



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

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

年報
Annual Report
2018/19



六福珠寶

LUKFOOK JEWELLERY

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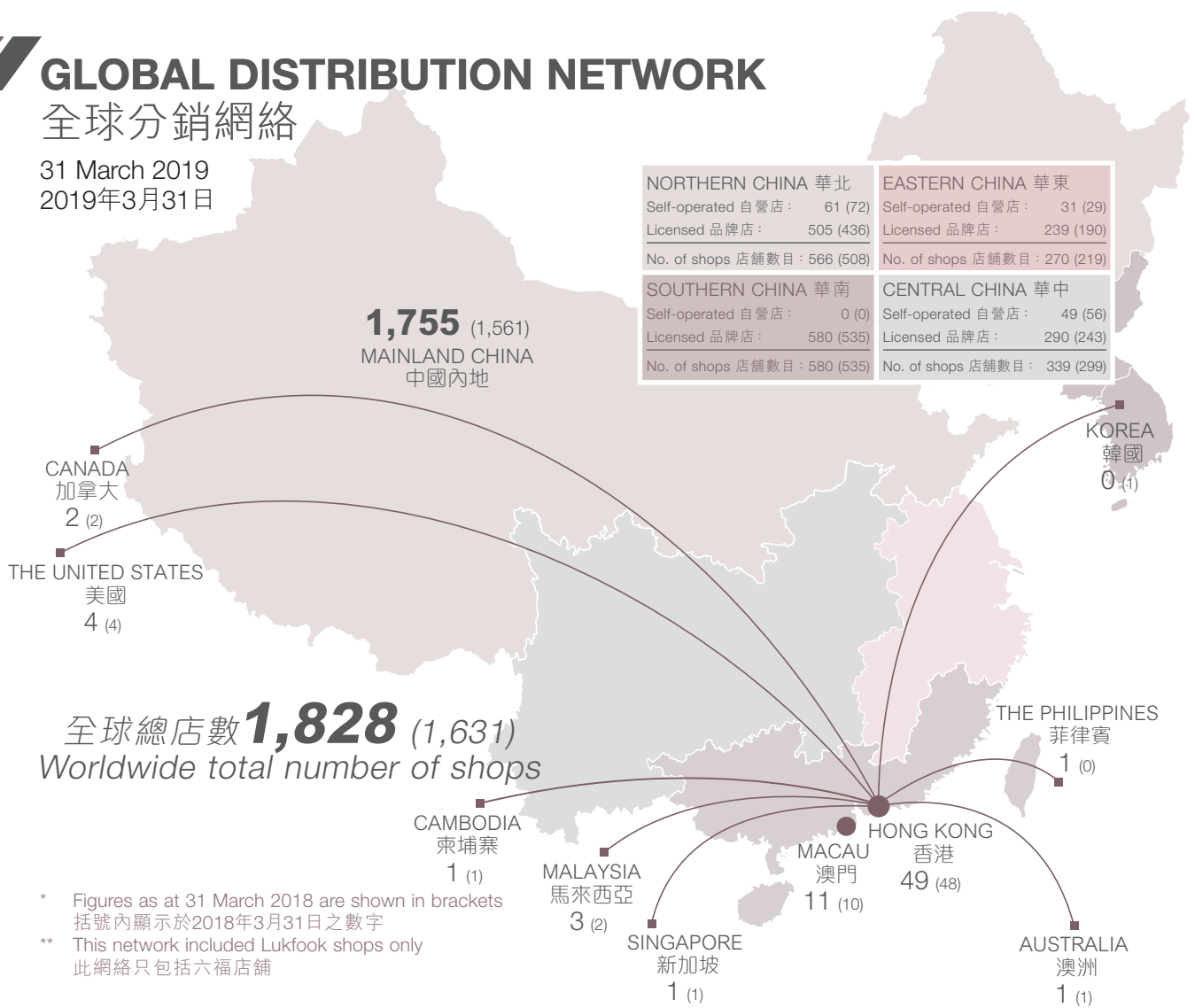


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GLOBAL DISTRIBUTION NETWORK

全球分銷網絡

31 March 2019
2019年3月31日



全球總店數 **1,828** (1,631)
Worldwide total number of shops

* Figures as at 31 March 2018 are shown in brackets
括號內顯示於2018年3月31日之數字
** This network included Lukfook shops only
此網絡只包括六福店舖

NUMBER OF SHOPS | 店舖數目

Lukfook Shops 六福店舖		31 March 2019 2019年3月31日	31 March 2018 2018年3月31日	Y-o-Y Change 按年變化
Hong Kong 香港		49	48	+1
Macau 澳門		11	10	+1
Mainland China 中國內地	Self-operated 自營店			
	- Tier I 一線城市	35	30	+5
	- Tier II 二線城市	66	72	-6
	- Tier III & IV 三線及四線城市	40	55	-15
	Sub-total 小計	141	157	-16
Mainland China 中國內地	Licensed 品牌店			
	- Tier I 一線城市	258	225	+33
	- Tier II 二線城市	494	432	+62
	- Tier III & IV 三線及四線城市	862	747	+115
Sub-total 小計		1,614	1,404	+210
Sub-total 小計		1,755	1,561	+194
Other locations 其他地區	Self-operated 自營店	11	10	+1
	Licensed 品牌店	2	2	-
Total 合共		1,828	1,631	+197
3D-GOLD Shops 金至尊店舖		31 March 2019 2019年3月31日	31 March 2018 2018年3月31日	Y-o-Y Change 按年變化
Mainland China 中國內地	Self-operated 自營店			
	- Tier II 二線城市	4	6	-2
	- Tier III & IV 三線及四線城市	1	5	-4
Total 合共		5	11	-6

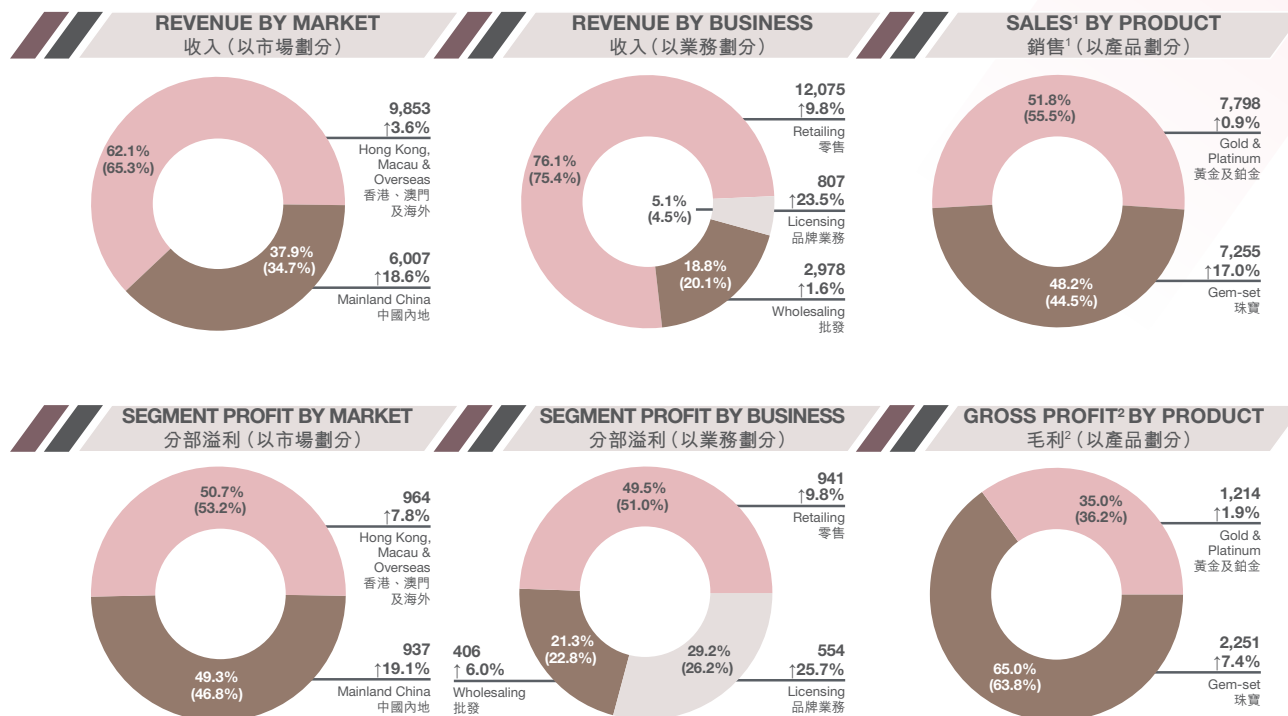
Remarks: During the year under review, the Group operated 5 3D-GOLD self-operated shops established by a joint venture (in which the Group held a 51% equity interest). As at 31 December 2018, total number of 3D-GOLD points of sale operated by China Gold Silver Group Company Limited through self-operating and franchising models was approximately 400.

註：於回顧年度內，本集團以合資公司（本集團佔51%權益）形式營運5間金至尊自營店。於2018年12月31日，中國金銀集團有限公司以自營及特許經營模式共開設約400個金至尊零售點。

OPERATIONAL HIGHLIGHTS

營運摘要

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



Remarks: Comparative figures for the year ended 31 March 2018 are shown in brackets
 註：截至2018年3月31日止年度之比較數字於括號內顯示

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

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

RETAIL SALES PERFORMANCE | 零售銷售表現

	For the year ended 31 March 截至3月31日止年度			
	2019	2018	2019	2018
	Y-o-Y Change 按年變化		SSSG* 同店銷售增長	
Overall 整體	+10%	+14%	+3%	+9%
Gold & Platinum 黃金及鉑金	+11%	+12%	+4%	+7%
Gem-set 珠寶	+8%	+18%	+1%	+13%
Hong Kong & Macau 香港及澳門	+10%	+9%	+5%	+9%
Gold & Platinum 黃金及鉑金	+13%	+5%	+7%	+6%
Gem-set 珠寶	+7%	+15%	+1%	+14%
Mainland China 中國內地	+9%	+34%	-3%	+5%
Gold & Platinum 黃金及鉑金	+6%	+37%	-6%	+7%
Gem-set 珠寶	+16%	+28%	+6%	-1%

* Same store sales growth ("SSSG") represented a comparison of sales of the same Lukfook self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops, and Mainland China's e-commerce business.
 同店銷售增長(「同店銷售增長」)為同一間六福自營店於可比較期內完整日營運的銷售額比較，有關數據並不包括品牌店及中國內地電子商務業務的銷售額。

FINANCIAL HIGHLIGHTS

財務摘要

FINANCIAL PERFORMANCE | 財務表現

HK\$ m 百萬港元	For the year ended 31 March 2019 截至2019年3月31日止年度	For the year ended 31 March 2018 截至2018年3月31日止年度	Y-o-Y Change 按年變化
Revenue 收入	15,860	14,578	+8.8%
Gross Profit 毛利	4,034	3,741	+7.8%
Operating Profit 經營溢利	1,853	1,621	+14.3%
Profit for the Year 年內溢利	1,504	1,370	+9.7%
Profit Attributable to Equity Holders 權益持有人應佔溢利	1,493	1,369	+9.0%
Basic Earnings per Share 每股基本盈利	HK\$2.54港元	HK\$2.33港元	+9.0%
Final Dividend per Share 每股末期股息	HK\$0.60港元	HK\$0.55港元	+9.1%
Annual Dividend per Share 每股全年股息	HK\$1.15港元	HK\$1.10港元	+4.5%
Dividend Payout Ratio 派息比率	45.3%	47.2%	-1.9 p.p. 個百分點
Gross Margin 毛利率	25.4%	25.7%	-0.3 p.p. 個百分點
Operating Margin 經營溢利率	11.7%	11.1%	+0.6 p.p. 個百分點
Net Margin 淨利率	9.5%	9.4%	+0.1 p.p. 個百分點
EBITDA 未計利息、稅項、折舊及攤銷前盈利	1,937	1,719	+12.7%
EBITDA Margin 未計利息、稅項、折舊及攤銷前盈利率	12.2%	11.8%	+0.4 p.p. 個百分點
Total Operating Expenses to Revenue Ratio 總經營開支佔收入比率	15.4%	15.9%	-0.5 p.p. 個百分點
Effective Tax Rate 實際稅率	16.8%	15.1%	+1.7 p.p. 個百分點

KEY FINANCIAL INDICATORS | 主要財務指標

	Financial Year 2019 2019財政年度	Financial Year 2018 2018財政年度	Y-o-Y Change 按年變化
Inventory 存貨 (HK\$ m) (百萬港元)	9,322	7,992	+16.6%
Average Inventory Turnover Days ¹ 平均存貨周轉日數 ¹	273	257	+16
Cash and Bank Balances 現金及銀行結餘 (HK\$ m) (百萬港元)	2,087	2,098	-0.5%
Bank Borrowings & Gold Loans 銀行貸款及黃金借貸 (HK\$ m) (百萬港元)	2,306	726	+217.5%
Net (Borrowing)/Cash 淨(貸款)/現金 (HK\$ m) (百萬港元)	(219)	1,372	-116.0%
Net Gearing Ratio ² 淨債務比率 ²	2.1%	-	N/A 不適用
Debt-to-Equity Ratio ³ 負債權益比率 ³	36.7%	21.3%	+15.4 p.p. 個百分點
Return on Equity (ROE) ⁴ 股東權益回報率 ⁴	14.2%	13.6%	+0.6 p.p. 個百分點
Return on Total Assets ⁵ 總資產回報率 ⁵	10.4%	11.2%	-0.8 p.p. 個百分點
Current Ratio 流動比率	3.3	5.4	-2.1
Net Asset Value per Share 每股淨資產值	HK\$17.99港元	HK\$17.17港元	+4.8%
CAPEX 資本開支 (HK\$ m) (百萬港元)	934	213	338.5%

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

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

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

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

5 $\text{Profit Attributable to Equity Holders} \div (\text{Long-term Assets} + \text{Short term Assets})$
權益持有人應佔溢利 ÷ (長期資產 + 短期資產)

CORPORATE PROFILE

企業簡介

Established in 1991, Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) is one of the leading jewellery retailers in Hong Kong and Mainland China. The Group principally engages in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery and gem-set jewellery products, with a total of over 1,800 Lukfook Jewellery shops in 10 countries and regions across Hong Kong, Macau, Mainland China, Singapore, Malaysia, Cambodia, the Philippines, the United States, Canada and Australia.

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

六福集團(國際)有限公司(「本公司」)及其附屬公司(統稱「本集團」)成立於1991年，是香港及中國內地主要珠寶零售商之一。本集團主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。集團現時在香港、澳門、中國內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲共10個國家和地區擁有逾1,800間六福珠寶零售店。

本公司於1997年5月在香港聯合交易所有限公司主板上市。

CORPORATE VISION

企業願景

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

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



CHAIRMAN'S STATEMENT

主席報告



WONG Wai Sheung 黃偉常

Chairman and Chief Executive Officer 主席兼行政總裁

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), I hereby present the Group's annual results for the year ended 31 March 2019 ("FY2019" or the "Year under review").

During the Year under review, with promising performance in the first half but flat in the second half due to the adverse impact of the US-China trade war on macro-economic environment, both the Group's revenue and profit attributable to equity holders for FY2019 therefore recorded high single-digit growth.

The Group's total revenue for the Year under review amounted to HK\$15,859,990,000 (2018: HK\$14,578,410,000), representing an increase of 8.8% over the corresponding period of last year. Profit attributable to equity holders increased by 9.0% to HK\$1,492,747,000 (2018: HK\$1,369,393,000), with earnings per share of HK\$2.54 (2018: HK\$2.33). The board of directors of the Company proposed a final dividend of HK\$0.60 per share, together with the interim dividend of HK\$0.55 per share paid in December 2018, the total dividend for FY2019 amounted to HK\$1.15 per share (2018: HK\$1.10 per share). The dividend payout ratio is 45.3% (2018: 47.2%) on a full year basis.

Despite the slowing economic growth in Mainland China, given the favourable growth potential of the middle-class population, the Group continued to actively pursue further development in the Mainland China market. During the Year under review, the Group opened a net total of 194 Lukfook shops in Mainland China, added 1 Lukfook shop in each of Hong Kong, Macau, Malaysia and the Philippines, and closed 1 licensed shop in Korea. As at 31 March 2019, the Group had a global network of 1,828 "Lukfook" shops (of which 1,616 were licensed shops and 212 were self-operated shops). Together with 5 "3D-GOLD" self-operated shops in Mainland China, there were 1,833 shops in total globally, spanning over Hong Kong, Macau, Mainland China, Singapore, Malaysia, Cambodia, the Philippines, the United States, Canada and Australia.

各位股東：

本人謹代表六福集團(國際)有限公司(「本公司」)及其附屬公司(統稱「本集團」)謹此提呈本集團截至2019年3月31日止年度(「2019財年」或「回顧年度」)之全年業績。

回顧年度內，上半年雖業績亮麗，但下半年因中美貿易戰對宏觀經濟環境產生負面影響，只能維持平穩，本集團於2019財年的收入及權益持有人應佔溢利因此皆錄得高單位數增長。

本集團於回顧年度的總收入為15,859,990,000港元(2018年：14,578,410,000港元)，較去年同期增加8.8%。權益持有人應佔溢利則增加9.0%至1,492,747,000港元(2018年：1,369,393,000港元)，每股盈利為2.54港元(2018年：2.33港元)。本公司董事會建議派付末期股息每股0.60港元，連同已於2018年12月派付的中期股息每股0.55港元，2019財年股息合共為每股1.15港元(2018年：每股1.10港元)，全年派息比率為45.3%(2018年：47.2%)。

雖然中國內地經濟增長放緩，惟在中產人口良好的增長潛力下，本集團仍繼續積極拓展中國內地市場。回顧年度內，於中國內地淨增設194間六福店舖，在香港、澳門、馬來西亞及菲律賓各增加1間六福店舖，並關閉1間韓國品牌店。於2019年3月31日，本集團於全球共有1,828間「六福」店舖(其中1,616間為品牌店，212間為自營店)，加上5間位於中國內地的「金至尊」自營店，全球共有1,833間店舖，遍及香港、澳門、中國內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲。

CHAIRMAN'S STATEMENT

主席報告

OUTLOOK

During the Year under review, overall profit still recorded growth despite that the market sentiment was suddenly worsened under the adverse impact of the US-China trade war in the second half of the financial year. However, SSSG in the Hong Kong and Macau markets of the Group recorded a low double-digit drop for the period from April to the first 3 weeks of June 2019, while same store sales for Mainland China's were a mid single-digit drop and a low single-digit growth for self-operated and licensed shops respectively. With the continuing uncertainties on the macro-economic environment arising from the US-China trade war, together with the high base effect in the first half and low base in the second half of the financial year, therefore, the Group expects its business performance to be flattish in FY2019/20 and looks for maintaining its profitability. As Mainland China remains to be a market with promising growth potential, the Group remains optimistic about the mid- to long-term business prospects.

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

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

The implementation of policies on promoting the domestic consumption and pushing forward urbanisation in Mainland China has led to continuing increase in the middle-class population. In light of the strong growth potential in the Mainland China market, the Group will continue to actively pursue further development in the Mainland China market, and the Group's target for net shop additions including the newly developed new brands in Mainland China for the new financial year will be at least 150 shops. Moreover, given the outstanding performance of the Group's e-commerce business in Mainland China and the active consumption of consumers from younger age group on online sales platforms, the Group will continue to develop the e-commerce business and further strengthen cooperation with e-commerce platforms in Mainland China. The Group targets to grow e-commerce revenue by 20% in the coming year.

前景

於回顧年度內，儘管下半財年市場氣氛受中美貿易戰的不良影響突然轉差，猶幸整體利潤仍有增長。惟本集團於香港及澳門市場之同店銷售增長在2019年4月至6月首三週期間錄得低雙位數字跌幅，而中國內地市場的自營店及品牌店之同店銷售分別為中單位數字跌幅及低單位數字升幅。有鑑於中美貿易戰對宏觀經濟環境影響的持續不確定性及上半財年之高基數效應與下半財年的低基數，本集團因此預期於2019/20財年的業務表現將會維持於平穩狀態，並期望得以持盈保泰。由於中國內地仍為深厚增長潛力所在，本集團對於中長線業務前景仍感樂觀。

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

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

有見中國內地推動內需及城市化政策令中產人口不斷提升，中國內地市場仍有強勁發展潛力，故此本集團仍會繼續積極拓展中國內地市場，並訂下在新財年中國內地店舖包括新開發品牌在內之淨增長將不少於150間之目標。另外，鑑於本集團在中國內地電子商務業務發展理想，較年輕群體於網上銷售平台的消費活躍，本集團將繼續在中國內地致力發展電子商務業務，並加強與電子商務平台的合作，本集團於來年電子商務收入的增長目標為20%。

CHAIRMAN'S STATEMENT

主席報告

The Group will adopt multi-brand strategy to cater for different tastes of customers. In light of customers' demand for fashionable and personalised products, the Group has selected the Dear Q Collection, which rides on the DIY concept of allowing customers to mix and match charms for their unique styling, into a sub-brand. The first independent store was opened in Shanghai in May 2019. The Group's globally exclusive Goldstyle Collection, crafted with exquisite techniques to double the hardness of gold and provide gold jewellery featuring style effects of K-gold, has been well received by the middle-class customers favouring chic jewellery suitable for daily wear. In view of this, the Group strives to develop Goldstyle into an independent brand and has opened the first store in Xi'an in June 2019, aiming to attract the sophisticated middle-class customers. The Group will also continue to develop more new brands to further expand its business so as to help the Group to reach a new height.

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

By order of the Board

WONG Wai Sheung

Chairman and Chief Executive Officer

Hong Kong, 27 June 2019

本集團將採納多品牌策略，以迎合消費者不同的口味。有見客戶群追求設計時尚和具個性化的產品，集團基於DIY概念特意挑選可供客人自由配搭珠串的Dear Q系列發展成為子品牌，並於2019年5月在上海開設首間獨立店。而集團的全球獨家Goldstyle系列以精湛的製金工藝倍增足金硬度，打造出媲美K金款式的足金首飾，一直深得具潮流觸角和追求適合日常佩戴的中產顧客喜愛。有見及此，集團銳意發展Goldstyle為獨立品牌，並在2019年6月在西安開設首間店鋪，吸納富品味的中產顧客。本集團亦將繼續發展更多新品牌以進一步擴展其業務以引領集團再闢高峰。

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

承董事會命

主席兼行政總裁

黃偉常

香港，2019年6月27日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL PERFORMANCE



Revenue
收入
HK\$15,860M 百萬港元
+8.8%



Operating Profit
經營溢利
HK\$1,853M 百萬港元
+14.3%



Profit Attributable to Equity Holders
權益持有人應佔溢利
HK\$1,493M 百萬港元
+9.0%



Mainland China E-commerce Business Performance
中國內地電子商務業務表現
Revenue 收入: +60.9% Y-o-Y Change 按年變化
Contribution to Mainland China Retail Revenue*:
佔中國內地零售收入*:
22.9% (FY2018 財年: 15.5%)

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

Results

Though promising performance in first half, with second half performance staying flat due to adverse impact of the US-China trade war on macro-economic conditions, Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") recorded revenue growth of 8.8% to HK\$15,859,990,000 (2018: HK\$14,578,409,000) for the year ended 31 March 2019 (the "Year under review"). Overall gross margin was 25.4% (2018: 25.7%), and gross profit rose by 7.8% to HK\$4,033,836,000 (2018: HK\$3,741,377,000). On the other hand, benefiting from operating leverage, the total operating expenses only increased by 5.4%. Its ratio to revenue thus decreased to 15.4% (2018: 15.9%). Therefore, operating profit increased by 14.3% to HK\$1,853,042,000 (2018: HK\$1,620,806,000). Operating margin also improved to 11.7% (2018: 11.1%), while net margin grew slightly only to 9.5% (2018: 9.4%) due to the increase in financial costs resulting from the increase in borrowings and higher effective tax rate arising from the increased mix of profit from Mainland China's business under higher profit tax rate. Profit attributable to equity holders thus increased by 9.0% to HK\$1,492,747,000 (2018: HK\$1,369,393,000) and basic earnings per share increased by 9.0% to HK\$2.54 (2018: HK\$2.33).

財務表現



Basic Earnings per Share
每股基本盈利
HK\$2.54 港元
+9.0%



Proposed Final Dividend per Share
擬派每股末期股息
HK60 Cents 港仙
Annual Dividend Payout Ratio
全年派息比率: 45%



Overall Net Shop Additions
整體淨增設店舖
Lukfook 六福: +197
Mainland China 中國內地: +194
Hong Kong, Macau & Overseas
香港、澳門及海外: +3

3D-GOLD 金至尊: -6
Mainland China 中國內地: -6

業績

上半年業績雖亮麗，惟下半年因中美貿易戰對宏觀經濟的不利影響只能維持持平狀況，六福集團（國際）有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至2019年3月31日止年度（「回顧年度」）的收入增加8.8%至15,859,990,000港元（2018年：14,578,409,000港元）。整體毛利率為25.4%（2018年：25.7%），毛利增加7.8%至4,033,836,000港元（2018年：3,741,377,000港元）。另一方面，受惠於營運效益，總經營開支只增加了5.4%，其佔收入比率因而減少至15.4%（2018年：15.9%）。因此，經營溢利增加14.3%至1,853,042,000港元（2018年：1,620,806,000港元），經營溢利率亦改善至11.7%（2018年：11.1%），而淨利率則因借貸增加令財務費用上升及較高所得稅率的中國內地業務利潤佔比增長較快令實際稅率上升，而只輕微改善至9.5%（2018年：9.4%）。權益持有人應佔溢利亦因此上升9.0%至1,492,747,000港元（2018年：1,369,393,000港元），而每股基本盈利則上升9.0%至2.54港元（2018年：2.33港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

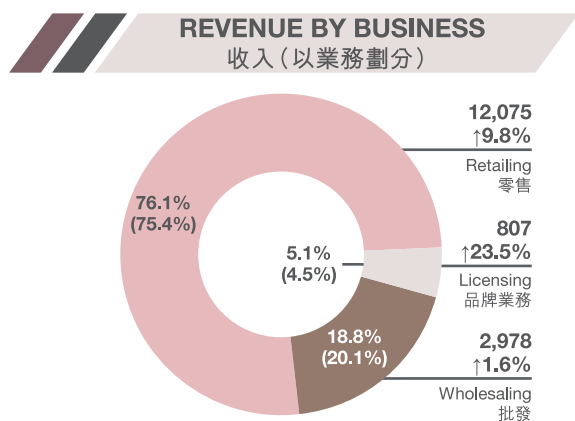
管理層討論及分析

Overview

During the Year under review, the Group added a net total of 197 new Lukfook shops worldwide, including a net addition of 1 self-operated shop in Hong Kong, Macau and Malaysia, 194 shops in Mainland China (including a net addition of 210 licensed shops and a net reduction of 16 self-operated shops), and 1 licensed shop in the Philippines, as well as closure of 1 licensed shop in Korea. As at 31 March 2019, the Group had a global network of 1,833 shops (2018: 1,642 shops), including 1,828 Lukfook shops (2018: 1,631 shops), with business spanning across Hong Kong, Macau, Mainland China, Singapore, Malaysia, Cambodia, the Philippines, the United States, Canada and Australia, and operated 5 3D-GOLD self-operated shops (2018: 11 shops) in Mainland China.

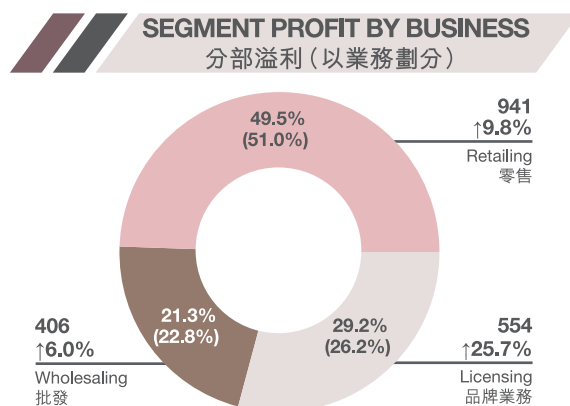
概覽

於回顧年度內，本集團於全球淨增設197間六福店舖，包括於香港、澳門和馬來西亞各增設1間自營店，於中國內地淨增設194間（當中包括淨增設210間品牌店，淨減少16間自營店），和於菲律賓增設1間品牌店，並關閉1間韓國品牌店。於2019年3月31日，本集團於全球共有1,833間店舖（2018年：1,642間），其中包括1,828間六福店舖（2018年：1,631間），遍及香港、澳門、中國內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲，以及在中國內地經營5間金至尊自營店（2018年：11間）。



Remarks: Comparative figures for FY2018 are shown in brackets

The retail business was the Group's primary source of revenue. Its revenue rose by 9.8% year-on-year to HK\$12,075,187,000 (2018: HK\$10,995,093,000), accounting for 76.1% (2018: 75.4%) of the Group's total revenue. Its segment profit also increased by 9.8% to HK\$940,891,000 (2018: HK\$857,092,000), accounting for 49.5% (2018: 51.0%) of the total, and its segment profit margin was 7.8% (2018: 7.8%).



註：括號內為2018財年數字

零售業務為本集團主要收入來源，其收入按年增加9.8%至12,075,187,000港元（2018年：10,995,093,000港元），佔本集團總收入76.1%（2018年：75.4%）。其分部溢利亦上升9.8%至940,891,000港元（2018年：857,092,000港元），佔比為49.5%（2018年：51.0%），其分部溢利率為7.8%（2018年：7.8%）。

MANAGEMENT DISCUSSION AND ANALYSIS

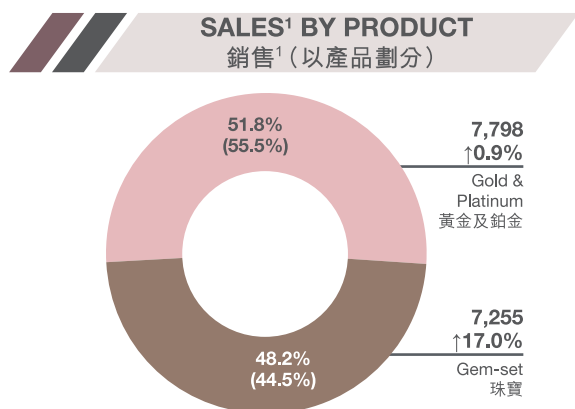
管理層討論及分析

Despite the increase in the number of licensed shops, as scrap gold received from customers in Hong Kong no longer being accounted for as sales but processed into raw materials instead, the Group's wholesale business revenue only rose by 1.6% over the corresponding period last year to HK\$2,977,811,000 (2018: HK\$2,930,114,000), accounting for 18.8% (2018: 20.1%) of the Group's total revenue. Nevertheless, with the well increase in revenue of Mainland China's wholesale business, the Group's wholesale business segment profit increased by 6.0% to HK\$405,742,000 (2018: HK\$382,608,000), accounting for 21.3% (2018: 22.8%) of the total. Its segment profit margin was 13.6% (2018: 13.1%).

Licensing income, which accounted for 5.1% (2018: 4.5%) of the Group's total revenue, increased by 23.5% to HK\$806,992,000 (2018: HK\$653,202,000) due to an increase in the number of licensed shops. Its segment profit margin improved to 68.7% (2018: 67.5%) because of high fixed cost proportion in its cost structure, while its segment profit increased by 25.7% to HK\$554,192,000 (2018: HK\$440,915,000), accounting for 29.2% (2018: 26.2%) of the total.

雖然品牌店有所增加，但由於香港客戶廢金回收不再用作銷售而改為加工為原材料，本集團批發業務收入較去年同期只上升1.6%至2,977,811,000港元（2018年：2,930,114,000港元），佔本集團總收入的18.8%（2018年：20.1%）。然而，受惠於中國內地批發業務收入增長良好，本集團批發業務的分部溢利上升6.0%至405,742,000港元（2018年：382,608,000港元），佔比為21.3%（2018年：22.8%），其分部溢利率為13.6%（2018年：13.1%）。

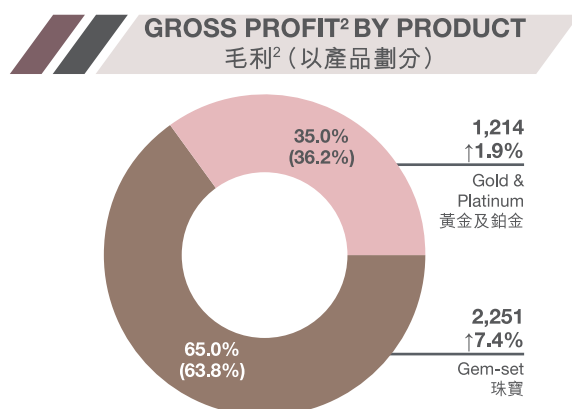
品牌業務收入因品牌店數目的增加，上升23.5%至806,992,000港元（2018年：653,202,000港元），佔本集團總收入的5.1%（2018年：4.5%）。由於其成本結構中固定費用比重高，其分部溢利率因此改善至68.7%（2018年：67.5%），其分部溢利則增加25.7%至554,192,000港元（2018年：440,915,000港元），佔比為29.2%（2018年：26.2%）。



¹ Sales = Revenue - Licensing Income

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

Remarks: Comparative figures for FY2018 are shown in brackets



¹ 銷售 = 收入 - 品牌業務收入

² 毛利 = 綜合毛利 - 品牌業務收入毛利

註：括號內為2018財年數字

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Sales of gold and platinum products increased by 0.9% to HK\$7,797,657,000 (2018: HK\$7,725,533,000), accounting for 51.8% (2018: 55.5%) of the overall sales (Group revenue minus licensing income). With a gross margin of 15.6% (2018: 15.4%), gross profit of gold and platinum products therefore increased by 1.9% to HK\$1,213,791,000 (2018: HK\$1,191,303,000), accounting for 35.0% (2018: 36.2%) of the overall gross profit (consolidated gross profit of the Group minus gross profit of licensing income). On the other hand, sales of gem-set jewellery products rose by 17.0% to HK\$7,255,341,000 (2018: HK\$6,199,674,000), accounting for 48.2% (2018: 44.5%) of the overall sales. Gross margin of gem-set jewellery products decreased by 2.8 p.p. to 31.0% (2018: 33.8%) because of much increased sales mix of products with lower gross margin and adjustment of wholesale prices in response to market price changes in its wholesale business. Its gross profit, as a result, only increased by 7.4% to HK\$2,251,062,000 (2018: HK\$2,096,130,000), accounting for 65.0% (2018: 63.8%) of the overall gross profit.

During the Year under review, the overall same store sales growth* (“SSSG”) of the Group was +3.1% (2018: +9.2%). SSSG for the Hong Kong and Macau market and that for the Mainland China market were +4.6% (2018: +9.4%) and -2.6% (2018: +4.6%) respectively. SSSG for gold and platinum products was +4.4% (2018: +6.6%) and that for gem-set jewellery products was +1.4% (2018: +13.3%).

黃金及鉑金產品的銷售額上升0.9%至7,797,657,000港元(2018年:7,725,533,000港元),佔整體銷售額(本集團收入減去品牌業務收入)的51.8%(2018年:55.5%)。毛利率為15.6%(2018年:15.4%),黃金及鉑金產品毛利因此上升1.9%至1,213,791,000港元(2018年:1,191,303,000港元),佔整體毛利(本集團綜合毛利減去品牌業務收入毛利)的35.0%(2018年:36.2%)。另一方面,珠寶首飾產品的銷售額上升17.0%至7,255,341,000港元(2018年:6,199,674,000港元),佔整體銷售額的48.2%(2018年:44.5%)。珠寶首飾產品的毛利率則因其批發業務毛利率較低產品的銷售佔比大幅上升及批發價因應市場價格變動作出調整而下跌2.8個百分點至31.0%(2018年:33.8%)。其毛利因此只上升7.4%至2,251,062,000港元(2018年:2,096,130,000港元),佔整體毛利的65.0%(2018年:63.8%)。

於回顧年度內,本集團整體同店銷售增長*([「同店銷售增長」])為+3.1%(2018年:+9.2%)。香港及澳門市場以及中國內地市場的同店銷售增長分別為+4.6%(2018年:+9.4%)及-2.6%(2018年:+4.6%)。黃金及鉑金產品的同店銷售增長為+4.4%(2018年:+6.6%),珠寶首飾產品則為+1.4%(2018年:+13.3%)。

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

同店銷售增長([「同店銷售增長」])為同一間六福自營店可比較期內完整日營運的銷售額比較,有關數據並不包括品牌店及中國內地電子商務業務的銷售額。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

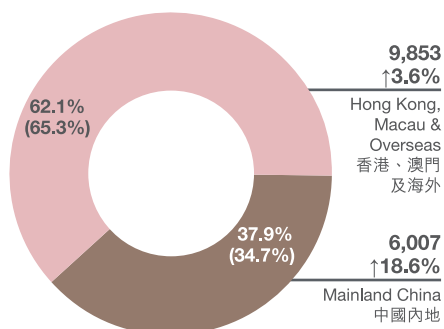
The Group has been striving to diversify its product mix to offer customers more choices. Since 2010, the Group has been engaging in the mid- to high-end watch business. As at 31 March 2019, the Group was the authorised dealer of 14 watch brands, including BALMAIN, CERTINA, COINWATCH, DOXA, ENICAR, HAMILTON, LONGINES, MIDO, OMEGA, RADO, ROMAGO SWISS, TISSOT, BIJOU MONTRE and SEIKO. For the Year under review, the watch business contributed revenue of HK\$165,707,000 (2018: HK\$179,988,000), accounting for 1.0% (2018: 1.2%) of the Group's total revenue with 7.9% decrease when compared with the same period last year.

本集團一直銳意拓展多元化產品，為顧客提供更多選擇。自2010年起，本集團開展中高檔鐘錶業務，於2019年3月31日，本集團為14個鐘錶品牌的授權經銷商，品牌包括寶曼、雪鐵納、科因沃奇、時度、英納格、漢米爾頓、浪琴、美度、歐米茄、雷達、瑞士雷米格、天梭、寶爵錶及精工錶。於回顧年度內，來自鐘錶業務的收入為165,707,000港元（2018年：179,988,000港元），佔本集團總收入1.0%（2018年：1.2%），與去年同期比較下跌7.9%。

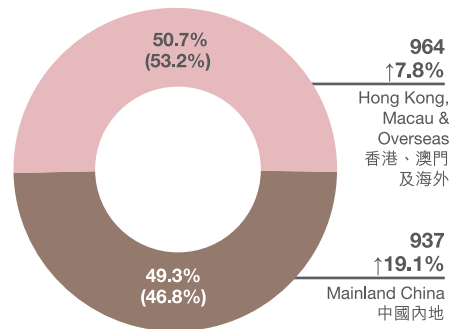
BUSINESS REVIEW

業務回顧

REVENUE BY MARKET 收入（以市場劃分）



SEGMENT PROFIT BY MARKET 分部溢利（以市場劃分）



Remarks: Comparative figures for FY2018 are shown in brackets

註：括號內為2018財年數字

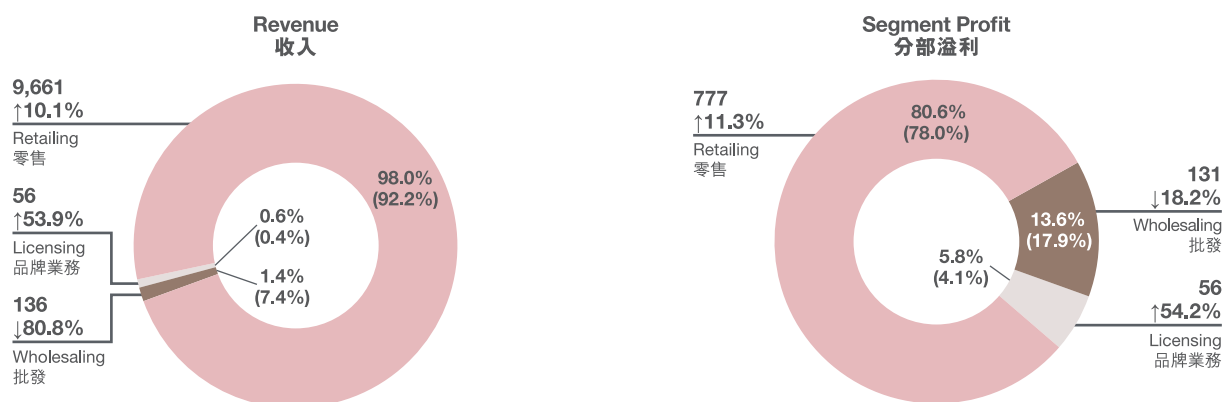
	Segment Profit Margin 分部溢利率	Y-o-Y Change 按年變化
Hong Kong, Macau and Overseas 香港、澳門及海外	9.8%	+0.4 p.p. 個百分點
Mainland China 中國內地	15.6%	+0.1 p.p. 個百分點
Overall 整體	12.0%	+0.5 p.p. 個百分點

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

HONG KONG, MACAU AND OVERSEAS

香港、澳門及海外



Remarks: Comparative figures for FY2018 are shown in brackets

註：括號內為2018財年數字

	Segment Profit Margin 分部溢利率	
	Hong Kong, Macau and Overseas 香港、澳門及海外	Y-o-Y Change 按年變化
Retailing 零售	8.0%	-
Wholesaling 批發	96.5%	+73.8 p.p. 個百分點
Adjusted Wholesaling ¹ 經調整批發 ¹	5.2%	+0.1 p.p. 個百分點
Licensing 品牌業務	100.1%	+0.3 p.p. 個百分點
Overall 整體	9.8%	+0.4 p.p. 個百分點

¹ Adjusted Wholesaling Segment Profit Margin = Segment Profit of Wholesale Business ÷ (Revenue of Wholesale Business to External Parties + Inter-Segment Wholesale Revenue of HK\$2.375B)

¹ 經調整批發分部溢利率 = 批發業務分部溢利 ÷ (對外批發業務收入 + 分部間批發收入23.75億港元)

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Hong Kong, Macau and Overseas

Hong Kong

The Hong Kong market was the key source of revenue for the Group. Visitors from Mainland China had been the major driver for the retail business growth in Hong Kong in the past. Given the continually improving retail sentiment and increasing visitor arrivals in 2018, consumption expenditure per capita rose with the improved macro-economic conditions and spending power. According to the statistics on visitor arrivals to Hong Kong published by the Hong Kong Tourism Board in January 2019, visitor arrivals from Mainland China in 2018 rose by 14.8% year-on-year to approximately 51.04 million. According to the visitor arrival statistics published in April 2019, Mainland Chinese visitors from January to March 2019 increased by 19.7% year-on-year to approximately 14.58 million, while the consumption expenditure per capita of overnight Mainland Chinese visitors increased by 2% year-on-year in 2018, representing the first positive growth after 2015. However, the overall retail atmosphere has weakened since 2019. According to the statistics on retail sales published by the Census and Statistics Department of Hong Kong in April 2019, the sales value of jewellery, watches and clocks, and valuable gifts from January to March 2019 decreased by 2.7% over the corresponding period last year. The Group's retail revenue in the Hong Kong market therefore increased by 11.6% to HK\$7,440,987,000 (2018: HK\$6,664,827,000) during the Year under review. As at 31 March 2019, the Group operated a total of 49 self-operated shops (2018: 48 shops) in Hong Kong.

Macau

According to the latest tourism statistics published by the Statistics and Census Service of the Macau Special Administrative Region, Mainland Chinese visitor arrivals to Macau in 2018 increased by 13.8% over last year to 25.26 million; while the number of Mainland Chinese visitor arrivals from January to March 2019 rose by 23.5% year-on-year. Due to the drop in average selling price of gem-set jewellery products, the Group's revenue generated from the Macau market therefore only increased by 5.1% to HK\$1,926,870,000 (2018: HK\$1,833,983,000) during the Year under review. As at 31 March 2019, the Group had a total of 11 self-operated shops (2018: 10 shops) in Macau.

香港、澳門及海外

香港

香港市場為本集團的主要收入來源，中國內地旅客在過去一直為香港零售業務增長的主要推動力。2018年零售氣氛持續改善，人流增長良好，人均消費亦因宏觀經濟狀況和消費力的好轉而有所提升。根據香港旅遊發展局於2019年1月公佈之訪港旅客統計數據顯示，2018年訪港的中國內地旅客按年增加14.8%至約51.04百萬人次；而於2019年4月公佈之訪港旅客統計數據顯示，2019年1月至3月份訪港的中國內地旅客按去年同比增加19.7%至約14.58百萬人次；而2018年過夜中國內地旅客之人均消費錄得按年2%升幅，為2015年後首次正增長。然而整體零售氣氛自2019年開始減弱，據香港政府統計處於2019年4月發表的零售業銷貨額統計數字顯示，2019年1月至3月份珠寶首飾、鐘錶及名貴禮物的銷貨價值與去年同比下跌2.7%。本集團於回顧年度在香港市場的零售收入因此增加11.6%至7,440,987,000港元（2018年：6,664,827,000港元）。於2019年3月31日，本集團在香港經營的店舖為49間自營店（2018年：48間）。

澳門

根據澳門特別行政區政府統計暨普查局最新發表的旅遊統計數字，2018年訪澳中國內地旅客較去年增加13.8%至25.26百萬人次；而2019年1月至3月份訪澳中國內地旅客與去年同比則上升23.5%。於回顧年度內，由於珠寶首飾產品的平均售價下跌，本集團來自澳門市場的收入因而只增加5.1%至1,926,870,000港元（2018年：1,833,983,000港元）。於2019年3月31日，本集團在澳門共設有11間自營店（2018年：10間）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Overseas

Adhering to its motto “Brand of Hong Kong, Sparkling the World”, the Group has been seeking new opportunities around the world in recent years. During the Year under review, the Group added 1 self-operated shop in Malaysia and opened 1 licensed shop in the Philippines. As at 31 March 2019, the Group operated a total of 13 overseas shops (2018: 12 shops), including self-operated shops of 1 in Singapore, 3 in Malaysia, 4 in the United States, 2 in Canada and 1 in Australia, as well as 1 licensed shop in both Cambodia and the Philippines.

During the Year under Review, retail revenue from the Hong Kong, Macau and overseas markets increased by 10.1% to HK\$9,660,983,000 (2018: HK\$8,771,979,000), accounting for 60.9% (2018: 60.2%) of the Group’s total revenue. Its segment profit rose by 11.3% to HK\$776,769,000 (2018: HK\$697,739,000), which accounted for 40.9% (2018: 41.5%) of the total. Its segment profit margin was 8.0% (2018: 8.0%). As scrap gold received from customers in Hong Kong no longer being accounted for as sales but processed into raw materials instead, its wholesale business revenue substantially decreased by 80.8% to HK\$135,772,000 (2018: HK\$706,194,000), accounting for 0.9% (2018: 4.8%) of the Group’s total revenue. However, because of massive centralised purchases, its segment profit decreased by 18.2% only to HK\$130,993,000 (2018: HK\$160,148,000), accounting for 6.9% (2018: 9.5%) of the total. Its segment profit margin, because of profit arising from massive internal purchases, increased to 96.5% (2018: 22.7%). As the segment profit of wholesale business included the profit of inter-segment sales to self-operated shops, if including inter-segment sales in the denominator, the segment profit margin would be a much more stable level of 5.2% (2018: 5.1%). Apart from that, benefitting from the new designated supplier consultancy services revenue started in the second half of last financial year, Hong Kong licensing income increased by 53.9% to HK\$56,254,000 (2018: HK\$36,563,000), accounting for 0.4% (2018: 0.3%) of the Group’s total revenue. Because of other incomes recorded, its segment profit was higher than revenue, reaching HK\$56,284,000, accounting for 3.0% (2018: 2.2%) of the total, and resulting in its segment profit margin of 100.1%.

海外

秉承著「香港名牌•國際演繹」的宗旨，本集團近年在世界各地不斷尋找機遇。於回顧年度內，本集團於馬來西亞增設1間自營店及於菲律賓開設1間品牌店。於2019年3月31日，本集團總共經營13間海外店舖（2018年：12間），包括1間位於新加坡、3間位於馬來西亞、4間位於美國、2間位於加拿大和1間位於澳洲的自營店，以及於柬埔寨和菲律賓皆設有1間品牌店。

於回顧年度內，香港、澳門及海外市場的零售收入上升10.1%至9,660,983,000港元（2018年：8,771,979,000港元），佔集團整體收入的60.9%（2018年：60.2%）。其分部溢利為776,769,000港元（2018年：697,739,000港元），上升11.3%，佔整體的40.9%（2018年：41.5%），其分部溢利率為8.0%（2018年：8.0%）。其批發業務收入則因香港客戶廢金回收不再用作銷售而改為原材料處理而大幅下跌80.8%至135,772,000港元（2018年：706,194,000港元），佔集團整體收入的0.9%（2018年：4.8%）。但是，大量的中央採購令其分部溢利只下降18.2%至130,993,000港元（2018年：160,148,000港元），佔整體的6.9%（2018年：9.5%）。其分部溢利率則因大量內部採購產生溢利而上升至96.5%（2018年：22.7%）。由於批發業務的分部溢利包含分部間銷售至自營店的利潤，倘分母計入分部間銷售，分部溢利會是更穩定的5.2%（2018年：5.1%）。除此以外，受惠於去年下半財年開始的新增指定供應商顧問服務收入，香港品牌業務收入上升53.9%，達56,254,000港元（2018年：36,563,000港元），佔集團整體收入的0.4%（2018年：0.3%），由於錄得其他收入，其分部溢利高於收入，達56,284,000港元，佔整體的3.0%（2018年：2.2%），使其分部溢利率達100.1%。

MANAGEMENT DISCUSSION AND ANALYSIS

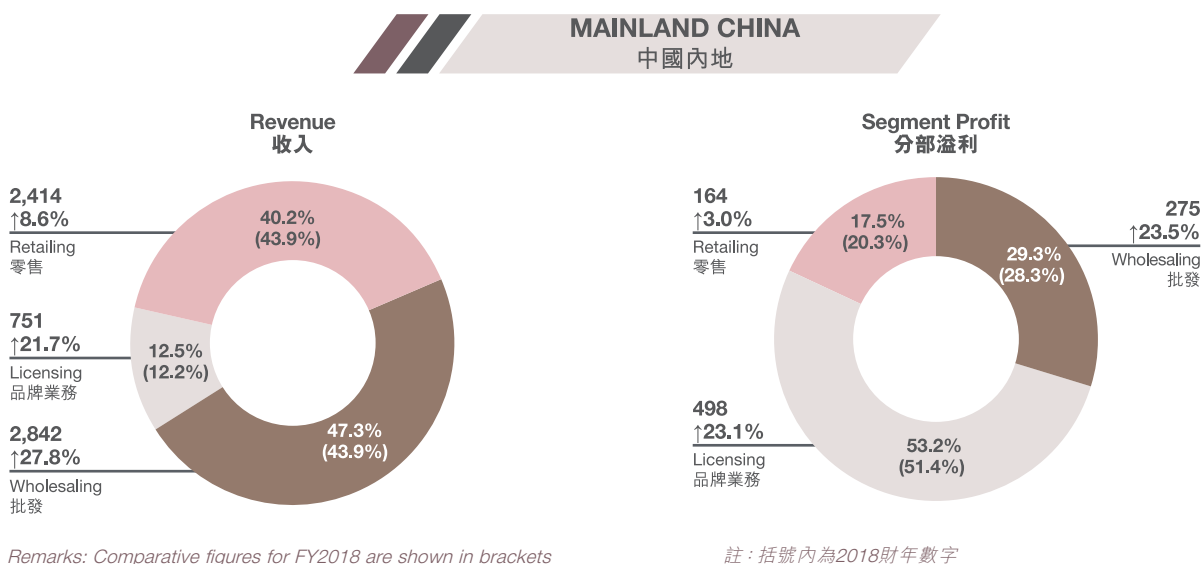
管理層討論及分析

Overall speaking, revenue from the Hong Kong, Macau and overseas markets increased by 3.6% to HK\$9,853,009,000 (2018: HK\$9,514,736,000) during the Year under review, accounting for 62.1% (2018: 65.3%) of the Group's total revenue. Its segment profit increased by 7.8% to HK\$964,046,000 (2018: HK\$894,383,000), accounting for 50.7% (2018: 53.2%) of the total, while its segment profit margin was 9.8% (2018: 9.4%).

總體而言，於回顧年度內，香港、澳門及海外市場的收入上升3.6%至9,853,009,000港元（2018年：9,514,736,000港元），佔本集團整體收入62.1%（2018年：65.3%），其分部溢利則上升7.8%至964,046,000港元（2018年：894,383,000港元），佔整體的50.7%（2018年：53.2%），其分部溢利率為9.8%（2018年：9.4%）。

The SSSG for gold and platinum products in the Hong Kong, Macau and overseas markets was +7.0% (2018: +5.6%), while that for gem-set jewellery products was +1.1% (2018: +14.6%).

香港、澳門及海外市場的黃金及鉑金產品之同店銷售增長為+7.0%（2018年：+5.6%），珠寶首飾產品則為+1.1%（2018年：+14.6%）。



Segment Profit Margin 分部溢利率		
	Mainland China 中國內地	Y-o-Y Change 按年變化
Retailing 零售	6.8%	-0.4 p.p. 個百分點
Wholesaling 批發	9.7%	-0.3 p.p. 個百分點
Licensing 品牌業務	66.3%	+0.7 p.p. 個百分點
Overall 整體	15.6%	+0.1 p.p. 個百分點

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Mainland China

During the Year under review, despite the decrease in the number of self-operated shops and decline in SSSG, with the substantial growth of revenue of e-commerce business, retail revenue from the Mainland China market grew by 8.6% to HK\$2,414,204,000 (2018: HK\$2,223,114,000), accounting for 15.2% (2018: 15.2%) of the Group's total revenue. Its segment profit increased by 3.0% to HK\$164,122,000 (2018: HK\$159,353,000), accounting for 8.6% (2018: 9.5%) of the total. Its segment profit margin was 6.8% (2018: 7.2%). The SSSG for gold and platinum products in Mainland China was -6.1% (2018: +6.8%) and that for gem-set jewellery products was +6.2% (2018: -0.7%).

Due to the increase in the number of new licensed shops, revenue of the wholesale business in the Mainland China market rose substantially by 27.8% to HK\$2,842,039,000 (2018: HK\$2,223,920,000), which accounted for 17.9% (2018: 15.3%) of the Group's total revenue, while its segment profit increased by 23.5% only to HK\$274,749,000 (2018: HK\$222,460,000) because of the decline in gross margin of its gem-set jewellery products in view of much increased sales mix of products of lower gross margin and adjustment of wholesale prices in response to market price changes, accounting for 14.5% (2018: 13.2%) of the total. Its segment profit margin was 9.7% (2018: 10.0%).

中國內地

於回顧年度內，由於電子商務業務收入大幅上升，中國內地市場的零售收入在自營店數目減少及同店銷售增長下跌的情況下仍有8.6%的升幅，達2,414,204,000港元（2018年：2,223,114,000港元），佔集團整體收入的15.2%（2018年：15.2%），其分部溢利則增加3.0%至164,122,000港元（2018年：159,353,000港元），佔整體的8.6%（2018年：9.5%），其分部溢利率為6.8%（2018年：7.2%）。中國內地黃金及鉑金產品之同店銷售增長為-6.1%（2018年：+6.8%），珠寶首飾產品則為+6.2%（2018年：-0.7%）。

由於新增品牌店數目增加，中國內地市場批發業務收入大幅上升27.8%至2,842,039,000港元（2018年：2,223,920,000港元），佔集團整體收入的17.9%（2018年：15.3%），但其珠寶首飾產品毛利率因毛利率較低的貨品銷售佔比大幅上升及批發價因應市場價格變動作出調整而下降，令中國內地批發業務分部溢利僅上升23.5%至274,749,000港元（2018年：222,460,000港元），佔整體的14.5%（2018年：13.2%），其分部溢利率為9.7%（2018年：10.0%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Licensing income increased by 21.7% to HK\$750,738,000 (2018: HK\$616,639,000) due to the increase in the number of licensed shops as well, accounting for 4.7% (2018: 4.2%) of the Group's total revenue. Its segment profit rose by 23.1% to HK\$497,908,000 (2018: HK\$404,419,000), which accounted for 26.2% (2018: 24.1%) of the total. Its segment profit margin increased to 66.3% (2018: 65.6%) because of high fixed cost proportion in its cost structure.

As at 31 March 2019, the Group had a total of 1,755 shops (2018: 1,561 shops) under the "Lukfook" brand name in Mainland China, including 141 self-operated shops (2018: 157 shops) and 1,614 licensed shops (2018: 1,404 shops). During the Year under review, the Group reported a net increase of 210 Lukfook licensed shops (2018: 108 shops) and net reduction of 16 self-operated shops (2018: net addition of 24 shops) in Mainland China. Moreover, the Group also operated 5 3D-GOLD self-operated shops in Mainland China.

During the Year under review, the overall same store sales growth of Lukfook licensed shops in Mainland China was +3.2% (2018: +10.7%), while the same store sales for its gold and gem-set jewellery products were flat (2018: +12.3%) and +13.7% (2018: +12.2%) respectively.

