營運總部，以展示我們多品牌策略下多元的店舖及產品體驗。

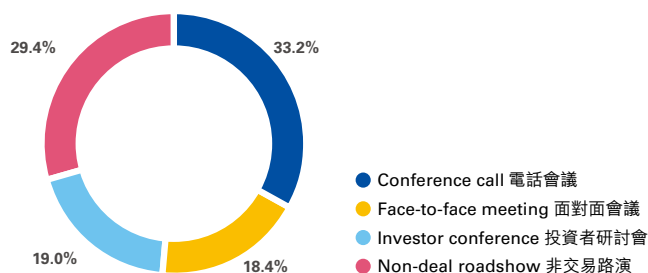


Multi-brand strategy announcement
多品牌策略發佈會



Analyst visit at Shunde Ingenuity Centre
分析師參觀順德匠心智造中心

Meetings by investor event in FY2019 2019 財政年度會議 (按投資者活動分類)



Summary of investor relations activities in FY2019 2019 財政年度投資者關係活動概要

316

One-on-one and group meetings
一對一及團體會議

67%

C-level participation rate⁽¹⁾
最高管理層參與率⁽¹⁾
14

Non-deal roadshows
非交易路演

11

Investor conferences
投資者研討會

10

Cities visited
到訪城市

⁽¹⁾ In investor conference and non-deal roadshow meetings
⁽¹⁾ 於投資者研討會及非交易路演中的會議

Major investor conferences that we participated in FY2019 are set out below:

我們於2019財政年度參與的大型投資者會議如下：

Date 日期	Event 事項	Location 地點
June 2018 2018年6月	Deutsche Bank 15 th Annual dbAccess Global Consumer Conference 德意志銀行投資者研討會 Kim Eng Invest Asia 2018 金英投資者研討會 Goldman Sachs GHM Greater Bay Corporate Day 高盛投資者研討會	Paris 巴黎 London 倫敦 Hong Kong 香港
July 2018 2018年7月	J.P. Morgan's Hong Kong/China Consumer 1x1 Forum 2018 摩根大通投資者研討會	Hong Kong 香港
September 2018 2018年9月	J.P. Morgan Asia Pacific CEO-CFO Conference 2018 摩根大通投資者研討會 CLSA 25 th Investors' Forum 里昂投資者研討會	New York 紐約 Hong Kong 香港
January 2019 2019年1月	Deutsche Bank 17 th Annual dbAccess China Conference 德意志銀行投資者研討會 Goldman Sachs Consumption Corporate Day 高盛投資者研討會	Shenzhen 深圳 Hong Kong 香港
February 2019 2019年2月	TF Annual Strategic Conference 天風投資者研討會	Shenzhen 深圳
March 2019 2019年3月	Daiwa Investment Conference Tokyo 2019 大和投資者研討會 Credit Suisse 22 nd Annual Asian Investment Conference 瑞信投資者研討會	Tokyo 東京 Hong Kong 香港

- The annual general meeting (“AGM”) is a platform for face-to-face communication with our shareholders. Our Board and external auditors attend the AGM and answer questions raised by shareholders on the performance of the Group. Shareholders are welcomed to stay after the AGM and meet our Managing Director and Executive Director, Finance and Operations for further exchanges.
- In our meetings with investors, frequently discussed topics include business outlook, gross margin, change in product mix, POS network, industry benchmarking, capital expenditure, inventory management, e-commerce business, dividend payout ratio, free cash flows and so on.
- Investors often give us constructive ideas that inspire us to improve and create more values for shareholders. We are therefore always keen to engage with investors.
- Our investor relations and corporate communications team also plays an important role in assisting the Board to obtain market feedback, which in turn helps to strengthen the Company’s inside information policy.
- We constantly monitor the share price of the Company, screen media and analyst reports, document feedback from investor meetings in order to understand market expectations.
- Based on such information, we are able to conduct analysis for the directors to assess whether market expectations differ significantly from the Group’s circumstances.
- Such information also facilitates the Company to assess the likelihood of material share price movement in the event that a particular piece of information on the Group’s circumstances is made public.
- Furthermore, such market signals help the Company to determine whether certain media news or market rumours would mislead the market and thus should be clarified; and to monitor whether the Group’s inside information that relies on a safe harbour provision has been leaked, in which case disclosure is immediately required.
- 股東週年大會是一個讓我們親身與股東交流的平台，我們的董事會及外聘核數師均會出席並就股東提出有關本集團表現的問題作出回應。會後股東可以留步繼續跟董事總經理和執行董事（財務及營運）交流意見。
- 投資者在會面時最關注的事項包括業務展望、毛利率、產品組合趨勢、零售點網絡、同行比較、資本開支、存貨管理、電子商務發展、派息率及自由現金流等。
- 投資者也給予公司不少有建設性的意見，啟示了我們如何提升自己，如何為股東創造價值，所以我們也踴躍跟投資者交流。
- 我們的投資者關係及企業傳訊團隊亦在協助董事會獲取市場反饋方面起重要作用，從而有助加強本公司內幕消息的政策。
- 我們持續監察本公司的股價，並留意傳媒及分析師報告，記錄來自投資者會議的反饋以了解市場的期望。
- 據此，我們可以為董事提供分析，協助他們評估市場預期與本集團的情況是否存在重大差別。
- 這些資訊亦有助本公司評估某一項有關本集團情況的資料倘向公眾公佈後會否導致股價大幅波動。
- 此外，這些市場信號也有助於本公司決定傳媒消息或市場謠言會否誤導市場及是否需就此作出澄清；以及監察本集團的內幕消息（有關消息倚賴安全港條例）是否已經外泄，因而須即時作出披露。

Fair treatment of shareholders

- Shareholder analysis, conducted every quarter, enables us to review our investor relations strategy and work plan. Through well-planned roadshows and investor conferences, we endeavour to make long-term value of the Company visible to the investment community at large, thereby enhancing the investment return to all shareholders.
- No selective disclosure of inside information is allowed in our Company. We have formalised controls on the sources of information and the communication channels.
- We emphasise the integrity and consistency in the content of the annual and interim reports, which contain information desired by investors and the public.
- This set of published information is used in investor meetings and conferences.
- According to our spokesperson policy, only designated executive directors and the investor relations and corporate communications team are authorised to speak to or hold meetings with investors or media on behalf of the Company. Attendance notes and call logs are properly kept for future reference.
- Our investor relations and corporate communications team establishes its own code of practices, which includes setting out a quiet period to refrain from investor relations activities before results announcement; preparing scripts and Q&As to manage the information released to the public; and obtaining approval from the Board on the results presentation materials.

公平對待所有股東

- 每季進行的股東構成分析，讓我們檢討投資者關係的策略和工作計劃。我們希望藉著適當安排路演和投資者會議，可以向投資市場展示公司的長期價值，從而提升所有股東的投資回報。
- 本公司概不允許選擇性披露內幕消息。我們已設立制度在資料來源和溝通渠道方面加以規範。
- 我們用心編製公司年報和中期報告，務求保持內容中肯及一致，而且投資者和公眾都可以在其中獲得需要的資訊。
- 我們在投資者會議和研討會中，亦沿用這些已公開的資料。
- 設發言人制度，指定執行董事及投資者關係及企業傳訊團隊成員方可代表公司向投資者或媒體發言或召開會議。我們備存會議筆錄和通話記錄以備日後參考。
- 投資者關係及企業傳訊團隊遵守其工作常規，包括：在業績發佈前設「靜默期」避免進行投資者活動；制定講稿及問答內容以管理對外溝通的訊息；及業績簡報資料提交董事會通過。

Corporate Communications

- Our corporate communications team is responsible for developing communications strategies and messaging with the management of the Group, and creating, implementing and overseeing communications programmes.
- Through effective communications of the Group's business development, initiatives and prospects, it helps us to promote our corporate reputation and branding, and convey corporate messages efficiently to a wider range of stakeholders including media.
- Apart from organising press conferences, publishing announcements and press releases, as well as timely update of media centre in our corporate website, we also arranged 34 media interviews and handled 64 media enquiries in FY2019, in addition to 43 corporate events including leadership speaking, visits to the production facilities and stores, as well as luncheons and gatherings for media and stock commentators held during the financial year. Furthermore, media can have direct access to contact us via email at media@chowtaifook.com.

企業傳訊

- 我們的企業傳訊團隊負責制定傳訊策略，與本集團管理層互通訊息，並建立、實行及監督傳訊計劃。
- 將本集團業務發展、計劃及前景的訊息有效傳達，有助我們推廣企業聲譽及品牌建立，同時可有效將企業訊息傳達至更廣泛的持份者（包括傳媒）。
- 除籌辦傳媒發佈會、刊發公告及新聞稿，並適時更新公司網頁的傳媒中心訊息外，於2019財政年度，我們更安排了34次傳媒訪談，處理64個傳媒查詢，同時亦舉辦了43次公司活動，包括領袖演講、巡訪生產設施和店鋪，以及為傳媒和股評家安排午宴和聚會。此外，傳媒可以透過電郵 media@chowtaifook.com 直接與我們聯繫。

- We organised a tour in July 2018 engaging the Hong Kong and regional media to visit our capabilities in diamond cutting and polishing, jewellery artistry and automated inventory replenishment and distribution in Shunde Ingenuity Centre. The media also had a fun experience of making jewellery in a tailored workshop tutored by our master artisans.



- To maintain a dialogue with stock commentators and share with them our business strategies and views on market outlook, a stock commentator luncheon cum jewellery appreciation was organised in December 2018.
- 我們於2018年12月舉辦股評家午宴暨珠寶鑒賞活動，藉此與股評家對談，並與他們分享我們的業務策略和對市場前景的見解。



- To introduce our artistic incubation space Loupe, the Hong Kong and international media was invited to a gathering cum festive workshop in January 2019. Having a chance to understand the mission of Loupe is to nurture young jewellery talents, the media was also thrilled to the experiences we offered in Loupe as a communal space for public to enable their own creations.
- 為介紹我們的藝術培育空間Loupe，香港及國際傳媒於2019年1月獲邀參與一個藝聚節慶工作坊。傳媒除認識到Loupe的使命為培育年輕珠寶人才外，同時對我們提供Loupe這個共享空間讓公眾發揮創意的體驗感到興奮。



Information for Investors

Investor calendar

FY2019 annual results announcement

6 June 2019

AGM

2 August 2019

Proposed payment of final dividend and special dividend

on or about 21 August 2019

Closure of register of members (both days inclusive)For ascertaining attendance and voting right at the AGM
30 July to 2 August 2019For ascertaining entitlement to proposed final dividend and
special dividend

9 August 2019

投資者資訊

投資者日誌

2019 財政年度全年業績公告

2019 年 6 月 6 日

股東週年大會

2019 年 8 月 2 日

建議派發末期股息和特別股息

2019 年 8 月 21 日或前後

暫停辦理股份過戶登記手續(首尾兩天包括在內)就確定出席股東週年大會並於會上投票
2019 年 7 月 30 日至 8 月 2 日

就確認獲發建議末期股息和特別股息的權利

2019 年 8 月 9 日

Share information

Company name

Chow Tai Fook Jewellery Group Limited

Listing

Hong Kong Stock Exchange

Stock code

1929

Listing date

15 December 2011

Board lot size

200 shares

Issued share capital as at 31 March 2019

10,000,000,000 shares

Index constituentHang Seng Composite Index
Hang Seng China (Hong Kong-listed) 100 Index
FTSE Asian Retail Index
Hang Seng High Dividend Yield Index
Hang Seng Corporate Sustainability Benchmark Index

股份資料

公司名稱

周大福珠寶集團有限公司

上市

香港聯交所

股份代號

1929

上市日期

2011 年 12 月 15 日

每手買賣單位

200 股

於 2019 年 3 月 31 日已發行股本

10,000,000,000 股

成份股恒生綜合指數
恒生中國(香港上市)100指數
富時亞洲零售業指數
恒生高股息率指數
恒生可持續發展企業基準指數

Shareholder services

For matters relating to your shareholding such as transfer of shares, change of name or address, and loss of share certificates, please write to our Hong Kong Branch Share Registrar:

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong
Tel: (852) 2980-1333
Fax: (852) 2810-8185

Shareholders can obtain the annual/interim report of the Company by writing to our Hong Kong Branch Registrar, or access the electronic version from our corporate website.

股東服務

有關閣下的持股事宜，如股份轉讓、更改姓名或地址及遺失股票，請以書面方式通知我們的香港股份過戶登記分處：

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓
電話：(852) 2980-1333
傳真：(852) 2810-8185

股東可透過書面方式聯絡我們的香港股份過戶登記分處以領取本公司的年報／中期報告，或於我們的公司網站閱覽電子版。

Investor relations

For more information about the Group, please visit

corporate.chowtaifook.com

or contact our Investor Relations and Corporate Communications at
38/F, New World Tower
16-18 Queen's Road Central, Hong Kong
Tel: (852) 2524-3166
Fax: (852) 2526-9178
e-mail: ir@chowtaifook.com

投資者關係

有關本集團詳情，請瀏覽

corporate.chowtaifook.com

或與我們的投資者關係及企業傳訊聯絡：
香港皇后大道中16-18號
新世界大廈38樓
電話：(852) 2524-3166
傳真：(852) 2526-9178
電郵：ir@chowtaifook.com

General information

Headquarters and principal place of business in Hong Kong

33/F, New World Tower
16-18 Queen's Road Central, Hong Kong

Registered office

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

一般資料

總部及香港主要營業地點

香港皇后大道中16-18號
新世界大廈33樓

註冊辦事處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Shareholders' rights

- We endeavour to ensure that shareholders are treated fairly and are able to exercise their shareholders' rights effectively. Shareholders are entitled by the Articles and are also encouraged to participate in the Company's general meetings or appoint proxies to attend and vote. Shareholder(s) holding not less than 10% of the Company's paid-up capital may request the Board to convene an extraordinary general meeting and put forward proposals. The objectives of the meeting must be stated in the related requisition signed and deposited with our company secretary at the Company's headquarters at 33/F, New World Tower, 16–18 Queen's Road Central, Hong Kong.
- If a shareholder wishes to nominate a person for election as director in a general meeting, the particulars of the candidate must be stated in a nomination notice signed by such shareholder and deposited together with a notice of willingness signed by the candidate to our company secretary at the Company's headquarters or at our Hong Kong Branch Share Registrar (Tricor Investor Services Ltd., Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong) of the Company. The notice should be given at least seven days prior to the date of such general meeting.
- Enquiries may be put to our investor relations and corporate communications team and the Board via email at ir@chowtaifook.com.

Constitutional documents

- There was no change made to the constitutional documents of the Company during the year.

Market capitalisation

- As at 31 March 2019, the market capitalisation of the listed shares of the Company was approximately HK\$79.4 billion (31 March 2018: HK\$89.4 billion) based on the total number of 10,000,000,000 issued shares of the Company and the closing price of HK\$7.94 per share.

股東權利

- 我們致力確保股東獲公平對待，而且可以有效行使其股東權利，包括細則賦予的參與股東大會的權利，或委派代表出席並於股東大會上投票等。持有不少於本公司10%已繳足股本的股東可要求董事會召開股東特別大會並提呈動議。有關股東需要以書面註明要求召開會議的目的，並簽署送交公司秘書，地址為：本公司總部，香港皇后大道中16–18號新世界大廈33樓。
- 股東如欲於股東大會上提名任何人士出選董事，則須將載有候選人詳細資料的經簽署的提名通知書，連同經候選人簽署的候選同意書，送交予本公司總部的公司秘書，或本公司香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。通知書須於有關股東大會日期前最少七天發出。
- 股東可透過電郵 ir@chowtaifook.com 向投資者關係及企業傳訊團隊及董事會提出查詢。

組織章程文件

- 本公司於年內並無對其組織章程文件作出任何改動。

市值

- 於2019年3月31日，按本公司已發行股份合共10,000,000,000股以及每股收市價7.94港元計算，本公司上市股份市值約為794億港元（2018年3月31日：894億港元）。

Dividend information

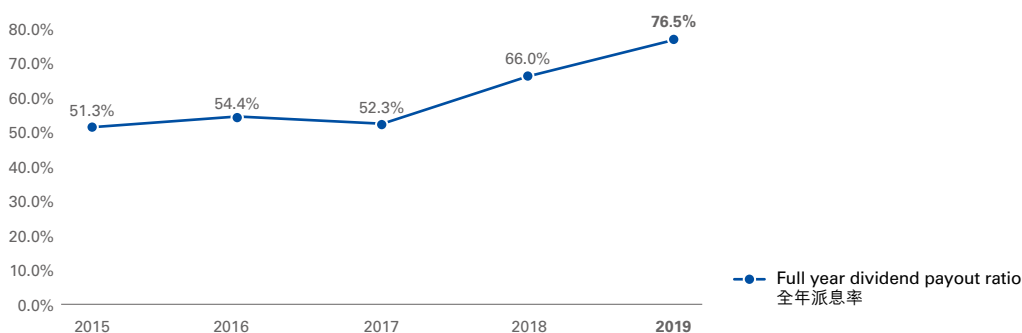
- It is the Company's policy to strike a balance between making an efficient use of capital to strengthen our business development and rewarding our shareholders with a participation in the Company's profits. The Company does not have a pre-determined dividend payout ratio. In determining the amount and form of dividend, the Board will consider the Group's cash flows and financial position, its earnings capacity and the external economic conditions, its business development plans and capital requirements, the dividend receivable by the Company from its subsidiaries and taxation considerations, any restrictions on the payment of dividends, other applicable laws and regulations, and any other factors that the Board considers appropriate. In the absence of special or unexpected circumstances, the Company intends to declare dividends twice a year. Notwithstanding all the above, we cannot assure any amount or ratio for the distribution of dividends in any financial period.

股息資料

- 本公司的股息政策在於善用資本以鞏固業務發展以及與股東分享盈利成果之間取得平衡。本公司並無預設的派息率。在決定派付股息金額或形式時，董事會會考慮本集團的現金流量及財務狀況、其盈利能力以及外圍經濟狀況、其業務發展計劃和資本需求、本公司向其附屬公司可收取的股息及稅務考量、派息有否限制、其他適用法律法規以及董事會認為合適的任何其他因素。在沒有特殊及預計以外的情況下，本公司每年擬宣派兩次股息。儘管上文所述，我們無法保證於任何財政期間分派股息的金額或比率。

Full year dividend payout ratio⁽¹⁾ 全年派息率⁽¹⁾

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



(1) Special dividend excluded

(1) 不包括特別股息

Sufficiency of public float

- Based on the information publicly available to the Company and within the knowledge of the directors, as at the date of this annual report, the directors confirm that the Company has maintained the prescribed public float of 10.7%, which is a lower minimum percentage of public float accepted at the discretion of the Stock Exchange.

充足的公眾持股量

- 根據本公司獲得的公開資料及就董事所知，董事確認於本年報日期，本公司維持聯交所酌情接納的較低最少公眾持股量百分率10.7%。

Board Governance

董事會管治



Board Governance Framework and Major Tasks

- The Board's role is to provide leadership for the Company and direction for the management as an independent decision-making body. Our Board is collectively responsible and accountable to our shareholders for the Group's performance.
- The Nomination Committee, Remuneration Committee and Audit Committee each has its respective terms of reference specified by the Board to undertake detailed governance work. A brief summary of their tasks during FY2019 is shown on the chart in the preceding page and further mentioned in the sections below.
- The Executive Committee is delegated with all the powers, authorities and discretion to act for the Board according to its terms of reference in all operational, managerial and administrative functions concerning the Group's ordinary course of business. It monitors the execution of the Group's strategic plans and the operations of all business units of the Group.
- Matters beyond its delegated authority are reserved to the Board for decision, including those transactions which are notifiable transactions or non-exempt connected transactions under the Listing Rules; or in which an executive director has (individually or together with others) material interest; and those matters of onerous or unusual nature.
- The roles of our Chairman and Managing Director are clearly defined and there is an effective segregation of duties between the Board and the management. Our Chairman, Dr. Cheng Kar-Shun, Henry, provides leadership for the Board and ensures that the Board works effectively and all important issues are discussed in a timely manner. Our Managing Director, Mr. Wong Siu-Kee, Kent, takes the lead in managing the Group's operations and business development.

Directors' Composition and Appointments

- The Board currently comprises a total of 17 directors, with 10 executive directors, 1 non-executive director and 6 independent non-executive directors. The profile, role and function of each director, their relationship with each other and the membership of the board committees are set out in the section headed "Profile of Directors and Senior Management" in this annual report.

董事會管治框架與主要工作

- 董事會的角色為領導公司，並作為獨立決策機構為管理層訂立方向。董事會就本集團的表現集體負責及對股東問責。
- 提名委員會、薪酬委員會和審核委員會分別承擔董事會指定的職責，進行具體的管治工作。這些委員會2019財政年度的工作於前頁圖表簡述，詳情見以下章節。
- 執行委員會獲授所有權力、權限和酌情權，根據其於本集團一般業務過程有關的所有營運、管理和行政職能的職權範圍為董事會行事，負責監察本集團策略規劃的執行情況和集團所有業務單位的營運。
- 超越執行委員會職權範圍的事宜須留待董事會決定，包括根據上市規則須予披露的交易和非豁免關連交易；執行董事單獨或與他人共同於其中有重大權益的交易；和非常重大或不尋常事宜。
- 主席和董事總經理的角色有清晰界定，董事會和管理層的職責亦有明確區分。主席鄭家純博士領導董事會，及確保董事會有效運作和適時討論所有重要事項。董事總經理黃紹基先生領導本集團營運和業務發展。

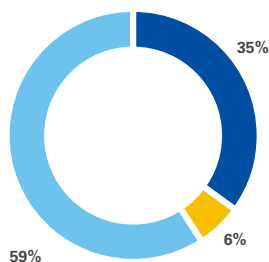
董事組成與委任

- 董事會目前共由17名董事組成，其中包括10名執行董事、1名非執行董事和6名獨立非執行董事。各董事的簡介、角色及職能，彼此之間的關係及董事委員會的成員組成載於本年報「董事及高級管理人員簡介」一節。

- The Nomination Committee takes a hard look at the Board composition to align the talents in the boardroom with the Company's strategy and future needs through a systematic evaluation approach. It starts from a management questionnaire to understand management's expectation on the qualities of their Board leaders, and then a custom-made survey with engagement of all Board members to prioritise the challenges facing the Company in the medium term and the urgency of strategies to be effectively executed, as well as to suggest the required attributes of the future Board and top management, and to think of the personal edge each director has. Based on the above, the Nomination Committee discusses in-depth on the list of desirable skills, perspectives and experience required by the future Board and top executives. We emphasise on a productive tone for such evaluations which further promotes active engagements and sense of openness of Board members to plan for their own learning and development as well as the leadership pipelines.
- After reviewing the strengths and weaknesses of current composition of the Board, the Nomination Committee sets out objectives in searching for potential candidates and selection criteria. It will then invite nomination of candidates and consider a broad range of candidates who are in and outside the Board's circle of contacts. Suitability of the proposed candidates will be evaluated with reference to the pre-set selection criteria, amongst which the candidates' potential contributions and diversity in perspectives expected to be brought to the Board are key considerations.
- The above approach guiding through the whole process of directors' selection, appointment, re-appointment and succession planning has been formalised in the Company's Board nomination policy with a view to ensuring an optimal Board mix with balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.
- During the year, Ms. Cheng Ka-Lai, Lily and Ms. Cheng Chi-Man, Sonia who are working in the fields of technology and customer experience, respectively, have been recommended to the Board for appointments in accordance with the nomination policy and process. The Board expects them to play a part in contributing to our "Smart+ 2020" business innovation strategies.
- 提名委員會仔細審視董事會的組成，以透過系統性評核方法使董事人才的組合能夠符合本公司的策略及未來需要。提名委員會先向管理層進行問卷調查，以了解管理層對董事會領袖素質的期望，再邀請所有董事會成員參與特訂的調查，要求將本公司中期面對的挑戰以及將有效實行的策略之迫切性排列優先次序，建議未來董事會及最高管理人員必需具備的特性以及思考其本身具備的優越之處。提名委員會會按照上文所述，深入討論日後董事會及最高行政人員所需具備的技能、視野及經驗清單。我們於進行這樣的檢討時強調正面積極，鼓勵董事會成員主動參與，營造坦誠的氣氛，以計劃彼等自身的學習和發展以及領導梯隊。
- 檢討現時董事會組成的強弱後，提名委員會列出物色潛在候選人之目的及挑選標準。隨後，提名委員會邀請提名候選人，並考慮董事會圈子內外來自不同領域的候選人。評核建議候選人是否合適時會參照預設的挑選標準，當中候選人可能對董事會作出的貢獻以及預期為董事會引入更多元化視野均為關鍵的考慮因素。
- 本公司董事會提名政策正式納入上述包括董事挑選、委任、重新委任及繼任規劃整個過程的方法，藉以確保董事會有最佳的成員組合，具備本公司業務所需合適的均衡技巧、經驗及多元觀點。
- 年內，鄭嘉麗女士及鄭志雯女士已按照提名政策及程序獲推薦建議委任為董事會成員，兩位分別從事科技及顧客體驗領域。董事會預計他們將對「Smart+ 2020」業務創新策略作出貢獻。

- The Company has a Board diversity policy. The Company believes that greater diversity of directors promotes good corporate governance because it enables better Board decisions to be made attributable to thorough considerations, broader insights and risk intelligence through multiple lenses. Diversity also enables the Board to better understand our customers' and stakeholders' needs.
- The Company sees diversity as a wide concept and believes that a diversity of perspectives can be achieved through consideration of a number of factors, including but not limited to skills and knowledge, regional and industry experience, cultural and educational background, ethnicity, gender, age, length of service and other qualities of the members of the Board.
- The Company endeavours to form a high-performing Board with appropriate combination of competency and diversity of perspectives aligning with the Company's strategy and objectives. In forming its diversity objectives, the Company will take into account its own business model and specific needs from time to time.
- The diversity of the Board is summarised in the following charts:
- 本公司制定了董事會多元化政策。本公司相信，董事會成員越多元化，對企業管治更為有利，因為董事會在作出決策前可透徹的審議、以多角度獲取更廣的見解和風險思維。董事會多元化亦有助董事會更深入了解我們顧客及持份者的需要。
- 本公司視董事會多元化為一個宏觀概念，相信考慮多項的因素可獲得多面的觀點，因素包括但不限於董事會成員的技能及知識、地區及行業經驗、文化及教育背景、種族、性別、年齡、服務年期以及其他素質。
- 本公司盡力建立高效董事會，以合適的技能組合與多元全面的觀點來配合本公司的策略及目標。在達成多元化目標時，本公司會考慮其本身的業務模式以及不時的特別需要。
- 下圖概述董事會的多元化組合：

Independence
獨立性

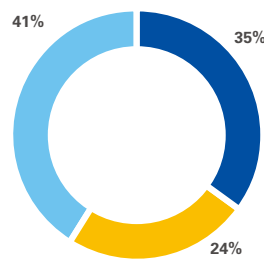


6

INEDs
獨立非執行董事

- INED 獨立非執行董事
- NED 非執行董事
- ED 執行董事

Age
年齡

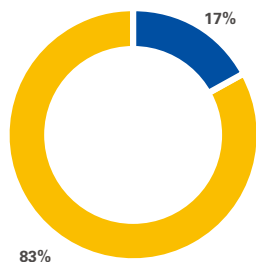


58

Average age
平均年齡

- 35-50
- 51-65
- over 65 (超過65歲)

INEDs' length of service
獨立非執行董事服務年期

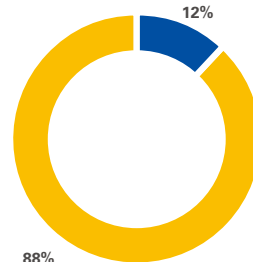


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Average years of service
平均服務年期

- 0-6 years
- 7-9 years

Gender
性別



2

Female directors
女性董事

- Female
- Male

- Our Board members come from diverse business and professional background. They have worked for industries which have operations similar to us, such as consumer goods, manufacturing and supply chain, and also emerging industries horizontally across the customers' lifestyle and enjoyments, such as lifestyle products and fashion, leisure and entertainment, travel and hospitality, innovation and technology, healthcare, finance and insurance.
- In terms of market experience, apart from our major markets Mainland China and Hong Kong, knowledge about the Europe and US market are well supplemented by our independent directors. Besides, some directors are closely in touch with the young customer and high-end customer segments.
- For the professional knowledge, in addition to expertise in retail and jewellery, quite a few Board members are professionals in corporate strategies and risk management, listed company governance, capital market and finance, and some of them are knowledgeable in the field of technology and data analytics.
- The Nomination Committee held three meetings within the year during which, amongst other things, the performance, structure, size and composition of the Board were reviewed. The Nomination Committee reviews the measurable diversity objectives and the progress of achieving them. The joining of two female and young directors in April 2019 has contributed to a desirable Board mix in view of gender and age diversity. Looking forward, we expect more Board members to have acquired proven experiences in young consumer market and business innovations, and the Board as a whole to possess broad spectrum of connections and intelligence across multiple commercial fields which embarks idea crossovers and collaborative innovations along the consumers' value chain in a wider market.
- All directors have formal letters of appointment with the Company for a term of three years, subject to retirement by rotation in accordance with the Articles. Appointments to the Board and Board committees are made for specific terms to facilitate regular reviews and planning for any adaptations in the structure and composition of the Board.
- 我們董事會成員來自多元的商業和專業背景。彼等過往從事與我們業務相近的行業，如消費品、製造及供應鏈，亦有從事與消費者生活享受有關的新興行業，如生活品味產品和時裝、休閒及娛樂、旅遊及酒店、創新及技術、保健、金融及保險。
- 至於市場經驗，除我們主要市場中國內地及香港之外，我們的獨立董事對歐美市場的知識亦相當淵博。此外，部份董事十分了解年輕和高端的顧客群。
- 至於專業知識，除零售及珠寶的專業知識外，我們不少董事會成員為企業策略及風險管理、上市公司管治、資本市場及金融等方面的專才，部份董事通曉科技和數據分析的知識。
- 提名委員會於年內舉行3次會議，會上（其中包括）檢討了董事會的表現、架構、人數及組成。提名委員會檢討可計量的董事會多元化目標，以及達成該等目標的進度。董事會於2019年4月加入兩位年輕女董事，使董事會的組合在性別及年齡多元化方面更為理想。展望未來，我們預計會加入更多董事會成員，他們在年輕消費者市場和業務創新方面具備豐富經驗，董事會整體將擁有商業上多個不同領域的聯繫及智慧，有助我們於更廣大市場的消費者價值鏈開展實踐跨領域的意念和合作性創新項目。
- 所有董事均已與本公司訂立正式委任函，任期為三年，惟須根據細則輪值退任。董事會和董事會轄下委員會的委任設有特定任期，以便定期檢討及規劃董事會架構和組成的任何調整。

Board Effectiveness

Leadership and control

- Strategies drive our risk-based management approach which aims at seizing emerging opportunities amid the changing external and internal environment, in order to achieve sustainability.
- For strategic planning, strategy and risk evaluation workshops are held to facilitate the Board to devise the Group's strategy plan for the forthcoming year and determine the critical tasks and key performance indicators. We also organise annual corporate planning day to lay down the work plans for various business units and arrange budget meetings to discuss on the annual financial budget of the Group.
- For strategy execution, the Executive Committee holds monthly meetings to receive the performance reports, monitor the financial budget and analyse the outcomes of the Group's strategies in order to review or make appropriate adaptations. Sub-meetings of Executive Committee dive deeper into each business segment to supervise on critical aspects such as strategic prioritisation, resources allocation and performance measurement around the corporate strategies, the planning and building of profit drivers and budgets, managing the portfolios of products and customers and so on. In view of increasingly diversified businesses and flat organisation, the Executive Committee is developing an effective process to improve communications across "core business", "strategic investment" and "corporate functions" to "connect the dots" and help promote synergies as well as the alignment of talent, reward, culture, risk appetite, and controls with the corporate strategies.
- In the four Board meetings held during the year, the Managing Director took the lead to make reports to the Board on various aspects, including business performance and prospects, financial performance, risk management and corporate governance.

董事會的有效運作

領導與監督

- 以策略導向管理，應付內外環境的轉變，發掘前瞻商機，管理風險，以達致持續發展為目的。
- 對於策略性規劃，舉辦策略和風險評價工作坊，協助董事會制定來年的集團策略、關鍵任務，以及重要績效指標。我們也籌備公司年度規劃會議，落實各業務單位的工作計劃和安排預算會議，以討論本集團的年度財務預算。
- 策略執行上，執行委員會每月會舉行會議，以聽取表現報告、監察財務預算，及權衡策略的成效，適時檢討和應變。執行委員會的分組會議會仔細檢討每個業務分部，以監督關鍵的範疇，如策略性優先次序、圍繞企業策略的資源分配及表現計量、盈利動力和預算的規劃及建立、管理產品和顧客組合等。隨著業務越見多元化，加上扁平化組織架構，執行委員會現正開發有效的程序把「核心業務」、「策略性投資」和「企業職能」連點成線增進溝通，以促進協同效益，同時將人才、薪酬、文化、風險承受度及監控與企業策略相互契合。
- 於年內舉行的4次董事會會議中，董事總經理帶領就多個範疇向董事會作出匯報，包括業務表現及前景、財務業績、風險管理和企業管治。

- During the year, the Board allocated sufficient time to discuss on strategies related to development of multi-brands, product differentiation, expansion of wholesale business, and technology applications in enhancing customer experience, diversifying sales and marketing channels and in maximising production efficiency. In addition to the “Smart+ 2020” three-year strategic framework, the Board further laid down the long-term goals in relation to market share expansion, customer experience improvement and stable returns to our shareholders.
- Between Board meetings, the Company also provides monthly updates to all independent directors on the Group’s performance and position to enable them to make balanced assessment and objective judgement in Board meetings for the benefit of the Group. The monthly pack includes financial summary against budget, latest news about our operating regions, product and consumer markets, corporate news highlighting our milestone achievements and key events, and a brief of matters arising from the monthly Executive Committee meeting.
- The enhanced accountability and objectivity of the management are built on the scientific management approach mentioned above which promotes a professional management style.
- 年內，董事會充份善用時間討論有關多品牌發展、產品獨特性、批發業務拓展、應用科技於提升顧客體驗、多元化銷售及營銷渠道以及提高生產效率等方面的策略。除為期三年的「Smart+ 2020」策略框架外，董事會就提高市場佔有率、提升顧客體驗及為股東提供穩定回報，進一步制定長遠目標。
- 除舉行董事會會議外，本公司亦每月向全體獨立董事更新報告本集團業績和狀況，讓他們能就本集團作出平衡的評核，於董事會會議上作出有利於本集團的客觀判斷。每月更新報告包括財務概要與預算之對比、有關我們經營地區、產品及消費市場的最新消息、有關我們企業里程碑及重要活動的最新消息，以及執行委員會月會提出的事項簡介。
- 以上各項科學化管理方針旨在促進管理層專業化，有助加強問責性和客觀判斷。

Board independence in decision-making

- We believe that independence is crucial for the Board to work effectively to create value for our stakeholders as a whole. Notwithstanding the family stake of 89.3%, the Company is committed to maintaining a balance among the interests of the stakeholders by implementing various corporate governance policies and practices.
- The Group and the controlling shareholder exhibit independence in regard to their respective operation, asset holding and financial management. The business nature differs from each other so that conflict of interests are minimised fundamentally in the absence of directly competing business.

董事會的獨立決策

- 我們相信，高度的獨立性為董事會有效運作、創造價值和維護全體持份者利益的要點。雖然家族持股達89.3%，但公司致力設立各項企業管治的政策和常規，期望平衡各持份者的利益。
- 集團的營運、資產、財務管理與控股股東之間保持獨立，集團業務的性質與控股股東之間並不存在直接競爭，從本質上減低利益衝突的源頭。

- Driving for long-term value is the main objective in making Board decisions. During the year, the independent non-executive directors raised questions actively in Board meetings and Board committee meetings, taking into account both the commercial context and the perspectives of minority shareholders, and enabled the Board to make thoughtful decisions which we believe would be regarded as reasonable by third parties and to keep the interests of the controlling shareholder and other shareholders in alignment. In view of this, independent directors nominated to the Board are required to be of sufficient calibre and experience for their views to carry weight and for them to pose constructive challenge to Board proposals. Private meetings were also held for independent directors to meet the chairman of the Board without the presence of other directors.
- In respect of our approach to connected transactions, we work together with related companies mainly for collaborating efforts in marketing to explore value-added services for our common customers. With each of us contributing our edge, we believe such efforts could enhance the competitiveness of our brand and shareholders' interests as a whole.
- When approving a connected transaction, apart from the fairness of the agreement terms, the independent directors also consider the commercial rationale and the benefits brought by the proposal to the business of the Group.
- It is a norm for the director who is a connected person in relation to the connected transaction tabled for approval to declare his interest in advance and then abstain from voting on that resolution, regardless of the materiality of such interest.
- The Company has received annual confirmation of independence from all the independent non-executive directors in accordance with Rule 3.13 of the Listing Rules. The Board is of the view that all the independent non-executive directors are independent.
- 董事會的決策以長期價值為主要考慮。年內，獨立非執行董事均投入董事會和委員會會議積極提問，兼顧營商和小股東的角度，務求董事會決策經周全考慮，使控股股東和其他股東利益均保持一致，並相信對第三方來說也視為合理的決定。就此，向董事會提名獨立董事的原則是必須有足夠才幹和資歷，能夠使其意見具有影響力，以及在董事會的討論中提出有建設性的質詢。獨立董事亦曾與董事會主席單獨舉行會議，會上並無其他董事列席。
- 在關連交易方面，我們的方針是積極開發關連公司之間在市場拓展方面的合作商機，各自發揮所長，目的為重疊的顧客群引入更多增值服務，增強我們品牌的市場優勢，以提升整體股東利益。
- 獨立董事審議關連交易除了協議的條款的公平性之外，著重考慮方案的商業合理性，可以為集團業務發展帶來的裨益。
- 建立董事會的常規，即使需予批准的關連交易，與相關連的董事並不屬於重大利益，這些董事也會於審議前申報利益關係，並不參與批准有關交易的表決。
- 本公司已根據上市規則第3.13條收集各獨立非執行董事的年度獨立性確認書。董事會認為，所有獨立非執行董事均為獨立人士。

Compliance and audit

- The Board is responsible for reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, primarily the Listing Rules, the Companies Ordinance and the Securities and Futures Ordinance; and for developing and reviewing the Company's policies and practices on corporate governance.
- The Company has established its policy for inside information disclosures as well as its internal controls on the reporting and monitoring systems so that material matters are escalated to the Board in a timely manner for them to judge whether inside information exists and whether an announcement is required to disclose inside information in due course.
- All our directors and employees are bound by the prevention of insider dealing policy of the Company and should refrain from dealing in the Company's securities if they are in possession of any inside information of the Group.
- The Company has adopted a code of conduct on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules regarding the securities transactions by all the directors and those employees who are likely to come across inside information because of their duties. Having made specific enquiry of all our directors and relevant employees, they confirmed that they had complied with the required standard as set out in the Model Code and the Company's code of conduct during FY2019.
- The Company's corporate governance practices are discussed in the section headed "Corporate Governance" in this annual report. During the year ended 31 March 2019, the Company was in full compliance with all applicable principles and code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules.

合規與審核

- 董事會負責審議和監察本公司遵守法律法規(主要為上市規則、公司條例和證券及期貨條例)規定的政策和實務，並制定和檢討本公司企業管治的政策和實務。
- 對於內幕消息的披露管理，公司設有相關政策和內控措施，使重要事項能及時匯報給董事會考慮是否內幕消息，而適時發出公告。
- 設有防止內幕交易政策，全體董事和所有僱員均受本公司的公司政策約束，當他們持有本集團的任何內幕消息，則不得買賣本公司證券。
- 本公司已就全體董事和有可能因為職務而接觸到內幕消息的僱員進行證券交易訂立條款不遜於上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)的操守守則。經向全體董事和有關僱員作出具體查詢後，他們確認於2019財政年度內已遵守標準守則和本公司操守守則所載的規定標準。
- 本公司企業管治常規在本年報的「企業管治」一節討論。截至2019年3月31日止年度，本公司一直全面遵守上市規則附錄14所載企業管治守則(「企業管治守則」)的所有適用原則及守則條文。

- The Board, supported by the finance department, is responsible for the preparation of the financial statements of the Company and the Group. The directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern. The statement by the auditors of the Company and the Group regarding their reporting responsibilities on the financial statements of the Company and the Group is set out in the section headed "Independent Auditor's Report" of this annual report.
- The Audit Committee held three meetings during the year. They reviewed the financial statements for the Group's interim and annual results. They also reviewed reports on the Group's risk management, internal controls, internal audit and whistleblowing system, and discussed the related matters directly with the management, external and internal auditors. The Audit Committee has reviewed and was satisfied with the effectiveness of our risk management and internal control systems. Further details are included under the section headed "Risk Management Report" in this annual report.
- The Audit Committee has reviewed and was satisfied with the external auditor's independence, objectivity and effectiveness of the audit process. During FY2019, the total fee paid/payable in relation to audit services provided to the Group amounted to HK\$6.6 million, of which a sum of HK\$3.0 million was paid/payable to our principal auditor, PricewaterhouseCoopers, and the remaining was mainly paid/payable to other auditors performing audit work for the Company's subsidiaries in Mainland China which were subject to local statutory requirements. The remuneration paid to PricewaterhouseCoopers and its affiliated firms for services rendered is listed as follows:
- 董事會在財務部門支持下負責編製本公司和本集團的財務報表。董事並不知悉任何可能對本集團持續經營的能力構成重大疑問的事件或情況相關的任何重大不明朗因素。本公司和本集團核數師就他們對本公司和本集團財務報表的報告責任所作聲明載於本年報的「獨立核數師報告」一節。
- 審核委員會年內舉行3次會議，審閱本集團中期和年度業績的財務報表。他們也審閱有關本集團風險管理、內部監控、內部審核和舉報機制的報告；與管理層、外部和內部審核人員直接交流討論有關事項。審核委員會已審視和認可風險管理和內部監控系統的有效性。詳情載於本年報的「風險管理報告」一節。
- 審核委員會已審議且信納外聘核數師於核數程序上的獨立性、客觀性和有效性。本集團於2019財政年度就其審核服務已付／應付費用總額為6.6百萬港元，其中已付／應付主要核數師羅兵咸永道會計師事務所（「羅兵咸」）3.0百萬港元，餘款則主要就本公司中國內地附屬公司按地方法規須進行的審核工作已付／應付其他核數師。就獲提供服務已付羅兵咸及其聯屬公司的酬金載列如下：

Types of services 服務類型		FY2018 HK\$'000 千港元	FY2019 HK\$'000 千港元
Audit services ⁽¹⁾	審核服務 ⁽¹⁾	—	2,976
Audit-related services ⁽¹⁾	審核相關服務 ⁽¹⁾	—	1,137
Non-audit services ⁽²⁾	非審核服務 ⁽²⁾	4,442	2,553
		4,442	6,666

Notes:

- (1) PricewaterhouseCoopers has been appointed as the auditor of the Company since FY2019. No audit and audit-related services were provided in prior years.

附註：

- (1) 羅兵咸自2019財政年度開始獲委任為本公司核數師。過往年度並無提供審核以及與審核有關的服務。

- (2) In FY2018, non-audit services comprise primarily services on internal audit, tax compliance and IT system enhancement provided to the Group. Services on internal audit was ceased since the appointment of PricewaterhouseCoopers as the independent auditor of the Group. In FY2019, non-audit services comprise primarily services on tax compliance and IT related services to the Group. None of these services provided compromise the independence as auditor, in terms of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, and were reviewed and approved by the Audit Committee.

- (2) 於2018財政年度，非審核服務主要包括向本集團提供有關內部審核、稅務合規及資訊科技系統改進之服務。自羅兵咸獲委任為本集團獨立核數師開始，內部審核服務已經終止。於2019財政年度，非審核服務主要包括向本集團提供有關稅務合規及資訊科技相關之服務。根據國際會計師職業道德準則理事會的「專業會計師道德守則」，上述提供的服務並無影響核數師的獨立性，且已獲審核委員會審閱和批准。

Dedication and evaluation

- The directors have diligently and actively engaged in our Group's business. Each executive director has his own role and function to oversee the Group's operations. They formulate corporate strategies, supervise operations and take part in day-to-day management. They attend the Company's business meetings and monthly meetings of the executive directors, managing director and senior management, provide leadership over and supervise the attainment of the Company's business objectives.
- Their performances are closely related to the results and development of our Group. As such, the Board (including the independent non-executive directors) reviews and evaluates their performance by the Group's success in strategies, operating efficiency, effectiveness in risk management and internal control systems, reliability and disclosure standards in financial reporting, corporate governance standards and milestones achieved in sustainable development through various management reports and the annual report, taking into account investors' feedback and comments.
- Our independent non-executive directors have devoted sufficient time attending to the Board's business and affairs and have high attendance in Board and committee meetings. Outside the boardrooms, they also spend time visiting our operations, speaking to the senior and middle management or internal auditors, attending training and reading latest updates which are relevant to their roles in governance.

