

Hifood Group Holdings Co., Limited 海福德集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 442



2020

Annual Report 年度報告

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The English text of this annual report shall prevail over the Chinese text in case of inconsistencies or discrepancies.
本年度報告之中英文版本如有任何歧義或差異，概以英文版本為準。

CORPORATE INFORMATION 公司資料

(as at 31 March 2020)
(於2020年3月31日)

Executive Directors

Mr. Li Neng (*Chairman and Executive Director*)
Mr. Zhao Minhao (*Chief Executive Officer and Executive Director*)
Mr. Zhao Yeyong (*Executive Director*)

Independent non-executive Directors

Mr. Ting Tit Cheung
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Company secretary

Mr. Chau Chi Lai (FCPA, CFA, CA, CPA Auditor (Canada), CPA (US))

Authorised representatives

Mr. Zhao Minhao
Mr. Chau Chi Lai

Audit committee

Mr. Chan Chi Kuen (*Chairman*)
Mr. Ting Tit Cheung
Mr. Lo Chun Pong

Remuneration committee

Mr. Ting Tit Cheung (*Chairman*)
Mr. Li Neng
Mr. Zhao Minhao
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Nomination committee

Mr. Li Neng (*Chairman*)
Mr. Zhao Minhao
Mr. Ting Tit Cheung
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Auditors

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

執行董事

李能先生 (*主席兼執行董事*)
趙旻昊先生 (*行政總裁兼執行董事*)
趙葉勇先生 (*執行董事*)

獨立非執行董事

丁鐵翔先生
陳志權先生
盧振邦先生

公司秘書

周智禮先生 (FCPA, CFA, CA, CPA Auditor (Canada), CPA (US))

授權代表

趙旻昊先生
周智禮先生

審核委員會

陳志權先生 (*主席*)
丁鐵翔先生
盧振邦先生

薪酬委員會

丁鐵翔先生 (*主席*)
李能先生
趙旻昊先生
陳志權先生
盧振邦先生

提名委員會

李能先生 (*主席*)
趙旻昊先生
丁鐵翔先生
陳志權先生
盧振邦先生

核數師

羅兵咸永道會計師事務所
香港中環
太子大廈22樓

Principal bankers

Bank of Communications Co., Hong Kong Branch
10/F, Fortis Tower, No. 77 Gloucester Road
Wan Chai
Hong Kong

DBS Bank (Hong Kong) Limited
16/F, The Centre
99 Queen's Road Central
Central, Hong Kong

Principal share registrar

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

Hong Kong share registrar

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

Registered office

Clifton House
75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

Place of business and headquarter in Hong Kong

Unit 3701-09, 37/F
Two International Finance Centre
8 Finance Street
Central
Hong Kong

Stock code

442

Company's website

www.ktl.com.hk

主要往來銀行

交通銀行股份有限公司香港分行
香港
灣仔
告士打道77號富通大廈10樓

星展銀行(香港)有限公司
香港中環
皇后大道中99號
中環中心16樓

主要股份過戶登記處

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

香港股份過戶登記處

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

註冊辦事處

Clifton House
75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

香港營業地點及總部

香港
中環
金融街8號
國際金融中心二期
37樓3701至09室

股份代號

442

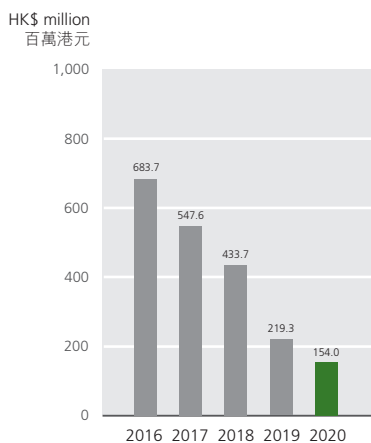
公司網站

www.ktl.com.hk

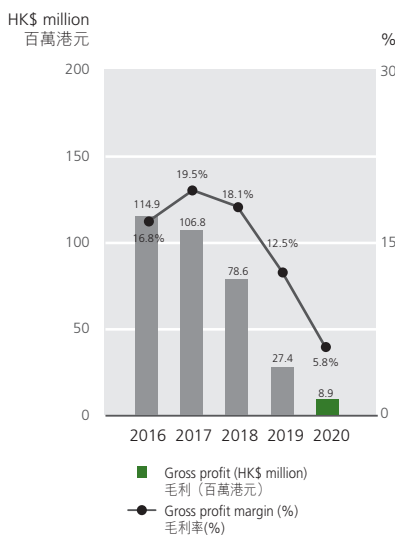
FINANCIAL HIGHLIGHTS 財務摘要

- Revenue was approximately HK\$154.0 million for the year ended 31 March 2020, representing a decrease of approximately 29.8% as compared with the same for the year ended 31 March 2019.
- Gross profit was approximately HK\$8.9 million for the year ended 31 March 2020, representing a decrease of approximately 67.6% as compared with the same for the year ended 31 March 2019.
- Gross profit margin decreased to 5.8% from 12.5% in the last financial year.
- Loss attributable to the equity holders of the Company was approximately HK\$67.7 million for the year ended 31 March 2020, compared to the loss attributable to the equity holders of the Company of approximately HK\$17.1 million for the year ended 31 March 2019.
- Basic loss per share amounted to approximately HK\$0.39 for the year ended 31 March 2020, compared to the basic loss per share of approximately HK\$0.10 for the year ended 31 March 2019.
- The Board does not recommend the payment of final dividend for the year ended 31 March 2020.
- 截至2020年3月31日止年度，收益約為154.0百萬港元，較截至2019年3月31日止年度減少約29.8%。
- 截至2020年3月31日止年度，毛利約為8.9百萬港元，較截至2019年3月31日止年度減少約67.6%。
- 毛利率由上一財政年度的12.5%下降至5.8%。
- 截至2020年3月31日止年度，本公司股權持有人應佔虧損約為67.7百萬港元，而截至2019年3月31日止年度本公司股權持有人應佔虧損約為17.1百萬港元。
- 截至2020年3月31日止年度，每股基本虧損約為0.39港元，而截至2019年3月31日止年度每股基本虧損約為0.10港元。
- 董事會不建議就截至2020年3月31日止年度派付末期股息。

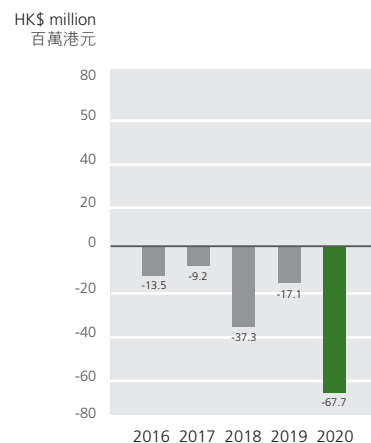
Revenue 收益



Gross Profit and Gross Profit Margin 毛利及毛利率



Loss Attributable to the Owners of the Parent 母公司擁有人應佔虧損



Dear Shareholders,

On behalf of the Board of Directors of the Company, we present to you the Group's annual results for the year ended 31 March 2020 ("year under review").

During the financial year under review, the Group registered approximately HK\$154.0 million in revenue. Gross profit was approximately HK\$8.9 million, with gross profit margin standing at 5.8%. Loss attributable to the equity holders of the Company was reported at approximately HK\$67.7 million. The Board does not recommend payment of a final dividend for the year ended 31 March 2020 (2019: nil).

REVIEW

The financial year of 2019/2020 saw the global economy has been severely affected under the spread of COVID-19. Various types of financial assets fluctuated violently, and coronavirus-driven market panic increased. Different countries introduced a series of initiatives to combat the spread of coronavirus, which greatly crack down on consumer activities. The severity of the decline is unrivaled for retail figures in various countries which has weakened the business and consumer confidence. The economic downturn has brought huge challenges to the jewelry industry dragging the Group's businesses in various markets. The situation in the world's two biggest economies — the United States (the "U.S.") and the People's Republic of China (the "PRC" or Mainland China) — were relatively controllable, however, the escalation of Sino-US trade conflicts, coupled with the high degree of uncertainty of the COVID-19 pandemic, the difficult global economic situation and geopolitical tensions all combined to add to the confusion and uncertainty during the year under review.

As global economic activity is greatly affected by the COVID-19 pandemic, the stock markets of various countries have been dragged down. Also, with the intensification of the Sino-US trade war, which have affected the investment sentiment, investors and consumers tended to purchase traditional safe-haven assets, driving gold and silver prices to rise substantially amid the retail market downturn. The Group timely adjusted its asset portfolio and strengthened the development of the gold products and watches in Hong Kong market, stimulating the Group's sales of gold products and watches to rise substantially. For the year under review, the Group's revenue generated from sales in the Hong Kong market significantly increased by 122.0% as compared with the same period last year to HK\$103.0 million.

各位股東：

我們謹代表本公司董事會向各位提呈本集團截至2020年3月31日止年度的全年業績。

於回顧財政年度，本集團錄得收益約154.0百萬港元。毛利約為8.9百萬港元，毛利率處於5.8%的水平。本公司股權持有人應佔虧損錄得約67.7百萬港元。董事會不建議派付截至2020年3月31日止年度的末期股息(2019年：無)。

回顧

於2019/2020財政年度，在COVID-19疫情肆虐下，全球經濟嚴重受創，各類金融資產大幅波動，市場恐慌情緒加劇。各國採取一系列防疫措施以遏止病毒蔓延，令消費活動遭受沉重打擊。多國零售數據反映經濟嚴重衰退，商業及消費者信心已被削弱，為珠寶行業帶來巨大挑戰，對本集團多個市場的業務構成影響。即使美國及中國(「中國」或中國大陸)兩大世界經濟體情況相對受控，惟在中美貿易糾紛升級下，加上疫情存在高度不確定性、艱難的全球經濟狀況、以及地緣政治影響，均加劇回顧年度內的混亂及不確定性。

隨著環球經濟活動受到COVID-19疫情影響，拖累各國股市受壓下跌。加上中美貿易戰加劇影響投資氣氛，投資者及消費者傾向購入傳統避險資產。因此，儘管零售市場低迷，反而帶動黃金及白銀價格大幅上漲。本集團適時調整資產組合，並鞏固發展香港黃金製品及手錶產品市場，帶動本集團黃金製品及手錶產品的銷售額大幅上升。於回顧年度，本集團來自香港市場銷售所產生的收益較去年同期顯著上升122.0%至103.0百萬港元。

CHAIRMAN'S STATEMENT

主席報告

As the Group's second largest business market, the Mainland China market is facing an unprecedented challenge. During the year under review, due to the escalation of Sino-US trade tension, funds flowed to the US dollar for hedging needs, thus increasing the pressure of RMB depreciation. Coupled with the spread of COVID-19, authorities imposed restrictions on travel and ordered the closure of most businesses, so the growth pace of Chinese economy is declining and the RMB exchange rate is also facing a severe challenge. The consumers of the Mainland China were less confident of their personal finances and income growth, reining dramatically in their spending across all categories, luxury products bore the brunt, the economic outlook is dim. As a result, for the year ended 31 March 2020, revenue generated from sales to the Mainland China market registered a decline of 75.7% to HK\$19.7 million as compared with the same period last year.

The performance of European and Russian markets was also affected by the COVID-19 pandemic. The sluggishness of exports market was widespread in recent years, the prolonged negative interest rate policy hard hit the banking system, and the Brexit issue has caused the recession of the European market economy. As the coronavirus has erupted in many European countries, many countries have implemented lockdown measures from national quarantines to company closures, which lead to the economic plight. The plight is exacerbated when the number of unemployed people is increasing. The Russian market was not only affected by the adverse impact brought by the coronavirus, but more importantly, the sharp decline in oil prices — the May futures WTI Crude Oil contracts closed in negative territory for the first time ever. Therefore, Russia, which relies on oil prices as one of the country's major incomes, has also been seriously affected. Against this backdrop, revenue generated from sales to the European and Russian markets was down by 77.5% to HK\$17.5 million from a year ago.

It is worth mentioning that the Group's sales revenue in other markets increased by 168.5% to HK\$1.7 million as compared with the same period last year, mainly because the Group actively sought business opportunities in different markets.

OUTLOOK

Looking ahead, the global economy is facing significant downward pressure due to serious circumstances. Uncertainties including the worldwide spread of COVID-19 and the trade war between the U.S. and the PRC will continue to negatively affect the global economy and take a toll on economic confidence.

As average consumers are expected to be less confident of their personal finances and income growth, the Group is going to remain conservative and prudent about the industry outlook for 2020. The global tourism has been hammered by the COVID-19 lockdown, which would have grave repercussions for the healthy development of the fine jewelry market worldwide. People's consumption intention and habits have been significantly affected. The traditional fine jewelry market has been expediting digital transformation and expanding to online sales in order to use technology to innovate consumption experience.

作為本集團第二大的業務市場，中國大陸市場正面臨前所未見的挑戰。於回顧年度，因中美貿易角力升級，資金出於避險需要，流向美元，增加人民幣貶值壓力。加上 COVID-19 疫情的陰霾下，中國當局實施出入境限制及勒令大部分商務停止運作，引致大陸的經濟增速下滑，及人民幣匯率也面臨嚴峻挑戰。中國大陸消費者對個人財務狀況及收入前景缺乏信心，大幅收緊各類消費，奢侈品更首當其衝，經濟前景黯淡。因此，截至 2020 年 3 月 31 日止年度，本集團來自中國大陸市場銷售所產生的收益較去年同期下跌 75.7% 至 19.7 百萬港元。

另一邊廂，歐洲及俄羅斯市場表現亦同樣受到 COVID-19 疫情影響。近年出口市場低迷，長期負利率政策嚴重打擊銀行體系，加上脫歐問題，導致歐洲市場經濟衰退。如今疫情接連在歐洲國家爆發，多國封城停工，歐洲經濟接近停擺狀態，失業人數不斷增加，對歐洲諸國更是雪上加霜。俄羅斯市場除了受到疫情影響外，更大的打擊是來自油價大幅下降，紐約 5 月原油期貨合約破天荒跌至負油價，故倚賴油價作為國家主要收入之一的俄羅斯，經濟亦受到嚴重影響。在此情形下，本集團於歐洲及俄羅斯市場銷售收益較上個財政年度下降 77.5% 至 17.5 百萬港元。

值得一提的是，本集團在其他市場的銷售收益較去年同期增加 168.5% 至 1.7 百萬港元，主要是因為本集團在不同市場積極尋求商機。

前景

展望未來，外部環境形勢嚴峻，全球經濟面臨重大下行壓力。COVID-19 疫情全球肆虐、中美貿易戰等不明朗因素將繼續為全球經濟帶來負面影響，對經濟信心造成打擊。

預計一般消費者對個人財務及收入前景信心減弱，本集團對 2020 年行業前景保持保守審慎的態度。全球旅遊業受到 COVID-19 疫情引起的封城衝擊，為全球各地優質珠寶市場的穩健發展帶來嚴重影響。民眾消費意欲及習慣均受到重大影響，傳統優質珠寶市場正加快數碼轉型，向網上銷售拓展，通過科技革新消費體驗。

In view of these, we will continue to improve business efficiency by streamlining business and improving internal resources. We will increase our sales and marketing capabilities, deepen existing market penetration, broaden customer base, develop new markets to broaden the global visibility of K.T.L. brand. In U.S. market, we will adjust production resources, capacity and production cycles to better cater for the product lead time, consumer preferences and festive shopping practices, thereby further strengthening business relationships with U.S. customers. In the PRC market, we will draw strength on its established corporate brand name and proven design capabilities to increase resources in a bid to attract jewelry wholesalers or chain stores which focus on the PRC market. We will focus sales and marketing resources on promoting its brand and products, participating in selected trade exhibitions in the PRC, and allocating additional design and product development resources to offer a wider range of designs that are favorable to the Chinese consumers. The Group will also continue to actively build presence in ancillary business line including gold products and watches in Hong Kong to better cater for needs of different customers.

At the same time, the growth potential for the food and beverage industry is expected to be optimistic as it is less affected by the economic cycle. We will continue to explore new opportunities in the food and beverage industry both locally and abroad, which is expected to complement with our current jewelry business while providing an additional boost to our future growth.

APPRECIATION

Finally, we would like to take this opportunity to extend our heartfelt gratitude to our customers, suppliers, business partners and all stakeholders for their continuous support. We would also like to express our sincere appreciation to management team and colleagues for their dedication and contributions.

Li Neng

Chairman and Executive Director

Hong Kong, 18 June 2020

有見及此，我們將持續透過精簡業務及完善內部資源以提升經營效率。我們將增強銷售及市場推廣能力，深入現有市場，擴大客群，開拓新市場以提升三和牌在全球的知名度。於美國市場，我們將調整生產資源、產能及生產周期，以更好地迎合產品交付期、消費者喜好及節日購物慣例，從而進一步鞏固與美國客戶的業務關係。於中國市場，我們將借助知名企業品牌效應及卓越設計能力，投入更多資源，以吸引專注中國市場的珠寶批發商或連鎖店。我們將集中銷售及市場推廣資源，以在中國推廣我們的產品，並選擇性地參與貿易展覽，投放額外設計及產品開發資源，從而提供各種最切合中國市場的品味及喜好的設計。本集團亦將繼續積極發展香港黃金製品及手錶產品等新業務線，以更好地滿足不同客戶的需求。

同時，由於餐飲行業受到經濟周期的影響較輕微，預期餐飲行業增長潛力樂觀。我們將繼續探索本地及海外餐飲行業的新機遇，相信將能與目前的珠寶業務起到相輔相成的作用，為日後的增長提供更多動力。

致謝

最後，我們謹藉此機會，對客戶、供應商、業務夥伴及所有持份者的不懈支持，致以萬分謝意。我們亦衷心感謝管理團隊及全體同仁的辛勤工作和貢獻。

李能

主席兼執行董事

香港，2020年6月18日

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

During the year ended 31 March 2020 and up to the date of this report, the Board consists of six Directors, comprising three executive Directors and three independent non-executive Directors.

EXECUTIVE DIRECTORS

Mr. Li Neng (“Mr. Li”), aged 39, serves as the vice president of the HNA Group (International) Company Limited (海航集團(國際)有限公司) (“HNA International”), the vice president and chief financial officer of Hong Kong Airlines Holdings Co., Limited as well as an executive director and the Chief Executive Officer of CWT International Limited (Stock Code: 521), a listed company in Hong Kong. Mr. Li graduated from the University of Macau (澳門大學) with a Bachelor of Business Administration in Finance in June 2002 and further obtained his Master of Business Administration from the University of Hong Kong in June 2019. He is an associate member of the Association of International Accountants and a senior international finance manager of the International Financial Management Association. Mr. Li has held various senior management positions previously within the HNA Group Co., Ltd (海航集團有限公司) (“HNA Group”)’s companies since he joined the HNA Group in 2004, including the chief investment officer of the HNA International, the chief executive officer of China Civil Aviation Investment Group Limited (中國民用航空投資集團有限公司), and the vice president of Africa World Airlines Limited. He also served as an independent director of Azul S.A., a company listed on the New York Stock Exchange (stock code: AZUL) and the Brazilian Stock Exchange (stock code: AZUL4) from October 2016 to July 2018, and a non-executive director of Comair Limited, a company listed on JSE Limited, a stock exchange in the Republic of South Africa (stock code: COM) from August 2015 to August 2018. He has extensive knowledge and working experience in corporate management, and investment, merger and acquisition, etc.

Mr. Zhao Minhao (“Mr. Zhao”), aged 36, serves as the deputy general manager of the Investment Banking Department of HNA Catering Holdings Co., Ltd (海航食品控股有限公司) (“HNA Catering”). Mr. Zhao received his Bachelor of Food Science and Engineering from Jiangnan University (江南大學) in June 2006 and his Master of Business Administration from the Capital University of Economics and Business (首都經濟貿易大學) in Beijing, the People’s Republic of China in January 2019. Mr. Zhao has also obtained the Qualification Certificate of Board Secretary (董事會秘書資格證書) issued by the Shenzhen Stock Exchange in August 2017. Mr. Zhao has held various other positions within the HNA Group’s companies since he joined the HNA Group from 2006, including the department manager of the brand development department of Yishi Zong Heng Dining Management (Beijing) Limited (易食縱橫餐飲管理(北京)有限公司), the market development manager of the airline catering service department, the manager of the project development centre of the operation department, and the project cooperation manager of strategic development department of HNA-Caissa Travel Group Co., Ltd (海航凱撒旅遊集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 00796, formerly known as Yishi Group Co., Ltd (易食集團股份有限公司)) and the investment management manager of the financial planning department of E-Food Co., Ltd.* (易食控股有限公司).

* for identification purpose only

截至2020年3月31日止年度及直至本報告日期，董事會由六名董事組成，包括三名執行董事及三名獨立非執行董事。

執行董事

李能先生(「李先生」)，39歲，為海航集團(國際)有限公司(「海航國際」)副總裁、香港航空控股有限公司副總裁兼首席財務總監，及香港上市公司CWT International Limited (股份代號：521)之執行董事及行政總裁。李先生於2002年6月畢業於澳門大學，獲頒授工商管理學士(金融學)學位，並於2019年6月自香港大學獲得工商管理碩士學位。彼為國際會計師公會會員及國際財務管理協會高級國際財務管理師。李先生自2004年加入海航集團有限公司(「海航集團」)後，於海航集團曾擔任多個高級管理職位，包括海航國際投資總裁、中國民用航空投資集團有限公司首席執行官，以及非洲世界航空有限公司副總裁等。於2016年10月至2018年7月，彼擔任於紐約證券交易所上市(股份代號：AZUL)及巴西證券交易所上市(股份代號：AZUL4)的公司Azul S.A.的獨立董事，以及於2015年8月至2018年8月，擔任於南非共和國的證券交易所約翰尼斯堡證券交易所有限公司上市(股份代號：COM)的公司Comair Limited的非執行董事。彼在企業管理及投資併購等方面擁有豐富知識及工作經驗。

趙旻昊先生(「趙先生」)，36歲，為海航食品控股有限公司(「海航食品」)投資銀行部副總經理。趙先生於2006年6月獲江南大學頒授食物科學及工程學士學位，以及於2019年1月獲中華人民共和國北京首都經濟貿易大學頒授工商管理碩士學位。趙先生亦於2017年8月獲深圳證券交易所頒發董事會秘書資格證書。趙先生自2006年加入海航集團後，於海航集團各公司擔任多個其他職位，包括易食縱橫餐飲管理(北京)有限公司品牌發展部部門經理、於深圳證券交易所上市(股份代號：00796)的公司海航凱撒旅遊集團股份有限公司(前稱易食集團股份有限公司)航食事業部市場開拓經理、運營部專案開發中心經理及戰略發展部項目合作經理，以及易食控股有限公司財務計劃部投資管理經理。

Mr. Zhao Yeyong (“**Mr. Zhao**”), aged 35, serves as the chief financial officer of HNA Catering. Mr. Zhao received his Bachelor of Electronic Information Engineering from Northwestern Polytechnical University (中國西北工業大學), the PRC in July 2006. Mr. Zhao has held various other positions within the HNA Group’s companies since he joined the HNA Group from 2006, including the aircraft component control administrator in inventory control center of the purchasing administration department of HNA Airlines Company Limited (海南航空股份有限公司), the head of aircraft material management department of Hainan HNA Aeronautics Import & Export Limited Company* (海南海航航空進出口有限公司), the deputy general manager of sales department of Hong Kong International Aviation Leasing Company Limited (香港國際航空租賃有限公司), the deputy general manager of finance department of HNA Aviation Group Co., Ltd. (海航航空集團有限公司), the general manager of financial administration department of HNA Innovation Ventures Co., Limited (海南海航航空創新投資有限公司) as well as the vice president of finance of Gategroup Holding AG, a company which was listed on the Swiss Stock Exchange and delisted in April 2017).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ting Tit Cheung (“**Mr. Ting**”), aged 64, an independent non-executive Director. Mr. Ting has been the head of China desk of First Myanmar Investment Co., Ltd. since 1 September 2017. Mr. Ting was the senior representative officer in Hong Kong of Banque Cantonale de Geneve and acted as an independent non-executive director of National Agricultural Holdings Limited (Stock code: 1236), a company listed on the Stock Exchange, from 2013 to 2016. Mr. Ting graduated from the Technicum Neuchatelois in Switzerland in 1978 before he obtained his Master degree in Business Administration in University of East Asia (Macau) in 1991. Mr. Ting served as a member of the Chinese People’s Political Consultative Conference Committee of Putuo District in Shanghai from 2012 to 2016.

Mr. Chan Chi Kuen (“**Mr. Chan**”), aged 59, an independent non-executive Director. Mr. Chan is a Certified Public Accountant (Practising) in Hong Kong. Mr. Chan obtained a diploma from the Department of Accounting of the Hong Kong Shue Yan College in 1991. He further obtained a Master degree in Accounting from the Jinan University in 2006. Mr. Chan has over 28 years of experience in the accounting and taxation consultancy disciplines and has worked in a number of accounting firms in Hong Kong, including K.K. Young & Co., Leung Po Yee & Co., Shom & Yu CPA Limited, and Y.K. Yu & Co. He is currently practising in his own name. Mr. Chan was admitted as a fellow of the Association of Chartered Certified Accountants in 2004, and a fellow of the Hong Kong Institute of Certified Public Accountants.

Mr. Lo Chun Pong (“**Mr. Lo**”), aged 48, an independent non-executive Director. Mr. Lo is a practicing solicitor in Hong Kong and a member of The Law Society of Hong Kong. Mr. Lo is a partner of Raymond C.P. Lo & Co., Solicitors and was previously the sole proprietor of same firm. Mr. Lo has been an accredited mediator of the Hong Kong Mediation Centre since April 2010 and a civil celebrant of marriages since 2006. Mr. Lo graduated from the University of Hull with a degree of Bachelor of Laws in 1994. Mr. Lo was admitted as a solicitor of the High Court of Hong Kong in 1998.