品牌業務之收入亦因品牌店數目增加而上升21.7%至750,738,000港元(2018年: 616,639,000港元),佔集團整體收入的4.7%(2018年: 4.2%),其分部溢利為497,908,000港元(2018年: 404,419,000港元),升幅為23.1%,佔整體的26.2%(2018年: 24.1%),因其成本結構中固定費用比率高,令其分部溢利率上升至66.3%(2018年: 65.6%)。

於2019年3月31日,本集團在中國內地以「六福」品牌經營的店舖總數達1,755間(2018年: 1,561間),包括141間自營店(2018年: 157間)及1,614間品牌店(2018年: 1,404間)。於回顧年度內,本集團於中國內地淨增設了210間六福品牌店(2018年: 108間),自營店數目則淨減少16間(2018年: 淨增加24間)。另外,本集團在中國內地亦經營5間「金至尊」自營店。

於回顧年度內,中國內地品牌店整體同店銷售增長為+3.2%(2018年: +10.7%),而其黃金及珠寶首飾產品的同店銷售則分別為持平(2018年: +12.3%)及+13.7%(2018年: +12.2%)。

FY2019 MAINLAND CHINA E-COMMERCE BUSINESS PERFORMANCE 2019財年中國內地電子商務業務表現

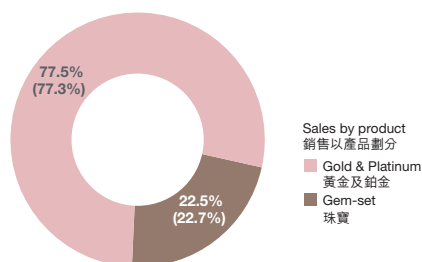
Revenue
收入
+60.9% Y-o-Y Change 按年變化

**Contribution to Mainland China
Retail Revenue***
佔中國內地零售收入*
22.9% (FY2018 財年: 15.5%)

**Contribution to Group's
Retail Revenue**
佔集團零售收入
4.6% (FY2018 財年: 3.1%)

Average Selling Price
(value-added tax (VAT) included)
平均售價 (包含增值稅)
RMB1,200人民幣 (+14.3% Y-o-Y Change 按年變化)

FY2020 Revenue Growth Target
2020財年收入增長目標
20%



* Self-operated shops and e-commerce business
自營店及電子商務銷售額

Remarks: Comparative figures for FY2018 are shown in brackets
註: 括號內為2018財年數字

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In light of the rapid development of e-commerce, revenue of e-commerce business from Mainland China increased by 60.9% to HK\$553,208,000 (2018: HK\$343,875,000) during the Year under review, accounting for 22.9% (2018: 15.5%) of the retail revenue in Mainland China. Sales of gold and platinum products accounted for 77.5% (2018: 77.3%) of its sales mix while sales of gem-set jewellery products accounted for 22.5% (2018: 22.7%).

Overall speaking, during the Year under review, revenue from the Mainland China market increased by 18.6% to HK\$6,006,981,000 (2018: HK\$5,063,673,000), which was at a faster pace than other markets, accounting for 37.9% (2018: 34.7%) of the Group's total revenue. Its segment profit increased by 19.1% to HK\$936,779,000 (2018: HK\$786,232,000), accounting for 49.3% (2018: 46.8%) of the total; and its segment profit margin was 15.6% (2018: 15.5%).

由於電子商務的發展迅速，中國內地電子商務業務之收入於回顧年度內上升60.9%至553,208,000港元（2018年：343,875,000港元），佔中國內地零售收入的22.9%（2018年：15.5%）。黃金及鉑金產品的銷售佔比為77.5%（2018年：77.3%），而珠寶首飾則佔比22.5%（2018年：22.7%）。

整體而言，於回顧年度內，來自中國內地市場的收入上升18.6%至6,006,981,000港元（2018年：5,063,673,000港元），升幅高於其他市場，佔本集團總收入37.9%（2018年：34.7%）。其分部溢利則上升19.1%至936,779,000港元（2018年：786,232,000港元），佔整體的49.3%（2018年：46.8%），其分部溢利率為15.6%（2018年：15.5%）。

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

於香港資源控股#及其附屬公司的投資及營運活動之財務影響

HK\$M 百萬港元	Profit / (Loss) 盈利 / (虧損)		
	FY2019 2019財年	FY2018 2018財年	Y-o-Y Change 按年變化
50% Share of Loss of Associate 應佔聯營公司50%虧損	(42)	(30)	(12)
Valuation gain on convertible bond 可換股債券估值得益	5	2	3
Wholesale Gross Profit 批發毛利	4	6	(2)
Interest Income on Working Capital Loan 流動資金貸款利息收入	4	4	-
Interest Income on Convertible Bond 可換股債券利息收入	2	2	-
Total 整體	(27)	(16)	(11)

The loss on investments and operating activities in HKRH and its subsidiaries was approximately HK\$27,000,000 (2018: loss of HK\$16,000,000) during the Year under review.

於香港資源控股及其附屬公司的投資及營運活動的虧損於回顧年度內為約27,000,000港元（2018年：16,000,000港元虧損）。

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 March 2019, the Group's cash and bank balances amounted to approximately HK\$2,087,000,000 (2018: approximately HK\$2,098,000,000). The Group's net gearing ratio at the year-end was 2.1% (2018: 0%), which was calculated by using the ratio of total bank borrowings and gold loans of approximately HK\$2,306,000,000 (2018: approximately HK\$726,000,000) less cash and bank balances against total shareholders' equity of approximately HK\$10,517,000,000 (2018: approximately HK\$10,035,000,000). Net borrowing was approximately HK\$219,000,000 (2018: net cash of approximately HK\$1,372,000,000). The debt-to-equity ratio was 36.7% (2018: 21.3%), being the ratio of total liabilities of approximately HK\$3,861,000,000 (2018: approximately HK\$2,135,000,000) against total shareholders' equity of approximately HK\$10,517,000,000 (2018: approximately HK\$10,035,000,000). The Group's income and expenditure streams are mainly denominated in Hong Kong dollars.

Inventory

財務回顧

流動資金及財務資源

於2019年3月31日，本集團的現金及銀行結餘約為2,087,000,000港元（2018年：約2,098,000,000港元）。本集團於年結日的淨債務比率為2.1%（2018年：0%），此乃按銀行貸款及黃金借貸總額約2,306,000,000港元（2018年：約726,000,000港元），減去現金及銀行結餘後，相對股東權益總額約10,517,000,000港元（2018年：約10,035,000,000港元）之比例計算。淨貸款約為219,000,000港元（2018年：淨現金約1,372,000,000港元），負債權益比率為36.7%（2018年：21.3%），此乃按總負債約3,861,000,000港元（2018年：約2,135,000,000港元）相對股東權益總額約10,517,000,000港元（2018年：約10,035,000,000港元）之比例計算。本集團之收支項目主要以港元列值。

存貨

INVENTORY TURNOVER DAYS BY PRODUCT

存貨周轉日數 (以產品劃分)

	FY2019 2019財年	FY2018 2018財年
Gold 黃金	171	156
Gem-set 珠寶	397	405
Overall 整體	273	257

As at 31 March 2019, the Group's inventory increased by 16.6% to approximately HK\$9,322,000,000 (2018: approximately HK\$7,992,000,000) due to the faster-than-expected growth in the number of licensed shops. However, with the unexpected downturn of macro-economic conditions due to US-China trade war in the second half of the financial year, the average inventory turnover days grew to 273 days (2018: 257 days) with the inventory turnover days of gold products being 171 days (2018: 156 days) and that of gem-set jewellery products being 397 days (2018: 405 days).

於2019年3月31日，本集團的存貨因品牌店數目增長比預期快而增加16.6%至約9,322,000,000港元（2018年：約7,992,000,000港元）。但是，中美貿易戰導致宏觀經濟狀況於下半財年突然轉差，平均存貨周轉日數因此上升至273日（2018年：257日），其中黃金產品之存貨周轉日數為171日（2018年：156日），珠寶首飾產品之存貨周轉日數則為397日（2018年：405日）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital Expenditure

During the Year under review, the Group's capital expenditures amounted to approximately HK\$934,000,000 (2018: approximately HK\$213,000,000), including the costs of properties, leasehold lands, land use rights, leasehold improvements, furniture, fixtures and equipment.

Capital Commitments

As at 31 March 2019, the Group's total capital commitments amounted to approximately HK\$18,000,000 (2018: approximately HK\$489,000,000).

Contingent Liabilities

As at 31 March 2019, the Group had outstanding financial guarantees amounting to approximately HK\$1,075,000,000 (2018: approximately HK\$899,000,000) issued in favour of several banks in respect of banking facilities granted to an associate.

Human Capital Policy

As at 31 March 2019, the number of employees of the Group was approximately 7,600 (2018: approximately 7,500). The management reviews and examines the remuneration policies on a regular basis to ensure that fair rewards and compensation are provided to our employees. Remuneration packages are determined with reference to comparable market rates while bonuses and other rewards are linked to the performances of the Group and the employees. This policy aims to motivate employees with monetary incentives to work together to enhance the Group's business performance.

資本開支

於回顧年度內，本集團資本開支約為934,000,000港元（2018年：約213,000,000港元），包括物業、租賃土地、土地使用權、租賃物業裝修、傢俬、裝置及設備成本。

資本承擔

於2019年3月31日，本集團的資本承擔總額約為18,000,000港元（2018年：約489,000,000港元）。

或然負債

於2019年3月31日，本集團向數間銀行出具有關向一間聯營公司授予銀行融資之未償還財務擔保約為1,075,000,000港元（2018年：約899,000,000港元）。

人力資本政策

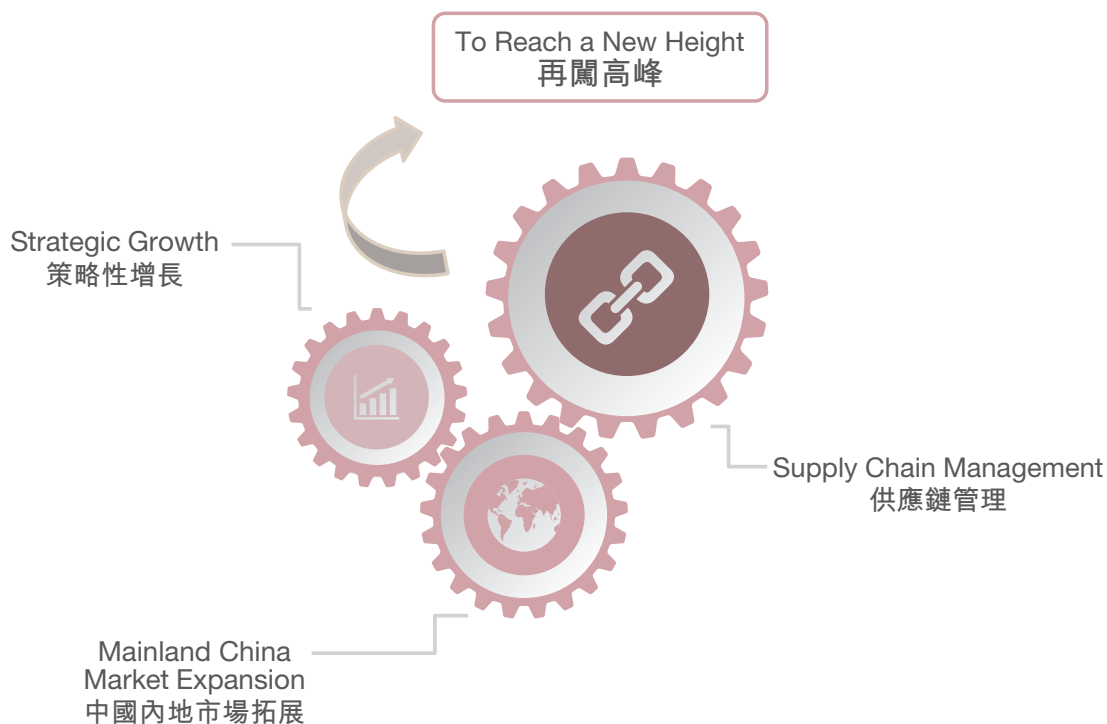
於2019年3月31日，本集團的員工人數約為7,600人（2018年：約7,500人）。管理層定期檢討及審核薪酬政策，以確保為員工提供公平報酬及補償。薪酬待遇乃經考慮相近市場水平後釐定，而花紅及其他獎賞則與本集團及僱員表現掛鈎。此政策旨在以金錢獎賞，鼓勵員工協力達成提升本集團業務表現的目標。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK

前景



During the Year under review, net profit of the year recorded a 9.7% growth despite the suddenly reversed market sentiment in the second half of the financial year under the adverse impact of the US-China trade war. However, SSSG in the Hong Kong and Macau market of the Group recorded a low double-digit drop for the period from April to the first 3 weeks of June 2019, while same store sales of Mainland China were a mid single-digit drop and a low single-digit growth for self-operated and licensed shops respectively. With the continuing uncertainties on the macro-economic environment arising from the US-China trade war, together with the high base effect in the first half and low base in the second half of the financial year, the Group therefore expects flattish growth in terms of revenue and profit in FY2019/20, hoping to maintain its profitability in the year. Nevertheless, in view of the anticipated considerable growth of the middle-class population in Mainland China, the Group remains optimistic about the mid- to long-term business prospects, and looks forward to bringing its business to a new height in the near future.

於回顧年度內，儘管下半財年市場氣氛受中美貿易戰的不良影響而突然逆轉，猶幸全年淨利潤仍有9.7%升幅。惟本集團於香港及澳門市場之同店銷售增長於2019年4月至6月首三週期間錄得低雙位數字跌幅，而中國內地市場的自營店及品牌店之同店銷售分別為中單位數字跌幅及低單位數字升幅。因應中美貿易戰令宏觀經濟環境持續出現不明朗因素，與上半財年的高基數效應及下半財年的低基數，本集團因此預期2019/20財年的收入和盈利將會維持於平穩狀態，期望於年內可持盈保泰。然而，在中國內地中產人口增長良好的預期下，本集團對於中長線業務前景仍感樂觀，希望能在不久之將來，令集團業務可更上層樓，再闖高峰。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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

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



Supply Chain Management

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

供應鏈管理

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

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Mainland China Market Expansion

As Mainland China remains to be a market with promising growth potential in the mid- to long-term, the Group will continue to focus on business expansion in Mainland China. The target for net addition of shops in Mainland China in the coming year, including newly developed brands, is not less than 150 shops and will expand its network to lower-tier cities by opening mainly licensed shops. The Group is also committed to further developing its e-commerce business and strengthening cooperation with e-commerce platforms in Mainland China, aiming to grow e-commerce revenue by 20%. In light of the enormous spending potential of young consumers on online sales platforms, the Group will step up its efforts to promote the sales of affordable luxury jewellery products to expand its footprint in the young consumer market.

Strategic Growth

The Group will adopt multi-brand strategy to cater for different tastes of customers. In light of customers' demand for fashionable and personalised products, the Group has developed the Dear Q Collection, which rides on the DIY concept of allowing customers to mix and match charms for their unique styling, into a sub-brand. The first independent store was opened in Shanghai in May 2019. The Group's globally exclusive Goldstyle Collection, crafted with exquisite techniques to double the hardness of gold and provide gold jewellery featuring style effects of K-gold, has been well received by the middle-class customers favouring chic jewellery suitable for daily wear. In view of this, the Group strives to develop the Goldstyle into an independent brand and has opened the first store in Xi'an in June 2019, aiming to attract the sophisticated middle-class customers.

中國內地市場拓展

由於中長線來說，中國內地仍為深厚增長潛力所在，本集團仍會專注於中國內地擴展業務。中國內地來年店舖目標包括新開發品牌在內，淨增長將不少於150間，並將主要透過開設品牌店拓展網路到較次級城市。本集團亦會銳意在中國內地繼續發展電子商務業務，加強與電商的合作，以提升電商收入20%為目標。有見年輕消費者於網上銷售平台的消費有著無限潛力，本集團將繼續致力推動輕奢系列珠寶首飾之銷售，以拓展年輕消費者市場。

策略性增長

本集團將採納多品牌策略，以迎合消費者不同的口味。有見客戶群追求設計時尚和具個性化的產品，集團基於DIY概念發展可供客人自由搭配珠串的Dear Q系列成為子品牌，並於2019年5月在上海開設首間獨立店。而集團的全球獨家Goldstyle系列以精湛的製金工藝倍增足金硬度，打造出媲美K金款式的足金首飾，一直深得具潮流觸角和追求適合日常佩戴的中產顧客喜愛。有見及此，集團銳意發展Goldstyle為獨立品牌，在2019年6月在西安開設首間店舖，吸納富品味的中產顧客。

BRANDING

品牌策略

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

We have revitalised our “Lukfook Jewellery” brand with a vibrant and more distinguishable brand image. We modified the logo and colour that have been used for years, and introduced new elements. The newly adopted “Lukfook Jewellery” brand logo is designed with curly brush strokes to accentuate the elegant and feminine touch. The new logo also cleverly hides an Arabia number “6” inside the Chinese character “福” which is exclusive for the “Lukfook Jewellery” brand. A brand new shop style has also been unveiled to match our new brand image.

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

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

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

為了令品牌形象更鮮明，同時更具辨識度，我們把「六福珠寶」的品牌進行革新。我們把沿用了多年的標誌、色系更換，注入新元素，新的「六福珠寶」標誌使用帶弧形的筆觸，更突顯優雅的女性氣質，其中的「福」字更巧妙地隱藏了「6」，專屬於「六福珠寶」品牌。而為配合此品牌形象，店舖裝潢亦以全新的風格打造。

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

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



BRANDING

品牌策略

MARKET ORIENTED STRATEGY

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

MIDDLE-CLASS MARKET

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

As pet-keeping gains increasing popularity among middle-class families, pet-related expenditures are on the rise. This, coupled with a growing middle-class population in Mainland China, is expected to push the development of pet-related "Cuteness Economy" to a new height. The Group, in partnership with the Society for the Prevention of Cruelty to Animals (Hong Kong) again, organised the "Lukfook Jewellery Pet Pet Ambassador Contest", and introduced the pendants featuring the image of the winning pets for charity sales to contribute to the society.

Nowadays, marathon running has become one of the most popular sports among the middle-class in pursuit of a healthy lifestyle. Therefore, the Group sponsored the medals set with gold and diamonds for the Hong Kong, Beijing, Shanghai, Wuhan and Guangzhou marathons to honour more than 454,500 marathon finishers over the years. This year we continued to collaborate with the mobile sports application Codoon to boost brand awareness and seize the business opportunities from the middle-class market.



市場導向策略

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

中產市場

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

隨著中產家庭飼養寵物的情況日益興盛，其在寵物方面的開支也隨之增加，再加之中國內地中產群體壯大，有望將寵物相關的「萌經濟」推向一個全新高度。本集團再度聯合「香港愛護動物協會」攜手舉辦「六福珠寶PET PET明星代言人大賽」，並特意採用得獎的寵物肖像，製作成吊墜作慈善售賣，以回饋社會。

現今都市人追求健康生活文化，而馬拉松正是深受中產階層熱愛的運動之一。因此，本集團透過贊助香港、北京、上海、武漢及廣州馬拉松鑲足金及鑽石獎牌，多年來向超過454,500位完賽跑手致意。今年繼續與智能手機運動應用程式咕咚(Codoon)合作，在提升品牌認知度的同時，精準抓住中產市場帶來的商機。



BRANDING

品牌策略

Contemporary gold jewellery with diversified and fashionable designs suits well for daily wear. In order to diversify our gold jewellery offerings, the Group unveiled the “Goldstyle” Collection. This trendy collection of gold jewellery is crafted with exquisite techniques to double the hardness of gold, and provides the style effects of carat gold. In response to the middle-class customers’ demand for trendy designs, our “Love is Beauty” Collection offers a series of finely crafted sparkling diamond jewellery featuring the heart design to interpret our branding concept of “Love is Beauty”. Stylish barcode designs are incorporated into the “Love Forever” Collection endorsed by Mr. Lam-Fung, allowing customers to mix and match the pieces to create their unique couple jewellery. The “Dear Q” Collection has been well received by the market since its launch. The Group has specially introduced new charms of different themes, as well as the dainty earrings and rings to attract more customers.

現代金飾款式繁多，融入了不少時尚元素，令足金不再局限於傳統的框框，成為適合日常佩戴的單品。為使黃金飾品更趨多元化，本集團推出Goldstyle系列，引領黃金首飾的潮流風尚，通過全球首創的精湛製金工藝提升黃金首飾的硬度，接近一般黃金的兩倍，打造出多款可媲美K金設計的黃金首飾。為順應中產客戶群追求時尚設計，「愛很美」系列融合心形元素，精心打造出多款璀璨的鑲飾，把「愛很美」的品牌概念唯美地詮釋出來。另外，以林峯先生為代言人的「愛恆久」情侶系列，加入「條碼」的時尚元素，可自由配搭貨品，組合成專屬的情侶首飾。而「Dear Q」系列自推出以來深受市場歡迎，本集團亦特意推出不同主題的新款串飾，及配套推出的小清新耳環及戒指，以吸引更多顧客選購。



BRANDING

品牌策略

WEDDING MARKET

According to the statistics released by the Ministry of Civil Affairs of the People's Republic of China, there have been over 10 million pairs of newlyweds per year in the past 5 years. In order to seize this valuable business opportunity of the wedding market, the Group has participated in wedding expos in Hong Kong and Mainland China, and held large-scale wedding shows with high-end hotels and other wedding related partners. Besides, the Group launched a wide range of Chinese and western wedding products. To meet the increasing consumer demand in the wedding market, the Group introduced the latest "Beloved" Collection of gold wedding jewellery under the theme of "Share Lifelong Happiness and Love with You. Love is Beauty", to boost the sales in the peak season of marriages. This year the Group, in cooperation again with the Platinum Guild International, has been appointed as the "Designated Retailer for 2018 Platinum Jewellery Thematic Promotions", and launched the new Platinum Graceful Collection and Platinum Bridal Collection for joint promotion, further enhancing the image of our platinum jewellery. Moreover, as nowadays young people prefer unique wedding jewellery, the Group has introduced a series of uniquely designed engagement rings and wedding rings featuring the concept of "create your very own rings" for couples to select their favourite pieces and create their rings of their choice. We have also offered a wide array of wedding rings with complete range of sizes and complimentary engraving services at our shops to cater for the unique demands of wedding couples, aiming to increase our share in the wedding market by leveraging our diversified wedding products and caring services.

KIDS MARKET

In response to the implementation of the two-child policy in Mainland China, the Group has introduced a variety of kids' products, including the "Hugging Family" Collection and the exclusive Rilakkuma Collection which have been well received by both adults and kids. To boost sales strategically, the Group launched an array of jewellery accessories featuring the adorable family members and Rilakkuma, and the baby gift sets that came with the accessories invoking blessings for peace, safety and health as well as the exquisitely designed gift boxes, making them the best choice for gifts or personal use.

婚嫁市場

根據中華人民共和國民政部發表的統計數據顯示，過去五年，每年有超過1,000萬對新人結婚，為把握龐大婚嫁市場的寶貴商機，本集團除參與香港及國內婚慶博覽會、與高級酒店等跟婚嫁有關之合作夥伴舉行大型婚禮展外，更推出多款中西式婚嫁產品。為滿足婚嫁市場不斷擴張的消費需求，集團設計全新「囍愛」嫁囍金飾系列飾品，以「『囍』愛與你 相伴一生。因為愛很美」為主題，促進結婚旺季的銷售熱潮。集團今年再度與國際鉑金協會合作，成為「2018年鉑金首飾主題推廣活動指定零售商」，推出全新Pt「娉婷」及Pt「純•結」鉑金系列作聯合推廣，進一步提升六福珠寶鉑金首飾的形象。另外，鑑於時下年輕人喜歡獨一無二的婚嫁首飾，所以集團以「你」想配的概念推出一系列設計獨特的求婚戒和對戒，可以讓新人按個人需要自由組合，配搭出自己喜愛的首飾組合。店舖更備有多款尺碼齊全的結婚對戒供新人選擇，並附有免費即時刻字等增值服務，滿足新人的個性化訂制需求，以多元化的婚嫁產品及貼心的服務去擴大婚嫁市場的份額。



孩童市場

為適應中國內地推行的二孩政策，本集團推出不同的孩童產品，如「抱抱家庭」系列及全球獨家隆重推出的Rilakkuma™「輕鬆小熊」系列全新飾品。為策略性地提高銷售，本集團以一眾可愛的家庭成員以及輕鬆小熊造型設計出多款首飾產品，並推出多款寶寶禮盒套裝，把寓意平安、健康的飾品配以設計精緻的禮盒，作為饋贈或自用的最佳選擇。



BRANDING

品牌策略

BRANDING ACTIVITIES

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

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

To celebrate the Group’s anniversary in 2018, a series of anniversary promotion activities was launched worldwide. We set up the Lukfook Jewellery “91 Street” pop-up store in various areas in Mainland China. We also launched the “Share Love and Fun” Challenge and cooperated with KOLs on Douyin, a popular short-form video platform among the younger age group, and recorded a total of over 3.2 billion views. Besides, we invited more than 30 famous brands including King Pro League, Beijing Marathon, Shenzhen Airlines, Suning, Beijing Hyundai and Aupres to roll out joint anniversary celebration campaigns on the Weibo platform, which gained overwhelming exposure.

品牌推廣

為了更有策略地提升品牌知名度，鞏固香港及中國內地的市場佔有率，本集團繼續以「愛很美」為品牌推廣主題，緊扣愛與美的不解之緣，更連續21年贊助「香港小姐競選」的金鑽后冠及名貴珠寶首飾。

此外，本集團亦積極透過各種宣傳渠道，如公關活動、廣告及各類型的贊助等，增加品牌曝光率。更抓緊網上推廣的優勢，於各大社交平台、門戶網絡、視頻平台及搜尋網站投放廣告，並利用當下流行的直播、自媒體大號、網絡紅人等新媒體平台宣傳。

為慶祝集團的周年紀念，於2018年舉行全球周年慶推廣活動，於中國內地各地設置六福珠寶周年慶「91街區」快閃店，更於現今在年輕群體中流行的短視頻平台——抖音舉行「抖愛fun享」PK大賽與網絡紅人合作，活動總播放量超過32億。另外亦邀請王者榮耀、北京馬拉松、深圳航空、蘇寧易購、北京現代、歐珀萊等30多個知名品牌在微搏平台展開聯合慶生活動，堪稱「刷屏級」生日祝福。

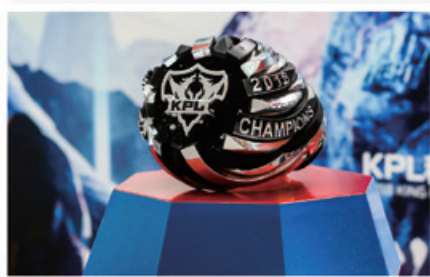


BRANDING

品牌策略

Riding on the wave of e-sports and animation comics (“ani-com”) booms in recent years, the Group has been appointed as the official partner for the “King Pro League” to create the champion rings since 2017, and has captured the opportunity to introduce the “Heart of Kings” Collection featuring the ani-com elements in 2018, with a view to strengthening our penetration into the millennial generation as their purchasing power is trending upwards. Besides, the Group carried out on-site brand promotion at the fall season final venue by setting up a brand promotion booth to showcase the champion rings and videos on the “King Pro League” champion rings, thus greatly enhancing our brand’s penetration into the market of younger generation.

乘著近年的電競、動漫熱潮，為加強滲透購買力日漸成熟的千禧世代，本集團由2017年起成為KPL王者榮耀職業聯賽的合作伙伴，為KPL打造見證榮耀巔峰的王者之戒，到2018年更乘勢推出具動漫元素的「王者之心」系列產品。本集團更於秋季總決賽場館內搭建品牌宣傳展位，展示歷屆冠軍戒指和KPL冠軍戒指短片，以加強現場品牌宣傳力度，大大提升品牌於年輕市場的滲透率。



BRANDING

品牌策略

PRODUCT DESIGN

Producing the finest products with exquisite craftsmanship and stylish designs is one of the core competencies of the Group. To boost the creativity and broaden the horizons of our design team, we arrange overseas trips for the team from time to time to explore and apply different design concepts to jewellery. Our outstanding design team has actively taken part in various local and international jewellery design competitions, and has won more than 190 awards up to now, further raising Lukfook's brand image.

During the Year under review, the Group's design piece "Enjoy" won the "Best of Show Award (Open Group)" in "The 20th Hong Kong Jewellery Design Competition". In addition, our design piece "Pegasus", which was previously awarded in the "Chuk Kam Jewellery Design Competition 2018 – The Fashionable 18K Group", received the "Merit Award" at the "International Jewellery Design Excellence Award 2019".

BRANDING AWARDS

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

- "Hong Kong Service Awards 2019 – Quality Living Category (Jewellery and Gold)" for twelve consecutive years
- "Hong Kong Star Brand Award – Enterprise" for seven consecutive years
- "Brand of the Year – Retail" and "Outstanding Enterprise of the Year – Greater China" at JNA Awards 2018

產品設計

製造優質精湛、設計新穎時尚的產品為本集團核心競爭力之一。為持續提升創新能力及擴闊設計團隊的視野，本集團不時安排團隊外出勘察，將不同設計概念融合於珠寶創意上。我們傑出的設計團隊亦積極參與多個本地及國際珠寶設計比賽，至今共獲得逾190個獎項，進一步提升六福的品牌形象。

於回顧年度內，集團珠寶設計作品「聯聚同享」於「第20屆香港珠寶設計比賽」中獲得「公開組大獎」。另有設計作品「天馬奔騰」於「國際珠寶設計大獎2019」中亦榮獲「優異設計獎」，此作品亦已於「足金首飾設計比賽2018」中獲得「時尚K金組」獎項。

品牌殊榮

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

- 連續12年榮獲「香港服務大獎2019 — 優越生活組別（珠寶金行）」
- 連續七年榮獲「香港星級品牌 — 企業獎」
- 於「2018年度JNA大獎」囊括「年度品牌大獎 — 零售業」及「年度傑出企業大獎 — 大中華地區」殊榮



BRANDING

品牌策略

QUALITY ASSURANCE

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

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

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

質量保證

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

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

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

BRANDING 品牌策略

EXCELLENT SERVICE

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

SHOPPING EXPERIENCE

To tie in with our fashionable and chic brand image, the Group has introduced a brand-new shop design. Soft champagne gold tone is applied to create a romantic ambience, and glass elements are widely used at shops to create a more spacious feeling and impressive displays, so as to make customers feel at home.

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

優質服務

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

購物體驗

為了配合時尚、殷切親和的品牌形象，本集團推出全新的店舖設計，以柔和的香檳金色調營造浪漫氛圍，大幅採用玻璃元素，提升空間感，增強展示效果，讓每位客人都有猶如在家購物的體驗。

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

Purpose of This Report

This is the third Environmental, Social and Governance (“ESG”) Report (“this Report”) of Luk Fook Holdings (International) Limited (“the Company”) and its subsidiaries (collectively known as “the Group” or “We”). With the brand awareness we have built over the years, we are striving to seize development opportunities and strengthen our leading position in the jewellery retail market. We understand that our responsibility goes far beyond provision of quality products and services to our customers. We are pleased to publish this Report to describe our environmental and social issues and detail our efforts in sustainable development.

Report Year and Scope

This Report covers the reporting period from 1 April 2018 to 31 March 2019 (“FY2019” or the “Reporting Period”). Unless otherwise stated, this Report covers the business operations of the Group’s Hong Kong, Macau and Mainland China offices, factories, showrooms and self-operated shops. This Report, together with the rest of the annual report, were reviewed and approved by the board of directors in June 2019.

Reporting Standard

The content of this Report is prepared in accordance with the ESG Reporting Guide in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “ESG Reporting Guide”). This report consists of a content index to the ESG Reporting Guide for enhanced readability.

Access to This Report

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

Your Comment

We welcome any comment and suggestion regarding this Report and our sustainability performance. Please email us your feedback at ir@lukfook.com.

關於本報告

報告目的

此為六福集團（國際）有限公司（「本公司」）及其附屬公司（統稱「本集團」或「我們」）編製的第三份環境、社會及管治（「環境、社會及管治」）報告（「本報告」）。憑藉多年來努力建立的品牌知名度，我們抓緊發展機遇，鞏固我們於珠寶零售市場的領導地位。我們深知，我們的責任遠不止為顧客提供優質產品及服務。我們欣然刊發本報告，描述有關本集團的環境及社會事宜及詳述我們於可持續發展方面作出的努力。

報告年度及範圍

本報告涵蓋期為2018年4月1日至2019年3月31日（「2019財年」或「報告期」）的可持續發展表現。除非另有說明，本報告涵蓋本集團旗下位於香港、澳門及中國內地辦事處、廠房、展廳及自營店的業務營運。董事會已於2019年6月隨年報其餘部分審閱及批准本報告。

報告標準

本報告根據香港聯合交易所有限公司證券上市規則附錄二十七之《環境、社會及管治報告指引》（「《環境、社會及管治報告指引》」）的披露要求編制。報告設有《環境、社會及管治報告指引》的內容索引，以提升本報告的可讀性。

獲取報告方式

本報告為本集團年度報告其中章節，具備中文及英文版本，並登載於本集團網址www.lukfook.com供查閱。

您的意見

我們歡迎閣下就本報告及我們的可持續表現提出任何意見和建議。請將閣下的反饋電郵至ir@lukfook.com。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

HIGHLIGHTS OF THE YEAR

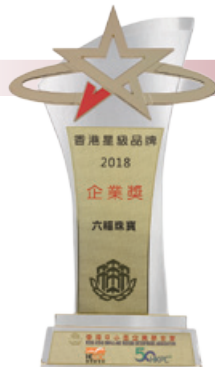
To Customers: Six Heartfelt Services 對顧客：六心服務

年度焦點

“Brand of the Year – Retail” at JNA Awards 2018
2018年度JNA大獎「年度品牌大獎 — 零售業」



Honouree for the “Outstanding Enterprise of the Year – Greater China” at JNA Awards 2018
2018年度JNA大獎
「年度傑出企業大獎 — 大中華地區」入圍者殊榮



Named “Hong Kong Star Brand Award – Enterprise”
for Seven Consecutive Years
連續七年榮獲「香港星級品牌 — 企業獎」



National
Quality Service
with Integrity
Commitment
Unit
「全國質量誠信
服務承諾單位」



Recognised for Seven
Consecutive Years as a
“Consumer Caring
Company”
連續七年獲嘉許為
「貼心企業」



“Hong Kong Service Awards 2019” by
“East Week Magazine”
榮獲東周刊頒發「香港服務大獎2019」

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

To Employees: Lukfook Family

對員工：六福大家庭

Total headcount as at 31 March 2019: approximately 7,600*

截至2019年3月31日員工人數：約為7,600*

Attained “Happiness-at-work” Label for Five Consecutive Years
連續五年獲發「開心工作間」標誌



Subscribed to the “Good Employer Charter”
成為《好僱主約章》簽署機構

Named “QF Star Employer” under
“Qualifications Framework” Scheme
獲「資歷架構」計劃嘉許為「QF星級僱主」



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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

To Public: Love is Beauty 對大眾：愛很美

Environmental Protection 環境保護



Environmental Excellence for Three Consecutive Years at “BOCHK Corporate Environmental Leadership Awards”
連續三年榮獲「中銀香港企業環保領先大獎」



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



“Certificate of Merit” in
“2017 Hong Kong
Awards for Environmental
Excellence”
2017年度「香港環境卓越
大獎」優異獎

Corporate Citizen 企業公民

Charitable donation of approximately HK\$2,437,000
慈善捐款約為2,437,000港元

“The 9th Hong Kong Outstanding Corporate Citizenship Logo in Enterprise Category” and “The 9th Hong Kong Outstanding Corporate Citizenship Award” in Enterprise Category, with a special mention for community care
「第九屆香港傑出企業公民嘉許標誌 — 企業組別」及「第九屆香港傑出企業公民獎 — 企業組別之特別嘉許（回饋社會範疇）獎狀」



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



Sponsorship of “VTC
Design Education Fund
2018” and “Outstanding
Industrial Attachment
Scholarships 2019”
為「2018年度VTC設計教
育基金」及
「2019年度優秀企業實習
獎學金」提供贊助

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

LUKFOOK'S APPROACH TO SUSTAINABILITY

The corporate vision and the core brand value of the Group is "Brand of Hong Kong, Sparkling the World". The Group always puts forth maximum effort for Lukfook to reach its goal of becoming a world-known brand. As a renowned luxury brand in Hong Kong, the Group is committed to crafting the finest jewellery for customers to further establish its reputation in the international market. The Group always puts its greatest effort to reach the expectations of the customers, employees and shareholders and contribute to the community:

- To provide value-added products and sincere services to its customers for value appreciation;
- To provide its employees with a professional development environment and grow together to achieve corporate goals;
- To add value to shareholders' investment and maintain a steady growth in business and profit; and
- To contribute to the community through reinforcing communications with the public and participating in charity events so as to continue caring for the society

ESG RISK MANAGEMENT

The Board evaluates ESG-related risks and opportunities and has adopted a series of risk management procedures to ensure the key concerns of stakeholders align with the long-term value of the Group. The Board determines the sustainable development contents and the long-term value which are important to the Group. Various departments of the Group continuously and comprehensively collect internal and external data and opinions of stakeholders through different channels, historical data, future forecast and cases as well as information about other relevant domestic and overseas companies. The Group formulates ESG-related controls to address significant ESG risks, and those controls are operated effectively at appropriate business levels. The Board oversees the ESG matters and strives to create long-term value to our stakeholders.

六福的可持續發展策略

「香港名牌•國際演繹」為六福集團的企業願景及品牌核心價值。本集團一直堅持不懈，盡心竭力使六福成為全球認知的品牌。作為香港知名奢侈品牌，本集團致力為全球顧客提供優質首飾，以進一步確立其於國際市場上的聲譽。我們致力落實以下的企業使命，實現顧客、員工及股東對我們的期望和為社會帶來貢獻：

- 為顧客提升價值，提供優質及物超所值的產品及殷勤摯誠的服務；
- 為員工締造專業發展環境，達致共同成長，邁向理想；
- 為股東提升價值，保持穩健及持續增長的盈利；及
- 為社會延續關懷，加強公共溝通，積極參與公益活動，回饋社會

環境、社會及管治風險管理

董事會評估環境、社會及管治風險及機遇，採取了一系列風險管理程序，以確保持份者的關注重點與本集團的長期價值保持一致。董事會釐定對本集團屬重要的可持續發展內容及長期價值。本集團各部門透過不同渠道、歷史數據、未來預測及案例以及國內外其他相關公司的信息不斷全面收集內外部數據及持份者意見。本集團制定環境、社會及管治相關的控制措施，以應對重大環境、社會及管治風險，而該等控制措施在適用的業務級別有效運作。董事會監督環境、社會及管治事宜，並致力為持份者創造長期價值。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT

Understanding and meeting the needs of our stakeholders is critical to our journey to sustainability development. Each feedback will ultimately lead the Group to identify significant ESG issues and manage related risks and opportunities. Our stakeholders are closely related to our business and influence each other. We communicate with key stakeholders through a variety of channels, collecting their opinions and working to improve.

持份者參與

了解並滿足持份者的需求對我們在可持續發展的里程至關重要。每個反饋意見最終均將引導本集團識別重大ESG議題及管理相關風險和機遇。我們的持份者與我們的業務密切關連並互相影響。我們透過多種渠道與主要持份者溝通，收集他們的意見並努力持續改進。

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

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

MATERIALITY ASSESSMENT

In order to understand the concerns of key stakeholders, in FY2019, we engaged an independent third party to conduct an online survey to engage stakeholders to identify key issues of the Group. We conducted a materiality assessment questionnaire to understand the views of stakeholders. This helps prepare environmental, social and governance reports and formulate strategies for future corporate social responsibility (“Corporate Social Responsibility”).

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

重要性評估

為了解主要持份者所關注事宜，於2019財年，我們委聘獨立第三方進行在線問卷調查，藉此展開持份者參與活動，以識別本集團的重大議題。我們進行重要性評估問卷調查以了解持份者的看法，這有助編製環境、社會及管治報告及制定未來企業社會責任（「企業社會責任」）策略。

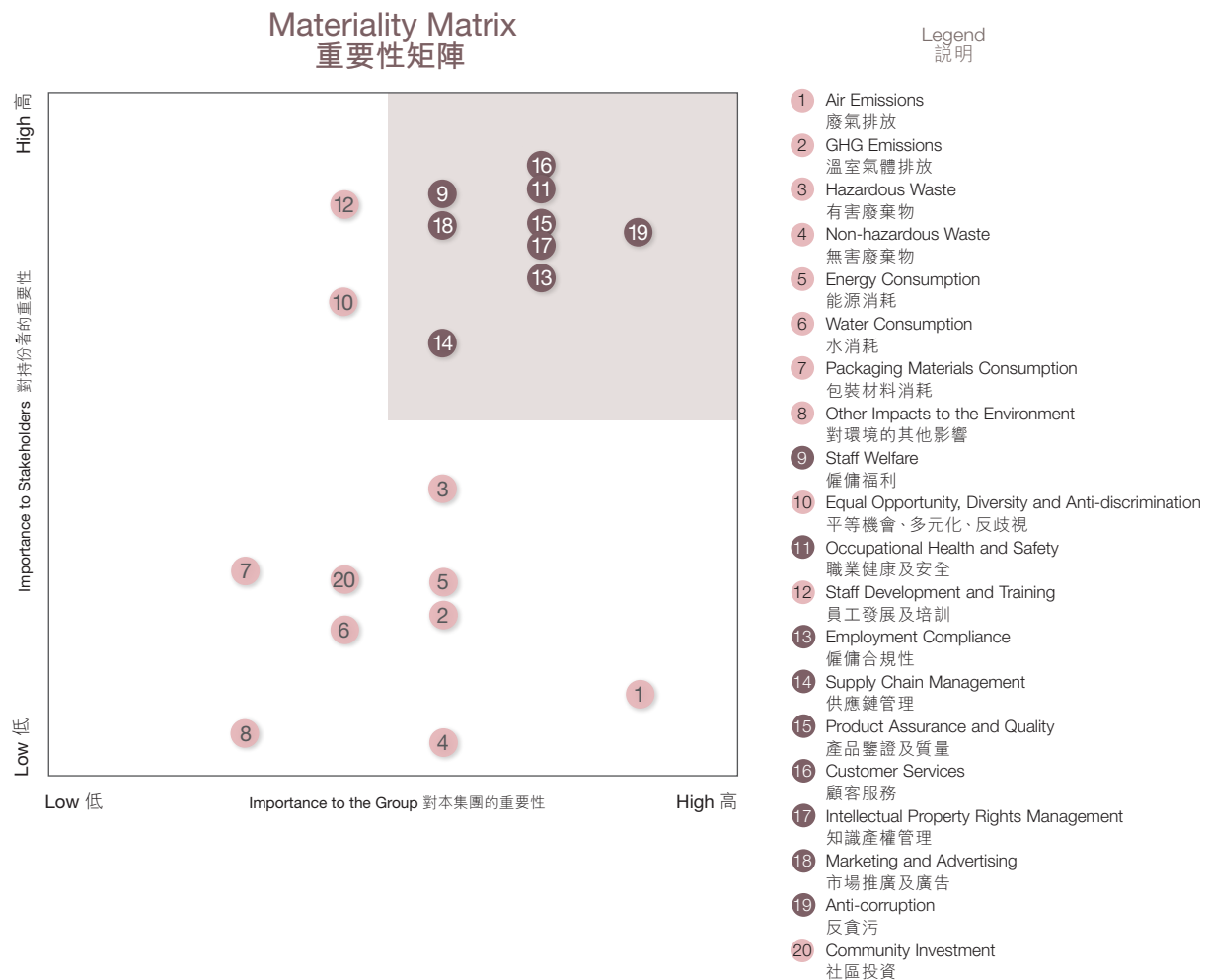
根據與現有及過往持份者溝通活動的成果、業界趨勢及聯交所《環境、社會及管治報告指引》，我們歸納出適用於本集團的20項環境、社會及管治議題。於重要性評估過程中，我們邀請來自香港、澳門及中國內地的內部及外部持份者，就20項議題進行評分。持份者的寶貴意見有助我們對下列議題進行優先排序：

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Issues Considered

考慮到的議題



The vertical axis of the materiality matrix is “Importance to Stakeholders” and the horizontal axis is “Importance to the Group”. Issues lie within the upper right quadrant in the matrix are considered to be the most important. Based on the above analysis, we have identified 9 most important issues to our stakeholders and the Group: 19. Anti-corruption, 16. Customer Services, 11. Occupational Health and Safety, 15. Product Assurance and Quality, 17. Intellectual Property Rights Management, 13. Employment Compliance, 9. Staff Welfare, 18. Marketing and Advertising and 14. Supply Chain Management.

重要性矩陣的豎軸為「對持份者的重要性」，橫軸則為「對本集團的重要性」，圖中右上象限所示乃被視為最重要的議題。根據上述分析，我們識別出對持份者及本集團而言最為重大的9項議題：19.反貪污、16.顧客服務、11.職業健康及安全、15.產品鑒證及質量、17.知識產權管理、13.僱傭合規性、9.僱傭福利、18.市場推廣及廣告及14.供應鏈管理。

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TO CUSTOMERS: SIX HEARTFELT SERVICES

A piece of jewellery could well be a piece of valuable memory passing down through generations to many of our customers. In the spirit of “Exquisite Craftsmanship, Quality Services and Customer Orientation”, we are committed to managing and operating in a sustainable and responsible manner, being meticulous from raw material procurement, production to product and service responsibilities.

Ethical Sourcing

In order to ensure that our jewellery products meet the relevant standards, we use quality raw materials from the procurement stage. To guarantee the source of raw materials such as diamonds, gold and jadeite are legal and of high quality, we have purchased from industry-recognised suppliers with integrity such as members of the Shanghai Gold Exchange and Shanghai Diamond Exchange and De Beers, the world’s largest diamond supplier. Among them, De Beers has passed the Kimberley Process Certification Scheme, ensuring that the rough diamond supplied are not “conflict diamonds”.

In addition, we enhance customer confidence through various product quality certification programmes.

對顧客：六心服務

對許多顧客而言，珠寶的珍貴價值在於其背後傳承的意義。本著「匠心獨運、服務為本、以客為先」的精神，我們致力以可持續發展和負責任的方式營運和管理，從原材料採購、生產以至產品及服務責任均一絲不苟。

道德採購

為確保本集團所銷售的珠寶產品符合有關標準，我們由採購開始採用優質原材料。為確保鑽石、黃金、翡翠玉石等原材料來源合法及優質，我們採購自如上海黃金交易所及上海鑽石交易所的會員及全球最大鑽石供應商De Beers等獲業界認可的誠信供應商。其中，De Beers通過金伯利流程認證計劃，確保所供應的鑽石毛坯並非「衝突鑽石」。

此外，我們通過各個產品品質認證計劃，加強顧客信心。



By participating in the “Natural Jade Logo” programme jointly organised by the Hong Kong Jewellers’ and Goldsmiths’ Association and the Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, we ensure that our jade products are all untreated natural jade.

通過參與由香港珠石玉器金銀首飾業商會與九龍珠石玉器金銀首飾業商會合辦的「天然翡翠標誌」計劃，保證我們所銷售的翡翠產品皆為未經處理的天然翡翠。



By participating in the “Quality Gold Logo” programme jointly organised by the Hong Kong Jewellers’ and Goldsmiths’ Association and the Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, we ensure that our gold jewellery products meet the purity standard.

通過參與由香港珠石玉器金銀首飾業商會與九龍珠石玉器金銀首飾業商會合辦的「優質足金標誌」計劃，保證我們所銷售的金飾產品符合成色標準。



By participating in the “Natural Diamond Quality Assurance” logo programme promoted by the Diamond Federation of Hong Kong, we ensure that the diamond products we sell are all natural diamonds.

通過參與由香港鑽石總會推行的「天然鑽石品質保證」標誌計劃，保證我們所銷售的鑽石產品皆為天然鑽石。

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Product Quality Assurance

We are committed to producing quality products for our customers. The use of high quality raw materials and advanced technology ensures that our products are safe and suitable for long-term wear. We comply with the Product Quality Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, the Trade Descriptions Ordinance of Hong Kong and other relevant regulations on product quality standards to strictly control the quality of products. In every step of the production process, from material sourcing to jewellery production and from the release of final product to delivery of our products to retail shops, we carry out quality inspections to ensure that the Group only sells qualified quality products.

We have been awarded the ISO/IEC 17025:2005 International Test/Calibration Laboratory Certification for Jewellery and Jade Inspection Center, which will conduct quality inspections when raw materials are delivered and when finished products are shipped. We have assigned quality inspectors for each process of jewellery production, so that every product inspected can meet the requirements of the production order before being transported to the next department for further processing. After the finished products are delivered to the Group's retail shops, our shop assistant will inspect each piece of jewellery to rule out the possibility of being substituted secretly in transit.

The Group's jewellery processing plant in Nansha, Guangzhou has been certified to ISO9001 quality management system since 2008, which proves that our quality assurance system has reached international level and has been professionally recognised.

Customer Satisfaction

In respect of the sales services, each of the retail outlets has a "Six Heartfelt Services" ambassador to implement the service objective and organise the "Six Heartfelt Service Voices" campaign to enhance the quality of services. Employees can watch relevant videos and understand the service standards of the Group through the intranet any time.

For after-sales service, we have set up a systematic process to deal with product recycling and handling quality issues. The recycled products will be handed over to the inspection centre for further inspection after initial inspection by the retail shop, and inspection reports will be provided to the relevant customers if necessary. Product quality issues will be checked and followed up by relevant departments.

產品質量保證

我們致力為顧客製造優質的產品，透過採用優質原材料，並善用科技，確保我們的產品安全且適宜長期佩戴。我們遵照《中華人民共和國產品質量法》、《中華人民共和國消費者權益保護法》、香港《商品說明條例》等有關產品質量標準的規定，對產品質量進行嚴格把關，由原材料來貨、首飾工藝製作的每一個工序，到製成品出貨，以至運抵各區零售店，都會進行質量檢驗，確保本集團只銷售合格優質的產品。

我們已獲發ISO/IEC 17025:2005國際測試／校正實驗室認證的珠寶玉石檢驗中心，會於原材料來貨時及製成品出貨時進行質量檢測。而在每一個首飾工藝製作的工序都設置了質檢員，務求所檢查的每一件產品完全符合生產訂單之要求，才可運送到下一個工序部門，繼續進行下一項工序的制作。製成品運抵本集團零售店後，店員亦會檢查每一件首飾以確保運送途中避免被調包的可能。

本集團位於廣州南沙的珠寶加工廠自2008年起已獲得ISO9001質量管理系統認證，足證我們的質量保證系統已達國際水平並獲專業認可。

顧客滿意度

銷售服務方面，每間零售店均設有「六心服務」大使，以貫徹執行有關服務宗旨，並組織「六心服務之聲」活動，以提升服務質素。員工可隨時透過內聯網觀看有關視頻及了解本集團的服務標準。

售後服務方面，我們已設立處理產品回收及處理質量問題的系統化流程。回收產品經零售店初步檢測後將移交至鑑定中心作進一步檢驗，並於有需要的情況下提供檢測報告予有關顧客。而產品質量問題將由相關部門檢查及跟進。

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In the spirit of “Six Heartfelt Services”, our core values are established to maintain high quality standards and meet customer requirements. We develop procedures for handling customer complaints and product recalls to respond to customers in a timely manner to drive continuous improvement.

The Group strives for excellence and conduct customer satisfaction surveys to collect customer feedback to keep abreast of market trends. The Group engaged an independent agency to conduct quarterly mystery customer service survey to assess the quality of our products and services.

Intellectual Property Right Protection

We have successfully registered the “Luk Fook”/“Luk Fook Jewellery” in Mainland China and Hong Kong in compliance with the Trademark Law of the People’s Republic of China, the Patent Law of the People’s Republic of China, the Trade Marks Ordinance and the Registered Designs Ordinance of Hong Kong. We also apply for design patents/copyrights for novel and unique products and display props, and actively combat infringement in an effort to maintain and protect the intellectual property rights of the Group.

Customer Privacy Protection

The Group is committed to respecting the privacy of consumers and maintaining their personal privacy. We strictly abide by the relevant provisions of the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests and the Personal Data (Privacy) Ordinance of Hong Kong. A set of Privacy Policy is formulated and published on the Group’s official website to clarify how the Group collects, uses, discloses and retains relevant personal data to prevent its personal data from being inappropriately used.

Advertising and Labeling

We present true and legitimate advertising content with courtesy. The advertisements and label contents issued by the Group are reviewed by several internal departments of the Group including the Legal Department and the external advertising cooperation teams to ensure that they are in compliance with the Advertisement Law of the People’s Republic of China, as well as the Broadcasting Ordinance, the TV Advertising Code, the Trade Descriptions Ordinance of Hong Kong. We also provide appropriate training for frontline employees and implement monitoring measures to ensure compliance with the above laws and regulations.

秉持「六心服務」的精神，我們的核心價值觀為維持高質量水平及滿足顧客要求而確立。我們制定處理顧客投訴及產品回收的程序，及時對顧客作出回應，從而推動持續改善之成效。

本集團力求精益求精，並進行顧客滿意度問卷調查，藉此收集顧客反饋意見，以緊貼市場潮流走勢。本集團委聘獨立機構進行季度性神秘顧客服務調查，以評估我們的產品及服務質素。

知識產權維護

我們遵照《中華人民共和國商標法》、《中華人民共和國專利法》、香港的《商標條例》及《註冊外觀設計條例》等相關規定，已於中國內地及香港等地成功註冊「六福」/「六福珠寶」等商標，並對設計新穎獨特的產品、陳列道具等申請外觀設計專利／著作權，且積極打擊外間侵權行為，以盡力維護及保障本集團知識產權。

顧客私隱保護

本集團承諾尊重消費者個人私隱，維護其個人私隱得到保密，並嚴格遵守《中華人民共和國消費者權益保護法》、香港《個人資料（私隱）條例》等相關規定，且同時自行制訂一套「私隱政策」並於本集團官方網站發佈，目的為消費者闡明本集團如何收集、使用、披露及保留相關個人信息，以防止其個人信息被不適當使用。

廣告及標籤

我們以莊重的表達手法表達真實及合法的廣告內容。本集團發佈的廣告及標籤內容均會通過包括法務部等多個本集團內部部門的審核，以及外部廣告合作團隊的查核，以確保它們均遵守《中華人民共和國廣告法》、香港的《廣播條例》、《電視廣告守則》及《商品說明條例》等法律法規。我們亦為前線員工提供適當培訓，並實施監控措施，以確保遵守以上法律法規。

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TO PUBLIC: LOVE IS BEAUTY

Adhering to the spirit of Corporate Social Responsibility, continuing to care for the protection of the planet, giving full play to building a community and contributing to the community is our main strategy for achieving sustainable development.

Environmental Protection

We comply with the Environmental Protection Law of the People's Republic of China and the Environmental Protection Tax Law of the People's Republic of China and other laws and regulations to properly manage waste gas and greenhouse gas emissions, sewage and land emissions, and the generation of hazardous and non-hazardous waste. The Group's jewellery processing plant in Nansha, Guangzhou, passed ISO14001:2004 environmental management system certification in 2009, and upgraded to ISO14001:2015 in 2017, in order to continuously improve the environmental management system in the plant to reduce the environmental risks of production processes or accidents and other environmental pollution, and has met the international professional recognition level.

Exhaust Emission Management

The exhaust emissions from the plant area mainly come from the processes of welding, grinding, melting, pouring, electroforming, jewellery cleaning and etc. We have installed the activated carbon filtration system and the exhaust gas scrubber system to treat the exhaust gas, and also added alkali solution in the neutralization tower. Neutral acid mist will not be discharged until it meets the Ambient Air and Quantity Standards (GB3095-1996). The exhaust facilities in the production area are regularly cleaned to ensure that the equipment and piping are kept unblocked. We also carry out exhaust emission monitoring in accordance with the requirements of the Ambient Air Quality Monitoring Regulations (Trial) and check the exhaust gas treatment facilities such as fans and air ducts at least once a month to ensure the normal operation of the facilities.

對大眾：愛很美

秉持企業社會責任精神，持續關愛保護地球，發揮所長建設社區，致力回饋社會，乃我們達致可持續發展的主要策略。

環境保護

我們遵照《中華人民共和國環境保護法》及《中華人民共和國環境保護稅法》等法例法規，對有關廢氣及溫室氣體排放、針對水及土地的排污、有害及無害廢棄物的產生等作出妥善的管理，本集團位於廣州南沙的珠寶加工廠於2009年已通過ISO14001:2004環境管理系統認證，並於2017年升級為ISO14001:2015系統，務求持續改進廠內的環境管理系統，以減少生產工序或事故發生的環境風險以及其他對環境的排放污染，並達到國際專業認可水平。

廢氣排放管理

工廠區的廢氣排放主要來自燒焊、打磨、熔金、倒模、電鑄、首飾清洗等工序，我們透過安裝活性炭過濾系統及廢氣洗滌塔系統來處理廢氣，亦在中和塔加入鹼液以中和酸霧，達到《環境空氣質量標準》(GB3095-1996)的排放標準後才會排放。生產區的廢氣設施會定期進行清洗，以確保裝置及管道保持暢通。我們亦按照《環境空氣質量監測規範(試行)》要求進行廢氣排放監測，並最少每月檢查一次風機、風管等的廢氣處理設施，以確保設施正常運作。

Indicator 指標	Unit 單位	FY2019 2019財年	FY2018 2018財年
Total Greenhouse Gas (GHG) Emissions (Scope 1 & 2) 溫室氣體總排放量(範圍1及2)	tCO _{2e} 公噸二氧化碳當量	10,377.89	13,771.25
Direct Emissions (Scope 1) 直接排放(範圍1)	tCO _{2e} 公噸二氧化碳當量	852.39	1,062.68
Indirect Emissions (Scope 2) 間接排放(範圍2)	tCO _{2e} 公噸二氧化碳當量	9,525.50	12,708.57
Total GHG Emissions Intensity (Scope 1 & 2) 溫室氣體總排放量密度(範圍1及2)	tCO _{2e} /turnover (HKD'000) (Note 1) 公噸二氧化碳當量/營業額 (千港元)(附註1)	0.0009	0.0014
Nitrogen Oxides (NOx) (Note 2) 氮氧化物(NOx)(附註2)	kg 千克	1,876.01	/
Sulphur Oxides (SOx) (Note 2) 硫氧化物(SOx)(附註2)	kg 千克	3.96	/
Particulate Matter (PM) (Note 2) 懸浮顆粒(PM)(附註2)	kg 千克	130.46	/

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

附註1：該營業額僅包括於香港、澳門及中國內地的自營店。

Note 2: During the Reporting Period, the data collection system was further improved and the disclosure of nitrogen oxides (NOx), sulphur oxides (SOx) and particulate matter (PM) emissions were newly added.