盡責與評價

- 董事們勤勉積極地投入集團的事務。各執行董事均有監督本集團營運的專責角色和職能。他們制定公司策略、監督運作，參與日常管理。他們參與公司各業務會議，每月執行董事溝通會，董事總經理和高級管理層的溝通會，領導和督導公司達成各項業務目標。
- 他們的績效與集團業績和發展密切相關，所以董事會（包括獨立非執行董事）通過各種管理報告和年報的綜合匯報，以及聽取投資者反饋的意見，對集團策略成效、營運效率、風險管理和內控系統的有效性、財務匯報的可靠性和披露水平，以及企業管治標準和可持續發展達致的里程碑檢討和評價其表現。
- 我們的獨立非執行董事在關注董事會事宜及事務已投入足夠的時間，董事會及董事委員會會議的出席率亦相當高。除出席董事會會議及處理文件工作外，他們亦有訪視我們的業務運作、與高級及中層管理人員或內部核數師對談，參與與其管治職能有關的培訓及閱讀相關最新資訊。

Attendance at AGM and Board meetings

股東週年大會和董事會會議的出席記錄

		Number of meetings attended/eligible to attend for FY2019 2019 財政年度出席／合資格出席會議次數				
		Annual General Meeting 股東週年大會	Board Meeting 董事會會議	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會
Executive Directors	執行董事					
Dr. Cheng Kar-Shun, Henry	鄭家純博士	1/1	4/4 ^C	2/3	1/2	—
Mr. Wong Siu-Kee, Kent	黃紹基先生	1/1	4/4	3/3	2/2	—
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士	1/1	4/4	—	—	—
Mr. Cheng Chi-Heng, Conroy	鄭志恒先生	1/1	4/4	—	—	—
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	1/1	4/4	—	—	—
Mr. Chan Sai-Cheong	陳世昌先生	1/1	4/4	—	—	—
Mr. Suen Chi-Keung, Peter	孫志強先生	1/1	4/4	—	—	—
Mr. Chan Hiu-Sang, Albert	陳曉生先生	1/1	3/4	—	—	—
Mr. Liu Chun-Wai, Bobby	廖振為先生	1/1	4/4	—	—	—
Non-executive Director	非執行董事					
Mr. Cheng Kam-Biu, Wilson	鄭錦標先生	1/1	4/4	—	—	—
Independent Non-executive Directors	獨立非執行董事					
Dr. Fung Kwok-King, Victor	馮國經博士	1/1	4/4	3/3 ^C	2/2	—
Dr. Or Ching-Fai, Raymond	柯清輝博士	1/1	4/4	3/3	2/2 ^C	3/3
Mr. Kwong Che-Keung, Gordon	鄺志強先生	1/1	4/4	—	2/2	3/3 ^C
Mr. Cheng Ming-Fun, Paul	鄭明訓先生	0/1	3/4	3/3	—	3/3
Mr. Lam Kin-Fung, Jeffrey	林健鋒先生	0/1	4/4	3/3	—	3/3

Note:

C represents the chairman of Board or the relevant Board committees

附註：

C 指董事會或相關董事委員會的主席

- In addition, we use evaluations to drive continuous improvement and foster a sense of urgency with respect to critical change initiatives. We also strive to keep benchmarking to the best practices of corporate governance against regulator and investor priorities, leading market practices, and governance recommendations.
- During the year, we took a fresh look at the agenda, allocation of oversight responsibilities and processes of the Board committees to enhance their effectiveness. The Nomination Committee has re-crafted its agendas to develop a more effective process for promoting the alignment of corporate strategies, with the review on board composition, board diversity objectives and finally the nomination and selection of directors, and succession planning for the future.

- 此外，我們以檢討方式推動持續改進，並就重要的變革措施營造其迫切性。我們亦致力按照規管機構及投資者的關注重點、領先的市場慣例以及管治建議，作為企業管治最佳實務的對標，並視之為參照標準。
- 年內，董事會重新審視各董事委員會的會議議程、監察責任分配和程序，從而提升他們的成效。提名委員會已重新制定其議程，旨在設定更有效的程序以配合達成企業策略、檢討董事會成員組成及董事會多元化目的，最終設定更有效的程序進行董事提名及挑選以及日後的繼任規劃。

- The Audit Committee has re-defined its oversight responsibilities into six core areas, including (i) external audit, (ii) financial, non-financial and narrative reporting, (iii) financial reporting system, risk management and internal control systems, (iv) internal audit, (v) compliance, fraud and whistleblowing, and (vi) corporate governance. It has also set out clearly in its updated terms of reference the objectives of the oversight duties in each of these areas and the information and processes required by the Audit Committee for review. The Audit Committee considers that cross-referencing the reports from all these governance functions gives them a holistic view and enables the Audit Committee to discharge its governance duties more effectively.
- The Remuneration Committee is considering to devote more time to the oversight of the Group's talent strategies and culture building which, in addition to effective incentive systems, are also vital to drive our human capital towards the achievement of strategic goals.
- In the last year, we conducted a survey to collect directors' feedbacks on the quality and adequacy of information provided to the directors. With regards to the ever-changing retail landscape, our independent directors anticipate to have more details on the customers and business model and strategy execution for the Board meetings and more time shall be allocated to consider forward looking issues. In order to enable the right information to flow up to Board meetings, we recognised the urgency to have a right governance structure to oversee the strategy execution, especially upon the re-organisation of the Group into businesses and innovation businesses. During the year, sub-meetings of the Executive Committee have been set up for different business segments. This helps the Executive Committee to "connect the dots" and compile a whole picture of the Group's strategic map and mark its check-points for presenting to the Board.
- Meanwhile, we are committed to enhancing the disclosure standards of our annual report and the level of transparency for investors and other members of the public, with a view to supplying meaningful information which would enable stakeholders to play a part in evaluating and scrutinising the Board's performance in corporate governance.
- 審核委員會將其監察責任重新界定為六個核心範疇，包括(i)外部審核；(ii)財務、非財務及陳述性報告；(iii)財務報告系統、風險管理及內控系統；(iv)內部審核；(v)遵規、舞弊及舉報；及(vi)企業管治。其亦清楚載列已更新的職權範圍、上述每個範疇監察責任之目的以及審核委員會就審閱所需的資料及程序。審核委員會認為，交叉參照所有這些管治職能的報告讓審核委員會獲得全面的見解，有助其更有效履行管治的職責。
- 除有效的獎勵機制外，薪酬委員會正考慮在監察本集團人才策略及文化建構上增加投放時間，此舉對利用人力資本達成策略性目標亦相當重要。
- 去年，就向董事發出资訊的質素和充足性，我們已進行董事回饋意見的調查分析。對於變化多端的零售格局，獨立董事期望可以在董事會會議獲取更多有關顧客和業務模式的詳情，以及策略執行的狀況，並分配更多時間以考慮前瞻性事宜。為使董事會會議上獲得其所需的資訊，我們立即意識到背後需要合適的管治架構支撐，以監督策略執行，特別是處於本集團重組為業務及創新業務之際。年內，執行委員會已為不同的業務分部設立分組會議。此舉有助執行委員會「連點成線」，構建本集團完整的策略圖，並向董事會標示其檢查點。
- 同時，我們致力於提高年報的披露水平和對公眾和投資者的透明度，有利於提供有意義的資訊讓持份者一同參與評價及檢視董事會的企業管治績效。

Remuneration and Continuing Development

- The remuneration policy for the executive directors and senior management is incentive-based, with a significant portion of discretionary bonus being linked to the overall performance and profitability of the Group, as well as the share price of the Company. This aims at enhancing accountability by a better alignment of their rewards with the interests of our shareholders.
- The Remuneration Committee shall ensure that such incentive systems are well designed to attract, motivate and retain qualified members of the Board and the management in order to support the achievement of strategic long- and short-term goals of the Group as well as to promote value creation for the benefit of the shareholders.
- The Remuneration Committee held two meetings during the year. Amongst other things, they reviewed the remuneration policy and structure of directors and senior management, including the general principles on determining executive remuneration, components and the calculation basis; and the market benchmarking in view of the Group's scale of business operations and its strategic positioning. In order to ensure the effective implementation of the remuneration policy, the Remuneration Committee examined the historical and target correlation between directors' remuneration level and the Group's performance, the fixed and variable remuneration structure, and market benchmarking for individuals.
- Training and continuous professional development of directors and senior management were reviewed and monitored by the Nomination Committee. We take a strategic approach to re-align training and development of the management with a view to driving performance towards our strategic goals. The main theme is to sharpen the strategic vision and competency of the management in embracing the era of innovation and disruption. Each year, the Company organises forums inviting inspirational speakers and workshops where our leaders coincide to propel the business priorities.

薪酬與持續發展

- 執行董事和高級管理層薪酬政策主要以激勵表現為原則，其中的酌情花紅大部份與本集團整體表現、盈利能力以及本公司股份價格掛鉤。目的為使他們所獲得的獎勵與本公司股東的利益更為一致，以加強問責性。
- 薪酬委員會須確保獎勵機制能有效吸納、鼓勵及挽留董事會合資格成員以及管理層，以支持達成本集團的策略性長遠和短期目標，同時為股東的利益創造價值。
- 薪酬委員會於年內舉行了兩次會議。會上，他們檢討了董事及高級管理層的薪酬政策及結構，包括釐定行政人員薪酬的一般原則、組成項目及計算基礎；及按照本集團業務經營規模及其策略定位判斷的市場對標標準。為確保有效實行薪酬政策，薪酬委員會審視了董事薪酬與本集團表現的歷史及目標數據、固定及浮動薪酬比例及個別職位的市場對比。
- 董事及高級管理層的培訓和持續專業發展經提名委員會檢討和監察。我們認為管理層的培訓和持續專業發展需具有策略性，提升他們的績效表現，從而達致我們的策略目標。中心主題為加強管理層的戰略思維和能力，以積極迎接創新變革的年代。每年本公司邀請演講嘉賓出席我們的論壇和峰會，啟發我們的思維，舉行多個管理人員工作坊，聚合領導人才共同推動業務關鍵工作。

- The Company has committed to enriching the roles to be played by young management and creating promotional opportunities in their career paths which in turn will promote the sustainability of the Group's business. Furthermore, as new roles and responsibilities are emerging across the organisation to meet the changing strategies, the Remuneration Committee and Nomination Committee expect to spend more time in the oversight of the re-aligning of the management succession planning and leadership development process.
- We tailor-made induction programme for new directors in view of their respective board experience, roles and committee appointments, as well as their expertise and areas of interest and potential contribution. The aim is to help the new directors understand our business and operations, as well as the strategies and competitive environment, so that they are enabled to make value-added contributions to the Board, particularly on providing advice on the strategies. We arrange briefing sessions and site visits with focused topics, for example, on how the latest technology applications and innovative projects are helping the Group to enhance customer experience, and how automated and customised smart production is progressing in our production sites. These occasions also facilitate networking between the new directors and other Board members and the management team, and help the new directors to get a feel of the Board culture and corporate culture.
- In addition, new directors can access our online resources centre specifically created for all Board members. The resources centre contains the latest information about our business model and strategies, industry trends and market profiles, business and financial performance, as well as statutory duties and responsibilities of directors and corporate governance policies of the Company. We will further arrange other induction activities after receiving feedbacks from the new directors on which areas they expect more in-depth briefings so as to make efficient use of directors' time.
- 本公司積極開放發揮和晉升機會給年輕的管理層，以協助集團業務持續發展。另外，鑒於整體組織架構需要全新職務及責任以應付策略的改變，故此薪酬委員會及提名委員會預計會投放更多時間以監察管理繼任規劃的重新調整和領袖發展過程。
- 我們按照新董事各自的董事會經驗、職務及委員會成員的委任、其專業技能以及興趣與潛在貢獻的範疇，為新董事度身安排啟導計劃。此計劃旨在協助新董事了解我們的業務及經營以及策略和競爭環境，以便他們對董事會作出增值貢獻，尤其是提供有關策略的意見。我們針對特定主題安排簡介會和實地視察，例如最新技術應用及創新項目如何協助本集團提升顧客體驗，以及我們生產廠房自動化及度身訂製智能生產的進展。上述各種舉措亦促成新董事與其他董事會成員及管理團隊之聯繫，幫助新董事了解董事會文化及企業文化。
- 此外，新董事可從特別為董事會成員而設的網上資源中心獲取資訊。資源中心載有有關我們業務模式及策略、行業趨勢及市場狀況、業務及財務表現、董事的法定職責及責任，以及本公司企業管治政策的最新資訊。聽取新董事的回饋意見後，我們亦會就彼等要求更深入的資訊安排其他啟導活動，以便善用董事的時間。

- We strive to foster a Board culture where ongoing learning is expected and enabled, and Board members share their expertise to enhance overall Board knowledge. We share articles and seminar information in the form of custom-made newsletters and organise Board seminars related to hot topics relevant to our Board and our businesses, such as leadership in times of changes, changing workforce, organising for digital transformation and updates on governance duties etc. Keeping abreast of the market pulses, we hope this helps catalyse a high-performing Board in exercising critical oversight and objective judgement over the Company's latest developments.
- Surveys are conducted to understand each director's learning needs, and such surveys are analysed together with their training records. This analysis assists us in identifying the top priorities for Board education and planning for the next year.
- The directors' training records during the year are summarised as follows:
- 我們著力培育持續學習及董事之間分享專業知識的董事會文化，以提高董事會整體的知識。我們也就與董事會及業務相關的熱門話題透過度身選材的通訊形式分享文章及講座資訊，亦會籌辦董事會講座，如領袖特質隨時間之改變、人力資源轉變、數碼轉型的組織結構以及管治責任的最新資訊等。我們希望掌握市場脈膊，提升董事會高效表現，對本公司最新發展作重要的監察和客觀判斷。
- 我們以問卷調查的方式了解每名董事的學習需要，並連同彼等的培訓記錄進行分析。分析結果有助我們判別出未來一年董事會培訓和規劃工作的優先次序。
- 董事在年內的培訓記錄概要如下：

Name 姓名		Other professional development activities 其他專業發展活動		
		Attending trainings organised by the Company 出席本公司組織的培訓	As speaker 作為講者	As attendant/reader 作為出席者／讀者
Dr. Cheng Kar-Shun, Henry	鄭家純博士			✓
Mr. Wong Siu-Kee, Kent	黃紹基先生	✓	✓	✓
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士		✓	✓
Mr. Cheng Chi-Heng, Conroy	鄭志恒先生	✓		✓
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	✓		✓
Mr. Chan Sai-Cheong	陳世昌先生	✓		✓
Mr. Suen Chi-Keung, Peter	孫志強先生	✓		✓
Mr. Chan Hiu-Sang, Albert	陳曉生先生	✓		✓
Mr. Liu Chun-Wai, Bobby	廖振為先生	✓		✓
Mr. Cheng Kam-Biu, Wilson	鄭錦標先生	✓		✓
Dr. Fung Kwok-King, Victor	馮國經博士	✓	✓	✓
Dr. Or Ching-Fai, Raymond	柯清輝博士	✓		✓
Mr. Kwong Che-Keung, Gordon	鄺志強先生	✓		✓
Mr. Cheng Ming-Fun, Paul	鄭明訓先生	✓		✓
Mr. Lam Kin-Fung, Jeffrey	林健鋒先生	✓		✓

For the year under review, our joint company secretaries, Mr. Cheng Ping Hei, Hamilton and Mr. Lai Sau-Cheong, Simon, had taken no less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules.

本公司聯席公司秘書鄭炳熙先生和黎壽昌先生，根據上市規則第3.29條規定，於回顧年度內接受不少於15小時相關專業培訓。

Corporate Management

企業管理

- We believe that our commitment to ethical practices and critical oversight on our organisational processes and structures has contributed to a strong control environment. It enables our organisation to preserve its integrity and be resilient to internal and external pressures.
- Systematic management infrastructure and scientific analysis have been the key to the internal controls on our business activities and governance in our organisational behaviour, supporting a sustainable growth in the scale of operations.
- We consider “ethics” and “science” as the two pillars in preserving integrity and disciplining behaviour throughout the organisation, which prove to be a pragmatic model to enhance our trustworthiness with traceable accountability.
- 我們相信，我們致力貫徹道德操守和嚴格監管組織程序和架構以締造堅實的監管環境。此舉讓我們可秉持誠信，並抗禦內外壓力。
- 系統化管理的建構和科學化分析是我們業務活動的內部監管和規範組織行為的關鍵，支撐經營規模持續增長。
- 我們認為「道德」和「科學」是整個機構秉持誠信和規範行為的兩大支柱，支撐務實的管理模式，憑據有事實可尋的實踐成果，贏得企業信譽。

Corporate Culture

Blessings and collaboration

- Jewellery represents our commitment to consumers and not merely a product. We wish to create unforgettable experience for the most precious moment of our customers with excellent products and services. In pursuit of our corporate core value of “Sincerity • Eternity”, we have been committed to giving our best and blessings to our customers, employees, partners, shareholders and the society. We ensure proper and efficient use of social resources in support of our business and give back to the society by creating shared value for sustainable development and establishing a constructive rapport with the community.

Ethical business practices

- We have encountered various challenges along our development path. Nonetheless, we stay firm in our adherence to good corporate governance. Having inherited an “artisan” DNA in the pursuit of excellence, we are relentlessly dedicated to details in order to consistently align our beliefs with real-life practices. Committed to integrity, business ethics and legal compliance, we are widely recognised and supported by customers, partners and other stakeholders. With their support, we are able to overcome challenges and surpass ourselves in our pursuit of sustainable development.

企業文化

共享共贏

- 我們不只視珠寶為產品，更是視為對消費者作出的情感承諾，希望憑藉卓越的產品和服務，透過產品見證顧客最值得銘記的人生階段，為顧客創造難忘的愉悅時刻。秉持「真誠•永恒」的企業核心價值，我們對顧客、同事、合作夥伴、股東和社會大眾，都貫徹如一，以真誠續寫永恒的祝福。我們會善用手上的資源，並為社會作出貢獻，維繫互惠互利的良好關係，共同成長。

誠信經營

- 我們在發展道路上經歷不少挑戰，卻沒有動搖我們對良好企業管治的堅持。秉承我們的「工匠精神」，為追求卓越鍥而不捨，對細節事情都用心執著，使信念與言行貫徹如一。管理層堅持以誠信經營，堅守營商道德和合法合規的精神，促使我們得到顧客、合作夥伴和其他持份者持續的認同和支持，得以衝破困難，超越自己，成就當今的持續發展。

People-oriented objectives

- All along, we operate with a people-oriented spirit and regard communication as fundamental in building mutual trust. We have a culture of openness in listening to stakeholders' needs and expectations through interactions in our daily operation. We consider that a scientific management system can only thrive by implementing people-oriented practices in parallel. This can inspire continuous remediation and enhancement towards our dual goal to explore growth opportunities for the Group and our stakeholders.

“Listen to Your Heart” programme

- In view of the challenge of rapid market changes, the management focuses on formulating responsive strategies and stepping up the application of technology and innovation. Meanwhile, the Board cares about how major stakeholders (including colleagues and business partners) are coping under such circumstances. We therefore encourage frequent sharing and communication hoping that more interactions would inspire and drive us to make continuous improvement in various aspects of our operations. We hope to be a faithful partner of our fellow colleagues who stand by them and grow together in good and bad times. Trust from our major stakeholders is highly valued by Chow Tai Fook.
- Recently retired senior management members are appointed as advisors of “Listen to Your Heart” programme. The advisors pay visits to frontline staff of our POS as well as officers of shopping malls and franchisees in different cities each month to understand how they feel about the work environment, team work, remuneration, administration, technological application, business performance and prospects in a relaxed setting through face-to-face conversations and satisfaction surveys. The advisors then escalate those feedbacks, together with their own observations, to our directors in an organised way. Actions or improvement will be taken under the coordination of the respective executive offices and the Risk Management Committee. The advisors also made recommendations to the heads of regional operations based on their observations on the business sentiments and strengths of these regions.

以人為本

- 我們一向重視以人為本，以溝通建立互信，日常運作當中設有許多與利益相關者持續互動的渠道，聆聽他們的反饋意見，以了解他們的需要和期望。我們相信科學化的管理系統必須以人本思維引導其發展、修正和完善，兩者並行才能共同提升，發掘和實現企業和持份者共同增值的機遇。

「聆聽心聲」計劃

- 面對市場急速變化的經營挑戰，公司管理層專注於制定應變戰略，加快科技和創新。董事會更加關注主要持份者（包括同事和商業夥伴）在這個環境下所承受的影響，同時也提倡多交流、多分享，冀他們的參與，在這些人與人之間的互動之中，啟發和推動我們在業務營運的各個層面中不斷進步。我們希望讓同事感受到公司是和他們共同面對，共同經歷高峰低谷，共同成長的真誠夥伴，珍視主要持份者對周大福的信任。
- 由剛退休高級管理層擔任「聆聽心聲」計劃的顧問，每月探訪各地分店的前線同事、商場和加盟商負責人，在輕鬆的氣氛下以面對面的交談和填寫滿意度問卷的方式，收集受訪者對工作環境、團隊合作、薪金報酬、行政管理、科技應用、業務表現和前景等各方面的感受和意見。顧問整理這些意見和自己的觀察後給董事反饋，並由各相關行政部及風險管理委員會協調解決或改善。顧問也會觀察各地區的營商氣氛和優勢，向地區主管提供建議。

- This programme has yielded positive results by facilitating our directors to stay tuned to frontline situations, helping them to take into account the perspective of major stakeholders in their decision-making. This programme also reiterates our corporate culture that emphasises the priority of people and persistent attention to details. Meanwhile, it has also provided an alternative means of appraising the management's performance and identifying operational risks, thereby strengthening corporate governance.

Promotion of "Do Good" spirit

- Ever since the inception of Chow Tai Fook, bringing happiness and well-being to people and mutual benefits to partnerships have been at the heart of our business. While the concept of sustainability has already been embedded in our business operations, we have come to realise that better communication of our efforts pertaining to sustainability both internally and externally would promote inclusiveness and interactive engagements with stakeholders. We want to understand more on how they perceive our current efforts and what they further expect from us.
- Through "Do Good, Feel Good" promotional campaign, we showcase our various initiatives and deliverables in pursuit of good business practices, customer relations, well-being of staff members, better living of community and harmony in a green environment. We have more real-time sharing with our staff. We also have "Do Good" logo, signature, video, information collection catalogue and message circulation on various social platforms for staff. Directors, management and staff are invited to join events promoting "Do Good" spirit.
- We aim to create a "Do Good" culture that strengthens our staff's sense of corporate identity and encourages them to take part in "Do Good" in daily lives. We believe "Do Good" is a shared value across different generations who want to work with purpose and make a positive impact on the wider society, and who want our workplace to be aligned with their values. From now on, "Do Good" is from everyone and for everyone at Chow Tai Fook.

- 這個計劃帶來正面效果，讓董事們掌握前線的信息，幫助董事決策時考慮主要持份者的角度；而且鞏固以人為本和重視對細節的用心執著的企業文化；同時也間接監督管理層績效，判別營運風險，增強企業管治。

推廣「Do Good」精神

- 自周大福成立以來，我們旨在經營一個能夠帶給人快樂與幸福，與夥伴們互惠互利的生意。可持續發展的原則已植根於我們的業務營運之中，我們漸漸發覺要達致更全面的共融，需要首先改進內部和外部溝通，讓人們知道我們正在怎樣實踐可持續發展，才能通過持份者更多的參與和互動，了解他們對我們現在已付出的努力的看法，以及他們對我們長遠的期望。
- 透過「Do Good, Feel Good」推廣活動，我們展示各項積極措施，傳達我們一系列在良好營商操守、顧客關係、員工福祉、完善社區和綠色環境各方面的努力和成果。我們與同事有更多實時分享。在我們「Do Good」系列中，我們亦有「Do Good」標誌、口號手語、錄像、資訊收集目錄，以及在各員工社交平台的信息發送。董事、管理層和員工均獲邀參與推廣「Do Good」精神的活動。
- 我們希望藉著營造「Do Good」精神提升同事們作為公司一份子的歸屬和認同感，也鼓勵同事們日常更多主動參與「Do Good」。我們相信，「Do Good」是跨代共享的價值，都渴望為有意義的工作而付出，且為更廣大的社會帶來正面影響，更希望我們的公司也是奉行與其相符的價值。今後，周大福上下一起「Do Good」，一起「Feel Good」。

Sustainability report

- We published a standalone sustainability report, an electronic version of which is available for download on the corporate website of the Group (corporate.chowtaifook.com/en/cg/sdreports.php).
- The report focuses on aspects with important impacts on or opportunities for the Group and its stakeholders, including our ethical business practices, our customers, our people, our environment and our community.
- The sustainability report shall be read in conjunction with this annual report to form a holistic view on the Group's sustainable development efforts, which are found with our strategic planning, corporate governance and business performance, as well as the recognition of social responsibilities in our strategic planning and business operation.

Organisational Structure

- Our management structure is mainly organised by regions and functions. All regional and functional heads report to the Managing Director. Information can flow swiftly in this flat hierarchy. This empowers the top level to decide precisely on corporate vision and prioritise strategic initiatives in due course. Directions at the top level can reach regional offices promptly for implementation.
- Meanwhile, in view of the rapidly changing and diversifying local markets, our management is adapting to a more agile approach of business decentralisation. The regional units are promoted as active owners in charge of the relevant purchase to sale strategies, taking advantage of their local wisdoms to capture local opportunities quickly. An appropriate measure of accountability and autonomy is maintained through appropriate staffing structure and clear lines of reporting and authority, with a view to working towards the Group's strategic goals.
- Corporate functions such as finance, IT, human capital and legal have a unified reporting line to the Managing Director. This promotes collaboration among cross-functional teams and with external partners towards business priorities and the Group's transformation. By thorough analyses on the needs of the business units, options and risks, these business partners work with business units collectively to attain strategic goals.

可持續發展報告

- 我們的可持續發展報告為一份獨立報告，其電子版可於集團網站(corporate.chowtaifook.com/tc/cg/sdreports.php)下載。
- 報告重點關注對本集團和持份者而言具有重大影響或機遇的範疇，包括我們的營商道德操守、顧客服務、員工關懷、環境保護和社區參與。
- 這份可持續發展報告應與本年報一併閱讀，以適當和全面了解本集團為可持續發展所盡努力，這些包括我們的策略規劃、企業管治和業務表現，以及集團在策略規劃和業務營運之中對企業社會責任的承擔。

組織架構

- 集團管理架構主要按地域和功能劃分。所有區域和職能主管須向董事總經理匯報。在扁平式行政結構下，資訊能迅速流通。此舉有助最高階層準確適時決定公司願景，並將策略性舉措區分優先次序。最高層面所發出的指示能迅速下達各地區執行。
- 與此同時，有見於本地市場急速變化，管理層正在更靈活地進行業務分權。地區單位獲授予更大主權，善用他們本地的智慧，掌握下單訂貨至銷售的策略，迅速捕捉本地商機。通過適當人事架構和明確匯報流程和職權分工，維持適度的自主性和問責性，致力達成集團的策略目標。
- 財務、資訊科技、人力資本及法律等企業功能統一地向董事總經理匯報，此舉有助促進跨功能隊伍之間以及與外部夥伴的合作，以達成關鍵任務和集團變革。這些業務夥伴會與業務單位合作，對業務單位的需要、選項及風險作透徹的分析，以共同達成策略性目標。

- In addition to the above vertical management structure, we also have committees jointly led by our executive directors and senior management, namely the Risk Management Committee, Sustainability Committee, Reform and Development Committee, Human Resources Planning Committee and IT Governance Committee. These committees assist in the Group's strategic planning for relevant areas and supervise the attainment of the Group's objectives.
- Further, we have been setting up more project teams to undertake business explorations and pilot projects. We like the flexible and open-minded characteristics of small teams which enable us to be highly responsive to market opportunities, as well as to train up our young potentials.
- To step up these transformational efforts, the Company has established the Sustainability and Innovations Centre, sided by the core business units as the Group's strategic investment. The Sustainability and Innovations Centre is responsible to oversee all investments related to business innovations that were once scattered within various core business units. These strategic investments relating to culture & art, craftsmanship and creativity aim at diversifying the Group's income stream and building new differentiating capabilities for our business. With enhanced visibility on its strategic incentives and accountability, we expect our innovation initiatives to scale up and add to our business edges in the near future. Under this operating model, it is also easier to preserve and prioritise resources and attract talents and partnerships.
- 在上述垂直管理架構之外，集團設有多個委員會（即風險管理委員會、可持續發展委員會、改革發展委員會、人力資源規劃委員會及資訊科技管治委員會），由執行董事和高級管理層共同領導協作，協助集團制定相關範疇的戰略規劃和監察集團目標達成的成效。
- 此外，集團也開始增加運用項目小組，負責創新業務的探索，先導項目的領航試驗，目的是利用小型團隊的機動性和開放思維，靈活迅速發掘和把握市場商機，同時也培育更多有潛質的年青同事。
- 為加速推動變革，本公司成立可持續發展及創新中心，以核心業務單位為後盾，作為集團策略性投資。可持續發展及創新中心負責監督所有與業務創新有關的投資，使以往散落在各個核心業務單位內的项目集中統籌。此等與文化及藝術、工藝及創意有關的策略性投資旨在分散本集團的收入來源，為我們的業務建立差異性能力。這樣使策略性項目的績效回報和問責制度具更高透明度，我們預期業務創新的規模將會擴大，並於不久將來成為我們業務優勢。在此營運模式下，也較容易預留資源和將之區分優先次序，吸納人才和合作夥伴。

Performance and Analysis

- The Group conducts business planning on an annual basis, and all regional offices and departments are required to prepare financial budgets, which are consolidated at Group level and subjected to sensitivity tests, while key performance indicators are also set.
- We have established information management systems at the upstream, midstream and downstream business units to allow close tracking and monitoring of business input and output, including the procurement of raw materials, production per order, inventory control, product sales, human resources and customer relations.

績效與分析

- 集團每年進行業務規劃，各個地區和部門都需要制定財務預算，在集團層面整合和進行敏感度測試模型，並制定各項關鍵績效指標。
- 我們在上游、中游和下游各分部業務單位建立的資訊管理系統，讓我們可以緊密追蹤和監察業務上的各項投入和產出，包括原材料採購、訂單生產、存貨控制、產品銷售、人力資源、及客戶關係等。

- Reports and variance analyses of multiple dimensions can be easily retrieved from the business intelligence system. The transparency of information transmission allows prompt indication of deviations in key performance indicators and business performance trends, thereby providing comprehensive information for the management to make appropriate decisions and therefore improve the success rate.
- Given the inseparability of financial and business analysis, the Group has made huge efforts to facilitate the convergence of financial data and business data to improve the analysis of effectiveness of strategies and monitor the use of resources, while enhancing integrated analysis in annual reporting and overall performance review.
- In the digital era, data is a key to drive business innovation and seize new business opportunities. In order to leverage on big data analytics and business intelligence, the Group has set up the Strategic Business Office and Data Intelligence Space to provide timely, visualized and market-compatible analyses for the purpose of advising on strategic business solutions. Examples of these solutions include predictive new launch analytics, inventory assortment and distribution, salesperson's performance management etc.
- 多個維度的報告和差異分析可輕易透過商業智慧系統讀取。資訊傳遞的透明度可迅速提示關鍵績效指標的偏差和業務表現走勢，為管理層提供全面的管理資訊，以利管理層作恰當的決策，提升成功機率。
- 財務與業務分析不可分割，集團作出很多努力令財務與業務營運數據接軌，加強策略成效的分析，有效地監察資源運用的效益，而且能夠促進年報匯報的綜合分析，以及整體績效檢討。
- 身處數碼時代，數據實為推動業務創新，把握新商機的關鍵。為借助大數據分析與商業智慧，本集團成立了商業策略辦公室及周大福數據空間，提供貼合市場、直觀及時的分析，從而對商業策略解決方案提供洞見，例如新產品預測性分析、存貨分類及分配、銷售人員表現管理等。

IT Governance

- The management is keen on applying IT resources in close tandem with the business development of Chow Tai Fook, in order to support multi-regional management, innovative retail business model, maintain a close connection among the upstream, midstream and downstream business units, and facilitate big data analytics, internal control and business and financial reporting.
- As a key strategic enabler to the Group's digital vision, IT work plans for the next three years have been laid down to improve our business agility and operating efficiency. Our work plans mainly focus on real-time and customised production management, data-driven decision-making, seamless workflows and system platforms to foster businesses across boundaries and time zones, as well as automating tedious manual processes.

資訊科技管治

- 管理層重視資訊科技資源獲得有效運用，與周大福業務發展保持高度契合，能夠支持多地域管理、創新零售業務模式、保持上、中、下游業務鏈環緊扣，以及大數據分析、內部控制、營運和財務匯報。
- 作為本集團數碼願景的關鍵策略執行工具，我們已制定未來三年的資訊科技工作計劃，以提高我們業務靈活性以及營運效益。我們的工作專注於實時且度身訂制的生產管理、數據驅動的決策、無縫工作流程以及系統平台，藉以發展跨境及跨時區的業務，以及將重複的人手工序自動化。

- The IT Governance Committee comprising executive directors and senior management in charge of business innovation, financial and production management, data analysis and IT was established to provide a platform for constructive debate among major stakeholders with a view to keeping aligning IT strategies with business strategies. The potential benefits and risks associated with the IT needs identified by business units are weighted in a rational manner from a strategic point of view, with the aim of finding solutions that maximise the benefits and efficiency in resource allocation in tandem with the priorities under the Group's overall strategy.
- In the implementation of IT service business alignment, business analysts teams are set up to actively listen to business units. Throughout system development or system-change projects, the business analysts facilitate transparency and continuous feedbacks amongst the sponsor departments, other users and IT colleagues. To better align IT manpower with the future business development of the Group, the business analysts teams assist to understand better from the business units on their priorities and plan ahead the job resources for the next year.
- Enhancement of data governance is also a major initiative to align with the data-driven business innovation strategy. Specialists and consultants were recruited to review the data structure, data quality and ownership across various data systems in the Group. We aim at procuring a reliable and consistent database under effective management in order to enable the application of data analytics, which unlocks the income generation potential from the use of data.
- The IT Governance Committee also undertakes responsibility in IT risk management, conducting analysis and evaluation of risks identified on an annual basis and reporting to the Risk Management Committee.
- 我們成立了資訊科技管治委員會，匯集負責業務創新、財務和生產管理、數據分析和資訊科技的執行董事和高級管理層，建立主要持份者進行建設性討論的平台，使資訊科技策略與業務策略一致。從策略層面理性地權衡與業務單位所識別資訊科技需求相關的潛在裨益和風險，務求達成利益最大化的解決方案和資源分配效率，配合集團整體戰略的優先排序。
- 為使資訊科技服務能配合業務發展，我們成立業務分析團隊，用心聆聽和了解業務單位的需要。進行系統發展或系統轉變項目時，業務分析員會推動提高透明度，促成提出建議的部門、其他用戶與資訊科技的同事持續提出回饋意見。為使資訊科技人力資源能更加配合本集團業務未來發展，業務分析團隊協助向業務單位加深了解其優次工作的排序，從而規劃來年的工作資源。
- 提升數據管治也是配合數據主導業務創新策略的主要舉措。我們委聘了專家和顧問檢討本集團各數據系統的數據架構、數據質素及所有權。我們致力在有效的管理下建立可靠且貫徹一致的數據庫，以便應用數據分析，發揮從利用數據轉化為收入的商業潛力。
- 資訊科技管治委員會也承擔資訊科技風險管理的責任，每年對所識別的風險進行分析和評價，並向集團風險管理委員會匯報。

Risk Management and Internal Controls

- While the Board has overall responsibility for the Group's systems of risk management and internal control, we adopt an enterprise-wide risk management structure involving all levels from the Board level and down to the business unit level. We take both "top-down" and "bottom-up" approach.
- In the day-to-day operations, the executive directors have ongoing dialogue with management of the business units to identify and evaluate emerging risks and opportunities, and formulate appropriate action plans. By ongoing review on the variance reports and analysis, budget plan and actual performance, findings of control weaknesses reported by audit teams, they become alert to what and where problems may have arisen which require tackling from "top-down" in order to achieve the strategic objectives.
- On the other hand, a formalised risk management annual cycle from "bottom-up" is in place which is equipped with routine implementation procedures and delegated risk owners. Business units are required to identify and assess risks in their operations and then record them in a risk register. Proposed mitigation measures are also registered to facilitate subsequent review of the outcome. We catalog risk data in a system similar to an accounting system. This allows us to trace down to each risk entry and owner, or summarise risks by region or function, and consolidate a risk profile for the Board's oversight on all significant risks facing the Group.
- Active engagement of the risk owners is paramount to the success of risk management. We organise training workshops to enhance risk owners' management skills and hold regular meetings to discuss on the effectiveness of risk mitigation measures. We aim at integrating risk management into day-to-day operations, resulting in a practical and continuous process.
- Besides, it is our annual exercise to conduct self-assessment on the internal control system. Executive directors and senior management of all major business and functional units are required to submit self-assessment questionnaires, covering the effectiveness of risk management and internal controls as well as confirmations on legal compliance for which they are held accountable.

風險管理與內部監控

- 董事會對本集團風險管理和內部監控系統承擔整體責任。我們採納涵蓋董事會領導人員以至業務單位各層面的企業全面風險管理架構。我們同時採納「由上而下」和「由下而上」方式。
- 於日常業務過程中，執行董事與業務單位的管理層持續進行對話，識別及評估新出現的風險與機會，並制定合適實施計劃。他們持續審閱差異報告和分析、預算計劃和實際表現，以及審核團隊編製的監控弱點報告結果，各項資料均有助他們識別需「由上而下」注意解決的潛在問題所在，以達致策略性目標。
- 另一方面，我們也實行「由下而上」的正規風險管理年度周期，其中包含例行實施程序和特定風險負責人。業務單位須識別和評核營運層面所面對的風險，並記錄至風險登記表。建議應對措施也會作記錄，以便隨後檢討結果。我們會將風險數據分類儲存在系統，與會計系統賬目相似。此舉有助我們追溯每項風險記錄和負責人，按區域或職能劃分概要風險分類，並以綜合方式呈列風險的整體概覽，以便董事會監督本集團面對的所有重大風險。
- 風險負責人積極參與對成功的風險管理極為重要。我們籌辦培訓工作坊以提升風險負責人的管理技能，並定期舉行會議以討論風險應對措施的成效。我們致力整合日常營運的風險管理，將之化為實務持續的流程。
- 此外，我們每年會自我評價內部監控系統。執行董事和各主要業務和職能單位的高級管理層須遞交自我評價問卷，內容涵蓋風險管理及內部監控的成效，其負責各自業務或職能的法律合規確認。

- Three lines of defence have been laid down in our governance framework so that our internal controls, risk management, financial compliance and internal audit can function in tandem.
- Notwithstanding all the above, our risk management system is designed to manage rather than eliminate the risk of failure in achieving business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.
- 我們的管治架構內已設下三道防線，內部監控、風險管理、財務合規與內部審核可一起發揮作用。
- 儘管設有以上措施，風險管理系統旨在管理而非消除未能達成各類業務目標的風險，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。

Compliance and Audit

Ethics and regulatory compliance

- The Group is committed to ensuring its ethics and compliance across business operations. Our Board exercises oversight and establishes business line accountability for ethics and compliance, while the lines of business management take the ownership of culture and agenda for ethics and compliance. The Group Policies and Controls unit is set up to oversee the enterprise-wide ethics and compliance activities. These include ethical culture, major policies and controls, communications and training, as well as case management, investigations, root-cause analysis and reporting.
- The Group Policies and Controls unit has continued to extend their roles as a trusted advisor to the business front lines which align with their efforts in the protection of our brand and reputation, and adaptation to the converging business models and markets. A thematic approach is adopted to strengthen our ability to detect and prevent ethical misconduct on key areas, such as anti-fraud, questionable sales practices, and third party vendor management.
- We have a process in place to capture regulatory changes and evaluate the potential impact and institute necessary changes to associated operational controls, which lies on collaborative efforts by the Board, the business lines, as well as legal, finance and risk management functions.

合規與審核

操守及監管合規

- 本集團致力確保各業務經營遵行專業操守守則和法律規定。董事會就操守及監管合規進行監督，並設立業務線問責制度。業務線管理層主動培養遵行專業操守和遵法的文化和採取相關的措施，「集團制度監督」專責監督整個企業有關專業操守和遵法的活動，包括遵行專業操守文化、主要制度監督、溝通及培訓、以及個案管理、調查、根本原因分析及報告。
- 「集團制度監督」持續擴大其作為業務前線值得信賴顧問的職能，從而保護品牌及聲譽，並且將之與業務模式及市場融合，以發揮其職能成效。本集團以主題方式加強我們在重要領域偵查及防範操守不當行為，重要領域包括反舞弊、可疑銷售手法、及第三方供應商管理。
- 我們設有程序可追蹤監管法規的變動及評核涉及的潛在影響，同時促使對相關的營運監控作出必要的變動，而該程序需要董事會、各業務線、以及法律、財務及風險管理職能各方的合作執行。

- We conducted staff training in respect of laws and regulations relevant to the business operations, case studies on risk management and controls, key concepts on corporate governance etc. We take a proactively preventive approach that we continue to expand communication and training to upskill the business frontlines and management to mitigate compliance risk, and also reinforce ethical conduct and ownership to all employees and embed DNA of ethics and compliant culture in the business operations.
- Regular monitoring on the compliance with laws and regulations is conducted by the business lines and reported via our management hierarchy. It also covers incident reports from whistleblowing, crisis management mechanism, social responsibility compliance checks and case reports by our legal department, whereby all important areas of compliance are monitored.
- The Group complied with all major aspects of laws and regulations that are significant to our business operations. There were no threatened or concluded cases of material nature in connection with legal compliance during the year.
- 我們向員工提供有關業務經營的法律法規、風險管理及監控的案例研究以及企業管治重要概念等之培訓。我們採取主要防範方式持續加強溝通和培訓，以提升業務前線及管理層的技能，從而降低合規風險，亦會加強全體員工對專業操守和知識產權的意識，將專業操守和合規文化融入業務經營之內。
- 各業務線會通過我們的管理架構定期監察合法合規情況並作出匯報。此亦涵蓋舉報、危機管理機制的事件報告、社會責任合規審查以及法律部門的個案報告，使各個合規監察的重要範疇得以監察。
- 本集團一直遵守對我們業務經營屬重大的各重大方面的法律法規。年內於法律合規方面沒有發生重大程度的指控或審結個案。

Internal audit

- The Internal Audit Department plays a crucial role in monitoring the internal governance of the Group.
- The Internal Audit Department has unfettered access to all necessary information, people, records and outsourced operations across the Group aiming to provide an independent assurance service to the Board, Audit Committee and management, focusing on reviewing the effectiveness of the governance, risk management and control processes that management has put into place. The Internal Audit Department functionally reports directly to the Audit Committee and administratively to the Managing Director.

內部審核

- 內部審核部門在監察本集團內部管治上肩負關鍵的職務。
- 內部審核部門可在沒有限制的情況下獲取本集團內所有必要的資料、記錄、與外判營運有關的資料以及與有關人士溝通聯繫，以專注檢討管理層執行的管治、風險管理及監控程序之成效，再向董事會、審核委員會及管理層提供獨立鑒證服務。內部審核委員會職能上直接向審核委員會匯報，行政上則向董事總經理匯報。

- A risk-based approach has been adopted by the Internal Audit Department. Annual audit plan is formalised based on the result of the risk assessment covering business risk evaluation. The risk assessment methodology assists us in prioritising business risks and determining audit frequencies, which enables the internal audit review to become more efficient and focused on the business needs, ensuring that key concerns and significant risks are considered within the scope of the audit. Such annual audit plan is reviewed and approved by the Audit Committee at the beginning of each financial year.
- All findings and recommendations on internal control deficiencies are communicated with respective management for process improvement, in order to ensure that satisfactory control is maintained. Significant audit findings and control deficiencies are reported to the Audit Committee and all rectification plans will be properly followed up by management to ensure that they are remediated as intended within a reasonable period.
- To further strengthen the flexibility and independence of internal audit function, the Group has engaged an independent consulting firm to assist the Internal Audit Department to provide professional internal audit service to the Group.
- 內部審核部門已採納風險基礎方法。年度審核計劃乃按照風險評核(涵蓋業務風險評估)的結果制定。風險評核方法協助我們確定各業務風險的優先次序以及判定進行審核的頻繁程度，此舉可使內部審核檢討更具效率，並且切合業務的需要，同時能夠於審核範圍內確保考慮到重要的關注事宜和重大風險。審核委員會於每個財政年度初會審閱及批准年度審核計劃。
- 就發現內部監控的欠妥之處以及修正的推薦建議會通報各管理層作程序改進，從而確保維持有效的監控。重大的審核調查發現和監控缺失會向審核委員會匯報，管理層亦同時妥善跟進所有修正計劃，以確保於合理時間內按計劃修正有關缺失。
- 為進一步加強內部審核職能的靈活性及獨立性，本集團已委聘獨立顧問公司，協助內部審核部門向本集團提供專業內部審核服務。

External assurance

- External assurance on the Group's financial statements is obtained from the independent auditor. Their roles and opinion are included in the section "Independent Auditor's Report" in this annual report.
- For operational aspects, we engage independent experts from respective profession to assure standards such as environmental compliance, quality management of manufacturing activities, product quality and safety.
- We emphasise on close monitoring of our business activities, which assures that our products, our services and our practices meet the desired technical or quality standards in order to safeguard our reputation and stay ahead in the industry.

