

CHOW TAI FOOK JEWELLERY GROUP

周大福珠寶集團

Annual Report 2020 年報

Stock Code 股份代號: 1929

# CORPORATE PROFILE

## 企業簡介

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

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

The Group’s multi-brand strategy comprises the CHOW TAI FOOK core brand with its offerings of different retail experiences including ARTRIUUM, JEWELRIA, Experience Shop and CTF WATCH, in addition to other brands including HEARTS ON FIRE, T MARK, ENZO, SOINLOVE and MONOLOGUE to address the diversifying needs of our customers.

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

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

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

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

周大福實踐多品牌發展策略，以周大福核心品牌為主軸，相繼推出多元化的零售體驗，包括周大福藝堂、周大福薈館、體驗店和周大福鐘錶，以及HEARTS ON FIRE、T MARK、ENZO、SOINLOVE與MONOLOGUE等其他品牌，以迎合顧客需要之多樣化。

集團借助以客為本的重點及其策略為基礎，實踐業務可持續增長的承諾，致力於業務、員工和文化方面推動長遠的創新發展。發展成熟的靈活業務模式是推動集團可持續增長的一大優勢，在整個價值鏈中支持集團追求卓越，以及延伸商機至不同社區和全球的行業合作夥伴。

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

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# BUSINESS MODEL INNOVATION

## 商業模式創新

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

我們為滿足顧客不斷轉變的期望，根據顧客的需要把業務重新定位，並藉著完善我們現有的商業模式，持續創造、提供和獲取價值。



## Revenue Model 收入模式

Revenue streams on how we extract value  
讓我們獲取價值的收入來源



**Design and production**  
設計及生產

OEM  
原廠委託製造  
ODM  
原廠設計製造  
C2M  
顧客對工廠

**Sales channels**  
銷售渠道

Self-operated POS  
直營零售點  
Franchised POS  
加盟零售點  
E-commerce  
電子商務  
Retail partners  
零售夥伴

Multi-brands  
多品牌  
In-house collections  
自家產品系列  
Licensed products  
授權產品  
Brand collaborations  
品牌合作



**Brands and products**  
品牌和產品



**Others**  
其他

Strategic investments  
策略性投資

Experience shop  
體驗店  
Pop-up store  
限時快閃店  
Social shopping  
社交購物  
Cloud kiosk  
雲櫃台

Self-service experience corner  
自助體驗區  
CloudSales 365  
雲商365  
Livestreaming  
線上直播



**New retail concepts**  
創新零售概念

## Process Model 流程模式

Key processes that help create and deliver value  
有助於創造和提供價值的關鍵流程



**Internet of Things**  
物聯網



**Blockchain application**  
區塊鏈應用



**Automation of production**  
生產自動化



**Data analytics**  
數據分析

# ANNUAL RESULTS AT A GLANCE

## 年度業績概覽

For the year ended 31 March 2020  
截至2020年3月31日止年度

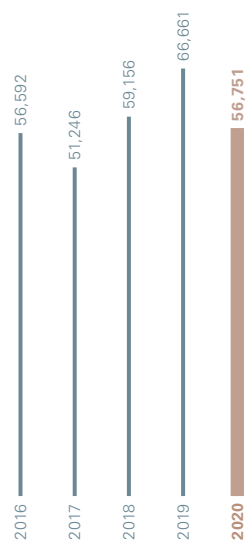
### Revenue 營業額

HK\$ million 百萬港元

**56,751**

▼ 14.9%

YoY change 同比變化



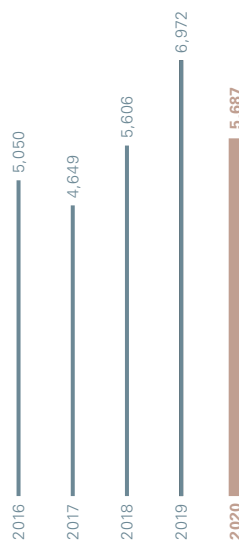
### Core operating profit<sup>(1)</sup> 主要經營溢利<sup>(1)</sup>

HK\$ million 百萬港元

**5,687**

▼ 18.4%

YoY change 同比變化



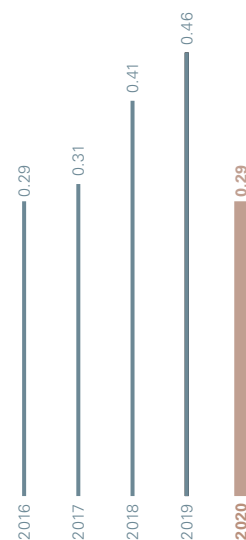
### Earnings per share 每股盈利

HK\$ 港元

**0.29**

▼ 36.6%

YoY change 同比變化



### Net gearing ratio 淨資本負債比率

As at 31 March  
於3月31日

2020

**57.4%**

2019

33.2%

### Net assets per share 每股資產淨額

As at 31 March  
於3月31日

HK\$ 港元

2020

**2.7**

2019

3.1

### Dividend per share for the year<sup>(2)</sup> 每股全年股息<sup>(2)</sup>

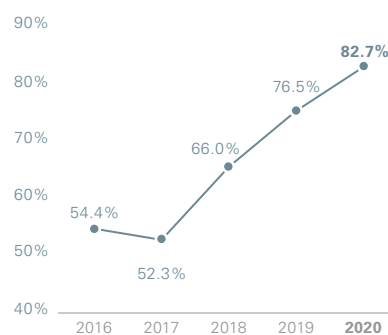


HK\$ 港元

**0.24**

### Full year dividend payout ratio 全年派息率

**82.7%**



Note: Special dividend excluded 附註：不包括特別股息

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

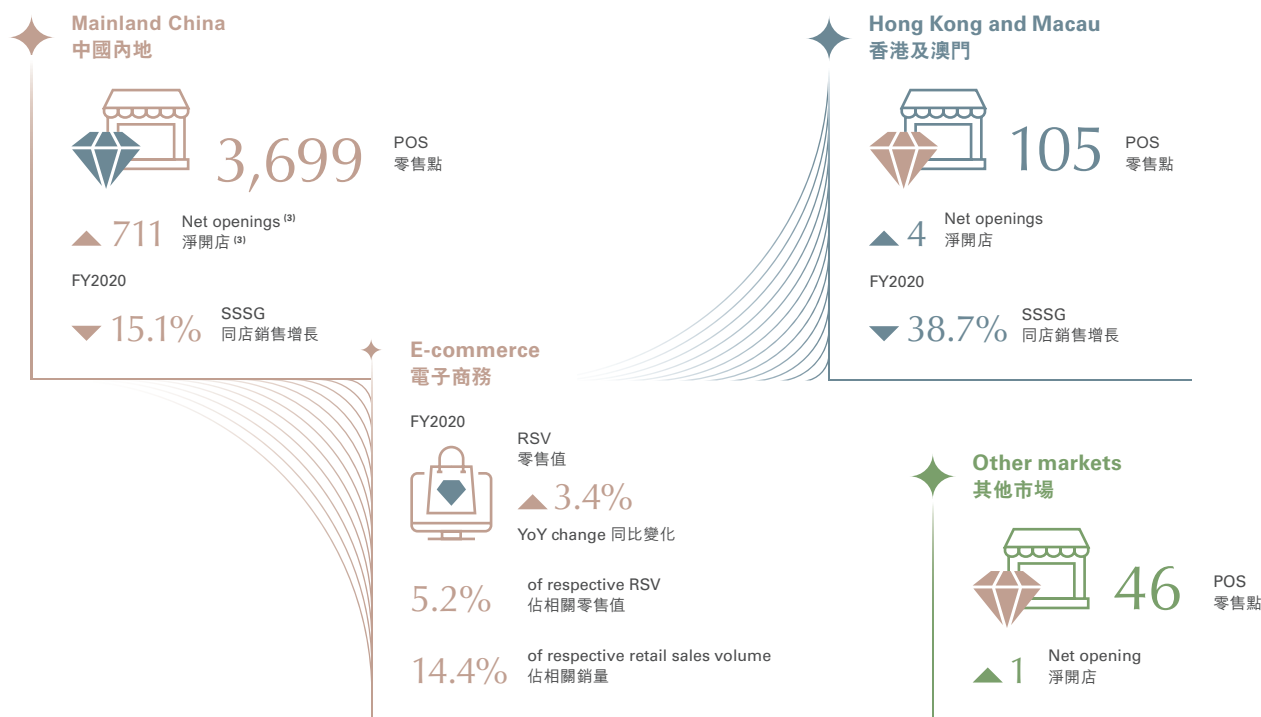
(2) Included the proposed final dividend of HK\$0.12 per share which is subject to the approval of shareholders at the forthcoming annual general meeting

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

(2) 包括建議每股末期股息0.12港元，須待股東在本公司應屆股東週年大會上批准

As at 31 March 2020  
於2020年3月31日

## Retail network and performance 零售網絡及表現



## Chow Tai Fook employees 周大福員工



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



## Chow Tai Fook membership programme 周大福會員計劃



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



(3) 623 CHOW TAI FOOK JEWELLERY POS included

(3) 包括623個周大福珠寶零售點

# FINANCIAL AND OPERATIONAL HIGHLIGHTS

## 財務及營運摘要

For the year ended 31 March	截至3月31日止年度	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元
Revenue	營業額	56,592	51,246	59,156	66,661	56,751
Gross profit	毛利	15,641	14,963	16,213	18,602	16,096
Core operating profit <sup>(1)</sup>	主要經營溢利 <sup>(1)</sup>	5,050	4,649	5,606	6,972	5,687
Profit for the year	年度溢利	2,979	3,151	4,203	4,684	2,983
Profit attributable to shareholders of the Company	本公司股東應佔溢利	2,941	3,055	4,095	4,577	2,901
Earnings per share (HK\$)	每股盈利(港元)	0.29	0.31	0.41	0.46	0.29
Dividend per share (HK\$)	每股股息(港元)					
Full year dividend (HK\$)	全年股息(港元)	0.16	0.16	0.27	0.35	0.24
Special dividend (HK\$)	特別股息(港元)	0.64	0.35	0.30	0.30	–
Gross profit margin	毛利率	27.6%	29.2%	27.4%	27.9%	28.4%
Adjusted gross profit margin <sup>(2)</sup>	經調整後的毛利率 <sup>(2)</sup>	28.9%	28.5%	27.2%	27.9%	29.6%
Core operating profit margin <sup>(1)</sup>	主要經營溢利率 <sup>(1)</sup>	8.9%	9.1%	9.5%	10.5%	10.0%
Net profit margin	淨溢利率	5.3%	6.1%	7.1%	7.0%	5.3%
Full year dividend payout ratio <sup>(3)</sup>	全年派息率 <sup>(3)</sup>	54.4%	52.3%	66.0%	76.5%	82.7%

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

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

(3) Special dividend excluded

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

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

(3) 不包括特別股息

As at 31 March	於3月31日	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元
Non-current assets	非流動資產	6,670	7,133	8,258	8,459	10,038
Current assets	流動資產	49,005	42,269	49,312	53,778	55,205
Current liabilities	流動負債	18,764	15,788	20,719	27,471	35,627
Net current assets	流動資產淨額	30,241	26,480	28,593	26,307	19,579
Non-current liabilities	非流動負債	1,162	1,112	2,753	3,363	2,626
Net assets	資產淨額	35,750	32,502	34,098	31,403	26,991
Total assets	資產總額	55,675	49,402	57,570	62,237	65,243
Inventories	存貨	31,377	29,259	34,929	39,486	42,538
Cash and cash equivalents <sup>(4)</sup>	現金及現金等價物 <sup>(4)</sup>	13,001	7,943	7,944	7,641	7,219
Bank borrowings	銀行貸款	7,920	6,793	7,923	10,057	11,431
Gold loans	黃金借貸	6,513	3,216	5,335	8,012	11,280
Net debt <sup>(5)</sup>	債項淨額 <sup>(5)</sup>	1,432	2,066	5,314	10,428	15,492
Net assets per share (HK\$)	每股資產淨額(港元)	3.6	3.3	3.4	3.1	2.7
Net gearing ratio <sup>(6)</sup>	淨資本負債比率 <sup>(6)</sup>	4.0%	6.4%	15.6%	33.2%	57.4%
Inventory turnover period (day) <sup>(7)</sup>	存貨周轉期(天數) <sup>(7)</sup>	279	294	296	299	381
Return on equity <sup>(8)</sup>	股本回報率 <sup>(8)</sup>	8.3%	9.7%	12.3%	14.9%	11.1%

(4) Bank balances and cash and pledged bank deposits included

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

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

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

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

(4) 包括銀行結餘及現金及已抵押銀行存款

(5) 銀行貸款及黃金借貸之總額(扣除現金及現金等價物)

(6) 銀行貸款及黃金借貸之總額(扣除現金及現金等價物)除以權益總額

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

(8) 年內溢利除以年末權益總額



For the year ended 31 March	截至3月31日止年度	2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	5,787	5,702	6,879	7,774	8,385
Net cash from (used in) operating activities	經營活動所得(所用)現金淨額	13,897	6,252	2,851	8,431	8,364
Net cash from (used in) investing activities	投資活動所得(所用)現金淨額	(1,045)	(1,147)	(1,577)	(1,222)	(1,025)
Net cash from (used in) financing activities	融資活動所得(所用)現金淨額	(8,008)	(9,771)	(1,753)	(7,212)	(7,653)
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	4,845	(4,667)	(479)	(3)	(314)
Capital expenditure	資本開支	(1,046)	(862)	(1,084)	(1,392)	(973)
Pro forma free cash flows <sup>(9)</sup>	備考自由現金流 <sup>(9)</sup>	10,690	1,989	3,019	4,100	5,208

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

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

For the year ended 31 March	截至3月31日止年度	2016	2017	2018	2019	2020
<b>Mainland China</b>	<b>中國內地</b>					
SSSG	同店銷售增長	(9.6)%	(5.2)%	8.0%	3.4%	(15.1)%
SSS volume growth	同店銷量增長	(8.4)%	(15.8)%	1.2%	(3.3)%	(24.0)%
<b>Hong Kong and Macau</b>	<b>香港及澳門</b>					
SSSG	同店銷售增長	(21.7)%	(12.4)%	10.2%	8.7%	(38.7)%
SSS volume growth	同店銷量增長	(23.9)%	(18.8)%	6.1%	1.3%	(43.5)%
<b>Retail sales volume (unit)</b>	<b>銷量(件數)</b>					
Mainland China	中國內地	13,280,000	12,004,000	13,416,000	14,518,000	12,699,000
Hong Kong, Macau and other markets	香港、澳門及其他市場	3,971,000	3,152,000	3,169,000	3,390,000	2,392,000

As at 31 March	於3月31日	2016	2017	2018	2019	2020
<b>POS distribution<sup>(10)</sup></b>	<b>零售點分佈<sup>(10)</sup></b>					
Mainland China	中國內地	2,179	2,246	2,449	2,988	3,701
Hong Kong, China	中國香港	89	83	80	82	87
Macau, China	中國澳門	20	19	19	19	18
Taiwan, China	中國台灣	23	22	22	22	18
Cambodia	柬埔寨	–	–	–	1	1
Japan	日本	–	–	2	3	3
Korea	韓國	4	5	7	9	9
Malaysia	馬來西亞	1	2	2	4	4
Philippines	菲律賓	–	–	–	–	1
Singapore	新加坡	1	1	1	2	4
Thailand	泰國	–	–	–	–	1
United States	美國	2	3	3	3	2
Vietnam	越南	–	–	–	1	1
Total	總計	2,319	2,381	2,585	3,134	3,850

(10) SIS and CIS excluded  
Note: The percentages calculated are subject to minor rounding differences

(10) 不包括店中店及店內專櫃  
附註：百分比計算結果或略有進位差異

# MAJOR AWARDS AND RECOGNITIONS

## 主要獎項及嘉許



### Governance 管治



#### Corporate Governance Asia 亞洲企業管治

##### 9<sup>th</sup> Asian Excellence Award 2019

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

##### 第九屆亞洲卓越大獎 2019

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

#### MerComm, Inc.

##### ARC Awards 2019

- Silver Award  
(Interior Design: Jewellery)

##### Galaxy Awards 2019

- Bronze Award  
(Design – Annual Reports: Traditional – Asia/Pacific)
- Honors Award  
(Design – Covers: Annual Reports – Foils)

##### iNOVA Awards 2019

- Bronze Award  
(Redesign/Relaunch: Stakeholder Communications)

##### ARC大獎 2019

- 銀獎  
(內頁設計：珠寶)

##### Galaxy大獎 2019

- 銅獎  
(設計 — 亞太地區傳統年報)
- 榮譽獎  
(設計 — 年報封面)

##### iNOVA大獎 2019

- 銅獎  
(重新設計/重新推出：持份者溝通)

#### HERA

##### Hong Kong Environmental, Social and Governance Reporting Awards 2019

- Commendation  
(Best ESG Report – Large Cap)
- Commendation  
(Excellence in  
Environmental Disclosure)

##### 香港環境、社會及管治報告 大獎 2019

- 嘉許獎(最佳ESG報告獎 —  
大市值)
- 嘉許獎(卓越環境披露獎)



#### Hong Kong Economic Journal 信報財經新聞

##### Listed Company Awards of Excellence 2019

- Main Board (Large-Cap)

##### 上市公司卓越大獎 2019

- 主板(大市值)

#### Academy of Interactive and Visual Arts

##### 14<sup>th</sup> Annual W<sup>3</sup> Awards

- Silver Award  
(Website Features:  
Visual Appeal – Aesthetics)
- Silver Award  
(Online Video: Documentary  
– Short Form)

##### 第十四屆W<sup>3</sup>年度大獎

- 銀獎(網站功能：視覺美學)
- 銀獎(線上影片：紀錄短片)

#### DESIGNSORI CO., LTD

##### K – Design Award 2019

- K — 設計大獎 2019



## Governance 管治



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

Listed Enterprises of the Year 2019

- Listed Enterprises of the Year
- Performance Award – Best Investor Relations
- Performance Award – Best Corporate Social Responsibility

年度上市企業 2019

- 年度上市企業
- 表現類獎項 — 最佳投資者關係
- 表現類獎項 — 最佳企業社會責任獎

### Institutional Investor

2019 All-Asia (ex-Japan) Executive Team

- Developed Markets – Small & Midcap:  
Best Corporate Governance – 3<sup>rd</sup> place
- Developed Markets – Small & Midcap:  
Best ESG/SRI Metrics – 3<sup>rd</sup> place

2019 年度 All-Asia Executive Team

(不包括日本) 排行榜

- 已發展市場(中小型市值) — 最佳企業管治 — 香港區第三名
- 已發展市場(中小型市值) — 最佳環境、社會及管治 / 社會責任投資  
績效指標 — 香港區第三名

### IR Magazine

IR Magazine Awards Greater China 2019

- Certificate for Excellence in Investor Relations

IR Magazine 大獎 — 大中華區 2019

- 投資者關係卓越表現證書

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

5<sup>th</sup> Investor Relations Awards 2019

- Certificate of Excellence

2019年第五屆投資者關係大獎

- 卓越獎



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

HKMA 2019 Best Annual Reports Awards

- Bronze Award (General Category)

Hong Kong Sustainability Award 2018/19

- Certificate of Excellence (Large-sized Organisations)

香港管理專業協會 2019 年最佳年報比賽

- 銅獎(工商企業類)

香港可持續發展獎 2018 / 19

- 卓越獎(大型機構)

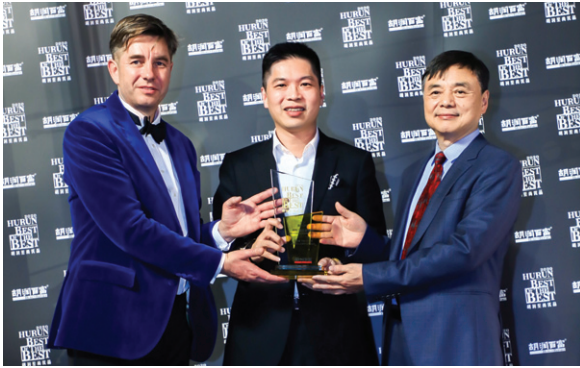
### China Tonghai IR 中國通海投資者關係

Quam IR Awards 2018 – Main Board

華富卓越投資者關係大獎 2018 — 主板



## Corporate and Branding 企業及品牌



### Hurun Report 胡潤百富

2020 Hurun Best of the Best

- Jewelry Star Performer

2020 胡潤至尚優品

- 珠寶最佳表現獎



### Asian Licensing Association 亞洲授權業協會

Hong Kong Licensing Awards 2019

- Gold Award – Best Licensee

香港授權業大獎 2019

- 金獎 — 最佳被授權商

### Hong Kong Tourism Board 香港旅遊發展局

Outstanding Quality Tourism Service Merchant & Service Staff Awards 2019  
QTS Merchant Award – Merit (Retail Category)

Jewellery & Watches Category

- Silver Award – Supervisory – Wong Kin-On, Kenneth
- Silver Award – Front-line staff – Yeung Wai-Kit

傑出優質商戶及員工服務獎 2019

傑出優質商戶 — 優異獎(零售類別)

珠寶及鐘錶類

- 銀獎 — 主管級員工 — 黃健安
- 銀獎 — 前線員工 — 楊偉傑

### Forbes 福布斯

Forbes 2019 Global 2000 World's Largest  
Public Companies  
2019 福布斯全球上市公司 2000 強

### The World Brands Foundation

The BrandLaureate Best Brands Awards  
2018-2019

- Brands of the Year – Lifestyle –  
Premium Jewellery

The BrandLaureate

品牌大獎 2018-2019

- 年度品牌大獎 — 高級珠寶類

### Influential Brands® 影響力品牌®

2019 Asia's Top Influential Brands

- Most Trustworthy Brand –  
Premium Jewellery

2019 年亞洲最具影響力品牌

- 高級珠寶類 — 最值得信賴品牌

### World Brand Lab 世界品牌實驗室

Five Star Diamond Brand 2019 – Luxury  
2019 奢侈品行業五星鑽石獎



## Corporate and Branding 企業及品牌



### International Entrepreneurs, Creatives & Innovators Association 國際數字商業創新協會

2019 Entrepreneurship, Creativity & Innovation Awards

- Innovative Influentials of the Year – Kent Wong
- Gold ECI – Product Innovation – T MARK x GIA Digital Diamond Grading Reports via Blockchain

2019 艾奇獎

- 影響力人物獎 — 黃紹基
- 金獎 — 產品創新類 — T MARK x GIA 區塊鏈數碼鑽石鑒定證書

### Mall China

#### 中購聯

Mall China 2019 Commercial Brands

- Outstanding Leadership Award – Kent Wong
- Outstanding Young Brands – SOINLOVE

中購聯 2019 年商業品牌

- 領袖欣星獎 — 黃紹基
- 新銳欣星獎 — SOINLOVE

### Disney Consumer Products

#### The Walt Disney Company (Hong Kong) Limited 華特迪士尼(香港)有限公司迪士尼消費品部

Best Marketing Licensee of The Year 2018

最佳市場推廣授權商大獎 2018

### Next Magazine

#### 壹週刊

Top Service Awards 2019

- Jewellery Chain Store Category

服務第壹大獎 2019

- 連鎖珠寶公司組別



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

51<sup>st</sup> Distinguished Salesperson Award

- Distinguished Salesperson Award – Leung Kwan-Min, Lo Cheuk-Ming, Mak Ka-Lun, Tang Wai-Tung
- Outstanding Young Salesperson Award – Ko Chi-Hung

第五十一屆傑出推銷員獎

- 傑出推銷員獎 — 梁君勉、盧焯明、麥嘉麟、鄧焯桐
- 傑出青年推銷員獎 — 高智鴻



## Technology 科技



### Hong Kong Retail Technology Industry Association 香港零售科技商會

Hong Kong Retail Innovation Award 2019

- Best Retail Innovation (Application) Award – Use of Technology

香港零售科技創新大獎 2019

- 最佳零售創新應用(科技應用)大獎

### Informa Markets

JNA Awards 2019 – Manufacturer of the Year – Jewellery

JNA 大獎 2019 — 年度製造商大獎 — 首飾

### Hong Kong Productivity Council

#### 香港生產力促進局

2019 Hong Kong Awards for Industries:

Smart Productivity Award

2019 香港工商業獎：睿智生產力獎

### China National Light Industry Council

#### 中國輕工業聯合會

China Skills Competition 2019 – National Professional Skills

Competition of Gemstone Test and Production

- Enterprise Award (Outstanding Staff Development)
- Silver Award – Bruce Liu
- Merit Award – Sydnie Lei

2019中國技能大賽 – 全國珠寶玉石檢測製作職業技能競賽

- 優秀員工培養企業獎
- 銀獎 — 劉遠標
- 優秀獎 — 雷清麗



## Design 設計

### Gems & Jewelry Trade Association of China

#### 中國珠寶玉石首飾行業協會

2<sup>nd</sup> China Jewellery Design Tian Gong Award

- Best Design Award
- Certificate of Recognition

第二屆中國珠寶首飾設計天工獎

- 最佳設計獎
- 優秀作品獎



### Bazaar Jewelry

#### 芭莎珠寶

Bazaar Jewelry: The Ring of True Love

- Classic Award – SOINLOVE: Meet Collection

芭莎珠寶真愛婚戒大選

- 經典風範獎 — SOINLOVE：心愛對戒

### WorldSkills International

45<sup>th</sup> WorldSkills Competition

- Jewellery – Silver Medal – Chen Qi-Liang
- Jewellery – Medallion for Excellence – Chan Wing-Long

第45屆世界技能大賽

- 珠寶製作 — 銀牌 — 陳奇亮
- 珠寶製作 — 優異獎 — 陳詠朗



## Corporate Social Responsibility 企業社會責任



### Green Council 環保促進會

Hong Kong Green Awards 2019

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

香港綠色企業大獎 2019

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

### Social Welfare Department 社會福利署

Gold Award for Volunteer Service (Organisation)  
金狀 — 義務工作嘉許狀(團體)

### Hong Kong Quality Assurance Agency 香港品質保證局

Hong Kong Quality Assurance Agency – CSR Index Plus  
香港品質保證局 — 社會責任進階指數

### Hong Kong Productivity Council 香港生產力促進局

10<sup>th</sup> Hong Kong Outstanding Corporate Citizenship Award

- Merit Award (Enterprise Category)

第十屆香港傑出企業公民獎

- 優異獎(企業組別)



### WWF Hong Kong 世界自然(香港)基金會

Low Carbon Manufacturing Programme

- Gold Label

低碳製造計劃

- 黃金標籤

### The Hong Kong Council of Social Service 香港社會服務聯會

Caring Company

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

商界展關懷

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



# CHAIRMAN'S STATEMENT

## 主席報告書



“Chow Tai Fook experienced many ups and downs of the markets in the past. Every time we came out safe and unscathed, and grew stronger as we have always been well-prepared for the opportunities. We strongly believe our persistent innovative spirit will continue to steer us through turbulent times towards a brighter future.

回首往昔，周大福每次都能從市場跌宕起伏中安然度過，而且我們時刻準備就緒，把握當前機遇，每次逆境過後，我們的實力更勝從前。我們深信，憑藉集團堅持創新的精神，將繼續引領我們抵禦風雨，迎接更光明的前景。”

**Dr. Cheng Kar-Shun, Henry 鄭家純博士**

Chairman 主席



## Dear Shareholders,

FY2020 was a volatile and challenging year. The Group had a fairly stable performance in 1HFY2020, while 2HFY2020 was overshadowed by macro uncertainties and the evolving situation on COVID-19, which took a toll on the already cautious consumer sentiment.

During FY2020, the Group's revenue decreased by 14.9% year-on-year to HK\$56,751 million. Core operating profit dropped 18.4%. Profit attributable to shareholders of the Company declined 36.6% to HK\$2,901 million, with earnings per share of HK\$0.29. The Board has proposed a final dividend of HK\$0.12 per share. Full year payout ratio approximated 82.7% in FY2020.

## Outlook

Over the past nine decades, Chow Tai Fook have grown to become the market leader in the jewellery industry. We have experienced both good and bad times, and weathered through numerous economic cycles. Yet every time we were able to overcome the challenges due primarily to our persistent innovative spirit and the wholehearted support from our fellow colleagues over the years.

The retail landscape continues to evolve and our future success very much hinges on our ability to service multi-market segments and divergent customer needs. Geographically, we will continue to deepen our network, particularly in lower tier and county level cities in Mainland China. We will also explore additional opportunities in overseas markets that will drive future growth and market share gain for the Group.

We are also pleased that our "Smart+ 2020" three-year strategic framework initiated in FY2018 has made excellent progress, laying a solid foundation for enhancing our customer experience through a multi-brand strategy and a diversified retail experience. Today, Chow Tai Fook successfully operates numerous brands that serve multiple customer segments with tailored experiences. Our continual innovation has yielded initiatives such as cloud kiosks, D-ONE platforms and our latest online-to-offline ("O2O") sales channel "CloudSales 365", all of which are in place to deliver exciting experiences for our customers. In addition, we have also empowered our own people to promote and sell products via social networks.

## 各位股東：

2020財政年度是動盪艱難的一年。儘管於2020財政年度上半年，本集團取得相對穩定的表現，惟於2020財政年度下半年，在宏觀不明朗因素及2019冠狀病毒疫情的雙重打擊下，令本已趨向審慎的消費市場氣氛更雪上加霜。

於2020財政年度，本集團的營業額按年減少14.9%至56,751百萬港元。主要經營溢利下跌18.4%。本公司股東應佔溢利下降36.6%至2,901百萬港元，每股盈利為0.29港元。董事會建議派發末期股息每股0.12港元。2020財政年度派息率約為82.7%。

## 展望

周大福創立九十載，經歷多年蛻變成長，傲領珠寶業。多年來，我們在無數經濟周期起伏中幾經順逆，然而，憑藉我們堅持創新的精神，以及集團全人的忠誠支持，讓我們每次都能戰勝挑戰。

零售業務環境正不斷演變，未來經營成功與否，很大程度取決於我們能否服務不同市場的顧客、滿足他們各式各樣的需求。在地域分佈方面，我們將會繼續深化業務網絡，尤其注重在中國內地較次級城市及縣級城鎮的發展。我們亦會進一步探索海外市場機遇，以推動本集團的未來增長，擴大市場份額。

我們喜見於2018財政年度啟動的「Smart+ 2020」三年策略框架取得了良好的進展，為業務奠定了堅實的基礎，助我們透過多品牌策略和多樣化的零售方式，提升顧客體驗。時至今日，周大福成功藉著經營多個品牌，服務不同顧客群，為他們量身訂製個性化體驗。我們持續創新的能力，成就了雲櫃台、D-ONE平台的面世，以及近期推出的嶄新線上銷售平台「雲商365」，助我們開拓新銷售渠道。此外，我們更賦權員工可在社交網絡推銷產品，以上皆為締造非凡顧客體驗而設。

In the years ahead, more comprehensive strategies will be formulated and executed, to further our fruitful journey towards sustainability. We will introduce novel ideas and promote inquisitive minds that deliver customer-centric solutions, enhance the Group's value creation capability and help realise our vision to become the most trusted jewellery group in the world.

## Our Vision is to Become the Most Trusted Jewellery Group in the World

As a visionary jewellery leader, we also have a clear mission to build a global jewellery ecosystem, by leveraging our agile business model that is unmatched in the industry. This inclusive jewellery ecosystem can service the needs and demands of modern-day consumers including, but not limited to, our franchisees, business partners, wholesalers, as well as our peers, offering them comprehensive omni-channel solutions such as products, services and know-how.

With this vision and mission in mind, we shall continually invest in our intellectual capital, products and technology and empower our people to be "Intrapreneurs" so that the service we deliver is exemplar. In times of turbulence, we need to stay vigilant and apply wise strategy and rigorous risk management measures in discerning the best course of action. I am confident that we can once again turn adversity into opportunity by embracing changes and being open to exploring new avenues of growth. We will definitely continue to stand as the market leader, epitomising our Centennial Commitment and generating sustainable returns to our shareholders.

In closing, I would like to express my heartfelt gratitude to my fellow Board members for their strategic guidance, our shareholders, business partners, customers and, not least, our staff for their salutary dedication and commitment. As always in Chow Tai Fook's culture, we will move as one and continue daring to innovate and contribute more.

**Dr. Cheng Kar-Shun, Henry**

*Chairman*

Hong Kong, 11 June 2020

展望未來，我們將會制訂、執行更全面的策略，延續滿載豐碩成果的旅程，以實現可持續業務發展與增長。我們將會推陳出新，鼓勵多方探索，務求制訂以客為本的方案，提升本集團創造價值的能力，以實現成為「全球最值得信賴的珠寶集團」的願景。

## 以成為全球最值得信賴的珠寶集團為願景

作為高瞻遠矚的珠寶業領袖，我們懷抱清晰使命，冀望能充分發揮集團於業內無出其右的靈活業務模式，建構全球珠寶業生態圈。此兼收並蓄的珠寶業生態圈將能滿足現今各大客戶之需求，包括但不限於我們的加盟商、業務夥伴、批發商，以至其他同業等，為他們提供產品、服務和專業顧問等完善的全渠道解決方案。

為要實現此願景與使命，我們將持續投資於智力資本、產品與技術，並賦權員工成為「內企業家」，使我們所提供的服務成為行業的典範。在風雨飄搖之際，我們研究最佳執行方案的同時，務必保持警惕，採取睿智策略，嚴守風險管理。本人有信心只要我們敢於變革，以開明態度探索嶄新增長渠道，定必能再次化危為機。我們必將繼續以領先者姿態立足市場，實踐百年承諾，為股東實現長期回報。

最後，本人衷心感謝董事會成員的策略性指導，也感謝我們的股東、業務夥伴和顧客的支持，以及全體同事緊守崗位、盡心工作。我們將繼續秉承周大福的企業文化，上下齊心，繼續勇於創新，不斷貢獻新猷。

主席

**鄭家純博士**

香港，2020年6月11日



# MANAGING DIRECTOR'S STRATEGIC REPORT

董事總經理策略報告

# MANAGING DIRECTOR'S STRATEGIC REPORT

## 董事總經理策略報告



“ In reviewing our businesses and geographies today, we are delighted to see our achievements over the past three years. With this solid foundation, we are well positioned for a next chapter of growth and continue to deliver exceptional customer experience that creates long-term differentiation and loyalty.

回顧今天的業務範疇及版圖，我們喜見過去三年的努力結出了豐碩的成果。有了這穩固的基礎，我們已蓄勢待發為開創增長的新篇章準備就緒，繼續提供卓越的顧客體驗，締造長期的品牌獨特性和忠誠度。”

**Mr. Wong Siu-Kee, Kent 黃紹基先生**  
Managing Director 董事總經理

The erratic global economy and headwinds in FY2020 posed considerable risks and challenges. In view of these macro uncertainties, we stay vigilant and ensure prudent business planning and risk management. We embrace change to turn challenges into opportunities, which enable us to further strengthen our leading market position and support our vision of becoming the most trusted jewellery group in the world.

Thanks to our “Smart+ 2020” strategic framework launched since FY2018, this three-year strategic plan enabled us to focus on enhancing our customer experience. In reviewing our businesses and geographies today, we are delighted to see our achievements over the past three years. With this solid foundation, we are well positioned for a next chapter of growth and continue to deliver exceptional customer experience that creates long-term differentiation and loyalty.

在2020財政年度，環球經濟及市況不穩，帶來了嚴峻的風險和挑戰。面對這些宏觀不明朗因素，我們時刻保持警惕，做好審慎的業務規劃和風險管理。憑藉我們擁抱變化、轉危為機的精神，使我們進一步鞏固市場領導地位，支持我們實現成為「全球最值得信賴的珠寶集團」的願景。

「Smart+ 2020」策略框架自2018財政年度推出以來，此三年期的策略計劃一直助我們更專注於提升顧客體驗。回顧今天的業務範疇及版圖，我們喜見過去三年的努力結出了豐碩的成果。有了這穩固的基礎，我們已蓄勢待發為開創增長的新篇章準備就緒，繼續提供卓越的顧客體驗，締造長期的品牌獨特性和忠誠度。

# BUSINESS DEVELOPMENT

## 業務發展

### Mainland China 中國內地

#### Retail network 零售網絡

As at 31 March 2020  
於2020年3月31日

Total POS in  
Mainland China  
中國內地總零售點



3,699 POS  
零售點

#### CHOW TAI FOOK brands 周大福品牌

#### CHOW TAI FOOK JEWELLERY 周大福珠寶

3,364 POS  
零售點

#### ARTRIUM 周大福藝堂

3 POS  
零售點

#### JEWELRIA 周大福薈館

59 POS  
零售點

#### CTF WATCH 周大福鐘錶

116 POS  
零售點

#### Other brands 其他品牌

#### HEARTS ON FIRE

1 POS  
零售點

184 SIS/CIS  
店內專櫃/店內專櫃

#### T MARK

3 POS  
零售點

865 CIS  
店內專櫃

#### ENZO

59 POS  
零售點

#### SOINLOVE

43 POS  
零售點

#### MONOLOGUE

51 POS  
零售點

Chinese consumers demonstrated resilience with their spending power despite the macro-economic headwinds in Mainland China.

Current economic trends and demographic data indicate that lower tier cities, such as county level cities, have a stronger rate of consumption growth as compared to those in Tier I cities and the household income gap between the lower tier cities and Tier I cities has been narrowing. With relatively lower living costs and improving infrastructural connectivity, Mainland China's lower tier cities are expected to be the new driver of consumption growth.

While we are observing a consumption upgrade in lower tier cities, we also see that consumers have greater preference for value and utility as they become more educated about the products they buy and consumers are also increasingly focused on personalised products and exclusive experiences. Therefore, to succeed in this changing market, a customer-centric approach is necessary to better serve each unique consumer segment, which drives us to refine our strategy in the Mainland China market.

儘管中國內地的宏觀經濟存在不明朗因素，內地顧客的消費能力仍展現出較強的抗逆力。

據目前的經濟趨勢及人口數據顯示，較次級城市（如縣級城鎮）的消費增長率比一線城市強，而較次級城市與一線城市之家庭入息差距亦持續收窄。由於中國內地較次級城市的生活開支相對較低，加上基礎設施的連通性持續改善，預期這些城市將成為推動消費增長的新動力。

我們關注較次級城市消費升級的同時，亦察覺到消費者對所購買的產品有更深入了解，令他們更著重產品價值及實用性。他們亦愈趨注重個性化產品及專屬體驗。為了在不斷轉變的市場中取得成功，以客為本的策略是滿足各獨特客戶群的不二法門，亦促使我們完善在中國內地市場採取的策略。

## Retail network

- We adopted a two-pronged strategy for Mainland China's retail network development.
- Firstly, we improved the customer experience through upgrading our stores and introducing ARTRIUM and JEWELRIA to our CHOW TAI FOOK JEWELLERY retail network, primarily located in Tier I and II cities, targeting customers who seek for unique experience.
- Secondly, in recent years, we have expanded our presence in lower tier and county level cities through the franchise model to capture the growth potential emanating from their consumption upgrade. We leveraged the local knowledge and access from our franchise partners to achieve this goal.
- As at 31 March 2020, our number of CHOW TAI FOOK JEWELLERY POS in Tier III and lower tier cities already accounted for 45.7% of our total POS in Mainland China from 33.3% as at 31 March 2017.
- Our multi-brand strategy continues to succeed in Mainland China, allowing us to diversify our product portfolio and tap into different market segments, which helps expand our market share.
- In the past three years, we continued our rollout of HEARTS ON FIRE, a premium diamond brand with delicate cutting and polishing skills, and T MARK, our proprietary diamond brand with a unique traceability feature. We also introduced the two other brands, SOINLOVE and MONOLOGUE, primarily targeting younger customers in FY2018.
- We continue to pursue new business opportunities such as brand acquisitions to further expand our footprint. In FY2020, we acquired ENZO, enabling us to further venture into the coloured gemstone market.

## Omni-channel retailing

- Apart from physical store expansion, we understand customers now value seamless shopping experience that centre around the integration of online and offline channels.
- We have therefore placed much emphasis on channel integration in order to acquire and cultivate brand awareness amongst new younger customers and enhance the overall shopping experience.

## 零售網絡

- 我們於中國內地的零售網絡發展採取雙線策略。
- 首先，我們藉著店舖升級提升顧客體驗，在一線及二線城市的周大福珠寶零售網絡中開設周大福藝堂及周大福薈館，針對追求獨特體驗的顧客。
- 此外，我們近年在較次級城市和縣級城鎮以加盟模式進一步擴大市場份額，以把握消費升級的增長潛力。我們充分利用加盟商合作夥伴的地區知識和人脈達致此目標。
- 於2020年3月31日，三線及較次級城市的周大福珠寶零售點數目對比於2017年3月31日的33.3%，已佔中國內地總零售點的45.7%。
- 多品牌策略在中國內地繼續取得成功，有助我們豐富產品組合及打入不同市場分部，以擴大市場佔有率。
- 過去三年，我們加強推廣擁有精湛切割及打磨工藝的高級鑽石品牌HEARTS ON FIRE，以及獨有具可追溯性的專屬鑽石品牌T MARK。我們亦於2018財政年度推出SOINLOVE及MONOLOGUE兩個主要針對年輕顧客的品牌。
- 我們持續發掘新業務機遇，包括藉收購其他品牌拓展業務據點。於2020財政年度，我們通過收購ENZO進一步拓展彩寶首飾市場。

## 全渠道零售

- 除拓展實體店外，我們明白到現今顧客重視結合線上與線下渠道的無縫購物體驗。
- 有見及此，我們加倍注重渠道整合，從而建立品牌認知度，務求吸納更多年輕新顧客，並提升整體購物體驗。

## Hong Kong, Macau and Other Markets 香港、澳門及其他市場

### Retail network 零售網絡

As at 31 March 2020  
於2020年3月31日

#### Total POS in Hong Kong and Macau 香港及澳門總零售點



105 POS  
零售點

#### Hong Kong and Macau 香港及澳門

##### CHOW TAI FOOK brands 周大福品牌

##### CHOW TAI FOOK JEWELLERY 周大福珠寶

99 POS  
零售點

##### ARTRIUM 周大福藝堂

1 POS  
零售點

##### Other brands 其他品牌

##### HEARTS ON FIRE

1 POS  
零售點

25 SIS/CIS  
店中店/店內專櫃

##### T MARK

1 POS  
零售點

45 CIS  
店內專櫃

##### SOINLOVE

1 POS  
零售點

##### MONOLOGUE

2 POS  
零售點

#### Other markets 其他市場

##### CHOW TAI FOOK brands 周大福品牌

##### CHOW TAI FOOK JEWELLERY 周大福珠寶

37 POS  
零售點

##### Other brands 其他品牌

##### HEARTS ON FIRE

9 POS  
零售點

1 CIS  
店內專櫃

##### T MARK

19 CIS  
店內專櫃

#### Total POS in other markets 其他市場總零售點



46 POS  
零售點

Hong Kong and Macau are relatively mature markets. As shown in the industry data, both retail sales performance of jewellery industry<sup>(1)</sup> and Mainland Chinese visitations<sup>(2)</sup> in Hong Kong recorded an approximately 40% decline year-on-year in FY2020. We believe that the markets will remain challenging in the foreseeable future.

香港及澳門為相對成熟的市場。據行業數據顯示，香港珠寶業零售銷貨價值<sup>(1)</sup>及中國內地訪港人數<sup>(2)</sup>在2020財政年度與去年相比，均錄得約40%的跌幅。我們認為在可預見的未來，市場仍將充滿挑戰。

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

(1) 珠寶首飾、鐘錶及名貴禮品於香港的零售業銷貨價值，源自香港特別行政區政府統計處  
(2) 資料來源：香港特別行政區政府商務及經濟發展局

In the Asian market, particularly ASEAN countries, we expect to see good growth potentials when the market recovers as the impact of COVID-19 fades away. Key economic indicators also show that ASEAN countries are on a growth trajectory. With the rising middle income class and a growing spending capacity in these countries, we believe that there will be a higher demand for quality products and services. Apart from local economic growth, Chinese outbound tourism is growing fast. According to the data from China Tourism Academy, Chinese tourists made 149 million overseas trips, increased by 14.7% year-on-year in 2018 and some ASEAN countries are one of their favourite destinations. These growth opportunities could be captured through expansion into these markets.

As for the US market, demand for diamond jewellery continued to capture around 50% of the total global diamond demand and the US demand increased by 5% to US\$36 billion in 2018<sup>(3)</sup>. Yet the pandemic caused additional challenges to the market.

## Retail network

### Hong Kong and Macau

- We remain selective in POS openings while POS consolidation continues, especially in the touristic areas. Improving store productivity is our priority.
- Yet, we believe that building unique customer experience plays an important role in meeting different customer expectations. Hence we introduced ARTRIUM, targeting high-end customers, and SOINLOVE and MONOLOGUE to attract younger customers.
- We have also refurbished and upgraded our store design and introduced experience shops to create a better and more comfortable shopping experience.

在亞洲市場方面，我們預期市場將隨着2019冠狀病毒疫情的影響逐漸減退後復甦，其中以東盟市場的增長潛力較佳。主要經濟指標亦顯示，東盟國家正處於增長的軌道上。鑒於有關國家的中產階層冒起，消費能力提高，相信對優質產品及服務的需求將更加殷切。除當地經濟增長外，中國的出境旅遊亦迅速增長。根據中國旅遊研究院的數據，2018年中國旅客海外旅遊達1.49億人次，按年增加14.7%，東盟國家更是這批旅客的首選目的地之一。我們可拓展業務至有關市場，藉此把握增長機遇。

美國市場方面，其鑽石珠寶需求繼續佔全球鑽石總需求約50%，美國於2018年<sup>(3)</sup>的需求增加了5%至360億美元。然而，全球疫情對市場帶來額外的挑戰。

## 零售網絡

### 香港及澳門

- 我們會繼續選擇性開設及整合零售點（尤其在旅遊區）。我們的首要任務是改善店舖生產力。
- 然而，我們相信建構獨特的顧客體驗對於滿足不同顧客的期望至關重要，因此，我們推出周大福藝堂主打高端客戶，並推出SOINLOVE及MONOLOGUE以吸引年輕顧客。
- 除此以外，我們亦將店舖設計翻新升級及開設體驗店，營造更佳、更舒適的購物體驗。

(3) Source: The Diamond Insight Report 2019 by De Beers Group

(3) 資料來源：De Beers集團2019鑽石行業洞察報告



## Asia

- To capture the growth opportunities in the Asian market, we have placed much effort in expanding our presence through partnering with local retailers through franchise model, leveraging on their local knowledge and expertise to co-create greater value.
- As at 31 March 2020, we had 44 POS in total, with a net addition of 14 POS in the Asian market compared to that of three years ago, which included Cambodia, Japan, Korea, Malaysia, the Philippines, Singapore, Thailand, Vietnam, etc.
- We will further explore opportunities in Southeast Asia, specifically countries with high growth potentials that benefit from Chinese outbound tourism and rising local middle-class. We will bring regionally exclusive products with locality features that create unique product differentiation.

## North America

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

## 亞洲

- 我們為把握亞洲市場的增長機遇，運用加盟模式與當地零售商合作藉此拓展業務據點，並借助其當地知識及專長，共同創造更高價值。
- 截至2020年3月31日，我們在亞洲市場共有44個零售點，與三年前相比，淨增加14個零售點，當中包括柬埔寨、日本、韓國、馬來西亞、菲律賓、新加坡、泰國、越南等市場。
- 我們將繼續於東南亞發掘商機，尤其是增長潛力高、且受惠於中國出境旅遊及當地中產階層冒起的國家。我們將推出具當地特色的地區性專屬產品，創造獨有的產品差異性。

## 北美洲

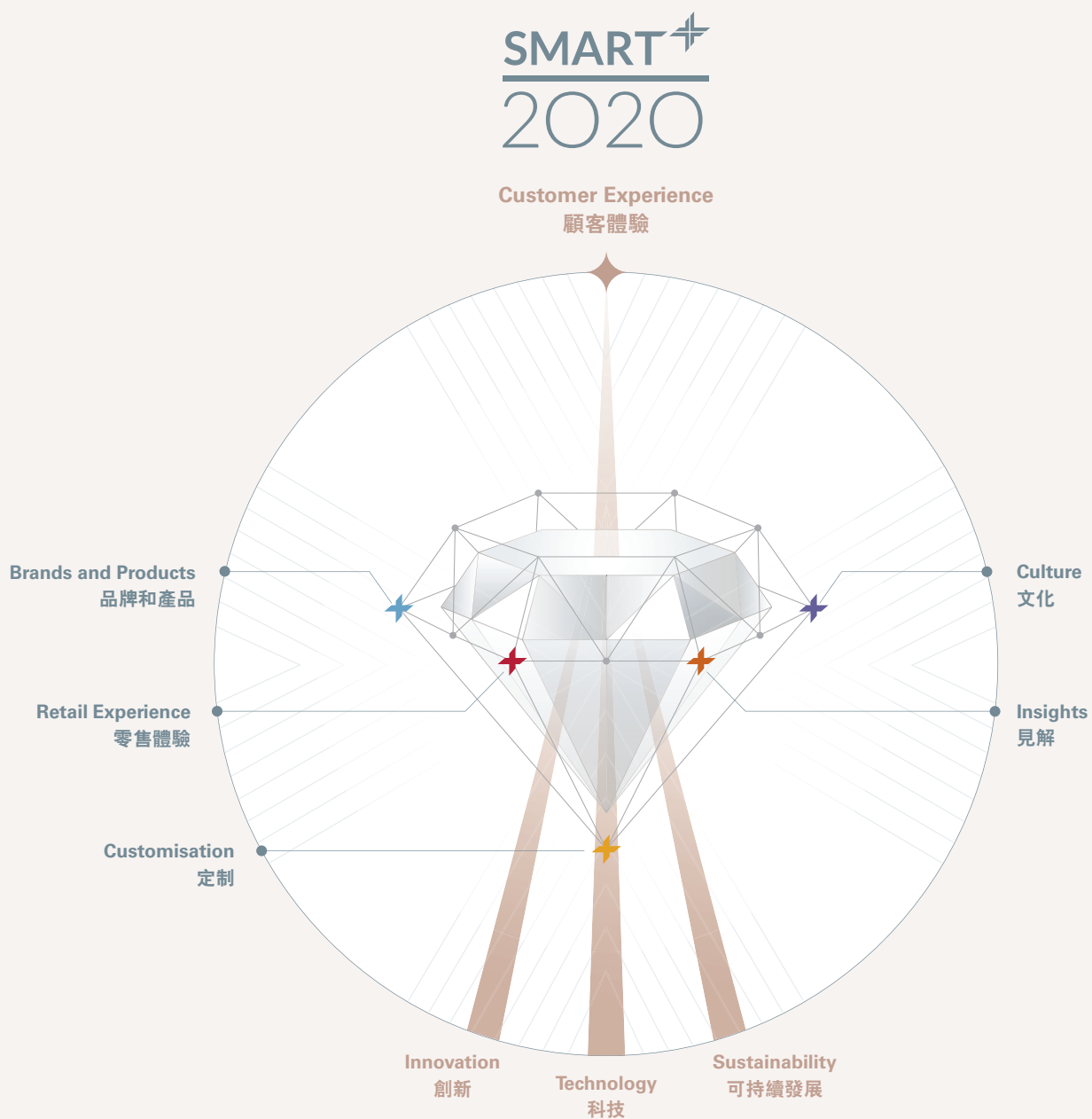
- 我們在美國波士頓成立周大福北美辦事處（「周大福北美」），以成為市場領先的一站式批發供應商為定位，為該市場的珠寶零售商提供產品、服務及尤其在科技創新方面的專業知識，協助帶動北美市場的珠寶零售商的盈利能力和加強該市場的珠寶零售業務的發展。
- 周大福北美會在鑽石和高級珠寶市場提供定制的特色系列，並發展自家品牌產品，迎合消費者不斷變化的需求。
- 憑藉集團的專業知識和規模，加上北美團隊對當地市場的深入了解和經驗，我們能夠為北美珠寶零售商創造重大價值。

# “SMART+ 2020” STRATEGIC FRAMEWORK

## 「SMART+ 2020」策略框架

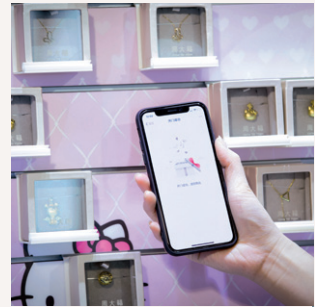
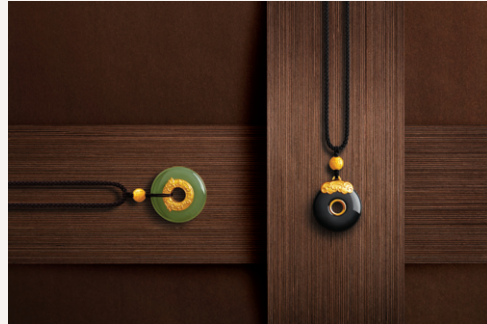
Our “Smart+ 2020” strategic framework is a three-year strategic work plan supported by our dedicated Smart working teams, which are tasked with the delivery of each strategy from conception through to execution. In reviewing our businesses and geographies today, we are delighted to see our achievements over the past three years.

我們的「Smart+ 2020」策略框架是一個為期三年的策略性工作計劃，由Smart工作團隊推動，負責構思以至執行各項策略。回顧今天的業務範疇及版圖，我們喜見過去三年的努力結出了豐碩的成果。





**Brands and Products**  
品牌和产品



**Retail Experience**  
零售体验



**Insights**  
见解



**Culture**  
文化



**Customisation**  
定制

## Brands and Products 品牌和產品



### ARTRIUM

#### 周大福藝堂

Chow Tai Fook's exclusive high-jewellery experience that melds contemporary design with a classic spirit

周大福高級珠寶尊貴體驗，呈現獨具中華文化精髓的殿堂級當代高級珠寶美學

### HEARTS ON FIRE

US premium diamond brand with exquisite cutting craftsmanship

精湛切割工藝的美國高級鑽石品牌



### JEWELRIA

#### 周大福寶館

Chow Tai Fook's diversified retail experience which offers international jewellery product offerings

周大福多元化的珠寶零售體驗，荟萃多個國際珠寶品牌



### CHOWTAI FOOK JEWELLERY

#### 周大福珠寶

Iconic brand with classic product offerings

提供經典產品的標誌性品牌

### ENZO

Creative and contemporary coloured gem jewellery brand

具創意及風格時尚的彩色寶石品牌



### T MARK

In pursuit of true diamond authenticity and traceability

追溯鑽石真品及歷程

### MONOLOGUE

Stylish fashion jewellery for young generation

年輕一代的型格時尚珠寶首飾



### SOINLOVE

Jewellery gifting brand for romantic ladies

擁有甜美生活女生的珠寶送禮品牌

## Multi-brand strategy

Rising middle income class and changing consumption structure continuously drive demand for more personalised products and services, which goes beyond the conventional shopping experience. To meet today's ever-changing customer expectations, we have adopted multi-brand strategy which we believe is necessary to better serve each unique consumer segment and enable us to create long-term differentiation and loyalty.

## CHOW TAI FOOK JEWELLERY and endorsed brands CHOW TAI FOOK JEWELLERY

- Founded in 1929, the Group's iconic brand "CHOW TAI FOOK" has been widely recognised for its trustworthiness and authenticity, and is renowned for its product design, quality and value.
- CHOW TAI FOOK JEWELLERY continues to invest and innovate in product offerings and features. One of the most remarkable achievements is our renowned jewellery collection, CTF • HUÁ Collection that emphasises on a natural balance between cultural, heritage and modern aesthetics and contributed 32.2% of our gold product retail sales value in FY2020 of our Mainland China market. Its another design, Imperial Jade • HUÁ Collection, crafted in pure gold with precious jade also demonstrates exquisite craftsmanship and deep affiliation with ancient Chinese culture.
- Our 17916 Collection in 22 Karat gold was also introduced as a response to the evolving demand from customers for seeking diversity in jewellery products.
- Experience shops introduced in Hong Kong since FY2018 have been gaining traction, with their rejuvenated shopping experiences and elegant shop ambience widely embraced by our customers. On the back of this success, a gradual rollout of experience shops in Mainland China is on track. As at 31 March 2020, we had 5 POS in Hong Kong and Macau and 6 POS in Mainland China, respectively among the total POS of CHOW TAI FOOK JEWELLERY.



CTF • HUÁ Collection  
周大福傳承系列



17916 Collection  
17916系列

## 多品牌策略

中產階層冒起及消費結構改變，帶動更具個性的產品及服務需求不斷上升，消費者已不再滿足於傳統的購物體驗。為迎合現今顧客不斷變化的期望，我們推出多品牌策略，為各獨特的客戶群提供更適切的服務，以締造長期的品牌獨特性和忠誠度。

## 周大福珠寶及關聯品牌 周大福珠寶

- 集團標誌性品牌「周大福」創立於1929年，一直被廣獲認同為信譽及正貨的象徵，並以產品設計、品質與價值聞名。
- 周大福珠寶在產品組合及特性上不斷作出投資和創新。於眾多成果當中，以突出文化、傳承和現代美學自然平衡之美的知名珠寶系列——周大福傳承系列最為矚目，於2020財政年度佔我們中國內地市場的黃金產品零售值32.2%。其另一款以純金鑲嵌寶玉的國玉•傳承系列，同樣展現出中國古代文化的精巧工藝。
- 我們亦推出以22K金打造的17916系列，旨在滿足顧客對多樣化珠寶產品的需求。
- 自2018財政年度起，在香港開設的體驗店漸上軌道，其煥然一新的購物體驗與優雅的店舖氛圍廣受顧客青睞。我們藉此成功經驗，正循序漸進在中國內地開設體驗店。於2020年3月31日，在周大福珠寶的零售點當中，在港澳擁有5個周大福體驗店，在中國內地則擁有6個周大福體驗店。





Beauty Art High Jewellery Collection  
悅顏高級珠寶系列

### ARTRIUM

- Building upon its 90 years of history, Chow Tai Fook offers exclusive high jewellery experience and the next level of luxury to its customers through ARTRIUM. Inspired by 5,000 years of Chinese art and culture, ARTRIUM brings a sense of wonder and appreciation to each piece, reimagining the craft of storytelling through high jewellery.

### JEWELRIA

- JEWELRIA is a designers' hub of international jewellery product offerings catering for the demand of increasingly sophisticated customers. It offers an eclectic mix of oriental-designed, western-styled to international branded jewellery.
- Annoushka and Kagayoi are two international brands that have joined the JEWELRIA family last year. They provide a sense of delightful novelty to our sophisticated customers.
- Annoushka is a brand established by the renowned designer Annoushka Ducas MBE. It displays playfulness, wearability and daily glamour through the bold colour combinations.
- Kagayoi, a jewellery brand from Japan founded in 1861, that embodies Kyoto's unique aesthetic sense and deep heritage.

### 周大福藝堂

- 歷經九十年歷史沉澱，周大福珠寶集團推出旗下高級珠寶尊貴體驗周大福藝堂，為承襲近一個世紀的至臻工藝，注入五千年中華文化靈魂，令當代高級珠寶美學散發別具一格的古典魅力。

### 周大福薈館

- 周大福薈館薈萃來自全球的精選珠寶品牌與設計師系列，旨在滿足愈來愈有品味的顧客需求，把中西方的珠寶設計及國際品牌珠寶兼收並蓄。
- 去年加入周大福薈館的兩大國際品牌 Annoushka 和 Kagayoi，為品味超卓的顧客提供獨特非凡的珠寶作品，帶來愉悅新意。
- Annoushka 為曾獲頒授大英帝國勳章的知名設計師 Annoushka Ducas 創立的 brand，以大膽鮮明的色彩搭配，展現跳脫玩味、舒適且切合日常配戴的閃爍魅力。
- 源自日本的 Kagayoi 品牌始創於 1861 年，體現京都獨特美感和深厚的文化傳統。



Products of Kagayoi (above) and Annoushka (below)  
Kagayoi(上)和 Annoushka(下)珠寶產品





Guardian of Life Collection  
守護一生系列

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



### T MARK

- Our T MARK diamond brand was launched in 2016 to revolutionise the century-old diamond authentication process with our pioneering “4Ts” concept — Traceable, Transparent, Truthful and Thoughtful.
- We collaborated with Gemological Institute of America, leveraging blockchain technology, to deliver secure and digital diamond grading reports to our customers and to offer additional assurance on the quality of a T MARK diamond.
- We also collaborated with key insurance providers to provide customers with a value-added protection on selective T MARK diamond products in FY2020. These initiatives further earn our customers’ trust, as well as setting a new standard for the industry.
- In FY2020, T MARK products accounted for 19.3% and 27.8% of the RSV of our diamond products in Mainland China and Hong Kong and Macau, respectively.
- RSV dropped 9.2% and 41.0% year-on-year in Mainland China and Hong Kong and Macau, respectively.

### HEARTS ON FIRE

- HEARTS ON FIRE is the world’s first diamond brand revered for its diamond cutting perfection. HEARTS ON FIRE strictly selects the purest rough diamonds and entrusts them to the hands of master craftsmen.
- In FY2020, the brand was delighted to introduce a new jewellery collection designed by Hayley Paige, one of the most sought-after bridal dress designers from the United States. The new Hayley Paige for HEARTS ON FIRE Collection, combined the whimsical and modern aesthetics of Paige’s dresses that translated into a unique and captivating bridal jewellery line, was unveiled in October 2019.
- In FY2020, HEARTS ON FIRE accounted for 1.4% and 3.6% of the RSV of our diamond products in Mainland China and Hong Kong and Macau, respectively.
- RSV dropped 34.8% and 53.3% year-on-year in Mainland China and Hong Kong and Macau, respectively. The HEARTS ON FIRE retail network in Mainland China has undergone restructure during the year and will continue to target sophisticated customers and penetrate into the high-end market through SIS and CIS.

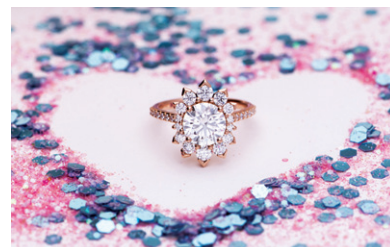


### T MARK

- 我們於2016年推出鑽石品牌T MARK，以我們首創的「4Ts」概念（可尋、可知、可信及可頌）徹底改變百年以來的鑽石認證過程。
- 我們與美國寶石研究院合作，利用區塊鏈技術，向顧客提供安全的數碼鑽石鑒定證書，為T MARK鑽石的質素提供額外保證。
- 我們亦與大型保險公司合作，於2020財政年度為顧客提供特選T MARK鑽石產品增值保障。此舉進一步贏得顧客的信任，亦為行業訂立了新標準。
- 於2020財政年度，T MARK產品佔我們在中國內地以及香港及澳門鑽石產品零售值分別19.3%及27.8%。
- 中國內地以及香港及澳門零售值分別下跌9.2%及41.0%。

### HEARTS ON FIRE

- HEARTS ON FIRE是全球第一個以追求至完美車工為目標而享負盛名的鑽石品牌。HEARTS ON FIRE嚴格挑選最純淨無瑕的鑽石毛坯，由工匠大師精心打造。
- 於2020財政年度，品牌欣然邀得美國人氣婚紗設計師Hayley Paige設計嶄新珠寶系列，於2019年10月推出全新的HEARTS ON FIRE x Hayley Paige聯名系列，與Paige設計的婚紗風格一脈相承把新奇別緻的元素和現代美學，轉化為獨特而迷人的婚嫁珠寶系列。
- 於2020財政年度，HEARTS ON FIRE佔我們在中國內地以及香港及澳門鑽石產品零售值分別1.4%及3.6%。
- 中國內地以及香港及澳門零售值分別下跌34.8%及53.3%。HEARTS ON FIRE於中國內地的零售網絡於年內進行重整，並將繼續瞄準具品味的顧客，以店中店及店內專櫃滲透高端市場。



Hayley Paige for HEARTS ON FIRE Collection  
HEARTS ON FIRE x Hayley Paige 聯名系列



Ocean Collection  
經典海洋系列

## ENZO

- In FY2020, we were pleased to have ENZO joining our Chow Tai Fook family. Founded in 2004, ENZO is distinguished by exquisite craftsmanship and creativity and will maintain its niche position as a natural coloured gem specialist to complement the Group's multi-brand strategy, enabling us to further venture into the coloured gemstone market.
- As at 31 March 2020, ENZO had 59 POS in Mainland China, primarily located in Tier I and II cities.

## ENZO

- 於2020財政年度，我們很高興ENZO加入了周大福的大家庭。於2004年成立的ENZO以超卓的工藝和創意見稱，將延續其天然彩寶大師的獨特市場定位，豐富集團的多品牌策略，使我們進一步拓展彩寶首飾的市場。
- 於2020年3月31日，ENZO在中國內地有59個零售點，主要位於一線及二線城市。

## SOINLOVE and MONOLOGUE

- We have been ambitious in exploring innovative promotional channels to connect SOINLOVE and MONOLOGUE with younger customers.
- Within just two years since the launch of these two new brands, they have already gained much attention from the younger customers and achieved growth in both brand recognition and revenue.
- We raised our brand awareness and influence through brands collaborations, such as Coca-Cola and Game of Thrones; innovative and playful in product development, such as the use of vintage gold and pink coloured gold; as well as promoting through pop-up stores and social media.

## SOINLOVE 及 MONOLOGUE

- 我們立志探索創新的推廣渠道，讓SOINLOVE及MONOLOGUE與年輕顧客建立聯繫。
- 兩個新品牌推出短短兩年內已獲得年輕顧客的關注，在品牌認知及收益方面均有所增長。
- 我們通過與其他各大品牌如可口可樂及《權力遊戲》等合作，來提升自身品牌認知度及影響力，同時把創意和玩味融入產品開發，如採用復古黃金及粉紅色黃金，以及借助限時快閃店及社交媒體進行推廣。



Monogold Collection  
拜金主義系列



Gold Sweeties Pink Collection  
蜜粉金系列





## Retail Experience

### Omni-channel retailing

- To cope with the changing environment, the integration of digital technologies is the key to removing consumer pain points and creating a seamless shopping experience.
- In view of this, we have focused on developing our omni-channel capabilities in the past three years. Our strategy has been proven right when the COVID-19 pandemic accelerated the pace of digitalisation globally at all levels which fundamentally altered customers' buying habits. During the epidemic outbreak in Mainland China, while practicing social distancing, we managed to keep our customers closer by leveraging "CloudSales 365" and livestreaming.
- "CloudSales 365" is a mini-programme built upon WeChat Work platform that connects to our eShop and equips our staff with easier customer management tools. It provides our customers and staff a one-stop experience anytime and anywhere on their mobile devices.
- Livestreaming is booming in Mainland China. We leverage this to drive real-time customer interactions, enabling them to share immediate feedback.
- We collaborated with Austin Li, a renowned key opinion leader ("KOL") in Mainland China, for a charity livestreaming event in March 2020 with overwhelming results. Around 5,000 pieces of jewellery products were immediately sold within 30 seconds.
- Cloud kiosk is another example of our relentless innovation. It is an O2O hub linking online orders at physical locations to our e-commerce platform where customers can experience a shorter transaction time and wider product selection anytime and anywhere. Thanks to this flexible setup, there were over 700 spots, primarily at our POS in Mainland China, as at 31 March 2020.
- To increase our brand visibility and awareness, themed pop-up stores that infused with technology were introduced in numerous cities across Mainland China, and they delivered novel and engaging customer experiences.



Charity livestreaming event featuring renowned KOL Austin Li  
由中國知名網紅李佳琦主持的公益直播

## 零售體驗

### 全渠道零售

- 集團為應對不斷變化的環境，在過去幾年積極把科技融入零售點的營運當中，解決消費者的痛點，打造無縫購物體驗。
- 有見及此，我們於過去三年專注發展全渠道實力。當2019冠狀病毒疫情肆虐，加快了全球在各生活層面的數碼化步伐，徹底改變了顧客的購買習慣時，全渠道策略更顯重要。疫情在中國內地爆發時，我們借助「雲商365」及線上直播，在保持社交距離之時，亦能與顧客維持緊密連繫。
- 「雲商365」是建基於企業微信上的小程序，連接至我們的網絡旗艦店，為員工提供更簡易的顧客管理工具，讓顧客及員工可以隨時隨地，簡單透過手機享有一站式體驗。
- 線上直播在中國內地大行其道，我們利用此潮流推動與顧客的實時交流，讓他們即時回饋意見。
- 我們於2020年3月與內地著名網紅李佳琦合作的慈善公益直播活動反應熱烈，在30秒內賣出了約5,000件珠寶。
- 雲櫃台將實體店的線上訂單連結至電商平台，是線上線下樞紐的另一典範。由於雲櫃台配置靈活，於2020年3月31日，已有超過700個銷售點添加此裝置，主要集中在中國內地，藉此縮短交易時間，以及隨時隨地為顧客提供更廣泛的產品選擇。
- 為提升品牌曝光率和認知度，我們在中國內地多個城市開設不同主題的限時快閃店，並融匯科技元素，為顧客帶來嶄新的互動體驗。



CloudSales 365  
雲商365



## Customer relationship management

- We are dedicated to enhancing our membership programme in order to retain the loyalty of our customers. Since April 2018, members in Mainland China could earn points upon purchases. The digitalisation of our customer relationship programme allows for members' privileges to be consolidated and managed under one account with all brands under the Group.
- As more business partners have been joining this programme since its launch, more lifestyle rewards and privileges are made available for redemptions via WeChat mobile app. Such redemption increases the attractiveness of our customer relationship programme.

## 顧客關係管理

- 我們致力優化會員計劃，以增強顧客的忠誠度。自2018年4月起，中國內地會員於購物時可賺取積分。隨着會員計劃數碼化，會員在集團旗下任何品牌的尊享禮遇均歸納於一個帳號內以便於管理。
- 計劃推出以來獲多個業務夥伴接連加盟，會員可經微信手機應用程式，兌換更多生活品味獎賞與專享禮遇。藉著這獎賞兌換我們增強了顧客關係計劃的吸引力。

### CHOW TAI FOOK membership programme 周大福會員計劃

As at 31 March 2020  
於2020年3月31日

Mainland China  
中國內地



2,490,000

Number of members  
會員數目

FY2020

24.9%

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

As at 31 March 2020  
於2020年3月31日

Hong Kong and Macau  
香港及澳門



1,180,000

Number of members  
會員數目

FY2020

35.5%

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

## Customisation

We adopted a more customer-driven approach in our production and operations in order to drive excellence in the customer experience.

## 定制

我們的生產及營運採取顧客主導的方式，推動優越的顧客體驗。

## Production framework

- In order to deliver a personalised shopping experience for our customers, we developed our production framework in FY2018 which was characterised by four key principles: Standardisation, Automation, Digitalisation and Intelligence.
- Since standardising and streamlining procedures, we have been increasingly focused on automation to enhance our production efficiency and reliability. For instance, Phase II of our Logistics and Distribution Centre in Shunde began operations in August 2018, which doubled our daily inventory distribution capacity, providing sufficient support to our operations.

## 生產框架

- 為向顧客提供更個性化的購物體驗，我們於2018財政年度制定圍繞標準化、自動化、數據化和智能化四大主要原則的生產框架。
- 程序標準化及精簡後，我們更注重於自動化，以提高生產效率及可靠度。舉例而言，第二期的順德物流及配貨中心自2018年8月開始營運，使每日配貨量增加了一倍，為我們的運營提供足夠的支援。

- Digitalisation and intelligence drive reliability and consistency along the key areas of our supply chain. Our RFID technology has already been deployed in our three major production hubs, including Wuhan, Shenzhen and Shunde, to monitor the production status and speed up the order tracking process. Intelligent equipment monitoring system was also installed in selected production lines to monitor the efficiency of machinery in real time.
- A more flexible manufacturing process allows us to engage our customers along the supply chain from product design, manufacturing and logistics to distribution.
- With these solid foundations, we are well equipped to complete our Customer to Manufactory (“C2M”) journey.

## C2M

- As a pilot, we introduced a jewellery customisation online platform named D-ONE in Mainland China in 2017. It offers our customers a unique experience in creating their own jewellery by choosing the diamonds and settings according to their own preferences.
- To further enhance our customer experience, C2M experience centre in Shenzhen was established to provide our customers a more tailored services during the D-ONE experience.
- Backed by our strong production base, we are able to make a customised product available and ready for delivery, within 24 hours from customer order.

## D-ONE customisation procedures D-ONE 定制程序



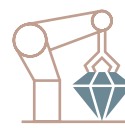
**1 Jewellery setting and diamond selection**  
選擇珠寶款式和鑽石



**2 Product personalisation**  
個性化定制



**3 Online payment**  
線上支付



**4 Production**  
生產工序



**5 Delivery within 24 hours**  
24小時內準備交付

- 數碼化及智能化有助提升我們供應鏈主要領域的可靠性及一致性發展。無線射頻識別技術已於武漢、深圳及順德三大生產基地應用，監察生產狀況及加快訂單追蹤的流程。指定生產線亦已安裝智能設備監察系統，實時監察機器的效率。
- 更靈活的製造過程有助我們在供應鏈上各個環節，不論是產品設計、製造及物流以至分銷，均可讓顧客參與其中。
- 在這鞏固基礎上，我們準備好實現顧客對工廠（「C2M」）業務模式。

## C2M

- 我們於2017年在中國內地試行推出名為「D-ONE」的珠寶定制線上平台，讓顧客按個人喜好挑選鑽石及款式，專享自訂珠寶首飾的獨有體驗。
- 於深圳設立C2M智定隨心中心，讓顧客親身體驗D-ONE之定制服務，進一步提升顧客體驗。
- 借助自有的強大生產實力，定制產品可於顧客下達訂單後24小時內準備交付。



## Insights

### Customers

- We further enhanced the features of Smart Tray to optimise customer satisfaction. This included enabling members' check-in through Smart Trays at certain selected POS in Mainland China, which helps us to identify loyal members and provide relevant products and services that help facilitate product design and assortment strategies.

### Operations

- Ongoing efforts in the use of big data analytics enables us to evaluate customer satisfaction on products and services in order to generate useful insights for enhancing staff training and product quality, as well as optimising inventory replenishment.

## Culture

We believe that culture is the key enabler behind continued innovation and our ability to attract and retain talent to contribute to the sustainable development of the Group and the jewellery industry as a whole.

### Internal incubators to support innovation

#### Setup of Sustainability and Innovation Centre ("SI Centre")

- We are committed to uplifting our customer experience by harnessing innovation and technology across our core operations.
- To facilitate the more effective allocation of resources, and to support our conventional jewellery retail business, we set up a SI Centre in April 2018, comprising of three key focus areas – culture and art, craftsmanship and creativity.
- A designated management team is responsible for the investment in innovation, brand management, culture and art, craftsmanship, technology and data applications to underpin the sustainable growth of the Group.

## 見解

### 顧客

- 我們進一步加強使用智能奉客盤的功能，提升顧客滿意度，包括供會員於中國內地選定個別零售點經智能奉客盤簽到。此舉有助我們識別忠實會員，從而提供更合心意的產品與服務，以協助制定產品設計和配貨策略。

### 營運

- 我們持續借助大數據分析，評估顧客對產品與服務的滿意度，匯集成為精闢的見解，助我們加強員工培訓、提升產品質素，以及優化存貨補充的管理。

## 文化

我們相信，文化是推動我們持續創新和能夠吸納和挽留人才的關鍵要素，從而推動本集團和整體珠寶業持續發展。

### 孵化員工的創新意念

#### 成立可持續發展及創新中心

- 我們致力於核心業務中以創新和科技提升顧客體驗。
- 為更有效分配資源以及支持我們的傳統珠寶零售業務，我們於2018年4月成立可持續發展及創新中心，聚焦文化藝術、工藝和原創性三大範圍。
- 我們已委派專責管理團隊，負責在創新、品牌管理、文化藝術、工藝、科技及數據應用等領域的投資，以支持本集團的可持續增長。

### Innovator development: putting intrapreneurship into practice

- Despite the COVID-19 outbreak resulting in the temporary POS closure, we onboarded our frontline and back office employees to refer customers to our mobile shopping platform in Mainland China, Hong Kong and Macau. We equipped all employees with this platform to keep connecting with customers and share our best offers via social media. Not only did we open up new revenue stream, what was the most valuable was the good vibe generated in everyone's personalised message to friends and family using this platform.