* for identification purpose only

趙業勇先生 (「趙先生」), 35歲, 為海航食品的財務總監。趙先生於2006年7月獲中國西北工業大學頒授電子資訊工程學士學位。趙先生自2006年加入海航集團後, 於海航集團各公司擔任多個其他職位, 包括海南航空股份有限公司採購管理部庫存控制中心附件控制員、海南海航航空進出口有限公司航材管理部主管、香港國際航空租賃有限公司業務部副總經理、海航航空集團有限公司財務部副總經理、海南海航航空創新投資有限公司財務管理部總經理, 以及 Gategroup Holding AG (一間曾於瑞士證券交易所上市的公司, 並於2017年4月撤銷上市) 的財務副總裁。

獨立非執行董事

丁鐵翔先生 (「丁先生」), 64歲, 獨立非執行董事。丁先生由2017年9月1日起擔任 First Myanmar Investment Co., Ltd. 大中華地區總監。丁先生曾任瑞士日內瓦銀行 (Banque Cantonale de Geneve) 香港區高級代表, 且彼自2013年至2016年止為一家於聯交所上市的公司國農控股有限公司 (股份代號: 1236) 的獨立非執行董事。丁先生於1978年畢業於瑞士 Technicum Neuchatelois, 後於1991年獲澳門東亞大學頒授工商管理碩士學位。丁先生於2012年至2016年曾任中國人民政治協商會議上海市普陀區委員會委員。

陳志權先生 (「陳先生」), 59歲, 獨立非執行董事。陳先生為香港執業會計師。陳先生於1991年在香港樹仁學院會計系取得文憑, 隨後於2006年在暨南大學取得會計學碩士學位。陳先生擁有逾28年的會計及稅務顧問經驗, 並曾於多家香港會計師事務所任職, 其中包括楊建基會計師行、梁寶儀會計師事務所、沈余會計師事務所有限公司及余韜剛會計師事務所。彼現時以個人名義執業。陳先生於2004年成為特許公認會計師公會資深會員, 並為香港會計師公會資深會員。

盧振邦先生 (「盧先生」), 48歲, 獨立非執行董事。盧先生為香港執業律師及香港律師會會員。盧先生為盧振邦律師行的合夥人, 並為同一家律師行的前唯一所有人。盧先生自2010年4月起擔任香港和解中心的認可和解員並自2006年起擔任婚禮監禮人。盧先生於1994年畢業於赫爾大學, 持有法律學士學位。盧先生於1998年獲認許為香港高等法院律師。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

SENIOR MANAGEMENT

Mr. Kei York Pang Victor (“**Mr. Kei**”), aged 59, is a director of the subsidiaries of the Group’s jewellery business. Mr. Kei is responsible for the overall strategic planning and business development of the Group’s jewellery business. Mr. Kei has over 30 years of experience in the jewellery industry with extensive business and client network. Mr. Kei has invaluable experience in sales and marketing, customer serving, product innovation and management, significantly contributed to long-term client relationship maintenance and business expansion. Mr. Kei served as the Standing General Committee Member and Executive Committee Member of the Hong Kong Jewellery Manufacturers’ Association for the years 2013 to 2015.

Mr. Li Man Chun (“**Mr. Li**”), aged 59, is a director of the subsidiaries of the Group’s jewellery business. Mr. Li is responsible for the general operations of jewellery manufacturing in the PRC. Mr. Li has over 30 years of experience in the jewellery industry with indepth technical knowledge in the manufacturing of fine jewellery and practical operations experience. Mr. Li has been serving as Vice President of the Hong Kong Gold & Silver Ornament Workers & Merchants General Union from 2007. Since 2010, Mr. Li has served as Honorary Life President and General Member of the Guangzhou Panyu Jewellery Manufacturers Association.

Mr. Kei Yeuk Lun Calan, aged 54, is a senior consultant of the Group, responsible for assisting Mr. Kei York Pang Victor, in the overall management of sales and marketing, administration and operations of the jewellery business, primarily in business development, international sales, Mainland China sales, marketing product design and development, and procurement. Mr. Kei Yeuk Lun Calan has accumulated over 28 years of experience in the jewellery industry. In 1992, Mr. Kei Yeuk Lun Calan co-founded and served as director of Alan’s Jewellery Company Limited, a wholly-owned subsidiary of the Company, engaging in trading of jewellery. In 2003, Mr. Kei Yeuk Lun Calan was assigned to lead a team to market the Group’s jewellery products, coordination of trade shows and product development in the United States. From 2006 to 2009, Mr. Kei Yeuk Lun Calan was also dedicated to liaising with the local business partners on brand-building and product image in Italy, promoting brand awareness and reputation. Since 2009, Mr. Kei Yeuk Lun Calan has taken charge of product development with focus on Hong Kong and the Mainland China wholesales market.

高級管理層

紀若鵬先生（「**紀先生**」），59歲，本集團珠寶業務的附屬公司董事。紀先生負責本集團的珠寶業務的整體策略規劃及業務發展。紀先生擁有逾30年珠寶業的經驗及廣闊的業務及客戶網絡。紀先生於銷售及市場推廣、客戶服務、產品創新及管理方面擁有寶貴經驗，在維持長遠客戶關係及業務擴展方面貢獻良多。紀先生於2013年至2015年期間擔任香港珠寶製造業廠商會常務理事會及執行委員會會員。

李文俊先生（「**李先生**」），59歲，本集團珠寶業務的附屬公司董事。李先生負責中國珠寶製造的一般營運。李先生擁有逾30年珠寶業的經驗，並於生產優質珠寶方面具備精深的專業知識和實際營運經驗。李先生自2007年起擔任香港金銀首飾工商總會的副會長。自2010年起，李先生一直擔任廣州市番禺區珠寶廠商會的永遠榮譽會長及常務理事。

紀若麟先生，54歲，本集團高級顧問，負責協助紀若鵬先生全面管理珠寶業務之銷售及營銷、行政及營運，主要工作包括業務發展、國際銷售、中國大陸銷售、推廣產品設計及開發，以及採購。紀若麟先生於珠寶業累積逾28年經驗。於1992年，紀若麟先生聯合創立本公司的全資附屬公司雅倫珠寶有限公司，並擔任董事。該公司從事珠寶交易業務。於2003年，紀若麟先生獲委派帶領團隊於美國為本集團的珠寶產品進行營銷、統籌展銷會及產品開發。於2006年至2009年，紀若麟先生亦致力於意大利建立品牌及產品形象聯絡當地業務夥伴，藉以提升品牌的知名度及信譽。自2009年起，紀若麟先生一直負責產品開發，側重於香港及中國大陸批發市場。

Mr. Chau Chi Lai (“**Mr. Chau**”), aged 46, is the chief financial officer and company secretary of the Group, responsible for overseeing the Group’s finance, as well as company secretarial, internal control, investor relation and corporate governance functions of the Group. Mr. Chau joined the Group in August 2012. Prior to joining the Group, Mr. Chau worked in an international accounting firm in Hong Kong between January 2003 and April 2012 and left as a senior manager. Between November 1998 and December 2002, Mr. Chau worked for other international accounting firms in Canada in accounting and audit.

Mr. Chau graduated from McGill University with a degree of bachelor of science in June 1997 and further obtained degree of bachelor of commerce from the same university in June 1999. Mr. Chau was also awarded the graduate diploma in accountancy from Concordia University, Montreal Canada in October 2000. Mr. Chau has been a Chartered Accountant of Canada since March 2002 and a Chartered Financial Analyst charterholder since July 2002. Mr. Chau has also been a fellow member of the Hong Kong Institute of Certified Public Accountant since October 2012, a member of American Institute of Certified Public Accountant since April 2003. Mr. Chau has been licensed by the State of New Hampshire Board of Accountancy as a certified public accountant since November 2002 and State of Oregon Board of accountancy since December 2007, and a chartered professional accountant of Quebec, Canada since May 2012.

周智禮先生（「**周先生**」），46歲，本集團首席財務總監兼公司秘書，負責監管本集團財務，以及本集團公司秘書、內部控制、投資者關係及企業管治功能。周先生於2012年8月加入本集團。於加入本集團之前，周先生於2003年1月至2012年4月任職於香港一家國際會計師事務所，離職時擔任高級經理。於1998年11月至2002年12月，周先生於加拿大的其他國際會計師事務所工作，負責會計及審核。

周先生於1997年6月畢業於麥吉爾大學，獲得理學學士學位，並於1999年6月自該大學獲得商學學士學位。周先生亦於2000年10月獲加拿大蒙特利爾康考迪亞大學頒發會計學深造文憑。周先生於2002年3月成為加拿大特許會計師並於2002年7月成為特許財務分析師。周先生亦於2012年10月成為香港會計師公會資深會員，並於2003年4月成為美國註冊會計師協會會員。周先生分別於2002年11月及2007年12月獲新罕布什爾州會計委員會及俄勒岡州會計委員會授予註冊會計師牌照，並於2012年5月成為加拿大魁北克的特許專業會計師。

BUSINESS OVERVIEW

Being an integrated fine jewellery provider and an original design manufacturer with a well-established operating history in Hong Kong, the Group is primarily engaged in designing, manufacturing and exporting fine jewellery to jewellery wholesalers and retailers mainly in Hong Kong, Mainland China, the Americas and Europe (including Russia). The Group has been offering a wide range of fine jewellery products in karat gold encompassing rings, earrings, pendants, necklaces, bracelets, bangles, cufflinks, brooches and anklets that are generally targeted at the mass to middle segment, the lowest among the three tiers of the fine jewellery market segments in terms of retail prices. At the same time, in order to enrich the product range, the Group also supplies gold materials and products and watches. The Group's customers are mainly wholesalers and retailers of jewellery products.

During the year ended 31 March 2020 under review, the global economy experienced unprecedented challenges. The uncertainties caused by trade frictions and geopolitical tensions have brought the global economy into a widespread slowdown. The COVID-19 pandemic has raised the labour costs worldwide, and the quarantine implemented for slowing down the spread has severely and adversely affected the economic activities. The economic downturn has brought significant challenges to the jewellery industry. Many countries face multifaceted crises, including health shocks, domestic economic turmoil, a sharp decline in external demand, reversal of capital flows and sharp fall in commodity prices.

As the Group's traditional market, Mainland China is facing external resistance, the pressure on RMB depreciation and an uncertain environment. Usually before and after the Spring Festival, this is the peak period for gold jewellery sales, but this year, the COVID-19 affected the performance of gold jewellery companies. Demand for gold and jewellery decreased significantly during the epidemic, and the impact of the epidemic on the jewellery retail industry has been far greater than that on the general consumer goods. As a result, for the year ended 31 March 2020, revenue generated from sales to the Mainland China market recorded a decline of 75.7% to HK\$19.7 million as compared with the same period last year.

業務概覽

作為一家於香港營運歷史悠久的優質珠寶綜合供應商及原設計製造商，本集團主要從事優質珠寶設計及製造，並主要出口予香港、中國大陸、美洲及歐洲（包括俄羅斯）的珠寶批發商及零售商。本集團供應多款K金優質珠寶產品，包括戒指、耳環、吊墜、項鍊、手鐲、臂鐲、袖扣、胸針及踝飾，有關產品一般鎖定優質珠寶市場分部按零售價劃分的三個級別中最低的大眾至中端分部。同時，為豐富產品種類，本集團亦供應黃金原料、黃金製品及手錶產品。本集團客戶主要為珠寶產品批發商及零售商。

於截至2020年3月31日止回顧年度，世界經濟經歷了前所未有的挑戰，貿易摩擦、地緣政治緊張局勢帶來的不確定性因素將全球經濟拖入了同步放緩境地，而COVID-19疫情大爆發導致全球勞工成本上升。為減緩病毒傳播而實施的檢疫措施，大大打擊了經濟活動，經濟低迷給珠寶業帶來重大挑戰。許多國家面臨多層次的危機，包括衛生衝擊、國內經濟動盪、外部需求急劇下降、資本流動逆轉以及大宗商品價格暴跌。

作為本集團的傳統業務市場，中國大陸市場正面臨外部阻力、人民幣貶值壓力和不確定的環境，一般而言，春節前後本是黃金珠寶銷售的黃金期，但今年受COVID-19疫情影響，黃金珠寶企業業績遭受衝擊。對黃金珠寶的需求在疫情期間明顯下降，疫情對珠寶零售行業的影響程度遠超一般消費品。因此，截至2020年3月31日止年度，本集團來自中國大陸市場銷售所產生的收益較去年同期下跌75.7%至19.7百萬港元。

In Europe (including Russia), as the COVID-19 continues to spread, the European economy has recently been affected by many factors, such as the collapse of international crude oil prices, financial market fluctuations, as well as domestic epidemic prevention and control measures. In recent months, the prevention and control measures such as stay-at-home order, suspension of production and business have brought the economies of various countries to the brink of collapse, with prices rising and incomes decreasing during the epidemic period. This will change their spending habits to a more cautious way with a higher proportion of expenses used for daily necessities, so the expenses for jewellery products will decrease. In this case, it will take time for the economies of such countries to restart. With this environment, revenue generated from sales to the Europe (including Russia) market decreased by 77.5% to HK\$17.5 million as compared with the same period last year, given the market downturn and a shortage of bulk orders secured.

Across the Pacific Ocean, the U.S. has missed the best chance to counter COVID-19. The U.S. has the highest number of confirmed cases of COVID-19 and businesses in the U.S. continue to be adversely affected by COVID-19. Although the restriction measures and closure have been relaxed, economic activity has declined significantly, and the prospect of a prompt economic restart is highly uncertain. The U.S. Federal Reserve has taken positive actions to boost the economy, but the revenue of the service and tourism industry has declined precipitously. The epidemic has made many Americans face a severe survival crisis. Layoffs in large companies have become the norm, and the unemployment rate has set record high. In this context, it will take a long time for the economy and consumer confidence to restart. Revenue generated from the sales to the Americas market fell by 11.9% to HK\$12.2 million as compared with the same period last year.

Building presence in ancillary business line

Since 2019, the Group has set its foot into sales of gold products and watches to cater to the needs of different customers in a better way. These ancillary products come with lower average gross profit margin. Sales generated from precious metals and other raw jewellery materials and luxury watches amounted to approximately 69.6% of the Group's total sales for the year ended 31 March 2020.

在歐洲(包括俄羅斯)，隨著COVID-19疫情持續蔓延，各國經濟近期受到國際原油價格暴跌、金融市場波動、國內疫情防控措施等多重因素影響。幾個月來所實行的居家令，停產停業等防控措施已經讓各國的經濟面臨著崩潰的邊緣，物價上漲，而疫情期間居民收入減少，將使其日常消費安排更加審慎，用於日常必需品支出的比重將上升，故此用於珠寶產品的支出將有所下降。在此情形下，各國經濟重啟尚待時日。鑑於此境，市場低迷，大額訂單短缺，本集團於歐洲(包括俄羅斯)市場的銷售收益較去年同期下降77.5%至17.5百萬港元。

在太平洋彼岸，美國錯過了抗疫最佳時機。美國已成為COVID-19確診病例數目最多的國家。美國企業持續受到COVID-19疫情的重創，儘管封鎖限制已有所放鬆，但經濟活動大幅下滑，經濟即時重啟的前景存在高度不確定性。美聯儲已採取積極的行動以提振經濟，但服務及旅遊業的營收呈斷崖式下滑，疫情讓不少美國人面臨嚴峻的生存危機，大公司裁員已成常態，失業率屢創紀錄。在此背景下，經濟及消費者信心仍需一段時間才能走出困境。來自美洲市場產生的銷售收益較去年同期下跌11.9%至12.2百萬港元。

開展新業務線

本集團自2019年起開始銷售黃金製品及手錶，以更好地滿足不同客戶的需求。該等輔助產品的平均毛利率較低。截至2020年3月31日止年度，貴金屬及其他珠寶原材料以及奢侈品手錶所產生的銷售額約佔本集團銷售總額的69.6%。

Prospects

Looking ahead, under the influence of uncertain factors such as the Sino U.S. trade war, the U.S. presidential election and the global spread of COVID-19, the downward pressure on the global economy is obvious. The Group reckons that the global economy will continue to experience several stages of adjustments and is cautiously prudent about the outlook for the second half of 2020.

In Europe (including Russia), problems such as weak export market and the Brexit issue have exacerbated the recession of the European market. With the outbreak of COVID-19, the restriction measures and border closure implemented by many countries have brought the economy into further trouble. Closure of companies and home quarantine measures have led to an increase of unemployment and a decrease of disposable income. Affected by the epidemic, the international crude oil prices plummeted, which caused the already struggling Russian economy to be worse. There are many uncertainties in those countries, leading to the questions about when and how their economies will restart.

The U.S. has the most serious outbreak of COVID-19. The continuous fermentation of the epidemic and the large-scale “pause” of the economy have continued, resulting in serious economic losses. At the same time, the risk of uncertainty in President Trump’s trade policy is still increasing, and the Sino U.S. trade war continues, which may hinder China’s economic growth.

In addition, COVID-19 will promote the rapid enhancement of science and technology, including the next generation of remote work technology, digital transformation and upgrading as well as contactless business models. Consumption habits will also change, and the traditional jewellery industry will face a new business and technological environment.

In order to cope with the probable uncertainties and adverse market environment in the future, the management of the Group will continue to actively optimise resource allocation, improve operating efficiency and seek new business growth areas.

前景

展望未來，受中美貿易戰、美國總統大選及 COVID-19 在全球的擴散等不確定因素的影響，全球經濟下行壓力明顯。本集團認為全球經濟將持續進行階段性調整，並對 2020 年下半年的前景持審慎態度。

在歐洲（包括俄羅斯），出口市場疲軟、英國脫歐等問題加劇了歐洲市場的衰退，而隨著 COVID-19 的爆發，各國實施的限制及跨境封鎖措施將經濟拖入困境，公司停業、居家隔離措施導致失業人數增加及可支配收入減少。因受疫情影響，國際原油價格暴跌，讓原已舉步維艱的俄羅斯經濟雪上加霜。該等國家存在諸多不確定性，為各國經濟何時及如何重啟帶來各種問題。

美國已成為 COVID-19 疫情爆發最嚴重的國家，疫情持續發酵和經濟大面積「停擺」延續，經濟損失嚴重。與此同時，特朗普總統貿易政策的不確定性風險仍在增加，中美貿易戰持續，這將阻礙中國經濟的增長。

此外，COVID-19 疫情將推動科技的快速進步，包括下一代遠端工作技術、數字化轉型升級和非接觸式經濟模式等。消費習慣也將隨之改變，傳統珠寶首飾行業將面臨全新的商業和技術環境。

為應對未來可能的不確定性風險及不利的市場環境，本集團管理層將繼續積極優化資源配置、改善經營效率及尋求新的業務增長點。

FINANCIAL REVIEW

Revenue (HK\$'000)
Gross profit (HK\$'000)
Gross profit margin (%)
Loss attributable to the equity holders of the Company (HK\$'000)

收益 (千港元)
毛利 (千港元)
毛利率 (%)
本公司股權持有人應佔虧損 (千港元)

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

2020
2020年

2019
2019年

154,038
8,885
5.8
(67,694)

219,286
27,447
12.5
(17,136)

Revenue

The Group's revenue for the year ended 31 March 2020 was approximately HK\$154.0 million, representing a decrease of approximately HK\$65.2 million or 29.8% compared with the year ended 31 March 2019. The decrease in the Group's revenue was primarily due to (i) a decrease in sales in the Americas of approximately HK\$1.7 million primarily due to the continuous escalation of the Sino US trade war, resulting in increased costs, and the rapid spread of COVID-19 in the U.S., resulting in the interruption of sales channels; (ii) a decrease in sales in Europe (including Russia) of approximately HK\$60.2 million, mainly due to the sluggish Europe (including Russia) economy, the decrease of residents' income as a result of the decline of oil price and the economic blockade caused by epidemic prevention and control measures; (iii) a decrease in sales in Mainland China of approximately HK\$61.1 million, mainly because of the adjustment to Mainland China business and concentration on the sale of gold products; (iv) an increase in sales in Hong Kong of approximately HK\$56.6 million, mainly due to the continuous development of sales of gold raw materials and trading of watches in the Hong Kong market; and (v) an increase in sales in other regions of approximately HK\$1.1 million.

Gross profit and gross profit margin

The Group's gross profit for the year ended 31 March 2020 was approximately HK\$8.9 million, representing a decrease of approximately HK\$18.6 million or 67.6% compared with the year ended 31 March 2019. Gross profit margin decreased to approximately 5.8% from approximately 12.5%, which was mainly due to a larger proportion of sales of gold products and trading of watches with lower margin to the Hong Kong market.

財務回顧

收益

本集團截至2020年3月31日止年度的收益約為154.0百萬港元，較截至2019年3月31日止年度減少約65.2百萬港元或29.8%。本集團的收益減少主要由於：(i) 美洲的銷售額減少約1.7百萬港元，主要由於中美貿易戰持續升溫導致成本增加及COVID-19在美國迅速蔓延導致銷售渠道中斷；(ii) 歐洲（包括俄羅斯）的銷售額減少約60.2百萬港元，主要因為歐洲（包括俄羅斯）經濟低迷、油價下跌導致居民收入減少及疫情防控措施導致經濟活動遭封鎖；(iii) 中國大陸銷售額減少約61.1百萬港元，主要因為調整中國大陸業務而專注於黃金製品銷售；(iv) 香港地區的銷售額增加約56.6百萬港元，主要因為在香港市場持續發展黃金原材料及手錶買賣業務；及(v) 其他地區的銷售額增加約1.1百萬港元。

毛利及毛利率

本集團於截至2020年3月31日止年度的毛利約為8.9百萬港元，較截至2019年3月31日止年度減少約18.6百萬港元或67.6%。毛利率則由約12.5%下降至約5.8%，主要由於毛利較低的黃金制品及買賣手錶之香港銷售比例增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Selling expenses

The Group's selling expenses decreased by approximately HK\$17.1 million or 80.0%, to approximately HK\$4.3 million for the year ended 31 March 2020 from approximately HK\$21.4 million for the year ended 31 March 2019. The decrease was primarily attributable to (i) business adjustment and optimisation of resource allocation and reduced staff costs of approximately HK\$6.0 million; (ii) the decrease in jewellery sales leading to a year-on-year decrease in sales commission of approximately HK\$7.5 million; (iii) a decrease in overseas sales leading to a year-on-year decrease in export insurance of approximately HK\$2.1 million; (iv) continuous optimisation of the sales team and reduction of promotion and travel arrangement resulting in a year-on-year decrease of advertising, exhibition expenses, entertainment and travel expenses of approximately HK\$4.3 million. However, due to the expansion of new markets and the consolidation of new businesses, the consultancy cost increased by approximately HK\$3.0 million.

Administrative expenses

The Group's administrative expenses decreased by approximately HK\$24.5 million or 49.3%, to approximately HK\$25.3 million for the year ended 31 March 2020 from approximately HK\$49.8 million for the year ended 31 March 2019. The decrease was primarily due to the combined effects of (i) a decrease in staff costs by approximately HK\$11.2 million as a result of the Group's continuous implementation of rigorous cost control by further streamlining operations and rationalising overheads; (ii) a decrease in depreciation and amortisation by approximately HK\$2.9 million mainly attributable to the stringent controls over capital expenditures during the year ended 31 March 2020; (iii) a decline in professional service fee by approximately HK\$2.1 million; (iv) a decline in office, utility and rental expenses by approximately HK\$4.1 million which was mainly attributable to strengthening cost controls in business operation; and (v) a decrease of sales and having sufficient funds, which led to a reduction of finance charges by approximately HK\$3.2 million.

Finance costs

The Group's finance costs decreased by approximately HK\$0.1 million or 9.0%, to approximately HK\$0.9 million for the year ended 31 March 2020 from approximately HK\$1.0 million for the year ended 31 March 2019. The decrease was primarily a result of the decrease in average borrowing balance for the year ended 31 March 2020 compared with the year ended 31 March 2019.

銷售開支

本集團的銷售開支由截至2019年3月31日止年度的約21.4百萬港元下降約17.1百萬港元或80.0%至截至2020年3月31日止年度的約4.3百萬港元。銷售開支下降主要歸因於：(i)業務調整及優化資源配置而減少員工成本約6.0百萬港元；(ii)珠寶銷售減少導致銷售佣金同比減少約7.5百萬港元；(iii)海外銷售減少導致出口保險同比減少約2.1百萬港元；及(iv)不斷優化銷售團隊，減少推廣及差旅安排導致廣告、展覽開支、業務招待及差旅費同比減少約4.3百萬港元。然而，因拓展新市場、穩固新業務，增加顧問成本約3.0百萬港元。

行政開支

本集團的行政開支由截至2019年3月31日止年度約49.8百萬港元減少約24.5百萬港元或49.3%，至截至2020年3月31日止年度的約25.3百萬港元。行政開支減少主要由於以下各項之結合影響：(i)因本集團進一步精簡經營及理順日常開支，以持續實施嚴格成本控制，員工成本減少約11.2百萬港元；(ii)主要因我們於截至2020年3月31日止年度嚴格控制資本開支而導致折舊及攤銷減少約2.9百萬港元；(iii)專業服務費用減少約2.1百萬港元；(iv)辦公室、公用設施及租金開支減少約4.1百萬港元，主要由於在業務營運中加強了成本控制；及(v)銷售量減少，自有資金足夠，導致財務費用減少約3.2百萬港元。

財務成本

本集團的財務成本由截至2019年3月31日止年度約1.0百萬港元減少約0.1百萬港元或9.0%，至截至2020年3月31日止年度的約0.9百萬港元。財務成本減少主要由於截至2020年3月31日止年度的平均貸款結餘較截至2019年3月31日止年度減少。

Loss attributable to the equity holders of the Company

The Group recorded a loss attributable to the equity holders of the Company of approximately HK\$67.7 million for the year ended 31 March 2020, compared to a loss of approximately HK\$17.1 million for the year ended 31 March 2019. The loss was mainly attributable to a decline in the Group's revenue by approximately 29.8% and gross profit by approximately 67.6% for the year ended 31 March 2020 as compared to the year ended 31 March 2019. The decline in revenue was primarily attributable to a significant slowdown of sales in the Americas, Europe (including Russia) and Mainland China markets, the decrease of which were approximately HK\$1.7 million, HK\$60.2 million and HK\$61.1 million, respectively, for the year ended 31 March 2020 as compared to the year ended 31 March 2019, primarily attributable to global economic uncertainty and weaker-than-expected demand in Mainland China markets.

Property, plant and equipment

The net carrying amount as at 31 March 2020 was approximately HK\$4.7 million, representing an increase of approximately HK\$0.3 million from that as at 31 March 2019. This was mainly due to (i) depreciation amounted to approximately HK\$2.8 million; (ii) addition of motor vehicles amounted to approximately HK\$3.6 million; and (iii) disposal of assets amounted to approximately HK\$0.5 million.

Financial assets at fair value through profit or loss ("FVPL")

Financial assets at FVPL amounted to approximately HK\$152.2 million including a portfolio of Hong Kong listed companies equity securities in various industries held for long term growth. During the year ended 31 March 2020, the loss on changes in fair value on the listed equity securities of approximately HK\$45.9 million has been recognised in profit or loss. The executive directors did not alter the Group's investment strategy due to short-term market volatilities.

Trade receivables

There was an increase in trade receivables as at 31 March 2020 of approximately HK\$27.3 million as compared with 31 March 2019, which was mainly due to the increase of revenue from Hong Kong market.