外部鑒證

- 本集團從獨立核數師獲取對本集團財務報表的外部鑒證。其職責和意見載於本年報「獨立核數師報告」一節。
- 至於營運方面，我們委聘不同專長的獨立專家，鑒證各項標準，如專注生產活動、產品品質和安全的環境合規、品質管理等。
- 我們重視嚴密監察業務經營，確保產品、服務及實務均符合所需的技術或品質標準，從而維持良好商譽以及於行內領先的地位。

Whistleblowing

- This system provides a confidential channel to encourage employees to stay alert to and escalate any potential fraud issues. We have put up posters of whistleblowing on staff notice boards to.
- This system is managed by a team of whistleblowing officers on the Group level. The whistleblowing officers are directly accountable to the Audit Committee. Their responsibilities include case management, investigation on fraud reporting their investigation findings to the management and review the effectiveness of remedial actions.
- The aim of the whistleblowing system is to detect and rectify control weaknesses at the earliest stage. More importantly, this system involves participation of all staff, reinforcing our integrity culture within the organisation.

舉報機制

- 本機制提供保密渠道，鼓勵所有員工關注和舉報潛在舞弊事項。我們在各員工告示板張貼海報，推廣舉報渠道。
- 舉報專員直接向審核委員會負責。本機制由以集團層面獲委任的舉報專員團隊管理。職責包括案件管理、潛在舞弊的調查、向適當層面的管理層匯報調查結果以及檢討管理層採取改善行動的進度。
- 舉報機制旨在於初步及早偵測和修正監控弱點。更重要的是，此舉涉及所有員工的參與，以加強我們堅持誠信的決心。

Directors' Report

董事會報告

The Board is pleased to present the annual report of the Company together with the audited consolidated financial statements of the Group for FY2019.

Principal Activities

The Company is an investment holding company. The Group is principally engaged in the business of manufacturing and selling of high-end luxury, mass luxury and youth line jewellery products, including gem-set jewellery, gold products and platinum/karat gold products, and distribution of various watch brands. The activities of the principal subsidiaries are set out in note 40 to the consolidated financial statements.

The Group's revenue is derived from business activities conducted in Mainland China, Hong Kong, Macau and other markets. The segment information of the Group's operation is set out in note 5 to the consolidated financial statements.

Results and Dividends

The results of the Group for FY2019 are set out in the consolidated statement of profit or loss and other comprehensive income on page 190.

The directors recommended the payment of a final dividend of HK\$0.20 per share (FY2018: HK\$0.15 per share) and a special dividend of HK\$0.30 per share (FY2018: HK\$0.30 per share) for FY2019, amounting to approximately HK\$5,000 million (FY2018: HK\$4,500 million). Such payment of dividends will be subject to the approval of shareholders at the forthcoming annual general meeting of the Company to be held on Friday, 2 August 2019 and is payable to shareholders whose names appear on the register of members of the Company at the close of business on Friday, 9 August 2019. Together with the interim dividend of HK\$0.15 per share paid in December 2018, the total distribution of dividend by the Company for FY2019 will be HK\$0.65 per share (FY2018: HK\$0.57 per share). The payment date of the final and special dividends is expected to be on or about 21 August 2019.

董事會欣然提呈本公司2019財政年度年報以及本集團經審核綜合財務報表。

主要業務

本公司為投資控股公司。本集團的主要業務為生產和銷售名貴珠寶、主流珠寶與年青產品(包括珠寶鑲嵌首飾、黃金產品、鉑金/K金產品)，以及分銷名錶。主要附屬公司的業務載於綜合財務報表附註40。

本集團的營業額來自中國內地、香港、澳門及其他市場進行的業務活動。本集團的業務分部資料載於綜合財務報表附註5。

業績及股息

本集團於2019財政年度的業績載列於第190頁的綜合損益及其他全面收益表內。

董事會建議派付2019財政年度每股0.20港元的末期股息(2018財政年度：每股0.15港元)及每股0.30港元的特別股息(2018財政年度：每股0.30港元)，合共約5,000百萬港元(2018財政年度：4,500百萬港元)。派付該等股息須待股東在本公司將於2019年8月2日(星期五)舉行的應屆股東週年大會上批准，並應向於2019年8月9日(星期五)營業時間結束時名列本公司股東名冊的股東派付該等股息。連同已於2018年12月派付的中期股息每股0.15港元，本公司於2019財政年度所分派股息總額為每股0.65港元(2018財政年度：每股0.57港元)。末期股息及特別股息的派付日期預計為2019年8月21日或前後。

Business Review

FY2019 marked another year of growth for the Group's business. The Group enjoyed a vibrant growth in 1HFY2019, while the momentum moderated in 2HFY2019 amid macro uncertainties. All product categories exhibited positive growth, among which gold products demonstrated a relatively stronger performance. The Group deepened the penetration into the lower tier cities in Mainland China and opened a number of POS in other markets including its first store in Cambodia and Vietnam, respectively. The Group's multi-brand strategy has been making good progress over the past few years. Experience shops with thematic layouts were also opened in selective locations.

In light of the macro headwinds and a tough comparison base as we head into 1HFY2020, we are cautiously optimistic for FY2020. The US-China trade talks may take some time to settle in our view. Nonetheless, we believe the stimulus measures from the Chinese government would help to mitigate the impact on the economy and consumer sentiment. As to grab a greater market share and optimise the Group's brand competence in Mainland China, we will continue to deepen our market penetration strategically in lower tier and county level cities in Mainland China in the next three to five years.

The Group's "Smart+ 2020" three-year strategic framework, launched since FY2018, serves as the backbone for our business development and transformation. We would continue our efforts with focus on these four key areas: (1) implementing multi-brand strategy and enriching retail experience to breakthrough customers' inherent expectations on jewellery store; (2) reinforcing customer experience with personalised engagement in the manufacturing process through the customer-led C2M business model; (3) building up of effective operation models by deriving useful insights from big data analytics; and (4) incubating talents internally within the Group and externally for the jewellery industry by promoting the innovative and entrepreneurial culture and providing broader horizons to unleash their creativity and talents.

業務審視

我們的業務於2019財政年度繼續錄得增長。2019財政年度上半年，本集團增長強勁，然而下半年度受宏觀經濟不明朗因素所影響，增長動力略有放緩。我們所有產品類別均呈正增長，其中黃金產品的表現尤其突出。本集團提高於中國內地較次級城市的滲透率，同時於其他市場開設多個零售點，包括分別於柬埔寨及越南開設首間店舖。過去數年，本集團的多品牌策略執行進展良好。我們亦於特選位置開設主題式設計的體驗店。

鑒於宏觀不明朗因素，加上2020財政年度上半年有較高的比較基數效應，故此我們對2020財政年度的業務展望持審慎樂觀的態度。中美貿易談判解決需時。不過，我們相信，中國政府推出多項振興經濟措施將有助舒緩對經濟和消費意欲之影響。為了爭取更大的市場份額和優化集團在中國內地的品牌競爭力，我們將在未來三至五年內繼續在中國內地較次級城市和縣級城鎮策略性地深化市場滲透。

本集團自2018財政年度開始推行為期三年的「Smart+ 2020」策略框架是我們業務發展和轉型的支柱。本集團將繼續加強以下四大範疇：(1) 實行多品牌策略，豐富零售體驗，以打破顧客對珠寶店固有的期望；(2) 透過顧客主導的顧客對工廠業務模式，讓顧客親身參與珠寶製造過程，加強顧客的體驗；(3) 利用大數據分析得出有用的見解，從而建立有效的營運模式；及(4) 通過推廣創新及企業家文化，為人才開拓更廣闊的視野，讓他們盡情發揮創意及才能，為集團內部以至整個珠寶業界培育更多人才。

A review of the Group's business and operations for the year as well as a discussion on the likely future developments are provided throughout this annual report, particularly in the following sections:

- "Chairman's Statement"
- "Managing Director's Strategic Report"
- "Management Discussion and Analysis"

Further discussion on the Group's principal risks and uncertainties, compliance with the relevant laws and regulations, environmental policies and performance and key relationships with its stakeholders are provided throughout this annual report, particularly in the following sections:

- "Risk Management Report"
- "Board Governance"
- "Stakeholder Relations"
- "Corporate Management"
- "Sustainability Report", which is available on our corporate website

Financial Summary

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 274.

Share Capital

Details of the Company's share capital are set out in note 30 to the consolidated financial statements. There is no movement in the share capital during the year.

Distributable Reserves

Distributable reserves of the Company as at 31 March 2019 amounted to approximately HK\$5,556 million (31 March 2018: HK\$5,536 million).

Movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 193.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Articles or the laws of the Cayman Islands.

本年報內各處已就本年度集團業務及營運做出回顧，並對集團未來可能的發展進行討論，主要分布於以下章節：

- 「主席報告書」
- 「董事總經理策略報告」
- 「管理層討論與分析」

本年報各處，對集團之主要風險及不確定因素、遵守相關法律法規的情況、環境政策和表現、以及與其持份者之間關鍵關係的進一步討論，主要在下列章節中：

- 「風險管理報告」
- 「董事會管治」
- 「持份者關係」
- 「企業管理」
- 「可持續發展報告」，全文刊載於本公司網站

財務概要

本集團過去五個財政年度的業績以及資產及負債概要載列於第274頁。

股本

本公司的股本詳情載於綜合財務報表附註30。年內概無股本變動。

可供分派儲備

於2019年3月31日，本公司可供分派儲備為數約5,556百萬港元（2018年3月31日：5,536百萬港元）。

年內本集團儲備的變動載列於第193頁的綜合權益變動表。

優先購買權

細則或開曼群島法例概無任何關於優先購買權的條文。

Purchase, Sale or Redemption of Listed Securities

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

Directors

The directors during the year and up to the date of this annual report are:

Executive Directors

Dr. Cheng Kar-Shun, Henry
Mr. Wong Siu-Kee, Kent
Dr. Cheng Chi-Kong, Adrian
Mr. Cheng Chi-Heng, Conroy
Mr. Cheng Ping-Hei, Hamilton
Mr. Chan Sai-Cheong
Mr. Suen Chi-Keung, Peter
Mr. Chan Hiu-Sang, Albert
Mr. Liu Chun-Wai, Bobby
Mr. Cheng Kam-Biu, Wilson (re-designated with effect from 1 April 2019)

Non-executive Director

Ms. Cheng Chi-Man, Sonia (appointed with effect from 1 April 2019)

Independent Non-executive Directors

Dr. Fung Kwok-King, Victor
Dr. Or Ching-Fai, Raymond
Mr. Kwong Che-Keung, Gordon
Mr. Cheng Ming-Fun, Paul
Mr. Lam Kin-Fung, Jeffrey
Ms. Cheng Ka-Lai, Lily (appointed with effect from 1 April 2019)

In accordance with article 84 and article 83 of the Articles, Mr. Wong Siu-Kee, Kent, Mr. Suen Chi-Keung, Peter, Mr. Chan Hiu-Sang, Albert, Mr. Liu Chun-Wai, Bobby, Ms. Cheng Chi Man, Sonia, Mr. Lam Kin-Fung, Jeffrey and Ms. Cheng Ka-Lai, Lily will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Directors' Service Contracts

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation, other than statutory compensation.

購買、出售或贖回上市證券

本公司及其任何附屬公司於年內均無購買、出售或贖回本公司的任何上市證券。

董事

年內及直至本年報日期的董事為：

執行董事

鄭家純博士
黃紹基先生
鄭志剛博士
鄭志恒先生
鄭炳熙先生
陳世昌先生
孫志強先生
陳曉生先生
廖振為先生
鄭錦標先生 (自2019年4月1日起調任)

非執行董事

鄭志雯女士 (自2019年4月1日起獲委任)

獨立非執行董事

馮國經博士
柯清輝博士
鄭志強先生
鄭明訓先生
林健鋒先生
鄭嘉麗女士 (自2019年4月1日起獲委任)

根據細則第84條及第83條，黃紹基先生、孫志強先生、陳曉生先生、廖振為先生、鄭志雯女士、林健鋒先生及鄭嘉麗女士將於應屆股東週年大會上退任，且符合資格膺選連任。

董事服務合約

概無董事與本公司或其任何附屬公司訂立不可於一年內毋須支付任何賠償(法定補償除外)而終止的服務合約。

Directors' Interests in Transactions, Arrangements and Contracts

Save as disclosed in this annual report, no transactions, arrangements and contracts of significance in relation to the Group's business to which any of the Company's subsidiaries, fellow subsidiaries or parent companies was a party and in which a director of the Company or the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Continuing Connected Transactions

The Group has certain ongoing transactions carried on with connected persons with expected annual transaction amounts exceeding the "de minimis" exemption threshold and therefore the Company reports these non-exempt continuing connected transactions during FY2019 under the Listing Rules. These transactions are mainly related to lease of premises and sale and purchase of goods and services. Information about the connected persons is shown on page 158. Details of these transactions are set out in the tables below.

Lease of premises 物業租賃

Name of counterparties

交易對方名稱

CTFE 周大福企業

NWD 新世界發展

NWDS 新世界百貨

Main purposes of the leases

Standalone retail shops, industrial and office uses in Hong Kong

Offices and standalone retail shops in Hong Kong

Concessionaire counters operated in department stores in Mainland China

租賃主要用途

於香港的獨立零售店、工業及辦公室用途

於香港的辦公室及獨立零售店

於中國內地百貨公司開設專櫃

Master/framework agreement date
綜合／框架協議日期

28/11/2011

11/4/2014

22/3/2012

Next renewal date
下次重續日期

31/3/2020

30/6/2020

30/6/2020

Annual cap approved and actual amount incurred for FY2019 (HK\$million)
2019財政年度的已批准年度上限及實際發生金額(百萬港元)

Annual cap
年度上限

122

132

124

Amount incurred
實際發生金額

67

92

78

Annual cap approved for subsequent financial year (HK\$million)
其後財政年度的已批准年度上限(百萬港元)

FY2020

122

134

154

2020財政年度

董事於交易、安排及合約中的權益

除本年報所披露者外，本公司的附屬公司、同系附屬公司或母公司於年末或年內任何時間，並無訂有任何對本集團業務而言屬重大且本公司董事或董事的關連人士於當中擁有重大權益(不論直接或間接)的交易、安排及合約。

持續關連交易

本集團正與關連人士進行若干持續交易，預期年度交易金額超過最低豁免水平，故本公司根據上市規則匯報2019財政年度內的該等非豁免持續關連交易。該等交易主要關於物業租賃以及銷售及購買貨品和服務。有關關連人士的資料載於第158頁。該等交易的詳情載列於下表。

Sale and purchase of goods and services 銷售及購買貨品和服務

Name of counterparties 交易對方名稱	NCE	KTL 利鷗品牌
Major types of goods and services 貨品及服務的主要種類	Polishing, processing and handling of gemstones for the Group, and provision of related technology, related assets and other ancillary services, products and devices 為本集團寶石拋光、加工及處理，提供相關技術、相關資產和其他配套服務、產品及工具	Licensing of intellectual property rights in, among other things, cartoon characters to the Group for production, sale and marketing of certain licensed products 向本集團授出（其中包括）卡通角色的知識產權，供生產、銷售及市場推廣若干授權產品
Master/framework agreement date 綜合／框架協議日期	29/1/2016	29/4/2016
Next renewal date 下次重續日期	31/3/2021	28/4/2019 ⁽¹⁾
Annual cap approved and actual amount incurred for FY2019 (HK\$million) 2019財政年度的已批准年度上限及實際發生金額（百萬港元）		
Annual cap 年度上限	208	73
Amount incurred 實際發生金額	99	17
Annual cap approved for subsequent financial years (HK\$million) 其後財政年度的已批准年度上限（百萬港元）		
FY2020 2020財政年度	236	N/A 不適用
FY2021 2021財政年度	245	N/A 不適用

Note:

- (1) As all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) of the transactions contemplated upon renewal of this agreement are, on an annual basis, less than 0.1%, the renewed agreement commencing from 28 April 2019 will be fully exempt from the reporting, announcement and shareholders' approval requirements.

附註：

- (1) 由於該協議重續時擬進行的年度交易所有適用百分比率（定義見上市規則第14.07條）低於0.1%，故自2019年4月28日開始的經重續協議將全面獲豁免遵守申報、公告及股東批准規定。

These transactions are governed by respective master or framework agreements which have an initial term of not more than 3 years and, subject to compliance with the Listing Rules, will be renewed automatically for another 3 years upon expiry. The initial agreement date and the next renewal date of these master or framework agreements are set out in the tables above.

該等交易受各綜合或框架協議所監管，而協議的初始年期不超過3年，在遵守上市規則的前提下將於期滿時自動重續3年。該等綜合或框架協議的初始協議日期及下一個重續日期載於上表。

The Group's pricing policy and internal control on continuing connected transactions

The Company has entered into master agreements or framework agreements to set out the principles governing the above continuing connected transactions. The Group maintains a pricing policy which serves as a guidance for the negotiation with counterparties regarding the respective definitive agreements under the continuing connected transaction arrangements of the Group.

- (a) For rental of premises, prevailing market rates around the time of entering into the respective tenancy agreements will be followed. The Group will obtain comparison from relevant market information from the market or independent valuers and with rental rates of premises in similar locations leased by the Group.
- (b) For sale of goods and services, retail or wholesale prices (as the case maybe) and discretionary discounts which the Group offers or is willing to offer to independent customers around the time of transaction will apply.
- (c) For purchase of goods, services and other assets, prevailing market prices around the time of transaction will apply. The Group will obtain quotations or tenders from independent third parties for goods, services or assets with similarities to compare with the prices and terms offered in the market. If there is no sufficient comparable in the market, the Group will make reference to the reasonable costs for developing or providing such goods, services or assets plus a reasonable profit margin that commensurates with industry practices.

The Group will monitor industry practices and market trends on a regular basis to ensure the terms offered to the Group are either equivalent to or better than the prevailing market prices.

集團定價政策及持續關連交易的內部監控

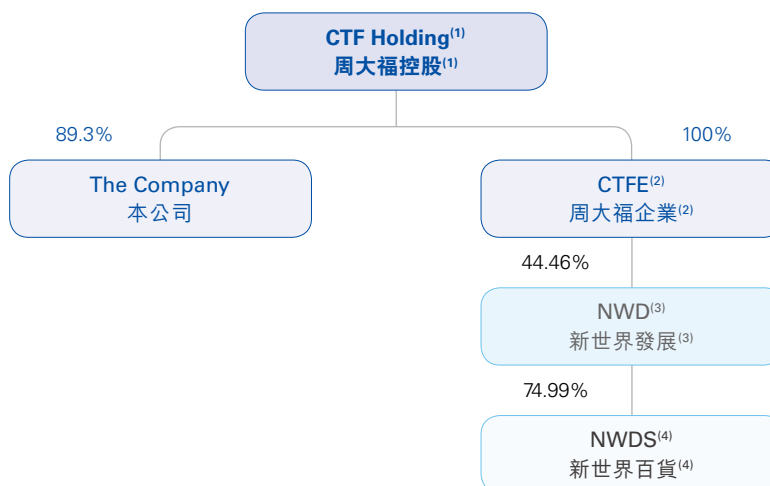
本公司已訂立綜合協議或框架協議以載列相關原則規管上述持續關連交易。本集團設有定價政策，就與對方磋商釐定本集團持續關連交易安排下的明確協議作出指引。

- (a) 物業租賃方面，採用簽訂有關租賃合同當時的市場價格為依據。本集團會從市場上或者獨立估值師取得相關的市場資訊，及跟集團在類似地點的租賃物業的租金作出比較。
- (b) 銷售貨品和服務提供方面，採用進行交易時集團開列或願意開列給獨立顧客的零售價或批發價（視乎情況）及酌情優惠。
- (c) 購買貨品、服務或其他資產方面，採用進行交易時市場價格為依據。集團會根據進行類似交易的獨立第三方所提供的報價或標書，以比較市場上的價格和條款內容。如市場上並無充分可作比較的參考，集團將考慮開發或提供有關貨品、服務或資產的合理成本，及加入與行業常規相符的合理利潤。

集團將定期監測行業常規和市場趨勢，以確保向集團提供的合約條款與市場價格相若或更佳。

Relationships between Counterparties

Other than NCE and KTL, the other counterparties to the continuing connected transactions mentioned above are connected persons of the Company mainly due to direct or indirect shareholding held by the Company's substantial shareholder, CTF Holding, in these counterparties. Shareholding relationships among the Company, CTFE, NWD and NWDS are illustrated in the simplified chart below:



Notes:

- (1) Chow Tai Fook (Holding) Limited
- (2) Chow Tai Fook Enterprises Limited
- (3) New World Development Company Limited (stock code: 17)
- (4) New World Department Store China Limited (stock code: 825)
- (5) The approximate percentages of shareholding are shown for reference only to illustrate the relationships between the connected parties. The information is sourced from the Disclosure of Interests published on the Stock Exchange website as at the date of this annual report, which however may not be updated or correct.

New Cutting Edge Limited ("NCE") and its subsidiaries are majority-controlled companies indirectly held by Mr. Cheng Kam-Chiu, Stewart, who is a family member and therefore an associate of certain directors of the Company under Chapter 14A of the Listing Rules. As such, NCE and its subsidiaries are connected persons of the Company.

KT Licensing Limited ("KTL"), through its holding companies, is in turn owned as to 50% by the trustee of a trust established for the benefit of the family members of Dr. Fung Kwok-King, Victor. Therefore, KTL is an associate of a director of the Company under Chapter 14A of the Listing Rules. As such, KTL and its subsidiaries are connected persons of the Company.

與交易對方的關係

除NCE及利鷗品牌之外，上述持續關連交易的其他交易對方構成本公司的關連人士，主要是由於本公司主要股東周大福控股直接或間接持有該等對手方股權。本公司、周大福企業、新世界發展與新世界百貨的持股權關係概述於下面簡圖：

附註：

- (1) 周大福(控股)有限公司
- (2) 周大福企業有限公司
- (3) 新世界發展有限公司(股份代號：17)
- (4) 新世界百貨中國有限公司(股份代號：825)
- (5) 概約持股百分比僅供參考，以說明與關連方的關係。該資料源自截至本年報日期聯交所網站上刊載的權益披露，未必是最新或屬實。

New Cutting Edge Limited ("NCE") 及其附屬公司是由某幾位董事的親屬鄭錦超先生間接持有的佔多數控制權的公司，按照上市規則第14A章規定，鄭先生是那幾位董事的聯繫人，因此，NCE及其附屬公司是本公司的關連人士。

利鷗品牌有限公司("利鷗品牌")通過其控股公司由以馮國經博士家族成員利益而設立的信託的受託人擁有50%權益。因此，根據上市規則第14A章，利鷗品牌為本公司一名董事的聯繫人。故此，利鷗品牌及其附屬公司為本公司關連人士。

Annual review of the continuing connected transactions

At the end of each financial year, the management will prepare a summary of the pricing and other relevant terms of those non-exempt continuing connected transactions for the review of the Executive Committee to ensure that those transactions are entered into in the ordinary and usual course of business, on normal commercial terms or better and in accordance with the relevant agreements on terms which are fair and reasonable. Our internal audit team will further select samples from those transactions and compare them with similar types of transactions entered into by the Group with independent third parties during that financial year.

Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged the Company's auditor to perform certain review procedures in order to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter in respect of the continuing connected transactions disclosed by the Group in this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

The results of the review procedures performed by each of the Executive Committee, the internal audit team and the auditor of the Company were reported to the independent non-executive directors in the Audit Committee meeting. After review by the Audit Committee, the independent non-executive directors confirmed that the continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) either on normal commercial terms or better; and (iii) according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Announcements were published regarding the Group's non-exempt continuing connected transactions. The directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in so far as they are applicable.

持續關連交易的年度審閱

管理層在財政年度結束後會準備一份概要，羅列不獲豁免的持續關連交易的定價及其他相關條款，給執行委員會審視，以確保該等交易乃是在日常的業務中，按正常或更有利的商務條款，根據有關合約中公平合理的條款進行。我們的內審團隊將進一步從這些交易中抽取樣本，並與集團在該財政年度期間和獨立第三方之間發生的相似交易進行比較。

根據上市規則第14A.56條，本公司已委聘本公司的核數師根據香港會計師公會發佈的香港鑒證業務準則3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明740號「香港上市規則規定的持續關連交易的核數師函件」，進行若干審閱程序，以就本集團的持續關連交易作出報告。根據上市規則第14A.56條，核數師已就本集團於本年報披露的持續關連交易，發出無保留意見的函件。本公司已向聯交所提交核數師函件副本。

由執行委員會、內部審核團隊及公司的核數師分別進行的審閱程序所得結果，已在審核委員會會議上向獨立非執行董事匯報。經審核委員會審閱，獨立非執行董事確認這些持續關連交易(i)在本集團的日常業務中訂立；(ii)按照一般商務條款或更佳條款進行；及(iii)根據有關交易協議進行，其條款公平合理且符合本公司股東的整體利益。

本集團已就非豁免持續關連交易刊登公告。董事確認本公司已遵守上市規則第14A章的披露規定(如適用)。

Related Party Transactions

The significant related party transactions entered into by the Group during the year set out in note 39 to the financial statements include transactions that constitute connected transactions and continuing connected transactions for which the disclosure requirements under Chapter 14A of the Listing Rules have been complied with.

Major Customers and Suppliers

During the year, less than 30.0% of the Group's revenue was attributed to the Group's five largest customers. Besides, 52.1% of the Group's total purchases were attributed to the Group's five largest suppliers and 35.4% of the Group's total purchases were attributed to the Group's largest supplier. To the best of the directors' knowledge, none of the directors, their respective close associates (as defined in the Listing Rules) and any shareholder who to the knowledge of the directors owned more than 5% of the issued share capital of the Company as at 31 March 2019 held any interest in any of the five largest suppliers or customers of the Group.

關聯人士交易

本集團於本年度訂立的重大關聯人士交易載於財務報表附註39，包括構成關連／持續關連交易的交易，而本集團已就該等交易遵守上市規則第14A章的披露規定。

主要顧客和供應商

年內，本集團少於30.0%營業額來自本集團五大顧客。此外，本集團總採購額52.1%來自本集團五大供應商，而本集團總採購額35.4%來自本集團最大供應商。據董事所知，於2019年3月31日，概無董事、彼等各自緊密聯繫人（定義見上市規則）或董事知悉擁有本公司已發行股本5%以上的任何股東持有本集團五大供應商或顧客的任何權益。

Directors' Interests in the Shares, Underlying Shares and Debentures of the Company

As at 31 March 2019, the interests and short positions of the directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 to the Listing Rules were as follows:

Long position in shares

董事於本公司的股份、相關股份及債權證的權益

於2019年3月31日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部已知會本公司及聯交所的權益及淡倉，或記錄於根據證券及期貨條例第352條規定須予存置的登記冊內的權益及淡倉，或根據上市規則附錄10所載的標準守則須知會本公司及聯交所的權益及淡倉如下：

於股份的好倉

		Personal interests 個人權益	Number of shares 股份數目		Total 合計	Approximate % of shareholding 概約持股 百分比
			Spouse interests 配偶權益	Corporate interests 法團權益		
The Company (ordinary shares of HK\$1 each)	本公司(每股面值1港元的普通股)					
Mr. Wong Siu-Kee, Kent	黃紹基先生	12,000			12,000	0.0%
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士			20,000 ⁽¹⁾	20,000	0.0%
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	4,800			4,800	0.0%
Mr. Chan Sai-Cheong	陳世昌先生	12,000			12,000	0.0%
Mr. Suen Chi-Keung, Peter	孫志強先生	3,600			3,600	0.0%
Mr. Chan Hiu-Sang, Albert	陳曉生先生	12,000			12,000	0.0%
Mr. Liu Chun-Wai, Bobby	廖振為先生		12,000		12,000	0.0%

Note:

(1) These shares are beneficially owned by a company, which in turn is wholly-owned by Dr. Cheng Chi-Kong, Adrian

附註：

(1) 該等股份由鄭志剛博士全資擁有的一家子公司實益擁有

Substantial Shareholders' Interests in Securities

As at 31 March 2019, the following persons (not being directors or chief executives of the Company) had the following interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Long position in shares

Name 名稱	Number of shares 股份數目		Total 合計	Approximate % of shareholding 概約持股 百分比
	Beneficial interests 實益權益	Corporate interests 法團權益		
Cheng Yu Tung Family (Holdings) Limited		8,933,937,400	8,933,937,400	89.3%
Cheng Yu Tung Family (Holdings II) Limited		8,933,937,400	8,933,937,400	89.3%
Chow Tai Fook Capital Limited		8,933,937,400	8,933,937,400	89.3%
Chow Tai Fook (Holding) Limited	周大福(控股)有限公司	8,933,937,400	8,933,937,400	89.3%

Note:

As at 31 March 2019, Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited held approximately 49.0% and 46.7% interest in Chow Tai Fook Capital Limited respectively, which in turn held an approximately 81.0% interest in Chow Tai Fook (Holding) Limited and accordingly each of Cheng Yu Tung Family (Holdings) Limited, Cheng Yu Tung Family (Holdings II) Limited and Chow Tai Fook Capital Limited is deemed to have an interest in the shares of the Company held by Chow Tai Fook (Holding) Limited. Chow Tai Fook (Holding) Limited held 8,933,937,400 shares of the Company directly as at 31 March 2019.

主要股東於證券的權益

於2019年3月31日，根據證券及期貨條例第336條須存置的登記冊所記錄的以下人士（並非本公司董事或最高行政人員）所持有本公司股份及相關股份的權益或淡倉如下：

於股份的好倉

附註：

於2019年3月31日，Cheng Yu Tung Family (Holdings) Limited及Cheng Yu Tung Family (Holdings II) Limited各自於Chow Tai Fook Capital Limited分別持有約49.0%及46.7%權益，而Chow Tai Fook Capital Limited則於周大福(控股)有限公司持有約81.0%權益，因此Cheng Yu Tung Family (Holdings) Limited、Cheng Yu Tung Family (Holdings II) Limited及Chow Tai Fook Capital Limited被視為於周大福(控股)有限公司所持本公司股份中擁有權益，而周大福(控股)有限公司於2019年3月31日則直接持有本公司8,933,937,400股股份。

Share Option Scheme

A share option scheme (the "Scheme") was adopted pursuant to a shareholders' written resolution of the Company passed on 17 November 2011. No options have been granted, exercised or cancelled under the Scheme since its adoption up to the date of this annual report.

The purpose of the Scheme is to attract skilled and experienced personnel, incentivise them to remain with the Group and motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company. The Board may, at its discretion, grant options pursuant to the Scheme to the directors of the Company (including executive directors, non-executive directors and independent non-executive directors), the directors of the Company's subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers, in its absolute discretion, have contributed or will contribute to the Group.

購股權計劃

本公司根據於2011年11月17日的一份股東書面決議採納了購股權計劃（「該計劃」）。自該計劃採納日期至本年報日期，本公司概無授出、行使或註銷該計劃下任何購股權。

該計劃旨在通過提供獲取本公司股權的機會，吸引有技能和經驗的人員，激勵他們留任本集團，鼓勵其為本集團的未來發展及擴展而努力。董事會可酌情根據該計劃向其酌情認為對本集團已作出或將作出貢獻的本公司董事（包括執行董事、非執行董事及獨立非執行董事）、本公司附屬公司的董事、本集團的僱員以及任何其他人士（包括諮詢人或顧問）授出購股權。

The total number of shares in respect of which options may be granted pursuant to the Scheme and any other share option schemes of the Company shall not exceed 10% of the shares of the Company in issue on the Company's listing date of 15 December 2011, being 1,000,000,000 shares ("Scheme Mandate Limit"), which represented 10.0% of the shares of the Company as at the date of this annual report. The Company may renew the Scheme Mandate Limit with shareholders' approval provided that each such renewal may not exceed 10% of the shares in the Company in issue as at the date of the shareholders' approval.

The maximum number of shares underlying all outstanding options which have been granted and have yet to be exercised pursuant to the Scheme and any other share option schemes of the Company shall not exceed 30.0% of the shares in issue from time to time.

Unless approved by shareholders of the Company in the manner as set out in the Scheme, the maximum number of shares underlying the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1.0% of the shares of the Company in issue for the time being.

The period during which an option may be exercised by a grantee (the "Option Period") shall be determined and notified by the Board to the grantee at the time of such grant, which shall not expire later than 10 years from the grant date.

Subject to any restrictions applicable under the Listing Rules, an option may be exercised in whole or in part by the grantee at any time during the Option Period in accordance with the terms of the Scheme and the terms on which the option was granted.

No amount is payable by the grantee upon acceptance of an option.

The exercise price shall be determined by the Board but in any event shall not be less than the highest of: (a) the closing price of the shares as stated in the daily quotations sheet issued by the Stock Exchange on the grant date, which must be a business day; (b) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the grant date; and (c) the nominal value of the shares.

The Scheme will remain in force for a period of 10 years after the date of conditional adoption, i.e. 17 November 2011.

根據該計劃及本公司任何其他購股權計劃可予授出之購股權所涉及股份的總數不得超過本公司於上市日期2011年12月15日已發行本公司股份的10%，即1,000,000,000股股份（「計劃授權上限」），相當於本年報日期當日本公司股份的10.0%。本公司可於獲得股東批准下重訂該計劃授權上限，惟該重訂各不得超過獲股東批准當日本公司已發行股份之10%。

所有根據該計劃及本公司任何其他購股權計劃已授出但尚未行使的購股權相關的最高股份數目，合共不得超過不時已發行股份的30.0%。

除非按該計劃所載方式獲本公司股東批准，每名合資格參與者在任何12個月內獲授購股權（包括已行使及尚未行使的購股權）相關的股份最高數目不得超過本公司當時已發行股份的1.0%。

承授人可行使購股權的期間（「購股權期間」）由董事會授出購股權時決定並通知承授人，該期間不得遲於授出之日起計10年後屆滿。

承授人可根據該計劃的條款及授出購股權的條款於購股權期間隨時行使全部或部份購股權，惟須受上市規則的任何適用限制所規限。

承授人接納購股權時毋須繳付任何款項。

行使價由董事會釐定，惟於任何情況下不得低於以下最高者：(a) 聯交所於授出日期（須為營業日）發佈的每日報價表所報股份收市價；(b) 聯交所於緊接授出日期前五個營業日發出的每日報價表所報股份平均收市價；及(c) 股份面值。

該計劃自有條件採納之日（即2011年11月17日）起計10年內有效。

Permitted Indemnity Provision

The Company's Articles provides that every director is entitled to be indemnified out of the assets and profits of the Company against all losses, damages and liabilities which he/she may sustain or incur in or about the execution of duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to any director.

The Company has taken out and maintained directors' liability insurance throughout the year, which provides appropriate cover for the directors.

Management Contracts

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

Donations

Charitable and other donations made by the Group during the year amounted to approximately HK\$9.9 million (FY2018: HK\$8.3 million).

Events after the Reporting Period

There is no material subsequent event undertaken by the Company or by the Group after 31 March 2019 and up to the date of this annual report.

Auditor

Deloitte Touche Tohmatsu ("Deloitte") retired as the auditor of the Company upon the expiration of its term of office with effect from the conclusion of the annual general meeting of the Company held on 26 July 2018. PricewaterhouseCoopers was appointed as the auditor of the Company following the retirement of Deloitte.

The consolidated financial statements of the Group have been audited by PricewaterhouseCoopers, who will retire and, being eligible, will offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

Dr. Cheng Kar-Shun, Henry
Chairman

Hong Kong, 6 June 2019

獲許的彌償條文

本公司細則規定，就其任期內或因執行其職務而可能遭致或發生與此相關之所有損失、損害賠償或責任，每位董事有權從本公司資產和溢利中獲得賠償，惟與任何董事本身之欺詐或不誠實事宜有關者除外。

本公司於年內已購買及維持全年的董事責任保險，為董事提供適當的保障。

管理合約

在本年度內，本公司並無就全部業務或其中任何重要部份簽訂或訂有管理及行政合約。

捐款

本集團於年內作出的慈善及其他捐款合共約為9.9百萬元（2018財政年度：8.3百萬元）。

報告期後事項

本公司或本集團於2019年3月31日後及截至本年報日期並無進行任何重大其後事項。

核數師

德勤·關黃陳方會計師行（「德勤」）於其任期屆滿後退任本公司核數師，自本公司於2018年7月26日舉行之股東週年大會結束起生效。德勤退任後，羅兵咸永道會計師事務所獲委任為本公司核數師。

本集團綜合財務報表經羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所任滿退席，且合資格及將會於本公司應屆股東週年大會上膺選連任。

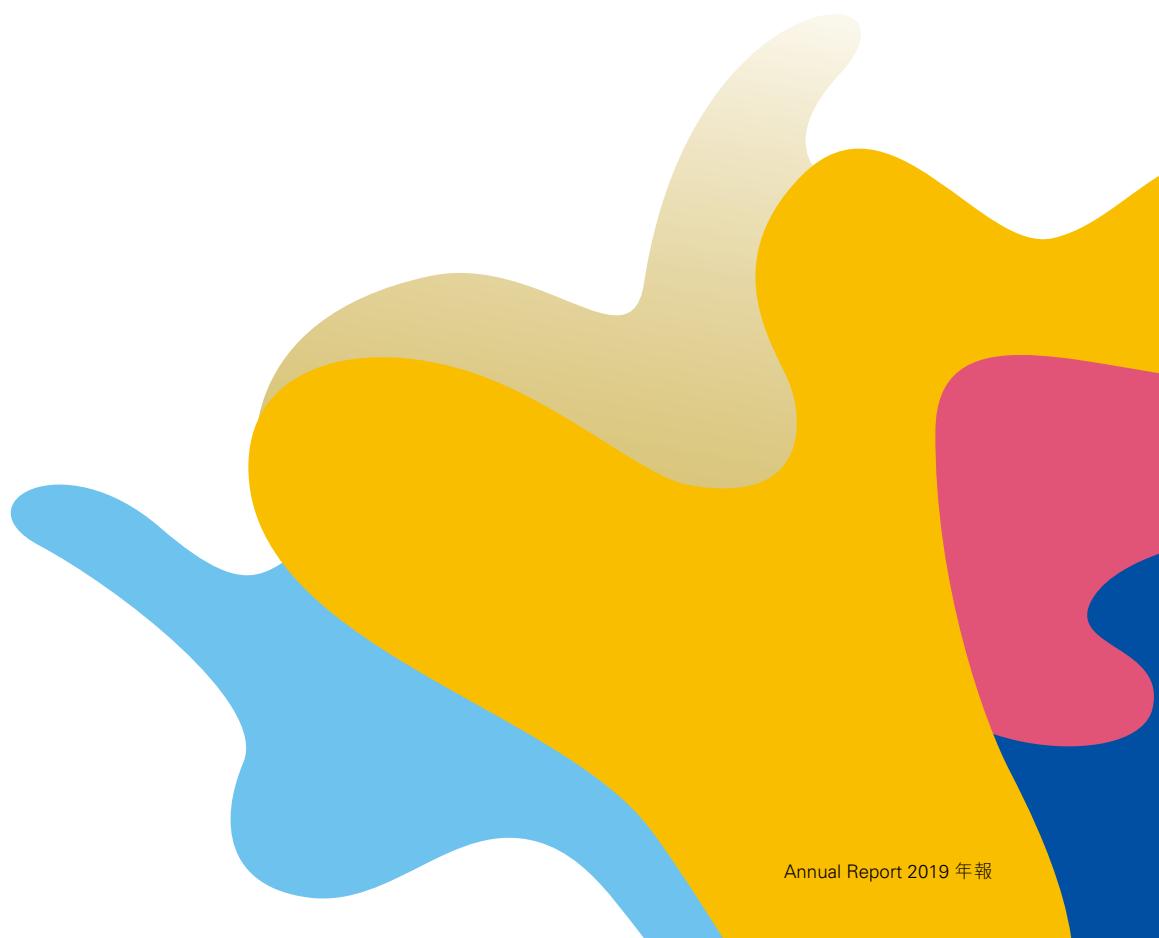
代表董事會

主席
鄭家純博士

香港，2019年6月6日

Risk Management Report

風險管理報告



Risk Management Report

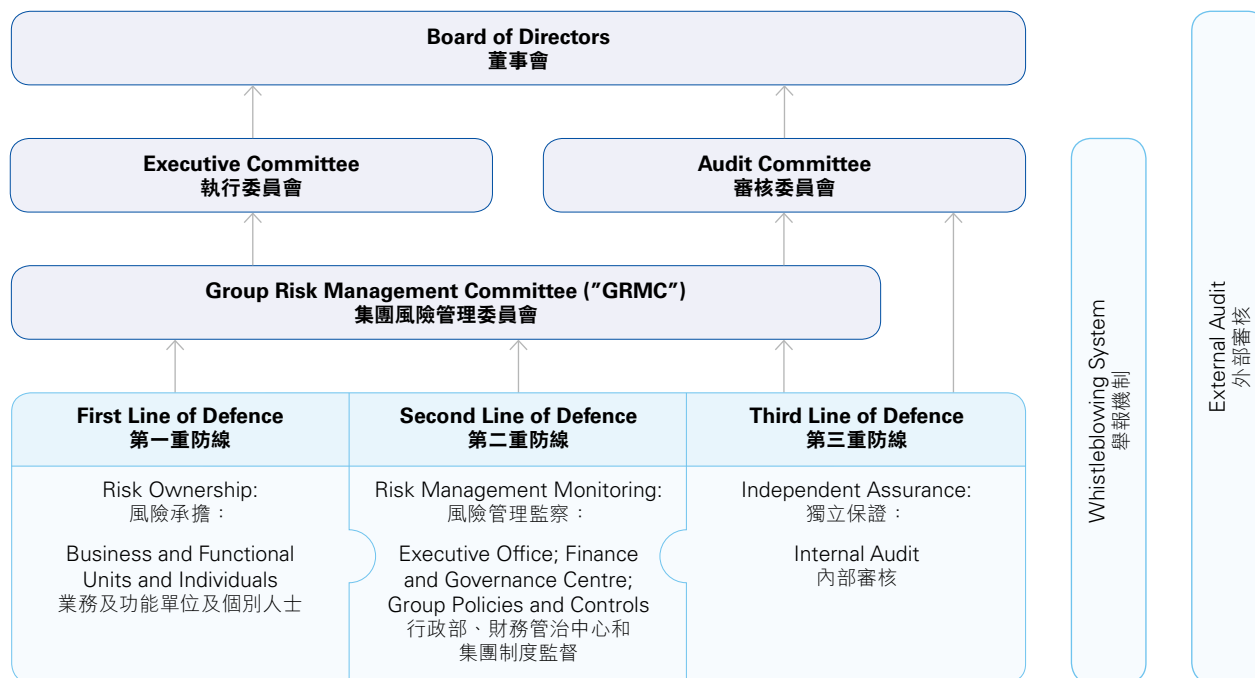
風險管理報告

The Board acknowledges the importance of adequate and effective risk management and internal control systems which assist them in understanding the Group's risk profile, allocating resources to manage key risks and making risk-reward optimised business decisions for business planning.

董事會深明充足有效的風險管理及內部監控系統之重要性，該等系統有助他們辨識本集團風險狀況、分配資源以管理主要風險以及衡量風險與回報作出最佳的營商決策，以進行業務規劃。

Our Risk Management and Internal Control Governance Framework

風險管理及內部監控管治框架



We adopt the “Three Lines of Defence” model to assist the Board of Directors, Board Committees and management to carry out on-going oversight and monitoring on the effectiveness of our risk and control systems. Set out below are their distinct roles and responsibilities:

我們採納「三重防線」模型以協助董事會、董事委員會及管理層進行持續監督和監察我們的風險及監控系統之成效。下文載列彼等各自明確的角色及責任：

Board oversight

Board of Directors

- Evaluates and determines the nature and extent of the risks the Group is willing to take in achieving its strategic objectives.
- Ensures that the Group establishes and maintains appropriate and effective risk management and internal control systems.
- Reviews the adequacy and effectiveness of our risk management and internal control systems.