### Unbounded working environment

- The "Slash" co-working space in our offices promote agile and autonomous way to work. Less the limit of department and function, teams collaborated seamlessly in a diverse array of projects. The flow and exchange of ideas energised the young generation to develop into a T-shaped talent. We also adopted user-centric employee experience such as flexible work arrangement and experiential learning, resulting in better engagement and collaboration.
- Our group-wide annual summit this year was unprecedentedly conducted online, connecting our management and over 10,000 employees to learn about our latest strategies and roadmap.

### Loupe Jewellery Academy

- As part of our relentless efforts to incubate potential talents, the Group was honoured to partner with the Haute École de Joaillerie in 2019, one of the world's most prestigious jewellery institutions to set up the Loupe Jewellery Academy.



"Slash" co-working space  
「Slash」共享工作空間

### 創新人才發展：實踐內企業家精神

- 儘管2019年冠狀病毒疫情令零售點暫停營業，但我們動員了前線及後勤員工，把中國內地、香港及澳門的顧客引導到我們的手機購物平台。員工憑藉此平台，可透過社交媒體與顧客連繫，分享最切合他們需要的產品資訊。此平台不僅為我們開拓新收入來源，更可貴的是可透過此平台向親友傳達個人化的訊息。

### 無拘束的工作環境

- 「Slash」共享工作空間為我們的辦公室推廣靈活自主的工作模式，以打破部門與職能的界限，讓各團隊可就不同的項目無縫協作。通過意念交流可激發年輕一代發展成T型人才。同時，我們採納用家為本的員工體驗，例如提供彈性工作安排和體驗學習，使員工更投入工作，加強協作。
- 今年集團的年度峰會首次以網上形式舉行，我們的管理層與超過10,000名員工互動，了解我們的最新策略和發展路向。

### Loupe珠寶研學院

- 集團為培養人才不遺餘力，更榮幸於2019年與世界權威珠寶學院Haute École de Joaillerie合作，成立Loupe珠寶研學院。



91<sup>st</sup> Anniversary Online Summit  
91周年網上峰會

## External innovative incubators

### Loupe

- A design incubation space was established in December 2017 to foster creativity and to provide an engagement platform for local and international talent in the jewellery sector.
- We aim to nurture young jewellery talent in engaging ways such as offering co-working space where they can share design ideas, acquire craftsmanship techniques and participate in workshops led by industry professionals.

### C+ Creative Park

- Echoing the spirit of innovation and entrepreneurship advocated by the Chinese government, the C+ Creative Park at our Jewellery Park in Wuhan, Mainland China, aims to promote our entrepreneurial culture through supporting entrepreneurs and assists them to address common challenges and obstacles faced by many business start-ups.

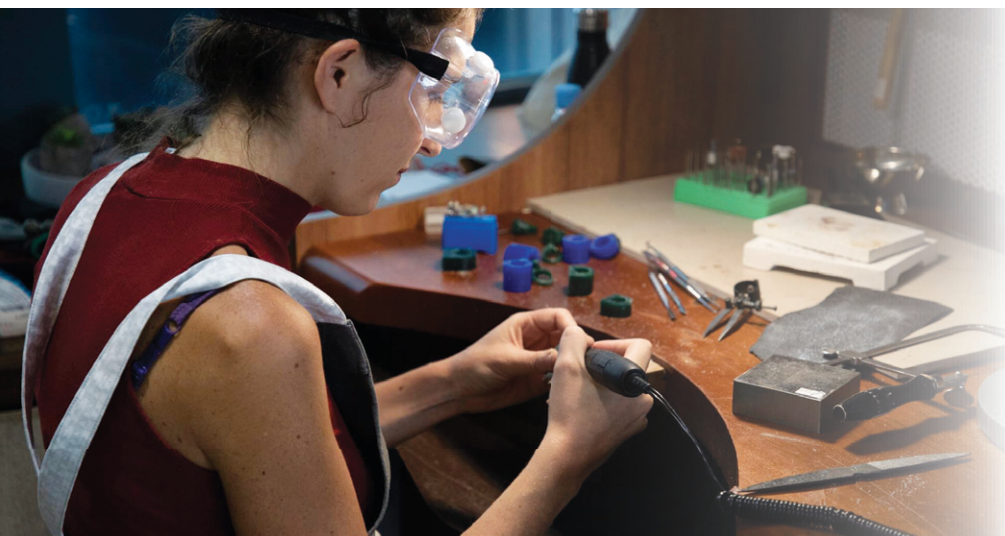
## 外間創新培育

### Loupe

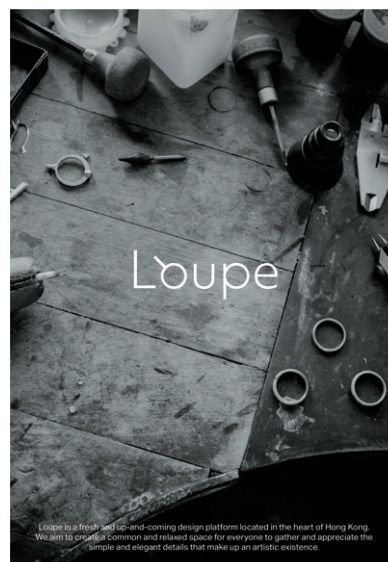
- 於2017年12月創立的共享設計培育空間，旨在培育原創性，為本地和國際珠寶業人才提供交流平台。
- 我們旨在提供共享工作空間等互動方式培育年輕珠寶業人才，參與者可分享設計概念、獲取工藝技術以及參與由業內專才舉辦的工作坊。

### C+創意園

- 為倡導中國政府主張的創新和創業精神，我們在中國內地武漢的珠寶文化產業園設立「C+創意園」，透過支持有關領域的創業家促進創業文化，協助他們解決初創企業一般遇到的挑戰和障礙。



Loupe co-working space for designers  
Loupe為設計師提供共享工作空間



Loupe promotional poster  
Loupe 宣傳海報

# OPERATIONS SUPPORT

## 營運支援

The transformation journey continues with our three major corporate functions, namely intellectual capital, finance and information technology. Through strengthening our digital competence, refining operation structure and enhancing operational efficiency, we continuously identify and pursue value-added opportunities that support the Group's strategic development.

我們的三大企業功能：智力資本、財務與資訊科技之變革從未停步。我們藉著鞏固自身的數碼能力、改良營運架構及提升營運效率，繼續發掘和探求可配合本集團策略性發展的增值機遇。

### Intellectual Capital

#### Our employees 我們的員工

As at 31 March 2020  
於2020年3月31日

#### Total number of employees 員工總數



29,700+

Number of employees  
員工數目

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



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



- The transformation of the Human Resources function into a Global Intellectual Capital Hub is our response to the continuously evolving new retail ecosystem. To keep up with our customers who are way more informative nowadays, we aim to unleash collective brainpower of our global workforce, to elevate their world view and strengthen our overall capabilities.
- We open opportunities for all employees to ignite more innovation. A disrupted approach is adopted to encourage new ideas worldwide through our debut Global Innovation Award and Snowball Product Incubation Campaign for process and product innovation respectively.
- At Chow Tai Fook, we offer opportunities for all employees to become their best self. Living our notion of “Heritage • Innovation • Sharing” coined in the 90<sup>th</sup> Anniversary last year, our people never stop learning and exploring ways to keep ourselves curious and creative.
- 我們將人力資源職能轉型為環球智力資本共享中心，以應對不斷演變新零售生態系統。今時今日的顧客知多見廣，為此，我們全球性的工作團隊集思廣益，擴闊彼此的全球視野，提升整體的實力。
- 我們向所有員工提供發揮創意的機會。以顛覆性方式透過我們首度舉行的創者無界環球創新大獎及雪球計劃產品創意開發就工序和產品創新徵集世界各地的嶄新概念。
- 我們為所有員工提供盡情發揮其個人潛力的機會。為體現去年90周年創設的「傳•創•共享」之主題，我們的員工學無止盡，求知若飢，盡情發揮創意。

- In FY2020, through an experiential learning approach, we recorded over 1,920,000 training hours in total, with over 50% conducted online, leveraging our home-grown mobile applications and video conferencing platforms.
- 於2020財政年度，我們利用體驗學習的方式，合共錄得超過1,920,000個培訓小時，過半數利用自主開發的手機應用程式和視像會議平台於網上進行。



Intellectual Intrapreneur Management Trainee 2019  
智滙內企業家見習管理培訓生計劃2019



## Streamlining of business process

We are continuing our efforts to refine our IT Governance Framework to improve strategic alignment, IT resources & performance management, and IT risk management. A number of initiatives were introduced during FY2020:

- Enhancement on the IT project management tool and refinement on the Software Development Life Cycle (“SDLC”) processes for better IT operating efficiency and effectiveness;
- Adoption of IT services recharge and service level agreement mechanism to improve IT demand management;
- Revision of the enterprise cloud strategy to identify opportunities to improve system scalability and flexibility;
- Formation of enterprise project management office for better alignment of the Group’s business and IT strategies, and management of strategic project portfolio; and
- Enhancement of solution architecture and information security capabilities.

We are focused on helping the Group achieve its business objectives by streamlining and automating business processes and maintaining a competitive edge in the market.

## 精簡業務程序

我們竭力優化資訊科技管治框架，以改良策略對應、資訊科技資源和績效管理以及資訊科技風險管理。我們在2020財政年度推行了多項措施：

- 增強資訊科技項目管理工具和改良系統研發週期（「SDLC」）的流程，以提高資訊科技營運效率和效益；
- 採納資訊科技服務收費及服務水平協定機制，並改善資訊科技需求管理；
- 修訂企業雲端策略，以改良系統的延展性和靈活性；
- 設立企業項目管理團隊，以更妥善管理策略項目組合並配合本集團的業務及資訊科技策略；以及
- 改善解決方案設計和資訊保安能力。

我們專注精簡業務過程及將之自動化，以保持我們的市場競爭優勢，協助集團達成業務目標。

# BUSINESS OUTLOOK AND STRATEGIES

## 業務展望與策略

FY2020 was a challenging year for us, especially in 4QFY2020. In this unprecedented period, we upheld our values of People First and continue our focus on the talent development and unleash the potential capabilities of our employees. We also treat this time as an opportunity for us to be more creative and continue to explore ways to reimage our business model and prepare for a stronger business rebound as markets recover. With a solid foundation built over the years, we are well positioned for our next chapter of growth.

Although our Mainland China operations severely suffered in 4QFY2020 due to the pandemic, we have seen signs of recovery as the business in Mainland China resumes. Government policies and measures have been released to support businesses and resumption of production. We are cautiously optimistic about the short-term business outlook. We shall continue our market expansion strategy through franchise model as the situation stabilises and the online-offline channel integrations to take advantage of the digital trends. Also, we shall continue our multi-brand strategy to better serve each unique customer segment. Despite the recent headwinds, we remain optimistic about the mid-to long-term prospects of the jewellery market in Mainland China.

In Hong Kong and Macau, the market will remain challenging in the foreseeable future. As the customer base has been reshaped, we shall continue to consolidate our retail network, rationalise cost structure and refine our business strategies. Apart from focusing on store efficiency, we also place an emphasis on transforming our current business model through innovation and technology in order to enhance retail experience, improve operational efficiency and strengthen our market leadership position.

Going forward, we shall continue to implement our customer-centric strategy with the vision of achieving our four long-term goals to: 1) be the market leader through further market penetration, 2) develop a comprehensive jewellery ecosystem, 3) be a tech-savvy jewellery company through harnessing innovation and technology, 4) improve operational efficiency through digital transformation. The tasks will center on improving business model agility and organisational structure through technology and employee empowerment, which will allow us to respond rapidly to market changes, strengthen supply-chain capabilities through streamlining the processes, automation and data analytics and enhance our competitive edge to achieve long-term sustainable growth.

**Mr. Wong Siu-Kee, Kent**

*Managing Director*

Hong Kong, 11 June 2020

2020財年尤其是第四季度是充滿挑戰的一年。在這段前所未見的時期，我們堅守「以人為本」的價值，繼續推行人才發展，助員工釋放潛能。我們視這段時期為發揮創意及繼續重塑業務模式的好機會，可為市場復甦時的業務反彈作好準備。憑藉過往穩固的基礎，我們已蓄勢待發為開創下一個增長的新篇章準備就緒。

儘管我們的中國內地業務於2020財政年度第四季度的表現受到疫情嚴重打擊，惟隨著業務恢復正常營業後，我們已看到市場復甦的跡象。政府的政策和措施先後出台，支援各行各業及助他們復工復產。我們對短期業務前景持審慎樂觀態度。在市況穩定後，我們會繼續以加盟模式，以及把握數碼化大趨勢的優勢，把線上線下渠道整合，以實行市場拓展策略。與此同時，我們會繼續以多品牌策略滿足各獨特客戶群。縱使最近面對不利因素，但我們對中國內地珠寶市場的中長期展望仍然樂觀。

港澳市場方面，相信在可見的未來仍然充滿挑戰。面對顧客群基礎的轉變，我們會繼續整合港澳的零售網絡、精簡成本架構，以及優化我們的業務策略。我們亦重視藉著創新和科技，改革現有業務模式，以提升零售體驗及營運效率，以及鞏固我們的市場領導地位。

展望未來，我們將繼續落實以客為本的策略，以達成我們的四大長遠目標：1) 擴大市場滲透率以保持市場領導地位；2) 建立全方位的珠寶生態圈；3) 成為一間具備創新能力及精通科技的珠寶公司；4) 透過數碼轉型提升營運效率，從而改善業務模式的靈活性和組織架構。因此，我們不但要善用科技、賦能授權予員工，還要透過精簡流程、自動化和數據分析，提升供應鏈能力，這樣才能應對市場環境的轉變和加強我們的競爭優勢，達致長遠的可持續增長。

*董事總經理*

**黃紹基先生**

香港，2020年6月11日



MANAGEMENT  
DISCUSSION AND  
ANALYSIS

管理層討論與分析

# PERFORMANCE REVIEW

## 表現回顧

The Group had a stable performance in 1HFY2020 as supported by a steady growth in Mainland China, while it was overshadowed by macro uncertainties and COVID-19 epidemic in 2HFY2020.

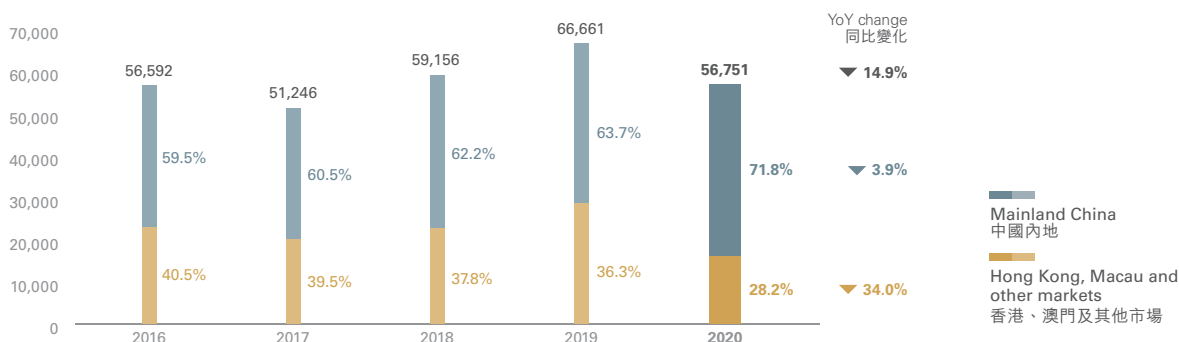
本集團的中國內地業務穩步增長，令2020財政年度上半年整體表現穩定，惟宏觀不明朗因素和2019冠狀病毒疫情對下半年表現帶來不利影響。

### Overview

#### Revenue

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

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



Revenue (HK\$ million)	營業額(百萬港元)	1HFY2019	2HFY2019	1HFY2020	2HFY2020	1HFY YoY change 財政年度 上半年 同比變化	2HFY YoY change 財政年度 下半年 同比變化
Mainland China	中國內地	18,022	24,410	20,224	20,539	▲ 12.2%	▼ 15.9%
Hong Kong, Macau and other markets	香港、澳門及其他市場	11,681	12,548	9,309	6,679	▼ 20.3%	▼ 46.8%
Overall	整體	29,703	36,958	29,533	27,218	▼ 0.6%	▼ 26.4%

- The Group's revenue declined by 14.9% to HK\$56,751 million in FY2020, mainly attributable to the COVID-19 epidemic in 4QFY2020, a surge in international gold price that dampened the retail demand for gold products, and a weak performance in Hong Kong.
- 2020財政年度本集團的營業額下降14.9%至56,751百萬港元，主要由於2020財政年度第四季度出現2019冠狀病毒疫情、國際金價飆升壓抑了黃金產品的零售需求，以及香港的表現疲弱所致。

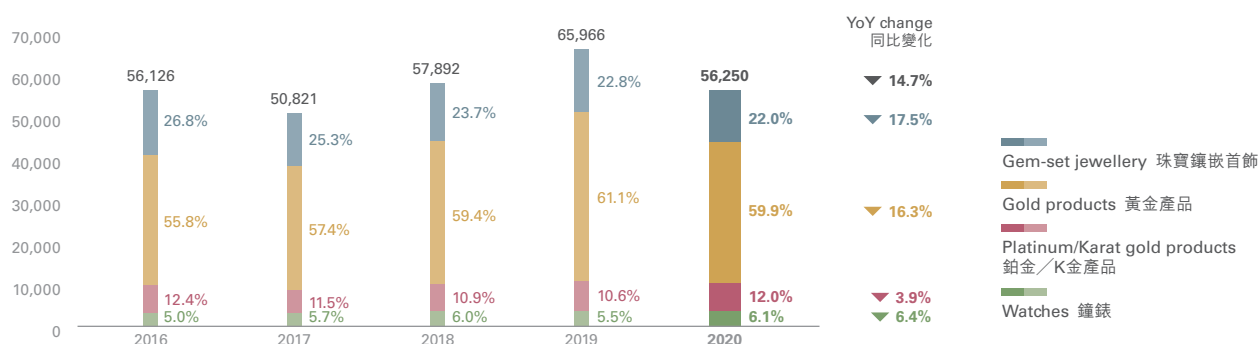
- Revenue from Mainland China was down slightly by 3.9% in FY2020. Our store expansion strategy and steady SSSG there supported a decent revenue growth of 12.2% during 1HFY2020, which buffered a 15.9% decline in 2HFY2020 in the backdrop of the epidemic. Its contribution to the Group's revenue was lifted to 71.8% in FY2020.
- In Hong Kong, Macau and other markets, revenue dropped by 34.0% during FY2020. Revenue decline accelerated to 46.8% year-on-year in 2HFY2020 due to the virus outbreak.
- 中國內地於2020財政年度的營業額輕微下跌3.9%。店舖拓展策略和穩定的同店銷售增長帶動中國內地於2020財政年度上半年的營業額錄得12.2%的不俗增長，緩和了2020財政年度下半年因疫情而錄得15.9%跌幅的影響。於2020財政年度，中國內地對本集團營業額貢獻佔比上升至71.8%。
- 香港、澳門及其他市場於2020財政年度的營業額下降34.0%。受病毒疫情的影響，2020財政年度下半年的營業額按年急降46.8%。

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

#### 按產品劃分的營業額 (不包括珠寶貿易及加盟商的服務收入)

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

(HK\$ million 百萬港元)



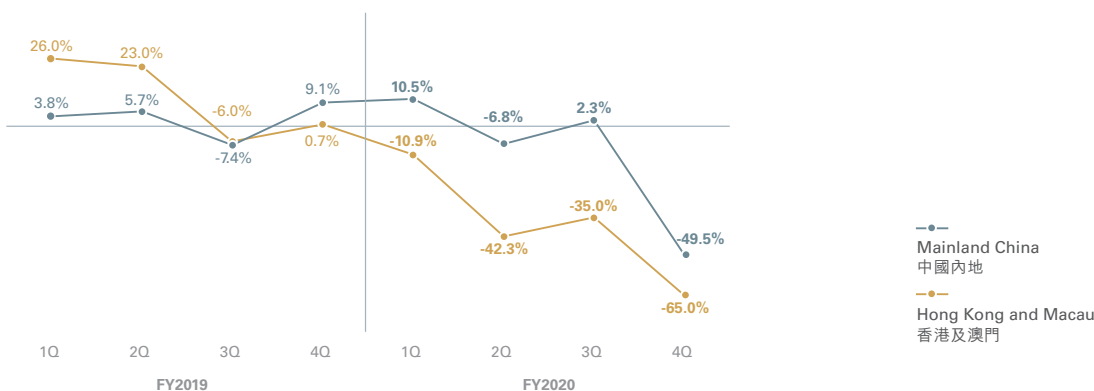
% of Revenue	營業額佔比	1HFY2019	2HFY2019	1HFY2020	2HFY2020
Gem-set jewellery	珠寶鑲嵌首飾	23.4%	22.2%	23.3%	20.6%
Gold products	黃金產品	60.5%	61.5%	58.9%	61.1%
Platinum/Karat gold products	鉑金/K金產品	10.5%	10.7%	11.4%	12.6%
Watches	鐘錶	5.6%	5.5%	6.4%	5.7%

- Revenue of gold products declined by 16.3% in FY2020 as a result of high comparison base and gold price volatility. Gold products' contribution to the Group's revenue was reduced by 120 basis points year-on-year to 59.9%.
- Revenue of gem-set jewellery also fell 17.5% during the financial year due to challenging macros.
- On the other hand, platinum/karat gold products demonstrated a relatively better performance, backed by the successful launch of more contemporary collections and fixed-price gold jewellery in FY2020.
- 黃金產品於2020財政年度的營業額下降16.3%，此乃由於比較基數較高及金價波動所致。黃金產品對本集團營業額貢獻按年下降120個點子至59.9%。
- 珠寶鑲嵌首飾於財政年度內的營業額因嚴峻的宏觀經濟因素亦下跌17.5%。
- 另一方面，於2020財政年度新推出的時尚產品系列及定價黃金珠寶帶動鉑金/K金產品有相對較佳的表現。

## SSSG

## 同店銷售增長

SSSG by major market 按主要市場劃分的同店銷售增長



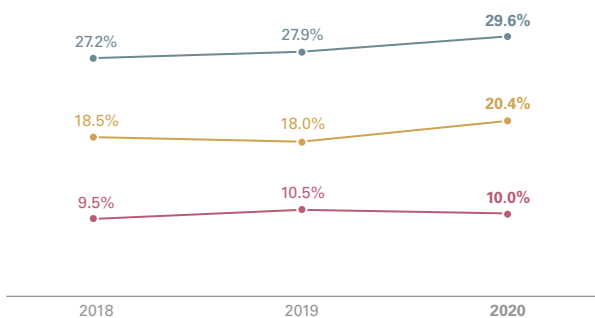
		FY2019 SSSG 同店銷售增長	FY2020 SSSG 同店銷售增長	FY2020 SSS volume growth 同店銷量增長
Mainland China	中國內地	▲ 3.4%	▼ 15.1%	▼ 24.0%
Hong Kong and Macau	香港及澳門	▲ 8.7%	▼ 38.7%	▼ 43.5%

- The epidemic and volatile macro environment inevitably affected both the businesses in Mainland China and Hong Kong and Macau, in particular during 4QFY2020. This led to a significant volume decline in both Mainland China and Hong Kong and Macau.
- In Mainland China, SSSG in the first nine months of FY2020 stayed positive at 2.0% while it plummeted to negative 49.5% in 4QFY2020. As a result, SSS in Mainland China dropped by 15.1% during FY2020. Yet, Same Store ASP stayed on a favourable trend with 11.7% increment in FY2020. Including e-commerce business, our Mainland China SSS dropped approximately by 14.0%, with SSS volume declined by 21.0%.
- In FY2020, the performance of Hong Kong and Macau was further shadowed by the sluggish business environment in Hong Kong, resulting in a decrease of 38.7% in SSS during the financial year.
- 疫情及不穩的宏觀經濟環境難免會影響中國內地以及香港及澳門的業務，尤其是2020財政年度第四季度。這情況導致中國內地以及香港及澳門的銷量跌幅顯著。
- 於2020財政年度首九個月，中國內地的同店銷售保持正增長2.0%，而2020財政年度第四季度則急跌至負增長49.5%。因此，中國內地2020財政年度全年的同店銷售下降15.1%。然而，2020財政年度的同店平均售價持續向好並增長11.7%。若計入電子商務，我們的中國內地同店銷售下跌約14.0%，同店銷量則減少約21.0%。
- 2020財政年度，香港的經營環境疲弱亦影響香港及澳門的表現，導致同店銷售於財政年度內減少38.7%。

## Profitability

### Group 集團

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



Adjusted gross profit margin<sup>(1)</sup>  
經調整後毛利率<sup>(1)</sup>

Core operating profit margin<sup>(2)</sup>  
主要經營溢利率<sup>(2)</sup>

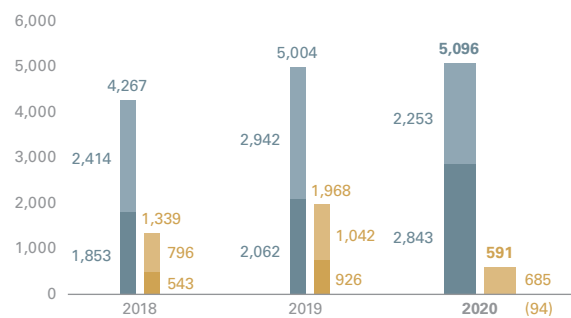
Selling and distribution costs and general and administrative expenses ("SG&A") as a % to revenue  
銷售及分銷成本以及一般及行政開支(「銷售及行政開支」)所佔營業額百分比

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

## 盈利能力

### Core operating profit<sup>(2)</sup> by reportable segment 按可呈報分部劃分的主要經營溢利<sup>(2)</sup>

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



Mainland China (2HFY)  
中國內地(財政年度下半年)

Hong Kong, Macau and other markets (2HFY)  
香港、澳門及其他市場(財政年度下半年)

Mainland China (1HFY)  
中國內地(財政年度上半年)

Hong Kong, Macau and other markets (1HFY)  
香港、澳門及其他市場(財政年度上半年)

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

(HK\$ million)	(百萬港元)	1HFY2019	2HFY2019	1HFY2020	2HFY2020	1HFY YoY change 財政年度 上半年 同比變化	2HFY YoY change 財政年度 下半年 同比變化
Revenue	營業額	29,703	36,958	29,533	27,218	▼ 0.6%	▼ 26.4%
Adjusted gross profit	經調整後的毛利	8,338	10,263	9,064	7,743	▲ 8.7%	▼ 24.5%
Adjusted gross profit margin	經調整後的毛利率	28.1%	27.8%	30.7%	28.4%	▲ 2.6 pts 個百分點	▲ 0.6 pts 個百分點
Other income	其他收入	167	229	213	224	▲ 27.4%	▼ 2.2%
SG&A	銷售及行政開支	(5,517)	(6,508)	(5,750)	(5,807)	▲ 4.2%	▼ 10.8%
SG&A as a % to revenue	銷售及行政開支所佔 營業額百分比	18.6%	17.6%	19.5%	21.3%	▲ 0.9 pts 個百分點	▲ 3.7 pts 個百分點
Core operating profit	主要經營溢利	2,989	3,984	3,527	2,160	▲ 18.0%	▼ 45.8%
Core operating profit margin	主要經營溢利率	10.1%	10.8%	11.9%	7.9%	▲ 1.8 pts 個百分點	▼ 2.9 pts 個百分點

- Adjusted gross profit margin increased in FY2020, thanks to the like-for-like gross profit margin improvement of gold products as international gold price surged. Core operating profit margin managed to stay at 10.0% despite a very challenging environment surrounding our key operations.
- In FY2020, the Group's core operating profit dropped by 18.4% year-on-year.
- Among the two segments, Mainland China continued to be our main profit contributor and accounted for almost 90% of the Group's core operating profit in FY2020. Its core operating profit recorded a growth of 1.8% during the financial year.
- On the other hand, core operating profit of Hong Kong, Macau and other markets turned negative in 2HFY2020. Thus, core operating profit of the segment registered a 70.0% decline for full year.
- 受惠於國際金價急升使黃金產品的毛利率有所改善，2020財政年度的經調整後的毛利率錄得增長。儘管我們主要業務營運所處的環境極具挑戰，但我們的主要經營溢利率仍維持於10.0%。
- 2020財政年度，本集團主要經營溢利按年下降18.4%。
- 兩個分部中，中國內地繼續為主要溢利來源，於2020財政年度佔本集團主要經營溢利接近90%，其主要經營溢利於財政年度內增長1.8%。
- 另一方面，2020財政年度下半年香港、澳門及其他市場的主要經營溢利轉為虧損。因此，此分部全年的主要經營溢利錄得70.0%的跌幅。

## Gross profit margin Unrealised loss (gain)

For the year ended 31 March	截至3月31日止年度	2018	2019	2020
Gross profit margin	毛利率	27.4%	27.9%	<b>28.4%</b>
Unrealised loss (gain) on gold loans	黃金借貸未變現虧損(收益)	(0.2)%	0.0%	<b>1.2%</b>
Adjusted gross profit margin	經調整後的毛利率	27.2%	27.9%	<b>29.6%</b>

## 毛利率 未變現虧損(收益)

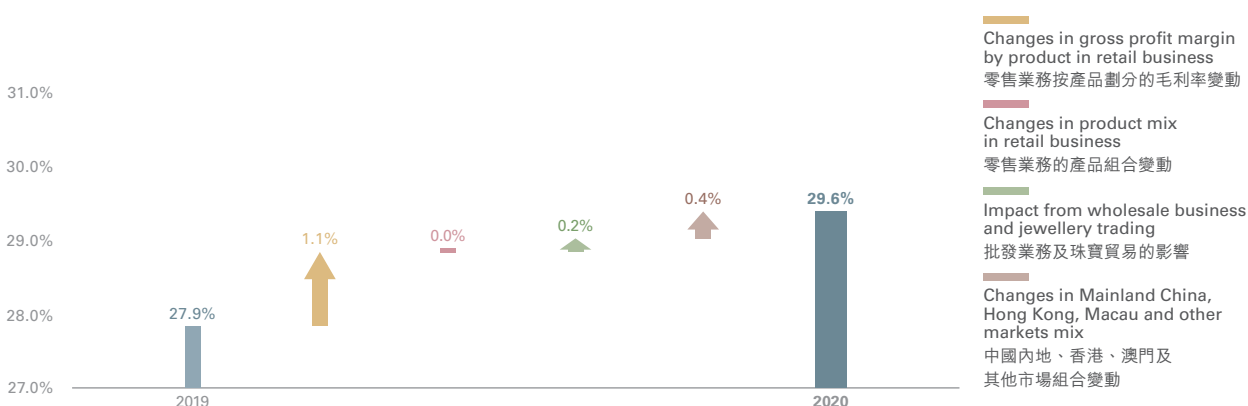
- Impact from the unrealised loss on gold loans increased during the financial year due to the surge in international gold price of which the average international gold price was 15.9% higher when compared to last financial year.
- The increase in gold loan borrowings also have significant impact on the unrealised loss. Inventory was built up before Chinese New Year to meet festive demand. With the weakened customer sentiment and sluggish demand during 4QFY2020, the inventory as well as the gold loan borrowings were maintained at a higher level than usual.
- During FY2020, fair value loss on gold loans of HK\$1,276 million was recorded, of which HK\$711 million was unrealised.
- We use gold loans (short position in gold) for economic hedge purpose to mitigate the financial impact of the gold price fluctuations in our gold inventories (long position). While the long-term effect of long and short positions in gold is expected to net out each other through the sales of gold products, a loss (gain) may arise due to a short-term timing difference between the time when a loss (gain) on gold loans is recorded in the cost of goods sold and the time when sales of hedged gold inventories are recognised, when we take a snapshot position at the end of the reporting period.
- 由於國際金價急升，平均國際金價較上一個財政年度上升15.9%，故黃金借貸未變現虧損的影響有所擴大。
- 黃金借貸的增加亦對未變現虧損構成重大影響。我們於農曆新年前已增加存貨以應付節日需求。然而，2020財政年度第四季度期間，顧客消費氣氛轉弱及需求下滑，故存貨及黃金借貸都高於正常水平。
- 2020財政年度，黃金借貸錄得1,276百萬港元的公允價值虧損，當中711百萬港元為未變現虧損。
- 我們利用黃金借貸(黃金淡倉)為經濟避險目的，以減輕黃金存貨(黃金好倉)價格波動的財務影響。雖然黃金好淡倉的長線影響預期將會在出售黃金產品時互相抵銷，惟對報告期末的持倉狀況而言，計入銷售成本的黃金借貸虧損(收益)與已對沖黃金存貨的銷售之間或會有短暫的時間差，從而可能產生虧損(收益)。



- Unrealised loss (gain) for the year represents the net effect of (i) the reversal of the loss (gain) recorded due to the timing difference in recognising the effect of long and short position in gold when we take a snapshot position at the end of the previous financial year; and (ii) the loss (gain) arising from such timing difference at the end of the current financial year.
- 年內未變現虧損(收益)指(i)撥回於上一個財政年度完結時因確認黃金好倉與淡倉影響之時間差所產生的虧損(收益)與(ii)於當前財政年度結算時，因相關的時間差而產生的虧損(收益)的淨影響。

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

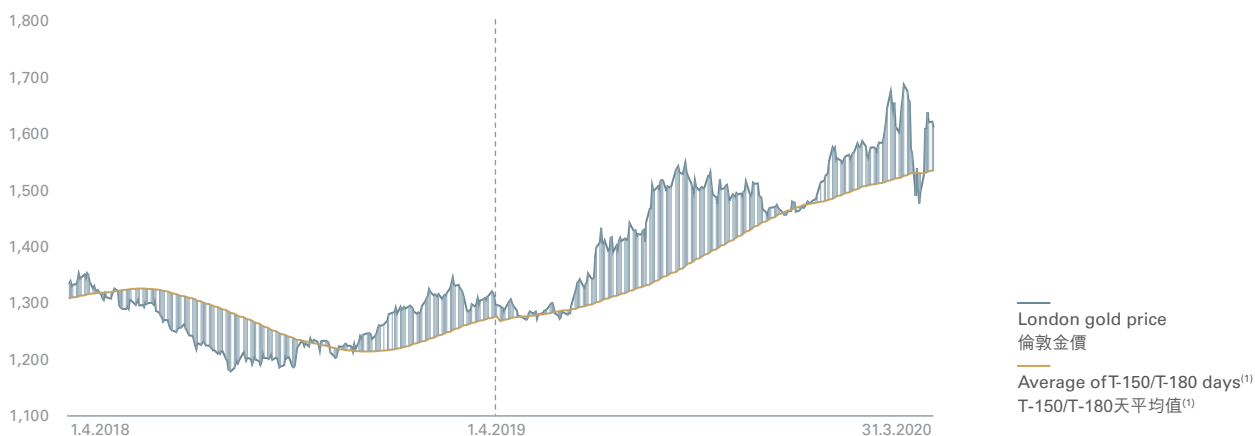
For the year ended 31 March 截至3月31日止年度



- At group level, FY2020 adjusted gross profit margin improved by 170 basis points year-on-year. An improvement in gross profit margin by product in both retail and wholesale businesses led to an expansion of margin.
- The higher contribution from our wholesale business led to the contraction of gross profit margin which was offset by the improvement in gross profit margin by product in wholesale business and jewellery trading.
- 於集團層面，2020財政年度經調整後的毛利率按年上升170個點子。零售業務與批發業務按產品劃分的毛利率上升使整體毛利率有所增長。
- 批發業務的貢獻上升導致毛利率下降，不過其影響被批發業務及珠寶貿易按產品的毛利率改善而有所抵銷。

## London gold price 倫敦金價

(US\$ per ounce 美元每盎司)



(1) Average of T-150/T-180 days refers to the average gold price of previous 150 or 180 days on rolling basis, being a proxy of the average price of our hedged inventories. As gold inventory turnover lengthened in FY2020, average of T-150 days and T-180 days was used for FY2019 and FY2020, respectively

(1) T-150/T-180天平均值指過往連續150天或180天的黃金均價，用作代表我們已對沖黃金存貨的平均價格。由於2020財政年度的黃金存貨周轉延長，2019財政年度及2020財政年度分別使用T-150天及T-180天平均值

FY2020

Closing price YoY change  
收市價同比變化

Average price YoY change  
平均價同比變化

London gold price  
倫敦金價

▲ 24.2%

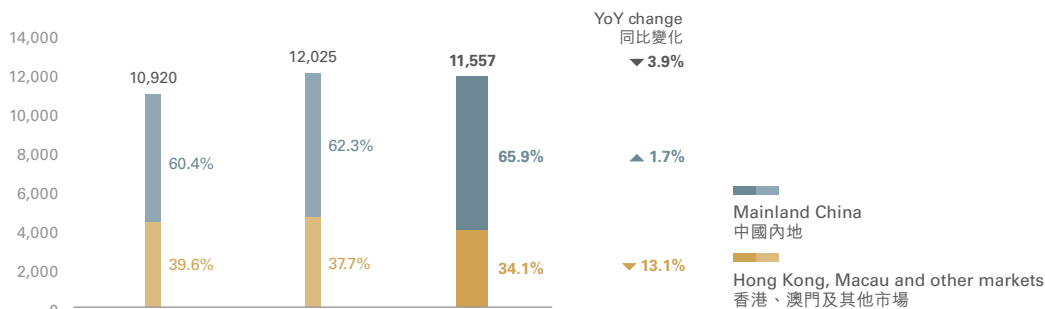
▲ 15.9%

## SG&A

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

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

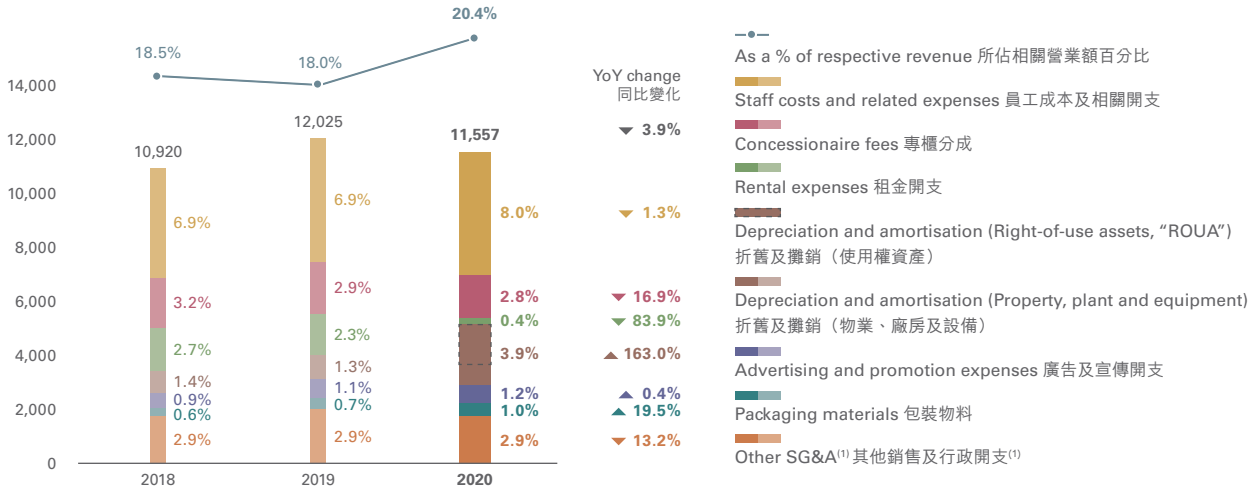
(HK\$ million 百萬港元)



## 銷售及行政開支

## SG&A to revenue ratio 銷售及行政開支佔營業額比率

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



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

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

- FY2020 SG&A expenses decreased by 3.9% to HK\$11,557 million, whereas the 2HFY2020 portion dropped 10.8% year-on-year. Yet, full-year SG&A ratio expanded by 240 basis points to 20.4% due to operating leverage.
- Analyses of the major SG&A components, including staff costs and related expenses, concessionaire fees and lease-related expenses are provided on pages 53 and 63 of this report.
- With the adoption of IFRS 16, depreciation and amortisation increased while rental expenses decreased significantly comparing to FY2019. If the impact from IFRS 16 was excluded, depreciation and amortisation would increase by 8.8% and its corresponding ratio to revenue would be 1.6%.
- Packaging materials expenses increased 19.5% year-on-year as we have been enhancing our product packaging to lift brand value and provide better customer experiences.

- 2020財政年度，銷售及行政開支減少3.9%至11,557百萬港元，而2020財政年度下半年的部分則按年下降10.8%。然而，全年銷售及行政開支比率則由於經營槓桿效應而上升240點子至20.4%。
- 有關銷售及行政開支主要組成項目(包括員工成本及相關開支、專櫃分成及租賃相關開支)的分析載於本報告第53及第63頁。
- 採納國際財務報告準則第16號之後，折舊及攤銷增加，租金開支則下降，兩者較2019財政年度的變化亦相當顯著。如扣除國際財務報告準則第16號的影響，折舊及攤銷上升8.8%，其佔營業額的相應比率為1.6%。
- 由於我們改良了產品包裝，以提升品牌價值及提供更佳的顧客體驗，故包裝物料開支按年上升19.5%。

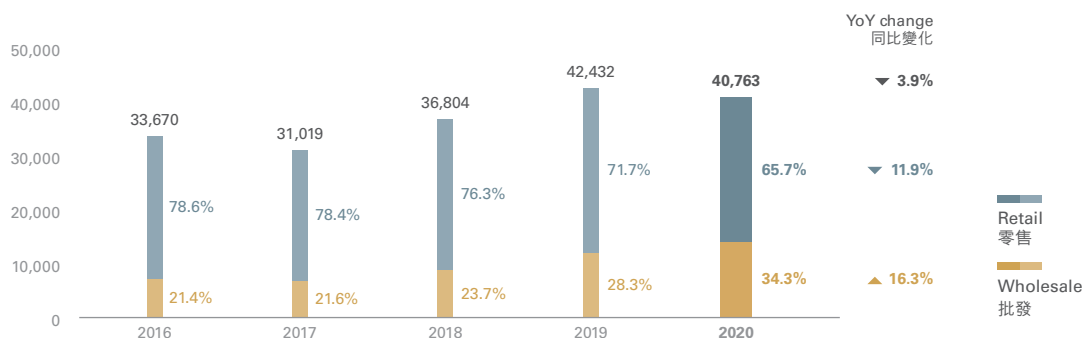
## Mainland China

### Revenue

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

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

(HK\$ million 百萬港元)

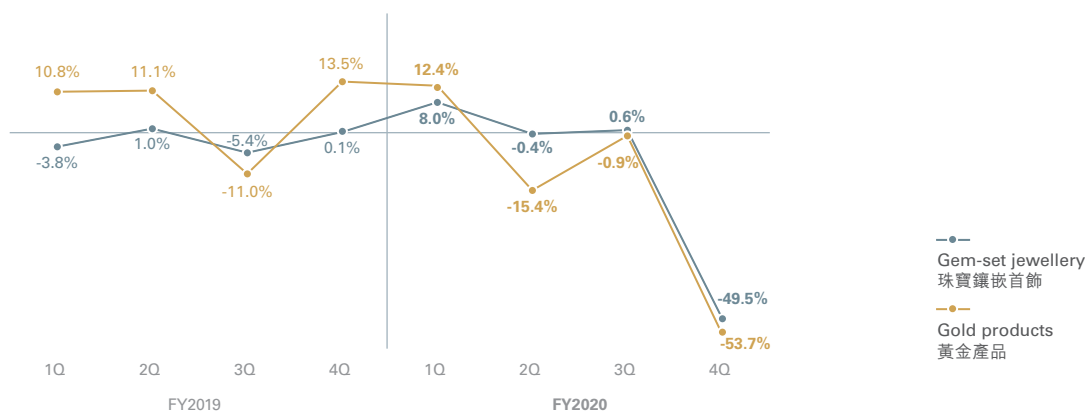


- In Mainland China, our retail revenue represents sales from self-operated POS, e-commerce and other direct channels, while wholesale revenue represents sales to franchisees and provision of services to franchisees.
- Revenue in Mainland China decreased by 3.9% to HK\$40,763 million during FY2020. On a constant exchange rate basis, revenue stayed flat with 0.1% decline during the financial year.
- Wholesale revenue grew robustly by 16.3%, boosted by our expansion strategy in lower tier and county level cities through franchisees. As a result, its revenue contribution expanded further by 600 basis points to 34.3% during the financial year.
- Franchised CHOW TAI FOOK JEWELLERY POS in county level cities are mainly operated under sell-in model where sales is recognised when products are delivered to our franchisees. For the remaining franchised POS in Mainland China, which making up the majority, sales is recognised on consignment. We retain inventory ownership until sales transactions are completed with retail consumers, upon which wholesale revenue is recognised.
- As at 31 March 2020, we had 1,936 franchised CHOW TAI FOOK JEWELLERY POS, of which 34.0% were operated under the sell-in model and these POS contributed approximately 31.9% of the wholesale revenue in Mainland China.
- 於中國內地，我們的零售營業額指來自直營零售點、電子商務及其他直接渠道的銷售額，而批發營業額則指向加盟商銷售貨品及向加盟商提供服務的收入。
- 2020財政年度，中國內地的營業額下降3.9%至40,763百萬港元。按相同匯率計算，營業額基本持平，於財政年度內下降0.1%。
- 我們借助加盟商在較次級城市和縣級城鎮拓展加盟零售點，帶動批發營業額繼續錄得16.3%的強勁增長。批發業務於財政年度內的營業額佔比進一步增加600個點子至34.3%。
- 於縣級城鎮的周大福珠寶加盟零售點，大多以批發賣斷模式經營，當產品交付予我們的加盟商時便會確認銷售金額。至於餘下大部分在中國內地的周大福珠寶加盟零售點，均以寄售模式營運。與零售消費者完成銷售交易前，我們保留存貨擁有權，當交易完成時會確認批發營業額。
- 於2020年3月31日，我們擁有1,936個周大福珠寶加盟零售點，當中34.0%採取批發賣斷模式經營，該等零售點的營業額佔中國內地批發營業額約31.9%。

## SSSG

### SSSG of major products 主要產品同店銷售增長

## 同店銷售增長



		SSSG 同店銷售增長	FY2020 SSS volume growth 同店銷量增長	Same Store ASP 同店平均售價	FY2019 Same Store ASP <sup>(1)</sup> 同店平均售價
Gem-set jewellery	珠寶鑲嵌首飾	▼ 12.4%	▼ 13.9%	HK\$6,400	HK\$6,300
Gold products	黃金產品	▼ 20.1%	▼ 31.8%	HK\$5,000	HK\$4,200
Platinum/Karat gold products	鉑金/K金產品	▼ 5.0%	▼ 15.0%	HK\$1,800	HK\$1,600
Watches	鐘錶	▼ 1.4%	▼ 13.9%	HK\$18,100	HK\$15,800
Overall	整體	▼ 15.1%	▼ 24.0%		

(1) Same Store ASP on FY2020 Same Store basis

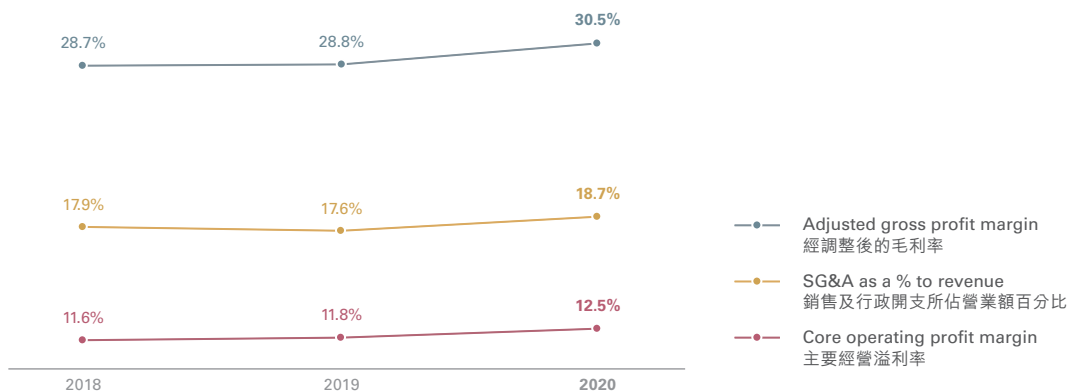
(1) 同店平均售價以2020財政年度的同店作基準

- In Mainland China, Same Store ASP for all product categories illustrated a positive trend in FY2020.
  - Retail demand for gold products was dampened by the surge in average international gold price of 15.9% year-on-year during FY2020. SSS volume of gold products dropped by 31.8% during the financial year. Yet, ASP of gold products jumped to HK\$5,000 from HK\$4,200 in FY2019, benefitting from the rising gold price trend and the increasing popularity of CTF • HUÁ Collection.
  - Gem-set jewellery SSSG was relatively stable in the first nine months of FY2020. However, a notable 49.5% decline was recorded in 4QFY2020 in the midst of virus outbreak, dragged the overall SSS of gem-set jewellery, resulting in a decline of 12.4% in FY2020. Same Store ASP increased slightly to HK\$6,400 in FY2020 from HK\$6,300 in FY2019.
- 於中國內地，所有產品類別於2020財政年度的同店平均售價皆呈升勢。
  - 2020財政年度國際平均金價按年飆升15.9%，壓抑了黃金產品的零售需求。黃金產品的同店銷量於財政年度內下降31.8%。然而，受惠於金價上升，再加上周大福傳承系列廣受市場歡迎，帶動黃金產品平均售價由2019財政年度的4,200港元上漲至5,000港元。
  - 珠寶鑲嵌首飾的同店銷售增長於2020財政年度首九個月表現相對穩定。然而，2020財政年度第四季度在疫情蔓延下同店銷售大幅下滑49.5%，使2020財政年度珠寶鑲嵌首飾整體的同店銷售下降12.4%。同店平均售價則由2019財政年度的6,300港元微升至2020財政年度的6,400港元。

## Profitability

### Mainland China 中國內地

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



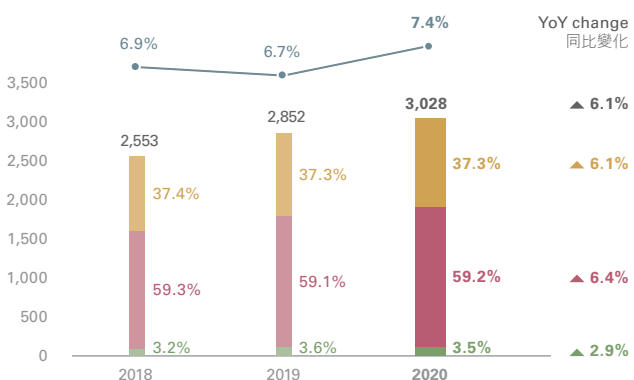
(HK\$ million)	(百萬港元)	1HFY2019	2HFY2019	1HFY2020	2HFY2020	1HFY YoY change 財政年度 上半年 同比變化	2HFY YoY change 財政年度 下半年 同比變化
Revenue	營業額	18,022	24,410	20,224	20,539	▲ 12.2%	▼ 15.9%
Adjusted gross profit	經調整後的毛利	5,358	6,881	6,445	5,988	▲ 20.3%	▼ 13.0%
<i>Adjusted gross profit margin</i>	<i>經調整後的毛利率</i>	29.7%	28.2%	31.9%	29.2%	▲ 2.2% pts 個百分點	▲ 1.0% pts 個百分點
Other income	其他收入	102	151	121	158	▲ 18.9%	▲ 4.9%
SG&A	銷售及行政開支	(3,398)	(4,089)	(3,724)	(3,892)	▲ 9.6%	▼ 4.8%
<i>SG&amp;A as a % to revenue</i>	<i>銷售及行政開支所佔 營業額百分比</i>	18.9%	16.8%	18.4%	19.0%	▼ 0.5% pts 個百分點	▲ 2.2% pts 個百分點
Core operating profit	主要經營溢利	2,062	2,942	2,843	2,253	▲ 37.8%	▼ 23.4%
<i>Core operating profit margin</i>	<i>主要經營溢利率</i>	11.4%	12.1%	14.1%	11.0%	▲ 2.7% pts 個百分點	▼ 1.1% pts 個百分點

- Adjusted gross profit margin improved sharply by 170 basis points to 30.5% in FY2020 as like-for-like gross profit margin improved when compared to the last financial year.
- SG&A ratio increased by 110 basis points to 18.7% in FY2020 due to operating leverage in 2HFY2020.
- As a result, core operating profit margin dropped from 14.1% in 1HFY2020 to 11.0% in 2HFY2020. On a year-on-year basis, core operating profit margin was down by 110 basis points in 2HFY2020. Nevertheless, full year core operating profit margin still expanded by 70 basis points year-on-year, demonstrating a continuous improvement across the previous three financial years.
- 由於產品毛利率較上一個財政年度有所改善，2020財政年度的經調整後的毛利率急升170個點子至30.5%。
- 銷售及行政開支比率因2020財政年度下半年的經營負槓桿效應而上升110個點子至18.7%。
- 因此，主要經營溢利率由2020財政年度上半年的14.1%下降至2020財政年度下半年的11.0%。按年計算，2020財政年度下半年的主要經營溢利率則下跌110個點子。然而，全年主要經營溢利率按年仍增長70個點子，在過去三個財政年度錄得持續改善。

## Major SG&A components

### Staff costs and related expenses 員工成本及相關開支

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



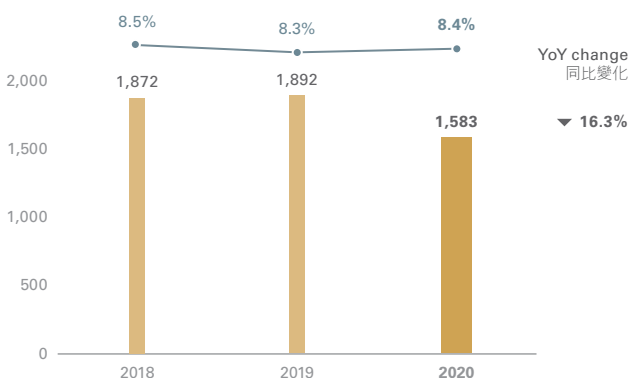
(1) Employees in production function excluded

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

- Staff costs and related expenses were up by 6.1% in FY2020. Incremental expenses were mainly attributable to the increase in variable performance based portion in first nine months of FY2020 as business growth was positive during that period. Such variable component was trimmed by over 40% year-on-year in the fourth quarter as business was adversely affected due to the epidemic.

### Concessionaire fees 專櫃分成

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



- Concessionaire fees decreased by 16.3% as retail revenue dropped. The slightly higher concessionaire fees ratio was mainly due to the shift of sales mix towards gem-set products which are generally subject to higher rates.

## 銷售及行政開支的主要項目

FY2020



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

(1) 不包括生產部門的員工

(2) 其他員工相關開支主要包括員工福食、醫療費和教育經費等

- 2020財政年度的員工成本及相關開支上升6.1%。開支增加主要由於2020財政年度首九個月內與表現掛鈎的浮動組成部分因期內業務錄得增長而上升。由於第四季度的業務受疫情的不利影響，該浮動組成部分按年下降超過40%。

- 專櫃分成隨零售營業額下跌而下調16.3%。專櫃分成比率略為上升，主要由於銷售組合轉向專櫃分成比率一般較高的珠寶鑲嵌首飾所致。

## POS network

## 零售點網絡

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

As at	於	31.3.2018 Total 總計	31.3.2019 Total 總計	During FY2020 2020 財政年度		Net 淨增減	31.3.2020 Total 總計
				Addition 增加	Reduction 減少		
CHOW TAI FOOK JEWELLERY <sup>(2)</sup>	周大福珠寶 <sup>(2)</sup>	2,317	2,803	761	(138)	623	3,426
CTF WATCH	周大福鐘錶	106	113	8	(5)	3	116
T MARK	T MARK	–	4	–	(1)	(1)	3
HEARTS ON FIRE	HEARTS ON FIRE	6	3	–	(2)	(2)	1
ENZO	ENZO	–	–	60	(1)	59	59
SOINLOVE	SOINLOVE	9	27	18	(2)	16	43
MONOLOGUE	MONOLOGUE	11	38	19	(6)	13	51

(1) SIS and CIS excluded

(2) ARTRIUUM and JEWELRIA POS included

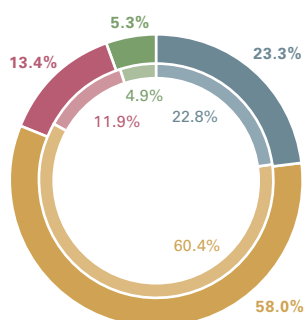
(1) 不包括店中店及店內專櫃

(2) 包括周大福藝堂及周大福薈館零售點

## RSV analysis

## 零售值分析

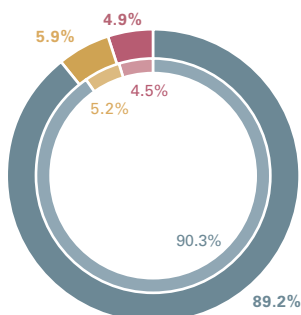
RSV by product 按產品劃分的零售值



FY2019	FY2020		RSV YoY change 零售值同比變化
		Gem-set jewellery 珠寶鑲嵌首飾	▼ 2.8%
		Gold products 黃金產品	▼ 8.6%
		Platinum/Karat gold products 鉑金/K金產品	▲ 7.0%
		Watches 鐘錶	▲ 3.1%
		Overall 整體	▼ 4.9%



## RSV by channel 按銷售渠道劃分的零售值



FY2019	FY2020		RSV YoY change 零售值同比變化
		CHOW TAI FOOK JEWELLERY 周大福珠寶	▼ 6.0%
		Other store brands <sup>(1)</sup> 其他店舖品牌 <sup>(1)</sup>	▲ 8.6%
		E-commerce <sup>(2)</sup> 電子商務 <sup>(2)</sup>	▲ 2.4%
		Overall 整體	▼ 4.9%

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

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

(2) Major platforms included Chow Tai Fook eShop, Tmall, JD.com, Vipshop; O2O distribution excluded (i.e. routing online orders to POS for delivery service)

(2) 主要平台包括周大福網絡旗艦店、天貓、京東、唯品會，但不包O2O配送（即將線上訂單發送至零售點以安排寄送服務）

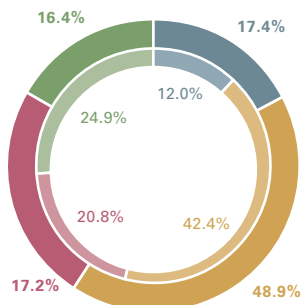
The following analyses focus on CHOW TAI FOOK JEWELLERY POS which contributed approximately 90% of the RSV in Mainland China:

周大福珠寶零售點佔中國內地零售值約90%，以下將集中該業務作分析：

## CHOW TAI FOOK JEWELLERY POS

## 周大福珠寶零售點

### RSV and POS by tier of cities<sup>(1)</sup> 按城市級別劃分的零售值及零售點<sup>(1)</sup>



% of POS 零售點佔比	% of RSV 零售值佔比		FY2020	
			RSV YoY change 零售值同比變化	Net POS movement 零售點淨變動
		Tier I cities 一線城市	▼ 8.0%	▲ 80
		Tier II cities 二線城市	▼ 7.7%	▲ 214
		Tier III cities 三線城市	▼ 3.6%	▲ 148
		Tier IV cities and others 四線城市及其他	▼ 0.9%	▲ 181

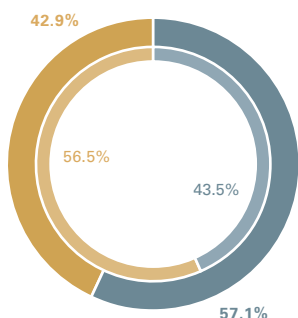
(1) As an initiative to better reflect the economic development and strategic significance of cities in Mainland China, we have adopted the city-tier ranking published by Yicai Global since 1HFY2020. New first-tier cities were grouped under Tier II cities in our analysis. Please refer to the ranking released on 24 May 2019

(1) 為更合適地反映中國內地城市的經濟發展和戰略意義，我們從2020財政年度上半年開始採用《第一財經》發佈的城市等級排名。新一線城市於我們的分析中被分類為二線城市。請參閱2019年5月24日公佈的排名

- During FY2020, we opened a net of 623 CHOW TAI FOOK JEWELLERY POS in Mainland China to expand our presence in lower tier and county level cities.
- Approximately 53% of the net openings in FY2020 were located in Tier III, IV and other cities. These cities achieved stronger growth than Tier I and II cities during the financial year, mainly driven by the new openings.

- 2020財政年度，我們於中國內地淨開設623個周大福珠寶零售點，以擴大我們於較次級城市及縣級城市的業務據點。
- 2020財政年度，約53%的淨開店位於三、四線及其他城市。該等城市於財政年度的增長較一線及二線城市強勁，主要受新開店所帶動。

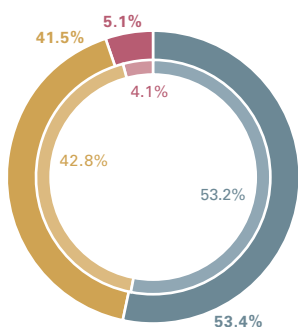
### RSV and POS by operation model 按營運模式劃分的零售值及零售點



% of POS 零售點佔比	% of RSV 零售值佔比		FY2020	
			RSV YoY change 零售值同比變化	Net POS movement 零售點淨變動
■	■	Self-operated 直營	▼ 13.9%	▼ 14
■	■	Franchised 加盟	▲ 7.1%	▲ 637

- By operation model, all net openings were in franchised format and about half of these franchised POS openings were under sell-in model. As at 31 March 2020, 56.5% of our POS in Mainland China were in franchised format.
- Performance of the franchised POS was generally similar or slightly lower than that of the self-operated POS located in an alike city tier during FY2020.
- 按營運模式劃分，所有淨開店為加盟店，而當中約一半採取批發賣斷模式。於2020年3月31日，中國內地有56.5%的零售點屬加盟店。
- 2020財政年度，加盟店的表現一般與相同等級城市的直營零售點之表現相若或略低。

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



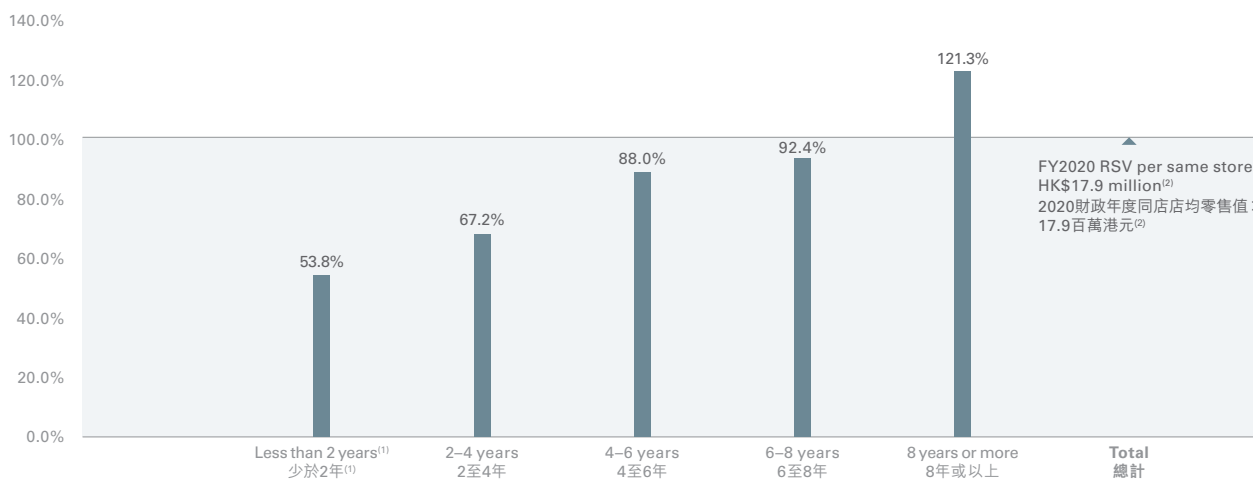
% of POS 零售點佔比	% of RSV 零售值佔比		FY2020	
			RSV YoY change 零售值同比變化	Net POS movement 零售點淨變動
■	■	Self-operated (Department store) 直營(百貨公司)	▼ 19.2%	▼ 39
■	■	Self-operated (Shopping mall) 直營(購物中心)	▼ 4.3%	▲ 28
■	■	Self-operated (Standalone store) 直營(專賣店)	▼ 23.5%	▼ 3

- In FY2020, self-operated POS at shopping malls outperformed the other formats as they generally have more appealing shopping experiences and we also added POS there during the financial year.
- We consolidated a net of 42 standalone stores and POS at department stores during FY2020.
- 2020財政年度，位於購物中心的直營零售點表現優於其他直營模式，因為該等零售點一般提供較吸引人的購物體驗，而我們於財政年內亦有在購物中心新增零售點。
- 我們於2020財政年度淨整合了42個專賣店及位於百貨公司的零售點。

## Self-operated CHOW TAI FOOK JEWELLERY POS

## 直營周大福珠寶零售點

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



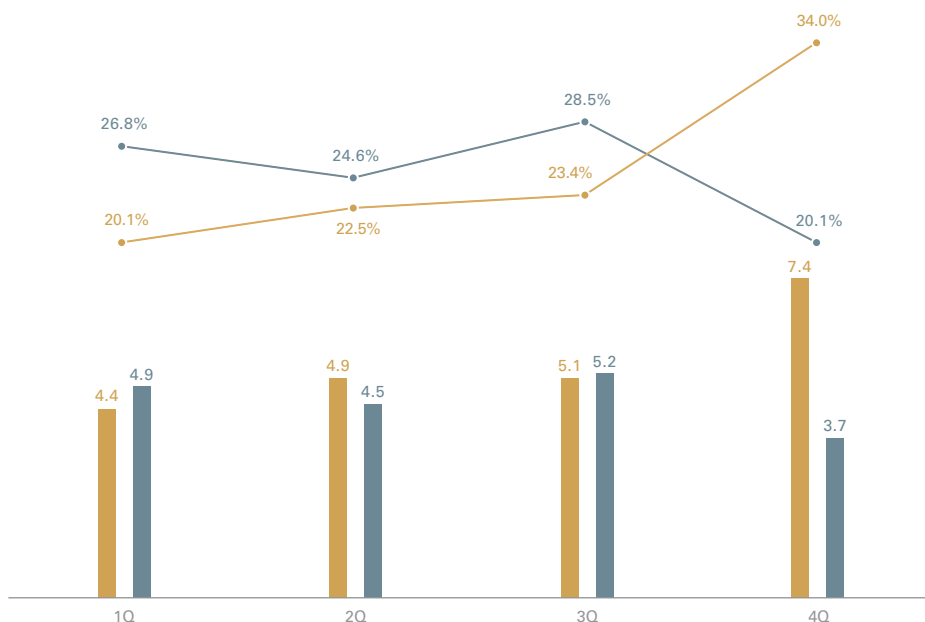
POS opening date 開店日期	4/2018-3/2020	4/2016-3/2018	4/2014-3/2016	4/2012-3/2014	3/2012 or before 3/2012或以前	
POS 零售點	254	242	218	201	575	1,490
% of POS 零售點佔比	17.0%	16.3%	14.6%	13.5%	38.6%	100.0%

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

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

## Average quarterly sales 平均季度銷售額

(HK\$ million 百萬港元)



FY2019 average quarterly SSS<sup>(3)</sup>  
2019財政年度平均季度同店銷售<sup>(3)</sup>

FY2020 average quarterly SSS  
2020財政年度平均季度同店銷售

FY2019 quarterly SSS contribution to annual SSS<sup>(3)</sup>  
2019財政年度季度同店銷售額對年度同店銷售額的貢獻<sup>(3)</sup>

FY2020 quarterly SSS contribution to annual SSS  
2020財政年度季度同店銷售額對年度同店銷售額的貢獻

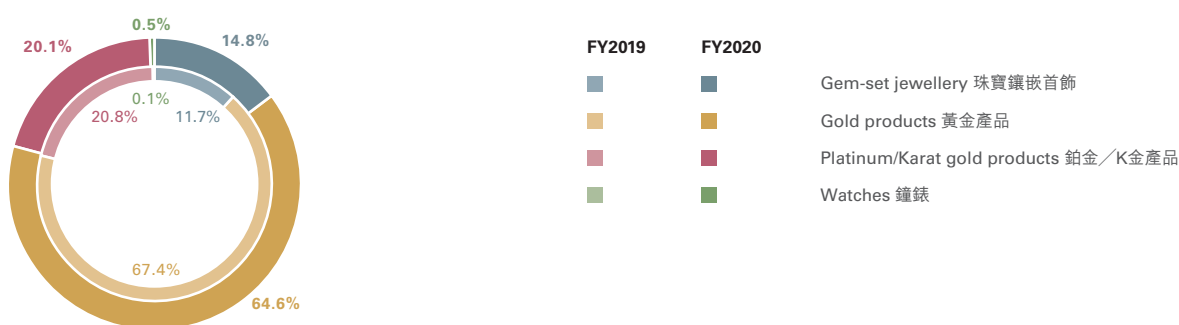
(3) SSS on FY2020 Same Store basis

(3) 同店銷售以2020財政年度的同店作基準

- Average SSS contribution for 2HFY2020 was approximately 49% of full year SSS, less than 57% in 2HFY2019.
- 2020財政年度下半年錄得的平均同店銷售佔全年同店銷售約49%，比2019財政年度下半年的57%佔比為低。
- 4Q, being our peak season as driven by festive occasions such as Chinese New Year and Valentine's Day, usually account for the highest quarterly SSS contribution. However, with the epidemic, the SSS contribution for 4QFY2020 was reduced to 20.1%, much less than that of our normal course of business.
- 第四季度適逢農曆新年及情人節等節慶活動，故屬我們的旺季，該季度通常在我們同店銷售中有最高的季度貢獻。然而，受疫情影響，2020財政年度第四季度的同店銷售貢獻降至20.1%，遠低於我們往常業務的水平。

## E-commerce business

### RSV by product 按產品劃分的零售值

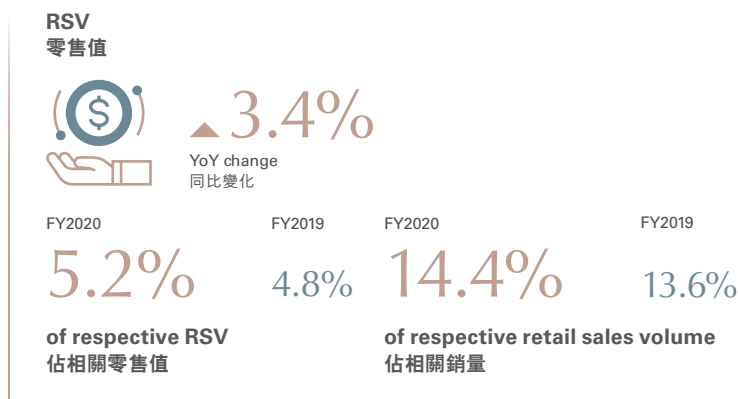


## 電子商務業務

		FY2020 RSV YoY change 零售值同比變動	FY2020 ASP 平均售價	FY2019 ASP 平均售價
Gem-set jewellery	珠寶鑲嵌首飾	▲ 30.7%	HK\$1,600	HK\$1,500
Gold products	黃金產品	▼ 0.8%	HK\$1,600	HK\$1,500
Platinum/Karat gold products	鉑金/K金產品	▲ 0.1%	HK\$900	HK\$800
Overall	整體	▲ 3.4%	HK\$1,400	HK\$1,300

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

FY2020



### E-commerce platforms 電子商務平台



### Unique daily visitors<sup>(1)</sup>

平均每日瀏覽量 — 不重複訪客<sup>(1)</sup>



### Number of followers<sup>(2)</sup>

關注人數<sup>(2)</sup>



(1) Source: Chow Tai Fook eShop, Tmall and JD.com  
(2) Source: Official Sina Weibo, Tencent Weibo and WeChat accounts

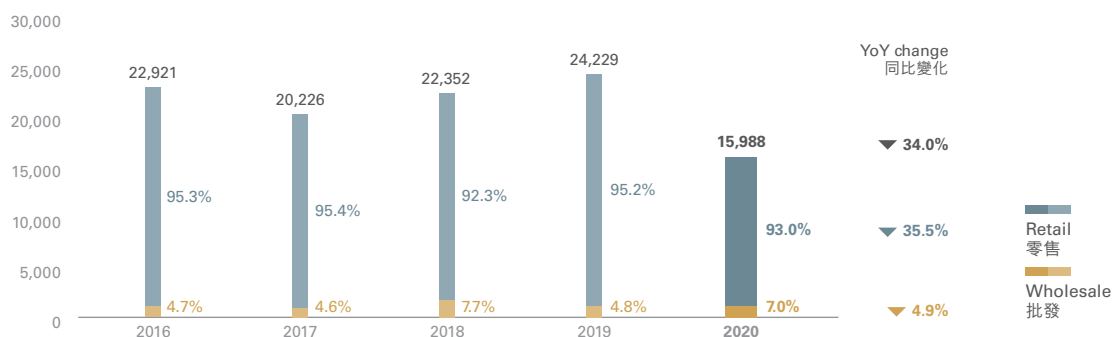
(1) 數據來源：周大福網絡旗艦店、天貓及京東  
(2) 數據來源：新浪微博、騰訊微博及微信官方帳戶

- RSV of our e-commerce business rose 3.4% in FY2020, backed by a 30.7% growth of gem-set jewellery as we strengthened our online promotional effort on fashionable jewellery.
- Contribution of the e-commerce business to the RSV in Mainland China edged up to 5.2% during the financial year. In terms of retail sales volume, its share to Mainland China's operations further expanded to 14.4% in FY2020, with 13.6% and 0.8% of the contribution coming from e-commerce platforms and O2O distribution, respectively.
- 2020 財政年度，由於我們加強了時尚珠寶的線上推廣，珠寶鑲嵌首飾銷售上升 30.7%，帶動電子商務業務錄得 3.4% 的零售值增長。
- 於本財政年度，電子商務業務對中國內地的零售值貢獻微升至 5.2%。按照銷量計算，電子商務業務於 2020 財政年度佔中國內地的業務進一步升至 14.4%，其中 13.6% 來自電子商務平台，其餘 0.8% 則來自 O2O 配送。

## Hong Kong, Macau and other markets Revenue

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

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

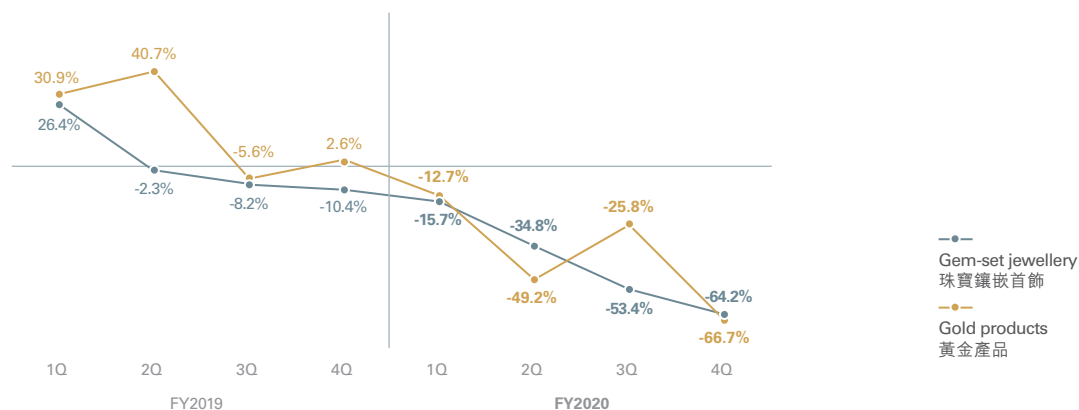


- In Hong Kong, Macau and other markets, our retail revenue represents sales from self-operated POS, e-commerce and other direct channels, while wholesale revenue represents sales to franchisees, sales to retailers and sales from jewellery trading.
- Retail revenue declined by 35.5% in FY2020 mainly due to the sluggish business environment in Hong Kong.
- 我們於香港、澳門及其他市場的零售營業額來自直營零售點、電子商務及其他直接渠道的銷售額，而批發營業額則指向加盟商銷售貨品、向分銷商銷售貨品以及來自珠寶貿易的銷售額。
- 2020財政年度，零售營業額下跌35.5%，主要受香港經營環境疲弱所影響。

## SSSG

### SSSG of major products 主要產品同店銷售增長

## 同店銷售增長



		SSSG 同店銷售增長	FY2020 SSS volume growth 同店銷量增長	Same Store ASP 同店平均售價	FY2019 Same Store ASP <sup>(1)</sup> 同店平均售價 <sup>(1)</sup>
Gem-set jewellery	珠寶鑲嵌首飾	▼ 42.4%	▼ 41.6%	HK\$10,900	HK\$11,100
Gold products	黃金產品	▼ 39.4%	▼ 47.0%	HK\$9,400	HK\$8,200
Platinum/Karat gold products	鉑金/K金產品	▼ 40.5%	▼ 40.0%	HK\$1,800	HK\$1,800
Watches	鐘錶	▼ 16.5%	▼ 27.9%	HK\$66,700	HK\$57,500
Overall	整體	▼ 38.7%	▼ 43.5%		

(1) Same Store ASP on FY2020 Same Store basis

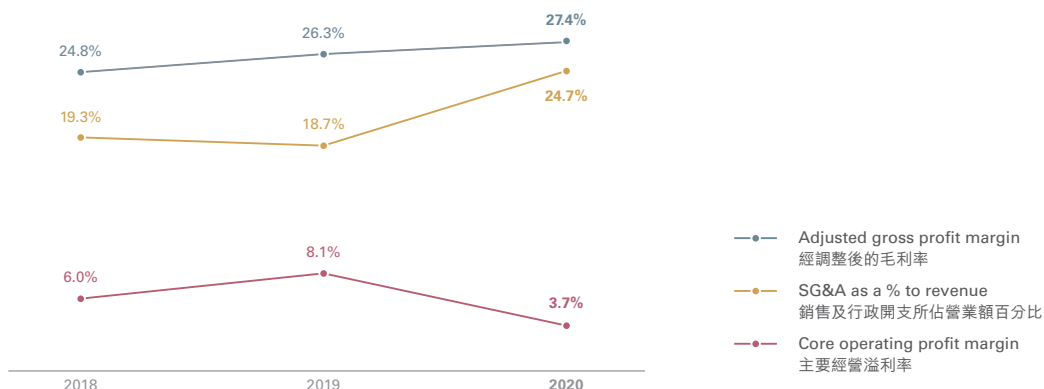
(1) 同店平均售價以2020財政年度的同店作基準

- The prevailing macro headwinds and situation in Hong Kong, coupled with the spread of COVID-19, hindered consumer demand during FY2020.
- SSS volume of gold products was further muted amid gold price volatility, dragging SSS of gold products. Yet, ASP of gold products surged from HK\$8,200 to HK\$9,400.
- SSS of gem-set jewellery dropped by 42.4% during FY2020 on the back of cautious consumer spending. ASP stood at HK\$10,900, similar to last year's level.
- 2020 財政年度，宏觀不利因素和香港狀況，再加上 2019 冠狀病毒疫情，壓抑了消費者需求。
- 由於金價波動，黃金產品的同店銷量進一步轉弱，拖低黃金產品的同店銷售。然而，黃金產品的平均售價由 8,200 港元急升至 9,400 港元。
- 珠寶鑲嵌首飾於 2020 財政年度的同店銷售因消費者審慎消費的影響而下降 42.4%，平均售價則維持在 10,900 港元，與去年的水平相若。

## Profitability

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

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



(HK\$ million)	(百萬港元)	1HFY2019	2HFY2019	1HFY2020	2HFY2020	1HFY YoY change 財政年度 上半年 同比變化	2HFY YoY change 財政年度 下半年 同比變化
Revenue	營業額	11,681	12,548	9,309	6,679	▼ 20.3%	▼ 46.8%
Adjusted gross profit	經調整後的毛利	2,980	3,382	2,619	1,756	▼ 12.1%	▼ 48.1%
<i>Adjusted gross profit margin</i>	<i>經調整後的毛利率</i>	25.5%	27.0%	28.1%	26.3%	▲ 2.6% pts 個百分點	▼ 0.7% pts 個百分點
Other income	其他收入	65	78	92	66	▲ 40.7%	▼ 15.9%
SG&A	銷售及行政開支	(2,119)	(2,419)	(2,026)	(1,915)	▼ 4.4%	▼ 20.8%
<i>SG&amp;A as a % to revenue</i>	<i>銷售及行政開支所佔 營業額百分比</i>	18.1%	19.3%	21.8%	28.7%	▲ 3.7% pts 個百分點	▲ 9.4% pts 個百分點
Core operating profit	主要經營溢利	926	1,042	685	(94)	▼ 26.1%	N/A 不適用
<i>Core operating profit margin</i>	<i>主要經營溢利率</i>	7.9%	8.3%	7.4%	(1.4)%	▼ 0.5% pts 個百分點	▼ 9.7% pts 個百分點

- In FY2020, adjusted gross profit margin expanded by 110 basis points to 27.4% driven by both the surge in gold price and the improvement in gross profit margin of our jewellery trading business.
- SG&A ratio increased by 600 basis points to 24.7% in the financial year due to operating deleverage especially in 4QFY2020.
- As a result, a core operating loss of HK\$94 million was recorded in 2HFY2020.
- Core operating profit dropped significantly by 70.0% in FY2020 and its corresponding margin declined by 440 basis points to 3.7%.
- 2020財政年度，受金價急升及珠寶貿易業務毛利率上升所帶動，經調整後的毛利率上升110個點子至27.4%。
- 銷售及行政開支比率因經營負槓桿效應(特別是2020財政年度第四季)而上升600個點子至24.7%。
- 因此，2020財政年度下半年錄得94百萬港元的主要經營虧損。
- 2020財政年度，主要經營溢利顯著下跌70.0%，其相應的溢利率則下降440個點子至3.7%。

## 盈利能力

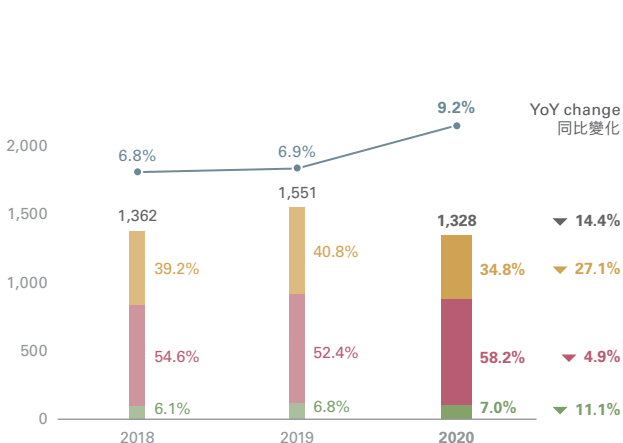


## Major SG&A Components

### Hong Kong and Macau

#### Staff costs and related expenses 員工成本及相關開支

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

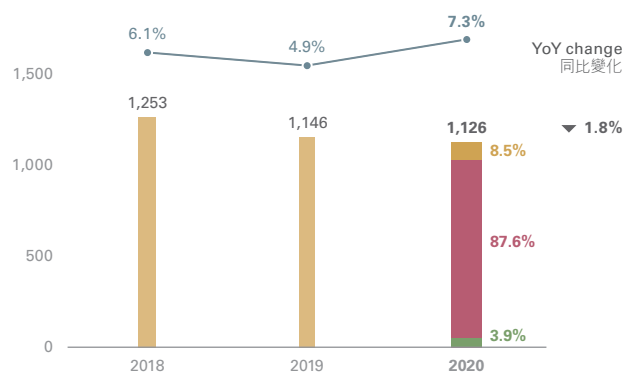


- (1) Employees in production function excluded  
 (2) Other staff related expenses mainly included staff messing, medical care, educational expenses, etc.