附註2：本報告期進一步完善了數據收集的系統，並新增了氮氧化物(NOx)、硫氧化物(SOx)及懸浮顆粒(PM)的排放總量披露。

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Sewage Discharge Management

The sewage we produce mainly comes from domestic sewage (washrooms, general cleaning, canteens, dormitories and etc.) and production sewage (gypsum wastewater, electroplating wastewater and etc.), where the gypsum wastewater and the electroplating wastewater will be processed for reuse. While gypsum wastewater is treated by the integrated treatment system, electroplating wastewater is treated by water reuse system. Part of the treated water by these two systems can be reused, mainly for toilet flushing and greening. The remaining concentrated water and domestic sewage which cannot be reused will be transferred to the underground biochemical pool for treatment. After meeting the second-level standard of the second range of the "Water Pollutant Discharge Limit" (DB44/26-2001), they are discharged through the main drain outlet. Hazardous wastes such as acid waste liquid, waste light pipe, and solid waste including gypsum cake, biochemical pool sludge, grease trap slag, are handled by different qualified recyclers. We prohibit the discharge of industrial sewage that falls short of relevant standards in the washrooms and rainwater ditches, and arrange special personnel to inspect the rainwater ditches of the whole factory at least once a week, and to inspect the toilets in the factory from time to time to prevent violations.

Indicator 指標	Unit 單位	FY2019 2019財年	FY2018 2018財年
Sewage Discharge (Note 3) 污水排放量 (附註3)	m ³ 立方米	106,318.00	171,385.00

Note 3: The figure represented the amount of wastewater discharged from our jewellery processing plants only. Wastewater generated from our retail shops and offices in Hong Kong, Macau and Mainland China was properly connected and discharged to the communal sewer drainage system. The FY2018 annual sewage discharge is calculated based on 70% of the water volume from meter reading. This calculation formula is provided by the taxation department to calculate the sewage discharge amount of sewage discharge tax; while the FY2019 annual sewage discharge amount is the data extracted from online monitoring, which would be relatively accurate. As such, the data for FY2019 and FY2018 cannot be directly compared.

General Solid Waste Management

The general solid waste we produce includes office waste, waste generated during the production process, packaging waste, and general waste that is not classified as chemical hazardous waste. After proper handling, the solid waste is put into the standard sorting bins in the factory. After sorting, solid waste will be collected and recycled by solid waste collectors. Wastes that can be recycled include PVC rubber, waste paper and packaging materials, which are stored in a designated location for recycling. Beside, we have dedicated personnel conduct daily inspection and cleaning work to ensure that the working rooms are clean and hygienic. We also promote electronic procedures to reduce paper consumption.

污水排放管理

我們產生的污水主要來自於生活污水(洗手間、一般清潔、飯堂、宿舍等等)及生產污水(石膏廢水、電金廢水等),其中石膏廢水和電金廢水會進行處理以作回用。石膏廢水會以一體化處理系統處理,而電金廢水會經中水回用系統處理。經這兩個系統處理後部分水量可回用,主要利用於沖廁所與綠化。其餘不能回用的濃水與生活污水均匯入地下生化池處理,達到《水污染物排放限值》(DB44/26-2001)第二段一級標準後,經總排口排放。含酸廢液、廢光管等危險廢物與石膏餅、生化池污泥、隔油池渣等固廢,均交由不同合資格的回收商處理。我們禁止於洗手間及雨水溝渠排放不達標的工業污水,並安排專人每星期最少巡查一次全廠的雨水溝渠,及不定期巡查廠內洗手間,確保沒有違規事情發生。

附註3: 該數據僅代表我們珠寶加工廠的污水排放量。我們於香港、澳門及中國內地零售店及辦事處所產生的污水已妥善接入並排放至公用污水渠系統。2018財年污水排放量以抄表水量的70%計算出來的,此計算公式為稅務部門下達的核算排污稅污水排放量的計算標準;而2019財年的污水排放量是從在線監測中抽取的數據,相對較準確,故2019財年與2018財年的數據不能作直接的比較。

一般固體廢物管理

我們所產生的一般固體廢物包括辦公室垃圾、由生產過程中所產生的廢棄物、包裝垃圾及不列為化學危險廢物的一般垃圾等。固體廢物經過適當處理後,投入廠內預設的分類垃圾桶內。分類後,固體廢物會安排固體廢物收集商進行收集和回收。可被回收再造的廢物包括PVC膠料、廢紙及包裝物料等,用後會集中存放在指定位置,待回收處理。另外,我們有專責人員每天進行檢查清理工作,以確保工作間整潔衛生。我們亦推行流程電子化,減少紙張消耗量。

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Total Amount of Non-hazardous Waste Produced (Note 4) 所產生無害廢棄物總量(附註4)	tonnes 公噸	526.69	45.32
Recycled Waste (Note 4) 已回收廢物量(附註4)			
Food Waste 廚餘	tonnes 公噸	17.00	/
General Industrial Waste 一般工業廢物	tonnes 公噸	71.00	/
Disposed Waste (Note 4) 已處置廢物量(附註4)			
General Industrial Waste 一般工業廢物	tonnes 公噸	7.46	0.93
Metal 金屬	tonnes 公噸	5.53	2.10
Plastic 塑膠	tonnes 公噸	0.51	4.81
Paper 紙張	tonnes 公噸	29.99	37.48
Other General Waste 其他生活廢物	tonnes 公噸	394.70	/
Intensity of Total Amount of Non-hazardous Waste Produced (Note 4) 所產生無害廢棄物總量密度(附註4)	tonnes/HK\$'000 公噸/千港元	0.000045	0.000047

Note 4: The figure represented the amount of non-hazardous waste generated from our jewellery processing plants only. The non-hazardous waste generated from our self-operated shops and offices in Hong Kong, Macau and Mainland China was handled by property management companies. The scope of disclosure of the amount of non-hazardous wastes for the Reporting Period has been expanded, including the newly added amount of recycled waste and estimation of general refuse, so the data for the FY2019 and FY2018 cannot be directly compared.

附註4：該數據僅代表我們珠寶加工廠產生的無害廢棄物數量。我們於香港、澳門及中國內地自營店及辦事處所產生的無害廢棄物由物業管理公司進行處理。本報告期的無害廢棄物數量披露擴大了統計範圍，包括新增了已回收的廢物量以及生活廢物的估算，故2019財年與2018財年的數據不能作直接的比較。

Chemical Hazardous Waste Management

We manage our chemical hazardous wastes in accordance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the National Catalogue of Hazardous Wastes. The chemical hazardous wastes we produce include waste parts/components, vacant chemical containers, sludge from sewage treatment systems, waste lubricating grease, waste batteries, waste light pipes, waste ink cartridges, radioactive waste, concentrated acid waste solvents, concentrated alkali waste solvent, waste lubricating oil, waste lubricating coolant, waste paint and grease produced during cooking. Solid chemical hazardous waste will be stored in a designated sealed container with a lid. All solid and liquid chemical hazardous waste storage tanks and storage areas are appropriately labeled with the types and characteristics of such chemical hazardous wastes. Radioactive waste is collected and recycled by the manufacturer. All solid and liquid chemical hazardous wastes are collected and disposed by qualified chemical hazardous waste handlers. We also arrange special personnel to inspect weekly the place where chemical hazardous waste is stored to ensure proper disposal and storage of hazardous waste.

化學危險廢物管理

我們按照《中華人民共和國固體廢物污染環境防治法》及《國家危險廢物名錄》管理我們產生的化學危險廢物。我們產生的化學危險廢物包括廢零／部件、空置的化學危險品容器、污水處理系統所產生的污泥、廢潤滑油脂、廢電池、廢光管、廢墨水匣、放射性廢物、濃酸廢溶劑、濃鹼廢溶劑、廢潤滑油、廢潤滑冷卻劑、廢油漆及煮食時所產生的油脂。固體化學危險廢物會集中存放於指定的有蓋密封容器內。所有固體及液體化學危險廢物的儲存桶及存放地方均貼上適當的標籤，並列明該類化學危險廢物的種類及特性。放射性廢物由生產廠家收集及回收。所有固體及液體化學危險廢物均由合資格的化學危險廢物供應商負責收集及處理。我們亦派專人每星期巡視化學危險廢物存放的地方，確保危險廢物被妥善處理及存放。

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Indicator 指標	Unit 單位	FY2019 2019財年	FY2018 2018財年
Total Amount of Hazardous Waste Generated (Note 5) 所產生有害廢棄物總量(附註5)	tonnes 公噸	8.42	5.48
HW06 Waste Organic Solvent and Waste Containing Organic Solvent (Note 5) HW06廢有機溶劑與含有機溶劑廢物(附註5)	tonnes 公噸	4.74	/
HW08 Waste Mineral Oils and Waste Containing Mineral Oils (Note 5) HW08廢礦物油與含礦物油廢物(附註5)	tonnes 公噸	0.33	/
HW12 Waste Dyes and Paints (Note 5) HW12染料、塗料廢物(附註5)	tonnes 公噸	0.05	/
HW29 Mercury Wastes (Note 5) HW29含汞廢物(附註5)	tonnes 公噸	0.10	/
HW34 Waste Acid (Note 5) HW34廢酸(附註5)	tonnes 公噸	0.75	/
HW35 Waste Alkali (Note 5) HW35廢鹼(附註5)	tonnes 公噸	2.07	/
HW49 Other Waste (Note 5) HW49其他廢物(附註5)	tonnes 公噸	0.40	/
Intensity of Total Hazardous Waste Generated (Note 5) 所產生有害廢棄物總量密度(附註5)	tonnes/HK\$'000 公噸/千港元	0.00000071	0.00000055

Note 5: The figure represented the amount of hazardous waste generated from our jewellery processing plants only. No hazardous waste was generated from our self-operated shops and offices in Hong Kong, Macau and Mainland China. Breakdown data of the different types of hazardous waste generated during the Reporting Period were newly disclosed to enhance the comprehensiveness of data disclosure. In FY2018, waste contractors recycled a large amount of waste thinner and sanding dust. Only a small amount of waste thinner was handled by a qualified hazardous waste recycler. Starting from FY2019, all the waste thinner has been handled by the qualified hazardous waste recycler, so the total amount of hazardous waste in FY2019 was nearly three tonnes more than that in FY2018.

附註5: 該數據僅代表我們珠寶加工廠所產生的有害廢棄物數量。我們於香港、澳門及中國內地自營店及辦事處並無產生有害廢棄物。本報告期新增了各所產生的有害廢棄物種類分拆數據,以提高數據披露全面性。於2018財年,廢物承包商回收大量廢天拿水及打磨粉塵,只有少量廢天拿水需要交給合資格有害廢棄物回收公司處理。2019財年開始,所有廢天拿水改由合資格有害廢棄物回收公司處理,所以2019財年的有害廢棄物總量比2018財年多出近三公噸。

Use of Water

The water resources used by the Group were purchased from local government water supply agencies and property management companies, so we did not encounter any special problems in obtaining water sources that is fit for purpose. To improve water efficiency, the following are examples of our water saving measures:

- In 2015, the factory newly added an integrated treatment system for gypsum wastewater, which used the recycled water for flushing or greening. As the products of the Group are with exquisite craftsmanship and stringent requirements, the recycled water would not be reused in production process.
- For office operations, if any leakage happen to the faucets, repairment will be carried out in time.

水資源使用

本集團使用的水資源是購自地方政府供水機構及物業管理公司,故我們在求取適用水源上沒有遇到特別問題。為提高用水效益,以下是我們採取的節水措施例子:

- 工廠區於2015年新增投入使用石膏廢水一體化處理系統,均將產生的回用水用來沖廁或綠化。因本集團的產品屬精密工藝產品及對工藝要求高,故回用水均不再投入生產使用。
- 辦公室營運方面,如發現水龍頭漏水情況,會及時進行維修。

Indicator 指標	Unit 單位	FY2019 2019財年	FY2018 2018財年
Total Water Consumption (Note 6) 總耗水量(附註6)	m ³ 立方米	369,096.09	209,798.00
Intensity of Total Water Consumption 總耗水量密度	m ³ /HK\$'000 立方米/千港元	0.031	0.021

Note 6: Some of the Group's self-operated shops in Hong Kong, Macau and Mainland China operate in leased spaces. The water supply is controlled by the property management. The relevant property management considers that it is not feasible to provide water data or sub-meters to individual tenants. Therefore, the total water consumption only covers offices and self-operated shops where the water supply is controlled by the Group. The relocation of self-operated shops varies from year to year, so the data for FY2019 and FY2018 cannot be directly compared.

附註6: 本集團部分於香港、澳門及中國內地的自營店在租賃辦公地方營運,供水均為大廈管業處自行控制,而相關管業處認為向個別租戶提供用水數據或分錶並不可行。因此,總耗水量僅涵蓋水供應受本集團控制的辦事處及自營店。而自營店的搬遷情況每年各有差異,故2019財年與2018財年的數據不能作直接的比較。

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Energy Use

Our energy use includes electricity, vehicle-use diesel and petrol, as well as factory-use natural gas. To reduce electricity use, we carry out initiative such as encouraging turning off computers and other devices during non-use period; trying to use batteries that are rechargeable or mercury-free; making use of a glass ceiling to maximise natural lighting instead of electric lights in the office building of the factory area and etc.

能源使用

我們的能源使用包括電力、車用的柴油和氣油、以及工廠區用的天然氣。為了減少電力使用，我們採取的措施例如：鼓勵於非使用時關閉電腦等設備；盡量使用可充電式或無水銀的乾電池；而工廠區的辦公樓使用玻璃頂部設計，盡量利用天然採光以代替電燈使用等。



Glass ceiling design is adopted to maximise natural lighting in the office building of the factory area.
工廠區的辦公樓使用玻璃頂部設計，盡量利用天然採光。



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Indicator 指標	Unit 單位	FY2019 2019財年	FY2018 2018財年
Total Energy Use 總能源使用	MWh 千個千瓦時	20,386.53	20,283.36
Intensity of Total Energy 總能源密度	MWh/HK\$'000 千個千瓦時／千港元	1.73	2.04
Direct Energy 直接能源	MWh 千個千瓦時	3,433.16	3,374.73
Unleaded Petrol 無鉛汽油	MWh 千個千瓦時	398.82	589.35
Diesel Oil 柴油	MWh 千個千瓦時	1,019.46	906.66
Natural Gas 天然氣	MWh 千個千瓦時	2,014.87	1,878.72
Intensity of Direct Energy 直接能源密度	MWh/HK\$'000 千個千瓦時／千港元	0.29	0.34
Indirect Energy – Purchase Electricity (Note 7) 間接能源 — 購買電力(附註7)	MWh 千個千瓦時	16,952.37	16,908.63
Intensity of Indirect Energy 間接能源密度	kWh/HK\$'000 千瓦時／千港元	1.44	1.70

Note 7: The Group's self-operated shops in Hong Kong, Macau and Mainland China operate in leased spaces. The power supply is controlled by the property management. Some of the relevant property management considers that it is not practicable to provide electricity data or sub-meters to individual tenants. Therefore, the total electricity consumption only covers offices and self-operated shops where electricity supply data are available to the Group. The relocation of self-operated shops varies from year to year, so the data for FY2019 and FY2018 cannot be directly compared.

附註7：本集團於香港、澳門及中國內地的自營店在租賃地方營運，供電均為大廈管業處自行控制，而部份相關管業處認為向個別租戶提供用電數據或分錶並不可行。因此，總耗電量僅涵蓋本集團可獲得電力數據的辦事處及自營店。而自營店的搬遷情況每年各有差異，故2019財年與2018財年的數據不能作直接的比較。

Other Resources Conservation

- When cutting materials, materials in the most suitable size should be selected to reduce wastage;
- Appropriate amount of solvents/cleaners should be used to reduce unnecessary waste;
- When using packing materials for packaging, recycled waste paper and recycled bubble wrap should be adopted as much as possible;
- Carton, plastic bags, and stone-filled plastic boxes should be recycled as much as possible until they are scrapped;
- Encouraging the use of electronic communications to replace paper documents;
- Encouraging the conservation of toilet paper; and
- Encouraging double-sided printing instead of single-sided printing.

節約其他資源

- 切割物料時，選擇最適當尺寸的物料，以減少剩餘的廢料；
- 溶劑／清潔劑等使用適當劑量，減少不必要的浪費；
- 包裝物料使用填充物料時，盡量循環使用廢紙、汽泡紙；
- 紙箱、膠袋、裝石膠盒盡量循環使用直至報廢；
- 鼓勵使用電子通訊取代紙本文件；
- 鼓勵善用廁紙；及
- 鼓勵雙面印刷而非單面印刷。

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Indicator 指標	Unit 單位	FY2019 2019財年	FY2018 2018財年
Total Amount of Packaging Materials Used in Finished Products (Note 8) 製成品所用包裝材料的總量(附註8)	tonnes 公噸	306.52	171.02
Intensity of Packaging Materials Used in Finished Products 製成品所用包裝材料的密度	tonnes/HK\$'000 公噸/千港元	0.000026	0.000017

Note 8: The scope of disclosure of the amount of packaging materials for the Reporting Period has been expanded, including the newly added amount of packaging materials including jewellery boxes, hand-held paper bags, certificate holders, carton boxes, plastic bags and etc. consumed by our jewellery processing plants, so the data for FY2019 and FY2018 cannot be directly compared.

附註8：本報告期的包裝材料量披露擴大了統計範圍，包括新增了來自珠寶加工廠所產生的首飾盒、手挽紙袋、證書套、紙箱、包裝膠袋等包裝材料，故2019財年與2018財年的數據不能作直接的比較。

Taking part in the “Charter on External Lighting” not only saves us electricity costs, but also reduces energy consumption during non-business hours. During the Reporting Period, we were awarded the “Gold Award” in the “Charter on External Lighting Award Scheme” by the Environment Bureau of the Hong Kong Special Administrative Region to recognise our contribution to reducing energy consumption and light nuisance.

透過參與《戶外燈光約章》，在節省用電成本的同時，亦降低非營業時段能源消耗。於報告期間，我們獲香港特別行政區環境局頒發「戶外燈光約章獎勵計劃」中的「金獎」，表彰我們於降低能源消耗及減少光滋擾方面的貢獻。

Since 2015, we have joined hands with non-governmental organisations to promote the “Bring Your Own Bag” campaign at our retail outlets to improve local waste reduction. In FY2019, all fees charged for plastic shopping bags were donated to Green Power. At the same time, we have launched several activities within the Group, including recycling and reusing of red packets, to enhance employees’ environmental awareness.

自2015年起，我們與非政府組織在旗下零售店推廣「自備購物袋」，致力改善當地減廢問題。於2019財年，就塑料購物袋收取的費用均全數捐贈予綠色力量。同時，我們在本集團內發起多項活動，包括利是封回收再用，以提升員工的環保意識。

Corporate Citizenship

As a socially responsible company, the Group actively involves in community investment projects. We are devoted in four major areas by means of donation and volunteer activities, which comprise protecting the environment, caring for community charity and health, supporting local art and culture, and supporting young talents. In addition, we have established the Lukfook Volunteer Team to not only create a sense of cohesiveness and belonging, but also encourage employees to participate in volunteer activities to contribute to the community.

企業公民

作為一家肩負社會責任的企業，本集團積極投身社區投資項目，參與四個主要方面的捐款及義工活動，包括保護環境、關懷社區公益及健康、支持當地藝術及文化以及扶助青年人才。此外，我們成立六福義工隊，不僅旨在打造本集團凝聚力及歸屬感，同時鼓勵僱員參與義工活動，為社區作出貢獻。

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Ranked among the top three in the “Oxfam Rice Event” for nine consecutive years 連續九年榮登「樂施米義賣大行動」三甲之列

The Group won the second runner up of the “Ordering Oxfam Rice (Organization Category)” in the “Oxfam Rice Event 2018” to recognise the Group’s active participation in the “Oxfam Rice Event” and fundraising for the “Oxfam Smallholder Farmers Development Fund”. The funds raised would be used to support global poor small-scale farmers, helping them to improve their lives, escape poverty and stay independent.

本集團於「樂施米義賣大行動2018」中榮獲「集體訂米（機構組）籌款獎」季軍，以表揚本集團積極參與「樂施米義賣大行動」，為「小農發展基金」籌款，所籌得的款項將用以支援全球貧困的小農戶，幫助他們改善生活，脫貧自立。

Support for “2017/2018 Community Chest Walk for Millions”

支持「2017/2018年度公益金百萬行」

The Group has been supporting and participating in “The Community Chest Walk for Millions” fundraising event organised by the Community Chest of Hong Kong to help more people in need in the society to improve their living environment.

本集團多年來一直支持及參與香港公益金舉辦的「公益金百萬行」籌款活動，以幫助社會上更多有需要人士改善其生活環境。



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Donated a total of HK\$2.2 million to support the Tung Wah Group of Hospitals 捐贈共220萬港元支持東華三院

The Group has been enthusiastic about charity for many years. During the Reporting Period, we donated a total of HK\$2.2 million to support the Hong Kong charity Tung Wah Group of Hospitals. In the “Tung Wah Charity Gala 2018” charity night, we donated HK\$1 million to assist the various services of the hospital. Meanwhile, we sponsored the “Circus in Wonderland” of Tung Wah Group of Hospitals’ 148th Charity Dinner, donating HK\$1.2 million to support the hospital’s hot food support service.

本集團多年來熱心公益，報告期間，我們一共捐贈220萬港元支持本港慈善機構東華三院，其中於「歡樂滿東華2018」慈善晚會中捐贈100萬港元，以協助該院各類服務，同時冠名贊助「東華三院148周年慈善晚宴『人生馬戲團』」，捐款120萬港元支持該院熱食支援服務。

The Group was once again awarded the “Hong Kong Outstanding Corporate Citizenship Logo” with a special mention for community care 本集團再度榮獲「香港傑出企業公民嘉許標誌」及於「回饋社會範疇」獲特別嘉許

The Group has attained the “Hong Kong Outstanding Corporate Citizenship Logo” in the Enterprise Category, with a special mention for community care in “The 9th Hong Kong Outstanding Corporate Citizenship Award”, in recognition of the Group’s devoted efforts in serving the community in need, organising activities to promote a caring society as well as encouraging employees to participate in volunteer work.

本集團於「第九屆香港傑出企業公民獎」中獲頒發企業組別的「香港傑出企業公民嘉許標誌」，並於回饋社會範疇獲得特別嘉許，以表揚本集團在支援有需要的社群、發展有助社區健康的活動、鼓勵並組織員工參與社區義務工作方面作出的努力。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

TO EMPLOYEES: LUKFOOK FAMILY

“Lukfook” is a “Household” brand. The Group is determined to give employees a homey feeling. Based upon our management philosophy of “People Focus, Value for Harmony, and Results Orientation”, we have established the Lukfook family and extended the concept of “Love is Beauty” to our staff.

對員工：六福大家庭

「六福」是一個「入屋」的品牌，本集團亦矢志給員工一個家的感覺。我們以「人為本、和為貴、效為先」的管理理念，建立六福大家庭，將「愛很美」的概念延伸至員工層面。



A large birthday party is held every month in Luk Fook Jewellery Park.
六福珠寶園每月舉行大型生日派對。



Luk Fook Jewellery Park held a commendation ceremony to recognise outstanding employees.
六福珠寶園舉行表彰大會表揚表現傑出的員工。



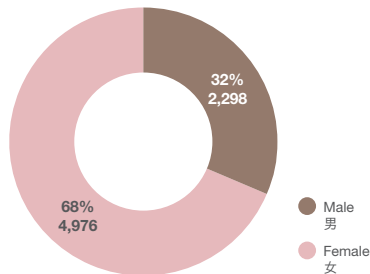
Apart from expressing gratitude to our employees for their hard work in the past year, the Group also grants awards to the long-serving employees and branches with outstanding performance in the annual dinners. 除了答謝一眾員工過去一年來的努力外，本集團亦於年度團年聯歡會向長期服務員工以及表現出色的分行頒發獎項。



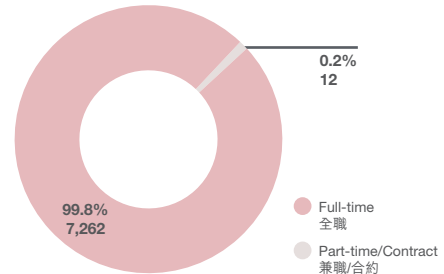
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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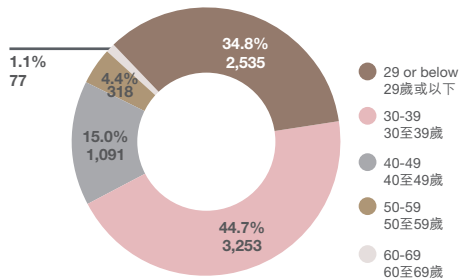
TOTAL WORKFORCE BY GENDER
按性別劃分的僱員總數



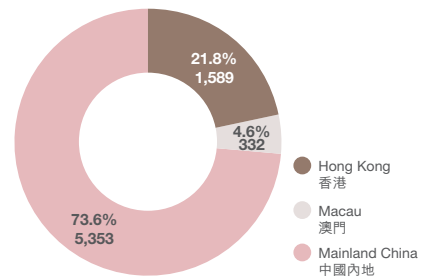
TOTAL WORKFORCE BY EMPLOYMENT TYPE
按僱傭類型劃分的僱員總數



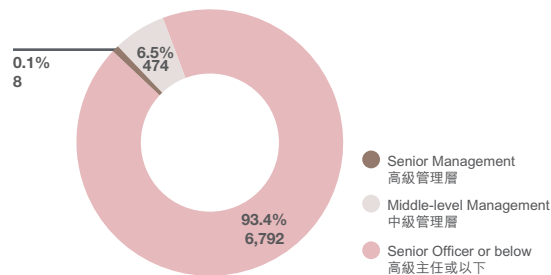
TOTAL WORKFORCE BY AGE GROUP
按年齡組別劃分的僱員總數



TOTAL WORKFORCE BY GEOGRAPHICAL REGION
按地區劃分的僱員總數



TOTAL WORKFORCE BY GRADING
按級別劃分的僱員總數



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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The Group's series of employment policies are in compliance with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and the Employment Ordinance of Hong Kong. We sign labor/employment contracts with new recruits from all over the country, and we distribute a staff handbook to each employee, which provides detailed rules on employment rules, salary allowances, holidays, benefits, attendance and etc., and notify them through official notice in case of any update.

本集團一系列的人事僱傭制度遵照《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及香港《僱傭條例》等法例法規。我們與各地新入職員工簽訂勞動／僱傭合同，並會向每位員工派發員工手冊，當中對僱傭細則、薪俸津貼、假期、福利、考勤等方面均作出詳細規定，如有更新情況也會透過通告等形式通知每位員工。

<p>Salary 薪酬</p>	<p>Remuneration packages are based on employee responsibilities, performance and results contributions, as well as personal professional and managerial skills. As stated in the Employee Handbook, employees are assessed annually and given reasonable returns based on individual performance and contribution to the development of the Group. The management will also review and approve the remuneration policy on a regular basis with reference to similar market levels to ensure fair returns and remuneration for employees.</p> <p>薪酬待遇乃基於員工職責、表現及業績貢獻以及個人專業及管理能力的而定。誠如僱員手冊所載，每年均會對員工作出評估，並根據個人表現及對本集團發展的貢獻給予合理回報。管理層亦會定期參考相近市場水平後，審閱及審批薪酬政策，確保為員工提供公平回報及報酬。</p>
<p>Termination of Employment Contract 終止僱傭合約</p>	<p>Exit interviews will be arranged for the leavers. If the reason for resignation involves working areas or time issues, we will try our best to arrange for the transfer to retain talents.</p> <p>離職的員工會被安排離職面談，如離職原因涉及上班地區或時間問題，我們會盡量安排調職以挽留人才。</p>
<p>Recruitment 招聘</p>	<p>We recruit employees mainly through the Group's official website, intranet, headhunting companies, newspapers, direct applications, and internal referrals.</p> <p>我們主要透過本集團官網、內聯網、獵頭公司、報紙、店舖直接申請、內部推薦等招聘員工。</p>
<p>Promotion 晉升</p>	<p>The Group's promotion policy is based on the employee's performance, academic qualifications, and rewards and punishments record. The annual year-end assessment determines the employee's promotion opportunities. Those who perform well can be promoted after approval by the management.</p> <p>本集團之晉升政策是以僱員之工作表現、學歷、獎懲紀錄為準則，於每年年終評核決定僱員之晉升機會。表現良好者經管理層審批通過後可獲晉升。</p>

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<p>Working Hours 工作時間</p>	<p>The working hours of the staff are determined by the company to which they are appointed and will be prescribed in the employment contract, but the Group has the right to make working hours changes in response to the needs of the job. 員工之工作時間按所委派之所屬公司而定，並會於僱傭合約訂明，惟本集團有權因應工作需要而作出工作時間更改。</p>
<p>Rest Periods 假期</p>	<p>Rest periods include paid holidays, paternity leave, maternity leave, marriage leave and compassionate leave. 假期包括有薪假期、侍產假、產假、婚假及恩恤假。</p>
<p>Equal Opportunity, Diversity and Anti-discrimination 平等機會、多元化及反歧視</p>	<p>As an equal opportunity employer, the Group adopts the individual talents of job applicants as the principle of selection and is not affected by any gender, age, disability, family position, ethnicity and religious differences. 作為平等機會僱主，本集團以職位申請者的個人才能為選聘原則，不受任何對性別、年齡、殘疾、家庭崗位、種族及宗教差異所影響。</p>
<p>Other Benefits and Welfare 其他待遇及福利</p>	<p>Medical insurance and retirement plans, employee discounts, and performance-linked rewards and bonuses. Retail employees also enjoy meal subsidies, bonuses and other rewards. 醫療保險及退休計劃、員工折扣以及表現掛鉤獎勵及花紅。零售員工還享有餐補、獎金及其他獎賞。</p>
<p>Child Labour or Forced Labour 童工或強制勞工</p>	<p>The Group adopts a zero-tolerance attitude towards child labour or forced labour, while strictly abiding by the major human rights declaration. We establish procedures in accordance with relevant national and local laws, regulations and international standards to ensure that the recruitment process and daily operations comply with relevant standards. 本集團對童工或強制勞工採取零容忍態度，同時嚴格遵守主要人權宣言。我們根據相關國家及地方法律、規例及國際準則設立相關程序，確保招聘流程及日常營運符合相關準則。</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Staff Training

We believe that human capital is critical to the Group's future growth. With the rapid development of today's technology, the Group is committed to providing training and development programmes for its employees to help them upgrade their knowledge and skills and cope with the challenges and competition brought about by the ever-changing era. The Group attaches great importance to the professional knowledge and personal development space of the staff. The Group has established a comprehensive training system and assessment criteria, covering theory, sales skills, product knowledge, and personal character courses to ensure that employees have equipped themselves with professionalism and adaptability. In addition to the Hong Kong headquarters, the Group has set up district training centres in four areas including Beijing, Shanghai, Wuhan and Nansha to provide tailor-made training courses to ensure the continuous development of employees' personal expertise in a rapidly changing world. In addition to internal training, the Group also provides training in collaboration with a number of external professional bodies, including the "Jade Product Knowledge Training Course" in collaboration with the H.K. Institute of Gemmology and the "China GTC Diamond and Jade Inspector Certificate Course" in collaboration with the Guangdong Province Jewellery and Precious Metal Testing Centre. We also sponsor our employees to enroll in the "Diamond Diploma Programme" by the Gemological Institute of America (GIA).

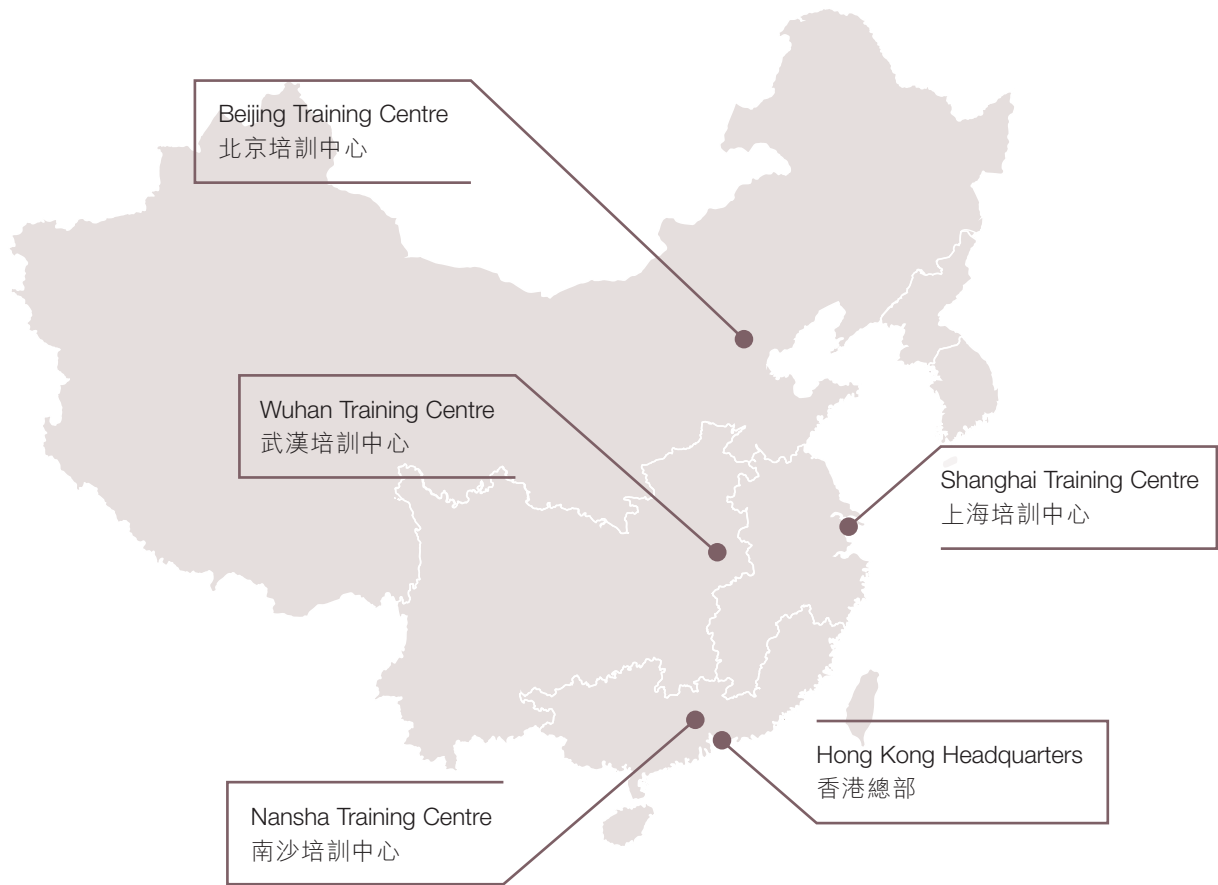
人才培訓

我們相信人力資本對本集團未來發展至為重要。隨著現今科技發展一日千里，本集團致力為員工提供培訓和發展計劃，協助員工提升知識和技能以及應付瞬息萬變時代帶來之考驗和競爭。本集團非常重視員工的專業知識及個人發展空間，本集團設立完善培訓制度及考核準則，由理論、銷售技巧、產品知識，以至個人品格課程都有涵蓋，以確保員工具備專業水平及應變能力。除香港總辦事處外，本集團分別於北京、上海、武漢及南沙四個地區設立分區培訓中心，提供度身設計培訓課程，為確保員工個人專長方面能在瞬息萬變的世界得以持續發展。除了內部培訓外，本集團亦與多個外部專業機構合作提供培訓，包括與香港珠寶學院合作的「翡翠產品知識培訓班」、與廣東省珠寶及貴金屬檢測中心合作的「中國GTC鑽石及翡翠檢驗員證書課程」及資助員工報讀美國寶石學院(GIA)「鑽石文憑課程」。

Staff Category 人才類別	Major Training Content 主要培訓內容
Frontline Shop Staff 前線店舖員工	Jewellery product knowledge, customer service, store management and service management 珠寶產品知識、顧客服務、店舖管理及服務管理
Factory Worker 工廠員工	Craftsmanship and occupational safety and health 工藝技術及職業安全及健康
Directors and Senior Executives 董事及高級行政管理人員	Leadership development, corporate governance practices and legal and regulatory updates 領導才能發展、企業管治慣例及法律法規更新

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2018 Lukfook Management Training Camp (South China)
2018六福骨幹管理團隊拓展訓練營 (華南區)

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Continuation of the Story of Beauty

延續美麗故事

The jewellery industry is a traditional industry. It is an industry that combines creativity, craftsmanship and beauty. Every piece of jewellery carries its own unique story and personality. In the past, it was the actual work experience that counted. Therefore, many senior employees who have no academic qualifications started their career from junior positions. However, with the progress of time, the Group's branches have increased day by day, attracting younger generations to enter the industry. In addition to retail experience, it has also begun to pursue academic qualifications. At the same time, jewellery is a luxury consumer goods. Customers expect to buy products with guaranteed quality. Therefore, customers have very strict requirements on quality standards and process quality. We expect sales staff to introduce products in a detailed, careful and patient manner. In addition, in recent years, growing attention has been paid to consumer rights. Good customer service and offering professional jewellery knowledge to customers are often the key to success.

As a result, the Group has always attached great importance to staff development by provision of different types of training courses, such as orientation classes, product knowledge, customer service, shop management and service management workshops, jewellery knowledge courses, and other courses for staff. Mainland China staff can also log in and attend online training through the "Jewellery V Course" mobile application. Through professional training, we ensure that our employees are professional and adaptable, allowing them to broaden their horizons.

珠寶行業是一個傳統行業，可說是揉合創意、工藝及美感的行業，每一件珠寶首飾，都有它獨特的故事和個性。以往講求是店舖內之實際工作經驗，故很多資深員工，都沒有甚麼學歷，可說是紅褲子出身。但隨著時代進步，本集團分店與日俱增，吸引了年青一輩入行，除零售經驗外，亦開始講求學歷。同時，珠寶首飾屬高價消費品，顧客都希望能夠買到質量有保證的產品，故此，顧客對品質標準和工序質量均有非常嚴格的要求，期望銷售員能詳盡、仔細，有耐性地介紹產品，加上近年愈來愈重視消費者權益，良好的顧客服務及為顧客提供專業珠寶知識往往是致勝關鍵。

因此，本集團一向重視員工培訓，開辦不同類型培訓課程，如迎新班、產品知識、顧客服務、店舖管理及服務管理工作坊、珠寶知識深造班等課程予員工，中國內地員工更可登入「珠寶V課」流動應用程式透過個人智能手機接受培訓，旨以透過專業進修，確保員工具備專業水平及應變能力，更能擴闊視野。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Occupational Health and Safety

Lukfook believes that occupational health and safety is not only one of the core principles of the Group, but also our commitment to every employee.

We comply with the Work Safety Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Occupational Safety and Health Ordinance of Hong Kong and other laws and regulations. The Group's jewellery processing plant in Nansha, Guangzhou has established a security department, and the factory has security inspection throughout the day. The Group also regularly organises fire drills at local administrative centres to prevent/eliminate potential safety hazards in a timely manner. The Group will also purchase work-related injury insurance for employees in different regions and provide protective equipment such as masks and gloves for employees in special positions.

Office and Retail Shop

We have established occupational safety codes for our offices and retail outlets to provide guidelines in areas of indoor air quality and ventilation, electrical safety, fire-fighting equipment, inclement weather, hygiene and personal habits, prevention of tripping, slipping and bruising, proper handling posture, computer display on the setting and arrangement of screen equipment, office furniture and etc., to ensure that employees work in a safe and comfortable environment.

職業健康及安全

六福深信，職業健康及安全不僅為本集團的核心原則之一，亦是我們對每一位僱員的承諾。

我們遵照《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》及香港《職業安全及健康條例》等法例法規，本集團位於廣州南沙的珠寶加工廠已成立安保部門，廠區全天候均有安保人員巡查，本集團並會定期於各地行政中心安排組織消防演習，及時防範／消除安全事故隱患。本集團亦會為各地員工購買工傷保險，並為特殊崗位的員工配備口罩、手套等防護工具。

辦公室及零售店

我們為辦公室及零售店分別設立職業安全守則，在室內空氣質素及通風設備、電力安全、消防設備、惡劣天氣、衛生及個人習慣、預防絆倒、滑倒及撞傷、正確搬運姿勢、電腦顯示螢幕設備設定及佈置、辦公桌椅佈置等範疇上提供指引，以確保員工於安全、舒適的環境下工作。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Factory

We provide regular occupational health training for pre-employment and on-the-job training for our employees in the factory, publicise occupational health knowledge, urge employees to follow occupational disease prevention laws, regulations and operational procedures, and guide employees to correctly use occupational disease prevention equipment and personal occupational protective equipment to avoid accidents. We carry out regular maintenance, overhaul and repair for occupational hazard protection facilities and emergency rescue facilities, and regularly check their performance to ensure that they are in good conditions. We prohibit the use of protective equipment that does not meet national standards, industry standards, or has expired, and will promptly repair if it is found to have abnormal conditions. We also engage externally qualified institutions to conduct regular occupational hazards and disease risk assessments on factories to ensure that occupational safety hazards in the workplace can be detected and improved in a timely manner.



Supply Chain Management

The Group has established a fair and rigorous supplier management system with integrity. When a third party applies to become a long-term commodity/service provider of the Group, it must first complete the Supplier Application Form to provide relevant information and make a declaration of interest. It is also required to sign a Supplier Agreement with the Group to commit to complying with a series of supplier policies of the Group if the Group finally accepts the application. The relevant departments of the Group's procurement, quality inspection and appraisal will regularly check whether the suppliers' goods/services meet the Group and local government standards.

工廠

我們為工廠的員工提供職前及在職定期職業衛生培訓，宣傳普及職業衛生知識，督促員工遵守職業病防治法律、法規和操作規程，指導員工正確使用預防職業病防護設備和個人使用的職業防護用品，以避免意外發生。我們對職業危害防護設施及應急救援設施進行經常性的維護、檢修和保養，並定期檢測其性能，確保其處於良好狀態。我們禁止使用不符合國家標準、行業標準或者已經失效的防護用品，而一旦發現防護設備有異常情況會及時作出修復。我們亦委聘外部合資格的機構，對工廠定期進行職業危害及疾病風險評估，以確保工作場所的職業安全隱患能被及時發現並施予改善。

供應鏈管理

本集團已設立一套廉潔、公平、嚴謹的供應商管理制度，當第三方申請成為本集團長期商品／服務供應商時，須先行填妥《供應商申請表》提供相關信息及作出利益申報，倘本集團最終接納申請，其亦須與本集團簽訂《供應商協議》承諾遵守本集團一系列供應商制度。而本集團的採購、質檢及鑒定等相關部門均會定期檢測供應商的貨品／服務是否符合本集團及當地政府標準。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Selection Process

We have established a comprehensive procurement process and a systematic process to require any potential new suppliers or sub-contractors to be evaluated before they become qualified suppliers and sub-contractors approved by the Group. In addition, the Group has established strict tendering guidelines. All approved suppliers and sub-contractors are subject to the Group's internal approval procedures. They also need to sign a Supplier Agreement to ensure that the products and services provided are in compliance with the standards. We conduct regular inspections and assessments for continuous monitoring.

In order to manage the environmental and social risks of the supply chain, in addition to quality and price, the performance of Corporate Social Responsibility is also an important consideration in the process of selecting suppliers. According to our internal Environmental Procurement Guideline, the 4R principle of "Reduce, Reuse, Recycle and Renew" should be implemented throughout the life of the products we purchased. We also give priority to non-allergic, energy-saving and durable materials during the selection process.

Anti-corruption

We follow the Company Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and the Hong Kong Prevention of Bribery Ordinance and other regulations, and distribute employee handbooks and notices issued irregularly (such as on the eve of the festival) to each employee to clearly explain the policy regarding the acceptance of benefits between them and suppliers/partners. Whenever the Group signs a contract with the trading party, they are required to sign the attached set of Clean Trading Policy set by the Group which details the Group's integrity code and whistleblowing methods.

Grievance Mechanism

If employees encounter unequal treatment in their daily work or find other employees' inappropriate behavior, they can directly appeal to the Group by email, telephone or face-to-face conversation, and the Group will keep confidential to protect the whistle-blower.

甄選程序

我們建立完善的採購程序及系統化流程，規定任何潛在的新供應商或分包商經評估後方可成為本集團批准的合資格供應商及分包商。此外，本集團制定嚴格的招標指引。所有認可供應商及分包商須遵守本集團的內部審批程序，並簽訂《供應商協議》以確保所提供的產品及服務符合標準。我們會定期進行檢測及評估以作監管。

為了管理供應鏈的環保及社會風險，於甄選供應商的過程中，除了質量和價格外，企業社會責任表現亦是重要考慮因素之一。根據我們內部《環保採購指引》規定，我們所採購的產品整個使用年期內應貫徹「減少使用、重複使用、循環再造及更新使用」的4R原則。我們會在甄選過程中優先選用非過敏性、節能及耐用的材料。

反貪污

我們遵照《中華人民共和國公司法》、《中華人民共和國反不正當競爭法》及香港《防止賄賂條例》等法例法規，向每位員工派發員工手冊及不定期（如節日前夕）發佈的通告，清晰向每位員工說明其與供應商／合作夥伴之間的有關收受利益政策。本集團每當與交易方簽署合同時，均會附上本集團自行制訂的一套《廉潔交易政策》的要求予交易方簽署，當中詳列本集團廉潔守則、舉報方式等。

申訴機制

員工若在日常工作中遇到不平等待遇或發現其他員工不恰當的行為時，可通過電郵、電話或面談直接向本集團提出申訴，本集團將予以保密，以保護舉報人員。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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

Subject Areas, Aspects, General Disclosures and KPI 主要範疇、層面、一般披露及關鍵績效指標	Policy/Procedure 政策／程序	Section/Disclosure 章節／披露
A. Environmental A. 環境		
Aspect A1: Emissions 層面A1：排放物	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 一般披露 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的信息。	Air Emission Management Guideline 廢氣排放管理指引 Solid Waste Management Guideline 固體廢物管理指引 Wastewater Emission Management Guideline 污水排放管理指引
KPI A1.1 關鍵績效指標A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	/
KPI A1.2 關鍵績效指標A1.2	Greenhouse gas emissions in total (in tonnes) and intensity. 溫室氣體總排放量（以公噸計算）及密度。	/
KPI A1.3 關鍵績效指標A1.3	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量（以公噸計算）及密度。	/
KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量（以公噸計算）及密度。	/
		Exhaust Emission Management 廢氣排放管理
		Exhaust Emission Management 廢氣排放管理
		Chemical Hazardous Waste Management 化學危險廢物管理
		General Solid Waste Management 一般固體廢物管理
		Environmental Protection 環境保護

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KPI A1.5 關鍵績效指標A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	/	Environmental Protection 環境保護
KPI A1.6 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	/	Chemical Hazardous Waste Management 化學危險廢物管理 General Solid Waste Management 一般固體廢物管理
Aspect A2: Use of Resources 層面A2：資源使用	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials 一般披露 有效使用資源（包括能源、水及其他原材料）的政策。	Green Office Guideline 綠色辦公指引 Environmental Procurement Guideline 環保採購工作指引 Office and Workshop General Operation Guideline 辦公室及工場一般運作指引	Energy Use 能源使用 Use of Water 水資源使用
KPI A2.1 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	/	Energy Use 能源使用
KPI A2.2 關鍵績效指標A2.2	Water consumption in total and intensity. 總耗水量及密度。	/	Use of Water 水資源使用
KPI A2.3 關鍵績效指標A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	/	Energy Use 能源使用
KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	/	Use of Water 水資源使用
KPI A2.5 關鍵績效指標A2.5	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced. 製成品所用包裝材料的總量（以公噸計算）及每生產單位佔量。	/	Other Resources Conservation 節約其他資源

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Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源	General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources. 一般披露 減低發行人對環境及天然資源造成重大影響的政策。	Same as the above 同上	Environmental Protection 環境保護
KPI A3.1 關鍵績效指標A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	/	Environmental Protection 環境保護
B. Social B. 社會			
Employment and Labour Practices 僱傭及勞工常規			
Aspect B1: Employment 層面B1：僱傭	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 一般披露 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的信息。	Staff Handbook 僱員手冊	To Employees: Lukfook Family 對員工：六福大家庭
KPI B1.1 關鍵績效指標B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	/	To Employees: Lukfook Family 對員工：六福大家庭
KPI B1.2 關鍵績效指標B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	/	To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。

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<p>Aspect B2: Health and Safety 層面B2：健康與安全</p>	<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</p> <p>一般披露 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的信息。</p>	<p>Occupational Health and Safety Guideline for Office and Retail Shop 辦公室及零售店的職業健康及安全指引</p>	<p>Occupational Health and Safety 職業健康及安全</p>
<p>KPI B2.1 關鍵績效指標B2.1</p>	<p>Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。</p>	/	<p>During the Reporting Period, we are not aware of any case of work-related fatalities. 本報告期並沒有知悉任何工作關係而死亡的個案。</p>
<p>KPI B2.2 關鍵績效指標B2.2</p>	<p>Lost days due to work injury. 因工傷損失工作日數。</p>	/	<p>To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。</p>
<p>KPI B2.3 關鍵績效指標B2.3</p>	<p>Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。</p>	/	<p>Occupational Health and Safety 職業健康及安全</p>
<p>Aspect B3: Development and Training 層面B3：發展及培訓</p>	<p>General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 一般披露 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。</p>	<p>Staff Handbook 僱員手冊</p>	<p>Staff Training 人才培訓</p>
<p>KPI B3.1 關鍵績效指標B3.1</p>	<p>The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別（如高級管理層、中級管理層等）劃分的受訓僱員百分比。</p>	/	<p>To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。</p>
<p>KPI B3.2 關鍵績效指標B3.2</p>	<p>The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。</p>	/	<p>To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。</p>

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Aspect B4: Labour Standards 層面B4：勞工準則	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的信息。	Staff Handbook 僱員手冊	To Employees: Lukfook Family 對員工：六福大家庭
KPI B4.1 關鍵績效指標B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	/	To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
KPI B4.2 關鍵績效指標B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	/	To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
Operating Practices 營運慣例			
Aspect B5: Supply Chain Management 層面B5：供應鏈管理	General Disclosure Policies on managing environmental and social risks of the supply chain. 一般披露 管理供應鏈的環境及社會風險政策。	Corruption Prevention Policy 廉潔交易政策 Engineering and Operation of Goods Approval Process 工程及營運物品審批流程 Financial Authorization and Signing Approval Procedure 財務授權及合同簽訂之審批規定	Supply Chain Management 供應鏈管理
KPI B5.1 關鍵績效指標B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	/	To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。
KPI B5.2 關鍵績效指標B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	/	To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。

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<p>Aspect B6: Product Responsibility 層面B6：產品責任</p> <p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p> <p>一般披露 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的信息。</p>	<p>Integrated Manual 綜合手冊</p> <p>Customer Complaint Handling Procedure 顧客投訴處理程序</p>	<p>To Customers: Six Heartfelt Services 對顧客：六心服務</p>
<p>KPI B6.1 關鍵績效指標B6.1</p>	<p>Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。</p> <p>/</p>	<p>To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。</p>
<p>KPI B6.2 關鍵績效指標B6.2</p>	<p>Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。</p> <p>Customer Complaint Handling Procedure 顧客投訴處理程序</p>	<p>To be disclosed in future ESG report. 計劃於未來的環境、社會及管治報告披露。</p>
<p>KPI B6.3 關鍵績效指標B6.3</p>	<p>Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。</p> <p>/</p>	<p>Intellectual Property Right Protection 知識產權維護</p>
<p>KPI B6.4 關鍵績效指標B6.4</p>	<p>Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。</p> <p>/</p>	<p>Product Quality Assurance 產品質量保證</p>
<p>KPI B6.5 關鍵績效指標B6.5</p>	<p>Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者信息保障及私隱政策，以及相關執行及監察方法。</p> <p>Privacy Policy 私隱政策</p>	<p>Customer Privacy Protection 顧客私隱保護</p>

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Aspect B7: Anti-corruption 層面B7：反貪污	<p>General Disclosure Information on:</p> <p>(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</p> <p>一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的：</p> <p>(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的信息。</p>	<p>Staff Handbook 僱員手冊 Corruption Prevention Policy 廉潔交易政策</p>	<p>Anti-corruption 反貪污</p>
KPI B7.1 關鍵績效指標B7.1	<p>Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.</p> <p>於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。</p>	/	<p>The Group is not aware of any concluded legal cases regarding corruption practices brought against the Group or our employees during the Reporting Period.</p> <p>本集團並未知悉於報告期間有任何對本集團或我們的員工提出並已審結的貪污訴訟案件。</p>
KPI B7.2 關鍵績效指標B7.2	<p>Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.</p> <p>描述防範措施及舉報程式，以及相關執行及監察方法。</p>	/	<p>Anti-corruption 反貪污</p>
Community 社區			
Aspect B8: Community Investment 層面B8：社區投資	<p>General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</p> <p>一般披露 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。</p>	<p>We are in the process of setting up the community investment policies. 我們現正制定社區投資政策。</p>	<p>Corporate Citizenship 企業公民</p>
KPI B8.1 關鍵績效指標B8.1	<p>Focus areas of contribution. 專注貢獻範疇。</p>	/	<p>Corporate Citizenship 企業公民</p>
KPI B8.2 關鍵績效指標B8.2	<p>Resources contributed to the focus area. 在專注範疇所動用資源。</p>	/	<p>Corporate Citizenship 企業公民</p>

CORPORATE GOVERNANCE REPORT

企業管治報告

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

Board of Directors 董事會

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

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

Ms. WONG Hau Yeung*
王巧陽女士*

Ms. WONG Lan Sze, Nancy*
黃蘭詩女士*

Ms. CHUNG Vai Ping*
鍾惠冰女士*

Dr. CHAN So Kuen*
陳素娟博士*

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

Ms. YEUNG Po Ling, Pauline#
楊寶玲女士#

Mr. HUI Chiu Chung, JP#
許照中太平紳士#

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

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

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

Mr. MAK Wing Sum, Alvin[△]
麥永森先生[△]

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

Mr. HUI King Wai[△]
許競威先生[△]

Audit Committee 審核委員會

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

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

Mr. MAK Wing Sum, Alvin[△]
麥永森先生[△]

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

Mr. HUI King Wai[△]
許競威先生[△]

Nomination Committee 提名委員會

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

Mr. WONG Wai Sheung*
黃偉常先生*

Mr. TSE Moon Chuen*
謝滿全先生*

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

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

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

Mr. HUI King Wai[△]
許競威先生[△]

Remuneration Committee 薪酬委員會

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

Mr. WONG Wai Sheung*
黃偉常先生*

Ms. WONG Hau Yeung*
王巧陽女士*

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

Mr. MAK Wing Sum, Alvin[△]
麥永森先生[△]

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

Mr. HUI King Wai[△]
許競威先生[△]

* Executive Director 執行董事

Non-executive Director 非執行董事

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

CORPORATE GOVERNANCE REPORT

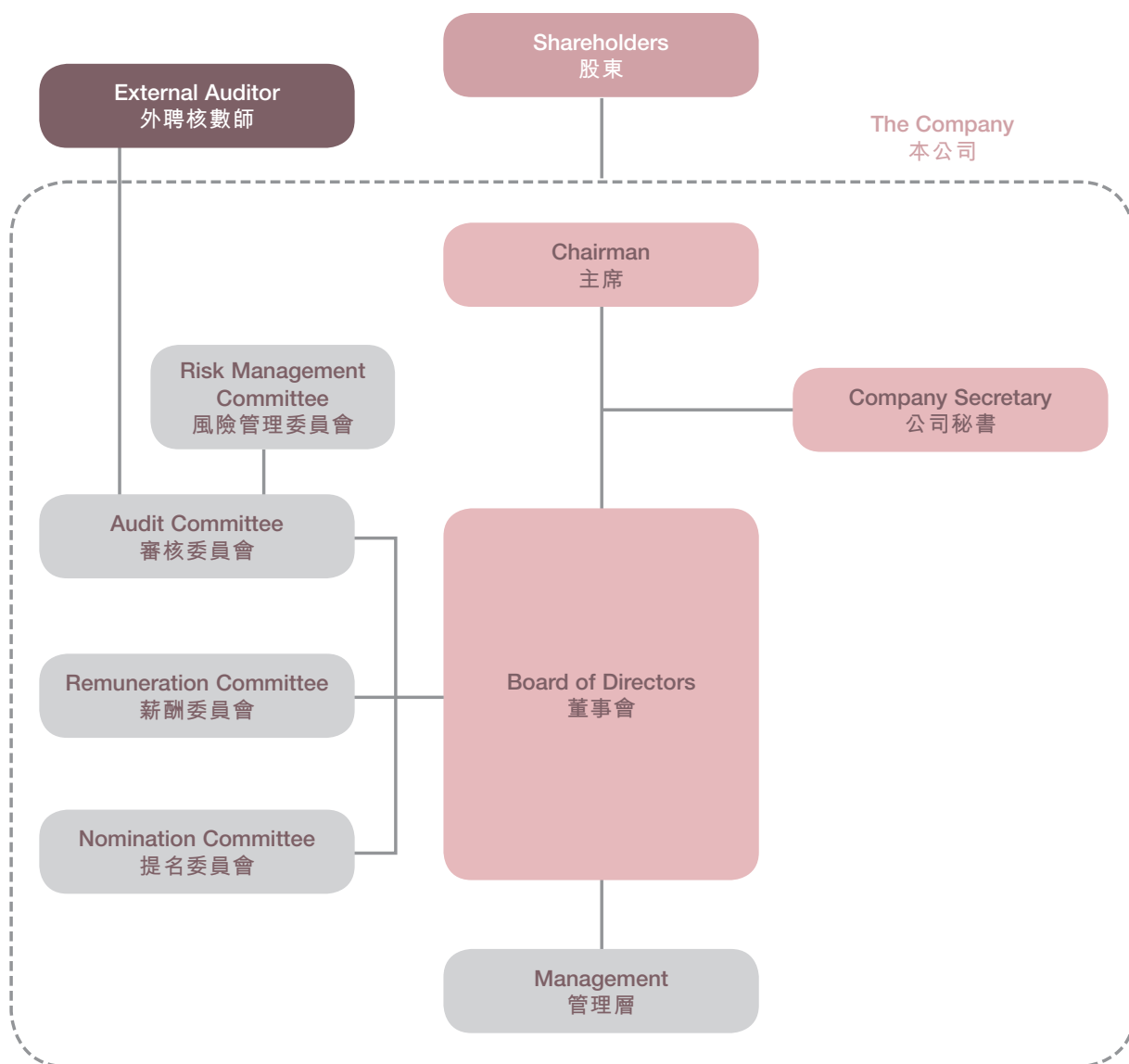
企業管治報告

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

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

CORPORATE GOVERNANCE FRAMEWORK

企業管治架構



CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) through the year ended 31 March 2019, except for the following deviation:

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

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

Save as disclosed above, none of the directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the year ended 31 March 2019, in compliance with the CG Code.