Executive Committee

- Regularly reviews the risk and control issues escalated via GRMC.
- Suggests the priority of risk management efforts at Group level.
- Drives risk-conscious culture and promotes control environment of the Group.

Audit Committee

- Oversees the design, implementation and supervision of the risk management and internal control systems on behalf of the Board.

Management oversight

GRMC

- A management committee comprising the Managing Director, four executive directors and management personnel from major business and functional units.
- Maintains the risk management and internal control framework and drives improvement for the processes.
- Identifies and manages risks at corporate level, reviews the principal risks, and oversees the effectiveness of process controls to manage risks on a quarterly basis.

First Line of Defense — Ownership

Business and functional units and individuals

- Identify, assess and control risks in daily operations.
- Design, implement and ensure the effectiveness of risk and control measures within their area of accountability.

董事會監督

董事會

- 評估及釐定集團達成策略目標時所願意接受的風險性質及程度。
- 確保集團設立和維持合適及有效的風險管理及內部監控系統。
- 檢討我們的風險管理及內部監控系統之充足及有效性。

執行委員會

- 定期檢討透過集團風險管理委員會上報的風險及監控事宜。
- 就集團層面風險管理優先次序提出建議。
- 宣揚風險意識的文化以及提升集團的監控環境。

審核委員會

- 代表董事會監督風險管理及內部監控系統在設計、實施及監察方面的管理工作。

管理層監督

集團風險管理委員會

- 這管理委員會的成員為董事總經理、四名執行董事以及主要業務及功能單位的管理人員。
- 維護風險管理及內部監控框架，推動改進程序。
- 以公司層面識別及管理風險，按季檢討主要風險、監督程序監控的成效，以管理風險。

第一重防線 — 承擔

業務及功能單位及個別人士

- 於日常業務中識別、評估及監控風險。
- 在其負責範圍內設計、實施及確保風險及監控措施的成效。

Second Line of Defense — Monitoring

Executive Office, Finance and Governance Centre (“FGC”) and Group Policies and Controls

- Support GRMC on the risk and control functions through on-going risk communication and monitoring.
- Establish policies, procedures and standards to reinforce risk management and internal control systems.
- Provide guidance and training related to risk management and control processes and integrity practices.
- Refine and monitor the enforcement of critical group policies, for example, Code of Conduct, Anti-fraud Policy and Crisis Management Policy for the Group.

Third Line of Defense — Assurance

Internal audit

- Provides independent and objective assurance on the adequacy and effectiveness of our risk management and internal control systems by carrying out the risk-based internal audit.
- Communicates audit findings and control deficiencies to management of their implementation of remedial actions.

Independent assessment

External audit

- Provides observations and assessments of the processes and controls over financial reporting and related risks.
- Communicates with board committees and management on risk and control issues identified in the course of audit.

Whistleblowing system

- Provides a confidential channel to encourage employees to raise concerns on frauds and other misconduct.
- Whistleblowing officers are responsible for the investigation of the possible improprieties and engagement with appropriate level of management for their implementation of remedial actions.
- Cases of gross misconduct and fraudulent behaviour, and the measures undertaken by the management would be reported to the Audit Committee for assessment.

第二重防線 — 監察

行政部、財務管治中心和集團制度監督

- 透過進行持續風險溝通及監察，支持集團風險管理委員會履行風險及監控職能。
- 制定強化風險管理及內部監控系統的政策、程序及準則。
- 提供與風險管理、監控程序及誠信行為有關的指引及培訓。
- 改善及監察關鍵集團政策的執行情況，例如本集團的紀律守則、反舞弊政策及危機管理政策。

第三重防線 — 保證

內部審核

- 以進行風險評估為基礎的內部審核，對我們的風險管理及內部監控系統之充足及有效性提供獨立和客觀保證。
- 就審核結果及監控不足之處與管理層溝通，以便執行補救措施。

獨立評核

外部審核

- 對財務報告及相關風險進程序程和監控的觀察和評核。
- 就審核過程中發現的風險及監控事宜與董事委員會及管理層溝通。

舉報機制

- 提供保密渠道，鼓勵員工對舞弊事項及其他不當行為提出關注。
- 舉報專員負責調查潛在的不當行為，與適當層面的管理人員溝通，以便他們執行補救措施。
- 向審核委員會匯報嚴重不當及舞弊行為的個案，和管理層採取的措施以供評核。

Risk Management Process

GRMC is responsible for leading the risk management process in an integrated approach in accordance with the Enterprise Risk Management Policy Manual. Our risk management process involves the following steps:

Identification — adopts both top-down and bottom-up approach.

Analysis — assesses the potential consequences and likelihood of the risks.

Evaluation — evaluates the risk level, risk treatment and priorities.

Mitigation — recognises the control gaps, assigns risk ownership and confirms risk control measures.

Monitoring — conducts evaluations on the design and progress of implementation of the risk control measures.

Reporting — facilitates risk communications, reviews the residual risk level after control measures and assesses areas for continuous improvement.

風險管理流程

集團風險管理委員會負責按照《企業風險管理手冊》以綜合方式指導風險管理流程。我們的風險管理流程包括以下步驟：

識別 — 同時採納由上而下以及由下而上的方式。

分析 — 評核風險發生的可能性以及潛在後果。

評價 — 評價風險水平、風險處理方法及優先次序。

應對 — 識別監控差距、委派風險承擔人及確認風險監控措施。

監察 — 評價風險監控措施的設計以及實施進度。

報告 — 促進風險溝通，檢討監控措施後的淨風險水平以及評核需持續改進的範圍。

GRMC adopts both top-down and bottom-up approach to facilitate risk identification as it is of paramount importance to understand the risk universe that the Group is facing before we can effectively manage them.

Top-down approach

- Members of GRMC and representatives from Executive Office and FGC discuss the risk issues they consider important.
- GRMC has various channels for risk identification, for example, the principal and emerging risks from macro environment and strategic objectives escalated by corporate function units, potential control weaknesses indicated through investigation, whistleblowing system, internal and external audit and concerns of our stakeholders on social, environmental and governance issues come through by our Sustainability Committee.
- Upon approval, the risk management strategy is cascaded to relevant business and functional units to design, implement and monitor the risk control measures.

Bottom-up approach

- Heads of business and functional units are required to submit their risk registers for material risks identified along with their existing control measures at least annually through risk management training cum brainstorming workshops.
- FGC consolidates and validates the risk registers and Executive Office assists the respective senior management to endorse the risk level and priority.
- GRMC reviews the Group's consolidated risk register and determines the level of attention from GRMC and the Executive Committee.

集團風險管理委員會同時採納由上而下以及由下而上的方式以識別風險，因為本集團在有效管理其面對的風險前了解風險全域極為重要。

由上而下的方式

- 集團風險管理委員會成員與行政部和財務管治中心代表討論彼等認為重要的風險事宜。
- 集團風險管理委員會由多種途徑識別風險，如從宏觀環境或由企業功能單位上報之策略性目標而產生的主要及新興風險、透過調查、舉報機制、內部及外部審核識別之潛在監控弱點，以及由可持續發展委員會傳遞持份者對社會、環境及管治議題的關注事項。
- 經審批後，風險管理策略會交由有關的業務及功能單位進行有關風險監控措施的設計、實施及監察。

由下而上的方式

- 業務及功能單位主管每年最少參加一次風險管理培訓暨集思工作坊，他們須提交載有已識別之重大風險和其現行監控措施的風險登記冊。
- 財務管治中心綜合並驗證風險登記冊，行政部協助各高級管理層認同風險水平及優先次序。
- 集團風險管理委員會審議集團綜合風險登記冊，並判斷集團風險管理委員會及執行委員會需關注的水平。

Internal Control

The structure of our internal control system is based on the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") integrated framework for effective internal controls, which comprises 17 principles under five components, namely, Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities.

Our internal control system is integrated into our business processes with the support of information system and technology. Control objectives, authorities and responsibilities, backed by established policies and procedures, and the performance of control activities are maintained in the system.

Our review of internal controls is closely linked with our risk management framework and process. Principal risks and risk management strategy of the Group are communicated to heads of business and functional units and internal audit team. This aims at helping them to allocate their resources and control monitoring efforts. Controls of high risk areas are continually evaluated by management while internal audit team would consider the need of adjustments on its audit plan on the testing of key controls for significant risks of the Group.

On an annual basis, members of GRMC, senior management of all major business and functional units are required to assess the effective implementation of internal controls through self-assessment questionnaire, covering the effectiveness of risk management and internal controls as well as confirmation on legal compliance for which they are held accountable. Through this exercise, they also undertake to fully support various Group programmes which promote effective internal control practices, including internal control review, internal audit, case investigation and whistleblowing system.

內部監控

我們的內部監控系統架構是以Committee of Sponsoring Organisations of the Treadway Commission (「COSO」) 的綜合框架為基礎，以達致有效的內部監控，該綜合框架由五個部份分17項原則組成，五個部份為控制環境、風險評估、控制活動、訊息與溝通及監控活動。

內部監控系統併入我們的業務流程，並有資訊系統及技術作支援。監控目的、授權及責任以行之有效的政策及程序為後盾，而監控活動的表現保存於系統內。

我們對內部監控的檢討工作與風險管理框架及流程息息相關。集團的主要風險和風險管理策略會傳達至業務及功能單位各主管以及內部審核團隊。此舉有助他們進行資源及內控監督工作的分配。在管理層持續評價高風險範圍的監控工作之同時，內部審核團隊將考慮是否根據集團重大風險而調整關鍵監控的審核計劃。

集團風險管理委員會成員、各主要業務及功能單位的高級管理人員須每年以自身評價問卷方式，評核內部監控實行的成效，內容涵蓋風險管理及內部監控的成效，其負責各自業務或職能的法律合規確認。他們亦可藉此承諾全力支持集團就推動有效內部監控工作的各個計劃，包括內部監控檢討、內部審核、案件調查及舉報機制。

Effectiveness of Risk Management and Internal Control Systems

On behalf of the Board, the Audit Committee reviews the adequacy and continued effectiveness of the Group's risk management and internal control systems through the reports prepared by GRMC, internal audit team and external auditors and communicates with them at least three times a year.

The review covers risk management functions and all material controls, including financial, operational and compliance controls. Key elements of review include:

- Principal risks identified by GRMC, internal audit and external audit.
- Changes in the nature and extent of principal risks since last annual review and the ability of the Group to respond to the changes in its business and the external environment.
- The scope and quality of the management's on-going monitoring of risks and of the internal control systems.
- The extent and frequency of communication of monitoring results to the Audit Committee which enables it to assess control of the Group and the effectiveness of risk management.
- Significant control failings or weaknesses that have been identified during the year.
- The progress of remedial measures implemented by management.
- The effectiveness of the Group's internal audit function.
- Assurance provided by internal audit on the effectiveness of the Group's processes for financial reporting and compliance with prevailing regulations.
- Significant issues arising from whistleblowing system, internal and external audit.
- The results of management's control self-assessment.

As a result of the above review, the Audit Committee, on behalf of the Board, confirmed that there was no significant issue that would have an adverse impact on the effectiveness and adequacy of the risk management and internal control systems of the Group for FY2019.

Our 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 as sustainable growth and profits are, in part, the reward for informed and successful risk taking in business.

風險管理及內部監控系統成效

審核委員會代表董事會利用集團風險管理委員會、內部審核團隊及外部核數師編制的報告，檢討集團風險管理及內部監控系統是否充足及持續有效，並每年最少與他們溝通三次。

檢討覆蓋風險管理職能及所有重大監控，包括財務、營運及合規監控。檢討的關鍵元素包括：

- 集團風險管理委員會、內部審核及外部審核團隊識別的主要風險。
- 自上次年度檢討以來主要風險的性質變動及改變幅度，而集團能否應付其業務及外在環境的改變。
- 管理層持續監督風險及內部監控系統的範圍及質素。
- 向審核委員會匯報監察成果的範圍及次數，以便審核委員會評價集團的監控及風險管理的成效。
- 年內發現的重大監控缺失或弱點。
- 管理層執行補救措施的進度。
- 集團內部審核功能的成效。
- 內部審核就集團財務報告程序的成效以及現行法規合規情況提供保證。
- 透過舉報機制、內部及外部審核發現的重大事宜。
- 管理層監控成效的自身評價之結果。

審核委員會基於上述檢討，代表董事會確認2019財政年度沒有重大的事宜將對集團風險管理及內部監控系統的成效及充足性構成不利影響。

我們的風險管理及內部監控系統旨在管理而非消除未能達成各類業務目標的風險，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，此乃由於可持續增長及溢利在某程度上是經營業務上成功地承受知情風險所得的回報。

Our Continuous Improvement Plan and Highlights of the Year

We have implemented a phased improvement plan (“Improvement Plan”) since FY2017, in order to build a robust risk management system to align risk with strategy and performance throughout the Group. We are satisfied with the outcome of the Improvement Plan which helped build a risk consciousness culture, foster communication for risk-reward optimised business decision and enhance accountability via institutionalised risk management structure and practices. Set out below are some of the highlights of improvement we have made during the year.

Highlights of improvement made in FY2019

Focus of improvement plan

Risk and control governance culture — strengthen management’s accountability, promote risk-conscious and risk awareness culture

In order to raise the awareness on emerging risks across the Group, we partnered with external professionals to conduct interviews and workshops with staff and management, enabling them to comprehend, assess and discuss the potential implications in our business development and operations. Examples of these emerging risks include:

Anti-Money Laundering (“AML”)

Precious metals and stones, particularly gold and diamond, are perceived to be exposed to higher risk of money laundering due to their high intrinsic value, low weight and ease of carrying. Whilst the jewellery industry is currently not subject to compulsory compliance with certain specific AML statutory requirements such as client due diligence and record keeping, we engaged external consultant in assisting us to review and enhance the control environment, current governance model of AML and competence of our staff in identifying suspicious transactions and implementing effective controls.

Cybersecurity and data privacy

Workshops were conducted for directors, management and staff to draw their attention to the trends and causes of cybersecurity and data privacy issues, particularly as we embrace technological innovation and data analytics in the face of the tightening regulation in regions that our operation may be exposed to, such as the China’s Cybersecurity Law, Hong Kong’s Personal Data (Privacy) Ordinance (PDPO), and General Data Protection Regulation (GDPR) in the EU. These workshops enabled our senior management and staff to communicate constructively towards the establishment of a collaborative task force for risk mitigation roadmap. For further details, please see the “Principal Risks and Control Measures — Cybersecurity and data privacy” section on page 178.

我們的持續改進計劃及年度摘要

我們自2017財政年度起實行分階段的改進計劃(「改進計劃」)，以建立穩健的風險管理系統，平衡本集團承擔的風險與其策略及表現。我們對改進計劃的結果感到滿意，計劃有助建立風險意識文化、促進以衡量風險與回報作出最佳的業務決策的溝通，以及透過制度化的風險管理架構及慣例加強問責。下文載列本年度我們的改進摘要：

2019財政年度改進摘要

改進計劃重點

風險及監控管治文化 — 加強管理層的問責、推廣風險意識及風險認知文化

為提高本集團內對新興風險的意識，我們夥同外聘專家對員工及管理層進行面談及舉辦工作坊，使他們能夠理解、評估及討論對業務發展及營運的潛在影響。該等新興風險的例子包括：

反洗黑錢

貴金屬及寶石(尤其是黃金及鑽石)因其內在價值高、重量低及容易攜帶，被視為面臨較高的洗黑錢風險。儘管珠寶行業目前無需強制遵守反洗黑錢的特定法定要求，例如客戶查證及備存記錄，我們委聘外部顧問協助我們審閱及改善監控環境、現時的反洗黑錢管治模式及員工識別可疑交易及實施有效監控的能力。

網絡安全及數據私穩

我們為董事、管理層及員工舉辦工作坊，使他們關注網絡安全及數據私穩問題的趨勢及原因，尤其是我們追求科技革新及數據分析的同時，我們經營所在地區亦面臨日益收緊的法規，如中國《網絡安全法》、香港《個人資料(私隱)條例》及歐盟《一般資料保護規範》。該等工作坊使我們的高級管理層及員工能夠進行有建設性的溝通，為風險緩解規劃藍圖成立協作工作小組。進一步詳情請參閱第178頁「主要風險及監控措施 — 網絡安全及數據私穩」一節。

Environmental risks

We recognise that environmental challenges, such as intensifying climate change and environmental degradation, may pose physical and transition risks to our business operations. For instance, business disruption and financial loss may arise from more frequent or severe weather events like flooding and storms; more stringent regulations and enforcement may be implemented by governments to tackle environmental degradation. To actively manage these environmental risks, we have refined our sustainability governance structure and ten-year sustainability strategy to reduce our carbon emissions and enhance resource efficiency. Seminars were conducted to facilitate cross-departmental initiatives to reduce our environmental footprint. For further details, please refer to our Sustainability Report which is available online at the sustainability section of our Group website and the website of the HKEx.

環境風險

我們認為環境挑戰（如逐漸加劇的氣候變化及環境惡化）可能對我們的業務營運帶來實體及過渡風險。例如，更頻繁或嚴重的天氣事件（如洪水及風暴）可能導致業務中斷及財務損失；政府或會實施更嚴厲的法規及執法行動，以應對環境惡化問題。為主動管理該等環境風險，我們已優化可持續管治架構及十年可持續發展策略，以減低碳排放及提升資源效率。我們舉辦座談會，以促進跨部門舉措，減少環境足跡。進一步詳情請參閱我們的可持續發展報告，報告可於本集團網站可持續發展章節及香港聯交所網站內查閱。

Focus of improvement plan

Risk communication and reporting — facilitate the management to better understand the challenges and risk outlook and formulate strategy to manage principal risks

改進計劃重點

風險溝通及報告 — 促使管理層更全面了解挑戰和風險前景，制定管理主要風險的策略

Enhanced channel for risk communication

A more transparent and frequent communication channel between the executive directors and management team of each of our business segments was established upon the refinement of our sub-meetings of Executive Committee which were convened on a monthly basis. On one hand, the linkage with the Group's principal risks, implications and mitigation actions were reviewed and discussed correspond to the operation and development of that particular business segment. On the other hand, risk factors, alongside management approach and resources plan, associated with proposed business plan and initiatives are communicated thoroughly to ensure we take informed and sensible risks for business growth opportunities. This enhanced communication channel helps promote further integration of risk management into business planning and daily operations, and improve the agility and efficiency of business planning process in response to the fast changing business environment.

改善風險溝通渠道

修訂月度召開的執行委員會分組會議後，執行董事與各業務分部的管理團隊之間已建立更透明及頻繁的溝通渠道。一方面，我們檢討及討論特定業務分部的營運及發展與本集團主要風險、影響及減緩行動的聯繫。另一方面，我們亦全面溝通與建議業務計劃及舉措有關的風險因素、管理方法及資源計劃，以確保我們為業務增長機遇承擔知情及明智的風險。此改善後的溝通渠道有助促進風險管理進一步融入業務規劃及日常營運之中，並改善業務規劃流程的彈性及效率，以應對瞬息萬變的營商環境。

Principal Risks and Control Measures

Business and market development risks

主要風險及監控措施

業務和市場發展風險

Disruptive innovation and fast changing consumer behaviour

The rise of middle class, millennials and digitally savvy customers continuously driving the demand for personalised and innovative products and services beyond the conventional shopping experience. If we fail to engage with these modern customers, our competitiveness and sustainable development may at risk in the digital era.

We control and mitigate the risks by:

- Enhancing the customer relationship management to encourage our customers to engage with us on their mobile devices via our CHOW TAI FOOK Membership Centre mini programme on WeChat.
- Using our patented Smart Trays to identify and track customers' preference and behaviour in order to offer our customers a data-driven and unique shopping experience.
- Introducing technology infused shop and self-service experience corner to deliver an innovative shopping experience.
- Leveraging the power of social media and online shopping platforms to meet the needs of tech-savvy customers.
- Transforming our POS into experience shops to encourage more customer engagement and interaction as social interaction with brands is important to young millennials.
- Rolling out and upgrading selective POS to JEWELRIA and ARTRIUM targeting sophisticated customers who pursue jewellery with international selections and unprecedented luxury jewellery experience.
- Introducing a jewellery customisation online platform D-ONE to offer our customers a unique experience of creating their personalised jewellery.

顛覆性創新及變化多端的消費者行為

中產階層、千禧一代及精通數碼科技的消費者冒起，繼續推動超越傳統購物體驗的個人化及創新產品和服務的需求。倘若我們未能迎合這些現代化的客戶，或會對我們在這數碼時代的競爭力及可持續發展構成風險。

我們監控和緩和這些風險的方法如下：

- 加強客戶關係管理，以鼓勵顧客使用流動裝置透過周大福會員中心的微信小程序與我們互動。
- 使用專利的智能奉客盤，以識別及追蹤顧客愛好及行為，務求為顧客提供以數據為主導的獨特購物體驗。
- 推出融匯了科技的店舖及自助體驗區，帶來全新的購物體驗。
- 善用社交媒體及網上購物平台的力量，以迎合精通科技的顧客的需求。
- 將零售點轉型為體驗店，鼓勵更多顧客參與及互動，因為與品牌的社交互動對年輕的千禧一代極為重要。
- 將特選零售點打造及升級為周大福薈館及周大福藝堂，目標對準更有品味顧客對國際精選珠寶及空前名貴珠寶體驗的追求。
- 推出珠寶定制線上平台D-ONE，顧客專享其自訂珠寶首飾的獨有體驗。

▲ Risk trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

- Insights
- Retail experience
- Customisation

分析詳情載於董事總經理策略報告

- 見解
- 零售體驗
- 定制

▲ Risk level increased during FY2019
2019財政年度內風險水平上升

◀ Risk level remained similar as FY2018
與2018財政年度的風險水平相若

▼ Risk level decreased during FY2019
2019財政年度內風險水平下降

Management of disruptive change

Resistance to change amid the sweeping forces arising from disruptive technology and innovation could restrict us from making necessary adjustments in exploiting market opportunities and addressing challenges in the digital age. Our competitiveness and sustainable development may at risk if we are not resilient enough to embrace the breakthrough changes.

We control and mitigate the risks by:

- Organising executive leadership programme to unleash executive's all-round ability in problem-solving and innovative thinking.
- Co-organising the Cross Company Leadership Forum with a focus on technology and innovation, enabling our staff to acquire insightful information on hot-button issues of today's business environment.
- Organising Chow Tai Fook executive summits to motivate our people to embrace changes in nowadays disruptive business environment and pursue innovative ideas at all levels.
- Creating an unbounded and user friendly working environment, "Slash" working space, to enable the flow and exchange of ideas and instill creativity on our people.

顛覆性轉變的管理

顛覆性技術及創新激起巨浪，抗拒變革的心態或限制我們作出必要的調整，從而無法於數碼時代發掘市場機遇和跨越挑戰。倘若我們的韌力不足以應對革新的轉變，或對我們的競爭力及可持續發展構成風險。

我們監控和緩和這些風險的方法如下：

- 舉辦行政人員領袖計劃，釋放行政人員在解決問題及創新思維方面的全方位能力。
- 合辦專注於科技革新的跨企業領導論壇，使員工能夠就現今營商環境的熱話獲取具深度的資訊。
- 舉辦周大福行政人員峰會，激勵員工緊貼現今覆顛性的營商環境變化，以及在所有層面上追求創新理念。
- 創建不受限制及方便員工的工作環境「Slash」工作空間，方便傳遞及交流想法，向員工灌輸創意。



Risk trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

- Global Intellectual Capital
- Culture — Internal innovative incubators

分析詳情載於董事總經理策略報告

- 環球智力資本
- 文化 — 內部創新培育

Intensity of market competition

A challenging macroeconomic environment coupled with the dampened consumer sentiment intensifies the competitive rivalry in the jewellery market. If we fail to navigate the situations well and fortify our competitive advantage, it may adversely affect our market share and hence hamper our sales and growth.

We control and mitigate the risks by:

- Adopting a multi-brand strategy to enrich our product offerings and differentiation that broaden the spectrum of customer segment, ranging from sophisticated customers to young millennials.
- Expanding our business footprint to Southeast Asia and overseas markets to reap benefits from the fast-growing Chinese outbound tourism market.
- Deepening our market penetration in Mainland China and overseas markets through franchise model in county level cities and partnership with local jewellery retailers.

激烈的市場競爭

具挑戰性的宏觀環境加上消費意欲減弱，使珠寶市場的競爭加劇。倘我們未能妥善應對這情況及加強競爭優勢，或會對我們的市場份額，甚至銷售及增長造成不利影響。

我們監控和緩和這些風險的方法如下：

- 採取多品牌策略，豐富產品供應及差異化，以擴大顧客層面，由較成熟顧客至年輕一代不等。
- 將業務拓展至東南亞及海外市場，以受益於快速發展的中國出境旅遊市場。
- 透過加盟模式以及與當地珠寶零售商合作，深化在中國內地縣級城鎮及海外市場的滲透率。

▲ Risk trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

- Brands and Products
- Hong Kong, Macau and Other Markets — Other markets
- Mainland China

分析詳情載於董事總經理策略報告

- 品牌和產品
- 香港、澳門及其他市場 — 其他市場
- 中國內地

Operational risks

營運風險

Cybersecurity and data privacy

We pursue emerging technologies to develop our products and services and improve our operational efficiency, but the adoption of technologies also exposes us to new digital vulnerabilities. Key threats include interruption or security breach to our information system; leakage of customers' personal data resulting from destructive malware and ransomware attack; and technological service vendors fail to provide ongoing security updates. If we fail to address the threats presented by the influx of technology, it may have a material adverse effect on our reputation, operations and financial condition.

We control and mitigate the risks by:

- Developing and rolling out the cyber incident response plan, which guides us to address and manage the aftermath of a security breach or cyberattack in a planned and coordinated approach.
- Conducting regular cyberattack drills, rehearsal and system penetration tests to help our staff to be prepared and practised in responding to cyber incidents.
- Performing a maturity assessment on our cybersecurity programme based on the assessment procedures and requirements of the National Institute of Standards and Technology (NIST), which helps us to identify areas of weakness and strength in identifying, protecting against, detecting, responding to and recovering from cyber incidents.
- Offering tailored cybersecurity and data privacy trainings for (i) senior management to strengthen their ability to manage cyber incidents; and (ii) general staff to reduce the occurrence of security or data breaches resulting from employee negligence.
- Assessing the impact of latest data privacy regulations on our operation, including the GDPR in the EU and the China's Cybersecurity Law.

網絡安全及數據私穩

我們追求新興科技，開發產品及服務和提高營運效率，但應用科技的同時亦使我們面臨新的數碼漏洞。主要威脅包括資訊系統中斷或安全漏洞；因破壞性的惡意軟件或勒索軟件攻擊而導致顧客個人數據外洩；及科技服務供應商未能持續提供安全升級。倘若我們未能應對科技湧入所帶來的威脅，或會對我們的聲譽、營運及財務狀況造成重大不利影響。

我們監控和緩和這些風險的方法如下：

- 開發及推行網絡事故應對計劃，指導我們以有計劃及協調的方式應對及管理安全漏洞或網絡攻擊帶來的後果。
- 定期進行網絡攻擊演習、預演及系統滲透測試，幫助員工有準備及熟練地應對網絡事故。
- 根據美國國家標準與技術研究院(NIST)的評估程序及規定對我們的網絡安全程式進行成熟度評估，有助我們評估對網絡事故的辨識、保障、偵測、回應及修復的弱點及能力。
- 向以下人士提供定制的網絡安全及數據私隱培訓：
(i) 高級管理層，以加強他們管理網絡事故的能力；及
(ii) 一般員工，以減少因員工疏忽而造成的安全或數據漏洞。
- 評估最新的數據私隱條例（包括歐盟《一般資料保護規範》及中國《網絡安全法》）對我們營運的影響。

▲ Risk trend 風險趨勢

Information technology and data governance

We are committed to harnessing technological innovations in our business development and digital transformation. Our business growth and results of operations may be adversely and materially affected if our IT set up and resources could not match with our business development and generate reliable operational or financial data.

We control and mitigate the risks by:

- Reviewing IT strategy alongside business strategy by the IT Governance Committee each quarter to ensure IT resources allocation and risk appetite aligned with business sustainable growth.
- Establishing a dedicated IT business analyst team to facilitate effective communication between IT and business units to solve business issues systematically.
- Fostering common understanding of data ownership, data quality and performance metrics across the Group through collaboration and pilot projects with various business units.
- Designing and implementing data repository to enhance the structure and process of data capturing, storage, organisation and security for effective analysis, sharing and reporting.

資訊科技及數據管治

我們致力於業務發展和數碼轉型善用科技創新。倘若我們建立的資訊科技和有關資源未能配合業務發展及未能提供可靠的營運或財務數據，可能對我們的業務增長和經營業績構成重大不利影響。

我們監控和緩和這些風險的方法如下：

- 資訊科技管治委員會每季審閱資訊科技策略及業務策略，以確保資訊科技資源分配及風險承受度與業務的可持續增長一致。
- 成立專責的資訊科技業務分析團隊，促進資訊科技單位與業務單位之間的有效溝通，有系統地解決業務問題。
- 透過各業務單位的協作及試行計劃，在集團內建立數據擁有權、數據質量及績效指標的共識。
- 設計及實行數據儲存庫，以改善數據收集、儲存、組織及安全的架構及程序作有效分析、分享及報告。



Risk trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

- Information technology and data governance

分析詳情載於董事總經理策略報告

- 資訊科技及數據管治

Sources of diamonds

The irruption of synthetic or unethically sourced diamonds could impact our brand image and operations.

We control and mitigate the risks by:

- Maintaining rigorous controls on supplier management, covering the policy and procedure for engaging and evaluating our suppliers, to ensure our diamonds are sourced from trustworthy suppliers.
- Deploying advanced devices and engaging third party professionals to authenticate our diamond products.
- Offering trainings for staff to strengthen their knowledge on the market trend, detection techniques and technology of synthetic diamonds.
- Introducing T MARK diamond brand to reinforce our efforts in ensuring that our diamonds are natural and authentic and customers can trace the origin of their diamonds with the use of T MARK mobile app.

鑽石來源

合成或不合乎道德方式採購的鑽石流入，可影響我們的品牌形象及營運。

我們監控和緩和這些風險的方法如下：

- 嚴謹監控供應商管理，包括遵行選用和評核供應商的政策和程序，以確保向可信賴的供應商採購鑽石。
- 設置嶄新設備及委聘第三方專業人士鑒定鑽石產品的真偽。
- 向員工提供培訓，加強他們對合成鑽石的市場趨勢、偵測技巧及技術的了解。
- 推出T MARK 鑽石品牌，以進一步確保我們的鑽石天然唯真，來源可靠，且顧客可利用T MARK 手機應用程式追蹤鑽石來源。



Risk trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

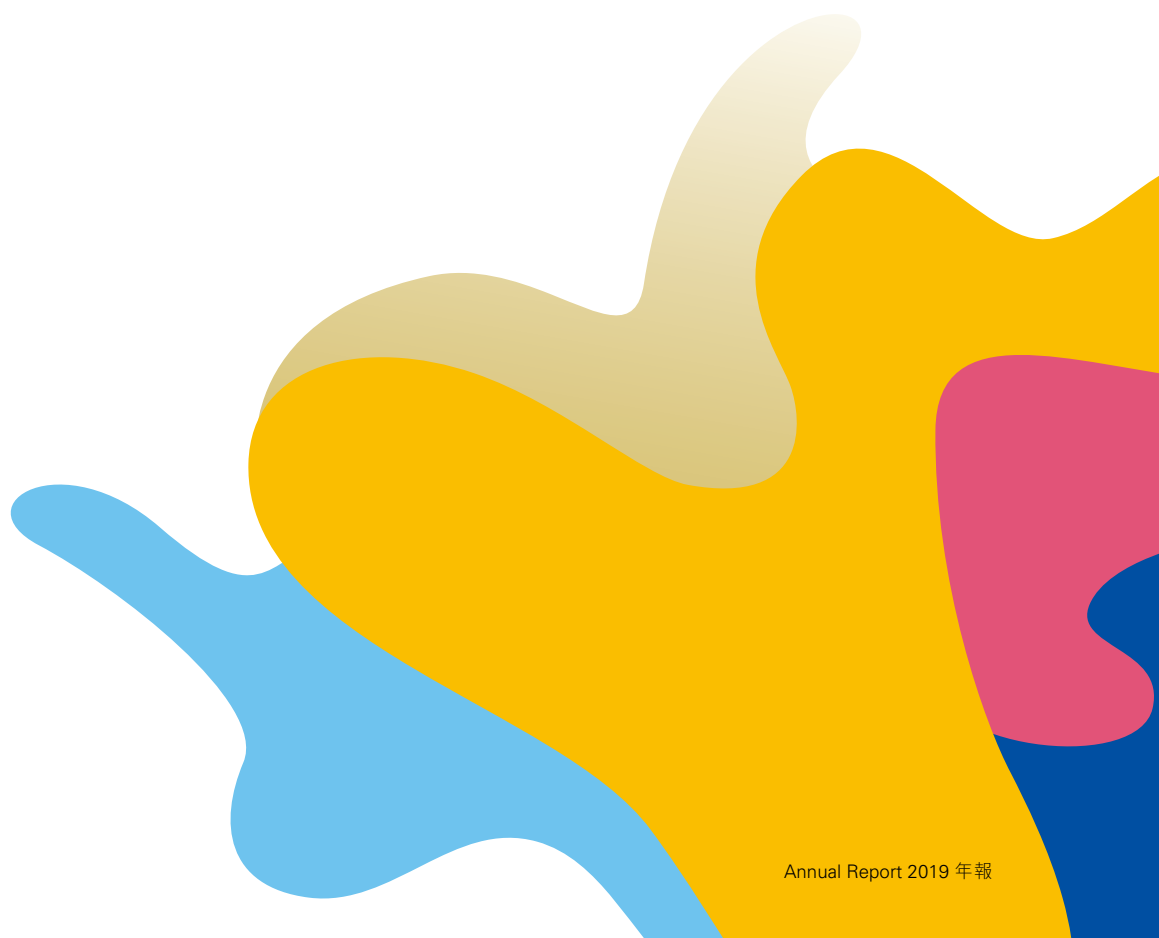
- Brands and Products – T MARK Sustainability Report
- Responsible Sourcing

分析詳情載於董事總經理策略報告

- 品牌和產品 — T MARK 可持續發展報告
- 責任採購

Independent Auditor's Report

獨立核數師報告



Independent Auditor's Report

獨立核數師報告



羅兵咸永道

To the Board of Directors of
Chow Tai Fook Jewellery Group Limited
(incorporated in the Cayman Islands with limited liability)

致周大福珠寶集團有限公司董事會
(於開曼群島註冊成立的有限公司)

Opinion

What we have audited

The consolidated financial statements of Chow Tai Fook Jewellery Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 190 to 273, which comprise:

- the consolidated statement of financial position as at 31 March 2019;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

我們已審計的內容

周大福珠寶集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於190至273頁的綜合財務報表，包括：

- 於2019年3月31日的綜合財務狀況表；
- 截至該日止年度的綜合損益及其他全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2019年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

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

Key audit matters identified in our audit are summarised as follows:

- Existence and valuation of inventories
- Valuation of jewellery collectibles

意見的基礎

我們已根據《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據國際會計師職業道德準則理事會頒佈的《專業會計師道德守則》，我們獨立於貴集團，並已履行《專業會計師道德守則》中的其他專業道德責任。

關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 存貨之存在性及估值
- 珠寶珍藏估值

Key Audit Matters (Continued)

Key Audit Matter 關鍵審計事項

Existence and valuation of inventories

存貨之存在性及估值

Refer to notes 3, 4 and 23 to the consolidated financial statements.

The carrying value of inventories of the Group was HK\$39,486.1 million as at 31 March 2019 which mainly comprised of gem-set jewellery, gold products, platinum/karat gold products and watches. Valuation of inventories was at the lower of cost and net realisable value. Significant portion of inventory cost includes cost of gold, platinum and gemstones, which are subject to the risk of changes in market value. The assessment of net realisable value of inventories was based on significant estimates and judgements made by management in respect of, amongst others, the economic conditions, marketability of products and the forecast market price of gold, platinum and gemstones used to make the jewellery products.

Management also engaged an independent professional gemologist to carry out gemological appraisal to verify their authenticity and assess their conditions and values based on its expertise.

請參閱綜合財務報表附註3、4及23。

2019年3月31日，本集團的存貨賬面值為39,486.1百萬港元，主要包括珠寶鑲嵌首飾、黃金產品、鉑金／K金產品及鐘錶。存貨的估值為成本與可變現淨值兩者中之較低者。存貨成本中大部分為黃金、鉑金及寶石之成本，受市場價值變動風險影響。管理層須就（其中包括）經濟狀況、產品的受歡迎程度及用於製造珠寶產品的黃金、鉑金及寶石的預測市場價格作出重大估計及判斷，以評估存貨可變現淨值。

管理層亦已委聘獨立專業珠寶鑒定師進行寶石鑒定和估值，以核實真品及根據其專業知識評估寶石的狀況和價值。

關鍵審計事項(續)

How our audit addressed the Key Audit Matter 我們的審計如何對關鍵審計事項進行處理

We understood and evaluated management's key controls over inventory existence and valuation.

We validated management's controls over existence by attending daily cycle physical counts at selected points-of-sale ("POS") throughout the year to observe the daily count procedures at POS. We also inspected a selection of daily physical count reports and the reconciliation to daily ending inventories record in the inventory system.

Furthermore, we attended the annual physical inventory count at year end date and performed sample count procedures at selected POS, manufacturing facilities and logistics and distribution centres.

We evaluated the competence, capabilities and objectivity of the independent professional gemologist, understood their scope of work and their terms of engagement. We selected gem-set jewellery products, observed the appraisal process carried out by the independent professional gemologist and traced these to the gemological appraisal reports to test these were recorded at the lower of cost and net realisable value.

We evaluated the net realisable values of inventories assessed by management with reference to, amongst others, the market price movement of the materials, the aging profile and the subsequent selling prices of similar products, on a sample basis.

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

Based on the procedures performed, we found that the existence and valuation of inventories to be supportable by the available evidence.

我們了解及評估管理層對存貨之存在性及估值的關鍵監控。

我們核實管理層對存在性監控的方法為於年內在選定零售點參與每日週期實物盤點，以觀察於零售點的每日盤點程序。我們亦檢查部分日常實物盤點報告，並與存貨系統內記錄的每日存貨記錄對賬。

此外，我們於年結日參與部分零售點、生產設施及物流和配送中心的年度實物存貨盤點及抽樣盤點。

我們評核獨立專業珠寶鑒定師之資歷、能力及客觀性，並了解其工作範疇和委聘條款。我們挑選一些珠寶鑲嵌首飾並觀察獨立專業珠寶鑒定師進行的估值程序，並與珠寶估值報告對照，測試所記錄的價值是否按成本與可變現淨值兩者中的較低者入賬。

我們參照（其中包括）材料市場價格變動、賬齡分析及同類產品的其後售價，抽樣評估管理層評估的存貨可變現淨值。

我們將實際損失與過往確認的準備作比較，評核過往由管理層評估存貨準備的準確性。

根據我們進行的程序，我們認為有足夠可得證據支持存貨之存在性及估值。

Key Audit Matters (Continued)

Key Audit Matter 關鍵審計事項

Valuation of jewellery collectibles

珠寶珍藏估值

Refer to notes 3, 4 and 19 to the consolidated financial statements.

The carrying value of jewellery collectibles of the Group was HK\$1,520.1 million as at 31 March 2019. Valuation of jewellery collectibles was at the lower of cost and recoverable amount. The assessment of the recoverable amount of jewellery collectibles was based on the review of the conditions of the items by management and with reference to international diamond prices and market research reports on jewellery industry. The management also engaged an independent professional gemologist to perform valuation with reference to international diamond prices and the current market situation, to verify the authenticity and assess the conditions and values of jewellery collectibles based on gemstone testing and its expertise.

請參閱綜合財務報表附註3、4及19。

於2019年3月31日，本集團的珠寶珍藏賬面值為1,520.1百萬港元。珠寶珍藏的估值為成本與可收回金額兩者中之較低者。管理層檢視珠寶珍藏的狀況，並參照國際鑽石價格以及珠寶行業的市場調研報告，以評估珠寶珍藏的可收回金額。管理層亦委聘獨立專業珠寶鑒定師參照國際鑽石價格和現時市況進行估值、核實真品及根據寶石測試及其專業知識評核珠寶珍藏的價值及狀況。

關鍵審計事項 (續)

How our audit addressed the Key Audit Matter 我們的審計如何對關鍵審計事項進行處理

We traced the acquisition costs or carrying value upon the designation to jewellery collectibles to relevant source documents.

We evaluated the competence, capabilities and objectivity of the independent professional gemologist, understood their scope of work and their terms of engagement. We selected all jewellery collectibles, observed the appraisal process carried out by the independent professional gemologist and traced these to the gemological appraisal reports to test these were recorded at the lower of cost and recoverable amount.

Based on the procedures performed, we found that the valuation of jewellery collectibles to be supportable by the available evidence.