- Staff costs and related expenses was down by 14.4%. The variable staff costs shrank by 27.1% year-on-year in FY2020, 2HFY2020 related variable staff costs dropped by nearly 50% year-on-year.

#### Lease-related expenses<sup>(3)</sup> 租賃相關開支<sup>(3)</sup>

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



- (3) Under IFRS 16 — leases, depreciation and amortisation (ROUA) and finance costs on leases replace the majority of rental expenses and therefore we combined these three elements for the analysis of lease-related expenses in Hong Kong and Macau

## 銷售及行政開支的主要項目

### 香港及澳門

FY2020



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

- (1) 不包括生產部門的員工  
 (2) 其他員工相關開支主要包括員工福食、醫療費和教育經費等

- 員工成本及相關開支下降14.4%。浮動員工成本於2020財政年度按年減少27.1%，有關浮動員工成本於2020財政年度下半年更按年下跌接近50%。

- As a % of respective revenue 所佔相關營業額百分比
- Rental expenses 租金開支
- Depreciation and amortisation (ROUA) 折舊及攤銷（使用權資產）
- Finance costs on leases 租賃融資成本

- (3) 根據國際財務報告準則第16號 — 租賃、折舊及攤銷（使用權資產）及租賃融資成本取代大部分租金開支，我們就此將三個項目合併，以進行香港及澳門的租賃相關開支之分析

- Lease-related expenses ratio expanded by 240 basis points to 7.3% in FY2020 due to the operating leverage. During the financial year, we renewed leases of around 20 POS, which accounted for a relatively small contribution to our overall leasing portfolio in value and therefore, the overall impact of rental renewal on the lease-related expenses was limited.
- 2020財政年度的租賃相關開支佔比因經營負槓桿效應而上升240個點子至7.3%。於財政年度內，我們有約20個零售點續租，有關金額佔比於我們整體的租賃組合相對較小，因此續租對整體租賃相關開支的影響不大。

## POS network

## 零售點網絡

### POS movement by store brand<sup>(1)</sup> – Hong Kong, Macau and other markets

按店舖品牌劃分的零售點變動<sup>(1)</sup> – 香港、澳門及其他市場

As at	於	31.3.2018 Total 總計	31.3.2019 Total 總計	During FY2020 2020財政年度		Net 淨增減	31.3.2020 Total 總計
				Addition 增加	Reduction 減少		
CHOW TAI FOOK JEWELLERY <sup>(2)</sup>	周大福珠寶 <sup>(2)</sup>	122	130	17	(10)	7	137
Hong Kong, China	中國香港	80	80	8	(6)	2	82
Macau, China	中國澳門	19	19	1	(2)	(1)	18
Other markets	其他市場	23	31	8	(2)	6	37
T MARK	T MARK	–	1	–	–	–	1
HEARTS ON FIRE	HEARTS ON FIRE	14	15	–	(5)	(5)	10
SOINLOVE	SOINLOVE	–	–	1	–	1	1
MONOLOGUE	MONOLOGUE	–	–	2	–	2	2

(1) SIS and CIS excluded

(2) ARTRIUM POS included

(1) 不包括店中店及店內專櫃

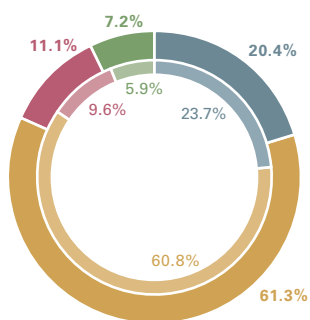
(2) 包括周大福藝堂零售點

- For CHOW TAI FOOK JEWELLERY, we opened a net of 1 POS in Hong Kong and Macau in FY2020, which was located in a shopping mall.
- 2020財政年度，我們在香港及澳門淨開設1個周大福珠寶零售點，位於購物中心。
- 2 MONOLOGUE POS and 1 SOINLOVE POS were also opened in Hong Kong during the financial year as part of the rollout of our multi-brand strategy.
- 在本財政年度內，香港亦開設2個MONOLOGUE零售點及1個SOINLOVE零售點，此乃我們實行多品牌策略之一環。

## RSV analysis

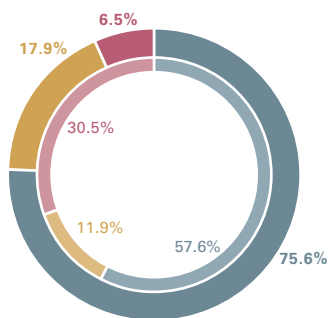
### Hong Kong, Macau and other markets

#### RSV by product 按產品劃分的零售值



FY2019	FY2020		RSV YoY change 零售值同比變化
		Gem-set jewellery 珠寶鑲嵌首飾	▼ 43.2%
		Gold products 黃金產品	▼ 33.7%
		Platinum/Karat gold products 鉑金/K金產品	▼ 24.1%
		Watches 鐘錶	▼ 19.9%
		Overall 整體	▼ 34.2%

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



% of POS 零售點佔比	% of RSV 零售值佔比		FY2020 RSV YoY change 零售值同比變化	FY2020 Net POS movement 零售點淨變動
		Hong Kong 香港	▼ 40.3%	▲ 5
		Macau 澳門	▼ 12.7%	▼ 1
		Other markets 其他市場	▲ 81.7%	▲ 1

## Hong Kong and Macau business

## 香港及澳門業務

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

FY2020

#### Retail sales of jewellery industry in Hong Kong<sup>(1)</sup> 香港珠寶業銷貨價值<sup>(1)</sup>



#### Number of Mainland visitors<sup>(2)</sup> 內地訪客人數<sup>(2)</sup>



### Our Hong Kong and Macau performance 我們在香港及澳門的表現

FY2020

#### Customer traffic at POS 零售點客流量



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



(1) Value of retail sales of jewellery, watches and clocks, and valuable gifts in Hong Kong according to Census and Statistics Department of the HKSAR Government

(2) Source: Commerce and Economic Development Bureau of the HKSAR Government and Macao Statistics and Census Service

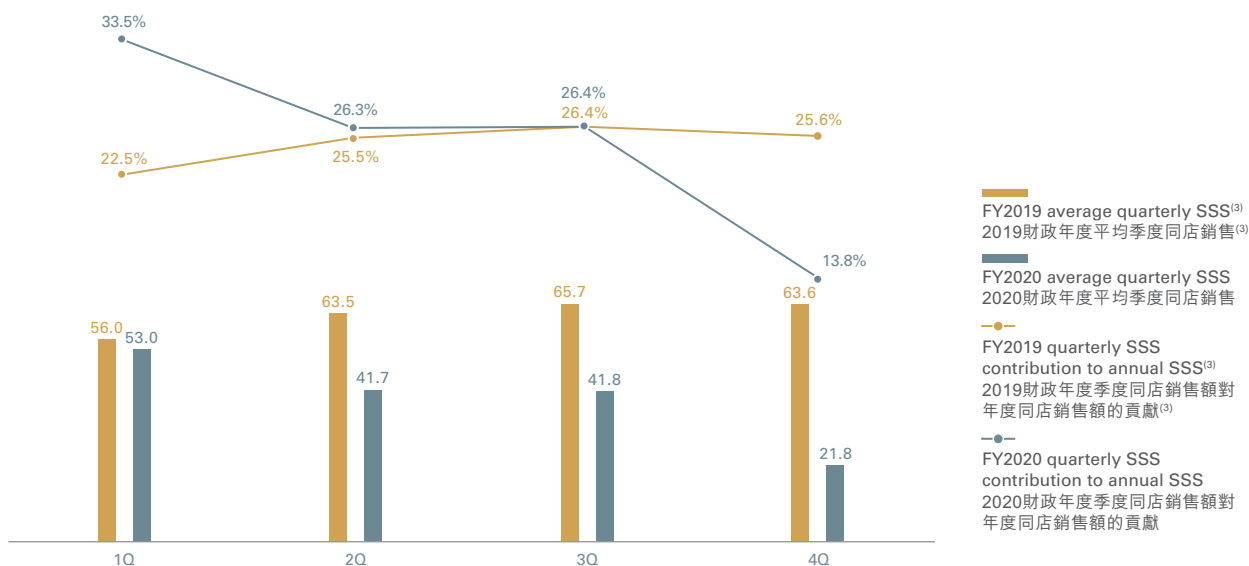
(1) 珠寶首飾、鐘錶及名貴禮品於香港的零售業銷貨價值，源自香港特別行政區政府統計處

(2) 數據來源：香港特別行政區政府商務及經濟發展局與澳門統計暨普查局

- Customer traffic in Hong Kong and Macau contracted by 32.1% year-on-year in FY2020.
- Macau outperformed Hong Kong during the financial year and recorded a relatively smaller decline in RSV.
- With a rapid decline in Mainland visitor arrivals particularly during 2HFY2020 amid the situation in Hong Kong and cross-border restrictions to tackle the epidemic, the percentage of RSV settled by China UnionPay, Alipay, WeChat Pay or RMB to the total RSV of Hong Kong and Macau market, a proxy for sales contribution from Mainland tourists, lowered from 46.5% in FY2019 to 36.9% in FY2020.
- 2020財政年度，香港及澳門客流量按年下跌32.1%。
- 澳門於財政年度內表現優於香港，零售值的跌幅相對較少。
- 鑒於香港的狀況以及為防疫實行的跨境限制，於2020財政年度下半年，內地訪客人數急挫，以中國銀聯、支付寶、微信支付或人民幣結算之零售值佔香港及澳門市場總零售值的百分比（代表中國內地旅客的銷售貢獻），由2019財政年度的46.5%降至2020財政年度的36.9%。

## Average quarterly sales 平均季度銷售額

(HK\$ million 百萬港元)



(3) SSS on FY2020 Same Store basis

- 3Q, being the peak season for the industry as driven by Christmas, usually accounted for the highest quarterly SSS contribution and average SSS for our Hong Kong and Macau market.
- The situation in Hong Kong since 2QFY2020 and the pandemic in the fourth quarter heavily weighted on our business performance, resulted in a skewed quarterly SSS contribution towards 1QFY2020. SSS contribution of 2HFY2020 was 40.2% of full year SSS, far less than that of our normal course of business.

### Other markets business

- In FY2020, a net of 1 POS was opened in other markets, including 6 CHOW TAI FOOK JEWELLERY POS net openings in neighbouring countries such as Korea, the Philippines, Singapore and Thailand. RSV of other markets business registered a growth of 81.7% during the financial year.
- Overseas market remains a strategic component in our market development plans. We continued to expand foothold in Asia through franchise model in order to leverage franchisees' local knowledge and access.

(3) 同店銷售以2020財政年度的同店作基準

- 第三季度適逢聖誕節，屬業內旺季，我們香港及澳門市場的季度同店銷售貢獻和平均同店銷售通常為全年最高。
- 香港自2020財政年度第二季度的狀況和第四季度出現疫情對我們的業務表現構成嚴重影響，令季度的同店銷售貢獻比重偏向2020財政年度第一季度。2020財政年度下半年的同店銷售佔全年的貢獻為40.2%，遠低於我們正常業務的水平。

### 其他市場業務

- 2020財政年度，我們在其他市場淨開設1個零售點，包括在鄰近國家（如韓國、菲律賓、新加坡及泰國）淨開設的6個周大福珠寶零售點。於財政年度內，其他市場的零售值錄得81.7%的增長。
- 海外市場仍為我們市場發展計劃的策略性的一環。我們透過加盟模式繼續擴充亞洲業務版圖，以善用加盟商的當地知識和人脈。

# OTHER FINANCIAL REVIEW

## 其他財務回顧

### Other income, other gains and losses and other expenses

### 其他收入、其他收益及虧損以及其他開支

For the year ended 31 March	截至3月31日止年度	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	YoY change 同比變化
Other income	其他收入	408	396	437	▲ 10.3%
Other gains and losses	其他收益及虧損	342	(276)	(147)	▼ 46.7%
Other expenses	其他開支	(48)	(57)	(146)	▲ 155.3%

- Other income mainly arose from the government grants received by the subsidiaries in Mainland China, commission income, other income received from franchisees and other interest income.
- Other gains and losses mainly represented a net foreign exchange loss of HK\$234 million (FY2019: HK\$241 million) due to the depreciation of RMB and gain on surrender of ROUA of HK\$79 million.
- Other expenses mainly represented the assets impairment (including property, plant and equipment and ROUA) of HK\$63 million and the goodwill impairment of HK\$26 million and the amortisation of other intangible assets of HK\$36 million arising from the acquisition of Hearts On Fire.
- 其他收入主要指來自中國內地附屬公司獲得的政府補貼、回扣收入、來自加盟商的其他收入及其他利息收入。
- 其他收益及虧損主要指因人民幣貶值而產生的匯兌淨虧損234百萬港元(2019財政年度：241百萬港元)及處置使用權資產的收益79百萬港元。
- 其他開支主要為資產減值(包括物業、廠房及設備及使用權資產)63百萬港元，以及收購Hearts On Fire產生之商譽減值26百萬港元及其他無形資產攤銷36百萬港元。

### Interest income, finance costs and taxation

### 利息收入、融資成本及稅項

For the year ended 31 March	截至3月31日止年度	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	YoY change 同比變化
Interest income from banks	銀行利息收入	67	83	78	▼ 5.7%
Other interest income	其他利息收入	13	-	-	N/A 不適用
Finance costs on bank borrowings	銀行貸款融資成本	(111)	(209)	(284)	▲ 36.0%
Finance costs on gold loans	黃金借貸融資成本	(133)	(161)	(207)	▲ 28.0%
Finance costs on lease liabilities	租賃負債融資成本	-	-	(69)	N/A 不適用
Taxation	稅項	(1,629)	(1,668)	(1,221)	▼ 26.8%

- Finance costs on gold loans increased by 28.0% was mainly due to a relatively higher average gold loan balance in FY2020 as compared to FY2019 as the Group stocked up more gold inventories amid POS openings in Mainland China.
- Finance costs on bank borrowings increased by 36.0%, mainly due to a relatively higher average bank borrowing balance during FY2020.
- Effective tax rate increased from 26.3% in FY2019 to 29.0% in FY2020 as more withholding tax expenses incurred and the contribution of Mainland China segment on profit before taxation increased in FY2020.
- 黃金借貸融資成本上升28.0%，主要由於我們於2020財政年度為應對中國內地開設零售點而增加黃金存貨，故平均黃金借貸較2019財政年度高。
- 2020財政年度，主要由於相對較高的平均銀行貸款，故銀行貸款融資成本增加36.0%。
- 由於預扣稅開支增加以及中國內地分部於2020財政年度對除稅前溢利的貢獻上升，故此2020財政年度的實際稅率由2019財政年度的26.3%升至29.0%。

## Impact of IFRS 16 Leases

- IFRS 16 – Leases was first applied to supersede IAS 17 – Leases in the consolidated financial statements for the year ended 31 March 2020.
- We elected to adopt the “modified retrospective” approach for the transition to IFRS 16 under which the prior-period comparative financial information was not restated.
- This new standard has no impact on the Group’s operations nor cash flows.
- The table below illustrates the impact of the new standard on the Group’s financial performance:

## 國際財務報告準則第16號租賃的影響

- 我們截至2020年3月31日止年度首次於綜合財務報表應用國際財務報告準則第16號 — 租賃，以取代國際會計準則第17號 — 租賃。
- 我們就過渡至國際財務報告準則第16號選擇採納「經修改追溯方式」，據此，過往期間可比財務資料並無重列。
- 此新準則對本集團的業務經營或現金流量並無構成任何影響。
- 下表列示新準則對集團財務表現的影響：

For the year ended 31 March (HK\$ million)	截至3月31日止年度 (百萬港元)	2020 (Pre-IFRS 16 Leases) (採納國際 財務報告準則 第16號 租賃前)		YoY change 同比變化	Post IFRS 16/ Pre-IFRS 16	2020	YoY change 同比變化
		2019			採納國際 財務報告準則 第16號後/ 採納國際 財務報告準則 第16號前	(Post-IFRS 16 Leases) (採納國際 財務報告準則 第16號 租賃後)	
<b>Revenue</b>	營業額	66,661	56,751	▼ 14.9%	–	<b>56,751</b>	▼ 14.9%
<b>Adjusted gross profit</b>	經調整後的毛利	18,601	16,807	▼ 9.6%	–	<b>16,807</b>	▼ 9.6%
Adjusted gross profit margin	經調整後的毛利率	27.9%	29.6%	▲ 1.7% pts 個百分點	–	<b>29.6%</b>	▲ 1.7% pts 個百分點
<b>SG&amp;A</b>	銷售及行政開支	12,025	11,567	▼ 3.8%	(10)	<b>11,557</b>	▼ 3.9%
SG&A to revenue ratio	銷售及行政開支 佔營業額比率	18.0%	20.4%	▲ 2.4% pts 個百分點	–	<b>20.4%</b>	▲ 2.4% pts 個百分點
Depreciation and amortisation	折舊及攤銷	847	921	▲ 8.8%	<b>1,307</b>	<b>2,228</b>	▲ 163.0%
Rental expenses	租金開支	1,558	1,507	▼ 3.2%	<b>(1,255)</b>	<b>252</b>	▼ 83.9%
<b>Core operating profit</b>	主要經營溢利	6,972	5,676	▼ 18.6%	<b>11</b>	<b>5,687</b>	▼ 18.4%
Core operating profit margin	主要經營溢利率	10.5%	10.0%	▼ 0.5% pts 個百分點	–	<b>10.0%</b>	▼ 0.5% pts 個百分點
<b>Finance costs</b>	融資成本	370	491	▲ 32.5%	<b>69</b>	<b>560</b>	▲ 51.1%
Finance costs on lease liabilities	租賃負債融資成本	N/A 不適用	N/A 不適用	N/A 不適用	<b>69</b>	<b>69</b>	N/A 不適用
<b>Profit before taxation</b>	除稅前溢利	6,352	4,188	▼ 34.1%	<b>17</b>	<b>4,205</b>	▼ 33.8%

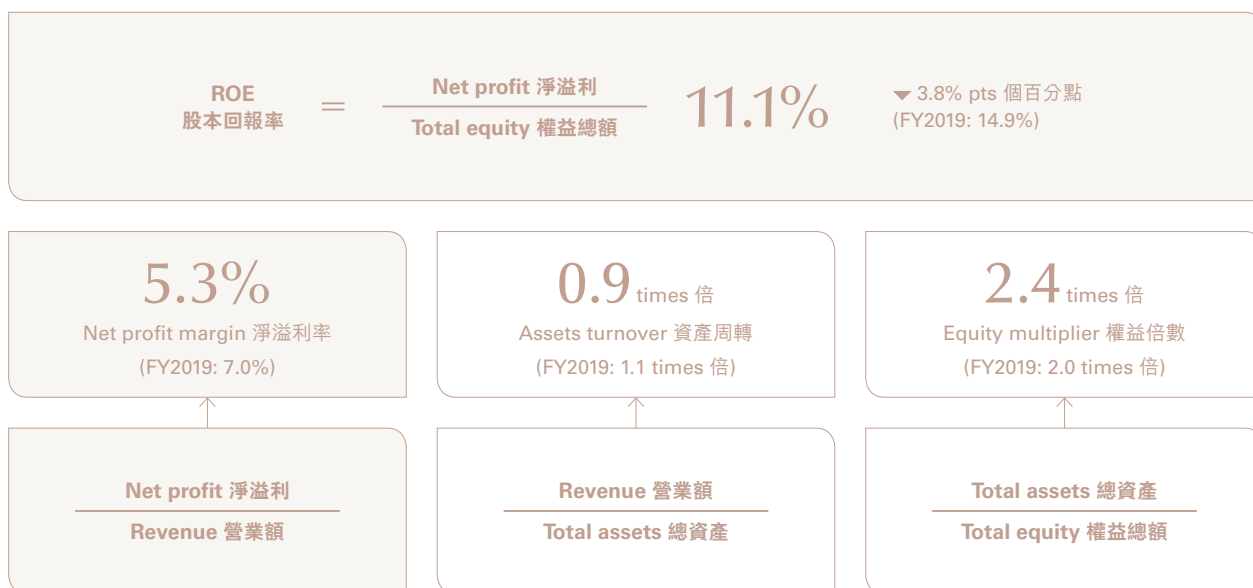
- Revenue stayed unchanged under IFRS 16.
- For SG&A, there was a significant increase in depreciation expenses of the leased assets of which the majority of the increase was offset by the decrease in rental expenses.
- The impact on core operating profit was immaterial.
- 營業額於國際財務報告準則第16號下維持不變。
- 對於銷售及行政開支，出租資產的折舊開支顯著上升，其中大部分的增幅被租金開支的減幅所抵銷。
- 對主要經營溢利並無重大影響。

## Return on equity

- We use return on equity ("ROE") to measure the efficiency of generating profits from each unit of shareholder equity.
- Net profit margin decreased to 5.3%. ROE dropped by 380 basis points to 11.1% while the equity multiplier increased.

## 股本回報率

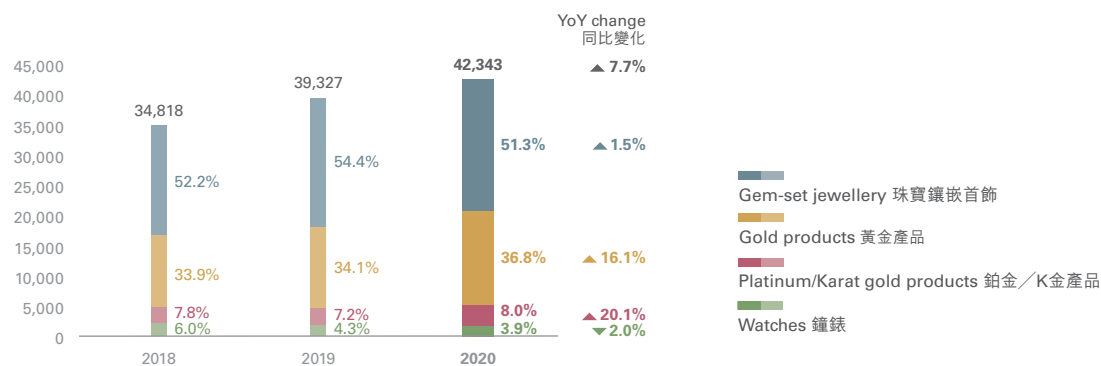
- 我們使用股本回報率計量自每股股東權益獲取溢利的效率。
- 淨溢利率降至5.3%。股本回報率下降380個點子至11.1%，而權益倍數則增加。



## Inventory balances and turnover period

### Inventory balances by product<sup>(1)</sup> 按產品劃分的存貨結餘<sup>(1)</sup>

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



(1) Packaging materials excluded

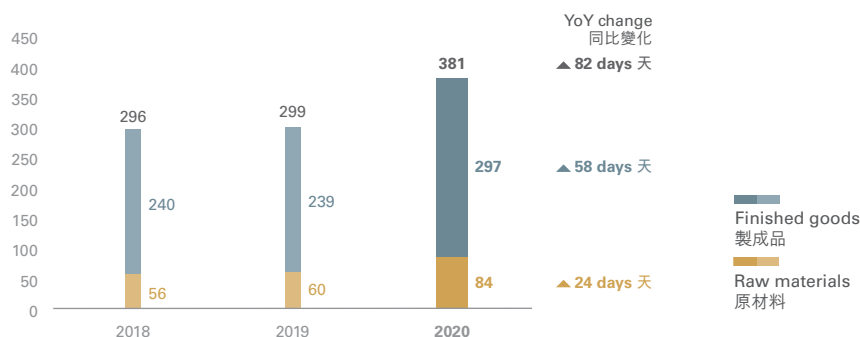
## 存貨結餘及周轉期

(1) 不包括包裝物料



### Inventory turnover period by category<sup>(2)</sup> 按類別劃分的存貨周轉期<sup>(2)</sup>

For the year ended 31 March 截至3月31日止年度  
(Day 天數)



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

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

- Inventory balances, excluding packaging materials, increased by 7.7% and reached HK\$42,343 million as at 31 March 2020, mainly due to business disruption in 4QFY2020.
- Inventory turnover period prolonged by 82 days when compared to that of FY2019.
- As at 31 March 2020, approximately HK\$5,440 million or 12.8% of our total inventory balances were held by franchised POS (31 March 2019: approximately HK\$4,590 million or 11.6% were held by franchised POS).
- If the inventory balances held by franchisees were excluded, inventory turnover period in FY2020 would reduce to 332 days (FY2019: 264 days).

- 於2020年3月31日,存貨結餘(不包括包裝物料)上升7.7%至42,343百萬港元,主要由於業務在2020財政年度第四季受影響。
- 存貨周轉期較2019財政年度延長82天。
- 於2020年3月31日,加盟零售點持有我們總存貨結餘約5,440百萬港元(或12.8%)(2019年3月31日:加盟零售點持有約4,590百萬港元(或11.6%))。
- 撇除加盟商持有的存貨結餘,2020財政年度的存貨周轉期會下跌至332天(2019財政年度:264天)。

## Capital structure

## 資本架構

As at	於	31.3.2019 HK\$ million 百萬港元	% to total equity 佔權益總額 百分比	31.3.2020 HK\$ million 百萬港元	% to total equity 佔權益總額 百分比	Increase (decrease) 增加(減少) HK\$ million 百萬港元	Denominated currency <sup>(1)</sup> 計值貨幣 <sup>(1)</sup>	Interest rate structure <sup>(1)</sup> 利率架構 <sup>(1)</sup>
Non-current assets	非流動資產	8,459	26.9%	10,038	37.2%	1,579	N/A 不適用	N/A 不適用
Inventories	存貨	39,486	125.7%	42,538	157.6%	3,052	N/A 不適用	N/A 不適用
Cash and cash equivalents <sup>(2)</sup>	現金及現金等價物 <sup>(2)</sup>	7,641	24.3%	7,219	26.7%	(422)	Mainly HKD, RMB and USD 主要為港元、人民幣及美元	Mainly variable interest rate 主要為浮動利率
Total borrowings <sup>(3)</sup>	總貸款 <sup>(3)</sup>	18,069	57.5%	22,711	84.1%	4,642		
Bank borrowings	銀行貸款	10,057	32.0%	11,431	42.3%	1,374	HKD 港元	Fixed and variable interest rate 固定及浮動利率
Gold loans	黃金借貸	8,012	25.5%	11,280	41.8%	3,268	RMB and USD 人民幣及美元	Fixed interest rate 固定利率
Net debt <sup>(4)</sup>	債項淨額 <sup>(4)</sup>	10,428	33.2%	15,492	57.4%	5,064	N/A 不適用	N/A 不適用
Working capital <sup>(5)</sup>	營運資金 <sup>(5)</sup>	26,307	83.8%	19,579	72.5%	(6,728)	N/A 不適用	N/A 不適用
Total equity	權益總額	31,403	100.0%	26,991	100.0%	(4,412)	N/A 不適用	N/A 不適用

(1) Information about denominated currency and interest rate structure related to the condition as at 31 March 2020

(2) Bank balances and cash equivalents included

(3) As at 31 March 2020, bank borrowings amounted to HK\$10,533 million and all the gold loans would be matured within 12 months while bank borrowings amounted to HK\$598 million would be matured in more than 1 year but not exceeding 2 years and HK\$300 million would be mature in more than 2 years but not exceeding five years

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

(5) Being net current assets

(1) 有關計值貨幣及利率結構的資料為2020年3月31日的情況

(2) 包括銀行結餘及現金等價物

(3) 於2020年3月31日，10,533百萬港元的銀行貸款及所有黃金借貸將於12個月內到期，而598百萬港元的銀行貸款將於超過1年但不多於2年內到期及300百萬港元將於超過2年但不多於5年內到期

(4) 銀行貸款、黃金借貸之總額(已扣除現金及現金等價物)

(5) 流動資產淨額

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

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

- The Group's daily operation was mainly financed by operating cash flows, and mainly relied on short-term borrowings to satisfy inventory financing needs during peak seasons, working capital for future expansion plans and unexpected needs. The Group has not experienced any difficulties in repaying its borrowings.
- The Group's income and expenditure were mostly denominated in HKD and RMB, while its assets and liabilities were mostly denominated in HKD, RMB and USD. No hedging instrument is deployed against RMB fluctuation as most of the daily receipts and payments for our Mainland operations are both made in RMB, which do not pose a substantive currency exposure to our business.
- It is our treasury policy to maintain high liquidity in response to the requirement of operating cash flows; and to upkeep financial prudence by not engaging in highly leveraged or speculative derivative products.
- 本集團日常業務所需資金主要來自經營現金流量，亦會主要以短期借貸滿足旺季時的存貨資金需求、未來擴展計劃所需營運資金及預計之外的需求。本集團於償還貸款方面並無任何困難。
- 本集團之收入及開支主要以港元及人民幣計值，而資產及負債則主要以港元、人民幣及美元計值。由於我們中國內地日常業務營運的收支大多以人民幣結算，對我們的業務並無構成重大的貨幣風險，因而未有針對人民幣波動動用任何對沖工具。
- 我們的庫務政策旨在保持較高的流動資金，以應付營運現金流量的需求；同時緊守審慎的財務政策，避免涉及高槓桿或投機性衍生產品。

### Effect of RMB fluctuation

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

### 人民幣波動的影響

- The table below illustrates the fluctuation of RMB and the impact on our financial performance:
- 下表分別列示人民幣波動以及其對我們財務表現的影響：

FY2020	Closing exchange rate YoY change 收市匯率同比變化	Average exchange rate YoY change 平均匯率同比變化
RMB to HKD 人民幣兌港元	▼ 6.1%	▼ 3.9%

For the year ended 31 March 截至3月31日止年度		2019		2020	
		As reported 所呈報	Constant exchange rate basis 按相同匯率計算	As reported 所呈報	Constant exchange rate basis 按相同匯率計算
Revenue YoY change	營業額同比變化	▲ 12.7%	▲ 13.2%	▼ 14.9%	▼ 12.4%
Core operating profit YoY change	主要經營溢利同比變化	▲ 24.4%	▲ 24.9%	▼ 18.4%	▼ 15.5%
Changes in inventory balances	存貨結餘變化	▲ 13.0%	▲ 16.7%	▲ 7.7%	▲ 11.4%
Changes in cash and cash equivalents	現金及現金等價物變化	▼ 3.8%	▲ 0.7%	▼ 5.5%	▼ 3.4%

## Cash flows and others

## 現金流量及其他

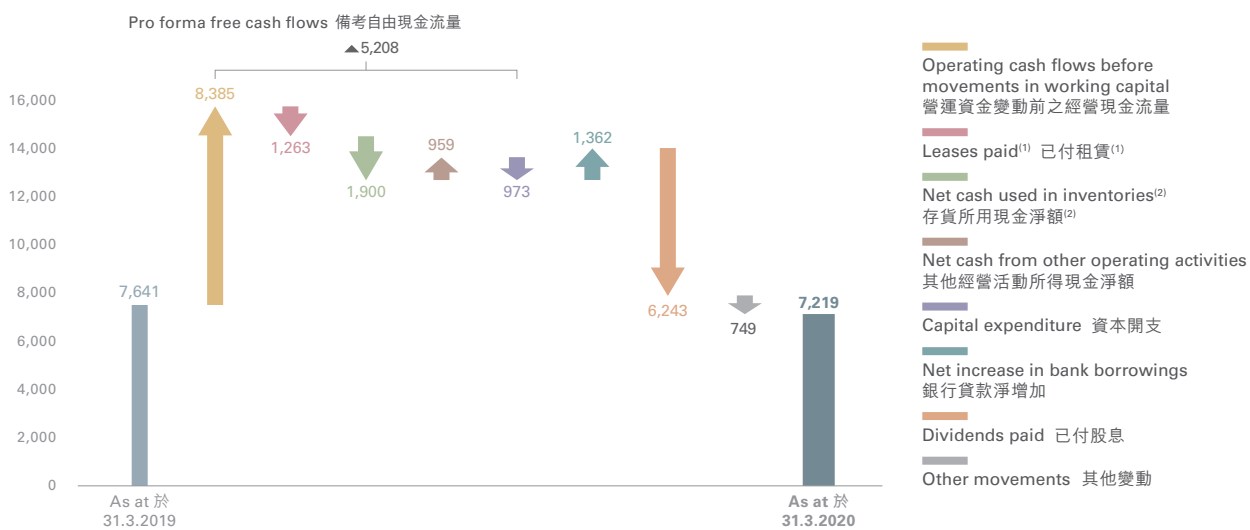
### Cash flows

### 現金流量

For the year ended 31 March 截至3月31日止年度		2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	6,879	7,774	8,385
Leases paid <sup>(1)</sup>	已付租賃 <sup>(1)</sup>	–	–	(1,263)
Net cash used in inventories <sup>(2)</sup>	存貨所用現金淨額 <sup>(2)</sup>	(2,455)	(2,911)	(1,900)
Net cash from other operating activities	其他經營活動所得現金淨額	232	629	959
Purchase of jewellery collectibles	購買珠寶珍藏	(553)	–	–
Capital expenditure	資本開支	(1,084)	(1,392)	(973)
<b>Pro forma free cash flows</b>	<b>備考自由現金流量</b>	<b>3,019</b>	<b>4,100</b>	<b>5,208</b>
Net change in bank borrowings	銀行貸款淨變動	1,102	2,133	1,362
Dividends paid	已付股息	(4,260)	(6,081)	(6,243)
Other movements	其他變動	140	(455)	(749)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加(減少)淨額</b>	<b>1</b>	<b>(303)</b>	<b>(422)</b>

## Major cash flows items for FY2020 2020 財政年度主要現金流量項目

(HK\$ million 百萬港元)



<sup>(1)</sup> With adoption of IFRS 16, leases paid was included in financing activities

<sup>(2)</sup> Net cash used in inventories included net change in inventories, gold loans raised and repayment of gold loans

<sup>(1)</sup> 採納國際財務報告準則第16號後，已付租賃計入融資活動

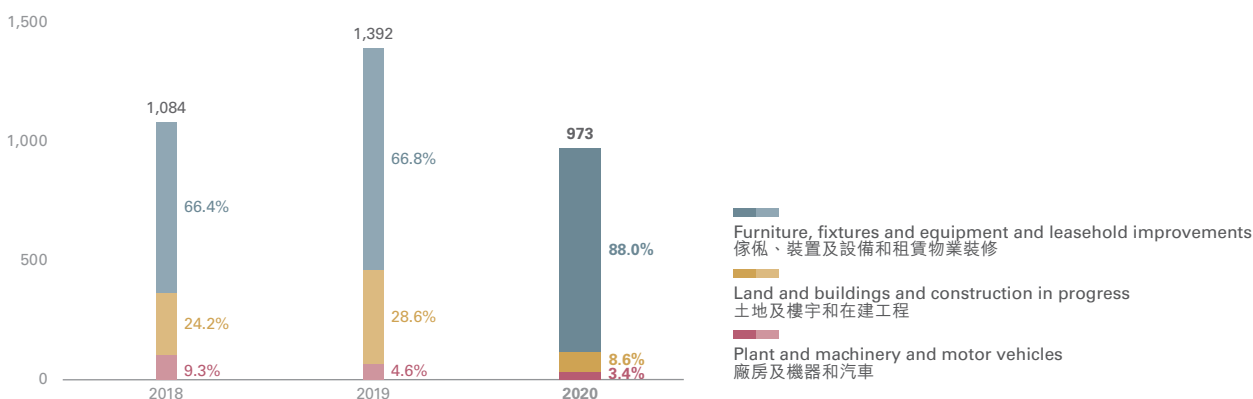
<sup>(2)</sup> 存貨所用現金淨額包括存貨淨變動、已籌集黃金借貸及償還黃金借貸

## Capital expenditure

- The Group's capital expenditure incurred during FY2020 amounted to HK\$973 million (FY2019: HK\$1,392 million).

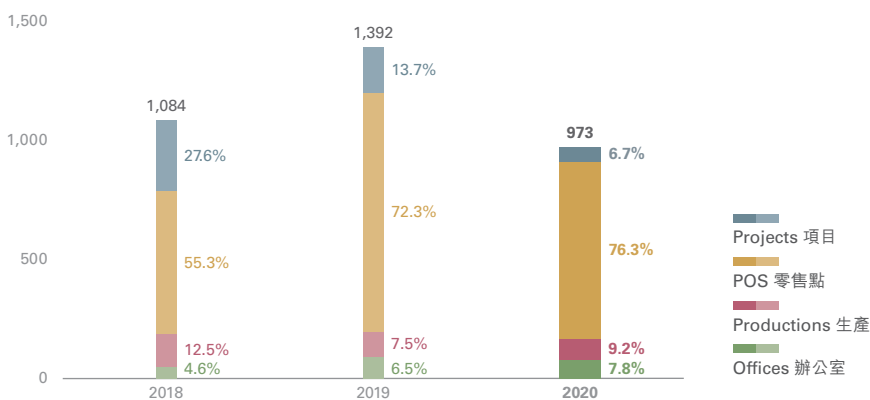
### Capital expenditure by nature 按性質劃分的資本開支

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



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

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



## Contingent liabilities

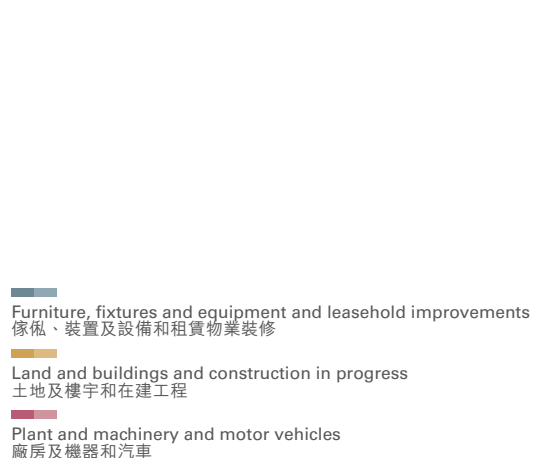
- The Group did not have any material contingent liabilities as at 31 March 2020 and 31 March 2019.

## Capital commitments

- Details of the Group's capital commitment as at 31 March 2020 and 31 March 2019 are set out in note 31 to the consolidated financial statements.

## 資本開支

- 本集團於2020財政年度的資本開支為973百萬港元(2019財政年度：1,392百萬港元)。



## 或然負債

- 本集團於2020年3月31日及2019年3月31日並無任何重大或然負債。

## 資本承擔

- 本集團於2020年3月31日及2019年3月31日的資本承擔詳情載於簡明綜合財務報表附註31。



GOVERNANCE

管治

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

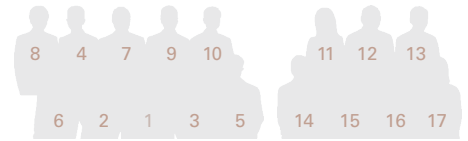


### Executive Directors 執行董事

### Responsibilities 職責

- |    |   |        |   |
|----|---|--------|---|
| 1  | Dr. Cheng Kar-Shun, Henry <sup>#</sup> , GBM, GBS (Chairman)<br>鄭家純博士 <sup>#</sup> (GBM, GBS)(主席) | NC, RC | Strategic direction and overall performance of the Group<br>本集團的策略方針及整體表現 |
| 2  | Mr. Wong Siu-Kee, Kent (Managing Director)<br>黃紹基先生(董事總經理)  | NC, RC | Strategic planning and overall management of the Group<br>本集團的策略規劃及整體管理   |
| 3  | Dr. Cheng Chi-Kong, Adrian <sup>#</sup> , JP<br>鄭志剛博士 <sup>#</sup> (JP)                           |        | Strategic investment of the Group<br>本集團的策略投資                             |
| 4  | Mr. Cheng Chi-Heng, Conroy <sup>#</sup><br>鄭志恒先生 <sup>#</sup>                                     |        | Raw material procurement (diamonds and gemstones)<br>原料採購(鑽石、寶石)          |
| 5  | Mr. Cheng Ping-Hei, Hamilton<br>鄭炳熙先生   |        | Financial management and corporate operations<br>財務管理及企業營運                |
| 6  | Mr. Chan Sai-Cheong<br>陳世昌先生  |        | Mainland China business<br>中國內地業務   |
| 7  | Mr. Suen Chi-Keung, Peter<br>孫志強先生  |        | Hong Kong, Macau and overseas business<br>香港、澳門及海外業務                      |
| 8  | Mr. Chan Hiu-Sang, Albert<br>陳曉生先生  |        | Raw material procurement (diamonds and gemstones)<br>原料採購(鑽石、寶石)          |
| 9  | Mr. Liu Chun-Wai, Bobby<br>廖振為先生  |        | Sustainable development and innovation<br>可持續發展及創新                        |
| 10 | Mr. Cheng Kam-Biu, Wilson <sup>#</sup><br>鄭錦標先生 <sup>#</sup>                                      |        | Bank and landlord relationship management<br>銀行及業主關係管理                    |





## Non-executive Director 非執行董事

- 11 Ms. Cheng Chi-Man, Sonia<sup>#</sup>  
鄭志雯女士<sup>#</sup>

### Independent Non-executive Directors 獨立非執行董事

- 12 Dr. Fung Kwok-King, Victor, GBM, GBS, CBE  
馮國經博士 (GBM, GBS, CBE)
- 13 Dr. Or Ching-Fai, Raymond, SBS, JP  
柯清輝博士 (SBS, JP)
- 14 Mr. Kwong Che-Keung, Gordon  
鄭志強先生
- 15 Mr. Cheng Ming-Fun, Paul, JP  
鄭明訓先生 (JP)
- 16 Mr. Lam Kin-Fung, Jeffrey, GBS, JP  
林健鋒先生 (GBS, JP)
- 17 Ms. Cheng Ka-Lai, Lily  
鄭嘉麗女士

### Responsibilities 職責

NC\*, RC Independent Non-executive Directors serve a significant role in the Board to bring independent judgment on the performance, development and risk management of the Group. As chairmen or members of the Nomination Committee, Remuneration Committee and/or Audit Committee, they also undertake detailed governance work under the respective terms of reference of the committees.

NC, AC 獨立非執行董事於董事會內擔當重要職能，就本集團的表現、發展及風險管理給予獨立意見。作為提名委員會、薪酬委員會及/或審核委員會的主席或成員，他們亦根據各委員會相應的職責進行具體的管治工作。

NC, RC

NC = Nomination Committee member  
提名委員會成員

RC = Remuneration Committee member  
薪酬委員會成員

AC = Audit Committee member  
審核委員會成員

\* Committee Chairman  
委員會主席

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

## Chairman and Executive Director

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

Aged 73, joined the Group in 1971, was appointed as Chairman and an executive Director in July 2011 and is a member of the Nomination Committee and Remuneration Committee of the Company. Dr. Henry Cheng is responsible for the strategic direction and overall performance of the Group.

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

In addition, Dr. Cheng is chairman and an executive director of New World Development Company Limited and NWS Holdings Limited, chairman and a non-executive director of New World Department Store China Limited and FSE Services Group Limited, vice-chairman and a non-executive director of i-CABLE Communications Limited, and a non-executive director of DTXS Silk Road Investment Holdings Company Limited, all of which are listed public companies in Hong Kong.

He was an independent non-executive director of HKR International Limited until his resignation on 31 March 2018; chairman and a non-executive director of Newton Resources Ltd until his resignation on 9 April 2018; an independent non-executive director of Hang Seng Bank Limited until his retirement on 10 May 2018; and a non-executive director of SJM Holdings Limited until his retirement on 11 June 2019, all of the foregoing companies are listed public companies in Hong Kong.

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

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

## 主席及執行董事

### 鄭家純博士 (GBM, GBS)

現年73歲，於1971年加入本集團，2011年7月獲委任為主席及執行董事，並為本公司提名委員會及薪酬委員會成員。鄭家純博士負責本集團的策略方針及整體表現。

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

此外，鄭博士擔任新世界發展有限公司及新創建集團有限公司主席兼執行董事、新世界百貨中國有限公司及豐盛服務集團有限公司主席及非執行董事、有線寬頻通訊有限公司副主席及非執行董事、以及大唐西市絲路投資控股有限公司非執行董事，該等公司均為香港上市公眾公司。

他也曾擔任香港興業國際集團有限公司獨立非執行董事，於2018年3月31日辭任；新礦資源有限公司主席及非執行董事，於2018年4月9日辭任；恒生銀行有限公司獨立非執行董事，於2018年5月10日退任；以及澳門博彩控股有限公司非執行董事，直至2019年6月11日退任，前述公司均為香港上市公眾公司。

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

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

## Executive Director

### Mr. Wong Siu-Kee, Kent

Aged 64, joined the Group in 1977, was appointed as Managing Director of the Company in July 2011 and is a member of the Nomination Committee and Remuneration Committee of the Company. Mr. Kent Wong is responsible for the strategic planning and overall management of the Group.

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

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

Mr. Wong is a member of the 2020 Fair Organising Committee of the Hong Kong Trade Development Council for its Hong Kong International Jewellery Show and Hong Kong International Diamond, Gem and Pearl Show. He is a council member of The Hong Kong Management Association, chairman of executive committee of the Hong Kong Jewellers' & Goldsmiths' Association Ltd, chairman of the supervising committee of the Hong Kong & Kowloon Jewellers' & Goldsmiths' Employees' Association Ltd, a permanent honorable president of the Kowloon Gold Silver and Jewel Merchants' Staff Association, a board member of the World Diamond Council, a member of Hong Kong Consumer Council, and a member of the Anhui Provincial Committee of the Chinese People's Political Consultative Conference. He is also a board member of the Diamond Empower Fund and vice president of the executive committee of the Youth Outreach.

Mr. Wong was named as "CEO of the Year/Luxury/Asia" at the 2016 IAIR Awards presentation ceremony held by International Alternative Investment Review. He was also named as "Asia's Best CEO (Investor Relations)" by Corporate Governance Asia, an authoritative regional journal on corporate governance, at its Asian Excellence Awards in 2017, 2018 and 2019 consecutively.

## 執行董事

### 黃紹基先生

現年64歲，於1977年加入本集團，2011年7月獲委任為本公司董事總經理，並為本公司提名委員會及薪酬委員會成員。黃紹基先生負責本集團的策略規劃及整體管理。

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

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

黃先生為香港貿易發展局香港國際珠寶展與香港國際鑽石、寶石及珍珠展之2020年籌備委員會委員。他是香港管理專業協會理事會委員、香港珠石玉器金銀首飾業商會有限公司理事長、港九珠寶首飾業文員會有限公司監事長、九龍首飾業文員會永遠名譽會長、世界鑽石委員會委員、香港消費者委員會委員、以及中國人民政治協商會議安徽省委員會委員。他亦是鑽石力量慈善基金理事會成員，及協青社執行委員會副會長。

在International Alternative Investment Review舉行的2016年IAIR Awards頒獎典禮上，黃先生獲選為「年度行政總裁 — 亞洲區奢侈品行業」。在區域企業管治權威雜誌《亞洲企業管治》於2017年、2018年及2019年舉辦之亞洲卓越大獎上，他亦連續獲選為「亞洲最佳行政總裁(投資者關係)」。

## Dr. Cheng Chi-Kong, Adrian, JP

Aged 40, joined the Group in 2007, was appointed as an executive Director in July 2011. Dr. Adrian Cheng is responsible for the strategic investment of the Group, fostering sustainability and innovation initiatives in the areas of culture & art, craftsmanship and creativity.

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

Dr. Cheng is an executive vice-chairman and chief executive officer of New World Development Company Limited, overseeing the strategic direction for its property development and investment activities. He is also an executive director of NWS Holdings Limited and New World Department Store China Limited, and a non-executive director of Giordano International Limited and New Century Healthcare Holding Co. Limited, all of which are listed public companies in Hong Kong. He was a vice-chairman and a non-executive director of Modern Media Holdings Limited until his resignation on 26 August 2017; a non-executive director of i-CABLE Communications Limited until his resignation on 2 July 2019, both of which are listed public companies in Hong Kong.

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

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

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

## 鄭志剛博士 (JP)

現年40歲，於2007年加入本集團，於2011年7月獲委任為執行董事。鄭志剛博士負責本集團策略投資，扶植在文化及藝術、工藝和創意方面的可持續發展和創新計劃。

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

鄭博士擔任新世界發展有限公司執行副主席兼行政總裁，執掌該公司的地產物業和投資項目的策略性方向。他也是新創建集團有限公司及新世界百貨中國有限公司執行董事，以及佐丹奴國際有限公司和新世紀醫療控股有限公司的非執行董事，該等公司均為香港上市公眾公司。他曾為現代傳播控股有限公司副主席兼非執行董事，於2017年8月26日辭任；有線寬頻通訊有限公司非執行董事，直至2019年7月2日辭任，兩者均為香港上市公眾公司。

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

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

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

### Mr. Cheng Chi-Heng, Conroy

Aged 42, joined the Group in 2007, was appointed as an executive Director in July 2011. Mr. Conroy Cheng is responsible for the procurement of diamonds and gemstones of the Group.

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

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

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

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

### Mr. Cheng Ping-Hei, Hamilton

Aged 45, joined the Group in 2004, was appointed as an executive Director in July 2011. Mr. Hamilton Cheng is responsible for the Group's financial management and corporate operations, including information technology and intellectual capital. He also serves as a joint company secretary of the Company and a director of certain subsidiaries of the Group.

Mr. Cheng holds a Bachelor of Business Administration degree in Professional Accountancy from The Chinese University of Hong Kong. He is a Fellow of the Hong Kong Institute of Certified Public Accountants, a Fellow of The Association of Chartered Certified Accountants and a Chartered Financial Analyst. He completed The Prince of Wales's Business & Sustainability Programme designed by the University of Cambridge Institute for Sustainability Leadership in April 2018 and obtained Executive Diploma in Corporate Governance and Sustainability Directorship from The Hong Kong Institute of Directors in May 2018.

Mr. Cheng is currently a council member of The Hong Kong Institute of Directors and a member of the Financial Reporting Review Panel of the Financial Report Council in Hong Kong.

Mr. Cheng was named as "Asia's Best CFO (Investor Relations)" by Corporate Governance Asia, an authoritative regional journal on corporate governance, at its Asian Excellence Awards in 2017, 2018 and 2019 consecutively.

### 鄭志恒先生

現年42歲，於2007年加入本集團，於2011年7月獲委任為執行董事。鄭志恒先生負責本集團鑽石及寶石採購。

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

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

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

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

### 鄭炳熙先生

現年45歲，於2004年加入本集團，2011年7月獲委任為執行董事。鄭炳熙先生負責本集團財務管理及企業營運(包括資訊科技和智力資本)。他也是本公司聯席公司秘書和本集團若干附屬公司的董事。

鄭先生持有香港中文大學工商管理學士(專業會計學)學位，為香港會計師公會資深會員、特許公認會計師公會資深會員及特許財務分析師。他於2018年4月完成劍橋大學可持續領導力學院策劃的威爾斯親王商業及可持續性課程，並於2018年5月獲得香港董事學會頒發的企業管治及可持續董事行政文憑。

鄭先生現擔任香港董事學會理事會成員、及香港財務匯報局財務匯報檢討委員團成員。

在區域企業管治權威雜誌《亞洲企業管治》於2017年、2018年及2019年舉辦之亞洲卓越大獎上，鄭先生連續獲選為「亞洲最佳首席財務總監(投資者關係)」。

### **Mr. Chan Sai-Cheong**

Aged 57, joined the Group in 1985, was appointed as an executive Director in July 2011. Mr. Chan is responsible for the Group's business in Mainland China. He is also a director of certain subsidiaries of the Group.

Mr. Chan has been in the jewellery industry for 39 years. He is a senior adviser of the Gems & Jewelry Trade Association of China, a member of National Technical Committee 256 on Jewelry and National Technical Committee 298 on Jewelry and Jade of Standardization Administration of China, a member of the standing council of China Gold Association, an executive vice-chairman of the Guangdong Gold and Silver Jewellery Chamber of Commerce, a vice-chairman of the Shenzhen Gold & Jewellery Association, a general vice-chairman of Gold Association of Guangdong Province, a vice-chairman of the Guangdong Golden Jewellery and Jade Industry's Association, and a director and visiting professor of the China University of Geosciences (Wuhan). He is also a member of the Liaoning Provincial Committee of the Chinese People's Political Consultative Conference.

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

### **Mr. Suen Chi-Keung, Peter**

Aged 55, joined the Group in 1985, was appointed as an executive Director in July 2011. Mr. Peter Suen is responsible for the Group's Hong Kong, Macau and overseas business. He is also a director of certain subsidiaries of the Group.

Mr. Suen has been in the jewellery industry for 35 years. He's a member of the executive committee of the Hong Kong Jewellers' & Goldsmiths' Association. Mr. Suen holds an Executive Master's degree in Business Administration from The Chinese University of Hong Kong.

### **陳世昌先生**

現年 57 歲，於 1985 年加入本集團，於 2011 年 7 月獲委任為執行董事。陳世昌先生負責本集團中國內地業務。他亦是本集團若干附屬公司的董事。

陳先生從事珠寶行業已有 39 年。他是中國珠寶玉石首飾行業協會高級諮事、全國首飾標準化技術委員會和全國珠寶玉石標準化技術委員會委員、中國黃金協會常務理事、廣東省金銀首飾商會常務副會長、深圳市黃金珠寶首飾行業協會副會長、廣東省黃金協會常務副會長、廣東省金銀珠寶玉器業廠商會副主席及中國地質大學(武漢)董事和客座教授。他亦是中國人民政治協商會議遼寧省委員會委員。

陳先生也是佐丹奴國際有限公司的非執行董事，該公司為香港上市公眾公司。

### **孫志強先生**

現年 55 歲，於 1985 年加入本集團，2011 年 7 月獲委任為執行董事。孫志強先生負責本集團香港、澳門及海外之業務。他也是本集團若干附屬公司的董事。

孫先生從事珠寶行業已有 35 年。他是香港珠石玉器金銀首飾業商會理事。孫先生持有香港中文大學行政人員工商管理碩士學位。

### **Mr. Chan Hiu-Sang, Albert**

Aged 69, joined the Group in 1977, was appointed as an executive Director in July 2011. Mr. Albert Chan is responsible for the procurement of diamonds and gemstones of the Group. He is also a director of certain subsidiaries of the Group.

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

### **Mr. Liu Chun-Wai, Bobby**

Aged 46, joined the Group in 1999, was appointed as an executive Director in January 2016. Mr. Bobby Liu is responsible for the development of the Sustainability and Innovation Centre of the Group, leading and synergising initiatives in the areas of culture & art, craftsmanship and creativity. He is also a director of certain subsidiaries of the Group.

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

Mr. Liu is a board member of Enactus China, vice chairman of the council of Shenzhen Performance Excellence Management Foundation and vice chairman of the Federation of Industry and Commerce of Yantian District, Shenzhen Municipal.

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

### **陳曉生先生**

現年69歲，於1977年加入本集團，2011年7月獲委任為執行董事。陳曉生先生負責本集團鑽石及寶石採購。他也是本集團若干附屬公司的董事。

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

### **廖振為先生**

現年46歲，於1999年加入本集團，2016年1月獲委任為執行董事。廖振為先生負責本集團可持續發展及創新中心的發展，引領和協同在文化及藝術、工藝和創意方面的創新計劃。他也是本集團若干附屬公司的董事。

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

廖先生是創行中國諮詢理事會成員、深圳市卓越績效管理促進會理事會副會長、深圳市鹽田區工商聯(總商會)副主席。

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

### Mr. Cheng Kam-Biu, Wilson

Aged 61, joined the Group in 1979, was appointed as a non-executive Director in July 2011 and re-designated as an executive Director with effect from April 2019. Mr. Wilson Cheng is responsible for the Group's bank and landlord relationship management.

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

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

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

### 鄭錦標先生

現年61歲，於1979年加入本集團，2011年7月獲委任為非執行董事，並於2019年4月起調任為執行董事。鄭錦標先生負責本集團的銀行及業主關係管理。

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

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

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



## Non-executive Director

### Ms. Cheng Chi-Man, Sonia

Aged 39, joined the Group in 2019, was appointed as a non-executive Director with effect from April 2019.

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

Ms. Cheng is an executive director of New World Development Company Limited, a listed public company in Hong Kong, and oversees the hotel division and the project management division.

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

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

## 非執行董事

### 鄭志雯女士

現年39歲，於2019年加入本集團，自2019年4月起擔任非執行董事。

鄭志雯女士為瑰麗酒店集團首席行政總裁。她是香港中文大學酒店旅遊管理學院顧問委員會主席、香港菁英會會員、青年總裁協會會員、香港青年聯會會員、家庭議會非官方委員及資優教育諮詢委員會非當然委員。她也是中國人民政治協商會議廣州市委員會委員。

鄭女士為香港上市公眾公司新世界發展有限公司的執行董事，負責監管酒店業務部及項目管理業務部。

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

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

## Independent Non-executive Director

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

Aged 74, was appointed as an independent non-executive Director in November 2011 and is chairman of the Nomination Committee and a member of the Remuneration Committee of the Company.

Dr. Victor Fung is group chairman of the Fung Group, a Hong Kong based multinational which comprises major operating groups engaging in sourcing, logistics, distribution and retailing. They include Li & Fung Limited, Global Brands Group Holding Limited, Convenience Retail Asia Limited and other privately held entities. Dr. Fung was an independent non-executive director of Koc Holding A.S. (a company listed on the Istanbul Stock Exchange) from April 2011 until his retirement in April 2020.

Dr. Fung is Chairman of the Advisory Board of the Asia Global Institute at the University of Hong Kong, a multi-disciplinary think-tank co-established with the Fung Global Institute to assume and carry forward the Fung Global Institute's mission to generate and disseminate research and ideas on global issues from Asian perspectives. He is also chairman of the 2022 Foundation, a non-profit entity focused on research into Hong Kong's long-term competitiveness.

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

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

## 獨立非執行董事

### 馮國經博士 (GBM, GBS, CBE)

現年74歲，於2011年11月獲委任為獨立非執行董事，並為本公司提名委員會主席及薪酬委員會成員。

馮國經博士是馮氏集團主席，該集團是以香港為基地的跨國企業，其主要營運集團從事業務包括貿易、物流、經銷和零售，當中包括利豐有限公司、利標品牌有限公司及利亞零售有限公司，以及其他私營業務。馮博士曾擔任 Koc Holding A.S. (伊斯坦堡證券交易所上市公司) 獨立非執行董事，由2011年4月起直至2020年4月退任。

馮博士是香港大學「亞洲環球研究所」顧問委員會主席，該智庫組織由經綸國際經濟研究院及香港大學共同成立，從事跨學科學術研究，並傳承及發揚經綸國際經濟研究院的使命，從亞洲角度研究環球事務，發表研究結果及構思。他亦是非牟利組織2022基金會主席，該組織致力研究香港長遠競爭力。

在社會公職方面，馮博士現為香港行政長官創新及策略發展顧問團非官方成員，香港金融管理局基建融資促進辦公室顧問，香港金融學院院士及公務員培訓諮詢委員會主席。他曾出任中國人民政治協商會議委員 (2003年至2018年)、香港政府經濟發展委員會成員 (2013年至2018年)、香港貿易發展局主席 (1991年至2000年)、亞太經濟合作組織 (APEC) 商業顧問委員會香港代表 (1996年至2003年)、香港機場管理局主席 (1999年至2008年)、香港大學校務委員會主席 (2001年至2009年)、大珠三角商務委員會主席 (2004年至2013年)、香港政府策略發展委員會委員 (2005年至2012年)、國際商會主席 (2008年至2010年)、世界貿易組織「世界貿易未來」的高級別諮詢小組成員 (2012年至2013年)、中國國際經濟交流中心副主席 (2009年至2014年) 以及香港卓越獎學金計劃督導委員會主席 (2014年至2018年)。香港政府於2003年向馮博士頒授金紫荊星章並於2010年頒授大紫荊勳章，以表揚其在香港服務社會的傑出貢獻。

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

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

Aged 70, was appointed as an independent non-executive Director in November 2011 and is chairman of the Remuneration Committee and a member of the Nomination Committee and Audit Committee of the Company.

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

Dr. Or was vice-chairman and an independent non-executive director of G-Resources Group Limited until his retirement on 30 June 2017; an independent non-executive director of Industrial and Commercial Bank of China Limited until his retirement upon expiration of his term of office in October 2018; and an independent non-executive director of Television Broadcasts Limited until his resignation on 1 January 2020, all of which are listed public companies in Hong Kong. He was also deputy chairman and a non-executive director of Aquis Entertainment Limited (a company listed on the Australian Securities Exchange) until his resignation on 31 December 2017.

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

### **柯清輝博士 (SBS, JP)**

現年70歲，於2011年11月獲委任為獨立非執行董事，並為本公司薪酬委員會主席及提名委員會和審核委員會成員。

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

柯博士曾是國際資源集團有限公司副主席及獨立非執行董事，於2017年6月30日退任；中國工商銀行股份有限公司獨立非執行董事，於2018年10月屆滿退任；以及電視廣播有限公司獨立非執行董事，於2020年1月1日辭任，該等公司均為香港上市公眾公司。他亦曾為Aquis Entertainment Limited副主席及非執行董事(該公司於澳洲證券交易所上市)，於2017年12月31日辭任。

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

### Mr. Kwong Che-Keung, Gordon

Aged 70, was appointed as an independent non-executive Director in November 2011 and is chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

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

Mr. Kwong is an independent non-executive director of Agile Group Holdings Limited, China Power International Development Limited, Henderson Investment Limited, Henderson Land Development Company Limited, NWS Holdings Limited, and FSE Services Group Limited, all of which are listed public companies in Hong Kong. He is also an independent non-executive director of Piraeus Port Authority SA (a company listed on the Athens Stock Exchange). Mr. Kwong was an independent non-executive director of OP Financial Limited and Global Digital Creations Holdings Limited, both being listed public companies in Hong Kong, until his retirement on 27 August 2019 and 22 May 2020 respectively.

### 鄺志強先生

現年70歲，於2011年11月獲委任為獨立非執行董事，並為本公司審核委員會主席及薪酬委員會成員。

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

鄺先生擔任雅居樂集團控股有限公司、中國電力國際發展有限公司、恒基兆業發展有限公司、恒基兆業地產有限公司、新創建集團有限公司及豐盛服務集團有限公司的獨立非執行董事，該等公司均為香港上市公眾公司。他亦是 Piraeus Port Authority SA (雅典證券交易所上市公司) 的獨立非執行董事。鄺先生曾是香港上市公眾公司東英金融有限公司及環球數碼創意控股有限公司獨立非執行董事，分別直至2019年8月27日和2020年5月22日退任。

### Mr. Cheng Ming-Fun, Paul, JP

Aged 83, was appointed as an independent non-executive Director in September 2012 and is a member of the Audit Committee and Nomination Committee of the Company.

Mr. Paul Cheng had extensive governance experience serving as an independent director on the board of a number of organisations, including many publicly listed companies. Previously, he was deputy chairman and an independent non-executive director of Esprit Holdings Limited until his retirement in December 2018, which is a listed public company in Hong Kong. He also served as an independent non-executive director of Global Logistic Properties Limited (which was listed on the Singapore Stock Exchange until its delisting on 22 January 2018); and an independent non-executive director of Pacific Alliance China Land Limited (a company listed on the AIM Board of the London Stock Exchange) until his resignation on 12 May 2020.

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

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

### 鄭明訓先生 (JP)

現年83歲，於2012年9月獲委任為獨立非執行董事，並為本公司審核委員會及提名委員會成員。

鄭明訓先生擁有豐富管治經驗，曾擔任多間機構獨立董事職務，其中包括不少上市公司。此前，他曾為思捷環球控股有限公司副主席及獨立非執行董事，於2018年12月退任，該公司為香港上市公眾公司。他亦曾擔任普洛斯公司獨立非執行董事（該公司曾於新加坡證券交易所上市，直至2018年1月22日除牌）；及Pacific Alliance China Land Limited（倫敦證券交易所另項投資市場AIM Board上市公司）獨立非執行董事，直至2020年5月12日辭任。

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

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

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

Aged 68, was appointed as an independent non-executive Director in November 2011 and is a member of the Audit Committee and Nomination Committee of the Company.

Mr. Jeffrey Lam is an independent non-executive director of C C Land Holdings Limited, China Overseas Grand Oceans Group Limited, Wynn Macau, Limited, CWT International Limited, i-CABLE Communications Limited, Wing Tai Properties Limited, and Analogue Holdings Limited, all of which are listed public companies in Hong Kong.

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

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

### **林健鋒先生 (GBS, JP)**

現年68歲，於2011年11月獲委任為獨立非執行董事，並為本公司審核委員會及提名委員會成員。

林健鋒先生擔任中渝置地控股有限公司、中國海外宏洋集團有限公司、永利澳門有限公司、CWT International Limited、有線寬頻通訊有限公司、永泰地產有限公司及安樂工程集團有限公司之獨立非執行董事，該等公司均為香港上市公眾公司。

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

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

### **Ms. Cheng Ka-Lai, Lily**

Aged 41, was appointed as an independent non-executive Director with effect from April 2019 and is a member of the Nomination Committee and the Remuneration Committee of the Company.

Ms. Lily Cheng has served in the technology and internet industry for over 20 years, both as an entrepreneur and as a corporate executive. She is the founder and an executive director of Hubel Labs Limited, a virtual applied-AI software lab. She served as the President of TripAdvisor, APAC from 2014 to 2016 and held various management roles at TripAdvisor, Inc. and Expedia, Inc. from 2008 to 2016. She was a management consultant with The Boston Consulting Group from 2006 to 2008.

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

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

### **鄭嘉麗女士**

現年41歲，自2019年4月起擔任獨立非執行董事，並為本公司提名委員會和薪酬委員會成員。

鄭嘉麗女士在科技和互聯網行業擁有超過20年經驗，包括作為創業者和企業管理層。她是虛擬軟件實驗室 Hubel Labs Limited 的創辦人兼執行董事。她曾在2014年至2016年擔任TripAdvisor亞太區總裁，並於2008年至2016年間出任TripAdvisor, Inc. 和Expedia, Inc. 多個管理職位。她在2006年至2008年間曾任波士頓諮詢公司的管理顧問。

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

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

## Honorary adviser to the Board of Directors

### Mr. Cheng Yu-Wai

Aged 88, joined the Group in 1949, was appointed as an honorary adviser to the Board with effect from August 2011 and is responsible for advising on procurement. Mr. Cheng is also a director of a substantial shareholder of the Company, Chow Tai Fook (Holding) Limited and its subsidiary, Chow Tai Fook Enterprises Limited. Mr. Cheng is an uncle of Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kam-Biu, Wilson and Mr. Cheng Sek-Hung, Timothy, and a granduncle of Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Chi-Heng, Conroy and Ms. Cheng Chi-Man, Sonia.

### Mr. Cheng Sek-Hung, Timothy

Aged 69, joined the Group in 1994, was appointed as an honorary adviser to the Board with effect from August 2011. He is also a director of certain subsidiaries of the Group. Mr. Cheng is also a director of a substantial shareholder of the Company, Chow Tai Fook (Holding) Limited and its subsidiary, Chow Tai Fook Enterprises Limited. Mr. Cheng is a cousin of Dr. Cheng Kar-Shun, Henry and Mr. Cheng Kam-Biu, Wilson, an uncle of Dr. Cheng Chi-Kong Adrian, Mr. Cheng Chi-Heng, Conroy and Ms. Cheng Chi-Man, Sonia, and a nephew of Mr. Cheng Yu-Wai.

## Joint Company Secretary and Group General Counsel

### Mr. Cheng Ping-Hei, Hamilton

Mr. Cheng Ping-Hei, Hamilton is an executive Director and Joint Company Secretary. His profile is set out on page 83 of this annual report under the sub-section of "Executive Director".

### Mr. Lai Sau-Cheong, Simon

Aged 59, joined the Group in 2017, is Group General Counsel and Joint Company Secretary. Mr. Simon Lai is also the general counsel of Chow Tai Fook Enterprises Limited, a subsidiary of a substantial shareholder of the Company.