Liquidity and financial resources

As at 31 March 2020, the Group had current assets of approximately HK\$286.9 million (2019: approximately HK\$357.2 million) which comprised cash and bank balances of approximately HK\$27.9 million (2019: approximately HK\$270.8 million). As at 31 March 2020, the Group had non-current liabilities of approximately HK\$1.1 million (2019: nil), and the current liabilities amounted to approximately HK\$30.0 million (2019: approximately HK\$30.4 million), consisting mainly of payables arising in the normal course of operation. Accordingly, the current ratio, being the ratio of current assets to current liabilities, was approximately 9.6 as at 31 March 2020 (2019: approximately 11.8).

本公司股權持有人應佔虧損

截至2020年3月31日止年度，本集團錄得本公司股權持有人應佔虧損約67.7百萬港元，而截至2019年3月31日止年度則錄得虧損約17.1百萬港元。虧損主要由於截至2020年3月31日止年度本集團的收益及毛利較截至2019年3月31日止年度分別下跌約29.8%及約67.6%。收益下跌主要由於美洲、歐洲（包括俄羅斯）及中國大陸市場的銷售於截至2020年3月31日止年度大幅減緩，有關銷售較截至2019年3月31日止年度分別減少約1.7百萬港元、60.2百萬港元及61.1百萬港元，主要由於全球經濟不明朗並且中國大陸市場的需求遜於預期所致。

物業、廠房及設備

於2020年3月31日的賬面淨值約為4.7百萬港元，較2019年3月31日增加約0.3百萬港元。賬面淨值增加主要是由於：(i)折舊達約2.8百萬港元；(ii)添置汽車約3.6百萬港元；及(iii)處置資產價值約0.5百萬港元。

按公允值計入損益（「按公允值計入損益」）的金融資產

按公允值計入損益的金融資產約為152.2百萬港元，其中包括為長期增長而持有多個行業的香港上市公司股權證券投資組合。截至2020年3月31日止年度，上市股權證券公允值變動虧損約45.9百萬港元已於損益中確認。執行董事未有因為短期市場波動而改變本集團的投資策略。

貿易應收款項

於2020年3月31日的貿易應收款項較於2019年3月31日的貿易應收款項增加約27.3百萬港元，乃主要由於來自香港市場收益增加。

流動資金及財務資源

於2020年3月31日，本集團的流動資產約為286.9百萬港元（2019年：約357.2百萬港元），包括現金及銀行結餘約27.9百萬港元（2019年：約270.8百萬港元）。於2020年3月31日，本集團的非流動負債約為1.1百萬港元（2019年：無），以及流動負債約為30.0百萬港元（2019年：約30.4百萬港元），主要包括日常營運過程中產生的應付款項。因此，於2020年3月31日，流動比率（即流動資產與流動負債的比率）約為9.6（2019年：約11.8）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gearing ratio

The gearing ratio of the Group as at 31 March 2020 was not applicable as cash and bank balances exceeded interest-bearing borrowings.

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year under review. The Group strives to reduce exposure to credit risk by buying credit insurance on certain customers' receivables, performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

BUSINESS STRATEGIES OF THE GROUP

With continued political, economic and market uncertainties, the existing business of the Group in manufacturing and sale of jewellery products has seen a decrease in both revenue and gross profit. In the light of the operations and financial position of the Group, the Group intends to explore other possible business opportunities both locally and abroad while staying on with its jewellery business.

The Group reckons that the food and beverage industry has proved more resistant to impacts of changes in the macroeconomic environment and offered good growth potential. Furthermore, the "One Belt, One Road" initiative as proposed by the Chinese government is expected to boost demand for an array of sectors in the region, which will also benefit the development of the food and beverage businesses at large. The Group therefore considers that possible business expansions to food and beverage industry can enable it to better utilise its resources, mitigate the risks involved in its existing business of manufacturing and sale of jewellery products, and maximise investment returns for its shareholders.

Moreover, the management team members of the Group have seasoned experience and involvement in the food and beverage industry with all of them holding senior positions in HNA Catering Holdings Co., Ltd. As such, the Group considers that it possesses essential know-how and expertise to enable its expansion into the food and beverage industry, which is expected to help drive revenue for the Group.

Concurrently, the Group remains committed to maintaining its status as a top fine jewellery manufacturer and exporter in Hong Kong by strengthening its sales and marketing force, solidifying its presence in existing markets and reinforcing market recognition of its brand name globally.

資本負債比率

本集團於2020年3月31日的資本負債比率並不適用，原因是現金及銀行結餘超逾計息借貸。

庫務政策

本集團在執行庫務政策上採取審慎的財務管理策略，因而於回顧年度內維持健全的流動資金狀況。本集團透過就若干客戶的應收款項購買信用保險，不斷評估其客戶的信貸狀況及財務狀況，務求降低信貸風險。為控制流動資金風險，董事會密切監察本集團的流動資金狀況，確保本集團資產、負債及其他承擔的流動資金架構可不時滿足其資金需要。

本集團的業務策略

因著政治、經濟及市場持續不明朗，本集團現有的製造及銷售珠寶產品業務出現收益及毛利下降。鑒於本集團的營運及財務狀況，本集團有意於繼續從事其珠寶業務的同時，探索開拓本地及海外的其他可能業務機會。

本集團認為餐飲業能夠更好地抵禦宏觀經濟環境變化的影響，並且發展前景良好。此外，中國中央政府提出的「一帶一路」倡議預期將刺激區內眾多行業的需求，同時將在很大程度上有利於餐飲業務的發展。因此本集團認為若把握潛在機會將業務擴展至餐飲業能令本集團更好地利用其資源、緩解其現有製造及銷售珠寶產品業務所涉及的風險，並為股東帶來最大投資回報。

此外，本集團的管理層團隊成員於餐飲行業擁有豐富經驗並投身其中，且全部於海航食品控股有限公司擔任高管職務。因此，本集團認為其擁有必要的專業知識及技能，能夠令本集團擴展至餐飲行業，從而有助於推動本集團的收益。

與此同時，本集團將繼續透過加強銷售及市務推廣力度、鞏固於現有珠寶市場的佔有率及強化旗下品牌在全球的知名度，務求保持其作為香港優質珠寶製造商及出口商翹楚的地位。

In the U.S., the Group continues to explore opportunities where the Group believes would benefit from the integrated services it offers, providing a wider range of styles and designs tailored for the market and adjusting its production resources and capacity to better cater for the product lead time, consumer preferences and festive shopping practices. In Mainland China, the Group will draw strength on its established corporate brand name and proven design capabilities to increase resources in a bid to attract jewellery wholesalers or chain stores which focus on the said market. The Group will focus its sales and marketing resources on promoting its brand and products, participating in selected trade exhibitions in Mainland China, and allocating sufficient design and product development resources to offer a wider range of designs that are favourable to the Chinese consumers.

The Group believes its abilities to create new product designs and develop innovative production techniques in response to market trends and customers' preferences contribute to the success of its products. The Group has been offering customers with a diverse range of products with appealing designs at affordable prices, made with assorted kinds of precious metals, diamonds and gem stones with various specifications in a bid to cater for a broad bandwidth of market demand. The Group is also positive with the food and beverage industry vibe. Backed by the "One Belt, One Road" initiative, the Group is devoted to expanding into the new market that will provide the Group with strong momentum for future growth.

Foreign exchange exposure

For the year ended 31 March 2020, the Group had monetary assets and monetary liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, which are mainly trade receivables, other receivables, financial assets at FVPL, cash and bank balances and trade and other payables. Consequently the Group had foreign exchange risk exposure from translation of amount denominated in foreign currencies as at 31 March 2020. Since HK\$ is pegged to US\$, the Group does not expect any significant movements in HK\$/US\$ exchange rate. The Group is exposed to foreign exchange risk primarily with respect to RMB. If HK\$ as at 31 March 2020 had strengthened/weakened by 5% against RMB with all other variables held constant, the loss for the year attributable to the equity holders of the Company would have been decreased/increased by approximately HK\$6,000 for the year ended 31 March 2020 (2019: loss for the year attributable to the equity holders of the Company would have decreased/increased by approximately HK\$16,000).

The Group does not engage in any derivatives activities and does not commit to any financial instruments to hedge its exposure to foreign currency risk.

Capital structure

There has been no change in the capital structure of the Company during the year ended 31 March 2020. As at 31 March 2020, the capital of the Company comprises ordinary shares and capital reserves.

本集團繼續於美國發掘其認為會受惠於其所提供的綜合服務的商機，通過提供各種專為該市場度身訂造的造型及設計，以及調整其生產資源及產能，從而更好地迎合產品交付期、消費者喜好及節日購物慣例。在中國大陸，本集團將借助公司的企業品牌效應及卓越設計能力的優勢，投入更多資源，以吸引專注此市場的珠寶批發商或連鎖店。本集團將投入更多銷售及市場推廣資源以在中國大陸推廣其品牌及產品，選擇性地參加貿易展覽，並投放充足設計及產品開發資源，以提供各種最符合中國消費者的設計。

本集團認為，其產品的成功歸因於本集團能夠應對市場趨勢及客戶喜好，提供新穎的產品設計及開發創新生產技術。本集團一直向客戶提供多款設計優美、價格實惠且由各種貴金屬及各種規格的鑽石及寶石製成的產品，以迎合更廣泛的市場需求。本集團亦對餐飲行業氛圍感到樂觀。依賴於「一帶一路」倡議，本集團致力於拓擴至可為我們往後提供強勁增長勢頭的新市場。

外匯風險

於截至2020年3月31日止年度，本集團有以外幣(即相關集團實體功能貨幣以外的貨幣)計值的貨幣資產及貨幣負債，主要為貿易應收款項、其他應收款項、按公允值計入損益之金融資產、現金及銀行結餘以及貿易及其他應付款項，因此，本集團於2020年3月31日面臨來自換算以外幣計值的款項的外匯風險。由於港元與美元掛鈎，本集團預期港元兌美元的匯率不會發生任何重大變動。本集團承受的外匯風險主要與人民幣有關。倘港元於2020年3月31日兌人民幣升值/貶值5%，而其他所有變量保持不變，於截至2020年3月31日止年度本公司股權持有人應佔年內虧損應會減少/增加約6,000港元(2019年：本公司股權持有人應佔年內虧損應會減少/增加約16,000港元)。

本集團並無從事任何衍生工具活動，亦無利用任何財務工具對沖其外幣風險。

資本架構

於截至2020年3月31日止年度，本公司資本架構概無變動。於2020年3月31日，本公司資本包括普通股及資本儲備。

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Capital commitments

As at 31 March 2020 and 31 March 2019, the Group had no capital commitments.

Dividend

The Board does not recommend the payment of final dividend for the year ended 31 March 2020.

No dividend has been paid or declared by the Company during the year ended 31 March 2020.

Information on employees

As at 31 March 2020, the Group had 31 employees (2019: 40), including the executive Directors. Total staff costs (including the Directors' emoluments) were approximately HK\$9.1 million, as compared with approximately HK\$27.8 million for the year ended 31 March 2019. Remuneration is determined with reference to market conditions and individual employees' performance, qualification and experience.

Apart from the provident fund scheme (operation in accordance with the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or social insurance fund (including retirement pension insurance, medical insurance, unemployment insurance, injury insurance and maternity insurance for the PRC employees), discretionary bonuses and employee share options are also awarded to employees according to the Group's performance as well as assessment of individual performance. Since the adoption of the share option scheme on 10 February 2015 and up to 31 March 2020, no options have been granted by the Company.

The Directors believe that the salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

Share option scheme

The Company has adopted the share option scheme on 10 February 2015 (the "Scheme") under which certain selected classes of participants (including, among others, Directors and full-time employees) may be granted options to subscribe for the shares. Unless otherwise cancelled or amended, the Scheme will remain in force for 10 years from that date. No share option had ever been granted under the Scheme since its adoption, up to 31 March 2020.

資本承擔

於2020年3月31日及2019年3月31日，本集團概無資本承擔。

股息

董事會不建議就截至2020年3月31日止年度派付末期股息。

本公司於截至2020年3月31日止年度並無派付或宣派任何股息。

僱員資料

於2020年3月31日，本集團有31名僱員（2019年：40名），包括執行董事。員工成本總額（包括董事酬金）約為9.1百萬港元，而截至2019年3月31日止年度則約為27.8百萬港元。薪酬乃參考市況及個別僱員之表現、資格及經驗而釐訂。

除公積金計劃（根據強制性公積金計劃條例的條文為香港僱員運作）或社會保險基金（包括為中國僱員設立的退休養老保險、醫療保險、失業保險、工傷保險及生育保險）外，本公司會參考本集團表現及個別員工表現評估發放酌情花紅及僱員購股權。自於2015年2月10日採納購股權計劃起至2020年3月31日，本公司概無授出購股權。

董事認為，本集團僱員之薪金及福利維持在具競爭力的水平，在本集團薪金及花紅制度（每年進行檢討）的總體框架下，僱員按表現獲得獎勵。

購股權計劃

本公司已於2015年2月10日採納購股權計劃（「計劃」），據此，若干選定類別的參與者（其中包括董事及全職僱員）可能獲授購股權以認購股份。除非以其他方式註銷或修訂，計劃於該日起計10年內仍有效。自其採納以來直至2020年3月31日，並無根據計劃授出任何購股權。

Significant Investments Held

During the year end 31 March 2020, the Group held the following significant investments in equity interest of other companies:

持有之重大投資

於截至2020年3月31日止年度，本集團持有其他公司的重大股權投資如下：

Name	Place of incorporation	HK stock code	Date of acquisitions	Number of shares acquired as at 31 March 2020	Proportion of acquired shares in the total issued share capital of investee as at 31 March 2020	Cost HK\$ (exclusive of transaction costs)	Principal activities
名稱	註冊成立地點	香港股份代號	收購日期	於2020年3月31日已收購股份數目	已收購股份佔於2020年3月31日被投資方已發行股本總額的比例	成本港元 (不包括交易成本)	主要業務
China Automobile New Retail (Holdings) Limited (the former name is "Lisi Group (Holdings) Limited") ("Lisi Group")	Bermuda	0526	11 and 16 July 2019	86,672,000	Approximately 1.08%	Approximately 68,789,000	Provision of car trading platform related services, trading of imported cars, manufacturing and trading of household products, operation of supermarkets, wholesale of wine and electrical appliances and investments holding
中國汽車新零售(控股)有限公司 (前稱為「利時集團(控股)有限公司」)(「利時集團」)	百慕達	0526	2019年7月11日及16日	86,672,000	約1.08%	約68,789,000	提供汽車交易平台相關服務、買賣進口汽車、家用品之製造及貿易、經營超級市場、酒類及電器批發以及投資控股
China U-Ton Holdings Limited ("China U-Ton")	Cayman Islands	6168	11 July and 14 August 2019	200,540,000	Approximately 8.21%	Approximately 69,658,000	Provision of design, deployment and maintenance of optical fibers services, the provision of other communication networks services, the provision of environmentally intelligent technical products and services and the money lending services
中國優通控股有限公司 (「中國優通」)	開曼群島	6168	2019年7月11日及8月14日	200,540,000	約8.21%	約69,658,000	提供光纖設計、佈放及維護服務、提供其他通訊網絡服務、提供環保智能技術產品及服務以及放債服務
Xiezhong International Holdings Limited ("Xiezhong International")	Cayman Islands	3663	11 July and 14 August 2019	19,296,000	Approximately 2.41%	Approximately 36,390,000	(i) Design, production and sale of automotive heating, ventilation and cooling systems and a range of automotive HVAC components and rendering of services; and (ii) 4S dealership business
協眾國際控股有限公司 (「協眾國際」)	開曼群島	3663	2019年7月11日及8月14日	19,296,000	約2.41%	約36,390,000	(i) 設計、生產及銷售汽車供暖、通風及冷卻系統及不同種類的汽車HVAC部件以及提供服務；及(ii)4S經銷業務

For further information, please refer to (i) the announcement dated 17 July 2019 in relation to acquisitions of the shares of Lisi Group; (ii) the announcements dated 16 August and 19 August 2019 in relation to acquisitions of the shares of China U-Ton and Xiezhong International; and (iii) the circular dated 19 September 2019 in relation to acquisitions of the shares of China U-Ton.

有關進一步的資料，請參閱(i)日期為2019年7月17日有關收購利時集團股份的公佈；(ii)日期為2019年8月16日及8月19日有關收購中國優通及協眾國際股份的公佈；以及(iii)日期為2019年9月19日有關收購中國優通股份的通函。

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Future Plans for Material Investments and Capital Assets

There was no definite future plan for material investments or acquisition of material capital assets as at 31 March 2020.

Material Acquisitions and Disposal of Subsidiaries and Affiliated Companies

Save as disclosed in the paragraph headed “Significant Investments Held” in this report, the Group did not have any material acquisitions or disposals of subsidiaries or affiliated companies during the year end 31 March 2020.

Charges of assets

As at 31 March 2020, the Group had short-term secured borrowings amounting to HK\$9,924,000, which were secured by the pledge of the Group’s trade receivables with the same amount as that of the outstanding borrowings.

Contingent liabilities

The Group had no material contingent liabilities as at 31 March 2020 (2019: nil).

重大投資及資本資產之未來計劃

於2020年3月31日，本集團並無任何有關重大投資或重大資本資產收購之具體未來計劃。

重大收購及出售附屬公司及聯屬公司

除本報告「持有之重大投資」一段所披露者外，本集團於截至2020年3月31日止年度並無任何重大收購或出售附屬公司或聯屬公司事項。

資產抵押

於2020年3月31日，本集團的短期已抵押借貸為9,924,000港元，有關借貸透過質押本集團貿易應收款項抵押，有關款項金額與未償還借貸金額相同。

或然負債

於2020年3月31日，本集團並無任何重大或然負債(2019年：無)。

CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board believes that good corporate governance is one of the areas that lead to the success of the Company and in balancing the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

The Board has adopted the code provisions of the Corporate Governance Code (the “Code Provisions”) set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). During the year ended 31 March 2020, the Company had complied with all provisions of the Code Provisions, except for the deviation from Code Provision A.6.7 of the Code as described below.

Code Provision A.6.7

Pursuant to code Provision A.6.7 of the Code, independent non-executive Directors should attend the annual general meeting of the Company to develop a balanced understanding of the views of the shareholders. However, Mr. Ting Tit Cheung and Mr. Lo Chun Pong, the independent non-executive Directors, did not attend the annual general meeting of the Company held on 31 July 2019 due to other business engagements.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transaction by Director of the Company. Having made specific enquiries to all the Directors, the Directors confirmed that they had complied with the required standard as set out in the Model Code during the year ended 31 March 2020.

THE BOARD OF DIRECTORS

Composition

During the year ended 31 March 2020 and up to the date of this report, the Board comprises six Directors, of which three are executive Directors, and three are independent non-executive Directors. In addition, a list containing the names of the Directors and their roles and functions is available on the websites of the Group and the Stock Exchange. The composition of the Board is as follows:

Executive Directors:

Mr. Li Neng (*Chairman*)
Mr. Zhao Minhao (*Chief Executive Officer*)
Mr. Zhao Yeyong

企業管治守則

配合及遵守企業管治原則及常規之公認標準一直為本公司最優先原則之一。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係之因素之一，董事會致力於持續改善該等原則及常規之效率及有效性。

董事會已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四中的企業管治守則所載之守則條文（「守則條文」）。截至2020年3月31日止年度，除下述有所偏離該守則第A.6.7條守則條文外，本公司一直遵守守則條文內所有條文。

第A.6.7條守則條文

根據該守則第A.6.7條守則條文，獨立非執行董事應出席本公司股東週年大會以對股東的意見有公正的了解。然而，獨立非執行董事丁鐵翔先生和盧振邦先生由於其他業務承擔未有出席本公司於2019年7月31日舉行的股東週年大會。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易之行為守則。經向全體董事作出具體查詢後，董事確認於截至2020年3月31日止年度已遵守標準守則所載規定標準。

董事會 成員

截至2020年3月31日止年度及直至本報告日期，董事會目前由六名董事組成，其中包括三名執行董事及三名獨立非執行董事。此外，董事名單與彼等角色和職能已載於本集團及聯交所之網站。董事會成員如下：

執行董事：

李能先生（主席）
趙旻昊先生（行政總裁）
趙葉勇先生

Independent non-executive Directors:

Mr. Ting Tit Cheung
Mr. Chan Chi Kuen
Mr. Lo Chun Pong

Up to the date of this annual report, there was no change in the composition of the Board. The biographical details of each Director are set out in the section “Directors and Senior Management” on pages 8 to 11.

RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

The Board is primarily responsible for overseeing and managing the Company’s affairs, including the responsibilities for the adoption of long-term strategies and appointing and supervising senior management to ensure that the operation of the Group is conducted in accordance with the objective of the Group.

The Board is also responsible for determining the Company’s corporate governance policies which include:

- (i) to develop and review the Company’s policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
- (iv) to review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (v) to review the Company’s disclosure in the Corporate Governance Report.

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various Board committees which have been established by the Board to deal with different aspects of the Company’s affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these Board committees are governed by the Company’s articles of association as well as the Board’s policies and practices (in so far as the same are not in conflict with the provisions contained in the articles of association). With the new composition of members of the nomination committee, the remuneration committee and the audit committee, the independent non-executive Directors will be able to effectively devote their time to perform the duties required by the respective Board committees.

獨立非執行董事：

丁鐵翔先生
陳志權先生
盧振邦先生

至本年報日期止，董事會成員並無變動。各董事之簡歷詳情載於第8至11頁「董事及高級管理層」一節。

董事會及管理層之責任

董事會主要負責監督及管理本公司事務，包括負責採納長遠策略以及委任與監督高級管理層，以確保本集團的運作按本集團的目標進行。

董事會亦須負責釐定本公司的企業管治政策，包括：

- (i) 制訂及審議本公司的企業管治政策及常規；
- (ii) 審議及監察董事及高級管理層的培訓及持續專業發展；
- (iii) 審議及監察本公司在遵守法律及監管規定方面的政策及常規；
- (iv) 審議及監察適用於僱員及董事的操守守則及合規手冊(如有)；及
- (v) 審閱本公司於企業管治報告中作出的披露。

儘管在任何時間下，董事會在履行其職責時均對引領及監督本公司負上全部責任，惟董事會已設立多個董事會委員會處理本公司各方面的事務，並已將若干責任指派予有關委員會。除非經董事會批准的相關書面職權範圍另有訂明，該等董事會委員會受本公司組織章程細則以及董事會的政策及常規(以不與組織章程細則所載條文有所抵觸為限)規管。提名委員會、薪酬委員會及審核委員會的新成員組合，將可讓獨立非執行董事更有效地投放時間履行各董事會委員會規定的職務。

The Board has also delegated the responsibility of implementing its strategies and the day-to-day operation to the management of the Company under the leadership of the executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision which include matters on, inter alia, capital, finance and financial reporting, internal controls, communication with shareholders, Board membership, delegation of authority and corporate governance.

The Chief Financial Officer and/or Company Secretary or secretary of the board committee attended all regular Board Meetings and Board Committee Meetings to advise on accounting and financial, corporate governance and statutory compliance matters. Senior management has formal or informal contact with the Board Members as and when necessary.

Board papers and minutes are made available for inspection by the Directors and Board Committee Members upon reasonable request. The Company responded as promptly as possible to any queries raised by the Directors.

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of financial position and financial performance of the Group. The financial statements set out on pages 85 to 167 were prepared on the basis set out in note 2 to the financial statements. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements. The declaration of reporting responsibility issued by the external auditors of the Company on the financial statements is set out in the Independent Auditors' Report on pages 78 to 84.

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board and at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

Prior to their respective appointment, each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence and has undertaken to inform the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect their independence. The Company has also received a written confirmation from each of the independent non-executive Directors in respect of their independence. The Company considers all independent non-executive Directors to be independent in accordance with the independence requirements set out in Rule 3.13 of the Listing Rules.

The independent non-executive Directors take an active role in Board meetings, contribute to the development of strategies and policies and make sound judgment in various aspects. They will take lead when potential conflicts of interest arise. They are also members of various Board committees and devote sufficient amount of time and attention to the affairs of the Company.

董事會亦已將執行其策略及日常營運的責任指派予本公司管理層，在執行董事領導下進行。本公司已對須由董事會決定的事宜作出清晰指引，有關事宜包括（其中包括）資本、融資及財務匯報、內部監控、與股東溝通、董事會成員、授權及企業管治事宜。

本公司首席財務總監及／或公司秘書或委員會秘書出席所有董事會及董事委員會之定期會議，就會計及財務、企業管治及遵守法定規例事宜提供意見。有需要時，高級管理人員與董事會保持正式及非正式接觸。

在任何董事發出合理要求下，董事會文件及會議紀錄可供董事及董事委員會委員查閱。董事提出任何問題，本公司盡快作出回應。

董事會知悉其有責任編製真實及公平反映本集團財務狀況及財務表現的財務報表。第85至167頁所載的財務報表乃按財務報表附註2所載基準編製。本集團財務業績會根據法定及／或監管規定適時公佈。本公司外聘核數師就財務報表出具的報告職責聲明載於第78至84頁的獨立核數師報告。

獨立非執行董事

年內，董事會於任何時間均符合上市規則有關董事會須委任最少三名獨立非執行董事，佔董事會人數至少三分之一以及其中最少一名獨立非執行董事具備合適之專業資格或會計或有關財務管理專業知識之規定。

於彼等各自獲委任之前，各獨立非執行董事已向聯交所提交確認彼等獨立性之書面聲明，並已承諾在出現任何可能影響彼等獨立性之後續變動時在可行情況下盡快通知聯交所。本公司亦已收到各獨立非執行董事就彼等獨立性之書面確認。本公司認為，根據上市規則第3.13條所載獨立性規定，所有獨立非執行董事均符合獨立規定。

獨立非執行董事在董事會會議上擔當積極的角色，可為制訂策略及政策作出貢獻，並就各個方面之事項作出可靠判斷。彼等會於潛在利益衝突出現時發揮牽頭引導作用。彼等亦出任多個董事委員會之成員，並在本公司事務上投入足夠時間及精力。

BOARD MEETINGS

The Board is scheduled to meet regularly at least four times a year at approximately quarterly intervals, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. Notices of not less than fourteen days will be given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for regular board meetings.

Apart from formal meetings, matters requiring Board approval were arranged by means of circulation of written resolutions.