當歸類為珠寶珍藏後，我們會索查相關來源文件，以檢測收購成本或賬面值。

我們評核獨立專業珠寶鑒定師之資歷、能力及客觀性，並了解其工作範疇和委聘條款。我們挑選所有珠寶珍藏並觀察獨立專業珠寶鑒定師進行的估值程序，並與珠寶估值報告對照，測試所記錄的價值是否按成本與可收回金額兩者中的較低者入賬。

根據我們進行的程序，我們認為有足夠可得證據支持珠寶珍藏的估值。

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們的已執行的工作，如果我們認為其他信息存在重大錯誤的陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督 貴集團的財務報告過程。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Cheng Woon Yin Michael.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

6 June 2019

核數師就審計綜合財務報表承擔的責任 (續)

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是鄭煥然。

羅兵咸永道會計師事務所
執業會計師
香港

2019年6月6日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		Notes 附註	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Revenue	營業額	5	66,660.9	59,156.4
Cost of goods sold	銷售成本		(48,059.1)	(42,943.0)
Gross profit	毛利		18,601.8	16,213.4
Other income	其他收入	6	395.8	407.9
Selling and distribution costs	銷售及分銷成本		(9,037.8)	(8,238.7)
General and administrative expenses	一般及行政開支		(2,986.7)	(2,681.6)
Other gains and losses	其他收益及虧損	7	(276.2)	342.4
Other expenses	其他開支		(57.3)	(48.1)
Interest income	利息收入	8	82.7	80.3
Finance costs	融資成本	8	(370.3)	(243.7)
Profit before taxation	除稅前溢利	9	6,352.0	5,831.9
Taxation	稅項	11	(1,668.0)	(1,628.6)
Profit for the year	年度溢利		4,684.0	4,203.3
Other comprehensive (expense)/income	其他全面(開支)/收益			
<i>Item that will not be reclassified to profit or loss:</i>				
— remeasurement of defined benefit scheme	— 重新計算定額福利計劃		(7.5)	(5.4)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
— exchange differences arising on translation of foreign operations	— 換算境外業務所產生之匯兌差額		(1,288.1)	1,814.9
Other comprehensive (expense)/income for the year	年度其他全面(開支)/收益		(1,295.6)	1,809.5
Total comprehensive income for the year	年度全面收益總額		3,388.4	6,012.8
Profit for the year attributable to:	以下各方應佔年度溢利：			
Shareholders of the Company	本公司股東		4,576.8	4,094.9
Non-controlling interests	非控股權益		107.2	108.4
			4,684.0	4,203.3
Total comprehensive income for the year attributable to:	以下各方應佔年度全面收益總額：			
Shareholders of the Company	本公司股東		3,327.3	5,834.8
Non-controlling interests	非控股權益		61.1	178.0
			3,388.4	6,012.8
Earnings per share — Basic and Diluted	每股盈利 — 基本及攤薄	12	HK45.8 cents 港仙	HK40.9 cents 港仙

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2019 於 2019 年 3 月 31 日

		Notes 附註	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	5,488.0	5,340.7
Land use rights	土地使用權	15	177.2	189.8
Investment properties	投資物業	16	219.2	233.5
Goodwill	商譽	17	257.8	257.8
Other intangible assets	其他無形資產	18	253.7	306.4
Jewellery collectibles	珠寶珍藏	19	1,520.1	1,520.1
Deposits paid for acquisition of property, plant and equipment	購買物業、廠房及設備已付按金		38.7	27.6
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產		11.2	—
Investments in associates	於聯營公司之投資	20	—	—
Amounts due from associates	應收聯營公司款項	20	54.7	62.2
Loan receivables	應收貸款	21	18.7	26.9
Deferred tax assets	遞延稅項資產	22	420.1	293.1
			8,459.4	8,258.1
Current assets	流動資產			
Inventories	存貨	23	39,486.1	34,929.4
Trade and other receivables	貿易及其他應收款項	24	6,638.7	6,410.0
Loan receivables	應收貸款	21	12.3	28.4
Cash and cash equivalents	現金及現金等價物	25	7,640.6	7,944.0
			53,777.7	49,311.8
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	26	10,684.3	8,358.6
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	27	136.7	100.5
Taxation payable	應付稅項		1,178.4	1,101.5
Bank borrowings	銀行貸款	28	7,460.0	5,823.0
Gold loans	黃金借貸	29	8,011.5	5,335.4
			27,470.9	20,719.0
Net current assets	流動資產淨額		26,306.8	28,592.8
Total assets less current liabilities	總資產減流動負債		34,766.2	36,850.9
Non-current liabilities	非流動負債			
Bank borrowings	銀行貸款	28	2,596.7	2,100.0
Retirement benefit obligations	退休福利承擔	37	238.8	232.2
Deferred tax liabilities	遞延稅項負債	22	456.4	421.1
Other liabilities	其他負債		71.3	—
			3,363.2	2,753.3
Net assets	資產淨額		31,403.0	34,097.6

		Note 附註	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Share capital	股本	30	10,000.0	10,000.0
Reserves	儲備		20,750.7	23,423.4
Equity attributable to shareholders of the Company	本公司股東應佔權益		30,750.7	33,423.4
Non-controlling interests	非控股權益		652.3	674.2
			31,403.0	34,097.6

The consolidated financial statements on pages 190 to 273 were approved and authorised for issue by the Board of Directors on 6 June 2019 and are signed on its behalf by:

董事會於2019年6月6日批准並授權刊發載於第190至273頁之綜合財務報表，並由以下代表簽署：

Dr. Cheng Kar-Shun, Henry
鄭家純博士
DIRECTOR
董事

Mr. Wong Siu-Kee, Kent
黃紹基先生
DIRECTOR
董事

Mr. Cheng Ping-Hei, Hamilton
鄭炳熙先生
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Share capital 股本 HK\$ million 百萬元	Share premium 股份溢價 HK\$ million 百萬元	Special reserve 特別儲備 HK\$ million 百萬元 (note a) (附註a)	Statutory surplus reserve 法定盈餘 HK\$ million 百萬元 (note b) (附註b)	Translation reserve 換算儲備 HK\$ million 百萬元	Retained profits 保留溢利 HK\$ million 百萬元	Attributable to shareholders of the Company 本公司股東應佔 HK\$ million 百萬元	Non-controlling interests 非控股權益 HK\$ million 百萬元	Total 總計 HK\$ million 百萬元
At 1 April 2017	於2017年4月1日	10,000.0	5,498.7	2,499.5	945.9	(548.4)	13,403.1	31,798.8	702.7	32,501.5
Profit for the year	年度溢利	-	-	-	-	-	4,094.9	4,094.9	108.4	4,203.3
Other comprehensive income/(expense) for the year	年度其他全面收益/(開支)	-	-	-	-	1,745.3	(5.4)	1,739.9	69.6	1,809.5
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	1,745.3	4,089.5	5,834.8	178.0	6,012.8
Acquisitions of additional interests from a non-controlling shareholder of a subsidiary	向一家附屬公司非控股股東收購額外權益	-	-	-	10.0	(17.1)	(2.8)	(9.9)	(50.0)	(59.9)
Capital contribution from a non-controlling shareholder of a subsidiary	一家附屬公司非控股股東出資	-	-	-	-	-	-	-	11.5	11.5
Deregistration of subsidiaries	註銷附屬公司	-	-	-	(22.0)	(3.0)	24.7	(0.3)	(107.7)	(108.0)
Transfers	轉撥	-	-	-	275.1	-	(275.1)	-	-	-
Dividends	股息	-	-	-	-	-	(4,200.0)	(4,200.0)	(60.3)	(4,260.3)
At 31 March 2018	於2018年3月31日	10,000.0	5,498.7	2,499.5	1,209.0	1,176.8	13,039.4	33,423.4	674.2	34,097.6
Profit for the year	年度溢利	-	-	-	-	-	4,576.8	4,576.8	107.2	4,684.0
Other comprehensive expense for the year	年度其他全面開支	-	-	-	-	(1,242.0)	(7.5)	(1,249.5)	(46.1)	(1,295.6)
Total comprehensive (expense)/income for the year	年度全面(開支)/收益總額	-	-	-	-	(1,242.0)	4,569.3	3,327.3	61.1	3,388.4
Capital contribution from a non-controlling shareholder of a subsidiary	一家附屬公司非控股股東出資	-	-	-	-	-	-	-	3.5	3.5
Deregistration of subsidiaries	註銷附屬公司	-	-	-	(55.3)	(0.8)	56.1	-	(5.9)	(5.9)
Transfers	轉撥	-	-	-	117.5	-	(117.5)	-	-	-
Dividends	股息	-	-	-	-	-	(6,000.0)	(6,000.0)	(80.6)	(6,080.6)
At 31 March 2019	於2019年3月31日	10,000.0	5,498.7	2,499.5	1,271.2	(66.0)	11,547.3	30,750.7	652.3	31,403.0

Notes:

- (a) Special reserve represents (i) the accumulated contribution from the Macau jewellery business and (ii) the difference between the nominal value of the shares of various subsidiaries under common control, and cash consideration payable arising from acquisition of these subsidiaries under common control pursuant to the Group reorganisation in 2011.
- (b) As stipulated by the relevant laws and regulations for foreign investment enterprises in Mainland China, the Company's subsidiaries in Mainland China are required to maintain a statutory surplus reserve fund. Appropriation to such reserve is made out of net profit after taxation as reflected in the statutory financial statements of the subsidiaries in Mainland China in accordance with the relevant laws and regulations applicable to enterprises in Mainland China. The statutory surplus reserve fund can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.

附註:

- (a) 特別儲備指(i)澳門珠寶業務之累計貢獻及(ii)分佔根據共同控制下各附屬公司的股份面值與根據2011年集團重組時收購共同控制下附屬公司應支付之現金代價之差額。
- (b) 按有關中國內地外資企業的相關法律及法規，本公司的中國內地附屬公司須存置法定盈餘儲備基金。有關儲備之撥款乃來自中國內地附屬公司的法定財務報表(根據中國內地企業適用的相關法律及法規編製)所載的除稅後溢利淨額。法定盈餘儲備基金可用於彌補過往年度的虧損(如有)，並可以資本化發行之方式轉換為資本。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	6,352.0	5,831.9
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	(131.4)	(80.3)
Interest expenses	利息開支	370.3	243.7
Allowance for doubtful debts	壞賬準備	27.5	18.3
(Reversal of)/allowance on inventories	存貨(撥回)/準備	(113.5)	207.7
Write off of inventories	存貨損失	9.0	—
Fair value change of gold loans	黃金借貸的公平值變動	117.2	35.3
Depreciation of property, plant and equipment	物業、廠房及設備折舊	885.1	806.6
Depreciation of investment properties	投資物業折舊	14.3	14.3
Amortisation of land use rights	土地使用權攤銷	14.3	14.3
Amortisation of other intangible assets	其他無形資產攤銷	52.7	49.9
Impairment loss of amount due from an associate	應收一家聯營公司款項之減值虧損	5.0	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	17.8	7.1
Provision for defined benefit obligations	定額退休福利承擔撥備	7.2	8.4
Net exchange difference	匯率差額淨額	146.9	(278.6)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	7,774.4	6,878.6
Decrease/(increase) in inventories	存貨減少/(增加)	29.0	(4,260.0)
Increase in trade and other receivables	貿易及其他應收款項增加	(655.8)	(907.6)
Increase in trade and other payables	貿易及其他應付款項增加	2,882.9	2,149.9
Defined benefits paid	已付定額退休福利	(8.1)	(8.2)
Cash generated from operations	經營所得現金	10,022.4	3,852.7
Interest received	已收利息	47.2	13.1
Income tax paid:	已付所得稅：		
— Hong Kong Profits Tax	— 香港利得稅	(463.7)	(70.9)
— Enterprise Income Tax and withholding tax in Mainland China	— 中國內地企業所得稅及預扣稅	(1,127.6)	(901.1)
— Macau complementary tax	— 澳門所得補充稅	(40.1)	(41.8)
— Taxation in other jurisdictions	— 其他司法地區之稅項	(7.1)	(0.9)
Net cash from operating activities	經營活動所得現金淨額	8,431.1	2,851.1
Investing activities	投資活動		
Interest received	已收利息	103.4	67.2
Repayment of loan to the Group	已償還予本集團之貸款	22.5	24.1
Purchase of property, plant and equipment	購買物業、廠房及設備	(1,341.8)	(1,057.8)
Deposits paid for acquisition of property, plant and equipment	購買物業、廠房及設備已付按金	(50.0)	(26.6)
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益的金融資產	(6.7)	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	48.3	13.0
Purchase of jewellery collectibles	購買珠寶珍藏	—	(553.0)
Loan advanced by the Group	本集團已墊付貸款	—	(1.5)
Repayment from/(advances to) associates	聯營公司還款/(向聯營公司墊款)	2.5	(42.5)
Net cash used in investing activities	投資活動所用現金淨額	(1,221.8)	(1,577.1)

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Financing activities	融資活動		
Interest paid	已付利息	(366.1)	(244.6)
Bank borrowings raised	已籌集銀行貸款	8,044.0	5,667.9
Repayment of bank borrowings	償還銀行貸款	(5,910.6)	(4,566.1)
Gold loans raised	已籌集黃金借貸	—	19,153.4
Repayment of gold loans	償還黃金借貸	(2,939.8)	(17,348.1)
Capital contribution from a non-controlling shareholder of a subsidiary	一家附屬公司非控股股東出資	3.5	11.5
Repayment of capital to a non-controlling shareholder of subsidiaries	向附屬公司非控股股東出資還款	(5.9)	(108.0)
Dividends paid	已付股息	(6,080.6)	(4,260.3)
Acquisition of additional interest from non-controlling interest	向非控股權益收購的額外權益	—	(59.9)
Advance from non-controlling shareholders of subsidiaries	來自附屬公司非控股股東的墊款	43.0	0.9
Net cash used in financing activities	融資活動所用現金淨額	(7,212.5)	(1,753.3)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(3.2)	(479.3)
Cash and cash equivalents at the beginning of the year	年初的現金及現金等價物	7,944.0	7,943.4
Effect of foreign exchange rate changes	匯率變動的影響	(300.2)	479.9
Cash and cash equivalents at the end of the year	年末的現金及現金等價物	7,640.6	7,944.0

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. General

Chow Tai Fook Jewellery Group Limited (the “Company”, and its subsidiaries collectively referred to as the “Group”) was incorporated as an exempted company in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 20 July 2011. Its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 15 December 2011. Its immediate holding company is Chow Tai Fook (Holding) Limited (“CTF Holding”), and its ultimate holding company is Chow Tai Fook Capital Limited, both are incorporated in the British Virgin Islands.

The Company acts as an investment holding company. The principal activities of the Company’s principal subsidiaries are set out in note 40. The address of registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of principal place of business is 33/F, New World Tower, 16-18 Queen’s Road Central, Hong Kong.

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

1. 一般資料

周大福珠寶集團有限公司(「本公司」，與其附屬公司統稱「本集團」)於2011年7月20日根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司。其股份自2011年12月15日開始於香港聯合交易所有限公司(「聯交所」)主板上市。其直接控股公司為Chow Tai Fook (Holding) Limited(「CTF Holding」)，其最終控股公司為Chow Tai Fook Capital Limited，兩家公司均於英屬維爾京群島註冊成立。

本公司為投資控股公司，而其主要附屬公司主業務載於附註40。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。主要營業地址為香港皇后大道中16-18號新世界大廈33樓。

綜合財務報表以港元(即本公司的功能貨幣)呈列。

2. Application of New and Revised International Financial Reporting Standards ("IFRSs")

New and amended standards adopted by the Group

The Group has adopted the following standards and amendments that are first effective for their annual reporting period commencing 1 April 2018:

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRIC 22	Foreign currency transactions and advance consideration
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
Amendments to IFRS 15	Clarifications to IFRS 15
Amendments to IAS 40	Transfer to Investment Property
Amendments to IFRSs	Annual Improvements to IFRS Standards 2014–2016 Cycle

Except as described below, the application of other new and amended IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

IFRS 9 Financial instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

2. 採納新訂及經修訂國際財務報告準則

本集團採納的新訂及經修訂準則

本集團已採納以下於2018年4月1日開始的年度報告期間首次生效的準則及修訂：

國際財務報告準則第9號	金融工具
國際財務報告準則第15號	客戶合約收入
國際財務報告詮釋公告第22號	外幣交易和預付代價
國際財務報告準則第2號(修訂本)	以股份為基礎支付的交易之分類和計量
國際財務報告準則第4號(修訂本)	應用國際財務報告準則第4號保險合約時一併應用國際財務報告準則第9號金融工具
國際財務報告準則第15號(修訂本)	對國際財務報告準則第15號的澄清
國際會計準則第40號(修訂本)	轉撥投資物業
國際財務報告準則(修訂本)	2014年至2016年週期之國際財務報告準則年度改進

除下文所述者外，於本年度應用其他新訂及經修訂國際財務報告準則對於本年度及過往年度本集團之財務業績及財務狀況及／或於該等綜合財務報表載列之披露資料並無構成重大影響。

國際財務報告準則第9號金融工具

國際財務報告準則第9號取代國際會計準則第39號有關金融資產及金融負債確認、分類及計量、金融工具終止確認、金融資產減值及對沖會計之條文。

2. Application of New and Revised International Financial Reporting Standards ("IFRSs") (Continued)

IFRS 9 Financial instruments (Continued)

The adoption of IFRS 9 Financial Instruments from 1 April 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated.

The Group has reviewed its financial assets and liabilities and there is no significant impact on the classification, measurement and derecognition. Since the Group does not have any hedge relationships currently, the application of IFRS 9 does not have any impact on the Group's consolidated financial statements.

Gold loans to be repaid by cash are designated as financial liabilities at fair value through profit or loss. Gains or losses on financial liabilities designated at fair value through profit or loss are recognised in the consolidated statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these financial liabilities.

The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under IAS 39. At 1 April 2018 and 31 March 2019, the Group assessed the impact of loss allowance under the application of IFRS 9 is immaterial.

2. 採納新訂及經修訂國際財務報告準則^(續)

國際財務報告準則第9號金融工具^(續)

自2018年4月1日開始應用國際財務報告準則第9號金融工具後，會計政策有所改變，亦需對綜合財務報表內確認的金額作出調整。根據國際財務報告準則第9號的過渡條文，比較數字並無重述。

本集團已審閱其金融資產及負債，並無對有關分類、計量及終止確認構成重大影響。由於本集團現時並無任何對沖關係，應用國際財務報告準則第9號不會對本集團綜合財務報表構成任何影響。

以現金償還的黃金借貸分類為按公平值計入損益的金融負債。除由本集團自身信用風險變動引起的公平值變動計入其他全面收益且期後不能重分類至綜合損益表之外，按公平值計入損益的金融負債的損益計入當期綜合損益表。綜合損益表中公平值變動損益不包括金融負債的利息支出。

新訂減值模式要求根據預期信貸虧損確認減值撥備，而非按國際會計準則第39號只確認已發生的信貸虧損。於2018年4月1日及2019年3月31日，本集團評定根據國際財務報告準則第9號所作虧損撥備的影響並不重大。

2. Application of New and Revised International Financial Reporting Standards ("IFRSs") (Continued)

IFRS 15 Revenue from contracts with customers

IFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. It replaces IAS 11 "Construction Contracts" which covers construction contracts and IAS 18 "Revenue" which covers contracts for goods and services and the related literature. The adoption of IFRS 15 resulted in changes in accounting policies and adjustments to the amounts of revenue recognised in the consolidated financial statements. The Group adopted a modified retrospective approach for transition in the consolidated financial statements for the year ended 31 March 2019, which allows the Group to recognise the cumulative effects of initially applying IFRS 15 as an adjustment to the opening balance of equity at 1 April 2018, while prior period comparative figures were not restated. The Group chose to apply IFRS 15 for its contracts at 1 April 2018.

Customer loyalty programme

Under the Group's customer loyalty programme, the customers are granted cash coupons or points upon certain purchases, which provides a material right to the customers and gives rise to a separate performance obligation. Prior to adoption of IFRS 15, portion of the transaction price are allocated to such customers right using the fair value of cash coupons or points and recognised as deferred revenue for the cash coupons or points granted but not yet redeemed or expired. Under IFRS 15, portion of the transaction price are allocated to such customers right based on the relative standalone selling price. Revenue is recognised when the additional goods or services are transferred to the customers. Unexercised rights are referred to as breakage. The expected breakage amount should be recognised as revenue in proportion to the pattern of rights exercised by the customers.

The adoption had no material impact on the retained earnings of the Group at 1 April 2018.

Presentation of liabilities related to contracts with customers

Contract liabilities in relation to the customer loyalty programme and receipts in advance were previously included in trade and other payables (HK\$181.0 million and HK\$1,037.4 million respectively as at 31 March 2019; HK\$68.3 million and HK\$798.7 million respectively as at 1 April 2018).

2. 採納新訂及經修訂國際財務報告準則(續)

國際財務報告準則第15號客戶合約收入

國際財務報告準則第15號建立確認客戶合約收入的全面框架。此準則取代國際會計準則第11號「建造合約」(涵蓋建造合約)及國際會計準則第18號「收入」(涵蓋商品及服務合約及有關事宜)。應用國際財務報告準則第15號後，會計政策有所改變，亦需對綜合財務報表內確認的收入金額作出調整。本集團於截至2019年3月31日止年度綜合財務報表就過渡應用經修改追溯方式，允許本集團將初次應用國際財務報告準則第15號的累計影響確認為2018年4月1日期初權益結餘之調整，而之前期間的比較數字則並無重述。於2018年4月1日，本集團就其合約選擇應用國際財務報告準則第15號。

客戶忠誠度計劃

根據本集團客戶忠誠度計劃，顧客於若干次數購物後會獲贈現金禮券或積分，此計劃向顧客授出重大的權利，使本公司須承擔獨立的履約責任。採納國際財務報告準則第15號前，交易價格的部分使用現金禮券或積分的公平值分配至相關客戶權利，並就已授出但未贖回或未逾期的現金禮券或積分確認遞延營業額。根據國際財務報告準則第15號，交易價格的部分根據相關獨立售價分配予相關客戶權利。營業額於額外商品或服務轉移至客戶時確認。未行使的權利被視為「未用量」。本集團將根據客戶行使權利模式的比例確認預期未用量金額為營業額。

上述應用對本集團於2018年4月1日的保留溢利並無重大影響。

與客戶合約有關的負債的呈列

與客戶忠誠度計劃有關的合約負債及預收款項過往計入貿易及其他應付款項(於2019年3月31日分別為181.0百萬港元及1,037.4百萬港元；於2018年4月1日分別為68.3百萬港元及798.7百萬港元)。

2. Application of New and Revised International Financial Reporting Standards ("IFRSs") (Continued)

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2019 reporting periods and have not been early adopted by the Group.

IFRS 16	Leases ¹
IFRS 17	Insurance Contracts ³
IFRIC 23	Uncertainty over Income Tax Treatments ²
Amendments to IFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to IAS 19	Plant Amendment, Curtailment or Settlement ¹
Amendments to IAS 28	Long-term Investment in Associates and Joint Ventures ²
Amendments to IAS 1 and IAS 8	Definition of Material ²
Amendments to IFRS 3	Definition of Business ²
Amendments to IFRS 10 and IAS 28	Sales or contribution of assets between an investor and its associate or joint venture ⁴
Amendments to IFRSs	Annual Improvements to IFRS Standards 2015–2017 Cycle ¹
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting ¹

- 1 Effective for annual periods beginning on or after 1 January 2019.
2 Effective for annual periods beginning on or after 1 January 2020.
3 Effective for annual periods beginning on or after 1 January 2021.
4 Effective for annual periods beginning on or after a date to be determined.

Other than IFRS 16, the directors of the Company do not anticipate that the application of other new and amendments to IFRSs will have material impact on the results and financial position of the Group. The Group's assessment of the impact of IFRS16 is set out below.

2. 採納新訂及經修訂國際財務報告準則^(續)

尚未採納的新準則及詮釋

若干新會計準則及詮釋經已頒佈，但於2019年3月31日報告期間尚未生效，本集團亦無提早採納。

國際財務報告準則第16號	租賃 ¹
國際財務報告準則第17號	保險合約 ³
國際財務報告詮釋公告第23號	所得稅處理之不確定性 ²
國際財務報告準則第9號(修訂本)	具有負補償之提前還款特點 ¹
國際會計準則第19號(修訂本)	計劃修改、削減或結算 ¹
國際會計準則第28號(修訂本)	於聯營公司或合資企業之長期權益 ²
國際會計準則第1號及國際會計準則第8號(修訂本)	重大的定義 ²
國際財務報告準則第3號(修訂本)	業務的定義 ²
國際財務報告準則第10號及國際會計準則第28號(修訂本)	投資者與其聯營或合資企業之間的資產出售或注資 ⁴
國際財務報告準則(修訂本)	2015年至2017年週期之國際財務報告準則年度改進 ¹
2018年財務報告概念框架	經修訂財務報告概念框架 ¹

- 1 於2019年1月1日或之後開始之年度生效。
2 於2020年1月1日或之後開始之年度生效。
3 於2021年1月1日或之後開始之年度生效。
4 於待釐定日期或之後之年度生效。

除香港財務報告準則第16號外，本公司董事預料，應用其他新訂及經修訂國際財務報告準則不會對本集團業績和財務狀況構成重大影響。本集團業香港財務報告準則第16號的影響之評估如下。

2. Application of New and Revised International Financial Reporting Standards ("IFRSs") (Continued)

New standards and interpretations not yet adopted IFRS 16 Leases

Currently the Group entered into various operating leases as disclosed in note 31, while some leases as the lessor and others as the lessee. IFRS 16 will primarily affect the Group's accounting as a lessee and will result in the recognition of almost all leases on the consolidated statement of financial position. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the lease item) and a financial liability to pay rentals for virtually all lease contracts.

The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss over the period of the lease. As a result, the consolidated statement of profit or loss will be affected because the total expenses is typically higher in the earlier years of a lease and lower in later years. Additionally, rental expenses will be replaced with interest and depreciation charges. In addition, leasing expenses will no longer be presented as operating cash outflows in the statement of cash flows, but will be included as part of the financing cash outflow. Interest expenses from the newly recognised lease liability may be presented in the cash flow from operating or from financing activities.

The Group plans to elect the modified retrospective approach for the adoption of IFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2019 and will not restate the comparative information. As allowed by IFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in IFRS 16 only to contracts that are entered into on or after the date of initial application. The Group expects the transition adjustment would affect the total assets and liability by approximately 3%–5% and 7%–9% respectively.

2. 採納新訂及經修訂國際財務報告準則^(續)

尚未採納的新準則及詮釋

國際財務報告準則第16號租賃

如附註31披露，目前本集團已訂立若干經營租賃，當中均涉及作為出租人及承租人的租賃。國際財務報告準則第16號將主要影響本集團作為承租人的會計，並將導致將絕大部分租約於綜合財務狀況表確認。該準則刪除了目前經營租賃及融資租賃的區別，並要求幾乎所有租賃合約資產（使用租賃項目的權利）及金融負債（支付租金）的確認。

預期應用新會計模式將導致資產及負債增加，並影響於租賃期間在綜合損益表確認開支的時間。因此，綜合損益表將受到影響，因為開支總額一般於租約較早年度較高，而於較後年度較低。此外，租金開支將由利息及折舊開支取代。另外，租賃支出亦將不再於現金流量表內呈列為經營現金流出，但將會列入作為融資現金流出的一部分。新確認的租賃負債的利息支出或會自經營業務或融資業務中之現金流呈列。

本集團計劃就採納國際財務報告準則第16號選用經修改追溯方式，並將初次應用的累計影響確認為於2019年4月1日權益期初結餘的調整，並不會重列比較資料。在國際財務報告準則第16號允許的情況下，本集團計劃使用可行權宜方法，處理現有安排為租賃或包含租賃的先前評估。因此，本集團僅將國際財務報告準則第16號中對租賃的新定義應用於初次應用日期或之後訂立的合約。本集團預期過渡調整將分別對資產總值及負債總值造成約3%–5%及7%–9%影響。

3. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with IFRSs issued by the International Accounting Standards Board ("IASB"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Principles of consolidation and equity accounting Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect those returns through its power to direct the activities of the entity.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 重大會計政策

綜合財務報表根據國際會計準則理事會頒佈的國際財務報告準則編制。此外，綜合財務報表亦包括香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露資料。

於各報告期末，綜合財務報表按歷史成本基準編制，惟若干金融工具則以公平值計量，載於下文會計政策。

歷史成本一般基於為取得產品和服務所支付代價的公平值。

合併及權益會計原則 附屬公司

綜合財務報表包括本公司與本公司所控制實體及其附屬公司的財務報表。控制得到實現當本公司：

- 對投資對象有控制權；
- 對其因參與投資對象的可變回報而承受風險或享有權力；及
- 有能力運用其控制實體活動的權力影響其回報。

倘事實及情況反映上文所列三項控制因素其中一項或多項改變，則本集團會重估是否仍然控制投資對象。

3. Significant Accounting Policies (Continued)

Principles of consolidation and equity accounting (Continued)

Subsidiaries (Continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

3. 重大會計政策 (續)

合併及權益會計原則 (續)

附屬公司 (續)

倘本集團於投資對象之投票權未能佔大多數，則考慮投票權是否足以賦予本集團實際能力以單方面指示投資對象的相關活動時即對投資對象擁有權力。本集團於評估本集團於投資對象的投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 與其他投票權持有人所持投票權的數量及分散情況相對的本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排產生的權利；及
- 顯示於需要作出決定之時本集團目前能夠或不能指示相關活動的任何額外事實及情況（包括於過往股東會議上的投票模式）。

本集團獲得附屬公司控制權時便開始將附屬公司綜合入賬，於失去控制權時則終止綜合入賬。具體而言，年內所收購或出售附屬公司之收入及開支於本集團獲得控制權日期計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司為止。

損益及其他全面收益各項目均歸屬於本公司股東及非控股權益。附屬公司的全面收益總額歸屬於本公司股東及非控股權益，即使此舉會導致結餘為負數的非控股權益。

必要時會調整附屬公司財務報表以使其會計政策與本集團會計政策一致。

3. Significant Accounting Policies (Continued)

Principles of consolidation and equity accounting (Continued)

Subsidiaries (Continued)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

In the statement of financial position of the Company, 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.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

3. 重大會計政策 (續)

合併及權益會計原則 (續)

附屬公司 (續)

所有有關本集團成員公司之間交易的集團內資產及負債、權益、收入、開支及現金流量會於綜合時全數撇銷。

於附屬公司的非控股權益會於本集團權益內獨立呈列。

於附屬公司的投資按成本值扣除減值列賬。成本包括直接應佔投資成本。附屬公司的業績乃由本公司按已收股息及應收款項基準入賬。

聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。聯營公司投資以權益會計法入賬，初始以成本確認。

權益法

根據權益法，投資初始以成本確認，後續調整確認本集團享有被投資公司在獲取日期後的損益份額，本集團應佔其他全面收益變動則於其他全面收益內確認。已收及應收聯營公司股利被確認為投資賬面價值的抵減。

當本集團分佔權益會計投資的虧損相等於或超過在該實體的權益（包括任何其他無抵押長期應收款），則本集團不確認進一步虧損，除非集團已產生義務或已代其他實體付款。

本集團與其聯營公司之間交易的未變現收益按集團在該等實體權益的數額對銷。除非交易提供所轉讓之資產減值的憑證，否則未變現虧損亦予以對銷。以權益入賬的被投資方的會計政策已按需要作出改變，以確保與本集團採用的政策相符一致。

3. Significant Accounting Policies (Continued)

Principles of consolidation and equity accounting (Continued)

Equity method (Continued)

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described "Impairment of non-financial assets".

Changes in the Group's ownership interests in existing subsidiaries

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs.

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 are reclassified to profit or loss where appropriate.

3. 重大會計政策 (續)

合併及權益會計原則 (續)

權益法 (續)

權益入賬投資的賬面值根據「非金融資產減值」所述的政策進行減值測試。

本集團於現有附屬公司之擁有權益變動

本集團將不會引致失去控制權的非控股權益交易視為與本集團權益持有人進行的交易。所有權益變動導致控股股東權益與非控股權益賬面值之間的調整以反映彼等於附屬公司的相對權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司權益持有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權或重大影響力而不再將投資綜合入賬或終止投資的權益賬目，其於有關實體之任何保留權益將按公平值重新計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益而言，該公平值為初始賬面值。此外，先前於其他全面收益確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這意味著先前在其他全面收益確認之金額將根據適用國際財務報告準則所訂明／准許重新分類至損益或轉撥至另一類別權益。

當於聯營公司的所有權權益減少，惟仍然保留重大影響，則先前於其他全面收益內確認的金額僅有一定比例部分重新分類至損益（如適用）。

3. Significant Accounting Policies (Continued)

Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

3. 重大會計政策 (續)

業務合併

所有業務合併均以收購會計法入賬，無論所收購者為權益工具或其他資產。收購一間附屬公司所轉讓的代價包括：

- 所轉讓資產的公平值
- 所收購業務先前擁有人產生的負債
- 本集團發行的股權
- 或然代價安排產生的任何資產或負債的公平值；及
- 任何先前存在的附屬公司股權的公平值。

除有限例外情況外，於業務合併收購的可識別資產以及承擔的負債及或然負債初步按收購日期的公平值計量。本集團根據個別收購交易按公平值或非控股權益應佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時支銷。

- 所轉讓代價，
- 於被收購實體的任何非控股權益金額，及
- 任何先前於被收購實體的權益於收購日期的公平值

高於已收購可識別資產淨值的公平值的差額按商譽列賬。倘上述金額低於所收購業務可識別資產淨值的公平值，有關差額會作為一項議價購買直接於損益確認。

3. Significant Accounting Policies (Continued)

Business combinations (Continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of the Company has appointed Executive Committee which assesses the financial performance and position of the Group, and makes strategic decisions. Executive Committee, which has been identified as being the chief operating decision maker, consists of executive directors of the Company.

Foreign currencies

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 Hong Kong dollar (HK\$), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using at the rates of exchanges prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

3. 重大會計政策 (續)

業務合併 (續)

倘任何部分現金代價的結算獲遞延，日後應付金額貼現至彼等於兌換日期的現值。所用的貼現率乃該實體的新增借貸利率，即根據相若的條款及細則可從獨立融資者獲得同類借貸的利率。或然代價分類為權益或金融負債。分類為金融負債的金額隨後重新計量其公平值，而公平值變動則於損益內確認。

分部報告

經營分部的報告方式須與主要營運決策者獲提供的內部報告方式一致。

本公司董事會已委任執行委員會，負責評估本集團財務業績及狀況並作出戰略性決策。執行委員會已被確定為主要營運決策者，由本公司執行董事組成。

外幣

計入本集團各實體財務報表的項目，乃按該實體經營所在的主要經濟環境的貨幣（「功能貨幣」）計量。合併財務報表乃以本公司功能貨幣及呈列貨幣港元呈列。

外幣交易採用交易日期的當前匯率換算為功能貨幣。結算此等交易產生的匯兌收益和損失以及將外幣計值的貨幣資產和負債以年終匯率折算產生的匯兌收益和損失在損益表確認。

3. Significant Accounting Policies (Continued)

Foreign currencies (Continued)

Non-monetary items that are measured at historical cost in a foreign currency are translated using exchange rates at the date of the transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rate prevailing at the end of each reporting period. Income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under translation reserve (attributable to non-controlling interests as appropriate). Such exchange differences are reclassified to profit or loss in the period in which the foreign operation is disposed of.

Goodwill

Goodwill arising on acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

3. 重大會計政策 (續)

外幣 (續)

以歷史成本計量的外幣非貨幣性項目按照交易日期的匯率折算。以公平值計量的資產和負債的折算差額列報為公平值收益和損失的一部份。例如按公平值計入損益的非貨幣性資產和負債項目(如權益)，其折算差異計入損益列報為公平值收益和損失的一部份；按公平值計入其他全面收益的非貨幣性資產項目，其折算差額在其他全面收益中確認。

為呈列綜合財務報表，本集團國外業務的資產及負債按各報告期末的匯率換算成本集團的呈列貨幣(即港元)。收支則按年內平均匯率換算，惟匯率於期內大幅波動則除外，在此情況下，採用交易日現行匯率。所產生匯兌差額(如有)於其他全面收益確認及累計於權益項下之換算儲備，如情況適用則計入非控股權益。該等匯兌差額於海外業務被出售期間重新分類至損益。

商譽

收購業務產生之商譽乃按收購業務日期所確立之成本減累計減值虧損(如有)列賬。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變動顯示可能出現減值時進行更頻密減值測試，並按成本減去累計減值損失列示。出售實體的收益及虧損包括與出售實體有關的商譽賬面值。

就減值測試而言，商譽乃分配至預期從產生商譽的合併的協同效應中獲利之本集團各現金產生單位(或現金產生單位組別)。現金產生單位或現金產生單位組別乃就內部管理目的而於監察商譽的最低層次(即經營分部)確認。

3. Significant Accounting Policies (Continued)**Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction in progress) are stated at historical cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Land and buildings are separable assets and are accounted for separately. For land and buildings where the cost of land cannot be reliably allocated between the land and buildings elements, the cost of land and buildings are depreciated and amortised on a straight-line basis over the lease terms or 20 years, whichever is the shorter.

Depreciation is recognised so as to write off the cost of land and buildings, other property, plant and equipment other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method, at the following rates per annum:

Plant and machinery	10%
Furniture, fixtures and equipment	20% – 33 $\frac{1}{3}$ %
Leasehold improvements	Over the lease term or 20%, whichever is shorter
Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

3. 重大會計政策 (續)**無形資產**

單獨收購並具有有限使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有有限使用年期之無形資產攤銷採用直線法於其估計可使用年期內確認。估計可使用年期及攤銷方法於各報告期末檢討，而估計之任何變動的影響按預期基準列賬。

物業、廠房及設備

物業、廠房及設備包括用以生產或提供貨品或服務或作行政用途的土地及樓宇(在建工程物業除外)，乃按歷史成本值減其後累計折舊及其後累計減值虧損(如有)列賬。

土地及樓宇為分開入賬的資產。就土地及樓宇而言，倘無法可靠地在土地與樓宇之間分配土地成本，土地及樓宇的成本則會以直線法按租期或20年(以期限較短者為準)計提折舊及攤銷。

除在建工程外，土地及樓宇、其他物業、廠房及設備折舊乃按其估計可使用年期以直線法按以下年率確認，以撇銷其成本減剩餘價值：

廠房及機器	10%
傢俬、裝置及設備	20%–33 $\frac{1}{3}$ %
租賃物業裝修	按租約年期，或20% (以期限較短者為準)
汽車	25%

資產的剩餘價值及可使用年期於各報告期末進行檢討，及在適當時調整。

3. Significant Accounting Policies (Continued)

Property, plant and equipment (Continued)

Properties which comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or for administration purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Construction in progress is carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

If there is a transfer from investment property to owner-occupied property evidenced by the commencement of owner's occupation, the property shall be measured at its carrying amount at the date of change in use for subsequent accounting.

3. 重大會計政策 (續)

物業、廠房及設備 (續)

部分物業持作賺取租金或資金增值，另一部分持作生產或供應貨品或作行政用途。倘該等部分可分開出售(或根據融資租賃分開出租)，本集團將該等部分分別入賬。倘該等部分不可分開出售，則物業只會主要並非持作生產或供應貨品或服務或作行政用途的條件下，才屬於投資物業。

在建工程按成本值減任何確認減值虧損列賬。成本包括專業費用，以及關乎合資格資產並根據本集團會計政策撥充資本的貸款成本。有關物業於竣工及可供擬定用途時，歸類至物業、廠房及設備的適當類別。該等資產在可供擬定用途時，方開始如其他物業資產般計提折舊。

物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目時產生之任何收益或虧損，按出售所得款項與該資產賬面值之差額釐定，並於損益內確認。

投資物業

投資物業指持作賺取租金及／或資本增值之物業。

投資物業初步按成本(包括任何直接應佔費用)計量。初始確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬。

倘將投資物業轉撥至自用物業，以擁有人開始佔用為證，則該物業於其後入賬時按變更用途日期之賬面值計量。

3. Significant Accounting Policies (Continued)

Investment properties (Continued)

Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account their estimated residual value, using the straight-line basis over 20 years.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Land use rights

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land elements and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "land use rights" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

3. 重大會計政策 (續)

投資物業 (續)

投資物業按估計可使用年期經考慮其估計剩餘價值利用20年之直線基準確認折舊以撇銷投資物業成本。

投資物業於出售後或投資物業永久不再使用且預期出售不會產生未來經濟利益時終止確認。終止確認物業產生的任何收益或虧損(按該資產之出售所得款項淨額與賬面值之差額計算)於該物業終止確認期間計入損益。

土地使用權

本集團為包括土地及樓宇兩部份之物業權益支付款項時，本集團以各部份的擁有權所承擔的絕大部份風險及回報是否已轉移本集團，作為獨立評估其分類的依據，但當兩者均明顯為經營租賃，則全部物業入賬為經營租賃。具體而言，全部代價(包括任何一次性預付款)，以土地租賃權益和樓宇租賃權益相關公平值的比例於初始確認時分配到租賃土地及樓宇部份。

倘能可靠地分配相關款項，入賬為經營租賃的租賃土地權益將於綜合財務狀況表列賬為「土地使用權」，並按租賃年期以直線法攤銷。

3. Significant Accounting Policies (Continued)

Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life and assets that are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Jewellery collectibles

Jewellery collectibles are those unique treasures with extremely high-value and are designated not for sale.

Jewellery collectibles are classified as non-current assets at cost less accumulated impairment loss, if any. Jewellery collectibles are derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost is calculated using specific identification basis for gem-set jewellery and watches; and weighted average for other inventories. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3. 重大會計政策 (續)

非金融資產減值

具有無限可使用期限的商譽及無形資產毋須攤銷，但每年進行減值測試，或當有事件出現或情況改變顯示可能出現減值時，進行更頻密進行減值測試。其他資產於有事件出現或情況變動顯示賬面值可能無法收回時進行減值測試。就資產賬面值超出其可收回金額的金額確認減值虧損。可收回金額為資產的公平值扣除出售成本與使用價值兩者的較高者。於評估減值時，資產將按可獨立識別的現金流入的最低層次分組，該現金流入與其他資產或資產組合（現金產出單位）的現金流入很大程度的獨立開來。出現減值的非金融資產（商譽除外）會於各報告期間就撥回減值的可能性進行檢討。

珠寶珍藏

珠寶珍藏為獨一無二、價值不菲的珍藏並指定為非賣品。

珠寶珍藏按成本減累計減值虧損（如有）列賬分類為非流動資產。珠寶珍藏於出售時終止確認。終止確認資產產生的任何損益（按出售所得款項淨額與項目賬面值之差額計算）於項目終止確認之期內計入損益。

存貨

存貨以成本及可變現淨值兩者中的較低者入賬。成本包括直接原料、直接勞工及適當比例的可變及固定間接開銷（後者即按正常營運能力分配）。就珠寶鑲嵌首飾及鐘錶而言，成本採用特定識別基準計算，而其他存貨則利用加權平均法計算。購買存貨之成本經扣除回扣及折扣後釐定。可變現淨值按一般業務過程中估計的銷售價格減去所有尚需投入的估計生產成本及估計銷售費用計算。

3. Significant Accounting Policies (Continued)

Investments and other financial assets

(a) Accounting policies applied from 1 April 2018

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

Debt investments are reclassified when and only when the Group's business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Equity instruments

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the consolidated statement of profit or loss as applicable.

3. 重大會計政策 (續)

投資及其他金融資產

(a) 自2018年4月1日起應用的會計政策分類

本集團將其金融資產分類為以下各類：

- 其後按公平值計入其他全面收益或損益的金融資產，及
- 以攤銷成本計量的金融資產。

該分類取決於本集團管理金融資產的業務模式以及該資產的合同現金流量特徵。

對於以公平值計量的金融資產，其利得和損失計入損益或其他全面收益。

債務投資僅當本集團有關該資產的業務模式發生變化時，才會進行重新分類。

確認及終止確認

金融資產的定期購入及出售，均於交易日（即本集團承諾購入或出售該資產當日）確認入賬。當本集團從該等金融資產收取現金流量的權利已到期或已被轉讓，及本集團已將擁有權帶來的絕大部分風險和回報轉移，則會終止確認該等金融資產。

計量

於初始確認時，本集團按金融資產的公平值外加（倘為並非按公平值計入損益的金融資產）直接歸屬於收購該金融資產的交易成本計量。按公平值計入損益的金融資產交易成本於損益表支銷。

權益工具

本集團以公平值對所有權益工具投資進行後續計量。對於按公平值計入損益的金融資產，其公平值變動以及減值損失列示於綜合損益表的其他收益／（虧損）淨額。

3. Significant Accounting Policies (Continued)

Investments and other financial assets (Continued)

(a) Accounting policies applied from 1 April 2018

(Continued)

Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income ("FVOCI") are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the receivables, see note 24 for further details.

For all other financial assets measured at amortised cost, the Group recognises a loss allowance equal to 12-month expected credit loss unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime expected credit losses.

3. 重大會計政策 (續)

投資及其他金融資產 (續)

(a) 自2018年4月1日起應用的會計政策

(續)

計量 (續)

債務工具

債務工具投資的後續計量取決於本集團管理該資產的業務模式以及該資產的合同現金流量特徵。本集團將債務工具投資分為以下兩種計量類別：

- **以攤銷成本計量：**對於持有以收取合同現金流量的資產，如果合同現金流量僅代表對本金和利息的支付，則該資產以攤銷成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的利得或損失直接計入損益，並與匯兌利得和損失以及減值損失會分別列示在綜合損益表一同列示在其他收益／(虧損)淨額中。
- **按公平值計入損益：**不符合以攤銷成本計量或按公平值計入其他全面收益標準的金融資產，被分類為按公平值計入損益。對於後續按公平值計入損益的債務工具投資，其利得或損失計入損益，並於產生期間以淨值在其他收益／(虧損)淨額中列示。

減值

本集團就以攤銷成本計量的債務工具的預期信用損失做出前瞻性評估。減值方法取決於其信用風險是否顯著增加。

對於貿易應收款項，本集團採用國際財務報告準則第9號允許的簡化方法，在初始確認時確認整個存續期的預期信用損失，詳見附註24。

就所有其他以攤銷成本計量的金融資產而言，本集團確認相等於12個月預期信貸虧損的虧損撥備，除非金融工具的信貸風險自初始確認起顯著增加，在此情況下虧損撥備會以相等於全期預期信貸虧損的金額計量。

3. Significant Accounting Policies (Continued)

Investments and other financial assets (Continued)

(a) Accounting policies applied from 1 April 2018

(Continued)

Impairment (Continued)

When there is a significant increase in credit risk or the proceeds receivables are not settled in accordance with the terms stipulated in the agreements, management considers these receivables as underperforming or non-performing and impairment is measured as lifetime expected credit loss.

(b) Accounting policies applied until 31 March 2018

The Group has applied IFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Until 31 March 2018 the Group classifies its financial assets as loans and receivables. The classification determined on the purpose for which the investments were acquired. Management determined the classification of its investments at initial recognition.

Subsequent measurement

The measurement at initial recognition did not change on adoption of IFRS 9, see description above.

Subsequent to the initial recognition, loans and receivables was subsequently carried at amortised cost using the effective interest method.

Impairment

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was 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) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated.