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

## 董事會名譽顧問

### 鄭裕偉先生

現年88歲，於1949年加入本集團，2011年8月起獲任董事會名譽顧問，負責就採購提出意見。鄭先生兼任本公司主要股東周大福(控股)有限公司及其附屬公司周大福企業有限公司董事。鄭先生為鄭家純博士、鄭錦標先生及鄭錫鴻先生的叔父，以及鄭志剛博士、鄭志恒先生和鄭志雯女士的叔公。

### 鄭錫鴻先生

現年69歲，於1994年加入本集團，2011年8月起獲任董事會名譽顧問。他亦為本集團若干附屬公司的董事。鄭先生兼任本公司主要股東周大福(控股)有限公司及其附屬公司周大福企業有限公司董事。鄭先生為鄭家純博士和鄭錦標先生的堂兄弟，鄭志剛博士、鄭志恒先生和鄭志雯女士的堂叔父，及鄭裕偉先生的侄兒。

## 聯席公司秘書及集團法務總監

### 鄭炳熙先生

鄭炳熙先生為執行董事及聯席公司秘書。他的簡介載於本年報第83頁「執行董事」分部。

### 黎壽昌先生

現年59歲，於2017年加入本集團，為本集團法務總監及聯席公司秘書。黎壽昌先生亦為本公司主要股東附屬公司周大福企業有限公司的法務總監。

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



## Senior Management

### Ms. Leung Man-Yan, Ivy

Aged 50, joined the Group in 2019, is the Global Chief Intellectual Capital Officer of the Group. Ms. Leung has over 25 years of experience in human resources, training, total quality management and customer service spanning across Fintech, Media, Hospitality and Petrochemical industries.

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

### Ms. Danita On

Aged 43, joined the Group in 2012, is the director of Investor Relations and Corporate Communications of the Group, responsible for maintaining effective communications with investors and media. Ms. On has over 20 years of experiences in auditing, management consulting, equity research, asset management and investor relations. She is a member of Hong Kong Institute of Certified Public Accountants and a Chartered Financial Analyst.

### Mr. Lee Tin-Hei, Jade

Aged 45, joined the Group in 2016, is the general manager responsible for business strategy and analytics as well as technology applications of the Group. Mr. Lee has over 20 years of experience in advanced analytics carrying out consulting and business management roles with leading business analytics corporations.

### Mr. Tsang Siu-Kwong, Patrick

Aged 49, joined the Group in 1993, is the general manager responsible for managing and developing the information infrastructures and technologies of the Group. Mr. Tsang has over 27 years of experience in information technology. He is currently vice president (business) of the Internet of Things Industry Advisory Council of GS1 HK.

## 高級管理人員

### 梁蔓茵女士

現年50歲，於2019年加入本集團，是本集團首席環球智力資本長。梁女士在人力資源、培訓、全面質量管理和客戶服務累積超過25年經驗，涉足多個行業包括金融科技、媒體、酒店服務及石油化工等。

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

### 安殷霖女士

現年43歲，於2012年加入本集團，為本集團投資者關係與企業傳訊總監，負責與投資者和媒體之間的有效溝通。安女士擁有逾20年審核、管理諮詢、證券研究、資產管理及投資者關係方面的經驗，也是香港會計師公會會員及特許財務分析師。

### 李天熹先生

現年45歲，於2016年加入本集團，擔任總經理，負責本集團商業策略與分析、以及科技應用。李先生擁有逾20年高端統計分析經驗，曾在多間領先的商業數據分析公司負責諮詢及管理工作。

### 曾紹光先生

現年49歲，於1993年加入本集團，擔任總經理，負責本集團資訊設施及資訊科技的管理與開發。曾先生擁有逾27年資訊科技經驗。他現擔任香港貨品編碼協會香港物聯網產業諮詢委員會副主席(商業)。

### **Mr. Wong Kim-Ming, Mark**

Aged 58, joined the Group in 1986, is the assistant director responsible for the operation of Diamond Department and diamond manufacturing management of the Group. Mr. Wong has over 34 years of experience in the jewellery industry.

### **Mr. Cheng Ming-Chi**

Aged 48, joined the Group in 1994, is the senior manager responsible for managing and purchasing gemstones such as jadeite, colour stones and pearls for the Group. Mr. Cheng has over 25 years of experience in the jewellery industry.

### **Mr. Lau King-Ming**

Aged 53, joined the Group in 2013, is the general manager responsible for managing production and logistics capacities as well as the related infrastructures of the Group. Mr. Lau has over 30 years of management and consultancy experience.

### **Mr. Chan Yee-Pong, Alan**

Aged 48, joined the Group in 2010, is the general manager responsible for the branding and marketing management of the Group. Mr. Chan has over 25 years of experience in luxury branding and marketing.

### **Mr. Lam Hung-Shing, Max**

Aged 37, joined the Group in 2011, is the general manager responsible for the creative design and development of jewellery products. Mr. Lam has over 15 years of experience in jewellery design. He was awarded Hong Kong Ten Outstanding Designer Award in 2014 and was conferred Fellowship and Chartered Manager by Canadian Chartered Institute of Business Administration.

### **Mr. Wong-Tang, Alex**

Aged 61, joined the Group in 2000, is the general manager responsible for managing the Hong Kong and Macau Management Centre and Chow Tai Fook Fei Cui Testing Centre of the Group. Mr. Wong has over 45 years of experience in the jewellery industry. He holds an Executive Master's degree in Business Administration from The Chinese University of Hong Kong. He is also a Graduate Gemologist of the Gemological Institute of America and a Certified Gemmologist (Fei Cui) of the Gemmological Association of Hong Kong.

### **黃劍明先生**

現年58歲，於1986年加入本集團，擔任副總監，負責本集團鑽石部的營運及鑽石生產管理。黃先生於珠寶行業擁有逾34年經驗。

### **鄭明智先生**

現年48歲，於1994年加入本集團，擔任高級經理，負責本集團寶石，如翡翠、有色寶石及珍珠之管理和採購。鄭先生在珠寶行業擁有逾25年的經驗。

### **劉競明先生**

現年53歲，於2013年加入本集團，擔任總經理，負責管理本集團生產與物流的效能和相關基礎設施。劉先生擁有逾30年管理及顧問經驗。

### **陳義邦先生**

現年48歲，於2010年加入本集團，擔任總經理，負責本集團品牌管理及市場推廣工作。陳先生擁有逾25年名貴品牌管理及市場推廣經驗。

### **林鴻勝先生**

現年37歲，於2011年加入本集團，擔任總經理，負責珠寶產品創意設計與研發。林先生於珠寶設計領域擁有逾15年經驗。他曾獲評為「2014年香港十大傑出設計師」，及獲得加拿大特許管理學院授予院士及特許經理資格。

### **王騰先生**

現年61歲，於2000年加入本集團，擔任總經理，負責管理本集團之港澳營運管理中心和周大福翡翠鑒證中心。王先生於珠寶行業擁有逾45年經驗。他持有香港中文大學行政人員工商管理碩士學位，並為美國寶石學院的寶石鑒證師及香港寶石學協會的註冊認可寶石(翡翠)鑒證師。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Our “4Ts” for Corporate Governance

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

### 我們的企業管治「4Ts」原則

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

<p><b>Transparent</b> 可知</p>	<p>Implement transparent disclosures and constructive dialogues to foster genuine mutual understanding with stakeholders 透過透明公開的披露和建設性對話，徹底促進與持份者的相互了解</p>
<p><b>Thoughtful</b> 可頌</p>	<p>Embrace leaders with independent mindset, versatile expertise and business acumen who steer our long-term pursuit for sustainable business growth and attainment of common values with stakeholders 推舉具獨立思維、擁有全面的專業知識和商業頭腦的領袖，帶領我們長期追求可持續的業務增長和實現持份者的共同價值觀</p>
<p><b>Truthful</b> 可信</p>	<p>Uphold long-established culture of integrity to safeguard the fundamental interests of stakeholders and build trusting relationships with them 堅持長久建立的誠信文化，保障持份者的基本利益及彼此建立互信關係</p>
<p><b>Traceable</b> 可尋</p>	<p>Enhance accountability via institutionalised structures and measures to drive better utilisation of resources and fulfillment of stakeholders’ interests 通過制度化的架構和措施加強問責，以更有效運用資源和實現持份者的利益</p>

### Our Board Governance Framework

### 董事會管治架構

#### Board Structure

##### 董事會架構

P. 98-102頁

- Board of directors  
董事會
- Board committees  
董事委員會
- Responsibilities and main tasks  
職責和主要工作

#### Board Composition

##### 董事會組成

P. 103-109頁

- Board diversity  
董事會多元化
- Board refreshment  
董事會更新
- Director roles and functions  
董事的角色和職能
- Continuing professional development  
持續專業發展
- Remuneration  
薪酬

#### Board Operations

##### 董事會運作

P. 110-119頁

- Leadership and enablement  
領導及賦能
- Communication and information support  
溝通和訊息支持
- Compliance and accountability  
合規和問責
- Evaluation  
評價

#### Shareholder Communications

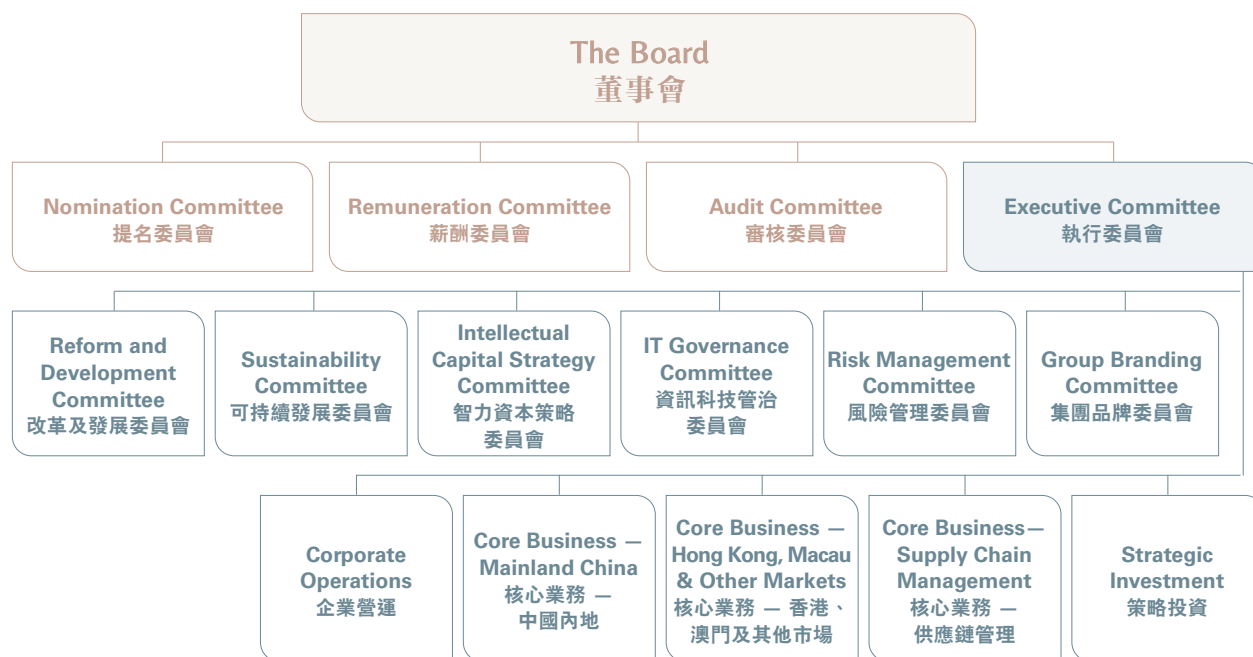
##### 與股東的溝通

P. 119-123頁

- Interactive engagement  
雙向互動關係
- Shareholder rights and other information  
股東權利和其他資料

## Board Structure

## 董事會架構



### Board of Directors

- Responsible for steering the sustainable success of the Group by overseeing the overall strategic direction, risk appetite and directing and supervising its affairs.
- Sets the Group's core values and adopts proper standards to ensure that the Company operates with integrity and being responsible to our shareholders and other stakeholders for the Group's performance.
- More details on main tasks, p.99.

### Nomination Committee, Remuneration Committee and Audit Committee

- Undertake governance duties as specified in their respective terms of reference.
- More details on main tasks, p.100-102.

### Executive Committee

- Supports the Managing Director to implement strategy and oversee operational performance.
- Being delegated with all the powers to act concerning the ordinary course of business.
- Matters beyond its delegated authority are reserved to the Board for decision.
- More details on main tasks, p.110-112.

### 董事會

- 負責監督整體策略方向、風險承受度並引領和督導本集團的事務，使本集團能夠持續成功。
- 確立本集團的核心價值和採納妥善的標準，確保本公司以誠信經營，並就本集團的表現對股東和其他持份者負責。
- 主要工作的更多詳情，請參閱第99頁。

### 提名委員會、薪酬委員會和審核委員會

- 執行其各自的職權範圍所列明的管治責任。
- 主要工作的更多詳情，請參閱第100-102頁。

### 執行委員會

- 協助董事總經理執行策略和監察營運表現。
- 獲授所有權限就日常業務行事。
- 其獲授權限以外的事宜由董事會作出決定。
- 主要工作的更多詳情，請參閱第110-112頁。

## Main tasks of the Board of Directors

## 董事會的主要工作

Area of focus 聚焦範疇	FY2020 (Number of meetings: 4) (會議次數：4)	Q1	Q2	Q3	Q4
Strategy planning and execution 策略規劃和執行	• Discuss on the medium to long term goals and strategies 討論中期至長期目標和策略				✓
	• Comment on the current strategic plan and financial budget 評議目前的策略計劃和財務預算	✓			✓
	• Receive strategic reports from the Managing Director 聽取董事總經理的策略報告	✓		✓	
	• Receive management reports from the Executive Committee 聽取執行委員會的管理報告	✓	✓	✓	✓
Business and financial performance 業務和財務表現	• Approve interim results and report, and interim dividend 批准中期業績和報告以及中期股息			✓	
	• Approve annual results and report, and recommend final dividend 批准年度業績和報告以及建議末期股息	✓			
	• Review quarterly performance and recent business development 檢討季度表現和近期業務發展		✓		✓
	• Review on industry trends and market outlook 檢視行業趨勢和市場前景		✓		✓
	• Receive the investors' feedback report 聽取投資者的回饋報告		✓		✓
Corporate governance 企業管治	• Receive reports from the Nomination Committee, Remuneration Committee and Audit Committee 聽取提名委員會、薪酬委員會和審核委員會的報告	✓		✓	✓
	• Approve the remuneration of independent non-executive directors 批准獨立非執行董事的薪酬	✓			
	• Consider/approve connected/continuing connected transactions 考慮/批准關連/持續關連交易		✓		✓
	• Review sustainability performance and approve the report 檢討可持續發展表現和批准相關報告	✓			
	• Approve proposed resolutions to put forward to the annual general meeting and the publication of related circular 批准提呈予股東週年大會的建議決議案和刊發相關通函	✓			
	• Private meeting between Board chairman and INEDs 董事會主席與獨立非執行董事的閉門會議	✓		✓	

During the year, the Board had more discussions on:

- Market opportunities in Mainland China and other Asian markets.
- Leveraging technology and data to uncover breakthrough business insights and develop products, services and experiences tailored to customer needs.
- Transforming customer engagement models by connecting internal and external resources and stakeholders in the eco-system.
- Medium to long term strategic framework in relation to business expansion and innovations.

年內，董事會對以下事宜進行更多的討論：

- 中國內地和其他亞洲市場的市場商機。
- 善用科技和數據以洞察突破性的業務機遇以及開發切合客戶需要的產品、服務和體驗。
- 連結內部和外部的資源以及生態圈的持份者，從而變革與顧客的互動模式。
- 有關業務拓展和創新的中期至長期策略框架。

## Main tasks of the Nomination Committee

## 提名委員會的主要工作

Area of focus 聚焦範疇	FY2020 (Number of meetings: 1) (會議次數：1)	FY2020	FY2019
Board performance assessment 董事會表現評估	<ul style="list-style-type: none"> <li>Benchmark to best governance practices 以最佳企業管治標準作衡量</li> <li>Discuss on a new work plan for fulfillment of the revised Corporate Governance Code and review the committee's terms of reference 因應經修訂企業管治守則討論新的工作計劃，並檢討委員會的職權範圍</li> <li>Evaluate on the structure, composition and size of the Board of Directors 評估董事會的架構、組成和規模</li> <li>Evaluate on the structure, roles and delegation of Board committees 評估董事委員會的架構、角色和職責分工</li> <li>Assess and confirm on the independence and time commitment of INEDs 評估和確認獨立非執行董事的獨立性和投入時間</li> <li>Review and monitor the continuing professional development of directors and senior management 檢討和監察董事和高級管理人員的持續專業發展</li> </ul>	✓	✓
Board composition review 董事會的組成檢討	<ul style="list-style-type: none"> <li>Discuss on the board mix of competence and diversity in perspectives required by future strategic needs 因應未來策略需要討論董事會所需的能力組合和多元化思維</li> <li>Analyse on the current board matrix, diversity objectives, and progress 分析目前的董事會組成、多元化目標和進度</li> </ul>	✓	✓
Board refreshment or succession 董事會更新或繼任	<ul style="list-style-type: none"> <li>Consider the planning for board refreshment with respect to INEDs 就獨立非執行董事考慮董事會更新計劃</li> <li>Advise on the preparation for management succession 就預備管理人員繼任提供意見</li> <li>Determine on the rotation and re-appointment of directors 決定董事的輪值和重新委任</li> </ul>	✓	✓
Directors' nomination and appointment 董事的提名及委任	<ul style="list-style-type: none"> <li>Establish board nomination policy and review Board diversity policy 制定董事會提名政策和審閱董事會多元化政策</li> <li>Nomination, selection and appointment of new directors 提名、甄選和委任新董事</li> <li>Review the relevant disclosures in annual report and circular 審閱年報和通函的相關披露</li> <li>Formulate induction guideline for new directors 制定新董事的啟導指引</li> </ul>	✓	✓

After intensive works being carried out by the Nomination Committee to facilitate board refreshment in last financial year, this year the Nomination Committee has put more emphasis on:

提名委員會上一財政年度進行了密集的工作以促成董事會更新後，在本年度更多關注以下事項：

- The learning needs of directors and senior management that are essential for the achievement of strategic goals or performance of governance duties.
- Onboarding induction for new directors to enable them to make contributions soonest after their appointment.
- 董事和高級管理人員為達成策略目標或履行管治責任所需要的學習。
- 協助新董事上任後可盡快作出貢獻的入職啟導。

## Main tasks of the Remuneration Committee

## 薪酬委員會的主要工作

Area of focus 聚焦範疇	FY2020 (Number of meetings: 2) (會議次數: 2)	Q1	Q4
Performance and rewards for directors and senior management 董事及高級管理人員的表現和獎勵	<ul style="list-style-type: none"> <li>Assess on the Company's performance and remuneration level for directors 評價公司表現和董事的薪酬水平</li> <li>Determine the remuneration packages and annual adjustments for executive directors and senior management 釐定董事及高級管理人員的薪酬待遇和年度調整</li> <li>Consider comparable benchmarking and performance of individual directors 考慮可比性指標來衡量個別董事的表現</li> <li>Review on the mechanism of long term incentives for directors 檢討董事的長期獎勵機制</li> </ul>	✓	✓
Remuneration policy and mechanism 薪酬政策和機制	<ul style="list-style-type: none"> <li>Supervise on the remuneration policy and structure for directors and employees 監督董事和僱員的薪酬政策和結構</li> <li>Endorse the remuneration strategy for senior management and key employees 通過高級管理人員和關鍵僱員的薪酬策略</li> <li>Review the market pay trends and endorse the annual staff budget for increment 檢討市場薪金趨勢和通過員工年度加薪預算</li> </ul>	✓	✓
Strategic intellectual capital development 策略性智力資本發展	<ul style="list-style-type: none"> <li>Discuss on the intellectual capital risk and strategic focus 討論智力資本風險和策略重點</li> <li>Review the progress and effectiveness of enhancements in intellectual capital strategies for future needs 檢視為切合未來需要而提升智力資本策略的進度和成效</li> </ul>	✓	✓

During the year, the Remuneration Committee has increased attention on:

年內，薪酬委員會更為關注以下事項：

- Career development of the future generation of leaders, which paves the way for management succession.
- Nurturing self-motivating and innovative culture in the whole organisation.
- Synchronisation on the corporate vision, mission and values.
- 未來一代領導人才的事業發展，為管理人員繼任鋪路。
- 培育整個組織內的自發性和創新文化。
- 協同企業願景、使命和價值。

## Main tasks of the Audit Committee

## 審核委員會的主要工作

Area of focus 聚焦範疇	FY2020 (Number of meetings: 3) (會議次數：3)	Q1	Q3	Q4
Strategic alignment 策略協作	<ul style="list-style-type: none"> <li>Understand the digital transformation of finance function 了解財務功能的數碼轉型</li> <li>Review the adequacy of resources supporting the finance, governance and internal audit function 檢討財務、管治和內部審核功能的資源充足度</li> <li>Comment on the work priorities of policy governance, risk management and internal audit 衡量管治制度、風險管理和內部審核方面的工作重點</li> </ul>		✓	✓
Risk management and controls 風險管理和控制	<ul style="list-style-type: none"> <li>Receive reports from Risk Management Committee 聽取風險管理委員會的報告</li> <li>Receive reports from Internal Audit Department 聽取內部審核部的報告</li> <li>Receive reports from the Group Policies and Controls Department 聽取集團制度監督部的報告</li> </ul>	✓	✓	✓
Corporate governance 企業管治	<ul style="list-style-type: none"> <li>Annual review on the effectiveness of risk management and internal control systems, and external and internal audit 年度檢討風險管理和內部監控系統的有效性，以及外部及內部審核</li> <li>Annual review on the continuing connected transactions 檢視年度內的持續關連交易</li> <li>Review compliance with the Corporate Governance Code 檢視企業管治守則的遵行情況</li> <li>Review disclosures in the results announcements, interim and annual reports and sustainability report 檢閱業績公告、中期報告及年報和可持續發展報告的披露</li> <li>Evaluate the committees' works and planning for the next year 評價委員會的工作和下年度的計劃</li> </ul>	✓		✓
Financial statements 財務報表	<ul style="list-style-type: none"> <li>Receive the management's analysis on the business and financial review 聽取管理層對業務和財務回顧的分析</li> <li>Review significant accounting policies, finance controls and financial reporting system 審視重大會計政策、財務監控及財務報告系統</li> <li>Review the presentation and disclosures of the financial statements for the Group's interim and annual results 檢閱集團中期報告及年報財務報表的呈報和披露</li> </ul>	✓	✓	
External auditor 外部核數師	<ul style="list-style-type: none"> <li>Comment on the annual audit plan 對年度審核計劃提供意見</li> <li>Receive auditor's audit report, or interim review report 聽取核數師的審核報告或中期回顧報告</li> <li>Private meeting with auditor 與核數師舉行閉門會議</li> <li>Review on the independence and objectivity, performance and fees of auditor, and recommend on their re-appointment 審視核數師的獨立性和客觀性、表現和費用，以及建議重新委任</li> </ul>	✓	✓	✓

During the year, the Audit Committee has increased attention on:

年內，審核委員會更加關注以下事項：

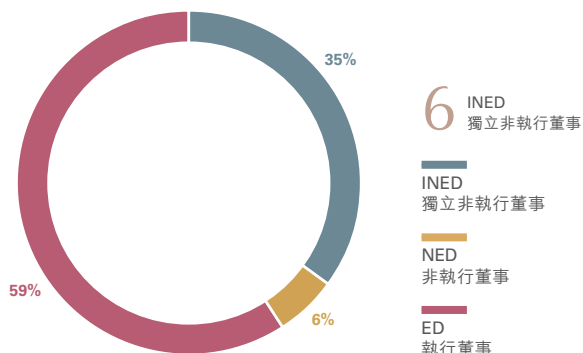
- Operational efficiency of the information system and workflows, which is essential to maintain effective internal controls over the business operations with increasing volume and speed.
- Maturity of the information security framework and readiness of response plan for cyber-attacks.
- Impact of emerging new technologies, in particular on the evolution of information systems.
- 資訊系統和工作流程的營運效率，足以對持續增量和增速的業務營運維持有效的內部監控。
- 資訊安全體系的成熟程度和對網絡攻擊的應變計劃。
- 新興科技帶來的影響，尤其對於資訊系統的演變。



## Board Composition

The Board consists of 17 directors.

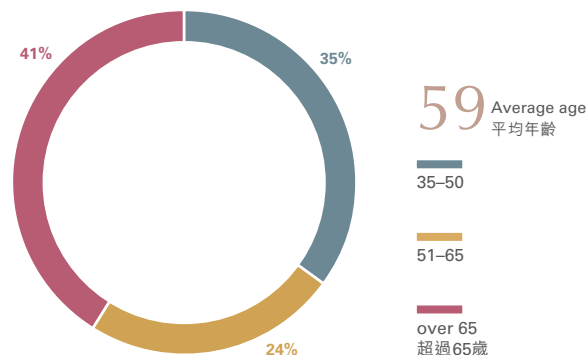
### Independence 獨立性



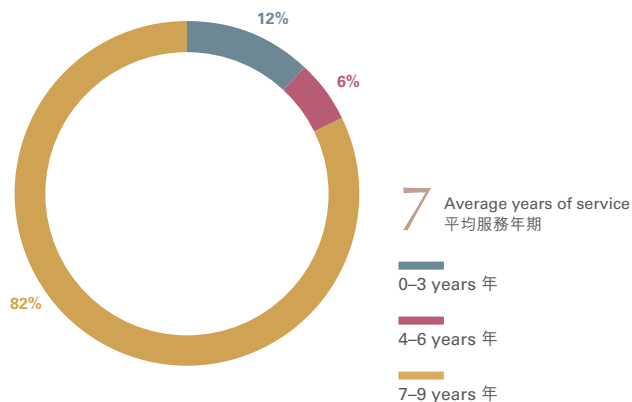
## 董事會組成

董事會由 17 名董事組成。

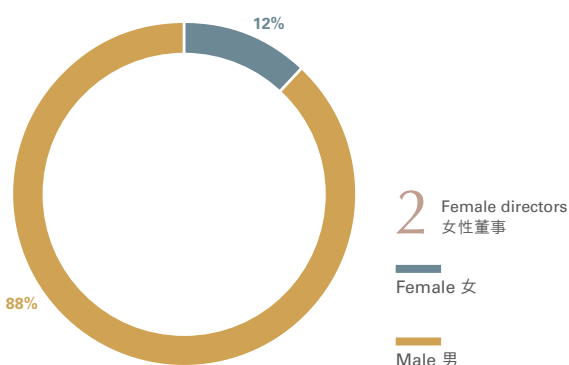
### Age 年齡



### Board tenure 董事會任期



### Gender 性別



## Our Board diversity policy

- Appropriate combination of competency and diversity of perspectives in order to achieve the Company's long term goal and strategy.
- Thorough considerations in board decision-making leverage on broader insights and risk intelligence, as well as better understanding on customers and stakeholders.
- A broad concept of diversity attributable to various attributes:
  - Personal skills and professional knowledge
  - Regional and industry experience, reach to stakeholders
  - Gender, age, length of service and other qualities

## 董事會多元化政策

- 以合適的能力組合和多元視野，以達致本公司的長期目標和策略。
- 董事會獲得更廣博的智慧和風險觸覺在決策時作出透徹考慮，以及更佳地理解顧客及持份者。
- 視多元化為一個宏觀概念包括各類因素：
  - 個人技能和專業知識
  - 地區和行業經驗、與持份者的連繫
  - 性別、年齡、服務年期和其他質素

## Our current board mix of knowledge and experience

### Broad business exposures

- Typical industries: retailing, manufacturing, property development
- Emerging sectors serving for customers' lifestyle and enjoyments:
  - Lifestyle products and fashion
  - Leisure and entertainment
  - Travel and hospitality
  - Technology and innovation
  - Healthcare, finance and insurance
- Connections with commercial leaders, public bodies and community groups.

### Worldwide market experience

- Mainland China and Hong Kong, China
- European and the United States markets

### Diverse professional knowledge

- Expertise in retail and jewellery
- Corporate strategies and risk management
- Listed company governance
- Capital market and finance
- Technology and data analytics

## Our diversity objectives for the future Board

- Proven experience in young generation market and business innovations.
- A broad spectrum of connections and intelligence across multiple commercial fields.
- Idea crossovers and collaborative innovations along the consumers' value chain in a wider market.
- Together contribute to high standards of corporate governance and stakeholders' interests.
- The joining of two female and young directors in April 2019 has contributed to a desirable Board mix in view of gender and age diversity.

## 現屆董事會的知識和經驗組合

### 廣泛的商業背景

- 典型行業：零售、製造、物業發展
- 與消費者生活享受有關的新興行業：
  - 生活品味和時尚產品
  - 休閒和娛樂
  - 旅遊和酒店
  - 科技和創新
  - 保健、金融和保險
- 與商界領袖、公共組織和社區團體的連繫。

### 環球市場經驗

- 中國內地和中國香港
- 歐洲和美國市場

### 多元的專業知識

- 零售和珠寶專業
- 企業策略和風險管理
- 上市公司管治
- 資本市場和財務
- 科技和數據分析

## 未來董事會的多元化目標

- 具備對年輕市場和業務創新的實際經驗。
- 跨越不同商業範疇擁有廣泛聯繫和商業智慧。
- 環繞消費者價值鏈更廣闊的市場上推動跨界意念和合作創新。
- 共同為提高企業管治水平和持份者權益作出貢獻。
- 2019年4月兩名年輕女性董事的加入，使董事會的組合在性別和年齡多元化方面，變得更為理想。

## Board refreshment

## 董事會更新

### Board nomination

### 董事會提名

#### Nomination policy and process

#### Status update

##### 提名政策和程序

##### 情況更新

Stage 1 Preparation 第一階段 預備	<ul style="list-style-type: none"><li>Look into future challenges, opportunities, business model and strategic goals 探討未來的挑戰、機遇、業務模式和策略目標</li><li>Identify desirable perspectives and experience an optimal Board requires 識別理想董事會需要的視野和經驗</li><li>Evaluate the strengths and weaknesses of the current Board composition 評估現屆董事會組成的強弱項</li><li>Set out requirements and objectives in searching for potential candidate(s) 制定物色潛在候選人的要求和目標</li><li>Propose the timeline for Board refreshment 建議董事會更新的時間表</li></ul>	Reviewed in FY2019 2019財政年度已檢討 <ul style="list-style-type: none"><li>Business innovation 業務創新</li><li>Customer experience 顧客體驗</li><li>Gender and age diversity 性別和年齡多元化</li></ul>
Stage 2 Nomination 第二階段 提名	<ul style="list-style-type: none"><li>Invite nomination of candidates from Board members or professional consultants 邀請董事會成員或專業顧問提名候選人</li><li>Consider a broad range of candidates who are in and outside of the Board's circle 廣泛考慮董事會圈子內外的候選人</li><li>Meet with the shortlisted candidates and then evaluate on the suitability 與入圍候選人會面並評估其是否合適</li><li>Put forward the recommendation to the Board, including the role and function, and committee membership 向董事會提呈推薦建議，包括角色和職能，以及委員會成員身份</li></ul>	Nominated in FY2019 2019財政年度提名 <ul style="list-style-type: none"><li>Ms. Cheng Ka-Lai, Lily 鄭嘉麗女士</li><li>Ms. Cheng Chi-Man, Sonia 鄭志雯女士</li></ul>
Stage 3 Appointment 第三階段 委任	<ul style="list-style-type: none"><li>The Board considers the recommendation and decides on the appointment 董事會考慮建議和決定委任</li><li>Determine the communication and transition plan, as well as induction activities 釐定溝通計劃和過渡安排，以及啟導活動</li><li>Publish an announcement, fulfill statutory filings and issue letter of appointment 刊發公告、完成法定申報並發出委任函</li><li>Propose the re-election of the newly appointed director in the next general meeting 在下一個股東大會建議重選新委任董事</li></ul>	FY2020 2020財政年度 <ul style="list-style-type: none"><li>Appointment letters 委任函</li><li>Onboard and re-election 上任和重選</li><li>Induction activities 啟導活動</li></ul>

#### Management succession planning

#### 管理層繼任計劃

- Enrich the roles played by young management by allocating challenging assignments for the achievement of the Group's sustainable development.
  - Create strategic task force and career advancement opportunities for them.
  - Provide comprehensive training and development programmes.
  - Design attractive incentive schemes to reward outstanding performance.
- 委派具挑戰性的任務給年輕管理人員，以促成本集團的可持續發展中有更大的發揮。
  - 為他們創立策略性專案小組和晉升機會。
  - 提供全面培訓和發展計劃。
  - 設計具吸引力的獎勵計劃以激勵傑出表現。

## Director roles and functions

Our Board is collectively responsible and accountable to our shareholders for the Group's performance.

	Number of directors 董事數目	INED 獨立非執行董事	Executive and non-executive directors 執行董事及非執行董事
Board of Directors 董事會	17	35%	65%
Nomination Committee 提名委員會	7	71%	29%
Remuneration Committee 薪酬委員會	6	67%	33%
Audit Committee 審核委員會	4	100%	0%
Executive Committee 執行委員會	10	0%	100%

The profile, role and function of each director, their relationship with each other and the membership of the board committees are set out on p.78-93.

### Chairman, Dr. Cheng Kar-Shun, Henry

- Provides leadership for the Board and ensures that the Board works effectively.
- Oversees strategic direction and overall performance of the Group.

### Non-executive directors (including INEDs)

- Bring strategic insights to the Board driving for long term value.
- Exercise independent judgement on the strategy, performance and risks of the Group.
- Balance the interests of the Company, shareholders and stakeholders.
- INEDs act as chairmen or members of major Board committees and undertake detailed governance work under the respective terms of reference.
- Being appointed for a term of three years, subject to retirement by rotation in accordance with the Articles.

### Managing Director, Mr. Wong Siu-Kee, Kent

- Formulates and recommends the strategy of the Group to the Board.
- Leads the management team to execute the strategy agreed by the Board and is responsible for the overall business and operations of the Group.

### Other executive directors

- Each has his own strategic and/or management responsibilities.
- Support the Managing Director to oversee the execution of corporate strategies and supervise on the business and operations.

### Directors' time commitment

Based on assessment with reference to a number of factors:

- Directors' confirmation
- Meeting attendance rate
- Preparation for and degree of participation in meetings
- Participation in continuing professional development to keep abreast of knowledge relevant to the directors' duties

The Nomination Committee is of the view that all directors, including INEDs, have given sufficient time and attention to the Company's affairs.

## 董事的角色和職能

董事會就本集團的表現共同向股東負責及問責。

	INED 獨立非執行董事	Executive and non-executive directors 執行董事及非執行董事
Board of Directors 董事會	35%	65%
Nomination Committee 提名委員會	71%	29%
Remuneration Committee 薪酬委員會	67%	33%
Audit Committee 審核委員會	100%	0%
Executive Committee 執行委員會	0%	100%

各董事履歷、職務及職能、彼此之間的關係以及董事委員會的成員載於第78-93頁。

### 主席 — 鄭家純博士

- 領導董事會並確保董事會有效運作。
- 督導策略方針和本集團的整體表現。

### 非執行董事 (包括獨立非執行董事)

- 為董事會帶來策略性見解以提升長期價值。
- 對本集團的策略、表現和風險作出獨立判斷。
- 平衡本公司、股東及持份者之間的利益。
- 獨立非執行董事擔任主要董事委員會的主席或成員，並根據各自的職權範圍進行實際的管治工作。
- 根據細則，委任期為三年，並須輪席退任。

### 董事總經理 — 黃紹基先生

- 制定並向董事會建議本集團的策略。
- 領導管理團隊執行董事會同意的策略，並負責本集團的整體業務和營運。

### 其他執行董事

- 各董事均有本身的策略性及／或管理責任。
- 協助董事總經理監督企業策略的執行和督導業務營運。

### 董事的時間投入

以參照多項因素後的評核結果為基礎：

- 董事的確認
- 會議出席率
- 會議的準備和參與度
- 參與持續專業發展以緊貼與董事職責相關的知識

提名委員會認為，全體董事(包括獨立非執行董事)已對本公司的事務給予充足的時間和關注。

		Number of meetings attended/eligible to attend for FY2020 2020財政年度出席/合資格出席會議次數					Continuing professional development 持續專業發展
		Annual General Meeting 股東週年大會	Board Meeting 董事會會議	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	
<b>Executive Directors</b>	<b>執行董事</b>						
Dr. Cheng Kar-Shun, Henry	鄭家純博士	1/1	3/4 <sup>C</sup>	1/1	2/2	-	✓
Mr. Wong Siu-Kee, Kent	黃紹基先生	1/1	4/4	1/1	2/2	-	✓
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士	1/1	4/4	-	-	-	✓
Mr. Cheng Chi-Heng, Conroy	鄭志恒先生	1/1	4/4	-	-	-	✓
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	1/1	4/4	-	-	-	✓
Mr. Chan Sai-Cheong	陳世昌先生	1/1	4/4	-	-	-	✓
Mr. Suen Chi-Keung, Peter	孫志強先生	1/1	4/4	-	-	-	✓
Mr. Chan Hiu-Sang, Albert	陳曉生先生	1/1	4/4	-	-	-	✓
Mr. Liu Chun-Wai, Bobby	廖振為先生	1/1	4/4	-	-	-	✓
Mr. Cheng Kam-Biu, Wilson	鄭錦標先生	1/1	4/4	-	-	-	✓
<b>Non-executive Director</b>	<b>非執行董事</b>						
Ms. Cheng Chi-Man, Sonia	鄭志雯女士	0/1	4/4	-	-	-	✓
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>						
Dr. Fung Kwok-King, Victor	馮國經博士	1/1	4/4	1/1 <sup>C</sup>	2/2	-	✓
Dr. Or Ching-Fai, Raymond	柯清輝博士	1/1	4/4	1/1	2/2 <sup>C</sup>	3/3	✓
Mr. Kwong Che-Keung, Gordon	鄺志強先生	1/1	4/4	-	2/2	3/3 <sup>C</sup>	✓
Mr. Cheng Ming-Fun, Paul	鄭明訓先生	1/1	3/4	1/1	-	2/3	✓
Mr. Lam Kin-Fung, Jeffrey	林健鋒先生	1/1	4/4	1/1	-	3/3	✓
Ms. Cheng Ka-Lai, Lily	鄭嘉麗女士	1/1	4/4	1/1	2/2	-	✓

Note:

C represents the chairman of Board or the relevant Board committees

✓ All directors have submitted their training records for the year, showing that each of them has fulfilled the training requirement by participating in the activities on p. 108 organised by the Company.

附註：

C 指董事會或相關董事委員會的主席

✓ 全體董事已提交本年度的培訓記錄，其中顯示各人參與本公司籌辦第108頁所載的活動，已履行培訓要求。

## Conflict of Interest and Independence

### Nomination Committee's annual review on INEDs' independence

Based on the review of a number of factors:

- Potential conflict of interest
- Nature and amount of business relationship and transactions with the Group during the year
- The number and nature of offices held in listed public companies, organisations and other significant commitments
- Each INED's annual confirmation of independence received by the Company

The Board is of the view that all INEDs are independent, free from any business or other relationship which could materially interfere with the exercise of their judgement.

## 利益衝突和獨立性

### 提名委員會對獨立非執行董事的獨立性的年度審查

其已審查多項因素：

- 潛在的利益衝突
- 年內與本集團的業務關係、交易的性質和金額
- 在其他上市公司、組織和其他主要承擔的崗位性質和數目
- 本公司接獲各獨立非執行董事作出的獨立性年度確認

董事會認為，所有獨立非執行董事均具獨立性，並無任何可能對他們行使判斷而構成重大干擾的任何業務或其他關係。

## Continuing professional development

- Align knowledge and experience acquisition with a view to driving performance towards our strategic goals and exercising critical oversight on risk and performance.
- Sharpen the strategic vision and competency in embracing the era of innovation and disruption.
- Foster a Board culture of ongoing learning and knowledge sharing.

## Our approach to ongoing learning

- Organise Board seminars, management forums and workshops on themes relevant for propelling the business priorities, where our leaders can interact with inspirational guest speakers.
- Arrange on-site visits to explore on the competitive edges of other advanced organisations.
- Custom-made newsletters sharing articles and videos related to the Board's hot topics.
- Conduct surveys for the Nomination Committee to understand learning needs of each director and analyse the directors' training records to prioritise the Board education activities.

## Onboarding induction

- Assist incoming directors to have proper understanding on business and operations, strategies and competitive environment, and directors' duties.
- Help the new directors to get an understanding of the Board culture and corporate culture.
- Efficient and tailor-made on needs, depending on their Board roles, their expertise and experience, enabling them to make contributions as early as possible to the Board, particularly on providing advice on the strategies.

## Induction activities in FY2020

- Briefing sessions.
- Networking luncheon with other Board members and management presentation on "Our journey to digital transformation".
- Site visits to understand how we enhance customer experience with technology, and the status of multi-brand development and innovative projects.
- Online resources centre for directors:
  - Business model and strategies
  - Industry trends and market profiles
  - Business and financial performance
  - Statutory duties and responsibilities of directors
  - Corporate governance policies
- Ms. Lily Cheng was invited to share on the topic "Digital transformation in offline retail" in a Board and management seminar. In preparing this, Lily met with our management teams and visited our facilities to understand the Group's existing plans and needs.
- Ms. Sonia Cheng was invited to sit in the Executive Committee meetings, during which she has explored collaborative opportunities to better serve common customers with other companies.

## 持續專業發展

- 獲取所需知識和經驗以提升表現，從而達成我們的策略目標，以及嚴謹監察其風險和成效。
- 提升策略性思維和能力以擁抱創新變革的年代。
- 推動董事會持續學習和分享知識的文化。

## 我們的持續學習方式

- 就推動業務關鍵工作相關的主題組織董事會講座、管理層論壇和工作坊，邀請演講嘉賓與我們的領導人員互動並啟發思維。
- 安排實地考察調研，以探索其他先進企業的競爭優勢。
- 制作度身選材的通訊，與董事會分享熱門話題相關的文章和視頻。
- 為提名委員會進行問卷調查，以了解各董事的學習需要，並透過分析其培訓記錄，安排董事會學習活動的優先次序。

## 入職啟導

- 協助新任董事對業務營運、策略和競爭環境，以及董事職責有適當的理解。
- 協助新董事了解董事會和企業文化。
- 視乎董事的角色、專長和經驗而作有效且定制最合適的安排，使他們能夠盡快為董事會作出貢獻，尤其是在策略方面提供意見。

## 2020財政年度的啟導活動

- 簡介會。
- 與其他董事會成員聯誼的午餐會，並聽取管理層有關「集團數碼化轉型旅程」的簡報。
- 實地視察我們如何以科技提升顧客體驗，以及多品牌的發展和創新項目的情況。
- 董事專用線上啟導資源中心：
  - 業務模式和策略
  - 行業趨勢和市場狀況
  - 業務和財務表現
  - 董事的法定職責和責任
  - 企業管治政策
- 鄭嘉麗女士獲邀在董事會暨管理層講座分享「線下零售的數碼化轉型」。為準備該講座，鄭女士與管理層團隊會面，並視察我們的設施以理解本集團的現有計劃和需要。
- 鄭志雯女士獲邀出席執行委員會會議，會上鄭女士探索了集團與其他公司一起為共同顧客提供更佳服務的合作機會。

## Remuneration

- Put in place a well-designed incentive system to attract, motivate and retain talented corporate leaders in order to support the achievement of long- and short-term strategic goals of the Group as well as to promote value creation for the benefit of the shareholders.
- Offer fair and competitive reward levels to ensure comparability with companies listed in Hong Kong competing for talents with similar leadership qualities, with special emphasis on the Asian-focused jewellery companies.

## 薪酬

- 設計完善的獎勵制度，以吸引、激勵和留住具才幹的企業領導人才，從而支持本集團達成長期和短期策略目標，以及為股東的利益推動價值創造。
- 提供公平和具競爭力的獎勵，確保可與其他香港上市公司(尤其是以亞洲為重心的珠寶公司)相比，以吸引到具備相若領導能力的人才。

## Executive directors

## 執行董事

### Fixed portion

#### 固定部份

- Salaries, benefits and pension  
基本薪金、福利和退休金
- Director's fee  
董事袍金

### Variable portion

#### 浮動部份

- Discretionary bonus linked with the Company's performance as follows:
  - the current year's profitability
  - the increase in share price of the Company in a period of time over the benchmark與本公司表現掛鈎的酌情花紅如下：
  - 該年度的盈利能力
  - 於一段期間內，公司股價較指標股價的增幅

- Incentive-based, with a significant portion of variable portion correlated with the short term profitability and long term value of the Company.
- Alignment of their rewards with the performance of the Company and interests of its shareholders.
- Determined by the Remuneration Committee.

- 激勵為本，有相當比例的浮動部份與本公司的短期盈利能力和長期價值掛鈎。
- 將他們的獎勵與本公司表現和股東利益掛鈎。
- 由薪酬委員會決定。

## Independent non-executive directors

## 獨立非執行董事

### Fixed portion

#### 固定部份

- Director's fee  
董事袍金

### Variable portion

#### 浮動部份

- Discretionary bonus linked with:
  - the increase in share price of the Company in a period of time over the benchmark酌情花紅，與以下掛鈎：
  - 於一段期間內，公司股價較指標股價的增幅

- Offer appropriate level of remuneration to attract and retain high calibre directors with sufficient governance experience and independence in thinking so that their views carry weight in the Board.
- Proportionate to the time commitment and workloads of Board committees they serve.
- Benchmarked against market practice, according to their roles, responsibilities and time commitment.
- Determined by the Board, after discussions in the Remuneration Committee.

- 提供合適的薪酬吸引和留住具備充份管治經驗和獨立思考的優秀董事，使其意見對董事會具有影響力。
- 與其服務董事委員會的時間投入和工作量成正比。
- 按照其角色、責任和時間投入與市場慣例具可比性。
- 在薪酬委員會討論後，由董事會作出決定。

More details on directors' remuneration for FY2020, p. 218.

有關董事於2020財政年度的薪酬進一步詳情，請參閱第218頁。

## Board Operations

### Leadership and enablement

## 董事會運作

### 領導與賦能

Area of focus 聚焦範疇	Main tasks of the Executive Committee 執行委員會的主要工作	
<b>Strategy</b> 策略	<ul style="list-style-type: none"><li>• Competition and market development strategy 競爭和市場發展策略</li><li>• Customer strategy and business model 顧客策略和業務模式</li></ul>	<ul style="list-style-type: none"><li>• Investment and acquisition strategy 投資和收購策略</li><li>• Intellectual capital and IT strategy 智力資本和資訊科技策略</li></ul>
<b>Execution</b> 執行	<ul style="list-style-type: none"><li>• Business targets and progress tracking 業務目標和進度追蹤</li><li>• Goals and reward system for the management 管理人員的目標和獎勵制度</li></ul>	<ul style="list-style-type: none"><li>• Investment budget and appraisal 投資預算和評估</li><li>• Organisation and management structure 組織和管理架構</li></ul>
<b>Monitoring</b> 監察	<ul style="list-style-type: none"><li>• Business alignment with strategies and risk appetite 業務發展配合策略和風險承受度</li><li>• Efficiency in operations and use of resources 營運和資源使用效率</li></ul>	<ul style="list-style-type: none"><li>• Compliance with laws and regulations 遵守法律和法規</li><li>• Corporate culture and ethics 企業文化和道德</li></ul>
<b>Accountability</b> 問責	<ul style="list-style-type: none"><li>• Governance policy and practices 管治政策和慣例</li><li>• Investors' perspectives 投資者的角度</li></ul>	<ul style="list-style-type: none"><li>• Social and environmental objectives 社會和環保目標</li></ul>

### Strategy planning

- Formulate market driven and customer focused strategies to achieve performance targets and strategic goals endorsed by the Board.
- Organise broad-based engagement activities from top-down to align strategic vision and encourage collaborations across functions:
  - Large group: strategy forum, annual retreat and inspirational expert briefings on topics such as industry and market assessment, competitive review, customer profile and segmentation
  - Small group: interview, focus group and innovation panels on topics such as analysing market signals, analysing on opportunities and threats of our own value chain
- Connect bottom-up proposals to the medium to long term strategic map:
  - Review strategies, annual plans, business targets and financial budgets submitted by business segments
  - Validate the consistency and effectiveness of these annual plans on their assumptions such as competition landscape, customers proposition, business model and required level of return to shareholders etc.

### 策略規劃

- 按市場驅動和顧客為中心制定策略，以達致董事會認可的績效目標和策略性目標。
- 組織由上而下的廣泛互動活動，以協同策略性視野和鼓勵職能之間的合作：
  - 大型：策略規劃論壇、年度集思會和專家演講以啟發思維，內容有關於行業和市場評估、競爭格局、消費者特性和細分等話題
  - 小型：訪談、焦點小組和創新小組，內容有關於分析市場信號、分析本身價值鏈的機遇和威脅等話題
- 將由下而上的建議融入中期至長期的策略藍圖：
  - 審閱業務分部提交的策略、年度計劃、業務目標和財務預算
  - 驗證這些年度計劃的假設是否一致及可行，包括競爭格局、消費者價值觀、業務模式和股東回報要求等。



## Strategy execution

## 策略執行



- Hold monthly Executive Committee meetings to review the performance reports, monitor the progress of strategy implementation, financial budget and analyse the effectiveness of business drivers in order to review and make timely adaptations.
  - Supervise on critical aspects of the major business segments such as strategic prioritisation, resources allocation and performance measurement, the planning and building of profit drivers and budgets, managing the portfolios of products and customers and so on.
  - Connect the dots in a flat organisation structure under a customer-centric approach to promote synergies among the Group, as well as aligning various strategies on talent, reward, culture, risk appetite and controls.
  - Set up and supervise on the management committees, which assist in the strategic planning for relevant areas and supervise the attainment of the Group's objectives.
  - Report back to the Board on the performance of the Group.
- 每月舉行執行委員會會議，以聽取表現報告、監督策略執行的進度、財務預算，並衡量業務動能的成效，以適時檢討和調整。
  - 督導主要業務分部的關鍵範疇，例如策略的重心優先、資源分配和績效計量、規劃和建立盈利動力和預算、管理產品和顧客組合等。
  - 在扁平的組織架構內做協調，以顧客為中心之方法連點成線，以促進協同效益，同時將人才、薪酬、文化、風險承受度和監控與企業策略相互契合。
  - 成立和督導管理委員會，就有關範疇協助規劃策略和督導本集團各項目標的達成。
  - 向董事會匯報本集團的表現。

## Scope of work of the major management committees

### 主要管理委員會的工作範疇

#### Reform and Development Committee

##### 改革及發展委員會

- Drive business innovation and transformation to achieve sustainable growth of the Group's business  
推動業務創新和轉型，以達致本集團業務的可持續增長
- Supervise on the reforms along the value chain and the business model  
督導價值鏈和業務模式的變革

#### Sustainability Committee

##### 可持續發展委員會

- Promote responsible growth which interlocks social purposes with the Group's business and operations and evaluate on ESG (environmental, social and governance) risks  
推動將社會目的與本集團業務營運聯繫的負責任增長，並評估環境、社會及管治風險
- Monitor on the achievement of the Group's centennial commitments in relation to four priority areas: responsible sourcing; craftsmanship, innovation and technology; resource efficiency and carbon reduction; and people focused  
監察本集團達致有關合乎責任採購、傳承創新、資源效益及減碳，以及以人為本四大重點範圍的百年承諾

#### Intellectual Capital Strategy Committee

##### 智力資本策略委員會

- Formulate major intellectual capital strategies and policies to support the Group's business transformation and sustainability  
制定主要智力資本策略和政策，以支持本集團的業務轉型和可持續發展
- Monitor the progress of major intellectual capital enhancement projects  
監察主要智力資本提升項目的進度

#### IT Governance Committee

##### 資訊科技管治委員會

- Formulate major IT strategies and governance policies to enable the Group's business transformation and operational efficiencies  
制定主要的資訊科技策略和管治政策，使本集團可達致業務轉型和營運效率
- Monitor the progress of major projects on IT infrastructure, system development, data governance and information security  
監察資訊科技基建、系統開發、數據管治和資訊安全等主要項目的進度

#### Risk Management Committee

##### 風險管理委員會

- Build an enterprise risk management framework and policies  
建立企業風險管理框架和政策
- Review on the Group's major risks and supervise on the mitigation measures  
檢視本集團的主要風險和督導改善措施

#### Group Branding Committee

##### 集團品牌委員會

- Direct the brand vision, mission and values and corporate image  
指導品牌願景、使命和價值以及企業形象
- Supervise on the multi-brand strategy, including brand positioning, image and marketing strategy  
督導多品牌策略，包括品牌定位、形象和營銷策略

## Communication and information support

### Board communication

- Focus the Board's time and dialogues on key aspects of strategy, risk and performance.
- Enable meeting efficiency with high quality information.
- Make sure the questions raised or matters arising from meetings are followed up.
- Arrange private session between Board chairman and INEDs.
- Provide prompt assistance and advice by the company secretary.

### Meeting schedule and agenda planning

- Schedule meeting dates and provisional agenda one year in advance, in line with the annual corporate planning and reporting cycle, particularly for items requiring Board approval.
- Coordinate the Board and committee meetings to pursue the strategic goals altogether and reflect on the forward meeting plans.
- Reallocate the Board's time between strategy, operational performance and governance and compliance matters according to the Board priorities changing over time.
- Include outward and forward looking agenda items for the Board to chart the course ahead, encourage interactions and insights.

### Board paper preparation

- Search for broad-based information that is most relevant and valuable to the current decision or action that need to be taken by the Board.
- Being concise and focused on priorities, objective and analytical on facts.
- Set out relevant considerations and implications in the meeting papers that the Board should be aware of.
- Make it clear on what action or input is needed from the Board.
- Distribute Board papers early enough for directors to consider the matters thoroughly before the meetings.
- Provide access to the current and the past Board papers and minutes record via Board meeting apps.

## 溝通和訊息支持

### 董事會溝通

- 把董事會的時間和討論聚焦於關鍵的策略、風險和表現。
- 以高質量資訊令會議有效率地進行。
- 確保要跟進會議中提出的問題或事宜。
- 安排董事會主席與獨立非執行董事閉門會議。
- 公司秘書提供及時的協助和意見。

### 會議安排和議程規劃

- 一年前預先安排會議日期和臨時議程，配合公司的年度計劃和報告週期，特別是需要董事會批准的事項。
- 協調董事會和委員會會議為達致戰略目標共同籌謀，並設計未來的會議議程。
- 因應董事會關注重點優次的不時變動，重新分配董事會在審視策略、營運表現和管治和合規事宜之間的時間。
- 加入外向型和前瞻性議程項目，促使董事會思考未來路線、鼓勵互動和表達見解。

### 準備董事會文件

- 從多個來源搜尋與目前董事會需作出的決定或工作最相關和最有價值的資訊。
- 注重文件的簡潔、權衡重要性、目的和事實的分析。
- 於會議文件列載董事會就有關事宜應該關注的考慮和影響。
- 明確指出需要董事會作出的行動或工作。
- 提早分發董事會文件讓董事在會議前透徹考慮有關事宜。
- 透過董事會會議軟件可查閱該次或過往的董事會文件和會議記錄。

### Information updates between Board meetings

- Monthly updates include:
  - Consolidated financial summary against budget
  - Media reports about the economic trends, peers, industry, consumer behaviour, etc.
  - Corporate bulletin about our key events, milestones or achievements
  - A brief of matters arising from the monthly Executive Committee meeting
- Quarterly updates on the operational performance with management analysis.
- Half-yearly review of progress on the implementation of the strategic plans.
- Knowledge about the future of our business and market, emerging strategic, risk and governance issues, more details on p.108 about the “continuing professional developments”.

### Compliance and accountability

The Board is responsible for reviewing and monitoring the Company’s policies and practices on compliance with legal and regulatory requirements, primarily the Listing Rules, the Companies Ordinance and the Securities and Futures Ordinance; and for developing, reviewing and monitoring the Company’s policies and practices on corporate governance, the code of conduct and compliance manual applicable to directors and employees.

### Corporate Governance Code

The Company’s corporate governance practices are discussed in this “Corporate Governance Report”. During the year ended 31 March 2020, the Company was in full compliance with all applicable principles and code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules.

### Model Code and relevant employees

The Company has adopted a code of conduct on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules regarding the securities transactions by all the directors and those employees who are likely to come across inside information because of their duties. Having made specific enquiry of all our directors and relevant employees, they confirmed that they had complied with the required standard as set out in the Model Code and the Company’s code of conduct during FY2020.

### 董事會會議之間的最新訊息

- 每月更新包括：
  - 綜合財務概要與預算之對比
  - 媒體報道有關於經濟趨勢、同業公司、行業、消費者行為等
  - 集團簡訊載列我們的重要活動、里程碑或獲得嘉許
  - 執行委員會每月例會的會議摘要
- 季度經營表現和管理層分析。
- 每六個月的策略計劃執行進度回顧。
- 有關未來業務和市場、新興策略、風險和管治事宜的知識，更多持續專業發展的詳情載於第 108 頁。

### 合規和問責

董事會負責檢視和監察本公司遵守法律法規（主要為上市規則、公司條例和證券及期貨條例）規定的政策和實務，並制定、檢討和監察本公司適用於董事及員工的企業管治政策和實務、操守守則及合規手冊。

### 企業管治守則

本公司企業管治常規在「企業管治報告」一節討論。截至 2020 年 3 月 31 日止年度，本公司一直全面遵守上市規則附錄 14 所載企業管治守則（「企業管治守則」）的所有適用原則及守則條文。

### 標準守則及相關僱員

本公司已就全體董事和有可能因為職務而接觸到內幕消息的僱員進行證券交易訂立條款不遜於上市規則附錄 10 所載的上市發行人董事進行證券交易的標準守則（「標準守則」）的操守守則。經向全體董事和有關僱員作出具體查詢後，他們確認於 2020 財政年度內已遵守標準守則和本公司操守守則所載的規定標準。

### Inside information disclosure

The Company has established its policy for inside information disclosures as well as its internal controls on the reporting and monitoring systems.

### Formal escalation path of material information

- Material matters concerning the business, finance and operations are escalated to the Executive Committee in a timely manner for them to judge whether inside information exists and an announcement is required.
- Investor Relations and Corporate Communications Department assists the Board to monitor market signals, including investors' feedback, share price movements, media and analyst reports, etc. to see whether a material gap exists between the market expectation and the Company's real situation.

### Controls on the sources of information and the communication channels

- Information used for investor meetings and conferences should be consistent with published corporate announcements and reports.
- Only designated executive directors, the investor relations and corporate communications team and authorised personnels are authorised to speak to or hold meetings with investors or media on behalf of the Company.
- Code of practices for investor communications:
  - Set out a quiet period to refrain from investor relations activities before results announcement
  - Prepare scripts and Q&As to manage the information released to the public
  - Obtain approval from the Board on the results presentation materials
  - Keep meeting or conference attendance notes and call logs for future reference

### Financial reporting

The Board acknowledges its responsibility for the preparation of the financial statements of the Company and the Group. The directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern. Please see the section headed "Independent Auditor's Report" on p.156-164.

### 內幕消息披露

對於內幕消息的披露管理，公司設有相關政策和針對報告及監察系統的內控措施。

### 重要資料的正式匯報路徑

- 有關業務、財務和營運的重要事項及時匯報給執行委員會考慮是否內幕消息並發出公告。
- 投資者關係及企業傳訊部門協助董事會監察市場信號，包括投資者的回饋意見、股價波動、媒體及分析員報告等，以檢視市場預期及本公司實際情況之間是否存在重大差距。

### 訊息來源和傳訊渠道的控制

- 投資者會議和研討會所使用的資料應與已刊發的公司公告和報告一致。
- 指定執行董事、投資者關係及企業傳訊團隊成員及獲授權之人員方可代表公司向投資者或傳媒發言或召開會議。
- 投資者傳訊的實務守則：
  - 在業績發佈前設「靜默期」避免進行投資者關係活動
  - 制定講稿和問答內容以管理對外溝通的訊息
  - 業績簡報資料提交董事會通過
  - 備存會議筆錄和通話記錄以備日後翻查

### 財務報告

董事會深明其編製本公司和本集團財務報表的責任。董事並不知悉任何可能對本集團持續經營的能力構成重大疑問的事件或情況相關的任何重大不明朗因素。請參閱第156-164頁「獨立核數師報告」一節。

## Risk management and internal control

Risk is defined as a potential action, event or circumstance that could impact the Company's ability, favourably or unfavourably, to meet its strategic goals. The Group adopts a holistic risk management and internal control framework to proactively manage risks, in line with the commitment to deliver sustainable value. The Audit Committee has reviewed and was satisfied with the effectiveness of our risk management and internal control systems. Further details are included under the section headed "Risk Management Report" on p.124-140 in this annual report.

## Independence of external auditor

The Audit Committee has reviewed and was satisfied with the external auditor's independence, objectivity and effectiveness of the audit process. The external auditor may provide certain non-audit services to the Group given that these do not involve any management or decision making functions for and on behalf of the Group; do not perform any self-assessments; and do not act in an advocacy role for the Group and all approved non-audit services shall be approved by the Audit Committee.

## Remuneration of external auditor

During FY2020, the total fee paid/payable in relation to audit and related services provided to the Group amounted to HK\$10.1 million, of which a sum of HK\$6.2 million was paid/payable to our principal auditor, PricewaterhouseCoopers, and the remaining was mainly paid/payable to other auditors performing audit work for the Company's subsidiaries in Mainland China which were subject to local statutory requirements. The remuneration paid to PricewaterhouseCoopers and its affiliated firms for services rendered is listed as follows:

Types of services		FY2019	FY2020
服務類型		HK\$'000	HK\$'000
		千港元	千港元
Audit and related services <sup>(1)</sup>	審核及相關服務 <sup>(1)</sup>	4,964	6,161
Non-audit services <sup>(2)</sup>	非審核服務 <sup>(2)</sup>	1,702	2,176
		6,666	8,337

(1) Audit related services comprise review services on interim results, continuing connected transactions and preliminary announcement and tax compliance service.

(2) Non-audit services comprise primarily services on due diligence of subsidiaries acquisition, and IT related services to the Group. None of these services provided compromise the independence as auditor, in terms of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, and were reviewed and approved by the Audit Committee.

## 風險管理和內部監控

風險定義為可能對本公司實現其策略目標的能力產生有利或不利影響的潛在行動、事件或情況。本集團採用整全的風險管理和內部監控框架，以積極管理風險，實現帶來可持續價值的承諾。審核委員會已檢討並信納我們的風險管理和內部監控系統的成效。進一步詳情載於本年報第124至140頁「風險管理報告」一節。

## 外部核數師的獨立性

審核委員會已審議且信納外聘核數師於核數程序上的獨立性、客觀性和有效性。外部審核師可向本集團提供若干非審核服務，原因為該等服務不涉及本集團或代表本集團的任何管理或決策職能；不進行任何自我評估；且並不對本集團擔任倡導的角色，所有獲批准的非審核服務應由審核委員會批准。

## 外部核數師的酬金

本集團於2020財政年度就其審核及相關服務已付／應付費用總額為10.1百萬港元，其中已付／應付主要核數師羅兵咸永道會計師事務所6.2百萬港元，餘款則主要就本公司中國內地附屬公司按地方法規須進行的審核工作已付／應付其他核數師。就獲提供服務已付羅兵咸永道會計師事務所及其聯屬公司的酬金載列如下：

(1) 審核相關服務包括對中期業績、持續關連交易及初步公告之審閱服務以及稅務合規服務。

(2) 非審核服務主要包括向本集團提供有關附屬公司收購盡職審查及資訊科技系統相關服務。根據國際會計師職業道德準則理事會的「專業會計師道德守則」，上述提供的服務並無影響核數師的獨立性，且已獲審核委員會審閱和批准。

## Evaluation

## 評價

Area of focus 聚焦範疇	Purpose and approach 目的和方式	Information source 資料來源
Board process 董事會程序	<ul style="list-style-type: none"> <li>Get the right information for the Board, and make the best use of its time 為董事會收集合適資訊，並善用其時間</li> <li>Obtain feedbacks for the company secretary to improve on the information support, meeting agenda setting and time allocation 為公司秘書獲取回饋意見，以改善資料支援、會議議程設定及時間分配</li> <li>Comprehensive review to be carried out when there are major changes in strategy and risk landscape, or Board composition 當策略和風險狀況、或董事會組成出現較大變動時進行全面檢討</li> <li>Ongoing review based on observation and feedback for the last meeting 基於上一次會議的觀察和回饋意見持續檢討</li> </ul>	<ul style="list-style-type: none"> <li>Survey 問卷訪查</li> </ul>
Board structure 董事會架構	<ul style="list-style-type: none"> <li>Appropriate allocation of responsibilities between the Board and various board committees to oversee all critical areas of governance 在董事會和各董事委員會之間恰當地分配責任，以監督所有關鍵的管治範疇</li> <li>Well-defined delegation and reporting obligation between the Board and the management 明確界定董事會與管理層之間的授權及報告責任</li> <li>Annual review by the Nomination Committee 由提名委員會每年度檢討</li> </ul>	<ul style="list-style-type: none"> <li>Benchmarking 對標研究</li> </ul>
Board composition 董事會組成	<ul style="list-style-type: none"> <li>Appropriate board mix of competency and diversity of perspectives in order to achieve the Company's long term goal and strategy 董事會合適的能力和多元觀點組成，以達成本集團的長期目標和策略</li> <li>Annual review by the Nomination Committee 由提名委員會每年檢討</li> </ul>	<ul style="list-style-type: none"> <li>Survey 問卷訪查</li> <li>Benchmarking 對標研究</li> </ul>
Director performance 董事表現	<ul style="list-style-type: none"> <li>Performance of executive directors in the achievement of strategic goals, performance targets and financial returns 執行董事在達致策略目標、績效目標和財務回報的表現</li> <li>INEDs time commitment, contribution and independence 獨立非執行董事的時間投入、貢獻和獨立性</li> <li>Annual review by the Remuneration Committee and Nomination Committee 由薪酬委員會和提名委員會每年檢討</li> </ul>	<ul style="list-style-type: none"> <li>Benchmarking 對標研究</li> </ul>
Director development 董事發展	<ul style="list-style-type: none"> <li>Continuously refresh the knowledge and vision of directors to make sure that they stay ahead in the changing environment and challenges in the market 持續更新董事的知識和視野，確保在不斷轉變的環境和市場挑戰中步步領先</li> <li>Review the knowledge needs of directors and design appropriate training programmes 檢討董事的知識需要和設計合適的培訓計劃</li> <li>Annual review by the Nomination Committee 由提名委員會每年檢視</li> </ul>	<ul style="list-style-type: none"> <li>Survey 問卷訪查</li> </ul>
Board leadership and strategies 董事會的領導能力和策略	<ul style="list-style-type: none"> <li>Private session held at least once a year between INEDs and chairman of the Board 獨立非執行董事與董事會主席每年最少舉行一次閉門會議</li> <li>Open agenda discussion on matters of concern of the Group 對本集團關注事宜進行非限制議程的討論</li> <li>May cover a wide range of topics, such as the Group's strategies, leadership of the Board, performance of the management, etc. 可涵蓋廣泛的事宜，例如本集團的策略、董事會的領導能力、管理層的表現等</li> </ul>	<ul style="list-style-type: none"> <li>INEDs' feedback 獨立非執行董事的回饋意見</li> </ul>

## **Adequacy of information support and allocation of the Board's time**

### **Feedbacks**

In FY2018, INEDs revealed in a survey that they expected more information on the Group's strategies and execution, as well as more of the Board's time be spent on forward looking and steering of strategic directions.

### **Major improvements**

In FY2019, the Executive Committee reformed its governance structure, set up sub-meetings to specifically oversee and coordinate between major business segments in respect of their strategies and execution, and began to provide monthly and half-yearly reports to the Board. More details are shown on p.110-112 about "leadership and enablement".

From FY2019 onward, the Board, the Remuneration Committee and the Audit Committee have devoted more time on the discussion of medium to long term strategic goal and plans, progress of the intellectual capital strategies and finance transformation, respectively. More details are shown on p.99-102 about the "main tasks of the Board of Director's and board committees".

## **Adequacy of competence, experience and diversity in the Board**

### **Feedbacks**

In FY2018, revealed in a benchmarking exercise presented to the Nomination Committee, against the best practices recommended by governance professionals as well as the priorities of regulators and investors, that certain key concerns related to the composition of the Board should be addressed.

- Age and gender diversity
- Enhanced roles of INEDs
- Board refreshment
- Management succession

## **充足的訊息支持和董事會時間的分配**

### **評價**

在2018財政年度，獨立非執行董事在一次問卷訪查中表示，期望獲取有關本集團策略和執行方面的更多資訊，以及董事會投入更多時間在前瞻事項和引領策略方向。

### **主要改善**

在2019財政年度，執行委員會改革其管治架構、成立委員會分會以監督及協調主要業務分部的策略和執行，並開始向董事會提供月度和半年報告。有關「領導與賦能」的更多詳情載於第110至112頁。

自2019財政年度起，董事會、薪酬委員會和審核委員會投入了更多時間分別討論中期至長期策略目標和計劃、智力資本策略以及財務轉型。董事會和董事委員會的主要工作的更多詳情載於第99至102頁。

## **董事會能力、經驗和多元化的充足性**

### **評價**

在2018財政年度，一個向提名委員會呈交的對標研究顯示，參考了管治專業人士建議的企業管治最佳實務、規管機構和投資者的關注重點，我們應處理有關董事會組成的一些主要關注事宜。

- 年齡和性別多元化
- 加強獨立非執行董事的角色
- 董事會更新
- 管理層繼任



## Major improvements

In FY2019, the Nomination Committee carried out a rigorous review on its work approach so as to run an effective process for linking corporate strategies to the future changes and development of Board. More details are shown on p.105 about “Board nomination”.

In FY2019, the Nomination Committee re-crafted its agenda to lead through the nomination, as well as the preparations for the appointment and induction of Ms. Cheng Ka-Lai, Lily and Ms. Cheng Chi-Man, Sonia who came onboard in FY2020. More details are shown on p.100 about the “main tasks of the Nomination Committee”.

In FY2019, the Nomination Committee conducted a survey among the Board and management leaders to understand their aspirations on attributes of the future Board leaders, which provided guidance for management succession planning.

## Shareholder Communications

### Interactive engagement

- We adhere to the principle of providing timely, transparent and effective disclosures with the aim of keeping the market regularly informed of the Group’s performance and prospects.
- Investors often give us constructive ideas that inspire us to improve and create more values for shareholders. While we try to understand investors’ perspective, we also share with them a full picture of our business through the eyes of the management, including our thoughts in making decisions, our views on market outlook and our development strategies, etc. Our Investor Relations team is committed to maintaining an open and constructive dialogue with them.
- To promote the Group’s reputation and branding, our Corporate Communications team helps convey corporate messages efficiently to a wide range of stakeholders including investors and media.
- In FY2020, the Group received various accolades in recognition of our relentless effort in corporate governance and investor relations. Please refer to Major Awards and Recognitions on p.8-13.

## 主要改善

在2019財政年度，提名委員會已深入檢視其工作方式，實施有效的流程把公司策略與董事會的未來變動和發展互相連繫。有關董事會提名的更多詳情請參閱第105頁。

在2019財政年度，提名委員會已重新制定議程以引導提名過程，以及為2020財政年度上任的鄭嘉麗女士和鄭志雯女士的委任和入職啟導作準備。有關提名委員會的主要工作更多詳情請參閱第100頁。

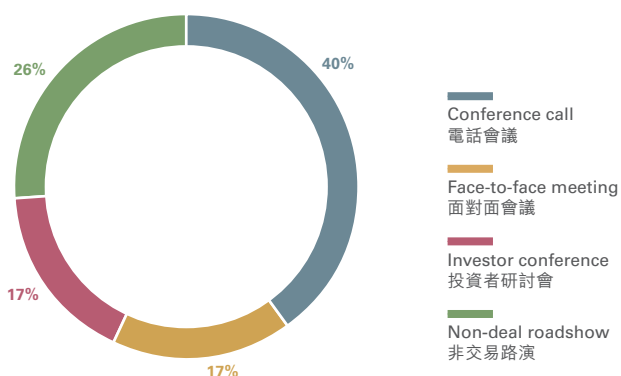
在2019財政年度，提名委員會已對董事會和管理層領導人員進行問卷訪查，以了解他們對未來董事會領導人員特質的期望，為管理層繼任計劃提供指引。

## 與股東的溝通

### 雙向互動關係

- 我們堅守及時、透明和有效的披露原則，務求使市場可定期知悉集團的業務表現及前景。
- 投資者給予公司不少有建設性的意見，啟示了我們如何提升自己及如何為股東創造價值。我們嘗試置身投資者的角度，同時亦主動跟投資者分享管理層的思維縱觀全局，包括作出決策時的考慮、對市場前景的見解和發展策略等。集團的投資者關係團隊致力與他們保持公開及有建設性的溝通。
- 集團的企業傳訊團隊為推廣集團商譽及品牌，高效地將企業訊息傳達至廣泛的持份者，包括投資者及傳媒。
- 於2020財政年度，公司獲得多個獎項，表彰我們在企業管治和投資者關係方面的不懈努力。請參閱第8至13頁主要獎項及嘉許。

**Meetings by investor event in FY2020**  
2020 財政年度會議 (按投資者活動分類)



**Summary of investor relations activities in FY2020**  
2020 財政年度投資者關係活動概要



Major investor conferences that we participated in FY2020 are set out below:

於 2020 財政年度參與的大型投資者會議：

Date 日期	Event 事項	Location 地點
June 2019 2019年6月	Deutsche Bank 16 <sup>th</sup> Annual dbAccess Global Consumer Conference 德意志投資者研討會	Paris 巴黎
	Nomura Hong Kong Corporate Day 2019 野村投資者研討會	Hong Kong 香港
	Huatai Hong Kong Consumer Corporate Day 華泰投資者研討會	Hong Kong 香港
	September 2019 2019年9月	J.P. Morgan Asia Pacific CEO-CFO Conference 2019 摩根大通投資者研討會
September 2019 2019年9月	Citi China Corporate Day 花旗投資者研討會	Singapore 新加坡
	CLSA 26 <sup>th</sup> Investors' Forum 里昂投資者研討會	Hong Kong 香港
	ICBCI Consumer Corporate Day 工銀國際投資者研討會	Hong Kong 香港
	January 2020 2020年1月	Citi China Consumer Corporate Day 2020 花旗投資者研討會
UBS Greater China Conference 2020 瑞銀投資者研討會		Shanghai 上海
Nomura Hong Kong Corporate Day 2020 野村投資者研討會		Hong Kong 香港

### Press and analyst results conferences 記者及分析員發佈會

- Hold press and analyst conferences on interim and annual results annually
- Announcements, presentations and webcasts are available on the Group website
- 每年舉行中期及全年業績的記者及分析員發佈會
- 上載公告、簡報和簡報會片段至集團網站

### Investor meetings, conferences and non-deal roadshows 投資者會議、研討會和非交易路演

- Attended events in Hong Kong, London, Melbourne, New York, Paris, San Francisco, Shanghai, Singapore, Sydney and Tokyo in FY2020
- 於2020財政年度內出席的活動遍及香港、倫敦、墨爾本、紐約、巴黎、三藩市、上海、新加坡、悉尼及東京

### New corporate video 全新企業短片

- Themed with “Heritage•Innovation•Sharing”, it summarised the Group’s edges over our longstanding history and our future commitment
- 以「傳•創•共享」為主題，概述集團在過去悠久歷史上奠定的競爭優勢及對未來的承諾

### Corporate reporting 企業報告

- Announcements, annual and interim reports, results presentations and press releases
- Quarterly voluntary announcements of key operational data
- 公告、全年及中期報告、業績簡報和新聞稿
- 自願公佈季度的主要經營數據

### Group website 集團網站

- Updates after results and quarterly announcements, and regular updates of corporate activities
- Group website revamp in 2019 with enriched content and easily accessible information
- 網頁內容於業績及季度公告後更新，並恒常更新企業活動消息
- 網頁翻新於2019年完成以提供更豐富的內容及便捷的資訊



### Annual general meeting (AGM) 股東週年大會

- Face-to-face communication with shareholders, about 200 shareholders attended the AGM in 2019
- The Board and external auditors presented to answer the questions raised by shareholders
- Detailed explanation for each proposed resolution in the circular, with high approval rate on resolutions passed
- 親身與股東交流，約200名股東出席2019年股東週年大會
- 董事會及外聘核數師出席會議以回應股東提問
- 股東通函詳載每項決議案內容，決議案獲高票通過

### Active engagement with analysts 分析師會談

- 18 research analysts cover our Company on a regular basis
- 18名證券研究分析員就本公司定期發表報告



### Investor and media visits 投資者及傳媒到訪

- Visits to our operation centres, POS and production facilities
- 到訪我們的營運中心、零售點及生產設施

### Electronic communication 電子通訊

- Email alert service
- Email to Investor Relations and Corporate Communications Department: [ir@chowtaifook.com](mailto:ir@chowtaifook.com); [media@chowtaifook.com](mailto:media@chowtaifook.com)
- 電郵訊息服務
- 投資者關係及企業傳訊部門的官方電郵：  
[ir@chowtaifook.com](mailto:ir@chowtaifook.com); [media@chowtaifook.com](mailto:media@chowtaifook.com)

## Shareholder rights and other information

Shareholder(s) are entitled by the Articles and are also encouraged to participate in the Company's general meetings or appoint proxies to attend and vote.