The attendance of individual Directors at Board Meetings (BM), Audit Committee Meetings (ACM), Nomination Committee Meetings (NCM), Remuneration Committee Meetings (RCM) and Annual General Meeting (AGM) during the financial year is set out below:

Directors 董事	BM 董事會 會議	Meetings attended/Eligible to attend 出席會議／合資格出席會議				AGM 股東週年 大會
		ACM 審核委員會 會議	NCM 提名委員會 會議	RCM 薪酬委員會 會議		
Executive Directors 執行董事						
LI Neng 李能*	8/8	—	—	—	1/1	
ZHAO Minhao 趙旻昊*	8/8	—	—	—	1/1	
ZHAO Yeyong 趙葉勇*	8/8	—	—	—	1/1	
NANG Qi 曩麒**	1/1	—	1/1	1/1	—	
CHEN Peiliang 陳佩良**	1/1	—	1/1	1/1	—	
XUE Qiang 薛強**	1/1	—	—	—	—	
Independent Non-executive Directors 獨立非執行董事						
TING Tit Cheung 丁鐵翔	8/9	1/2	1/1	1/1	0/1	
CHAN Chi Kuen 陳志權	9/9	2/2	1/1	1/1	1/1	
LO Chun Pong 盧振邦	9/9	2/2	1/1	1/1	0/1	
* Appointed on 28 June 2019			* 於2019年6月28日獲委任			
** Resigned on 28 June 2019			** 於2019年6月28日辭任			

董事會會議

董事會定期舉行會議(至少四次,約每季一次),並於會上討論本公司之整體策略及經營和財務方面之表現。其他董事會會議於需要時才舉行。該等董事會會議須由大部分董事親身或透過其他電子通訊方式積極參與。所有董事會例行會議通知會於會議舉行前至少十四日送呈全體董事,以使彼等能有機會出席例行董事會會議並於會議議程內加載有關事宜。

除正式會議外,須董事會批准的事宜則以傳閱書面決議案方式處理。

於本財政年度內,個別董事於董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議及股東週年大會的出席率如下:

CONTINUOUS PROFESSIONAL DEVELOPMENT

Directors attended training sessions which place emphasis on the roles, functions and duties of a listed company director.

All Directors have provided record of training attendance and the Company will continue to arrange and/or fund the training in accordance with the Code Provisions.

According to the records of training maintained by the Company Secretary, during the financial year under review, all the current Directors pursued continuous professional development and relevant details are set out below:

Directors 董事

Executive Directors 執行董事

LI Neng 李能*
ZHAO Minhao 趙旻昊*
ZHAO Yeyong 趙葉勇*
NANG Qi 曩麒**
CHEN Peiliang 陳佩良**
XUE Qiang 薛強**

Independent Non-executive Directors 獨立非執行董事

TING Tit Cheung 丁鐵翔
CHAN Chi Kuen 陳志權
LO Chun Pong 盧振邦

* Appointed on 28 June 2019

** Resigned on 28 June 2019

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to code provision A.2.1 of the Code Provisions, the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. Since 28 June 2019, Mr. Li Neng was appointed as the chairman to provide leadership to the Board and Mr. Zhao Minhao was appointed as the chief executive officer.

持續專業發展

董事參與培訓課程，相關培訓課程着重上市公司董事的角色、職能及責任。

所有董事已提供參加培訓的記錄，公司也將繼續依據守則條文安排及／或者提供相應培訓。

根據公司秘書所保存的培訓記錄，於本財政年度內所有現任董事皆有參與持續專業發展，茲將相關資料列述如下：

	Type of Trainings 培訓類別	
	attending seminars and/or conferences and/or forums 出席研討會及／ 或議會及／ 或論壇	reading journals, updates, articles and/or materials, etc 閱讀期刊、最新 資訊、文章及／ 或資料等等
LI Neng 李能*	✓	✓
ZHAO Minhao 趙旻昊*	✓	✓
ZHAO Yeyong 趙葉勇*	✓	✓
NANG Qi 曩麒**	✓	✓
CHEN Peiliang 陳佩良**	✓	✓
XUE Qiang 薛強**	✓	✓
TING Tit Cheung 丁鐵翔	✓	✓
CHAN Chi Kuen 陳志權	✓	✓
LO Chun Pong 盧振邦	✓	✓

* 於2019年6月28日獲委任

** 於2019年6月28日辭任

主席及行政總裁

根據守則條文的守則條文第A.2.1條，主席與行政總裁的職責應有區分，並不應由一人兼任。自2019年6月28日起，李能先生獲委任為主席領導董事會，而趙旻昊先生則獲委任為行政總裁。

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The procedures and process of appointment, re-election and removal of directors are laid down in the Company's Article of Association. The Nomination Committee is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of directors, monitoring the appointment and succession planning of directors and assessing the independence of independent non-executive Directors. The appointment letters of independent non-executive Directors have been renewed on 10 February 2019.

Each of the executive Directors has entered into a service contract with the Company and each of the independent non-executive Directors has signed a letter of appointment with the Company. Such term is for an initial term of three years for the executive Directors and one year for the independent non-executive Directors commencing from the Listing Date, subject to re-election.

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

At each annual general meeting, one third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors.

BOARD COMMITTEES

The Board has established three committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All of these three committees of the Board are established with defined written terms of reference. The majority of the members of the Nomination Committee, Remuneration Committee and all members of the Audit Committee are independent non-executive Directors. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

董事之委任、重選及罷免

董事委任、重選及罷免程序及過程載於本公司組織章程。提名委員會負責檢討董事會架構，發展及制定提名及委任董事的相關程序，監察董事委任及繼任安排以及評估獨立非執行董事的獨立性。獨立非執行董事之委任函件已於2019年2月10日重新續任。

所有執行董事均與本公司訂立服務合約，以及所有獨立非執行董事均與本公司簽訂委任函件。自上市日期起，對執行董事及獨立非執行董事而言，相關條款的初始年期分別為三年及一年，惟需接受重選。

董事會有權隨時或不時委任任何人士為董事，以填補董事會臨時空缺或出任現行董事會的增任董事，惟不能超過股東於股東大會決定的董事最高人數限制(如有)。董事會委任的任何以填補臨時空缺的董事任期於其獲委任後僅至本公司首次股東大會為止，且於相關會議上膺選連任。董事會委任的任何出任現行董事會的增任董事的任期僅至本公司下屆股東週年大會為止，且彼等屆時合資格膺選連任。

在每屆股東週年大會上，當時三分之一董事將輪值告退。然而，倘董事人數並非三的倍數，則須為最接近但不少於三分之一的人數。

董事會委員會

董事會已成立三個委員會，分別是提名委員會、薪酬委員會及審核委員會，以監管本公司特定範疇的事宜。董事會所有該等三個委員會乃根據已界定書面職權範圍成立。提名委員會及薪酬委員會的大部分成員均為獨立非執行董事，而審核委員會全體成員均為獨立非執行董事。董事會委員會均獲提供足夠資源，以履行其職務，倘提出合理要求後，可於適當情況下尋求獨立專業意見，費用由本公司承擔。

NOMINATION COMMITTEE

The Company established a nomination committee pursuant to a resolution of the Directors on 10 February 2015 with written terms of reference in compliance with paragraph A.5.1 of Appendix 14 of the Listing Rules. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the nomination committee include, but not limited to (i) to review the structure, size and composition of the Board on regular at least annually; (ii) identify individuals suitably qualified to become Board members; (iii) assess the independence of independent non-executive Directors; and (iv) make recommendations to the Board on relevant matters relating to the appointment or reappointment of Directors.

The nomination committee comprises three independent non-executive Directors, namely Mr. Ting Tit Cheung, Mr. Chan Chi Kuen, and Mr. Lo Chun Pong, and two executive Directors, namely, Mr. Li Neng and Mr. Zhao Minhao. The chairman of the Nomination Committee is Mr. Li Neng.

The Nomination Committee will conduct meeting at least once a year.

When identifying suitable candidates for directorship, the nomination committee will carry out the selection process by making reference to the skills, experience, education background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set forth in Rule 3.08 and Rule 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.

BOARD DIVERSITY

Under the Board Diversity Policy adopted by the Board, the Company recognises and embraces the benefits of having a diverse Board towards enhancement of overall performance. With a vision to achieving a sustainable and balanced development, the Company regards increasing diversity at the Board level as an essential element in achieving a diversity of perspectives and supporting the attainment of its strategic goals. Appointments of directors are made on merits while having due regard for the benefits of diversity of the Board.

At present, half of the directors on the Board are independent non-executive Directors. They represent diverse career experience in various enterprises. They bring with them diverse professional backgrounds. The board composition reflects various cultural and educational backgrounds, professional development, length of service, knowledge of the Company and a broad range of individual attributes, interests and values. The Board considers the current line-up has provided the Company with a good balance and diversity of skills and experience for the requirements of its business. The Board will continue to review its composition from time to time taking into consideration board diversity for the requirements and benefits of the Company's business.

提名委員會

本公司根據2015年2月10日之董事決議成立了提名委員會，並根據上市規則附錄十四第A.5.1段以書面釐定其職權範圍。其職權範圍可於本公司及聯交所網站取得。

提名委員會的主要職責包括但不限於：(i) 至少每年定期檢討董事會的架構、大小和組成；(ii) 物色具備合適資格成為董事會成員的人選；(iii) 評核獨立非執行董事的獨立性；以及(iv) 就有關董事委任或者連任的事宜向董事會提供建議。

提名委員會由三名獨立非執行董事(即丁鐵翔先生、陳志權先生及盧振邦先生)及兩名為執行董事(即李能先生及趙旻昊先生)組成。提名委員會主席為李能先生。

提名委員會將至少每年舉行一次會議。

在物色合適的董事候選人時，提名委員會將會根據候選人的技能、經驗、教育背景、專業知識、個人誠信和承諾時間，以及根據本公司需求和該職位所須遵循的其他相關法律法規的要求來執行選拔程式。所有候選人必須能夠滿足上市規則第3.08及3.09條所規定之標準。將被委任為獨立非執行董事的候選人亦須滿足上市規則第3.13條規定的獨立性標準。合格的候選人將推薦董事會批准。

董事會多元化

根據董事會採納的《董事會成員多元化政策》，本公司明白並深信一個成員多元化的董事會對提升整體表現裨益良多。為達致可持續的均衡發展，本公司董事會層面日益多元化是達致多元化觀點及支援本公司達到策略目標的關鍵元素。董事的委任均以用人唯才為原則，充分顧及董事會成員多元化所帶來的裨益。

目前，董事會內有半數董事為獨立非執行董事。彼等具有不同企業發展事業的多方面經驗，把不同領域的專業背景帶入董事會。董事會成員組合反映不同的文化及教育背景、專業發展、服務任期、對本公司的認識，以及廣泛的個人特質、興趣和價值觀。董事會認為目前的成員組合為本公司提供了切合本公司業務的均衡及多元化技能和經驗。董事會會繼續不時檢討其成員組合，按本公司的業務需要及裨益考慮董事會多元化。

REMUNERATION COMMITTEE

The Company established a remuneration committee pursuant to a resolution of the Directors passed on 10 February 2015 with written terms of reference in compliance with Rule 3.25 and Rule 3.26 of the Listing Rules. The written terms of reference of the remuneration committee was adopted in compliance with the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange.

The primary duties of the remuneration committee include, but are not limited to: (i) making recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group and (ii) ensuring none of the Directors determine their own remuneration. The emoluments of executive Directors are determined based on the skills, knowledge, individual performance as well as contributions, the scope of responsibility and accountability of such Directors, taking into consideration of the Company's performance and prevailing market conditions.

The remuneration policy of independent non-executive Directors is to ensure that the independent non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in respective Board committees. The emoluments of independent non-executive Directors are determined with reference to their skills, experience, knowledge, duties and market trends. As at the date of this annual report, the remuneration committee consists of three independent non-executive Directors namely Mr. Ting Tit Cheung, Mr. Chan Chi Kuen, Mr. Lo Chun Pong and two executive Directors, namely Mr. Li Neng and Mr. Zhao Minhao. The Chairman of the Remuneration Committee is Mr. Ting Tit Cheung. Details of remuneration of Directors are set out in note 10 to the financial statements.

Up to 31 March 2020, there was no change in the policy and structure of the remuneration of the Directors and senior management. The Remuneration Committee will meet at least once a year for reviewing the remuneration policy and structure and making recommendations to the Board on determining the annual remuneration packages of the executive Directors and the senior management and other related matters.

AUDIT COMMITTEE

The Company established an audit committee pursuant to a resolution of the Director passed on 10 February 2015 with written terms of reference in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules. A revised set of terms of reference of the Audit Committee (the "Revised Audit Committee Terms of Reference") has been adopted by the Company during the year to get in line with the recent amendments to the Code Provisions and the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants. The Terms of Reference are available on the websites of the Company and the Stock Exchange.

薪酬委員會

本公司根據於2015年2月10日通過的董事決議成立了薪酬委員會，並根據上市規則第3.25及3.26條以書面釐定其職權範圍。薪酬委員會書面職權範圍已參照守則條文獲採納。其職權範圍可於本公司及聯交所網站取得。

薪酬委員會的主要職責包括但不限於：(i) 就本集團全體董事及高級管理層的整體薪酬政策及架構向董事會作出推薦意見，以及(ii) 確保董事並無自行釐定薪酬。執行董事的薪酬乃基於其技能、知識、個人表現及貢獻、該董事責任及職責的範圍，並考慮到本公司的業績表現及市場行情釐定。

獨立非執行董事的薪酬政策是要確保獨立非執行董事對參與公司事務包括其參加各董事委員會所作出的努力以及付出的時間得到充分的補償。獨立非執行董事的薪酬乃根據其技能、經驗、知識、責任及市場趨勢釐定。於本年報日期，薪酬委員會包括三名獨立非執行董事（即丁鐵翔先生、陳志權先生及盧振邦先生）及兩名為執行董事（即李能先生及趙旻昊先生）。薪酬委員會主席為丁鐵翔先生。董事薪酬詳情載列於財務報表附註10。

截至2020年3月31日，董事及高級管理層的薪酬政策及架構並無變化。薪酬委員會每年舉行至少一次會議，以檢討薪酬政策及架構，同時向董事會提出釐定執行董事及高級管理層的年度薪酬待遇以及其他相關事宜的建議。

審核委員會

本公司根據於2015年2月10日通過的董事決議成立了審核委員會，並根據上市規則第3.21及3.22條以書面釐定其職權範圍。本集團於年內採納了一套經修訂的審核委員會職權範圍（「經修訂審核委員會職權範圍」），以符合《企業管治守則》的近期修訂。《經修訂審核委員會職權範圍》與香港會計師公會頒佈的《審核委員會有效運作指引》內載的建議相符。其職權範圍可於本公司及聯交所網站取得。

The primary duties of the audit committee include but are not limited to (i) making recommendations to the Board on the appointment, re-appointment and removal of external auditor, (ii) reviewing the financial statements and material advice in respect of financial reporting and (iii) overseeing the Company's financial reporting, risk management and internal control systems.

In relation to (iii), the Audit Committee is:

- to review the Company's financial controls, and to review the Company's risk management and internal control systems;
- to discuss the risk management and internal control systems with management and to ensure that management has performed its duty to have effective systems. The discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial functions;
- to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- where an internal audit function exists, to review the internal audit programme, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- to review the Group's financial and accounting policies and practices;
- to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;
- to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- to report to the Board on the matters set out in the Code Provisions;
- to consider other matters, as required by the Board, to be performed by the Audit Committee.

As at the date of this annual report, the Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Chi Kuen, Mr. Ting Tit Cheung and Mr. Lo Chun Pong. The Chairman of the Audit Committee is Mr. Chan Chi Kuen, who holds the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules.

審核委員會的主要職責包括但不限於(i)就委任、重新委任及罷免外聘部核數師向董事會提供建議、(ii)審閱財務報表及對本公司財務報告的重大意見及(iii)監察本公司財務報告、風險管理及內部監控系統。

關於第(iii)項，審核委員會負責：

- 檢討本公司之財務監控制度及檢討本公司之風險管理及內部監控制度；
- 與管理層討論風險管理及內部監控制度，確保管理層已履行職責建立有效之制度，包括考慮本公司在會計及財務職能方面之資源、員工資歷及經驗是否足夠，以及員工所接受之培訓課程及有關預算又是否充足；
- 應董事會之委派或主動就有關風險管理及內部監控事宜之重要調查結果及管理層之回應進行研究；
- 如本公司設有內部核數功能，須檢討內部核數程序，確保內部和外聘核數師之工作得到協調；也須確保內部核數功能在本公司內部有足夠資源運作，並且有適當之地位；以及檢討及監察內部核數功能是否有效；
- 檢討本集團之財務及會計政策及常規；
- 審閱外聘核數師給予管理層之《審核情況說明函件》、核數師就會計記錄、財務賬目或監控制度向管理層提出之任何重大疑問及管理層作出之回應；
- 確保董事會及時回應於外聘核數師給予管理層之《審核情況說明函件》中提出之事宜；
- 就守則條文所載之事宜向董事會匯報；
- 考慮董事會要求審核委員會履行之其他事宜。

於本年報日期，審核委員會包括三名獨立非執行董事(即陳志權先生、丁鐵翔先生及盧振邦先生)。審核委員會主席為陳志權先生，彼擁有上市規則第3.10(2)及3.21條規定的適當專業資格。

As at the date of this annual report, the Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to internal control and financial reporting with the management. The Audit Committee considers that the financial results for the year ended 31 March 2020 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

The Audit Committee has held a meeting with the external auditors on 18 June 2020 to (i) review the financial statements for the year ended 31 March 2020; (ii) discuss the internal control and financial reporting matters of the Group; (iii) review the financial statements and the auditor's report and recommend to the board for approval. All members of the committee attended that meeting. The Audit Committee will meet at least twice a year to review the financial results and reports, financial reporting and compliance procedures, the report of the internal auditor on the Company's internal control and risk management review and processes, and the re-appointment of the external auditor. Pursuant to the terms of reference of the Audit Committee of the Company, the minutes of meetings were circulated to all Committee Members. The minutes were kept by the Company Secretary.

Up to the date of this annual report, the Board has not taken a different view from the Audit Committee on the selection, appointment, resignation or dismissal of external auditors.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibilities for keeping proper accounting records and preparing the financial statements of each financial period, which shall give a true and fair view of the financial position of the Group and of the financial performance and cash flows for that period. In preparing the financial statements for the year ended 31 March 2020, the Directors have made judgements and estimates that are prudent and reasonable, and prepared the financial statements on a going concern basis.

The relevant responsibility statement from the external auditors is set out in the Independent Auditors' Report on pages 78 to 84.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules and other regulatory requirements.

The senior management has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Group put to the Board for approval.

截至本年報日期，審核委員會已考慮及審閱本集團所採納之會計原則及慣例，並已與管理層討論內部控制及財務申報相關事宜。審核委員會認為，截至2020年3月31日止年度的財務業績符合有關會計準則、規則及規定，並已正式作出適當披露。

審核委員會已於2020年6月18日與外聘核數師舉行會議以(i)審閱截至2020年3月31日止年度之財務報表；(ii)討論本集團的內部控制及財務報告事宜；(iii)檢討財務報表及核數師報告並推薦董事會批准。委員會全體成員均出席是次會議。審核委員會將每年舉行至少兩次會議，以審閱財務業績及報告、財務申報及合規程序、內部核數師對本公司內部控制及風險管理檢討及過程之報告以及外聘核數師之重新委任。根據本公司之審核委員會之職權範圍，會議紀錄傳閱予全體委員會成員。會議紀錄由公司秘書保存。

截至本年報日期止期間，董事會與審核委員會於選擇、委任、辭退或罷免外聘核數師方面並無意見分歧。

董事對財務報告之責任

董事確認其保存適當會計賬簿及編製各財務期間財務報表的責任，財務報表須真實而公平地反映本集團的財務狀況及該期間的財務表現及現金流量。於編製截至2020年3月31日止年度的財務報表時，董事已作出審慎及合理的判斷和估計，並按持續經營基準編製財務報表。

外聘核數師的有關責任聲明載於第78至84頁的獨立核數師報告。

董事會負責根據上市規則及其他法定規定，對年報及中期報告、內幕消息公告及其他財務披露事宜呈列公正清晰及可理解的評估。

高級管理層已向董事會提供必要的說明及資料，以便董事會就本集團財務資料及狀況作出知情評估，以供董事會審批。

The basis on which the Company generates or preserves value over the longer term and the strategy for delivering its objectives are explained in the “Management Discussion and Analysis” set out in pages 12 to 22 in this report.

The section of “Management Discussion and Analysis” has explained the factors affecting business performance and outlook of the Group. Financial statements have been presented in accordance with the disclosure requirements of Listing Rules, Hong Kong Financial Reporting Standards and the Hong Kong Companies Ordinance.

AUDITOR'S REMUNERATION

For the year ended 31 March 2020, the total remuneration paid or payable to the Company's auditors, PricewaterhouseCoopers, for annual audit services totaling approximately HK\$1.3 million.

Analysis of remuneration paid or payable to PricewaterhouseCoopers is set out below:

Items of auditor's services	核數師服務項目	31 March 2020 2020年3月31日 HK\$'000 千港元	31 March 2019 2019年3月31日 HK\$'000 千港元
Audit Services	審核服務		
Annual audit service	年度審核服務	1,344	1,743
Total	總計	1,344	1,743

COMPANY SECRETARY

Mr. Chau Chi Lai was appointed on 18 May 2015 to be our company secretary.

Mr. Chau is also our company's chief financial officer, Mr. Chau has day-to-day knowledge of the Company's affairs. His appointment and removal is subject to Board's approval. All Directors have access to the advice and services of the company secretary to ensure the Board procedures, and all applicable law, rules and regulations, are followed. For the financial year ended 31 March 2020, the company secretary has complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

本公司據以長遠產生及保障價值的基準及為實現其目標的策略於本報告第12至22頁的「管理層討論及分析」中解釋。

「管理層討論及分析」一節已解釋影響本集團之業務表現及之因素及展望。財務報表已根據上市規則、香港財務報告準則及香港公司條例規定作出披露。

核數師酬金

截至2020年3月31日止年度，本公司就年度審核服務已付或應付本公司核數師羅兵咸永道會計師事務所之酬金總額約為1.3百萬港元。

有關已付或應付羅兵咸永道會計師事務所有限公司的酬金分析載列如下：

公司秘書

周智禮先生於2015年5月18日獲委任為我們的公司秘書。

周先生亦為本公司首席財務總監，熟悉本公司日常事務。其委任及解僱須經由董事會批准。全體董事均取得公司秘書的意見及服務，以確保已依循董事會程序及所有適用法律、規則及法規。截至2020年3月31日止財政年度，公司秘書已遵循上市規則第3.29條，接受不少於15個小時的相關職業培訓。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibilities for the Group's risk management and internal control systems to safeguard the interests of the Company and its shareholders as a whole. To this end, the Board oversees and approves the Group's risk management and internal control strategies and policies, which are aimed at evaluating and determining the nature and extent of the risks that are compatible with the Group's strategic objectives and risk appetite, with the main purpose for provision of reasonable assurance against material misstatement or loss rather than absolute elimination of the risk of failure to achieve business objectives.

Reporting to the Board, the Audit Committee is delegated with the authority and responsibility for ongoing monitoring and evaluation of the effectiveness of the relevant systems. In December 2015, the terms of reference of the Audit Committee were updated to formally incorporate the risk management into its scope of duties.

Areas of responsibility of each business units are clearly defined with specific limits of authority in place to ensure effective segregation of duties. Procedures have been designed for safeguarding assets against unauthorised use or disposition, maintenance of proper accounting records, assurance of the reliability of financial information for internal use or publication and compliance with relevant legislation and regulations. Risk management system, internal control measures and procedures are continuously under review and being improved where necessary in response to changes in business, operating and regulatory environments. Furthermore, a Whistleblowing Policy has been adopted by the Group, with the authority and responsibility being delegated to the Audit Committee. Such Whistleblowing Policy is for employees and those who are in business with the Group such as customers and suppliers to raise concerns, in confidence, with our Internal Audit and any and all relevant complaints received may then be referred to the Audit Committee and/or Co-chairman of the Company about possible improprieties in any matter related to the Group.

During the financial year ended 31 March 2020, the Audit Committee has conducted a review of the effectiveness of the Group's risk management and internal control systems and procedures covering all controls, including financial, operational and compliance and risk management, and the adequacy of resources, qualifications, experience and training of staff of the Company's financial reporting and treasury function. Confirmations from management in the form of certification that risk management and internal control procedures are functioning effectively to meet the respective financial reporting, operational and compliance needs, are submitted by business unit heads and reporting to the Audit Committee.

Based on the result of the review as reported by the Audit Committee, in respect of the financial year ended 31 March 2020, the Directors considered that the risk management and internal control systems and procedures of the Group were effective and adequate.

風險管理及內部監控

董事會對本集團的風險管理及內部監控系統承擔全部責任，以保障本公司及其股東的整體利益。為此，董事會監督及審批本集團的風險管理及內部監控策略與政策，相關策略與政策旨在評估及釐定風險性質及程度符合本集團的策略目標及風險承受能力，主要目的是合理地保證不會出現重大誤述或損失，而非絕對地消除未能達成業務目標的風險。

向董事會匯報的審核委員會獲授權責持續監察及評估相關系統是否有效。審核委員會的職權範圍在2015年12月予以更新，正式將風險管理納入職責範圍。

每個業務單位的責任範圍及權力限制有明確界定以確保有效地分配工作。本集團已設計了若干程序，以保障資產不會在未經授權下被挪用或出售、妥善保存會計記錄、確保供內部使用或向外公佈的財務資料均屬可靠，以及符合有關法例及規例。風險管理系統、內部監控措施及程序會持續予以檢討，於有需要時作出改善，以應對業務、經營及監管環境的更變。此外，本集團已採納《舉報政策》，並將權責轉授審核委員會。《舉報政策》讓僱員及其它與本集團有往來者（如客戶及供應商）當遇到集團內任何懷疑不當行為時，可在保密情況下，向審核委員會提出彼等關注的事宜，而接獲的任何及所有相關投訴會被轉介本公司審核委員會及／或聯席主席。

在截至2020年3月31日止財政年度內，審核委員會在風險管理及內部監控委員會和部門風險管理及內部監控委員會的協助下，已對本集團的風險管理及內部監控系統及程序是否有效作出檢討，檢討範圍涵蓋所有方面的監控，包括財務監控、運作監控、合規及風險管理監控，以及本公司在財務申報庫務職能方面的資源、員工資歷及經驗是否足夠及員工所接受的培訓是否充足。業務單位主管已呈交管理層以核證方式確認風險管理及內部監控程序行之有效，符合財務申報、營運及合規需要，向審核委員會匯報。

根據審核委員會的檢討結果，董事認為本集團截至2020年3月31日止財政年度的風險管理及內部監控系統及程序為有效及足夠。

INTERNAL AUDIT DEPARTMENT

The Internal Audit Department reviews the effectiveness of the internal control system. The Internal Audit Department carries out an annual risk assessment on each identified audit area and devises an annual audit plan according to the nature of business and risk exposures, and the scope of work includes financial and operational reviews. The audit plan is reviewed and agreed by the Audit Committee. In addition to the agreed schedule of work, the Internal Audit Department conducts other review and investigative work as may be required. The Audit Committee receives summary reports from the Internal Audit Department periodically while the results of internal audit reviews and responses to the recommended corrective actions are also reported to the executive Directors. The Internal Audit Department is also responsible for following up the corrective actions to ensure that satisfactory controls are maintained.