3. 重大會計政策 (續)

投資及其他金融資產 (續)

(a) 自2018年4月1日起應用的會計政策 (續)

減值 (續)

當信貸風險顯著增加或應收所得款項並非根據協議訂明的條款結付，管理層認為此等應收款項為履約不足或未能履約，會以全期預期信貸虧損計量減值。

(b) 截至2018年3月31日前採用的會計政策

本集團已追溯應用國際財務報告準則第9號，但選擇不重述比較數據。因此，本集團將繼續按照之前的會計政策對提供的比較數據進行會計處理。

截至2018年3月31日前，本集團將其金融資產分類為貸款及應收款項。分類的方法取決於收購投資的用途。管理層於初始確認時釐定投資的分類法。

後續計量

於初始確認時的計量概無更改採納國際財務報告準則第9號，見以上描述。

於初始確認後，貸款及應收款項其後按實際利率法以攤銷成本列賬。

減值

本集團於各報告期末評估是否有客觀跡象顯示金融資產或一組金融資產出現減值。僅於有客觀跡象顯示於首次確認資產後發生一宗或多宗事件導致出現減值（「虧損事件」），而該宗（或該等）虧損事件對該項或該組金融資產之估計未來現金流構成之影響可合理估計時，有關金融資產或一組金融資產將被視作出現減值及產生減值虧損。

3. Significant Accounting Policies (Continued)

Investments and other financial assets (Continued)

(b) Accounting policies applied until 31 March 2018

(Continued)

Impairment (Continued)

Assets carried at amortised cost

For loans and receivables, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss. If a loan had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the Group could measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could 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 was recognised in profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement between 30 and 180 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 24 for further information about the Group's accounting for trade receivables and note 34 for a description of the Group's impairment policies.

3. 重大會計政策 (續)

投資及其他金融資產 (續)

(b) 截至2018年3月31日前採用的會計政策 (續)

減值 (續)

按攤銷成本列賬的資產

就貸款及應收款項而言，虧損金額以資產賬面值與按金融資產原來之實際利率貼現估計之未來現金流（不包括未產生之日後信貸虧損）兩者間之差額計量。資產之賬面值被削減，虧損金額則於損益表確認。倘貸款按浮動利率計息，計量任何減值虧損之貼現率則為根據合約釐定之即期實際利率。作為可行之權宜之計，本集團可利用可觀察之市場價格按工具之公平值計量減值。

倘於其後之期間減值虧損金額減少，而且能夠客觀地釐定減少與確認減值後發生之事項（例如債權人信貸評級改善）相關，則撥回過往確認之減值虧損，並於損益表確認。

抵銷金融工具

本集團目前有法定可強制執行權力可抵銷已確認金額，且有意圖按其淨額作結算或同時變現資產和結算負債，故有關金融資產與負債互相抵銷，並在資產負債表報告其淨額。本集團亦已訂立不符合抵銷條件惟仍可在若干情況（例如破產或終止合約）下抵銷相關金額之安排。

貿易應收款項

貿易應收款項指就於一般業務過程中出售貨品或提供服務而應收客戶之款項。貿易應收款項一般於30日至180日之間結付，因此全部分類為即期。

貿易應收款項最初按無條件代價確認，除非當中包含重大融資部分，則按公平值確認。本集團持有貿易應收款項的目的為收取合約現金流量，因此其後以實際利率法按攤銷成本計算。有關本集團貿易應收款項之會計處理的進一步資料，請參閱附註24，以及有關本集團減值政策的說明，請參閱附註34。

3. Significant Accounting Policies (Continued)

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Share capital

Ordinary shares are classified as equity. 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.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid between 7 and 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as other liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets. Note 6 provides further information on how the Group accounts for government grants.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 重大會計政策 (續)

現金及現金等價物

就呈列現金流量表而言，現金及現金等值項目包括手頭現金、於財務機構的活期存款、其他短期、高流動投資（原到期日為三個月或以下及可隨時轉換為已知金額的現金且所承受價值變動風險不大）。

股本

普通股乃分類為權益。直接由發行新股或購股權引致之新增成本在權益中列為所得款項之減少（扣除稅項）。

貿易及其他應付款項

該等金額指財政年度結束前就已提供予本集團的貨品及服務的未償付負債。該等金額為無抵押，通常自確認當日起7天至180天內支付。貿易應付款項呈列為流動負債，除非付款並非於報告期後12個月內到期。其最初按其公平值確認及其後使用實際利息法按攤銷成本計量。

政府補貼

當有合理保證本集團將遵守政府補貼的附帶條件，並且將會收取該筆補貼，則會以公平值確認政府補貼。

於本集團確認擬作補償補貼的有關成本為開支的期間，有系統地在損益內確認政府補貼。

有關購買物業、廠房及設備的政府補貼列為非流動負債中的其他負債，並按直線基準於相關資產預計使用年內計入損益。附註6載有本集團有關政府補貼的會計法詳情。

作為已產生開支或虧損的補償或作為給予本集團即時財務資助而無日後相關成本的應收政府補貼，於可收取期間在損益確認。

3. Significant Accounting Policies (Continued)

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss 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 prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

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 reporting period.

Gold loans

Gold loans to be repaid by cash are designated as financial liabilities at fair value through profit or loss as the gold loans form part of a contract containing one or more embedded derivatives. Gold loans to be repaid by physical gold are classified as liabilities at fair value through profit or loss.

Gain or losses on gold loans are recognised in the consolidated statement of profit or loss, except for the gains or losses arising from the Group's own credit risk relating financial liabilities at fair value through profit or loss which are presented in other comprehensive income with no subsequent reclassification to the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these liabilities.

3. 重大會計政策 (續)

貸款

借款最初乃按公平值(扣除已產生的交易成本)確認。借款其後按攤銷成本計量，如扣除交易成本之後的所得款項及贖回金額出現差額，則於借款期內以實際利率法於損益內確認。在貸款很有可能部份或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款很有可能部份或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

當合約中規定的責任解除、取消或屆滿時，借貸從資產負債表中剔除。已消除或轉讓給另一方的金融負債的賬面值與已支付代價(包括已轉讓的非現金資產或所承擔的負債)之間的差額，在損益中確認為融資成本。

借款分類為流動負債，惟本集團擁有無條件權利可將負債之清償延遲至報告期後最少十二個月則除外。

黃金借貸

將以現金償還的黃金借貸屬於按公平值計入損益的金融負債，因為黃金借貸組成包含一個或多個嵌入式衍生工具之合約部份。將以實體黃金償還的黃金借貸分類為按公平值計入損益的負債。

黃金借貸的收益或虧損於綜合損益表內確認，惟該等按公平值計入損益的金融負債因本集團自身信貸風險產生的收益或虧損則計入其他全面收益呈列，且不會重新分類至綜合損益表。於綜合損益表確認的公平值收益或虧損淨額並不包括任何扣除此等負債的利息。

3. Significant Accounting Policies (Continued)

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get 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.

Other borrowing costs are expensed in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes income or expense items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 重大會計政策 (續)

借貸成本

直接源自收購、建築或生產合資格資產的一般及特定借貸成本於完成及籌備資產以作其擬定用途或銷售所需期間內資本化。合資格資產指需要大量時間籌備以作擬定用途或銷售的資產。

在特定借款撥作合資格資產支出前之暫時投資所賺取之投資收入，須從合資格資本化之借款成本中扣除。

其他借貸成本於其產生之期間內支銷。

稅項

所得稅開支指即期應繳稅項與遞延稅項的總和。

即期應付稅項乃根據年內的應課稅溢利計算。由於應課稅溢利不包括須於其他年度應課稅或可扣稅的收入或開支項目，亦不包括毋須課稅或不可扣稅的收入或開支項目，故應課稅溢利與綜合損益及其他全面收益表內列賬的「除稅前溢利」不同。本集團的即期稅項負債乃採用於各報告期末已實施或實質上已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的暫時性差異確認。所有應課稅暫時性差異一般均確認為遞延稅項負債。倘可能出現應課稅溢利可用作抵銷所有可扣減暫時性差異，則一般就所有可扣減暫時性差異確認遞延稅項資產。若因商譽或首次確認一項交易之其他資產與負債而產生並無影響應課稅溢利或會計溢利的暫時性差異，則不會確認該等資產與負債。

3. Significant Accounting Policies (Continued)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 重大會計政策 (續)

稅項 (續)

除非本集團可控制有關暫時性差異的回撥及暫時性差異在可見將來都不會回撥，否則將就投資附屬公司及聯營公司相關的應課稅暫時性差異確認遞延稅項負債。與該等投資及權益相關的可扣減暫時性差異所產生的遞延稅項資產僅在動用暫時性差異利益時有足夠的應課稅溢利且預期在可見將來其將被撥回時，方可確認。

於報告期末會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利以收回全部或部分資產為止。

遞延稅項資產及負債基於報告期末已頒佈或實質上已頒佈的稅率（及稅法），按償還負債或變現資產期間的預期適用稅率計算。遞延稅項負債及資產的計量反映本集團預期於報告期末收回或結算資產及負債賬面值的方式產生的稅務結果。

即期及遞延稅項於損益內確認，惟若與其他全面收益或直接於權益確認的項目相關者，則亦分別於其他全面收益或直接於權益確認。當業務合併初步會計時產生即期或遞延稅項，稅務影響計入業務合併的賬目。

3. Significant Accounting Policies (Continued)

Retirement benefits

Payments to retirement benefit plans and government-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in "selling and distribution costs" and "general and administrative expenses". Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the present value of the defined benefit obligation.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3. 重大會計政策 (續)

退休福利

向退休福利計劃及政府管理退休福利計劃支付款項，於僱員已提供令其可享有該項供款的服務時確認為開支。

就定額退休福利計劃而言，提供福利的成本乃採用預計單位給付成本法計算，而精算估值於各年度報告期末進行。由精算收益及虧損、資產上限變動產生的影響（如適用）及計劃資產的回報（利息除外）組成的重新計量會即時在綜合財務狀況表反映，並在其發生期間的其他全面收益中確認為支銷或進賬。在其他全面收益中確認的重新計量即時於保留盈利中反映，且不會重新歸類至損益。過往服務成本在計劃修訂期內於損益中確認。利息淨額透過對界定福利負債或資產淨額採用期初貼現率計算。

界定福利成本分類如下：

- 服務成本（包括現時服務成本、過往服務成本以及削減及結算錄得的收益及虧損）；
- 利息開支或收入淨額；及
- 重新計量。

本集團於損益內分別以「銷售及分銷成本」及「一般及行政開支」呈列定額福利成本首兩個項目。削減損益計入過往服務成本。

在綜合財務狀況表內確認的退休福利承擔，乃為定額福利承擔的現值。

就界定供款計劃而言，本集團根據法定、合約或自願基準向公共或私人管理的退休保險計劃作出供款。一旦作出供款，本集團則無其他付款責任。供款於到期時確認為僱員福利開支。倘有現金退款或日後減少付款的可能性，則預付供款會確認為資產。

3. Significant Accounting Policies (Continued)

Retirement benefits (Continued)

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of goods and the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Sales of goods — Retail

The Group operates a chain of retail stores selling jewellery products and watches. Revenue from the sale of goods is recognised when the product is transferred to the customer who takes delivery in store.

Payment of the transaction price is due from retail customers immediately. The payment is usually settled in cash, by credit cards, by means of electronic payments or settled indirectly through retail malls.

Sales of goods — Customers loyalty programme

Sales of goods that result in award credits for customers, under the Group's customer loyalty programme, are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods supplied and the award credits granted. Revenue is not recognised at the time of the initial sale transaction — but is deferred and recognised as revenue when the cash coupons or points are redeemed and the Group's obligations have been fulfilled.

Accumulated experience is used to estimate the forfeiture of award credits as breakage which is recognised as contract liabilities. The expected breakage amount is recognised as revenue in proportion to the pattern of rights exercised by the customers or when the likelihood of the customer exercising its rights becomes remote.

3. 重大會計政策 (續)

退休福利 (續)

短期僱員福利

就工資及薪金(包括非貨幣福利及累計病假)的負債預期將於期末後12個月內悉數償付，其中僱員所提供之相關服務將就彼等截至報告期末止之服務予以確認，並按清償負債時預期將予支付之金額計量。負債於資產負債表呈列為即期僱員福利債務。

營業額確認

營業額按本集團一般業務過程中出售商品及提供服務的已收或應收代價的公平值計量。

營業額於產品或服務的控制權轉移至客戶時確認，金額為本集團預期將有權收取之承諾代價，但不包括代表第三方收取的有關金額。營業額不包括增值稅或其他銷售稅，且乃經扣減任何貿易折扣。

銷售產品 — 零售

本集團營運銷售珠寶產品及鐘錶的連鎖零售店。銷售商品的營業額在商品於店內轉移予客戶時確認。

應收零售顧客的交易付款即時到期，款項通常以現金、信用卡或電子支付結算或間接通過零售商場結算。

銷售產品 — 客戶忠誠度計劃

根據本集團客戶忠誠度計劃向顧客提供獎勵額度之貨品銷售入賬為多元營業額交易，且已收或應收代價之公平值於供應貨品及所給予獎勵額度之間分配。營業額不會於最初銷售交易時確認，而是遞延至現金券或積分獲兌換及本集團已履行有關責任時方會確認為營業額。

本集團使用累計經驗估計棄權的獎勵額度為未用量，並已確認為合約負債。預期未用量金額依照客戶行使權利的模式或客戶不大可能行使權利時按比例確認為營業額。

3. Significant Accounting Policies (Continued)

Revenue recognition (Continued)

Sales of goods — Wholesale to franchisees/retailers and Jewellery trading

The Group manufactures and sells a range of jewellery products in the wholesale market. Sales are recognised when control of the products has transferred to franchisees/retailers and jewellery trading customers. The franchisees/retailers and jewellery trading customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the franchisees'/retailers' and jewellery trading customers' acceptance of the products. Control is transferred when the risks of obsolescence and loss have been transferred to the franchisees/retailers and jewellery trading customers, and either the franchisees/retailers and jewellery trading customers have accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A contract liability is also recognised when the franchisees/retailers pay deposits before the Group transfers control of the goods to the franchisees/retailers.

Service income from franchisees

The Group provides services to franchisees under fixed-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

3. 重大會計政策 (續)

營業額確認 (續)

銷售產品 — 向加盟商／分銷商批發及珠寶貿易

本集團製造及於批發市場銷售多種珠寶產品。銷售於產品的控制權轉移至加盟商／分銷商及珠寶貿易客戶時確認。加盟商／分銷商及珠寶貿易客戶對出售產品的渠道及價格有全部決定權，且沒有未達成義務而可能影響加盟商／分銷商及珠寶貿易客戶接納產品的結果。控制權轉移的時間為淘汰或虧蝕風險轉移至加盟商／分銷商及珠寶貿易客戶，且加盟商／分銷商及珠寶貿易客戶根據銷售合約接納產品、接納條文已逾期、或本集團有客觀證據證明所有接納條件均已達成。

合約負債亦於加盟商／分銷商在本集團轉移商品控制權予加盟商／分銷商前支付按金時確認。

來自加盟商的服務收入

本集團按固定價格合約向加盟商提供服務。提供服務的收入在服務提供的會計期間確認。

就固定價格合約而言，營業額按報告期末實際已提供的服務佔將予提供的服務總額的比例確認，因為客戶同時接受及使用利益。

倘屬固定價格合約，客戶根據付款時間表支付固定金額。倘本集團提供的服務超過付款金額，則可確認合約資產。倘付款超過所提供的服務，則確認合約負債。

3. Significant Accounting Policies (Continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals and concessionaire fees arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets.

Interest income on financial assets at amortised cost (2018 — loans and receivables) calculated using the effective interest method is recognised in the consolidated statement of profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired.

3. 重大會計政策 (續)

租賃

其條款將所有權絕大部份風險及回報轉讓予承租人的租賃分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃之租金收入按直線法在有關租賃之租期內於損益確認。在磋商和安排經營租賃期間錄得之初始直接成本計入租賃資產之賬面值。

本集團作為承租人

經營租賃付款按直線法於租期內確認為開支。經營租賃產生的或然租金及專權分成於所產生的期內確認為開支。

倘於訂立經營租賃時收取租賃優惠，則有關優惠確認為負債。優惠總利益以直線法確認為租金開支減少。

股息分派

就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額(已經適當授權及再不由實體酌情決定)作出撥備。

利息收入

來自按公平值計入損益的金融資產的利息收入計入該等資產的公平值收益/(虧損)淨額中。

按攤銷成本計量的金融資產的利息收入(2018年 — 貸款及應收款項)使用實際利率法計算，於綜合損益表確認為其他收入。

持作現金管理用途的金融資產賺取利息收入時，利息收入會呈列為融資收入。

利息收入將實際利率應用至金融資產賬面總值計算得出，惟其後出現信貸虧損的金融資產除外。

4. Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Valuation of inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value of inventories is based on estimated selling prices less any estimated costs to be incurred to completion and disposal. It is the Group's policy to review the net realisable value of inventories periodically with reference to current market situation and conditions of the items. The assessment of net realisable value of inventories was based on economic conditions, marketability of products and the forecast market price of gold, platinum and gemstones used to make the jewellery products. The Group's management also engaged an independent professional gemmologist to perform valuation and assess conditions of certain items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation. The Group reassessed the estimation at the end of each reporting period. As at 31 March 2019, the carrying amount of inventories was HK\$39,486.1 million (net of allowances of HK\$159.5 million) (2018: carrying amount of HK\$34,929.4 million (net of allowances of HK\$277.1 million)). Reversal of allowances on inventories of HK\$113.5 million (2018 provision of allowance of HK\$207.7 million) were recognised in consolidated statement of profit or loss during the year ended 31 March 2019.

4. 估計不明朗因素的主要來源

本公司董事於應用附註3所述之本集團會計政策時，須就無法直接通過其他來源獲得之資產及負債賬面值作出判斷、估計及假設。估計及假設是基於歷史經驗及視為相關之其他因素。實際結果可能與該等估計存在差異。

這些估計及相關假設會持續予以審閱。如會計估計的修訂僅對修訂期間產生影響，則其修訂只會在當期確認；如會計估計的修訂對修訂期間及未來期間均產生影響，相關修訂則同時在修訂當期和未來期間進行確認。

於報告期末，有關未来的主要假設及其他估計不明朗因素之主要來源（於下一財政年度具有相當風險導致資產及負債賬面值出現重大調整）如下。

存貨估值

存貨按成本與可變現淨值兩者中之較低者列賬。存貨之可變現淨值乃根據估計售價減完成及出售將予產生之任何估計成本而計算。本集團的政策為參照現時市況及項目狀況以定期檢討存貨可變現淨值。存貨可變現淨值的評估以經濟狀況、產品受歡迎程度及用於製造珠寶產品的黃金、鉑金及寶石的市場價值預測為基礎。此外，本集團管理層亦委聘獨立專業珠寶鑒定師以進行估值，並參照國際鑽石價格、其專業知識和現時市況，對珠寶鑲嵌首飾的寶石測試進行估值以評核若干存貨的狀況。本集團於各報告期末重新評核估算結果。於2019年3月31日，存貨的賬面值為39,486.1百萬港元（扣減撥備159.5百萬港元）（2018年：賬面值34,929.4百萬港元（扣減撥備277.1百萬港元））。截至2019年3月31日止年度於綜合損益表內確認的存貨撥備撥回為113.5百萬港元（2018年：撥備207.7百萬港元）。

4. Key Sources of Estimation Uncertainty

(Continued)

Valuation of jewellery collectibles

The jewellery collectibles are those unique treasures with extremely high-value considered by the Group and are designated not for sale. They are classified as non-current assets at cost less accumulated impairment loss, if any. In estimating the valuation of jewellery collectibles, it is the Group's policy to review the conditions of items by internal gemologist and assess the recoverable amount periodically with reference to international diamond prices and market research reports on jewellery industry. The Group's management on a regular basis reviews if there is impairment indicator and estimated the recoverable amount if necessary. The Group's management also engaged an independent professional gemologist to perform valuation and assess the conditions of items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation. As at 31 March 2019, the carrying amount of jewellery collectibles was HK\$1,520.1 million (2018: HK\$1,520.1 million). The management of the Group determined that the carrying amount of jewellery collectibles approximated its costs less accumulated impairment.

Useful lives, residual value and impairment of property, plant and equipment, investment properties and other intangible assets

The Group's management determines the estimated useful lives, residual value and related depreciation and amortisation charges for its property, plant and equipment, investment properties and other intangible assets. This estimate is based on the historical experience of the actual useful lives and residual value of property, plant and equipment, investment properties and other intangible assets of similar nature and functions. Management will increase the depreciation and amortisation charges where useful lives or residual value are expected to be shorter or lower than estimated, or it will write-off or write-down obsolete assets that have been abandoned. Changes in these estimations may have a material impact on the results of the Group, which would be recognised in profit or loss in the year when such change occur. As at 31 March 2019, the carrying amounts of property, plant and equipment, investment properties and other intangible assets were HK\$5,488.0 million (2018: HK\$5,340.7 million), HK\$219.2 million (2018: HK\$233.5 million) and HK\$253.7 million (2018: HK\$306.4 million), respectively.

4. 估計不明朗因素的主要來源 (續)

珠寶珍藏估值

本集團視珠寶珍藏為獨一無二、價值不菲的珍藏並指定為非賣品。該等珍藏按成本減累計減值虧損(如有)分類為非流動資產。對珠寶珍藏進行估值時，本集團的政策是以內部珠寶鑒定師檢討項目狀況並參照國際鑽石價格以及珠寶行業的市場調研報告定期評核可收回金額。本集團管理層定期檢視是否存在減值跡象以及估計可收回金額(如有需要)。此外，本集團管理層亦委聘獨立專業珠寶鑒定師以進行估值，並參照國際鑽石價格、其專業知識和現時市況，對珠寶鑲嵌首飾的寶石測試進行估值以評核珠寶珍藏的狀況。於2019年3月31日，珠寶珍藏的賬面值為1,520.1百萬港元(2018年：1,520.1百萬港元)。本集團管理層斷定該等珠寶珍藏的賬面值與成本減累計減值相若。

物業、廠房及設備、投資物業及其他無形資產的可使用年期、剩餘價值及減值

本集團管理層釐定其物業、廠房及設備、投資物業及其他無形資產的估計可使用年期、剩餘價值及有關折舊及攤銷費用。有關估計乃根據性質及功能相若的物業、廠房及設備、投資物業及其他無形資產的實際可使用年期及剩餘價值的過往經驗而進行。倘預期可使用年期或剩餘價值將短於或低於估計水平，管理層將增加折舊及攤銷開支或撇銷或撇減已報廢的陳舊資產。該等估計的變動可能對本集團業績產生重大影響，而有關變動於出現年度的損益內確認。於2019年3月31日，物業、廠房及設備、投資物業及其他無形資產的賬面值分別為5,488.0百萬港元(2018年：5,340.7百萬港元)、219.2百萬港元(2018年：233.5百萬港元)及253.7百萬港元(2018年：306.4百萬港元)。

4. Key Sources of Estimation Uncertainty

(Continued)

Deferred taxation in respect of temporary differences attributable to the undistributed profits of subsidiaries in Mainland China

The Group's management determines the dividend distribution plan of the subsidiaries in Mainland China. Based on the dividend distribution plan, retained profits as at 31 March 2019 amounting to HK\$7,685.9 million (2018: HK\$7,948.4 million) will be distributed by the subsidiaries as dividend in the foreseeable future, while the remaining retained profits amounting to HK\$5,672.4 million (2018: HK\$6,784.0 million) has been set aside for reinvestment by the subsidiaries and will not be distributed in the foreseeable future. The Group's management further reassesses the dividend withholding tax rate based on current dividend distribution plan and determines that certain of these subsidiaries should be entitled to a withholding tax at the rate of 5% for dividend payments. The dividend distribution plan is determined and made with reference to the Group's approved expansion plans in Mainland China. Future change in the dividend distribution plan may have a material impact on the amount of deferred taxation being recognised.

5. Revenue and Segment Information

Revenue represents the net amounts received and receivable for goods sold and services provided less returns and net of trade discounts.

For the purposes of resource allocation and performance assessment, information reported to the chief operating decision maker (the "CODM"), which comprises executive directors of the Company, mainly focuses on the location of management. Revenue derived from each location of management is further analysed into those from retail and wholesale markets when reviewed by the CODM. The Group's reportable and operating segments for the years ended 31 March 2019 and 2018 included two segments, namely (i) business in the Mainland China and (ii) business in Hong Kong, Macau and other markets.

4. 估計不明朗因素的主要來源 (續)

中國內地附屬公司之未分派溢利所引出的暫時性差異之相關遞延稅項

本集團管理層釐定中國內地附屬公司之股息分派計劃。根據股息分派計劃，該等附屬公司於2019年3月31日之保留溢利合共7,685.9百萬港元(2018年：7,948.4百萬港元)將於可見未來分派作為股息，而餘下保留溢利合共5,672.4百萬港元(2018年：6,784.0百萬港元)已保留作該等附屬公司再投資用途，而不會於可見將來分派。本集團管理層進一步根據現行股息分派計劃重新評估股息預扣稅率並釐定若干附屬公司以5%的稅率繳納派付股息的預扣稅。股息分派計劃參照本集團經批准的中國內地拓展計劃制定及進行。股息分派計劃的日後變動或會對所確認遞延稅項金額造成重大影響。

5. 營業額及分部資料

營業額指已收及應收售出商品及提供服務款項減退貨及交易折扣的淨額。

就資源分配及表現評估而向主要營運決策者(即本公司執行董事)報告的資料主要按管理所在地劃分。主要營運決策者在審閱時會進一步將各管理所在地所得營業額按零售及批發市場劃分進行分析。截至2019年3月31日及2018年3月31日止年度，本集團的可呈報營運分部包括兩個分部，即(i)位於中國內地的業務及(ii)位於香港、澳門及其他市場的業務。

5. Revenue and Segment Information

(Continued)

(a) Analysis of the Group's revenue and results by reportable segment

For the year ended 31 March

		Mainland China 中國內地		Hong Kong, Macau and other markets 香港、澳門及其他市場		Total 總計	
		2019 HK\$ million 百萬元	2018 HK\$ million 百萬元	2019 HK\$ million 百萬元	2018 HK\$ million 百萬元	2019 HK\$ million 百萬元	2018 HK\$ million 百萬元
Revenue	營業額						
External sales (note i)	外界銷售(附註i)						
— Retail	— 零售	30,423.7	28,096.2	23,058.3	20,632.7	53,482.0	48,728.9
— Wholesale (note ii)	— 批發(附註ii)	12,008.3	8,708.3	1,170.6	1,719.2	13,178.9	10,427.5
Segment/group revenue	分部/集團營業額	42,432.0	36,804.5	24,228.9	22,351.9	66,660.9	59,156.4
Inter-segment sales (note iii)	分部間銷售 (附註iii)	—	25.9	3,405.3	3,122.2	3,405.3	3,148.1
		42,432.0	36,830.4	27,634.2	25,474.1	70,066.2	62,304.5
Adjusted gross profit (before elimination)	經調整毛利 (撇銷前)	12,237.2	10,574.4	6,524.0	5,697.2	18,761.2	16,271.6
Inter-segment eliminations	分部間撇銷	1.3	(1.3)	(161.7)	(151.5)	(160.4)	(152.8)
Adjusted gross profit (note i)	經調整毛利 (附註i)	12,238.5	10,573.1	6,362.3	5,545.7	18,600.8	16,118.8
Other income	其他收入	252.7	292.7	143.1	115.2	395.8	407.9
Selling and distribution costs and general and administrative expenses	銷售及分銷成本 與一般及行政 開支	(7,486.7)	(6,598.8)	(4,537.8)	(4,321.5)	(12,024.5)	(10,920.3)
Core operating profit (segment result)	主要經營溢利 (分部業績)	5,004.5	4,267.0	1,967.6	1,339.4	6,972.1	5,606.4
Unrealised gain on gold Others (note iv)	黃金未變現收益 其他(附註iv)					1.0 (333.5)	94.6 294.3
Interest income	利息收入					82.7	80.3
Finance costs	融資成本					(370.3)	(243.7)
Profit before taxation	除稅前溢利					6,352.0	5,831.9
Other segment information included in measurement of core operating profit (segment result):	計入主要經營 溢利(分部業績) 計量的其他 分部資料:						
Concessionaire fees	專櫃分成	1,891.7	1,872.0	16.3	16.4	1,908.0	1,888.4
Operating lease payments in respect of rented premises	承租物業經營 租賃款項	353.8	276.3	1,204.1	1,306.1	1,557.9	1,582.4
Staff costs	員工成本	2,852.4	2,471.0	1,769.3	1,465.2	4,621.7	3,936.2
Depreciation and amortisation	折舊及攤銷	616.5	530.8	349.9	354.3	966.4	885.1

5. 營業額及分部資料 (續)

(a) 按可呈報分部劃分的本集團營業額及業績分析

截至3月31日止年度

5. Revenue and Segment Information

(Continued)

(a) Analysis of the Group's revenue and results by reportable segment (Continued)

Notes:

- (i) Included in the external sales and adjusted gross profit, HK\$725.2 million (2018: HK\$661.9 million) and HK\$275.4 million (2018: HK\$270.2 million) are generated from Hearts On Fire Company, LLC.
- (ii) Wholesale revenue represents revenue from jewellery trading, sales to franchisees and retailers and provision of services to franchisees.
- (iii) Inter-segment sales are charged at a price mutually agreed by both parties.
- (iv) Others represent other gains and losses and other expenses.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Adjusted gross profit represents the gross profit generated from each segment without allocation of unrealised gain on gold. Core operating profit represents the profit generated from each segment without allocation of unrealised gain on gold, other gains and losses, other expenses, interest income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

5. 營業額及分部資料 (續)

(a) 按可呈報分部劃分的本集團營業額及業績分析 (續)

附註：

- (i) 來自 Hearts On Fire Company, LLC 的外界銷售及經調整毛利為 725.2 百萬港元 (2018 年：661.9 百萬港元) 及 275.4 百萬港元 (2018 年：270.2 百萬港元)。
- (ii) 批發營業額指珠寶貿易、銷售予加盟商及分銷商的營業額及提供服務予加盟商的收入。
- (iii) 分部間銷售按雙方協定之價格支銷。
- (iv) 其他指其他收益及虧損及其他開支。

可呈報分部的會計政策與附註 3 所述本集團的會計政策相同。經調整毛利指在未分配黃金未變現收益前各分部所產生的毛利。主要經營溢利指在未分配黃金未變現收益、其他收益及虧損、其他開支、利息收入及融資成本前各分部所產生的溢利。此為向主要營運決策者匯報以作資源分配及表現評估的計量基準。

5. Revenue and Segment Information

(Continued)

(b) Analysis of the Group's assets by reportable segment

As at 31 March

		Mainland China 中國內地		Hong Kong, Macau and other markets 香港、澳門及其他市場		Total 總計	
		2019 HK\$ million 百萬元	2018 HK\$ million 百萬元	2019 HK\$ million 百萬元	2018 HK\$ million 百萬元	2019 HK\$ million 百萬元	2018 HK\$ million 百萬元
Property, plant and equipment	物業、廠房及設備	3,769.8	3,958.4	1,718.2	1,382.3	5,488.0	5,340.7
Investment properties	投資物業	–	–	219.2	233.5	219.2	233.5
Jewellery collectibles	珠寶珍藏	–	–	1,520.1	1,520.1	1,520.1	1,520.1
Inventories	存貨	20,838.1	18,387.8	18,648.0	16,541.6	39,486.1	34,929.4
Total segment assets	總分部資產	24,607.9	22,346.2	22,105.5	19,677.5	46,713.4	42,023.7
Unallocated:	未分配：						
Land use rights	土地使用權					177.2	189.8
Goodwill and other intangible assets	商譽及其他無形資產					511.5	564.2
Deposits paid for acquisition of property, plant and equipment	購買物業、廠房及設備已付按金					38.7	27.6
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產					11.2	–
Investments in associates and amounts due from associates	於聯營公司之投資及應收聯營公司款項					54.7	62.2
Loan receivables	應收貸款					31.0	55.3
Deferred tax assets	遞延稅項資產					420.1	293.1
Trade and other receivables	貿易及其他應收款項					6,638.7	6,410.0
Cash and cash equivalents	現金及現金等價物					7,640.6	7,944.0
Total assets	總資產					62,237.1	57,569.9

Segment liabilities

No liabilities are included in the measures of the Group's segment reporting that are reviewed by the CODM. Accordingly, no segment liabilities are presented.

5. 營業額及分部資料 (續)

(b) 按可呈報分部劃分的本集團資產分析

於3月31日

分部負債

主要營運決策者審閱的本集團分部呈報計量並無計入負債，因此並無呈列分部負債。

5. Revenue and Segment Information

(Continued)

(c) Analysis of the Group's assets by geographical area

The Group's non-current assets, excluding loan receivables, amounts due from associates, financial assets at fair value through profit or loss and deferred tax assets, by geographical areas are as follows:

As at 31 March

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Mainland China	中國內地	4,402.4	4,161.6
Hong Kong, Macau and other markets	香港、澳門及其他市場	3,552.3	3,714.3
		7,954.7	7,875.9

(d) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product lines:

For the year ended 31 March

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
At a point in time	於某一時點		
Retail sales of	零售銷售		
— Gem-set jewellery	— 珠寶鑲嵌首飾	12,187.7	11,659.1
— Gold products	— 黃金產品	31,892.3	28,159.3
— Platinum/karat gold products	— 鉑金／K金產品	5,756.6	5,463.2
— Watches	— 鐘錶	3,645.4	3,447.3
		53,482.0	48,728.9
Wholesale to franchisees/retailers	向加盟商／分銷商批發	12,484.2	9,163.0
Jewellery trading	珠寶貿易	494.7	1,144.1
Over time	於一段時間內		
Service income from franchisees	來自加盟商的服務收入	200.0	120.4
		66,660.9	59,156.4

No individual customer contributed over 10% of the total revenue of the Group in both years.

5. 營業額及分部資料 (續)**(c) 按地域位置劃分的本集團資產分析**

按地域位置劃分的本集團非流動資產（不包括應收貸款、應收聯營公司款項、按公平值計入損益的金融資產及遞延稅項資產）分析如下：

於3月31日**(d) 客戶合約營業額細分**

本集團從轉讓貨品及服務於某一時點及於一段時間內所衍生的營業額，主要產品線如下：

截至3月31日止年度

兩個年度內，概無個別顧客佔本集團每年總營業額10%以上。

6. Other Income

6. 其他收入

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Government grants (note)	政府補貼(附註)	107.1	138.8
Commission income	回扣收入	96.9	89.6
Other income from franchisees	來自加盟商的其他收入	56.2	81.1
Rental income	租金收入	14.4	12.5
Interest income from trade receivables	貿易應收款項的利息收入	47.2	6.7
Interest income from loan receivables	應收貸款的利息收入	1.5	1.2
Others	其他	72.5	78.0
		395.8	407.9

Note: This mainly represents the government incentives granted by the government in Mainland China for the development of the Group's operation in Mainland China.

附註：主要為中國內地政府提供的政府獎勵，以推動本集團中國內地的業務發展。

7. Other Gains and Losses

7. 其他收益及虧損

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Net foreign exchange (loss)/gain	匯兌(虧損)/收益淨額	(241.2)	343.0
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(17.8)	(7.1)
Others	其他	(17.2)	6.5
		(276.2)	342.4

8. Interest Income and Finance Costs

8. 利息收入及融資成本

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Interest income from	利息收入		
— banks	— 銀行	82.7	66.9
— others	— 其他	—	13.4
		82.7	80.3
Finance costs on borrowings	借貸融資成本		
— gold loans	— 黃金借貸	161.4	133.0
— bank borrowings	— 銀行貸款	208.9	110.7
		370.3	243.7

9. Profit Before Taxation

9. 除稅前溢利

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Profit before taxation has been arrived at after charging/(crediting):	除稅前溢利已扣除／(計入)：		
Directors' remuneration (note 10)	董事酬金(附註10)	92.6	62.4
Staff's retirement benefits scheme contributions	員工退休福利計劃供款	613.3	546.2
Staff costs	員工成本	3,915.8	3,327.6
		4,621.7	3,936.2
Cost of inventories recognised as expenses	存貨成本確認為開支	46,723.5	41,579.9
Concessionaire fees	專櫃分成	1,908.0	1,888.4
Operating lease rentals in respect of rented premises	承租物業經營租賃租金	1,557.9	1,582.4
Depreciation of property, plant and equipment	物業、廠房及設備折舊	885.1	806.6
Depreciation of investment properties	投資物業折舊	14.3	14.3
Amortisation of land use rights	土地使用權攤銷	14.3	14.3
Amortisation of other intangible assets	其他無形資產攤銷	52.7	49.9
(Reversal of)/allowances on inventories (included in cost of goods sold)	存貨(撥回)／準備(計入銷售成本內)	(113.5)	207.7
Allowances for doubtful debts	壞賬準備	27.5	18.3
Impairment loss of amount due from an associate (included in other expense)	應收一家聯營公司款項之減值虧損(計入其他開支)	5.0	—
Fair value loss of gold loans (included in cost of goods sold)	黃金借貸的公平值虧損(計入銷售成本內)	117.2	35.3
Donations (included in other expenses)	捐款(計入其他開支內)	9.9	8.3
Auditors' remuneration	核數師酬金		
— audit services	— 核數服務	6.6	8.7
— non-audit services	— 非核數服務	5.2	3.1

10. Directors', Chief Executives' and Employees' Emoluments

10. 董事、最高行政人員及僱員酬金

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Directors' fees	董事袍金	4.1	4.1
Other emoluments to directors	董事的其他酬金		
— salaries and other benefits	— 薪金及其他福利	35.3	27.0
— performance-based bonus	— 績效花紅	48.7	28.9
— retirement benefits scheme contributions	— 退休福利計劃供款	4.5	2.4
		92.6	62.4

10. Directors', Chief Executives' and Employees' Emoluments (Continued)

Details of emoluments paid by the Group to the directors and the chief executives of the Company are as follows:

		2019					2018				
		Director's fee	Salaries and other benefits	Performance based bonus	Retirement benefits scheme contributions	Total	Director's fee	Salaries and other benefits	Performance based bonus	Retirement benefits scheme contributions	Total
		董事袍金	薪金及其他福利	績效花紅	退休福利計劃供款	總計	董事袍金	薪金及其他福利	績效花紅	退休福利計劃供款	總計
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
				(note i)					(note i)		
				(附註 i)					(附註 i)		
Executive directors:	執行董事：										
Dr. Cheng Kar-Shun, Henry (Chairman)	鄭家純博士(主席)	0.2	5.9	7.4	0.6	14.1	0.2	4.5	4.7	0.2	9.6
Mr. Wong Siu-Kee, Kent (Managing Director)	黃紹基先生(董事總經理)	0.2	5.9	8.4	0.6	15.1	0.2	4.5	5.0	0.5	10.2
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士	0.2	2.4	3.5	0.6	6.7	0.2	1.6	2.0	0.2	4.0
Mr. Cheng Chi-Heng, Conroy	鄭志恒先生	0.2	3.1	3.8	0.6	7.7	0.2	2.3	1.2	0.3	4.0
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	0.2	3.3	4.7	0.8	9.0	0.2	2.5	2.7	0.3	5.7
Mr. Chan Sai-Cheong	陳世昌先生	0.2	3.8	5.8	0.3	10.1	0.2	3.0	3.7	0.3	7.2
Mr. Suen Chi-Keung, Peter	孫志強先生	0.2	3.0	4.1	0.3	7.6	0.2	2.3	2.4	0.2	5.1
Mr. Chan Hiu-Sang, Albert	陳曉生先生	0.2	2.9	3.8	0.3	7.2	0.2	2.4	2.5	0.1	5.2
Mr. Liu Chun Wai, Bobby	廖振為先生	0.2	2.9	4.2	0.3	7.6	0.2	2.2	2.7	0.2	5.3
Non-executive director:	非執行董事：										
Mr. Cheng Kam-Biu, Wilson (note ii)	鄭錦標先生(附註 ii)	0.2	2.1	2.0	0.1	4.4	0.2	1.7	1.5	0.1	3.5
Independent non-executive directors:	獨立非執行董事：										
Mr. Cheng Ming-Fun, Paul	鄭明訓先生	0.4	-	0.2	-	0.6	0.4	-	0.1	-	0.5
Dr. Fung Kwok-King, Victor	馮國經博士	0.4	-	0.2	-	0.6	0.4	-	0.1	-	0.5
Mr. Kwong Che-Keung, Gordon	鄺志強先生	0.5	-	0.2	-	0.7	0.5	-	0.1	-	0.6
Mr. Lam Kin-Fung, Jeffrey	林健鋒先生	0.4	-	0.2	-	0.6	0.4	-	0.1	-	0.5
Dr. Or Ching-Fai, Raymond	柯清輝博士	0.4	-	0.2	-	0.6	0.4	-	0.1	-	0.5
Total	總計	4.1	35.3	48.7	4.5	92.6	4.1	27.0	28.9	2.4	62.4

Notes:

- (i) The performance-based bonus is discretionary based on the Group's financial results and directors' performance decided by the management of the Group.
- (ii) Mr. Cheng Kam-Biu, Wilson was re-designated as an executive director with effect from 1 April 2019.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The emoluments of the non-executive directors and independent non-executive directors shown above were mainly for their services as directors of the Company.

10. 董事、最高行政人員及僱員酬金 (續)

本集團向本公司董事及最高行政人員支付的酬金詳情如下：

附註：

- (i) 績效花紅乃由本集團管理層按本集團的財務業績及董事表現酌情釐定。
- (ii) 鄭錦標先生自2019年4月1日起調任為執行董事。

上文所示之執行董事酬金主要有關彼等就管理本公司及本集團事務提供服務。上文所示之非執行董事及獨立非執行董事酬金主要有關彼等擔任本公司董事職務。

10. Directors', Chief Executives' and Employees' Emoluments (Continued)**Five highest paid individuals**

The five highest paid individuals included five directors (2018: five) of the Company, details of whose emoluments are included above.

During the years ended 31 March 2019 and 2018, no emoluments were paid by the Group to the directors and the chief executives of the Company or the five highest paid individuals (including directors, the chief executives and employees) as compensation for loss of office and as an inducement to join or upon joining the Group. None of the directors have waived any emoluments during the years ended 31 March 2019 and 2018.

Emoluments of senior management

Other than the emoluments of directors and five highest paid individuals disclosed above, the emoluments of the senior management whose profiles are included in "Profile of Directors and Senior Management" section fell within the following bands:

		Number of individuals 僱員數目	
		2019	2018
Nil to HK\$1,000,000	零至1,000,000港元	1	—
HK\$1,500,001 — HK\$2,000,000	1,500,001港元至2,000,000港元	2	8
HK\$2,000,001 — HK\$2,500,000	2,000,001港元至2,500,000港元	6	1
HK\$2,500,001 — HK\$3,000,000	2,500,001港元至3,000,000港元	1	—
		10	9

10. 董事、最高行政人員及僱員酬金
(續)**五名最高酬金人士**

五名最高酬金人士包括本公司五名董事(2018年：五名)，彼等薪酬詳情載於上文。

截至2019年3月31日及2018年3月31日止年度，本集團並無向本公司董事及最高行政人員或五名最高酬金人士(包括董事、最高行政人員及僱員)支付酬金，以作為離任職位的補償及吸引彼等加入或當加入本集團時的獎勵。截至2019年3月31日及2018年3月31日止年度並無任何董事放棄任何薪酬。

高級管理人員酬金

除上述董事及五名最高酬金人士的酬金外，高級管理人員(履歷載於「董事及高級管理人員簡介」一節)的酬金乃介乎下列範圍：

11. Taxation

11. 稅項

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
The taxation charge comprises:	稅項開支包括：		
Current tax:	即期稅項：		
Enterprise Income Tax ("EIT") in Mainland China	中國內地企業所得稅	1,035.8	941.1
Hong Kong Profits Tax	香港利得稅	289.7	401.2
Macau complementary tax	澳門所得補充稅	60.5	44.5
Taxation in other jurisdictions	其他司法地區之稅項	3.5	1.1
		1,389.5	1,387.9
Under/(over)provision in prior years:	過往年度撥備不足／(超額撥備)：		
EIT in Mainland China	中國內地企業所得稅	25.7	(17.5)
Hong Kong Profits Tax	香港利得稅	111.5	0.2
Taxation in other jurisdictions	其他司法地區之稅項	2.4	—
		139.6	(17.3)
Deferred tax charge (note 22)	遞延稅項開支(附註22)	114.8	230.9
Withholding tax*	預扣稅*	24.1	27.1
		1,668.0	1,628.6

* Withholding tax mainly represents withholding tax on intra-group licence income and interest income from Mainland China subsidiaries.

* 預扣稅主要指集團內公司間的授權收入及中國內地附屬公司的利息收入的預扣稅。

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

兩個年度內，香港利得稅乃按估計應課稅溢利按16.5%稅率計算。

Under the Enterprise Income Tax Law (the "EIT Law") of the People's Republic of China ("PRC") and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries in Mainland China is 25% for both years.

根據中華人民共和國(「中國」)企業所得稅法及其實施細則，中國內地附屬公司的稅率兩年均為25%。

For certain subsidiaries of the Company in Mainland China, they are entitled to the tax incentives in connection with the development of the western part of Mainland China. The applicable tax rate is 15% for both years.

本公司若干中國內地附屬公司獲有關中國內地西部發展的稅項優惠。兩個年度的適用稅率均為15%。

Macau complementary tax is calculated at the maximum progressive rate of 12% on the estimated assessable profit for both years.