### Request to convene a general meeting

Shareholder(s) holding not less than 10% of the Company's paid-up capital may request the Board to convene an extraordinary general meeting and put forward proposals. The objectives of the meeting must be stated in the related requisition signed and deposited with our company secretary at the Company's headquarters at 33/F, New World Tower, 16-18 Queen's Road Central, Hong Kong.

### Nomination of director for election

If a shareholder wishes to nominate a person for election as director in a general meeting, the particulars of the candidate must be stated in a nomination notice signed by such shareholder and deposited together with a notice of willingness signed by the candidate to our company secretary at the Company's headquarters or at our Hong Kong Branch Share Registrar (Tricor Investor Services Ltd., Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong) of the Company. The notice should be given at least seven days prior to the date of such general meeting.

### Making enquiries

- Email to Investor Relations and Corporate Communications Department and the Board at [ir@chowtaifook.com](mailto:ir@chowtaifook.com).

### Dividend policy

- Strikes a balance between making an efficient use of capital to strengthen our business development and rewarding our shareholders with a participation in the Company's profits.
- No pre-determined dividend payout ratio.
- Factors considered by the Board in determining the amount and form of dividend:
  - the Group's cash flows and financial position
  - its earnings capacity and the economic outlook
  - its business development plans and capital requirements etc.
- Usually declares dividends twice a year, in the absence of special circumstances.

## 股東權利和其他資料

按照細則賦予股東的權利，公司也鼓勵股東參與股東大會、或委派代表出席並於股東大會上投票等。

### 要求召開股東大會

持有不少於本公司10%已繳足股本的股東可要求董事會召開股東特別大會並提呈動議。有關股東需要以書面註明要求召開會議的目的，並簽署送交公司秘書，本公司總部地址為：香港皇后大道中16-18號新世界大廈33樓。

### 董事選舉的提名

股東如欲於股東大會上提名任何人士出選董事，則須將載有候選人詳細資料的經簽署的提名通知書，連同經候選人簽署的候選同意書，送交予本公司總部的公司秘書，或本公司香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。通知書須於有關股東大會日期前最少七天發出。

### 查詢

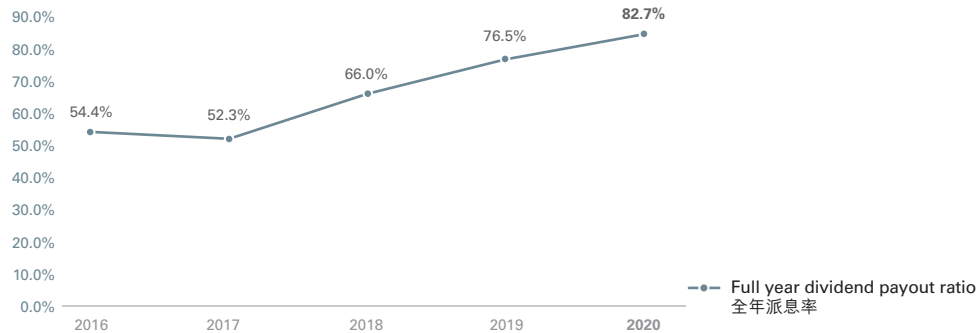
- 電郵 [ir@chowtaifook.com](mailto:ir@chowtaifook.com) 至投資者關係及企業傳訊部門及董事會。

### 股息政策

- 於善用資本以鞏固業務發展以及與股東分享盈利成果之間取得平衡。
- 並無預設的派息率。
- 在決定派付股息金額及形式時，董事會考慮以下因素：
  - 本集團的現金流量和財務狀況
  - 其盈利能力以及外圍經濟前景
  - 其業務發展計劃和資本需求等
- 在沒有特殊情況下，本公司每年擬宣派兩次股息。

### Full year dividend payout ratio<sup>(1)</sup> 全年派息率<sup>(1)</sup>

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



(1) Special dividend excluded

(1) 不包括特別股息

### Constitutional documents

No change during the year.

### 組織章程文件

年內並無任何改動。

### Market capitalisation

Approximately HK\$54.9 billion as at 31 March 2020 (31 March 2019: HK\$79.4 billion), based on the total number of 10,000,000,000 issued shares and the closing price of HK\$5.49 per share.

### 市值

於2020年3月31日，按本公司已發行股份合共10,000,000,000股以及每股收市價5.49港元計算，約為549億港元（2019年3月31日：794億港元）。

### Sufficiency of public float

Based on the information publicly available to the Company and within the knowledge of the directors as at 11 June 2020, the prescribed public float of not less than 10.7% has been maintained, which is a lower minimum percentage of public float accepted at the discretion of the Stock Exchange.

### 充足的公眾持股量

於2020年6月11日，根據本公司獲得的公開資料及就董事所知，本公司維持聯交所酌情接納的較低最少公眾持股量百分率不少於10.7%。

# RISK MANAGEMENT REPORT

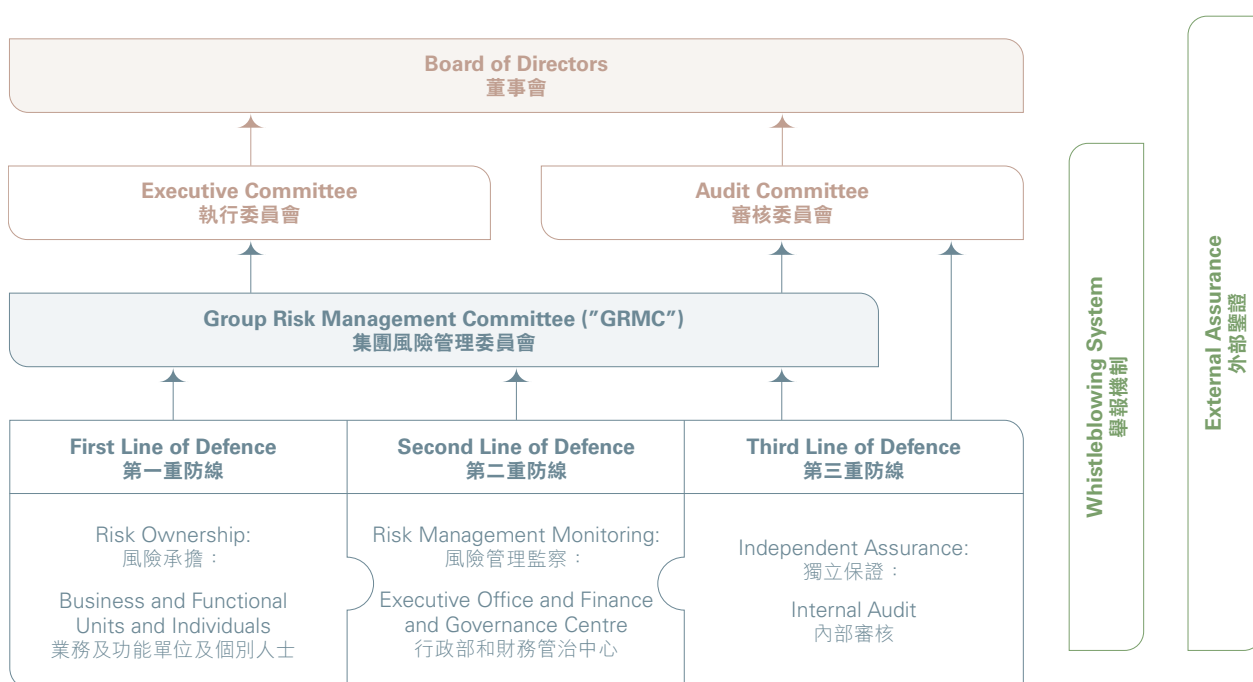
## 風險管理報告

The Board acknowledges the importance of adequate and effective risk management and internal control systems which assist them in understanding the Group's risk profile, allocating resources to manage key risks and making risk-reward optimised business decisions for business planning.

董事會深明充足有效的風險管理及內部監控系統之重要性，該等系統有助他們辨識本集團風險狀況、分配資源以管理主要風險以及衡量風險與回報作出最佳的營商決策，以進行業務規劃。

### Our Risk Management and Internal Control Governance Framework

### 風險管理及內部監控管治框架



We adopt the "Three Lines of Defence" model to assist the Board of Directors, Board Committees and management to carry out on-going oversight and monitoring on the effectiveness of our risk and control systems. Their distinct roles and responsibilities are set out on next page.

我們採納「三重防線」模型以協助董事會、董事委員會及管理層進行持續監督和監察我們的風險及監控系統之成效。彼等各自明確的角色及責任載列於下頁。

## Board oversight

### Board of Directors

- Evaluate and determine the nature and extent of the risks the Group is willing to take in achieving its strategic objectives.
- Ensure that the Group establishes and maintains appropriate and effective risk management and internal control systems.
- Review the adequacy and effectiveness of our risk management and internal control systems.

### Executive Committee

- Regularly review the risk and control issues escalated via GRMC.
- Suggest the priority of risk management efforts at Group level.
- Drive risk-conscious culture and promote control environment of the Group.

### Audit Committee

- Oversee the design, implementation and supervision of the risk management and internal control systems on behalf of the Board.

## Management oversight

### GRMC

- Maintain the risk management and internal control framework and drive improvement for the processes.
- Identify and manage risks at corporate level, review the principal risks, and oversee the effectiveness of process controls to manage risks on a quarterly basis.

## First Line of Defence – Ownership

### Business and functional units and individuals

- Identify, assess and control risks in daily operations.
- Design, implement and ensure the effectiveness of risk and control measures within their areas of accountability.

## 董事會監督

### 董事會

- 評估及釐定集團達成策略目標時所願意接受的風險性質及程度。
- 確保集團設立和維持合適及有效的風險管理及內部監控系統。
- 檢討我們的風險管理及內部監控系統之充足及有效性。

### 執行委員會

- 定期檢討透過集團風險管理委員會上報的風險及監控事宜。
- 就集團層面風險管理優先次序提出建議。
- 推動風險意識的文化以及提升集團的監控環境。

### 審核委員會

- 代表董事會監督風險管理及內部監控系統在設計、實施及監察方面的管理工作。

## 管理層監督

### 集團風險管理委員會

- 維護風險管理及內部監控框架，推動改進程序。
- 以公司層面識別及管理風險，按季檢討主要風險、監督程序監控的成效，以管理風險。

## 第一重防線 – 承擔

### 業務及功能單位及個別人士

- 於日常業務中識別、評估及監控風險。
- 在其負責範圍內設計、實施及確保風險及監控措施的成效。

## Second Line of Defence — Monitoring

### Executive Office and Finance and Governance Centre (“FGC”)

- Support GRMC on the risk and control functions through on-going risk communication and monitoring.
- Establish policies, procedures and standards to reinforce risk management and internal control systems.
- Provide guidance and training related to risk management and control processes and integrity practices.
- Refine and monitor the enforcement of critical group policies, for example, Code of Conduct, Anti-fraud Policy, Anti-Money Laundering Policy and Crisis Management Manual for the Group.

## Third Line of Defence — Assurance

### Internal audit

- Provide independent and objective assurance on the adequacy and effectiveness of our risk management and internal control systems by carrying out the risk-based internal audit.
- Communicate audit findings and control deficiencies to management for their implementation of remedial actions.

## Independent assessment

### External assurance

- External assurance on the Group’s processes and controls over financial reporting is obtained from the independent auditor. Their roles and opinion are included in the section “Independent Auditor’s Report” in this annual report.
- For operational aspects, we engage independent experts from respective profession to assure standards such as environmental compliance, quality management of manufacturing activities, product quality and safety.

## 第二重防線 — 監察

### 行政部和財務管治中心

- 透過進行持續風險溝通及監察，支持集團風險管理委員會履行風險及監控職能。
- 制定強化風險管理及內部監控系統的政策、程序及準則。
- 提供與風險管理、監控程序及誠信行為有關的指引及培訓。
- 改善及監察關鍵集團政策的執行情況，例如本集團的紀律守則、反舞弊政策、反洗錢政策及危機管理手冊。

## 第三重防線 — 保證

### 內部審核

- 以進行風險評估為基礎的內部審核，對我們的風險管理及內部監控系統之充足及有效性提供獨立和客觀保證。
- 就審核結果及監控不足之處與管理層溝通，以便執行補救措施。

## 獨立評核

### 外部鑒證

- 本集團就其財務報告的程序和監控向獨立核數師獲取外部鑒證。獨立核數師的職能和意見則載入本年報「獨立核數師報告」一節。
- 對於營運方面，我們會委聘不同專業範疇的獨立專家，以保證各方面的標準，如環境合規、生產活動的質素管理、品質及安全。



## Whistleblowing system

- This system provides a confidential channel to encourage employees to stay alert to and escalate any potential fraud issues, aiming to detect and rectify control weaknesses at the earliest stage.
- This system is managed by a team of whistleblowing officers on the Group level. The whistleblowing officers are directly accountable to the Audit Committee. Their responsibilities include case management, investigation on fraud, reporting their investigation findings to the management and review the effectiveness of remedial actions.
- Cases of gross misconduct and fraudulent behaviour, and the measures undertaken by the management would be reported to the Audit Committee for assessment.

## Risk Management Process

GRMC is responsible for leading the risk management process in an integrated approach in accordance with the Enterprise Risk Management Policy Manual. GRMC is a management committee comprises the Managing Director, four executive directors and senior executives from major business and functional units, covering legal, human capital, investor relations and information technology. Our risk management process involves the following steps:

- Identification – adopts both top-down and bottom-up approach.
- Analysis – assesses the potential consequences and likelihood of the risks.
- Evaluation – evaluates the risk level, risk treatment and priorities.
- Mitigation – recognises the control gaps, assigns risk ownership and confirms risk control measures.
- Monitoring – conducts evaluations on the design and progress of implementation of the risk control measures.
- Reporting – facilitates risk communications, reviews the residual risk level after control measures and assesses areas for continuous improvement.

## 舉報機制

- 機制提供保密渠道，鼓勵員工提防和舉報潛在舞弊事件，致力盡早發現和修正監控漏洞。
- 本機制由獲集團委任的舉報專員團隊管理。舉報專員直接向審核委員會負責。他們的職責包括案件管理、舞弊事件調查、向管理層匯報其調查結果，以及檢討管理層採取改善行動的有效性。
- 嚴重不當及舞弊行為的個案，以及管理層採取的措施均需匯報審核委員會作審核。

## 風險管理流程

集團風險管理委員會負責按照《企業風險管理手冊》以綜合方式指導風險管理流程。這管理委員會的成員為董事總經理、四名執行董事，以及主要業務及功能單位的高級行政人員，涵蓋範疇包括法律、人力資本、投資者關係及資訊科技。我們的風險管理流程包括以下步驟：

- 識別 — 同時採納由上而下以及由下而上的方式。
- 分析 — 評核風險發生的可能性以及潛在後果。
- 評價 — 評價風險水平、風險處理方法及優先次序。
- 應對 — 識別監控差距、委派風險承擔人及確認風險監控措施。
- 監察 — 評價風險監控措施的設計以及實施進度。
- 報告 — 促進風險溝通，檢討監控措施後的剩餘風險水平以及評核需持續改進的範圍。

GRMC adopts both top-down and bottom-up approach to facilitate risk identification as it is of paramount importance to understand the risk universe that the Group is facing before we can effectively manage them.

### Top-down approach

- Members of GRMC and representatives from Executive Office and FGC discuss the risk issues they consider important.
- GRMC has various channels for risk identification, for example, the principal and emerging risks from macro environment and strategic objectives escalated by corporate functional units, potential control weaknesses indicated through investigation, whistleblowing system, internal and external audit and concerns of our stakeholders on social, environmental and governance issues come through by our Sustainability Committee.
- Upon approval, the risk management strategy is cascaded to relevant business and functional units to design, implement and monitor the risk control measures.

### Bottom-up approach

- Heads of business and functional units are required to submit their risk registers for material risks identified along with their existing control measures at least annually through risk management training cum brainstorming workshops.
- FGC consolidates and validates the risk registers and Executive Office assists the respective senior management to endorse the risk level and priority.
- GRMC reviews the Group's consolidated risk register and determines the level of attention from GRMC and the Executive Committee.

集團風險管理委員會同時採納由上而下以及由下而上的方式以識別風險，因為全盤了解集團所面對的風險，對於其風險管理的效益至關重要。

### 由上而下的方式

- 集團風險管理委員會成員與行政部和財務管治中心代表討論彼等認為重要的風險事宜。
- 集團風險管理委員會由多種途徑識別風險，如從宏觀環境或由企業功能單位上報之策略性目標而產生的主要及新興風險，透過調查、舉報機制、內部及外部審核識別之潛在監控弱點，以及由可持續發展委員會傳遞持份者對社會、環境及管治議題的關注事項。
- 經審批後，風險管理策略會交由有關的業務及功能單位進行有關風險監控措施的設計、實施及監察。

### 由下而上的方式

- 業務及功能單位主管每年最少參加一次風險管理培訓暨集思工作坊，他們須提交載有已識別之重大風險和其現行監控措施的風險登記冊。
- 財務管治中心綜合並驗證風險登記冊，行政部協助各高級管理層核可風險水平及訂定優先次序。
- 集團風險管理委員會審議集團的綜合風險登記冊，並判斷集團風險管理委員會及執行委員會對各風險所需的關注水平。

## Internal Control

The structure of our internal control system is based on the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") integrated framework for effective internal controls, which comprises 17 principles under five components, namely, Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities.

Our internal control system is integrated into our business processes with the support of information system and technology. Control objectives, authorities and responsibilities, backed by established policies and procedures, and the performance of control activities are maintained in the system.

Our review of internal controls is closely linked with our risk management framework and process. Principal risks and risk management strategy of the Group are communicated to heads of business and functional units and internal audit team. This aims at helping them to allocate their resources and control monitoring efforts. Controls of high risk areas are continually evaluated by management while internal audit team would consider the need of adjustments on its audit plan on the testing of key controls for significant risks of the Group.

On an annual basis, members of GRMC, senior management of all major business and functional units are required to assess the effective implementation of internal controls through self-assessment questionnaire, covering the effectiveness of risk management and internal controls as well as confirmation on legal compliance for which they are held accountable. Through this exercise, they also undertake to fully support various Group programmes which promote effective internal control practices, including internal control review, internal audit, case investigation and whistleblowing system.

## 內部監控

我們的內部監控系統架構是以Committee of Sponsoring Organisations of the Treadway Commission (「COSO」)的綜合框架為基礎，以達致有效的內部監控，該綜合框架由五個部份分17項原則組成，五個部份為控制環境、風險評估、控制活動、訊息與溝通及監控活動。

內部監控系統已併入我們的業務流程，並有資訊系統及技術作支援。監控目的、授權及責任以行之有效的政策及程序為後盾，而監控活動的表現會保存於系統內。

我們對內部監控的檢討工作與風險管理框架及流程息息相關。集團的主要風險和風險管理策略會傳達至業務及功能單位各主管以及內部審核團隊。此舉旨在協助他們進行資源及內控監督工作的分配。在管理層持續評價高風險範圍的監控工作之同時，內部審核團隊將考慮是否根據集團重大風險而調整關鍵監控的審核計劃。

集團風險管理委員會成員、各主要業務及功能單位的高級管理人員須每年以自我評價問卷方式，評核內部監控措施的實行成效，內容涵蓋風險管理及內部監控的成效，以及其負責的業務或職能符合法律合規。他們亦可藉此承諾全力支持集團就推動有效內部監控工作的各個計劃，包括內部監控檢討、內部審核、案件調查及舉報機制。

## Internal Audit Process

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

A risk-based approach has been adopted by the Internal Audit Department. Annual audit plan is formalised based on the result of the risk assessment covering business risk evaluation. The risk assessment methodology assists us in prioritising business risks and determining audit frequencies, which enables the internal audit review to become more efficient and focused on the business needs, ensuring that key concerns and significant risks are considered within the scope of the audit. Such annual audit plan is reviewed and approved by the Audit Committee at the beginning of each financial year.

All findings and recommendations on internal control deficiencies are communicated with respective management for process improvement, in order to ensure that satisfactory control is maintained. Significant audit findings and control deficiencies are reported to the Audit Committee and all rectification plans will be properly followed up by management to ensure that they are remediated as intended within a reasonable period.

To further strengthen the flexibility and independence of internal audit function, the Group has engaged an independent consulting firm to assist the Internal Audit Department to provide professional internal audit service to the Group.

## 內部審核程序

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

內部審核部門已採納風險基礎方法。年度審核計劃乃按照風險評核(涵蓋業務風險評估)的結果制定。風險評核方法協助我們確定各業務風險的優先次序以及判定進行審核的頻繁程度，此舉可使內部審核檢討更具效率，並且切合業務的需要，同時能夠於審核範圍內確保考慮到重要的關注事宜和重大風險。審核委員會於每個財政年度初審閱及批准年度審核計劃。

任何內部監控的缺失及其修正建議均會通報至各相關管理層作程序改進，從而確保維持有效的監控。重大的審計發現和監控缺失均會向審核委員會匯報，管理層亦同時妥善跟進所有修正計劃，以確保於合理時間內按計劃修正有關缺失。

為進一步加強內部審核職能的靈活性及獨立性，本集團已委聘獨立顧問公司，協助內部審核部門向本集團提供專業內部審核服務。

## Effectiveness of risk management and internal control systems

On behalf of the Board, the Audit Committee reviews the adequacy and continued effectiveness of the Group's risk management and internal control systems through the reports prepared by GRMC, internal audit team and external auditors and communicates with them at least three times a year.

The review covers risk management functions and all material controls, including financial, operational and compliance controls. Key elements of review include:

- Principal risks identified by GRMC, internal audit and external audit.
- Changes in the nature and extent of principal risks since last annual review and the ability of the Group to respond to the changes in its business and the external environment.
- The scope and quality of the management's on-going monitoring of risks and of the internal control systems.
- The extent and frequency of communication of monitoring results to the Audit Committee which enables it to assess control of the Group and the effectiveness of risk management.
- Significant control failings or weaknesses that have been identified during the year.
- The progress of remedial measures implemented by management.
- The effectiveness of the Group's internal audit function.
- Assurance provided by internal audit on the effectiveness of the Group's processes for financial reporting and compliance with prevailing regulations.
- Significant issues arising from whistleblowing system, internal and external audit.
- The results of management's control self-assessment.

As a result of the above review, the Audit Committee, on behalf of the Board, confirmed that there was no significant issue that would have an adverse impact on the effectiveness and adequacy of the risk management and internal control systems of the Group for FY2020.

Our risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss as sustainable growth and profits are, in part, the reward for informed and successful risk taking in business.

## 風險管理及內部監控系統成效

審核委員會代表董事會通過集團風險管理委員會、內部審核團隊及外部核數師編制的報告，檢討集團風險管理及內部監控系統是否足夠及持續有效，並每年最少與各方溝通三次。

此檢討覆蓋風險管理職能及所有重大監控，包括財務、營運及合規監控。檢討的關鍵元素包括：

- 集團風險管理委員會、內部審核及外部審核團隊識別的主要風險。
- 自上次年度檢討以來主要風險的性質變動及改變幅度，而集團能否應付其業務及外在環境的改變。
- 管理層持續監督風險及內部監控系統的範圍及質素。
- 向審核委員會匯報監察成果的範圍及次數，以便審核委員會評價集團的監控及風險管理的成效。
- 年內發現的重大監控缺失或弱點。
- 管理層執行補救措施的進度。
- 集團內部審核功能的成效。
- 內部審核就集團財務報告程序的成效以及現行法規合規情況提供鑒證。
- 透過舉報機制、內部及外部審核發現的重大事宜。
- 管理層監控成效的自身評價之結果。

審核委員會基於上述檢討，代表董事會確認2020財政年度沒有重大的事宜將對集團風險管理及內部監控系統的成效及充足性構成不利影響。

我們的風險管理及內部監控系統旨在管理而非消除未能達成各類業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證，此乃由於可持續增長及溢利在某程度上是經營業務上成功地承受知情風險所得的回報。

## Principal Risks and Control Measures

### Business and market development risks

## 主要風險及監控措施

### 業務和市場發展風險

#### Disruptive innovation and fast changing consumer behaviour

The rise of middle class, millennials and digitally savvy customers continuously drives the demand for personalised and innovative products and services beyond the conventional shopping experience. If we fail to engage with these modern customers, our competitiveness and sustainable development may at risk in the digital era.

We control and mitigate the risks by:

- Introducing innovative retail concepts to encourage more customer engagement and interaction, including omni-channel retailing, experience shops, pop-up stores, social shopping, cloud kiosks, self-service experience corners, jewellery customisation online platform D-ONE and mobile shopping platform.
- Adopting a multi-brand strategy to enrich our product offerings and differentiation.
- Using our patented Smart Trays to identify and track customers' preference and behaviour in order to offer our customers a data-driven and unique shopping experience.
- Leveraging the power of social media, livestreaming and online shopping platforms to meet the needs of tech-savvy customers.

#### 顛覆性創新及變化多端的消費者行為

中產階層、千禧一代及精通數碼科技的消費者冒起，繼續推動超越傳統購物體驗的個人化及創新產品和服務的需求。倘若我們未能迎合這些現代化的客戶，或會對我們在這數碼時代的競爭力及可持續發展構成風險。

我們監控及緩和這些風險的方法如下：

- 引入創新零售概念，以鼓勵顧客參與和互動，包括全渠道零售、體驗店、快閃店、社交購物、雲櫃檯、自助體驗區、D-ONE 珠寶定制線上平台以及手機購物平台。
- 採納多品牌策略，以豐富我們的產品組合和產品獨特性。
- 使用專利的智能奉客盤，以識別及追蹤顧客愛好及行為，務求為顧客提供以數據為主導的獨特購物體驗。
- 善用社交媒體、線上直播及線上購物平台的力量，以迎合精通科技的顧客的需求。

#### ▲ Risk Trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

- Retail Experience
- Customisation
- Brands and Products
- Insights

分析詳情載於董事總經理策略報告

- 零售體驗
- 定制
- 品牌和產品
- 見解

▲ Risk level increased during FY2020

2020 財政年度內風險水平上升



Risk level remained similar as FY2019

與2019 財政年度的風險水平相若



Risk level decreased during FY2020

2020 財政年度內風險水平下降

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### Intensity of market competition

A challenging macroeconomic environment coupled with the dampened consumer sentiment intensifies the competitive rivalry. If we fail to navigate the situations well and fortify our competitive advantage, it may adversely affect our market share and hence hamper our sales and growth.

We control and mitigate the risks by:

- Building a global jewellery ecosystem which can service the needs and demands of modern-day customers including our franchisees, business partners, wholesalers and our peers, offering them comprehensive omni-channel solutions such as products, services and know-how.
- Expanding our business footprint to Asian market to reap benefits from the fast-growing Chinese outbound tourism market.
- Deepening our market penetration in Mainland China and Asian market through franchise model in lower tier and county level cities and partnership with local jewellery retailers.

### 激烈的市場競爭

具挑戰性的宏觀經濟環境加上消費意欲減弱，使競爭加劇。倘我們未能妥善應對這情況及加強競爭優勢，或會對我們的市場份額，甚至銷售及增長造成不利影響。

我們監控及緩和這些風險的方法如下：

- 建立全球性珠寶生態系統，藉以滿足我們加盟商、業務夥伴、批發商及同業等現代顧客的需要和需求，向他們提供多元化的全渠道解決方案，如產品、服務及專業知識。
- 將業務拓展至亞洲市場，以受益於快速發展的中國出境旅遊市場。
- 透過加盟模式以及與當地珠寶零售商合作，深化在中國內地較次級城市和縣級城鎮及亞洲市場的滲透率。

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### ▲ Risk Trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

- Hong Kong, Macau and other markets
- Mainland China

分析詳情載於董事總經理策略報告

- 香港、澳門及其他市場
- 中國內地

### Cybersecurity and data privacy

We pursue emerging technologies to develop our products and services and improve our operational efficiency and capability for sustainable business development, but the adoption of technologies also exposes us to new digital vulnerabilities. Key threats include interruption or security breach to our information system; leakage of customers' personal data resulting from destructive malware and ransomware attack; and failure of technological service vendors to provide ongoing security updates. If we fail to address the threats presented by the influx of technology, it may have a material adverse effect on our reputation, operations and financial condition.

We control and mitigate the risks by:

- Developing and rolling out the cyber incident response plan, which guides us to address and manage the aftermath of a security breach or cyberattack in a planned and coordinated approach.
- Conducting regular cyberattack drills, rehearsal and system penetration tests to help our staff to be prepared and practised in responding to cyber incidents.
- Rolling out remediation initiatives and execution plans to enhance our security posture based on the result of the maturity assessment on our cybersecurity programme, such as policy and procedure development.
- Offering tailored cybersecurity and data privacy trainings for (i) senior management to strengthen their ability to manage cyber incidents; and (ii) general staff to reduce the occurrence of security or data breaches resulting from employee negligence.
- Performing reviews on the processes and management mechanism for the collection and storage of customer data in order to drive an optimal balance between our business needs and customer privacy concern.

### 網絡安全及數據私隱

我們借助新興科技來開發產品及服務，提高營運效率和可持續發展業務的實力，但應用科技的同時亦使我們面臨新的數碼漏洞。主要威脅包括資訊系統中斷或安全漏洞；因破壞性的惡意軟件或勒索軟件攻擊而導致顧客個人數據外洩；及科技服務供應商未能持續提供安全升級。倘若我們未能應對科技湧現所帶來的威脅，或會對我們的聲譽、營運及財務狀況造成重大不利影響。

我們監控及緩和這些風險的方法如下：

- 開發及推行網絡事故應對計劃，引導我們以有計劃及協調的方式應對及管理安全漏洞或網絡攻擊帶來的後果。
- 定期進行網絡攻擊演習、預演及系統滲透測試，幫助員工有準備及熟練地應對網絡事故。
- 按照我們對網絡安全程序進行的成熟度評估結果，推行修補措施和執行計劃，如制定政策和程序，以加強安全部署。
- 向以下員工提供定制的網絡安全及數據私隱培訓：(i)高級管理層，以加強他們管理網絡事故的能力；及(ii)一般員工，以減少因員工疏忽而造成的安全或數據漏洞。
- 對收集和儲存顧客資料的程序和管理機制進行檢討，以從我們的業務需要與顧客對私隱關注兩者之間取得最佳平衡。

### ▲ Risk Trend 風險趨勢



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### Organisational agility

We are struggling with our innovative strategies and projects as a result of disruptive changes in the external environment. If our organisational structure and management system lack agility and dynamism to engage with the new environment, which will hinder the pace of our business innovation and our responsiveness to market opportunities.

We control and mitigate the risks by:

- Establishing Sustainability and Innovation Centre as a strategic investment to drive those innovation initiatives and oversee all investments related to business innovation.
- Promoting the innovative and entrepreneurial culture within the Group, which helps to unleash our staff's creativity and talents and promote collaboration among cross-functional teams towards business priorities and the Group's transformation.
- Driving transformational efforts to incorporate disruptive technologies and approaches into our management system and business processes in order to optimise the organisational agility and operational effectiveness and efficiency.

### 組織架構靈活性

鑒於外圍環境出現顛覆性轉變，我們著力推行創新策略和項目。倘若我們的組織架構和管理制度缺乏靈活性和韌性，無法適應新環境，將會阻礙我們業務創新的步伐，亦會減低我們把握市場商機的反應。

我們監控及緩和這些風險的方法如下：

- 建立可持續發展及創新中心作為策略性投資，以推動創新工作以及監督與業務創新有關的所有投資。
- 於集團內培育創新和創業文化，鼓勵員工盡量發揮創意和才能，在業務優次和集團轉型方面推廣跨部門職能團隊之間的合作。
- 致力在推動轉型的過程中為我們的管理制度及業務程序注入顛覆性的技術和方法，以優化組織架構的靈活性以及營運效益及效率。

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### Risk Trend 風險趨勢

For more analysis, see Managing Director's Strategic Report

- Culture
- Intellectual Capital
- Streamlining of business process

分析詳情載於董事總經理策略報告

- 文化
- 智力資本
- 精簡業務程序

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### Franchisees and retail partners management

We deepen our market expansion in Mainland China and Asian market through franchise model in lower tier and county level cities and partnership with local jewellery retailers. This operating model may risk our profitability and brand equity if we fail to manage the performance of and relationship with those franchisees and retail partners.

We control and mitigate the risks by:

- Appointing dedicated teams to nurture relationship with franchisees and retail partners through continuous dialogues, which enables us to oversee their operations and provides them with swift operational support and guidance.
- Establishing clear policy and mechanism for the selection and assessment of franchisees and retail partners.
- Reinforcing our monitoring on franchisees through whistleblowing system and special audit programme in franchised POS.

### 加盟商及零售夥伴管理

我們透過加盟模式以及與當地珠寶零售商合夥，加大在中國內地較次級城市和縣級城鎮及亞洲市場的拓展力度。倘若我們無法管理加盟商及零售夥伴的表現及與他們的關係，此營運模式可對我們的盈利能力和品牌價值構成風險。

我們監控及緩和這些風險的方法如下：

- 委派專責團隊透過與加盟商及零售夥伴持續對話維繫業務關係，從而有助我們監督他們的營運情況，並向他們提供迅速的營運支援及指引。
- 就挑選和評估加盟商及零售夥伴訂立清晰政策和機制。
- 利用舉報機制及加盟零售點的特別審核計劃加強對加盟商於營運上的監察。

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## Risk Trend 風險趨勢

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### Supply chain management

The ways that we source our raw materials and produce our products sway purchasing decisions as consumers, millennials in particular, are now demanding for products that are made in socially, ethically and environmentally conscience ways. If we fail to manage our supply chain in a responsible and ethical way, it may adversely affect our reputation and our sales and growth.

We control and mitigate the risks by:

- Maintaining rigorous controls on supplier management in accordance to the Supplier Management Framework, which covers the policies and procedures for our procurement, tendering, assessment and selection processes for suppliers.
- Establishing the Supplier Management Committee and the Supplier Management Department to govern the effectiveness of our controls over the procurement process.
- Complying with the requirements of the Kimberley Process to assure customers that our diamonds are “conflict-free” – meaning that no violence has been involved in our diamond production process, such as war crime, child and forced labour.
- Introducing T MARK diamond brand to meet the growing needs for supply chain transparency and assure customers that our diamonds are natural and authentic.

### 供應鏈管理

我們採購原材料和製造產品的方法會左右消費者的購物決定，尤其是千禧一代，時下消費者要求產品在生產方面符合社會良知、道德及環保原則。倘若我們未能以負責任和符合道德的方式管理供應鏈，或對我們的聲譽、銷售和增長構成不利影響。

我們監控及緩和這些風險的方法如下：

- 按照供應商管理框架嚴格監控供應商管理，其中涵蓋採購、招標、供應商評估和篩選之政策及程序。
- 成立供應商管理委員會和供應商管理部門，專責監督我們監控採購程序之成效。
- 遵照金伯利流程的要求，向顧客保證我們的鑽石為「不涉衝突」，代表鑽石生產過程中絕不涉及暴力，如戰爭罪行、童工及強制勞工。
- 推出T MARK 鑽石品牌，以滿足顧客對供應鏈透明度越見殷切的需求，同時保證我們的鑽石天然唯真。

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### ▲ Risk Trend 風險趨勢

For more analysis, see Sustainability Report

- Responsible Sourcing

分析詳情載於可持續發展報告

- 責任採購

## Regulatory risks

### Anti-Money Laundering (“AML”) regulations

Precious metals and stones, particularly gold and diamond, are perceived to be exposed to higher risk of money laundering due to their high intrinsic value, low weight and ease of carrying. Many regions are imposing stringent regulatory requirements on AML measures regarding customer due diligence, record keeping and suspicious transaction reporting. Non-compliance with the regulatory requirements increases the risk of which we could unintentionally facilitate money laundering activities and may constitute an offence, resulting in substantial financial loss and damage to our reputation.

We control and mitigate the risks by:

- Teaming with external consultant to identify potential money laundering exposure, review the effectiveness of our AML measures and enhance our AML governance framework.
- Appointing money laundering reporting officers (“MLROs”) to oversee the implementation of internal AML policies, procedures and controls.
- Offering (i) ongoing trainings for general staff to establish and maintain their vigilance in AML matters; and (ii) regular refresher trainings to MLROs to keep them abreast of AML regulatory requirements or developments.

## 監管風險

### 反洗錢法規

貴金屬及寶石(尤其是黃金及鑽石)因其內在價值高、重量低及容易攜帶，被視為面臨較高的洗錢風險。不少地區對反洗錢措施實施嚴謹的監管要求，其中涉及顧客盡職審查、備存記錄及可疑交易匯報。不符合監管要求會增加我們非故意協助洗錢活動的風險，因而構成罪行，最終可造成巨額財務損失，並且損害我們的聲譽。

我們監控及緩和這些風險的方法如下：

- 與外聘顧問合作識別出潛在的洗錢風險、檢討我們反洗錢措施的成效，以及提升我們反洗錢的管治框架。
- 委任反洗錢匯報主任監督內部反洗錢政策、程序及監控之實施。
- (i) 向一般員工提供持續培訓，令他們對反洗錢事宜提高警覺；及(ii) 向洗錢匯報主任定期提供更新培訓，讓他們掌握最新的反洗錢監管要求或發展。

### ▲ Risk Trend 風險趨勢

For more analysis, see Sustainability Report

- Corporate Governance
- Responsible Sourcing

分析詳情載於可持續發展報告

- 企業管治
- 責任採購

## Crisis Management

By their nature, most of the crises are unpredictable, but we believe it is possible to determine activities and areas that may be particularly prone to crises. We believe advance planning for these areas is key to ensure our resilience against crises, reduce the impact of adverse events, aid recovery and support business continuity. Set out below are our pre-crisis measures that help us maintain an appropriate level of preparedness to respond to crises:

### Crisis Management Team

We have assembled a Crisis Management Team with set roles for every members to ensure swift and coordinated response to crises. Our core team is typically led by executive directors and staffed with senior executives from executive office, legal, investor relations, and human capital. Other personnel from varying disciplines and regions would be identified and staffed on an as-needed basis. This flexibility facilitates us to have an all-round vulnerability assessment and respond effectively and appropriately to incidents of any nature. Principal functions of the team include identifying the areas of concern, assessing the impact of the identified concerns and devising strategies and response plans to overcome crises. The composition, roles and responsibilities of the team will be reviewed and revised as necessary in order to assure its efficiency and effectiveness.

### Crisis Management Manual

The Crisis Management Manual enables us to identify, communicate, escalate and address crises in the timeliest manner. The Manual sets out the definition of a crisis and trigger events, categorisation of crises, the activation guideline, the composition and roles of the Crisis Management Team and the crisis communication and reporting protocol. In view of the complexity of crises caused by the evolving business environment, we will perform regular review on the manual to ensure our manual is up-to-date. Any revisions to the manual will be tabled to GRMC meeting for discussion and review. The manual will be disseminated to relevant staff on a scheduled basis, especially after any changes in team personnel and major revisions to plans.

## 危機管理

危機在本質上是無法預測的，但我們相信可以判斷出那些活動和領域特別容易陷入危機。我們認為針對該等領域作預先規劃實為關鍵所在，因為可以確保我們有面對危機的抗逆力、減低不利事件對我們的影響、有助復原並且支持業務持續發展。下文載列我們防範於未然的措施，協助我們作好準備以應對危機：

### 危機管理團隊

我們已成立危機管理團隊，每位成員承擔特定的職務，以確保迅速共同應對危機。我們的核心團隊由執行董事率領，其他成員包括來自行政、法律、投資者關係及人力資本的高級行政人員。需要時亦會物色和招攬其他專業範疇和地區的人員加入。靈活的團隊組合方式有助我們進行全面的漏洞評估，並有效恰當地應對任何性質的事故。團隊的主要職能包括識別需要關注的範圍、評估關注範圍的影響，以及制定策略和應對計劃以處理危機。我們會在需要時檢討和修訂團隊的組成、職務和責任，以確保團隊的效率和成效。

### 危機管理手冊

危機管理手冊有助我們適時識別、通報、提升及處理危機。手冊載列危機及觸發事件的定義、危機分類、啟動指引、危機管理團隊的結構及職務以及危機通報和匯報規程。鑒於營商環境變化多端，危機會變得更為複雜，我們會定期審閱手冊，確保更新手冊內容，所有修改或更新均會提交集團風險管理委員會會議討論和檢討。手冊會按預定的時間表發放予有關員工，特別於更換團隊人員及計劃有重大修改之後。

### **Crisis management and simulation trainings**

Our training is categorised into discussion-based crisis management training and operation-based crisis simulation training. The introductory crisis management training provides our staff an initial introduction of crisis management and our crisis management infrastructure and resources and also help to keep them abreast of the risks that lead to a crisis, aiming to increase their capability in recognising crisis warning signs and designing preventive measures in the pre-crisis phase. While the crisis simulation training allows the Crisis Management Team members to rehearse their assigned duties and responsibilities during a crisis scenario, aiming to validate the crisis management plan and the capability of our Crisis Management Team. For example, we partnered with external consultant this year to conduct a cybersecurity drill exercise for the incident response team to practice making decision and performing their pre-assigned tasks during a simulated cyber breach event.

### **Tailored response plan and playbooks**

In addition to the Crisis Management Manual, which provides an overall direction and guideline to coordinate crisis response, we also put in place tailored response plans and playbooks, which document a step-by-step instruction in responding to specific crisis. For example, in view of the frequency and severity of recent cyber incidents, we partnered with external professionals to develop and roll out the cybersecurity incident response plan and playbooks to address particular cyber incidents such as cyber breach and distributed denial of service.

### **危機管理及模擬培訓**

我們的培訓分為兩類，即討論形式的危機管理培訓和實戰形式的危機模擬培訓。基本危機管理培訓會向員工提供危機管理簡介以及危機管理基礎設施及資源，亦會指出能導致引發危機的風險，目的是提升他們識別危機警示及於危機發生前制定預防措施的能力。至於危機模擬培訓則提供機會讓危機管理團隊成員於危機場景下預演獲指派的職務和責任，目的是測試危機管理計劃的成效和我們危機管理團隊的能力。例如，我們本年度與外聘顧問合作進行網絡安全演習，事故應對團隊於模擬網絡違規事件中實習如何決策，並且履行預先獲指派的任務。

### **定制應對計劃和實戰手冊**

我們除設有危機管理手冊提供協調危機應對的整體方針及指引外，亦定制了應對計劃及實戰手冊，其中列明應對特定危機的每個步驟。例如，鑒於近期網絡事故越趨頻繁和嚴重，我們夥拍外聘專業人士制定和推出網絡安全應對計劃和實戰手冊，以處理網絡漏洞及分散式阻斷服務攻擊等特定網絡事故。

# DIRECTORS' REPORT

## 董事會報告

The Board is pleased to present the annual report of the Company together with the audited consolidated financial statements of the Group for FY2020.

### Principal Activities

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

The Group's revenue is derived from business activities conducted in Mainland China, Hong Kong, Macau and other markets. The segment information of the Group's operation is set out in note 4 to the consolidated financial statements.

### Results and Dividends

The results of the Group for FY2020 are set out in the consolidated statement of profit or loss and other comprehensive income on p.165.

The directors recommended the payment of a final dividend of HK\$0.12 per share for FY2020, amounting to approximately HK\$1,200 million (FY2019: a final dividend of HK\$0.20 per share and a special dividend of HK\$0.30 per share, amounting to approximately HK\$5,000 million). Such payment of dividend will be subject to the approval of shareholders at the forthcoming annual general meeting of the Company to be held on Thursday, 30 July 2020 and is payable to shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 6 August 2020. Together with the interim dividend of HK\$0.12 per share paid in December 2019, the total distribution of dividend by the Company for FY2020 will be HK\$0.24 per share (FY2019: HK\$0.65 per share). The payment date of the final dividend is expected to be on or about 21 August 2020.

董事會欣然提呈本公司2020財政年度年報以及本集團經審核綜合財務報表。

### 主要業務

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

本集團的營業額來自中國內地、香港、澳門及其他市場進行的業務活動。本集團的業務分部資料載於綜合財務報表附註4。

### 業績及股息

本集團於2020財政年度的業績載列於第165頁的綜合損益及其他全面收益表內。

董事會建議派付2020財政年度每股0.12港元的末期股息，合共約1,200百萬港元(2019財政年度：末期股息每股0.20港元及特別股息每股0.30港元，金額約5,000百萬港元)。派付該等股息須待股東在本公司將於2020年7月30日(星期四)舉行的應屆股東週年大會上批准，並應向於2020年8月6日(星期四)營業時間結束時名列本公司股東名冊的股東派付該等股息。連同已於2019年12月派付每股0.12港元的中期股息，本公司於2020財政年度所分派股息總額為每股0.24港元(2019財政年度：每股0.65港元)。末期股息的派付日期預計為2020年8月21日或前後。

## Business Review

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

- "Chairman's Statement", p.14-16
- "Managing Director's Strategic Report", p.18-40
- "Management Discussion and Analysis", p.42-76

Further discussion on the Group's principal risks and uncertainties:

- "Risk Management Report", p.124-140

Compliance with the relevant laws and regulations:

- "Corporate Governance Report", p.97-123
- "Independent Auditor's Report", p.156-164
- "Sustainability Report", on our Group website

Environmental policies and performance and key relationships with its stakeholders:

- "Sustainability Report", on our Group website

## Financial Summary

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on p.263.

## Share Capital

Details of the Company's share capital are set out in note 29 to the consolidated financial statements. There was no movement in the share capital during the year.

## Distributable Reserves

Distributable reserves of the Company as at 31 March 2020 amounted to approximately HK\$5,503 million (31 March 2019: HK\$5,556 million).

Movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on p.168.

## Pre-emptive Rights

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

## 業務回顧

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

- 「主席報告書」第14至16頁
- 「董事總經理策略報告」第18至40頁
- 「管理層討論與分析」第42至76頁

本年報，對集團之主要風險及不確定因素作進一步討論：

- 「風險管理報告」第124至140頁

遵守相關法律法規的情況：

- 「企業管治報告」第97至123頁
- 「獨立核數師報告」第156至164頁
- 「可持續發展報告」刊載於本集團網站

環境政策和表現、以及與其持份者之間關鍵關係的進一步討論，主要在下列章節中：

- 「可持續發展報告」刊載於本集團網站

## 財務概要

本集團過去五個財政年度的業績以及資產及負債概要載列於第263頁。

## 股本

本公司的股本詳情載於綜合財務報表附註29。年內概無股本變動。

## 可供分派儲備

於2020年3月31日，本公司可供分派儲備為數約5,503百萬港元(2019年3月31日：5,556百萬港元)。

年內本集團儲備的變動載列於第168頁的綜合權益變動表。

## 優先購買權

細則或開曼群島法例概無任何關於優先購買權的條文。



## Purchase, Sale or Redemption of Listed Securities

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

## Directors

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

### Executive Directors

Dr. Cheng Kar-Shun, Henry  
Mr. Wong Siu-Kee, Kent  
Dr. Cheng Chi-Kong, Adrian  
Mr. Cheng Chi-Heng, Conroy  
Mr. Cheng Ping-Hei, Hamilton  
Mr. Chan Sai-Cheong  
Mr. Suen Chi-Keung, Peter  
Mr. Chan Hiu-Sang, Albert  
Mr. Liu Chun-Wai, Bobby  
Mr. Cheng Kam-Biu, Wilson

### Non-executive Director

Ms. Cheng Chi-Man, Sonia

### Independent Non-executive Directors

Dr. Fung Kwok-King, Victor  
Dr. Or Ching-Fai, Raymond  
Mr. Kwong Che-Keung, Gordon  
Mr. Cheng Ming-Fun, Paul  
Mr. Lam Kin-Fung, Jeffrey  
Ms. Cheng Ka-Lai, Lily

In accordance with article 84 of the Articles, Dr. Cheng Kar-Shun, Henry, Dr. Cheng Chi-Kong, Adrian, Mr. Chan Sai-Cheong, Mr. Cheng Kam-Biu, Wilson, Dr. Fung Kwok-King, Victor and Mr. Kwong Che-Keung, Gordon will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

## Directors' Service Contracts

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

## 購買、出售或贖回上市證券

本公司及其任何附屬公司於年內均無購買、出售或贖回本公司的任何上市證券。

## 董事

年內及截至本年報日期的董事為：

### 執行董事

鄭家純博士  
黃紹基先生  
鄭志剛博士  
鄭志恒先生  
鄭炳熙先生  
陳世昌先生  
孫志強先生  
陳曉生先生  
廖振為先生  
鄭錦標先生

### 非執行董事

鄭志雯女士

### 獨立非執行董事

馮國經博士  
柯清輝博士  
鄭志強先生  
鄭明訓先生  
林健鋒先生  
鄭嘉麗女士

根據細則第84條，鄭家純博士、鄭志剛博士、陳世昌先生、鄭錦標先生、馮國經博士及鄭志強先生將於應屆股東週年大會上退任，且符合資格膺選連任。

## 董事服務合約

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

## Directors' Interests in Transactions, Arrangements and Contracts

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

## Continuing Connected Transactions

The Group has certain ongoing transactions carried on with connected persons with expected annual transaction amounts exceeding the "de minimis" exemption threshold and therefore the Company reports these non-exempt continuing connected transactions during FY2020 under Chapter 14A of the Listing Rules. These transactions are mainly related to lease of premises and sale and purchase of goods and services. Information about the connected persons is shown on p.147. Details of these transactions are set out in the tables below.

### Lease of premises

Name of counterparties 交易對方名稱	CTFE 周大福企業	NWD 新世界發展	NWDS 新世界百貨
Main purposes of the leases 租賃主要用途	Standalone retail shops, industrial and office uses in Hong Kong 於香港的獨立零售店、工業及辦公室用途	Offices and standalone retail shops in Hong Kong 於香港的辦公室及獨立零售店	Concessionaire counters operated in department stores in Mainland China 於中國內地百貨公司開設專櫃
Master/framework agreement date 綜合／框架協議日期	28/11/2011	11/4/2014 and 28/4/2020 <sup>(1)</sup>	22/3/2012
Next renewal date 下次重續日期	31/3/2023	30/6/2023	30/6/2023
Annual cap approved and actual amount incurred for FY2020 (HK\$ million) 2020 財政年度的已批准年度上限及實際發生金額(百萬港元)			
Annual cap 年度上限	122	134	154
Amount incurred 實際發生金額	71	93	57
Annual cap approved for subsequent financial years (HK\$ million) 其後財政年度的已批准年度上限(百萬港元)			
FY2021	370	146	101
FY2022	70	174	104
FY2023	70	203	107

(1) The master agreement dated 28 April 2020 will become effective on 1 July 2020 whereupon the master agreement dated 11 April 2014 will be terminated.

## 董事於交易、安排及合約中的權益

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

## 持續關連交易

本集團正與關連人士進行若干持續交易，預期年度交易金額超過最低豁免水平，故本公司根據上市規則第 14A 章匯報 2020 財政年度內的該等非豁免持續關連交易。該等交易主要關於物業租賃以及銷售及購買貨品和服務。有關關連人士的資料載於第 147 頁。該等交易的詳情載列於下表。

### 物業租賃

(1) 日期為 2020 年 4 月 28 日的總協議將於 2020 年 7 月 1 日生效，此後，日期為 2014 年 4 月 11 日的總協議將會終止。

## Sale and purchase of goods and services

## 銷售及購買貨品和服務

Name of counterparties 交易對方名稱	NCE
Major types of goods and services 貨品及服務的主要種類	Polishing, processing and handling of gemstones for the Group, and provision of related technology, related assets and other ancillary services, products and devices 為本集團寶石拋光、加工及處理，提供相關技術、相關資產和其他配套服務、產品及工具
Master/framework agreement date 綜合／框架協議日期	29/1/2016
Next renewal date 下次重續日期	31/3/2021
Annual cap approved and actual amount incurred for FY2020 (HK\$ million) 2020財政年度的已批准年度上限及實際發生金額(百萬港元)	
Annual cap 年度上限	236
Amount incurred 實際發生金額	86
Annual cap approved for subsequent financial years (HK\$ million) 其後財政年度的已批准年度上限(百萬港元)	
FY2021	245

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

該等交易受各綜合或框架協議所監管，而協議的初始年期不超過三年，在遵守上市規則的前提下將於期滿時自動重續三年。該等綜合或框架協議的初始協議日期及下一個重續日期載於上表。

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

The Company has entered into master agreements or framework agreements to set out the principles governing the above continuing connected transactions. The Group maintains a pricing policy which serves as a guidance for the negotiation with counterparties regarding the respective definitive agreements under the continuing connected transaction arrangements of the Group.

- (a) For rental of premises, prevailing market rates around the time of entering into the respective tenancy agreements will be followed. The Group will obtain comparison from relevant market information from the market or independent valuers and with rental rates of premises in similar locations leased by the Group.
- (b) For sale of goods and services, retail or wholesale prices (as the case maybe) and discretionary discounts which the Group offers or is willing to offer to independent customers around the time of transaction will apply.
- (c) For purchase of goods, services and other assets, prevailing market prices around the time of transaction will apply. The Group will obtain quotations or tenders from independent third parties for goods, services or assets with similarities to compare with the prices and terms offered in the market. If there is no sufficient comparable in the market, the Group will make reference to the reasonable costs for developing or providing such goods, services or assets plus a reasonable profit margin that commensurates with industry practices.

The Group will monitor industry practices and market trends on a regular basis to ensure the terms offered to the Group are either equivalent to or better than the prevailing market prices.

### 集團定價政策及持續關連交易的內部監控

本公司已訂立綜合協議或框架協議以載列相關原則規管上述持續關連交易。本集團設有定價政策，就與對方磋商釐定本集團持續關連交易安排下的明確協議作出指引。

- (a) 物業租賃方面，採用簽訂有關租賃合同當時的市場價格為依據。本集團會從市場上或者獨立估值師取得相關的市場資訊，及跟集團在類似地點的租賃物業的租金作出比較。
- (b) 銷售貨品和服務提供方面，採用進行交易時集團開列或願意開列給獨立顧客的零售價或批發價（視乎情況）及酌情優惠。
- (c) 購買貨品、服務或其他資產方面，採用進行交易時市場價格為依據。集團會根據進行類似交易的獨立第三方所提供的報價或標書，以比較市場上的價格和條款內容。如市場上並無充分可作比較的參考，集團將考慮開發或提供有關貨品、服務或資產的合理成本，及加入與行業常規相符的合理利潤。

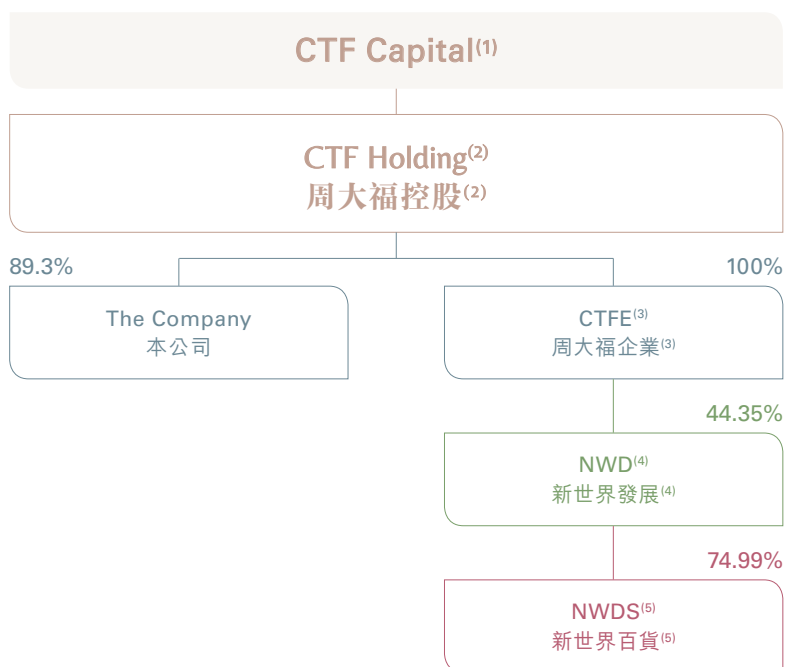
集團將定期監測行業常規和市場趨勢，以確保向本集團提供的合約條款與市場價格相若或更佳。

## Relationships between counterparties

Other than NCE, the other counterparties to the continuing connected transactions mentioned above are connected persons of the Company mainly due to direct or indirect shareholding held by the Company's substantial shareholder, CTF Capital, in these counterparties. Shareholding relationships among the Company, CTFE, NWD and NWDS are illustrated in the simplified chart below:

## 與交易對方的關係

除NCE之外，上述持續關連交易的其他交易對方構成本公司的關連人士，主要是由於本公司主要股東CTF Capital直接或間接持有該等對手方股權。本公司、周大福企業、新世界發展與新世界百貨的持股權關係概述於下面簡圖：



### Notes:

- (1) Chow Tai Fook Capital Limited
- (2) Chow Tai Fook (Holding) Limited
- (3) Chow Tai Fook Enterprises Limited
- (4) New World Development Company Limited (stock code: 17)
- (5) New World Department Store China Limited (stock code: 825)
- (6) The approximate percentages of shareholding are shown for reference only to illustrate the relationships between the connected parties. The information shown in the chart above is sourced from the Disclosure of Interests published on the Stock Exchange website as at 11 June 2020.

### 附註：

- (1) Chow Tai Fook Capital Limited
- (2) 周大福(控股)有限公司
- (3) 周大福企業有限公司
- (4) 新世界發展有限公司(股份代號：17)
- (5) 新世界百貨中國有限公司(股份代號：825)
- (6) 概約持股百分比僅供參考，以說明與關連方的關係。上圖資料源自於2020年6月11日聯交所網站上刊載的權益披露。

New Cutting Edge Limited ("NCE") and its subsidiaries are majority-controlled companies indirectly held by Mr. Cheng Kam-Chiu, Stewart, who is a family member and therefore an associate of certain directors of the Company under Chapter 14A of the Listing Rules. As such, NCE and its subsidiaries are connected persons of the Company.

New Cutting Edge Limited (「NCE」) 及其附屬公司是由某幾位董事的親屬鄭錦超先生間接持有的佔多數控制權的公司，按照上市規則第14A章規定，鄭先生是那幾位董事的聯繫人，因此，NCE及其附屬公司是本公司的關連人士。

## Annual review of the continuing connected transactions

At the end of each financial year, the management will prepare a summary of the pricing and other relevant terms of those non-exempt continuing connected transactions for the review of the Executive Committee to ensure that those transactions are entered into in the ordinary and usual course of business, on normal commercial terms or better and in accordance with the relevant agreements on terms which are fair and reasonable. Our internal audit team will further select samples from those transactions and compare them with similar types of transactions entered into by the Group with independent third parties during that financial year.

Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged the Company's auditor to perform certain review procedures in order to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter in respect of the continuing connected transactions disclosed by the Group in this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

The results of the review procedures performed by each of the Executive Committee, the internal audit team and the auditor of the Company were reported to the independent non-executive directors in the Audit Committee meeting. After review by the Audit Committee, the independent non-executive directors confirmed that the continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) either on normal commercial terms or better; and (iii) according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Announcements were published regarding the Group's non-exempt continuing connected transactions. The directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in so far as they are applicable.

## 持續關連交易的年度審閱

管理層在財政年度結束後會準備一份概要，羅列不獲豁免的持續關連交易的定價及其他相關條款，給執行委員會審視，以確保該等交易乃是在日常的業務中，按正常或更有利的商務條款，根據有關合約中公平合理的條款進行。我們的內審團隊將進一步從這些交易中抽取樣本，並與集團在該財政年度期間和獨立第三方之間發生的相似交易進行比較。

根據上市規則第14A.56條，本公司已委聘本公司的核數師根據香港會計師公會發佈的香港鑒證業務準則3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明740號「香港上市規則規定的持續關連交易的核數師函件」，進行若干審閱程序，以就本集團的持續關連交易作出報告。根據上市規則第14A.56條，核數師已就本集團於本年報披露的持續關連交易，發出無保留意見的函件。本公司已向聯交所提交核數師函件副本。

由執行委員會、內部審核團隊及公司的核數師分別進行的審閱程序所得結果，已在審核委員會會議上向獨立非執行董事匯報。經審核委員會審閱，獨立非執行董事確認這些持續關連交易(i)在本集團的日常業務中訂立；(ii)按照一般商務條款或更佳條款進行；及(iii)根據有關交易協議進行，其條款公平合理且符合本公司股東的整體利益。

本集團已就非豁免持續關連交易刊登公告。董事確認本公司已遵守上市規則第14A章的披露規定(如適用)。

## Related Party Transactions

The significant related party transactions entered into by the Group during the year set out in note 39 to the financial statements include transactions that constitute connected transactions and continuing connected transactions for which the disclosure requirements under Chapter 14A of the Listing Rules have been complied with.

## Major Customers and Suppliers

During the year, less than 30.0% of the Group's revenue was attributed to the Group's five largest customers. Besides, 53.2% of the Group's total purchases were attributed to the Group's five largest suppliers and 39.1% of the Group's total purchases were attributed to the Group's largest supplier. To the best of the directors' knowledge, none of the directors, their respective close associates (as defined in the Listing Rules) and any shareholder who to the knowledge of the directors owned more than 5% of the issued share capital of the Company as at 31 March 2020 held any interest in any of the five largest suppliers or customers of the Group.

## 關聯人士交易

本集團於本年度訂立的重大關聯人士交易載於財務報表附註39，包括構成關連／持續關連交易的交易，而本集團已就該等交易遵守上市規則第14A章的披露規定。

## 主要顧客和供應商

年內，本集團少於30.0%營業額來自本集團五大顧客。此外，本集團總採購額53.2%來自本集團五大供應商，而本集團總採購額39.1%來自本集團最大供應商。據董事所知，於2020年3月31日，概無董事、彼等各自緊密聯繫人（定義見上市規則）或董事知悉擁有本公司已發行股本5%以上的任何股東持有本集團五大供應商或顧客的任何權益。

## Directors' Interests in the Shares, Underlying Shares and Debentures of the Company

As at 31 March 2020, the interests and short positions of the directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 to the Listing Rules were as follows:

### Long position in shares

		Personal interests 個人權益	Number of shares 股份數目		Total 合計	Approximate % of shareholding 概約持股 百分比
			Spouse interests 配偶權益	Corporate interests 法團權益		
<b>The Company (ordinary shares of HK\$1 each)</b>	本公司(每股面值 1港元的普通股)					
Mr. Wong Siu-Kee, Kent	黃紹基先生	12,000			12,000	0.0%
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士			20,000 <sup>(1)</sup>	20,000	0.0%
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	4,800			4,800	0.0%
Mr. Chan Sai-Cheong	陳世昌先生	12,000			12,000	0.0%
Mr. Suen Chi-Keung, Peter	孫志強先生	3,600			3,600	0.0%
Mr. Chan Hiu-Sang, Albert	陳曉生先生	12,000			12,000	0.0%
Mr. Liu Chun-Wai, Bobby	廖振為先生		12,000		12,000	0.0%

(1) These shares are beneficially owned by a company, which in turn is wholly-owned by Dr. Cheng Chi-Kong, Adrian

## 董事於本公司的股份、相關股份及債權證的權益

於2020年3月31日，本公司董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部已知會本公司及聯交所的權益及淡倉，或記錄於根據證券及期貨條例第352條規定須予存置的登記冊內的權益及淡倉，或根據上市規則附錄10所載的標準守則須知會本公司及聯交所的權益及淡倉如下：

### 於股份的好倉

		Personal interests 個人權益	Number of shares 股份數目		Total 合計	Approximate % of shareholding 概約持股 百分比
			Spouse interests 配偶權益	Corporate interests 法團權益		
<b>The Company (ordinary shares of HK\$1 each)</b>	本公司(每股面值 1港元的普通股)					
Mr. Wong Siu-Kee, Kent	黃紹基先生	12,000			12,000	0.0%
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士			20,000 <sup>(1)</sup>	20,000	0.0%
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	4,800			4,800	0.0%
Mr. Chan Sai-Cheong	陳世昌先生	12,000			12,000	0.0%
Mr. Suen Chi-Keung, Peter	孫志強先生	3,600			3,600	0.0%
Mr. Chan Hiu-Sang, Albert	陳曉生先生	12,000			12,000	0.0%
Mr. Liu Chun-Wai, Bobby	廖振為先生		12,000		12,000	0.0%

(1) 該等股份由鄭志剛博士全資擁有的一家公司實益擁有



## Substantial Shareholders' Interests in Securities

As at 31 March 2020, the following persons (not being directors or chief executives of the Company) had the following interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

### Long position in shares

Name 名稱	Number of shares 股份數目		Total 合計	Approximate % of shareholding 概約持股 百分比
	Beneficial interests 實益權益	Corporate interests 法團權益		
Cheng Yu Tung Family (Holdings) Limited		8,933,937,400	8,933,937,400	89.3%
Cheng Yu Tung Family (Holdings II) Limited		8,933,937,400	8,933,937,400	89.3%
Chow Tai Fook Capital Limited		8,933,937,400	8,933,937,400	89.3%
Chow Tai Fook (Holding) Limited	周大福(控股)有限公司	8,933,937,400	8,933,937,400	89.3%

Note:

As at 31 March 2020, Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited held approximately 49.0% and 46.7% interest in Chow Tai Fook Capital Limited respectively, which in turn held an approximately 81.0% interest in Chow Tai Fook (Holding) Limited and accordingly each of Cheng Yu Tung Family (Holdings) Limited, Cheng Yu Tung Family (Holdings II) Limited and Chow Tai Fook Capital Limited is deemed to have an interest in the shares of the Company held by Chow Tai Fook (Holding) Limited. Chow Tai Fook (Holding) Limited held 8,933,937,400 shares of the Company directly as at 31 March 2020.

## Share Option Scheme

A share option scheme (the "Scheme") was adopted pursuant to a shareholders' written resolution of the Company passed on 17 November 2011. No options have been granted, exercised or cancelled under the Scheme since its adoption up to the date of this annual report.

The purpose of the Scheme is to attract skilled and experienced personnel, incentivise them to remain with the Group and motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company. The Board may, at its discretion, grant options pursuant to the Scheme to the directors of the Company (including executive directors, non-executive directors and independent non-executive directors), the directors of the Company's subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers, in its absolute discretion, have contributed or will contribute to the Group.

## 主要股東於證券的權益

於2020年3月31日，根據證券及期貨條例第336條須存置的登記冊所記錄的以下人士（並非本公司董事或最高行政人員）所持有本公司股份及相關股份的權益或淡倉如下：

### 於股份的好倉

Name 名稱	Number of shares 股份數目		Total 合計	Approximate % of shareholding 概約持股 百分比
	Beneficial interests 實益權益	Corporate interests 法團權益		
Cheng Yu Tung Family (Holdings) Limited		8,933,937,400	8,933,937,400	89.3%
Cheng Yu Tung Family (Holdings II) Limited		8,933,937,400	8,933,937,400	89.3%
Chow Tai Fook Capital Limited		8,933,937,400	8,933,937,400	89.3%
Chow Tai Fook (Holding) Limited	周大福(控股)有限公司	8,933,937,400	8,933,937,400	89.3%

附註：

於2020年3月31日，Cheng Yu Tung Family (Holdings) Limited及Cheng Yu Tung Family (Holdings II) Limited各自於Chow Tai Fook Capital Limited分別持有約49.0%及46.7%權益，而Chow Tai Fook Capital Limited則於周大福(控股)有限公司持有約81.0%權益，因此Cheng Yu Tung Family (Holdings) Limited、Cheng Yu Tung Family (Holdings II) Limited及Chow Tai Fook Capital Limited被視為於周大福(控股)有限公司所持本公司股份中擁有權益，而周大福(控股)有限公司於2020年3月31日則直接持有本公司8,933,937,400股股份。

## 購股權計劃

本公司根據於2011年11月17日的一份股東書面決議採納了購股權計劃（「該計劃」）。自該計劃採納日期至本年報日期，本公司概無授出、行使或註銷該計劃下任何購股權。

該計劃旨在通過提供獲取本公司股權的機會，吸引有技能和經驗的人員，激勵他們留任本集團，鼓勵其為本集團的未來發展及擴展而努力。董事會可酌情根據該計劃向其酌情認為對本集團已作出或將作出貢獻的本公司董事（包括執行董事、非執行董事及獨立非執行董事）、本公司附屬公司的董事、本集團的僱員以及任何其他人士（包括諮詢人或顧問）授出購股權。

The total number of shares in respect of which options may be granted pursuant to the Scheme and any other share option schemes of the Company shall not exceed 10% of the shares of the Company in issue on the Company's listing date of 15 December 2011, being 1,000,000,000 shares ("Scheme Mandate Limit"), which represented 10.0% of the shares of the Company as at the date of this annual report. The Company may renew the Scheme Mandate Limit with shareholders' approval provided that each such renewal may not exceed 10% of the shares in the Company in issue as at the date of the shareholders' approval.

The maximum number of shares underlying all outstanding options which have been granted and have yet to be exercised pursuant to the Scheme and any other share option schemes of the Company shall not exceed 30.0% of the shares in issue from time to time.

Unless approved by shareholders of the Company in the manner as set out in the Scheme, the maximum number of shares underlying the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1.0% of the shares of the Company in issue for the time being.

The period during which an option may be exercised by a grantee (the "Option Period") shall be determined and notified by the Board to the grantee at the time of such grant, which shall not expire later than 10 years from the grant date.

Subject to any restrictions applicable under the Listing Rules, an option may be exercised in whole or in part by the grantee at any time during the Option Period in accordance with the terms of the Scheme and the terms on which the option was granted.

No amount is payable by the grantee upon acceptance of an option.

根據該計劃及本公司任何其他購股權計劃可予授出之購股權所涉及股份的總數不得超過本公司於上市日期2011年12月15日已發行本公司股份的10%，即1,000,000,000股股份（「計劃授權上限」），相當於本年報日期當日本公司股份的10.0%。本公司可於獲得股東批准下重訂該計劃授權上限，惟該重訂各不得超過獲股東批准當日本公司已發行股份之10%。

所有根據該計劃及本公司任何其他購股權計劃已授出但尚未行使的購股權相關的最高股份數目，合共不得超過不時已發行股份的30.0%。

除非按該計劃所載方式獲本公司股東批准，每名合資格參與者在任何12個月內獲授購股權（包括已行使及尚未行使的購股權）相關的股份最高數目不得超過本公司當時已發行股份的1.0%。

承授人可行使購股權的期間（「購股權期間」）由董事會授出購股權時決定並通知承授人，該期間不得遲於授出之日起計10年後屆滿。

承授人可根據該計劃的條款及授出購股權的條款於購股權期間隨時行使全部或部分購股權，惟須受上市規則的任何適用限制所規限。

承授人接納購股權時毋須繳付任何款項。

The exercise price shall be determined by the Board but in any event shall not be less than the highest of: (a) the closing price of the shares as stated in the daily quotations sheet issued by the Stock Exchange on the grant date, which must be a business day; (b) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the grant date; and (c) the nominal value of the shares.

The Scheme will remain in force for a period of 10 years after the date of conditional adoption, i.e. 17 November 2011.

### Permitted Indemnity Provision

The Company's Articles provides that every director is entitled to be indemnified out of the assets and profits of the Company against all losses, damages and liabilities which he/she may sustain or incur in or about the execution of duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to any director.

The Company has taken out and maintained directors' liability insurance throughout the year, which provides appropriate cover for the directors.

### Management Contracts

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

### Donations

Charitable and other donations made by the Group during the year amounted to approximately HK\$20.1 million (FY2019: HK\$9.9 million).

行使價由董事會釐定，惟於任何情況下不得低於以下最高者：(a) 聯交所於授出日期(須為營業日)發佈的每日報價表所報股份收市價；(b) 聯交所於緊接授出日期前五個營業日發出的每日報價表所報股份平均收市價；及(c) 股份面值。

該計劃自有條件採納之日(即2011年11月17日)起計10年內有效。

### 獲許的彌償條文

本公司細則規定，就其任期內或因執行其職務而可能遭致或發生與此相關之所有損失、損害賠償或責任，每位董事有權從本公司資產和溢利中獲得賠償，惟與任何董事本身之欺詐或不誠實事宜有關者除外。

本公司於年內已購買及維持全年的董事責任保險，為董事提供適當的保障。

### 管理合約

在本年度內，本公司並無就全部業務或其中任何重要部份簽訂或訂有管理及行政合約。

### 捐款

本集團於年內作出的慈善及其他捐款合共約為20.1百萬港元(2019財政年度：9.9百萬港元)。

## Events after the Reporting Period

The Group's business severely suffered in the fourth quarter ended 31 March 2020 due to the outbreak of COVID-19 in early 2020. The Group has been closely monitoring the development and the impact of COVID-19 since then and taking appropriate responses in a timely manner in order to mitigate the impact on the Group's business. The majority of our POS in Mainland China and Hong Kong and Macau resumed operations in April 2020.

Up to the date on which this set of financial statements were authorised for issue, the Group has seen signs of recovery especially in the Mainland China market. The recent sales performances in both reportable segments were within the management's expectations.

For further details, please refer to "Business Outlook and Strategies" in Managing Director's Strategic Report on p.40.

Except for the above, there is no material subsequent event undertaken by the Company or by the Group after 31 March 2020 and up to the date of this annual report.

## Auditor

Deloitte Touche Tohmatsu ("Deloitte") retired as the auditor of the Company upon the expiration of its term of office with effect from the conclusion of the annual general meeting of the Company held on 26 July 2018. PricewaterhouseCoopers was appointed as the auditor of the Company following the retirement of Deloitte.