企業管治常規

於截至2019年3月31日止年度，本公司已採用香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之《企業管治守則》及《企業管治報告》（「企業管治守則」）的原則，並已遵守所有守則條文及建議最佳常規（如適用），惟下列偏離者除外：

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

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

除上文披露者外，董事概不知悉有任何信息可合理顯示本公司現時或於截至2019年3月31日止年度任何時間曾經違反企業管治守則。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as a code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, it is confirmed that all directors have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions during the year ended 31 March 2019.

BOARD OF DIRECTORS

(i) Board Composition

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

Executive Directors

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

Non-executive Directors

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

Independent Non-executive Directors

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

The biographical details of the directors are set out in the section of "Biographical Details of Directors and Senior Management" on pages 106 to 117 of this Annual Report.

董事進行證券交易

本公司已採納上市規則附錄10所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)，作為董事進行證券交易之操守準則。經向全體董事作出具體查詢後，彼等確認，全體董事於截至2019年3月31日止年度一直遵守標準守則所載規定準則及有關董事進行證券交易之操守準則。

董事會

(i) 董事會成員

董事會現時由六名執行董事、四名非執行董事及五名獨立非執行董事組成，當中包括於珠寶行業、會計專業、一般貿易、證券行業、銀行業及法律專業具廣泛實務經驗之人士，亦具備符合本公司業務所需之均衡技能及經驗。董事會之組成符合上市規則第3.10(1)及(2)條及第3.10A條。現時董事會成員載列如下：

執行董事

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

非執行董事

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

獨立非執行董事

戴國良先生
葉樹堃GBS太平紳士
麥永森先生
黃汝璞太平紳士
許競威先生

董事履歷詳情載於本年報第106頁至第117頁「董事及高層管理人員之履歷詳情」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

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

The attendance records of the individual directors at the Board, Audit Committee, Nomination Committee, Remuneration Committee and general meetings for the year ended 31 March 2019 are set out as follows:

董事會(續)

(ii) 董事會會議、委員會會議及股東大會之出席記錄

個別董事於截至2019年3月31日止年度舉行之董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議及股東大會之出席記錄載列如下：

Directors	董事	No. of Meetings Attended/Held				Annual General Meeting
		Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	
Executive Directors		執行董事				
Mr. WONG Wai Sheung (<i>Chairman & Chief Executive Officer</i>) (Note 1)	黃偉常先生(主席兼行政總裁)(附註1)	4/4	N/A 不適用	2/2	2/2	1/1
Mr. TSE Moon Chuen (<i>Deputy Chairman</i>) (Note 2)	謝滿全先生(副主席)(附註2)	4/4	N/A 不適用	2/2	N/A 不適用	1/1
Ms. WONG Hau Yeung (Note 3)	王巧陽女士(附註3)	4/4	N/A 不適用	N/A 不適用	2/2	1/1
Ms. WONG Lan Sze, Nancy (Note 4)	黃蘭詩女士(附註4)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. CHUNG Vai Ping	鍾惠冰女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Dr. CHAN So Kuen (Note 5)	陳素娟博士(附註5)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Non-executive Directors		非執行董事				
Mr. WONG Ho Lung, Danny (<i>Deputy Chairman</i>) (Note 6)	黃浩龍先生(副主席)(附註6)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. YEUNG Po Ling, Pauline	楊寶玲女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. HUI Chiu Chung, JP	許照中太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. LI Hon Hung, BBS, MH, JP	李漢雄BBS·MH太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Independent Non-executive Directors		獨立非執行董事				
Mr. TAI Kwok Leung, Alexander	戴國良先生	4/4	2/2	2/2	2/2	1/1
Mr. IP Shu Kwan, Stephen, GBS, JP	葉澍堃GBS太平紳士	4/4	2/2	2/2	2/2	1/1
Mr. MAK Wing Sum, Alvin	麥永森先生	4/4	2/2	2/2	2/2	1/1
Ms. WONG Yu Pok, Marina, JP	黃汝璞太平紳士	4/4	2/2	2/2	2/2	1/1
Mr. HUI King Wai	許競威先生	4/4	2/2	2/2	2/2	1/1

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

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

Notes:

1. Mr. WONG Wai Sheung was re-elected as the Chairman of the Company with effect from 15 August 2018. The English title of Mr. WONG Wai Sheung was changed from “Chairman and Chief Executive” to “Chairman and Chief Executive Officer” with effect from 1 December 2018, while his Chinese title remains unchanged.
2. Mr. TSE Moon Chuen was re-elected as the Deputy Chairman of the Company with effect from 15 August 2018.
3. Title of Ms. WONG Hau Yeung was changed from “Executive Director and Deputy General Manager” to “Executive Director and Chief Operating Officer” with effect from 1 December 2018.
4. Ms. WONG Lan Sze, Nancy was appointed as Deputy Chief Executive Officer with effect from 1 December 2018.
5. The Chinese title of Dr. CHAN So Kuen was changed from “執行董事、首席財務總監兼公司秘書” to “執行董事、財務總裁兼公司秘書” with effect from 1 December 2018, while her English title remains unchanged.
6. Mr. WONG Ho Lung, Danny was re-elected as the Deputy Chairman of the Company with effect from 15 August 2018.

(iii) Board Responsibilities and Delegation

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

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

董事會 (續)

(ii) 董事會會議、委員會會議及股東大會之出席記錄 (續)

附註：

1. 黃偉常先生自2018年8月15日起獲重選為本公司主席。黃偉常先生之英文職銜已由「Chairman and Chief Executive」更改為「Chairman and Chief Executive Officer」，自2018年12月1日起生效，中文職銜不變。
2. 謝滿全先生自2018年8月15日起獲重選為本公司副主席。
3. 王巧陽女士之職銜已由「執行董事兼副總經理」更改為「執行董事兼營運總裁」，自2018年12月1日起生效。
4. 黃蘭詩女士獲委任為副行政總裁，自2018年12月1日起生效。
5. 陳素娟博士之中文職銜已由「執行董事、首席財務總監兼公司秘書」更改為「執行董事、財務總裁兼公司秘書」，自2018年12月1日起生效，英文職銜不變。
6. 黃浩龍先生自2018年8月15日起獲重選為本公司副主席。

(iii) 董事會責任及權力的轉授

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(iii) Board Responsibilities and Delegation (Continued)

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

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

(iv) Independence of the Independent Non-executive Directors

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

Mr. TAI Kwok Leung, Alexander has served as our Independent Non-executive Director for more than nine years. The Nomination Committee is fully satisfied that during his years of appointment, he has demonstrated complete independence of character and judgment and the Nomination Committee is therefore of the view that he will continue to bring an independent view of the Company's affairs to the Board notwithstanding his length of service. The Board believes that his in-depth knowledge of the Group's business brings considerable stability to the Board, and moreover that the Board has benefited greatly from his contribution and valuable insight into the Group.

董事會 (續)

(iii) 董事會責任及權力的轉授 (續)

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

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

(iv) 獨立非執行董事之獨立性

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

戴國良先生擔任獨立非執行董事已超過九年。提名委員會完全信納彼於出任董事期間，一直在個性及判斷上顯示出全面獨立性，因此提名委員會認為，儘管其出任年期較長，戴國良先生能夠繼續就本公司事務向董事會保持其獨立之意見。董事會相信，戴國良先生對本集團業務之深入了解，為董事會起了重要的穩定作用，而董事會更大大受惠於戴國良先生對本集團的貢獻及寶貴灼見。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

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

Throughout the year ended 31 March 2019 and up to the date of this Annual Report, the Board had at all times met the requirements under Rule 3.10 of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise.

(v) Directors' Relationship

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

(vi) Re-election of Directors

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

(vii) Directors' Ongoing Development

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

董事會 (續)

(iv) 獨立非執行董事之獨立性 (續)

於截至2019年3月31日止年度內及截至本年報日期，董事會於任何時間均符合上市規則第3.10條有關委任最少三名獨立非執行董事之規定，當中最少一名須具備適當專業資格或具備會計或相關財務管理專長。

(v) 董事關係

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

(vi) 重選董事

全體董事須根據本公司之公司細則，於本公司股東週年大會上輪值告退及重選連任。

(vii) 董事的持續發展

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

(vii) Directors' Ongoing Development (Continued)

During the year ended 31 March 2019, the Company arranged a seminar covering updates on Accounting Standards and Cybersecurity. Directors' training records during the Year under review are summarised as follows:

董事會(續)

(vii) 董事的持續發展(續)

截至2019年3月31日止年度，本公司曾舉行一次研討會，內容關於會計準則的更新和網絡安全。於回顧年度內，董事的培訓記錄概述如下：

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

NON-EXECUTIVE DIRECTORS

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

BOARD COMMITTEES

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

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

主席及行政總裁

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

非執行董事

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

董事委員會

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(i) Audit Committee

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

During the Year under review, the Audit Committee held two meetings to discuss and review, inter alia, the interim and annual financial statements, the submission and publication of the interim and annual reports, the disclosures in the Corporate Governance Report, the corporate governance and compliance status of the CG Code and the internal audit plan and functions of the Group. Moreover, the written terms of reference of the Audit Committee were revised on 27 December 2018 to reflect the amendments to the CG Code as set out in Appendix 14 to the Listing Rules which became effective on 1 January 2019, specifically state that a former partner of the Company's existing auditing firm shall be prohibited from acting as a member of the Audit Committee for a period of two years from the date of his ceasing to be a partner of the firm or to have any financial interest in the firm, whichever is the later. The revised terms of reference were set out in the Company's announcement released on 27 December 2018 and were made available on the websites of the Stock Exchange and the Company.

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

董事委員會 (續)

(i) 審核委員會

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

於回顧年度內，審核委員會曾舉行兩次會議，以討論及審閱（其中包括）中期及年度財務報表、提交及刊發中期及年度報告、企業管治報告之披露事項、企業管治及企業管治守則合規狀況，以及本集團之內部審核計劃及職能。此外，審核委員會的書面職權範圍已於2018年12月27日修訂，以反映於2019年1月1日生效的上市規則附錄14所載之企業管治守則的修訂，而有關修訂特別列明，本公司現有審計事務所的前合夥人自不再擔任該事務所合夥人或不再擁有該事務所任何財務權益（以較後者為準）起計兩年期間，不得擔任審核委員會的成員。該經修訂的職權範圍載於本公司於2018年12月27日刊發的公告，且在聯交所及本公司的網站上可供查閱。

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(i) Audit Committee (Continued)

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

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

As at 31 March 2019, the arrangements for employees and stakeholders of the Group to raise concerns about possible improprieties in financial reporting, risk management, internal control or other matters and the whistleblowing procedures are in place.

董事委員會 (續)

(i) 審核委員會 (續)

審核委員會之主要職能及職責主要包括：

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

於2019年3月31日，本公司已設有制度讓本集團僱員及權益人可就關於財務匯報、風險管理、內部監控或其他方面可能發生的不當事宜提出關注及舉報程序。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(ii) Nomination Committee

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

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

董事委員會 (續)

(ii) 提名委員會

本公司於2012年4月1日成立提名委員會，其書面職權範圍載於本公司及聯交所網頁。提名委員會之主席為獨立非執行董事麥永森先生，其他六名成員為黃偉常先生、謝滿全先生、戴國良先生、葉澍堃先生、黃汝璞女士及許競威先生。該委員會主席及七分五之的成員為獨立非執行董事，符合企業管治守則有關大部分成員須為獨立非執行董事的規定。

於回顧年度內，提名委員會曾舉行兩次會議，以評估獨立非執行董事之獨立性、審閱及向董事會建議董事會之架構、人數及組成，以及審閱董事輪值告退計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(ii) Nomination Committee (Continued)

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

Nomination Policy

The Nomination Policy sets out the criteria, procedures and process to be adopted when considering candidates to be appointed or re-appointed as directors of the Company. The Nomination Committee would select the candidates based on the objective criteria, including without limitation, qualifications, skills, experience, independence, age, culture, ethnicity and gender. The Nomination Committee would also take into account whether the candidate can demonstrate his/her commitment, competence and integrity required for the position, and in case of Independent Non-executive Directors, the independence requirements under the Listing Rules and their time commitment to the Company. The Nomination Committee monitors the implementation of the Nomination Policy and will review and recommend any revisions to the Board for consideration and approval, when necessary, to enhance effectiveness.

董事委員會 (續)

(ii) 提名委員會 (續)

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

提名政策

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

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(ii) Nomination Committee (Continued)

Board Diversity

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

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

董事委員會 (續)

(ii) 提名委員會 (續)

董事會成員多元化

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

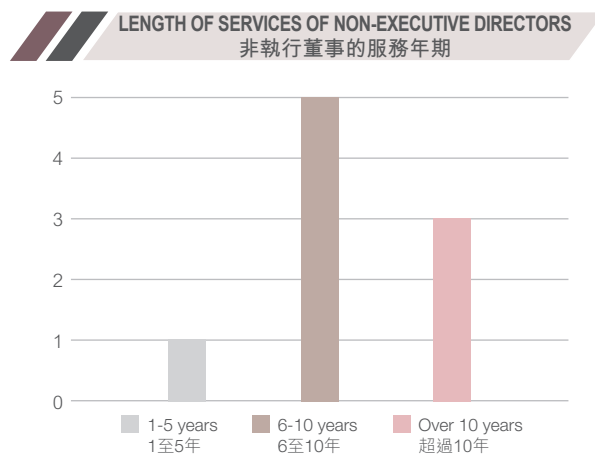
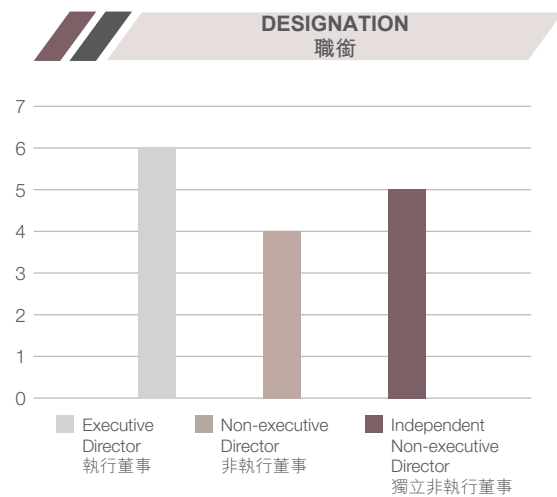
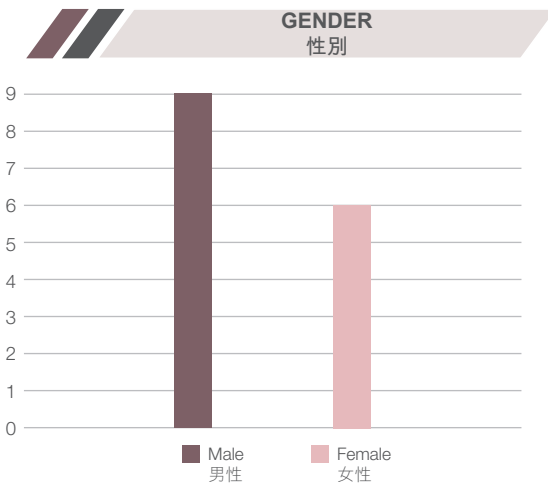
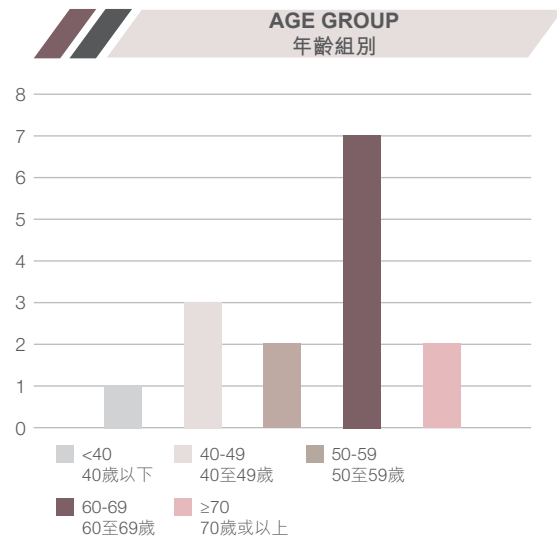
董事會由來自多元化背景的成員組成。女性董事佔董事會全體成員的五分之二，顯示本公司在性別平等方面表現優越。我們的財務總裁、一名執行董事及三名獨立非執行董事為合資格會計師。另有一名獨立非執行董事為合資格律師。薪酬委員會主席曾為香港特別行政區政府經濟發展及勞工局局長。七名董事具備於香港聯交所上市的其他公司擔任董事會成員的經驗。董事擁有珠寶零售業務、金融及會計、稅務、業務策略、證券及投資、公關工作、通訊及市場推廣、品牌策略的豐富經驗，及在包括中國內地等多個國家任職的經驗。彼等為多個行業機構、公共服務或政府機構或慈善機構的成員、委員會或小組成員。董事為董事會帶來各種多元化經驗，有利本公司多年來的業務發展及增長。

CORPORATE GOVERNANCE REPORT

企業管治報告

Areas of Diversity

多元化之範疇



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

(iii) Remuneration Committee

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

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

The Remuneration Committee held two meetings during the Year under review to review the remuneration policies and recommend for the Board approval of the annual salary increments for the calendar year 2019, the discretionary year-end bonus for 2018 and the performance bonus for all non-sales employees working at the headquarters.

Details of directors' emoluments, five highest paid individuals and the remuneration of the members of the senior management by band during the Year under review are set out in Note 15 to the financial statements on pages 220 to 224 of this Annual Report.

董事委員會 (續)

(iii) 薪酬委員會

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

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

於回顧年度內，薪酬委員會先後舉行兩次會議以檢討薪酬政策，及向董事會建議審批2019曆年之年度薪金加幅、2018年年終酌情花紅及總辦事處所有非銷售僱員之獎勵花紅。

於回顧年度內，董事酬金、五名最高薪酬人士及高級管理人員之薪酬範圍之詳情載於本年報第220至224頁之財務報表附註15。

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AUDITOR'S REMUNERATION

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

		2019 HK\$'000 千港元
Audit services	審計服務	5,640
Non-audit services	非審計服務	
– Review service	– 審閱服務	560
– Tax related service	– 稅務相關服務	597
Total	總計	6,797

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

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

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

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

核數師酬金

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

外聘核數師於財務報告方面之職責，載於獨立核數師報告內。

董事對財務報表承擔之責任

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

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE FUNCTION

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

COMPANY SECRETARY

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

RISK MANAGEMENT AND INTERNAL CONTROL

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

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

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

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

企業管治職能

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

公司秘書

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

風險管理及內部監控

董事會負責本公司風險管理及內部監控制度，並透過審核委員會每年檢討其成效。

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

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

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

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

Risk Management Committee

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

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

風險管理及內部監控 (續)

審核委員會已審閱該等報告，並與管理層進行討論。

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

風險管理委員會

本集團於2016年設立風險管理委員會，此委員會由本集團主席兼行政總裁、四名執行董事（包括：謝滿全先生、王巧陽女士、黃蘭詩女士和陳素娟博士）及一名高級行政人員組成，目標是為集團建立及改良風險管理系統，並確保及時識別及管理風險，以達致企業目標。風險管理委員會負責（包括但不限於）：(i)檢討本公司遵守上市規則附錄14所載之企業管治守則中有關風險管理的規定；(ii)統籌員工培訓，包括風險管理的原則及評估方式，以及如何有效實施風險管理；及(iii)於需要時，委派人員協助各部門就新設業務或項目進行風險評估。此委員會直接向審核委員會匯報。

於回顧年度內，風險管理委員會曾舉行兩次會議，以討論及審閱（其中包括）風險管理流程成效報告、各部門風險評核表、本集團企業策略、關鍵績效指標實行進度及風險管理委員會書面職權範圍之修改。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework

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

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

風險管理及內部監控 (續)

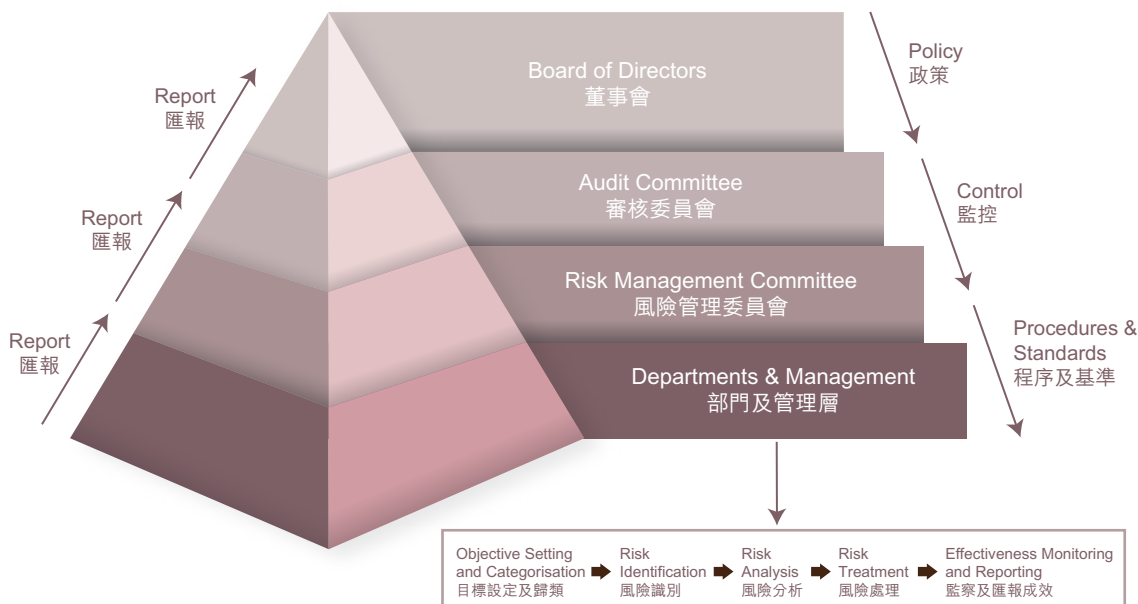
風險管理架構

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

本公司的風險管理架構簡介如下列所示：

Risk Management Framework

風險管理架構



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企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework (Continued)

Board of Directors

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

Audit Committee

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

Risk Management Committee

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

風險管理及內部監控 (續)

風險管理架構 (續)

董事會

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

審核委員會

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

風險管理委員會

- 建議本集團的風險容忍度及風險評估準則；
- 審批用作風險管理的標準化範本，包括表格及工具；
- 審批風險登記冊；
- 檢討集團遵守上市規則附錄14所載之企業管治守則中有關風險管理的規定；
- 委任風險負責人；
- 委派人員協助各部門就新設業務及項目進行風險評估；
- 檢討風險管理流程及政策；
- 及時向審核委員會匯報重大風險（如有）；及
- 統籌員工培訓

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Risk Management Framework (Continued)

Departments & Management

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

Objective Setting and Categorisation

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

Risk Identification

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

Risk Analysis

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

Risk Treatment

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

Effectiveness Monitoring and Reporting

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

風險管理及內部監控 (續)

風險管理架構 (續)

部門及管理層

部門及管理層負責其管轄範圍內的風險識別及評估：

目標設立及歸類

- 策略；
- 營運；
- 財務匯報；及
- 合規

風險識別

- 集團提供風險考慮因素範例；及
- 風險須與策略及目標有關聯

風險分析

- 考慮現有監控措施；
- 採用統一風險評分準則；及
- 評估剩餘風險

風險處理

- 選擇風險應對策略；
- 訂立應對計劃；及
- 委任風險負責人

監察及匯報成效

- 定期監察及匯報風險；及
- 設立突發風險匯報制度

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

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

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

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

Dissemination of Inside Information

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

風險管理及內部監控(續)

風險管理及內部監控系統有效性檢討程序

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

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

發佈內幕消息

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

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INTERNAL AUDIT

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

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

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

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

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

SHAREHOLDERS' RIGHTS

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

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

內部審核

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

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

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

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

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

股東權利

股東召開股東特別大會（「股東特別大會」）之程序

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

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

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

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

Procedures for putting forward proposals at a general meeting

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

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

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

股東權利 (續)

股東召開股東特別大會 (「股東特別大會」) 之程序 (續)

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

於股東大會上提呈動議之程序

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

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

本公司股東提名候選董事之程序已刊登於本公司網站。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

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

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

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

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

DIVIDEND POLICY

The Dividend Policy sets out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the shareholders of the Company. The Company intends to distribute 40%-50% of its annual net profits as dividends to shareholders, having taken into consideration certain criteria set out in the Dividend Policy, including the Group's financial results; cash flow situation; business conditions and strategies; future operations and earnings; capital requirements and expenditure plans; interests of shareholders; any restrictions on payment of dividends; and any other factors that the Board may consider relevant.

投資者關係及與股東之溝通

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

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

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

本公司的組織章程文件於回顧年度內並沒有重大變動。

股息政策

股息政策列載本公司就宣派、派付或分發其純利予本公司股東作為股息時擬應用的原則及指引。本公司擬分發全年淨利潤的40%至50%予股東作為股息，惟須視乎股息政策所載若干準則而定，包括本集團的財務業績；現金流狀況；業務狀況及策略；未來營運及盈利；資本需求及開支計劃；股東的利益；任何派付股息的限制；及董事會可能視為相關的任何其他因素。

REPORT OF THE DIRECTORS

董事會報告

The directors submit their report together with the audited financial statements for the year ended 31 March 2019 (“the Year under review”).

PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

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

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

BUSINESS REVIEW

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

- (a) Review of the Group’s business – “Chairman’s Statement” on pages 3 to 6 and “Management Discussion and Analysis” on pages 7 to 23;
- (b) The principal risks and uncertainties the Group is facing – “Report of the Directors” on pages 97 to 126;
- (c) Future development in the Group’s business – “Chairman’s Statement” on pages 3 to 6 and “Management Discussion and Analysis” on pages 7 to 23;
- (d) Analysis using financial key performance indicators – “Financial Highlights” on page 1 and “Management Discussion and Analysis” on pages 7 to 23;
- (e) Information about the Group’s Environmental, Social and Governance (“ESG”) policies and performance – ESG Report on pages 33 to 69 and “Report of the Directors” on pages 97 to 126;

董事謹提呈彼等之董事會報告連同截至2019年3月31日止年度（「回顧年度」）的經審核財務報表。

主要業務及業務分部之分析

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

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

業務回顧

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

- (a) 本集團業務回顧 — 第3至6頁的「主席報告」及第7至23頁的「管理層討論及分析」；
- (b) 本集團正面對的主要風險及不明朗因素 — 第97至126頁的「董事會報告」；
- (c) 本集團日後的業務發展 — 第3至6頁的「主席報告」及第7至23頁的「管理層討論及分析」；
- (d) 運用財務關鍵績效指標進行的分析 — 第1頁的「財務摘要」及第7至23頁的「管理層討論及分析」；
- (e) 有關本集團環境、社會及管治（「環境、社會及管治」）政策及表現的信息 — 第33至69頁的環境、社會及管治報告和第97至126頁的「董事會報告」；

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

- (f) Discussion on the Group's compliance with the relevant laws and regulations – “Corporate Governance Report” on pages 70 to 96 and “Report of the Directors” on pages 97 to 126; and
- (g) An account of the Group's key relationships with its employees, customers and suppliers and others – “ESG Report” on pages 33 to 69 and “Report of the Directors” on pages 97 to 126.

Principal Risks and Uncertainties

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

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

Economic Risks

Global Economic Condition

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

Tourist Destinations

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

Operational Risks

Rent

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

業務回顧 (續)

- (f) 討論本集團對有關法律及規例的遵守情況 — 第70至96頁的「企業管治報告」及第97至126頁的「董事會報告」；及
- (g) 敘述本集團與其僱員、客戶、供應商及其他人士的重要關係 — 第33至69頁的「環境、社會及管治報告」及第97至126頁的「董事會報告」。

主要風險及不明朗因素

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

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

經濟風險

全球經濟狀況

如全球或中國內地經濟放緩或持續低迷可能影響整體零售市場氣氛。

旅遊目的地

其他旅遊目的地興起，削弱中國內地旅客於香港及澳門的消費意欲。

經營風險

租金

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

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Operational Risks (Continued)

Prices of Raw Materials

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

Fierce Competition

There is strong competition from national and local competitors in jewellery and watch industry. The Group has formulated a set of branding strategies to enhance brand image and awareness. Details of such strategies are set out in “Branding” on pages 24 to 32.

Inventory Turnover

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

Management of Licensed Shops

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

We also closely monitored the licensed shops through a stringent control system which consists of 6 areas of control, including Operational Control; Product Quality Control; Distribution Network Control; Pricing Control; Brand Image Control; and Service Quality Control. Details of such system are set out on page 100.

業務回顧 (續)

經營風險 (續)

原材料價格

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

劇烈競爭

全國及當地珠寶及鐘錶行業的競爭對手眾多，競爭十分劇烈。本集團制定了一連串的品牌策略以提升品牌形象及知名度。有關策略詳情可參考第24至32頁的「品牌策略」。

存貨周轉

受到亞洲尤其是中國內地宏觀經濟波動影響，我們的存貨周轉有放慢的風險。

品牌店管理

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

我們還採用一個嚴格的監管系統密切監控品牌店，該系統由6個監控領域組成，包括營運監管、貨品品質監管、零售網絡監管、價格監管、品牌形象監管和服務質量監管。有關系統詳情可參考第100頁。

REPORT OF THE DIRECTORS

董事會報告

Control System on Licensed Shops

品牌店監管系統

Operational Control 營運監管

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

Product Quality Control 貨品品質監管

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

Distribution Network Control 零售網絡監管

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

Pricing Control 價格監管

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

Brand Image Control 品牌形象監管

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

Service Quality Control 服務品質監管

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

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Regulatory Risks

Change in Laws and Regulations

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

Intellectual Property

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

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

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

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

Financial Risks

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

業務回顧 (續)

監管風險

法律及規例之變動

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

知識產權

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

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

本集團於設有六福分店的地區(如香港、澳門、中國內地、新加坡、馬來西亞、柬埔寨、菲律賓、美國、加拿大及澳洲等地)均已成功註冊「六福」商標；而法務部與產品拓展部、市場推廣部及設計等部門已有共識：當本集團有新產品、系列、陳列道具及裝修設計，須盡快按合適性轉交法務部安排主力於中港澳申請外觀設計專利／版權，為本集團爭取最大保障。

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

財務風險

財務風險詳情載於綜合財務報表附註4。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Compliance with Laws and Regulations

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

Environmental Policies and Performance

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

Relationships with Key Stakeholders

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

業務回顧 (續)

法律及規例的遵守

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

環境政策及表現

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

與主要持份者的關係

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

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (Continued)

Relationships with Key Stakeholders (Continued)

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

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

RESULTS AND APPROPRIATIONS

The results of the Group for the Year under review are set out in the consolidated income statement on page 136.

The directors have declared an interim dividend of HK\$0.55 per ordinary share. A total of HK\$322,909,000 was paid on 24 December 2018.

The directors proposed a final dividend of HK\$0.60 per ordinary share for the year ended 31 March 2019 (2018: HK\$0.55 per share) to shareholders whose names appear on the register of members of the Company on 28 August 2019. Taking into account of the interim dividend paid, the total dividend for the year would amount to HK\$1.15 per ordinary share, totalling HK\$675,174,000 for the year (2018: HK\$1.10 per ordinary share, totalling HK\$645,818,000). Subject to the approval of the shareholders at the forthcoming annual general meeting ("AGM") of the Company to be held on 22 August 2019, the final dividend will be paid on or around 10 September 2019.

業務回顧 (續)

與主要持份者的關係 (續)

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

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

業績及分派

本集團回顧年度之業績載於第136頁之綜合損益表內。

董事已宣派中期股息每股普通股0.55港元。於2018年12月24日合共派息322,909,000港元。

董事建議就截至2019年3月31日止年度向於2019年8月28日名列本公司股東名冊之股東派付末期股息每股普通股0.60港元(2018年：每股0.55港元)，連同已派付的中期股息，本年度股息合共為每股普通股1.15港元，年度股息總額為675,174,000港元(2018年：每股普通股1.10港元，總額為645,818,000港元)。待股東於2019年8月22日舉行之本公司應屆股東週年大會(「股東週年大會」)上批准後，末期股息將於2019年9月10日或前後支付。

REPORT OF THE DIRECTORS

董事會報告

DONATIONS

Donations made by the Group during the Year under review amounted to approximately HK\$2,437,000 (2018: HK\$1,303,000).

SHARES ISSUED

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

EQUITY-LINKED AGREEMENTS

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

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2019, calculated under the Companies Act of Bermuda, amounted to HK\$1,100,963,000 (2018: HK\$1,049,558,000).

FIVE-YEAR FINANCIAL SUMMARY

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

		2019 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Results	業績					
Revenue	收入	15,859,990	14,578,409	12,807,277	14,031,302	15,922,708
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	1,492,747	1,369,393	1,016,838	958,692	1,614,805
Assets and liabilities	資產及負債					
Total assets	總資產	14,423,572	12,214,878	10,679,250	10,629,499	11,511,237
Total liabilities	總負債	3,860,656	2,135,141	1,699,310	1,860,580	2,910,730
Shareholders' funds	股東資金	10,517,270	10,034,769	8,873,350	8,673,796	8,536,363

PURCHASE, SALE OR REDEMPTION OF SECURITIES

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

捐款

本集團於回顧年度內作出之捐款約為2,437,000港元(2018年:1,303,000港元)。

已發行股份

本公司於回顧年度內發行股份之詳情載於財務報表附註28。

股票掛鈎協議

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

可供分派儲備

根據百慕達公司法計算，本公司於2019年3月31日之可供分派儲備為1,100,963,000港元(2018年:1,049,558,000港元)。

五年財務摘要

本集團截至3月31日止對上五個財政年度各年之業績、資產及負債如下：

購買、出售或贖回證券

本公司及其附屬公司於回顧年度內均無購買、出售或贖回任何本公司之上市證券。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The directors who held office during the year ended 31 March 2019 and up to the date of this Annual Report are as follows:

Executive Directors

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

Non-executive Directors

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

Independent Non-executive Directors

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

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

董事

截至2019年3月31日止年度內及直至本年報日期在任之董事如下：

執行董事

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

非執行董事

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

獨立非執行董事

戴國良先生
葉樹堃GBS太平紳士
麥永森先生
黃汝璞太平紳士
許競威先生

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

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. WONG Wai Sheung, aged 68, is the founder, Chairman, Chief Executive Officer and Executive Director of the Group. He is also a member of the Remuneration Committee and Nomination Committee. Mr. WONG has over 52 years of experience in the jewellery industry and is responsible for the overall strategic planning and management of the Group. He is the Honorary Life President of The Kowloon Gold Silver and Jewel Merchant's Staff Association, the Honorary Permanent Chairman of Hong Kong Jade Association, the Chairman of Supervisory Committee of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, the Honorary Chairman of Macau Goldsmith's Guild, the Honorary Chairman of the First General Committee and Vice President of Guangdong Golden Jewelry and Jade Industry's Association, the Consultant of the Gems & Jewelry Trade Association of China, the Honorary Chairman of Hong Kong Small and Medium Enterprises Association, the Honorary Chairman of Hong Kong Gemstone Manufacturers' Association, Founding Member and Vice President of Shenzhen Gold & Silver Jewelry Creative Industry Association, Honorary Advisor of H.K. Gold & Silver Ornament Workers & Merchants General Union and the Consultant of the 6th Term General Committee of Hong Kong Brand Development Council. Mr. WONG is the father of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Company and Ms. WONG Lan Sze, Nancy, Executive Director and Deputy Chief Executive Officer of the Company.

董事及高層管理人員之履歷詳情

執行董事

黃偉常先生，68歲，為本集團創辦人、主席、行政總裁兼執行董事。彼亦為薪酬委員會和提名委員會之成員。黃先生於珠寶業擁有超過52年經驗，負責本集團的整體企業策劃及管理。彼現為九龍首飾業文員會永遠榮譽會長、香港玉器商會永遠名譽會長、九龍珠石玉器金銀首飾業商會監事長、澳門金業同業公會名譽會長、廣東省金銀珠寶玉器業廠商會首屆名譽會長兼副主席、中國珠寶玉石首飾行業協會理事會顧問、香港中小型企業聯合會名譽會長、香港寶石廠商會榮譽會長、深圳市金銀珠寶創意產業協會創會會員兼副會長、香港金銀首飾工商總會名譽顧問及香港品牌發展局第六屆理事會顧問。黃先生為本公司副主席兼非執行董事黃浩龍先生及本公司執行董事兼副行政總裁黃蘭詩女士之父親。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Mr. TSE Moon Chuen, aged 68, is the co-founder of the Group. Presently, he is the Deputy Chairman, Executive Director and Deputy General Manager of the Group. He is also a member of the Nomination Committee. Mr. TSE has over 46 years of experience in jewellery retailing business and is responsible for the merchandising and production functions of the Group. Mr. TSE is an Executive Committee Member of the Diamond Federation of Hong Kong, China Ltd., a Vice President of The Chinese Gold & Silver Exchange Society, the Vice Chairman of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, the President of The Tsuen Wan Festival Lightings Organizing Committee, a Member of the Kwun Tong District Junior Police Call (JPC) Honorary President Council, a Vice Chairman of Macau Goldsmith's Guild, a Director of Hong Kong, Guangzhou, Foshan and Zhaoqing Friendship Association, an Honorary President of Tsuen Wan Committee for Celebration of Reunification of Hong Kong with China, an Honorary President of Tsuen Wan Preparatory Community of National Day, a Vice President of Zhaoqing Overseas Friendship Association, an Honorary Consultant of Shatin Friends Society, an Executive Committee Member and Vice Director of Finance of Hong Kong Jewellers' & Goldsmiths' Association, a Vice Chairperson of Tsuen Wan District Fire Safety Ambassador Honorary Presidents' Association, an Honorary President of H.K. Gold & Silver Ornament Workers & Merchants General Union, an Honorary President of The Residents Association of Tsuen Wan Hoi Bun District, an Honorary President of Hong Kong New Territories District Adviser Alumni Association, a 12th Term Executive Director of Guangzhou Panyu Jewelry Manufacturers Association, the 19th Term Honorary Consultant of Hong Kong Precious Metals Traders Association Limited, an Honorary Consultant of Tsuen Wan Kwai Ching District Woman's Association, a Vice President of Tsuen Wan District People Joint Celebration Committee and an Honorary President of The Federation of Tsuen Wan District Sports & Recreation Association. Moreover, Mr. TSE was awarded the "Chief Executive's Commendation for Community Service" by the Government of the Hong Kong SAR.

董事及高層管理人員之履歷詳情 (續)

執行董事 (續)

謝滿全先生，68歲，為本集團之共同創辦人，現職本集團之副主席、執行董事兼副總經理。彼亦為提名委員會成員之一。謝先生具備逾46年珠寶零售業經驗，負責本集團之採購及生產事宜。彼現為香港鑽石總會有限公司常務委員、金銀業貿易場監事會副理事長、九龍珠石玉器金銀首飾業商會副理事長、荃灣區節日燈飾籌備委員會會長、觀塘區少年警訊名譽會長會委員、澳門金業同業公會副理事長、香港廣佛肇聯誼總會會董、荃灣各界慶祝回歸委員會名譽會長、荃灣各界慶祝國慶籌委會名譽會長、肇慶海外聯誼會副會長、沙田之友社名譽顧問、香港珠石玉器金銀首飾業商會理事兼副財務主任、荃灣區消防安全大使名譽會長會副主席、香港金銀首飾工商總會名譽會長、荃灣海濱海灣居民協會榮譽會長、香港新界地區事務顧問協會名譽會長、廣州市番禺區珠寶廠商會第十二屆理事會常務理事、香港貴金屬同業協會第十九屆名譽顧問、荃灣葵青區婦女會名譽顧問、荃灣區各界人士聯合慶賀大會副會長及荃灣區體育康樂聯會名譽會長。此外，謝先生獲香港特別行政區政府頒授「行政長官社區服務獎狀」。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Ms. WONG Hau Yeung, aged 46, is the Chief Operating Officer and Executive Director of the Group and a member of the Remuneration Committee. She is also a Director of China Gold Silver Group Company Limited (“CGS”), an associate of the Company which conducts jewellery retail and franchise business under the brand name of “3D-GOLD” in Hong Kong, Macau and Mainland China. Ms. WONG initially joined the Group in 1994 and served various departments for about 8 years until 2002. She rejoined the Group in 2004. Currently, she is responsible for the Group’s operations and development of the retail and licensing businesses. In addition, she is also responsible for the human resources, administration, property and training functions of the Group. She holds a Master’s Degree in Business Administration from University of Southern Queensland. Ms. WONG is a Member of Guangzhou Panyu District Committee of the Chinese People’s Political Consultative Conference, a Standing Director of Gemmological Association of Fujian, a Member and Vice-Chairperson of The Jewellery Industry Training Advisory Committee and a Convenor of the Recognition of Prior Learning Subcommittee, the Honorary Life President and Vice-Chairman 19th Term of Hong Kong Pun Yue Industrial and Commercial Fellowship Association, the 6th Term Standing Director of Guangzhou Panyu Overseas Friendship Association, the 2nd Term Committee Member of Hong Kong Federation of Guangzhou Associations Women’s Committee, the 4th Term Director of Guangzhou Panyu Overseas Exchange Association and the Chairman of Panyu Hong Kong Charity Fund Limited. She has over 25 years of experience in the jewellery industry.

董事及高層管理人員之履歷詳情 (續)

執行董事 (續)

王巧陽女士，46歲，為本集團之營運總裁兼執行董事及薪酬委員會成員之一。彼亦為中國金銀集團有限公司（「中國金銀」）（本公司之聯營公司，以「金至尊」品牌在香港、澳門及中國內地從事珠寶首飾零售及特許經營之業務）之董事。王女士於1994年首次加入本集團，至2002年期間曾於本集團多個部門任職約達8年，彼其後於2004年再次加入本集團，現負責本集團之零售與品牌業務之營運及拓展。此外，彼亦負責本集團人力資源、行政、物業及培訓的工作。彼持有澳洲南昆士蘭大學工商管理碩士學位。王女士為中國人民政治協商會議廣州市番禺區委員會委員、福建省寶玉石協會常務理事、珠寶行業培訓諮詢委員會委員及副主席兼過往資歷認可專責小組召集人、香港番禺工商聯誼會永遠名譽會長兼第十九屆副主席、廣州市番禺海外聯誼會第六屆理事會常務理事、香港廣州社團總會婦女委員會第二屆常務委員、廣州市番禺區海外交流協會第四屆理事會理事及香港慈善基金會主席。彼具備超逾25年珠寶業經驗。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Ms. WONG Lan Sze, Nancy, aged 38, is the Deputy Chief Executive Officer and Executive Director of the Group. She joined the Group in 2006 and assists in formulating and implementing the Group's overall business strategies. She is also responsible for the Group's corporate branding, marketing, corporate communications, product design and development functions and e-commerce operations. Ms. WONG holds a Bachelor's Degree in Commerce from the University of Toronto, Canada and a Master's Degree of Science in China Business Studies from The Hong Kong Polytechnic University. She is also a Certified Public Accountant of the United States of America. Prior to joining the Group, Ms. WONG worked for an international professional accounting firm in Hong Kong, where she performed auditing and accounting assignments for a variety of business organisations including listed companies. She received the GIA Diamond Graduate title in 2007. She is a Co-opted Member of the Marketing Activities Committee of the Quality Tourism Services Association and a Member of Young Diamantaire Group of Diamond Federation of Hong Kong. Ms. WONG is the daughter of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive Officer and Executive Director and the sister of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Company.

Ms. CHUNG Vai Ping, aged 49, is the Executive Director of the Group. She has over 31 years of experience in the jewellery industry. She joined the Group in 1990 and is responsible for the corporate gift business of the Group. In 2001, Ms. CHUNG won the Best of Show Award for her design "Flashing" in the 2nd Hong Kong Jewellery Design Competition. She received the GIA Diamonds Graduate title in 2004. Ms. CHUNG is an Executive Committee Member and Vice Director of General Affairs of Hong Kong Jewellers' & Goldsmiths' Association, a Director of the 5th Congress of Gemmological Association of Fujian, a Director & Vice-Director of Public Relations of The Kowloon Gold Silver And Jewel Merchants' Staff Association and a Fellow of the Professional Validation Centre of Hong Kong Business Sector Limited.

董事及高層管理人員之履歷詳情 (續)

執行董事 (續)

黃蘭詩女士，38歲，為本集團副行政總裁兼執行董事。彼於2006年加入本集團，協助規劃及實施本集團之整體業務策略，彼亦負責本集團之品牌管理、市場推廣、企業傳訊、產品設計及拓展事宜，以及電子商務營運。黃女士畢業於加拿大多倫多大學，獲頒商學士學位，並持有香港理工大學中國商貿管理理學碩士學位。彼亦為美國註冊執業會計師。加入本集團前，黃女士曾於本港一間國際專業會計師行工作，為包括上市公司的不同商業機構執行核數及會計工作。彼亦於2007年獲取GIA Diamond Graduate銜頭。彼為優質旅遊服務協會推廣活動委員會之增選委員及香港鑽石總會鑽石商青年小組會員。黃女士為本集團主席、行政總裁兼執行董事黃偉常先生之女兒，亦為本公司副主席兼非執行董事黃浩龍先生之胞妹。

鍾惠冰女士，49歲，為本集團之執行董事。彼於珠寶業擁有超逾31年經驗。彼於1990年起加入本集團，主要負責本集團企業禮品業務。於2001年，鍾女士所設計的作品「煙花」贏取第二屆香港珠寶設計比賽大獎。彼於2004年獲取GIA Diamonds Graduate銜頭。鍾女士為香港玉石玉器金銀首飾業商會之理事兼副會務主任、福建省寶玉石協會第五屆理事會理事、九龍首飾業文員會之理事兼副交際主任及香港商業專業評審中心有限公司之院士。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Executive Directors (Continued)

Dr. CHAN So Kuen, aged 59, the Chief Financial Officer and Company Secretary of the Group, joined the Group in 2012 and was appointed as an Executive Director of the Group in 2015. Dr. CHAN graduated from The Hong Kong Polytechnic University and Oklahoma City University (the United States of America), with a Doctorate Degree and a Master's Degree in Business Administration, respectively. She is also a Fellow Member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Dr. CHAN had been the Director of Finance & Company Secretary for around 3 years and the Deputy Chairman of the Board of Directors & Chief Executive Officer of Bossini International Holdings Limited (Stock Code: 0592) for about 4 years after that during the period from 2003 to 2010. Dr. CHAN has substantial financial and management experiences in vast varieties of businesses for more than 33 years. Dr. CHAN is currently responsible for the overall financial management, corporate finance, information technology, investor relations and company secretarial matters of the Group.

Non-executive Directors

Mr. WONG Ho Lung, Danny, aged 42, is the Deputy Chairman and Non-executive Director of the Group. He is also the Chief Executive Officer and Director of CGS. He joined the Group as an Operations Manager in 2002. Mr. Danny WONG is an active participant in the community and is currently a Member of Sihui Municipal Committee of the Chinese People's Political Consultative Conference, a Permanent President of Sze Wui and Kwong Ning Clansman's Association (Hong Kong) Limited, the President of Sihui Dasha Town Clansman's Association (Hong Kong), an Executive Committee Member of Diamond Federation of Hong Kong, China Limited, a Supervisory Committee Member of Hong Kong Jewellers' & Goldsmiths' Association, a Supervisory Committee Member of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, a Member of Lions Club of Sham Shui Po Hong Kong and a Member of The Association of the Hong Kong Members of Guangdong's Chinese People's Political Consultative Conference Committees Limited. In December 2008, Mr. Danny WONG received the GIA Diamond Graduate title. He is the son of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive Officer and Executive Director and the elder brother of Ms. WONG Lan Sze, Nancy, Deputy Chief Executive Officer and Executive Director of the Company.

董事及高層管理人員之履歷詳情 (續)

執行董事 (續)

陳素娟博士，59歲，為本集團之財務總裁兼公司秘書，於2012年加入本集團，並於2015年獲委任為本集團之執行董事。陳博士畢業於香港理工大學及美國奧克拉荷馬城大學，分別持有工商管理博士及碩士學位。彼亦為英國特許公認會計師公會及香港會計師公會之資深會員。陳博士曾在2003年至2010年期間，於堡獅龍國際集團有限公司（股份代號：0592）擔任財務董事兼公司秘書約3年與及後的董事局副主席兼行政總裁約4年。陳博士於多類型業務已積累逾33年之豐富財務及管理經驗。目前，陳博士負責本集團之整體財務管理、企業財務、資訊科技、投資者關係及公司秘書工作。

非執行董事

黃浩龍先生，42歲，為本集團之副主席兼非執行董事。彼亦為中國金銀之行政總裁兼董事。彼於2002年加入本集團為營運經理。黃浩龍先生積極參與社區活動，彼現時為中國人民政治協商會議四會市委員會委員、香港會寧同鄉會有限公司永遠會長、香港四會大沙同鄉會會長、香港鑽石總會常務委員、香港珠石玉器金銀首飾業商會監事、九龍珠石玉器金銀首飾業商會監事、香港深水埗獅子會會員及香港廣東各級政協委員聯誼會有限公司會員。於2008年12月，黃浩龍先生亦獲GIA Diamond Graduate銜頭。彼為本集團主席、行政總裁兼執行董事黃偉常先生之兒子，亦為本公司副行政總裁兼執行董事黃蘭詩女士之胞兄。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Non-executive Directors (Continued)

Ms. YEUNG Po Ling, Pauline, aged 52, is the co-founder of the Group. Ms. YEUNG has over 31 years of experience in public relations. Ms. YEUNG was the winner of Miss Hong Kong and Miss International of Goodwill in 1987, and also the 4th Runner-up of Miss Universe and Queen of Asia in 1988. Ms. YEUNG was the President of the Wai Yin Association for the year 1995-1996. She received the GIA Diamonds Graduate title in 2005.

Mr. HUI Chiu Chung, JP, aged 72, joined the Group in 1997. He was re-designated from an Independent Non-executive Director to a Non-executive Director of the Company on 1 October 2011, owing to changes in factors concerning his independence. Mr. HUI has 48 years of experience in the securities and investment industry. Mr. HUI had for years been serving as a Council Member and Vice Chairman of The Stock Exchange of Hong Kong Limited, a member of the Advisory Committee of the Hong Kong Securities and Futures Commission, a Director of the Hong Kong Securities Clearing Company Limited, a member of the Listing Committee of the Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeal Tribunal, a member of Standing Committee on Company Law Reform, a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission and also an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A. Mr. HUI was appointed by the Government of the HKSAR as a Justice of the Peace in 2004 and was also a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference from 2006 to 2017. He had also been a member of Government "Appointees" (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. HUI also serves as Independent Non-executive Director of Zhuhai Holdings Investment Group Limited (Stock Code: 0908), Lifestyle International Holdings Limited (Stock Code: 1212), Gemdale Properties and Investment Corporation Limited (Stock Code: 0535), China South City Holdings Limited (Stock Code: 1668), SINOPEC Engineering (Group) Co., Ltd. (Stock Code: 2386), Agile Group Holdings Limited (Stock Code: 3383) and FSE Engineering Holdings Limited (Stock Code: 0331) whose shares are listed on The Stock Exchange of Hong Kong Limited. He was an Independent Non-executive Director of Asia Allied Infrastructure Holdings Limited (Stock Code: 0711) and Hong Kong Exchange and Clearing Limited (Stock Code: 0388) until his resignation effective from 1 February 2015 and his retirement effective from 29 April 2015 respectively.