兩個年度內，澳門所得補充稅乃按估計應課稅溢利按最高累進稅率12%計算。

11. Taxation (Continued)

Taxation charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss as follows:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Profit before taxation	除稅前溢利	6,352.0	5,831.9
Tax at the applicable income tax rate: (Mainland China: 25%; Hong Kong: 16.5%; Macau: 12%)	按適用所得稅率計算的稅項： (中國內地：25%；香港：16.5%； 澳門：12%)	1,309.0	1,465.6
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	18.1	36.8
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(48.2)	(85.7)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	56.9	80.5
Utilisation of tax losses previously not recognised	動用先前未確認的稅項虧損	(28.0)	(40.7)
Tax effect of tax exemptions and incentives granted to certain subsidiaries in Mainland China	若干中國內地附屬公司稅項豁免及 優惠的稅務影響	(23.7)	(38.2)
Withholding tax on undistributed profits of subsidiaries in Mainland China	中國內地附屬公司未分派溢利預扣稅	202.2	204.7
Under/(over)provision in prior years	過往年度撥備不足／(超額撥備)	139.6	(17.3)
Withholding tax	預扣稅	24.1	27.1
Others	其他	18.0	(4.2)
Taxation charge for the year	年內稅項支出	1,668.0	1,628.6

At 31 March 2019, the Group has tax losses of HK\$1,025.4 million (2018: HK\$870.0 million) not recognised as deferred tax assets.

The ageing of unrecognised tax losses by expiry date is as follows:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
0–5 years	0–5年	209.6	261.9
16–20 years	16–20年	607.7	399.5
Unlimited	未有年限	208.1	208.6
		1,025.4	870.0

At 31 March 2019, the Group has deductible temporary differences of HK\$12.9 million (2018: HK\$13.8 million) of which deferred taxation has not been recognised. Tax effect of such deductible temporary differences as at 31 March 2019 was HK\$2.1 million (2018: HK\$2.3 million).

11. 稅項 (續)

年內稅項支出可與綜合損益表的除稅前溢利對賬如下：

於2019年3月31日，本集團未確認為遞延稅項資產的稅項虧損為1,025.4百萬港元(2018年：870.0百萬港元)。

按到期日劃分未確認稅項虧損的賬齡如下：

於2019年3月31日，本集團尚未就此確認遞延稅項的可扣減暫時性差異為12.9百萬港元(2018年：13.8百萬港元)。上述於2019年3月31日可扣減暫時性差異的稅務影響為2.1百萬港元(2018年：2.3百萬港元)。

11. Taxation (Continued)

Under the EIT Law of the PRC, withholding tax of 5% to 10% (2018: 5% to 10%) is imposed on dividends declared in respect of profits earned by subsidiaries in Mainland China from 1 January 2008 onwards. Based on the dividend distribution plan of the management, retained profits as at 31 March 2019 amounting to HK\$7,685.9 million (2018: HK\$7,948.4 million) will be distributed as dividend in the foreseeable future, while the remaining retained profits amounting to HK\$5,672.4 million (2018: HK\$6,784 million) has been set aside for reinvestment and will not be distributed in the foreseeable future.

12. Earnings Per Share

The calculation of the basic earnings per share for the year is based on the consolidated profit attributable to shareholders of the Company for the year and on the number of 10,000,000,000 (2018: 10,000,000,000) shares in issue during the year.

Diluted earnings per share is the same as basic earnings per share as there was no potential ordinary share dilution during both years.

13. Dividends

		2019		2018	
		HK cents per share 每股港仙	HK\$ million 百萬港元	HK cents per share 每股港仙	HK\$ million 百萬港元
Dividends paid and recognised as distribution during the year	於年內支付及確認為分派之股息				
For current year:	本年度：				
— Interim dividends	— 中期股息	15.0	1,500.0	12.0	1,200.0
For prior year:	上年度：				
— Final dividends	— 末期股息	15.0	1,500.0	10.0	1,000.0
— Special dividends	— 特別股息	30.0	3,000.0	20.0	2,000.0
			6,000.0		4,200.0

Subsequent to the end of the reporting period, a final dividend of HK20.0 cents (2018: HK15.0 cents) per share and a special dividend of HK30.0 cents (2018: HK30.0 cents) per share, totalling HK\$5,000.0 million (2018: HK\$4,500.0 million) in respect of the year ended 31 March 2019 have been proposed by the directors of the Company and are subject to approval by the shareholders in the forthcoming annual general meeting.

11. 稅項 (續)

根據中國企業所得稅法，中國內地的附屬公司須就自2008年1月1日起所賺取溢利在宣派股息時繳交介乎5%至10%（2018年：5%至10%）之預扣稅。根據管理層的股息分派計劃，於2019年3月31日的保留溢利合共7,685.9百萬港元（2018年：7,948.4百萬港元）將在可見將來作為股息分派，而餘下保留溢利合共5,672.4百萬港元（2018年：6,784百萬港元）已保留作再投資用途，不會在可見將來分派。

12. 每股盈利

年度每股基本盈利是基於本公司股東應佔年內綜合溢利，以及年內已發行股份10,000,000,000股（2018年：10,000,000,000股）計算。

由於兩個年度並無潛在普通股攤薄效應，故每股攤薄盈利與每股基本盈利相同。

13. 股息

於報告期末後，本公司董事建議就截至2019年3月31日止年度派付末期股息每股20.0港仙（2018年：每股15.0港仙）及特別股息每股30.0港仙（2018年：每股30.0港仙），合共5,000.0百萬港元（2018年：4,500.0百萬港元），惟須待股東於應屆股東週年大會上批准方告作實。

14. Property, Plant and Equipment

14. 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$ million 百萬港元	Plant and machinery 廠房及機器 HK\$ million 百萬港元	Furniture, fixtures and equipment 傢俬、裝置及 設備 HK\$ million 百萬港元	Leasehold improve- ments 租賃物業裝修 HK\$ million 百萬港元	Motor vehicles 汽車 HK\$ million 百萬港元	Construction in progress 在建工程 HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
Cost	成本							
At 1 April 2017	於2017年4月1日	3,424.7	371.6	2,173.2	2,229.1	49.3	507.2	8,755.1
Currency realignment	貨幣調整	323.9	44.3	107.0	230.6	3.9	32.1	741.8
Additions	添置	1.2	95.2	392.6	318.4	5.7	300.4	1,113.5
Transfer	轉撥	367.7	7.7	2.0	31.6	–	(409.0)	–
Disposals	出售	(4.6)	(15.7)	(127.0)	(18.2)	(5.5)	–	(171.0)
Transferred from investment properties	轉自投資物業	2.2	–	–	–	–	–	2.2
At 31 March 2018	於2018年3月31日	4,115.1	503.1	2,547.8	2,791.5	53.4	430.7	10,441.6
Currency realignment	貨幣調整	(236.6)	(89.6)	(202.4)	(173.4)	(2.2)	(15.8)	(720.0)
Additions	添置	182.4	54.8	485.0	435.2	9.3	212.1	1,378.8
Transfer	轉撥	398.0	18.7	19.0	21.2	–	(456.9)	–
Disposals	出售	–	(26.1)	(236.1)	(145.6)	(5.0)	–	(412.8)
At 31 March 2019	於2019年3月31日	4,458.9	460.9	2,613.3	2,928.9	55.5	170.1	10,687.6
Depreciation	折舊							
At 1 April 2017	於2017年4月1日	585.9	114.3	1,591.5	1,757.0	40.1	–	4,088.8
Currency realignment	貨幣調整	59.6	19.0	75.7	184.8	3.0	–	342.1
Provided for the year	年內撥備	182.6	27.2	331.4	260.2	5.2	–	806.6
Eliminated on disposals	出售撇銷	(1.4)	(8.7)	(108.0)	(13.5)	(5.0)	–	(136.6)
At 31 March 2018	於2018年3月31日	826.7	151.8	1,890.6	2,188.5	43.3	–	5,100.9
Currency realignment	貨幣調整	(62.7)	(28.0)	(209.2)	(138.2)	(1.6)	–	(439.7)
Provided for the year	年內撥備	210.6	43.7	331.2	294.6	5.0	–	885.1
Eliminated on disposals	出售撇銷	–	(22.5)	(191.4)	(128.0)	(4.8)	–	(346.7)
At 31 March 2019	於2019年3月31日	974.6	145.0	1,821.2	2,216.9	41.9	–	5,199.6
Carrying values	賬面值							
At 31 March 2019	於2019年3月31日	3,484.3	315.9	792.1	712.0	13.6	170.1	5,488.0
At 31 March 2018	於2018年3月31日	3,288.4	351.3	657.2	603.0	10.1	430.7	5,340.7

15. Land Use Rights

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
At 1 April	於4月1日	189.8	198.6
Currency realignment	貨幣調整	1.7	5.5
Amortisation charged to profit or loss during the year	於年內自損益扣除的攤銷	(14.3)	(14.3)
At 31 March	於3月31日	177.2	189.8

15. 土地使用權

16. Investment Properties

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Cost	成本		
At 1 April	於4月1日	285.0	287.4
Transferred to property, plant and equipment	轉撥至物業、廠房及設備	—	(2.4)
At 31 March	於3月31日	285.0	285.0
Accumulated depreciation	累計折舊		
At 1 April	於4月1日	51.5	37.4
Provided for the year	年內撥備	14.3	14.3
Transferred to property, plant and equipment	轉撥至物業、廠房及設備	—	(0.2)
At 31 March	於3月31日	65.8	51.5
Carrying values	賬面值		
At 31 March	於3月31日	219.2	233.5

16. 投資物業

The fair value of the Group's investment properties at 31 March 2019 was HK\$375.8 million (2018: HK\$365.6 million). The fair value has been arrived at based on a valuation carried out by Knight Frank Petty Limited ("Knight Frank"), an independent property valuer not connected with the Group (whose address is 4/F, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong), in accordance with the HKIS Valuation Standards 2017 issued by Hong Kong Institute of Surveyors and the RICS Valuation — Global Standards 2017 issued by the Royal Institution of Chartered Surveyors. Knight Frank is a member of the Hong Kong Institute of Surveyors, and has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

本集團的投資物業於2019年3月31日的公平值為375.8百萬港元(2018年：365.6百萬港元)，由與本集團無關連的獨立物業估值師萊坊測計師行有限公司(「萊坊」)(地址為香港灣仔港灣道6-8號瑞安中心4樓)根據香港測量師學會頒佈之香港測量師學會估值準則2017及皇家特許測量師學會頒佈的RICS估值 — 全球標準2017進行之估值而釐定。萊坊為香港測量師學會成員之一，並有合適資格及近期有對相關地點的類似物業估值的經驗。

16. Investment Properties (Continued)

The fair value was determined based on the income approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The capitalisation rate is determined by reference to the yields derived from analysing the sales transactions of similar properties in Hong Kong and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the Group's investment properties and information about the fair value hierarchy at the end of each reporting period are as follows:

Fair value hierarchy 公平值等級			Fair value 公平值	
			2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
At 31 March	於3月31日			
Industrial property units located in Hong Kong	位於香港的工業物業單位	Level 3 第三級	375.8	365.6

The above investment properties are depreciated on a straight-line basis over 20 years.

16. 投資物業 (續)

該公平值乃根據收入法估值。該等物業之所有可出租單位之市場租金按投資者就此類物業預期之市場收益率評估及貼現。市場租金參考該等物業可出租單位之租金以及鄰近類似物業的其他出租情況作評估。貼現率乃參考分析香港類似物業銷售交易所得之收益率而釐定，並就物業投資者之市場預期作出調整以反映本集團投資物業特有之因素。

於評估該等物業的公平值時，該等物業之最高及最佳用途為彼等目前用途。

本集團於各報告期末的投資物業詳情及有關公平值等級的資料如下：

上述投資物業以直線法按20年計提折舊。

17. Goodwill

17. 商譽

HK\$ million
百萬港元

Cost and carrying values

At 1 April 2017, 31 March 2018 and 31 March 2019

成本及賬面值

於2017年4月1日、2018年3月31日和
2019年3月31日

257.8

The goodwill arose in the acquisition of Hearts On Fire Company, LLC ("Hearts On Fire") included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Hearts On Fire. The recoverable amount of the Hearts On Fire is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering a 5-year (2018: 5-year) period, and a discount rate of 11.0%–13.0% (2018: 10.0%–13.0%) per annum.

收購 Hearts On Fire Company, LLC (「Hearts On Fire」)產生的商譽包括與預期協同效益、收益增長、日後市場發展以及 Hearts On Fire 整體人手的利益相關的金額。Hearts On Fire 的可收回金額乃根據使用價值進行計算(基於董事所批准涵蓋5年(2018年:5年)之財政預算,使用每年11.0%–13.0%(2018年:10.0%–13.0%)之貼現率以現金流預測法進行計算)而釐定。

Cash flow projections during the budget period are based on the same expected gross margins throughout the budget period. The cash flows beyond that 5-year period have been extrapolated using the projected long-term average growth rate for the jewellery industry. In the opinion of the directors, no impairment loss was required for the year ended 31 March 2019 and 31 March 2018. The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the group of units to exceed the aggregate recoverable amount.

該預算期間的現金流預測基於整個預算期內相同的預期毛利率。而超過5年的現金流則使用預期珠寶行業長期平均增長率推算。董事認為,截至2019年3月31日及2018年3月31日止年度無須減值虧損。董事相信,可收回金額所依據的關鍵假設的任何合理可能變動,不會造成單位組別賬面值超過其可收回金額總額。

18. Other Intangible Assets

18. 其他無形資產

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Cost	成本		
At 1 April and 31 March	於4月1日及3月31日	472.9	472.9
Accumulated amortisation	累計攤銷		
At 1 April	於4月1日	166.5	116.6
Provided for the year	年內撥備	52.7	49.9
At 31 March	於3月31日	219.2	166.5
Carrying values	賬面值		
At 31 March	於3月31日	253.7	306.4

The trademarks and patents are amortised with useful life of 6 to 15 years.

該等商標及專利按可使用年期6至15年攤銷。

19. Jewellery Collectibles

The amounts represent the aggregate cost of gem-set jewellery collectibles held by the Group which is designated not for sale. In the opinion of the directors of the Company, the recoverable amounts of the jewellery collectibles are at least equivalent their carrying amounts at the end of the reporting period.

19. 珠寶珍藏

該款項乃指本集團持作指定為非賣品的珠寶鑲嵌首飾珍藏之總成本。本公司董事認為，珠寶珍藏的可收回金額至少等於報告期末的賬面值。

20. Investments in Associates/Amounts Due from Associates

20. 於聯營公司之投資／應收聯營公司款項

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Investments in associates:	於聯營公司之投資：		
Cost of unlisted investment	非上市投資成本	44.0	44.0
Share of losses	應佔虧損	(13.2)	(13.2)
Share of translation reserve	應佔換算儲備	1.2	1.2
Impairment	減值	(32.0)	(32.0)
		—	—

Details of the associates of the Group are as follows:

本集團的聯營公司詳情載列如下：

Name of companies 公司名稱	Place of incorporation/ establishment and principal place of operation 註冊成立／成立地點及 主要營業地點	Proportion of ownership interest held by the Group 本集團所佔擁有權 權益比例		Proportion of voting rights held by the Group 本集團所佔 投票權比例		Principal activities 主要業務
		2019	2018	2019	2018	
Shenzhen Qianhai Chow Tai Fook Hong Kong Goods Centre Co., Ltd ("Qianhai CTF") 深圳前海周大福港貨中心有限公司 (「前海周大福」)	Mainland China 中國內地	30.0%	30.0%	28.6%	28.6%	Operating a shopping complex in Mainland China 於中國內地經營購物中心
CTF Business Management Limited 周大福商務管理有限公司	Hong Kong 香港	30.0%	30.0%	28.6%	28.6%	Operating an online shopping platform 經營線上購物平台
Group Program Limited	British Virgin Islands ("BVI") 英屬維爾京群島	40.0%	40.0%	40.0%	40.0%	Operating a customer loyalty scheme in Hong Kong and Mainland China 於香港及中國內地經營 客戶忠誠度計劃

20. Investments in Associates/Amounts Due from Associates (Continued)

The recoverable amount of investment in Qianhai CTF had been determined based on value in use calculation. That calculation used a 5-year period cash flow projections based on financial budgets approved by the directors, and discount rate of 15%. Other key assumptions for the value in use calculation included budgeted rental income and expenses, based on the unit's past performance and management's expectation for the market. Therefore, in the opinion of the directors of the Company, the investment in Qianhai CTF and amount due from Qianhai CTF were fully impaired and impairment losses of investment in an associate and amount due from an associate of HK\$32.0 million and HK\$79.6 million were recognised, respectively, in profit or loss.

The Group had discontinued recognition of its share of losses of associates because its cumulative share of losses in the associates had exceeded the investment cost less subsequent accumulated impairment losses. The Group will not resume recognition of its share of any future profits in the associates until its share of such profits equals the cumulative share of losses not recognised in past years.

The amounts of unrecognised share of loss of the associates for the year and cumulatively, are as follows:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Unrecognised share of losses of associates	未確認應佔聯營公司虧損	18.6	33.5
Accumulated unrecognised share of losses of associates	累計未確認應佔聯營公司虧損	52.1	33.5

As at 31 March 2019, the carrying value of amounts due from associates of HK\$54.7 million (2018: HK\$62.2 million) is unsecured, interest-free and has no fixed repayment terms.

20. 於聯營公司之投資／應收聯營公司款項(續)

於前海周大福的投資可收回金額基於使用價值釐定。該計算方法使用經董事核准的5年財務預算所得出的現金流預測以及15%貼現率。計算使用價值的其他重要假設包括預算租金收入及開支，基於單位的過往表現及管理層的市場預計而得出。因此，本公司董事認為，於前海周大福的投資及應收前海周大福款項全數減值，並於損益分別確認於一家聯營公司投資及應收一家聯營公司款項減值虧損32.0百萬港元及79.6百萬港元。

本集團已終止確認其應佔聯營公司虧損，因為其累計應佔聯營公司虧損已超過投資成本減其後累計減值虧損。在本集團應佔聯營公司任何未來溢利等於過往年度未確認的累計應佔虧損前，本集團將不會恢復確認該等溢利。

年內及累計的未確認應佔聯營公司虧損金額如下：

於2019年3月31日，應收聯營公司款項賬面值54.7百萬港元(2018年：62.2百萬港元)為無抵押、免息及無固定還款期。

21. Loan Receivables

Loan receivables represent loans to staff and an amount due from a private entity (the "Issuer") which is principally engaged in agriculture and wholesale of pearls in Australia. Loan receivables are classified as current or non-current assets based on contractual terms and taking into account the timing of recovery as expected by the management. There was no amount due but unpaid, nor any loss allowance made against the principal amount of or interest on these loans at 31 March 2019 and 2018.

All loan receivables from staff were secured over certain properties, the fair value of which exceeds the carrying amount of the related loan on an individual basis.

As at 31 March 2019, loan receivable from the Issuer has a principal amount of Australian Dollar ("AUS") 2.0 million (2018: AUS2.7 million), bears interest at 7.0% per annum and will be repaid to the Group by instalments until 31 December 2020.

22. Deferred Taxation

The followings are the major deferred tax liabilities (assets) recognised by the Group and movements thereon during the current and prior years:

		Withholding tax on undistributed profits of subsidiaries in Mainland China 中國內地附屬 公司未分派 溢利之預扣稅 HK\$ million 百萬港元	Unrealised profit on inventories 存貨之 未變現溢利 HK\$ million 百萬港元	Amortisation and depreciation 攤銷及折舊 HK\$ million 百萬港元	Unrealised fair value change of gold loans in Mainland China 中國內地黃金 借貸之未變現 公平值變動 HK\$ million 百萬港元	Tax losses 稅項虧損 HK\$ million 百萬港元	Others 其他 HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
At 1 April 2017	於2017年4月1日	270.2	(250.4)	(33.3)	(13.0)	(16.0)	15.5	(27.0)
Charge/(credit) to profit or loss (note 11)	扣除/(計入)損益 (附註11)	204.7*	27.2	12.5	20.5	0.7	(34.7)	230.9
Utilised during the year	年內使用	(96.7)	—	—	—	—	—	(96.7)
Currency realignment	貨幣調整	35.6	(13.5)	—	(0.2)	—	(1.1)	20.8
At 31 March 2018	於2018年3月31日	413.8	(236.7)	(20.8)	7.3	(15.3)	(20.3)	128.0
Charge/(credit) to profit or loss (note 11)	扣除/(計入)損益 (附註11)	202.2*	(51.8)	(6.7)	(7.1)	(1.0)	(20.8)	114.8
Utilised during the year	年內使用	(188.4)	—	—	—	—	—	(188.4)
Currency realignment	貨幣調整	(27.3)	8.2	—	(0.4)	—	1.4	(18.1)
At 31 March 2019	於2019年3月31日	400.3	(280.3)	(27.5)	(0.2)	(16.3)	(39.7)	36.3

* Under the EIT Law of PRC, a 10% withholding tax is imposed on dividends declared to foreign investors in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards.

Pursuant to approvals from the relevant PRC government obtained by certain subsidiaries of the Group and reassessment of dividend distribution plan, certain of these subsidiaries should be entitled to a withholding tax at the rate of 5% for dividend payments.

21. 應收貸款

應收貸款指員工貸款及應收一家主要在澳洲從事珍珠培植及批發的私營實體(「發行人」)的款項。應收貸款根據合約條款及考慮管理層預期款項的可收回時間而被分類為流動或非流動資產。於2019年3月31日及2018年3月31日，概無已到期但未付的款項，亦無虧損撥備用以扣除貸款本金或利息。

全部應收員工貸款已以若干物業作抵押，而各公平值均超過其相關貸款的賬面值。

於2019年3月31日，應收發行人貸款的本金額為2.0百萬澳元(2018年：2.7百萬澳元)、年利率為7.0%，並將分期償付予本集團至2020年12月31日。

22. 遞延稅項

以下為於本年度及過往年度本集團已確認主要遞延稅項負債(資產)以及有關變動：

* 根據中國企業所得稅法，自2008年1月1日起，凡就中國的附屬公司賺取的溢利向境外投資者宣派股息，均須徵收10%之預扣稅。

按照本集團若干附屬公司取得中國有關政府的批准及重估股息分派計劃，若干該等附屬公司應有權以優惠稅率5%繳納派付股息之預扣稅。

22. Deferred taxation (Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Deferred tax assets	遞延稅項資產	(420.1)	(293.1)
Deferred tax liabilities	遞延稅項負債	456.4	421.1
		36.3	128.0

23. Inventories

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Raw materials for:	生產以下產品的原材料：		
Gem-set jewellery	珠寶鑲嵌首飾	5,810.6	5,064.2
Gold products	黃金產品	1,719.0	1,187.1
Platinum/karat gold products	鉑金／K金產品	391.6	308.4
		7,921.2	6,559.7
Finished goods:	製成品：		
Gem-set jewellery	珠寶鑲嵌首飾	15,583.5	13,114.4
Gold products	黃金產品	11,706.6	10,632.2
Platinum/karat gold products	鉑金／K金產品	2,443.7	2,414.6
Watches	鐘錶	1,672.2	2,096.7
		31,406.0	28,257.9
Packing materials	包裝物料	158.9	111.8
		39,486.1	34,929.4

Inventories recognised as cost of sales during the year ended 31 March 2019 amounted to HK\$46,723.5 million (2018: HK\$41,579.9 million).

The Group reversed HK\$113.5 million of a previous inventory write-down (2018: write-downs of inventories of HK\$207.7 million). These were recognised in cost of goods sold during the year ended 31 March 2019 and 2018.

22. 遞延稅項 (續)

以下為就財務報告用途所作出遞延稅項結餘分析：

23. 存貨

截至2019年3月31日止年度確認為銷售成本的存貨為46,723.5百萬港元(2018年：41,579.9百萬港元)。

本集團撥回過往已撇減的存貨113.5百萬港元(2018年：撇減存貨207.7百萬港元)。該等款項於截至2019年3月31日及2018年3月31日止年度確認為銷售成本。

24. Trade and Other Receivables

24. 貿易及其他應收款項

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Trade receivables	貿易應收款項	3,951.8	3,393.8
Less: Allowance for doubtful debts	減：壞賬準備	(68.4)	(42.4)
		3,883.4	3,351.4
Prepayments to suppliers	向供應商預付款項	357.1	422.4
Deposits	按金	441.7	652.8
Other tax recoverables	其他可收回稅項	1,847.4	1,836.1
Others	其他	109.1	147.3
		6,638.7	6,410.0

As at 31 March 2019, trade receivables of HK\$53.9 million (2018: HK\$43.6 million) are due from entities in which certain directors of the Company, who are also shareholders of the Company, have beneficial interests in those entities.

於2019年3月31日，貿易應收款項53.9百萬港元(2018年：43.6百萬港元)來自本公司若干董事(亦為本公司股東)持有實益權益之實體。

The Group's sales to retail customers are mainly on cash basis. Sales to certain customers are on credit with credit period up to 6 months. For sales through concessionaire counters, the Group usually allows 30 days credit period to these receivables.

本集團對零售顧客的銷售以現金為主，而向若干顧客的銷售則以賒銷形式，信貸期最多為6個月。就專櫃的銷售而言，本集團一般就該等應收款項給予30日的信貸期。

The following is an aged analysis of trade receivables presented based on the invoice dates at the end of the reporting period:

以下為根據發票日期呈列，於報告期末的貿易應收款項的賬齡分析：

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
0 to 30 days	0至30日	3,128.3	2,759.3
31 to 90 days	31至90日	603.6	405.4
91 to 180 days	91至180日	88.1	170.1
Over 180 days	180日以上	63.4	16.6
		3,883.4	3,351.4

As at 31 March 2019, included in the trade receivable balances are receivables of HK\$509.1 million (2018: HK\$296.5 million) carrying a fixed interest rate ranging from 6.4% to 8.5% (2018: 6.4% to 8.6%) per annum.

於2019年3月31日，貿易應收款項結餘包含509.1百萬港元(2018年：296.5百萬港元)的應收款項，附帶介乎6.4%至8.5%(2018年：6.4%至8.6%)的固定年利率。

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

本集團應用國際財務報告準則第9號簡化方法計量預期信貸虧損，就所有貿易應收款項應用全期預期虧損撥備。

24. Trade and Other Receivables (Continued)

In determining the recoverability of the trade receivables, the Group monitors change in the credit quality of the trade receivables since the credit was granted and up to the reporting date.

During the year ended 31 March 2019, an allowance for doubtful debt of HK\$27.5 million (2018: HK\$18.3 million) is recognised based on expected credit loss determined by reference to past default experience of 1 year of the counterparty and a forward looking analysis. Details of the key assumptions and inputs used are disclosed in the tables in note 34.

Movement in the allowance for doubtful debts

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
At 1 April	於4月1日	42.4	21.9
Loss allowance recognised	已確認虧損撥備	27.5	18.3
Currency realignment	貨幣調整	(1.5)	2.2
At 31 March	於3月31日	68.4	42.4

25. Cash and Cash Equivalents

During the year ended 31 March 2019, the bank deposits carry interest at the prevailing market rate of about 0.01% to 5.50% (2018: 0.01% to 5.75%) per annum.

As at 31 March 2019, the Group's cash and cash equivalents denominated in RMB were HK\$1,961.8 million (2018: HK\$5,317.6 million). The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations in Mainland China and the Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through authorised banks to conduct business in foreign currency.

26. Trade and Other Payables

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Trade payables	貿易應付款項	574.1	470.6
Contract liabilities	合約負債	1,218.4	867.0
Deposits received from franchisees and customers	自加盟商及顧客收取的按金	7,214.0	5,268.2
Other tax payables	其他應付稅項	406.3	464.5
Accruals	應計費用	436.6	429.6
Accrued staff costs	應計員工成本	610.5	562.2
Interest payables	應付利息	8.0	4.1
Others	其他	216.4	292.4
		10,684.3	8,358.6

24. 貿易及其他應收款項 (續)

於釐定貿易應收款項的可收回程度時，本集團監察自授出信貸起直至報告日有關貿易應收款項信貸質素的變動。

截至2019年3月31日止年度，27.5百萬港元（2018年：18.3百萬港元）的累計壞賬準備乃根據參考對方過往一年違約經驗及前瞻性分析而釐定的預期信貸虧損而確認。所使用的主要假設及輸入數據的詳情於附註34表格內披露。

壞賬準備之變動

25. 現金及現金等價物

截至2019年3月31日止年度，銀行存款按當時市場年利率介乎約0.01%至5.50%（2018年：介乎0.01%至5.75%）計息。

於2019年3月31日，本集團按人民幣列值的現金及現金等價物為1,961.8百萬港元（2018年：5,317.6百萬港元）。人民幣並不可自由兌換為其他貨幣；然而，根據於中國內地的中國外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過特許銀行進行外幣業務，將人民幣兌換為外幣。

26. 貿易及其他應付款項

26. Trade and Other Payables (Continued)

Deposits received from franchisees and customers mainly represent deposits made by franchisees in Mainland China for the consigned products. The amounts are unsecured and interest-free.

The Group normally receives credit terms of 7 to 180 days from its suppliers. The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
0 to 30 days	0 至 30 日	542.0	440.3
31 to 90 days	31 至 90 日	19.2	12.7
91 to 180 days	91 至 180 日	3.8	7.0
Over 180 days	180 日以上	9.1	10.6
		574.1	470.6

The Group has recognised the following revenue-related liabilities:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Contract liabilities:	合約負債：		
Customer loyalty programme	客戶忠誠度計劃	181.0	68.3
Receipts in advance	預收款項	1,037.4	798.7
		1,218.4	867.0

Contract liabilities in relation to customer loyalty programme and receipts in advance were previously presented as part of (i) accruals and (ii) deposits received from franchisees and customers.

All contracts with customers are with original duration of one year or less. As permitted under IFRS 15, the transaction allocated to these unsatisfied contracts is not disclosed.

27. Amounts Due to Non-controlling Shareholders of Subsidiaries

The balances are unsecured, interest-free and repayable on demand.

26. 貿易及其他應付款項 (續)

自加盟商及顧客收取的按金主要指中國內地加盟商接收寄售產品時所支付之按金。該款項為無抵押及免息。

本集團一般自其供應商取得的信貸期為介乎 7 日至 180 日不等。以下為根據發票日期呈列於各報告期末的貿易應付款項的賬齡分析：

本集團已確認下列有關營業額的負債：

與客戶忠誠度計劃及預收款項相關的合約負債以往呈列為(i)應計費用的一部分及(ii)自加盟商及客戶收取的按金的一部分。

所有客戶合約的原始期限為一年或更短。根據國際財務報告準則第15號的准許，分配至該等未完成合約的相關交易不作披露。

27. 應付附屬公司非控股股東款項

結餘為無抵押、免息及按要求可予償還。

28. Bank Borrowings

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Unsecured bank loans	無抵押銀行貸款		
The carrying amounts are repayable*	賬面值按下列期限償還*：		
Within one year	一年內	7,460.0	5,823.0
More than one year, but not exceeding two years	一年以上，但不超過兩年	1,998.8	—
More than two years, but not exceeding five years	兩年以上，但不超過五年	597.9	2,100.0
		10,056.7	7,923.0

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期款項乃以貸款協議所載計劃還款日期為依據。

The bank borrowings carry variable interest rates ranged from 0.6% to 0.9% over Hong Kong Interbank Offered Rate ("HIBOR") per annum (2018: 0.6% to 0.7% over HIBOR per annum).

銀行貸款按浮動年利率計息，年利率為香港銀行同業拆息加介乎0.6%至0.9%（2018年：年利率為香港銀行同業拆息加0.6%至0.7%）。

As at 31 March 2019, the range of interest rates on the bank borrowings were 2.1% to 2.5% (2018: 1.3% to 1.8%) per annum.

於2019年3月31日，有關銀行貸款的年利率介乎2.1%至2.5%（2018年：1.3%至1.8%）。

The carrying amounts of the bank borrowings are denominated in the following currencies:

銀行貸款賬面值以以下貨幣計值：

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
HK\$	港元	10,056.7	7,923.0

29. Gold Loans

Gold loans are borrowed to reduce the impact of fluctuations in gold prices on gold inventories. The amounts represent borrowing from banks and the amounts payable are pegged to gold prices.

29. 黃金借貸

借取黃金借貸目的在於減低黃金存貨受黃金價格波動的影響。該款項乃指銀行貸款，而應付款項與黃金價格掛鉤。

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Financial liabilities at fair value through profit or loss	按公平值計入損益的金融負債		
Gold loans to be repaid by cash	將以現金償還的黃金借貸	3,081.4	1,688.8
Liabilities at fair value through profit or loss	按公平值計入損益的負債		
Gold loans to be repaid by physical gold	將以實體黃金償還的黃金借貸	4,930.1	3,646.6
		8,011.5	5,335.4

29. Gold Loans (Continued)

As at 31 March 2019, the gold loans carried fixed interest rates of 0.8% to 3.0% (2018: 0.9% to 2.4%) per annum, with original maturity of 1 week to 7 months (2018: 2 to 7 months) from date of inception.

The fair value of the gold loans are denominated in the following currencies:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
US\$	美元	3,081.4	1,688.8
RMB	人民幣	4,930.1	3,646.6
		8,011.5	5,335.4

29. 黃金借貸 (續)

於2019年3月31日，黃金借貸按年利率0.8%至3.0%（2018年：年利率0.9%至2.4%）的固定利率計息，原到期日為授出日起1週至7個月（2018年：2至7個月）。

黃金借貸公平值按以下貨幣列值：

30. Share Capital

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Authorised: 50,000,000,000 ordinary shares of HK\$1 each	法定： 50,000,000,000 股每股面值 1 港元之普通股	50,000.0	50,000.0
Issued and fully paid: 10,000,000,000 ordinary shares of HK\$1 each	已發行及繳足： 10,000,000,000 股每股面值 1 港元之普通股	10,000.0	10,000.0

30. 股本

There was no change in the Company's authorised, issued and fully paid capital in both years.

兩個年度內，本公司之法定、已發行及繳足股本概無改變。

31. Operating Lease Commitments**The Group as lessee**

At the end of each reporting period, the Group was committed to make the following future minimum lease payments which represent lease payments of its rented premises, under non-cancellable operating leases which fall due as follows:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Within one year	一年內	1,246.5	1,177.6
In the second to fifth year inclusive	第二至第五年（包括首尾兩年）	1,174.2	1,248.0
Over five years	五年以後	320.4	376.6
		2,741.1	2,802.2

31. 經營租賃承擔**本集團作為承租人**

於各報告期末，本集團承諾會就根據不可撤銷的經營租賃於下列到期時間作出未來最低租金付款（代表承租物業的租金）為：

31. Operating Lease Commitments (Continued)

The Group as lessee (Continued)

Included in above are commitments to entities in which certain directors* of the Company and their close family member have beneficial interests:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Within one year	一年內	125.8	156.3
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	132.1	207.1
Over five years	五年以後	287.5	320.3
		545.4	683.7

* The directors also have beneficial interests in the Company.

There are certain lease arrangements for rented premises, according to which the Group is committed to pay minimum guaranteed amounts and additional monthly payments determined based on monthly sales levels.

There are concessionaire arrangements for concessionaire stores according to which the Group is committed to pay either minimum guaranteed amounts or concessionaire fees that are based on prescribed rates of corresponding sales depending on product categories, whichever is higher. The minimum guaranteed amounts are not material and the concessionaire fees paid during the year were all determined based on sales level.

Majority of leases with fixed rentals and concessionaire arrangement are negotiated for terms ranging from 1 to 3 years.

The Group as lessor

Property rental income earned during the year was HK\$14.4 million (2018: HK\$12.5 million). All of the Group's investment properties are held for rental purposes. All of the properties held have committed tenants for the next 1 to 3 years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Within one year	一年內	12.5	9.6
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	24.9	—
		37.4	9.6

31. 經營租賃承擔 (續)

本集團作為承租人 (續)

計入上文所述為向本公司若干董事*及彼等的近親擁有實益權益的實體之承擔：

	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Within one year	125.8	156.3
In the second to fifth year inclusive	132.1	207.1
Over five years	287.5	320.3
	545.4	683.7

* 董事亦擁有本公司的實益權益。

根據若干承租物業的租賃安排，本集團承諾支付最低擔保金額及根據每月銷售水平釐定的每月額外付款。

本集團就專櫃設有專櫃安排，據此，本集團承諾視乎產品類別按規定相關銷售額之百分率支付最低保證金或專櫃分成(以較高者為準)。最低擔保金額並不重大，本年度支付的全部專櫃分成乃根據銷售水平釐定。

大部份租約及專櫃安排乃經磋商後釐定，租期一年至三年內租金不變。

本集團作為出租人

於年內賺取之物業租金收入為14.4百萬港元(2018年：12.5百萬港元)。本集團所有投資物業均持作租賃。所持有之全部物業於未來1至3年均有已承諾租賃之租戶。

於報告期末，本集團與租戶所訂租約的未來最低租金付款如下：

	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Within one year	12.5	9.6
In the second to fifth year inclusive	24.9	—
	37.4	9.6

32. Capital Commitments

32. 資本承擔

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Capital expenditure contracted but not provided for in respect of the acquisition of property, plant and equipment	就收購物業、廠房及設備已訂約但未撥備的資本開支	218.3	262.0

33. Capital Risk Management

The Group manages its capital to ensure that the group entities will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of bank borrowings, gold loans and equity attributable to shareholders of the Company, comprising share capital, reserves and retained profits as disclosed in the consolidated financial statements.

The management of the Group reviews the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends, new share issues as well as the raising of bank borrowings and gold loans.

33. 資本風險管理

本集團管理資本旨在確保集團實體可持續經營，並透過維持債務與權益的最佳平衡而為股東提供最大回報。

本集團的資本架構包括銀行貸款、黃金借貸和本公司股東應佔股權（包括綜合財務報表所披露之股本、儲備及保留溢利）。

本集團管理層定期檢討資本架構。本集團會考慮資本成本及各類資本相關的風險，亦透過派付股息、發行新股、籌集銀行貸款及黃金借貸平衡本集團整體資本架構。

34. Financial Instruments

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 3.

34. 金融工具

與各類金融資產及金融負債有關的所採納重大會計政策及方法的詳情（包括確認標準、計量基準以及確認收入及開支的基準）於附註3披露。

34. Financial Instruments (Continued)

Categories of financial instruments

As 31 March 2019	於2019年3月31日
Assets as per balance sheet	於資產負債表的資產
Financial assets at fair value through profit and loss	按公平值計入損益的金融資產
Amounts due from associates	應收聯營公司款項
Loans receivables	應收貸款
Trade and other receivables	貿易及其他應收款項
Cash and cash equivalents	現金及現金等價物
Total financial assets	金融資產總值
Liabilities as per balance sheet	於資產負債表的負債
Trade and other payables	貿易及其他應付款項
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項
Bank borrowings	銀行貸款
Gold loans to be repaid by cash	將以現金償還的黃金借貸
Total financial liabilities	金融負債總值

34. 金融工具 (續)

金融工具類別

Financial assets/ (liabilities) at amortised cost 按攤銷成本計量的 金融資產/ (負債) HK\$ million 百萬港元	Financial assets/ (liabilities) at fair value 按公平值計量的 金融資產/ (負債) HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
-	11.2	11.2
54.7	-	54.7
31.0	-	31.0
3,992.5	-	3,992.5
7,640.6	-	7,640.6
11,718.8	11.2	11,730.0
798.5	-	798.5
136.7	-	136.7
10,056.7	-	10,056.7
-	3,081.4	3,081.4
10,991.9	3,081.4	14,073.3

Financial assets/ (liabilities) at amortised cost 按攤銷成本計量的 金融資產/ (負債) HK\$ million 百萬港元	Financial assets/ (liabilities) at fair value 按公平值計量的 金融資產/ (負債) HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
62.2	-	62.2
55.3	-	55.3
3,483.6	-	3,483.6
7,944.0	-	7,944.0
11,545.1	-	11,545.1
767.1	-	767.1
100.5	-	100.5
7,923.0	-	7,923.0
-	1,688.8	1,688.8
8,790.6	1,688.8	10,479.4

34. Financial Instruments (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVPL, amounts due from associates, trade and other receivables, loan receivables, cash and cash equivalents, trade and other payables, amounts due to non-controlling shareholders of subsidiaries, bank borrowings and gold loans to be repaid by cash. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (interest rate risk, currency risk and commodity price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate loan receivables, certain trade receivables and gold loans. The Group currently does not have any instruments to hedge against the fair value interest rate risk.

Also, the Group is exposed to cash flow interest rate risk through the impact of rate changes on interest bearing financial assets and liabilities, mainly certain bank balances and bank borrowings at variable interest rates. The Group currently does not have an interest rate hedging policy. However, the management will consider hedging significant interest rate risk should the need arise.

In the opinion of the directors of the Company, the cash flow interest rate risk is considered insignificant and therefore no sensitivity analysis is presented.

34. 金融工具 (續)

金融風險管理目標及政策

本集團的主要金融工具包括按公平值計入損益的金融資產、應收聯營公司款項、貿易及其他應收款項、應收貸款、現金及現金等價物、貿易及其他應付款項、應付附屬公司非控股股東款項、銀行貸款以及將以現金償還的黃金借貸。該等金融工具詳情於各附註披露。該等金融工具之相關風險包括市場風險(利率風險、貨幣風險及商品價格風險)、信貸風險及流動資金風險。如何減輕該等風險的政策載於下文。管理層管理及監控該等風險以確保及時有效地實施適當措施。

市場風險

利率風險

本集團須就應收固定利率貸款、若干貿易應收款項及黃金借貸承擔公平值利率風險。本集團現在並無任何工具就公平值利率風險進行對沖。

此外，本集團因計息金融資產及負債(主要為若干銀行結餘和按浮動利率計息的銀行貸款)利率變動的影響而面對現金流量利率風險。本集團目前概無利率對沖政策。然而，管理層將於需要時考慮對沖重大利率風險。

由於本公司董事認為現金流量利率風險並不重大，故此並無呈列敏感度分析。

34. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk

Certain group entities have sales and purchases which are denominated in currency other than their respective functional currencies, which expose the Group to foreign currency risk. In the opinion of the directors of the Company, the foreign currency risk is insignificant considering the related sales and purchases to the total sales and purchases of the Group. The majority of the Group's foreign currency denominated monetary items are cash and cash equivalents denominated in RMB, which are held by Group entities whose functional currencies are not RMB, with carrying amounts of HK\$838.2 million (2018: HK\$642.3 million). In addition, certain group entities whose functional currency is HK\$, have intra-group advances to their subsidiaries, denominated in RMB.

The Group mainly exposes to currency of United States dollars ("US\$") and RMB, which are arising from relevant group entities' foreign currency denominated monetary assets and liabilities for the Group's operating activities.

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise. As at 31 March 2019, if the exchange rate of RMB had been 2% appreciated or depreciated against HK\$, the Group's profit after taxation for the year would increase or decrease by HK\$82.3 million (2018: HK\$93.4 million) and the Group's exchange reserve would increase or decrease by HK\$351.8 million (2018: HK\$367.9 million) for the year.

In the opinion of the directors of the Company, the currency risk of US\$ is considered insignificant.

34. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

貨幣風險

若干集團實體之銷售及採購以各自功能貨幣以外的貨幣計值，本集團因此面臨外幣風險。經考慮相關銷售及採購佔本集團銷售及採購總額的比例，本公司董事認為該等外幣風險並不重大。本集團大部份以外幣計值的貨幣項目為以人民幣計值的現金及現金等價物（由功能貨幣並非人民幣的集團實體持有），其賬面值為838.2百萬港元（2018年：642.3百萬港元）。此外，若干以港元為功能貨幣之集團實體，有以人民幣計值，向其附屬公司提供的集團內公司墊款。

本集團的經營活動所用相關集團實體以外幣計值的貨幣資產與負債令本集團主要面臨美元及人民幣之貨幣風險。

本集團現時並無就撇除貨幣風險設定外幣對沖政策。然而，管理層會密切監察相關的外幣風險，需要時將考慮對沖重大的外幣風險。於2019年3月31日，倘人民幣兌港元的匯率升值或貶值2%，本集團的年度除稅後溢利將增加或減少82.3百萬港元（2018年：93.4百萬港元），而本集團的年度外匯儲備將增加或減少351.8百萬港元（2018年：367.9百萬港元）。

本公司董事認為美元的貨幣風險並不重大。

34. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Commodity price risk

The Group is engaged in the sales of jewellery including gold products. The gold market is influenced by global as well as regional supply and demand conditions. A significant decline in prices of gold could adversely affect the Group's financial performance. In order to reduce the commodity price risk, the Group uses gold loans to reduce its exposure to fluctuations in the gold price on gold inventory. Gold loans are settled at maturity which is usually in 1 week to 7 months (2018: 2 to 7 months) from date of inception and any fair value change is immediately recognised in profit or loss.