The consolidated financial statements of the Group have been audited by PricewaterhouseCoopers, Certified Public Accountants and Registered PIE Auditor, who will retire and, being eligible, will offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

**Dr. Cheng Kar-Shun, Henry**  
Chairman

Hong Kong, 11 June 2020

## 報告期後事項

本集團截至2020年3月31日止第四季度的業務受2020年初爆發2019冠狀病毒疫情的嚴重打擊。本集團自爆發以來一直密切留意2019冠狀病毒疫情的發展和影響，並適時採取適當的應對措施，以減低對本集團業務的影響。中國內地以及香港及澳門的零售點大部份已於2020年4月恢復營運。

截至獲授權刊發本財務報表當日止，本集團的業務已呈復甦跡象，尤其是中國內地市場。兩個可呈報分部的近期銷售表現均符合管理層的預期。

詳情請參閱第40頁「董事總經理策略報告」內「業務展望與策略」。

除以上所述，本公司或本集團於2020年3月31日後及截至本年報日期並無進行任何重大期後事項。

## 核數師

德勤·關黃陳方會計師行（「德勤」）於其任期屆滿後退任本公司核數師，自本公司於2018年7月26日舉行之股東週年大會結束起生效。德勤退任後，羅兵咸永道會計師事務所獲委任為本公司核數師。

本集團綜合財務報表經羅兵咸永道會計師事務所（執業會計師及註冊公眾利益實體核數師）審核。羅兵咸永道會計師事務所將任滿退席，且合資格及將會於本公司應屆股東週年大會上膺選連任。

代表董事會

主席  
**鄭家純博士**

香港，2020年6月11日



FINANCIALS

財務

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



羅兵咸永道

### To the members of

#### **Chow Tai Fook Jewellery Group Limited**

*(incorporated in the Cayman Islands with limited liability)*

致周大福珠寶集團有限公司成員

*(於開曼群島註冊成立的有限公司)*

### Opinion

#### **What we have audited**

The consolidated financial statements of Chow Tai Fook Jewellery Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 165 to 262, which comprise:

- the consolidated statement of financial position as at 31 March 2020;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

#### **Our opinion**

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 意見

#### **我們已審計的內容**

周大福珠寶集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於165至262頁的綜合財務報表，包括：

- 於2020年3月31日的綜合財務狀況表；
- 截至該日止年度的綜合損益及其他全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

#### **我們的意見**

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2020年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

## Basis for Opinion

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

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

## Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

## Key Audit Matters

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

Key audit matters identified in our audit are summarised as follows:

- Existence and valuation of inventories
- Valuation of jewellery collectibles

## 意見的基礎

我們已根據《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## 獨立性

根據國際會計師職業道德準則理事會頒布的《國際會計師職業道德守則(包含國際獨立性標準)》(以下簡稱「道德守則」)，我們獨立於貴集團，並已履行道德守則中的其他職業道德責任。

## 關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 存貨之存在性及估值
- 珠寶珍藏估值

## Key Audit Matters (Continued)

### Key Audit Matter 關鍵審計事項

#### **Existence and valuation of inventories**

##### 存貨之存在性及估值

Refer to notes 2.14, 3 and 22 to the consolidated financial statements.

The carrying value of inventories of the Group was HK\$42,538.4 million as at 31 March 2020 which mainly comprised of gem-set jewellery, gold products, platinum/karat gold products and watches. Valuation of inventories was at the lower of cost and net realisable value. Significant portion of inventory cost includes cost of gold, platinum and gemstones, which are subject to the risk of changes in market value. The assessment of net realisable value of inventories was based on significant estimates and judgements made by management in respect of, amongst others, the economic conditions, marketability of products and the forecast market price of gold, platinum and gemstones used to make the jewellery products.

請參閱綜合財務報表附註2.14、3及22。

2020年3月31日，本集團的存貨賬面值為42,538.4百萬港元，主要包括珠寶鑲嵌首飾、黃金產品、鉑金/K金產品及鐘錶。存貨的估值為成本與可變現淨值兩者中之較低者。存貨成本中大部分為黃金、鉑金及寶石之成本，受市場價值變動風險影響。管理層須就(其中包括)經濟狀況、產品的受歡迎程度及用於製造珠寶產品的黃金、鉑金及寶石的預測市場價格作出重大估計及判斷，以評估存貨可變現淨值。

## 關鍵審計事項(續)

### How our audit addressed the Key Audit Matter 我們的審計如何對關鍵審計事項進行處理

We understood and evaluated management's key controls over inventory existence and valuation.

We validated management's controls over existence by attending daily cycle physical counts at selected points-of-sale ("POS") throughout the year to observe the daily count procedures at POS. We also inspected a selection of daily physical count reports and the reconciliation to daily ending inventories record in the inventory system.

Furthermore, we attended the annual physical inventory count at year end date and performed sample count procedures at selected POS, manufacturing facilities and logistics and distribution centres.

我們了解及評估管理層對存貨之存在性及估值的關鍵監控。

我們核實管理層對存在性監控的方法為於年內在選定零售點參與每日週期實物盤點，以觀察於零售點的每日盤點程序。我們亦檢查部分日常實物盤點報告，並與存貨系統內記錄的每日存貨記錄對賬。

此外，我們於年結日參與部分零售點、生產設施及物流和配送中心的年度實物存貨盤點及抽樣盤點。



## Key Audit Matters (Continued)

### Key Audit Matter 關鍵審計事項

#### **Existence and valuation of inventories (Continued)**

##### 存貨之存在性及估值(續)

Management also engaged an independent professional gemologist to carry out gemological appraisal to verify their authenticity and assess their conditions and values based on its expertise.

管理層亦已委聘獨立專業珠寶鑒定師進行寶石鑒定和估值，以核實真品及根據其專業知識評估寶石的狀況和價值。

## 關鍵審計事項(續)

### How our audit addressed the Key Audit Matter 我們的審計如何對關鍵審計事項進行處理

We evaluated the competence, capabilities and objectivity of the independent professional gemologist, understood their scope of work and their terms of engagement. We selected gem-set jewellery products, observed the appraisal process carried out by the independent professional gemologist and traced these to the gemological appraisal reports to test these were recorded at the lower of cost and net realisable value.

We evaluated the net realisable values of inventories assessed by management with reference to, amongst others, the market price movement of the materials, the aging profile and the subsequent selling prices of similar products, on a sample basis.

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

Based on the procedures performed, we found that the existence and valuation of inventories to be supportable by the available evidence.

我們評核獨立專業珠寶鑒定師之資歷、能力及客觀性，並了解其工作範疇和委聘條款。我們挑選一些珠寶鑲嵌首飾產品並觀察獨立專業珠寶鑒定師進行的估值程序，並與珠寶估值報告對照，測試所記錄的價值是否按成本與可變現淨值兩者中的較低者入賬。

我們參照(其中包括)材料市場價格變動、賬齡分析及同類產品的其後售價，抽樣評估管理層評估的存貨可變現淨值。

我們將實際損失與過往確認的準備作比較，評核過往由管理層評估存貨準備的準確性。

根據我們進行的程序，我們認為有足夠可得證據支持存貨之存在性及估值。

## Key Audit Matters (Continued)

### Key Audit Matter 關鍵審計事項

#### Valuation of jewellery collectibles

##### 珠寶珍藏估值

Refer to notes 2.13, 3 and 18 to the consolidated financial statements.

The carrying value of jewellery collectibles of the Group was HK\$1,520.1 million as at 31 March 2020. Valuation of jewellery collectibles was at the lower of cost and recoverable amount. The assessment of the recoverable amount of jewellery collectibles was based on the review of the conditions of the items by management and with reference to international diamond prices and market research reports on jewellery industry. The management also engaged an independent professional gemologist to perform valuation with reference to international diamond prices and the current market situation, to verify the authenticity and assess the conditions and values of jewellery collectibles based on gemstone testing and its expertise.

請參閱綜合財務報表附註2.13、3及18。

於2020年3月31日，貴集團的珠寶珍藏賬面值為1,520.1百萬港元。珠寶珍藏的估值為成本與可收回金額兩者中之較低者。管理層檢視珠寶珍藏的狀況，並參照國際鑽石價格以及珠寶行業的市場調研報告，以評估珠寶珍藏的可收回金額。管理層亦委聘獨立專業珠寶鑒定師參照國際鑽石價格和現時市況進行估值、核實真品及根據寶石測試及其專業知識評核珠寶珍藏的價值及狀況。

## 關鍵審計事項(續)

### How our audit addressed the Key Audit Matter 我們的審計如何對關鍵審計事項進行處理

We traced the acquisition costs or carrying value upon the designation to jewellery collectibles to relevant source documents.

We evaluated the competence, capabilities and objectivity of the independent professional gemologist, understood their scope of work and their terms of engagement. We selected all jewellery collectibles, observed the appraisal process carried out by the independent professional gemologist and traced these to the gemological appraisal reports to test these were recorded at the lower of cost and recoverable amount.

Based on the procedures performed, we found that the valuation of jewellery collectibles to be supportable by the available evidence.

當歸類為珠寶珍藏後，我們會索查相關來源文件，以檢測收購成本或賬面值。

我們評核獨立專業珠寶鑒定師之資歷、能力及客觀性，並了解其工作範疇和委聘條款。我們挑選所有珠寶珍藏並觀察獨立專業珠寶鑒定師進行的估值程序，並與珠寶估值報告對照，測試所記錄的價值是否按成本與可收回金額兩者中的較低者入賬。

根據我們進行的程序，我們認為有足夠可得證據支持珠寶珍藏的估值。

## Other Information

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

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

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

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

## Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

## 其他訊息

貴公司董事需對其他訊息負責。其他訊息包括刊載於年報內的所有訊息，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訊息，我們亦不對該等其他訊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訊息，在此過程中，考慮其他訊息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們的已執行的工作，如果我們認為其他訊息存在重大錯誤的陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

## 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（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《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## 核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Cheng Woon Yin Michael.

**PricewaterhouseCoopers**  
Certified Public Accountants  
Hong Kong

11 June 2020

## 核數師就審計綜合財務報表承擔的責任(續)

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是鄭煥然。

**羅兵咸永道會計師事務所**  
執業會計師  
香港

2020年6月11日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Notes 附註	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Revenue	營業額	4	56,750.8	66,660.9
Cost of goods sold	銷售成本		(40,654.6)	(48,059.1)
<b>Gross profit</b>	<b>毛利</b>		<b>16,096.2</b>	18,601.8
Other income	其他收入	5	436.6	395.8
Selling and distribution costs	銷售及分銷成本		(8,689.7)	(9,037.8)
General and administrative expenses	一般及行政開支		(2,867.1)	(2,986.7)
Other gains and losses	其他收益及虧損	6	(147.1)	(276.2)
Other expenses	其他開支	5	(146.3)	(57.3)
Share of profits of an associate	分佔一家聯營公司之溢利		3.5	–
Interest income	利息收入	7	78.0	82.7
Finance costs	融資成本	7	(559.6)	(370.3)
<b>Profit before taxation</b>	<b>除稅前溢利</b>	8	<b>4,204.5</b>	6,352.0
Taxation	稅項	10	(1,221.4)	(1,668.0)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>2,983.1</b>	4,684.0
<b>Other comprehensive expense</b>	<b>其他全面開支</b>			
<i>Item that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益的項目：</i>			
— remeasurement of defined benefit scheme	— 重新計算定額福利計劃		(24.0)	(7.5)
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>隨後可能會重新分類至損益的項目：</i>			
— exchange differences arising on translation of foreign operations	— 換算境外業務所產生之匯兌差額		(980.6)	(1,288.1)
<b>Other comprehensive expense for the year</b>	<b>年度其他全面開支</b>		<b>(1,004.6)</b>	(1,295.6)
<b>Total comprehensive income for the year</b>	<b>年度全面收益總額</b>		<b>1,978.5</b>	3,388.4
<b>Profit for the year attributable to:</b>	<b>以下各方應佔年度溢利：</b>			
Shareholders of the Company	本公司股東		2,901.0	4,576.8
Non-controlling interests	非控股權益		82.1	107.2
			<b>2,983.1</b>	4,684.0
<b>Total comprehensive income for the year attributable to:</b>	<b>以下各方應佔年度全面收益總額：</b>			
Shareholders of the Company	本公司股東		1,937.2	3,327.3
Non-controlling interests	非控股權益		41.3	61.1
			<b>1,978.5</b>	3,388.4
<b>Earnings per share — Basic and Diluted</b>	<b>每股盈利 — 基本及攤薄</b>	11	<b>HK29.0 cents 港仙</b>	HK45.8 cents 港仙

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2020 於2020年3月31日

		Notes 附註	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	4,641.3	5,488.0
Land use rights	土地使用權	2.2	–	177.2
Right-of-use assets	使用權資產	14	2,288.0	–
Investment properties	投資物業	15	225.4	219.2
Goodwill	商譽	16	231.5	257.8
Other intangible assets	其他無形資產	17	207.6	253.7
Jewellery collectibles	珠寶珍藏	18	1,520.1	1,520.1
Prepayment and deposits	預付款項及已付按金		248.3	38.7
Financial assets at fair value through profit or loss	按公允值計入損益的金融資產		21.0	11.2
Investments in associates	於聯營公司之投資	19	11.7	–
Amounts due from associates	應收聯營公司款項	19	57.5	54.7
Loan receivables	應收貸款	20	15.6	18.7
Deferred tax assets	遞延稅項資產	21	570.1	420.1
			<b>10,038.1</b>	<b>8,459.4</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	22	42,538.4	39,486.1
Trade and other receivables	貿易及其他應收款項	23	5,340.8	6,638.7
Loan receivables	應收貸款	20	7.9	12.3
Taxation recoverable	可收回稅項		99.0	–
Cash and cash equivalents	現金及現金等價物	24	7,219.2	7,640.6
			<b>55,205.3</b>	<b>53,777.7</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	25	12,430.0	10,684.3
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	26	97.9	136.7
Taxation payable	應付稅項		388.6	1,178.4
Bank borrowings	銀行貸款	27	10,533.0	7,460.0
Gold loans	黃金借貸	28	11,280.4	8,011.5
Lease liabilities	租賃負債	14	896.8	–
			<b>35,626.7</b>	<b>27,470.9</b>
<b>Net current assets</b>	<b>流動資產淨額</b>		<b>19,578.6</b>	<b>26,306.8</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>29,616.7</b>	<b>34,766.2</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bank borrowings	銀行貸款	27	897.5	2,596.7
Lease liabilities	租賃負債	14	900.3	–
Retirement benefit obligations	退休福利承擔	36	260.2	238.8
Deferred tax liabilities	遞延稅項負債	21	505.1	456.4
Other liabilities	其他負債		62.8	71.3
			<b>2,625.9</b>	<b>3,363.2</b>
<b>Net assets</b>	<b>資產淨額</b>		<b>26,990.8</b>	<b>31,403.0</b>



		Note 附註	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Share capital</b>	股本	29	<b>10,000.0</b>	10,000.0
<b>Reserves</b>	儲備		<b>16,343.3</b>	20,750.7
<b>Equity attributable to shareholders of the Company</b>	本公司股東應佔權益		<b>26,343.3</b>	30,750.7
<b>Non-controlling interests</b>	非控股權益		<b>647.5</b>	652.3
			<b>26,990.8</b>	31,403.0

The consolidated financial statements on pages 165 to 262 were approved and authorised for issue by the Board of Directors on 11 June 2020 and are signed on its behalf by:

董事會於2020年6月11日批准並授權刊發載於第165至262頁之綜合財務報表，並由以下代表簽署：

**Dr. Cheng Kar-Shun, Henry**  
鄭家純博士  
DIRECTOR  
董事

**Mr. Wong Siu-Kee, Kent**  
黃紹基先生  
DIRECTOR  
董事

**Mr. Cheng Ping-Hei, Hamilton**  
鄭炳熙先生  
DIRECTOR  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Attributable to shareholders of the Company 本公司股東應佔								
		Share capital 股本	Share premium 股份溢價	Special reserve 特別儲備	Statutory surplus reserve 法定盈餘儲備	Translation reserve 換算儲備	Retained profits 保留溢利	Total 總計	Non-controlling interests 非控股權益	Total 總計
		HK\$ million 百萬元	HK\$ million 百萬元	HK\$ million (note a) (附註 a)	HK\$ million (note b) (附註 b)	HK\$ million 百萬元	HK\$ million 百萬元	HK\$ million 百萬元	HK\$ million 百萬元	HK\$ million 百萬元
Notes 附註										
	At 1 April 2018	10,000.0	5,498.7	2,499.5	1,209.0	1,176.8	13,039.4	33,423.4	674.2	34,097.6
	Profit for the year	-	-	-	-	-	4,576.8	4,576.8	107.2	4,684.0
	Other comprehensive expense for the year	-	-	-	-	(1,242.0)	(7.5)	(1,249.5)	(46.1)	(1,295.6)
	Total comprehensive (expense)/income for the year	-	-	-	-	(1,242.0)	4,569.3	3,327.3	61.1	3,388.4
	Capital contribution from a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	3.5	3.5
	Deregistration of subsidiaries	-	-	-	(55.3)	(0.8)	56.1	-	(5.9)	(5.9)
	Transfers	-	-	-	117.5	-	(117.5)	-	-	-
12	Dividends	-	-	-	-	-	(6,000.0)	(6,000.0)	(80.6)	(6,080.6)
	At 31 March 2019, as previously presented	10,000.0	5,498.7	2,499.5	1,271.2	(66.0)	11,547.3	30,750.7	652.3	31,403.0
2.2	Effect on adoption of IFRS 16	-	-	-	-	-	(144.6)	(144.6)	-	(144.6)
	At 1 April 2019, as adjusted	10,000.0	5,498.7	2,499.5	1,271.2	(66.0)	11,402.7	30,606.1	652.3	31,258.4
	Profit for the year	-	-	-	-	-	2,901.0	2,901.0	82.1	2,983.1
	Other comprehensive expense for the year	-	-	-	-	(939.8)	(24.0)	(963.8)	(40.8)	(1,004.6)
	Total comprehensive (expense)/income for the year	-	-	-	-	(939.8)	2,877.0	1,937.2	41.3	1,978.5
	Capital contribution from a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	8.0	8.0
	Deregistration of subsidiaries	-	-	-	(4.8)	(3.9)	8.7	-	(10.9)	(10.9)
	Transfers	-	-	-	118.8	-	(118.8)	-	-	-
12	Dividends	-	-	-	-	-	(6,200.0)	(6,200.0)	(43.2)	(6,243.2)
	At 31 March 2020	10,000.0	5,498.7	2,499.5	1,385.2	(1,009.7)	7,969.6	26,343.3	647.5	26,990.8

### Notes:

- (a) Special reserve represents (i) the accumulated contribution from the Macau jewellery business and (ii) the difference between the nominal value of the shares of various subsidiaries under common control, and cash consideration payable arising from acquisition of these subsidiaries under common control pursuant to the Group reorganisation in 2011.
- (b) As stipulated by the relevant laws and regulations for foreign investment enterprises in Mainland China, the Company's subsidiaries in Mainland China are required to maintain a statutory surplus reserve fund. Appropriation to such reserve is made out of net profit after taxation as reflected in the statutory financial statements of the subsidiaries in Mainland China in accordance with the relevant laws and regulations applicable to enterprises in Mainland China. The statutory surplus reserve fund can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.

### 附註:

- (a) 特別儲備指(i)澳門珠寶業務之累計貢獻及(ii)分佔根據共同控制下各附屬公司的股份面值與根據2011年本集團重組時收購共同控制下附屬公司應支付之現金代價之差額。
- (b) 按有關中國內地外資企業的相關法律及法規，本公司的中國內地附屬公司須存置法定盈餘儲備基金。有關儲備之撥款乃來自中國內地附屬公司的法定財務報表(根據中國內地企業適用的相關法律及法規編製)所載的除稅後溢利淨額。法定盈餘儲備基金可用於彌補過往年度的虧損(如有)，並可以資本化發行之方式轉換為資本。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Operating activities</b>	<b>經營活動</b>		
Profit before taxation	除稅前溢利	4,204.5	6,352.0
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	(138.8)	(131.4)
Interest expenses	利息開支	559.6	370.3
Loss allowance (written back)/recognised on trade and other receivables	貿易及其他應收款項虧損撥備之(撥回)/確認	(3.2)	27.5
Utilisation of allowance on inventories	存貨撥備使用	(24.1)	(113.5)
Write off of inventories	存貨損失	3.5	9.0
Fair value change of gold loans	黃金借貸的公允值變動	1,276.1	117.2
Depreciation of property, plant and equipment	物業、廠房及設備折舊	975.0	885.1
Depreciation of right-of-use assets	使用權資產折舊	1,337.5	-
Depreciation of investment properties	投資物業折舊	11.3	14.3
Amortisation of land use rights	土地使用權攤銷	-	14.3
Amortisation of other intangible assets	其他無形資產攤銷	46.1	52.7
Gain on acquisition of subsidiaries	收購附屬公司收益	(18.0)	-
Share of profits of an associate	分佔一家聯營公司之溢利	(3.5)	-
Impairment of amount due from an associate	應收一家聯營公司款項之減值	0.2	5.0
Impairment of goodwill	商譽減值	2.3	-
Impairment of property, plant and equipment	物業、廠房及設備減值	13.0	-
Impairment of right-of-use assets	使用權資產減值	50.4	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	37.7	17.8
Gain on surrender of right-of-use assets	處置使用權資產的收益	(78.8)	-
Provision for defined benefit obligations	定額退休福利承擔撥備	5.5	7.2
Net exchange difference	匯率差額淨額	104.3	146.9
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	8,384.6	7,774.4
(Increase)/decrease in inventories	存貨(增加)/減少	(980.4)	29.0
Decrease/(increase) in deposits and trade and other receivables	按金和貿易及其他應收款項減少/(增加)	788.4	(655.8)
Increase in trade and other payables	貿易及其他應付款項增加	2,276.3	2,882.9
Defined benefits paid	已付定額退休福利	(8.1)	(8.1)
Cash generated from operations	經營所得現金	10,460.8	10,022.4
Interest received	已收利息	56.0	47.2
Income tax paid:	已付所得稅：		
— Hong Kong Profits Tax	— 香港利得稅	(809.2)	(463.7)
— Enterprise Income Tax and withholding tax in Mainland China	— 中國內地企業所得稅及預扣稅	(1,285.9)	(1,127.6)
— Macau complementary tax	— 澳門所得補充稅	(51.3)	(40.1)
— Taxation in other jurisdictions	— 其他司法地區之稅項	(6.2)	(7.1)
<b>Net cash generated from operating activities</b>	<b>經營活動所得現金淨額</b>	<b>8,364.2</b>	<b>8,431.1</b>

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Investing activities</b>	<b>投資活動</b>		
Interest received	已收利息	84.0	103.4
Purchase of property, plant and equipment	購買物業、廠房及設備	(915.3)	(1,341.8)
Prepayment for acquisition of property, plant and equipment	購買物業、廠房及設備預付款項	(57.8)	(50.0)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	63.0	48.3
Receipts of loan receivables	已收的應收貸款	6.9	22.5
Acquisition of financial assets at fair value through profit or loss	收購按公允值計入損益的金融資產	(10.1)	(6.7)
Acquisition of subsidiaries (note 38)	收購附屬公司(附註38)	(184.2)	-
Acquisition of an associate	收購一家聯營公司	(10.0)	-
(Advances to)/repayment from associates	(向聯營公司墊款)/聯營公司還款	(3.3)	2.5
Dividend received from an associate	已收一家聯營公司的股息	1.4	-
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(1,025.4)</b>	<b>(1,221.8)</b>
<b>Financing activities</b>	<b>融資活動</b>		
Interest paid	已付利息	(553.9)	(366.1)
Bank borrowings raised	已籌集銀行貸款	5,112.1	8,044.0
Repayment of bank borrowings	償還銀行貸款	(3,750.6)	(5,910.6)
Repayment of gold loans	償還黃金借貸	(919.7)	(2,939.8)
Payment of principal portion of lease liabilities	支付租賃負債本金部份	(1,263.0)	-
Capital contribution from a non-controlling shareholder of a subsidiary	一家附屬公司非控股股東出資	8.0	3.5
Repayment of capital to a non-controlling shareholder of subsidiaries	向附屬公司非控股股東出資還款	(10.9)	(5.9)
(Repayment to)/advance from non-controlling shareholders of subsidiaries	(償還予)/來自附屬公司非控股股東的墊款	(31.3)	43.0
Dividends paid	已付股息	(6,243.2)	(6,080.6)
<b>Net cash used in financing activities</b>	<b>融資活動所用現金淨額</b>	<b>(7,652.5)</b>	<b>(7,212.5)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物減少淨額</b>	<b>(313.7)</b>	<b>(3.2)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>年初的現金及現金等價物</b>	<b>7,640.6</b>	<b>7,944.0</b>
Effect of foreign exchange rate changes	匯率變動的影響	(107.7)	(300.2)
<b>Cash and cash equivalents at the end of the year</b>	<b>年末的現金及現金等價物</b>	<b>7,219.2</b>	<b>7,640.6</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

### 1. General Information

Chow Tai Fook Jewellery Group Limited (the “Company”, and its subsidiaries collectively referred to as the “Group”) was incorporated as an exempted company in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 20 July 2011. Its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 15 December 2011. Its immediate holding company is Chow Tai Fook (Holding) Limited (“CTF Holding”), and its ultimate holding company is Chow Tai Fook Capital Limited, both are incorporated in the British Virgin Islands.

The Company acts as an investment holding company. The principal activities of the Company’s principal subsidiaries are set out in note 40. The address of registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of principal place of business is 33/F, New World Tower, 16-18 Queen’s Road Central, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated.

### 2. Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Statement of compliance and basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and requirements of the Hong Kong Companies Ordinance Cap. 622. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange.

### 1. 一般資料

周大福珠寶集團有限公司(「本公司」，與其附屬公司統稱「本集團」)於2011年7月20日根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司。其股份自2011年12月15日開始於香港聯合交易所有限公司(「聯交所」)主板上市。其直接控股公司為Chow Tai Fook (Holding) Limited(「CTF Holding」)，其最終控股公司為Chow Tai Fook Capital Limited，兩家公司均於英屬維爾京群島註冊成立。

本公司為投資控股公司，而其主要附屬公司主要業務載於附註40。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。主要營業地址為香港皇后大道中16-18號新世界大廈33樓。

除非另有指明，否則綜合財務報表以港元呈列。

### 2. 重大會計政策概要

本附註提供編製綜合財務報表時採用的重大會計政策清單。除非另有指明，否則該等政策已於所有呈報年度一直貫徹應用。

#### 2.1 合規陳述及編制基準

綜合財務報表已根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例(第622章)編制。此等財務報表亦符合聯交所證券上市規則(「上市規則」)的適用披露條文。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.1 Statement of compliance and basis of preparation (Continued)

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are measured at fair values.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise their 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 especially significant to the consolidated financial statements, are disclosed in note 3.

#### (a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments which are first effective for their annual reporting period commencing 1 April 2019.

IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IFRSs	Annual Improvement to IFRS Standards 2015–2017 Cycle

The Group had to change its accounting policies as a result of adopting IFRS 16. The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 1 April 2019. This is disclosed in note 2.2. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2. 重大會計政策概要(續)

### 2.1 合規陳述及編制基準(續)

綜合財務報表按歷史成本基準編制，惟若干金融工具則以公允值計量。

編製符合國際財務報告準則的綜合財務報表須運用若干關鍵會計估算，同時亦需要管理層在應用本集團的會計政策過程中作出判斷。在綜合財務報表中涉及高度的判斷，複雜程度較高的範疇或重要假設及估算的範疇於附註3披露。

#### (a) 本集團採納的新訂及經修訂準則

本集團已應用以下於2019年4月1日開始的年度報告期間首次生效的準則及修訂本。

國際財務報告準則第16號	租賃
國際財務報告詮釋公告第23號	所得稅處理之不確定性
國際財務報告準則第9號(修訂本)	具有負補償之提前還款特點
國際會計準則第19號(修訂本)	計劃修改、削減或結算
國際會計準則第28號(修訂本)	於聯營公司及合資企業之長期權益
國際財務報告準則(修訂本)	2015年至2017年週期之國際財務報告準則年度改進

本集團採納國際財務報告準則第16號之後需更改其會計政策。於2019年4月1日，本集團選擇追溯採納新規則，但確認初始應用新準則的累計效應。此於附註2.2披露。上列大多數其他修訂本並無影響過往期間已確認的金額，亦預期不會對本期間或未來期間構成重大影響。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.1 Statement of compliance and basis of preparation (Continued)

#### (b) Amended standards early adopted by the Group

The Group has early adopted the following amendments of IFRS, which are relevant to its operations.

Amendments to IFRS 16 COVID-19-related rent concessions

Amendments to IFRS 16 “COVID-19-related rent concessions” allow lessee to elect not to assess whether a rent concession occurring as a direct consequence of the COVID-19 pandemic is a lease modification. Such practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021;
- There is no substantive change to other terms and conditions of the lease.

## 2. 重大會計政策概要 (續)

### 2.1 合規陳述及編制基準 (續)

#### (b) 本集團提前採納的經修訂準則

本集團已提前採納以下與其業務經營有關的國際財務報告準則的修訂本。

國際財務報告準則第 16 號 (修訂本) 2019 冠狀病毒相關的租金優惠

國際財務報告準則第 16 號 (修訂本)「2019 冠狀病毒相關的租金優惠」允許承租人選擇不評核直接由於 2019 冠狀病毒疫情產生的租金優惠是否屬租賃修改。此可行權宜之計僅適用於直接由於 2019 冠狀病毒疫情產生的租金優惠並且須達成下列所有條件：

- 租賃付款的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；
- 租賃付款的任何減幅僅影響原到期日為 2021 年 6 月 30 日或之前的付款；
- 租賃的其他條款及條件並無實質變動。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.1 Statement of compliance and basis of preparation (Continued)

#### (c) New standards and amendments not yet adopted

Certain new accounting standards and amendments have been published that are not mandatory for 31 March 2020 reporting period and have not been early adopted by the Group. These standards and amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### New standards and amendments to existing standards

Amendments to IFRS 3	Definition of a Business <sup>1</sup>
Amendments to IAS 1 and IAS 8	Definition of Material <sup>1</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to IAS 39, IFRS 7 and IFRS 9	Hedge accounting <sup>1</sup>
IFRS 17	Insurance Contracts <sup>2</sup>
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting <sup>1</sup>

1. Effective for accounting periods beginning on or after 1 January 2020.

2. Effective for accounting periods beginning on or after 1 January 2021.

3. Effective for accounting periods beginning on or after a date to be determined.

### 2.2 Changes in accounting policies

This note explains the impact of the adoption of IFRS 16 *Leases* on the Group's consolidated financial statements.

As indicated in note 2.1 above, the Group has adopted IFRS 16 *Leases* retrospectively from 1 April 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 April 2019. The new accounting policies are disclosed in note 2.28.

## 2. 重大會計政策概要 (續)

### 2.1 合規陳述及編制基準 (續)

#### (c) 尚未採納的新訂準則及修訂本

若干新會計準則及修訂本已經頒佈，但於2020年3月31日報告期間尚未生效，本集團亦無提早採納。該等準則及修訂本預計不會對本報告期或未來報告期的有關實體或對可見未來的交易構成重大影響。

#### 新訂準則及現有準則的修訂本

國際財務報告準則第3號(修訂本)	業務的定義 <sup>1</sup>
國際會計準則第1號及國際會計準則第8號(修訂本)	重大的定義 <sup>1</sup>
國際財務報告準則第10號及國際會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或投入 <sup>3</sup>
國際會計準則第39號、國際財務報告準則第7號及國際財務報告準則第9號(修訂本)	對沖會計 <sup>1</sup>
國際財務報告準則第17號	保險合約 <sup>2</sup>
財務報告概念框架2018	經修訂財務報告概念框架 <sup>1</sup>

1. 自2020年1月1日或之後開始的會計期間生效。

2. 自2021年1月1日或之後開始的會計期間生效。

3. 自待定期日或之後開始的會計期間生效。

### 2.2 會計政策變動

本附註闡述採納國際財務報告準則第16號租賃對本集團綜合財務報表的影響。

如上文附註2.1所示，本集團自2019年4月1日起追溯採納國際財務報告準則第16號租賃，惟根據該準則特定過渡條文允許，並無重列2019年報告期間的比較數字。因此，新租賃規則產生的重新分類及調整於2019年4月1日在資產負債表期初結餘予以確認。新會計政策於附註2.28披露。



## 2. Summary of Significant Accounting Policies

(Continued)

### 2.2 Changes in accounting policies (Continued)

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of IAS 17 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 April 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 2.93%.

#### (a) Practical expedients applied

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
- applying the recognition exemption for lease of low value assets;
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Upon the adoption of IFRS 16, the Group reclassified leasehold land from property, plant and equipment and land use rights to right-of-use assets for presentation purpose.

## 2. 重大會計政策概要 (續)

### 2.2 會計政策變動 (續)

採納國際財務報告準則第16號之時，本集團對之前曾根據國際會計準則第17號租賃原則項下分類為「經營租賃」之租賃確認租賃負債。該等負債按餘下租賃付款的現值計量，並利用2019年4月1日的承租人遞增借貸利率作貼現。於2019年4月1日應用至租賃負債的加權平均承租人遞增借貸利率為2.93%。

#### (a) 採用的可行權宜方法

本集團於首次應用國際財務報告準則第16號時，已使用下列準則允許的可行權宜方法：

- 對具有合理相似特徵之租賃組合採用劃一貼現率；
- 於2019年4月1日，剩餘租賃期少於12個月的經營租賃入賬為短期租賃；
- 對低價值資產的租賃應用確認豁免；
- 就計量於初始應用日期之使用權資產而言不把初始直接成本計算在內；及
- 當合約包含可延續或終止租賃之選擇權時，以事後分析結果釐定租賃期。

採納國際財務報告準則第16號之後，本集團就呈列目的，將租賃土地由物業、廠房及設備以及土地使用權重新分類為使用權資產。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.2 Changes in accounting policies (Continued)

#### (b) Measurement of lease liabilities

The table below explains the difference between operating lease commitments disclosed at 31 March 2019 by applying IAS 17 and lease liabilities recognised at 1 April 2019 by applying IFRS 16:

		HK\$ million 百萬港元
Operating lease commitments disclosed as at 31 March 2019	於2019年3月31日披露的經營租賃承擔	2,741.1
Less:	減：	
Contract reassessed as service agreement	重新評估為服務協議的合同	(116.8)
Short-term leases recognised on a straight-line basis as expense	以直線基礎確認為費用的短期租賃	(82.6)
Operating lease liabilities before discounting as at 31 March 2019	於2019年3月31日貼現前的經營租賃負債	2,541.7
Effect from discounting at incremental borrowing rate as at 1 April 2019*	於2019年4月1日以遞增借貸利率貼現之影響*	(210.7)
<b>Lease liabilities recognised as at 1 April 2019</b>	<b>於2019年4月1日確認的租賃負債</b>	<b>2,331.0</b>
Of which are:	其中：	
Current lease liabilities	流動租賃負債	1,056.4
Non-current lease liabilities	非流動租賃負債	1,274.6
		2,331.0

\* The weighted average incremental borrowing rate was 2.93%.

\* 加權平均遞增借貸利率為2.93%。

#### (c) Measurement of right-of-use assets

The associated right-of-use assets for leases were measured on a retrospective basis as if the new rules had always been applied.

The recognised right-of-use assets relate to the following types of assets:

## 2. 重大會計政策概要 (續)

### 2.2 會計政策變動 (續)

#### (b) 計算租賃負債

下表闡釋2019年3月31日應用國際會計準則第17號披露經營租賃承擔與2019年4月1日應用國際財務報告準則第16號確認的租賃負債之差異：

#### (c) 計算使用權資產

租賃相關的使用權資產按追溯基礎計算，猶如一直應用新規則。

獲確認使用權資產與下列資產類別有關：

		At 31 March 2020 於2020年3月31日 HK\$ million 百萬港元	At 1 April 2019 於2019年4月1日 HK\$ million 百萬港元
Leasehold land/land use rights	租賃土地／土地使用權	592.4	648.8
Retail stores	零售店	1,592.3	2,104.7
Office, warehouse and others	辦公室、倉庫及其他	103.3	114.8
<b>Total right-of-use assets</b>	<b>使用權資產總值</b>	<b>2,288.0</b>	<b>2,868.3</b>

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.2 Changes in accounting policies (Continued)

#### (d) Adjustments recognised in the consolidated statement of financial position on 1 April 2019

The change in accounting policy affected the following items in the consolidated statement of financial position on 1 April 2019:

		At 31 March 2019 (as previously presented) 於 2019年3月31日 (之前已呈列) HK\$ million 百萬港元	Effect on adoption of IFRS 16 採納國際財務 報告準則 第16號的影響 HK\$ million 百萬港元	At 1 April 2019 (as adjusted) 於 2019年4月1日 (經調整) HK\$ million 百萬港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	5,488.0	(471.6)	5,016.4
Land use rights	土地使用權	177.2	(177.2)	–
Right-of-use assets	使用權資產	–	2,868.3	2,868.3
Deferred tax assets	遞延稅項資產	420.1	23.4	443.5
<b>Current asset</b>	<b>流動資產</b>			
Trade and other receivables	貿易及其他應收款項	6,638.7	(26.6)	6,612.1
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	(10,684.3)	(29.9)	(10,714.2)
Lease liabilities	租賃負債	–	(1,056.4)	(1,056.4)
<b>Non-current liability</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	–	(1,274.6)	(1,274.6)
<b>Equity</b>	<b>權益</b>			
Retained profits	保留溢利	(11,547.3)	144.6	(11,402.7)
		(9,507.6)	–	(9,507.6)

#### (e) Lessor accounting

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of IFRS 16.

## 2. 重大會計政策概要(續)

### 2.2 會計政策變動(續)

#### (d) 於2019年4月1日綜合財務狀況表內確認的調整

會計政策變動影響下列2019年4月1日綜合財務狀況表的項目：

#### (e) 出租人會計處理

採納國際財務報告準則第16號之後，本集團無需對經營租賃項下以出租人身份持有資產的會計處理作任何調整。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.3 Principles of consolidation and equity accounting

#### (a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control.

The Group controls an entity when the Group:

- has power over the entity;
- is exposed, 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.

The Group reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an entity, it has power over the entity when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the entity unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an entity are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 2.4).

## 2. 重大會計政策概要(續)

### 2.3 合併及權益會計原則

#### (a) 附屬公司

附屬公司為本集團擁有控制權的所有實體(包括架構性實體)。

本集團於下列情況下控制一家實體：

- 對實體有控制權；
- 對因參與該實體而承受或享有浮動回報的風險或權益；及
- 有能力透過其對該實體的權力影響其回報。

倘事實及情況反映上文所列三項控制因素其中一項或多項改變，則本集團會重估是否仍然控制實體。

倘本集團於實體之投票權未能佔大多數，而投票權足以賦予本集團實際能力以單方面指示實體的相關活動時，即對實體擁有權力。本集團於評估本集團於實體的投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 與其他投票權持有人所持投票權的數量及分散情況相對於本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排產生的權利；及
- 於需要作出決定之時，顯示本集團目前能夠或不能指示相關活動的任何額外事實及情況(包括於過往股東會議上的投票模式)。

附屬公司在控制權轉移至本集團當日開始全面合併入賬。附屬公司在控制權終止日起從合併賬內剔除。

本集團的業務合併乃使用收購會計法入賬(參閱附註2.4)。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.3 Principles of consolidation and equity accounting (Continued)

#### (a) Subsidiaries (Continued)

Inter-company 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 statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

#### (b) 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 (see (c) below), after initially being recognised at cost.

#### (c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

## 2. 重大會計政策概要(續)

### 2.3 合併及權益會計原則(續)

#### (a) 附屬公司(續)

集團內公司之間的交易、交易的結餘及未實現收益予以對銷。除非交易提供獲轉讓資產出現減值的證據，未實現虧損亦予以對銷。附屬公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

於附屬公司業績及權益之非控股權益分別於綜合損益及其他全面收益表、綜合權益變動表及綜合財務狀況表內獨立呈列。

#### (b) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權或共同控制權的實體，通常附帶有20%至50%投票權的股權。聯營公司投資以權益會計法入賬(見下文(c))，初始以成本確認。

#### (c) 權益會計法

根據權益會計法，投資初始以成本確認，後續調整於損益確認本集團享有被投資公司在收購後的損益份額，本集團應佔被投資公司之其他全面收益變動則於其他全面收益內確認。已收及應收聯營公司股息被確認為投資賬面價值的抵減。

當本集團分佔於權益列賬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)，本集團不確認進一步虧損，除非集團已產生義務或已代其他實體付款。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.3 Principles of consolidation and equity accounting (Continued)

#### (c) Equity method (Continued)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.12.

#### (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 or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs.

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

## 2. 重大會計政策概要(續)

### 2.3 合併及權益會計原則(續)

#### (c) 權益法(續)

本集團與其聯營公司之間交易的未變現收益按集團在該等實體權益的數額對銷。除非交易提供獲轉讓之資產減值的證據，否則未變現虧損亦予以對銷。以權益入賬的被投資方的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

權益入賬投資的賬面值根據附註2.12所述的政策進行減值測試。

#### (d) 擁有權益變動

本集團把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。擁有權益變動導致控股股東權益與非控股權益賬面值之間的調整以反映彼等於附屬公司的相對權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司權益持有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權或重大影響力而不再將投資合併入賬或終止權益列賬，於其有關實體之任何保留權益將按公允值重新計量，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，先前於其他全面收益確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這意味著先前在其他全面收益確認之金額將根據適用國際財務報告準則所訂明／准許重新分類至損益或轉撥至另一類別權益。

當於聯營公司的擁有權益減少，惟仍然保留重大影響，則先前於其他全面收益內確認的金額僅有一定比例部分重新分類至損益(如適用)。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a gain on acquisition of subsidiaries.

## 2. 重大會計政策概要(續)

### 2.4 業務合併

所有業務合併均以收購會計法入賬，無論所收購者為權益工具或其他資產。收購一間附屬公司所轉讓的代價包括：

- 所轉讓資產的公允值
- 所收購業務先前擁有人產生的負債
- 本集團發行的股權
- 或然代價安排產生的任何資產或負債的公允值；及
- 任何先前存在的附屬公司股權的公允值。

除有限例外情況外，於業務合併收購的可識別資產以及承擔的負債及或然負債初步按收購日期的公允值計量。本集團根據個別收購交易按公允值或非控股權益應佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

收購相關成本於產生時支銷。

- 所轉讓代價；
- 於被收購實體的任何非控股權益金額；及
- 任何先前於被收購實體的權益於收購日期的公允值

高於已收購可識別資產淨值的公允值的差額按商譽列賬。倘上述金額低於所收購業務可識別資產淨值的公允值，有關差額會作為一項收購附屬公司收益直接於損益確認。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.4 Business combinations (Continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

### 2.5 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.

### 2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of the Company has appointed Executive Committee which assesses the financial performance and position of the Group, and makes strategic decisions. Executive Committee, which has been identified as being the chief operating decision maker, consists of executive directors of the Company.

## 2. 重大會計政策概要 (續)

### 2.4 業務合併 (續)

倘任何部分現金代價的結算獲遞延，日後應付金額貼現至彼等於兌換日期的現值。所用的貼現率乃該實體的遞增借貸利率，即從獨立融資者根據相若的條款及細則獲得同類借貸的利率。或然代價分為權益或金融負債。分類為金融負債的金額隨後重新計量其公允值，而公允值變動則於損益內確認。

### 2.5 單獨財務報表

於附屬公司的投資按成本值扣除減值列賬。成本包括直接應佔投資成本。附屬公司的業績乃由本公司按已收及應收股息基準入賬。

倘股息超過附屬公司於宣佈股息期間的全面收益總額或倘於單獨財務報表內的投資賬面值超過投資對象淨資產(包括商譽)於綜合財務報表內之賬面值，則須於自該等投資收取股息時就於附屬公司之投資進行減值測試。

### 2.6 分部報告

經營分部的報告方式須與主要營運決策者獲提供的內部報告方式一致。

本公司董事會已委任執行委員會，負責評估本集團財務業績及狀況並作出策略性決定。執行委員會已被確定為主要營運決策者，由本公司執行董事組成。



## 2. Summary of Significant Accounting Policies

(Continued)

### 2.7 Foreign currencies 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 Hong Kong dollar (HK\$), which is the Company's functional and presentation currency.

#### (b) Translations and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

## 2. 重大會計政策概要 (續)

### 2.7 外幣換算

#### (a) 功能及呈列貨幣

計入本集團各實體財務報表的項目，乃按該實體經營所在的主要經濟環境的貨幣（「功能貨幣」）計量。合併財務報表乃以本公司功能貨幣及呈列貨幣港元呈列。

#### (b) 換算及結餘

外幣交易採用交易日期的匯率換算為功能貨幣。結算此等交易產生的匯兌收益和損失以及將外幣計值的貨幣資產和負債以年終匯率折算產生的匯兌收益和損失在損益確認。

按公允值計量並以外幣計值之非貨幣性項目使用釐定公允值當日之匯率換算。按公允值列賬之資產及負債換算差額呈報為公允值損益之一部分。例如，非貨幣性資產及負債（例如按公允值計入損益的權益）的換算差額在損益中確認為公允值盈虧的一部分，而非貨幣性資產（例如分類為按公允值計入其他全面收益的金融資產之權益）的換算差額於其他全面收益內確認。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.7 Foreign currencies translation (Continued)

#### (c) Group companies

The results and financial position of foreign operations (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:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the reporting period;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this 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
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities and of borrowings are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## 2. 重大會計政策概要(續)

### 2.7 外幣換算(續)

#### (c) 集團公司

功能貨幣與呈列貨幣不同的境外營運(概無屬惡性通貨膨脹經濟的貨幣)的業績和財務狀況按如下方法換算為呈報貨幣:

- 每份呈報的財務狀況表內的資產和負債按報告期間結算日的收市匯率換算;
- 每份綜合損益及其他全面收益表內的收入和支出按平均匯率換算(除非交易當日通用匯率累計效應並非於合理水平,收入和支出於交易當日換算);及
- 所有由此產生的匯兌差額於其他全面收益內確認入賬。

賬目合併時,換算對境外實體投資淨額及借貸產生的匯兌差額於其他全面收益內確認入賬。如出售境外業務,或償還組成投資淨額一部份的任何借貸,相關的匯兌差額會重新分類為損益,作為出售損益的一部份。

收購境外業務產生的商譽及公允值調整會被視為境外業務的資產及負債,並且按收市匯率換算。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.7 Foreign currencies translation (Continued)

#### (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 profit or loss.

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

### 2.8 Intangible assets

#### (a) Goodwill

Goodwill is measured as described in note 2.4. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 4).

## 2. 重大會計政策概要(續)

### 2.7 外幣換算(續)

#### (d) 出售境外業務及出售部份境外業務

如出售境外業務(即本集團全數出售所持有的境外業務之權益,或出售的權益涉及失去載有其境外業務的附屬公司之控制權,或出售涉及失去載有其境外業務的聯營公司之重大影響力),則所有累計於權益中屬於本公司擁有人的匯兌差額將重新分類為損益。

對於並不導致本集團失去載有其境外業務的附屬公司控制權之部份出售,在累計匯兌差額中的比例份額重新歸屬於非控股權益並且不在損益中確認。對於所有其他部份出售(即並不導致本集團失去於聯營公司重大影響力的擁有權益之減少),在累計匯兌差額中的比例份額重新分類至損益。

### 2.8 無形資產

#### (a) 商譽

商譽按附註2.4所述計量。商譽不會攤銷,惟會每年進行減值測試,如發生事件或情況有變,顯示商譽可能減值,則會更頻密進行減值測試,並且按成本減累計減值虧損列賬。出售實體的損益包括與已售實體有關商譽的賬面值。

為進行減值測試,商譽已被分配至現金產生單位,並分配往預計可於業務合併得益而產生該商譽之現金產生單位或現金產生單位組別。而現金產生單位或現金產生單位組別乃就內部管理目的於監察商譽的最低層級(即經營分部)確認(附註4)。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.8 Intangible assets (Continued)

#### (b) Other intangible assets

Intangible assets other than goodwill are measured initially at cost or, if acquired in a business combination, fair value at the acquisition date. An intangible asset with a finite useful life is amortised on a straight-line basis over its useful life and carried at cost less accumulated amortisation and accumulated impairment losses.

### 2.9 Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction in progress) are stated at historical cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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 any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

## 2. 重大會計政策概要 (續)

### 2.8 無形資產 (續)

#### (b) 其他無形資產

商譽以外的無形資產初始按成本計量，或如於業務合併中收購，則於收購日期按公允值計量。具有有限可使用年期的無形資產於其可使用年期內以直線法攤銷，並且按成本減累計攤銷及累計減值虧損列賬。

### 2.9 物業、廠房及設備

物業、廠房及設備包括用以生產或提供貨品或服務或作行政用途的土地及樓宇（在建工程物業除外），乃按歷史成本值減其後累計折舊及其後累計減值虧損（如有）列賬。

歷史成本包括直接歸屬於項目收購的開支。

僅於與項目有關的未來經濟利益可能流入本集團及項目成本能可靠計算時，隨後成本方計入資產賬面值或確認為單獨資產（如合適）。任何入賬為單獨資產的組成部份之賬面值在被取代時會終止確認。所有其他維修及保養於產生時計入相關報告期的損益內。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.9 Property, plant and equipment (Continued)

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Land	Over the lease term
Buildings	5%
Plant and machinery	10%
Furniture, fixtures and equipment	20% – 33 $\frac{1}{3}$ %
Leasehold improvements	Over the lease term or 20%, whichever is shorter
Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Properties which comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or for administration purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Construction in progress is carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An 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 2.12).

## 2. 重大會計政策概要(續)

### 2.9 物業、廠房及設備(續)

折舊乃按以下估計可使用年期以直線法計算，旨在分配其成本(扣除剩餘價值)：

土地	按租約年期
樓宇	5%
廠房及機器	10%
傢俬、裝置及設備	20%–33 $\frac{1}{3}$ %
租賃物業裝修	按租約年期， 或 20% (以期限較短者為準)
汽車	25%

資產的剩餘價值及可使用年期於各報告期末進行檢討，及在適當時調整。

部分物業持作賺取租金或資金增值，另一部分持作生產或供應貨品或作行政用途。倘該等部分可分開出售(或根據融資租賃分開出租)，本集團將該等部分分別列賬。倘該等部分不可分開出售，則物業只會主要並非持作生產或供應貨品或服務或作行政用途的條件下，才屬於投資物業。

在建工程按成本值減任何已確認減值虧損列賬。成本包括專業費用，以及合乎資格資產並根據本集團會計政策撥充資本的貸款成本。有關物業於竣工及可供擬定用途時，歸類至物業、廠房及設備的適當類別。該等資產在可供擬定用途時，方開始如其他物業資產般計提折舊。

如資產賬面值高於其估計可收回金額，資產賬面值會即時撇減至其可收回金額(附註2.12)。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.9 Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 2.10 Investment properties

Investment properties are properties held for long-term rental yields and are not occupied by the Group.

Investment properties are initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

If there is a transfer from investment property to owner-occupied property evidenced by the commencement of owner's occupation, the property shall be measured at its carrying amount at the date of change in use for subsequent accounting.

Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account their estimated residual value, using the straight-line basis over 20 years or lease term.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

## 2. 重大會計政策概要 (續)

### 2.9 物業、廠房及設備(續)

物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目時產生之任何收益或虧損，按出售所得款項與該資產賬面值之差額釐定，並於損益內確認。

### 2.10 投資物業

投資物業指為長線租金回報持有且不由本集團佔用的物業。

投資物業初步按成本(包括相關交易成本及借貸成本(如適用))計量。初始確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬。

倘將投資物業轉撥至自用物業，以擁有人開始佔用為證，則該物業於其後入賬時按變更用途日期之賬面值計量。

投資物業按估計可使用年期，經考慮其估計剩餘價值後，按直線基準於20年或租約年期確認折舊，以撇銷投資物業成本。

投資物業於出售後或投資物業永久不再使用且預期出售不會產生未來經濟利益時終止確認。終止確認物業產生的任何收益或虧損(按該資產之出售所得款項淨額與賬面值之差額計算)於該物業終止確認期間計入損益。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.11 Land use rights

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land elements and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "land use rights" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

### 2.12 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2. 重大會計政策概要 (續)

### 2.11 土地使用權

本集團為包括租賃土地及樓宇兩部份之物業權益支付款項時，本集團以各部份的擁有權所承擔的絕大部份風險及回報是否已轉移本集團，作為獨立評估其分類的依據，但當兩者均明顯為經營租賃，則全部物業入賬為經營租賃。具體而言，全部代價（包括任何一次性預付款），以土地租賃權益和樓宇租賃權益相關公允值的比例於初始確認時分配到租賃土地及樓宇部份。

倘能可靠地分配相關款項，入賬為經營租賃的租賃土地權益將於綜合財務狀況表列賬為「土地使用權」，並按租賃年期以直線法攤銷。

### 2.12 非金融資產減值

商譽及具有無限可使用期限的無形資產毋須攤銷，但每年進行減值測試，或當有事件出現或情況改變顯示可能出現減值時，進行更頻密進行減值測試。其他資產於有事件出現或情況變動顯示賬面值可能無法收回時進行減值測試。就資產賬面值超出其可收回金額的金額確認減值虧損。可收回金額為資產的公允值扣除出售成本與使用價值兩者的較高者。於評估減值時，資產將按可獨立識別的現金流入的最低層級分組，該現金流入與其他資產或資產組合（現金產出單位）的現金流入很大程度的獨立開來。出現減值的非金融資產（商譽除外）會於各報告期末就撥回減值的可能性進行檢討。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.13 Jewellery collectibles

Jewellery collectibles are those unique treasures with extremely high-value and are designated not for sale.

Jewellery collectibles are classified as non-current assets at cost less accumulated impairment loss, if any. Jewellery collectibles are derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

### 2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost is calculated using specific identification basis for gem-set jewellery, platinum/karat gold products (finished goods) and watches; and weighted average for other inventories. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2. 重大會計政策概要 (續)

### 2.13 珠寶珍藏

珠寶珍藏為獨一無二、價值不菲的珍藏並指定為非賣品。

珠寶珍藏按成本減累計減值虧損(如有)列賬分類為非流動資產。珠寶珍藏於出售時終止確認。終止確認資產產生的任何損益(按出售所得款項淨額與項目賬面值之差額計算)於項目終止確認之期內計入損益。

### 2.14 存貨

存貨以成本及可變現淨值兩者中的較低者入賬。成本包括直接原料、直接勞工及適當比例的浮動及固定間接開銷(後者即按正常營運能力分配)。就珠寶鑲嵌首飾、鉑金/K金產品(製成品)及鐘錶而言,成本採用特定識別基準計算,而其他存貨則利用加權平均法計算。購買存貨之成本經扣除回扣及折扣後釐定。可變現淨值按一般業務過程中估計的銷售價格減去所有尚需投入的估計完成成本及估計銷售費用計算。



## 2. Summary of Significant Accounting Policies

(Continued)

### 2.15 Investments and other financial assets

#### (a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. 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 (FVOCI).

Debt investments are reclassified when and only when the Group’s business model for managing those assets changes.

#### (b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

## 2. 重大會計政策概要 (續)

### 2.15 投資及其他金融資產

#### (a) 分類

本集團將其金融資產分類為以下各類：

- 其後按公允值計入其他全面收益或損益的金融資產；及
- 以攤銷成本計量的金融資產。

該分類取決於實體管理金融資產的業務模式以及現金流量的合約條款。

對於以公允值計量的金融資產，其收益和虧損計入損益或其他全面收益。對於非持作買賣的股權工具投資，這將取決於本集團在初始確認時是否已作出不可撤銷的選擇將按公允值計入其他全面收益的權益投資入賬。

債務投資僅當本集團管理該等資產的業務模式發生變化時，才會進行重新分類。

#### (b) 確認及終止確認

金融資產的定期購入及出售，均於交易日（即本集團承諾購入或出售該資產當日）確認入賬。當本集團從該等金融資產收取現金流量的權利已到期或已被轉讓，及本集團已將擁有權帶來的絕大部分風險和回報轉移，則會終止確認該等金融資產。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.15 Investments and other financial assets

(Continued)

#### (c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

#### *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, 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 FVPL are recognised in other gains and losses in the consolidated statement of profit or loss as applicable.

#### *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains and losses together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

## 2. 重大會計政策概要(續)

### 2.15 投資及其他金融資產(續)

#### (c) 計量

於初始確認時，本集團按金融資產的公允價值外加(倘為並非按公允價值計入損益的金融資產)直接歸屬於收購該金融資產的交易成本計量。按公允價值計入損益的金融資產交易成本於損益支銷。

#### *權益工具*

本集團以公允價值對所有權益工具投資進行後續計量。如果本集團管理層選擇將權益投資的公允價值收益和虧損計入其他全面收益，則當終止確認該項投資時，其後不會將公允價值收益和虧損重新分類至損益。當本集團已確立收取股息的權利時，該等投資的股息繼續作為其他收入而計入損益。按公允價值計入損益的金融資產之公允價值變動於綜合損益表的其他收益及虧損確認(如適用)。

#### *債務工具*

債務工具投資的後續計量取決於本集團管理該資產的業務模式以及該資產的現金流量特徵。本集團將債務工具分為以下三種計量類別：

- 以攤銷成本計量：對於持有以收取合同現金流量的資產，如果合同現金流量僅代表對本金和利息的支付，則該資產以攤銷成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的利得或損失直接於損益確認，並與匯兌收益和虧損一同列示在其他收益及虧損淨額中。減值虧損於綜合損益表內作單獨項目列示。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.15 Investments and other financial assets

(Continued)

#### (c) Measurement (Continued)

##### *Debt instruments (Continued)*

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains and losses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains and losses in the period in which it arises.

#### (d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the receivables, see note 33 for further details.

## 2. 重大會計政策概要(續)

### 2.15 投資及其他金融資產(續)

#### (c) 計量(續)

##### *債務工具(續)*

- 按公允值計入其他全面收益：對於持有以收取合同現金流量及出售的金融資產，如果該資產的現金流量僅代表對本金和利息的支付，則該資產被分類為按公允值計入其他全面收益。除減值虧損或收益、利息收入以及外幣兌換收益和虧損於損益確認，賬面價值的變動計入其他全面收益。該等金融資產終止確認時，之前計入其他全面收益的累計收益或虧損從權益重新分類至損益，並於其他收益及虧損確認。該等金融資產的利息收入用實際利率法計入財務收入。外匯損益於其他損益內呈列，減值開支於損益表內單獨項目內呈列。
- 按公允值計入損益：不符合以攤銷成本計量或按公允值計入其他全面收益標準的金融資產，則按公允值計入損益計量。對於後續按公允值計入損益的債務工具投資，其利得或損失計入損益，並於產生期間以淨值在其他收益及虧損中列示。

#### (d) 減值

本集團按前瞻性基準評估以攤銷成本及按公允值計入其他全面收益列賬的債務工具的預期信貸虧損。減值方法取決於其信貸風險是否顯著增加。

對於貿易應收款項，本集團採用國際財務報告準則第9號允許的簡化方法，在初始確認應收款項時確認全期預期信貸虧損，詳見附註33。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.15 Investments and other financial assets

(Continued)

#### (d) Impairment (Continued)

For all other financial assets measured at amortised cost, the Group recognises a loss allowance equal to 12-month expected credit loss unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime expected credit losses.

When there is a significant increase in credit risk or the proceeds receivables are not settled in accordance with the terms stipulated in the agreements, management considers these receivables as underperforming or non-performing and impairment is measured as lifetime expected credit loss.

### 2.16 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

### 2.17 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement between 30 and 180 days and therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 23 for further information about the Group's accounting for trade receivables and note 33 for a description of the Group's impairment policies.

## 2. 重大會計政策概要(續)

### 2.15 投資及其他金融資產(續)

#### (d) 減值(續)

就所有其他以攤銷成本計量的金融資產而言，本集團確認相等於12個月預期信貸虧損的虧損撥備，除非金融工具的信貸風險自初始確認起顯著增加，在此情況下虧損撥備會以相等於全期預期信貸虧損的金額計量。

當信貸風險顯著增加或應收所得款項並非根據協議訂明的條款結付，管理層認為此等應收款項為履約不足或未能履約，會以全期預期信貸虧損計量減值。

### 2.16 抵銷金融工具

當本集團目前有法定強制執行權力可抵銷已確認金額，且有意圖按其淨額作結算或同時變現資產和結算負債，有關金融資產會與負債互相抵銷，並在財務狀況表報告其淨額。本集團亦已訂立不符合抵銷條件惟仍可在若干情況(例如破產或終止合約)下抵銷相關金額之安排。

### 2.17 貿易應收款項

貿易應收款項指就於一般業務過程中出售貨品或提供服務而應收客戶之款項。貿易應收款項一般於30日至180日之間結付，因此全部分類為即期。

貿易應收款項最初按無條件代價確認，除非當中包含重大融資部分，則按公允值確認。本集團持有貿易應收款項的目的為收取合約現金流量，因此其後以實際利率法按攤銷成本計算。有關本集團貿易應收款項之會計處理的進一步資料，請參閱附註23，以及有關本集團減值政策的說明，請參閱附註33。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.18 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.19 Share capital

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

### 2.20 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid between 7 and 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 2.21 Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the Group will comply all attached conditions and the grants will be received.

Government grants related to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as other liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets. Note 5 provides further information on how the Group accounts for government grants.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

## 2. 重大會計政策概要(續)

### 2.18 現金及現金等價物

就呈列現金流量表而言，現金及現金等價物包括手頭現金、於財務機構的活期存款、其他短期、高流動投資(原到期日為三個月或以下及可隨時轉換為已知金額的現金且所承受價值變動風險不大)。

### 2.19 股本

普通股乃分類為權益。直接由發行新股或購股權引致之新增成本在權益中列為所得款項之減少(扣除稅項)。

### 2.20 貿易及其他應付款項

該等金額指財政年度結束前就已提供予本集團的貨品及服務的未償付負債。該等金額為無抵押，通常自確認當日起7天至180天內支付。貿易及其他應付款項呈列為流動負債，除非付款並非於報告期後12個月內到期。其最初按其公允值確認及其後使用實際利息法按攤銷成本計量。

### 2.21 政府補貼

當本集團有合理保證將遵守政府補貼的附帶條件，並且將會收取該筆補貼，則會以公允值確認政府補貼。

與成本有關的政府補貼於所需期間遞延且於損益內確認，使之與擬補償的成本相配合。

有關購買物業、廠房及設備的政府補貼列為非流動負債中的其他負債，並按直線基準於相關資產預計使用年期內計入損益。附註5載有本集團有關政府補貼的會計法詳情。

作為已產生開支或虧損的補償或作為給予本集團即時財務資助而無日後相關成本的應收政府補貼，於可收取期間在損益確認。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.22 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

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

### 2.23 Gold loans

Gold loans to be repaid by cash are designated as financial liabilities at fair value through profit or loss as the gold loans form part of a contract containing one or more embedded derivatives. Gold loans to be repaid by physical gold are classified as liabilities at fair value through profit or loss.

Gain or losses on gold loans are recognised in the consolidated statement of profit or loss, except for the gains or losses arising from the Group's own credit risk relating financial liabilities at fair value through profit or loss which are presented in other comprehensive income with no subsequent reclassification to the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these liabilities.

## 2. 重大會計政策概要(續)

### 2.22 貸款

借款最初乃按公允值(扣除已產生的交易成本)確認。借款其後按攤銷成本計量，如扣除交易成本之後的所得款項及贖回金額出現差額，則於借款期內以實際利率法於損益內確認。在貸款很有可能部份或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款很有可能部份或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

當合約中規定的責任解除、取消或屆滿時，借貸從綜合財務狀況表中剔除。已消除或轉讓給另一方的金融負債的賬面值與已支付代價(包括已轉讓的任何非現金資產或所承擔的負債)之間的差額，在損益中確認為融資成本。

借款分類為流動負債，惟本集團擁有無條件權利可將負債之清償延遲至報告期後最少十二個月則除外。

### 2.23 黃金借貸

將以現金償還的黃金借貸屬於按公允值計入損益的金融負債，因為黃金借貸組成包含一個或多個嵌入式衍生工具之合約部份。將以實體黃金償還的黃金借貸分類為按公允值計入損益的負債。

黃金借貸的收益或虧損於綜合損益表內確認，惟該等按公允值計入損益的金融負債因本集團自身信貸風險產生的收益或虧損則計入其他全面收益呈列，且不會重新分類至綜合損益表。於綜合損益表確認的公允值收益或虧損淨額並不包括任何扣除此等負債的利息。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.24 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

### 2.25 Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its 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.

## 2. 重大會計政策概要(續)

### 2.24 借貸成本

直接源自收購、建築或生產合資格資產的一般及特定借貸成本於完成及籌備資產以作其擬定用途或銷售所需期間內資本化。合資格資產指需要大量時間籌備以作擬定用途或銷售的資產。

在特定借款撥作合資格資產支出前之暫時投資所賺取之投資收入，須從合資格資本化之借款成本中扣除。

其他借貸成本於其產生之期間內支銷。

### 2.25 稅項

本期之所得稅支出或抵免是本期應課稅收入按徵稅地區適用之稅率計算的應付稅項，並會因應暫時性差額和未動用之稅項虧損導致的遞延稅項資產及負債變動而調整。

#### 即期所得稅

即期所得稅支出根據本公司、其附屬公司及聯營公司營運及產生應課稅收入的國家於報告期末已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況。在適用情況下，其根據預期須向稅務機關支付的稅款設定撥備。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.25 Taxation (Continued)

#### 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 where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 2. 重大會計政策概要(續)

### 2.25 稅項(續)

#### 遞延所得稅

遞延所得稅採用負債法就資產負債之稅基與它們在綜合財務報表之賬面值兩者之短暫時差作全數撥備。然而如遞延稅項負債因初始確認為商譽而產生，則不予以確認。若遞延稅項來自交易(不包括業務合併)中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，亦不作記賬。遞延稅項採用在報告期末前已頒佈或實際頒佈之稅率(或法例)釐定，並預期在有關之遞延稅項資產實現或遞延稅項負債結算時應用。

遞延稅項資產僅在未來應課稅金額將可用於動用該等暫時差額及虧損時予以確認。

倘本公司能控制撥回暫時差額的時間及該等差異很可能不會於可見將來撥回，則不會就境外業務投資賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

當有可依法強制執行的權利將即期稅項資產與負債抵銷，而遞延稅項結餘與同一稅務機構相關時，則可將遞延稅項資產與負債抵銷。當實體有可依法強制執行抵銷權利且有意按淨額基準結算或同時變現資產及清償負債時，則即期稅項資產與稅項負債抵銷。

即期及遞延稅項將於損益中確認，如與該稅項有關之項目直接於其他全面收益或權益中確認，則該等相關稅項分別於其他全面收益或直接在權益中確認。



## 2. Summary of Significant Accounting Policies

(Continued)

### 2.26 Retirement benefits

#### (a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

#### (b) Post-employment obligations

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

The liability or asset recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

## 2. 重大會計政策概要 (續)

### 2.26 退休福利

#### (a) 短期僱員福利

僱員直至報告期末之服務獲確認工資及薪金負債(包括預期在僱員提供相關服務期間結束後12個月內悉數結算的非貨幣福利及累計病假)並按結算有關負債之預期將予支付之金額計量。負債於綜合財務狀況表呈列為即期僱員福利債務。

#### (b) 僱員離職後責任

本集團營運多個僱員離職後計劃，包括定額福利及定額供款退休計劃。

於綜合財務狀況表就定額福利退休金計劃確認的負債或資產乃定額福利責任於報告期結算日的現值減計劃資產的公允值。定額福利責任每年由獨立精算師利用預測單位貸記法計算。

定額福利責任的現值利用以支付福利的貨幣計值、到期情況與相關責任年期相若的優質公司債券的利率，將估計未來現金流出貼現而釐定。就債券並無深入市場的國家而言，則利用政府債券的市場利率。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.26 Retirement benefits (Continued)

#### (b) Post-employment obligations (Continued)

Service cost and net interest cost on the net defined benefit liability are recognised in profit or loss and allocated by function as part of “selling and distribution costs” or “general and administrative expenses”. Current service cost is measured as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## 2. 重大會計政策概要 (續)

### 2.26 退休福利 (續)

#### (b) 僱員離職後責任 (續)

定額福利負債淨額的服務成本及利息成本淨額於損益內確認，且按功能分配入「銷售及分銷成本」或「一般及行政開支」之一部份。即期服務成本按僱員於本期提供服務產生定額福利責任之現值增幅計算。利息成本淨額透過將貼現率應用於定額福利責任結餘淨額及計劃資產公允值計算。

經驗調整及精算假設變動產生的損益重新計量於產生期間直接於其他全面收益內確認。有關損益計入綜合權益變動表及綜合財務狀況表的保留盈利。

計劃修訂或削減產生定額福利責任現值變動即時於損益內確認為過往服務成本。

就定額供款計劃而言，本集團按強制、合約或自願基準向公眾或私人管理退休金保險計劃支付供款。本集團於支付供款後再無額外付款責任。供款於到期時確認為僱員福利開支。預付供款於具有現金退款或可供扣減未來付款時確認為資產。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.27 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of goods and the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

#### (a) Sales of goods — Retail

The Group operates a chain of retail stores selling jewellery products and watches. Revenue from the sales of goods is recognised when the product is transferred to the customer who takes delivery in store.

Payment of the transaction price is due from retail customers immediately. The payment is usually settled in cash, by credit cards, by means of electronic payments or settled indirectly through retail malls.

#### (b) Sales of goods — Customers loyalty programme

Sales of goods that result in award credits for customers, under the Group's customer loyalty programme, are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the products supplied and the award credits granted. Revenue is not recognised at the time of the initial sale transaction — but is deferred and recognised as revenue when the cash coupons or points are redeemed and the Group's obligations have been fulfilled.

Accumulated experience is used to estimate the forfeiture of award credits as breakage which is recognised as contract liabilities. The expected breakage amount is recognised as revenue in proportion to the pattern of rights exercised by the customers or when the likelihood of the customer exercising its rights becomes remote.

## 2. 重大會計政策概要 (續)

### 2.27 營業額確認

營業額按本集團一般業務過程中出售商品及提供服務的已收或應收代價的公允值計量。

營業額於產品或服務的控制權轉移至客戶時確認，金額為本集團預期將有權收取之承諾代價，但不包括代表第三方收取的有關金額。營業額不包括增值稅或其他銷售稅，且乃經扣減任何貿易折扣。

#### (a) 銷售產品 — 零售

本集團營運銷售珠寶產品及鐘錶的連鎖零售店。銷售商品的營業額在商品於店內轉移予客戶時確認。

應收零售顧客的交易付款即時到期，款項通常以現金、信用卡或電子支付結算或間接通過零售商場結算。

#### (b) 銷售產品 — 客戶忠誠度計劃

根據本集團客戶忠誠度計劃向顧客提供獎勵額度之貨品銷售入賬為多元營業額交易，且已收或應收代價之公允值於供應貨品及所給予獎勵額度之間分配。營業額不會於最初銷售交易時確認 — 而是遞延至現金券或積分獲兌換及本集團已履行有關責任時方會確認為營業額。

本集團使用累計經驗估計棄權的獎勵額度為未用量，並已確認為合約負債。預期未用量金額依照客戶行使權利的模式或客戶不大可能行使權利時按比例確認為營業額。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.27 Revenue recognition (Continued)

#### (c) Sales of goods — Wholesale to franchisees/retailers and Jewellery trading

The Group manufactures and sells a range of jewellery products in the wholesale market. Sales are recognised when control of the products has transferred to franchisees/retailers and jewellery trading customers. The franchisees/retailers and jewellery trading customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the franchisees'/retailers' and jewellery trading customers' acceptance of the products. Control is transferred when the risks of obsolescence and loss have been transferred to the franchisees/retailers and jewellery trading customers, and either the franchisees/retailers and jewellery trading customers have accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A contract liability is also recognised when the franchisees/retailers pay deposits before the Group transfers control of the products to the franchisees/retailers.

#### (d) Service income from franchisees

The Group provides services to franchisees under fixed-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered.

Revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

The customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

## 2. 重大會計政策概要(續)

### 2.27 營業額確認(續)

#### (c) 銷售產品 — 向加盟商/分銷商批發及珠寶貿易

本集團製造及於批發市場銷售多種珠寶產品。銷售於產品的控制權轉移至加盟商/分銷商及珠寶貿易客戶時確認。加盟商/分銷商及珠寶貿易客戶對出售產品的渠道及價格有全部決定權，且沒有未達成義務而可能影響加盟商/分銷商及珠寶貿易客戶接納產品的結果。控制權轉移的時間為淘汰及虧蝕風險轉移至加盟商/分銷商及珠寶貿易客戶，且加盟商/分銷商及珠寶貿易客戶根據銷售合約接納產品、接納條文已逾期、或本集團有客觀證據證明所有接納條件均已達成。

合約負債亦於加盟商/分銷商在本集團轉移商品控制權予加盟商/分銷商前支付按金時確認。

#### (d) 來自加盟商的服務收入

本集團按固定價格合約向加盟商提供服務。提供服務的收入在服務提供的會計期間確認。

營業額按報告期末實際已提供的服務佔將予提供的服務總額的比例確認，因為客戶同時接受及使用利益。

客戶根據付款時間表支付固定金額。倘本集團提供的服務超過付款金額，則可確認合約資產。倘付款超過所提供的服務，則確認合約負債。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.28 Leases

As explained in note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in note 2.2.

Until 31 March 2019, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases (note 30). Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

## 2. 重大會計政策概要(續)

### 2.28 租賃

如上文附註2.2所闡述，本集團已更改其有關本集團屬承租人的租賃之會計政策。新政策載於下文，更改的影響則載於附註2.2。

於2019年3月31日前，其中大部分擁有權的風險和回報並無轉入本集團(以承租人身份)的租賃已分類為經營租賃(附註30)。根據經營租賃(扣除已收出租人的任何優惠)支付的款項於租期內以直線法計入損益。

自2019年4月1日起，租賃於租賃資產可供本集團使用當日會確認為使用權資產及相關負債。

合約可能包含租賃及非租賃成份。本集團按照租賃及非租賃成份相應的獨立價格，將合約代價分配至租賃及非租賃成份。然而，對本集團為承租人的房地產租賃而言，其選擇將租賃及非租賃成份視為單一租賃成份，並無將兩者區分。

租賃產生的資產及負債初始按現值計量。租賃負債包括下列租賃付款的淨現值：

- 固定付款(包括實質固定付款)扣減任何應收租賃優惠；
- 取決於指數或比率的浮動租賃付款(初始於開始日期利用指數或比率計量)；
- 本集團根據餘值擔保預期應付的金額；
- 在本集團合理確定行使採購選擇權的情況下採購選擇權的行使價；及
- 在租期反映本集團行使該選擇權的情況下，終止租賃的罰款。

根據合理確定延續選擇權支付的租賃付款亦計入負債計量之內。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.28 Leases (Continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the subsidiaries of the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

## 2. 重大會計政策概要 (續)

### 2.28 租賃 (續)

租賃付款採用租賃所隱含的利率予以貼現。倘無法釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人遞增借貸利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

為釐定遞增借貸利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點，並作出調整以反映自獲得第三方融資以來融資條件的變動；
- 對於近期末獲得第三方融資下集團所持有的租賃，採用以無風險利率為出發點的累加法，並按照租賃的信貸風險作出調整；及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

租賃付款於本金及融資成本之間作出分配。融資成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 初始計量租賃負債的金額；
- 在開始日期或之前作出的任何租賃付款減任何已收租賃優惠；
- 任何初始直接成本；及
- 復原成本。

使用權資產一般按直線基礎以資產可使用年期或租期(以較短者為準)計算折舊。倘本集團合理確定行使採購選擇權，則使用權資產於相關資產的可使用年內予以折舊。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.28 Leases (Continued)

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term (note 5). Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

### 2.29 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### 2.30 Earnings per share

#### (a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to shareholders of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

## 2. 重大會計政策概要 (續)

### 2.28 租賃 (續)

本集團以出租人身份從經營租賃獲取的租賃收入於租期內以直線法於收入內確認入賬(附註5)。獲取經營租賃產生的初始直接成本會加入相關資產的賬面值，並於租期內以確認租賃收入的相同基礎確認為開支。個別租賃資產按其性質計入資產負債表。採納新租賃準則後，本集團無需對以出租人身份持有資產的會計處理作任何調整。

### 2.29 股息分派

就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額(已經適當授權及再不由實體酌情決定)作出撥備。

### 2.30 每股盈利

#### (a) 每股基本盈利

每股基本盈利按：

- 本公司股東應佔溢利(不包括支付普通股以外權益的任何成本)
- 除以財政年度內已發行普通股加權平均數計算，並就年內已發行普通股(不包括庫存股)的花紅調整。

## 2. Summary of Significant Accounting Policies

(Continued)

### 2.30 Earnings per share (Continued)

#### (b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

### 2.31 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains and losses on these assets.

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

## 2. 重大會計政策概要 (續)

### 2.30 每股盈利 (續)

#### (b) 每股攤薄盈利

每股攤薄盈利按釐定每股基本盈利所用數據並計及以下項目後調整：

- 與潛在攤薄普通股相關的利息及其他融資成本的除所得稅後影響；及
- 已發行額外普通股加權平均數 (假定潛在攤薄普通股全部轉換)。

### 2.31 利息收入

來自按公允值計入損益的金融資產的利息收入計入該等資產的公允值收益及虧損淨額中。

按攤銷成本計量的金融資產的利息收入使用實際利率法計算，於損益確認為其他收入。

持作現金管理用途的金融資產賺取利息收入時，利息收入會呈列為融資收入。任何其他利息收入則計入其他收入。

利息收入將實際利率應用至金融資產賬面總值計算得出，惟其後出現信貸虧損的金融資產除外。就信貸減值金融資產，實際利率應用於金融資產淨賬面值 (扣除虧損撥備後)。



### 3. Critical Accounting Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

#### (a) Valuation of inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value of inventories is based on estimated selling prices less any estimated costs to be incurred to completion and disposal. It is the Group's policy to review the net realisable value of inventories periodically with reference to current market situation and conditions of the items. The assessment of net realisable value of inventories was based on economic conditions, marketability of products and the forecast market price of gold, platinum and gemstones used to make the jewellery products. The Group's management also engaged an independent professional gemmologist to perform valuation and assess conditions of certain items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation. The Group reassessed the estimation at the end of each reporting period. As at 31 March 2020, the carrying amount of inventories was HK\$42,538.4 million (net of allowances of HK\$132.0 million) (2019: carrying amount of HK\$39,486.1 million (net of allowances of HK\$159.5 million)). Utilisation of allowances on inventories of HK\$24.1 million (2019: HK\$113.5 million) were recognised in consolidated statement of profit or loss during the year ended 31 March 2020.