CONFLICTS OF INTEREST DECLARATION

The Group adopted conflict of interest declaration policy as one of the important internal control procedures. Employees are required to provide annual declaration of conflict of interest, and strictly comply with the policy to ensure that the Group and its customers, business partners, shareholders, employees and business community of the transactions and dealings are in line with the highest standards of business conduct and ethics.

WHISTLEBLOWING POLICY

The Group established a whistleblowing policy for employees under confidentiality to file complaint and report any suspected misconduct, fraud and irregularities, in an orderly manner. The Internal Audit Department is responsible for receiving, reviewing complaint and report, to investigate, to draw conclusion and to make appropriate recommendations for improvement, and inform the relevant departments senior management to implement corrective action. Internal Audit Department reports twice a year their findings on complaints to the Audit Committee.

SHAREHOLDERS' RIGHTS

Pursuant to the Company's Articles of Association, shareholder(s) holding not less than one-tenth of the Company's paid-up capital at the end of deposit of requisition and having the right to vote at general meetings can submit a requisition to convene an Extraordinary General Meeting ("EGM").

Such requisition shall be made in writing to the Board or the company secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

內部審核部

內部審核部檢討內部監控環境之效能。內部審核部對各認定之審核單位作出年度風險評估，並按照其業務性質及潛在風險，以及工作範圍(包括財務及營運檢討)訂立年度審核計劃。該審核計劃需經審核委員會審批及同意。此外，內部審核部除執行既定之工作外，亦需執行其他檢討或調查性質之工作。審核委員會定期收納內部審核部之摘要報告，而內部審核的結果及相應的糾正行動建議亦需向執行董事匯報。內部審核部亦負責跟進有關糾正行動的執行情況，確保監控工作令人滿意。

利益衝突申報

本集團設立利益衝突申報政策，為集團內部監控程序的重要部份。僱員需每年書面確認利益衝突申報書，並嚴格遵守利益衝突政策以確保本集團與顧客、商業夥伴、股東、僱員及商業社群之交易與往還均符合最高的商業行為及道德標準。

舉報政策

本集團設立舉報政策讓員工在保密情況下依據程序提出申訴及舉報任何懷疑不當行為、舞弊及違規情況。內部審核部負責接收，審核申訴和舉報，調查及結案提出相應的改善建議，並通知有關部門的高級管理人員實行糾正行動。內部審核部每年兩次向審核委員會匯報所接獲申訴的調查結果。

股東權利

根據本公司之章程細則，於提交要求結束時持有本公司繳足股本不少於十分之一且有權於股東大會上投票之股東可提交一項呈請，要求召開股東特別大會(「股東特別大會」)。

有關要求須以書面向董事會或公司秘書提出，述明要求董事會召開股東特別大會以處理要求內訂明的任何業務交易。該大會須於該項要求遞呈後兩個月內舉行。倘於有關遞呈後21日內，董事會未有召開該大會，則遞呈要求人士可以相同方式召開大會，遞呈要求人因董事不能召開會議而就此產生的所有合理開支將由本公司償還予遞呈要求人。

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong, namely, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong or the principal place of business of the Company in Hong Kong at Unit 3701-09, 37/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong. Shareholders who wish to put enquiries to the Board can send their enquiries to the Company Secretary who will ensure these enquiries to be properly directed to the Board. Shareholders may at any time make a request for the Company's information to the extent such information is publicly available. Corporate communication of the Company will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either English or Chinese) or means of receipt of the corporate communications (in hard copy or through electronic means).

All resolutions put forward at an EGM will be taken by poll pursuant to the Listing Rules. Shareholders who are unable to attend the EGM can appoint proxies to attend and vote at the general meeting. The Chairman of the EGM will provide explanation of the detailed procedures for conducting a poll and then answer questions (if any) from the shareholders regarding voting by way of poll. In addition, the poll results will be posted on the websites of the Company and of the Stock Exchange after the EGM.

INVESTOR RELATIONS AND COMMUNICATION

The Board recognises the importance of good communications with all shareholders. The Company believes that maintaining a high level of transparency is a key to enhance investor relations. The Company is committed to a policy of open and timely disclosure of corporate information to its shareholders and investing public.

The Company updates its shareholders on its latest business developments and financial performance through its corporate publications including annual reports and public announcements. Extensive information about the Company's activities for the year ended 31 March 2020 has been provided in this annual report. While the Annual General Meeting provides a valuable forum for direct communication between the Board and its shareholders, the Company also maintains its website (www.ktl.com.hk) to provide an alternative communication channel for the public and its shareholders. All corporate communication and Company's latest updates are available on the Company's website for public's information.

CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2020 and up to the date of this annual report, there has been no significant change in the Company's constitutional documents.

Hong Kong, 18 June 2020

股東應就其股權作出之查詢送交本公司於香港之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)或本公司之香港主要營業地點(地址為香港中環金融街8號國際金融中心二期37樓3701至09室)。股東如欲向董事會提交查詢,可將有關查詢送交公司秘書,其將確保將有關查詢妥善送達董事會。股東可隨時要求提供本公司可供公眾查閱之資料。本公司將向股東提供以平實語言編製之中、英文版公司通訊,以便於股東理解。股東有權選擇接收公司通訊之語言(英文或中文)或方式(印刷文本或電子文件)。

根據上市規則,於股東特別大會上提呈之所有決議將以投票方式進行表決。無法出席股東特別大會之股東可委任代理人出席並於會上投票。股東特別大會主席將說明投票表決之詳細程序,然後回答股東關於投票表決之問題(如有)。此外,投票表決結果將於股東特別大會結束後刊載於本公司及聯交所網站。

投資者關係及通訊

董事會深知與全體股東保持良好溝通的重要性。本公司相信維持高透明度乃為提升投資者關係的關鍵所在。本公司承諾向其股東及公眾投資者公開且及時地披露公司資料。

本公司透過公司刊物(包括年報及公告)為股東提供最新的業務發展及財務表現。本年報提供大量本公司截至2020年3月31日止年度的業務資料。股東週年大會為董事會及其股東提供寶貴的直接溝通機會,而本公司亦透過其網站(www.ktl.com.hk)向公眾及其股東提供另一種溝通渠道。所有公司通訊及本公司的最新資訊均可於本公司的網站供公眾人士查閱。

組織章程文件

於截至2020年3月31日止年度及直至本年報日期止,本公司組織章程文件並無重大變化。

香港, 2020年6月18日

The Directors present their annual report together with the audited financial statements of the Group for the year ended 31 March 2020.

PRINCIPAL PLACE OF BUSINESS

The Company was incorporated in the Cayman Islands and has its registered office at Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands and principal place of business at Unit 3701-09, 37/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries of the Company are set out in note 1 to the consolidated financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Cap. 622), including a discussion of the principal risk and uncertainties facing the Group and an indication of likely future developments in the Group's businesses, can be found in the Management Discussion and Analysis set on pages 12 to 22 of this Annual Report. This discussion forms part of this directors' report.

RESULTS AND APPROPRIATIONS

The financial performance of the Group for the year ended 31 March 2020 and the financial position of the Group as at 31 March 2020 are set out in the consolidated financial statements on pages 85 to 90.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2020.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 168. This summary does not form part of the consolidated financial statements.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 24 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 88 of this annual report and note 25 to the consolidated financial statements, respectively.

DISTRIBUTABLE RESERVES

The Company was incorporated in the Cayman Islands on 6 June 2014. As at 31 March 2020, the Company's distributable reserves, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$269.2 million.

董事呈報年度報告連同本集團截至2020年3月31日止年度的經審核財務報表。

主要營業地點

本公司於在開曼群島註冊成立，註冊辦事處設於 Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands。主要營業地點為香港中環金融街8號國際金融中心二期37樓3701至09室。

主要業務及業務回顧

本公司的主要業務為投資控股，而本公司旗下附屬公司的主要業務的詳情載列於綜合財務報表附註1內。

根據香港法例第622章《公司條例》附表五之規定，此等業務之進一步討論及分析(包括本集團所面對主要風險及不明朗因素之討論，以及本集團業務之可能未來發展)可參閱本年報第12至22頁所載管理層討論及分析。該討論為本董事會報告書之組成部分。

業績及分配

本集團截至2020年3月31日止年度的財務表現及本集團於2020年3月31日的財務狀況載列於第85至90頁的綜合財務報表。

末期股息

董事會不建議派付截至2020年3月31日止年度之末期股息。

五年財務概要

本集團過往5個財政年度的業績及資產負債概要載列於第168頁。該概要不構成綜合財務報表的一部分。

股本

本公司年內股本變動的詳情載列於綜合財務報表附註24內。

儲備

本集團及本公司於年內的儲備變動詳情分別載於本年報第88頁的綜合權益變動表及綜合財務報表附註25。

可供分派儲備

本公司於2014年6月6日在開曼群島註冊成立。於2020年3月31日，根據開曼群島法例第22章公司法(1961年第三號法例，經綜合及修訂)計算，本公司可供分派儲備約為269.2百萬港元。

REPORT OF THE DIRECTORS 董事會報告

DONATIONS

During the year, the Group made charitable and other donations amounting to approximately HK\$88,000 (2019: approximately HK\$31,000).

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

	Percentage of the Group's total	
	Sales	Purchases
The largest customer	66.8%	
Five largest customers in aggregate	100.0%	
The largest supplier		68.9%
Five largest suppliers in aggregate		90.3%

At no time during the Year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

SUBSIDIARIES

The details of the major subsidiaries of the Company are set out in note 1 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

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

BORROWINGS

Particulars of borrowings of the Group as at the end of reporting period are set out in note 26 to the consolidated financial statements.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors of the Company who hold office during the year and up to the date of this report are:

Executive Directors

Mr. LI Neng (*Chairman*)
Mr. ZHAO Minhao (*Chief Executive Officer*)
Mr. ZHAO Yeyong

Independent non-executive Directors

Mr. TING Tit Cheung
Mr. CHAN Chi Kuen
Mr. LO Chun Pong

捐款

年內，本集團作出慈善及其他捐款約88,000港元(2019年：約31,000港元)。

主要客戶及供應商

有關本集團主要客戶及供應商於本財務年度分別應佔之銷售額及採購額之資料如下：

	佔本集團下列總額之百分比	
	銷售額	採購額
最大客戶	66.8%	
五大客戶(合共)	100.0%	
最大供應商		68.9%
五大供應商(合共)		90.3%

本公司董事、彼等之聯繫人或就董事所知擁有本公司股本超過5%之任何股東概無於本年度期間任何時間於該等主要客戶及供應商擁有任何權益。

附屬公司

有關本公司主要附屬公司的詳情載於財務報表附註1。

物業、廠房及設備

有關年內物業、廠房及設備變動的詳情載於綜合財務報表附註15。

借貸

本集團於報告期末的借貸詳情載於綜合財務報表附註26。

董事及董事服務合約

年內及截至本報告日期本公司之在職董事如下：

執行董事

李能先生(主席)
趙旻昊先生(行政總裁)
趙葉勇先生

獨立非執行董事

丁鐵翔先生
陳志權先生
盧振邦先生

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from 28 June 2019, which may be terminated by, not less than three months' notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of our Directors as set forth in the Articles of Association.

Each of the independent non-executive Directors has signed a letter of appointment with the Company for an initial term of one year commencing from 10 February 2019, subject to retirement by rotation and re-election at annual general meeting and until terminated by not less than three months' notice in writing served by either party on the other. The appointments letters of independent non-executive Directors have been renewed on 10 February 2020.

No Director has a service contract which is not determinable by the Company or any of its subsidiaries within 1 year without payment of compensation, other than statutory compensation.

In accordance with the Company's articles of association, one-third of the existing Directors shall retire from office, at the forthcoming annual general meeting.

Disclosure of Directors' Information Pursuant to Rules 13.51(2) and 13.51B of the Listing Rules

During the year under review, there were certain changes of the Directors.

Mr. Nang Qi resigned as the chairman of the Board (the "Chairman") and an executive Director, and no longer served as the chairman of the Nomination Committee and a member of the Remuneration Committee with effect from 28 June 2019.

Mr. Chen Peiliang resigned as an executive Director and the chief executive officer of the Company (the "Chief Executive Officer"), and no longer served as a member of the Nomination Committee and the Remuneration Committee and an authorised representative with effect from 28 June 2019.

Mr. Xue Qiang resigned as an executive Director with effect from 28 June 2019.

Mr. Li Neng has been appointed as the Chairman, an executive Director, the chairman of the Nomination Committee and a member of the Remuneration Committee with effect from 28 June 2019.

各執行董事已與本公司訂立服務合約，自2019年6月28日起計為期三年，可由任一方方向另一方發出不少於三個月的書面通知予以終止，惟須遵守當中所載終止條文及組織章程細則所載有關董事輪席退任的條文。

各獨立非執行董事已與本公司簽署委任函，初步任期自2019年2月10日起計為一年，並須於股東週年大會上輪席退任及膺選連任，直至其中一方方向另一方發出不少於三個月的書面通知予以終止。獨立非執行董事之委任函件已於2020年2月10日重新續任。

董事並無與本公司或其任何附屬公司訂立不可於一年內不支付補償(法定補償除外)而終止之服務合約。

根據本公司組織章程細則，三分之一之現任董事須於應屆股東週年大會退任。

根據上市規則第13.51(2)條及第13.51B條披露董事資料

於回顧年度內曾更換若干董事。

曩麒先生已辭任董事會主席(「主席」)及執行董事職務，並不再擔任提名委員會主席及薪酬委員會成員，自2019年6月28日起生效。

陳佩良先生已辭任執行董事及本公司行政總裁(「行政總裁」)職務，並不再擔任提名委員會及薪酬委員會成員以及授權代表，自2019年6月28日起生效。

薛強先生已辭任執行董事職務，自2019年6月28日起生效。

李能先生已獲委任為主席、執行董事、提名委員會主席及薪酬委員會成員，自2019年6月28日起生效。

REPORT OF THE DIRECTORS

董事會報告

Mr. Zhao Minhao has been appointed as an executive Director, the Chief Executive Officer, a member of the Nomination Committee and Remuneration Committee and an authorised representative with effect from 28 June 2019.

Mr. Zhao Yeyong has been appointed as an executive Director with effect from 28 June 2019.

Details of the above changes of Directors and their biographies have been disclosed in the announcement dated 28 June 2019.

CONFIRMATION OF INDEPENDENCE

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules and all of them are considered to be independent under the Listing Rules.

DIRECTORS' INTERESTS IN CONTRACTS

There was no transaction, arrangement or contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which a Director of the Company had a material interest (either directly or indirectly) subsisted at the end of the year under review or at any time during the year under review.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed "Directors and Senior Management" on pages 8 to 11 of this annual report.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

There was no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which any controlling shareholders (as defined in the Listing Rules) had a material interest subsisted at the end of the year under review or at any time during the year under review.

趙旻昊先生已獲委任為執行董事、行政總裁、提名委員會及薪酬委員會成員以及授權代表，自2019年6月28日起生效。

趙葉勇先生已獲委任為執行董事，自2019年6月28日起生效。

有關上文董事變更事項及董事履歷詳情已於2019年6月28日之公佈披露。

獨立確認書

根據上市規則第3.13條，本公司已獲各獨立非執行董事發出年度獨立確認書，而彼等全體於上市規則下均屬獨立。

董事之合約權益

在回顧年度末或回顧年度內任何時間，本公司或其控股公司或其任何附屬公司並無訂立本公司董事擁有（無論直接或間接）重大權益之重要交易、安排及合約。

董事及高級管理層之履歷

本集團董事及高級管理層之履歷詳情於本年報第8至11頁「董事及高級管理層」一節披露。

控股股東之合約權益

於回顧年末或回顧年度內任何時間，本公司或其控股公司或其任何附屬公司並無訂立任何控股股東（定義見上市規則）於其中擁有重大權益之重要合約。

EQUITY-LINKED AGREEMENT

No equity-linked agreement which may result in the Company issuing shares was entered into or existed during the financial year, other than Share Option Scheme.

SHARE OPTION SCHEME

The Company's existing Share Option Scheme was approved for adoption pursuant to a written resolution of all of our Shareholders passed on 10 February 2015 for the purpose to provide our Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and or providing benefits to eligible participants and for such other purposes as the Board approve from time to time.

The principal terms of the Share Option Scheme are extracted as follows:

Purpose

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

- (i) motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

Who may join

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

- (i) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries;
- (ii) any directors (including executive, non-executive Directors and independent non-executive Directors) of our Company or any of its subsidiaries; and
- (iii) any advisers, consultants, suppliers, customers, agents and related entities to our Company or any of its subsidiaries.

股票掛鈎協議

除購股權計劃外，於本財政年度內概無訂立或存在可能導致本公司發行股份的股票掛鈎協議。

購股權計劃

根據全體股東於2015年2月10日通過的書面決議案，本公司的現有購股權計劃獲批准採納，令本公司得以靈活的方式給予合資格參與者激勵、獎勵、獎金、報酬及/或福利，以及達致董事會可能不時批准的其他目的。

購股權計劃的主要條款摘要如下：

目的

購股權計劃為股份獎勵計劃，及旨在確認及認可合資格參與者(定義見下文「合資格參與人士」一段)對本集團作出或可能已向本集團作出的貢獻。購股權計劃將為合資格參與者提供機會於本公司擁有個人利益以達致以下目標：

- (i) 鼓勵合資格參與者為本集團的利益而優化其表現效率；及
- (ii) 吸引及挽留合資格參與者或與彼等保持持續的業務關係，而該等合資格參與者的貢獻乃對或將對本集團的長遠發展有利。

合資格參與人士

董事會可酌情向下列人士(「合資格參與者」)授出購股權，以按下文「股價」段釐定的行使價認購董事會可能釐定之相關數目新股份：

- (i) 本公司或其任何附屬公司之任何全職或兼職僱員、行政人員或高級職員；
- (ii) 本公司或其任何附屬公司之任何董事(包括執行董事、非執行董事及獨立非執行董事)；及
- (iii) 本公司或其任何附屬公司之任何顧問、諮詢人、供應商、客戶、代理及相關實體。

REPORT OF THE DIRECTORS 董事會報告

Upon acceptance of the option, the grantee shall pay HK\$1.00 to our Company by way of consideration for the grant. Any offer to grant an option to subscribe for shares may be accepted in respect of less than the number of shares for which it is offered provided that it is accepted in respect of a board lot of dealing in shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Maximum number of Shares

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the Global Offering, being 17,260,000 shares, excluding for this purpose shares which would have been issuable pursuant to the Adjustment Option and options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company). Subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, our Board may:

- (i) renew this limit at any time to 10% of the shares in issue as of the date of the approval by our Shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to Eligible Participants specifically identified by our Board. The circular issued by our Company to our Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company at any time shall not exceed 30% of the shares in issue from time to time. No options shall be granted under any schemes of our Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph “Other Information — Share Option Scheme — Effect of alterations to capital” in Appendix V to the Prospectus whether by way of consolidation, capitalisation issue, rights issue, sub-division or reduction of the share capital of our Company but in no event shall exceed the limit prescribed in this paragraph.

於接納有關購股權時，承授人須向本公司支付1.00港元作為獲授購股權的對價。授出購股權以認購股份的要約所獲接納的認購股份數目可少於要約授出購股權所涉及之股份數目，惟接納的股份數目須為股份在聯交所買賣的一手單位或其完整倍數，且有關數目在一式兩份購股權接納要約文件中清楚列明。倘授出購股權的要約未於任何指定接納日期獲接納，則視為已被不可撤銷地拒絕。

股份數目上限

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及之股份數目上限共不得超過緊隨全球發售完成後已發行股份總數的10%，即17,260,000股股份，就此而言不包括根據調整權及根據購股權計劃（或本公司任何其他購股權計劃）的條款已失效的購股權原本可發行的股份。待本公司刊發通函並經股東在股東大會上批准及／或符合上市規則不時規定的其他要求後，董事會可：

- (i) 隨時更新該上限至股東在股東大會批准當日已發行股份的10%；及／或
- (ii) 向董事會特別指定的合資格參與者授出超過10%上限的購股權。本公司向股東寄發的通函須包括可獲授該等購股權的指定合資格參與者的一般資料、將予授出購股權的數目及條款以及向指定合資格參與者授出購股權的目的，並解釋該等購股權如何達致該目的，連同上市規則第17.02(2)(d)條規定的資料及第17.02(4)條規定的免責聲明。

儘管有上述規定，因根據購股權計劃及本公司任何其他購股權計劃授出及有待行使的所有尚未行使購股權獲行使而可予發行的股份，在任何時間均不得超過不時已發行股份的30%。倘根據本公司的任何計劃（包括購股權計劃）授出的購股權會導致超出30%上限，則不得授出該等購股權。倘本公司的股本架構出現列載於招股章程附錄五「其他資料 — 購股權計劃 — 股本變動的影響」一段中所述的任何變動（不論通過合併、資本化發行、供股、拆細或削減本公司股本方式），則可能授出的購股權所涉及之股份數目上限須按本公司核數師或認可獨立財務顧問確認為合適、公平及合理的方式作出調整，惟在任何情況下不得超過本段規定的限額。

Maximum number of options to any one individual

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as of the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by our Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) and the information as required under Rules 17.03(4) and 17.06 of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time; and
- (ii) the approval of our shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his close associates (or his associates if such Eligible Participant is a connected person) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before our shareholders' approval and the date of our Board meeting at which our Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. Our Board shall forward to such Eligible Participant an offer document in such form as our Board may from time to time determine.

Price of Shares

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

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

向任何個別人士授出購股權之數目上限

於直至授出日期止任何十二個月期間內，根據購股權計劃及本公司任何其他購股權計劃向每名合資格參與者授出之購股權（包括已行使及尚未行使之購股權）獲行使時已發行及可予發行之股份總數，不得超過於授出日期已發行股份之1%。倘進一步授出超過上述1%限額的購股權，本公司須：

- (i) 發出通函，當中載列合資格參與者的身份、將予授出購股權（及過往授予該參與者的購股權）的數目及條款以及根據上市規則第17.03(4)及17.06條及／或上市規則不時規定的該等其他規定要求的資料；及
- (ii) 經股東在股東大會上批准及／或符合上市規則不時規定的其他要求，而有關合資格參與者及其緊密聯繫人（或倘合資格參與者為關連人士，則其聯繫人）須放棄投票。將授予該參與者的購股權數目及條款（包括行使價）須於股東批准前釐定，而董事會提呈向該合資格參與者授出購股權的董事會會議日期就計算股份認購價而言，須視為購股權授出日期。董事會須向該合資格參與者發出按其可能不時釐定格式編製的要約文件。

股價

根據購股權計劃授出的任何特定購股權所涉股份之認購價由董事會全權酌情決定，惟該價格不得低於下列各項當中最者：

- (i) 股份於授出日期（須為聯交所所開市買賣證券的日子）於聯交所每日報價表所報的正式收市價；
- (ii) 緊接授出日期前五個營業日股份於聯交所每日報價表所報的正式收市價平均數；及
- (iii) 股份面值。

Restrictions on the times of grant of Options

A grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of our Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's annual, half-year, quarterly or other interim period results (whether or not required under the Listing Rules); and
- (ii) the deadline for our Company to publish an announcement of its annual or half-year, or quarterly or other interim period results (whether or not required under the Listing Rules), and ending on the date of actual publication of the results announcement.

Rights are personal to grantee

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt so to do.

Time of exercise of Option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by our Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by our Company in general meeting or by our Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption. There is no minimum period for which an option must be held before it can be exercised.

Performance target

A grantee may be required to achieve any performance targets as our Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

From the date of adoption of the Share Option Scheme to 31 March 2020, no options were granted under the Share Option Scheme.

授出購股權之時間限制

在發生股價敏感事件後或作出影響股價事件的決定後，本公司不可授出購股權，除非已根據上市規則規定公佈股價敏感資料。尤其於緊接以下日期（以較早者為準）前一個月起至實際刊發業績公佈日期止期間，本公司不可授出購股權：

- (i) 批准本公司年度、半年度、季度或其他中期業績（不論上市規則規定與否）的董事會會議日期（該日期須根據上市規則事先知會聯交所）；及
- (ii) 本公司刊發其年度、半年度、季度或其他中期業績（不論上市規則規定與否）的最後期限。

權利屬承授人個人所有

購股權屬承授人個人所有，可予全部或部分可行使或被視作行使（視乎情況而定）。承授人不可亦不得試圖以任何方式出售、轉讓、押記、抵押任何購股權，或就任何購股權設置產權負擔或以任何第三方為受益人設立任何權益（法定或實益）。

購股權的行使期限及購股權計劃的有效期

購股權可於購股權被視為已授出並獲接納日期起至該日起十年屆滿前期間隨時根據購股權計劃的條款予以行使。購股權的行使期由董事會全權酌情釐定，惟不得超過授出購股權後十年。於購股權計劃獲批准當日起十年後不得授出購股權。除非本公司經由股東大會或經由董事會提前終止，否則購股權計劃自其採納日期起十年內生效及有效。並無規定購股權於行使前須持有的最短期間。

表現目標

根據購股權計劃授出的任何購股權獲行使之前，承授人可能須達到董事會於授出購股權時列明的任何表現目標。

自購股權計劃採納日期起至2020年3月31日，概無根據購股權計劃授出購股權。

Apart from the aforesaid share option schemes, at no time during the year ended 31 March 2020 was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such right.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES AND INTEREST IN ASSOCIATED CORPORATION

As at 31 March 2020, none of the Directors and chief executives of the Company had any other interests and short positions in any shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code of the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND/ OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2020, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of Shareholder	Capacity/ nature of interest	Number of shares	Approximately percentage of shareholding in our Company 佔本公司股權的 概約百分比
股東名稱	身份／權益性質	股份數目	
HNA Aviation Investment Holding Company Ltd. (Note 1) (附註1)	Beneficial owner 實益擁有人	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Aviation (Hong Kong) Holdings Co., Limited 海航航空(香港)控股有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%

除前述購股權計劃外，於截至2020年3月31日止年度，本公司及其控股公司、附屬公司及同系附屬公司並無訂立任何安排，致使董事可透過收購本公司或任何其他團體公司之股份或債券獲取利益，且亦無董事，或彼等之配偶或18歲以下的子女擁有任何權利可認購本公司之股份或債券，或已行使有關權利。

董事及主要行政人員於股份、相關股份及債券中之權益及淡倉及於相聯法團之權益

於2020年3月31日，本公司並無董事及主要行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中擁有任何其他根據證券及期貨條例第XV部第7及8分部須通知本公司及聯交所之權益及淡倉(包括根據證券及期貨條例有關條文被當作或被視作擁有之權益及淡倉)，或根據證券及期貨條例第352條須記入該條所指之股東名冊之權益及淡倉，或根據上市規則所載之標準守則須通知本公司及聯交所之權益及淡倉。

主要股東及其他人士於本公司股份及相關股份中之權益及／或淡倉

於2020年3月31日，就董事所知，以下人士／實體(董事或本公司主要行政人員除外)於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉，或已錄入根據證券及期貨條例第336條本公司須存置的股東名冊內的權益或淡倉如下：

REPORT OF THE DIRECTORS

董事會報告

Name of Shareholder	Capacity/ nature of interest	Number of shares	Approximately percentage of shareholding in our Company 佔本公司股權的 概約百分比
股東名稱	身份／權益性質	股份數目	
HNA Tourism (International) Investment Group Co., Ltd. 海航旅業(國際)投資集團 有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Tourism International (Hong Kong) Co., Limited 海航旅業國際(香港)有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Tourism Group Limited 海航旅遊集團有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
HNA Group Co., Ltd. 海航集團有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
Hainan Traffic Administration Holding Co. Ltd. 海南交管控股有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
Tang Dynasty Development (Yangpu) Company Limited 盛唐發展(洋浦)有限公司	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
Hainan Province Cihang Foundation 海南省慈航公益基金會	Interest of a controlled corporation 受控制法團權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%
China Huarong Asset Management Co., Ltd. (Note 2) 中國華融資產管理股份有限公司 (附註2)	Security interest 抵押權益	129,372,494 (long position) 129,372,494股 (好倉)	74.96%

Notes:

1. HNA Aviation Investment Holding Company Ltd. is a wholly owned subsidiary of HNA Aviation (Hong Kong) Holdings Co., Limited which is owned as to 51.28% by HNA Tourism (International) Investment Group Co., Limited. HNA Tourism (International) Investment Group Co., Limited is a wholly owned subsidiary of HNA Tourism International (Hong Kong) Co., Limited. HNA Tourism International (Hong Kong) Co., Limited is a wholly owned subsidiary of HNA Tourism Group Limited (“海航旅遊集團有限公司”). HNA Group Co., Ltd. owns 69.96% of HNA Tourism Group Limited (“海航旅遊集團有限公司”). HNA Group Co., Ltd. is owned as to 70% by Hainan Traffic Administration Holding Co. Ltd.. Hainan Traffic Administration Holding Co. Ltd. is owned as to 50% by Tang Dynasty Development (Yangpu) Company Limited. Tang Dynasty Development (Yangpu) Company Limited is owned as to 65% by Hainan Province Cihang Foundation.