董事及高層管理人員之履歷詳情 (續)

非執行董事 (續)

楊寶玲女士，52歲，為本集團之共同創辦人。楊女士具備逾31年公關工作經驗。楊女士為1987年度香港小姐冠軍及國際親善大使，亦是1988年環球小姐第四名兼亞洲皇后。楊女士曾任1995-1996年度慧妍雅集主席。彼於2005年獲取GIA Diamonds Graduate銜頭。

許照中太平紳士，72歲，於1997年加入本集團。由於可影響許先生獨立性之因素有所改變，他已於2011年10月1日由獨立非執行董事重新委任為非執行董事。許先生具備48年之證券及投資經驗，多年來曾出任香港聯合交易所有限公司理事會理事及副主席、香港證券及期貨事務監察委員會諮詢委員會委員、香港中央結算有限公司董事、香港交易及結算所有限公司上市委員會委員、證券及期貨事務上訴審裁處委員、公司法改革常務委員會委員、香港證券及期貨事務監察委員會房地產投資信託基金委員會委員及香港會計師公會調查小組A組委員等。許先生於2004年獲香港特別行政區政府頒授太平紳士榮銜，並自2006年至2017年擔任中國珠海市人民政治協商會議政協委員。彼亦曾任香港旅遊業議會上訴委員會獨立委員。許先生亦為股份於香港聯合交易所有限公司上市之珠海控股投資集團有限公司（股份代號：0908）、利福國際集團有限公司（股份代號：1212）、金地商置集團有限公司（股份代號：0535）、華南城控股有限公司（股份代號：1668）、中石化煉化工程（集團）股份有限公司（股份代號：2386）、雅居樂集團控股有限公司（股份代號：3383）及豐盛機電控股有限公司（股份代號：0331）之獨立非執行董事。彼曾為亞洲聯合基建控股有限公司（股份代號：0711）及香港交易及結算所有限公司（股份代號：0388）之獨立非執行董事，分別至2015年2月1日辭任及2015年4月29日任滿為止。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Non-executive Directors (Continued)

Mr. LI Hon Hung, BBS, MH, JP, aged 62, was appointed as a Non-executive Director of the Company in 2011. Mr. LI holds a Diploma of Architectural Design from Humber College of Toronto, Canada in 1981 and a Bachelor's of Architecture from New York Institute of Technology in 1984. Mr. LI was awarded the Certificate of Registration Authorized Person (List of Architects) in 1989 and the Certificate of Registered Inspector in 2012, by the Government of the HKSAR respectively. In professional qualification aspect, Mr. LI is a Fellow of Hong Kong Institute of Architects and a Member of Architect Registration Board. He also got the PRC Class 1 Registered Architect Qualification. Mr. LI has extensive architecture experience and is a Director of Li & Siu Associates Ltd. and A. Li & Associates Architects Ltd. In addition, he is a Director of Keen Mind Kindergarten. Mr. LI was appointed as a District Council Member of Sham Shui Po District from 2000 to 2007 and awarded the Chief Executive's Commendation For Community Service and Medal of Honor. He was also appointed by the Government of the HKSAR a Justice of the Peace in 2008 and was awarded a Bronze Bauhinia Star (BBS) in 2017. Mr. LI has been appointed to various positions over the years including: Chairman of Sham Shui Po District Office (East Liaison Team), Chairman of Sham Shui Po District Fire Safety Committee, Chairman of Sham Shui Po Council for the Promotion of Cultural and Recreation Service Limited, Chairman of Sham Shui Po District Fight Crime Committee, Honorary President of Sham Shui Po District Junior Police Call, Honorary President of Kowloon City District Junior Police Call, Honorary President of Yau Tsim District Junior Police Call, Chairman of Yau Yat Chuen Residents Association Ltd., President of Police Dragon Boat Club and Chartered President of Lions Club of Sham Shui Po Hong Kong. Mr. LI is also an Independent Non-executive Director of Sheung Yue Group Holdings Limited (Stock Code: 1633) which is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

董事及高層管理人員之履歷詳情 (續)

非執行董事 (續)

李漢雄 BBS, MH 太平紳士，62歲，於2011年獲委任為本公司之非執行董事。李先生於1981年持有加拿大多倫多Humber College頒授之理工建築系文憑，及於1984年持有美國紐約理工大學頒授之建築系學士學位。李先生分別於1989年獲得香港特別行政區認可人士（建築師）證書及於2012年獲得香港特別行政區註冊檢驗人員證書。在專業資格方面，李先生為香港建築師學會資深會員，以及香港建築師註冊管理局之會員。彼亦取得中國一級註冊建築師資格，李先生擁有豐富之建築經驗，亦為李邵建築師樓有限公司及李漢雄建築師樓有限公司之董事。另外，彼為劍鳴幼稚園暨幼兒園之董事。李先生於2000年至2007年間擔任深水埗區議會政府委任區議員，並獲頒授行政長官社區服務獎狀及榮譽勳章，彼更分別於2008年及2017年獲香港特別行政區政府頒授太平紳士榮銜及銅紫荊星章(BBS)。過往多年來李先生曾擔任多項公職，當中包括：深水埗東分區委員會主席、深水埗防火委員會主席、深水埗區文娛康樂促進會主席、深水埗區撲滅罪行委員會主席、深水埗區少年警訊名譽會長、九龍城區少年警訊名譽會長、油尖區少年警訊名譽會長、又一村居民聯會主席、香港警察龍舟會會長及深水埗獅子會創會會長。李先生現時亦為香港聯合交易所有限公司主板上市的上諭集團控股有限公司（股份代號：1633）之獨立非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander, aged 61, was appointed as an Independent Non-executive Director of the Company in 2008 and is the Chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee of the Company. Mr. TAI graduated from Victoria University of Wellington in New Zealand with a degree in Bachelor of Commerce and Administration in 1982 and became an associate member of the Hong Kong Institute of Certified Public Accountants in 1983. Mr. TAI has extensive accountancy, corporate finance and investment experience in Hong Kong and overseas. Mr. TAI is a partner of VMS Securities Limited, a licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities. Mr. TAI is an Independent Non-executive Director of Jiayuan International Group Limited (Stock Code: 2768), G & M Holdings Limited (Stock Code: 6038), Shengjing Bank Co., Ltd. (Stock Code: 2066) and AAG Energy Holdings Limited (Stock Code: 2686) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. He is also a current member of the Shandong Committee of the Chinese People's Political Consultative Conference.

董事及高層管理人員之履歷詳情 (續)

獨立非執行董事

戴國良先生，61歲，於2008年獲委任為本公司之獨立非執行董事，彼為本公司審核委員會之主席及提名委員會與薪酬委員會之成員。戴先生於1982年在紐西蘭威靈頓Victoria University畢業，獲取商業及行政學士學位，並於1983年成為香港會計師公會會員。戴先生在香港及海外擁有豐富之會計、企業融資及投資經驗。戴先生為鼎珮證券有限公司之合夥人，該公司為根據《證券及期貨條例》可從事第1類（證券交易）、第4類（就證券提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動之持牌法團。戴先生現為於香港聯合交易所有限公司主板上市的佳源國際控股有限公司（股份代號：2768）、信越控股有限公司（股份代號：6038）、盛京銀行股份有限公司（股份代號：2066）及亞美能源控股有限公司（股份代號：2686）之獨立非執行董事。戴先生現亦為中國人民政治協商會議山東省委員會委員。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Mr. IP Shu Kwan, Stephen, GBS, JP, aged 67, was appointed as an Independent Non-executive Director of the Company in 2011 and is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Mr. IP graduated from The University of Hong Kong with a degree of Social Sciences in 1973. He subsequently pursued further studies in Oxford University and Harvard Business School. Mr. IP joined the Hong Kong Government in November 1973 as an Administrative Officer and had served various government departments. Mr. IP was promoted to the rank of Director of Bureau in April 1997. He worked in the Government of the Hong Kong Special Administrative Region (the "Government of the HKSAR") as a Principal Official from July 1997 to June 2007. Senior positions held by Mr. IP in the past included Commissioner of Insurance, Commissioner for Labour, Secretary for Economic Services and Secretary for Financial Services. Mr. IP took up the position of Secretary for Economic Development and Labour on 1 July 2002. His portfolio in respect of economic development covered air and sea transport, logistics development, tourism, energy, postal services, meteorological services, competition and consumer protection. He was also responsible for labour policies including matters relating to employment services, labour relations and employees' rights. In his capacity as Secretary for Economic Development and Labour, Mr. IP was a member of the Hong Kong Airport Authority Board, the Mandatory Provident Fund Authority Board, the Hong Kong International Theme Parks Company Board as well as the Chairman of the Logistics Development Council, Port Development Board, Maritime Industry Council and Aviation Development Advisory Committee. Mr. IP retired from the Government of the HKSAR in July 2007. Mr. IP received the Gold Bauhinia Star award from the Government of the HKSAR in 2001, and is an unofficial Justice of the Peace. Mr. IP is also an Independent Non-executive Director of China Resources Cement Holdings Limited (Stock Code: 1313), Lai Sun Development Company Limited (Stock Code: 0488), Kingboard Laminates Holdings Limited (Stock Code: 1888), Nameson Holdings Limited (Stock Code: 1982) and Million Cities Holdings Limited (Stock Code: 2892) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

董事及高層管理人員之履歷詳情 (續)

獨立非執行董事 (續)

葉澍堃 GBS 太平紳士，67歲，於2011年獲委任為本公司之獨立非執行董事，彼為本公司薪酬委員會之主席及審核委員會與提名委員會之成員。葉先生於1973年於香港大學社會科學系畢業，其後曾赴牛津大學及哈佛商學院深造。葉先生於1973年11月加入香港政府政務主任職級，亦曾服務多個政府部門。葉先生於1997年4月升任局長級。彼由1997年7月至2007年6月出任香港特別行政區政府（「香港特別行政區政府」）主要官員。葉先生曾經出任的高層職位包括保險業監理專員、勞工處處長、經濟局局長及財經事務局局長。葉先生自2002年7月1日起出任經濟發展及勞工局局長。在經濟發展方面，葉先生的職責範疇包括海空交通、物流發展、旅遊、能源、郵政服務、氣象服務、競爭及保障消費者權益。葉先生亦負責勞工政策，處理的事宜包括就業服務、勞資關係和僱員權益。葉先生過去以經濟發展及勞工局局長身份出任香港機場管理局、強制性公積金計劃管理局及香港國際主題樂園公司董事局成員，及物流發展局、港口發展局、航運發展局及航空發展諮詢委員會主席。葉先生於2007年7月退休離開香港特別行政區政府。葉先生於2001年獲香港特別行政區政府頒發金紫荊星章，及現時為非官守太平紳士。葉先生現時亦為於香港聯合交易所有限公司主板上市的華潤水泥控股有限公司（股份代號：1313）、麗新發展有限公司（股份代號：0488）、建滔積層板控股有限公司（股份代號：1888）、南旋控股有限公司（股份代號：1982）及萬城控股有限公司（股份代號：2892）之獨立非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Mr. MAK Wing Sum, Alvin, aged 66, was appointed as an Independent Non-executive Director of the Company in 2012 and is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. Mr. MAK graduated from the University of Toronto with a Bachelor of Commerce degree in 1976. He is a member of the Canadian Institute of Chartered Accountants and the Hong Kong Institute of Certified Public Accountants. After working in Citibank for over 26 years, Mr. MAK retired on 1 May 2012. He last served as the Head of Markets and Banking for Citibank Hong Kong, being the country business manager for corporate and investment banking business. Mr. MAK had also held various other senior positions in Citibank including Head of Global Banking responsible for managing all the coverage bankers. Prior to that, he also managed the bank's Hong Kong corporate finance business, regional asset management business and was the Chief Financial Officer of North Asia. Before joining Citibank in 1985, Mr. MAK was an audit group manager at Coopers & Lybrand (now known as PricewaterhouseCoopers). He worked for Coopers & Lybrand for 8 years, 5 of which was in Toronto, Canada.

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

董事及高層管理人員之履歷詳情 (續)

獨立非執行董事 (續)

麥永森先生，66歲，於2012年獲委任為本公司之獨立非執行董事，彼為本公司提名委員會之主席及審核委員會與薪酬委員會之成員。麥先生於1976年在多倫多大學畢業，獲取商業學士學位。彼為加拿大特許會計師公會會員及香港會計師公會會員。麥先生於花旗銀行任職逾26年後，於2012年5月1日退休。離任前彼為花旗銀行香港區資本市場及企業銀行業務總裁，主管香港企業和投資銀行業務。麥先生在任職花旗銀行期間亦曾擔任過多項其他高級職務，包括環球銀行香港主管，專責管理所有顧客關係經理。在此之前，彼亦曾管理該銀行香港區企業融資業務、區域資產管理業務，並曾為北亞地區財務總裁。麥先生於1985年加入花旗銀行前，於永道會計師事務所（現為羅兵咸永道會計師事務所）任審計組經理。彼於永道會計師事務所工作了8年，其中5年於加拿大多倫多工作。

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

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Independent Non-executive Directors (Continued)

Ms. WONG Yu Pok, Marina, JP, aged 70, was appointed as an Independent Non-executive Director of the Company in 2013. Ms. Wong is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Ms. WONG had been with PricewaterhouseCoopers for over 37 years specializing in the Mainland China tax and business advisory services. Since 1978, she was responsible for the development of the firm's business in the Mainland China. Ms. WONG joined Tricor Services Limited as a director from 2004 to 2006 after her retirement as a partner from PricewaterhouseCoopers in 2004. Ms. WONG is currently a member of the Dental Council of Hong Kong. She is also a Fellow Member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

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

Mr. HUI King Wai, aged 69, was appointed as an Independent Non-executive Director of the Company in 2015 and is a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is a solicitor practising in Hong Kong. Mr. HUI is currently an Of Counsel of Locke Lord LLP. Mr. HUI was admitted the solicitor practising of the Supreme Court of England and Wales and of the Supreme Court of Hong Kong in 1981 and 1982 respectively. Mr. HUI was a Non-executive Director of the Group during the period from 1999 to 2013.

董事及高層管理人員之履歷詳情 (續)

獨立非執行董事 (續)

黃汝璞太平紳士，70歲，於2013年獲委任為本公司獨立非執行董事。黃女士亦為本公司審核委員會、提名委員會及薪酬委員會之成員。黃女士在羅兵咸永道會計師事務所工作逾37年，對中國內地稅務及商業諮詢服務尤其熟悉。黃女士自1978年起負責事務所於中國內地之業務發展。黃女士自2004年退任羅兵咸永道會計師事務所合夥人一職後，於2004年至2006年出任卓佳專業商務有限公司之董事。黃女士現為香港牙醫管理委員會委員。彼亦為香港會計師公會及特許公認會計師公會資深會員。

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

許競威先生，69歲，於2015年獲委任為本公司獨立非執行董事，亦為本公司審核委員會、提名委員會及薪酬委員會之成員。彼為香港執業律師。許先生現為洛克律師事務所之顧問律師。許先生分別於1981年及1982年獲英格蘭及威爾斯最高法院以及香港最高法院認可為執業律師。許先生於1999年至2013年期間擔任本集團之非執行董事。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

Senior Management

Mr. WONG Wai Tong, aged 58, is the Business Director of the Group. He initially joined the Group in 1998 and served various departments for over 10 years until 2013. Mr. WONG rejoined the Group in 2014. He has over 42 years of manufacturing and purchasing experience in jewellery and gold industry. Mr. WONG is responsible for the Group's merchandising and assembly functions of diamonds and gemstones. He holds the titles of a Diamond Grader of National Gemstone Testing Center and a Certified Diamond Grader of HRD Antwerp Institute of Gemmology. He is the Vice Chairman of Hong Kong Guangzhou Nansha Association, the 6th Term Director of Guangzhou Overseas Friendship Association, the 13th Term Chief Supervisor of the Guangzhou Panyu Jewelry Manufacturers Association, the 6th Term Director of Guangzhou Panyu Overseas Friendship Association, a Director of Guangzhou Diamond Exchange, the 12th Term Director of Guangzhou Panyu District Chamber of Commerce (Chamber) and the 3rd Term Director of Guangzhou Nansha District Chamber of Commerce (Chamber). Mr. WONG was the 2nd Term Member of the Guangzhou Nansha District Municipal Committee of the Chinese People's Political Consultative Conference and the 3rd Term Director of Guangzhou Panyu District Overseas Exchange Association. Mr. WONG is the brother of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive Officer and Executive Director.

Ms. WONG So Kuen, aged 57, is the Deputy Financial Controller of the Group. Ms. WONG joined the Group in 1997. She is mainly responsible for accounting, finance and tax planning matters of the Group. Ms. WONG often travels to Mainland China in search of information on national tax policies and privileges in order to develop relevant tax plans for the Group. She has over 33 years of experience in financial and accounting for commercial firms.

董事及高層管理人員之履歷詳情 (續)

高級管理層

黃偉棠先生，58歲，為本集團之業務總監。彼於1998年首次加入本集團，至2013年期間曾於多個部門任職達10多年。黃先生其後於2014年再次加入本集團。彼具備逾42年珠寶黃金製造及採購經驗。黃先生現負責本集團鑽石與寶石之採購及鑲嵌事宜。彼持有國家珠寶玉石質量監督檢驗中心鑽石分級師及HRD Antwerp Institute of Gemmology之Certified Diamond Grader銜頭。彼亦是香港廣州南沙聯誼會副會長、廣州市海外聯誼會第六屆理事會理事、廣州市番禺區珠寶廠商會第十三屆理事會監事長、廣州市番禺區海外聯誼會第六屆理事會理事、廣州鑽石交易中心董事、廣州市番禺區工商業聯合會（總商會）第十二屆執委會理事及廣州市南沙區工商業聯合會（總商會）第三屆執委會理事。黃先生曾擔任中國人民政治協商會議廣州市南沙區委員會第二屆委員及廣州市番禺區海外交流協會第三屆理事會理事。黃先生為本集團主席、行政總裁兼執行董事黃偉常先生之胞弟。

黃蘇娟女士，57歲，為本集團之財務副總監。黃女士於1997年加入本集團。彼主要負責本集團會計、財務及稅務策劃事宜。黃女士經常到中國內地考察，為本集團搜尋國家稅務政策及優惠條款，以制定有關稅務計劃。彼具備逾33年之商業機構財務及會計經驗。

REPORT OF THE DIRECTORS

董事會報告

RETIREMENT SCHEME

Details of the retirement scheme operated by the Group are set out in Note 31 to the financial statements.

DIRECTORS' SERVICE CONTRACTS

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

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

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

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

MANAGEMENT CONTRACTS

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

退休計劃

本集團推行之退休計劃詳情載於財務報表附註31。

董事服務合約

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

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

董事於重要交易、安排或合約之重大權益

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

管理合約

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

REPORT OF THE DIRECTORS

董事會報告

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

As at 31 March 2019, save as disclosed below, none of the directors and chief executives of the Company had interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (b) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), to be notified to the Company and the Stock Exchange:

董事及最高行政人員於證券之權益及淡倉

於2019年3月31日，除下文披露者外，本公司董事及最高行政人員概無於本公司或任何相聯法團（定義見《證券及期貨條例》（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中，擁有(a)根據證券及期貨條例第352條規定須記錄於該條所述登記冊；或(b)根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄10所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所之權益及淡倉：

Long positions in shares and underlying shares of the Company:

本公司股份及相關股份之好倉：

Name of Director 董事姓名	Number of Ordinary Shares 普通股數目				Total Interest 權益總額	% of Shares 佔股份百分比
	Beneficiary Owner 實益擁有人	Spouse 配偶	Controlled Corporation 受控制法團	Beneficial of Trust 信託受益人		
Mr. WONG Wai Sheung 黃偉常先生	7,044,561	454,000 note (a) 附註(a)	240,868,176 note (b) 附註(b)	1,511,050 note (c) 附註(c)	249,877,787 (L)	42.56%
Mr. TSE Moon Chuen 謝滿全先生	433,344		240,868,176 note (d) 附註(d)		241,301,520 (L)	41.10%
Ms. WONG Lan Sze, Nancy 黃蘭詩女士	522,000			1,511,050 note (c) 附註(c)	2,033,050 (L)	0.35%
Ms. CHUNG Vai Ping 鍾惠冰女士	267,865				267,865 (L)	0.05%
Dr. CHAN So Kuen 陳素娟博士	120,000	5,000 note (e) 附註(e)			125,000 (L)	0.02%
Mr. WONG Ho Lung, Danny 黃浩龍先生	360,000			1,511,050 note (c) 附註(c)	1,871,050 (L)	0.32%
Mr. LI Hon Hung 李漢雄先生	837,437	70,000 note (f) 附註(f)			907,437 (L)	0.15%

(L) Long position 好倉

REPORT OF THE DIRECTORS

董事會報告

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

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

Note (a)

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

Note (b)

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

In addition, the directors of Dragon King Investment Ltd. are accustomed to act in accordance with the directions of Mr. WONG Wai Sheung and the others, and thus Mr. WONG Wai Sheung was deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd. in the Company. Mr. WONG Wai Sheung, together with others, collectively controlled (directly or indirectly) over 30% of the voting power of Dragon King Investment Ltd..

Note (c)

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

Note (d)

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

In addition, the directors of Dragon King Investment Ltd. are accustomed to act in accordance with the directions of Mr. TSE Moon Chuen and the others, and thus Mr. TSE Moon Chuen was deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd. in the Company. Mr. TSE Moon Chuen, together with others, collectively controlled (directly or indirectly) over 30% of the voting power of Dragon King Investment Ltd..

Note (e)

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

Note (f)

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

董事及最高行政人員於證券之權益及淡倉(續)

本公司股份及相關股份之好倉：(續)

附註(a)

黃偉常先生之配偶陸翠兒女士持有454,000股本公司股份。

附註(b)

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

此外，龍寶投資有限公司的董事慣於根據黃偉常先生及其他人士的指令行事，因此黃偉常先生被視為於龍寶投資有限公司持有的6,682,504股本公司股份中擁有權益。黃偉常先生連同其他人士共同(直接或間接地)控制龍寶投資有限公司超過30%投票權。

附註(c)

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

附註(d)

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

此外，龍寶投資有限公司的董事慣於根據謝滿全先生及其他人士的指令行事，因此謝滿全先生被視為於龍寶投資有限公司持有的6,682,504股本公司股份中擁有權益。謝滿全先生連同其他人士共同(直接或間接地)控制龍寶投資有限公司超過30%投票權。

附註(e)

陳素娟博士之配偶盧炯志先生持有5,000股本公司股份。

附註(f)

李漢雄先生之配偶李陳雅玲女士持有70,000股本公司股份。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to the directors and chief executive of the Company, as at 31 March 2019, save as disclosed below, no person, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

主要股東於股份及相關股份之權益

於2019年3月31日，除下文披露者外，據本公司董事及最高行政人員所悉，概無其他非本公司董事或最高行政人員之人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露之權益或淡倉。

Name of Shareholder 股東姓名／名稱	Number of Shares 股份數目	Capacity 身份	Total Interest 權益總額	% of Shares 佔股份百分比
Mr. CHAN Wai 陳偉先生	3,799,022 (L)	Beneficial Owner 實益擁有人	244,667,198 (L)	41.67%
	240,868,176 (L) (note (a)) (附註(a))	Controlled Corporation 受控制法團		
Mr. LEE Shu Kuan (Deceased on 14 July 2011) 李樹坤先生 (於2011年7月14日辭世)	6,370,229 (L)	Beneficial Owner 實益擁有人	249,825,029 (L)	42.55%
	243,454,800 (L) (notes (a), (b) and (c)) (附註(a)、(b) 及(c))	Controlled Corporation 受控制法團		
Luk Fook (Control) Limited 六福(控股)有限公司	234,185,672 (L)	Beneficial Owner 實益擁有人	234,185,672 (L)	39.89%
Silchester International Investors LLP	76,420,600 (L)	Investment Manager 投資經理	76,420,600 (L)	13.02%
Commonwealth Bank of Australia	47,056,000 (L)	Investment Manager 投資經理	47,056,000 (L)	8.01%
Silchester International Investors International Value Equity Trust	29,402,600 (L)	Investment Manager 投資經理	29,402,600 (L)	5.01%

(L) Long position 好倉

REPORT OF THE DIRECTORS

董事會報告

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

Note (a)

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

In addition, the directors of Dragon King Investment Ltd. are accustomed to act in accordance with the directions of Mr. CHAN Wai, the administrator of Mr. Lee Shu Kwan and the others, and thus Mr. CHAN Wai, the administrator of Mr. Lee Shu Kwan and the others were deemed to be interested in the 6,682,504 shares held by Dragon King Investment Ltd. in the Company. Mr. CHAN Wai and the administrator of Mr. LEE Shu Kuan, together with others, collectively controlled (directly or indirectly) over 30% of the voting power of Dragon King Investment Ltd..

Note (b)

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

Note (c)

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

CONNECTED TRANSACTIONS

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

DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

主要股東於股份及相關股份之權益 (續)

附註(a)

陳偉先生及李樹坤先生的遺產管理人，連同其他人士共同（直接或間接地）控制六福（控股）有限公司超過一半投票權，且被視為於六福（控股）有限公司持有的234,185,672股本公司股份中擁有權益。

此外，龍寶投資有限公司的董事慣於根據陳偉先生、李樹坤先生的遺產管理人及其他人士的指令行事，因此陳偉先生、李樹坤先生的遺產管理人及其他人士被視為於龍寶投資有限公司持有的6,682,504股本公司股份中擁有權益。陳偉先生及李樹坤先生的遺產管理人，連同其他人士共同（直接或間接地）控制龍寶投資有限公司超過30%投票權。

附註(b)

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

附註(c)

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

關連交易

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

董事藉收購股份或債券權利獲取之利益

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

REPORT OF THE DIRECTORS

董事會報告

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 31 March 2019, the aggregate amount of financial assistance to an affiliated company and its wholly-owned subsidiaries by the Group exceeded 8% of the assets ratios as defined in Rule 14.07(1) of the Listing Rules. Details of advances (including guarantee given by the Group) which were non-trading in nature, made by the Group to the affiliated company and its wholly-owned subsidiaries were as follows:

根據上市規則第13.22條作出之披露

於2019年3月31日，本集團向一家聯屬公司及其全資附屬公司提供之財務資助總額超過上市規則第14.07(1)條所界定的資產比率之8%。本集團向該聯屬公司及其全資附屬公司提供之非貿易性墊款（包括本集團提供之擔保）之詳情如下：

Name of Company	Relationship with the Group	Advances	Corporate Guarantee	Extent of Corporate Guarantee Utilised
公司名稱	與本集團之關係	墊款 HK\$'000 千港元	公司擔保 HK\$'000 千港元	已使用公司擔保額 HK\$'000 千港元
China Gold Silver Group Company Limited ("CGS") 中國金銀集團有限公司（「中國金銀」）	Associated company 聯營公司	100,000	-	-
3D-GOLD Jewellery (HK) Limited (Note) 金至尊珠寶（香港）有限公司（附註）	Associated company 聯營公司	-	1,075,000	917,000

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

附註：金至尊珠寶（香港）有限公司為中國金銀之附屬公司。

Pursuant to Rule 13.22 of the Listing Rules, the consolidated balance sheet of CGS with financial assistance from the Group and the Group's attributable interest in CGS as at the latest practical date are disclosed in Note 19 of the financial statement.

根據上市規則第13.22條，獲得本集團財務資助之中國金銀之綜合資產負債表及本集團於最後可行日期應佔中國金銀之權益披露於財務報表附註19。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISIONS

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

MAJOR CUSTOMERS

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

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
The largest customer	最大客戶	0.5%	2.9%
Five largest customers combined	五名最大客戶合計	2.4%	5.6%

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

MAJOR SUPPLIERS

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

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
The largest supplier	最大供應商	28.6%	23.9%
Five largest suppliers combined	五名最大供應商合計	71.6%	67.5%

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

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

Particulars of bank loans, overdrafts and other borrowings of the Group as at 31 March 2019 are set out in Notes 32 and 33 to the financial statements.

獲准許彌償條文

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

主要客戶

於回顧年度內，本集團主要客戶所佔年內銷售額之百分比如下：

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

主要供應商

於回顧年度內，本集團主要供應商所佔購貨額之百分比如下：

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

銀行貸款、透支及其他借貸

本集團於2019年3月31日之銀行貸款、透支及其他借貸詳情載於財務報表附註32及33。

REPORT OF THE DIRECTORS

董事會報告

PRE-EMPTIVE RIGHTS

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

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company for the AGM will be closed from 19 August 2019 to 22 August 2019, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance at the AGM to be held on 22 August 2019, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 16 August 2019.

The register of members of the Company for the final dividend will also be closed on 28 August 2019 and no transfer of shares will be registered on that day. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 27 August 2019.

EMOLUMENT POLICY

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Company had 9.41% interest in Hong Kong Resources Holdings Co. Ltd. ("HKRH") as at 31 March 2019. HKRH is listed on the Main Board of the Stock Exchange.

As at 31 March 2019, Ms. WONG Hau Yeung and Mr. WONG Ho Lung, Danny who were directors of the Company, were also directors of China Gold Silver Group Company Limited, a subsidiary of HKRH. Mr. WONG Wai Sheung and Mr. TSE Moon Chuen who were directors of the Company held certain shares in HKRH, were also considered as having an interest in HKRH under Rule 8.10(2) of the Listing Rules.

優先購買權

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

暫停辦理股份過戶登記

就股東週年大會而言，本公司將於2019年8月19日至2019年8月22日（首尾兩天包括在內）暫停辦理股份過戶登記手續。為符合資格出席將於2019年8月22日舉行之股東週年大會，所有過戶文件連同有關股票最遲須於2019年8月16日下午4時30分前送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

就末期股息而言，本公司亦將於2019年8月28日暫停辦理股份過戶登記手續。為符合資格享有末期股息，所有過戶文件連同有關股票最遲須於2019年8月27日下午4時30分前送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

薪酬政策

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

董事在競爭業務中之權益

於2019年3月31日，本公司於香港資源控股有限公司（「香港資源控股」）中擁有9.41%的權益。香港資源控股於聯交所主板上市。

於2019年3月31日，本公司董事王巧陽女士及黃浩龍先生亦為香港資源控股附屬公司中國金銀集團有限公司的董事。本公司董事黃偉常先生及謝滿全先生均持有香港資源控股的若干股份，故根據上市規則第8.10(2)條彼等亦被視為於香港資源控股佔有權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS (Continued)

The retail and franchising operations for selling gold and jewellery products carried on by HKRH and its subsidiaries ("HKRH Group") constitute competing businesses of the Group. As the Company and HKRH were separate listed entities and run by separate and independent management teams, the directors of the Company believed that the Company was capable of carrying on its business independently of the HKRH Group.

For safeguarding the interests of the Group, the independent non-executive directors and the Audit Committee of the Company would on a regular basis review the business and operational results of the Group to ensure, inter alia, that the Group's development of retail, wholesale and licensing operations for selling gold and jewellery products are and continue to be run on the basis that they are independent of, and at arm's length from, the business of the HKRH Group.

Save as disclosed as aforesaid and in this report, none of the directors of the Company and their respective associates (as defined in the Listing Rules) had an interest in any business which competed or might compete with the business in which the Group is engaged.

TAX RELIEF AND EXEMPTION

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

SUFFICIENCY OF PUBLIC FLOAT

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

AUDITOR

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

By order of the Board,

WONG Wai Sheung

Chairman & Chief Executive Officer

Hong Kong, 27 June 2019

董事在競爭業務中之權益(續)

香港資源控股及其附屬公司(「香港資源控股集團」)從事銷售黃金及珠寶首飾產品的零售及特許權業務構成本集團的競爭業務。由於本公司及香港資源控股為獨立上市實體且由不同的獨立管理團隊運營，故本公司董事認為本公司有能力與香港資源控股集團各不相涉的情況下獨立經營其業務。

為保障本集團的權益，本公司獨立非執行董事及審核委員會會定期檢討本集團的業務及營運業績，以確保(其中包括)本集團黃金及珠寶首飾產品的零售、批發及品牌業務發展是及持續與香港資源控股集團之間在公平原則下獨立經營。

除上文及本報告所披露者外，概無本公司董事及彼等各自聯繫人士(定義見上市規則)於與本集團所從事的業務構成競爭或可能構成競爭的任何業務中擁有權益。

稅務寬減及豁免

本公司概不知悉有任何因股東持有本公司證券而向彼等提供之稅務寬減及豁免。

充裕公眾持股量

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

核數師

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

承董事會命

主席兼行政總裁

黃偉常

香港，2019年6月27日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

TO THE SHAREHOLDERS OF LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

(incorporated in Bermuda with limited liability)

致六福集團（國際）有限公司股東

（於百慕達註冊成立之有限公司）

OPINION

What we have audited

The consolidated financial statements of Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 136 to 260, which comprise:

- the consolidated balance sheet as at 31 March 2019;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

意見

我們已審計的內容

六福集團（國際）有限公司（「貴公司」）及其附屬公司（「貴集團」）列載於第136至260頁的綜合財務報表，包括：

- 於2019年3月31日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收入報表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKASs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

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

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2019年3月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter identified in our audit relates to existence and valuation of inventories.

Key Audit Matter

關鍵審計事項

Existence and valuation of inventories

存貨之存在性及其價值

Refer to note 3.10, 5(a) and 24 to the consolidated financial statements.

請參閱綜合財務報表附註3.10、5(a)及24。

The carrying value of inventories of the Group is HK\$9,322 million as at 31 March 2019. The Group's inventories mainly comprised of gold, platinum and gem-set jewellery products in the stores, manufacturing facilities and distribution centres. Valuation of inventories is at lower of cost or net realisable value. Significant portion of value at cost includes cost of precious metals and gems which are subject to the risk of changes in market value. The assessment of net realisable value of inventories is based on estimates and judgements by management in respect of, amongst others, the economic condition, forecast sales performance, marketability of products and the forecast market price of precious metals and gems used to make the jewellery products. Furthermore, there is a higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory item.

於2019年3月31日，貴集團存貨的賬面值為9,322,000,000港元。貴集團存貨主要包括店舖、生產設施及分銷中心的黃金、鉑金及珠寶首飾產品。存貨乃按成本值或可變現淨值兩者之較低者估值。成本值絕大部分為貴金屬及珠寶成本，而該等成本承受市值變動風險。存貨的可變現淨值按管理層就（其中包括）經濟狀況、預期銷售表現、產品的適銷性以及製造珠寶首飾產品所用貴金屬及珠寶的預期市價的估計及判斷進行評估。此外，個別存貨的內在價值高昂兼具便攜性質，令其存在較高的遭偷盜風險。

關鍵審計事項 (續)

我們在審計中識別的關鍵審計事項為存貨之存在性及其價值。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our audit procedures to test the physical existence of inventories mainly consist of evaluating and testing the relevant internal control procedures, in particular, we:

對存貨進行實物檢測時，我們的審計程序主要包括評估及測試有關的內部控制程序，尤其是我們：

- (i) attended a selection of daily physical cycle counts in stores throughout the year to observe the daily count procedures performed in retail outlets;
- (i) 全年有選擇性地參加店舖的每日實物盤點過程，以觀察零售店的每日盤點程序；
- (ii) inspected the respective daily physical cycle counts reports for reconciliation of daily ending inventories to the record in the inventory system;
- (ii) 查閱有關的每日實物盤點過程報告，以將每日營業結束時存貨與存貨系統記錄進行對賬；
- (iii) inspected the in-house and external gemological appraisal or laboratory reports on the authenticity of gold, platinum and gem-set jewellery products.
- (iii) 檢查內部及外聘第三方有關黃金、鉑金及珠寶首飾產品鑑定的珠寶評估或實驗報告。

Furthermore, we attended the annual physical inventory counts at year end date and performed “two-way” sample count procedures in a selected sample of stores, manufacturing facilities and distribution centres of the Group. We compared our sample count results with the counts performed by the Group and the records in the inventory system.

此外，我們還參加年結日的每年存貨實物盤點，並對貴集團店舖、生產設施及分銷中心抽樣執行「雙向」樣品點算程序。我們已將抽樣點算的結果與貴集團進行的點算及存貨系統的記錄作對比。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key Audit Matter

關鍵審計事項

The above, in combination with the inventories contributing to a significant portion of total assets of the Group, made us conclude that existence and valuation of inventories as a key audit matter of our audit.

由於以上所述，加之存貨構成 貴集團總資產的重大部分，因此，我們將存貨之存在性及其價值列作我們審計時的關鍵審計事項。

關鍵審計事項 (續)

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

We also selected samples of gem-set jewellery, comprising items of different nature, aging profiles and price for gemmological appraisal carried out by independent gemmologist engaged by the Group to verify their authenticity and assess their conditions and valuations. We have evaluated the competence, capabilities and objectivity of the gemmologist and obtained an understanding of the scope of work and the terms of engagement.

我們亦甄選部份珠寶首飾樣品（所選項目涵蓋不同的類別、貨齡及價格），由 貴集團委聘的獨立寶石專家進行珠寶評估，以核實其真實性及評估其狀況及估值。我們已對寶石專家的才能、能力及客觀性作出評估，並瞭解工作範圍及委聘條款。

In evaluating management's assessment of net realisable value and provision of inventories, we: 在評估管理層對存貨可變現淨值及撥備所作評估的過程中，我們：

- (i) compared the net realisable values of gold and platinum inventories calculated based on the current market price of precious metals with their purchase or production costs;
- (ii) 將按貴金屬當前市價計算的黃金及鉑金存貨可變現淨值與其購買或生產成本進行比較；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key Audit Matter

關鍵審計事項

關鍵審計事項 (續)

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- (ii) obtained an understanding of management's processes for the identification of slow moving gem-set jewellery products and assessed the basis adopted by management for determining the inventory provision with reference to, amongst others, the market price movement of the materials, the aging profile and the historical sales pattern and the subsequent selling prices of these products.
- (ii) 瞭解管理層有關滯銷珠寶首飾產品的識別程序，並參考（其中包括）該等產品的材料市價變動、貨齡及以往銷售模式以及之後售價，對管理層採用的存貨撥備釐定基準加以評估。
- (iii) compared the results of independent gemmological appraisal report of selected samples above to the cost of gem-set jewellery in evaluating the sufficiency of inventory provision made by management.
- (iii) 於評估管理層所作存貨撥備是否充足時，已將上文所述選定樣本的獨立珠寶評定報告結果與珠寶成本進行比較。

Based on the procedures performed, we found that the physical existence of inventories, as well as the estimates and judgement made by management in respect of the net realisable value of inventories, are supportable by the available evidence.

基於執行的程序，我們發現存貨的實物存在性以及管理層就存貨可變現淨值作出的估計及判斷有可得的證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，並在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表承擔 的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達1981年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響該等綜合財務報表使用者依賴該等綜合財務報表所作出的經濟決定，則有關錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容（包括披露），以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Yuen Kwok Kin Andrew.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 June 2019

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律規例不允許公開披露有關事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是袁國健先生。

羅兵咸永道會計師事務所
執業會計師

香港，2019年6月27日

CONSOLIDATED INCOME STATEMENT

綜合損益表

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

		Note	2019	2018
		附註	HK\$'000	HK\$'000
			千港元	千港元
Revenue	收入	6	15,859,990	14,578,409
Cost of sales	銷售成本	8	(11,826,154)	(10,837,032)
Gross profit	毛利		4,033,836	3,741,377
Other income	其他收入	7	278,197	183,364
Selling and distribution costs	銷售及分銷費用		(2,231,871)	(2,150,937)
Administrative expenses	行政費用		(210,775)	(166,581)
Other (losses)/gains, net	其他(虧損)/收益·淨額	9	(16,345)	13,583
Operating profit	經營溢利	8	1,853,042	1,620,806
Finance income	財務收入		30,053	28,922
Finance costs	財務費用		(34,253)	(6,392)
Finance (cost)/income, net	財務(費用)/收入·淨額	10	(4,200)	22,530
Share of results of associates	應佔聯營公司業績	19	(42,479)	(29,897)
Profit before income tax	除所得稅前溢利		1,806,363	1,613,439
Income tax expenses	所得稅開支	11	(302,708)	(243,125)
Profit for the year	年內溢利		1,503,655	1,370,314
Profit attributable to:	應佔溢利:			
Equity holders of the Company	本公司權益持有人		1,492,747	1,369,393
Non-controlling interests	非控股權益		10,908	921
			1,503,655	1,370,314
Earnings per share for profit attributable to equity holders of the Company during the year	年內本公司權益持有人應佔溢利之每股盈利			
Basic	基本	12	HK\$2.54港元	HK\$2.33港元
Diluted	攤薄	12	HK\$2.54港元	HK\$2.33港元

The accompanying notes are an integral part of the consolidated financial statements. 隨附附註為綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

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

	Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit for the year		1,503,655	1,370,314
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss</i>	<i>其後可能會重新分類至損益的項目</i>		
Currency translation differences:	匯兌差額：		
– Group	– 本集團	(300,872)	396,943
– Associates	– 聯營公司	(11,835)	12,478
Revaluation of available-for-sale financial assets	可供出售金融資產的價值變動	–	(1,615)
<i>Items that will not be reclassified to profit or loss</i>	<i>其後不會重新分類至損益的項目</i>		
Revaluation of financial assets at fair value through other comprehensive income	按公允值計入其他全面收入之金融資產價值變動	(2,941)	–
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	(1,767)	16,646
Other comprehensive income for the year	年內其他全面收入	(317,415)	424,452
Total comprehensive income for the year	年內全面總收入	1,186,240	1,794,766
Attributable to:	下列人士應佔：		
– Equity holders of the Company	– 本公司權益持有人	1,178,322	1,789,668
– Non-controlling interests	– 非控股權益	7,918	5,098
		1,186,240	1,794,766

The accompanying notes are an integral part of the consolidated financial statements.

隨附附註為綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 March 2019
於2019年3月31日

		As at 31 March 於3月31日	
		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	951,782	547,659
Land use rights	土地使用權	483,131	273,019
Investment properties	投資物業	311,716	35,810
Interests in associates	於聯營公司之權益	13,279	67,593
Loan to an associate	貸款予一家聯營公司	99,208	94,927
Derivative financial instrument	衍生金融工具	-	50,782
Available-for-sale financial assets	可供出售金融資產	-	6,075
Financial assets at fair value through other comprehensive income	按公允值計入其他全面收入之金融資產	3,134	-
Trading licence	交易執照	1,080	1,080
Non-current deposits and prepayments	非流動按金及預付款項	105,101	212,167
Deferred income tax assets	遞延所得稅資產	54,643	47,114
		2,023,074	1,336,226
Current assets	流動資產		
Inventories	存貨	9,321,522	7,991,727
Right of return assets	退回資產的權利	85,897	-
Trade receivables	貿易應收賬項	362,675	359,796
Deposits, prepayments and other receivables	按金、預付款項及其他應收賬項	474,014	364,765
Amount due from an associate	應收一家聯營公司賬項	3,078	13,173
Loan to an associate	貸款予一家聯營公司	-	43,190
Derivative financial instruments	衍生金融工具	56,219	-
Income tax recoverable	可收回所得稅	10,571	8,134
Cash and bank balances	現金及銀行結餘	2,086,522	2,097,867
		12,400,498	10,878,652
Total assets	總資產	14,423,572	12,214,878
EQUITY	權益		
Capital and reserves attributable to the equity holders of the Company	本公司權益持有人應佔資本及儲備		
Share capital	股本	58,710	58,710
Share premium	股份溢價	2,494,040	2,494,040
Reserves	儲備	7,964,520	7,482,019
		10,517,270	10,034,769
Non-controlling interests	非控股權益	45,646	44,968
Total equity	權益總額	10,562,916	10,079,737

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 March 2019
於2019年3月31日

		As at 31 March 於3月31日	
		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
LIABILITIES	負債	Note	
Non-current liabilities	非流動負債	附註	
Deferred income tax liabilities	遞延所得稅負債	30	133,690
Employee benefit obligations	僱員福利責任	31	10,823
			144,513
			108,951
Current liabilities	流動負債		
Trade payables, other payables and accruals	貿易應付賬項、其他 應付賬項及應計款項	27	975,840
Contract liabilities	合約負債	2.2	122,502
Derivative financial instrument	衍生金融工具	21	3,929
Sales refund liabilities	銷售退款負債	2.2	155,768
Amount due to an associate	應付一家聯營公司賬項	19	2,715
Bank borrowings	銀行貸款	32	1,855,224
Gold loans	黃金借貸	33	450,889
Current income tax liabilities	即期所得稅負債		149,276
			3,716,143
			2,026,190
Total liabilities	總負債		3,860,656
			2,135,141
Total equity and liabilities	權益及負債總額		14,423,572
			12,214,878

The consolidated financial statements were approved by the Board of Directors on 27 June 2019 and were signed on its behalf.

綜合財務報表乃由董事會於2019年6月27日批准並經由下列董事代表簽署。

Wong Wai Sheung
黃偉常
Director
董事

Chan So Kuen
陳素娟
Director
董事

The accompanying notes are an integral part of the consolidated financial statements.

隨附附註為綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔				Non-	Total
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元 (Note 29) (附註 29)	Subtotal 小計 HK\$'000 千港元	controlling interests 非控股權益 HK\$'000 千港元	equity 權益總額 HK\$'000 千港元
For the year ended 31 March 2018	截至2018年3月31日 止年度						
At 1 April 2017	於2017年4月1日	58,710	2,494,040	6,320,600	8,873,350	106,590	8,979,940
Comprehensive income	全面收入						
Profit for the year	年內溢利	-	-	1,369,393	1,369,393	921	1,370,314
Other comprehensive income	其他全面收入						
Remeasurements of employee benefit obligations	僱員福利責任的 重新計量	-	-	16,646	16,646	-	16,646
Currency translation differences	匯兌差額	-	-	405,244	405,244	4,177	409,421
Revaluation of available-for-sale financial assets	可供出售金融資產的 價值變動	-	-	(1,615)	(1,615)	-	(1,615)
Total other comprehensive income	其他全面總收入	-	-	420,275	420,275	4,177	424,452
Total comprehensive income	全面總收入	-	-	1,789,668	1,789,668	5,098	1,794,766
Transactions with owners	與擁有人之交易						
Dividends paid	已付股息	-	-	(645,818)	(645,818)	-	(645,818)
Acquisition of additional equity interest in a subsidiary from a non-controlling interest	自非控股權益收購 一家附屬公司的 額外股本權益	-	-	17,569	17,569	(66,720)	(49,151)
At 31 March 2018	於2018年3月31日	58,710	2,494,040	7,482,019	10,034,769	44,968	10,079,737

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔					
		Share capital 股本	Share premium 股份溢價	Reserves 儲備	Subtotal 小計	Non-controlling interests 非控股權益	Total equity 權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note 29) (附註 29)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
For the year ended 31 March 2019	截至2019年3月31日 止年度						
As at 31 March 2018	於2018年3月31日	58,710	2,494,040	7,482,019	10,034,769	44,968	10,079,737
Change in accounting policies (Note 2.2)	會計政策變動 (附註2.2)	-	-	(50,003)	(50,003)	-	(50,003)
Restated total equity as at 1 April 2018	於2018年4月1日經重列 權益總額	58,710	2,494,040	7,432,016	9,984,766	44,968	10,029,734
Comprehensive income	全面收入						
Profit for the year	年內溢利	-	-	1,492,747	1,492,747	10,908	1,503,655
Other comprehensive income	其他全面收入						
Remeasurements of employee benefit obligations	僱員福利責任的 重新計量	-	-	(1,767)	(1,767)	-	(1,767)
Currency translation differences	匯兌差額	-	-	(309,717)	(309,717)	(2,990)	(312,707)
Revaluation of financial assets at fair value through other comprehensive income	按公允值計入其他全面 收入之金融資產的 價值變動	-	-	(2,941)	(2,941)	-	(2,941)
Total other comprehensive income	其他全面總收入	-	-	(314,425)	(314,425)	(2,990)	(317,415)
Total comprehensive income	全面總收入	-	-	1,178,322	1,178,322	7,918	1,186,240
Transactions with owners	與擁有人之交易						
Dividends paid	已付股息	-	-	(645,818)	(645,818)	-	(645,818)
Dividend paid to a non-controlling shareholder	向一名非控股股東 派付股息	-	-	-	-	(5,944)	(5,944)
Acquisition of additional equity interest in a subsidiary from a non-controlling interest	自非控股權益收購 一家附屬公司的 額外股本權益	-	-	-	-	(1,296)	(1,296)
At 31 March 2019	於2019年3月31日	58,710	2,494,040	7,964,520	10,517,270	45,646	10,562,916

The accompanying notes are an integral part of the consolidated financial statements. 隨附附註為綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF 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

		Note	2019 HK\$'000 千港元	2018 HK\$'000 千港元
		附註		
Cash flows from operating activities	營運活動之現金流量			
Net cash generated from operations	營運產生之現金淨額	34	188,325	679,433
Hong Kong profits tax paid	已付香港利得稅		(104,680)	(62,573)
Overseas income taxes paid	已付海外所得稅		(196,641)	(147,023)
Net cash (used in)/generated from operating activities	營運活動(所用)/產生之現金淨額		(112,996)	469,837
Cash flows from investing activities	投資活動之現金流量			
Purchases of property, plant and equipment	購置物業、廠房及設備	16	(647,445)	(81,160)
Prepayment for purchase of property, plant and equipment	購置物業、廠房及設備之預付款項		-	(131,543)
Purchases of land use right	購置土地使用權	17	(239,472)	-
Purchases of investment properties	購置投資物業	18	(46,694)	-
Decrease in short-term bank deposits, with maturities over 3 months	到期日超過三個月的短期銀行存款減少		197,808	134,760
Interest received	已收利息		32,368	19,624
Loan repayment from/(advanced to) an associate	聯營公司的貸款償還/(墊付)		43,190	(23,190)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		3,850	787
Net cash used in investing activities	投資活動所用之現金淨額		(656,395)	(80,722)
Cash flows from financing activities	融資活動之現金流量			
Proceeds from bank borrowings	銀行貸款所得款項		2,622,810	738,000
Proceeds from gold loans with cash settlement	以現金結算的黃金借貸所得款項		463,421	140,448
Repayment of bank borrowings	償還銀行貸款		(1,182,586)	(323,000)
Repayment of gold loans with cash settlement	償還以現金結算的黃金借貸		(140,692)	-
Interest on bank borrowings and gold loans	銀行貸款及黃金借貸利息		(34,253)	(6,392)
Dividends paid	已付股息		(645,818)	(645,818)
Dividend paid to non-controlling interests of a subsidiary	向附屬公司非控股權益派付股息		(5,944)	-
Acquisition of non-controlling interests of a subsidiary	收購附屬公司的非控股權益		(1,296)	(49,151)
Net cash generated from/(used in) financing activities	融資活動產生/(所用)之現金淨額		1,075,642	(145,913)
Net increase in cash and cash equivalents	現金及現金等價物之增加淨額		306,251	243,202
Cash and cash equivalents at 1 April	於4月1日之現金及現金等價物		1,900,059	1,529,206
Exchange differences	匯兌差額		(119,788)	127,651
Cash and cash equivalents at 31 March	於3月31日之現金及現金等價物	26	2,086,522	1,900,059

The accompanying notes are an integral part of the consolidated financial statements. 隨附附註為綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

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

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

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

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated, and have been approved for issue by the board of directors on 27 June 2019.

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and the disclosure requirements of Hong Kong Companies Ordinance Cap.622. The consolidated financial statements have been prepared under the historical cost convention except that certain financial assets, gold loans, and financial liabilities are carried at fair values, as explained in Note 4.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

1 一般信息

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

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

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

除另有說明者外，此等綜合財務報表均以港元（「港元」）呈列，並已於2019年6月27日獲董事會批准刊發。

2 編製基準及會計政策變動

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

2.1 編製基準

本公司之綜合財務報表乃根據香港財務報告準則（「香港財務報告準則」）及香港《公司條例》第622章之披露規定編製。除若干金融資產、黃金借貸及金融負債按公允值列賬（如附註4所解釋）外，綜合財務報表按歷史成本慣例編製。

編製與香港財務報告準則貫徹一致之綜合財務報表需要使用若干關鍵會計估算，同時亦需要管理層在應用本集團會計政策時作出判斷。涉及高度判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在附註5中披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (a) New standards, amendments to existing standards and interpretations that are effective for the first time for the financial year beginning 1 April 2018 and are relevant to the Group's operations:

Amendments to HKAS 40	Transfer of investment property
Amendments to HKFRSs	Annual improvements 2014-2016 cycle
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions
Amendments to HKFRS 4	Applying HKFRS 9 "Financial instruments" with HKFRS 4 "Insurance contracts"
HKFRS 9	Financial instruments
HKFRS 15	Revenue from contracts with customers
Amendments to HKFRS 15	Clarifications to HKFRS 15

Apart from aforementioned HKFRS 9 and HKFRS 15, there are no other new standards or amendments to existing standards and interpretations that are effective for the first time for this year that could be expected to have a material impact on the Group.

2 編製基準及會計政策變動 (續)

2.1 編製基準 (續)

- (a) 於2018年4月1日開始之財政年度內首次生效並與本集團經營有關之新訂準則、現有準則之修訂本及詮釋：

香港會計準則第40號 (修訂本)	轉讓投資物業
香港財務報告準則(修訂本)	2014年至2016年週期之年度改進
香港財務報告準則第2號 (修訂本)	以股份為基礎之支付交易之分類及計量
香港財務報告準則第4號 (修訂本)	應用香港財務報告準則第9號「金融工具」一併採用香港財務報告準則第4號「保險合約」
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	與客戶之間之合約產生之收入
香港財務報告準則第15號 (修訂本)	香港財務報告準則第15號之澄清

除上述香港財務報告準則第9號及香港財務報告準則第15號外，概無於本年度首次生效且預期可能對本集團產生重大影響的其他新訂準則或現有準則之修訂本及詮釋。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) Certain new standards, amendments to existing standards and interpretations relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2019, which the Group has not early adopted, are as follows:

Annual improvement projects	Annual improvements 2015-2017 cycle ⁽¹⁾
Amendments to HKAS 28	Long-term interests in an associate or joint venture ⁽¹⁾
Amendments to HKFRS 9	Prepayment features with negative compensation ⁽¹⁾
Amendments to HKAS 19	Employee benefits: plan amendment, curtailment or settlement ⁽¹⁾
HKFRS 16	Leases ⁽¹⁾
HK(IFRIC) – Int 23	Uncertainty over income tax treatments ⁽¹⁾
Conceptual Framework for Financial Reporting 2018	Revised conceptual framework for financial reporting ⁽²⁾
HKFRS 17	Insurance contracts ⁽³⁾
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ⁽⁴⁾

2 編製基準及會計政策變動 (續)

2.1 編製基準 (續)

- (b) 以下為已頒佈且須於2019年4月1日或之後開始之本集團會計期間強制應用，惟本集團並無提早採納之與本集團相關之若干新訂準則、現有準則之修訂本及詮釋：

年度改進項目	2015年至2017年週期之年度改進 ⁽¹⁾
香港會計準則第28號 (修訂本)	於聯營公司或合營企業之長期權益 ⁽¹⁾
香港財務報告準則第9號 (修訂本)	具負補償之預付款項特點 ⁽¹⁾
香港會計準則第19號 (修訂本)	僱員福利：計劃修訂、縮減或結算 ⁽¹⁾
香港財務報告準則第16號	租賃 ⁽¹⁾
香港 (國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性 ⁽¹⁾
2018年財務報告之概念框架	財務報告之經修訂概念框架 ⁽²⁾
香港財務報告準則第17號	保險合約 ⁽³⁾
香港財務報告準則第10號及香港會計準則第28號 (修訂本)	投資者與其聯營公司或合營企業之間之資產出售或出資 ⁽⁴⁾

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) Certain new standards, amendments to existing standards and interpretations relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2019, which the Group has not early adopted, are as follows: (Continued)

- (1) Effective for annual period beginning on or after 1 January 2019
- (2) Effective for annual period beginning on or after 1 January 2020
- (3) Effective for annual period beginning on or after 1 January 2021
- (4) To be announced by HKICPA

HKFRS 16 "Leases"

Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

Impact

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of approximately HK\$817,000,000. Of these commitments, approximately HK\$119,000,000 relate to short-term leases which will be recognised on a straight-line basis as expense in profit or loss in the year ending 31 March 2020. For the remaining lease commitments, the Group expects to recognise right-of-use assets of approximately HK\$672,000,000 and lease liabilities of approximately HK\$696,000,000 on 1 April 2019 (before the adjustment of deferred tax). A corresponding adjustment of approximately HK\$24,000,000 will be recognised in opening balance of retained earnings.

2 編製基準及會計政策變動 (續)

2.1 編製基準 (續)

- (b) 以下為已頒佈且須於2019年4月1日或之後開始之本集團會計期間強制應用，惟本集團並無提早採納之與本集團相關之若干新訂準則、現有準則之修訂本及詮釋：(續)

- (1) 於2019年1月1日或之後開始之年度期間生效
- (2) 於2020年1月1日或之後開始之年度期間生效
- (3) 於2021年1月1日或之後開始之年度期間生效
- (4) 待香港會計師公會公佈

香港財務報告準則第16號「租賃」

變動性質

香港財務報告準則第16號於2016年1月頒佈。其將導致近乎所有租賃由承租人於資產負債表中確認，蓋因經營租賃與融資租賃之間之區別被移除。根據新訂準則，一項資產（使用租賃項目之權利）及支付租金之金融負債均獲確認。唯一例外情況為短期及低價值租賃。

影響

該準則將主要影響本集團經營租賃之會計處理。於報告日期，本集團之不可撤銷經營租賃承擔為約817,000,000港元。於該等承擔中，約119,000,000港元與短期租賃有關，將於截至2020年3月31日止年度按直線基準於損益確認為開支。就餘下租賃承擔而言，本集團預期於2019年4月1日（調整遞延稅項之前）確認使用權資產約672,000,000港元及租賃負債約696,000,000港元。其相應調整約24,000,000港元將於保留盈利的期初結餘中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- (b) Certain new standards, amendments to existing standards and interpretations relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2019, which the Group has not early adopted, are as follows: (Continued)

HKFRS 16 "Leases" (Continued)

Date of adoption by the Group

HKFRS 16 is mandatory for financial years starting on or after 1 April 2019. The new standard is not expected to be applied by the Group until the financial year ending 31 March 2020. The Group intends to apply the modified retrospective approach and will recognise the cumulative effect of initial application as an adjustment to the opening balance of retained earnings at 1 April 2019 and will not restate comparative information. Right-of-use assets will be measured on transition as if the new rules had always been applied (adjusted for any prepaid or accrued lease expenses).

Apart from aforementioned HKFRS 16, the Group is in the process of assessing the financial impact of the adoption of other new standards, amendments to existing standards and interpretation. The Group will adopt the new standards, amendments to existing standards and interpretation after they become effective.

2.2 Change in accounting policies

The following explains the impact of the adoption of HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers" on the Group's consolidated financial statements and also discloses the new accounting policies that have been applied from 1 April 2018, where they are different to those applied in prior periods.

2 編製基準及會計政策變動 (續)

2.1 編製基準 (續)

- (b) 以下為已頒佈且須於2019年4月1日或之後開始之本集團會計期間強制應用，惟本集團並無提早採納之與本集團相關之若干新訂準則、現有準則之修訂本及詮釋：(續)

香港財務報告準則第16號「租賃」(續)

本集團採納日期

香港財務報告準則第16號須於2019年4月1日或之後開始之財政年度強制生效。本集團預期於截至2020年3月31日止財政年度應用新訂準則。本集團擬應用經修正追溯法，並將首次應用的累計影響確認為於2019年4月1日保留盈利的期初結餘的調整，並不會重列比較信息。使用權資產將於過渡時計量，猶如新規則一直應用（就任何預付或應計租賃開支進行調整）。

除上述香港財務報告準則第16號外，本集團現正評估採納其他新訂準則、現有準則及詮釋修訂本的財務影響。本集團將於新訂準則、現有準則及詮釋修訂本生效後採納該等準則及修訂本。

2.2 會計政策變動

下文說明採納香港財務報告準則第9號「金融工具」及香港財務報告準則第15號「與客戶之間的合同產生的收入」對本集團綜合財務報表之影響，亦披露自2018年4月1日起應用之新訂會計政策（與過往期間所應用者不同）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

The Group elected to adopt HKFRS 9 and HKFRS 15 without restating comparatives. The reclassifications and the adjustments are therefore not reflected in the consolidated balance sheet as at 31 March 2018, but are recognised in the opening consolidated balance sheet on 1 April 2018.