As at 31 March 2019, if the market price of gold had been higher or lower by 10%, the potential effect on gold loans and the resulting impact on profit after taxation for the year would decrease or increase approximately by HK\$750.3 million (2018: HK\$505.7 million). Part of the effect will be offset with future sales in gold products.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Group has four types of financial assets that are subject to the expected credit loss model:

- trade receivable for sales of inventory and from the provision of service;
- other receivables;
- amounts due from associates; and
- loan receivables

34. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

商品價格風險

本集團從事包括黃金產品等的珠寶銷售業務。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對本集團之財務表現造成不利影響。為減低商品價格風險，本集團使用黃金借貸減低黃金價格波動對黃金存貨帶來之風險。黃金借貸於屆滿時結算，而期限通常自其開始日起計1星期至7個月(2018年：2至7個月)，如有公平值變動則立即於損益內確認。

於2019年3月31日，倘黃金市價上升或下跌10%，對黃金借貸的潛在影響及該年度的除稅後溢利的影響，將分別減少或增加約750.3百萬港元(2018年：505.7百萬港元)。部份影響會被將來的黃金產品的銷售所抵銷。

信貸風險

倘交易對手於各報告期末未能履行其責任，則本集團就各類已確認金融資產而面對的最大信貸風險，為綜合財務狀況表所列該等資產的賬面值。為盡量降低信貸風險，本集團管理層已委派一組人員專責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期債務。

本集團有四類使用預期信貸虧損模型的金融資產：

- 銷售存貨及提供服務的貿易應收款項；
- 其他應收款項；
- 應收聯營公司款項；及
- 應收貸款

34. Financial Instruments (Continued)**Financial risk management objectives and policies (Continued)****Credit risk (Continued)****Trade receivables**

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 month before 31 March 2019 or 1 April 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 31 March 2019 and 1 April 2018 (on adoption of IFRS 9) was determined as follows for trade receivables:

		Aging analysis 賬齡分析				
		0 to 30 days 0至30日 HK\$ million 百萬港元	31 to 90 days 31至90日 HK\$ million 百萬港元	91 to 180 days 91至180日 HK\$ million 百萬港元	Over 180 days 超過180日 HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
As of 31 March 2019	於2019年3月31日					
Expected loss rate	預期虧損率	0.0%	0.0%	0.0%	51.9%	
Gross carrying amount	賬面總值	3,128.3	603.6	88.1	131.8	3,951.8
Impairment provision	減值撥備	–	–	–	68.4	68.4
At 1 April 2018	於2018年4月1日					
Expected loss rate	預期虧損率	0.0%	0.0%	0.0%	71.9%	
Gross carrying amount	賬面總值	2,759.3	405.4	170.1	59.0	3,393.8
Impairment provision	減值撥備	–	–	–	42.4	42.4

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

34. 金融工具 (續)**金融風險管理目標及政策 (續)****信貸風險 (續)****貿易應收款項**

本集團應用國際財務報告準則第9號之簡化方法計量預期信用虧損，該預期信用虧損將存續期預期虧損撥備用於所有貿易應收款項。

為計量預期信用虧損，貿易應收款項已根據共享信貸風險特徵及逾期日數進行分組。

預期虧損率乃根據分別於2019年3月31日或2018年4月1日之前12個月期間的銷售的付款分析及期內經歷的相應歷史信用虧損得出。過往虧損率已作調整以反映影響客戶償付應收款項能力的宏觀經濟因素目前及前瞻性資料。本集團已識別其銷售產品及服務所在國家的國內生產總值及失業率為最相關的因素，因此根據該等因素的預期變動調整過往虧損率。

因此，於2019年3月31日及2018年4月1日（採納國際財務報告準則第9號）的貿易應收款項虧損撥備如下：

當不存在可收回貿易應收款項的合理預期時，有關款項應予以撇銷。不存在可收回的合理預期跡象包括（其中包括）債務人無法與本集團達成還款計劃。

貿易應收款項的減值虧損於經營溢利內呈列為減值虧損淨額。其後收回過往已撇銷的金額將計入同一項目。

34. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Debt investments

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses unless significant increase in credit risk. Debt instruments are considered to be low credit risk when they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term.

The Group has no significant concentration of credit risk in trade and loan receivables, with exposure spread over a number of counterparties.

The credit risk on bank balances is minimal as such amounts are placed in banks with good reputation.

Previous accounting policy for impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The Group considered that there was evidence of impairment if any of the following indicators were present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or late payments.

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

34. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

債務投資

實體所有按攤銷成本的債務投資被視為擁有低信貸風險，故期內確認的虧損撥備限於12個月預期虧損，除非信貸風險顯著增加。當債務工具有低違約風險且對手方有穩建能力在短期內達到其合約現金流量責任，債務工具會屬於低信貸風險。

本集團於貿易應收款項及應收貸款中並無高度集中的信貸風險，風險分散至多名交易對手。

由於銀行結餘乃存入具良好聲譽的銀行，故該等款項的信貸風險甚為輕微。

貿易應收款項減值的過往會計政策

於過往年度，貿易應收款項的減值乃根據所產生虧損模型評估。已知不可收回的個別應收款項透過直接減少賬面值撇銷。本集團共同評估其他應收款項，以釐定是否存在減值已產生但尚未識別的客觀證據。就該等應收款項而言，預期減值虧損於另一減值撥備中確認。倘存在任何以下跡象，本集團認為有減值之證據：

- 債務人面臨嚴重財務困難
- 債務人有可能破產或進行財務重組，及
- 違約或延遲付款。

倘預期無法收回額外現金時，已確認減值撥備的應收款項於撥備撇銷。

34. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk

The management of the Group has built an appropriate liquidity risk management framework for the management of the Group's short and medium-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

34. 金融工具 (續)

金融風險管理目標及政策 (續)

流動資金風險

本集團管理層已為本集團的短期及中期資金以及流動資金管理規定建立適當的流動資金風險管理框架。本集團透過維持銀行融資以及持續監察預測及實際現金流量及其金融負債之到期情況，管理流動資金風險。

下表為本集團之金融負債餘下合約到期日之詳情。該表格根據本集團可被要求支付金融負債之最早日期編製，以反映金融負債之未貼現現金流量。該表格包括利息及本金現金流量。

		Weighted average interest rate	On demand or less than 3 months	3 months to 1 year	1 to 5 years	Total undiscounted cash flows	Carrying amount
		加權平均利率 %	於要求時或 3個月內 HK\$ million 百萬港元	3個月至1年 HK\$ million 百萬港元	1至5年 HK\$ million 百萬港元	未貼現現金 流量總額 HK\$ million 百萬港元	賬面值 HK\$ million 百萬港元
Financial liabilities	金融負債						
At 31 March 2019	於2019年3月31日						
Trade and other payables	貿易及其他應付款項	—	798.5	—	—	798.5	798.5
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股 股東款項	—	136.7	—	—	136.7	136.7
Bank borrowings	銀行貸款	2.3%	7,468.9	—	2,700.6	10,169.5	10,056.7
Gold loans to be repaid by cash	將以現金償還的黃金借貸	0.9%	3,084.2	—	—	3,084.2	3,081.4
			11,488.3	—	2,700.6	14,188.9	14,073.3
Financial liabilities	金融負債						
At 31 March 2018	於2018年3月31日						
Trade and other payables	貿易及其他應付款項	—	767.1	—	—	767.1	767.1
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股 股東款項	—	100.5	—	—	100.5	100.5
Bank borrowings	銀行貸款	1.6%	5,827.1	—	2,195.7	8,022.8	7,923.0
Gold loans to be repaid by cash	將以現金償還的黃金借貸	0.9%	1,690.4	—	—	1,690.4	1,688.8
			8,385.1	—	2,195.7	10,580.8	10,479.4

Notes:

- (i) The amounts included in above for variable rate bank borrowings are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.
- (ii) The amounts of gold loans are determined with reference to quoted market bid price of gold traded in active liquid markets.

附註：

- (i) 倘若報告期末的浮息利率變動有別於已釐定的利率估計，上列浮息銀行貸款包括的數額或會改變。
- (ii) 黃金借貸的金額參照在高流通市場買賣之黃金市場買入報價釐定。

35. Fair Value Measurements**(i) Fair value hierarchy**

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

35. 公平值計量**(i) 公平值等級**

下表列示了本集團的金融工具按經常性基準於報告期末計量的公平值，此公平值已按國際財務報告準則第13號「公平值計量」所界定的三個公平值層級分類。公平值計量的層級分類是經參考下列估值技術中使用的輸入資料的可觀察性及重要性後釐定的：

- 第一級輸入數據乃實體於計算日於活躍市場可以取得相同的資產或負債之未調整報價；
- 第二級輸入數據乃第一級之報價外，可根據直接或間接觀察資產或負債所得出之輸入數據；及
- 第三級輸入數據乃並非可根據觀察資產或負債所得出之輸入數據。

		Level 1 第一級 HK\$ million 百萬港元	Level 2 第二級 HK\$ million 百萬港元	Level 3 第三級 HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
Notes 附註					
At 31 March 2019	於2019年3月31日				
Asset	資產				
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	–	–	11.2	11.2
Liability	負債				
Gold loans to be repaid by cash	將以現金償還的黃金借貸	29	3,081.4	–	3,081.4
Gold loans to be repaid by physical gold	將以實體黃金償還的黃金借貸	29	4,930.1	–	4,930.1
At 31 March 2018	於2018年3月31日				
Liability	負債				
Gold loans to be repaid by cash	將以現金償還的黃金借貸	29	1,688.8	–	1,688.8
Gold loans to be repaid by physical gold	將以實體黃金償還的黃金借貸	29	3,646.6	–	3,646.6

During the year ended 31 March 2019, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2018: nil).

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

截至2019年3月31日止年度，第一級及第二級之間並沒有轉換，也沒有轉入或轉出第三級的情況（2018年：無）。

本集團的政策是於報告期末確認公平值層級之間的轉入或轉出。

35. Fair Value Measurements (Continued)**(ii) Valuation techniques used to determined level 2 fair values**

The fair value of gold loans is determined using discounted cash flow valuation technique reference to quoted market bid price of gold traded in active liquid markets as a key input.

(iii) Fair value measurement using significant unobservable input (Level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2019 and 31 March 2018 for fair value measurements:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Unlisted equity securities	非上市股權證券		
At 1 April	於4月1日	—	—
Acquisitions/transfer	收購／轉入	11.2	—
Net unrealised gains or losses recognised in profit or loss during the period	期內於損益確認的未變現收益或虧損淨額	—	—
At 31 March	於3月31日	11.2	—

The fair value of financial assets that are grouped under level 3 is determined using valuation technique including discounted cash flow analysis. In determining fair value, specific valuation technique are used with reference to inputs such as profit forecast, dividend stream and other specific input relevant to those particular financial assets.

(iv) Financial instruments that are not measured at fair value

The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

35. 公平值計量 (續)**(ii) 用作釐定第二級公平值的估值技巧**

黃金借貸之公平值利用貼現現金流估值法釐定，其中參照在高流通市場買賣之黃金市場買入報價為主要輸入數據。

(iii) 使用重大不可觀察輸入數據之公平值計量(第三級)

下表載列用作公平值計量的截至2019年3月31日及2018年3月31日止期間第三級項目變動：

	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
於第三級組合的金融資產公平值使用估值技巧(包括貼現現金流量分析)釐定。釐定公平值時，使用特定估值技巧，參照溢利預測、股息流等輸入數據及其他與該等指定金融資產有關的特定輸入數據。		

(iv) 並非以公平值計量的金融工具

其他金融資產及金融負債的公平值根據貼現現金流量分析按照普遍公認的定價模型釐定。

本公司董事認為，於綜合財務報表按攤銷成本入賬的金融資產及負債之賬面值與其公平值相若。

36. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

36. 融資活動產生的負債對賬

下表詳列本集團融資活動所產生的負債變動，其中包括現金及非現金變動。融資活動產生的負債指其現金流量已經（或未來現金流量將會）於本集團的綜合現金流量表分類為融資活動所得現金流量之負債。

		Bank borrowings	Gold loans	Amounts due to non-controlling shareholders of subsidiaries	Dividends payable (included in trade and other payables)	Interest payables (included in trade and other payables)	Total
		銀行貸款 Note 28 附註28 HK\$ million 百萬港元	黃金借貸 Note 29 附註29 HK\$ million 百萬港元	應付附屬公司非控股股東款項 Note 27 附註27 HK\$ million 百萬港元	應付股息（計入貿易及其他應付款項內） Note 26 附註26 HK\$ million 百萬港元	應付利息（計入貿易及其他應付款項內） Note 26 附註26 HK\$ million 百萬港元	總計 HK\$ million 百萬港元
At 1 April 2017	於2017年4月1日	6,792.5	3,215.9	89.9	—	5.0	10,103.3
Financing cash flows	融資現金流量	1,101.8	1,805.3	0.9	(4,260.3)	(244.6)	(1,596.9)
Interest expenses	利息開支	—	—	—	—	243.7	243.7
Foreign exchange translation	外匯換算	28.7	278.9	9.7	—	—	317.3
Dividends declared	宣派股息	—	—	—	4,260.3	—	4,260.3
Fair value loss of gold loans	黃金借貸公平值虧損	—	35.3	—	—	—	35.3
At 31 March 2018	於2018年3月31日	7,923.0	5,335.4	100.5	—	4.1	13,363.0
Financing cash flows	融資現金流量	2,133.4	(2,939.8)	43.0	(6,080.6)	(366.1)	(7,210.1)
Interest expenses	利息開支	—	—	—	—	370.3	370.3
Foreign exchange translation	外匯換算	—	(246.7)	(6.8)	—	—	(253.5)
Dividends declared	宣派股息	—	—	—	6,080.6	—	6,080.6
Fair value loss of gold loans	黃金借貸公平值虧損	—	117.2	—	—	—	117.2
Non-cash movements	非現金變動	0.3	5,745.4	—	—	(0.3)	5,745.4
At 31 March 2019	於2019年3月31日	10,056.7	8,011.5	136.7	—	8.0	18,212.9

37. Retirement Benefit Obligations

Defined contribution scheme

The Group participates in defined contribution schemes which are registered under the Hong Kong Occupational Retirement Scheme Ordinance (the “ORSO Scheme”) and a Mandatory Provident Fund Scheme (the “MPF Scheme”) established under the Hong Kong Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1 December 2000 are required to join the MPF Scheme.

The retirement benefit cost charged to the consolidated statement of profit or loss and other comprehensive income represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme, which contribution is matched by the employee. The maximum monthly amount of contribution is limited to HK\$1,500 per employee.

The eligible employees of the Company’s subsidiaries in Mainland China and Macau are members of pension schemes operated by local government of Mainland China and the Macau government, respectively. The subsidiaries in Mainland China are required to contribute a certain percentage of the relevant cost of the payroll of these employees to the pension schemes to fund the benefits. The subsidiary in Macau is required to pay a monthly fixed contribution to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contribution under the schemes.

37. 退休福利承擔

定額供款計劃

本集團已參與根據香港職業退休計劃條例註冊的定額供款計劃（「職業退休計劃條例計劃」）及於2000年12月根據香港強制性公積金條例成立的強制性公積金計劃（「強積金計劃」）。該等計劃資產與本集團的資產分開處理，由獨立受託人控制的基金持有。凡於成立強積金計劃前已參與職業退休計劃條例計劃的僱員可選擇繼續留用職業退休計劃條例計劃或轉用強積金計劃，而所有於2000年12月1日或之後加入本集團的新僱員則須參加強積金計劃。

自綜合損益及其他全面收益表扣除的退休福利成本指本集團按計劃規則指定的比率應付予基金的供款。倘僱員於全數供款歸屬前退出職業退休計劃條例計劃，本集團應付供款將按已沒收供款扣減。

就強積金計劃的成員而言，本集團須向強積金計劃就相關工資成本作5%供款，該筆供款與僱員的供款額一致。每月供款的最高金額為每位僱員1,500港元。

本公司中國內地及澳門附屬公司的合資格僱員分別為中國內地當地政府及澳門政府營運的退休金計劃成員。中國內地附屬公司須按有關僱員相關工資成本的若干百分比向退休金計劃供款，澳門附屬公司則須每月向退休福利計劃支付定額供款，作為福利供款。本集團有關退休福利計劃的唯一責任為根據該等計劃作出所須供款。

37. Retirement Benefit Obligations (Continued)**Defined benefit scheme**

Certain subsidiaries of the Company provide defined pension benefits to the employees, who joined to these subsidiaries before 1995. The amount payable is dependent on the employees' final salary and years of services. The Group does not set aside any assets to fund such obligations.

Under the scheme, the employees are entitled to a pension between 25% and 40% of final salary for each year of pensionable service at an age of 65. No other post-retirement benefits are provided. The most recent actuarial valuations of the present value of the defined benefit obligations were carried out in March 2019 by Roma Appraisals Limited ("Roma"), an independent qualified professional valuer, using the projected unit credit method. The principal place of business of Roma is 22/F, China Overseas Building, 193 Hennessy Road, Wanchai, Hong Kong. The assumptions which have the most significant effect on the results of the valuation are discount rate, retirement age, turnover rate, mortality rate and the rate of increase in salaries.

The main actuarial assumptions used were as follows:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Discount rate	貼現率	1.4%	1.9%
Expected rate of salary increase	預期薪金增加比率	3.0%	3.0%
Turnover rate	周轉率	0.0%	0.0%

Amounts recognised in comprehensive income in respect of the defined benefit scheme are as follows:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Current service cost	現時服務成本	3.9	3.7
Interest on obligation	承擔的利息	3.3	4.7
Components of defined benefits recognised in profit or loss	於損益確認的定額福利部份	7.2	8.4
Remeasurement on defined benefit scheme recognised in other comprehensive income:	於其他全面收益確認的定額福利計劃重新計量：		
Actuarial loss arising from changes in financial assumptions	財務假設改變所產生的精算虧損	7.5	5.4
Total	總額	14.7	13.8

37. 退休福利承擔 (續)**定額福利計劃**

本公司若干附屬公司向於1995年前加入該等附屬公司的僱員提供定額退休金福利。應付款項取決於僱員最後的薪金及服務年期。本集團並無留存任何資產以支付有關承擔。

根據該計劃，僱員於年屆65歲時就每年提供可獲退休金的服務按介乎最後薪金25%至40%享有退休金。本集團並無提供其他退休後福利。最近的定額福利承擔現值精算估值乃於2019年3月由獨立合資格專業估值師羅馬國際評估有限公司(「羅馬」)採用預計單位貸記法進行。羅馬的主要營業地點為香港灣仔軒尼詩道193號中國海外大廈22樓。對估值結果最具影響的假設乃貼現率、退休年齡、周轉率、死亡率及薪金的升幅。

所使用的主要精算假設如下：

就定額福利計劃於全面收益確認的款項如下：

37. Retirement Benefit Obligations (Continued)**Defined benefit scheme (Continued)**

The current service costs and interest on obligation for the years ended 31 March 2019 and 2018 are included in “selling and distribution costs” and “general and administrative expenses” depending on the respective employee’s function.

The remeasurement of the defined benefit scheme for the years ended 31 March 2019 and 2018 is included in other comprehensive income.

Movements in the present value of the defined benefit obligations are as follows:

		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
At 1 April	於4月1日	232.2	226.6
Service costs	服務成本	3.9	3.7
Interest costs	利息成本	3.3	4.7
Actuarial loss	精算虧損	7.5	5.4
Benefits paid	已支付福利	(8.1)	(8.2)
At 31 March	於3月31日	238.8	232.2

38. Share Option Scheme

Pursuant to a resolution which were passed on 17 November 2011, the Company adopted a share option scheme (the “Share Option Scheme”) for the purpose of attracting skilled and experienced personnel, to incentivise them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company. Under the Share Option Scheme, the directors of the Company may grant options to directors (including executive directors, non-executive directors and independent non-executive directors), the directors of the subsidiaries and the employees of the Group and any other persons (including consultants or advisers) who the directors of the Company consider, in its absolute discretion, have contributed or will contribute to the Group (the “Participants”).

37. 退休福利承擔 (續)**定額福利計劃 (續)**

截至2019年3月31日及2018年3月31日止年度的現時服務成本及承擔的利息按各自的僱員職能計入「銷售及分銷成本」及「一般及行政開支」項。

截至2019年3月31日及2018年3月31日止年度的定額福利計劃重新計量計入其他全面收益。

定額福利承擔現值變動如下：

38. 購股權計劃

根據於2011年11月17日通過的決議案，本公司採納購股權計劃（「購股權計劃」），旨在通過提供獲取本公司股權的機會吸引有技能和經驗的人員，激勵彼等留任本集團，鼓勵其為本集團的未來發展及擴展而努力。根據購股權計劃，本公司董事可向其全權酌情認為對本集團作出或將作出貢獻的董事（包括執行董事、非執行董事及獨立非執行董事）、附屬公司的董事、本集團的僱員以及任何其他人士（包括諮詢人或顧問）（「參與者」）授出購股權。

38. Share Option Scheme (Continued)

The Share Option Scheme shall be valid and effective for a period of 10 years commencing on 17 November 2011. An offer of the grant of an option shall be made to a Participant by a notice of grant requiring the Participant to undertake to hold the option on the terms on which it is to be granted (which may include a minimum period for which the option must be held before it can be exercised and a performance target that must be reached before the option can be exercised in whole or in part) and to be bound by the terms of the Share Option Scheme. An offer of the grant of an option is deemed to be accepted by the Participant (the "Grantee") when the Company receives from the Grantee the duplicate notice of grant duly signed by the Grantee. An offer may be accepted or deemed to have been accepted in respect of less than the number of shares in respect of which it is offered, provided that it is accepted in respect of a board lot or an integral multiple thereof. No amount is payable by the Grantee upon acceptance of an offer of an option. The offer shall remain open for acceptance for such time to be determined by the directors of the Company, provided that no such offer shall be open for acceptance after the expiry of the Share Option Scheme or after the termination of the Share Option Scheme in accordance with its terms or after the Participant to whom the offer is made has ceased to be a Participant. To the extent that the offer is not accepted within the time period and in the manner specified in the offer, the offer will be deemed to have been irrevocably declined.

The exercise price shall be determined by the directors of the Company, and shall not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's share on the date of grant.

During the years ended 31 March 2019 and 2018, no share options were granted by the Company nor were there any share options of the Company outstanding.

The Company issued to the directors and certain employees share appreciation rights (the "SARs") that the Company would pay the intrinsic value of the SARs in cash to the directors and certain employees as part of the discretionary bonus. The Group recorded a total expense of HK\$52.7 million during the year ended 31 March 2019 (2018: HK\$31.1 million).

38. 購股權計劃(續)

購股權計劃的有效期為10年，自2011年11月17日開始。授出購股權的要約須以授出通知的形式向參與者作出，要求參與者承諾按授出條款持有購股權(可能包括行使購股權前最短持有限期，及全部或部份行使購股權前須達到的表現目標)，並受購股權計劃條款約束。倘本公司接獲經承授人正式簽署的授出通知副本，則授出購股權的要約會被視為已獲參與者(「承授人」)接納。承授人可能接納或視為接納的要約，所涉及的股份數目可較所提呈的要約所涉及者為少，惟所接納的須為一手買賣單位或其整數倍數。承授人接納購股權要約時毋須繳付任何金額。有關要約於本公司董事釐定的期間內一直可供接納，惟於購股權計劃期限屆滿或購股權計劃根據其條款終止後或獲作出要約的參與者不再為參與者後，則不再可供接納。倘要約於時限內未按要約所指明方式接納，將視為已不可撤回地拒絕有關要約。

行使價須由本公司董事釐定，並不得低於以下較高者：(i) 授出日期本公司股份的收市價；(ii) 緊接授出日期前五個交易日股份平均收市價；及(iii) 授出日期本公司股份的面值。

截至2019年3月31日及2018年3月31日止年度，本公司並無授出任何購股權，亦無任何尚未行使的購股權。

本公司向董事及若干僱員發行股份增值權(「股份增值權」)，本公司會以現金向董事及若干僱員支付股份增值權的內在價值，作為酌情花紅的一部份。截至2019年3月31日止年度，本集團錄得總開支為52.7百萬港元(2018年：31.1百萬港元)。

39. Related Party Transactions

- (i) Other than the transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had entered into the following related party transactions during the year:

Relationship 關係	Nature of transactions 交易性質	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Entities in which certain directors* of the Company have beneficial interests 本公司若干董事*擁有實益權益的實體	Advertising expenses 廣告開支	5.4	6.6
	Concessionaire fees in department stores 百貨公司專櫃分成	78.2	74.1
	Rental expenses 租金開支	165.1	176.4
	Purchase of goods and coupons and commission expenses 購買商品及禮券以及佣金開支	—	0.1
Non-controlling shareholders of subsidiaries 附屬公司非控股股東	Concessionaire fees in department stores 百貨公司專櫃分成	5.9	6.5
	Franchise sales 加盟銷售	8.9	23.7
Entities in which a close family member of certain directors* of the Company has control 本公司若干董事*的近親家屬成員擁有控制權的實體	Engineering services fee 工程服務費	4.2	9.5
	Rental expenses 租金開支	24.8	24.8
	Purchase of equipment 購買設備	37.7	3.9
	Marking fee 標記費用	58.2	56.0

* The directors also have beneficial interests in the Company.

* 董事亦擁有本公司的實益權益。

Apart from the aforementioned transactions, no other significant transactions, arrangements and contracts to which the Company was a party and in which a director of the Company had, directly or indirectly, a material interest at any time during the year.

除上述交易外，本公司於本年度內任何時間，並無簽訂其他本公司董事在其中直接或間接享有重大利益之重要交易、安排及合約。

- (ii) Remuneration paid for key management personnel includes the directors and the chief executives of the Company as disclosed in note 10.

- (ii) 支付予主要管理人員的酬金包括附註10披露的本公司董事及最高行政人員。

The remuneration of the directors and the chief executives of the Company is determined by the remuneration committee having regard to the performance of individuals and market trends.

本公司董事及最高行政人員的酬金是經由薪酬委員會根據個別人士的表現及市場趨勢而釐定。

40. Principal Subsidiaries of the Company

Details of the Company's principal subsidiaries at the end of the reporting period are set out below:

40. 本公司主要附屬公司

下列為於報告期末本公司主要附屬公司之詳情：

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立／設立地點 及日期	Issued and fully paid share capital/registered capital/quota capital 已發行及繳足股本／ 註冊資本／配額資本	Proportion of ownership interest held by the Company 本公司所佔擁有權 權益比例		Principal activities 主要業務
			2019	2018	
Highrise Achiever Limited* 擇天有限公司	BVI 20 June 2011 英屬維爾京群島 2011年6月20日	Share US\$1 股本 1美元	100%	100%	Investment holding 投資控股
Bentley Trading Limited 栢力貿易有限公司	Hong Kong 10 January 2008 香港 2008年1月10日	Ordinary shares HK\$10,000 普通股 10,000港元	100%	100%	Trading of diamond 鑽石買賣
Chow Tai Fook Jewellery Company Limited 周大福珠寶金行有限公司	Hong Kong 6 March 1961 香港 1961年3月6日	Ordinary shares HK\$350,000,000 普通股 350,000,000港元	100%	100%	Sales of jewellery products 珠寶產品銷售
CTF Diamond Trading Company Limited 大福鑽石貿易有限公司	Hong Kong 19 September 2003 香港 2003年9月19日	Ordinary shares HK\$100 普通股 100港元	100%	100%	Procurement of diamond 鑽石採購
CTF Watch (HK) Limited 周大福鐘錶(香港)有限公司	Hong Kong 7 February 2011 香港 2011年2月7日	Ordinary shares HK\$1 普通股 1港元	100%	100%	Sales of watches 鐘錶銷售
Techni Development Investment Limited 達利發展投資有限公司	Hong Kong 26 May 2005 香港 2005年5月26日	Ordinary shares HK\$5,000,000 普通股 5,000,000港元	100%	100%	Procurement of gemstones, sales of jewellery products and investment holding 採購寶石、珠寶產品 銷售以及投資控股
Chow Tai Fook Jewellery and Watch Company (Macau) Limited 周大福珠寶鐘錶(澳門)有限公司	Macau 17 March 2009 澳門 2009年3月17日	Quota capital MOP5,000,000 配額資本 5,000,000澳門元	100%	100%	Sales of jewellery products 珠寶產品銷售
Hearts On Fire	The United States of America 14 May 2001 美國 2001年5月14日	Capital US\$74,468,737 資本 74,468,737美元	100%	100%	Sales of jewellery products 珠寶產品銷售
Beijing Chow Tai Fook Jewellery Company Limited 北京周大福珠寶金行有限公司	PRC [^] 13 November 2006 中國 [^] 2006年11月13日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及提供 服務予加盟商
Chongqing Chow Tai Fook Watch Marketing Company Limited 重慶周大福鐘錶銷售有限公司	PRC [~] 25 December 2008 中國 [~] 2008年12月25日	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	100%	100%	Sales of watches 鐘錶銷售

40. Principal Subsidiaries of the Company

(Continued)

40. 本公司主要附屬公司 (續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/設立地點 及日期	Issued and fully paid share capital/registered capital/quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of ownership interest held by the Company 本公司所佔擁有權 權益比例		Principal activities 主要業務
			2019	2018	
Chongqing Flamingo Watches Company Limited 重慶富明高鐘錶有限公司	PRC ⁻ 25 December 2008 中國 ⁻ 2008年12月25日	Registered capital RMB1,000,000 註冊資本 人民幣1,000,000元	100%	100%	Sales of watches 鐘錶銷售
Chongqing Meida Watch Company Limited 重慶美達鐘錶有限公司	PRC ⁻ 21 May 2013 中國 ⁻ 2013年5月21日	Registered capital RMB1,000,000 註冊資本 人民幣1,000,000元	100%	100%	Sales of jewellery products 珠寶產品銷售
Chongqing Xinhua Watch Company Limited 重慶新漢鐘錶有限公司	PRC ⁺ 2 August 2013 中國 ⁺ 2013年8月2日	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	51%	51%	Sales of watches 鐘錶銷售
Chow Tai Fook Jewellery (Chongqing) Company Limited 周大福珠寶金行(重慶)有限公司	PRC [^] 23 December 2008 中國 [^] 2008年12月23日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery (Shenyang) Company Limited 周大福珠寶金行(瀋陽)有限公司	PRC ⁻ 2 January 2014 中國 ⁻ 2014年1月2日	Registered capital RMB20,000,000 註冊資本 人民幣20,000,000元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery (Shenzhen) Company Limited 周大福珠寶金行(深圳)有限公司	PRC [^] 2 April 2002 中國 [^] 2002年4月2日	Registered capital US\$100,000,000 註冊資本 100,000,000美元	100%	100%	Manufacturing and sales of jewellery products 珠寶產品生產及銷售
Chow Tai Fook Jewellery (Suzhou) Company Limited 周大福珠寶金行(蘇州)有限公司	PRC [^] 11 January 2006 中國 [^] 2006年1月11日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery (Wuhan) Company Limited 周大福珠寶金行(武漢)有限公司	PRC [^] 29 January 2008 中國 [^] 2008年1月29日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery Culture Industrial Park (Wuhan) Company Limited 周大福珠寶文化產業園(武漢) 有限公司	PRC [^] 16 August 2012 中國 [^] 2012年8月16日	Registered capital US\$140,000,000 註冊資本 140,000,000美元	100%	100%	Manufacturing of jewellery products 珠寶產品生產

40. Principal Subsidiaries of the Company

(Continued)

40. 本公司主要附屬公司 (續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/設立地點 及日期	Issued and fully paid share capital/registered capital/quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of ownership interest held by the Company 本公司所佔擁有權 權益比例		Principal activities 主要業務
			2019	2018	
Chow Tai Fook Jewellery Zhangjiagang Baoshui Company Limited 周大福珠寶金行張家港保稅區 有限公司	PRC~ 21 April 2010 中國~ 2010年4月21日	Registered capital RMB65,723,500 註冊資本 人民幣65,723,500元	100%	100%	Sales of jewellery products 珠寶產品銷售
Foshan Shunde Yuda Jewellery Manufacturing Company Limited 佛山市順德區裕達珠寶首飾製造 有限公司	PRC^ 14 March 2007 中國^ 2007年3月14日	Registered capital US\$10,639,400 註冊資本 10,639,400美元	100%	100%	Manufacturing of jewellery products 珠寶產品生產
Foshan Yushunfu Jewellery and Diamond Company Limited 佛山裕順福首飾鑽石有限公司	PRC^ 9 November 1988 中國^ 1988年11月9日	Registered capital US\$18,000,000 註冊資本 18,000,000美元	100%	100%	Manufacturing of jewellery products 珠寶產品生產
Guangdong Chow Tai Fook Jewellery Company Limited 廣東周大福珠寶金行有限公司	PRC^ 10 December 2007 中國^ 2007年12月10日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Guangdong Shunde Chow Tai Fook Jewellery Manufacturing Company Limited 廣東順德周大福珠寶製造有限公司	PRC~ 30 July 2014 中國~ 2014年7月30日	Registered capital RMB60,000,000 註冊資本 人民幣60,000,000元	100%	100%	Manufacturing of jewellery products 珠寶產品生產
Shanghai Chow Tai Fook Jewellery Company Limited 上海周大福珠寶首飾有限公司	PRC^ 26 February 2013 中國^ 2013年2月26日	Registered capital HK\$60,000,000 註冊資本 60,000,000港元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Shanghai Fulong Chow Tai Fook Jewellery Company Limited 上海福龍周大福珠寶有限公司	PRC+ 5 January 2000 中國+ 2000年1月5日	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	60%	60%	Sales of jewellery products 珠寶產品銷售
Shenzhen Qianhai Chow Tai Fook Jewellery Company Limited 深圳前海周大福珠寶金行有限公司	PRC^ 31 October 2016 中國^ 2016年10月31日	Registered capital US\$10,000,000 註冊資本 10,000,000美元	100%	100%	Sales of jewellery products 珠寶產品銷售
Shenzhen Chow Tai Fook Jewellery Manufacturing Company Limited 深圳市周大福珠寶製造有限公司	PRC~ 5 March 2012 中國~ 2012年3月5日	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	100%	100%	Manufacturing of jewellery products 珠寶產品生產

40. Principal Subsidiaries of the Company

(Continued)

Name of subsidiaries	Place and date of incorporation/ establishment	Issued and fully paid share capital/registered capital/quota capital	Proportion of ownership interest held by the Company		Principal activities
附屬公司名稱	註冊成立／設立地點及日期	已發行及繳足股本／註冊資本／配額資本	本公司所佔擁有權權益比例		主要業務
			2019	2018	
Shenzhen Chow Tai Fook Online Media Company Limited 深圳周大福在線傳媒有限公司	PRC ⁻ 5 January 2017 中國 ⁻ 2017年1月5日	Registered capital RMB5,000,000 註冊資本 人民幣5,000,000元	100%	100%	Sales of jewellery products 珠寶產品銷售
Shenzhen CTF Watch Company Limited 深圳周大福鐘錶有限公司	PRC [^] 27 June 2011 中國 [^] 2011年6月27日	Registered capital HK\$300,000,000 註冊資本 300,000,000港元	100%	100%	Sales of watches 鐘錶銷售
Shenzhen Shenfu Jewellery Company Limited 深圳市深福珠寶金行有限公司	PRC ⁺ 19 April 2007 中國 ⁺ 2007年4月19日	Registered capital RMB8,000,000 註冊資本 人民幣8,000,000元	50% [#]	50% [#]	Sales of jewellery products 珠寶產品銷售
Wuhan Hanfu Jewellery Company Limited 武漢漢福珠寶金行有限公司	PRC ⁺ 26 November 2003 中國 ⁺ 2003年11月26日	Registered capital RMB90,000,000 註冊資本 人民幣90,000,000元	70%	70%	Sales of jewellery products 珠寶產品銷售
Zhangjiagang Baoshui Dade Xinfu Jewellery Company Limited 張家港保稅區大德新福珠寶金行有限公司	PRC ⁺ 3 December 2010 中國 ⁺ 2010年12月3日	Registered capital RMB3,000,000 註冊資本 人民幣3,000,000元	50% [#]	50% [#]	Sales of jewellery products 珠寶產品銷售
Zhangjiagang Baoshui Dehui Jewellery Company Limited 張家港保稅區德輝珠寶金行有限公司	PRC ⁻ 24 September 2012 中國 ⁻ 2012年9月24日	Registered capital RMB94,567,500 註冊資本 人民幣94,567,500元	100%	100%	Sales of jewellery products 珠寶產品銷售
Zhangjiagang Baoshui Zhaofu Jewellery Company Limited 張家港保稅區肇福珠寶金行有限公司	PRC ⁺ 17 November 2011 中國 ⁺ 2011年11月17日	Registered capital RMB70,000,000 註冊資本 人民幣70,000,000元	51%	51%	Sales of jewellery products 珠寶產品銷售

* Directly held by the Company.

[#] Pursuant to the relevant agreements entered into among shareholders of these entities, the Group has power to direct the relevant activities of these entities since their respective date of establishment/acquisition, and hence these entities are classified as subsidiaries of the Company.

⁺ Being a co-operative joint venture establishment in the PRC.

[^] Being a wholly foreign owned enterprise.

⁻ Being a wholly owned enterprise in the PRC.

Note:

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affect the results or assets of the Group. To give details of other subsidiaries which are mainly inactive or engaged in investment holding would, in the opinion of the directors, result in particulars of excessive length.

40. 本公司主要附屬公司 (續)

* 本公司直接持有。

[#] 根據該等實體的股東之間訂立的相關協議，本集團自此等實體各自成立／收購日期以來有權指導該等實體的相關活動，因此此等實體歸類為本公司的附屬公司。

⁺ 為中國成立的合資合作企業。

[^] 為外商獨資企業。

⁻ 為中國成立的獨資企業。

附註：

上表列出董事認為主要影響本集團的業績或資產的本公司附屬公司。載列其他主要暫停營業或從事投資控股的附屬公司之詳情，董事則認為會導致詳情過於冗長。

41. Statement of Financial Position and Reserve Movement of the Company

41. 本公司財務狀況表及儲備變動

		2019 HK\$ million 百萬元	2018 HK\$ million 百萬元
Non-current assets	非流動資產		
Investment in a subsidiary	於一間附屬公司之投資	15,387.3	15,387.3
Amount due from a subsidiary	應收一間附屬公司款項	2,596.7	2,100.0
		17,984.0	17,487.3
Current assets	流動資產		
Amount due from a subsidiary	應收一間附屬公司款項	13,132.0	7,662.4
Taxation recoverable	可收回稅項	1.1	—
Cash and cash equivalents	現金及現金等價物	1.5	2.2
		13,134.6	7,664.6
Current liabilities	流動負債		
Other liabilities	其他負債	14.4	4.3
Amount due to a fellow subsidiary	應付一間同系附屬公司款項	2,410.5	—
Bank borrowings	銀行貸款	7,460.0	5,823.0
Gold loans	黃金借貸	3,081.4	1,688.8
		12,966.3	7,516.1
Net current assets	流動資產淨額	168.3	148.5
Total assets less current liabilities	總資產減流動負債	18,152.3	17,635.8
Non-current liability	非流動負債		
Bank borrowings	銀行貸款	2,596.7	2,100.0
		15,555.6	15,535.8
Capital and reserves	資本及儲備		
Share capital	股本	10,000.0	10,000.0
Reserves	儲備	5,555.6	5,535.8
		15,555.6	15,535.8

		Reserves 儲備			
		Share capital 股本 HK\$ million 百萬元	Share premium 股份溢價 HK\$ million 百萬元	Retained profits 保留溢利 HK\$ million 百萬元	total 總計 HK\$ million 百萬元
At 1 April 2017	於2017年4月1日	10,000.0	5,498.7	40.9	15,539.6
Profit and total comprehensive income for the year	年內溢利及全面收入總額	—	—	4,196.2	4,196.2
Dividends	股息	—	—	(4,200.0)	(4,200.0)
At 31 March 2018	於2018年3月31日	10,000.0	5,498.7	37.1	15,535.8
Profit and total comprehensive income for the year	年內溢利及全面收入總額	—	—	6,019.8	6,019.8
Dividends	股息	—	—	(6,000.0)	(6,000.0)
At 31 March 2019	於2019年3月31日	10,000.0	5,498.7	56.9	15,555.6

Financial Summary

財務概要

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years. The financial information are extracted from the consolidated financial statements in the annual reports.

以下為本集團過去五個財政年度已刊發業績以及資產與負債概要。財務資料摘錄自年報的綜合財務報表。

		For the year ended 31 March 截至3月31日止年度				
		2015 HK\$ million 百萬港元	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Revenue	營業額	64,277.0	56,591.5	51,245.5	59,156.4	66,660.9
Gross profit	毛利	19,072.4	15,641.4	14,962.7	16,213.4	18,601.8
Profit for the year	年度溢利	5,535.8	2,978.9	3,151.1	4,203.3	4,684.0
		As at 31 March 於3月31日				
		2015 HK\$ million 百萬港元	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Total assets	資產總額	61,121.0	55,675.4	49,401.9	57,569.9	62,237.1
Total liabilities	負債總額	20,580.2	19,925.5	16,900.4	23,472.3	30,834.1
Net assets	資產淨額	40,540.8	35,749.9	32,501.5	34,097.6	31,403.0

Glossary

詞彙

1HFY 財政年度上半年	the first half of the financial year, six months ending 30 September 財政年度上半年，截至9月30日止六個月
2HFY 財政年度下半年	the second half of the financial year, six months ending 31 March 財政年度下半年，截至3月31日止六個月
Articles 細則	the articles of association of the Company (as amended from time to time) 本公司組織章程細則(經不時修訂)
ASP 平均售價	average selling price 平均銷售價格
Board 董事會	the board of directors of the Company 本公司董事會
CIS 店內專櫃	Counter-in-shop in POS 於零售點內的店內專櫃
Company/Chow Tai Fook 本公司／周大福	Chow Tai Fook Jewellery Group Limited (stock code: 1929) 周大福珠寶集團有限公司(股份代號：1929)
Directors 董事	directors of the Company 本公司董事
FY 財政年度	financial year, 1 April of a year to 31 March of the following year 財政年度，指4月1日至翌年3月31日
Gem-set jewellery 珠寶鑲嵌首飾	jewellery products made with diamonds and gemstones 鑲有鑽石及寶石的首飾產品
Group 集團／本集團	the Company and its subsidiaries 本公司及其附屬公司
Hearts On Fire	Hearts On Fire Company, LLC.
High-end luxury jewellery 名貴珠寶	jewellery products with a retail price of above HK\$100,000 per piece 每件零售價10萬港元以上的珠寶產品
Karat gold K金	jewellery products made from gold alloy 以合金製成的首飾產品
Listing Rules 上市規則	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司證券上市規則
Mainland China 中國內地	the mainland of the People's Republic of China 中華人民共和國內地
Mass luxury jewellery 主流珠寶	jewellery products with a retail price ranging from HK\$2,000 to HK\$100,000 per piece 每件零售價介乎2千港元至10萬港元的珠寶產品

O2O 線上線下	online-to-offline 線上到線下
POS 零售點	points of sale 產品零售點
Retail Sales Value/RSV 零售值	the sales at the ending price (VAT inclusive, if any), in respective functional currencies, of products sold to customers in the POS network and other channels 於零售點網絡和其他渠道向客戶銷售產品以相應的功能貨幣計值的最終零售價(包括增值稅, 如有)計算
Same Store 同店	self-operated POS existing as at the end of the relevant financial period and which have been operating since the beginning of the prior financial year 自前一個財政年度初已經營並於有關財政期間末仍然續存的直營零售點
Same Store Sales/SSS 同店銷售	for FY2019, the revenue from self-operated POS existing as at 31 March 2019 and which have been opened prior to 1 April 2017, measured at constant exchange rates. Revenue from wholesale and other channels are excluded 就2019財政年度而言, 於2017年4月1日前開業並於2019年3月31日仍然續存的直營零售點的營業額(按相同匯率計量), 惟不包括批發及其他渠道的營業額
Same Store Sales Growth/SSSG 同店銷售增長	a comparison between Same Store Sales of a particular period and sales from comparable POS in the previous period, measured at constant exchange rates 以相同匯率比較特定期間的同店銷售與前一期間的可比零售點銷售
SFO 證券及期貨條例	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 香港法例第571章證券及期貨條例
SIS 店中店	Shop-in-shop in POS 於零售點內的店中店
Stock Exchange 聯交所	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
Tier I, II, III and other cities 一線、二線、三線及其他城市	for the list of cities, please refer to the glossary of our FY2017/18 interim report 有關城市詳情請參閱2017/2018財政年度中期報告的詞彙

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