To the best of the Directors’ knowledge, information and belief, Cihang Sino-Western Cultural and Educational Exchange Foundation Limited after 31 August 2018 directly held 100% shareholdings of Pan-American Aviation Holding Company which in turn directly held 98% shareholdings of Tang Dynasty Development Company Limited which in turn directly held 35% shareholdings of Tang Dynasty Development (Yangpu) Company Limited* (盛唐發展(洋浦)有限公司).

2. According to the disclosure of interest notice filed by China Huarong Asset Management Co., Ltd. on 26 February 2020 (“CHAM Notice”), Option Best Holdings Limited (“Option Best”) held direct interest in 129,372,494 underlying Shares and is a wholly-owned subsidiary of Linewear Assets Limited (“Linewear Assets”). Linewear Assets is a wholly-owned subsidiary of Huarong International Financial Holdings Limited (“HIFH”). HIFH is owned as to 51% by Camellia Pacific Investment Holding Limited (“CPIH”). CPIH is a wholly-owned subsidiary of China Huarong International Holdings Limited (“CHIH”). CHIH is held as to 11.90% by Huarong Zhiyuan Investment & Management Co., Ltd. (“HZIM”) and as to 88.10% by Huarong Real Estate Co., Ltd. (“HRE”). Each of HZIM and HRE is a wholly-owned subsidiary of China Huarong Asset Management Co., Ltd.. Accordingly, Linewear Assets, HIFH, CPIH, CHIH, HZIM, HRE and China Huarong Asset Management Co., Ltd. are deemed to be interested in the underlying Shares held by Option Best by virtue of the provisions of the SFO.

Save as disclosed above, as at 31 March 2020, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests and short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

* for identification purpose only

附註：

1. HNA Aviation Investment Holding Company Ltd. 為海航航空(香港)控股有限公司一家全資附屬公司，後者由海航旅業(國際)投資集團有限公司持有51.28%權益。海航旅業(國際)投資集團有限公司為海航旅業國際(香港)有限公司的全資附屬公司。海航旅業國際(香港)有限公司為海航旅遊集團有限公司的全資附屬公司。海航集團有限公司持有海航旅遊集團有限公司69.96%權益。海航集團有限公司由海南交管控股有限公司持有70%權益，後者由盛唐發展(洋浦)有限公司持有50%權益，而盛唐發展(洋浦)有限公司由海南省慈航公益基金會持有65%權益。

就董事所知、所悉及所信，慈航東西文教交流基金會有限公司於2018年8月31日後直接持有Pan-American Aviation Holding Company之100%股權，而Pan-American Aviation Holding Company直接持有盛唐發展有限公司之98%股權，而盛唐發展有限公司則直接持有盛唐發展(洋浦)有限公司之35%股權。

2. 根據中國華融資產管理股份有限公司於2020年2月26日存檔之權益披露通知(「中國華融通知」)，Option Best Holdings Limited(「Option Best」)持有129,372,494股相關股份之直接權益，並為Linewear Assets Limited(「Linewear Assets」)之全資附屬公司。Linewear Assets為Huarong International Financial Holdings Limited(「HIFH」)之全資附屬公司，而HIFH由Camellia Pacific Investment Holding Limited(「CPIH」)擁有51%權益。CPIH為China Huarong International Holdings Limited(「CHIH」)之全資附屬公司。CHIH由Huarong Zhiyuan Investment & Management Co., Ltd.(「HZIM」)及華融置業有限責任公司(「華融置業」)分別持有11.90%及88.10%權益。HZIM及華融置業各自為中國華融資產管理股份有限公司之全資附屬公司。因此，根據證券及期貨條例之條文，Linewear Assets、HIFH、CPIH、CHIH、HZIM、華融置業及中國華融資產管理股份有限公司被視為於Option Best持有之相關股份中擁有權益。

除上文所披露者外，於2020年3月31日，董事並不知悉有任何其他人士／實體(本公司董事及主要行政人員除外)於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益及淡倉，或根據證券及期貨條例第336條記入本公司規定存置之股東名冊之權益及淡倉。

REPORT OF THE DIRECTORS 董事會報告

RETIREMENT SCHEMES

The Group has made pension scheme contributions and Mandatory Provident Fund scheme. Particulars of these retirement schemes are set out in note 2 and note 9 to the financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

COMPETITION AND CONFLICT OF INTERESTS

During the year, none of the Directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association of the Company, every Director is entitled to be indemnified out of the assets of the Company against all costs, expenses, losses or liabilities, which he may sustain or incur in or about the execution and discharge of the duties of his office, to the extent as permitted by laws.

The Company has maintained directors' liability insurance which has been in force throughout the financial year and up to date of this report to provide appropriate insurance cover for Directors' of the Company.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 March 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

TAX RELIEF AND EXEMPTION

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

PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CORPORATE GOVERNANCE REPORT

Details of the Group's corporate governance practices can be found in the Corporate Governance Report contained on pages 23 to 36 in this annual report.

退休計劃

本集團為退休金計劃及強制性公積金計劃作出供款。有關退休計劃的詳情載於財務報表附註2及附註9。

充足公眾持股量

根據本公司可公開取得的資料以及據本公司董事所知，本公司截至本年報日期一直維持香港聯合交易所有限公司證券上市規則（「上市規則」）所訂明的公眾持股量。

競爭及利益衝突

年內，並無董事或本公司主要股東或任何彼等各自的聯繫人士從事與本集團業務構成或可能構成競爭的任何業務或與本集團有任何其他利益衝突。

獲准許的彌償條文

根據本公司的組織章程細則，在法律容許的範圍內，各董事有權按其執行及履行職務時可能蒙受或產生的所有成本、開支、虧損及負債獲得從本公司資產中撥付彌償。

本公司為董事續投責任保險，相關保險在本財政年度全年直至本報告日期仍然生效，為本公司董事，提供適當保障。

購買、出售或贖回本公司的上市證券

截至2020年3月31日止年度，本公司及其任何附屬公司均沒有購買、出售或贖回任何本公司的上市證券。

稅務減免及豁免

董事並不知悉任何因股東持有本公司證券而享有的稅務減免及豁免。

優先購股權

本公司組織章程細則或開曼群島法例並無有關優先購股權的條文致使本公司有責任按比例向現有股東發售新股份。

企業管治報告

有關本集團企業管治常規的詳情，請參閱本年報第23至36頁所載企業管治報告。

COMPLIANCE WITH LAWS AND REGULATIONS

To the best knowledge of the management, the Group has complied with the relevant laws and regulations that have significant impact on the operations of the Group during the year ended 31 March 2020.

AUDIT COMMITTEE

This annual report and the financial results of the Group for the year ended 31 March 2020 have been reviewed by the Audit Committee. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company, risk management and internal control systems with senior management members of the Company.

CLOSURE OF THE REGISTER OF MEMBERS

To determine the eligibility of the shareholders of the Company to attend the annual general meeting to be held on 30 July 2020, the register of members will be closed from 27 July 2020 to 30 July 2020, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 pm on 24 July 2020.

ANNUAL GENERAL MEETING

The annual general meeting will be held on 30 July 2020. Shareholders should refer to details regarding the annual general meeting in the circular of the Company and the notice of meeting and form of proxy accompanying thereto.

AUDITORS

Crowe Horwath (HK) CPA Limited ("Crowe Horwath") 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 10 August 2017. PricewaterhouseCoopers ("PwC Hong Kong") was appointed as the auditor of the Company following the retirement of Crowe Horwath.

The consolidated financial statements of the Group have been audited by PwC Hong Kong, who will retire and, being eligible, will offer themselves for re-appointment at the forthcoming annual general meeting of the Company on 30 July 2020.

By order of the Board

LI Neng
Chairman

Hong Kong, 18 June 2020

遵守法律法規

就管理層所知，於截至2020年3月31日止年度，本集團已遵守對本集團的經營造成重大影響的相關法律法規。

審核委員會

本年報及本集團截至2020年3月31日止年度之財務業績已由審核委員會審閱。審核委員會亦已就本公司採用的會計政策及常規、風險管理及內部監控系統之事項與本公司高級管理人員進行討論。

暫停辦理股東登記手續

為確定本公司股東出席將於2020年7月30日舉行的股東週年大會的資格，本公司將於2020年7月27日至2020年7月30日止期間（包括首尾兩日）暫停辦理股東登記手續，期間將不會辦理任何股份過戶登記。為符合資格出席股東週年大會並於會上表決，所有過戶表格連同相關股票，最遲須於2020年7月24日下午四時三十分前送交本公司於香港的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，以辦理登記。

股東週年大會

本公司將於2020年7月30日舉行股東週年大會。有關股東週年大會的詳情，謹請股東參閱本公司的通函及大會通告連同所附代表委任表格。

核數師

國富浩華會計師事務所有限公司（「國富浩華」）於其任期屆滿後退任本公司核數師，自本公司於2017年8月10日舉行之股東週年大會結束起生效。國富浩華退任後，羅兵咸永道會計師事務所（「羅兵咸永道」）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審核。羅兵咸永道任滿退席，且合資格及將會於本公司2020年7月30日舉行之應屆股東週年大會上膺選連任。

承董事會命

李能
主席

香港，2020年6月18日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE REPORT

This is the fourth Environmental, Social and Governance (“ESG Report”) of Hifood Group Holdings Co., Limited (“Hifood” or the “Group”) (Stock code: 442), presenting its management approach and performance on environmental and social aspects.

The Group’s Board of Directors (the “Board”) acknowledges its responsibility to ensure the integrity of this report. The Board confirms that it has reviewed and approved the report which, to the best of its knowledge, addresses the material topics and fairly presents their ESG management approach and performance.

Reporting Guideline

The reporting principles of Materiality, Quantitative, Balance, and Consistency underpinned the preparation of this ESG report. This report has been prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (HKEX). Data in this report has been checked and analysed to explicate year-on-year changes and is presented in a way that allows for meaningful comparison. This report is published in both Chinese and English. In case of any discrepancy between the two versions, the English version shall prevail.

Reporting Period and Scope

The report covers the performance of the Group’s manufacturing and sale of jewellery products business. The data and narrative information included in this report represents the Group’s performance from 1 April 2019 to 31 March 2020. Quantitative environmental data during this reporting period cover operations in China also. Both the quantitative environmental data and social and environmental narrative include operations in both Hong Kong and China.

Feedback

The Group has taken into consideration the interests of its stakeholders to the greatest extent possible in compilation of this report. Your thoughts and feedback regarding what you would like to be incorporated in future reports are welcome. Please contact us at:

Address: Unit 3701–09, 37/F, Two International Finance Centre,
8 Finance Street, Central, Hong Kong
Tel: +852 2627 7088
Fax: +852 2363 8787
Email: enquiry@ktl.com.hk

關於本報告

此乃海福德集團控股有限公司（「海福德」或「本集團」）（股份代號：442）的第四份環境、社會及管治報告（「環境、社會及管治報告」），呈列於環境及社會方面的管理方針及表現。

本集團董事會（「董事會」）確認其有責任確保本報告的完整性。董事會確認已審閱及批准本報告，就其所深知，本報告已闡述相關重大主題，並公平呈列本集團的環境、社會及管治方針及表現。

報告指引

重要性、量化、平衡及一致性彙報原則為編製環境、社會及管治報告的基礎。本報告已遵照香港聯合交易所有限公司（香港聯交所）證券上市規則附錄27所載的環境、社會及管治報告指引編製。本報告的數據經核查及分析以可作具有意義及按年比較的方式呈列。本報告同時以中英文刊發。兩者間如有任何歧義，概以英文版為準。

報告期間及範圍

本報告涵蓋本集團製造及銷售珠寶產品業務表現。本報告所載的數據及論述資料指本集團於2019年4月1日至2020年3月31日期間的表現。報告期間的量化環境數據亦涵蓋在中國的業務。量化環境數據以及社會及環境論述均包括香港及中國的業務。

反饋

本集團在編製本報告時已盡可能考慮其持份者的利益。閣下如欲在未來的報告加入任何內容，歡迎提出建議及反饋。請透過下列方式與我們聯絡：

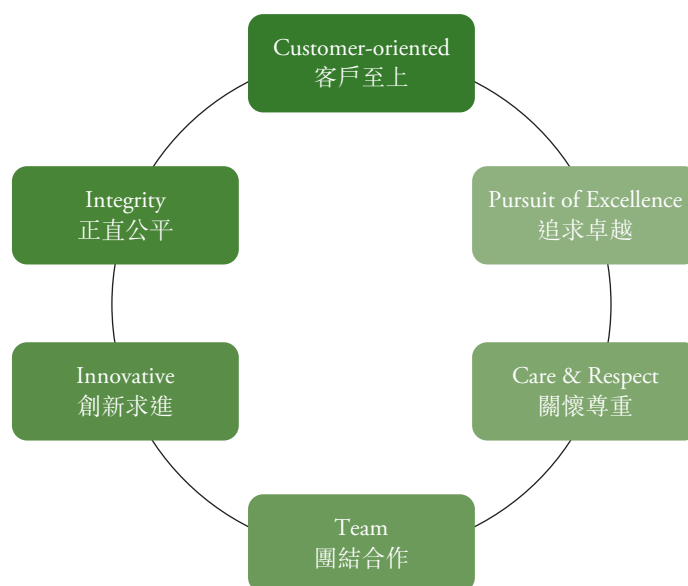
地址： 香港中環金融街8號國際金融中心二期
37樓3701至09室
電話： +852 2627 7088
傳真： +852 2363 8787
電郵： enquiry@ktl.com.hk

ESG MANAGEMENT APPROACH

Being a leading provider of fine jewellery, Hifood understands its responsibility of not only providing the best products and services to its customers, but also protecting the environment and social interests. With systematically formulated policies and practices, we have been gradually integrating ESG aspects into our daily operations. The Board, supported by different business units of Hifood in Hong Kong and China, have the ultimate responsibility of overseeing the Group's ESG policies and performance. The collaboration between various parties is coordinated by the Human Resources and Administration ("HR") Department.

環境、社會及管治管理方針

作為領先的優質珠寶供應商，海福德明白其責任不限於向客戶提供最佳產品及服務，亦在於保護環境及社會利益。本集團系統化制定政策及常規，逐步於日常營運融入環境、社會及管治元素。董事會於海福德香港及中國不同業務單位的支援下，肩負監察本集團環境、社會及管治政策及表現的最終責任。各方的合作由人力資源及行政（「人力資源」）部協調。





Environmental Protection
環境保護

The Group is committed to minimising its environmental impacts through a series of energy and resources conservation measures. We prioritise waste recycling in our production plants. We closely monitor emissions to ensure that they are in strict compliance with relevant regulatory standards. We continue to implement green-office initiatives, raising the awareness of employees on environmental protection.

本集團致力於通過一系列節約能源及保護資源的措施盡量減少對環境造成的影響。我們的生產廠房優先考慮廢棄物回收。我們密切監察排放物，確保嚴格遵守相關監管標準。我們繼續推行綠色辦公措施，提升僱員的環保意識。



Product Responsibility
產品責任

The Group has been striving to deliver high quality jewellery products and services. To ensure product quality, we adopt an ISO 9001:2015 certified quality management system and have in place a set of comprehensive quality assurance procedures and stringent supplier selection criteria. We maintain effective communication with our customers so as to maintain a high level of customer satisfaction.

本集團努力提供優質珠寶產品及服務。為確保產品質素，我們採用ISO 9001:2015認證質量的管理體系，並設有一套全面質量保證程序及嚴格的供應商挑選準則。我們與客戶保持有效溝通，以使客戶滿意度維持於高水平。



Talent Management
人才管理

The Group is committed to providing employees with a safe and healthy working environment. We offer competitive remuneration packages to attract and retain talents. We highly respect each individual and strive to promote diversity in our workplace. We offer appropriate and diversified training and opportunities, enabling our employees to excel and grow with the Group.

本集團努力為僱員提供安全及健康的工作環境。我們提供具競爭力的薪酬待遇，以吸引及留聘人才。我們高度尊重每名僱員，致力於促進工作環境的多樣性。我們提供合適及多元化的培訓及機會，使僱員與本集團共創佳績，一同成長。

Stakeholder Engagement

The Group acknowledges the importance of listening to concerns of stakeholders, meeting their expectations, and balancing their interests in maintaining sustainable business development. We communicate with internal and external stakeholders through various engagement channels to identify their issues of concern.

持份者參與

本集團明白聆聽持份者意見、滿足持份者期望及平衡持份者利益對維持可持續業務發展的重要性。我們透過多個參與渠道與內部及外部持份者溝通，識別其關注議題。

Employees 僱員	Customers 客戶	The Government 政府	Community 社區	Investors and Shareholders 投資者及股東
Concerned Topics 關注主題				
<ul style="list-style-type: none"> • Training and development 培訓及發展 • Occupational health and safety 職業健康與安全 • Remuneration 薪酬 • Workplace discrimination 職場歧視 	<ul style="list-style-type: none"> • Product quality 產品質量 	<ul style="list-style-type: none"> • Employee protection 僱員保護 • Business ethics 商業道德 	<ul style="list-style-type: none"> • Helping people in need 幫助有需要人士 	<ul style="list-style-type: none"> • Corporate governance 企業管治 • Operational risk 經營風險 • Business operation 業務經營 • Disclosure 披露
Engagement Channel 參與渠道				
<ul style="list-style-type: none"> • Labour union and Equality Working Group 工會以及平等工作小組 • Intranet and monthly newsletter 內聯網及每月通訊 • Mailbox 郵箱 • Year-end appraisal 年末考核 	<ul style="list-style-type: none"> • Product advertisement and exhibitions 產品廣告及展覽 • Feedback from front-line employees 前線僱員的反饋 • Company website 公司網站 	<ul style="list-style-type: none"> • Compliance with laws and regulations 遵守法律法規 	<ul style="list-style-type: none"> • Support charity organisations 支持慈善組織 	<ul style="list-style-type: none"> • Annual General Meeting 股東週年大會 • Annual Report and public announcement 年度報告及公開公告 • ESG report 環境、社會及管治報告 • Company website 公司網站

OUR ENVIRONMENT

To maintain sustainable business development, Hifood is committed to continually improving its environmental management and minimising its environmental impacts.

Environmental Management

Acknowledging the environmental impacts of its production operations in China and office-based operations in Hong Kong, the Group is committed to consistently monitor its operational processes to ensure strict compliance with relevant laws and regulations¹ in the People's Republic of China ("PRC"). The management of the Group has the overall responsibility of assuring that environmentally friendly and resources conserving practices are incorporated into the Group's daily operations. We advocate recycling, ensure compliant emissions and implement green initiatives in our offices to improve the environmental performance of operations in both our offices and production plant.

¹ Please refer to the section headed **Laws and Regulations** for environment-related laws and regulations.

我們的環境

為使業務可持續發展，海福德致力於持續改善環境管理及盡量減少對環境造成的影響。

環境管理

本集團明白其在中國的生產業務及在香港的辦公室經營的業務對環境構成的影響，故努力持續監督營運流程，確保嚴格遵守中華人民共和國（「中國」）的相關法律及法規¹。本集團管理層有整體責任確保環保及資源保護常規已融入本集團的日常營運。我們倡導回收、確保排放合規及於辦公室推行綠色措施，改善辦公室及生產廠房運作時的環保表現。

¹ 有關環境的法律及法規，請參閱法律及法規一節。

To the best of our knowledge, the Group was not aware of any non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste during the year under review.

Resources Consumption

Energy

Business operations of the Group consume resources including energy, water and packaging materials. During the year under review, we extended the collection of environmental data to include our operations in China.

The Group's total direct and indirect energy consumption comprised of 177,556.36 litres of petrol for vehicle use and 132,779.80 kWh of purchased electricity respectively during the year under review. The total energy consumption was about 6,137.05 Gigajoules ("GJ"), with petrol being the major component which contributed more than 92% of total energy consumption. The total energy intensity was approximately 197.97 GJ/person during the year under review.

The Group's greenhouse gas ("GHG") emissions include direct emissions from fuel consumption (Scope 1) and indirect emissions from the use of electricity (Scope 2). During the year, the total GHG emissions were 542.27 tonnes of carbon dioxide equivalent ("tCO₂e"), with Scope 1 and Scope 2 emissions accounting for approximately 87% (472.28 tCO₂e) and 13% (69.99 tCO₂e) respectively. The emission intensity was approximately 17.49 tCO₂e/person.

就本集團所深知，於回顧年度內，本集團並不知悉在廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物產生方面違反任何相關法律及法規而對本集團造成重大影響。

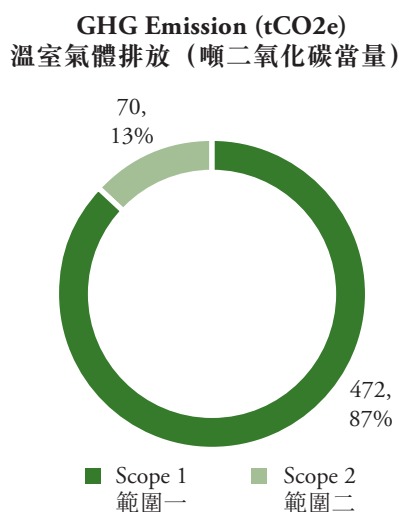
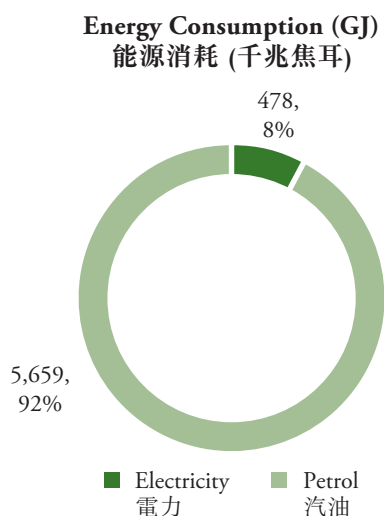
資源消耗

能源

本集團業務營運消耗的資源包括能源、水及包裝物料。於回顧年度內，我們將環境數據收集工作擴展至於中國的業務。

於回顧年度內，本集團的直接及間接總能源消耗分別為177,556.36升汽車用汽油及132,779.80千瓦時外購電力。總能源消耗約為6,137.05千兆焦耳，其中汽油為最大的組成部分，佔總能源消耗超過92%。於回顧年度內的總能源密度約為197.97千兆焦耳/人。

本集團溫室氣體排放包括因消耗燃料而產生的直接排放(範圍一)及因使用電力而產生的間接排放(範圍二)。年內，總溫室氣體排放量為542.27噸二氧化碳當量，範圍一及範圍二的排放分別佔約87%(472.28噸二氧化碳當量)及13%(69.99噸二氧化碳當量)。排放密度約為17.49噸二氧化碳當量/人。



Water Resources

During the year under review, the Group consumed approximately 4,051.57 m³ of municipal water for both domestic and production use, with an intensity of approximately 130.70 m³/person. The Group did not have any issue in sourcing water that is fit for the purpose.

Packaging Materials

The Group consumes paper materials for finished products packaging. During the year, a total of 669.35 kg of paper packaging materials were used. No plastic packaging materials were used.

Resources Conservation

Green Office — Let's GO

The Group has stepped up efforts for promoting conservation of energy and resources. We have continued to participate in "Let's Go", a green office scheme designed by a consulting firm, for our office-based operations in Hong Kong. By adopting a series of energy and resources saving initiatives, we have integrated environmental sustainability into our daily operations.

Under the scheme, an on-site assessment was conducted to evaluate our environmental performance of our office. Stickers and posters were provided and posted at prominent positions to raise employees' awareness of the need for environmental protection and for promoting development of greener habits.