The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. The adjustments are explained in more details by standard below.

		31 March 2018 As originally presented 2018年 3月31日 原列 HK\$'000 千港元	Effect of adoption of HKFRS 9 採納香港 財務報告準則 第9號之影響 HK\$'000 千港元	Effect of adoption of HKFRS 15 採納香港 財務報告準則 第15號之影響 HK\$'000 千港元	1 April 2018 Restated 2018年 4月1日 重列 HK\$'000 千港元
Consolidated balance sheet (extract)	綜合資產負債表 (摘錄)				
Non-current assets	非流動資產				
Available-for-sale financial assets	可供出售金融資產	6,075	(6,075)	-	-
Financial assets at fair value through other comprehensive income	按公允值計入其他全面收入之金融資產	-	6,075	-	6,075
Current assets	流動資產				
Trade receivables	貿易應收賬項	359,796	(2,244)	-	357,552
Right of return assets	退貨權資產	-	-	86,551	86,551
Current liabilities	流動負債				
Trade payables, other payables and accruals	貿易應付賬項、其他應付賬項及應計款項	1,125,453	-	(110,519)	1,014,934
Contract liabilities	合同負債	-	-	105,037	105,037
Sales refund liabilities	銷售退款負債	-	-	139,792	139,792
Equity	權益				
Reserves	儲備	7,482,019	(2,244)	(47,759)	7,432,016

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

本集團選擇採納香港財務報告準則第9號及香港財務報告準則第15號，惟並無重列比較信息。因此，重新分類及調整並無於2018年3月31日之綜合資產負債表中反映，惟於2018年4月1日期初綜合資產負債表中確認。

下表載列每個項目所確認之調整，並無列示不受變動影響之項目。按準則劃分之該等調整於下文詳加說明。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) HKFRS 9 “Financial Instruments” – Impact of adoption

HKFRS 9 replaces the provisions of HKAS 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.

The total impact on the Group’s retained earnings due to classification and measurement of financial instruments as at 1 April 2018 is as follows:

At 1 April 2018	於2018年4月1日	Notes 附註	HK\$’000 千港元
Opening retained earnings – HKAS 39	期初保留盈利 — 香港會計準則第39號		7,482,019
Reclassify investments from available-for-sale financial assets to financial assets at fair value through other comprehensive income	將投資由可供出售金融資產重新分類為按公允值計入其他全面收入之金融資產	(i)	–
Increase in loss allowance for impairment of trade receivables	貿易應收賬項減值虧損撥備增加	(ii)	(2,244)
Adjustment to retained earnings from adoption of HKFRS 9	就採納香港財務報告準則第9號而對保留盈利作出之調整		(2,244)
Opening retained earnings – after HKFRS 9	期初保留盈利 — 採納香港財務報告準則第9號後		7,479,775

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 香港財務報告準則第9號「金融工具」— 採納之影響

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債之確認、分類與計量、金融工具終止確認、金融資產減值及對沖會計處理。

於2018年4月1日，金融工具分類及計量導致本集團保留盈利之整體影響如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) HKFRS 9 “Financial Instruments” – Impact of adoption (Continued)

- (i) *Classification and measurements of financial assets and financial liabilities*
 HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (“FVOCI”) and at fair value through profit or loss (“FVPL”). The classification of financial assets under HKFRS 9 is based on the business model under which the financial assets is managed and its contractual cash flow characteristics.

On 1 April 2018 (the date of initial application of HKFRS 9), the Group’s management has assessed which business models apply to the financial instruments held by the Group into the appropriate HKFRS 9 categories.

The impact of the reclassification on the consolidated balance sheet is as follows:

		Available- for-sale financial assets 可供出售 金融資產 HK\$’000 千港元	Financial assets at fair value through other comprehensive income 按公允值 計入其他全面 收入之金融資產 HK\$’000 千港元
At 1 April 2018	於2018年4月1日		
Opening balance – HKAS 39	期初結餘 — 香港會計 準則第39號	6,075	–
Reclassify investments from available-for-sale financial assets to financial assets at fair value through other comprehensive income	將投資由可供出售 金融資產重新分類 為按公允值計入 其他全面收入之 金融資產	(6,075)	6,075
Opening balance – after HKFRS 9	期初結餘 — 採納香港 財務報告準則 第9號後	–	6,075

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 香港財務報告準則第9號「金融工具」— 採納之影響 (續)

- (i) *金融資產及金融負債之分類及計量*
 香港財務報告準則第9號將金融資產分為三大類別：按攤銷成本計量、按公允值計入其他全面收入（「按公允值計入其他全面收入」）及按公允值計入損益（「按公允值計入損益」）。香港財務報告準則第9號項下金融資產之分類乃以所管理金融資產之業務模式及其合同現金流量特徵為基準。

於2018年4月1日（初步應用香港財務報告準則第9號當日），本集團之管理層已就本集團所持金融工具分類為適當香港財務報告準則第9號類別之適用業務模式作出評估。

重新分類對綜合資產負債表之影響如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) HKFRS 9 “Financial Instruments” – Impact of adoption (Continued)

- (i) Classification and measurements of financial assets and financial liabilities (Continued)

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 香港財務報告準則第9號「金融工具」— 採納之影響 (續)

- (i) 金融資產及金融負債之分類及計量 (續)

At 1 April 2018	於2018年4月1日	Available- for-sale financial assets revaluation reserve	Financial assets at fair value through other comprehensive income revaluation reserve
		可供出售 金融資產 重估儲備	按公允值計入 其他全面收入 之金融資產 重估儲備
		HK\$'000 千港元	HK\$'000 千港元
Opening balance – HKAS 39	期初結餘 — 香港會計 準則第39號	(5,949)	–
Reclassify investments from available-for-sale financial assets to financial assets at fair value through other comprehensive income	將投資由可供出售 金融資產重新分類 為按公允值計入 其他全面收入之 金融資產	5,949	(5,949)
Opening balance – after HKFRS 9	期初結餘 — 採納香港 財務報告準則 第9號後	–	(5,949)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) HKFRS 9 “Financial Instruments” – Impact of adoption (Continued)

(i) Classification and measurements of financial assets and financial liabilities (Continued)

The Group makes an election to designate its investment in equity securities as financial assets at FVOCI such that subsequent changes in fair value are recognised in other comprehensive income without subsequent reclassification to profit or loss. Such elections are made on an instrument-by-instrument basis. Where such an election is made, the amount accumulated in other comprehensive income remains in the financial assets at FVOCI revaluation reserve until the investment is disposed of. At the time of disposal, the amount accumulated in the financial assets at FVOCI revaluation reserve is transferred to retained earnings. Dividends from an investment in equity securities are recognised in profit or loss.

(ii) Impairment of financial assets

The adoption of HKFRS 9 has changed the Group’s impairment model by replacing the HKAS 39 “incurred loss model” to the “expected credit losses (“ECLs”) model”. Under HKFRS 9, the losses allowances are measured on either using the 12-month ECLs model: the ECLs that result from possible default events within the 12 months after the reporting date; or the lifetime ECLs model: ECLs that would result from all possible default events over the expected life of a financial instrument.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 香港財務報告準則第9號「金融工具」— 採納之影響 (續)

(i) 金融資產及金融負債之分類及計量 (續)

本集團選擇指定其股本證券投資為按公允值計入其他全面收入之金融資產，致令其後公允值變動於其他全面收入確認，而毋須其後重新分類為損益。該選擇乃因應個別工具為基準而作出。倘作出有關選擇，於其他全面收入累計之金額仍為按公允值計入其他全面收入之金融資產重估儲備，直至該投資予以出售為止。出售時，按公允值計入其他全面收入之金融資產重估儲備項下之累計金額將轉撥至保留盈利。來自股本證券投資之股息於損益確認。

(ii) 金融資產減值

採納香港財務報告準則第9號透過將香港會計準則第39號「已產生虧損模式」取代為「預期信貸虧損（「預期信貸虧損」）模式」變更本集團之減值模式。根據香港財務報告準則第9號，虧損撥備按12個月預期信貸虧損模式計量：產生自報告日期後12個月內可能違約事件之預期信貸虧損；或全期預期信貸虧損模式：產生自金融工具預期年期內之所有可能違約事件之預期信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) HKFRS 9 “Financial Instruments” – Impact of adoption (Continued)

(ii) Impairment of financial assets (Continued)

The Group has three types of financial assets as at 1 April 2018 that are subject to HKFRS 9’s new expected credit loss model:

- Amount due from and loan to an associate
- Other receivables
- Trade receivables

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of financial assets. The Group makes estimates and assumptions concerning the future which are discussed below:

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group’s past settlement pattern, existing market conditions as well as forward looking estimates at the end of each reporting period.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 香港財務報告準則第9號「金融工具」— 採納之影響 (續)

(ii) 金融資產減值 (續)

根據香港財務報告準則第9號之新預期信貸虧損模式，本集團於2018年4月1日共有三類金融資產：

- 應收一家聯營公司賬項及貸款予一家聯營公司
- 其他應收賬項
- 貿易應收賬項

本集團須根據香港財務報告準則第9號就該等類別之金融資產各自修訂其減值方法。本集團對未來作出之估計及假設論述如下：

金融資產之虧損撥備乃根據違約風險及預期虧損率之假設釐定。本集團於作出該等假設及選擇減值計算輸入值時，根據本集團之過往結算模式、現行市況及於各報告期末之前瞻性估計使用判斷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) HKFRS 9 “Financial Instruments” – Impact of adoption (Continued)

(ii) Impairment of financial assets (Continued)

While cash and cash equivalents, short term bank deposits and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss by the directors of the Company was determined to be immaterial.

The Group has applied the general approach and recorded 12-month expected credit losses on its other receivables, amount due from and loan to an associate based on the estimated loss of possible default events within the next 12 months. The directors of the Group have considered that the allowance on impairment loss is immaterial upon the initial adoption of the standard.

Trade receivables

The Group applies the simplified approach to provide for the expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

By using the lifetime ECLs model, an additional provision for trade receivables of HK\$2,244,000 was recognised as at 1 April 2018.

See Note 4(a)(iv) for details of provision for impairment of trade receivables as at 1 April 2018.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 香港財務報告準則第9號「金融工具」— 採納之影響 (續)

(ii) 金融資產減值 (續)

儘管現金及現金等價物、短期銀行存款及銀行結餘亦須遵守香港財務報告準則第9號之減值規定，惟本公司董事所識別之減值虧損並不重大。

本集團已應用一般方法，並基於未來12個月內可能違約事件之估計虧損就其他應收賬項、應收一家聯營公司賬項及貸款予一家聯營公司錄得12個月預期信貸虧損。本集團董事認為，於初步採納該準則後，減值虧損撥備並不重大。

貿易應收賬項

本集團應用簡化方法就香港財務報告準則第9號訂明之預期信貸虧損計提撥備，該準則允許就所有貿易應收賬項採用全期預期虧損撥備。

透過採用全期預期信貸虧損模式，於2018年4月1日確認額外貿易應收賬項撥備2,244,000港元。

有關於2018年4月1日貿易應收賬項之減值撥備詳情，請參閱附註4(a)(iv)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(a) HKFRS 9 “Financial Instruments” – Impact of adoption (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

The provision for impairment of trade receivables as at 31 March 2018 reconcile to the opening provision on 1 April 2018 as follows:

		HK\$'000 千港元
At 31 March 2018 – HKAS 39	於2018年3月31日	
	— 香港會計準則第39號	—
Amounts additionally provided in adoption of HKFRS 9	採納香港財務報告準則第9號時額外撥備之金額	2,244
Opening provision as at 1 April 2018 – after HKFRS 9 restatement	於2018年4月1日之期初撥備	
	— 香港財務報告準則第9號重列後	2,244

(b) HKFRS 15 “Revenue from Contracts with Customers” – Impact of adoption

HKFRS 15 replaces the provisions of HKAS 18, which resulted in changes in accounting policies that relate to revenue recognition, contract costs and presentation of contract assets and liabilities.

Details of accounting policies of HKFRS15 are disclosed in Note 3.20.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(a) 香港財務報告準則第9號「金融工具」— 採納之影響 (續)

(ii) 金融資產減值 (續)

貿易應收賬項 (續)

於2018年3月31日之貿易應收賬項減值撥備與於2018年4月1日之期初撥備對賬如下：

(b) 香港財務報告準則第15號「與客戶之間的合同產生的收入」— 採納之影響

香港財務報告準則第15號取代香港會計準則第18號之條文，引致有關收入確認、合同成本以及合同資產及負債的呈列方式的會計政策出現變動。

香港財務報告準則第15號會計政策詳情於附註3.20披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(b) HKFRS 15 “Revenue from Contracts with Customers” – Impact of adoption (Continued)

The impact on the Group’s retained earnings as at 1 April 2018 is as follows:

At 1 April 2018	於2018年4月1日	HK\$’000 千港元
Retained earnings	保留盈利 — 香港財務報告	
– after HKFRS 9 restatement	準則第9號重列後	7,479,775
Increase in sales refund liabilities with the adoption of HKFRS 15	採納香港財務報告準則第15號導致銷售退款負債增加	(47,759)
Retained earnings – after HKFRS 9 and HKFRS 15 restatement	保留盈利 — 香港財務報告準則第9號及香港財務報告準則第15號重列後	7,432,016

Adoption of HKFRS 15 – Sales refund liabilities

It is the Group’s policy to sale of jewellery products to its retail and wholesale customers with a right of returns in a designated time period at certain agreed discounts on the original selling price. Also, the Group allows its licensees to have credit refunds of royalty and service income when certain credit refund criteria are met. Prior to the adoption of HKFRS 15, the Group recognised revenue from the sale of jewellery products to retail and wholesale customers at fair values of consideration received/receivables, net of returns and trade discounts, and royalty and service income on an accrual basis in accordance with the substance of the relevant agreement.

採納香港財務報告準則第15號 — 銷售退款負債

本集團的政策是向零售及批發客戶銷售珠寶產品，並附有於指定期限按原來售價的若干協定折讓的退貨權。此外，當符合若干信貸退款標準時，本集團允許其品牌商獲得品牌及服務費收入的信貸退款。本集團採納香港財務報告準則第15號前，根據相關協議的內容，按已收／應收代價之公允值（扣除退貨及商業折扣）及按應計基準的品牌及服務費收入，確認向零售及批發客戶銷售珠寶產品的收入。

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(b) 香港財務報告準則第15號「與客戶之間的合同產生的收入」— 採納之影響 (續)

於2018年4月1日，對本集團保留盈利之影響如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(b) HKFRS 15 “Revenue from Contracts with Customers” – Impact of adoption (Continued)

Adoption of HKFRS 15 – Sales refund liabilities (Continued)

Upon the adoption of HKFRS 15, the rights of returns or credit refund are considered as variable consideration. The Group uses expected value method to estimate the return or credit refund that best predicts the amount of variable consideration on the above revenue streams. As such, the Group presents a sales refund liability and an asset for the right to recover products from a customer upon return or refund separately in the consolidated balance sheet and an aggregated amount of HK\$47,759,000 opening adjustment was recognised in the retained earnings as at 1 April 2018 to reflect the adoption of the new standard.

Adoption of HKFRS 15 – Reclassification of contract liabilities

The Group has established a customer loyalty program in which customers could earn reward points via their purchases. Under the program, customers could utilise these reward points to redeem gifts and coupons over a specific period. Upon adoption of HKFRS 15, a portion of the transaction price shall be deferred and be recognised only when the customers redeem their points or due to the expiration of these reward points. The deferred revenue related to this loyalty programme of approximately HK\$5,435,000 previously classified as “trade payables, other payables and accruals” are reclassified to “contract liabilities” upon the adoption of the new standard.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(b) 香港財務報告準則第15號「與客戶之間的合同產生的收入」— 採納之影響 (續)

採納香港財務報告準則第15號 — 銷售退款負債 (續)

採納香港財務報告準則第15號後，退貨權或信貸退款被視為可變代價。本集團採用預期價值法估計最佳預測上述收入來源可變代價金額的退貨或信貸退款。因此，本集團於綜合資產負債表就於退貨或退款後向客戶回收產品的權利單獨呈列銷售退款負債及資產及於2018年4月1日的保留盈利中確認總額為47,759,000港元的期初調整，以反映採納新準則。

採納香港財務報告準則第15號 — 重新分類合同負債

本集團已設立客戶忠誠度計劃，其中客戶可透過購物賺取獎勵積分。根據計劃，客戶可於特定期間使用該等獎勵積分兌換禮物及代金券。於採納香港財務報告準則第15號後，部分交易價格須作遞延處理，且僅於客戶進行積分兌換或有關獎勵積分到期時方予確認。於採納新準則後，先前分類為「貿易應付賬項、其他應付賬項及應計款項」的與該忠誠度計劃有關的遞延收入約5,435,000港元重新分類至「合同負債」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies (Continued)

(b) HKFRS 15 “Revenue from Contracts with Customers” – Impact of adoption (Continued)

Adoption of HKFRS 15 – Reclassification of contract liabilities (Continued)

Also, the Group reclassified the receipt in advance from customers and licensees of approximately HK\$99,602,000 previously classified as “trade payables, other payables and accruals” to “contract liabilities” as at 1 April 2018 upon the initial adoption of HKFRS 15.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Principles of consolidation and equity accounting

(a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- (i) fair values of the assets transferred
- (ii) liabilities incurred to the former owners of the acquired business
- (iii) equity interests issued by the Group
- (iv) fair value of any asset or liability resulting from a contingent consideration arrangement, and
- (v) fair value of any pre-existing equity interest in the subsidiary.

2 編製基準及會計政策變動 (續)

2.2 會計政策變動 (續)

(b) 香港財務報告準則第15號「與客戶之間的合同產生的收入」— 採納之影響 (續)

採納香港財務報告準則第15號 — 重新分類合同負債 (續)

於2018年4月1日首次採納香港財務報告準則第15號後，本集團亦將先前分類為「貿易應付賬項、其他應付賬項及應計款項」的客戶及品牌商預收款項約99,602,000港元重新分類至「合同負債」。

3 主要會計政策概要

3.1 合併原則及權益會計處理

(a) 業務合併

本集團採用購買會計法將所有業務合併入賬，不論是否已購買權益工具或其他資產。購買一間附屬公司轉讓的代價包括：

- (i) 所轉讓資產的公允值
- (ii) 被收購業務之前擁有人所產生負債
- (iii) 本集團已發行股本權益
- (iv) 或有代價安排所產生任何資產或負債的公允值，及
- (v) 附屬公司任何先前存在的股本權益的公允值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(a) Business combinations (Continued)

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:

- (i) consideration transferred,
- (ii) amount of any non-controlling interest in the acquired entity, and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in consolidated income statement as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in consolidated income statement.

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(a) 業務合併 (續)

在業務合併中所購買的可識別資產以及所承擔的負債及或然負債，初步以其於購買日期的公允值計量（少數例外情況除外）。本集團以逐項購買基準，按公允值或按非控股權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

購買相關成本於產生時支銷。

以下各項：

- (i) 所轉讓代價，
- (ii) 被收購實體的任何非控股權益金額，及
- (iii) 於被收購實體先前的任何股本權益於收購日期的公允值

超出所收購可識別資產淨值的公允值時，其差額以商譽列賬。倘該等款項低於所收購業務的可識別資產淨值的公允值，則差額將直接於綜合損益表確認為議價購買。

或有代價分類為權益或金融負債。分類為金融負債的金額其後將重新按公允值計量，且公允值變動於綜合損益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(a) Business combinations (Continued)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in consolidated income statement.

(b) Subsidiaries

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

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(a) 業務合併 (續)

倘業務合併分階段進行，則收購方先前持有的被收購方股本權益於收購日期的賬面值於收購日期重新按公允值計量。任何因該類重新計量產生的收益或虧損於綜合損益表確認。

(b) 附屬公司

附屬公司指本集團擁有控制權的所有實體（包括結構性實體）。當本集團自參與實體業務而承擔取得其可變回報的風險或享有可變回報的權利，並有能力透過其對實體活動的主導權影響該等回報時，則本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面合併入賬，並於終止控制權當日起不再合併入賬。

集團公司間交易、結存及未變現收益均會對銷。未變現虧損亦會對銷，除非該交易顯示已轉讓資產減值的證據。附屬公司的會計政策已在需要時作出調整，以確保與本集團所採納會計政策一致。

附屬公司業績及權益中的非控股權益分別於綜合損益表、綜合全面收入報表、綜合權益變動表及綜合資產負債表中單獨呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(c) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 3.9.

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(c) 聯營公司

聯營公司指本集團對其有重大影響但無控制權或共同控制權的所有實體，一般本集團擁有其20%至50%投票權。於聯營公司的投資初始按成本確認後以權益會計法入賬。

當本集團分佔權益會計投資的虧損相等於或超過在該實體的權益（包括任何其他無抵押長期應收款），則本集團不確認進一步虧損，除非其已產生義務或已代其他實體付款。

本集團與其聯營公司及合營企業之間的未變現交易利益按本集團在該等實體的權益予以對消。未變現虧損亦予以對消，除非交易提供證據證明所轉讓的資產出現減值。權益入賬被投資者的會計政策已按需要作出改動，以確保與本集團所採納者相符。

權益入賬投資的賬面值根據附註3.9所述的政策進行減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Principles of consolidation and equity accounting (Continued)

(d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS.

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

3 主要會計政策概要 (續)

3.1 合併原則及權益會計處理 (續)

(d) 擁有權權益變動

本集團將不會引致失去控制權的非控股權益交易視為與本集團權益持有人進行的交易。擁有權權益變動導致控股權益與非控股權益賬面值之間的調整以反映彼等於附屬公司的相對權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權、共同控制權或重大影響力而不再將投資綜合入賬或終止投資的權益賬目，其於有關實體之任何保留權益按其公允值重新計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益而言，該公允值為初始賬面值。此外，先前於其他全面收入確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這意味著先前在其他全面收入確認之金額將根據適用香港財務報告準則所訂明／准許重新分類至損益或轉撥至另一類別權益。

當於合營企業或聯營公司的擁有權權益減少，而共同控制權或重大影響獲保留，則先前於其他全面收入內確認的金額僅有一定比例部分重新分類至損益（如適用）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Separate financial statements

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

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

3.3 Segment reporting

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

3.4 Foreign currency translation

(a) Functional and presentation currency

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

3 主要會計政策概要 (續)

3.2 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本包括投資直接應佔成本。附屬公司的業績由本公司按已收及應收股息入賬。

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

3.3 分部呈報

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

3.4 外幣換算

(a) 功能貨幣及列賬貨幣

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Foreign currency translation (Continued)

(b) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement within 'Finance income, net'. All other foreign exchange gains and losses are presented in consolidated income statement within 'Other (losses)/gains, net'.

(c) Group companies

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

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

3 主要會計政策概要 (續)

3.4 外幣換算 (續)

(b) 交易及結餘

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

與貸款有關的匯兌盈虧在綜合損益表內之「財務收入，淨額」內呈列。所有其他匯兌盈虧在綜合損益表「其他（虧損）／收益，淨額」中呈列。

(c) 集團公司

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.4 Foreign currency translation (Continued)

(c) Group companies (Continued)

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

(d) Disposal of foreign operation and partial disposal

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

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

3 主要會計政策概要 (續)

3.4 外幣換算 (續)

(c) 集團公司 (續)

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

(d) 出售海外業務及部分出售

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

如部分出售附屬公司並未導致本集團失去對包含海外業務的該附屬公司的控制權，則按比例將累計匯兌差額重新歸屬為非控股權益，而並不於綜合損益表內確認。對於所有其他部分出售（即減持本集團於聯營公司的擁有權益並無造成本集團失去重大影響力），會按比例將累計匯兌差異重新分類至綜合損益表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment

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

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

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

Leasehold land interests classified as finance leases	Shorter of remaining lease term of 16-51 years or useful life
Buildings	50 years or over the unexpired lease period of leasehold land, whichever is shorter
Leasehold improvements	5 years or over the unexpired lease period, whichever is shorter
Furniture and fixtures and computer equipment	5 years
Plant and machinery	5 years
Motor vehicles	5 years

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

3 主要會計政策概要 (續)

3.5 物業、廠房及設備

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

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

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

分類為融資租賃之租賃土地權益樓宇	剩餘租期16至51年或使用年期的較短者50年或按租賃土地租約尚餘期間（以較短者為準）
租賃物業裝修	5年或按租約尚餘期間（以較短者為準）
傢俬、裝置及電腦設備	5年
機器及設備	5年
汽車	5年

資產之剩餘價值及可使用年期在各結算日檢討，並在適當時調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment (Continued)

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

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

3.6 Land use rights

Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, (if any). Cost represents consideration paid for the rights to use the land on which various plants and buildings are generally situated for a period from 19 to 50 years. Amortisation of land use rights is calculated on a straight-line basis over the period of the lease.

3.7 Investment properties

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

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

Depreciation is provided using the straight-line method to write off the cost of the investment properties over their estimated useful lives of 30 to 50 years. Where the carrying amount of an investment property is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

3 主要會計政策概要 (續)

3.5 物業、廠房及設備 (續)

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

出售盈虧透過將所得款項淨額與有關資產之賬面值比較釐定並計入綜合損益表。

3.6 土地使用權

土地使用權按成本值減累計攤銷及累計減值虧損 (如有) 列賬。成本指就使用通常建有多幢廠房及樓宇之土地之權利 (為期19至50年) 支付之代價。土地使用權攤銷按租賃年期以直線法計算。

3.7 投資物業

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

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

折舊採用為期30至50年之估計可使用年期按直線法撇銷投資物業之成本。倘投資物業賬面值高於其估計可收回金額，則即時撇減至其可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.7 Investment properties (Continued)

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

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

3.8 Trading licence

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

3 主要會計政策概要 (續)

3.7 投資物業 (續)

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

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

3.8 交易執照

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.9 Impairment of non-financial assets

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

3.10 Inventories

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

3.11 Investments and other financial assets

(a) Accounting policies applied from 1 April 2018

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

3 主要會計政策概要 (續)

3.9 非金融資產之減值

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

3.10 存貨

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

3.11 投資及其他金融資產

(a) 自2018年4月1日起應用之會計政策

(i) 分類

本集團將其金融資產按以下計量類別分類：

- 其後將按公允值計量（計入其他全面收入或計入損益），及
- 將按攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

(a) Accounting policies applied from 1 April 2018 (Continued)

(i) Classification (Continued)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) 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.

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

(a) 自2018年4月1日起應用之會計政策 (續)

(i) 分類 (續)

分類取決於實體管理金融資產及現金流量合約期之業務模式。

對於按公允值計量之資產，收益及虧損將於損益或其他全面收入列賬。對於並非持作買賣之股本工具投資，其將取決於本集團於初步確認時是否不可撤回地選擇以按公允值計入其他全面收入將股權投資入賬。

當且僅當其管理該等資產之業務模式發生變動時，本集團方會重新分類債務工具。

(ii) 確認及終止確認

金融資產之定期買賣乃於本集團承諾買賣該資產之日（即交易日）確認。本集團於收取來自金融資產之現金流量之權利屆滿或已被轉讓，且本集團已轉讓擁有權之絕大部分風險及回報時終止確認金融資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

(a) Accounting policies applied from 1 April 2018 (Continued)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classified its debt instruments as financial assets at amortised cost.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other losses, net, together with foreign exchange gains and losses. Impairment losses are presented in separate line item in the consolidated income statement.

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

(a) 自2018年4月1日起應用之會計政策 (續)

(iii) 計量

於初步確認時，本集團按金融資產之公允值另加（倘並非按公允值計入損益之金融資產）直接歸屬於收購金融資產之交易成本計量該金融資產。按公允值計入損益之金融資產的交易成本於損益中支銷。

債務工具

債務工具之其後計量取決於本集團管理資產之業務模式及該資產之現金流量特徵。本集團將其債務工具分類為按攤銷成本列賬之金融資產。

持作收取合約現金流量之資產，倘該等現金流量僅指支付本金及利息，則按攤銷成本計量。該等金融資產之利息收入採用實際利率法計入財務收入。終止確認產生之任何收益或虧損直接於損益中確認，並與匯兌盈虧一併於「其他虧損·淨額」中呈列。減值虧損於綜合損益表內作為單獨項目呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

(a) Accounting policies applied from 1 April 2018 (Continued)

(iii) Measurement (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other losses, net in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

(a) 自2018年4月1日起應用之會計政策 (續)

(iii) 計量 (續)

股本工具

本集團隨後按公允值計量所有股權投資。倘本集團管理層已選擇於其他全面收入中呈列股權投資之公允值收益及虧損，則於終止確認該投資後，隨後並無重新分類公允值收益及虧損至損益。當本集團收取付款之權利確立時，有關投資之股息繼續於損益中確認為其他收入。

按公允值計入損益的金融資產之公允值變動於綜合損益表的其他虧損，淨額確認（倘適用）。按公允值計入其他全面收入計量的股本投資之減值虧損（及減值虧損撥回）不會與其他公允值變動分開呈報。

(iv) 減值

本集團按前瞻性基準評估與其按攤銷成本列賬之債務工具相關的預期信貸虧損。所應用的減值方式視乎信貸風險是否有大幅增加而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

b) Accounting policies applied until 31 March 2018

(i) Classification

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

Financial assets at fair value through profit or loss

The Group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, ie are held for trading. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. The Group has not elected to designate any financial assets at fair value through profit or loss.

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

b) 2018年3月31日前應用之會計政策

(i) 分類

本集團已追溯應用香港財務報告準則第9號，惟選擇不重列比較信息。因此，所提供的比較信息繼續根據本集團先前的會計政策入賬。

直至2018年3月31日，本集團將其金融資產分為以下類別：貸款及應收賬項、按公允值計入損益之金融資產及可供出售金融資產。類別乃視乎所收購金融資產之目的而定。管理層於本集團初步確認金融資產時釐定類別。

按公允值計入損益之金融資產

倘收購金融資產的主要目的為於短期內出售（即持作買賣），則本集團將該等金融資產分類為按公允值計入損益。倘該等金融資產預期於報告期末後12個月內出售，則按流動資產呈列，否則列作非流動資產。本集團並無選擇指定任何按公允值計入損益之金融資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

b) Accounting policies applied until 31 March 2018 (Continued)

(i) Classification (Continued)

Loans and receivables

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

Available-for-sale financial assets

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

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

b) 2018年3月31日前應用之會計政策 (續)

(i) 分類 (續)

貸款及應收賬項

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

可供出售金融資產

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

b) Accounting policies applied until 31 March 2018 (Continued)

(ii) Recognition and measurement

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

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

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

b) 2018年3月31日前應用之會計政策 (續)

(ii) 確認及計量

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

b) Accounting policies applied until 31 March 2018 (Continued)

(ii) Recognition and measurement (Continued)

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

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

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

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

b) 2018年3月31日前應用之會計政策 (續)

(ii) 確認及計量 (續)

分類為可供出售的貨幣及非貨幣證券的公允值變動於其他全面收入確認。

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

b) Accounting policies applied until 31 March 2018 (Continued)

(iii) Impairment

Assets carried at amortised cost

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

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

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

b) 2018年3月31日前應用之會計政策 (續)

(iii) 減值

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

b) Accounting policies applied until 31 March 2018 (Continued)

(iii) Impairment (Continued)

Assets carried at amortised cost (Continued)

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

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

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

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

b) 2018年3月31日前應用之會計政策 (續)

(iii) 減值 (續)

按攤銷成本列賬的資產 (續)

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

倘有實際需要，本集團可採用觀察所得市價按工具之公允值計量減值。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Investments and other financial assets (Continued)

b) Accounting policies applied until 31 March 2018 (Continued)

(iii) Impairment (Continued)

Financial assets classified as available-for-sale

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

3 主要會計政策概要 (續)

3.11 投資及其他金融資產 (續)

b) 2018年3月31日前應用之會計政策 (續)

(iii) 減值 (續)

分類為可供出售的金融資產

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

3.13 Derivative financial instruments which do not qualify for hedge accounting

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

3.14 Trade and other receivables

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

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

See Note 3.11(a) for a description of the Group's impairment policies.

3 主要會計政策概要 (續)

3.12 抵銷金融工具

當具有抵銷已確認金額之合法強制執行權，且擬按淨額基準結算或同時變現資產和結算負債時，金融資產與負債會互相抵銷，並在綜合資產負債表報告其淨額。此項合法強制執行權利不得以未來事項作為條件，且必須可於正常業務過程中及本公司或對手方違約、無力償還或破產時強制執行。本集團亦已經訂立不符合抵銷準則之安排，惟仍然容許在若干情況下抵銷相關金額，如破產或終止合約。

3.13 不符合資格作對沖會計處理之衍生金融工具

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

3.14 貿易及其他應收賬項

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

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

有關本集團減值政策的說明，請參閱附註3.11(a)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.15 Cash and cash equivalents

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

3.16 Trade and other payables

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

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

3.17 Borrowings

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

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

3 主要會計政策概要 (續)

3.15 現金及現金等價物

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

3.16 貿易及其他應付賬項

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

貿易及其他應付賬項按公允值初步確認，其後以實際利率法按攤銷成本計量。

3.17 貸款

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.17 Borrowings (Continued)

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated income statement.

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

3.18 Current and deferred income tax

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

(a) Current income tax

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

3 主要會計政策概要 (續)

3.17 貸款 (續)

當合約中規定的責任解除、取消或屆滿時，貸款將從綜合資產負債表中剔除。已消除或轉讓予另一方的金融負債的賬面值與已支付代價（包括已轉讓的任何非現金資產或已承擔的負債）之間的差額，在綜合損益表中確認。

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

3.18 即期及遞延所得稅

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

(a) 即期所得稅

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.18 Current and deferred income tax (Continued)

(b) Deferred income tax

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

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3 主要會計政策概要 (續)

3.18 即期及遞延所得稅 (續)

(b) 遞延所得稅

遞延所得稅利用負債法就資產和負債之稅基與在綜合財務報表之賬面值產生之暫時差額悉數計提撥備。然而，若遞延稅項負債來自商譽之初步確認，則不予確認。若遞延所得稅來自在交易（不包括業務合併）中對資產或負債之初步確認，而在交易時不影響會計損益或應課稅溢利或虧損，則亦不作記賬。遞延所得稅採用在報告期末前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將應用之稅率（及法例）而釐定。

遞延稅項資產僅就可能未來應課稅金額而就此可使用該等暫時差額及虧損而確認。

倘公司能夠控制暫時差額之撥回時間且於可見將來可能不會撥回該等差額，遞延稅項負債及資產不會確認海外業務投資之賬面值與稅基之間的暫時差額。

當有合法可強制執行權利抵銷即期稅項資產及負債及當遞延稅項結餘乃關於同一稅務機關時，則會抵銷遞延稅項資產及負債。倘實體有合法可強制執行權利抵銷且擬按淨額基準結算或同時變現資產及結清負債，則會抵銷即期稅項資產及稅項負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.18 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.19 Employee benefits

(a) Employee leave entitlements

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

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

(b) Profit sharing and bonus plans

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

(c) Pension obligations

Hong Kong

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

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

3 主要會計政策概要 (續)

3.18 即期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

即期及遞延稅項在損益中確認，惟倘其與在其他全面收入或直接於權益確認的項目相關則除外。在該情況下，亦分別會在其他全面收入或直接在權益內確認稅項。

3.19 僱員福利

(a) 僱員休假權利

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

僱員享有病假及分娩假期之權利於僱員休假時方予確認。

(b) 溢利分享及花紅計劃

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

(c) 退休金責任

香港

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Employee benefits (Continued)

(c) Pension obligations (Continued)

Mainland China

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

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

(d) Defined benefit obligation – long service payment

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

3 主要會計政策概要 (續)

3.19 僱員福利 (續)

(c) 退休金責任 (續)

中國內地

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

本集團向國家資助之退休計劃供款於產生時支銷，並即時全數歸屬僱員。

(d) 界定福利責任 — 長期服務金

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Revenue and income recognition

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

(a) Sales of goods – wholesale

(i) *Accounting policies applied from 1 April 2018*

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

A sales refund liability and an asset for the right of return goods are recognised in the consolidated balance sheet. The Group uses the expected value method to estimate the credit refund or return which best predicts the amount of reliable consideration to which the Group entitled.

3 主要會計政策概要 (續)

3.20 收益及收入確認

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

(a) 銷售貨品 — 批發

(i) *自2018年4月1日起應用之會計政策*

本集團向其客戶製造及銷售一系列黃金首飾及珠寶首飾。當本集團實體已將貨品交付客戶，並無涉及通常與擁有權相關聯的持續管理，亦無保留對已銷售貨品的控制權，且並無未履責任可能影響對產品的接收時，貨品銷售即確認入賬。當產品已付運至指定地點，廢棄及損失風險已轉讓予客戶，而客戶已根據銷售合約接收產品、接收條款已作廢，或本集團有客觀證據顯示所有接收條款已經履行後，方始計作已交付貨品。

銷售退貨權的退款負債及資產乃於綜合資產負債表中確認。本集團採用預期價值法估計信貸退款或退貨，其為本集團有權獲得的可靠代價金額之最佳預測。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Revenue and income recognition (Continued)

(a) Sales of goods – wholesale (Continued)

(ii) Accounting policies applied until 31 March 2018

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

(b) Sales of goods – retail

(i) Accounting policies applied from 1 April 2018

The Group operates a chain of retail shops selling a variety of gold and platinum jewellery and gem-set jewellery products. Revenue from the sale of goods is recognised when a group entity sells a product to the customer.

3 主要會計政策概要 (續)

3.20 收益及收入確認 (續)

(a) 銷售貨品 — 批發 (續)

(ii) 2018年3月31日前應用之會計政策

當集團實體交付產品予客戶時確認銷售貨品，沒有保留任何一般與擁有權相關之持續管理權或已售貨品之控制權，而未履行義務並無可能影響產品接收。當產品已付運至特定地點，過時及損失風險已轉移至客戶，而客戶已根據銷售合同接收產品、或所有接收條款已作廢，或本集團有客觀證據顯示所有接收條款已經履行後，貨品交付才算產生。

(b) 銷售貨品 — 零售

(i) 自2018年4月1日起應用之會計政策

本集團經營連鎖零售店，售賣各類黃白金首飾及珠寶首飾產品。當集團實體向客戶銷售產品時確認為銷售貨品收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Revenue and income recognition (Continued)

(b) Sales of goods – retail (Continued)

(i) *Accounting policies applied from 1 April 2018 (Continued)*

Payment of the transaction price is due immediately when the customer purchases the gold and platinum jewellery and gem-set jewellery products. It is the Group's policy to sell its products to the end customer with a right of return within one year at an agreed discount on the original selling price. A sales refund liability and an asset for the right of return goods are recognised in the consolidated balance sheet. The Group uses the expected value method to estimate the sales refund or return which best predicts the amount of reliable consideration to which the Group entitled.

(ii) *Accounting policies applied until 31 March 2018*

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

3 主要會計政策概要 (續)

3.20 收益及收入確認 (續)

(b) 銷售貨品 — 零售 (續)

(i) *自2018年4月1日起應用之會計政策 (續)*

客戶購買黃白金首飾及珠寶首飾產品時須即時支付交易價格。本集團的政策是向終端客戶銷售其產品，並附有可於一年內以原售價的協定折扣的退貨權。退貨權的銷售退款負債及資產於綜合資產負債表確認。本集團利用預期價值法估計銷售退款或退貨，其為本集團有權獲得的可靠代價金額的最佳預測。

(ii) *2018年3月31日前應用之會計政策*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Revenue and income recognition (Continued)

(c) Royalty and service income

(i) *Accounting policies applied from 1 April 2018*

Royalty and service income in respect of the use of the Group's trademarks is recognised overtime on an accrual basis in accordance with the substance of the relevant agreements. The refund of credit to licensees when certain credit refund criteria is met are considered as variable consideration. The Group uses expected value method to estimate the credit refund which best predicts the amount of variable consideration to which the Group entitled.

(ii) *Accounting policies applied until 31 March 2018*

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

(d) Consultancy fee income

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

(e) Interest income from bank deposits

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

(f) Rental income

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

(g) Commission income

Commission income is recognised in the period when the referral services are provided.

3 主要會計政策概要 (續)

3.20 收益及收入確認 (續)

(c) 品牌及服務費收入

(i) *自2018年4月1日起應用之會計政策*

有關使用本集團商標之品牌及服務費收入乃根據相關協議的內容按累計基準隨時間確認。當符合若干信貸退款標準時，退予品牌商之信貸款項被視為可變代價。本集團採用預期價值法估計信貸退款，其為本集團有權獲得的可變代價金額之最佳預測。

(ii) *2018年3月31日前應用之會計政策*

有關使用本集團商標之品牌及服務費收入乃根據相關協議的內容按累計基準確認。

(d) 顧問費收入

有關提供技術支援及顧問服務之顧問費收入，於提供服務之期間確認。

(e) 銀行存款利息收入

銀行存款利息收入使用實際利率法按時間比例基準確認。

(f) 租金收入

租金收入於租期內以直線法確認。

(g) 佣金收入

佣金收入於提供轉介服務期間予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Operating leases (as a lessee)

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

3.22 Dividend distribution

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

4 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

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

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

3 主要會計政策概要 (續)

3.21 經營租賃 (作為承租人)

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

3.22 股息分派

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

4 財務風險管理

(a) 財務風險因素

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(i) Foreign exchange risk

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

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

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

At 31 March 2019, if RMB had strengthened/weakened by 5% against HK\$, with all other variables held constant, post-tax profit would have been approximately HK\$34,968,000 (2018: HK\$19,237,000) higher/lower respectively.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(i) 外匯風險

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

本集團透過定期檢討本集團的外匯風險淨額管理其外匯風險。本集團亦根據需要使用外匯衍生合約管理其來自以集團公司功能貨幣之外的貨幣（主要為人民幣）計值之未來商業交易和已確認資產或負債的外匯風險。

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

於2019年3月31日，倘人民幣兌港元增值／貶值5%，而所有其他參數保持不變，除稅後溢利將相應增加／減少約34,968,000港元（2018年：19,237,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(ii) Cash flow and fair value interest rate risk

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

At 31 March 2019, if interest rates on borrowings had increased/decreased by 50 basis points with all other variables held constant, the impact on post-tax profit for the year would have been approximately HK7,746,000 (2018: HK\$1,733,000) lower/higher respectively.

(iii) Commodity price risk

The Group mainly engaged in the sales of gold ornaments. The gold markets are influenced by global as well as regional supply and demand conditions. A significant decline in the prices of gold could adversely affect the Group's financial performance. The Group manages commodity price risks mainly by hedging gold price fluctuations through certain derivative financial instrument-trading of gold contracts, gold loans and gold future contracts. Should the gold price go up, the Group would charge a loss representing the increase in gold price compared to the contract price, and largely net against the increase in turnover of gold products as a result of gold price increase.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(ii) 現金流量及公允值利率風險

本集團的收入及經營現金流量大致上不受市場利率變動影響，蓋因除了已認購的可換股債券及向聯營公司發放分別為定息及免息之貸款會令本集團承受公允值利率風險外，本集團並無重大計息資產。本集團的利率風險亦來自黃金借貸及銀行貸款。定息黃金借貸令本集團承受公允值利率風險。浮息銀行貸款令本集團承受現金流量利率風險。本集團並無訂立衍生工具以應付該等風險。

於2019年3月31日，倘貸款利率上升／下降50個基點，而所有其他參數保持不變，則年內除稅後溢利將相應減少／增加約7,746,000港元（2018年：1,733,000港元）。

(iii) 商品價格風險

本集團主要從事黃金首飾銷售之業務。黃金市場受全球以及地區供求狀況影響。黃金價格大幅下跌可能對本集團之財務表現造成不利影響。本集團主要透過使用若干黃金買賣合約衍生金融工具、黃金借貸及黃金期貨合約對沖黃金價格波動以管理商品價格風險。倘黃金價格上升，本集團將列支之虧損相當於黃金價格相較合約價之升幅，其中大部分為因黃金價格上升導致的黃金產品營業額增加所抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iii) Commodity price risk (Continued)

The gold contracts are settled on daily basis and the differences between the contract price and market price are immediately recognised in the consolidated income statement. As at 31 March 2019, the notional value of the outstanding gold contracts amounted to HK\$176,514,000 (2018: HK\$181,186,000).

The gold loans (Note 33) are settled at maturity which usually mature in 1 to 6 months from date of inception and the fair value changes are immediately recognised in the consolidated income statement. As at 31 March 2018, gold loan contracts of 510 kilograms amounting to HK\$170,591,000 involved physical settlement, which were fully settled during the year ended 31 March 2019. As at 31 March 2019, gold loans of HK\$450,889,000 (2018: HK\$140,692,000) represents gold loans involved cash settlement.

The gold future and gold forward contracts are settled at maturity which usually mature in 1 to 2 months from date of inception and the fair value changes are immediately recognised in the consolidated income statement. As at 31 March 2019, all the gold future contracts and gold forward contracts are settled.

As at 31 March 2019, if the market price of gold had increased or decreased by 5%, post-tax profit for the year ended 31 March 2019, due to changes in fair values of gold contracts, would have been approximately HK\$7,370,000 (2018: HK\$7,565,000) lower or higher respectively.

As at 31 March 2019, if the market price of gold had increased or decreased by 5%, post-tax profit for the year ended 31 March 2019, due to changes in fair values of gold loans, would have been approximately HK\$18,825,000 (2018: HK\$13,125,000), lower or higher respectively.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iii) 商品價格風險 (續)

黃金合約按日結算。合約價及市場價格之差額乃即時於綜合損益表內確認。於2019年3月31日，未平倉黃金合約之名義價值為176,514,000港元 (2018年：181,186,000港元)。

黃金借貸 (附註33) 在到期 (通常為開始日期後一至六個月到期) 時結算，公允值變動即時於綜合損益表中確認。於2018年3月31日，價值170,591,000港元之510千克黃金借貸合約涉及實物交割，該所有合約均已在截至2019年3月31日止年度結清。於2019年3月31日，黃金借貸450,889,000港元 (2018年：140,692,000港元) 乃涉及現金交割之黃金借貸。

黃金期貨及黃金遠期合約在到期 (通常為開始日期後一至兩個月到期) 時結算，公允值變動即時於綜合損益表中確認。於2019年3月31日，所有的黃金期貨及黃金遠期合約均已結清。

於2019年3月31日，倘黃金之市場價格上升或下跌5%，則因黃金合約之公允值變動導致截至2019年3月31日止年度之除稅後溢利分別減少或增加約7,370,000港元 (2018年：7,565,000港元)。

於2019年3月31日，倘黃金之市場價格上升或下跌5%，則因黃金借貸之公允值變動導致截至2019年3月31日止年度之除稅後溢利分別減少或增加約18,825,000港元 (2018年：13,125,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk

The Group has no significant concentrations of credit risk. The carrying amount of the loan to an associate, amount due from an associate, trade and other receivables, deposits and bank balances included in the consolidated balance sheet, the principal amount of the subscribed convertible bond and the amount of contingent liabilities as disclosed in Note 36 represent the Group's maximum exposure to credit risk in relation to its financial assets and contingent liabilities.

As at 31 March 2019 and 2018, substantially all the bank balances as detailed in Note 26 are held in major financial institutions located in Hong Kong and Mainland China, which management believes are of high credit quality. The Group has a policy to limit the amount of credit exposure to any financial institution and management does not expect any losses arising from non-performance by these counterparties.

The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's concessionaire sales through department stores are generally collectible within 30 days from the invoice date while credit sales are generally on credit terms within 90 days. Normally the Group does not require collaterals from trade debtors. The existing debtors have no significant defaults in the past. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables, if any, has been made.

4 財務風險管理(續)

(a) 財務風險因素(續)

(iv) 信貸風險

本集團並無任何重大集中信貸風險之情況。記入綜合資產負債表內之貸款予一家聯營公司、應收一家聯營公司賬項、貿易及其他應收賬項、按金及銀行結餘之賬面值、已認購之可換股債券的本金額及於附註36披露之或然負債的金額為本集團就金融資產及或然負債面對之最高信貸風險。

誠如附註26所詳述，於2019年及2018年3月31日之絕大部分銀行結餘由位於香港及中國內地的大型金融機構持有，管理層認為該等金融機構的信貸質量優良。本集團採取政策限制對任何金融機構的信貸風險，且管理層預期不會出現任何因此等金融機構不履約而產生的虧損。

本集團有既定政策確保向信貸記錄良好之客戶以信貸形式銷售產品，且本集團對客戶進行定期信用評估。本集團於百貨商場之特許銷售一般可於發票日起30日內收到貨款，而信貸銷售之信貸期一般為90日之內。本集團通常不要求貿易債務人提供擔保。現有債務人過去並無重大拖欠記錄。本集團貿易及其他應收賬項之過往收款經驗屬於記錄撥備幅度內，故董事認為，已就不可收回之應收賬項(如有)作出足夠撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:

- Amount due from and loan to an associate
- Other receivables
- Trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure expected credit losses, the Group categorises its trade receivables based in the nature of customer accounts and shared credit risk characteristics.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 March 2019 or 1 April 2018 (date of initial adoption of HKFRS9) respectively and the corresponding historical credit losses experienced within the respective period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

金融資產減值

本集團擁有下列須遵照預期信貸虧損模式之金融資產類別：

- 應收一家聯營公司賬項及貸款予一家聯營公司
- 其他應收賬項
- 貿易應收賬項

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，該方法就所有貿易應收賬項採用全期預期虧損撥備。

為計量預期信貸虧損，本集團根據客戶賬戶性質及攤佔信貸風險特徵，將其貿易應收賬項分類。

預期虧損率乃分別基於2019年3月31日或2018年4月1日（首次採納香港財務報告準則第9號之日）前36個月期間之銷售付款記錄及於有關期間內已經歷之相應過往信貸虧損得出。過往虧損率乃經調整以反映影響客戶結算應收賬項能力之宏觀經濟因素的當前及前瞻性信息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

Impairment of financial assets (Continued)

The lifetime expected credit loss allowance of trade receivables as at 31 March 2019 was determined as follows:

		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-180 days past due	Over 180 days past due	Total
		即期	1-30天逾期	31-60天逾期	61-90天逾期	91-180天逾期	180天以上逾期	總計
Gross carrying amount (HK\$'000)	總賬面值 (千港元)	360,501	320	220	173	165	2,592	363,971
Lifetime expected credit loss allowance (HK\$'000)	全期預期信貸虧損撥備 (千港元)	-	-	-	-	-	(1,296)	(1,296)

The lifetime expected credit loss allowance of trade receivables as at 1 April 2018 (on initial adoption of HKFRS 9) was determined as follows:

		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-180 days past due	Over 180 days past due	Total
		即期	1-30天逾期	31-60天逾期	61-90天逾期	91-180天逾期	180天以上逾期	總計
Gross carrying amount (HK\$'000)	總賬面值 (千港元)	341,915	8,769	3,035	1,559	31	4,487	359,796
Lifetime expected credit loss allowance (HK\$'000)	全期預期信貸虧損撥備 (千港元)	-	-	-	-	-	(2,244)	(2,244)

The lifetime expected credit loss rate is 0% (1 April 2018: 0%) for current to 180 days past due, and 50% (1 April 2018: 50%) for over 180 days past due, respectively.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

金融資產減值 (續)

於2019年3月31日之貿易應收賬項全期預期信貸虧損撥備釐定如下：

於2018年4月1日 (首次採納香港財務報告準則第9號當日) 之貿易應收賬項全期預期信貸虧損撥備釐定如下：

即期至逾期180天之全期預期信貸虧損率為0% (2018年4月1日: 0%)，而逾期180天以上者為50% (2018年4月1日: 50%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

Impairment of financial assets (Continued)

The movement of loss allowances for trade receivables is as follows:

		Trade receivables 貿易應收賬項 HK\$'000 千港元
Loss allowance at 31 March 2018 – HKAS 39	於2018年3月31日之虧損撥備 — 香港會計準則第39號	–
Amounts additionally provided on adoption of HKFRS 9	採納香港財務報告準則第9號時額外撥備之金額	2,244
Opening loss allowance at 1 April 2018 – HKFRS 9	於2018年4月1日之期初虧損撥備 — 香港財務報告準則第9號	2,244
Increase in loss allowance recognised in profit and loss	已於損益確認之虧損撥備增加	25,877
Written off of loss allowance	撇銷虧損撥備	(26,825)
Loss allowance at 31 March 2019	於2019年3月31日之虧損撥備	1,296

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments upon termination of business relationship.

The Group has applied the general approach and recorded 12-month expected credit losses on its other receivables and deposits, amount due from an associate and loan to an associate based on the estimated loss of possible default events within the next 12 months. The directors of the Company has considered that the allowance on impairment loss is immaterial upon the initial adoption of the standard and as at 31 March 2019.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

金融資產減值 (續)

貿易應收賬項減值撥備之變動如下：

貿易應收賬項於並無合理收回款項之預期時撇銷。指標為並無合理收回款項之預期包括 (其中包括) 債務人未能與本集團訂立還款計劃，及於終止業務關係後未能作出合約付款。

本集團已應用一般方法，並基於未來12個月內可能違約事件之估計虧損就其他應收賬項及按金、應收一家聯營公司賬項及貸款予一家聯營公司錄得12個月預期信貸虧損。本公司董事認為，於初步採納該準則後及於2019年3月31日，減值虧損撥備並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(iv) Credit risk (Continued)

Impairment of financial assets (Continued)

While cash and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss by the directors of the Company was determined to be immaterial upon the initial adoption of the standard and as at 31 March 2019.

(v) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities.

The Group's primary cash requirements have been for additions of and upgrades on property, plant and equipment, payment on debts, purchases and operating expenses. The Group finances its working capital requirements through a combination of internal resources and bank borrowings, as necessary.

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure it maintains sufficient cash and bank balances and has available funding through adequate amount of committed credit facilities to meet its working capital requirements.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(iv) 信貸風險 (續)

金融資產減值 (續)

儘管現金及銀行結餘亦須遵守香港財務報告準則第9號之減值規定，惟本公司董事釐定所識別之減值虧損於初步採納該準則後及於2019年3月31日並不重大。

(v) 流動資金風險

審慎之流動資金風險管理指維持充足現金及銀行結餘，以及透過充裕之已承諾信貸融資以維持可供動用資金。

本集團之基本現金需求為添置及提升物業、廠房及設備，償還債務以及購貨及經營開支。本集團透過結合內部資源及銀行貸款（如需要）撥付其營運資金需求。

本集團之政策為定期監控目前及預期流動資金需求，以確保維持足夠之現金及銀行結餘及透過足夠之已承諾信貸融資取得備用資金，以應付其營運資金需要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payments computed using contractual rates, based on the earliest date on which the Group can be required to pay.

Maturity Analysis – Undiscounted cash outflows

	Repayable on demand	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
	須按要求償還	一年內	超過一年 但少於兩年	超過兩年 但少於五年	未貼現現金 流出量總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 March 2019	於2019年3月31日				
Trade payables and other payables					
	-	742,811	-	-	742,811
Amount due to an associate	-	2,715	-	-	2,715
Gold loans with cash settlement	-	451,475	-	-	451,475
Bank borrowings	1,866,393	-	-	-	1,866,393
	1,866,393	1,197,001	-	-	3,063,394
Financial guarantee contracts (Note)	-	1,075,000	-	-	1,075,000
As at 31 March 2018	於2018年3月31日				
Trade payables and other payables					
	-	888,925	-	-	888,925
Amount due to an associate	-	3,555	-	-	3,555
Gold loans with cash settlement	-	141,029	-	-	141,029
Bank borrowings	415,626	-	-	-	415,626
	415,626	1,033,509	-	-	1,449,135
Financial guarantee contracts (Note)	-	898,630	-	-	898,630

Note:

The amount included in the above financial guarantee contracts represent the outstanding financial guarantee issued to several banks in respect of bank facilities granted to an associate of the Group as disclosed in Note 36 to the consolidated financial statements.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

下表將本集團金融負債根據於結算日至合約到期日之餘下期間進行分析，分至有關到期日組別。表內披露之款項乃根據本集團可能被要求付款之最早日期計算之合約未貼現現金流量（包括採用合約利率計算的利息付款）。

到期日分析 — 未貼現現金流出量

附註：

誠如綜合財務報表附註36所披露，上述財務擔保合約中的款項乃就授予本集團聯營公司的銀行融資向若干銀行發行的未償還財務擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

Maturity Analysis – Bank borrowings subject to repayment on demand clauses based on scheduled repayments including interest payable

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

到期日分析—銀行貸款須根據預定還款(包括應付利息)遵守按要求償還條款

		Within 1 year 一年內 HK\$'000 千港元	More than 1 year but less than 2 years 超過一年 但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 超過兩年 但少於五年 HK\$'000 千港元	Total undiscounted cash outflows 未貼現現金 流出量總計 HK\$'000 千港元
As at 31 March 2019	於2019年3月31日				
Bank borrowings	銀行貸款	1,786,374	50,941	29,078	1,866,393
As at 31 March 2018	於2018年3月31日				
Bank borrowings	銀行貸款	415,626	-	-	415,626

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

Maturity Analysis – Undiscounted cash outflows (Continued)

The table below analyses the Group's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

		More than 1 year but less than 2 years 超過一年 但少於兩年	More than 2 years but less than 5 years 超過兩年 但少於五年	Total undiscounted cash outflows 未貼現現金 流出量總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 March 2019	於2019年3月31日			
Foreign exchange forward contracts	外匯遠期合約			
- Inflow	- 流入	239,492	-	239,492
- Outflow	- 流出	241,176	-	241,176

(b) Fair value estimation

The carrying amounts of the Group's financial assets, including cash and bank balances, trade receivables, other receivables, deposits, amount due from an associate and loan to an associate and the Group's financial liabilities, including trade and other payables, amount due to an associate and bank borrowings approximate their fair values due to their maturities.