### 3. 主要會計估算

編製財務報表需作出會計估算，顧名思義，所作會計估算甚少與有關之實際結果相同。管理層在應用本集團會計政策時亦需行使判斷力。

估算持續評估，並以過往經驗及其他因素(包括可對實體構成財務影響且在若干情況下相信屬合理的未來事件之預期)作基礎。

#### (a) 存貨估值

存貨按成本與可變現淨值兩者中之較低者列賬。存貨之可變現淨值乃根據估計售價減完成及出售將予產生之任何估計成本而計算。本集團的政策為參照現時市況及項目狀況以定期檢討存貨可變現淨值。存貨可變現淨值的評估以經濟狀況、產品受歡迎程度及用於製造珠寶產品的黃金、鉑金及寶石的市場價值預測為基礎。此外，本集團管理層亦委聘獨立專業珠寶鑒定師以進行估值，並參照國際鑽石價格、其專業知識和現時市況，對珠寶鑲嵌首飾的寶石測試進行估值以評核若干存貨的狀況。本集團於各報告期末重新評核估算結果。於2020年3月31日，存貨的賬面值為42,538.4百萬港元(扣減撥備132.0百萬港元)(2019年：賬面值39,486.1百萬港元(扣減撥備159.5百萬港元))。截至2020年3月31日止年度於綜合損益表內確認的存貨撥備使用為24.1百萬港元(2019年：113.5百萬港元)。

### 3. Critical Accounting Estimates (Continued)

#### (b) Valuation of jewellery collectibles

The jewellery collectibles are those unique treasures with extremely high-value considered by the Group and are designated not for sale. They are classified as non-current assets at cost less accumulated impairment loss, if any. In estimating the valuation of jewellery collectibles, it is the Group's policy to review the conditions of items by internal gemologist and assess the recoverable amount periodically with reference to international diamond prices and market research reports on jewellery industry. The Group's management on a regular basis reviews if there is impairment indicator and estimated the recoverable amount if necessary. The Group's management also engaged an independent professional gemologist to perform valuation and assess the conditions of items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation. As at 31 March 2020, the carrying amount of jewellery collectibles was HK\$1,520.1 million (2019: HK\$1,520.1 million). The management of the Group determined that the carrying amount of jewellery collectibles approximated its costs less accumulated impairment.

#### (c) Estimation of goodwill impairment

The Group tests whether goodwill has suffered any impairment on an annual basis. For the year ended 31 March 2020 and 2019, the recoverable amount of cash-generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by the directors covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in note 16. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

Details of impairment charge, key assumptions and impact of possible changes in key assumptions are disclosed in note 16.

### 3. 主要會計估算(續)

#### (b) 珠寶珍藏估值

本集團視珠寶珍藏為獨一無二、價值不菲的珍藏並指定為非賣品。該等珍藏按成本減累計減值虧損(如有)分類為非流動資產。對珠寶珍藏進行估值時,本集團的政策是以內部珠寶鑒定師檢討項目狀況並參照國際鑽石價格以及珠寶行業的市場調研報告定期評核可收回金額。本集團管理層定期檢視是否存在減值跡象以及估計可收回金額(如有需要)。此外,本集團管理層亦委聘獨立專業珠寶鑒定師以進行估值,並參照國際鑽石價格、其專業知識和現時市況,對珠寶鑲嵌首飾的寶石測試進行估值以評核珠寶珍藏的狀況。於2020年3月31日,珠寶珍藏的賬面值為1,520.1百萬港元(2019年:1,520.1百萬港元)。本集團管理層斷定該等珠寶珍藏的賬面值與成本減累計減值相若。

#### (c) 商譽減值估算

本集團會每年測試商譽是否出現任何減值。截至2020年及2019年3月31日止年度,現金產生單位的可收回金額乃根據需要使用假設的使用價值計算釐定。該計算使用基於董事批准的五年期財務預算的現金流量預測。

超過五年期的現金流量使用附註16所述估計增長率推算。該等增長比率與各現金產生單位營運的特定行業的行業報告所載預測一致。

減值費率、關鍵假設及關鍵假設潛在變動的影響於附註16披露。

### 3. Critical Accounting Estimates (Continued)

#### (d) Useful lives, residual value and impairment of property, plant and equipment, investment properties and other intangible assets

The Group's management determines the estimated useful lives, residual value and related depreciation and amortisation charges for its property, plant and equipment, investment properties and other intangible assets. This estimate is based on the historical experience of the actual useful lives and residual value of property, plant and equipment, investment properties and other intangible assets of similar nature and functions. Management will increase the depreciation and amortisation charges where useful lives or residual value are expected to be shorter or lower than estimated, or it will write-off or write-down obsolete assets that have been abandoned. Changes in these estimations may have a material impact on the results of the Group, which would be recognised in profit or loss in the year when such change occur. As at 31 March 2020, the carrying amounts of property, plant and equipment, investment properties and other intangible assets were HK\$4,641.3 million (2019: HK\$5,488.0 million), HK\$225.4 million (2019: HK\$219.2 million) and HK\$207.6 million (2019: HK\$253.7 million), respectively.

#### (e) Deferred taxation in respect of temporary differences attributable to the undistributed profits of subsidiaries in Mainland China

The Group's management determines the dividend distribution plan of the subsidiaries in Mainland China. Based on the dividend distribution plan, retained profits as at 31 March 2020 amounting to HK\$7,791.2 million (2019: HK\$7,685.9 million) will be distributed by the subsidiaries as dividend in the foreseeable future, while the remaining retained profits amounting to HK\$2,991.7 million (2019: HK\$5,672.4 million) has been set aside for reinvestment by the subsidiaries and will not be distributed in the foreseeable future. The Group's management further reassesses the dividend withholding tax rate based on current dividend distribution plan and determines that certain of these subsidiaries should be entitled to a withholding tax at the rate of 5% for dividend payments. The dividend distribution plan is determined and made with reference to the Group's approved expansion plans in Mainland China. Future change in the dividend distribution plan may have a material impact on the amount of deferred taxation being recognised.

### 3. 主要會計估計(續)

#### (d) 物業、廠房及設備、投資物業及其他無形資產的可使用年期、剩餘價值及減值

本集團管理層釐定其物業、廠房及設備、投資物業及其他無形資產的估計可使用年期、剩餘價值及有關折舊及攤銷費用。有關估計乃根據性質及功能相若的物業、廠房及設備、投資物業及其他無形資產的實際可使用年期及剩餘價值的過往經驗而進行。倘預期可使用年期或剩餘價值將短於或低於估計水平，管理層將增加折舊及攤銷開支或撇銷或撇減已報廢的陳舊資產。該等估計的變動可能對本集團業績產生重大影響，而有關變動於出現年度的損益內確認。於2020年3月31日，物業、廠房及設備、投資物業及其他無形資產的賬面值分別為4,641.3百萬港元(2019年：5,488.0百萬港元)、225.4百萬港元(2019年：219.2百萬港元)及207.6百萬港元(2019年：253.7百萬港元)。

#### (e) 中國內地附屬公司之未分派溢利所引伸的暫時性差異之相關遞延稅項

本集團管理層釐定中國內地附屬公司之股息分派計劃。根據股息分派計劃，該等附屬公司於2020年3月31日之保留溢利合共7,791.2百萬港元(2019年：7,685.9百萬港元)將於可見未來分派作為股息，而餘下保留溢利合共2,991.7百萬港元(2019年：5,672.4百萬港元)已保留作該等附屬公司再投資用途，而不會於可見將來分派。本集團管理層進一步根據現行股息分派計劃重新評估股息預扣稅率並釐定若干附屬公司以5%的稅率繳納派付股息的預扣稅。股息分派計劃參照本集團經批准的中國內地拓展計劃制定及進行。股息分派計劃的日後變動或會對所確認遞延稅項金額造成重大影響。

### 3. Critical Accounting Estimates (Continued)

#### (f) Determination of lease term and discount rates

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

The lease term is reassessed if any option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

In determining the discount rates, the Group is required to exercise considerable judgement in relation to determine the discount rates by taking into account the nature of the underlying assets and the terms and conditions of the leases, at both the commencement date and the effective dates of the modification.

### 3. 主要會計估算(續)

#### (f) 釐定租期及貼現率

於釐定租期時，管理層會考慮引發行使延續租賃選擇權或不行使終止租賃選擇權的經濟動機的所有事實及情況。延續租賃選擇權(或終止租賃選擇權後的時期)僅於合理肯定租約將會延續(或不終止)時計入租期。

下列因素一般最為有關：

- 如終止(或不延續)涉及巨額罰款，本集團通常會合理地確定延續(或不終止)。
- 如預期任何租賃物業裝修具重大餘值，本集團通常會合理地確定延續(或不終止)。
- 否則，本集團考慮其他因素，包括過往租期以及取代租賃資產所需的成本和涉及的業務中斷。

由於無法合理確定租賃將會延續(或不終止)，故此潛在未來現金流出並無計入租賃負債。

如任何租賃選擇權實際獲行使或(不獲行使)或本集團有責任行使(或不行使)租賃選擇權，則會重新評估租期。倘因發生重大事件或情況出現重大改變而影響評估，並於承租人掌控之中，僅在此情況下會修訂合理確定性的評估。

在釐定貼現率時，本集團須於租賃開始日期及修改生效日期，考慮相關資產的性質與該租賃的條款及條件，就釐定貼現率作出重大判斷。

#### 4. Revenue and Segment Information

Revenue represents the net amounts received and receivable for goods sold and services provided less returns and net of trade discounts.

For the purposes of resource allocation and performance assessment, information reported to the chief operating decision maker (the “CODM”), which comprises executive directors of the Company, mainly focuses on the location of management. Revenue derived from each location of management is further analysed into those from retail and wholesale markets when reviewed by the CODM. The Group’s reportable and operating segments for the years ended 31 March 2020 and 2019 included two segments, namely (i) business in the Mainland China and (ii) business in Hong Kong, Macau and other markets.

#### 4. 營業額及分部資料

營業額指已收及應收售出商品及提供服務款項減退貨及交易折扣的淨額。

就資源分配及表現評估而向主要營運決策者（即本公司執行董事）報告的資料主要按管理所在地劃分。主要營運決策者在審閱時會進一步將各管理所在地所得營業額按零售及批發市場劃分進行分析。截至2020年3月31日及2019年3月31日止年度，本集團的可呈報營運分部包括兩個分部，即(i)位於中國內地的業務及(ii)位於香港、澳門及其他市場的業務。

#### 4. Revenue and Segment Information (Continued)

#### 4. 營業額及分部資料(續)

##### (a) Analysis of the Group's revenue and results by reportable segment

##### (a) 按可呈報分部劃分的本集團營業額及業績分析

For the year ended 31 March

截至3月31日止年度

		Mainland China 中國內地		Hong Kong, Macau and other markets 香港、澳門及其他市場		Total 總計	
		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Revenue	營業額						
External sales	外界銷售						
— Retail	— 零售	26,796.0	30,423.7	14,875.3	23,058.3	41,671.3	53,482.0
— Wholesale (note i)	— 批發(附註i)	13,966.8	12,008.3	1,112.7	1,170.6	15,079.5	13,178.9
Segment/group revenue	分部/集團營業額	40,762.8	42,432.0	15,988.0	24,228.9	56,750.8	66,660.9
Inter-segment sales (note ii)	分部間銷售(附註ii)	—	—	2,126.3	3,405.3	2,126.3	3,405.3
		40,762.8	42,432.0	18,114.3	27,634.2	58,877.1	70,066.2
Adjusted gross profit (before elimination)	經調整毛利 (撇銷前)	12,432.2	12,237.2	4,244.3	6,524.0	16,676.5	18,761.2
Inter-segment eliminations	分部間撇銷	—	1.3	130.5	(161.7)	130.5	(160.4)
Adjusted gross profit	經調整毛利	12,432.2	12,238.5	4,374.8	6,362.3	16,807.0	18,600.8
Other income	其他收入	279.4	252.7	157.2	143.1	436.6	395.8
Selling and distribution costs and general and administrative expenses	銷售及分銷成本 與一般及行政 開支	(7,615.7)	(7,486.7)	(3,941.1)	(4,537.8)	(11,556.8)	(12,024.5)
Core operating profit (segment result)	主要經營溢利 (分部業績)	5,095.9	5,004.5	590.9	1,967.6	5,686.8	6,972.1
Unrealised (loss)/gain on gold (note iii)	黃金未變現(虧損)/ 收益(附註iii)					(710.8)	1.0
Others (note iv)	其他(附註iv)					(289.9)	(333.5)
Interest income	利息收入					78.0	82.7
Finance costs	融資成本					(559.6)	(370.3)
Profit before taxation	除稅前溢利					4,204.5	6,352.0
Other segment information included in measurement of core operating profit (segment result):	計入主要經營 溢利(分部業績) 計量的其他 分部資料:						
Concessionaire fees	專櫃分成	1,583.3	1,891.7	1.4	16.3	1,584.7	1,908.0
Operating lease rentals in respect of rented premises	承租物業經營 租賃租金	135.6	353.8	116.0	1,204.1	251.6	1,557.9
Staff costs	員工成本	3,027.7	2,852.4	1,532.8	1,769.3	4,560.5	4,621.7
Depreciation and amortisation	折舊及攤銷	964.2	616.5	1,405.7	349.9	2,369.9	966.4

Notes:

- (i) Wholesale revenue represents revenue from jewellery trading, sales to franchisees and retailers and provision of services to franchisees.
- (ii) Inter-segment sales are charged at a price mutually agreed by both parties.
- (iii) A fair value loss on gold loans of HK\$1,276.1 million (2019: HK\$117.2 million) was recorded as disclosed in note 8, of which HK\$710.8 million (2019: fair value gain of HK\$1.0 million) has not yet been realised due to timing difference in the recognition of the impact of changes in gold price between gold loans (short position) and gold inventories (long position).
- (iv) Others represent other gains and losses, other expenses and share of profits of an associate.

附註:

- (i) 批發營業額指珠寶貿易、銷售予加盟商及分銷商的營業額及提供服務予加盟商的收入。
- (ii) 分部間銷售按雙方協定之價格支銷。
- (iii) 如附註8披露，黃金借貸的公允值虧損錄得1,276.1百萬港元(2019年：117.2百萬港元)，當中710.8百萬港元(2019年：公允值收益1.0百萬港元)為因確認金價變動對黃金借貸(黃金淡倉)與黃金存貨(黃金好倉)的影響之間有時間差而仍未變現。
- (iv) 其他指其他收益及虧損、其他開支及分佔一家聯營公司之溢利。

#### 4. Revenue and Segment Information (Continued)

##### (a) Analysis of the Group's revenue and results by reportable segment (Continued)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2.6. Adjusted gross profit represents the gross profit generated from each segment without allocation of unrealised (loss)/gain on gold. Core operating profit represents the profit generated from each segment without allocation of unrealised (loss)/gain on gold, other gains and losses, other expenses, share of profits of an associate, interest income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

##### (b) Analysis of the Group's assets and liabilities by reportable segment

As at 31 March

##### Segment assets

		Mainland China 中國內地		Hong Kong, Macau and other markets 香港、澳門及其他市場		Total 總計	
		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Property, plant and equipment	物業、廠房及設備	3,437.8	3,769.8	1,203.5	1,718.2	4,641.3	5,488.0
Land use rights	土地使用權	-	153.8	-	23.4	-	177.2
Right-of-use assets	使用權資產	589.5	-	1,698.5	-	2,288.0	-
Investment properties	投資物業	17.2	-	208.2	219.2	225.4	219.2
Goodwill	商譽	193.3	193.3	38.2	64.5	231.5	257.8
Other intangible assets	其他無形資產	142.8	171.2	47.6	57.0	190.4	228.2
Jewellery collectibles	珠寶珍藏	-	-	1,520.1	1,520.1	1,520.1	1,520.1
Prepayment and deposits	預付款項及已付按金	96.5	32.1	151.8	6.6	248.3	38.7
Inventories	存貨	24,547.8	20,838.1	17,990.6	18,648.0	42,538.4	39,486.1
Trade and other receivables	貿易及其他應收款項	4,698.2	5,830.4	642.6	808.3	5,340.8	6,638.7
Taxation recoverable	可收回稅項	-	-	99.0	-	99.0	-
<b>Total segment assets</b>	<b>總分部資產</b>	<b>33,723.1</b>	<b>30,988.7</b>	<b>23,600.1</b>	<b>23,065.3</b>	<b>57,323.2</b>	<b>54,054.0</b>
Unallocated:	未分配：						
Other intangible assets	其他無形資產					17.2	25.5
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產					21.0	11.2
Investments in associates and amounts due from associates	於聯營公司之投資及應收聯營公司款項					69.2	54.7
Loan receivables	應收貸款					23.5	31.0
Deferred tax assets	遞延稅項資產					570.1	420.1
Cash and cash equivalents	現金及現金等價物					7,219.2	7,640.6
<b>Total assets</b>	<b>總資產</b>					<b>65,243.4</b>	<b>62,237.1</b>

#### 4. 營業額及分部資料(續)

##### (a) 按可呈報分部劃分的本集團營業額及業績分析(續)

可呈報分部的會計政策與附註2.6所述本集團的會計政策相同。經調整毛利指在未分配黃金未變現(虧損)/收益前各分部所產生的毛利。主要經營溢利指在未分配黃金未變現(虧損)/收益、其他收益及虧損、其他開支、分佔一家聯營公司溢利、利息收入及融資成本前各分部所產生的溢利。此為向主要營運決策者匯報以作資源分配及表現評估的計量基準。

##### (b) 按可呈報分部劃分的本集團資產及負債分析

於3月31日

##### 分部資產

#### 4. Revenue and Segment Information (Continued)

##### (b) Analysis of the Group's assets and liabilities by reportable segment (Continued)

As at 31 March

##### Segment liabilities

		Mainland China 中國內地		Hong Kong, Macau and other markets 香港、澳門及其他市場		Total 總計	
		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Trade and other payables	貿易及其他應付款項	(11,338.5)	(9,364.1)	(1,091.5)	(1,320.2)	(12,430.0)	(10,684.3)
Taxation payables	應付稅項	(227.9)	(489.3)	(160.7)	(689.1)	(388.6)	(1,178.4)
Lease liabilities	租賃負債	(472.3)	-	(1,324.8)	-	(1,797.1)	-
<b>Total segment liabilities</b>	<b>總分部負債</b>	<b>(12,038.7)</b>	<b>(9,853.4)</b>	<b>(2,577.0)</b>	<b>(2,009.3)</b>	<b>(14,615.7)</b>	<b>(11,862.7)</b>
Unallocated:	未分配：						
Amount due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項					(97.9)	(136.7)
Bank borrowings	銀行貸款					(11,430.5)	(10,056.7)
Gold loans	黃金借貸					(11,280.4)	(8,011.5)
Retirement benefits obligations	退休福利承擔					(260.2)	(238.8)
Deferred tax liabilities	遞延稅項負債					(505.1)	(456.4)
Other liabilities	其他負債					(62.8)	(71.3)
<b>Total liabilities</b>	<b>總負債</b>					<b>(38,252.6)</b>	<b>(30,834.1)</b>

##### (c) Analysis of the Group's assets by geographical area

The Group's non-current assets, excluding loan receivables, deposits, amounts due from associates, financial assets at fair value through profit or loss and deferred tax assets, by geographical areas are as follows:

As at 31 March

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Mainland China	中國內地	4,853.9	4,766.9
Hong Kong, Macau and other markets	香港、澳門及其他市場	4,331.4	3,187.8
		<b>9,185.3</b>	<b>7,954.7</b>

#### 4. 營業額及分部資料(續)

##### (b) 按可呈報分部劃分的本集團資產及負債分析(續)

於3月31日

##### 分部負債

##### (c) 按地域位置劃分的本集團資產分析

按地域位置劃分的本集團非流動資產(不包括應收貸款、已付按金、應收聯營公司款項、按公允值計入損益的金融資產及遞延稅項資產)分析如下：

於3月31日



#### 4. Revenue and Segment Information (Continued)

##### (d) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product categories:

##### For the year ended 31 March

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>At a point in time</b>	<b>於某一時點</b>		
Retail sales of	零售銷售		
— Gem-set jewellery	— 珠寶鑲嵌首飾	9,346.8	12,187.7
— Gold products	— 黃金產品	24,003.4	31,892.3
— Platinum/karat gold products	— 鉑金/K金產品	4,908.0	5,756.6
— Watches	— 鐘錶	3,413.1	3,645.4
		<b>41,671.3</b>	53,482.0
Wholesale to franchisees/retailers	向加盟商/分銷商批發	14,578.9	12,484.2
Jewellery trading	珠寶貿易	245.2	494.7
<b>Over time</b>	<b>於一段時間內</b>		
Service income from franchisees	來自加盟商的服務收入	255.4	200.0
		<b>56,750.8</b>	66,660.9

No individual customer contributed over 10% of the total revenue of the Group in both years.

#### 4. 營業額及分部資料(續)

##### (d) 客戶合約營業額細分

本集團從轉讓貨品及服務於某一時點及於一段時間內所衍生的營業額，主要產品類別如下：

##### 截至3月31日止年度

兩個年度內，概無個別顧客佔本集團總營業額10%以上。

#### 5. Other Income and Other Expenses

#### 5. 其他收入及其他開支

Other income	其他收入	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Commission income	回扣收入	111.9	96.9
Government grants (note)	政府補貼(附註)	81.0	107.1
Other income from franchisees	來自加盟商的其他收入	67.3	56.2
Rental income	租金收入	35.3	14.4
Interest income from trade receivables	貿易應收款項的利息收入	56.0	47.2
Interest income from loan receivables	應收貸款的利息收入	4.8	1.5
Others	其他	80.3	72.5
		<b>436.6</b>	395.8
Other expenses	其他開支	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Donation	捐款	20.1	9.9
Amortisation of other intangible assets	其他無形資產攤銷	36.3	42.4
Impairment of amount due from an associate	應收一家聯營公司款項之減值	0.2	5.0
Impairment of goodwill	商譽減值	26.3	—
Impairment of property, plant and equipment	物業、廠房及設備減值	13.0	—
Impairment of right-of-use assets	使用權資產減值	50.4	—
		<b>146.3</b>	57.3

Note: This mainly represents the government incentives granted by the government in Mainland China for the development of the Group's operation in Mainland China.

附註：主要為中國內地政府提供的政府獎勵，以推動本集團中國內地的業務發展。

## 6. Other Gains and Losses

## 6. 其他收益及虧損

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Net foreign exchange loss	匯兌虧損淨額	(234.0)	(241.2)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(37.7)	(17.8)
Gain on surrender of right-of-use assets	處置使用權資產的收益	78.8	-
Rent concession	租金優惠	34.3	-
Gain on acquisition of subsidiaries (note 38)	收購附屬公司收益(附註38)	18.0	-
Others	其他	(6.5)	(17.2)
		<b>(147.1)</b>	<b>(276.2)</b>

Rent concession represents the change in lease payment arising from COVID-19-related rent concession of HK\$16.2 million and other concession that were contractually obliged by lessors of HK\$18.1 million.

租金優惠指2019冠狀病毒相關的租金優惠產生租賃付款變動16.2百萬港元以及出租人須承擔的合約責任之其他優惠18.1百萬港元。

## 7. Interest Income and Finance Costs

## 7. 利息收入及融資成本

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Interest income from — banks	利息收入 — 銀行	78.0	82.7
Finance costs on — gold loans	融資成本 — 黃金借貸	206.6	161.4
— bank borrowings	— 銀行貸款	284.1	208.9
— lease liabilities	— 租賃負債	68.9	-
		<b>559.6</b>	<b>370.3</b>

## 8. Profit Before Taxation

## 8. 除稅前溢利

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Profit before taxation has been arrived at after charging/(crediting):	除稅前溢利已扣除/(計入):		
Directors' remuneration (note 9)	董事酬金(附註9)	97.1	92.6
Staff's retirement benefits scheme contributions	員工退休福利計劃供款	606.2	613.3
Staff costs	員工成本	3,857.2	3,915.8
		<b>4,560.5</b>	4,621.7
Cost of inventories recognised as expenses	存貨成本確認為開支	38,333.7	46,723.5
Concessionaire fees	專權分成	1,584.7	1,908.0
Operating lease rentals in respect of rented premises	承租物業經營租賃租金	251.6	1,557.9
Depreciation of property, plant and equipment	物業、廠房及設備折舊	975.0	885.1
Depreciation of right-of-use assets	使用權資產折舊	1,337.5	-
Depreciation of investment properties	投資物業折舊	11.3	14.3
Amortisation of land use rights	土地使用權攤銷	-	14.3
Amortisation of other intangible assets	其他無形資產攤銷	46.1	52.7
Utilisation of allowances on inventories (included in cost of goods sold)	存貨撥備使用 (計入銷售成本內)	(24.1)	(113.5)
Loss allowance (written back)/recognised on trade and other receivables	貿易及其他應收款項虧損撥備之 (撥回)/確認	(3.2)	27.5
Fair value loss of gold loans (included in cost of goods sold)	黃金借貸的公允值虧損 (計入銷售成本內)		
— realised loss on gold	— 黃金已變現虧損	565.3	118.2
— unrealised loss/(gain) on gold (note 4)	— 黃金未變現虧損/(收益)(附註4)	710.8	(1.0)
		<b>1,276.1</b>	117.2
Gain on acquisition of ENZO (included in other gains and losses) (note 38)	收購 ENZO 之收益(計入其他收益及虧損內)(附註38)	18.0	-
Donations (included in other expenses)	捐款(計入其他開支內)	20.1	9.9
Auditors' remuneration for the Company's auditor	核數師酬金予本公司核數師		
— audit and related services	— 核數及相關服務	6.2	5.0
— non-audit services	— 非核數服務	2.2	1.7
Auditor's remuneration for other auditors	核數師酬金予其他核數師		
— audit and related services	— 核數及相關服務	3.9	4.2
— non-audit services	— 非核數服務	-	0.9

## 9. Directors', Chief Executives' and Employees' Emoluments

## 9. 董事、最高行政人員及僱員酬金

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Directors' fees	董事袍金	4.8	4.1
Other emoluments to directors	董事的其他酬金		
— salaries and other benefits	— 薪金及其他福利	35.4	35.3
— performance-based bonus	— 績效花紅	52.2	48.7
— retirement benefits scheme contributions	— 退休福利計劃供款	4.7	4.5
		<b>97.1</b>	92.6

## 9. Directors', Chief Executives' and Employees' Emoluments (Continued)

Details of emoluments paid by the Group to the directors and the chief executives of the Company are as follows:

## 9. 董事、最高行政人員及僱員酬金 (續)

本集團向本公司董事及最高行政人員支付的酬金詳情如下：

		2020					2019				
		Director's fee	Salaries and other benefits	Performance based bonus	Retirement benefits scheme contributions	Total	Director's fee	Salaries and other benefits	Performance based bonus	Retirement benefits scheme contributions	Total
		董事袍金	薪金及其他福利	績效花紅	退休福利計劃供款	總計	董事袍金	薪金及其他福利	績效花紅	退休福利計劃供款	總計
		HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元 (note i) (附註i)	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元 (note i) (附註i)	HK\$ million 百萬港元	HK\$ million 百萬港元
<b>Executive directors:</b>	<b>執行董事：</b>										
Dr. Cheng Kar-Shun, Henry (Chairman)	鄭家純博士(主席)	0.2	5.9	7.6	0.6	14.3	0.2	5.9	7.4	0.6	14.1
Mr. Wong Siu-Kee, Kent (Managing Director)	黃紹基先生(董事總經理)	0.2	5.9	8.5	0.6	15.2	0.2	5.9	8.4	0.6	15.1
Dr. Cheng Chi-Kong, Adrian	鄭志剛博士	0.2	2.4	3.8	0.6	7.0	0.2	2.4	3.5	0.6	6.7
Mr. Cheng Chi-Heng, Conroy	鄭志恒先生	0.2	3.1	4.1	0.6	8.0	0.2	3.1	3.8	0.6	7.7
Mr. Cheng Ping-Hei, Hamilton	鄭炳熙先生	0.2	3.3	5.7	0.9	10.1	0.2	3.3	4.7	0.8	9.0
Mr. Chan Sai-Cheong	陳世昌先生	0.2	3.8	6.8	0.4	11.2	0.2	3.8	5.8	0.3	10.1
Mr. Suen Chi-Keung, Peter	孫志強先生	0.2	3.1	4.1	0.3	7.7	0.2	3.0	4.1	0.3	7.6
Mr. Chan Hiu-Sang, Albert	陳曉生先生	0.2	2.9	3.1	0.3	6.5	0.2	2.9	3.8	0.3	7.2
Mr. Liu Chun-Wai, Bobby	廖振為先生	0.2	2.9	4.5	0.3	7.9	0.2	2.9	4.2	0.3	7.6
Mr. Cheng Kam-Biu, Wilson (note ii)	鄭錦標先生(附註ii)	0.2	2.1	2.5	0.1	4.9	-	-	-	-	-
<b>Non-executive director:</b>	<b>非執行董事：</b>										
Mr. Cheng Kam-Biu, Wilson (note ii)	鄭錦標先生(附註ii)	-	-	-	-	-	0.2	2.1	2.0	0.1	4.4
Ms. Cheng Chi-Man, Sonia (note iii)	鄭志雯女士(附註iii)	0.2	-	-	-	0.2	-	-	-	-	-
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>										
Dr. Fung Kwok-King, Victor	馮國經博士	0.4	-	0.3	-	0.7	0.4	-	0.2	-	0.6
Dr. Or Ching-Fai, Raymond	柯清輝博士	0.4	-	0.3	-	0.7	0.4	-	0.2	-	0.6
Mr. Kwong Che-Keung, Gordon	鄺志強先生	0.6	-	0.3	-	0.9	0.5	-	0.2	-	0.7
Mr. Cheng Ming-Fun, Paul	鄭明訓先生	0.4	-	0.3	-	0.7	0.4	-	0.2	-	0.6
Mr. Lam Kin-Fung, Jeffrey	林健鋒先生	0.4	-	0.3	-	0.7	0.4	-	0.2	-	0.6
Ms. Cheng Ka-Lai, Lily (note iv)	鄭嘉麗女士(附註iv)	0.4	-	-	-	0.4	-	-	-	-	-
<b>Total</b>	<b>總計</b>	<b>4.8</b>	<b>35.4</b>	<b>52.2</b>	<b>4.7</b>	<b>97.1</b>	<b>4.1</b>	<b>35.3</b>	<b>48.7</b>	<b>4.5</b>	<b>92.6</b>

### Notes:

- (i) The performance-based bonus is discretionary based on the Group's financial results and directors' performance decided by the management of the Group.
- (ii) Mr. Cheng Kam-Biu, Wilson was re-designated as an executive director with effect from 1 April 2019.
- (iii) Ms. Cheng Chi-Man, Sonia was appointed as a non-executive director with effect from 1 April 2019.
- (iv) Ms. Cheng Ka-Lai, Lily was appointed as an independent non-executive director with effect from 1 April 2019.

### 附註：

- (i) 績效花紅乃由本集團管理層按本集團的財務業績及董事表現酌情釐定。
- (ii) 鄭錦標先生自2019年4月1日起調任為執行董事。
- (iii) 鄭志雯女士自2019年4月1日起獲委任為非執行董事。
- (iv) 鄭嘉麗女士自2019年4月1日起獲委任為獨立非執行董事。

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The emoluments of the non-executive directors and independent non-executive directors shown above were mainly for their services as directors of the Company.

上文所示之執行董事酬金主要有關彼等就管理本公司及本集團事務提供服務。上文所示之非執行董事及獨立非執行董事酬金主要有關彼等擔任本公司董事職務。

## 9. Directors', Chief Executives' and Employees' Emoluments (Continued)

### Five highest paid individuals

The five highest paid individuals included five directors (2019: five) of the Company, details of whose emoluments are included above.

During the years ended 31 March 2020, no (2019: no) emoluments were paid by the Group to the directors and the chief executives of the Company or the five highest paid individuals (including directors, the chief executives and employees) as compensation for loss of office and as an inducement to join or upon joining the Group. 10 of the directors (2019: nil) have waived emoluments of HK\$0.9 million (2019: nil) during the year ended 31 March 2020.

### Emoluments of senior management

Other than the emoluments of directors and five highest paid individuals disclosed above, the emoluments of the senior management whose profiles are included in "Profile of Directors and Senior Management" section fell within the following bands:

		Number of individuals 僱員數目	
		2020	2019
Nil to HK\$1,000,000	零至1,000,000港元	—	1
HK\$1,500,001 — HK\$2,000,000	1,500,001港元至2,000,000港元	—	2
HK\$2,000,001 — HK\$2,500,000	2,000,001港元至2,500,000港元	4	6
HK\$2,500,001 — HK\$3,000,000	2,500,001港元至3,000,000港元	6	1
		10	10

## 9. 董事、最高行政人員及僱員酬金 (續)

### 五名最高酬金人士

五名最高酬金人士包括本公司五名董事(2019年：五名)，彼等薪酬詳情載於上文。

截至2020年3月31日止年度，本集團並無(2019：無)向本公司董事及最高行政人員或五名最高酬金人士(包括董事、最高行政人員及僱員)支付酬金，以作為離任職位的補償及吸引彼等加入或當加入本集團時的獎勵。截至2020年3月31日止年度，10名董事(2019年：零)放棄0.9百萬港元(2019年：零)薪酬。

### 高級管理人員酬金

除上述董事及五名最高酬金人士的酬金外，高級管理人員(履歷載於「董事及高級管理人員簡介」一節)的酬金乃介乎下列範圍：

## 10. Taxation

## 10. 稅項

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
The taxation charge comprises:	稅項開支包括：		
Current tax:	即期稅項：		
Enterprise Income Tax ("EIT") in Mainland China	中國內地企業所得稅	789.9	1,035.8
Hong Kong Profits Tax	香港利得稅	129.8	289.7
Macau complementary tax	澳門所得補充稅	31.6	60.5
Taxation in other jurisdictions	其他司法地區之稅項	3.3	3.5
		<b>954.6</b>	1,389.5
(Over)/underprovision in prior years:	過往年度(超額撥備)/撥備不足：		
EIT in Mainland China	中國內地企業所得稅	(6.8)	25.7
Hong Kong Profits Tax	香港利得稅	0.1	111.5
Taxation in other jurisdictions	其他司法地區之稅項	1.5	2.4
		<b>(5.2)</b>	139.6
Deferred tax charge (note 21)	遞延稅項開支(附註21)	149.3	114.8
Withholding tax*	預扣稅*	122.7	24.1
		<b>1,221.4</b>	1,668.0

\* Withholding tax mainly represents withholding tax on intra-group licence income and interest income from Mainland China subsidiaries.

\* 預扣稅主要指集團內公司間的授權收入及中國內地附屬公司的利息收入的預扣稅。

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

兩個年度內，香港利得稅乃按估計應課稅溢利按 16.5% 稅率計算。

Under the Enterprise Income Tax Law (the "EIT Law") of the People's Republic of China ("PRC") and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries in Mainland China is 25% for both years.

根據中華人民共和國(「中國」)企業所得稅法及其實施細則，中國內地附屬公司的稅率兩年均為 25%。

For certain subsidiaries of the Company in Mainland China, they are entitled to the tax incentives in connection with the development of the western part of Mainland China. The applicable tax rate is 15% for both years.

本公司若干中國內地附屬公司獲有關中國內地西部發展的稅項優惠。兩個年度的適用稅率均為 15%。

Macau complementary tax is calculated at the maximum progressive rate of 12% on the estimated assessable profit for both years.

兩個年度內，澳門所得補充稅乃按估計應課稅溢利按最高累進稅率 12% 計算。

## 10. Taxation (Continued)

Taxation charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss as follows:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Profit before taxation	除稅前溢利	4,204.5	6,352.0
Tax at the applicable income tax rate: (Mainland China: 25%; Hong Kong: 16.5%; Macau: 12%)	按適用所得稅率計算的稅項： (中國內地：25%；香港：16.5%； 澳門：12%)	965.2	1,309.0
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	74.8	18.1
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(177.6)	(48.2)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	46.7	56.9
Utilisation of tax losses previously not recognised	動用先前未確認的稅項虧損	(7.7)	(28.0)
Tax effect of tax exemptions and incentives granted to certain subsidiaries in Mainland China	若干中國內地附屬公司稅項豁免及 優惠的稅務影響	(23.4)	(23.7)
Withholding tax on undistributed profits of subsidiaries in Mainland China	中國內地附屬公司未分派溢利預扣稅	228.0	202.2
(Over)/underprovision in prior years	過往年度(超額撥備)/撥備不足	(5.2)	139.6
Withholding tax	預扣稅	122.7	24.1
Others	其他	(2.1)	18.0
Taxation charge for the year	年內稅項支出	1,221.4	1,668.0

At 31 March 2020, the Group has tax losses of HK\$1,142.8 million (2019: HK\$1,025.4 million) not recognised as deferred tax assets. Tax effect of such tax losses as at 31 March 2020 was HK\$227.6 million (2019: HK\$188.6 million).

於2020年3月31日，本集團未確認為遞延稅項資產的稅項虧損為1,142.8百萬港元(2019年：1,025.4百萬港元)。該稅項虧損於2020年3月31日的稅務影響為227.6百萬港元(2019年：188.6百萬港元)。

The aging of unrecognised tax losses by expiry date is as follows:

按到期日劃分未確認稅項虧損的賬齡如下：

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
0–5 years	0–5年	174.7	209.6
11–15 years	11–15年	50.6	–
16–20 years	16–20年	334.1	607.7
Unlimited	未有限限	583.4	208.1
		1,142.8	1,025.4

At 31 March 2020, the Group has deductible temporary differences of HK\$5.1 million (2019: HK\$12.9 million) not recognised as deferred tax assets. Tax effect of such deductible temporary differences as at 31 March 2020 was HK\$0.8 million (2019: HK\$2.1 million).

於2020年3月31日，本集團未確認為遞延稅項資產的可扣減暫時性差異為5.1百萬港元(2019年：12.9百萬港元)。該可扣減暫時性差異於2020年3月31日的稅務影響為0.8百萬港元(2019年：2.1百萬港元)。

## 10. Taxation (Continued)

Under the EIT Law of the PRC, withholding tax of 5% (2019: 5% to 10%) is imposed on dividends declared in respect of profits earned by subsidiaries in Mainland China from 1 January 2008 onwards. Based on the dividend distribution plan of the management, retained profits as at 31 March 2020 amounting to HK\$7,791.2 million (2019: HK\$7,685.9 million) will be distributed as dividend in the foreseeable future, while the remaining retained profits amounting to HK\$2,991.7 million (2019: HK\$5,672.4 million) has been set aside for reinvestment and will not be distributed in the foreseeable future.

## 11. Earnings Per Share

The calculation of the basic earnings per share for the year is based on the consolidated profit attributable to shareholders of the Company for the year and on the number of 10,000,000,000 (2019: 10,000,000,000) shares in issue during the year.

Diluted earnings per share is the same as basic earnings per share as there was no potential ordinary share dilution during both years.

## 12. Dividends

## 10. 稅項(續)

根據中國企業所得稅法，中國內地的附屬公司須就自2008年1月1日起所賺取溢利在宣派股息時繳交5% (2019年：5%至10%)之預扣稅。根據管理層的股息分派計劃，於2020年3月31日的保留溢利合共7,791.2百萬港元(2019年：7,685.9百萬港元)將在可見將來作為股息分派，而餘下保留溢利合共2,991.7百萬港元(2019年：5,672.4百萬港元)已保留作再投資用途，不會在可見將來分派。

## 11. 每股盈利

年度每股基本盈利是基於本公司股東應佔年內綜合溢利，以及年內已發行股份10,000,000,000股(2019年：10,000,000,000股)計算。

由於兩個年度並無潛在普通股攤薄效應，故每股攤薄盈利與每股基本盈利相同。

## 12. 股息

		2020		2019	
		HK cents per share 每股港仙	HK\$ million 百萬港元	HK cents per share 每股港仙	HK\$ million 百萬港元
Dividends paid and recognised as distribution during the year	於年內支付及確認為分派之股息				
For current year:	本年度：				
— Interim dividends	— 中期股息	12.0	1,200.0	15.0	1,500.0
For prior year:	上年度：				
— Final dividends	— 末期股息	20.0	2,000.0	15.0	1,500.0
— Special dividends	— 特別股息	30.0	3,000.0	30.0	3,000.0
			6,200.0		6,000.0

Subsequent to the end of the reporting period, a final dividend of HK12.0 cents (2019: a final dividend of HK20.0 cents and a special dividend of HK30.0 cents) per share, totalling HK\$1,200.0 million (2019: HK\$5,000.0 million) in respect of the year ended 31 March 2020 have been proposed by the directors of the Company and are subject to approval by the shareholders in the forthcoming annual general meeting.

於報告期末後，本公司董事建議就截至2020年3月31日止年度派付末期股息每股12.0港仙(2019年：末期股息每股20.0港仙及特別股息每股30.0港仙)，合共1,200.0百萬港元(2019年：5,000.0百萬港元)，惟須待股東於應屆股東週年大會上批准方告作實。



### 13. Property, Plant and Equipment

### 13. 物業、廠房及設備

		Land and buildings	Plant and machinery	Furniture, fixtures and equipment	Leasehold improvements	Motor vehicles	Construction in progress	Total
		土地及樓宇	廠房及機器	傢俬、裝置及設備	租賃物業裝修	汽車	在建工程	總計
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
<b>Cost</b>	<b>成本</b>							
At 1 April 2018	於 2018 年 4 月 1 日	4,115.1	503.1	2,547.8	2,791.5	53.4	430.7	10,441.6
Currency realignment	貨幣調整	(236.6)	(89.6)	(202.4)	(173.4)	(2.2)	(15.8)	(720.0)
Additions	添置	182.4	54.8	485.0	435.2	9.3	212.1	1,378.8
Transfer	轉撥	398.0	18.7	19.0	21.2	-	(456.9)	-
Disposals	出售	-	(26.1)	(236.1)	(145.6)	(5.0)	-	(412.8)
At 31 March 2019, as previously presented	於 2019 年 3 月 31 日 (之前已呈列)	4,458.9	460.9	2,613.3	2,928.9	55.5	170.1	10,687.6
Effect on adoption of IFRS 16 (note 2.2)	採納國際財務報告準則第 16 號的影響 (附註 2.2)	(551.6)	-	-	-	-	-	(551.6)
At 1 April 2019, as adjusted	於 2019 年 4 月 1 日 (經調整)	3,907.3	460.9	2,613.3	2,928.9	55.5	170.1	10,136.0
Currency realignment	貨幣調整	(215.0)	(28.6)	(69.3)	(166.7)	(2.6)	(6.7)	(488.9)
Arising from acquisition of subsidiaries (note 38)	因收購附屬公司而產生 (附註 38)	3.0	0.6	1.2	13.0	0.1	-	17.9
Additions	添置	0.5	26.1	526.2	309.1	6.9	80.9	949.7
Transfer	轉撥	180.7	9.5	3.9	20.7	-	(214.8)	-
Disposals	出售	(2.3)	(5.2)	(207.3)	(129.8)	(5.1)	-	(349.7)
At 31 March 2020	於 2020 年 3 月 31 日	3,874.2	463.3	2,868.0	2,975.2	54.8	29.5	10,265.0
<b>Accumulated depreciation and impairment</b>	<b>累計折舊及減值</b>							
At 1 April 2018	於 2018 年 4 月 1 日	826.7	151.8	1,890.6	2,188.5	43.3	-	5,100.9
Currency realignment	貨幣調整	(62.7)	(28.0)	(209.2)	(138.2)	(1.6)	-	(439.7)
Depreciation provided for the year	年內折舊撥備	210.6	43.7	331.2	294.6	5.0	-	885.1
Eliminated on disposals	出售撇銷	-	(22.5)	(191.4)	(128.0)	(4.8)	-	(346.7)
At 31 March 2019, as previously presented	於 2019 年 3 月 31 日 (之前已呈列)	974.6	145.0	1,821.2	2,216.9	41.9	-	5,199.6
Effect on adoption of IFRS 16 (note 2.2)	採納國際財務報告準則第 16 號的影響 (附註 2.2)	(80.0)	-	-	-	-	-	(80.0)
At 1 April 2019, as adjusted	於 2019 年 4 月 1 日 (經調整)	894.6	145.0	1,821.2	2,216.9	41.9	-	5,119.6
Currency realignment	貨幣調整	(54.5)	(9.7)	(39.6)	(129.2)	(1.9)	-	(234.9)
Depreciation provided for the year	年內折舊撥備	191.6	47.3	371.5	359.0	5.6	-	975.0
Impairment provided for the year	年內減值撥備	0.4	-	12.6	-	-	-	13.0
Eliminated on disposals	出售撇銷	(1.9)	(3.7)	(135.1)	(103.4)	(4.9)	-	(249.0)
At 31 March 2020	於 2020 年 3 月 31 日	1,030.2	178.9	2,030.6	2,343.3	40.7	-	5,623.7
<b>Carrying values</b>	<b>賬面值</b>							
At 31 March 2020	於 2020 年 3 月 31 日	2,844.0	284.4	837.4	631.9	14.1	29.5	4,641.3
At 31 March 2019	於 2019 年 3 月 31 日	3,484.3	315.9	792.1	712.0	13.6	170.1	5,488.0

The carrying values of the Group's properties (including construction in progress) are analysed as follows:

本集團物業(包括在建工程)的賬面值分析如下:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
In Mainland China	於中國內地	2,500.4	2,783.4
In Hong Kong	於香港	373.1	871.0
		2,873.5	3,654.4

## 14. Right-of-use Assets and Lease Liabilities

### (a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

## 14. 使用權資產及租賃負債

### (a) 於綜合財務狀況表確認的金額

綜合財務狀況表顯示與租賃有關的金額如下：

Right-of-use assets 使用權資產	Leasehold land/ land use rights (note i) 租賃物業/ 使用權資產 (附註i) HK\$ million 百萬港元	Retail stores 零售店 HK\$ million 百萬港元	Office, warehouse and others 辦公室、倉庫 及其他 HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
At 31 March 2019, as previously presented	於2019年3月31日 (之前已呈列)	-	-	-
Effect on adoption of IFRS 16 (note 2.2)	採納國際財務報告準則 第16號的影響(附註2.2)	648.8	2,104.7	114.8
At 1 April 2019, as adjusted	於2019年4月1日(經調整)	648.8	2,104.7	114.8
Currency realignment	貨幣調整	(10.4)	(31.1)	(2.2)
Additions	添置	-	1,089.4	41.7
Depreciation provided for the year (note ii)	年內折舊撥備(附註ii)	(30.4)	(1,256.1)	(51.0)
Impairment provided for the year (note iii)	年內減值撥備(附註iii)	(15.6)	(34.8)	-
Surrender	處置	-	(279.8)	-
At 31 March 2020	於2020年3月31日	592.4	1,592.3	103.3

Lease liabilities 租賃負債	HK\$ million 百萬港元
At 31 March 2019, as previously presented	於2019年3月31日(之前已呈列)
Effect on adoption of IFRS 16 (note 2.2)	採納國際財務報告準則第16號的影響(附註2.2)
At 1 April 2019, as adjusted	於2019年4月1日(經調整)
Currency realignment	貨幣調整
Lease payment	租賃款項
Interest expenses	利息開支
Additions	添置
Surrender	處置
At 31 March 2020	於2020年3月31日

Lease liabilities 租賃負債	At 31 March 2020 於2020年3月31日 HK\$ million 百萬港元	At 1 April 2019 於2019年4月1日 HK\$ million 百萬港元
Current	896.8	1,056.4
Non-current	900.3	1,274.6
	1,797.1	2,331.0

Notes:

- (i) The Group has land lease arrangement with Mainland China government and leasehold land in Hong Kong.
- (ii) The amount was charged to selling and distribution cost and general and administrative expenses.
- (iii) The amount was charged to other expenses.

附註:

- (i) 本集團與中國內地政府訂有土地租賃安排，於香港擁有租賃土地。
- (ii) 金額計入銷售及分銷成本與一般及行政開支。
- (iii) 金額計入其他開支。

## 14. Right-of-use Assets and Lease Liabilities

(Continued)

### (b) Amounts recognised in the consolidated statement of profit or loss

The consolidated statement of profit or loss shows the following amounts relating to the leases which are not capitalised in accordance with IFRS 16:

	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Expense relating to short-term leases (included in selling and distribution costs and general and administrative expenses)	251.6	-
Expense relating to variable lease payments not included in lease liabilities (included in selling and distribution costs)	1,584.7	-
	<b>1,836.3</b>	-

The total cash outflow for leases for the year ended 31 March 2020 was HK\$3,168.2 million.

### (c) The Group's leasing activities and how these are accounted for

The Group mainly leases various retail stores, offices and warehouses. Rental contracts are typically made for fixed periods of six months to five years, but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

### (d) Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

### (e) Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

## 14. 使用權資產及租賃負債(續)

### (b) 於綜合損益表確認的金額

綜合損益表顯示與租賃有關而不需按國際財務報告準則第16號資本化的金額如下：

	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Expense relating to short-term leases (included in selling and distribution costs and general and administrative expenses)	251.6	-
Expense relating to variable lease payments not included in lease liabilities (included in selling and distribution costs)	1,584.7	-
	<b>1,836.3</b>	-

截至2020年3月31日止年度租賃的現金流出總額為3,168.2百萬港元。

### (c) 集團之租賃活動及其入賬方法

本集團主要租賃多項零售店、辦公室及倉庫。租賃合約通常按六個月至五年之固定期限訂立，惟可能具有下文所述之延續選擇權。

租賃條款按個別基準商議，並包含各種不同的條款及條件。租賃協議不施加任何契諾，惟出租人持有的租賃資產中的抵押權益除外。租賃資產不得就借貸用途作抵押。

### (d) 浮動租賃付款

部份物業租賃包含與店舖所得銷售額掛鈎的浮動付款條款。使用浮動付款條款的原因眾多，包括降低新開店舖的固定成本基礎。按銷售額計算的浮動租賃付款於符合產生付款的條件之期間的損益內確認入賬。

### (e) 延續及終止租賃選擇權

本集團有若干數目的物業租賃涉及延續及終止租賃選擇權。該等選擇權就管理本集團業務經營所用的資產上有助盡可能提升經營的靈活性。大部份持有的延續及終止租賃選擇權僅可由本集團行使，並非由其出租人行使。在斷定期時，管理層會考慮能創造經濟獎勵的所有事實及情況，以行使延續租賃選擇權或不行使終止租賃選擇權。只有租賃可合理確定將予延續(或不終止)時，租期方包含延續租賃選擇權(或終止選擇權後的期間)。

## 15. Investment Properties

## 15. 投資物業

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Cost</b>	<b>成本</b>		
At 1 April	於4月1日	285.0	285.0
Currency realignment	貨幣調整	(0.3)	-
Arising from acquisition of subsidiaries (note 38)	因收購附屬公司而產生 (附註38)	17.8	-
At 31 March	於3月31日	302.5	285.0
<b>Accumulated depreciation</b>	<b>累計折舊</b>		
At 1 April	於4月1日	65.8	51.5
Depreciation provided for the year	年內折舊撥備	11.3	14.3
At 31 March	於3月31日	77.1	65.8
<b>Carrying values</b>	<b>賬面值</b>		
At 31 March	於3月31日	225.4	219.2

## (a) Amounts recognised in consolidated statement of profit or loss for investment properties

## (a) 就投資物業於綜合損益表確認的金額

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Rental income from operating leases	經營租賃租金收入	15.3	12.4
Direct operating expenses from property that generated rental income	產生租金收入的物業之 直接經營開支	15.1	16.9

## 15. Investment Properties (Continued)

### (b) Fair value hierarchy

The fair value measurement of the Group's investment properties at the end of the reporting period have been categorised into the three-level fair value hierarchy (note 34). The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique.

Details of the Group's investment properties and information about the fair value hierarchy at the end of each reporting period are as follows:

		Fair value hierarchy 公允價值等級	Fair value 公允價值
			2020 HK\$ million 百萬港元
			2019 HK\$ million 百萬港元
At 31 March	於3月31日		
Industrial property units located in Hong Kong	位於香港的工業 物業單位	Level 3 第三級	373.8
			375.8

The Group policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

There were no transfers between level 1, 2 and 3 during the period (2019: nil).

### (c) Valuation process and techniques used to determine level 3 fair values

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at the end of every financial year. As at 31 March 2020, the fair values of the investment properties have been determined by Knight Frank Petty Limited ("Knight Frank").

The fair value was determined based on the income approach, where the market rentals of all lettable units of the properties are assessed and capitalised at the market yield expected by investors for this type of properties. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The capitalisation rate is determined by reference to the yields derived from analysing the sales transactions of similar properties in Hong Kong and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties.

## 15. 投資物業(續)

### (b) 公允價值等級

本集團於報告期末投資物業的公允價值計量已分為三個公允價值等級(附註34)。公允價值計量的層級分類是經參考估值技術中使用的輸入資料的可觀察性及重要性後釐定。

本集團於各報告期末的投資物業詳情及有關公允價值等級的資料如下：

本集團的政策是於報告期末確認公允價值層級之間的轉入或轉出。

期內，第一級、第二級與第三級之間並沒有轉換(2019年：無)。

### (c) 釐定第三級公允價值的估值程序及方法

本集團外聘獨立合資格估值師釐定本集團投資物業於每個財務年度結束時的公允價值。於2020年3月31日，萊坊測量師行有限公司(「萊坊」)已釐定投資物業的公允價值。

該公允價值乃根據收入法估值。該等物業之所有可出租單位之市場租金按投資者就此類物業預期之市場收益率評估及資本化。市場租金參考該等物業可出租單位之租金以及鄰近類似物業的其他出租情況作評估。資本化率乃參考分析香港類似物業銷售交易所得之收益率而釐定，並就物業投資者之市場預期作出調整以反映本集團投資物業特有之因素。

## 15. Investment Properties (Continued)

### (c) Valuation process and techniques used to determine level 3 fair values (Continued)

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Description 描述	Valuation techniques 估值方法	Unobservable inputs* 不可觀察輸入數據*	Range of inputs (probability-weighted average) 輸入數據範圍(概率—加權平均)		Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
			2020	2019	
Industrial properties units — Hong Kong 工業物業單位 — 香港	Income approach 收入法	Capitalisation rate 資本化率	3.8%	3.8%	The higher the capitalisation rate, the lower the fair value 資本化率越高，公允值越低
		Monthly market rent 每月市場租金	HK\$10.4 p.s.f. 每平方呎 10.4 港元	HK\$10.4 p.s.f. 每平方呎 10.4 港元	The higher the price per square feet, the higher the fair value 每平方呎價格越高，公允值越高

\* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

## 15. 投資物業(續)

### (c) 釐定第三級公允值的估值程序及方法(續)

於評估該等物業的公允值時，該等物業之最高及最佳用途為彼等目前用途。

### (d) Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

For minimum lease payments receivable on leases of investment properties, refer to note 30.

### (d) 租賃安排

投資物業按經營租賃出租予租戶，每月可收取租金。

儘管本集團於現有租期結束時須承擔餘值變動，惟本集團一般會訂立新經營租賃，故此於租期結束時不會即時將餘值減幅變現。對未來餘值的預期會反映於物業的公允值。

有關投資物業租賃的最低應收租賃付款，請參閱附註30。

## 16. Goodwill

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Cost Accumulated impairment	成本 累計減值	257.8 (26.3)	257.8 —
Carrying values	賬面值	231.5	257.8

The goodwill arose in the acquisition of Hearts On Fire Company, LLC (“Hearts On Fire”) included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Hearts On Fire.

## 16. 商譽

收購Hearts On Fire Company, LLC (「Hearts On Fire」)產生的商譽包括與預期協同效益、收益增長、日後市場發展以及Hearts On Fire整體人手的利益相關的金額。

## 16. Goodwill (Continued)

The recoverable amount of the Hearts On Fire is determined based on value-in-use calculations which uses discounted future cash flow projections derived from financial forecasts covering a five year period with cash flows beyond this period extrapolated using rates of growth not exceeding historic levels. Forecast profitability has regard to past performance and expected future changes in costs and sales. The combined effect of the COVID-19 pandemic and the current market situations uplifted the Group's weighted average cost of capital ("WACC") and therefore reduced the present value of forecasted cash flows. Future cash flows are discounted at pre-tax rate of 15.6% to 18.0% (equivalent to post-tax WACC of 13.0% to 13.5%) (2019: pre-tax: 15.1% to 17.3%, post-tax of 11.0% to 13.0%).

In Mainland China, sales are expected to grow steadily with the store expansion plan and cash flow projections are based on similar gross margin in both years. In the opinion of the directors, no impairment loss was required for the year ended 31 March 2020 and 31 March 2019.

In Hong Kong, Macau and other markets, sales are expected to recover slowly in the coming five years, with a perpetual growth rate of 3.0% thereafter (2019: estimated growth rate range of 5.0% to 10.0% until 2024 and 3.0% thereafter), while the gross profit margins are expected to be stable. Besides, coupled with the higher WACC, the recoverable amount of goodwill is less than its carrying value, therefore the Group has recorded an impairment loss of HK\$26.3 million during the year ended 31 March 2020 (2019: nil).

## 17. Other Intangible Assets

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Cost</b>	<b>成本</b>		
At 1 April and 31 March	於4月1日及3月31日	472.9	472.9
<b>Accumulated amortisation</b>	<b>累計攤銷</b>		
At 1 April	於4月1日	219.2	166.5
Amortisation provided for the year	年內攤銷撥備	46.1	52.7
At 31 March	於3月31日	265.3	219.2
<b>Carrying values</b>	<b>賬面值</b>		
At 31 March	於3月31日	207.6	253.7

The trademarks and patents are amortised with useful life of 6 to 15 years.

## 16. 商譽(續)

Hearts On Fire的可收回金額乃根據使用價值進行計算(利用來自涵蓋五年期財務預測的經貼現未來現金流量預測, 超過該期的現金流量以不超過過往水平的增長率推斷)而釐定。盈利能力的預測會考慮到成本及銷售的過往表現和預期未來變動。2019冠狀病毒疫情和現時市況的綜合影響提高了本集團的加權平均資本成本, 因而減少預測現金流量的現值。未來現金流量按稅前比率15.6%至18.0%(相等於稅後加權平均資本成本的13.0%至13.5%)貼現(2019年: 稅前: 15.1%至17.3%, 稅後: 11.0%至13.0%)。

於中國內地, 隨著店舖擴張計劃實施, 預計銷售會穩步增長, 現金流量預測以兩個年度水平相若的毛利率為基礎。董事認為, 截至2020年及2019年3月31日止年度毋須作出減值虧損。

於香港、澳門及其他市場, 預計銷售於未來五年會緩慢地復甦, 隨後的永續增長率為3.0%(2019年: 直至2024年的估計增長率為5.0%至10.0%, 其後為3.0%), 而毛利率則預計會保持穩定。另外, 加上較高的加權平均資本成本, 商譽的可收回金額少於其賬面值, 因此本集團截至2020年3月31日止年度錄得減值虧損26.3百萬港元(2019年: 無)。

## 17. 其他無形資產

該等商標及專利按可使用年期6至15年攤銷。

## 18. Jewellery Collectibles

The amounts represent the aggregate cost of gem-set jewellery collectibles held by the Group which are designated not for sale. In the opinion of the directors of the Company, the recoverable amounts of the jewellery collectibles are at least equivalent to their carrying amounts as at the end of the reporting period.

## 18. 珠寶珍藏

該款項乃指本集團持作指定為非賣品的珠寶鑲嵌首飾珍藏之總成本。本公司董事認為，珠寶珍藏的可收回金額至少等於報告期末的賬面值。

## 19. Investments in Associates/Amounts Due from Associates

### (a) Investments in associates

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
At 1 April	於4月1日	-	-
Currency realignment	貨幣調整	(0.4)	-
Acquisition	購入	10.0	-
Share of profits	應佔溢利	3.5	-
Dividends received	已收股息	(1.4)	-
At 31 March	於3月31日	11.7	-

## 19. 於聯營公司之投資／應收聯營公司款項

### (a) 於聯營公司之投資

Details of the associates of the Group are as follows:

本集團的聯營公司詳情載列如下：

Name of companies 公司名稱	Place of incorporation/ establishment and principal place of operation 註冊成立／成立地點及 主要營業地點	Proportion of ownership interest held by the Group 本集團所佔擁有權 權益比例		Proportion of voting rights held by the Group 本集團所佔 投票權比例		Principal activities 主要業務
		2020	2019	2020	2019	
Beijing Wolafei Jewellery Company Limited 北京握拉菲首飾有限公司	Mainland China 中國內地	35.0%	-	40.0%	-	Manufacturing of jewellery products 珠寶產品生產
CTF Business Management Limited 周大福商務管理有限公司	Hong Kong 香港	-	30.0%	-	28.6%	Operating an online shopping platform 經營線上購物平台
Group Program Limited	British Virgin Islands ("BVI") 英屬維爾京群島	40.0%	40.0%	40.0%	40.0%	Operating a customer loyalty scheme in Hong Kong and Mainland China 於香港及中國內地經營 客戶忠誠度計劃
Shenzhen Qianhai Chow Tai Fook Hong Kong Goods Centre Company Limited 深圳前海周大福港貨中心有限公司	Mainland China 中國內地	30.0%	30.0%	28.6%	28.6%	Operating a shopping complex in Mainland China 於中國內地經營購物中心



## 19. Investments in Associates/Amounts Due from Associates (Continued)

### (a) Investments in associates (Continued)

Each individual associate does not have a significant financial impact on the Group's results and financial position. Aggregate financial information of associates that are individually immaterial is as follows:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Aggregate carrying amount of individually immaterial associates	個別不屬重大的聯營公司之賬面總值	11.7	-
Aggregate amounts of the Group's share of:	本集團所佔下列各項的總額：		
Profit from continuing operations	持續經營業務的溢利	3.5	-
Other comprehensive income	其他全面收益	(0.4)	-
Total comprehensive income	全面收益總額	3.1	-

The Group had discontinued recognising its share of losses of associates because its cumulative share of losses in the associates had exceeded the investment cost less subsequent accumulated impairment losses. The Group will not resume recognition of its share of any future profits in the associates until its share of such profits equals the cumulative share of losses not recognised in past years.

The amounts of unrecognised share of losses of the associates for the year and cumulatively, are as follows:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Unrecognised share of losses of associates	未確認應佔聯營公司虧損	17.6	18.6
Accumulated unrecognised share of losses of associates	累計未確認應佔聯營公司虧損	69.7	52.1

### (b) Amounts due from associates

As at 31 March 2020, the carrying value of amounts due from associates of HK\$40.0 million (2019: HK\$54.7 million) is unsecured, interest-free and has no fixed repayment terms. Other than that, an amount of HK\$17.5 million (2019: nil) which bears interest at 4.2% per annum will be repaid to the Group by instalments until 30 September 2024.

## 19. 於聯營公司之投資／應收聯營公司款項(續)

### (a) 於聯營公司之投資(續)

各單獨聯營公司並無對本集團的業績及財務狀況構成重大財務影響。個別不屬重大的聯營公司之財務資料合計如下：

本集團已終止確認其應佔聯營公司虧損，因為其累計應佔聯營公司虧損已超過投資成本減其後累計減值虧損。在本集團應佔聯營公司任何未來溢利等於過往年度未確認的累計應佔虧損前，本集團將不會恢復確認該等溢利。

年內及累計的未確認應佔聯營公司虧損金額如下：

### (b) 應收聯營公司款項

於2020年3月31日，應收聯營公司款項的賬面值40.0百萬港元(2019年：54.7百萬港元)為無抵押、免息及沒有固定償還期。除此之外，17.5百萬港元(2019年：無)具有4.2%年利率及將分期償還予本集團至2024年9月30日。

## 20. Loan Receivables

Loan receivables represent loans to staff and an amount due from a private entity (the "Issuer") which is principally engaged in agriculture and wholesale of pearls in Australia. Loan receivables are classified as current or non-current assets based on contractual terms and taking into account the timing of recovery as expected by the management. There was no amount due but unpaid, nor any loss allowance made against the principal amount or interest on these loans at 31 March 2020 and 2019.

All loan receivables from staff were secured over certain properties, the fair value of which exceeds the carrying amount of the related loan on an individual basis.

As at 31 March 2020, loan receivable from the Issuer has a principal amount of Australian Dollar ("AUS") 1.6 million (2019: AUS2.0 million), bears interest at 7.0% (2019: 7.0%) per annum and will be repaid to the Group by instalments until 31 August 2021.

## 21. Deferred Taxation

The followings are the major deferred tax (assets)/liabilities recognised by the Group and movements thereon during the current and prior years:

		Withholding tax on undistributed profits of subsidiaries in Mainland China 中國內地附屬公司未分派溢利之項扣稅 HK\$ million 百萬港元	Unrealised profit on inventories 存貨之未變現溢利 HK\$ million 百萬港元	Amortisation and depreciation (deferred tax assets) 攤銷及折舊(遞延稅項資產) HK\$ million 百萬港元	Amortisation and depreciation (deferred tax liabilities) 攤銷及折舊(遞延稅項負債) HK\$ million 百萬港元	Unrealised fair value change of gold loans in Mainland China 中國內地黃金借貸之未變現公允價值變動 HK\$ million 百萬港元	Tax losses 稅項虧損 HK\$ million 百萬港元	Others (deferred tax assets) 其他(遞延稅項資產) HK\$ million 百萬港元	Others (deferred tax liabilities) 其他(遞延稅項負債) HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
At 1 April 2018	於2018年4月1日	413.8	(236.7)	(28.3)	7.5	7.3	(15.3)	(20.3)	-	128.0
Currency realignment	貨幣調整	(27.3)	8.2	-	-	(0.4)	-	2.7	(1.3)	(18.1)
Charge/(credit) to profit or loss (note 10)	扣除/(計入)損益(附註10)	202.2*	(51.8)	0.8	(7.5)	(7.1)	(1.0)	(78.2)	57.4	114.8
Utilised during the year	年內使用	(188.4)	-	-	-	-	-	-	-	(188.4)
At 31 March 2019, as previously presented	於2019年3月31日(之前已呈列)	400.3	(280.3)	(27.5)	-	(0.2)	(16.3)	(95.8)	56.1	36.3
Effect on adoption of IFRS 16 (note 2.2)	採納國際財務報告準則第16號的影響(附註2.2)	-	-	(23.4)	-	-	-	-	-	(23.4)
At 1 April 2019, as adjusted	於2019年4月1日(經調整)	400.3	(280.3)	(50.9)	-	(0.2)	(16.3)	(95.8)	56.1	12.9
Currency realignment	貨幣調整	(25.0)	6.4	0.3	(3.2)	4.2	-	5.8	(1.9)	(13.4)
Charge/(credit) to profit or loss (note 10)	扣除/(計入)損益(附註10)	228.0*	27.2	(25.1)	118.8	(154.9)	9.1	0.4	(54.2)	149.3
Utilised during the year	年內使用	(213.8)	-	-	-	-	-	-	-	(213.8)
At 31 March 2020	於2020年3月31日	389.5	(246.7)	(75.7)	115.6	(150.9)	(7.2)	(89.6)	-	(65.0)

## 20. 應收貸款

應收貸款指員工貸款及應收一家主要在澳洲從事珍珠培植及批發的私營實體(「發行人」)的款項。應收貸款根據合約條款及考慮管理層預期款項的可收回時間而被分類為流動或非流動資產。於2020年3月31日及2019年3月31日，概無已到期但未付的款項，亦無虧損撥備用以扣除貸款本金或利息。

全部應收員工貸款已以若干物業作抵押，而各公允價值個別而言均超逾其相關貸款的賬面值。

於2020年3月31日，應收發行人貸款的本金額為1.6百萬澳元(2019年：2.0百萬澳元)、年利率為7.0%(2019年：7.0%)，並將分期償付予本集團至2021年8月31日。

## 21. 遞延稅項

以下為於本年度及過往年度本集團已確認主要遞延稅項(資產)/負債以及有關變動：

## 21. Deferred Taxation (Continued)

- Under the EIT Law of PRC, a 10% withholding tax is imposed on dividends declared to foreign investors in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards.

Pursuant to approvals from the relevant PRC government obtained by certain subsidiaries of the Group and reassessment of dividend distribution plan, certain of these subsidiaries should be entitled to a withholding tax at the rate of 5% for dividend payments.

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Deferred tax assets	遞延稅項資產	(570.1)	(420.1)
Deferred tax liabilities	遞延稅項負債	505.1	456.4
		<b>(65.0)</b>	36.3

## 22. Inventories

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Raw materials for:	生產以下產品的原材料：		
Gem-set jewellery	珠寶鑲嵌首飾	6,888.3	5,810.6
Gold products	黃金產品	2,114.2	1,719.0
Platinum/karat gold products	鉑金/K金產品	364.4	391.6
		<b>9,366.9</b>	7,921.2
Finished goods:	製成品：		
Gem-set jewellery	珠寶鑲嵌首飾	14,827.1	15,583.5
Gold products	黃金產品	13,471.1	11,706.6
Platinum/karat gold products	鉑金/K金產品	3,039.6	2,443.7
Watches	鐘錶	1,638.7	1,672.2
		<b>32,976.5</b>	31,406.0
Packaging materials	包裝物料	195.0	158.9
		<b>42,538.4</b>	39,486.1

Inventories recognised as cost of goods sold during the year ended 31 March 2020 amounted to HK\$38,333.7 million (2019: HK\$46,723.5 million).

The Group utilised HK\$24.1 million of a previous inventory write-down (2019: HK\$113.5 million). These were recognised in cost of goods sold during the year ended 31 March 2020 and 2019 in the consolidated statement of profit or loss.

## 21. 遞延稅項(續)

- 根據中國企業所得稅法，自2008年1月1日起，凡就中國的附屬公司賺取的溢利向境外投資者宣派股息，均須徵收10%之預扣稅。

按照本集團若干附屬公司取得中國有關政府的批准及重估股息分派計劃，若干該等附屬公司應有權以優惠稅率5%繳納派付股息之預扣稅。

以下為就財務報告用途所作出遞延稅項結餘分析：

## 22. 存貨

截至2020年3月31日止年度確認為銷售成本的存貨為38,333.7百萬港元(2019年：46,723.5百萬港元)。

本集團使用過往的存貨減值24.1百萬港元(2019年：113.5百萬港元)。該等款項於截至2020年3月31日及2019年3月31日止年度綜合損益表確認為銷售成本。

## 23. Trade and Other Receivables

## 23. 貿易及其他應收款項

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Trade receivables	貿易應收款項	2,744.8	3,951.8
Less: Loss allowance	減：虧損撥備	(61.0)	(68.4)
		<b>2,683.8</b>	3,883.4
Prepayments to suppliers	向供應商預付款項	355.9	357.1
Deposits	已付按金	285.2	441.7
Other tax recoverables	其他可收回稅項	1,911.3	1,847.4
Others	其他	104.6	109.1
		<b>5,340.8</b>	6,638.7

As at 31 March 2020, trade receivables of HK\$45.6 million (2019: HK\$53.9 million) are due from entities in which certain directors of the Company, who are also shareholders of the Company, have beneficial interests in those entities.

於2020年3月31日，貿易應收款項45.6百萬港元(2019年：53.9百萬港元)來自本公司若干董事(亦為本公司股東)持有實益權益之實體。

The Group's sales to retail customers are mainly cash sales and credit card sales. Sales to certain customers are on credit with credit period up to 6 months. For sales through concessionaire counters, the Group usually allows 30 days credit period to these receivables.

本集團對零售顧客的銷售以現金銷售及信用卡銷售為主，而向若干顧客的銷售則以除銷形式，信貸期最多為6個月。就專櫃的銷售而言，本集團一般就該等應收款項給予30日的信貸期。

The following is an aged analysis of trade receivables presented based on the invoice dates at the end of the reporting period:

以下為根據發票日期呈列，於報告期末的貿易應收款項的賬齡分析：

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
0 to 30 days	0至30日	2,206.8	3,128.3
31 to 90 days	31至90日	382.4	603.6
91 to 180 days	91至180日	54.2	88.1
Over 180 days	180日以上	40.4	63.4
		<b>2,683.8</b>	3,883.4

As at 31 March 2020, included in the trade receivable balances are receivables of HK\$682.3 million (2019: HK\$509.1 million) carrying a fixed interest rate ranging from 7.4% to 9.4% (2019: 6.4% to 8.5%) per annum.

於2020年3月31日，貿易應收款項結餘包含682.3百萬港元(2019年：509.1百萬港元)的應收款項，附帶介乎7.4%至9.4%(2019年：6.4%至8.5%)的固定年利率。

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

本集團應用國際財務報告準則第9號簡化方法計量預期信貸虧損，就所有貿易應收款項應用全期預期虧損撥備。

During the year ended 31 March 2020, a loss allowance of HK\$3.2 million is written back (2019: HK\$27.5 million was recognised) based on expected credit loss. Information about the impairment of trade receivables and the Group's exposure to credit risk are set out in note 33.

截至2020年3月31日止年度，3.2百萬港元(2019年：確認27.5百萬港元)的虧損撥備乃根據預期信貸虧損而撥回。有關貿易應收款項減值的資料及本集團所承擔的信貸風險載於附註33。

## 24. Cash and Cash Equivalents

During the year ended 31 March 2020, the bank deposits carry interest at the prevailing market rate ranging from 0.01% to 5.50% (2019: 0.01% to 5.50%) per annum.

As at 31 March 2020, the Group's cash and cash equivalents denominated in RMB were HK\$3,271.8 million (2019: HK\$1,961.8 million) in which HK\$1,192.0 million (2019: HK\$838.2 million) were held by entities in Hong Kong. The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations in Mainland China and the Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through authorised banks to conduct business in foreign currency.

## 25. Trade and Other Payables

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Trade payables	貿易應付款項	253.4	574.1
Contract liabilities	合約負債	1,245.5	1,218.4
Deposits received from franchisees and customers	自加盟商及顧客收取的按金	9,475.4	7,214.0
Other tax payables	其他應付稅項	192.7	406.3
Accruals	應計費用	644.0	436.6
Accrued staff costs	應計員工成本	411.3	610.5
Interest payables	應付利息	12.5	8.0
Others	其他	195.2	216.4
		<b>12,430.0</b>	<b>10,684.3</b>

Deposits received from franchisees and customers mainly represent deposits made by franchisees in Mainland China for the consigned products. The amounts are unsecured and interest-free.