水資源

於回顧年度內，本集團消耗約4,051.57立方米城市用水作生活及生產用途，密度約為130.70立方米／人。本集團於獲取適用水源作有關用途方面並無問題。

包裝物料

本集團的製成品包裝會消耗紙材料。年內，我們合共使用669.35公斤紙包裝材料。並無使用塑料包裝材料。

資源保護

綠色辦公措施 — 綠識空間

本集團加倍努力推動能源節約及資源保護。本集團於香港辦公室經營的業務繼續參與「綠識空間」（一家諮詢公司設計的綠色辦公計劃）。透過一系列節約能源及資源的措施，本集團將環境可持續發展融入日常經營中。

根據該計劃，我們的辦公室環保表現接受現場評估。我們獲提供的貼紙及海報已張貼於顯眼位置，以提升僱員就環保所需的意識及推動僱員養成更環保的習慣。



Emission Control

Air Emissions

The Group's air emissions are generated from petrol combustion by private vehicles in operations in Hong Kong and China. During the year under review, the Group emitted SO_x, NO_x and particulate matter amounting to 2.61 kg, 141.12 kg and 10.39 kg respectively.

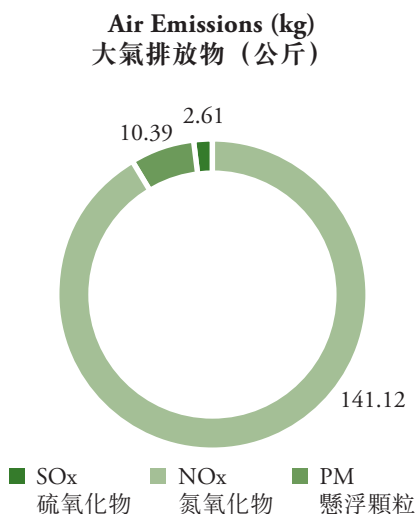
The process of polishing of jewellery in our plants in China emit fumes. We have in place a baghouse and desulphurisation device to remove particles and neutralise acidic sulphuric gases before discharge. During the year under review, we appointed a qualified third party to conduct air pollutant emissions test and inspection to ensure we comply with the Level 2 standard of Integrated Emission Standard of Air Pollutants of the PRC.

排放控制

大氣排放物

本集團的大氣排放物乃由香港及中國業務營運時私人汽車燃燒汽油所產生。於回顧年度內，本集團排放的硫氧化物、氮氧化物及懸浮顆粒分別為2.61公斤、141.12公斤及10.39公斤。

我們在中國的廠房進行珠寶拋光過程時會排放煙霧。我們設有袋濾室及脫硫設備，可在排放前去除顆粒並中和硫酸性氣體。於回顧年度內，我們委任合資格第三方進行空氣污染物排放測試及檢查，以確保我們符合《中國大氣污染物綜合排放標準》的二級標準。



Effluent

Wastewater generated by the Group consists of domestic sewage and production sewage. To ensure the sewage discharge meets the regulatory standard, we test it half-yearly to ensure it meets the requirements of the permit obtained from the Guangzhou government. Through careful and close monitoring of effluent discharge, we strive to conserve precious water resources and ensure no hazardous effluents are discharged into the neighbourhood.

To reduce water consumption and wastewater discharge, we recycle water used in production processes and use it for purposes like washing gypsum moulds. A small amount of effluents containing metal particles and colorants is generated, which is collected by a specialised service provider for recycling.

To ensure we meet the emissions standards of domestic water discharge in public utilities, facilities for a three-level treatment are in place to remove more than 80% of pollutants from sewage such as oil, scrap and organic compounds. We also reuse wastewater for cooling the central air-conditioning system.

污水

本集團產生的廢水包括生活污水及生產污水。為確保污水排放達規管標準，我們每半年進行一次測試，以確保其符合廣州市政府發出許可證的要求。通過審慎密切監控污水排放，我們努力保護寶貴的水資源，並確保並無有毒污水排放至附近區域。

為減少用水消耗及廢水排放，我們循環使用生產過程中已用的水，並將其用於洗滌石膏模具。產生的少量含有金屬屑及著色劑的污水，由專門的服務供應商收集以重新利用。

為確保符合公共事業的生活用水排放標準，我們已設立三層處理設施，以去除污水中超過80%的污染物，例如油、廢金屬及有機化學物。我們亦重新利用污水作中央空調系統的冷卻用途。

Waste

Production processes of the Group generate hazardous waste such as organic solvents, acidic and alkaline waste. A licensed waste collector has been appointed to handle the waste. To prevent leakage and nuisance, hazardous waste is separately stored and carefully transported. Records of collection and transfer of hazardous waste are maintained for inspection. We conduct annual reviews of performance of the contractor, to guarantee the validity of license and consistency of the service throughout the contract period.

The Group has implemented a series of measures for reducing waste generation, including recycling of old furniture, adopting social media for promotion instead of paper-printing and having four different kinds of recycling bins for metals, paper, plastics and glass in the office.

Since our office in Hong Kong has been moved to our parent company's office, data on waste is not available as office garbage is handled by the management office. Also, no record on waste generation was maintained in our operations in China.

Noise Management

We are conscious of the noise pollution generated from our production plants. Shock absorbers and sound insulation systems have been installed for noise reduction. The local noise monitoring unit conducts audits on ad hoc basis, ensuring the noise level remains within limits.

Plant Site Greening

We care about the ecological environment within and outside the production base and continue to strengthen our efforts for further greening. Striving to provide clean air to the production sites and the community nearby, we have appointed professional personnel for taking care of the plants and foliage.

廢棄物

本集團的生產過程會產生有害廢棄物，例如有機溶劑、酸性及鹼性廢棄物。我們已委聘持牌廢棄物收集公司處理廢棄物。為防止洩漏及滋擾，有害廢棄物獨立存放並小心運輸。我們保留有害廢棄物的收集及轉移記錄以供檢查。我們每年審閱承包商的表現，以保證整個合約期內牌照的有效性以及服務的一致性。

本集團已實施一系列減少廢棄物產生的措施，當中包括回收舊傢俱、採用社交媒體代替紙張打印進行宣傳，並在辦公室設置四種不同的回收箱（金屬、紙張、塑料及玻璃）。

由於我們在香港的辦公室已搬遷至母公司的辦公室，故無法獲得有關廢棄物的數據，原因乃辦公室垃圾由管理處負責處理。此外，我們並無就中國的業務保留任何廢棄物產生的記錄。

噪音管理

我們明白生產廠房會產生噪音污染。我們已安裝減震器及隔音系統以降低噪音。當地噪聲監測單位按特別情況進行審核，以確保噪聲水平維持在限制範圍內。

廠區綠化

我們關心生產基地內外的生態環境，並繼續加倍努力進一步綠化。我們已委聘專業人士照顧植物，努力為生產工地及附近社區提供潔淨空氣。

OPERATIONAL EXCELLENCE

Hifood is dedicated to achieving excellent quality. The Group is stepping up its efforts to maintain an effective quality management system and communicate with customers to improve its product and service quality continuously.

Product Quality

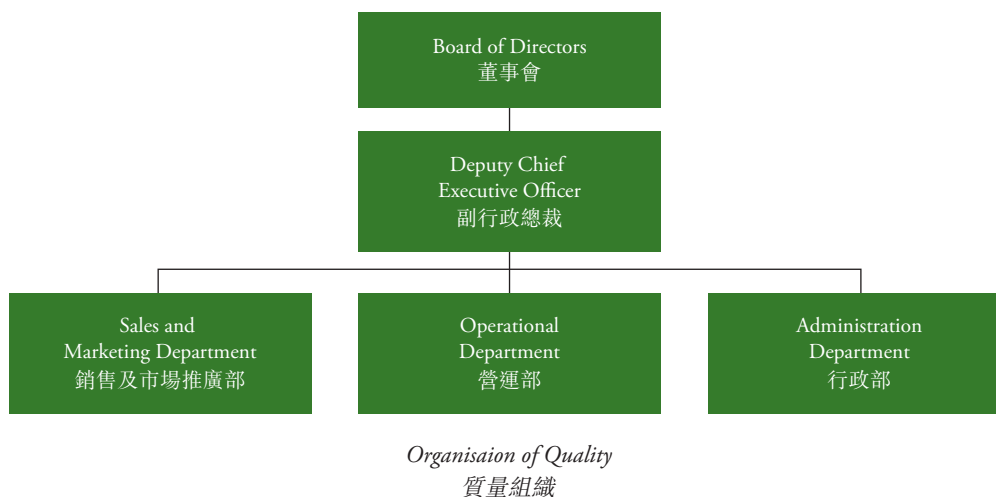
Delivering high-quality jewellery products to customers is the utmost priority of the Group. Maintaining high standards of product quality, the Group's production site is certified with ISO 9001:2015 management system. An Organisation for Quality comprising the board of directors, deputy chief executive officer, sales and marketing department, operational department and administration department has been established to monitor and manage the production process. Annual evaluation is conducted to ensure the effectiveness of the management system.

卓越營運

海福德致力實現卓越質量。本集團正加緊努力維持有效的質量管理制度，並與客戶溝通以不斷改善其產品及服務質量。

產品質量

向客戶交付優質珠寶產品對本集團至關重要。為保持高標準的產品質量，本集團的生產工地已通過ISO 9001:2015管理體系認證。並且已建立由董事會、副行政總裁、銷售及市場推廣部、營運部及行政部組成的質量組織，以監察並管理生產過程。本集團會每年進行評估，以確保管理體系有效。



Employees are required to obtain certifications to ensure they have acquired the necessary technical skills for production of high quality jewellery. Quality checks are conducted at different production stages, including inspection of raw materials, semi-finished products and finished products. The Group has formulated standard procedures for quality assurance processes. To ensure the raw materials meet the Group's standards and requirements, all raw materials including gems, diamonds and precious metals are inspected before use in production. At the same time, classification and grading of raw materials are done with reference to the Chinese national standards issued by the Standardisation Administration of China. Two-level quality checks are done in every quality assurance process; products are examined twice by different inspectors. Unqualified products are returned to the production site for correction. The products must pass all the quality inspections before they are put up for sale in the market.

本集團要求員工獲得認證，以確保彼等掌握生產優質珠寶所需技術技能。在不同的生產階段進行質量檢查，當中包括檢查原材料、半成品及製成品。本集團已就質量保證程序制定標準程序。為確保原材料符合本集團的標準及要求，所有原材料（包括寶石、鑽石及貴金屬）在用於生產前均會進行檢查。同時，原材料參照中國國家標準化管理委員會頒佈的中國國家標準分類與評級。在各質量保證過程中均進行兩級質量檢查；即產品會由不同的檢驗員進行兩次檢查。不合資格的產品將退回生產工地修正。產品在投入市場銷售前必須通過所有質量檢測。

To the best of our knowledge, the Group did not contravene any relevant laws and regulations² that have a significant impact on the Group relating to health, safety, privacy advertising, labelling and privacy matters relating to products and services provided and methods of redress during the year. Our business does not involve advertising and product labelling. Therefore, these aspects had no significant impact on our operations.

Enhancing Customer Satisfaction

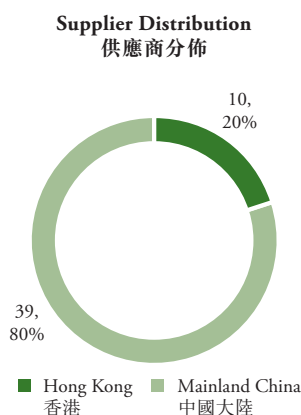
For continuous improvement in our business and ensuring customer satisfaction, it is of paramount importance to collect customers' opinions. The Group has standardised the customer complaint handling procedure to ensure customers' complaints are handled in a timely and effective manner. The Sales Department is responsible to liaise with the customers while relevant departments such as the Quality and Production Engineering Department are responsible to investigate complaints to ensure product quality. After investigation, rectification or preventive measures are taken when necessary.

The Group has also formulated a product recall handling procedure to ensure products are recalled effectively and efficiently when the situation so demands. Recalled or unqualified products are inspected by the Quality and Production Engineering Department, and they are repaired when necessary to ensure that all products are up to standard.

Supply Chain Management

Hifood maintains product quality by managing its supply chain in a strict manner. During the year under review, the Group engaged with a total of 49 suppliers, of which 39 are located in Mainland China. The Group regularly conducts market research on diamonds, gems and semi-precious stones and collects quotations from companies for price evaluation.

We are committed to procuring raw materials such as polished diamonds and services from suppliers under a fair, ethical and equitable screening process. Suppliers are evaluated according to a series of supplier selection criteria including price, product and service quality, delivery performance, quality consistency and competitiveness. Raw materials are procured from legitimate suppliers who meet the Group's supplier selection criteria. Semi-annual assessment is conducted to review the suppliers' performances. Suppliers with unsatisfactory performances are removed from the Group's supplier list.



² Please refer to the section headed **Laws and Regulations** for product responsibility-related laws and regulations.

據我們所深知，年內，本集團並無違反任何對本集團構成重大影響有關健康、安全、隱私廣告、標籤以及與所提供產品及服務有關的隱私事項以及有關糾正方法的相關法律及法規²。我們的業務不涉及廣告及產品標籤。因此，有關範疇對我們的業務並無重大影響。

提高客戶滿意度

為不斷改善業務並確保客戶滿意，收集客戶意見對我們十分重要。本集團已統一客戶投訴處理程序，以確保及時以有效方式處理客戶投訴。銷售部負責與客戶溝通，而質量及生產工程部等相關部門則負責調查投訴，以確保產品質量。經調查後，在必要時採取糾正或預防措施。

本集團亦制定產品回收處理程序，以確保在有需要時有效收回產品。已收回或不合格的產品將由質量及生產工程部檢查，並在必要時進行維修，以確保所有產品均符合標準。

供應鏈管理

海福德通過嚴格管理供應鏈維持產品質量。於回顧年度內，本集團共與49名供應商進行接洽，其中39名位於中國大陸。本集團定期就鑽石、寶石及半寶石進行市場研究，並收集公司報價以評估價格。

我們致力於通過公平、符合道德及公正的篩選程序，向供應商採購原材料（如已打磨的鑽石）及服務。根據一系列供應商挑選準則（包括價格、產品及服務質量、交付表現、質量一致性及競爭力）對供應商進行評估。原材料向符合本集團供應商挑選準則的合法供應商採購。每半年進行一次評估，以檢討供應商的表現。表現未如理想的供應商會從本集團供應商名單移除。

² 有關產品責任的法律及法規，請參閱法律及法規一節。

Data and Intellectual Property Rights Protection

The Group is committed to ensuring data security and privacy of its customers, suppliers and employees. Disclosure of any confidential documents of the Group without permission is strictly prohibited and employees remain responsible for confidentiality after termination of employment also. Employees must consult their supervisors or department managers to seek advice when handling confidential information. The Group also respects intellectual property rights; employees must not engage in infringement of intellectual property rights of third parties. To prevent data leakage, the Group has formulated policies and regulations relating to information security to ensure cybersecurity. For instance, installation of unauthorised software in the Group's computers is prohibited.

Business Ethics

The Group upholds high standards of integrity and honesty by strictly prohibiting all forms of corruption including bribery, extortion, fraud and money laundering. To maintain integrity in the workplace, anti-corruption policies have been developed to address corrupt behaviours.

Codes of Conduct relating to anti-corruption are stipulated in the Group's employee handbook. The Group also provides guidelines for employees to handle potential conflicts of interest and offers of advantage. Employees must report to their supervisors and the HR Department when they receive monetary or non-monetary benefits such as festive gifts or promotional gifts from external parties that cannot be rejected. To prevent conflicts of interest, employees are required to make a declaration to the Group when there is a potential for conflict of interest between the Group and relevant stakeholders.

The Group has established a whistleblowing policy to encourage stakeholders to report any suspected cases of corrupt behaviour to the internal audit committee and the HR Department verbally or through various channels including email, staff mailbox and 24-hour recorded message hotline. The identity of the whistle-blower is kept confidential. All reported cases are reviewed and investigated independently by internal audit committee, and the committee is responsible for preparing a detailed report after the investigation. Cases involving criminal offenses or corrupt behaviour are transferred to the local government departments for further investigation. Allegations of fraud, violation of the Group's standards and retaliation against the whistle-blower are subject to disciplinary actions.

To the best of our knowledge, the Group did not contravene any relevant laws and regulations³ that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering during the year under review. The Group was not involved in any corruption cases during the year under review.

³ Please refer to the section headed **Laws and Regulations** for anti-corruption-related laws and regulations

數據及知識產權保護

本集團致力於確保其客戶、供應商及僱員的資料安全及隱私。嚴禁未經許可披露本集團的任何機密文件，且僱員在終止僱用後仍須負責保密。僱員在處理機密資料時，必須諮詢其主管或部門經理意見。本集團亦尊重知識產權；僱員不得侵犯第三方的知識產權。為防止資料洩露，本集團已制定有關資料安全的政策及規定，以確保網絡安全。例如，禁止在本集團的電腦上安裝未經授權軟件。

商業道德

本集團嚴禁一切形式的貪污行為（包括賄賂、勒索、欺詐及洗黑錢），從而堅持高標準的誠信及誠實行為。為保持工作環境廉正，已制定反貪污政策應對貪污行為。

與反貪污有關的行為守則在本集團的僱員手冊訂明。本集團亦為僱員提供指引，以處理可能出現的利益衝突及利益輸送。僱員如接受來自外部人士不可拒絕的金錢或非金錢利益（如節日禮物或宣傳禮物），必須向其主管及人事部彙報。為防止出現利益衝突，倘本集團與相關持份者之間存在可能出現的利益衝突，則僱員須向本集團申報。

本集團已制定舉報政策，鼓勵持份者口頭或通過電郵、員工信箱及24小時錄音熱線等各種方式，向內部審核委員會及人事部彙報任何涉嫌貪污行為。舉報人的身分會保密。內部審核委員會將獨立審閱並調查所有經彙報個案，該委員會亦負責在調查後編製詳細報告。涉及刑事犯罪或貪污行為的個案將移交當地政府部門作進一步調查。有關欺詐、違反本集團標準及報復舉報人的行為須受紀律處分。

據我們所深知，本集團於回顧年度內並無違反任何對本集團構成重大影響有關賄賂、勒索、欺詐及洗錢的法律及法規³。本集團於回顧年度內並無涉及任何貪污案件。

³ 有關反貪污的法律及法規，請參閱**法律及法規**一節

OUR PEOPLE

People are regarded by the Group as important assets. The Group is committed to providing a fair and safe workplace to employees, offering development and training opportunities, as well as protecting their rights and benefits.

Employee Profile

As at 31 March 2020, the Group employed 31 full-time staff, of which 22 employees are based in mainland China. The ratio of male to female employees is 52:48. Regarding age, 81% of our staff are aged 31–50 and 13% are aged above 50. Among the employees, 16% are managerial staff and 84% are general staff.

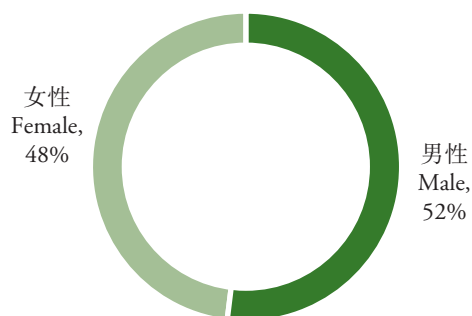
我們的員工

本集團將員工視為重要的資產。本集團致力於為員工提供公平及安全的工作環境，提供發展及培訓機會，並保障其權利及利益。

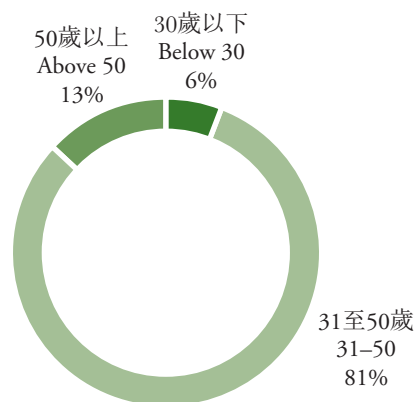
僱員概況

於2020年3月31日，本集團僱用31名全職員工，其中22名僱員位於中國大陸。男女僱員比例為52:48。就年齡而言，81%的員工年齡介乎31歲至50歲，而13%的員工年齡為50歲以上。在員工當中，管理人員佔16%，普通員工佔84%。

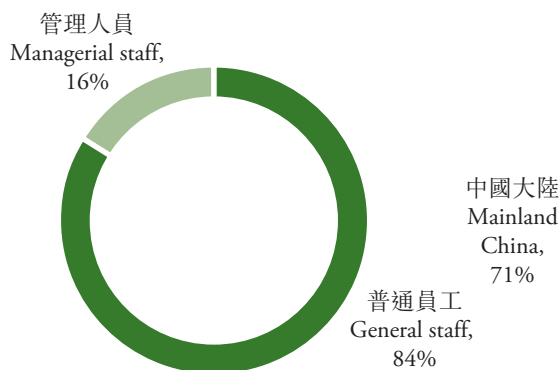
Employee Profile, by Gender
僱員概況（按性別）



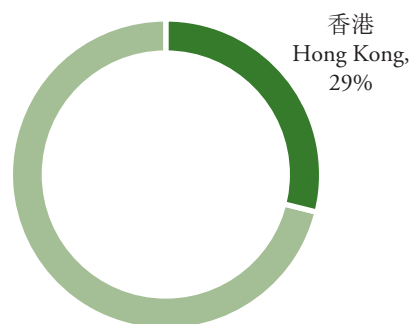
Employee Profile, by Age
僱員概況（按年齡）



Employee Profile, by Position Level
僱員概況（按職位等級）



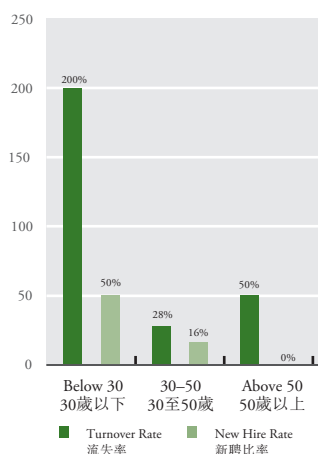
Employee Profile, by Geographical Region
僱員概況（按地區）



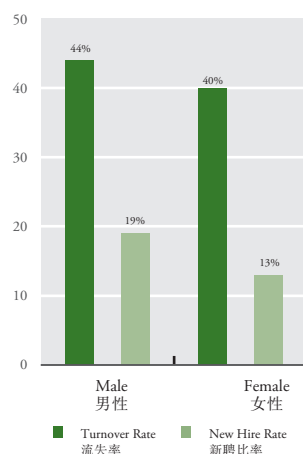
During the year under review, the overall employee turnover rate and new hire rate were 42% and 16% respectively. Detailed distributions of employee turnover and new hire rate by age and gender are presented in the graphs below:

於回顧年度內，整體僱員流失率及新聘比率分別為42%及16%。下圖顯示按年齡及性別劃分的僱員流失率及新聘比率的詳細分佈：

Turnover and New Hire Rates by Age
按年齡劃分的流失率及新聘比率



Turnover and New Hire Rates by Gender
按性別劃分的流失率及新聘比率



Employee Rights and Welfare

The Group is committed to providing a workplace free from harassment and one that treats all employees with dignity and respect. Regulations covering aspects such as remuneration, recruitment, promotion, working hours and equal opportunities are in place to protect employees' rights and benefits.

僱員權利及福利

本集團致力於提供不受騷擾的工作環境，給予僱員尊嚴及尊重。我們已制定涉及薪酬、招聘、晉升、工作時間及平等機會等方面的規定，以保障僱員的權利及利益。

To the best of our knowledge, the Group did not contravene any relevant laws and regulations⁴ that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare during the year under review.

據我們所深知，於回顧年度內，本集團並無違反任何對本集團構成重大影響有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的相關法律及法規⁴。

Talent Recruitment

The Group has stipulated guidelines for human resources management such as recruitment and employment processes in the employee handbook. Employees are selected based on a set of criteria including qualifications, work experience, education level and personal characteristics. The Group evaluates employees' work performance, attitudes and other key performance indicators on an annual basis. Promotion, position and salary adjustment are decided with reference to these appraisals.

人才招聘

本集團已於僱員手冊內訂明有關招聘及僱傭流程等人力資源管理指引。僱員乃根據一套標準(包括資歷、工作經驗、教育水平及個人品格)進行挑選。本集團會每年評估僱員的工作表現、態度及其他關鍵績效指標。晉升、職位及薪金調整乃經參考該等評核後決定。

⁴ Please refer to the section headed **Laws and Regulations** for labour-related laws and regulations.

⁴ 有關勞工相關法律及法規，請參閱法律及法規一節。

Welfare and Benefits

Employees contribute greatly to the Group's growth and development. The Group appreciates their support and hard work by providing comprehensive benefits to employees. Employees' remuneration is determined according to the market conditions and employees' performance, qualifications and experience.

Apart from statutory benefits, remuneration packages covering welfare and benefits such as healthcare, maternity and paternity leave, gifts on festive occasions and birthday and marriage leave are provided to attract and retain talents. In addition, annual health checks are provided to employees in China; 23 employees were entitled to the annual health checks during the year. For protecting employees from safety risks, the Group also purchases social insurance and labour insurance for employees. The Group recognises and rewards staff with outstanding performances with salary and bonus system under its general framework. The system is reviewed on an annual basis. Long service award and bonus are awarded to employees who have served the Group for more than 5 years to appreciate their continuous contributions.

Equal Opportunity and Diversity

The Group strives to ensure there is no discrimination against any employee or job applicant on the basis of gender, nationality, disability, age, skin colour, race and family position. Employees who have been subject to discrimination or any form of harassment are encouraged to report their cases to their supervisors or the HR Department. The Group investigate the case promptly and carry out corrective measures if the allegations are confirmed. An Equality Working Group has been established in China to monitor the implementation of anti-discrimination policies and handle relevant grievances.

Employment Standards

Labour rights are protected according to local laws and regulations and hiring of child and forced labour is strictly prohibited in the Group. To prevent illegal recruitment, the Group ensures all newly recruited employees are over 16 years old by checking their identification documents and labour contracts are signed based on mutual agreement between the Group and employees.

待遇及福利

僱員為本集團的增長及發展作出重大貢獻。本集團透過向僱員提供全面福利，對其支持及辛勤工作表達謝意。僱員薪酬乃根據市況以及僱員表現、資歷及經驗釐定。

除法定福利外，我們會提供薪酬待遇（包括醫療保健、產假及陪產假、節日禮品、生日假及婚假等待遇及福利）以吸引及挽留人才。此外，我們會向中國僱員提供年度健康體檢；於年內共有23名僱員有權接受年度健康體檢。為了保障僱員免受安全風險影響，本集團亦會為僱員投購社會保險及勞工保險。本集團會根據其整體框架，以薪金及花紅制度表彰及獎勵表現出色的員工。該制度會每年進行檢討。長期服務獎及花紅會頒授予已服務本集團超過5年的僱員，以感謝其持續貢獻。

平等機會及多元化

本集團致力確保任何僱員或求職者均不會因性別、國籍、殘疾、年齡、膚色、種族及家庭狀況而受到歧視。我們鼓勵曾遭受歧視或任何形式騷擾的僱員向其主管或人力資源部報告其案例。倘確認有關指控，本集團會迅速調查該案並執行修正措施。我們已於中國成立平等工作小組，以監督反歧視政策的實行情況及處理相關申訴。

僱傭準則

勞工權利乃根據當地法律及法規受到保護，且本集團嚴禁聘用童工及強制勞工。為了防止非法招聘，本集團會透過檢查所有新聘僱員的身份證明文件，確保彼等均年滿16歲，而勞工合約則根據本集團與僱員之間的雙方協定予以簽訂。

During the year under review, the Group was not aware of any non-compliance of relevant laws and regulations⁵ that have a significant impact on the Group relating to prevention of child and forced labour. There were no reported cases of child or forced labour during the year.