The fair values of financial instruments traded in active markets (such as gold loans) are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

4 財務風險管理 (續)

(a) 財務風險因素 (續)

(v) 流動資金風險 (續)

到期日分析 — 未貼現現金流出量 (續)

下表根據資產負債表日期餘下期間至合約到期日，將本集團的將按總額基準結算的衍生金融工具按有關到期日組別進行分析。表內披露的金額為合約未貼現現金流量。由於貼現的影響不大，於12個月內到期的結餘與彼等賬面結餘相等。

(b) 公允值估計

本集團金融資產 (包括現金及銀行結餘、貿易應收賬項、其他應收賬項、按金、應收一家聯營公司賬項及貸款予一家聯營公司) 以及本集團金融負債 (包括貿易及其他應付賬項、應付一家聯營公司賬項及銀行貸款) 因各自的期限，其賬面值與公允值相若。

於活躍市場買賣的金融工具 (如黃金借貸) 的公允值，按於結算日的市場報價計算。就本集團所持金融資產採用的市場報價為當前買入價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation (Continued)

The fair values of financial assets and liabilities not traded in active markets are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The table below analyses financial instruments carried at fair values, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table present the Group's financial assets and financial liabilities that are measured at fair values at 31 March 2019.

4 財務風險管理 (續)

(b) 公允值估計 (續)

未於活躍市場買賣的金融資產及負債之公允值乃按本集團就類似金融工具可獲得之現時市場利率貼現未來合約現金流量而估計。

下表為採用估值法對按公允值列賬的金融工具的分析。已界定的不同級別如下：

- 同類資產或負債在活躍市場上的報價（未經調整）（第一級）。
- 除第一級所包括的報價外，資產或負債的可直接（即價格）或間接（即從價格得出）觀察所得輸入值（第二級）。
- 並非根據可觀察市場數據釐定的資產或負債輸入值（即不可觀察輸入值）（第三級）。

下表呈列本集團於2019年3月31日按公允值計量的金融資產及金融負債。

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2019	於2019年3月31日				
Assets	資產				
- Derivative financial instruments	- 衍生金融工具				
- Convertible bond	- 可換股債券	-	56,219	-	56,219
- Financial assets at fair value through other comprehensive income	- 按公允值計入其他全面收入之金融資產	3,134	-	-	3,134
Total asset	總資產	3,134	56,219	-	59,353
Liabilities	負債				
- Derivative financial instrument	- 衍生金融工具				
- Foreign exchange forward contracts	- 外匯遠期合約	-	3,929	-	3,929
- Gold loans with cash settlement	- 現金交割黃金借貸	450,889	-	-	450,889
		450,889	3,929	-	454,818

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Fair value estimation (Continued)

The following table present the Group's financial assets and financial liabilities that are measured at fair values at 31 March 2018.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2018	於2018年3月31日				
Assets	資產				
- Derivative financial instruments	- 衍生金融工具				
- Convertible bond	- 可換股債券	-	50,782	-	50,782
- Available-for-sale financial assets	- 可供出售金融資產	6,075	-	-	6,075
Total asset	總資產	6,075	50,782	-	56,857
Liabilities	負債				
- Gold loans with cash settlement	- 現金交割黃金借貸	140,692	-	-	140,692

The following table present the Group's liabilities that are measured at fair values at 31 March 2018.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Liabilities	負債				
- Gold loans with physical settlement	- 實物交割黃金借貸	170,591	-	-	170,591

The Group's policy is to recognise transfer into and transfer out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfer between levels 1, 2 and 3 during the years ended 31 March 2018 and 2019.

4 財務風險管理 (續)

(b) 公允值估計 (續)

下表呈列本集團於2018年3月31日按公允值計量的金融資產及金融負債。

下表呈列本集團於2018年3月31日按公允值計量的負債。

本集團的政策是於導致轉撥之事件發生或情況改變之日確認有關公允值層次轉入和轉出。

截至2018年及2019年3月31日止年度內，第一、第二級與第三級之間並無任何轉撥。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, issue of new shares or obtain new bank borrowings.

The Group also monitors capital on the basis of gearing ratio. The gearing ratio is calculated as net debt/(cash) divided by total capital. Net debt/(cash) is calculated as total borrowings (including bank borrowings and gold loans) less cash and bank balances. Total capital is calculated as "equity", as shown in the consolidated balance sheet, plus net debt/(cash).

The table below analyses the Group's capital structure as at 31 March 2019:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Bank borrowings (Note 32)	銀行貸款(附註32)	1,855,224	415,000
Gold loans (Note 33)	黃金借貸(附註33)	450,889	311,283
Less: Cash and bank balances (Note 26)	減: 現金及銀行結餘 (附註26)	(2,086,522)	(2,097,867)
Net debt/(cash)	淨債項/(現金)	219,591	(1,371,584)
Total equity	權益總額	10,562,916	10,079,737
Total capital	總資本	10,782,507	8,708,153
Gearing ratio	負債資產比率	2.0%	N/A不適用

The Group's strategy is to maintain a solid capital base to support the operations and development of its business in the long term.

4 財務風險管理(續)

(c) 資本風險管理

本集團管理資本的目標為保障本集團持續運作的能力，從而為股東提供回報、為其他利益相關者提供利益以及保持理想的資本架構以減低資本成本。

本集團管理資本架構，並因應經濟環境的變動作出調整。為保持或調整資本架構，本集團可調整支付予股東的股息、發行新股或獲得新的銀行貸款。

本集團亦以負債資產比率監察其資本。負債資產比率是以淨債項/(現金)除以總資本計算。淨債項/(現金)是以貸款總額(包括銀行貸款及黃金借貸)減現金及銀行結餘計算得出。總資本乃以「權益」(如綜合資產負債表所示)加淨債項/(現金)計算得出。

本集團於2019年3月31日之資本架構分析如下：

本集團的策略為維持穩定的資本基礎，以為其營運及業務發展提供長期支持。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

(a) Inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

(b) Impairment of investments in associates and non-financial assets

Investments in associates and non-financial assets including property, plant and equipment, investment properties and land use rights, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgements and estimates.

5 關鍵會計估計及判斷

在編製財務報表時所採用之估計及判斷，乃按過往經驗及其他因素（包括根據不同情況對未來事件作出之合理預計）不斷作出評估。所得會計估算按其定義，甚少會與相關實際結果相等。下文討論有重大風險導致下一財政年度資產及負債之賬面值須作出重大調整之估計及假設。

(a) 存貨

存貨的可變現淨值為日常業務中的估計售價扣除估計完工成本及銷售開支後的數額。此等估計乃根據現時市況及生產與出售類似性質產品的過往經驗而作出，並可因顧客喜好的轉變及競爭對手應對嚴峻的行業週期所作的行動而有重大差異。管理層於各結算日重新評估此等估計。

(b) 於聯營公司之投資及非金融資產的減值

倘出現事件或情況變動顯示於聯營公司之投資及非金融資產（包括物業、廠房及設備、投資物業及土地使用權）賬面值可能無法收回，則須檢討減值。可收回數額乃根據使用價值計算或按公允值減出售成本而釐定。此等計算須運用判斷及估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Impairment of investments in associates and non-financial assets (Continued)

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of asset can be supported by its recoverable amount, being the higher of fair value less costs to sell and the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's reported financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statement.

5 關鍵會計估計及判斷 (續)

(b) 於聯營公司之投資及非金融資產的減值 (續)

釐定資產減值須運用管理層判斷，尤其為評估：(i)是否已出現顯示有關資產值可能無法收回的事件；(ii)其可收回數額（即公允值減出售成本後的數額及估計繼續在業務中使用資產所帶來的未來現金流量現值淨額兩者的較高者）可否支持資產賬面值；及(iii)現金流量預測所用的適當主要假設，包括此等現金流量預測是否以適當利率貼現。管理層所挑選用作評估減值的假設（包括貼現率或現金流量預測所用的增長率假設）若有變動，可能會對減值檢測所用現值淨額帶來重大影響，從而影響本集團所呈報的財務狀況及經營業績。倘預計表現及有關未來現金流量預測出現重大不利變動，則可能須在綜合損益表中扣除減值開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Current and deferred income taxes

The Group is subject to income taxes in Hong Kong, Mainland China and other jurisdictions. Judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such as differences will impact the income tax and deferred income tax provisions in the period in which such determination is made. Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised.

Deferred income tax liabilities relating to undistributed profit of those subsidiaries in Mainland China are recognised based on the undistributed profit of those subsidiaries in Mainland China generated since 1 January 2008 which is expected to be distributed in the foreseeable future. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and liabilities and taxation charges in the period in which such estimate is changed.

5 關鍵會計估計及判斷 (續)

(c) 即期及遞延所得稅

本集團須繳納香港、中國內地及其他司法權區的所得稅。釐定各司法權區的所得稅撥備時，需作出判斷。在日常業務中有若干未能確定最終稅項的交易及計算。倘此等事宜的最終稅務結果有別於最初記錄的數額，則有關差額會影響釐定有關數額期間的所得稅及遞延所得稅撥備。與若干暫時差異及稅項虧損有關之遞延所得稅資產，按管理層認為未來有可能出現應課稅溢利可用作抵銷該等暫時差異或稅項虧損而確認。

與中國內地附屬公司之未分派溢利有關之遞延所得稅負債乃按自2008年1月1日起中國內地附屬公司所產生並預期將於可見將來分派之未分派溢利確認。當預期之金額與原定估計有差異時，則該差異將會於估計發生變動之期間內，影響遞延所得稅資產及負債與稅項開支之確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION

The chief operating decision-makers (“CODM”) have been identified as the executive directors and senior management collectively. The CODM review the Group’s internal reporting in order to assess performance and allocate resources. The operating segments are reported in accordance with the internal reporting reviewed by the CODM.

CODM consider the business by nature of business activities and assess the performance of the following operating segments:

- i. Retailing – Hong Kong, Macau and overseas
- ii. Retailing – Mainland China
- iii. Wholesaling – Hong Kong
- iv. Wholesaling – Mainland China
- v. Licensing

CODM assess the performance of the operating segments based on segment results. Finance income and costs, corporate income and expenses and share of results of associates are not included in the results for each operating segment that is reviewed by the CODM. Other information provided to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Assets of reportable segments exclude interests in associates, certain land and buildings, investment properties, deferred income tax assets, income tax recoverables and corporate assets, all of which are managed on a central basis. Liabilities of reportable segments exclude deferred income tax liabilities, current income tax liabilities, bank borrowings, gold loans and corporate liabilities, all of which are managed on a central basis.

Sales to external customers are stated after elimination of inter-segment sales. Sales between segments are carried out at mutually agreed terms. The revenue from external parties, assets and liabilities, reported to the CODM is measured in a manner consistent with that in the consolidated income statement and balance sheet.

6 分部信息

執行董事及高級管理層共同獲指定為最高營運決策者（「最高營運決策者」）。最高營運決策者通過審閱本集團之內部報告評估業績表現及分配資源。本集團根據最高營運決策者審閱之內部報告匯報經營分部。

最高營運決策者按業務活動性質研究業務發展及評估下列各經營分部之表現，即：

- i. 零售 — 香港、澳門及海外
- ii. 零售 — 中國內地
- iii. 批發 — 香港
- iv. 批發 — 中國內地
- v. 品牌業務

最高營運決策者根據分部業績評估經營分部表現。最高營運決策者審閱之各經營分部業績並未包括財務收入及費用、公司收入及開支以及應佔聯營公司業績。向最高營運決策者提供之其他信息所採用計量方法與綜合財務報表一致。

可呈報分部資產不包括於聯營公司之權益、若干土地及樓宇、投資物業、遞延所得稅資產、可收回所得稅以及公司資產，全部均為集中管理。可呈報分部負債不包括遞延所得稅負債、當期所得稅負債、銀行貸款、黃金借貸及公司負債，全部均為集中管理。

對外客戶銷售已抵銷分部間銷售。分部間銷售按相互協定條款進行。向最高營運決策者所呈報之外來客戶收入以及資產與負債所採納計量方法與綜合損益表及資產負債表一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部信息 (續)

Year ended 31 March 2019
截至2019年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外 HK\$'000 千港元	Retailing – Mainland China 零售 – 中國內地 HK\$'000 千港元	Wholesaling – Hong Kong 批發 – 香港 HK\$'000 千港元	Wholesaling – Mainland China 批發 – 中國內地 HK\$'000 千港元	Licensing 品牌業務 HK\$'000 千港元	Inter – segment elimination 分部間對銷 HK\$'000 千港元	Reportable segments total 可呈報 分部總計 HK\$'000 千港元
Revenue – at a point of time	收入 – 於某時點							
Sales to external customers	對外客戶銷售	9,660,983	2,414,204	106,835	2,842,039	-	-	15,024,061
Sales of scrap	銷售廢料	-	-	28,937	-	-	-	28,937
		9,660,983	2,414,204	135,772	2,842,039	-	-	15,052,998
Inter-segment sales	分部間銷售	104,741	602	2,374,997	682,588	-	(3,162,928)	-
Sales of merchandises	銷售商品	9,765,724	2,414,806	2,510,769	3,524,627	-	(3,162,928)	15,052,998
Revenue – over time	收入 – 於一段時間							
Royalty and service income	品牌及服務費收入	-	-	-	-	718,560	-	718,560
Consultancy fee income	顧問費收入	-	-	-	-	88,432	-	88,432
Total	總計	9,765,724	2,414,806	2,510,769	3,524,627	806,992	(3,162,928)	15,859,990
Results of reportable segments	可呈報分部業績	776,769	164,122	130,993	274,749	554,192	-	1,900,825
A reconciliation of results of reportable segments to profit for the year is as follows:	可呈報分部業績與年內溢利對賬如下:							
Results of reportable segments	可呈報分部業績							1,900,825
Unallocated income	未分配收入							74,906
Unallocated expenses	未分配開支							(122,689)
Operating profit	經營溢利							1,853,042
Finance income	財務收入							30,053
Finance costs	財務費用							(34,253)
Share of results of associates	應佔聯營公司業績							(42,479)
Profit before income tax	除所得稅前溢利							1,806,363
Income tax expenses	所得稅開支							(302,708)
Profit for the year	年內溢利							1,503,655
Less: Profit attributable to non-controlling interests	減: 非控股權益應佔溢利							(10,908)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利							1,492,747

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部信息 (續)

		Year ended 31 March 2019 截至2019年3月31日止年度							
		Retailing – Hong Kong, Macau and overseas	Retailing – Mainland China	Wholesaling – Hong Kong	Wholesaling – Mainland China	Licensing	Inter – segment elimination	Unallocated	Total
		零售 – 香港、 澳門及海外	零售 – 中國內地	批發 – 香港	批發 – 中國內地	品牌業務	分部間對消	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(41,846)	(18,835)	(3,778)	(12,635)	(6,578)	-	(28,829)	(112,501)
Amortisation of land use rights	土地使用權攤銷	-	-	-	(427)	(8,845)	-	(1,672)	(10,944)
Depreciation of investment properties	投資物業折舊	-	-	-	-	-	-	(3,002)	(3,002)
Additions of non-current assets	非流動資產添置	29,737	24,937	1,359	10,311	14,484	-	852,783	933,611

		As at 31 March 2019 於2019年3月31日						
		Retailing – Hong Kong, Macau and overseas	Retailing – Mainland China	Wholesaling – Hong Kong	Wholesaling – Mainland China	Licensing	Unallocated	Total
		零售 – 香港、 澳門及海外	零售 – 中國內地	批發 – 香港	批發 – 中國內地	品牌業務	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment assets	分部資產	5,352,196	1,683,713	1,263,750	3,542,066	587,827		12,429,552
Interests in associates	於聯營公司之權益						13,279	13,279
Land and buildings	土地及樓宇						620,470	620,470
Investment properties	投資物業						311,716	311,716
Deferred income tax assets	遞延所得稅資產						54,643	54,643
Income tax recoverable	可收回所得稅						10,571	10,571
Other unallocated assets	其他未分配資產						983,341	983,341
Total assets	總資產							14,423,572
Segment liabilities	分部負債	(370,099)	(52,961)	(66,092)	(206,891)	(488,507)		(1,184,550)
Deferred income tax liabilities	遞延所得稅負債						(133,690)	(133,690)
Current income tax liabilities	即期所得稅負債						(149,276)	(149,276)
Bank borrowings	銀行貸款						(1,855,224)	(1,855,224)
Gold loans	黃金借貸						(450,889)	(450,889)
Other unallocated liabilities	其他未分配負債						(87,027)	(87,027)
Total liabilities	總負債							(3,860,656)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部信息 (續)

Year ended 31 March 2018

截至2018年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外 HK\$'000 千港元	Retailing – Mainland China 零售 – 中國內地 HK\$'000 千港元	Wholesaling – Hong Kong 批發 – 香港 HK\$'000 千港元	Wholesaling – Mainland China 批發 – 中國內地 HK\$'000 千港元	Licensing	Inter – segment elimination	Reportable segments Total 可呈報 分部總計 HK\$'000 千港元
Revenue	收入							
Sales to external customers	對外客戶銷售	8,771,979	2,223,114	65,050	2,223,920	-	-	13,284,063
Sales of scrap	銷售廢料	-	-	641,144	-	-	-	641,144
		8,771,979	2,223,114	706,194	2,223,920	-	-	13,925,207
Inter-segment sales	分部間銷售	133,162	262	2,429,032	476,822	-	(3,039,278)	-
Sales of merchandises	銷售商品	8,905,141	2,223,376	3,135,226	2,700,742	-	(3,039,278)	13,925,207
Royalty and service income	品牌及服務費收入	-	-	-	-	591,951	-	591,951
Consultancy fee income	顧問費收入	-	-	-	-	61,251	-	61,251
Total	總計	8,905,141	2,223,376	3,135,226	2,700,742	653,202	(3,039,278)	14,578,409
Results of reportable segments	可呈報分部業績	697,739	159,353	160,148	222,460	440,915	-	1,680,615
A reconciliation of results of reportable segments to profit for the year is as follows:	可呈報分部業績與年內溢利對賬如下:							
Results of reportable segments	可呈報分部業績							1,680,615
Unallocated income	未分配收入							53,707
Unallocated expenses	未分配開支							(113,516)
Operating profit	經營溢利							1,620,806
Finance income	財務收入							28,922
Finance costs	財務費用							(6,392)
Share of results of associates	應佔聯營公司業績							(29,897)
Profit before income tax	除所得稅前溢利							1,613,439
Income tax expenses	所得稅開支							(243,125)
Profit for the year	年內溢利							1,370,314
Less: Profit attributable to non-controlling interests	減: 非控股權益應佔溢利							(921)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利							1,369,393

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

6 分部信息 (續)

Year ended 31 March 2018
截至2018年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland China 零售 – 中國內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland China 批發 – 中國內地	Licensing 品牌業務	Inter- segment elimination 分部間對銷	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(52,906)	(23,060)	(4,170)	(11,281)	(5,790)	-	(19,849)	(117,056)
Amortisation of land use rights	土地使用權攤銷	-	-	-	(435)	(8,923)	-	(319)	(9,677)
Depreciation of investment properties	投資物業折舊	-	-	-	-	-	-	(1,177)	(1,177)
Additions of non-current assets	非流動資產添置	39,094	29,112	842	4,172	4,050	-	135,433	212,703

As at 31 March 2018
於2018年3月31日

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland China 零售 – 中國內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland China 批發 – 中國內地	Licensing 品牌業務	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分部資產	5,050,651	1,963,530	766,839	2,976,945	485,622		11,243,587
Interests in associates	於聯營公司之權益						67,593	67,593
Land and buildings	土地及樓宇						267,844	267,844
Investment properties	投資物業						35,810	35,810
Deferred income tax assets	遞延所得稅資產						47,114	47,114
Income tax recoverable	可收回所得稅						8,134	8,134
Other unallocated assets	其他未分配資產						544,796	544,796
Total assets	總資產							12,214,878
Segment liabilities	分部負債	(247,842)	(46,198)	(180,403)	(196,307)	(381,331)		(1,052,081)
Deferred income tax liabilities	遞延所得稅負債						(100,714)	(100,714)
Current income tax liabilities	即期所得稅負債						(170,899)	(170,899)
Bank borrowings	銀行貸款						(415,000)	(415,000)
Gold loans	黃金借貸						(311,283)	(311,283)
Other unallocated liabilities	其他未分配負債						(85,164)	(85,164)
Total liabilities	總負債							(2,135,141)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 SEGMENT INFORMATION (Continued)

The Group's revenues are mainly derived from Hong Kong customers, Mainland China visitors to Hong Kong and Macau and Mainland China customers. An analysis of the Group's revenue by location in which the transaction took place is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Revenue	收入		
Hong Kong	香港	7,633,013	7,407,584
Mainland China	中國內地	6,006,981	5,063,673
Macau and overseas	澳門及海外	2,219,996	2,107,152
		15,859,990	14,578,409

An analysis of the Group's non-current assets (other than deferred income tax assets, financial assets at fair value through other comprehensive income, derivative financial instrument, non-current deposits, interests in associates and loan to an associate) by location of assets is as follows:

		2019				2018			
		Hong Kong	Mainland China	Macau and overseas	Total	Hong Kong	Mainland China	Macau and overseas	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Property, plant and equipment	物業、廠房及設備	688,225	240,887	22,670	951,782	312,421	214,020	21,218	547,659
Land use rights	土地使用權	-	483,131	-	483,131	-	273,019	-	273,019
Investment properties	投資物業	252,609	59,107	-	311,716	15,963	19,847	-	35,810
Prepayments for purchase of property, plant and equipment, and land use rights	購買物業、廠房及設備以及土地使用權之預付款項	-	-	-	-	131,543	2,966	-	134,509
Trading licence	交易執照	1,080	-	-	1,080	1,080	-	-	1,080
		941,914	783,125	22,670	1,747,709	461,007	509,852	21,218	992,077

6 分部信息 (續)

本集團之收入主要來自香港之客戶、於香港及澳門之中國內地旅客及中國內地之客戶。按交易進行之地點劃分之本集團收入分析如下：

按資產所在地劃分之本集團非流動資產(不包括遞延所得稅資產、按公允值計入其他全面收入之金融資產、衍生金融工具、非流動按金、於聯營公司之權益及貸款予一家聯營公司)分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 OTHER INCOME

7 其他收入

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Government subsidies	政府補貼		
– Value-added tax (“VAT”) refund (Note i)	– 增值稅(「增值稅」)退款(附註i)	204,811	121,782
– Other subsidies (Note ii)	– 其他補貼(附註ii)	48,265	34,634
Rental income	租金收入	8,522	4,974
Others	其他	16,599	21,974
		278,197	183,364

Notes:

- (i) This represents refund from the tax authority in Mainland China. The amount of refund is based on the VAT payment made in excess of 4% of the original input VAT. The Group is entitled to the refund as it is a member of the Shanghai Diamond Exchange and the diamonds are imported through the Shanghai Diamond Exchange.
- (ii) This represents subsidies from a municipal government in Mainland China.

附註：

- (i) 此為來自中國內地稅務機關之退款。退款金額按超過原進項增值稅4%作出之增值稅付款計算。由於本集團為上海鑽石交易所之成員，而鑽石亦透過上海鑽石交易所進口，故本集團有權獲退款。
- (ii) 此為中國內地市政府發放之補貼。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 OPERATING PROFIT

The operating profit is stated after charging the following:

8 經營溢利

經營溢利扣除下列項目後列賬：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Cost of sales (Note (i) & (ii))	銷售成本 (附註(i)及(ii))		
– cost of inventories sold	– 已售存貨成本	11,588,145	10,637,774
– cost of licensing business	– 品牌業務成本	238,009	199,258
		11,826,154	10,837,032
Staff costs (including the directors' emoluments) (Note (ii))	員工成本 (包括董事酬金) (附註(ii))	913,928	864,985
Operating lease	經營租賃		
– minimum lease payments	– 最低租賃付款	591,677	626,939
– contingent rents	– 或然租金	193,491	196,778
Commission expenses to credit card companies	支付信用卡公司之佣金開支	103,354	100,665
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊 (附註16)	112,501	117,056
Depreciation of investment properties (Note 18)	投資物業折舊 (附註18)	3,002	1,177
Amortisation of land use rights (Note 17)	土地使用權攤銷 (附註17)	10,944	9,677
Impairment loss on trade receivables	貿易應收賬項減值虧損	25,877	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	11,034	1,783
Auditor's remuneration	核數師酬金		
– Audit services	– 審核服務	5,640	5,487
– Non-audit services	– 非審核服務	1,157	1,701

Notes

附註

(i) Staff costs (including directors' emoluments) of HK\$376,850,000 (2018: HK\$317,483,000) are included in cost of sales.

(i) 銷售成本包括員工成本 (包括董事酬金) 376,850,000港元 (2018年: 317,483,000港元)。

(ii) Breakdown of total staff costs are as follows:

(ii) 員工成本總額分析如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Basic salaries, wages, bonus and allowance	基本薪金、薪資、花紅及津貼	1,212,462	1,105,076
Pension costs – defined contribution plans (Note 14)	退休金成本 – 定額供款計劃 (附註14)	77,469	76,159
Long service payment (Note 31)	長期服務金 (附註31)	847	1,233
		1,290,778	1,182,468

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 OTHER (LOSSES)/GAINS, NET

9 其他(虧損)/收益, 淨額

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Net realised gains/(losses) on derivative financial instruments (Note)	衍生金融工具之已變現收益/(虧損)淨額(附註)	9,844	(29,551)
Realised fair value losses on China Gold Silver Group Limited share option	中國金銀集團有限公司購股權之已變現公允價值虧損	-	(9)
Fair value gains on convertible bond (Note 21)	可換股債券之公允價值收益(附註21)	5,437	1,803
Net realised (losses)/gains on gold loans	黃金借貸之已變現(虧損)/收益淨額	(14,002)	1,981
Net unrealised gains on gold loans (Note 33)	黃金借貸之未變現收益淨額(附註33)	12,532	2,020
Net unrealised losses on forward exchange contracts	遠期外匯合約之未變現虧損淨額	(3,929)	-
Net realised gains on forward exchange contracts	遠期外匯合約之已變現收益淨額	6,707	-
Net exchange (losses)/gains	匯兌(虧損)/收益淨額	(32,934)	37,339
		(16,345)	13,583

Note:

Derivative financial instruments mainly represent the gold contracts and gold future contracts. These derivative financial instruments are not qualified for hedge accounting.

附註:

衍生金融工具主要為黃金合約及黃金期貨合約。該等衍生金融工具不符合對沖會計資格。

10 FINANCE (COSTS)/INCOME, NET

10 財務(成本)/收入, 淨額

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Finance income:	財務收入:		
- Bank interest income	- 銀行利息收入	23,681	22,323
- Effective interest income on non-current loan to an associate	- 給予一家聯營公司的非流動貸款之實際利息收入	4,281	4,097
- Interest income on the convertible bond	- 可換股債券之利息收入	1,712	1,712
- Interest income on the loan to an associate	- 貸款予一家聯營公司之利息收入	379	790
		30,053	28,922
Finance costs:	財務成本:		
- Interest expenses on bank borrowings	- 銀行貸款之利息開支	(30,751)	(2,485)
- Interest expenses on gold loans	- 黃金借貸之利息開支	(3,502)	(3,907)
		(34,253)	(6,392)
Finance (costs)/income, net	財務(成本)/收入, 淨額	(4,200)	22,530

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INCOME TAX EXPENSES

Hong Kong profits tax has been provided for at the rate of 16.5% (2018: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

11 所得稅開支

香港利得稅乃按照本年度估計應課稅溢利按稅率16.5% (2018年: 16.5%) 計提撥備。海外溢利之稅項乃就本年度估計應課稅溢利按本集團業務所在國家當時稅率計算。

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Current taxation:	即期稅項:		
– Hong Kong profits tax	– 香港利得稅	83,601	88,296
– Overseas taxation	– 海外稅項	231,522	174,379
– Over-provision in prior years	– 過往年度撥備過度	(37,862)	(37,434)
Deferred income tax (Note 30)	遞延所得稅 (附註30)	25,447	17,884
		302,708	243,125

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the tax weighted average tax rate applicable to the profits of the consolidated entities as follows:

本集團除所得稅前溢利之稅項與使用適用於合併實體溢利的加權平均稅率計算之理論稅項差異如下:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,806,363	1,613,439
Add: Share of results of associates	加: 應佔聯營公司業績	42,479	29,897
		1,848,842	1,643,336
Tax calculated at domestic tax rates applicable to profits in the respective jurisdictions	按適用於各司法權區溢利的當地稅率計算之稅項	297,464	261,473
Income not subject to taxation	毋須課稅之收入	(912)	(5,639)
Expenses not deductible for taxation purposes	不可扣稅之支出	9,789	3,539
Over-provision in prior years	過往年度撥備過度	(37,876)	(37,434)
Tax losses of which no deferred tax asset is recognised	未確認遞延稅項資產之稅項虧損	9,242	1,681
Utilisation of previously unrecognised tax losses	動用以往未確認稅項虧損	(116)	(1,521)
Withholding tax on undistributed profit of those subsidiaries in Mainland China (Note 30)	中國內地附屬公司未分派溢利之預扣稅 (附註30)	25,117	21,026
		302,708	243,125

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company of HK\$1,492,747,000 (2018: HK\$1,369,393,000) and the weighted average number of 587,107,850 (2018: 587,107,850) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 31 March 2019 and 2018 is the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding during the years.

12 每股盈利

每股基本盈利乃根據本公司權益持有人應佔本集團溢利1,492,747,000港元(2018年: 1,369,393,000港元)及年內已發行普通股之加權平均數587,107,850股(2018年: 587,107,850股)計算。

由於年內並無已發行具潛在攤薄效應的普通股，故截至2019年及2018年3月31日止年度之每股攤薄盈利與每股基本盈利相同。

13 DIVIDENDS

13 股息

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
2018/19 interim dividend, paid, of HK\$0.55 (2017/18 interim dividend: HK\$0.35) per ordinary share	已派2018/19年度中期股息 每股普通股0.55港元 (2017/18年度 中期股息: 0.35港元)	322,909	205,488
2018/19 special dividend, paid, of HK\$Nil (2017/18 special dividend: HK\$0.20) per ordinary share	已派2018/19年度特別股息 每股普通股零港元 (2017/18年度 特別股息: 0.20港元)	-	117,421
		322,909	322,909
2018/19 final dividend, proposed, of HK\$0.60 (2017/18 final dividend: HK\$0.55) per ordinary share (Note)	擬派2018/19年度末期股息 每股普通股0.60港元 (2017/18年度 末期股息: 0.55港元) (附註)	352,265	322,909

Note:

At a meeting held on 27 June 2019, the directors recommended the payment of a final dividend of HK\$0.60 per ordinary share. Such dividend is to be approved by the shareholders at the Annual General Meeting of the Company on 22 August 2019. This proposed dividend is not reflected as dividends payable in these consolidated financial statements, but will be reflected as an appropriation of retained earnings for the year ended 31 March 2020.

附註:

於2019年6月27日舉行之會議上，董事建議派付末期股息每股普通股0.60港元。有關股息須待股東在本公司於2019年8月22日舉行之股東週年大會批准。此擬派股息並無在此等綜合財務報表中列作應付股息，惟將反映為截至2020年3月31日止年度之保留盈利分配。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 RETIREMENT BENEFIT COSTS

14 退休福利成本

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Net contributions to pension plans charged to the consolidated income statement	於綜合損益表中扣除之 退休金計劃供款淨額	77,469	76,159

The expense is recognised in the following line items in the consolidated income statement:

有關開支乃於綜合損益表之以下項目確認：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Cost of sales	銷售成本	33,689	26,890
Selling and distribution costs	銷售及分銷費用	40,059	45,680
Administrative expenses	行政費用	3,721	3,589
		77,469	76,159

The Group's contributions to pension plans are mainly for employees in Hong Kong and Mainland China. Summary of the pension plans are as follows:

本集團之退休金計劃供款主要為香港及中國內地他僱員而設。退休金計劃概述如下：

- (i) The Group contributes to a MPF Scheme for its employees in Hong Kong, under which the Group and each employee each makes monthly contribution to the scheme at 5% of the qualifying earnings of the employee, subject to a maximum of HK\$1,500 (2018: HK\$1,500) per month.
- (ii) The Group's subsidiaries in Mainland China also contribute to retirement plans for their employees in Mainland China at a percentage of their salaries in compliance with the requirements of the respective municipal governments in Mainland China. The municipal governments undertake to assume the retirement benefit obligation of all existing and future retired employees of the Group in Mainland China.

- (i) 本集團為其香港僱員設立強制性公積金計劃，據此本集團及各僱員均須按僱員之合資格入息5%作每月供款，惟每月供款額上限為1,500港元（2018年：1,500港元）。
- (ii) 本集團於中國內地之附屬公司亦有遵守相關中國內地市政府之規定為其於中國內地的僱員作出為其薪金一定百分比之退休計劃供款。市政府保證承擔本集團於中國內地的所有現有及未來退休僱員之退休福利責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT

(a) Directors' and Chief Executive's emoluments

The aggregate amounts of emoluments payable to the directors and chief executive of the Company during the year were as follows:

15 董事及高級管理人員福利及權益

(a) 董事及最高行政人員酬金

年內應付本公司董事及最高行政人員之酬金總額如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Fees	袍金	2,170	2,170
Salaries	薪金	63,283	62,585
Performance and discretionary bonuses	按表現酌情發放之花紅	34,712	31,204
Contributions to pension plan	退休金計劃供款	514	492
Total directors' emoluments, payable and expensed in the consolidated financial statements	應付及已於綜合財務報表支銷之董事酬金總額	100,679	96,451

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' and Chief Executive's emoluments (Continued)

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

For the year ended 31 March 2019

Name of director and chief executive	董事及最高行政人員姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Performance and discretionary bonuses 按表現酌情發放之花紅 HK\$'000 千港元	Housing allowance 住房津貼 HK\$'000 千港元	Estimated money values of other benefits 其他福利之估計貨幣價值 HK\$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主向退休福利計劃供款 HK\$'000 千港元	Total emoluments 酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note 1)	黃偉常 (附註1)	55	55,114	16,964	-	-	185	72,318
TSE Moon Chuen	謝滿全	55	1,495	2,610	-	-	62	4,222
WONG Hau Yeung	王巧陽	55	1,024	6,525	-	-	42	7,646
WONG Lan Sze, Nancy	黃蘭詩	55	766	5,742	-	-	32	6,595
CHUNG Vai Ping	鍾惠冰	55	713	261	-	-	30	1,059
CHAN So Kuen	陳素娟	55	3,931	2,610	-	-	163	6,759
WONG Ho Lung, Danny	黃浩龍	110	60	-	-	-	-	170
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	-	-	170
TAI Kwok Leung, Alexander [#]	戴國良 [#]	300	-	-	-	-	-	300
IP Shu Kwan, Stephen [#]	葉樹堃 [#]	300	-	-	-	-	-	300
MAK Wing Sum, Alvin [#]	麥永森 [#]	300	-	-	-	-	-	300
WONG Yu Pok, Marina [#]	黃汝嫻 [#]	250	-	-	-	-	-	250
HUI King Wai [#]	許競威 [#]	250	-	-	-	-	-	250
		2,170	63,283	34,712	-	-	514	100,679

15 董事及高級管理人員福利及權益 (續)

(a) 董事及最高行政人員酬金 (續)

就相關人士擔任本公司或其附屬公司董事已付或應收酬金：

截至2019年3月31日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' and Chief Executive's emoluments (Continued)

For the year ended 31 March 2018

Name of director and chief executive	董事及最高行政人員姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Performance and discretionary bonuses 按表現酌情發放之花紅 HK\$'000 千港元	Housing allowance 住房津貼 HK\$'000 千港元	Estimated money values of other benefits 其他福利之估計貨幣價值 HK\$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主向退休福利計劃供款 HK\$'000 千港元	Total emoluments 酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note i)	黃偉常(附註i)	55	54,867	15,307	-	-	178	70,407
TSE Moon Chuen	謝滿全	55	1,447	2,826	-	-	61	4,389
WONG Hau Yeung	王巧陽	55	967	5,652	-	-	41	6,715
WONG Lan Sze, Nancy	黃蘭詩	55	695	4,711	-	-	29	5,490
CHUNG Vai Ping	鍾惠冰	55	684	353	-	-	29	1,121
CHAN So Kuen	陳素娟	55	3,685	2,355	-	-	154	6,249
WONG Ho Lung, Danny	黃浩龍	110	60	-	-	-	-	170
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	-	-	170
TAI Kwok Leung, Alexander [#]	戴國良 [#]	300	-	-	-	-	-	300
IP Shu Kwan, Stephen [#]	葉澍堃 [#]	300	-	-	-	-	-	300
MAK Wing Sum, Alvin [#]	麥永森 [#]	300	-	-	-	-	-	300
WONG Yu Pok, Marina [#]	黃汝璞 [#]	250	-	-	-	-	-	250
HUI King Wai [#]	許競威 [#]	250	-	-	-	-	-	250
		2,170	62,585	31,204	-	-	492	96,451

[#] Independent non-executive directors

Note:

(i) Mr. Wong Wai Sheung is also the chief executive officer of the Company.

No directors waived their emoluments in respect of the years ended 31 March 2018 and 2019.

15 董事及高級管理人員福利及權益 (續)

(a) 董事及最高行政人員酬金 (續)

截至2018年3月31日止年度

[#] 獨立非執行董事

附註：

(i) 黃偉常先生亦為本公司之行政總裁。

截至2018年及2019年3月31日止年度，並無董事放棄其酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' and Chief Executive's emoluments (Continued)

		Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertakings 就作為本公司或其附屬公司董事之服務已付董事或董事應收酬金總額 HK\$'000 千港元	Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its Subsidiary undertakings 就有關管理本公司或其附屬公司事務之董事其他服務已付或應收之酬金總額 HK\$'000 千港元	Total 總額 HK\$'000 千港元
For the year ended 31 March 2019	截至2019年3月31日止年度	2,170	98,509	100,679
For the year ended 31 March 2018	截至2018年3月31日止年度	2,170	94,281	96,451

(b) Directors' retirement benefits

Except for the employer's contribution to a retirement benefit scheme as disclosed in (a), no other retirement benefits were paid to the directors of the Company during the year ended 31 March 2019 in respect of their services as directors of the Company and its subsidiaries (2018: same).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year ended 31 March 2019 (2018: same).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2019, the Company did not pay any consideration to any third parties for making available the services of themselves as directors of the Company (2018: same).

15 董事及高級管理人員福利及權益 (續)

(a) 董事及最高行政人員酬金 (續)

	Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its Subsidiary undertakings 就有關管理本公司或其附屬公司事務之董事其他服務已付或應收之酬金總額 HK\$'000 千港元	Total 總額 HK\$'000 千港元
For the year ended 31 March 2019	98,509	100,679
For the year ended 31 March 2018	94,281	96,451

(b) 董事之退休福利

除(a)項所披露之僱主向退休福利計劃供款外，截至2019年3月31日止年度，並無向本公司之董事就其擔任本公司及其附屬公司董事所提供之服務支付其他退休福利(2018年：相同)。

(c) 董事之離職福利

於截至2019年3月31日止年度，概無董事經已或將要收取任何離職福利(2018年：相同)。

(d) 就提供董事服務向第三方支付代價

於截至2019年3月31日止年度，本公司並無向任何第三方就彼等為本公司提供董事服務支付任何代價(2018年：相同)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans and other dealing arrangements were entered into by the Company or its subsidiary undertaking in favour of the directors of the Company, a controlled body corporate or a connected entity of such directors at any time during the year (2018: same).

(f) Directors' material interests in transactions, arrangements or contracts

Save for transactions disclosed elsewhere in the notes to these consolidated financial statements, no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 March 2019 (2018: same).

(g) Five highest paid individuals

Among the five highest paid individuals, all (2018: all) of them are directors of the Company and the details of their remuneration are disclosed in the preceding paragraph.

(h) Senior management's emoluments

The emoluments fall within the following bands:

		2019	2018
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	1	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	1	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	–	1
		2	2

Senior management represents senior management staff who are non-directors.

15 董事及高級管理人員福利及權益 (續)

(e) 有關以董事、該等董事之受控法團及關連實體為受益人之貸款、類似貸款及其他買賣之信息

於本年度任何時間，本公司或其附屬公司並無訂立以本公司董事、該等董事之受控法團或關連實體為受益人之貸款、類似貸款及其他買賣安排 (2018年：相同)。

(f) 董事於交易、安排或合約之重大權益

除該等綜合財務報表附註其他部分所披露之交易外，本公司並無就本集團業務訂立本公司董事於其中有重大直接或間接權益且於截至2019年3月31日止年度結束時或年內任何時間有效之其他重大交易、安排及合約 (2018年：相同)。

(g) 五名最高薪酬人士

五名最高薪酬人士當中，全部 (2018年：全部) 為本公司董事，彼等之酬金詳情已於上段披露。

(h) 高級管理人員酬金

彼等之酬金介乎下列組別：

高級管理層指非董事之高級管理人員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Land and buildings	Leasehold improvements	Furniture and fixtures and computer equipment	Plant and machinery	Motor vehicles	Total
		土地及樓宇	租賃物業 裝修	傢俬、裝置及 電腦設備	廠房及機器	汽車	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2017	於2017年4月1日						
Cost	成本	474,596	498,825	189,784	48,217	23,867	1,235,289
Accumulated depreciation	累計折舊	(81,829)	(395,793)	(137,737)	(34,376)	(21,284)	(671,019)
Net book value	賬面淨值	392,767	103,032	52,047	13,841	2,583	564,270
Year ended 31 March 2018	截至2018年3月31日止年度						
Opening net book value	年初賬面淨值	392,767	103,032	52,047	13,841	2,583	564,270
Additions	添置	2,624	45,670	31,360	3,647	483	83,784
Disposals	出售	-	(1,425)	(545)	(455)	(145)	(2,570)
Depreciation charge	折舊支出	(11,369)	(73,478)	(24,837)	(6,027)	(1,345)	(117,056)
Exchange differences	匯兌差額	13,179	2,270	2,612	1,015	155	19,231
Closing net book value	年末賬面淨值	397,201	76,069	60,637	12,021	1,731	547,659
At 31 March 2018	於2018年3月31日						
Cost	成本	493,474	508,451	225,154	54,520	25,407	1,307,006
Accumulated depreciation	累計折舊	(96,273)	(432,382)	(164,517)	(42,499)	(23,676)	(759,347)
Net book value	賬面淨值	397,201	76,069	60,637	12,021	1,731	547,659
Year ended 31 March 2019	截至2019年3月31日止年度						
Opening net book value	年初賬面淨值	397,201	76,069	60,637	12,021	1,731	547,659
Additions	添置	640,297	92,309	42,268	1,983	2,131	778,988
Disposals	出售	-	(5,229)	(9,636)	(19)	-	(14,884)
Transfers to investment properties	轉撥至投資物業	(234,778)	-	-	-	-	(234,778)
Depreciation charge	折舊支出	(15,250)	(62,322)	(26,905)	(6,497)	(1,527)	(112,501)
Exchange differences	匯兌差額	(7,977)	(1,334)	(2,515)	(768)	(108)	(12,702)
Closing net book value	年末賬面淨值	779,493	99,493	63,849	6,720	2,227	951,782
At 31 March 2019	於2019年3月31日						
Cost	成本	822,722	549,539	234,501	52,682	25,400	1,684,844
Accumulated depreciation	累計折舊	(43,229)	(450,046)	(170,652)	(45,962)	(23,173)	(732,062)
Net book value	賬面淨值	779,493	99,493	63,849	6,720	2,227	951,782

As at 31 March 2019, land and buildings of HK\$575,864,000 (2018: Nil) were pledged to the Group's bank borrowings of HK\$983,244,000 (2018: Nil).

於2019年3月31日，土地及樓宇575,864,000港元(2018年：無)已用作本集團銀行貸款983,244,000港元(2018年：無)的抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 LAND USE RIGHTS

17 土地使用權

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April	於4月1日		
Cost	成本	327,619	287,873
Accumulated amortisation	累計攤銷	(54,600)	(40,092)
		273,019	247,781
Year ended 31 March	截至3月31日止年度		
Opening net book value	年初賬面淨值	273,019	247,781
Additions	添置	239,472	8,809
Amortisation charge	攤銷費用	(10,944)	(9,677)
Exchange differences	匯兌差額	(18,416)	26,106
Closing net book value	年末賬面淨值	483,131	273,019
At 31 March	於3月31日		
Cost	成本	545,022	327,619
Accumulated amortisation	累計攤銷	(61,891)	(54,600)
		483,131	273,019

18 INVESTMENT PROPERTIES

18 投資物業

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April	於4月1日		
Cost	成本	42,661	40,446
Accumulated depreciation	累計折舊	(6,851)	(5,426)
		35,810	35,020
Year ended 31 March	截至3月31日止年度		
Opening net book value	年初賬面淨值	35,810	35,020
Additions	添置	46,694	-
Transfers from properties, plant and equipment	轉撥自物業、廠房及設備	234,778	-
Depreciation	折舊	(3,002)	(1,177)
Exchange differences	匯兌差額	(2,564)	1,967
Closing net book value	年末賬面淨值	311,716	35,810
At 31 March	於3月31日		
Cost	成本	321,040	42,661
Accumulated depreciation	累計折舊	(9,324)	(6,851)
		311,716	35,810
At valuation (Note)	估值 (附註)	892,342	101,401

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 INVESTMENT PROPERTIES (Continued)

Note:

The valuation of the investment properties was determined by an independent valuer BMI Appraisals Limited at open market values (2018: BMI Appraisals Limited).

Future aggregate minimum lease receipts under non-cancellable operating leases are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Not later than one year	一年內	23,599	10,006
Later than one year and not later than five years	一年後但不超過五年	207,076	5,544
		230,675	15,550

As at 31 March 2019, investment properties of HK\$21,914,000 (2018: Nil) were pledged to the Group's bank borrowings of HK\$983,244,000 (2018: Nil).

18 投資物業 (續)

附註:

投資物業之估值乃由獨立估值師中和邦盟評估有限公司按公開市值釐定(2018年:中和邦盟評估有限公司)。

根據不可撤銷之經營租賃而於未來收取之最低租金總額如下:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Not later than one year	一年內	23,599	10,006
Later than one year and not later than five years	一年後但不超過五年	207,076	5,544
		230,675	15,550

於2019年3月31日,投資物業21,914,000港元(2018年:無)已用作本集團銀行貸款983,244,000港元(2018年:無)的抵押。

19 INTERESTS IN ASSOCIATES

19 於聯營公司之權益

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
As at 1 April	於4月1日	67,593	85,012
Share of results of associates for the year	年內應佔聯營公司業績	(42,479)	(29,897)
Share of reserve movement of associates for the year	年內應佔聯營公司儲備變動	(11,835)	12,478
As at 31 March	於3月31日	13,279	67,593
Amount due from an associate (Note i)	應收一家聯營公司賬項 (附註i)	3,078	13,173
Amount due to an associate (Note i)	應付一家聯營公司賬項 (附註i)	(2,715)	(3,555)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 INTERESTS IN ASSOCIATES (Continued)

Particulars of the associates of the Group as at 31 March 2019 are as follows:

Name 名稱	Place of incorporation 註冊成立地點	Particulars of issued share capital 已發行股本詳情	% of attributable interests held indirectly 間接持有應佔權益百分比		Principal activities 主要業務
			2019	2018	
Luk Fook Diamond Company Limited# 六福鑽石有限公司#	Hong Kong 香港	HK\$6,120,000 6,120,000港元	50%	50%	Manufacturing and wholesale of diamond products 鑽石產品製造及批發
China Gold Silver Group Company Limited ("CGS")* 中國金銀集團有限公司 ("中國金銀")*	The British Virgin Islands ("BVI") 英屬維爾京群島 ("英屬維爾京 群島")	USD3,334 3,334美元	50%	50%	Retailing and franchising operations of gold and jewellery products in Hong Kong, Macau and Mainland China 在香港、澳門及中國內地 從事黃金及珠寶首飾 產品之零售及特許經 營業務

* Pursuant to the shareholders' agreement, this associate is controlled by a third party, who holds the casting vote in the directors' meetings.

* The financial statements of this company are audited by firm other than PricewaterhouseCoopers. The financial year of this associate is not conterminous with that of the Group and the financial statements used for equity accounting are for the 12 months period ended 31 December 2018. This associate uses 30 June as its financial year to conform with its holding company's reporting date. Pursuant to the shareholders' agreement, the company is controlled by its holding company, which holds the casting vote in the directors' meetings.

Notes:

(i) Amount due from an associate of HK\$3,078,000 (2018: HK\$13,173,000) is trade in nature. Amount due from/(to) associates are denominated in HK\$ and are unsecured, interest-free and repayable on demand.

(ii) The Group's associates did not have any significant capital commitments as at 31 March 2019 and 2018.

19 於聯營公司之權益 (續)

於2019年3月31日本集團聯營公司之詳情如下：

* 根據股東協議，該聯營公司由於董事會會議可投決定票之第三方控制。

* 該公司之財務報表由羅兵咸永道會計師事務所之外的其他事務所審核。該聯營公司之財政年度與本集團不同，其財務報表乃採用權益會計法，涵蓋截至2018年12月31日止12個月期間。該聯營公司採用6月30日作為其財政年度年結日，以與其控股公司的報告日期一致。根據股東協議，該公司由其控股公司控制，該控股公司於董事會會議可投決定票。

附註：

(i) 應收一家聯營公司賬項3,078,000港元(2018年：13,173,000港元)為貿易性質。應收/(應付)聯營公司賬項以港元計值，無抵押、免息及須應要求償還。

(ii) 本集團的聯營公司於2019年及2018年3月31日並無任何重大資本承擔。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 INTERESTS IN ASSOCIATES (Continued)

Summarised consolidated financial information for an associate

Set out below are the summarised consolidated financial information of CGS.

Summarised consolidated balance sheet

Non-current asset	非流動資產
Current Asset	流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Net assets	淨資產

19 於聯營公司之權益 (續)

一家聯營公司之綜合財務資料概要

中國金銀之綜合財務資料概要載列如下。

綜合資產負債表概要

As at	Group's
31 December	attributable
2018	interest
於2018年	本集團
12月31日	應佔權益
HK\$'000	HK\$'000
千港元	千港元
244,489	122,245
2,101,930	10,50,965
(240,431)	(120,216)
(2,075,117)	(1,037,559)
30,871	15,435

Summarised consolidated statement of comprehensive income

Revenue	收入
Loss for the year	年內虧損
Other comprehensive income	其他全面收入
Total comprehensive income	全面總收入

綜合全面收入報表概要

For the	Group's
year ended	attributable
31 December	interest
2018	本集團
截至2018年	應佔權益
12月31日止年度	應佔權益
HK\$'000	HK\$'000
千港元	千港元
1,380,294	690,147
(84,584)	(42,292)
(22,203)	(11,101)
(106,787)	(53,393)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 LOAN TO AN ASSOCIATE

20 貸款予一家聯營公司

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current portion	非流動部分		
Loan to an associate (Note i)	貸款予一家聯營公司 (附註i)	99,208	94,927
Current portion	流動部分		
Loan to an associate (Note ii)	貸款予一家聯營公司 (附註ii)	-	43,190
		99,208	138,117

Notes:

- (i) In connection with the acquisition of CGS on 6 June 2014, the Group and Hong Kong Resources Holdings Limited ("HKRH") each agreed to provide funding of HK\$100,000,000 to CGS by way of shareholder's loan for general working capital and business expansion purpose.

The shareholder's loan is unsecured, interest-free and not to be repaid within one year after the end of the reporting period. The carrying amount is denominated in HK\$.

The difference between the nominal value of the loan and its fair value of HK\$80,207,000 at the time of acquisition amounting to HK\$19,793,000 is regarded as part of the cost of the investment in CGS.

- (ii) As at 31 March 2018, the Group and HKRH each agreed to provide a short-term shareholder loan of HK\$43,190,000 to CGS. The short-term shareholder's loan is interest bearing at 2% per annum and with maturity within one year, which was fully settled during the year ended 31 March 2019.

附註:

- (i) 就於2014年6月6日收購中國金銀·本集團及香港資源控股有限公司(「香港資源控股」)均同意透過一筆股東貸款·向中國金銀提供100,000,000港元資金·作為一般營運資金及業務擴充。

股東貸款乃無抵押·免息·且毋須於報告期末後一年內償還。賬面值乃以港元計值。

貸款之面值與其於收購時的公允值80,207,000港元之差額19,793,000港元被視為中國金銀投資成本之一部分。

- (ii) 於2018年3月31日·本集團及香港資源控股均同意向中國金銀提供43,190,000港元的短期股東貸款。短期股東貸款按2%之年利率計息·並於一年內到期。該筆股東貸款已於截至2019年3月31日止年度內結清。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DERIVATIVE FINANCIAL INSTRUMENTS

21 衍生金融工具

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current asset	非流動資產		
Convertible bond (Note i)	可換股債券 (附註i)	-	50,782
Current asset	流動資產		
Convertible bond (Note i)	可換股債券 (附註i)	56,219	-
		56,219	50,782
Current liabilities	流動負債		
Foreign exchange forward contracts (Note ii)	外匯遠期合約 (附註ii)	3,929	-

Note:

- (i) On 6 June 2014, the Group subscribed a convertible bond of HKRH of HK\$57,080,000 with 3% interest rate per annum and 5 years of maturity from the date of issuance. The conversion period commences on the 2nd anniversary of the issue date and expires on the date which is three days before its maturity. On 26 June 2019, the Group entered into an agreement with HKRH to extend the final repayment date of the convertible bond to 9 September 2019. The convertible bond shall bear an interest at 8% per annum from 6 June 2019 to the date of repayment.

The convertible bond comprises a loan receivable component and option component which together have been designated as derivative financial instrument by the Group. The fair value as at year end was valued by an independent valuer using a Trinomial Tree model with the following key assumptions:

附註:

- (i) 於2014年6月6日，本集團認購香港資源控股可換股債券57,080,000港元，年利率3%，由發行日期起計5年內到期。換股期於發行日期後兩週年開始至到期日前3天屆滿。於2019年6月26日，本集團與香港資源控股訂立協議，將該可換股債券的最後還款日期延長至2019年9月9日。該可換股債券的年利率為8%，計息日期為2019年6月6日至還款日期。

可換股債券包括應收貸款及購股權，由本集團指定為衍生金融工具。年末公允價值由獨立估值師採用三叉樹模型及以下關鍵假設進行估算：

		As at 31 March 於3月31日	
		2019	2018
Share price of HKRH	香港資源控股股份價格	HK\$0.16港元	HK\$0.08港元
Exercise price *	行使價*	HK\$0.712港元	HK\$0.178港元
Dividend yield	股息利率	0%	0%
Effective interest rate	實際利率	16.46%	15.18%
Volatility	波幅	33.94%	39.14%
Risk free rate	無風險率	1.37%	1.22%

- * Pursuant to the resolution passed by HKRH on 17 July 2018 and with effective from 18 July 2018, every four issued and unissued ordinary shares of HKRH with par value of HK\$0.01 each are consolidated into one consolidated ordinary share of the HKRH with par value of HK\$0.04 (the "Share Consolidation"). Upon the completion of the Share Consolidation and according to the terms of the convertible bond of HKRH, the exercise price was adjusted.

- * 根據香港資源控股於2018年7月17日通過並於2018年7月18日生效之決議案，香港資源控股每四股每股面值0.01港元之已發行及未發行普通股合併為香港資源控股一股面值0.04港元之合併普通股（「股份合併」）。股份合併完成時及根據香港資源控股可換股債券的條款，行使價已予調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 DERIVATIVE FINANCIAL INSTRUMENTS

(Continued)

Note: (Continued)

- (i) (Continued)
The fair value gain of HK\$5,437,000 (2018: HK\$1,803,000) was included under "Other (losses)/gains, net" in the consolidated income statement for the year ended 31 March 2019.
- (ii) The notional amount of the outstanding RMB denominated foreign exchange forward contracts as at 31 March 2019 represented RMB exchange forward contracts of HK\$239,492,000. (2018: Nil)

21 衍生金融工具 (續)

附註：(續)

- (i) (續)
公允價值收益5,437,000港元(2018年：1,803,000港元)計入截至2019年3月31日止年度之綜合損益表之「其他(虧損)/收益·淨額」。
- (ii) 於2019年3月31日·未平倉以人民幣計值之外匯遠期合約之名義金額指人民幣外匯遠期合約239,492,000港元(2018年：無)。

22 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (2018: AVAILABLE-FOR-SALE FINANCIAL ASSETS)

22 按公允價值計入其他全面收入之金融資產(2018年：可供出售金融資產)

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Financial assets at fair value through other comprehensive income (2018: Available-for-sale financial assets)	按公允價值計入其他全面收入之金融資產(2018年：可供出售金融資產)		
At 1 April	於4月1日	6,075	7,690
Net fair value loss transfer to equity (Note 29)	轉撥至權益之淨公允價值虧損(附註29)	(2,941)	(1,615)
At 31 March	於3月31日	3,134	6,075

Financial assets at fair value through other comprehensive income represent common shares issued by a company listed on The Stock Exchange of Hong Kong Limited. The financial assets at fair value through other comprehensive income are denominated in HK\$ and stated at fair values.