## 24. 現金及現金等價物

截至2020年3月31日止年度，銀行存款按當時市場年利率介乎0.01%至5.50%（2019年：介乎0.01%至5.50%）計息。

於2020年3月31日，本集團按人民幣列值的現金及現金等價物為3,271.8百萬港元（2019年：1,961.8百萬港元），當中1,192.0百萬港元（2019年：838.2百萬港元）由香港實體持有。人民幣並不可自由兌換為其他貨幣；然而，根據於中國內地的中國外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過特許銀行進行外幣業務，將人民幣兌換為外幣。

## 25. 貿易及其他應付款項

自加盟商及顧客收取的按金主要指中國內地加盟商接收寄售產品時所支付之按金。該款項為無抵押及免息。

## 25. Trade and Other Payables (Continued)

The Group normally receives credit terms of 7 to 180 days from its suppliers. The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
0 to 30 days	0 至 30 日	200.7	542.0
31 to 90 days	31 至 90 日	36.9	19.2
91 to 180 days	91 至 180 日	12.6	3.8
Over 180 days	180 日以上	3.2	9.1
		<b>253.4</b>	574.1

The Group has recognised the following liabilities related to contracts with customers:

本集團已確認下列有關顧客合約的負債：

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Contract liabilities:	合約負債：		
Customer loyalty programme	客戶忠誠度計劃	174.0	181.0
Receipts in advance	預收款項	1,071.5	1,037.4
		<b>1,245.5</b>	1,218.4

The following table shows the amount of the revenue recognised in the current reporting period relating to contract liabilities at the beginning of the year and the amount relating to performance obligations that were satisfied in previous years:

下表載列與年初合約負債有關本報告期確認的營業額金額以及於過往年度已達成的履約責任之金額：

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Revenue recognised that was included in the contract liabilities at the beginning of the year:	計入年初合約負債已確認營業額：		
— Customer loyalty programme	— 客戶忠誠度計劃	179.9	66.9
— Receipts in advance	— 預收款項	806.6	656.8
		<b>986.5</b>	723.7

## 25. Trade and Other Payables (Continued)

The following table shows the amount of unsatisfied performance obligations:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Expected to be recognised within one year	預期於一年內確認	976.4	986.5
Expected to be recognised after one year	預期於一年後確認	269.1	231.9
		<b>1,245.5</b>	1,218.4

## 26. Amounts Due to Non-controlling Shareholders of Subsidiaries

The balances are unsecured, interest-free and repayable on demand.

## 27. Bank Borrowings

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Unsecured bank loans</b>	<b>無抵押銀行貸款</b>		
The carrying amounts are repayable*	賬面值按下列期限償還*：		
Within one year	一年內	10,533.0	7,460.0
More than one year, but not exceeding two years	一年以上，但不超過兩年	597.6	1,998.8
More than two years, but not exceeding five years	兩年以上，但不超過五年	299.9	597.9
		<b>11,430.5</b>	10,056.7

\* The amounts due are based on scheduled repayment dates set out in the loan agreements.

The bank borrowings carry variable interest rates ranging from 0.6% to 0.9% (2019: 0.6% to 0.9%) over Hong Kong Interbank Offered Rate ("HIBOR") per annum.

As at 31 March 2020, the range of interest rates on the bank borrowings were 1.8% to 3.9% (2019: 2.1% to 2.5%) per annum.

The carrying amounts of the bank borrowings are denominated in the following currencies:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
HK\$	港元	11,430.5	10,056.7

## 25. 貿易及其他應付款項(續)

下表載列未達成履約責任金額：

## 26. 應付附屬公司非控股股東款項

結餘為無抵押、免息及按要求可予償還。

## 27. 銀行貸款

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Unsecured bank loans</b>	<b>無抵押銀行貸款</b>		
The carrying amounts are repayable*	賬面值按下列期限償還*：		
Within one year	一年內	10,533.0	7,460.0
More than one year, but not exceeding two years	一年以上，但不超過兩年	597.6	1,998.8
More than two years, but not exceeding five years	兩年以上，但不超過五年	299.9	597.9
		<b>11,430.5</b>	10,056.7

\* 到期款項乃以貸款協議所載計劃還款日期為依據。

銀行貸款按浮動年利率計息，年利率為香港銀行同業拆息加介乎0.6%至0.9%（2019年：0.6%至0.9%）。

於2020年3月31日，有關銀行貸款的年利率介乎1.8%至3.9%（2019年：2.1%至2.5%）。

銀行貸款賬面值以以下貨幣計值：

## 28. Gold Loans

Gold loans are borrowed to reduce the impact of fluctuations in gold prices on gold inventories. The amounts represent borrowing from banks and the amounts payable are pegged to gold prices.

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Financial liabilities at fair value through profit or loss</b>	<b>按公允值計入損益的金融負債</b>		
Gold loans to be repaid by cash	將以現金償還的黃金借貸	3,067.7	3,081.4
<b>Liabilities at fair value through profit or loss</b>	<b>按公允值計入損益的負債</b>		
Gold loans to be repaid by physical gold	將以實體黃金償還的黃金借貸	8,212.7	4,930.1
		<b>11,280.4</b>	<b>8,011.5</b>

As at 31 March 2020, the gold loans carried fixed interest rates of 0.7% to 2.3% (2019: 0.8% to 3.0%) per annum, with original maturity of 1 to 6 months (2019: 1 week to 7 months) from date of inception.

The fair value of the gold loans are denominated in the following currencies:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
US\$	美元	3,067.7	3,081.4
RMB	人民幣	8,212.7	4,930.1
		<b>11,280.4</b>	<b>8,011.5</b>

## 28. 黃金借貸

借取黃金借貸目的在於減低黃金存貨受黃金價格波動的影響。該款項乃指銀行貸款，而應付款項與黃金價格掛鈎。

於2020年3月31日，黃金借貸按年利率0.7%至2.3%（2019年：0.8%至3.0%）的固定利率計息，原到期日為授出日起1至6個月（2019年：1週至7個月）。

黃金借貸公允值按以下貨幣列值：

## 29. Share Capital

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Authorised: 50,000,000,000 ordinary shares of HK\$1 each	法定： 50,000,000,000 股每股面值 1 港元之普通股	50,000.0	50,000.0
Issued and fully paid: 10,000,000,000 ordinary shares of HK\$1 each	已發行及繳足： 10,000,000,000 股每股面值 1 港元之普通股	10,000.0	10,000.0

There was no change in the Company's authorised, issued and fully paid capital in both years.

兩個年度內，本公司之法定、已發行及繳足股本概無改變。

## 29. 股本



### 30. Lease Commitments

#### The Group as lessee

The Group mainly leases various retail stores, offices and warehouses under non-cancellable operating leases expiring within six months to five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

From 1 April 2019, the Group has recognised right-of-use assets for these leases, except for short-term and low-value leases, see note 2.28 and note 14 for further information.

### 30. 租賃承擔

#### 本集團作為承租人

本集團根據不可撤銷的經營租賃主要租賃多項零售店、辦公室及倉庫，租期於六個月至五年間屆滿。該等租賃有不同的條款、加租條款及重續權。續租時，租賃條款會重新磋商。

自2019年4月1日起，本集團已就該等租賃確認使用權資產，惟短期及低價值租賃除外，詳情見附註2.28及附註14。

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Minimum lease payments under non-cancellable operating leases of rented premises not recognised in the financial statements are as follows:	未於財務報表確認有關出租物業根據不可撤銷經營租賃的最低租賃付款如下：		
Within one year	一年內	61.7	1,246.5
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	0.3	1,174.2
Over five years	五年以後	—	320.4
		62.0	2,741.1

Included in above are commitments to entities in which certain directors\* of the Company and their close family member have beneficial interests:

計入上文所述為向本公司若干董事\*及彼等的近親擁有實益權益的實體之承擔：

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Within one year	一年內	—	125.8
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	—	132.1
Over five years	五年以後	—	287.5
		—	545.4

\* The directors also have beneficial interests in the Company.

\* 董事亦擁有本公司的實益權益。

### 30. Lease Commitments (Continued)

#### The Group as lessor

The investment properties are leased to tenants under leases with rentals payable monthly. For details of the leasing arrangements, refer to note 15.

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Minimum lease payments receivable on leases of investment properties are as follows:	租賃投資物業的最低應收租賃付款如下：		
Within one year	一年內	12.5	12.5
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	12.4	24.9
		24.9	37.4

### 31. Capital Commitments

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Capital expenditure contracted but not provided for the acquisition of property, plant and equipment	就收購物業、廠房及設備已訂約但未撥備的資本開支	173.2	218.3

### 32. Capital Risk Management

The Group manages its capital to ensure that the group entities will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of bank borrowings, gold loans and equity attributable to shareholders of the Company, comprising share capital, reserves and retained profits as disclosed in the consolidated financial statements.

The management of the Group reviews the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends, new share issues as well as the raising of bank borrowings and gold loans.

### 33. Financial Instruments

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 2.

### 30. 租賃承擔(續)

#### 本集團作為出租人

投資物業根據租賃出租予租戶，每月可收取租金。有關租賃安排的詳情，請參閱附註15。

### 31. 資本承擔

### 32. 資本風險管理

本集團管理資本旨在確保集團實體可持續經營，並透過維持債務與權益的最佳平衡而為股東提供最大回報。

本集團的資本架構包括銀行貸款、黃金借貸和本公司股東應佔股權(包括綜合財務報表所披露之股本、儲備及保留溢利)。

本集團管理層定期檢討資本架構。本集團會考慮資本成本及各類資本相關的風險，亦透過派付股息、發行新股、籌集銀行貸款及黃金借貸平衡本集團整體資本架構。

### 33. 金融工具

與各類金融資產及金融負債有關的所採納重大會計政策及方法的詳情(包括確認標準、計量基準以及確認收入及開支的基準)於附註2披露。

### 33. Financial Instruments (Continued)

The Group holds the following financial instruments:

### 33. 金融工具(續)

本集團持有以下金融工具：

#### Categories of financial instruments

#### 金融工具類別

		Financial assets/ (liabilities) at amortised cost 按攤銷成本計量的 金融資產/(負債) HK\$ million 百萬港元	Financial assets/ (liabilities) at fair value 按公允值計量的 金融資產/(負債) HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
<b>As 31 March 2020</b>	<b>於2020年3月31日</b>			
<b>Financial assets</b>	<b>金融資產</b>			
Financial assets at fair value through profit and loss	按公允值計入損益的金融資產	-	21.0	21.0
Amounts due from associates	應收聯營公司款項	57.5	-	57.5
Loan receivables	應收貸款	23.5	-	23.5
Prepayment and deposits	預付款項及已付按金	188.6	-	188.6
Trade and other receivables	貿易及其他應收款項	3,073.6	-	3,073.6
Cash and cash equivalents	現金及現金等價物	7,219.2	-	7,219.2
<b>Total financial assets</b>	<b>金融資產總值</b>	<b>10,562.4</b>	<b>21.0</b>	<b>10,583.4</b>
<b>Financial liabilities</b>	<b>金融負債</b>			
Trade and other payables	貿易及其他應付款項	(461.1)	-	(461.1)
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	(97.9)	-	(97.9)
Bank borrowings	銀行貸款	(11,430.5)	-	(11,430.5)
Gold loans to be repaid by cash	將以現金償還的黃金借貸	-	(3,067.7)	(3,067.7)
Lease liabilities	租賃負債	(1,797.1)	-	(1,797.1)
<b>Total financial liabilities</b>	<b>金融負債總值</b>	<b>(13,786.6)</b>	<b>(3,067.7)</b>	<b>(16,854.3)</b>
		Financial assets/ (liabilities) at amortised cost 按攤銷成本計量的 金融資產/(負債) HK\$ million 百萬港元	Financial assets/ (liabilities) at fair value 按公允值計量的 金融資產/(負債) HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
<b>As 31 March 2019</b>	<b>於2019年3月31日</b>			
<b>Financial assets</b>	<b>金融資產</b>			
Financial assets at fair value through profit and loss	按公允值計入損益的金融資產	-	11.2	11.2
Amounts due from associates	應收聯營公司款項	54.7	-	54.7
Loan receivables	應收貸款	31.0	-	31.0
Trade and other receivables	貿易及其他應收款項	4,434.2	-	4,434.2
Cash and cash equivalents	現金及現金等價物	7,640.6	-	7,640.6
<b>Total financial assets</b>	<b>金融資產總值</b>	<b>12,160.5</b>	<b>11.2</b>	<b>12,171.7</b>
<b>Financial liabilities</b>	<b>金融負債</b>			
Trade and other payables	貿易及其他應付款項	(798.5)	-	(798.5)
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	(136.7)	-	(136.7)
Bank borrowings	銀行貸款	(10,056.7)	-	(10,056.7)
Gold loans to be repaid by cash	將以現金償還的黃金借貸	-	(3,081.4)	(3,081.4)
<b>Total financial liabilities</b>	<b>金融負債總值</b>	<b>(10,991.9)</b>	<b>(3,081.4)</b>	<b>(14,073.3)</b>

### 33. Financial Instruments (Continued)

#### Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVPL, amounts due from associates, loan receivables, trade and other receivables, deposits, cash and cash equivalents, trade and other payables, amounts due to non-controlling shareholders of subsidiaries, bank borrowings, gold loans to be repaid by cash and lease liabilities. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (interest rate risk, currency risk and commodity price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Market risk

##### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate loan receivables, certain trade receivables, gold loans and lease liabilities. The Group currently does not have any instruments to hedge against the fair value interest rate risk.

Also, the Group is exposed to cash flow interest rate risk through the impact of rate changes on interest bearing financial assets and liabilities, mainly bank balances and bank borrowings at variable interest rates. The Group currently does not have an interest rate hedging policy. However, the management will consider hedging significant interest rate risk should the need arise.

In the opinion of the directors of the Company, the cash flow interest rate risk is considered insignificant and therefore no sensitivity analysis is presented.

### 33. 金融工具(續)

#### 金融風險管理目標及政策

本集團的主要金融工具包括按公允值計入損益的金融資產、應收聯營公司款項、應收貸款、貿易及其他應收款項、已付按金、現金及現金等價物、貿易及其他應付款項、應付附屬公司非控股股東款項、銀行貸款、將以現金償還的黃金借貸及租賃負債。該等金融工具詳情於各附註披露。該等金融工具之相關風險包括市場風險(利率風險、貨幣風險及商品價格風險)、信貸風險及流動資金風險。如何減輕該等風險的政策載於下文。管理層管理及監控該等風險以確保及時有效地實施適當措施。

#### 市場風險

##### 利率風險

本集團須就應收固定利率貸款、若干貿易應收款項、黃金借貸及租賃負債承擔公允值利率風險。本集團現在並無任何工具就公允值利率風險進行對沖。

此外，本集團因計息金融資產及負債(主要為銀行結餘和按浮動利率計息的銀行貸款)利率變動的影響而面對現金流量利率風險。本集團目前概無利率對沖政策。然而，管理層將於需要時考慮對沖重大利率風險。

由於本公司董事認為現金流量利率風險並不重大，故此並無呈列敏感度分析。

### 33. Financial Instruments (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Currency risk

Certain group entities have sales and purchases which are denominated in currency other than their respective functional currencies, which expose the Group to foreign currency risk. In the opinion of the directors of the Company, the foreign currency risk is insignificant considering the related sales and purchases to the total sales and purchases of the Group. The majority of the Group's foreign currency denominated monetary items are cash and cash equivalents denominated in RMB, which are held by group entities whose functional currencies are not RMB, with carrying amounts of HK\$1,192.0 million (2019: HK\$838.2 million). In addition, certain group entities whose functional currency is HK\$, have intra-group advances to their subsidiaries, denominated in RMB.

The Group mainly exposes to currency of United States dollars ("US\$") and RMB, which are arising from relevant group entities' foreign currency denominated monetary assets and liabilities for the Group's operating activities.

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise. As at 31 March 2020, if the exchange rate of RMB had been 2% appreciated or depreciated against HK\$, the Group's profit after taxation for the year would increase or decrease by HK\$65.8 million (2019: HK\$82.3 million) and the Group's exchange reserve would increase or decrease by HK\$289.0 million (2019: HK\$351.8 million) for the year.

In the opinion of the directors of the Company, the currency risk of US\$ is considered insignificant.

### 33. 金融工具(續)

#### 金融風險管理目標及政策(續)

##### 市場風險(續)

##### 貨幣風險

若干集團實體之銷售及採購以各自功能貨幣以外的貨幣計值，本集團因此面臨外幣風險。經考慮相關銷售及採購佔本集團銷售及採購總額的比例，本公司董事認為該等外幣風險並不重大。本集團大部份以外幣計值的貨幣項目為以人民幣計值的現金及現金等價物（由功能貨幣並非人民幣的集團實體持有），其賬面值為1,192.0百萬港元（2019年：838.2百萬港元）。此外，若干以港元為功能貨幣之集團實體，有以人民幣計值，向其附屬公司提供的集團內公司墊款。

本集團的經營活動所用相關集團實體以外幣計值的貨幣資產與負債令本集團主要面臨美元及人民幣之貨幣風險。

本集團現時並無就撇除貨幣風險設定外幣對沖政策。然而，管理層會密切監察相關的外幣風險，需要時將考慮對沖重大的外幣風險。於2020年3月31日，倘人民幣兌港元的匯率升值或貶值2%，本集團的年度除稅後溢利將增加或減少65.8百萬港元（2019年：82.3百萬港元），而本集團的年度外匯儲備將增加或減少289.0百萬港元（2019年：351.8百萬港元）。

本公司董事認為美元的貨幣風險並不重大。

### 33. Financial Instruments (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Commodity price risk

The Group is engaged in the sales of jewellery including gold products. The gold market is influenced by global as well as regional supply and demand conditions. A significant decline in prices of gold could adversely affect the Group's financial performance. In order to reduce the commodity price risk, the Group uses gold loans to reduce its exposure to fluctuations in the gold price on gold inventory. Gold loans are settled at maturity which is usually in 1 to 6 months (2019: 1 week to 7 months) from date of inception and any fair value change is immediately recognised in profit or loss.

As at 31 March 2020, if the market price of gold had been higher or lower by 10%, the potential effect on gold loans and the resulting impact on profit after taxation for the year would decrease or increase approximately by HK\$1,077.4 million (2019: HK\$750.3 million). Part of the effect will be offset with future sales in gold products.

##### Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Group has two types of financial assets that are subject to the expected credit loss model:

- trade receivable for sales of inventory and from the provision of service; and
- debt investments carried at amortised cost, including other receivables, amounts due from associates and loan receivables

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial as such amounts are placed in banks with good reputation.

### 33. 金融工具(續)

#### 金融風險管理目標及政策(續)

##### 市場風險(續)

##### 商品價格風險

本集團從事包括黃金產品等的珠寶銷售業務。黃金市場受全球以及地區供求狀況影響。黃金價格大幅下跌可對本集團之財務表現造成不利影響。為減低商品價格風險，本集團使用黃金借貸減低黃金價格波動對黃金存貨帶來之風險。黃金借貸於屆滿時結算，而期限通常自其開始日起計1至6個月(2019年：1星期至7個月)，如有公允值變動則立即於損益內確認。

於2020年3月31日，倘黃金市價上升或下跌10%，對黃金借貸的潛在影響及該年度的除稅後溢利的影響，將分別減少或增加約1,077.4百萬港元(2019年：750.3百萬港元)。部份影響會被將來的黃金產品的銷售所抵銷。

##### 信貸風險

倘交易方於各報告期末未能履行其責任，則本集團就各類已確認金融資產而面對的最大信貸風險，為綜合財務狀況表所列該等資產的賬面值。為盡量降低信貸風險，本集團管理層已委派一組人員專責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期債務。

本集團有兩類使用預期信貸虧損模型的金融資產：

- 銷售存貨及提供服務的貿易應收款項；及
- 按攤銷成本列賬的債務投資，包括其他應收款項、應收聯營公司款項及應收貸款

儘管現金及現金等價物亦須遵守國際財務報告準則第9號的減值規定，惟由於金額存放於具良好聲譽的銀行，獲識別的減值虧損微不足道。

### 33. Financial Instruments (Continued)

#### Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

##### Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 month before 31 March 2020 or 1 April 2019 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 31 March 2020 and 31 March 2019 was determined as follows for trade receivables:

		Aging analysis 賬齡分析				Total 總計
		0 to 30 days 0至30日 HK\$ million 百萬港元	31 to 90 days 31至90日 HK\$ million 百萬港元	91 to 180 days 91至180日 HK\$ million 百萬港元	Over 180 days 超過180日 HK\$ million 百萬港元	HK\$ million 百萬港元
<b>As of 31 March 2020</b>	<b>於2020年3月31日</b>					
Expected loss rate	預期虧損率	0.0%	0.0%	0.0%	60.2%	
Gross carrying amount	賬面總值	2,206.8	382.4	54.2	101.4	2,744.8
Loss allowance	虧損撥備	-	-	-	61.0	61.0
<b>As of 31 March 2019</b>	<b>於2019年3月31日</b>					
Expected loss rate	預期虧損率	0.0%	0.0%	0.0%	51.9%	
Gross carrying amount	賬面總值	3,128.3	603.6	88.1	131.8	3,951.8
Loss allowance	虧損撥備	-	-	-	68.4	68.4

The loss allowances for trade receivables as at 31 March reconcile to the opening loss allowances as follows:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
At 1 April	於4月1日	68.4	42.4
Currency realignment	貨幣調整	(4.2)	(1.5)
Loss allowance (written back)/recognised	虧損撥備之(撥回)/確認	(3.2)	27.5
At 31 March	於3月31日	61.0	68.4

### 33. 金融工具(續)

#### 金融風險管理目標及政策(續)

##### 信貸風險(續)

##### 貿易應收款項

本集團應用國際財務報告準則第9號之簡化方法計量預期信貸虧損，該預期信貸虧損將全期預期虧損撥備用於所有貿易應收款項。

為計量預期信貸虧損，貿易應收款項已根據共享信貸風險特徵及逾期日數進行分組。

預期虧損率乃根據分別於2020年3月31日或2019年4月1日之前12個月期間的銷售的付款分析及期內經歷的相應歷史信貸虧損得出。過往虧損率已作調整以反映影響客戶償付應收款項能力的宏觀經濟因素之目前及前瞻性資料。本集團已識別最為相關的因素，根據該等因素的預期變動調整過往虧損率。

因此，於2020年3月31日及2019年3月31日的貿易應收款項虧損撥備如下：

3月31日貿易應收款項虧損撥備與期初虧損撥備的對賬如下：

### 33. Financial Instruments (Continued)

#### Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

##### Trade receivables (continued)

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### Debt investments

All of the Group's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months, expected losses unless significant increase in credit risk. Debt investments are considered to be low credit risk where they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term.

The Group has no significant concentration of credit risk in trade and loan receivables, with exposure spread over a number of counterparties.

##### Liquidity risk

The management of the Group has built an appropriate liquidity risk management framework for the management of the Group's short and medium-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities.

### 33. 金融工具(續)

#### 金融風險管理目標及政策(續)

##### 信貸風險(續)

##### 貿易應收款項(續)

當不存在可收回貿易應收款項的合理預期時，有關款項應予以撇銷。不存在可收回的合理預期跡象包括(其中包括)債務人無法與本集團達成還款計劃。

貿易應收款項的減值虧損於經營溢利內呈列為減值虧損淨額。其後收回過往已撇銷的金額將計入同一項目。

##### 債務投資

本集團所有按攤銷成本計量的債務投資被視為擁有低信貸風險，故期內確認的虧損撥備限於12個月預期虧損，除非信貸風險顯著增加。當債務工具有低違約風險且對手方有穩健能力在短期內達到其合約現金流量責任，債務工具會屬於低信貸風險。

本集團於貿易應收款項及應收貸款中並無高度集中的信貸風險，風險分散至多名交易方。

##### 流動資金風險

本集團管理層已為本集團的短期及中期資金以及流動資金管理規定建立適當的流動資金風險管理框架。本集團透過維持銀行融資以及持續監察預測及實際現金流量及其金融負債之到期情況，管理流動資金風險。



### 33. Financial Instruments (Continued)

#### Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

### 33. 金融工具(續)

#### 金融風險管理目標及政策(續)

##### 流動資金風險(續)

下表為本集團之金融負債餘下合約到期日之詳情。該表格根據本集團可被要求支付金融負債之最早日期編製，以反映金融負債之未貼現現金流量。該表格包括利息及本金現金流量。

		Weighted average interest rate 加權平均利率 %	On demand or less than 3 months 於要求時或3個月內 HK\$ million 百萬港元	3 months to 1 year 3個月至1年 HK\$ million 百萬港元	1 to 5 years 1至5年 HK\$ million 百萬港元	Over 5 years 5年之後 HK\$ million 百萬港元	Total undiscounted cash flows 未貼現現金流量總額 HK\$ million 百萬港元	Carrying amount 賬面值 HK\$ million 百萬港元
<b>At 31 March 2020</b>	<b>於2020年3月31日</b>							
Trade and other payables	貿易及其他應付款項	-	461.1	-	-	-	461.1	461.1
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	-	97.9	-	-	-	97.9	97.9
Bank borrowings	銀行貸款	2.6%	9,058.0	1,517.0	952.9	-	11,527.9	11,430.5
Gold loans to be repaid by cash	將以現金償還的黃金借貸	0.8%	3,069.7	-	-	-	3,069.7	3,067.7
Lease liabilities	租賃負債	2.9%	284.3	669.7	890.3	18.7	1,863.0	1,797.1
			12,971.0	2,186.7	1,843.2	18.7	17,019.6	16,854.3
<b>At 31 March 2019</b>	<b>於2019年3月31日</b>							
Trade and other payables	貿易及其他應付款項	-	798.5	-	-	-	798.5	798.5
Amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項	-	136.7	-	-	-	136.7	136.7
Bank borrowings	銀行貸款	2.3%	7,468.9	-	2,700.6	-	10,169.5	10,056.7
Gold loans to be repaid by cash	將以現金償還的黃金借貸	0.9%	3,084.2	-	-	-	3,084.2	3,081.4
			11,488.3	-	2,700.6	-	14,188.9	14,073.3

##### Notes:

- (i) The amounts included in above for variable rate bank borrowings are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.
- (ii) The amounts of gold loans are determined with reference to quoted market bid price of gold traded in active liquid markets.

##### 附註：

- (i) 倘若報告期末的浮息利率變動有別於已釐定的利率估計，上列浮息銀行貸款包括的數額或會改變。
- (ii) 黃金借貸的金額參照在高流通市場買賣之黃金市場買入報價釐定。

## 34. Fair Value Measurements

### (a) Fair value hierarchy

The following table presents the Group's financial instruments measured at the end of the reporting period at fair value, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs are unobservable inputs for the asset or liability.

## 34. 公允值計量

### (a) 公允值等級

下表列示了本集團按公允值計算於報告期末的公允值，此公允值已按國際財務報告準則第13號「公允值計量」所界定的三個公允值層級分類。公允值計量的層級分類是經參考下列估值技術中使用的輸入資料的可觀察性及重要性後釐定的：

- 第一級：輸入數據乃實體於計算日於活躍市場可以取得相同的資產或負債之未調整報價；
- 第二級：輸入數據乃第一級之報價外，可根據直接或間接觀察資產或負債所得出之輸入數據；及
- 第三級：輸入數據乃並非可根據觀察資產或負債所得出之輸入數據。

		Level 1 第一級 HK\$ million 百萬港元	Level 2 第二級 HK\$ million 百萬港元	Level 3 第三級 HK\$ million 百萬港元	Total 總計 HK\$ million 百萬港元
<b>Recurring fair value measurement</b>	<b>經常性公允值計量</b>				
<b>At 31 March 2020</b>	<b>於2020年3月31日</b>				
<b>Asset</b>	<b>資產</b>				
Financial assets at fair value through profit or loss	按公允值計入損益的金融資產	-	-	21.0	21.0
<b>Liabilities</b>	<b>負債</b>				
Gold loans to be repaid by cash	將以現金償還的黃金借貸	28	3,067.7	-	3,067.7
Gold loans to be repaid by physical gold	將以實體黃金償還的黃金借貸	28	8,212.7	-	8,212.7
<b>At 31 March 2019</b>	<b>於2019年3月31日</b>				
<b>Asset</b>	<b>資產</b>				
Financial assets at fair value through profit or loss	按公允值計入損益的金融資產	-	-	11.2	11.2
<b>Liabilities</b>	<b>負債</b>				
Gold loans to be repaid by cash	將以現金償還的黃金借貸	28	3,081.4	-	3,081.4
Gold loans to be repaid by physical gold	將以實體黃金償還的黃金借貸	28	4,930.1	-	4,930.1

### 34. Fair Value Measurements (Continued)

#### (a) Fair value hierarchy (Continued)

During the year ended 31 March 2020, there were no transfers between level 1 and level 2, and no transfers into or out of Level 3 (2019: nil).

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

#### (b) Valuation techniques used to determine level 2 fair values

The fair value of gold loans is determined using discounted cash flow valuation technique reference to quoted market bid price of gold traded in active liquid markets as a key input.

#### (c) Fair value measurement using significant unobservable input (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2020 and 31 March 2019:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
<b>Unlisted equity securities</b>	<b>非上市股權證券</b>		
At 1 April	於4月1日	11.2	–
Currency realignment	貨幣調整	(0.3)	–
Acquisitions/transfer	收購／轉入	10.1	11.2
Net unrealised gains or losses recognised in profit or loss during the period	期內於損益確認的未變現收益或虧損淨額	–	–
At 31 March	於3月31日	21.0	11.2

The fair value of financial assets that are grouped under level 3 is determined using valuation technique including discounted cash flow analysis. In determining fair value, specific valuation technique are used with reference to inputs such as profit forecast, dividend stream and other specific input relevant to those particular financial assets.

#### (d) Financial instruments that are not measured at fair value

The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

### 34. 公允值計量(續)

#### (a) 公允值等級(續)

截至2020年3月31日止年度，第一級及第二級之間並沒有轉換，也沒有轉入或轉出第三級的情況(2019年：無)。

本集團的政策是於報告期末確認公允值層級之間的轉入或轉出。

#### (b) 用作釐定第二級公允值的估值技巧

黃金借貸之公允值利用貼現現金流估值法釐定，其中參照在高流通市場買賣之黃金市場買入報價為主要輸入數據。

#### (c) 使用重大不可觀察輸入數據之公允值計量(第三級)

下表載列用作公允值計量的截至2020年3月31日及2019年3月31日止期間第三級項目變動：

於第三級組合的金融資產公允值使用估值技巧(包括貼現現金流量分析)釐定。釐定公允值時，使用特定估值技巧，參照溢利預測、股息流等輸入數據及其他與該等指定金融資產有關的特定輸入數據。

#### (d) 並非以公允值計量的金融工具

其他金融資產及金融負債的公允值根據貼現現金流量分析按照普遍公認的定價模型釐定。

本公司董事認為，於綜合財務報表按攤銷成本入賬的金融資產及金融負債之賬面值與其公允值相若。

### 35. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

### 35. 融資活動產生的負債對賬

下表詳列本集團融資活動所產生的負債變動，其中包括現金及非現金變動。融資活動產生的負債指其現金流量已經（或未來現金流量將會）於本集團的綜合現金流量表分類為融資活動所得現金流量之負債。

		Bank borrowings	Gold loans	Amounts due to non-controlling shareholders of subsidiaries	Dividends payable (included in trade and other payables)	Interest payables (included in trade and other payables)	Lease liabilities	Total
		銀行貸款 Note 27 附註27 HK\$ million 百萬港元	黃金借貸 Note 28 附註28 HK\$ million 百萬港元	應付附屬公司 非控股 股東款項 Note 26 附註26 HK\$ million 百萬港元	應付股息 (計入貿易 及其他 應付款項內) Note 25 附註25 HK\$ million 百萬港元	應付利息 (計入貿易 及其他 應付款項內) Note 25 附註25 HK\$ million 百萬港元	租賃負債 Note 14 附註14 HK\$ million 百萬港元	總計 HK\$ million 百萬港元
<b>At 31 March 2018</b>	<b>於2018年3月31日</b>	7,923.0	5,335.4	100.5	-	4.1	-	13,363.0
Financing cash flows	融資現金流量	2,133.4	(2,939.8)	43.0	(6,080.6)	(366.1)	-	(7,210.1)
Interest expenses	利息開支	-	-	-	-	370.3	-	370.3
Foreign exchange translation	外匯換算	-	(246.7)	(6.8)	-	-	-	(253.5)
Dividends declared	宣派股息	-	-	-	6,080.6	-	-	6,080.6
Fair value loss of gold loans	黃金借貸公允值虧損	-	117.2	-	-	-	-	117.2
Other non-cash movements	其他非現金變動	0.3	5,745.4	-	-	(0.3)	-	5,745.4
<b>At 31 March 2019, as previously presented</b>	<b>於2019年3月31日 (之前已呈列)</b>	<b>10,056.7</b>	<b>8,011.5</b>	<b>136.7</b>	<b>-</b>	<b>8.0</b>	<b>-</b>	<b>18,212.9</b>
Effect on adoption of IFRS 16 (note 2.2)	採納國際財務報告準則第16號的影響(附註2.2)	-	-	-	-	-	2,331.0	2,331.0
At 1 April 2019, as adjusted	於2019年4月1日(經調整)	10,056.7	8,011.5	136.7	-	8.0	2,331.0	20,543.9
Financing cash flows	融資現金流量	1,361.5	(919.7)	(31.3)	(6,243.2)	(553.9)	(1,263.0)	(7,649.6)
Arising from acquisition of subsidiaries (note 38)	因收購附屬公司而產生(附註38)	11.1	-	-	-	-	-	11.1
Interest expenses	利息開支	-	-	-	-	559.6	-	559.6
Foreign exchange translation	外匯換算	-	(402.9)	(7.5)	-	-	(34.0)	(444.4)
Dividends declared	宣派股息	-	-	-	6,243.2	-	-	6,243.2
Fair value loss of gold loans	黃金借貸公允值虧損	-	1,276.1	-	-	-	-	1,276.1
Other non-cash movements	其他非現金變動	1.2	3,315.4	-	-	(1.2)	763.1	4,078.5
<b>At 31 March 2020</b>	<b>於2020年3月31日</b>	<b>11,430.5</b>	<b>11,280.4</b>	<b>97.9</b>	<b>-</b>	<b>12.5</b>	<b>1,797.1</b>	<b>24,618.4</b>

### 36. Retirement Benefit Obligations

#### Defined contribution scheme

The Group participates in defined contribution schemes which are registered under the Hong Kong Occupational Retirement Scheme Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Hong Kong Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1 December 2000 are required to join the MPF Scheme.

### 36. 退休福利承擔

#### 定額供款計劃

本集團已參與根據香港職業退休計劃條例註冊的定額供款計劃(「職業退休計劃條例計劃」)及於2000年12月根據香港強制性公積金條例成立的強制性公積金計劃(「強積金計劃」)。該等計劃資產與本集團的資產分開處理，由獨立受託人控制的基金持有。凡於成立強積金計劃前已參與職業退休計劃條例計劃的僱員可選擇繼續留用職業退休計劃條例計劃或轉用強積金計劃，而所有於2000年12月1日或之後加入本集團的新僱員則須參加強積金計劃。

## 36. Retirement Benefit Obligations (Continued)

### Defined contribution scheme (Continued)

The retirement benefit cost charged to the consolidated statement of profit or loss and other comprehensive income represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme, which contribution is matched by the employee. The maximum monthly amount of contribution is limited to HK\$1,500 per employee.

The eligible employees of the Company's subsidiaries in Mainland China and Macau are members of pension schemes operated by local government of Mainland China and the Macau government, respectively. The subsidiaries in Mainland China are required to contribute a certain percentage of the relevant cost of the payroll of these employees to the pension schemes to fund the benefits. The subsidiary in Macau is required to pay a monthly fixed contribution to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contribution under the schemes.

### Defined benefit scheme

Certain subsidiaries of the Company provide defined pension benefits to the employees, who joined to these subsidiaries before 1995. The amount payable is dependent on the employees' final salary and years of services. The Group does not set aside any assets to fund such obligations.

Under the scheme, the employees are entitled to a pension between 25% and 40% of final salary for each year of pensionable service at an age of 65. No other post-retirement benefits are provided. The most recent actuarial valuations of the present value of the defined benefit obligations were carried out in March 2020 by Roma Appraisals Limited ("Roma"), an independent qualified professional valuer, using the projected unit credit method. The principal place of business of Roma is 22/F, China Overseas Building, 193 Hennessy Road, Wanchai, Hong Kong. The assumptions which have the most significant effect on the results of the valuation are discount rate, retirement age, turnover rate, mortality rate and the rate of increase in salaries.

## 36. 退休福利承擔(續)

### 定額供款計劃(續)

自綜合損益及其他全面收益表扣除的退休福利成本指本集團按計劃規則指定的比率應付予基金的供款。倘僱員於全數供款歸屬前退出職業退休計劃條例計劃，本集團應付供款將按已沒收供款扣減。

就強積金計劃的成員而言，本集團須向強積金計劃就相關工資成本作5%供款，該筆供款與僱員的供款額一致。每月供款的最高金額為每位僱員1,500港元。

本公司中國內地及澳門附屬公司的合資格僱員分別為中國內地當地政府及澳門政府營運的退休金計劃成員。中國內地附屬公司須按有關僱員相關工資成本的若干百分比向退休金計劃供款，澳門附屬公司則須每月向退休福利計劃支付定額供款，作為福利供款。本集團有關退休福利計劃的唯一責任為根據該等計劃作出所須供款。

### 定額福利計劃

本公司若干附屬公司向於1995年前加入該等附屬公司的僱員提供定額退休金福利。應付款項取決於僱員最後的薪金及服務年期。本集團並無留存任何資產以支付有關承擔。

根據該計劃，僱員於年屆65歲時就每年提供可獲退休金的服務按介乎最後薪金25%至40%享有退休金。本集團並無提供其他退休後福利。最近的定額福利承擔現值精算估值乃於2020年3月由獨立合資格專業估值師羅馬國際評估有限公司(「羅馬」)採用預計單位貸記法進行。羅馬的主要營業地點為香港灣仔軒尼詩道193號中國海外大廈22樓。對估值結果最具影響的假設乃貼現率、退休年齡、周轉率、死亡率及薪金的升幅。

### 36. Retirement Benefit Obligations (Continued)

#### Defined benefit scheme (Continued)

The main actuarial assumptions used were as follows:

		2020	2019
Discount rate	貼現率	0.6%	1.4%
Expected rate of salary increase	預期薪金增加比率	2.5%	3.0%
Turnover rate	周轉率	0.0%	0.0%

Amounts recognised in the consolidated statement of profit or loss and other comprehensive income in respect of the defined benefit scheme are as follows:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Current service cost	現時服務成本	4.0	3.9
Interest on obligation	承擔的利息	1.5	3.3
Components of defined benefits recognised in profit or loss	於損益確認的定額福利部份	5.5	7.2
Remeasurement on defined benefit scheme recognised in other comprehensive income:	於其他全面收益確認的定額福利計劃重新計量：		
Actuarial loss arising from changes in financial assumptions	財務假設改變所產生的精算虧損	24.0	7.5
Total	總額	29.5	14.7

The current service costs and interest on obligation for the years ended 31 March 2020 and 2019 are included in “selling and distribution costs” and “general and administrative expenses” depending on the respective employee’s function.

The remeasurement of the defined benefit scheme for the years ended 31 March 2020 and 2019 is included in other comprehensive income.

Movements in the present value of the defined benefit obligations are as follows:

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
At 1 April	於4月1日	238.8	232.2
Service costs	服務成本	4.0	3.9
Interest costs	利息成本	1.5	3.3
Actuarial loss	精算虧損	24.0	7.5
Benefits paid	已支付福利	(8.1)	(8.1)
At 31 March	於3月31日	260.2	238.8

### 36. 退休福利承擔(續)

#### 定額福利計劃(續)

所使用的主要精算假設如下：

就定額福利計劃於綜合損益及其他全面收益表確認的款項如下：

截至2020年3月31日及2019年3月31日止年度的現時服務成本及承擔的利息按各自的僱員職能計入「銷售及分銷成本」及「一般及行政開支」項。

截至2020年3月31日及2019年3月31日止年度的定額福利計劃重新計量計入其他全面收益。

定額福利承擔現值變動如下：

### 37. Share Option Scheme

Pursuant to a resolution which were passed on 17 November 2011, the Company adopted a share option scheme (the "Share Option Scheme") for the purpose of attracting skilled and experienced personnel, to incentivise them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company. Under the Share Option Scheme, the directors of the Company may grant options to directors (including executive directors, non-executive directors and independent non-executive directors), the directors of the subsidiaries and the employees of the Group and any other persons (including consultants or advisers) who the directors of the Company consider, in its absolute discretion, have contributed or will contribute to the Group (the "Participants").

The Share Option Scheme shall be valid and effective for a period of 10 years commencing on 17 November 2011. An offer of the grant of an option shall be made to a Participant by a notice of grant requiring the Participant to undertake to hold the option on the terms on which it is to be granted (which may include a minimum period for which the option must be held before it can be exercised and a performance target that must be reached before the option can be exercised in whole or in part) and to be bound by the terms of the Share Option Scheme. An offer of the grant of an option is deemed to be accepted by the Participant (the "Grantee") when the Company receives from the Grantee the duplicate notice of grant duly signed by the Grantee. An offer may be accepted or deemed to have been accepted in respect of less than the number of shares in respect of which it is offered, provided that it is accepted in respect of a board lot or an integral multiple thereof. No amount is payable by the Grantee upon acceptance of an offer of an option. The offer shall remain open for acceptance for such time to be determined by the directors of the Company, provided that no such offer shall be open for acceptance after the expiry of the Share Option Scheme or after the termination of the Share Option Scheme in accordance with its terms or after the Participant to whom the offer is made has ceased to be a Participant. To the extent that the offer is not accepted within the time period and in the manner specified in the offer, the offer will be deemed to have been irrevocably declined.

The exercise price shall be determined by the directors of the Company, and shall not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's share on the date of grant.

### 37. 購股權計劃

根據於2011年11月17日通過的決議案，本公司採納購股權計劃（「購股權計劃」），旨在通過提供獲取本公司股權的機會吸引有技能和經驗的人員，激勵他們留任本集團，鼓勵其為本集團的未來發展及擴展而努力。根據購股權計劃，本公司董事可向其全權酌情認為對本集團作出或將作出貢獻的董事（包括執行董事、非執行董事及獨立非執行董事）、附屬公司的董事、本集團的僱員以及任何其他人士（包括諮詢人或顧問）（「參與者」）授出購股權。

購股權計劃的有效期為10年，自2011年11月17日開始。授出購股權的要約須以授出通知的形式向參與者作出，要求參與者承諾按授出條款持有購股權（可能包括行使購股權前最短持有限期，及全部或部份行使購股權前須達到的表現目標），並受購股權計劃條款約束。倘本公司接獲經承授人正式簽署的授出通知副本，則授出購股權的要約會被視為已獲參與者（「承授人」）接納。承授人可能接納或視為接納的要約，所涉及的股份數目可較所提呈的要約所涉及者為少，惟所接納的須為一手買賣單位或其整數倍數。承授人接納購股權要約時毋須繳付任何金額。有關要約於本公司董事釐定的期間內一直可供接納，惟於購股權計劃期限屆滿或購股權計劃根據其條款終止後或獲作出要約的參與者不再為參與者後，則不再可供接納。倘要約於時限內未按要約所指明方式接納，將視為已不可撤回地拒絕有關要約。

行使價須由本公司董事釐定，並不得低於以下較高者：(i) 授出日期本公司股份的收市價；(ii) 緊接授出日期前五個交易日股份平均收市價；及(iii) 授出日期本公司股份的面值。

### 37. Share Option Scheme (Continued)

During the years ended 31 March 2020 and 2019, no share options were granted by the Company nor were there any share options of the Company outstanding.

The Company issued to the directors and certain employees share appreciation rights (the "SARs") that the Company would pay the intrinsic value of the SARs in cash to the directors and certain employees as part of the discretionary bonus. The Group recorded a total expense of HK\$8.3 million during the year ended 31 March 2020 (2019: HK\$52.7 million).

### 38. Business Combination

#### (a) Summary of acquisition

In December 2019, the Group acquired 100% of the issued share capital of ENZO Jewelry Inc. ("ENZO"), a luxury coloured gem jeweller. The acquisition has enriched the Group's multi-brand portfolio to meet customer expectations.

Details of the purchase consideration and the net assets acquired are as follows:

		HK\$ million 百萬港元
Purchase consideration (refer to (b) below):	收購代價(參閱下文(b)):	
Cash paid	已付現金	189.3
Total purchase consideration	收購總代價	189.3

The assets and liabilities recognised as a result of the acquisition are as follows:

		Fair value 公允值 HK\$ million 百萬港元
Cash	現金	5.1
Inventories	存貨	189.4
Trade receivables	貿易應收款項	18.1
Other receivables	其他應收款項	35.0
Investment properties	投資物業	17.8
Plant and equipment	廠房及機器	17.9
Bank loan	銀行貸款	(11.1)
Trade payables	貿易應付款項	(31.3)
Other payables	其他應付款項	(33.6)
Net identifiable assets acquired	獲收購可識別資產淨值	207.3
Less: total purchase consideration	減: 收購總代價	(189.3)
Gain on acquisition of subsidiaries (included in other gains and losses)	收購附屬公司收益 (計入其他收益及虧損內)	18.0

There were no acquisitions in the year ending 31 March 2019.

### 37. 購股權計劃(續)

截至2020年3月31日及2019年3月31日止年度，本公司並無授出任何購股權，亦無任何尚未行使的本公司購股權。

本公司向董事及若干僱員發行股份增值權(「股份增值權」)，本公司會以現金向董事及若干僱員支付股份增值權的內在價值，作為酌情花紅的一部份。截至2020年3月31日止年度，本集團錄得總開支為8.3百萬港元(2019年：52.7百萬港元)。

### 38. 業務合併

#### (a) 收購概要

於2019年12月，本集團收購名貴彩色寶石珠寶商ENZO Jewelry Inc. (「ENZO」)的100%已發行股本。此項收購豐富了本集團的多品牌組合，以迎合顧客的期望。

收購代價詳情及獲收購的資產淨值如下：

收購後已確認的資產及負債如下：

截至2019年3月31日止年度並無進行收購事項。



## 38. Business Combination (Continued)

### (a) Summary of acquisition (Continued)

#### (i) Acquired receivables

The fair value and gross contractual amount of acquired trade receivables is HK\$18.1 million.

#### (ii) Revenue and profit contribution

The acquired business contributed revenues of HK\$37.7 million and net loss of HK\$35.0 million to the Group for the period from 1 December 2019 to 31 March 2020.

If the acquisition had occurred on 1 April 2019, consolidated pro-forma\* revenue and profit for the year ended 31 March 2020 would have been HK\$56,928.8 million and HK\$2,976.4 million respectively. The negative impact on the consolidated pro-forma profit for the year was mainly due to the depreciation impact arising from the acquired properties which management decided to dispose subsequently.

These amounts have been calculated using the subsidiaries' results and adjusting them for:

- differences in the accounting policies between the Group and the subsidiaries, and
- the additional depreciation that would have been charged assuming the fair value adjustments to investment properties had applied from 1 April 2019, together with the consequential tax effects.

#### (iii) Gain on acquisition of subsidiaries

The gain on acquisition of subsidiaries of HK\$18.0 million was recognised in other gains and losses (note 6), which was arising from the difference between (a) the fair value of the shares in ENZO representing the aggregate of the consideration transferred of HK\$189.3 million; and (b) the fair value of net identifiable assets acquired of HK\$207.3 million, comprising the investment properties at fair value with reference to valuation performed by an independent valuer with experience in the valuation of similar properties in the relevant market and the fair values of the identifiable assets and liabilities, which approximate to their carrying amounts.

\* The pro-forma information is for illustrative purposes only

## 38. 業務合併(續)

### (a) 收購概要(續)

#### (i) 獲收購應收款項

獲收購貿易應收款項的公允值及合約總額為18.1百萬港元。

#### (ii) 營業額及溢利貢獻

自2019年12月1日至2020年3月31日期間，獲收購業務向本集團貢獻的營業額為37.7百萬港元，錄得淨虧損35.0百萬港元。

倘若收購事項已於2019年4月1日完成，截至2020年3月31日止年度的綜合備考\*營業額及溢利分別為56,928.8百萬港元及2,976.4百萬港元。對年度綜合備考溢利的負面影響主要來自管理層已決定隨後出售的已收購物業產生之折舊影響。

上述金額利用附屬公司業績計算，並且就以下各項作出調整：

- 本集團與附屬公司的會計政策差異；及
- 假設自2019年4月1日起對投資物業作出公允值調整，因而計提額外折舊，再加上相應的稅務影響。

#### (iii) 收購附屬公司收益

收購附屬公司收益18.0百萬港元已於其他收益及虧損確認入賬(附註6)，其產生來自以下兩者的差額(a)ENZO股份的公允值(即獲轉讓總代價189.3百萬港元)；及(b)獲收購可識別資產淨值之公允值207.3百萬港元，包括參照擁有對相關市場相類物業進行估值的經驗之獨立估值師進行的估值之按公允值計算的投資物業以及可識別資產及負債的公允值(與其賬面值相若)。

\* 備考資料僅供參考

### 38. Business Combination (Continued)

#### (b) Purchase consideration — cash outflow

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Outflow of cash to acquire subsidiary, net of cash acquired	收購附屬公司的現金流出 (扣除獲得現金)		
Cash consideration	現金代價	189.3	—
Less: Balances acquired Cash	減：獲收購結餘 現金	(5.1)	—
Net outflow of cash — investing activities	現金流出淨額 — 投資活動	184.2	—

#### Acquisition-related costs

Acquisition-related costs of HK\$4.7 million are included in general and administrative expenses in the consolidated statement of profit or loss and in operating cash flows in the consolidated statement of cash flows.

#### 收購相關成本

收購相關成本4.7百萬港元計入綜合損益表的一般及行政開支以及綜合現金流量表的經營現金流量。

### 39. Related Party Transactions

#### (a) Recurring transactions

Other than the transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had entered into the following related party transactions during the year:

Relationship 關係	Nature of transactions 交易性質	2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Entities in which certain directors* of the Company have beneficial interests 本公司若干董事*擁有實益權益的實體	Advertising expenses 廣告開支	6.4	5.4
	Concessionaire fees in department stores 百貨公司專櫃分成	57.4	78.2
	Lease payments 租賃支付	170.3	165.1
Non-controlling shareholders of subsidiaries 附屬公司非控股股東	Concessionaire fees in department stores 百貨公司專櫃分成	6.0	5.9
	Franchise sales 加盟銷售	19.9	8.9
Entities in which a close family member of certain directors* of the Company has control 本公司若干董事*的近親家屬成員擁有控制權的實體	Engineering services fee 工程服務費	4.3	4.2
	Lease payments 租賃支付	27.3	24.8
	Purchase of equipment 購買設備	41.5	37.7
	Marking fee 標記費用	44.7	58.2

\* The directors also have beneficial interests in the Company.

\* 董事亦擁有本公司的實益權益。

Apart from the aforementioned transactions, no other significant transactions, arrangements and contracts to which the Company was a party and in which a director of the Company had, directly or indirectly, a material interest at any time during the year.

除上述交易外，本公司於本年度內任何時間，並無簽訂其他本公司董事在其中直接或間接享有重大利益之重要交易、安排及合約。

### 39. Related Party Transactions (Continued)

#### (b) Key management compensation

Remuneration paid for key management personnel includes the directors and the chief executives of the Company as disclosed in note 9.

The remuneration of the directors and the chief executives of the Company is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 39. 關聯方交易(續)

#### (b) 主要管理人員酬金

支付予主要管理人員的酬金包括附註9披露的本公司董事及最高行政人員。

本公司董事及最高行政人員的酬金是經由薪酬委員會根據個別人士的表現及市場趨勢而釐定。

### 40. Principal Subsidiaries of the Company

Details of the Company's principal subsidiaries at the end of the reporting period are set out below:

### 40. 本公司主要附屬公司

下列為於報告期末本公司主要附屬公司之詳情：

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/設立地點 及日期	Issued and fully paid share capital/registered capital/quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of ownership interest held by the Company 本公司所佔擁有權 權益比例		Principal activities 主要業務
			2020	2019	
Highrise Achiever Limited* 擇天有限公司	BVI 20 June 2011 英屬維爾京群島 2011年6月20日	Share US\$1 股本 1美元	100%	100%	Investment holding 投資控股
Bentley Trading Limited 栢力貿易有限公司	Hong Kong 10 January 2008 香港 2008年1月10日	Ordinary shares HK\$10,000 普通股 10,000港元	100%	100%	Trading of diamond 鑽石買賣
Chow Tai Fook Jewellery Company Limited 周大福珠寶金行有限公司	Hong Kong 6 March 1961 香港 1961年3月6日	Ordinary shares HK\$350,000,000 普通股 350,000,000港元	100%	100%	Sales of jewellery products 珠寶產品銷售
CTF Watch (HK) Limited 周大福鐘錶(香港)有限公司	Hong Kong 7 February 2011 香港 2011年2月7日	Ordinary shares HK\$1 普通股 1港元	100%	100%	Sales of watches 鐘錶銷售
Techni Development Investment Limited 達利發展投資有限公司	Hong Kong 26 May 2005 香港 2005年5月26日	Ordinary shares HK\$5,000,000 普通股 5,000,000港元	100%	100%	Procurement of gemstones, sales of jewellery products and investment holding 採購寶石、珠寶產品 銷售以及投資控股
Chow Tai Fook Jewellery and Watch Company (Macau) Limited 周大福珠寶鐘錶(澳門)有限公司	Macau 17 March 2009 澳門 2009年3月17日	Quota capital MOP5,000,000 配額資本 5,000,000澳門元	100%	100%	Sales of jewellery products 珠寶產品銷售
Hearts On Fire	The United States of America 14 May 2001 美國 2001年5月14日	Capital US\$74,468,737 資本 74,468,737美元	100%	100%	Sales of jewellery products 珠寶產品銷售
Beijing Chow Tai Fook Jewellery Company Limited 北京周大福珠寶金行有限公司	PRC <sup>^</sup> 13 November 2006 中國 <sup>^</sup> 2006年11月13日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及提供 服務予加盟商

## 40. Principal Subsidiaries of the Company (Continued)

## 40. 本公司主要附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/設立地點 及日期	Issued and fully paid share capital/registered capital/quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of ownership interest held by the Company 本公司所佔擁有權 權益比例		Principal activities 主要業務
			2020	2019	
Chongqing Chow Tai Fook Watch Marketing Company Limited 重慶周大福鐘錶銷售有限公司	PRC- 25 December 2008 中國- 2008年12月25日	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	100%	100%	Sales of watches 鐘錶銷售
Chongqing Flamingo Watches Company Limited 重慶富明高鐘錶有限公司	PRC- 25 December 2008 中國- 2008年12月25日	Registered capital RMB1,000,000 註冊資本 人民幣1,000,000元	100%	100%	Sales of watches 鐘錶銷售
Chongqing Meida Watch Company Limited 重慶美達鐘錶有限公司	PRC- 21 May 2013 中國- 2013年5月21日	Registered capital RMB1,000,000 註冊資本 人民幣1,000,000元	100%	100%	Sales of jewellery products 珠寶產品銷售
Chongqing Xinhuang Watch Company Limited 重慶新黃鐘錶有限公司	PRC+ 2 August 2013 中國+ 2013年8月2日	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	51%	51%	Sales of watches 鐘錶銷售
Chow Tai Fook Jewellery (Chongqing) Company Limited 周大福珠寶金行(重慶)有限公司	PRC^ 23 December 2008 中國^ 2008年12月23日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery (Shenyang) Company Limited 周大福珠寶金行(瀋陽)有限公司	PRC- 2 January 2014 中國- 2014年1月2日	Registered capital RMB20,000,000 註冊資本 人民幣20,000,000元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery (Shenzhen) Company Limited 周大福珠寶金行(深圳)有限公司	PRC^ 2 April 2002 中國^ 2002年4月2日	Registered capital US\$100,000,000 註冊資本 100,000,000美元	100%	100%	Manufacturing and sales of jewellery products 珠寶產品生產及銷售
Chow Tai Fook Jewellery (Suzhou) Company Limited 周大福珠寶金行(蘇州)有限公司	PRC^ 11 January 2006 中國^ 2006年1月11日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery (Wuhan) Company Limited 周大福珠寶金行(武漢)有限公司	PRC^ 29 January 2008 中國^ 2008年1月29日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Chow Tai Fook Jewellery Culture Industrial Park (Wuhan) Company Limited 周大福珠寶文化產業園(武漢) 有限公司	PRC^ 16 August 2012 中國^ 2012年8月16日	Registered capital US\$140,000,000 註冊資本 140,000,000美元	100%	100%	Manufacturing of jewellery products 珠寶產品生產

## 40. Principal Subsidiaries of the Company (Continued)

## 40. 本公司主要附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/設立地點 及日期	Issued and fully paid share capital/registered capital/quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of ownership interest held by the Company 本公司所佔擁有權 權益比例		Principal activities 主要業務
			2020	2019	
Chow Tai Fook Jewellery Zhangjiagang Baoshui Company Limited 周大福珠寶金行張家港保稅區 有限公司	PRC- 21 April 2010 中國- 2010年4月21日	Registered capital RMB65,723,500 註冊資本 人民幣65,723,500元	100%	100%	Sales of jewellery products 珠寶產品銷售
Foshan Shunde Yuda Jewellery Manufacturing Company Limited 佛山市順德區裕達珠寶首飾製造 有限公司	PRC^ 14 March 2007 中國^ 2007年3月14日	Registered capital US\$10,639,400 註冊資本 10,639,400美元	100%	100%	Manufacturing of jewellery products 珠寶產品生產
Foshan Yushunfu Jewellery and Diamond Company Limited 佛山裕順福首飾鑽石有限公司	PRC^ 9 November 1988 中國^ 1988年11月9日	Registered capital US\$18,000,000 註冊資本 18,000,000美元	100%	100%	Manufacturing of jewellery products 珠寶產品生產
Guangdong Chow Tai Fook Jewellery Company Limited 廣東周大福珠寶金行有限公司	PRC^ 10 December 2007 中國^ 2007年12月10日	Registered capital US\$30,000,000 註冊資本 30,000,000美元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Guangdong Shunde Chow Tai Fook Jewellery Manufacturing Company Limited 廣東順德周大福珠寶製造有限公司	PRC- 30 July 2014 中國- 2014年7月30日	Registered capital RMB60,000,000 註冊資本 人民幣60,000,000元	100%	100%	Manufacturing of jewellery products 珠寶產品生產
Shanghai Chow Tai Fook Jewellery Company Limited 上海周大福珠寶首飾有限公司	PRC^ 26 February 2013 中國^ 2013年2月26日	Registered capital HK\$60,000,000 註冊資本 60,000,000港元	100%	100%	Sales of jewellery products and provision of services to franchisees 珠寶產品銷售及 提供服務予加盟商
Shanghai Fulong Chow Tai Fook Jewellery Company Limited 上海福龍周大福珠寶有限公司	PRC+ 5 January 2000 中國+ 2000年1月5日	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	60%	60%	Sales of jewellery products 珠寶產品銷售
Shenzhen Qianhai Chow Tai Fook Jewellery Company Limited 深圳前海周大福珠寶金行有限公司	PRC^ 31 October 2016 中國^ 2016年10月31日	Registered capital US\$10,000,000 註冊資本 10,000,000美元	100%	100%	Sales of jewellery products 珠寶產品銷售
Shenzhen Chow Tai Fook Jewellery Manufacturing Company Limited 深圳市周大福珠寶製造有限公司	PRC- 5 March 2012 中國- 2012年3月5日	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	100%	100%	Manufacturing of jewellery products 珠寶產品生產
Shenzhen Chow Tai Fook Online Media Company Limited 深圳周大福在線傳媒有限公司	PRC- 5 January 2017 中國- 2017年1月5日	Registered capital RMB5,000,000 註冊資本 人民幣5,000,000元	100%	100%	Sales of jewellery products 珠寶產品銷售

## 40. Principal Subsidiaries of the Company (Continued)

## 40. 本公司主要附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/設立地點 及日期	Issued and fully paid share capital/registered capital/quota capital 已發行及繳足股本/ 註冊資本/配額資本	Proportion of ownership interest held by the Company 本公司所佔擁有權 權益比例		Principal activities 主要業務
			2020	2019	
Shenzhen CTF Watch Company Limited 深圳周大福鐘錶有限公司	PRC <sup>^</sup> 27 June 2011 中國 <sup>^</sup> 2011年6月27日	Registered capital HK\$300,000,000 註冊資本 300,000,000 港元	100%	100%	Sales of watches 鐘錶銷售
Shenzhen Shenfu Jewellery Company Limited 深圳市深福珠寶金行有限公司	PRC <sup>+</sup> 19 April 2007 中國 <sup>+</sup> 2007年4月19日	Registered capital RMB8,000,000 註冊資本 人民幣8,000,000元	50%*	50%#	Sales of jewellery products 珠寶產品銷售
Wuhan Hanfu Jewellery Company Limited 武漢漢福珠寶金行有限公司	PRC <sup>+</sup> 26 November 2003 中國 <sup>+</sup> 2003年11月26日	Registered capital RMB90,000,000 註冊資本 人民幣90,000,000元	70%	70%	Sales of jewellery products 珠寶產品銷售
Zhangjiagang Baoshui Dade Xinfu Jewellery Company Limited 張家港保稅區大德新福珠寶金行 有限公司	PRC <sup>+</sup> 3 December 2010 中國 <sup>+</sup> 2010年12月3日	Registered capital RMB3,000,000 註冊資本 人民幣3,000,000元	50%*	50%#	Sales of jewellery products 珠寶產品銷售
Zhangjiagang Baoshui Dehui Jewellery Company Limited 張家港保稅區德輝珠寶金行有限公司	PRC <sup>-</sup> 24 September 2012 中國 <sup>-</sup> 2012年9月24日	Registered capital RMB94,567,500 註冊資本 人民幣94,567,500元	100%	100%	Sales of jewellery products 珠寶產品銷售
Zhangjiagang Baoshui Zhaofu Jewellery Company Limited 張家港保稅區肇福珠寶金行有限公司	PRC <sup>+</sup> 17 November 2011 中國 <sup>+</sup> 2011年11月17日	Registered capital RMB70,000,000 註冊資本 人民幣70,000,000元	51%	51%	Sales of jewellery products 珠寶產品銷售

\* Directly held by the Company.

# Pursuant to the relevant agreements entered into among shareholders of these entities, the Group has power to direct the relevant activities of these entities since their respective date of establishment/acquisition, and hence these entities are classified as subsidiaries of the Company.

+ Being a co-operative joint venture establishment in the PRC.

^ Being a wholly foreign owned enterprise.

- Being a wholly owned enterprise in the PRC.

Note:

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affect the results or assets of the Group. To give details of other subsidiaries which are mainly inactive or engaged in investment holding would, in the opinion of the directors, result in particulars of excessive length.

\* 本公司直接持有。

# 根據該等實體的股東之間訂立的相關協議，本集團自此等實體各自成立/收購日期以來有權指導該等實體的相關活動，因此此等實體歸類為本公司的附屬公司。

+ 為中國成立的合資合作企業。

^ 為外商獨資企業。

- 為中國成立的獨資企業。

附註：

上表列出董事認為主要影響本集團的業績或資產的本公司附屬公司。載列其他主要暫停營業或從事投資控股的附屬公司之詳情，董事則認為會導致詳情過於冗長。

## 41. Statement of Financial Position and Reserve Movement of the Company

## 41. 本公司財務狀況表及儲備變動

		2020 HK\$ million 百萬港元	2019 HK\$ million 百萬港元
Non-current assets	非流動資產		
Investment in a subsidiary	於一間附屬公司之投資	15,387.3	15,387.3
Amount due from a subsidiary	應收一間附屬公司款項	897.5	2,596.7
		<b>16,284.8</b>	17,984.0
Current assets	流動資產		
Amount due from a subsidiary	應收一間附屬公司款項	13,736.0	13,132.0
Taxation recoverable	可收回稅項	0.6	1.1
Cash and cash equivalents	現金及現金等價物	4.5	1.5
		<b>13,741.1</b>	13,134.6
Current liabilities	流動負債		
Other payables	其他應付款項	24.9	14.4
Amount due to a subsidiary	應付一間附屬公司款項	-	2,410.5
Bank borrowings	銀行貸款	10,533.0	7,460.0
Gold loans	黃金借貸	3,067.7	3,081.4
		<b>13,625.6</b>	12,966.3
Net current assets	流動資產淨額	<b>115.5</b>	168.3
Total assets less current liabilities	總資產減流動負債	<b>16,400.3</b>	18,152.3
Non-current liability	非流動負債		
Bank borrowings	銀行貸款	897.5	2,596.7
		<b>15,502.8</b>	15,555.6
Capital and reserves	資本及儲備		
Share capital	股本	10,000.0	10,000.0
Reserves	儲備	5,502.8	5,555.6
		<b>15,502.8</b>	15,555.6

## 41. Statement of Financial Position and Reserve Movement of the Company (Continued)

## 41. 本公司財務狀況表及儲備變動(續)

		Reserves 儲備			Total 總計 HK\$ million 百萬港元
		Share capital 股本 HK\$ million 百萬港元	Share premium 股份溢價 HK\$ million 百萬港元	Retained profits 保留溢利 HK\$ million 百萬港元	
At 1 April 2018	於2018年4月1日	10,000.0	5,498.7	37.1	15,535.8
Profit and total comprehensive income for the year	年內溢利及全面收益總額	–	–	6,019.8	6,019.8
Dividends	股息	–	–	(6,000.0)	(6,000.0)
At 31 March 2019	於2019年3月31日	<b>10,000.0</b>	<b>5,498.7</b>	<b>56.9</b>	<b>15,555.6</b>
Profit and total comprehensive income for the year	年內溢利及全面收益總額	–	–	<b>6,147.2</b>	<b>6,147.2</b>
Dividends	股息	–	–	<b>(6,200.0)</b>	<b>(6,200.0)</b>
At 31 March 2020	於2020年3月31日	<b>10,000.0</b>	<b>5,498.7</b>	<b>4.1</b>	<b>15,502.8</b>

## 42. Subsequent Events

The Group's business severely suffered in the fourth quarter ended 31 March 2020 due to the outbreak of COVID-19 in early 2020. The Group has been closely monitoring the development and the impact of COVID-19 since then and taking appropriate responses in a timely manner in order to mitigate the impact on the Group's business. Majority of the Group's POS in Mainland China and Hong Kong and Macau resumed operations in April 2020.

Up to the date on which this set of consolidated financial statements were authorised for issue, the Group has seen signs of recovery especially in the Mainland China market. The recent sales performances in both reportable segments were within the management's expectations.

For further details, please refer to "Business Outlook and Strategies" in Managing Director's Strategic Report on page 40.

Except for the above, there is no subsequent event after the reporting period which has material impact to the consolidated financial statements of the Group.

## 42. 期後事項

本集團截至2020年3月31日止第四季度的業務受2020年初爆發2019冠狀病毒疫情的嚴重打擊。本集團自爆發以來一直密切留意2019冠狀病毒疫情的發展和影響，並適時採取適當的應對措施，以減低對本集團業務的影響。本集團中國內地以及香港及澳門的零售點大部份已於2020年4月恢復營運。

截至獲授權刊發本綜合財務報表當日止，本集團的業務已呈復甦跡象，尤其是中國內地市場。兩個可呈報分部的近期銷售表現均符合管理層的預期。

詳情請參閱第40頁「董事總經理策略報告」內「業務展望與策略」。

除上文所述外，報告期後並無期後事項對本集團綜合財務報表構成重大影響。



# FINANCIAL SUMMARY

## 財務概要

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years. The financial information are extracted from the consolidated financial statements in the annual reports.

以下為本集團過去五個財政年度已刊發業績以及資產與負債概要。財務資料摘錄自年報的綜合財務報表。

		For the year ended 31 March 截至3月31日止年度				
		2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元
Revenue	營業額	56,591.5	51,245.5	59,156.4	66,660.9	<b>56,750.8</b>
Gross profit	毛利	15,641.4	14,962.7	16,213.4	18,601.8	<b>16,096.2</b>
Profit for the year	年度溢利	2,978.9	3,151.1	4,203.3	4,684.0	<b>2,983.1</b>

		As at 31 March 於3月31日				
		2016 HK\$ million 百萬港元	2017 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2020 HK\$ million 百萬港元
Total assets	資產總額	55,675.4	49,401.9	57,569.9	62,237.1	<b>65,243.4</b>
Total liabilities	負債總額	19,925.5	16,900.4	23,472.3	30,834.1	<b>38,252.6</b>
Net assets	資產淨額	35,749.9	32,501.5	34,097.6	31,403.0	<b>26,990.8</b>

# GLOSSARY

## 詞彙

1HFY 財政年度上半年	the first half of the financial year, six months ending 30 September 財政年度上半年，截至9月30日止六個月
2HFY 財政年度下半年	the second half of the financial year, six months ending 31 March 財政年度下半年，截至3月31日止六個月
Articles 細則	the articles of association of the Company (as amended from time to time) 本公司組織章程細則(經不時修訂)
ASP 平均售價	average selling price 平均銷售價格
Board 董事會	the board of directors of the Company 本公司董事會
CIS 店內專櫃	counter-in-shop in POS 於零售點內的店內專櫃
Company/Chow Tai Fook 本公司/周大福	Chow Tai Fook Jewellery Group Limited (stock code: 1929) 周大福珠寶集團有限公司(股份代號：1929)
Directors 董事	directors of the Company 本公司董事
ENZO	ENZO Jewelry Inc.
FY 財政年度	financial year, 1 April of a year to 31 March of the following year 財政年度，指4月1日至翌年3月31日
Gem-set jewellery 珠寶鑲嵌首飾	jewellery products made with diamonds and gemstones 鑲有鑽石及寶石的首飾產品
Group 集團/本集團	the Company and its subsidiaries 本公司及其附屬公司
Hearts On Fire	Hearts On Fire Company, LLC.
High-end luxury jewellery 名貴珠寶	jewellery products with a retail price of above HK\$100,000 per piece 每件零售價10萬港元以上的珠寶產品
Karat gold K金	jewellery products made from gold alloy 以合金製成的首飾產品
Listing Rules 上市規則	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司證券上市規則
Mainland China 中國內地	the mainland of the People's Republic of China 中華人民共和國內地

Mass luxury jewellery 主流珠寶	jewellery products with a retail price ranging from HK\$2,000 to HK\$100,000 per piece 每件零售價介乎 2 千港元至 10 萬港元的珠寶產品
O2O 線上線下	online-to-offline 線上到線下
POS 零售點	points of sale 產品零售點
Retail Sales Value/RSV 零售值	the sales at the ending price (VAT inclusive, if any), in respective functional currencies, of products sold to customers in the POS network and other channels 於零售點網絡和其他渠道以相應功能貨幣計值向客戶銷售產品的最終零售價(包括增值稅, 如有)計算
Same Store 同店	self-operated POS existing as at the end of the relevant financial period and which have been operating since the beginning of the prior financial year 自前一個財政年度初已經營並於有關財政期間末仍然續存的直營零售點
Same Store Sales/SSS 同店銷售	for FY2020, the revenue from self-operated POS existing as at 31 March 2020 and which have been opened prior to 1 April 2018, measured at constant exchange rates. Revenue from wholesale and other channels are excluded 就 2020 財政年度而言, 於 2018 年 4 月 1 日前開業並於 2020 年 3 月 31 日仍然續存的直營零售點的營業額(按相同匯率計量), 惟不包括批發及其他渠道的營業額
Same Store Sales Growth/SSSG 同店銷售增長	a comparison between Same Store Sales of a particular period and sales from comparable POS in the previous period, measured at constant exchange rates 以相同匯率比較特定期間的同店銷售與前一期間的可比零售點銷售
SFO 證券及期貨條例	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 香港法例第 571 章證券及期貨條例
SIS 店中店	shop-in-shop in POS 於零售點內的店中店
Stock Exchange 聯交所	The Stock Exchange of Hong Kong Limited, unless otherwise specified 除非另有指明, 否則均指香港聯合交易所有限公司
Tier I, II, III, IV and other cities 一線、二線、三線、四線及其他城市	for the list of cities, please refer to the city-tier ranking published by Yicai Global. New first-tier cities were grouped under Tier II cities in our analysis. Please refer to the ranking released on 24 May 2019 有關城市詳情請參閱《第一財經》發佈的城市等級排名。新一線城市於我們的分析中被分類為二線城市。請參閱 2019 年 5 月 24 日公佈的排名

# A SNAPSHOT OF CHOW TAI FOOK JEWELLERY GROUP

## 周大福珠寶集團簡況



Chow Tai Fook Jewellery Group Website  
周大福珠寶集團網站



Corporate Presentation  
企業簡報



Corporate Video  
企業短片



Our History  
集團歷史



Our Brands  
我們的品牌



Our Sustainability Report  
可持續發展報告

## Investor calendar

### FY2020 annual results announcement

11 June 2020

### AGM

30 July 2020

### Proposed payment of final dividend

on or about 21 August 2020

### Closure of register of members (both days inclusive)

For ascertaining attendance and voting right at the AGM  
27 to 30 July 2020

For ascertaining entitlement to proposed final dividend

6 August 2020

## 投資者日誌

### 2020 財政年度全年業績公告

2020年6月11日

### 股東週年大會

2020年7月30日

### 建議派發末期股息

2020年8月21日或前後

### 暫停辦理股份過戶登記手續(首尾兩天包括在內)

就確定出席股東週年大會並於會上投票  
2020年7月27日至30日

就確認獲發建議末期股息的權利

2020年8月6日

## Share information

### Company name

Chow Tai Fook Jewellery Group Limited

### Listing

Hong Kong Stock Exchange

### Stock code

1929

### Listing date

15 December 2011

### Board lot size

200 shares

### Issued share capital as at 31 March 2020

10,000,000,000 shares

### Index constituent

Hang Seng Composite Index

Hang Seng China (Hong Kong-listed) 100 Index

Hang Seng High Dividend Yield Index

Hang Seng Corporate Sustainability Benchmark Index

## 股份資料

### 公司名稱

周大福珠寶集團有限公司

### 上市

香港聯交所

### 股份代號

1929

### 上市日期

2011年12月15日

### 每手買賣單位

200股

### 於2020年3月31日已發行股本

10,000,000,000股

### 成份股

恒生綜合指數

恒生中國(香港上市)100指數

恒生高股息率指數

恒生可持續發展企業基準指數

# CONTACT US

## 聯絡我們

### Shareholder services

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

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Tel: (852) 2980-1333  
Fax: (852) 2810-8185

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

### Investor relations

For more information about the Group, please visit [www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com) or contact our Investor Relations and Corporate Communications at 38/F, New World Tower  
16-18 Queen's Road Central, Hong Kong  
Tel: (852) 2524-3166  
Fax: (852) 2526-9178  
e-mail: [ir@chowtaifook.com](mailto:ir@chowtaifook.com)

### General information

#### Headquarters and principal place of business in Hong Kong

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

#### Registered office

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Cricket Square, Hutchins Drive  
P. O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### 股東服務

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

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心54樓  
電話：(852) 2980-1333  
傳真：(852) 2810-8185

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

### 投資者關係

有關本集團詳情，請瀏覽 [www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com) 或與我們的投資者關係及企業傳訊聯絡：香港皇后大道中16-18號  
新世界大廈38樓  
電話：(852) 2524-3166  
傳真：(852) 2526-9178  
電郵： [ir@chowtaifook.com](mailto:ir@chowtaifook.com)

### 一般資料

#### 總部及香港主要營業地點

香港皇后大道中16-18號  
新世界大廈33樓

#### 註冊辦事處

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

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