按公允價值計入其他全面收入之金融資產指在香港聯合交易所有限公司上市之公司發行之普通股。按公允價值計入其他全面收入之金融資產以港元計值，並以公允價值列賬。

These investments were classified as available-for-sale financial assets at 31 March 2018. Please see Note 2.2 to the consolidated financial statements for the reclassification of these investments from available-for-sale financial assets to financial assets at fair value through other comprehensive income on 1 April 2018 upon the adoption of HKFRS 9.

於2018年3月31日，該等投資分類為可供出售金融資產。有關於採納香港財務報告準則第9號後於2018年4月1日將該等投資由可供出售金融資產重新分類為按公允價值計入其他全面收入之金融資產，請參見綜合財務報表附註2.2。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

23 按金、預付款項及其他應收賬項

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current	非即期		
Rental deposits	租金按金	102,334	77,658
Prepayments (Note)	預付款項 (附註)	2,767	134,509
		105,101	212,167
Current	即期		
Rental deposits	租金按金	53,584	85,456
Value-added tax recoverable	可收回增值稅	223,807	148,768
Prepayments	預付款項	88,362	64,720
Interest receivables	應收利息	1,017	7,023
Other receivables	其他應收賬項	57,955	27,944
Other deposits	其他按金	49,289	30,854
		474,014	364,765
		579,115	576,932

Note:

As at 31 March 2018, included in non-current prepayment is an amount of HK\$131,543,000 prepayment for the acquisition of several commercial properties located in Hong Kong. The amount has been transferred to property, plant and equipment upon the completion of the transaction in April 2018.

The carrying amounts of the deposits, prepayments and other receivables approximate their fair values and are denominated in the following currencies:

附註：

於2018年3月31日，非流動預付款項中131,543,000港元為有關收購位於香港的若干商業物業的預付款項。於2018年4月完成交易後，相關金額已轉撥至物業、廠房及設備。

按金、預付款項及其他應收賬項之賬面值與其公允值相若，並以下列貨幣為單位：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
HK\$	港元	167,191	295,853
RMB	人民幣	351,606	231,496
MOP	澳門元	48,102	42,521
Other currencies	其他貨幣	12,216	7,062
		579,115	576,932

The credit quality of deposits and other receivables has been assessed by reference to historical information about the counterparty default rates. The existing counterparties have not defaulted in the past. Note 4 sets out the information about the impairment of other receivables and the Group's exposures to credit risk. The Group does not hold any collateral for its deposits and other receivables.

按金及其他應收賬項之信貸質量乃透過參考有關對手方拖欠比率之過往信息進行評估。現有對手方過往並無拖欠記錄。附註4載列有關其他應收賬項減值及本集團面臨之信貸風險的信息。本集團並無就其按金及其他應收賬項持有任何抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 INVENTORIES

The inventories net of provision are as follow:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Finished goods	製成品	9,248,683	7,855,443
Raw materials	原材料	72,839	136,284
		9,321,522	7,991,727

At 31 March 2019, inventories carried at net realisable value amounted to approximately HK\$268,182,000 (2018: HK\$92,055,000). As at 31 March 2019, the Group recognised inventory provision of HK\$26,818,000 (2018: HK\$9,206,000), resulted in inventory provision charged amounting to HK\$17,612,000 (2018: HK\$4,477,000) and included in 'cost of sales' in the consolidated financial statements.

25 TRADE RECEIVABLES

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Trade receivables	貿易應收賬項	363,971	359,796
Less: Allowance for impairment of trade receivables	減：貿易應收賬項減值撥備	(1,296)	-
		362,675	359,796

The Group's sales to retail customers comprised mainly cash sales and credit card sales. Concessionaire sales through department stores and sales to wholesale customers are generally on credit terms ranging from 0 to 90 days.

24 存貨

扣除撥備之存貨如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Finished goods	9,248,683	7,855,443
Raw materials	72,839	136,284
	9,321,522	7,991,727

於2019年3月31日，按可變現淨值列賬之存貨約為268,182,000港元（2018年：92,055,000港元）。於2019年3月31日，本集團確認存貨撥備26,818,000港元（2018年：9,206,000港元），導致存貨撥備開支17,612,000港元（2018年：4,477,000港元），並計入於綜合財務報表「銷售成本」。

25 貿易應收賬項

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Trade receivables	363,971	359,796
Less: Allowance for impairment of trade receivables	(1,296)	-
	362,675	359,796

本集團向零售客戶銷售主要包括現金銷售及信用卡銷售。百貨商場特許銷售及向批發客戶銷售之信貸期一般介乎0至90日。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE RECEIVABLES (Continued)

The ageing of trade receivables is as follows:

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
0 – 30 days	0至30日	311,167	244,820
31 – 60 days	31至60日	34,784	76,925
61 – 90 days	61至90日	12,103	20,170
91 – 120 days	91至120日	2,214	8,769
Over 120 days	超過120日	3,703	9,112
		363,971	359,796
Less: Allowance for impairment of trade receivables	減：貿易應收賬項減值撥備	(1,296)	–
		362,675	359,796

The carrying amounts of trade receivables approximate their fair values and are denominated in the following currencies:

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	133,186	67,452
RMB	人民幣	210,333	270,887
MOP	澳門元	17,578	19,088
Other currencies	其他貨幣	2,874	2,369
		363,971	359,796

The credit quality of trade receivables has been assessed by reference to historical default rate of the counterparty. The existing counterparties have not defaulted in the past. The Group does not hold any collateral for its trade receivables.

25 貿易應收賬項 (續)

貿易應收賬項之賬齡如下：

貿易應收賬項之賬面值與其公允值相若，並以下列貨幣為單位：

貿易應收賬項信貸質量乃透過參考對手方過往拖欠比率進行評估。現有對手方過往並無拖欠記錄。本集團並無就其貿易應收賬項持有任何抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE RECEIVABLES (Continued)

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which use a lifetime expected loss allowance for all trade receivables. The Group also continuously monitors the credit risks by assessing the credit quality of respective counterparties. When necessary, the Group will make specific provision for those balances which cannot be recovered apart from the general provision arise from the expected credit loss model. Upon the adoption of HKFRS 9 on 1 April 2018 and as at 31 March 2019, the loss allowance was HK\$2,244,000 and HK\$1,296,000, respectively. Note 4(a)(iv) provides for details about the calculation of these loss allowance. The loss allowance for impaired trade receivables had been included in 'administrative expenses' in the consolidated income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

25 貿易應收賬項 (續)

本集團應用香港財務報告準則第9號簡化法計量預期信貸虧損，並就所有貿易應收賬項採用全期預期虧損撥備。本集團亦透過評估有關對手方的信貸質量持續監控信貸風險。如有需要，除預期信貸虧損模式產生的一般撥備外，本集團將就該等未能收回的結餘作出特定撥備。於2018年4月1日採納香港財務報告準則第9號後與及於2019年3月31日，虧損撥備分別為2,244,000港元及1,296,000港元。有關該等虧損撥備的計算詳情載於附註4(a)(iv)。已減值貿易應收賬項的虧損撥備已計入綜合損益表內的「行政費用」。當預期無法收回額外現金時，於撥備賬扣除的金額一般予以撇銷。

26 CASH AND BANK BALANCES

26 現金及銀行結餘

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Short-term bank deposits, with maturities less than 3 months	到期日少於三個月的短期銀行存款	224,796	707,164
Cash at bank and on hand	銀行存款及手頭現金	1,861,726	1,192,895
Cash and cash equivalents	現金及現金等價物	2,086,522	1,900,059
Short-term bank deposits, with maturities over 3 months	到期日超過三個月的短期銀行存款	-	197,808
Total cash and bank balances	現金及銀行結餘總額	2,086,522	2,097,867

As at 31 March 2019, the cash and bank balances denominated in RMB amounted to approximately HK\$1,126,766,000 (2018: HK\$1,442,671,000) are held by the Group's subsidiaries in Mainland China. The conversion of the RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

於2019年3月31日，以人民幣計值的現金及銀行結餘約1,126,766,000港元（2018年：1,442,671,000港元）乃由本集團於中國內地之附屬公司持有。將該等以人民幣計值的結餘換算為外幣須遵守中國政府所頒佈之外匯管制規則及規例。

As at 31 March 2019, short-term bank deposits with maturities less than 3 months of HK\$224,796,000 (2018: HK\$707,164,000) bear an average interest rate of 2.34% (2018: 4.27%) per annum with maturity in April 2019 (2018: from April 2018 to June 2018). As at 31 March 2018, short-term bank deposit with maturities over 3 months of HK\$197,808,000 bear an average interest rate of 4.4% per annum with maturity in July 2018.

於2019年3月31日，到期日少於三個月的短期銀行存款224,796,000港元（2018年：707,164,000港元）以平均年利率2.34%計息（2018年：4.27%），並於2019年4月（2018年：2018年4月至2018年6月）到期。於2018年3月31日，到期日超過三個月的短期銀行存款197,808,000港元以平均年利率4.4%計息，並於2018年7月到期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

27 貿易應付賬項、其他應付賬項及應計款項

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Trade payables	貿易應付賬項	292,456	380,134
Deposits from customers and licensees	來自客戶及品牌商之訂金	345,269	389,348
Salaries and welfare payables	應付薪金及福利	206,959	193,894
Other payables	其他應付賬項	105,086	119,443
Accrued expenses	應計費用	26,070	42,634
		975,840	1,125,453

The ageing of trade payables is as follows:

貿易應付賬項之賬齡如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
0 – 30 days	0至30日	255,580	276,949
31 – 60 days	31至60日	25,396	79,244
61 – 90 days	61至90日	7,908	19,596
91 – 120 days	91至120日	2,663	4,345
Over 120 days	超過120日	909	–
		292,456	380,134

The carrying amounts of the trade payables, other payables and accruals approximate their fair values.

貿易應付賬項、其他應付賬項及應計款項之賬面值與彼等之公允值相若。

28 SHARE CAPITAL AND SHARE PREMIUM

(a) Share capital

28 股本及股份溢價

(a) 股本

		2019		2018	
		No. of shares 股份數目	HK\$'000 千港元	No. of shares 股份數目	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股	800,000,000	80,000	800,000,000	80,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股	587,107,850	58,710	587,107,850	58,710

(b) Share premium

(b) 股份溢價

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 31 March	於3月31日	2,494,040	2,494,040

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 RESERVES

29 儲備

		Capital reserve	Capital redemption reserve	Available- for-sale financial assets reserve	Exchange reserve	Statutory reserve	Other reserve	Retained earnings	Total
		資本儲備	資本贖回 儲備	金融資產儲備	匯兌儲備	法定儲備	其他儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i)	(Note iv)			(Note ii)	(Note iii)		
		(附註i)	(附註iv)			(附註ii)	(附註iii)		
Representing:	指：								
Reserves	儲備								
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(4,334)	(214,755)	92,620	-	5,988,247	5,997,691
Proposed dividend	擬派股息	-	-	-	-	-	-	322,909	322,909
At 31 March 2017	於2017年3月31日	135,713	200	(4,334)	(214,755)	92,620	-	6,311,156	6,320,600
For the year ended	截至2018年3月31日								
31 March 2018	止年度								
At 1 April 2017	於2017年4月1日	135,713	200	(4,334)	(214,755)	92,620	-	6,311,156	6,320,600
Comprehensive income	全面收入								
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	-	1,369,393	1,369,393
Other comprehensive income	其他全面收入								
Currency translation differences	匯兌差額	-	-	-	405,244	-	-	-	405,244
Remeasurement of employee benefit obligations (Note 31(d))	僱員福利責任的重新計量(附註31(d))	-	-	-	-	-	-	16,646	16,646
Revaluation of available-for-sale financial assets (Note 22)	可供出售金融資產的價值變動(附註22)	-	-	(1,615)	-	-	-	-	(1,615)
Total other comprehensive income	其他全面總收入	-	-	(1,615)	405,244	-	-	1,386,039	1,789,668
Transactions with owners	與擁有人之交易								
2016/17 final dividend paid	已付2016/17年度末期股息	-	-	-	-	-	-	(234,843)	(234,843)
2016/17 special dividend paid	已付2016/17年度特別股息	-	-	-	-	-	-	(88,066)	(88,066)
2017/18 interim dividend paid	已付2017/18年度中期股息	-	-	-	-	-	-	(205,488)	(205,488)
2017/18 special dividend paid	已付2017/18年度特別股息	-	-	-	-	-	-	(117,421)	(117,421)
Acquisition of additional equity interest in a subsidiary from a non-controlling interest	自非控股權益收購附屬公司的額外股本權益	-	-	-	-	-	17,569	-	17,569
		-	-	-	-	-	17,569	(645,818)	(628,249)
At 31 March 2018	於2018年3月31日	135,713	200	(5,949)	190,489	92,620	17,569	7,051,377	7,482,019
Representing:	指：								
Reserves	儲備								
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(5,949)	190,489	92,620	17,569	6,728,468	7,159,110
Proposed dividend	擬派股息	-	-	-	-	-	-	322,909	322,909
At 31 March 2018	於2018年3月31日	135,713	200	(5,949)	190,489	92,620	17,569	7,051,377	7,482,019

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綜合財務報表附註

29 RESERVES (Continued)

29 儲備(續)

		Capital reserve	Capital redemption reserve	Financial assets at fair value Available- for-sale assets reserve	through other comprehensive income revaluation reserve	Exchange reserve	Statutory reserve	Other reserve	Retained earnings	Total
		資本儲備	資本贖回 儲備	可供出售 金融資產儲備	重估儲備	匯兌儲備	法定儲備	其他儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i) (附註i)	(Note iv) (附註iv)				(Note ii) (附註ii)	(Note iii) (附註iii)		
Representing:	指:									
Reserves	儲備									
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(5,949)	-	190,489	92,620	17,569	6,728,468	7,159,110
Proposed dividend	擬派股息	-	-	-	-	-	-	-	322,909	322,909
At 31 March 2018	於2018年3月31日	135,713	200	(5,949)	-	190,489	92,620	17,569	7,051,377	7,482,019
Change in accounting policies (Note 2.2)	會計政策變動(附註2.2)	-	-	5,949	(5,949)	-	-	-	(50,003)	(50,003)
Restated total equity as at 1 April 2018	於2018年4月1日 經重列權益總額	135,713	200	-	(5,949)	190,489	92,620	17,569	7,001,374	7,432,016
For the year ended 31 March 2019	截至2019年3月31日 止年度									
Restated total equity as at 1 April 2018	於2018年4月1日 經重列權益總額	135,713	200	-	(5,949)	190,489	92,620	17,569	7,001,374	7,432,016
Comprehensive income	全面收入									
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	-	-	1,492,747	1,492,747
Other comprehensive income	其他全面收入									
Currency translation differences	匯兌差額	-	-	-	-	(309,717)	-	-	-	(309,717)
Remeasurement of employee benefit obligations (Note 31(d))	僱員福利責任的重新計量 (附註31(d))	-	-	-	-	-	-	-	(1,767)	(1,767)
Revaluation of financial assets at fair value through other comprehensive income (Note 22)	按公允價值計入其他全面收入 之金融資產價值變動 (附註22)	-	-	-	(2,941)	-	-	-	-	(2,941)
Total other comprehensive income	其他全面總收入	-	-	-	(2,941)	(309,717)	-	-	1,490,980	1,178,322
Transactions with owners	與擁有人之交易									
2017/18 final dividend paid	已付2017/18年度末期股息	-	-	-	-	-	-	-	(322,909)	(322,909)
2018/19 interim dividend paid	已付2018/19年度中期股息	-	-	-	-	-	-	-	(322,909)	(322,909)
		-	-	-	-	-	-	-	(645,818)	(645,818)
At 31 March 2019	於2019年3月31日	135,713	200	-	(8,890)	(119,228)	92,620	17,569	7,846,536	7,964,520
Representing:	指:									
Reserves	儲備									
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	-	(8,890)	(119,228)	92,620	17,569	7,494,271	7,612,255
Proposed dividend	擬派股息	-	-	-	-	-	-	-	352,265	352,265
At 31 March 2019	於2019年3月31日	135,713	200	-	(8,890)	(119,228)	92,620	17,569	7,846,536	7,964,520

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 RESERVES (Continued)

Notes:

- (i) The capital reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the Group's reorganisation in 1997.
- (ii) Statutory reserves are non-distributable and the transfers of these funds are determined by the Board of Directors of the relevant Mainland China subsidiaries in accordance with the relevant laws and regulations in Mainland China.
- (iii) Other reserve represents the differences between the fair value of the consideration paid and carrying amount of additional equity interests acquired in non-wholly owned subsidiaries.
- (iv) During the year ended 31 March 2016, the Group purchased 2,000,000 of its shares on Hong Kong Stock Exchange at a total consideration of HK\$29,143,000. All the repurchased shares were cancelled and the issued share capital of the Company was reduced by the nominal value of these shares accordingly. The premium paid on repurchase was charged against the share premium of the Group. An amount equivalent to the nominal value of the shares cancelled was transferred from retained earnings to the capital redemption reserve.

29 儲備(續)

附註:

- (i) 本集團之資本儲備指本集團於1997年重組時所收購附屬公司之股份面值與就收購發行本公司股份之面值兩者間之差額。
- (ii) 法定儲備乃不可分派，轉撥有關款項乃由相關中國內地附屬公司董事會根據中國內地相關法律及規例決定。
- (iii) 其他儲備指已付代價之公允值與自非全資附屬公司收購的額外股本權益賬面值之差額。
- (iv) 於截至2016年3月31日止年度，本集團以總代價29,143,000港元於香港聯交所購買其2,000,000股股份。所有購回股份均已註銷，而本公司的已發行股本已相應減少該等股份之賬面值。購回所支付的溢價乃自本集團的股份溢價扣除。與已註銷股份面值相等之金額已自保留盈利轉撥至資本贖回儲備。

30 DEFERRED INCOME TAX

Deferred income tax of the Group is provided for in respect of:

30 遞延所得稅

本集團遞延所得稅乃就下列各項作出撥備:

	Tax depreciation allowances and tax losses		Unrealised profit on closing inventories		Undistributed profit of those subsidiaries in Mainland China 中國內地 附屬公司未分派溢利		Total 總額	
	2019 HK\$'000 千港元	2018 HK\$'000 千港元	2019 HK\$'000 千港元	2018 HK\$'000 千港元	2019 HK\$'000 千港元	2018 HK\$'000 千港元	2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April Credited/(charged) to the consolidated income statement (Note 11)	於4月1日 綜合損益表計入 /(扣除) (附註11)	3,507 1,723	38,613 39,238	39,238 (625)	(95,720) (25,117)	(76,677) (19,043)	(53,600) (25,447)	(35,716) (17,884)
At 31 March	於3月31日	28,586 3,507	13,204 38,613	38,613	(120,837) (95,720)	(95,720)	(79,047) (53,600)	(53,600)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 DEFERRED INCOME TAX (Continued)

Representing:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產		
– Deferred income tax assets to be recovered after more than 12 months	– 於超過十二個月後將收回的遞延所得稅資產	35,160	12,580
– Deferred income tax assets to be recovered within 12 months	– 於十二個月內將收回的遞延所得稅資產	19,483	34,534
		54,643	47,114
Deferred income tax liabilities	遞延所得稅負債		
– Deferred income tax liabilities to be recovered after more than 12 months	– 於超過十二個月後將收回的遞延所得稅負債	(126,631)	(100,236)
– Deferred income tax liabilities to be recovered within 12 months	– 於十二個月內將收回的遞延所得稅負債	(7,059)	(478)
		(133,690)	(100,714)
Deferred income tax liabilities, net	遞延所得稅負債，淨額	(79,047)	(53,600)

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profit is probable. As at 31 March 2019, the Group had potential unrecognised deferred tax assets amounting to HK\$27,507,000 (2018: HK\$18,381,000) in respect of tax losses to be carried forward against future taxable income. Cumulative tax losses of HK\$74,983,000 (2018: HK\$43,187,000) can be carried forward indefinitely; cumulative tax losses of HK\$53,802,000 (2018: HK\$45,020,000) will expire (if not utilised) within the next five years. The remaining balance of the cumulative tax losses of HK\$8,250,000 (2018: Nil) will expire (if not utilised) in the next seven to twenty years.

31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT

Under the Hong Kong Employment Ordinance, the Group is obligated to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plan that are attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations. The long service payments are paid out from the Group's cash in hand when such payments are required.

The latest actuarial valuation as at 31 March 2018 and 31 March 2019 specifically designated for the Group's employees was completed by a qualified actuary, Towers Watson Hong Kong Limited, using projected unit credit method.

30 遞延所得稅 (續)

指：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
遞延所得稅資產			
– 於超過十二個月後將收回的遞延所得稅資產		35,160	12,580
– 於十二個月內將收回的遞延所得稅資產		19,483	34,534
		54,643	47,114
遞延所得稅負債			
– 於超過十二個月後將收回的遞延所得稅負債		(126,631)	(100,236)
– 於十二個月內將收回的遞延所得稅負債		(7,059)	(478)
		(133,690)	(100,714)
遞延所得稅負債，淨額		(79,047)	(53,600)

遞延所得稅資產乃就結轉之稅項虧損確認，惟須有可能透過日後應課稅溢利將相關稅項利益變現。於2019年3月31日，本集團有潛在未確認遞延稅項資產共27,507,000港元（2018年：18,381,000港元），乃有關將予結轉以抵銷日後應課稅收入之稅項虧損。累計稅項虧損74,983,000港元（2018年：43,187,000港元）可無限期結轉；累計稅項虧損53,802,000港元（2018年：45,020,000港元）倘不動用，則將於未來五年內屆滿。累計稅項虧損的餘下結餘8,250,000港元（2018年：無）倘不動用，則將於未來七年至二十年內屆滿。

31 僱員福利責任 — 長期服務金

根據香港《僱傭條例》，本集團有責任於若干情況下，於已服務本集團最少五年之若干僱員終止受僱時向其支付一次性款項。應付款項乃視乎有關僱員之最後薪金及服務年數而定，並減去本集團退休計劃項下及本集團之供款應佔之累算權益。本集團並無撥出任何資產作為任何餘下責任之資金。於需要支付有關款項時，會自本集團之手頭現金撥款支付長期服務金。

合資格精算師韜睿惠悅香港有限公司以預計單位信貸法完成專為本集團僱員而編製之2018年3月31日及2019年3月31日最新精算評估。

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31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT (Continued)

(a) The amount recognised in the consolidated balance sheet is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Present value of defined benefit obligations	界定福利責任之現值	10,823	8,237

(b) Movements in the net liability recognised in the consolidated balance sheet are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April	於4月1日	8,237	23,754
Expenses recognised in the consolidated income statement	於綜合損益表確認之開支	847	1,233
Remeasurements recognised in other comprehensive income	於其他全面收入確認之重新計量	1,767	(16,646)
Benefits paid directly by employer	僱主直接支付之福利	(28)	(104)
At 31 March	於3月31日	10,823	8,237

(c) Expenses recognised in the consolidated income statement is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Current service cost	即期服務費	635	775
Interest cost	利息成本	212	458
		847	1,233

31 僱員福利責任 — 長期服務金 (續)

(a) 於綜合資產負債表確認之款項如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Present value of defined benefit obligations	10,823	8,237

(b) 於綜合資產負債表確認之負債淨額變動如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April	8,237	23,754
Expenses recognised in the consolidated income statement	847	1,233
Remeasurements recognised in other comprehensive income	1,767	(16,646)
Benefits paid directly by employer	(28)	(104)
At 31 March	10,823	8,237

(c) 於綜合損益表確認之開支如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Current service cost	635	775
Interest cost	212	458
	847	1,233

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綜合財務報表附註

31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT (Continued)

(d) Income recognised in the consolidated statement of comprehensive income is as follows:

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Remeasurements of employees benefit obligations	1,767	(16,646)

(e) The principal actuarial assumptions used as at 31 March 2019 and 2018 (expressed as weighted average) are as follows:

	2019	2018
Discount rate	2.5%	2.6%
Future salary increment	3%	3%
Return of MPF balances	3%	3%

	Impact on employee benefit obligations 對僱員福利責任的影響		
	Change in assumption 假設變動	Increase in assumption 假設增加	Decrease in assumption 假設減少
Discount rate	0.25%	Decrease by 2.85%	Increase by 2.35%
貼現率	0.25%	減少2.85%	增加2.35%
Salary growth rate	0.25%	Increase by 3.25%	Decrease by 2.75%
薪金增長率	0.25%	增加3.25%	減少2.75%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

以上敏感度分析乃根據假設變動，而所有其他假設維持不變達致。實際上，此情況不大可能發生，一些假設變動可能相關。

31 僱員福利責任 — 長期服務金 (續)

(d) 於綜合全面收入報表確認之收入如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Remeasurements of employees benefit obligations	1,767	(16,646)

(e) 於2019年及2018年3月31日使用之主要精算假設（以加權平均呈列）如下：

	2019	2018
Discount rate	2.5%	2.6%
Future salary increment	3%	3%
Return of MPF balances	3%	3%

Impact on employee benefit obligations 對僱員福利責任的影響

	Change in assumption 假設變動	Increase in assumption 假設增加	Decrease in assumption 假設減少
Discount rate	0.25%	Decrease by 2.85%	Increase by 2.35%
貼現率	0.25%	減少2.85%	增加2.35%
Salary growth rate	0.25%	Increase by 3.25%	Decrease by 2.75%
薪金增長率	0.25%	增加3.25%	減少2.75%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 BANK BORROWINGS

32 銀行貸款

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Bank borrowings, secured	銀行貸款·有抵押	983,244	-
Bank borrowings, unsecured	銀行貸款·無抵押	871,980	415,000
		1,855,224	415,000

As at 31 March 2019, bank borrowings of HK\$983,244,000 (as at 31 March 2018: Nil) were secured by land and building of HK\$575,864,000 (as at 31 March 2018: Nil) and investment properties of HK\$21,914,000 (as at 31 March 2018: Nil), which bear interest at floating rates ranging from 1.6%-2.5% (as at 31 March 2018: Nil) per annum and were denominated in HK\$.

As at 31 March 2019, the bank borrowings of HK\$871,980,000 (2018: HK\$415,000,000) bore interest at floating rates were due for repayment within two months (2018: within three months). The interest rates of the bank borrowing ranged from 1.6%-3.1% (2018: 1.7%-1.8%) per annum and were denominated in HK\$.

The carrying amounts of the bank borrowings approximated their fair values, as the impact of discounting was not significant due to their short-term maturities.

33 GOLD LOANS

Gold loans are measured at fair value at the end of each reporting period and the change in fair value is recognised in "Other (losses)/gains, net" in the consolidated income statement.

As at 31 March 2019, gold loans of HK\$450,889,000 (2018: HK\$140,692,000) represent borrowings from banks of which the repayment amounts are pledged with gold prices. As at 31 March 2018, gold loan balances of HK\$170,591,000 represent borrowings of gold which involved physical settlement.

As at 31 March 2019, the gold loans are interest bearing at 0.90%-0.98% per annum (2018: 0.98%-2.6% per annum), with original maturity of 1-3 months (2018: 2-6 months) from date of inception.

The net unrealised gain on gold loans arising from change in fair value of HK\$12,532,000 (2018: net unrealised gain of HK\$2,020,000) has been recognised in "Other (losses)/gains, net" in the consolidated income statement.

於2019年3月31日，銀行貸款983,244,000港元（於2018年3月31日：無）乃以土地及樓宇575,864,000港元（於2018年3月31日：無）及投資物業21,914,000港元（於2018年3月31日：無）作抵押。該等銀行貸款按浮動利率計息，年利率為1.6%至2.5%（於2018年3月31日：無），以港元計值。

於2019年3月31日，銀行貸款871,980,000港元（2018年：415,000,000港元）按浮動利率計息且須於2個月內償還（2018年：3個月內）。銀行貸款年利率為1.6%至3.1%（2018年：1.7%至1.8%），以港元計值。

因銀行貸款的期限較短，貼現影響不大，因此，銀行貸款之賬面值與其公允值相若。

33 黃金借貸

黃金借貸乃於各報告期間結算日按公允值計量及公允值變動於綜合損益表「其他（虧損）／收益，淨額」中確認。

於2019年3月31日，黃金借貸450,889,000港元（2018年：140,692,000港元）為銀行貸款，還款金額以黃金價格結算。於2018年3月31日，黃金借貸結餘170,591,000港元為涉及實物交割的黃金借貸。

於2019年3月31日，黃金借貸按0.90%至0.98%（2018年：0.98%至2.6%）之年利率計息，原到期日為自其開始日起計1至3個月（2018年：2至6個月）。

黃金借貸公允值變動所產生之未變現收益淨額為12,532,000港元（2018年：未變現收益淨額2,020,000港元）乃於綜合損益表「其他（虧損）／收益，淨額」中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 CONSOLIDATED STATEMENT OF CASH FLOWS

34 綜合現金流量表

(a) Reconciliation of operating profit to cash generated from operations:

(a) 經營溢利與經營產生之現金對賬：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,806,363	1,613,439
Amortisation of land use rights (Note 17)	土地使用權攤銷 (附註17)	10,944	9,677
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊 (附註16)	112,501	117,056
Depreciation of investment properties (Note 18)	投資物業折舊 (附註18)	3,002	1,177
Loss on disposal of property, plant and equipment (Note 8)	出售物業、廠房及設備之虧損 (附註8)	11,034	1,783
Provision for long service payment (Note 31(c))	長期服務金撥備 (附註31(c))	847	1,233
Impairment loss on trade receivables (Note 8)	貿易應收賬項減值虧損 (附註8)	25,877	-
Net realised gains on gold loans	黃金借貸之已變現收益淨額	(435)	(1,981)
Net unrealised gains on gold loans (Note 9)	黃金借貸之未變現收益淨額 (附註9)	(12,532)	(2,020)
Finance income (Note 10)	財務收入 (附註10)	(30,053)	(28,922)
Finance costs (Note 10)	財務費用 (附註10)	34,253	6,392
Fair value gains on convertible bond (Note 9)	可換股債券之公允值收益 (附註9)	(5,437)	(1,803)
Fair value losses on derivative financial instruments (Note 9)	衍生金融工具之公允值虧損 (附註9)	3,929	9
Share of results of associates (Note 19)	應佔聯營公司業績 (附註19)	42,479	29,897
Operating profit before working capital changes	營運資金變動前經營溢利	2,002,772	1,745,937
Decrease/(increase) in rental deposits	租金按金減少/(增加)	6,411	(15,617)
Increase in inventories	存貨增加	(1,613,311)	(1,086,284)
Increase in trade receivables, deposits, prepayments and other receivables	貿易應收賬項、按金、預付款項及其他應收賬項增加	(212,446)	(54,307)
Decrease in amount due from/to associates	應收/應付聯營公司款項減少	9,255	22,517
(Decrease)/increase in trade payables, other payables and accruals	貿易應付賬項、其他應付賬項及應計款項(減少)/增加	(4,328)	67,291
Decrease in employee benefit obligations (Note 31(b))	僱員福利責任減少 (附註31(b))	(28)	(104)
Net cash generated from operation	營運產生之現金淨額	188,325	679,433

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Significant non-cash transactions

As at the year ended 31 March 2018, the Group entered into gold loan contracts with physical settlement amounting to HK\$170,591,000. The repayment and borrowing of gold loans with physical settlement are included in the inventories in the consolidated statement of cash flows as non-cash transactions.

(c) Net debt reconciliation

Below sets out an analysis of net debt and movements in net debt for each periods presented:

34 綜合現金流量表 (續)

(b) 重大非現金交易

截至2018年3月31日止年度，本集團訂立以實物交割的黃金借貸合約價值170,591,000港元。實物交割黃金借貸的償還及貸款作為非現金交易計入綜合現金流量表中的存貨項下。

(c) 債務淨額對賬

下表載列債務淨額分析及各呈列期間債務淨額的變動：

		2019	2018
		Total	Total
		總計	總計
		HK\$'000	HK\$'000
		千港元	千港元
Gold loans with physical settlement (Note (b))	實物交割的黃金借貸 (附註(b))	-	170,591
Gold loans with cash settlement	現金交割的黃金借貸	450,889	140,692
Bank borrowings	銀行貸款	1,855,224	415,000
Net debt	債務淨額	2,306,113	726,283

Liabilities from financing activities:

融資活動產生的負債：

		Gold loans with cash settlement	Bank borrowings	Total
		現金交割的黃金借貸	銀行貸款	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 April 2017	於2017年4月1日	-	-	-
Net cash inflows – financing activities	現金流入淨額 — 融資活動	140,448	415,000	555,448
Unrealised losses on gold loans	黃金借貸之未變現虧損	244	-	244
At 31 March 2018 and 1 April 2018	於2018年3月31日及 2018年4月1日	140,692	415,000	555,692
Net cash inflows – financing activities	現金流入淨額 — 融資活動	322,729	1,440,224	1,762,943
Unrealised gains on gold loans	黃金借貸之未變現收益	(12,532)	-	(12,532)
At 31 March 2019	於2019年3月31日	450,889	1,855,224	2,306,113

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 COMMITMENTS

(a) Capital commitments

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Contracted but not provided for:	已訂約但未作出撥備：		
– property, plant and equipment	– 物業、廠房及設備	11,090	481,712
– investment in financial assets at fair value through other comprehensive income	– 投資按公允值計入 其他全面收入之 金融資產	6,456	6,923
Total capital commitments contracted but not provided for	已訂約但未作出撥備之 資本承擔總額	17,546	488,635

As at 31 March 2019 and 31 March 2018, there are no capital commitments which are authorised but not contracted for.

As at 31 March 2018, the capital commitment of HK\$476,604,000 included above represents the remaining consideration for the acquisition of several commercial properties in Hong Kong with total consideration of HK\$560,710,000. The consideration and related transaction costs paid up to 31 March 2018 is included in the non-current prepayment (Note 23).

(b) Commitments under operating leases

At 31 March 2019, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Not later than one year	一年內	448,059	563,598
Later than one year and not later than five years	一年後但不超過五年	368,951	397,699
Later than five years	超過五年	–	–
		817,010	961,297

The actual payments in respect of certain operating leases are calculated at the higher of the minimum commitments as noted above and the amounts determined based on a percentage of the sales of the related outlets.

35 承擔

(a) 資本承擔

於2019年3月31日及2018年3月31日，並無已授權但未訂約之資本承擔。

於2018年3月31日，以上所載之資本承擔476,604,000港元指按總代價560,710,000港元購買香港若干商業物業之剩餘代價。截至2018年3月31日已支付的代價及有關交易成本計入非流動預付款項（附註23）。

(b) 經營租賃承擔

於2019年3月31日，本集團就土地及樓宇根據不可撤銷之經營租賃而於未來支付之最低租賃付款總額如下：

若干經營租賃實際付款乃按上文所述最低承擔與根據相關店舖銷售額一定百分比所釐定金額之較高者計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL GUARANTEE

As at 31 March 2019, the Group had an outstanding financial guarantee amounting to HK\$1,075,000,000 (2018: HK\$898,630,000) issued to several banks in respect of 50% of the aggregated amount of bank facilities granted to an associate. As at 31 March 2019, the bank facilities utilised by the associate is approximately HK\$1,834,000,000 (2018: HK\$1,534,000,000). It was estimated that the fair values of these financial guarantees were not significant at initial recognition.

37 RELATED PARTY TRANSACTIONS

The major shareholder of the Company is Luk Fook (Control) Limited ("Luk Fook Control"), a company incorporated in the BVI, which directly owns 39.89% of the Company's shares. The remaining shares of the Company are widely held.

Mr. WONG Wai Sheung and his family including Mr. WONG Ho Lung, Danny and Miss WONG Lan Sze, Nancy are discretionary beneficiaries of the Wong's Family Trust (the "Trust"). The Trust is the beneficial owner of the entire issued share capital of Kwai Kee Cheung Jewellery & Goldsmith Company Limited which is the beneficial owner of 36.72% of issued shares of Luk Fook Control. The remaining shares of Luk Fook Control are held by various shareholders.

Mr. WONG Wai Sheung, Mr. WONG Ho Lung, Danny and Miss WONG Lan Sze, Nancy are directors of the Company.

- (a) The Group has entered into supplementary licensing and maintenance agreement with GS Tech Company Limited (92% owned by the Wong's Family Trust) for acquiring a license to use certain computer programmes and to receive maintenance services fees. For the year ended 31 March 2019, license fees of HK\$2,588,000 (2018: HK\$3,114,000) were capitalised in the consolidated balance sheet, maintenance services fees of HK\$4,931,000 (2018: HK\$4,542,000) and rental expenses of HK\$611,000 (2018: HK\$839,000) were charged in the consolidated income statement, respectively.

36 財務擔保

於2019年3月31日，本集團就授予一家聯營公司的銀行融資總額之50%向若干銀行發行的未償還財務擔保為1,075,000,000港元（2018年：898,630,000港元）。於2019年3月31日，聯營公司已動用銀行融資為約1,834,000,000港元（2018年：1,534,000,000港元）。在預期中，該等財務擔保的公允值於初步確認時並不重大。

37 關連人士之交易

本公司之主要股東為六福（控股）有限公司（「六福控股」），為於英屬維爾京群島註冊成立之公司，直接擁有本公司39.89%股份。本公司餘下股份分散持有。

黃偉常先生及其家屬（包括黃浩龍先生及黃蘭詩小姐）為黃氏家族信託（「信託」）之全權受益人。信託為桂記祥珠寶金行有限公司全部已發行股本之實益擁有人，桂記祥珠寶金行有限公司實益擁有六福控股36.72%已發行股份。六福控股餘下股份由多名股東持有。

黃偉常先生、黃浩龍先生及黃蘭詩小姐均為本公司董事。

- (a) 本集團已與金星資訊顧問有限公司（其92%權益由黃氏家族信託擁有）訂立特許及維修補充協議，以獲得若干電腦程式及收取維修服務費之特許權。截至2019年3月31日止年度，特許權費用2,588,000港元（2018年：3,114,000港元）於綜合資產負債表資本化、維修服務費4,931,000港元（2018年：4,542,000港元）及租賃開支611,000港元（2018年：839,000港元）已於綜合損益表內扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 RELATED PARTY TRANSACTIONS (Continued)

(b) The Group has entered into a lease agreement of a premise with tenancy period of 36 months with New Merit Corporation Limited, an entity jointly controlled by Mr. Wong Wai Sheung and other two independent third parties. As at 31 March 2019, rental deposits of HK\$2,550,000 (2018: HK\$2,550,000) were recognised in the consolidated balance sheet. For the year ended 31 March 2019, rental expenses of HK\$8,504,000 (2018: HK\$8,953,000) were charged in the consolidated income statement. This transaction was carried out at terms mutually agreed between the respective parties.

(c) Transactions with associates

37 關連人士之交易 (續)

(b) 本集團與New Merit Corporation Limited (由黃偉常先生及另外兩名獨立第三方共同控制的實體)訂立一間物業的租賃協議,租期為36個月。於2019年3月31日,已於綜合資產負債表確認租賃按金2,550,000港元(2018年:2,550,000港元)。截至2019年3月31日止年度,已於綜合損益表扣除租賃開支8,504,000港元(2018年:8,953,000港元)。該交易乃按相關訂約方互相協定的條款進行。

(c) 與聯營公司之交易

			2019 HK\$'000 千港元	2018 HK\$'000 千港元
		Note 附註		
Sales of goods	銷售貨品	(i)	19,020	35,756
Sales of fixed assets	銷售固定資產	(i)	619	-
Subcontracting fee paid	已付分包費用	(i)	24,967	20,904
Rental income	租金收入	(i)	3,911	3,497
Management fee income	管理費收入	(i)	764	755
Purchase of goods	購貨	(i)	875	11,436
Licensing fee (refund)/paid	(已退)/已付品牌 業務費用	(i)	(859)	352
Interest income on the loan to an associate	貸款予一家聯營公司 之利息收入	10	379	790

Notes:

- (i) Sales of goods, subcontracting fee paid, rental income, purchases of goods, licensing fee paid and management fee income were charged at terms based on mutual agreements.
- (ii) As mentioned in Note 36, the Group had financial guarantee amounting to HK\$1,075,000,000 (2018: HK\$898,630,000) issued to several banks in respect of bank facilities granted to an associate.

附註:

- (i) 根據相互協議釐定之條款收取之銷售貨品、已付分包費用、租金收入、購貨、已付品牌業務費用及管理費收入。
- (ii) 誠如附註36所載,本集團就授予一家聯營公司的銀行融資向若干銀行發行的財務擔保為1,075,000,000港元(2018年:898,630,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 RELATED PARTY TRANSACTIONS (Continued) 37 關連人士之交易 (續)

(d) Year-end balances (d) 年終結餘

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Loan to an associate	貸款予一家聯營公司		
– non-current (Note 20)	– 非即期 (附註20)	99,208	94,927
Loan to an associate	貸款予一家聯營公司		
– current (Note 20)	– 即期 (附註20)	–	43,190
Amount due from an associate (Note 19(i))	應收一家聯營公司賬項 (附註19(i))	3,078	13,173
Amount due to an associate (Note 19(ii))	應付一家聯營公司賬項 (附註19(ii))	(2,715)	(3,555)

(e) Key management compensation

Key management includes directors (executive and non-executive) and senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

(e) 主要管理層酬金

主要管理層包括本集團董事 (執行及非執行董事) 及高級管理人員。就僱員服務已付或應付主要管理層之酬金如下:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Salaries, allowances and benefits-in-kinds	薪金、津貼及實物利益	65,226	64,437
Performance and discretionary bonuses	按表現酌情發放之花紅	38,888	35,443
Contributions to pension plan	退休金計劃供款	595	570
		104,709	100,450

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES

At 31 March 2019, the Company had the following principal subsidiaries:

38 附屬公司

於2019年3月31日，本公司之主要附屬公司如下：

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests 非控股權益所持普通股比例
				Directly 直接	Indirectly 間接	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		
Luk Fook Investment (B.V.I.) Limited	The BVI 英屬維爾京群島	Investment holding 投資控股	HK\$2 2港元	100	-	-
China Gems Laboratory Limited 中華珠寶鑑定中心有限公司	Hong Kong 香港	Authentication of gemstones 寶石鑑定	HK\$2 2港元	-	100	-
Fancy Trend Investment Limited 嘉旋投資有限公司	Hong Kong 香港	Property holding 持有物業	HK\$12,100 12,100港元	-	100	-
Ice Collection (International) Limited 冰姿(國際)有限公司	Hong Kong 香港	Retailing of gold and jewellery products 金飾珠寶產品零售業務	HK\$100 100港元	-	100	-
Jewelworld.com Limited 珠寶世界(B.V.I.)有限公司	The BVI 英屬維爾京群島	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務	HK\$8,000,000 8,000,000港元	-	51	49
Jewelworld.com Limited 珠寶世界(香港)有限公司	Hong Kong 香港	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務	HK\$100 100港元	-	51	49
Luk Fook Bullions Dealers Limited 六福金號有限公司	Hong Kong 香港	Gold bullion trading 買賣純金條	HK\$14,000,000 14,000,000港元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
Luk Fook Holdings Company Limited 六福集團有限公司	Hong Kong 香港	Provision of management services to group companies and wholesale distribution of gold and jewellery products 提供管理服務予集團公司及批發分銷黃金及珠寶產品	HK\$2 2港元	-	100	-
Luk Fook Jewellery & Goldsmith (Australia) Pty Limited	Australia 澳洲	Retailing of gold and jewellery products in Australia 於澳洲從事黃金及珠寶產品零售業務	AU\$100,000 100,000澳元	-	100	-
Luk Fook Jewellery & Goldsmith (HK) Company Limited 六福珠寶金行(香港)有限公司	Hong Kong 香港	Retailing of gold and jewellery products 黃金及珠寶產品零售業務	HK\$100 100港元	-	100	-
Luk Fook Jewellery & Goldsmith (Macao) Company Limited 六福珠寶金行(澳門)有限公司	Macau 澳門	Retailing of gold and jewellery products in Macau 於澳門從事黃金及珠寶產品零售業務	MOP1,000,000 1,000,000澳門元	-	100	-
Luk Fook Jewellery & Goldsmith (Canada) Limited	Canada 加拿大	Retailing of gold and jewellery products in Canada 於加拿大從事黃金及珠寶產品零售業務	CAS\$100 100加拿大元	-	100	-
Luk Fook Jewellery & Goldsmith (Singapore) Pte. Limited	Singapore 新加坡	Retailing of gold and jewellery products in Singapore 於新加坡從事黃金及珠寶產品零售業務	S\$1,000,000 1,000,000新加坡元	-	100	-
Luk Fook Jewellery & Goldsmith (USA) Company Limited	USA 美國	Retailing of gold and jewellery products in USA 於美國從事黃金及珠寶產品零售業務	USD100 100美元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益 所持普通股 比例
				直接	間接	
Luk Fook 3D Management Company Limited 六福3D管理有限公司	The BVI 英屬維爾京群島	Investment holding 投資控股	HK\$1 1港元	-	100	-
Max Forum Development Limited 溢富發展有限公司	Hong Kong 香港	Property holding 持有物業	HK\$100 100港元	-	100	-
Maxigood Enterprises Limited 萬利佳企業有限公司	Hong Kong 香港	Manufacturing and wholesale distribution of jewellery products 製造及批發分銷珠寶產品	HK\$3,000,000 3,000,000港元	-	100	-
萬利佳(廣州)首飾有限公司+	Mainland China 中國內地	Manufacturing of jewellery products in Mainland China 於中國內地製造珠寶產品	HK\$8,000,000 8,000,000港元	-	100	-
廣州利盈首飾有限公司+	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	HK\$35,000,000 35,000,000港元	-	100	-
六福鑽石(上海)有限公司+	Mainland China 中國內地	Wholesale of polished diamond in Mainland China 於中國內地批發經打磨之鑽石	USD200,000 200,000美元	-	100	-
六福珠寶(北京)有限公司+	Mainland China 中國內地	Retailing of gold and jewellery products in Beijing, Mainland China 於中國內地北京從事黃金及珠寶產品零售業務	HK\$29,750,000 29,750,000港元	-	100	-
廣州六福營銷策劃有限公司+	Mainland China 中國內地	Trademark licensing, brand building and promotion in Mainland China 於中國內地從事商標授權、創建及推廣品牌	HK\$2,000,000 2,000,000港元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
六福珠寶營銷策劃(深圳)有限公司+	Mainland China 中國內地	Trademark licensing, brand building and promotion in Mainland China 於中國內地從事商標授權、創建及推廣品牌	HK\$8,000,000 8,000,000港元	-	100	-
六福飾品設計(重慶)有限公司+	Mainland China 中國內地	Manufacturing, wholesale of gold and jewellery products in Mainland China 於中國內地從事製造及批發黃金及珠寶產品	HK\$50,000,000 50,000,000港元	-	100	-
六福珠寶首飾(重慶)有限公司+	Mainland China 中國內地	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務	HK\$50,000,000 50,000,000港元	-	100	-
六福營銷策劃(重慶)有限公司+	Mainland China 中國內地	Trademark licensing, brand building, promotion and provision of quality examination services in Mainland China 於中國內地從事商標授權、創建及推廣品牌以及提供質量鑑定服務	HK\$3,000,000 3,000,000港元	-	100	-
重慶六福世家珠寶加工有限公司+	Mainland China 中國內地	Manufacturing of gold products in Mainland China 於中國內地製造黃金產品	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶璐雲廊珠寶首飾有限公司+	Mainland China 中國內地	Wholesale of polished diamond and jewellery products in Mainland China 於中國內地批發經打磨鑽石及珠寶產品	RMB10,000,000 人民幣10,000,000元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司 (續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal activities 主要業務	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Proportion of ordinary shares held by the Company 本公司所持普通股比例		Proportion of ordinary shares held by non-controlling interests 非控股權益所持普通股比例
				Directly 直接	Indirectly 間接	
六福珠寶(廣州)有限公司+	Mainland China 中國內地	Manufacturing, wholesale of gold and jewellery products in Mainland China 於中國內地從事製造及批發黃金及珠寶產品	RMB65,500,000 人民幣65,500,000元	-	100	-
廣州六福時尚珠寶有限公司	Mainland China 中國內地	Manufacturing of gold products in Mainland China 於中國內地製造黃金產品	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶福華珠寶首飾有限公司	Mainland China 中國內地	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務	RMB50,000,000 人民幣50,000,000元	-	51	49
太原六福珠寶有限公司+	Mainland China 中國內地	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶六福電子商務有限公司+	Mainland China 中國內地	Electronic retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品電子零售業務	RMB5,000,000 人民幣5,000,000元	-	100	-
Luk Fook Prestige (Malaysia) SDN. BHD.	Malaysia 馬來西亞	Retailing of gold and jewellery products in Malaysia 於馬來西亞從事黃金及珠寶產品零售業務	MYR2,000,000 2,000,000 馬來西亞令吉	-	100	-
Luk Fook Optical Company Limited 六福眼鏡有限公司	Hong Kong 香港	Retailing of optical products in Hong Kong 於香港從事眼鏡產品零售業務	HK\$30,000,000 30,000,000港元	-	100	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司(續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal activities 主要業務	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Proportion of ordinary shares held by the Company 本公司所持普通股比例		Proportion of ordinary shares held by non-controlling interests 非控股權益所持普通股比例
				Directly 直接	Indirectly 間接	
重慶市福報貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-
重慶市福妙貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-
重慶市福遊貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-
重慶市台金進貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-
重慶市升潤巨貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-
重慶市光生成貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 SUBSIDIARIES (Continued)

38 附屬公司 (續)

Name 名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal activities 主要業務	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Proportion of ordinary shares held by the Company 本公司所持普通股比例		Proportion of ordinary shares held by non-controlling interests 非控股權益所持普通股比例
				Directly 直接	Indirectly 間接	
重慶市珽宿貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-
重慶市聿宿貿易有限公司	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	RMB1,000,000 人民幣1,000,000元	100	-	-
Bright Billion Corporation Limited 億輝行有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	100	-	-
Green Rich Corporation Limited 富翠有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	100	-	-
Talent Up Corporation Limited 傑全有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	100	-	-
Ultra Power Corporation Limited 越能有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	100	-	-

+ The subsidiaries are established as wholly foreign-owned enterprises in Mainland China.

+ 該等附屬公司為於中國內地成立之全外資企業。

Unless otherwise stated, all the above companies operate principally in Hong Kong.

除另有說明者外，上述所有公司均主要於香港經營業務。

The above list includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為，上表所列本公司附屬公司主要對本年度業績構成影響或構成本集團資產淨值之主要部分。董事認為，提供其他附屬公司之詳情會令信息過於冗長。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 BALANCE SHEET OF THE COMPANY

39 本公司之資產負債表

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
ASSETS	資產		
Non-current asset	非流動資產		
Interests in subsidiaries	於附屬公司之權益	3,138,225	3,138,225
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司賬項	2,852,041	2,928,711
Cash and bank balances	現金及銀行結餘	154,889	5,165
		3,006,930	2,933,876
Total assets	總資產	6,145,155	6,072,101
EQUITY	權益		
Capital and reserve attributable to the equity holders of the Company	本公司權益持有人應佔資本及儲備		
Share capital	股本	58,710	58,710
Share premium	股份溢價	2,494,040	2,494,040
Reserves (Note a)	儲備(附註a)	1,101,163	1,049,758
		3,653,913	3,602,508
LIABILITIES	負債		
Current liabilities	流動負債		
Accruals	應計款項	1,277	1,398
Amounts due to subsidiaries	應付附屬公司款項	1,288,602	2,327,503
Bank borrowings	銀行貸款	900,000	-
Gold loans	黃金借貸	301,363	140,692
		2,491,242	2,469,593
Total equity and liabilities	權益及負債總額	6,145,155	6,072,101

The balance sheet of the Company was approved by the Board of Directors on 27 June 2019 and was signed on its behalf.

本公司資產負債表乃由董事會於2019年6月27日批准並經由下列董事代表簽署。

Wong Wai Sheung
黃偉常
Director
董事

Chan So Kuen
陳素娟
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 BALANCE SHEET OF THE COMPANY

(Continued)

Note (a) Reserves movement of the Company

39 本公司之資產負債表(續)

附註(a)本公司儲備變動

		Contributed surplus 實繳盈餘 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
For the year ended 31 March 2019	截至2019年 3月31日止年度				
At 1 April 2018	於2018年4月1日	298,687	200	750,871	1,049,758
Profit for the year	年內溢利	-	-	697,223	697,223
2017/18 final dividend paid	已付2017/18年度 末期股息	-	-	(322,909)	(322,909)
2018/19 interim dividend paid	已付2018/19年度 中期股息	-	-	(322,909)	(322,909)
At 31 March 2019	於2019年3月31日	298,687	200	802,276	1,101,163
Representing:	指:				
Reserves (excluded proposed dividend)	儲備(不包括 擬派股息)	298,687	200	450,011	748,898
Proposed dividend	擬派股息	-	-	352,265	352,265
At 31 March 2019	於2019年3月31日	298,687	200	802,276	1,101,163
For the year ended 31 March 2018	截至2018年 3月31日止年度				
At 1 April 2017	於2017年4月1日	298,687	200	700,084	998,971
Profit for the year	年內溢利	-	-	696,605	696,605
2016/17 final dividend paid	已付2016/17年度 末期股息	-	-	(234,843)	(234,843)
2016/17 special dividend paid	已付2016/17年度 特別股息	-	-	(88,066)	(88,066)
2017/18 interim dividend paid	已付2017/18年度 中期股息	-	-	(205,488)	(205,488)
2017/18 special dividend paid	已付2017/18年度 特別股息	-	-	(117,421)	(117,421)
At 31 March 2018	於2018年3月31日	298,687	200	750,871	1,049,758
Representing:	指:				
Reserves (excluded proposed dividend)	儲備(不包括 擬派股息)	298,687	200	427,962	726,849
Proposed dividend	擬派股息	-	-	322,909	322,909
At 31 March 2018	於2018年3月31日	298,687	200	750,871	1,049,758

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 BALANCE SHEET OF THE COMPANY

(Continued)

Note (a) Reserves movement of the Company (Continued)

The contributed surplus of the Company represents the difference between the nominal value of the shares issued by the Company in exchange for all the issued ordinary shares of Luk Fook Investment (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired by the Company during the Group's reorganisation in 1997. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders, provided that the Company would, after the payment of dividends out of the contributed surplus, be able to pay its liabilities as they become due; or the realisable value of the Company's assets would thereby not be less than the aggregate of its liabilities, its issued share capital and its share premium. At the Group level, the contributed surplus is reclassified into its component of reserves of the underlying subsidiaries.

39 本公司之資產負債表(續)

附註(a) 本公司儲備變動(續)

本公司之實繳盈餘指本公司為交換Luk Fook Investment (B.V.I.) Limited全部已發行普通股而發行股份之面值與本公司於1997年本集團重組期間所收購相關附屬公司之資產淨值兩者之差額。根據百慕達《1981年公司法》(經修訂)，實繳盈餘可派發予股東，惟本公司自實繳盈餘派付股息後，須能於負債到期時支付債務；或本公司之資產可變現值據此不會少於其債務、其已發行股本及其股份溢價之總和。就本集團層面而言，此實繳盈餘重新分類為各相關附屬公司之儲備部分。

CORPORATE INFORMATION

企業資料

DIRECTORS

Executive Directors:

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

Non-executive Directors:

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

Independent Non-executive Directors:

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

COMPANY SECRETARY

Dr. CHAN So Kuen

LEGAL ADVISERS

K&L Gates
Cleary Gottlieb Steen & Hamilton (Hong Kong)

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

15th, 20th, 25th & 27th Floor
Metropole Square
No.2 On Yiu Street, Shatin
New Territories, Hong Kong
Tel: (852) 2308 1218
Fax: (852) 2374 1696
E-mail: group@lukfook.com
Website: lukfook.com

PRINCIPAL BANKERS

Hang Seng Bank Limited
DBS Bank (Hong Kong) Limited
Citibank, N.A. Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited
MUFG Bank, Ltd.

SHARE REGISTRAR

Estera Management (Bermuda) Limited

SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

董事

執行董事：

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

非執行董事：

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

獨立非執行董事：

戴國良先生
葉澍堃GBS太平紳士
麥永森先生
黃汝璞太平紳士
許競威先生

公司秘書

陳素娟博士

法律顧問

高蓋茨律師事務所
佳利(香港)律師事務所

核數師

羅兵咸永道會計師事務所
執業會計師

註冊辦事處

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

總辦事處及主要營業地點

香港新界
沙田安耀街2號
新都廣場
15、20、25及27樓
電話：(852) 2308 1218
傳真：(852) 2374 1696
電郵：group@lukfook.com
網址：lukfook.com

主要往來銀行

恒生銀行有限公司
星展銀行(香港)有限公司
花旗銀行香港分行
香港上海滙豐銀行有限公司
三菱UFJ銀行

股份登記處

Estera Management (Bermuda) Limited

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716室



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