Employee Relations

The Group attaches great importance to mutual communication with employees. We engage with employees through various communication channels including intranet and monthly newsletters to update employees with the Group's latest policies and development. Our open-door policy encourages employees to share their ideas and comments on product designs and policies with the HR Department via staff mailbox. Safeguarding the legal rights and interests of employees, labour union and women workers' committee are established to mediate labour disputes.

Training and Development

Hifood strives to support training and development of employees for realisation of their potential to the fullest and to foster the Group's long-term and continuing development. The Group identifies training needs of employees with reference to their performance in the annual assessment, helping them perform better within their roles.

According to the development needs of the Group and employees' feedback, the HR department organises in-house training covering topics such as technical knowledge, management skills and stone jewellery classification, to equip employees with the necessary skills and knowledge and continuously improve their performances. All newcomers are required to attend internal and external training so that they can understand their responsibilities and work procedures. Managerial staff is responsible to conduct the internal training and share their experiences with participants.

The Group also provides training opportunities for young talents in jewellery making industry by collaborating with Panyu Vocational Training Center. We continue to assign trainers to conduct training courses on fine jewellery design and professional systems and provide technical support.

於回顧年度內，本集團並不知悉任何有關預防童工及強制勞工並對本集團造成重大影響的相關法律及法規⁵不合規事宜。年內並無有關童工或強制勞工的報告案例。

僱員關係

本集團十分重視與僱員的相互溝通。我們通過內聯網及每月通訊等多個溝通渠道與僱員進行互動，從而向僱員更新本集團的最新政策及發展。我們的開放政策鼓勵僱員藉由員工郵箱向人力資源部分享彼等對產品設計及政策的想法及意見。為了保障僱員的法定權益，我們已成立工會及女工委員會，以調解勞資糾紛。

培訓及發展

海福德會全力支持僱員培訓及發展，以充分發揮彼等的潛力及促進本集團的長遠持續發展。本集團經參考僱員於年度評估的表現後確定彼等的培訓需求，從而協助彼等提升在其職責範圍內的表現。

根據本集團的發展需要及僱員的反饋意見，人力資源部會組織涵蓋技術知識、管理技能及寶石分類等主題的內部培訓，使僱員掌握所需的技能及知識，並持續改進彼等的表現。所有新來者均須出席內部及外部培訓，讓彼等能夠了解其責任及工作流程。管理層員工負責進行內部培訓及向參加者分享彼等的經驗。

本集團亦透過與番禺就業訓練中心合作，為珠寶製造行業的年輕人才提供培訓機會。我們繼續指派培訓師進行有關優質珠寶設計及專業系統的培訓課程並提供技術支援。

⁵ Please refer to the section headed **Laws and Regulations** for labour-related laws and regulations.

⁵ 有關勞工相關法律及法規，請參閱**法律及法規**一節。

Occupational Health and Safety

Employees' safety is one of the Group's top priorities. The Group is committed to providing a safe and healthy workplace for its employees to reduce injury risks. Safety management and training systems and procedures are in place to minimise safety hazards in the workplace. During the year under review, there were no cases of work-related accidents and there were 0 lost days recorded; the Group did not record any case regarding work-related fatalities.

To the best of our knowledge, the Group did not contravene any relevant laws and regulations⁶ that have a significant impact on the Group relating to the provision of a safe working environment and protection of employees from occupational hazards during the year under review.

Safety and Emergency Management

To ensure compliance with relevant laws and regulations, the Group has put in place a production safety management policy and occupational hygiene management organisation for monitoring its operations and processes. Annual safety evaluation is led by the HR Department and it is also responsible for monitoring the usage of personal protective equipment. The persons-in-charge of the production units are responsible for the implementation of safety practices and the provision of safety education to employees.

For emergency management, the Group has established an emergency handling group headed by the HR Department for managing natural and man-made accidents such as fire, flooding and chemical leakage. Emergency plans include emergency preventive measures and handling procedures. These are formulated to ensure timely and effective handling of emergencies.

Production Safety

During fine jewellery production such as casting, polishing and gold-filling, our employees may be exposed to a number of safety hazards. For minimising production safety hazards, several safety measures are implemented at the workplace. Personal protective equipment including gloves, masks and eye protectors are provided to protect the employees against the safety hazards.

Post safety warnings at prominent positions in the workplace
在工作場所的顯眼位置張貼安全警告

Handle flammable and explosive materials according to legal requirements
根據法定規定處理易燃易爆物品

Require employees to use personal protective equipment at work
要求僱員於工作時使用個人防護設備

Safety Measures 安全措施

⁶ Please refer to the section headed **Laws and Regulations** for health and safety-related laws and regulations.

職業健康與安全

僱員安全為本集團的優先考慮事項之一。本集團致力為其僱員提供一個安全健康的工作場所，以降低受傷風險。我們已設立安全管理及培訓系統及程序，以盡量減低工作場所中的安全危害。於回顧年度內，概無工作相關事故案例及所錄得的損失天數為零；本集團並無錄得任何因工作關係而死亡的案例。

就我們所深知，本集團於回顧年度內並無違反任何有關提供安全工作環境及保障僱員避免職業危害並對本集團造成重大影響的相關法律及法規⁶。

安全及緊急管理

為了確保遵守相關法律及法規，本集團已制定安全生產管理制度及成立職業衛生管理機構，以監控其營運及流程。年度安全考核由人力資源部統領，該部門亦負責監督個人防護設備的使用情況。生產單位負責人則負責實施安全常規及為僱員提供安全教育。

就緊急管理而言，本集團已成立一個由人力資源部統領的緊急處理小組，以管理火警、洪災及化學洩漏等自然及人為事故。緊急計劃包括緊急預防措施及處理程序。制定該等計劃旨在確保及時及有效處理緊急情況。

生產安全

於優質珠寶生產（如鑄造、拋光及鑲金）的過程中，僱員可能會面臨多種安全危害。為了盡量減少安全生產危害，多項安全措施已於工作場所中實行。我們會提供手套、口罩及護目鏡等個人防護設備，以保障僱員避免安全危害。

⁶ 有關健康及安全相關法律及法規，請參閱法律及法規一節。

Safety Measures

Third-party safety evaluation is regularly conducted to identify the risk of exposure to poisonous materials, high temperature and emissions of dust and noise. Corrective measures are taken when any potential or existing risks are discovered. Monetary rewards and penalties are handed out to the responsible personnel based on their performance on managing safety issues.

Occupational health checks are provided to employees annually, and the Group has also created an occupational health monitoring profile for each employee to monitor their occupational health. If occupational health risk is detected, medical treatment is provided to the employee and corrective measures are taken in the workplace if necessary.

Safety Training

To ensure workplace safety and promote safety awareness, the production safety management policy of the Group stipulates provision of safety training to newcomers, temporary workers and transferees to ensure all employees possess the necessary knowledge on safety issues. All newcomers are required to complete safety training, ensuring that they are equipped with knowledge of occupational health and safety and correct usage of personal protective equipment. After the training, they must pass the assessment before discharging their duties. Safety training is provided to existing employees in different operational units regularly.

Considering that the Group's operations involve technical manufacturing procedures, relevant employees are required to undergo professional safety training and obtain the requisite certificate for the ability to operate specific machines assigned to them. The Group also invites government organisations to deliver safety education training to managerial staff and person-in-charge of occupational health regularly.

COMMUNITY INVOLVEMENT

Upholding the value of "taking from society and giving back to society", the Group is committed to contributing to the communities by way of charitable donations. During the year, the Group made donations to support epidemic prevention as well as elderly care in Mainland China. Moving forward, the Group will continue to fulfil its social responsibility by supporting the communities where it has operations.

安全措施

我們會定期進行第三方安全評估，以識別對有毒物料、高溫、灰塵與噪音排放的風險。一旦發現任何潛在或現有風險，則會採取修正措施。我們會根據負責人員在管理安全事項中的表現對其給予經濟上的獎罰。

我們會每年向僱員提供職業健康體檢，而本集團亦已為每名僱員創建職業健康監控資料，以監察其職業健康情況。倘發現職業健康風險，則會向僱員提供治療並在必要時於工作場所採取修正措施。

安全培訓

為了確保工作場所安全及提高安全意識，本集團的安全生產管理制度規定須向新來者、臨時工人及調崗者提供安全培訓，以確保所有僱員均具備有關安全事宜的必要知識。所有新來者均須完成安全培訓，以確保彼等掌握職業健康及安全知識以及如何正確使用個人防護設備。於培訓後，彼等必須在履行其職務前通過評估。我們會不定期向不同作業單位的現有僱員提供安全培訓。

考慮到本集團的營運涉及技術製造程序，相關僱員須接受專業安全培訓，並獲得可證明其有能力操作指派予彼等的特定器械的必要證書。本集團亦定期邀請政府機構向管理層員工及職業健康負責人提供安全教育培訓。

社區參與

秉承「取之於社會，回饋予社會」的價值觀，本集團致力通過慈善捐款為社區作出貢獻。年內，本集團捐款支持中國內地的防疫及老年人護理。展望未來，本集團將繼續透過支持其經營所在社區履行其社會責任。

LAWS AND REGULATIONS

In response to each ESG aspect, the Group has established and implemented respective management approach, for example policies and initiatives, to ensure the compliance with all applicable laws and regulations. The list of applicable laws and regulations is as follows:

法律及法規

為回應環境、社會及管治的各個層面，本集團已建立並實施相關管理方法（例如政策及舉措），以確保遵守所有適用法律及法規。適用法律及法規清單如下：

Aspect 層面	Applicable Laws and Regulations 適用法律及法規	Section/Remarks 章節／備註
Emissions 排放	<ul style="list-style-type: none"> Environmental Protection Law of the PRC 中華人民共和國環境保護法 Law of the PRC on the Prevention and Control of Environment Pollution Caused by Solid Wastes 中華人民共和國固體廢物污染環境防治法 Water Pollution Prevention and Control Law of the PRC 中華人民共和國水污染防治法 	OUR ENVIRONMENT — Environmental Management 我們的環境 — 環境管理
The Environmental and Natural Resources 環境及天然資源	<ul style="list-style-type: none"> Energy Conservation Law of the PRC 中華人民共和國節約能源法 	OUR ENVIRONMENT — Environmental Management 我們的環境 — 環境管理
Employment and labour standards 僱傭及勞工準則	<ul style="list-style-type: none"> Employment Ordinance 僱傭條例 Labour Law of the PRC 中華人民共和國勞動法 Law of the PRC on the Protection of Persons with Disabilities 中華人民共和國殘疾人保障法 Race Discrimination Ordinance 種族歧視條例 Sex Discrimination Ordinance 性別歧視條例 Family Status Discrimination Ordinance 家庭崗位歧視條例 	OUR PEOPLE — Employee Rights and Welfare, Employment Standards 我們的員工 — 僱員權益及福利、僱傭準則

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

Aspect 層面	Applicable Laws and Regulations 適用法律及法規	Section/Remarks 章節／備註
Health and Safety 健康與安全	<ul style="list-style-type: none"> • Law of the PRC on the Prevention and Control of Occupational Diseases 中華人民共和國職業病防治法 • Work Safety Law of the PRC 中華人民共和國安全生產法 	OUR PEOPLE — Occupational Health and Safety 我們的員工 — 職業健康與安全
Product Responsibility 產品責任	<ul style="list-style-type: none"> • Registered Designs Ordinance 註冊外觀設計條例 • Trade Marks Ordinance 商標條例 • Patent Law of the PRC 中華人民共和國專利法 • Chinese National Standards issued by the Standardisation Administration of China 國家標準化管理委員會頒佈的中國國家標準 	OPERATIONAL EXCELLENCE — Product Quality 卓越營運 — 產品質量
Anti-corruption 反貪污	<ul style="list-style-type: none"> • Prevention of Bribery Ordinance 防止賄賂條例 • Anti-unfair Competition Law of the PRC 中華人民共和國反不正當競爭法 	OPERATIONAL EXCELLENCE — Business Ethics 卓越營運 — 商業道德

PERFORMANCE DATA SUMMARY

績效數據概要

		2020 二零二零年
Workforce Demographics 僱員統計	Total Headcount 總人數	31
	By Region 按地區劃分	
	Hong Kong 香港	9
	Mainland China 中國大陸	22
	By Age 按年齡劃分	
	≤30	2
	31–50	25
	≥51	4
	By Gender 按性別劃分	
	Male 男性	16
	Female 女性	15
	By Position Level 按職位層級劃分	
	Management staff 管理層員工	5
	General staff 一般員工	26
	By Employment Type 按僱傭類型劃分	
	Full-time 全職	31
	Part-time 兼職	0
Employee Turnover Rate 僱員流失率	42%	
Employee New Hire Rate 僱員新入職率	16%	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

		2020 二零二零年
Health and Safety 健康與安全	Work-related injury 工傷	0
	Number of injured employees 受傷僱員人數	0
	Lost days due to work-related injury 因工傷損失日數	0
	Work-related fatalities 因工作關係死亡人數	0
Supply Chain Management 供應鏈管理	Supplier Distribution 供應商分佈	
	Hong Kong 香港	10
	Mainland China 中國內地	39
Environment 環境	Resources Consumption 資源消耗	
	Electricity (kWh) 電力(千瓦時)	132,779.80
	Petrol (Litre) 汽油(升)	177,556.36
	Total energy consumption (GJ) 總能源消耗(千兆焦耳)	6,137.05
	Energy intensity (GJ/person) 能源密度(千兆焦耳/人)	197.97
	Water (m ³) 用水(立方米)	4,051.57
	Water intensity (m ³ /person) 用水密度(立方米/人)	130.70
	Paper (kg) 紙(公斤)	669.35
	Plastics (kg) 塑料(公斤)	-

2020
二零二零年

	Emissions	
	排放物	
	GHG Emissions	
	溫室氣體排放	
	Scope 1: direct carbon emission (tCO ₂ e)	472.28
	範圍一：直接碳排放 (噸二氧化碳當量)	
	Scope 2: indirect carbon emission (tCO ₂ e)	69.99
	範圍二：間接碳排放 (噸二氧化碳當量)	
	Total (tCO ₂ e)	542.27
	總量 (噸二氧化碳當量)	
	GHG intensity (tCO ₂ e/person)	17.49
	溫室氣體排放密度 (噸二氧化碳當量/人)	
	Air pollutants	
	空氣污染物	
	Sulphur oxides (kg)	2.61
	硫氧化物 (公斤)	
	Nitrogen oxides (kg)	141.12
	氮氧化物 (公斤)	
	Particulate matter (kg)	10.39
	懸浮顆粒 (公斤)	
	Hazardous waste (Tonnes)	-
	有害廢棄物 (噸)	
	Non-hazardous waste (kg)	-
	無害廢棄物 (公斤)	
Community	Donation (HKD)	87,779
社區	捐款 (港元)	

HKEX ESG CONTENT INDEX

香港聯交所環境、社會及管治內容索引

KPIs 關鍵績效指標	Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定	Section/Remarks 章節／備註
A. Environmental A. 環境		
Aspect A1: Emissions 層面 A1：排放物		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	OUR ENVIRONMENT —Environmental Management 我們的環境 — 環境管理
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	OUR ENVIRONMENT —Emission Control 我們的環境 — 排放控制
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	OUR ENVIRONMENT —Emission Control 我們的環境 — 排放控制
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	OUR ENVIRONMENT —Emission Control 我們的環境 — 排放控制
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	OUR ENVIRONMENT —Emission Control 我們的環境 — 排放控制
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	OUR ENVIRONMENT —Emission Control 我們的環境 — 排放控制
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	OUR ENVIRONMENT —Emission Control 我們的環境 — 排放控制

KPIs 關鍵績效指標	Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定	Section/Remarks 章節／備註
Aspect A2: Use of Resources 層面 A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	OUR ENVIRONMENT —Resources Conservation 我們的環境 — 資源保護
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	OUR ENVIRONMENT —Resources Consumption 我們的環境 — 資源消耗
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	OUR ENVIRONMENT —Resources Consumption 我們的環境 — 資源消耗
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	OUR ENVIRONMENT —Resources Consumption 我們的環境 — 資源消耗
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for the purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	OUR ENVIRONMENT —Resources Consumption 我們的環境 — 資源消耗
KPI A2.5 關鍵績效指標 A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	OUR ENVIRONMENT —Resources Consumption 我們的環境 — 資源消耗
Aspect A3: The Environment and Natural Resources 層面 A3：環境及天然資源		
General Disclosure 一般披露	Policies on minimising the issuers' significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	OUR ENVIRONMENT — Noise Management, Plant Site Greening 我們的環境 — 噪音管理、廠區綠化
KPI A3.1 關鍵績效指標 A3.1	Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	OUR ENVIRONMENT —Noise Management, Plant Site Greening 我們的環境 — 噪音管理、廠區綠化

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

KPIs 關鍵績效指標	Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定	Section/Remarks 章節／備註
B. Social B. 社會		
Aspect B1: Employment 層面 B1：僱傭		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	OUR PEOPLE — Employee Rights and Welfare 我們的員工 — 僱員權益及待遇
KPI B1.1 關鍵績效指標 B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	OUR PEOPLE — Employee Profile 我們的員工 — 僱員概況
KPI B1.2 關鍵績效指標 B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	OUR PEOPLE — Employee Profile 我們的員工 — 僱員概況
Aspect B2: Health and Safety 層面 B2：健康與安全		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	OUR PEOPLE — Occupational Health and Safety 我們的員工 — 職業健康與安全
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	OUR PEOPLE — Occupational Health and Safety 我們的員工 — 職業健康與安全
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數。	OUR PEOPLE — Occupational Health and Safety 我們的員工 — 職業健康與安全
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	OUR PEOPLE — Occupational Health and Safety 我們的員工 — 職業健康與安全

KPIs 關鍵績效指標	Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定	Section/Remarks 章節／備註
Aspect B3: Development and Training 層面 B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	OUR PEOPLE — Training and Development 我們的員工 — 培訓及 發展
Aspect B4: Labour Standards 層面 B4：勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to prevention of child and forced labour. 有關防止童工及強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	OUR PEOPLE — Employment Standards 我們的員工 — 僱傭準 則
	KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。
		OUR PEOPLE — Employment Standards 我們的員工 — 僱傭準 則
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain 管理供應鏈的環境及社會風險政策。	OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管 理
	KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。
		OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管 理
	KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。
		OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管 理

KPIs 關鍵績效指標	Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定	Section/Remarks 章節／備註
Aspect B6: Product Responsibility 層面 B6：產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：	OPERATIONAL EXCELLENCE — Product Quality 卓越營運 — 產品質量
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	OPERATIONAL EXCELLENCE — Enhancing Customer Satisfaction 卓越營運 — 提高客戶滿意度
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	OPERATIONAL EXCELLENCE — Data and Intellectual Property Rights Protection 卓越營運 — 數據及知識產權保護
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	OPERATIONAL EXCELLENCE — Product Quality 卓越營運 — 產品質量
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	OPERATIONAL EXCELLENCE — Data and Intellectual Property Rights Protection 卓越營運 — 數據及知識產權保護

KPIs 關鍵績效指標	Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定	Section/Remarks 章節／備註
Aspect B7: Anti-corruption 層面 B7：反貪污		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	OPERATIONAL EXCELLENCE — Business Ethics 卓越營運 — 商業道德
	KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。
	KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。
Aspect B8: Community Investment 層面 B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。	COMMUNITY INVOLVEMENT 社區參與
	KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。



羅兵咸永道

To the Shareholders of Hifood Group Holdings Co., Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Hifood Group Holdings Co., Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 85 to 167, which comprise:

- the consolidated statement of financial position as at 31 March 2020;
- the consolidated statement of profit or loss and other comprehensive loss 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 Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致海福德集團控股有限公司股東
(於開曼群島註冊成立的有限公司)

意見

我們已審計的內容

海福德集團控股有限公司(「貴公司」)及其附屬公司(「貴集團」)列載於第85至167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虧損表；
- 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香港會計師公會(「香港會計師公會」)頒布的《香港財務報告準則》(「香港財務報告準則」)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其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》的披露規則妥為擬備。



BASIS FOR OPINION

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

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

羅兵咸永道

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

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



羅兵咸永道

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

A key audit matter identified in our audit is related to revenue recognition.

Key Audit Matter 關鍵審計事項

Revenue Recognition: Sales of goods 收益確認：貨品銷售

Refer to Note 2.21 Revenue Recognition and Note 5 to the consolidated financial statements.
請參考綜合財務報表附註2.21 收益確認及附註5。

During the year ended 31 March 2020, the Group has recognised revenue from sales of goods of approximately HK\$154 million.
截至2020年3月31日止年度，貴集團已確認貨品銷售收益約154百萬港元。

Revenue is recognised when the Group satisfies a performance obligation by transferring the control of promised goods to a customer, which is usually at the date when the Group has delivered the goods to the customer and the customer has accepted the goods.
收益確認的時點為貴集團滿足履行義務時，即將對貨品的控制轉移給客戶時，該時點通常為貴集團已將貨品發出且客戶收到貨品時。

We focused on this area due to the large volume of sales transactions generated from different customers in different locations during the year, and thus significant time and resources were devoted in this area.

我們關注該領域是由於於本年度不同地區的不同客戶產生大量銷售交易，因此在該領域投放了大量時間及資源。

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。

收益確認在我們的審計過程中被確認為關鍵審計事項。

How our audit addressed the Key Audit Matters 我們的審計如何處理關鍵審計事項

We understood, evaluated and tested management's key controls in respect of the Group's sales transactions from the approval of sales contract or sales order, sales recording, through to reconciliations with cash receipts, goods delivery notes, customers' receipt notes and records of each sales details and approval over sales return.

我們從合約或銷售訂單的審批、銷售記錄、銷售核對至現金收據、貨品交付票據、客戶收據及每筆銷售記錄詳情以及銷售退回的審批等各方面瞭解、評估和測試管理層對貴集團銷售交易的關鍵控制。

We understood and evaluated the revenue recognition policy of the Group by reviewing the sales contracts entered into with the customers and discussing with management.

我們通過覆核貴集團與客戶簽訂的合同及與管理層進行討論，了解以及評估貴集團的收益確認政策。

We conducted testing of revenue transactions covering different locations and customers, on a sample basis, by examining the relevant supporting documents, including sales orders, sales invoices, goods delivery notes, customers' receipt notes and bank statements for cash receipts. In addition, we confirmed selected trade receivables balances with the customers as at the end of reporting period. The items tested were selected on a sample basis by considering the amount, nature and characteristics of the customers.

我們透過抽樣檢查相關支持文件（包括銷售訂單、銷售發票、貨品交付票據、客戶收據及現金收據的銀行結單）對涵蓋不同地區及客戶錄得的收益交易進行測試。此外，我們於報告期末與客戶確認選定的貿易應收款項結餘。測試項目乃透過考慮客戶的數量、性質及特徵抽樣挑選。



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KEY AUDIT MATTERS (CONTINUED)

Key Audit Matter (Continued) 關鍵審計事項 (續)

How our audit addressed the Key Audit Matters (Continued) 我們的審計如何處理關鍵審計事項 (續)

We also tested sales transactions that took place shortly before and after the end of reporting period. We examined the corresponding goods delivery notes, customers' receipt notes and shipping documents, to assess whether revenue was recognised in the correct reporting periods.

我們同時測試於報告期末前後發生的銷售交易。我們審查了相應的貨品交付票據、客戶收據和貨運單據，以評估是否在正確的報告期內確認了收益。

We inspected the sales ledger after the end of reporting period to identify significant sales return.

我們在報告期末後檢查了銷售分類賬，以確定重大銷售退回。

Based on our audit procedures, we found the Group's revenue from sales of goods was recognised in a manner consistent with the Group's revenue recognition accounting policy and was supported by the evidence that we gathered.

基於我們的審計程序，我們認為貴集團的貨品銷售的收益確認與貴集團的收益確認會計政策一致，並且獲我們取得的證據支持。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



OTHER INFORMATION

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

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

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

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

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其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審計委員會就綜合財務報表須承擔的責任

貴公司董事須對根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規則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。

審計委員會須負責監督貴集團的財務報告過程。



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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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement 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.
- 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.

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，並出具包含我們意見的核數師報告。我們僅向閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，總能在某一重大錯誤陳述存在時發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總時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《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果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。



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- 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 the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jack Li.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 18 June 2020

- 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交易和事項。
- 就貴集團內各實體或業務活動的財務信息獲得充足而恰當的審計憑證，以便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，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律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黎英杰。

羅兵咸永道會計師事務所
執業會計師

香港，2020年6月18日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE LOSS 綜合損益及其他全面虧損表

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

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
REVENUE	收益	4&5	154,038	219,286
Cost of sales	銷售成本	9	(145,153)	(191,839)
Gross profit	毛利		8,885	27,447
Other income	其他收入	6	356	599
Selling expenses	銷售開支	9	(4,283)	(21,362)
Administrative expenses	行政開支	9	(25,269)	(49,818)
Net impairment losses on financial assets	金融資產減值虧損淨額	33	(2,614)	-
Other (losses)/gains, net	其他(虧損)/收益淨額	7	(43,462)	28,752
Finance costs	財務成本	8	(941)	(1,034)
Share of loss of a joint venture	應佔合營公司虧損	17	(8)	(27)
LOSS BEFORE TAX	除稅前虧損		(67,336)	(15,443)
Income tax expense	所得稅開支	12	(358)	(1,693)
LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY	本公司股權持有人應佔年內虧損		(67,694)	(17,136)
LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY:	本公司普通股權益持有人應佔虧損之每股虧損:			
— Basic and diluted	— 基本及攤薄	14	HK\$(0.39) (0.39) 港元	HK\$(0.10) (0.10) 港元
OTHER COMPREHENSIVE LOSS TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS, NET OF TAX	日後期間將予重新分類至損益賬的其他全面虧損，扣除稅項			
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額		(1,511)	(4,129)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	年內其他全面虧損，扣除稅項		(1,511)	(4,129)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY	本公司股權持有人應佔年內全面虧損總額		(69,205)	(21,265)

The above consolidated statement of profit or loss and other comprehensive loss should be read in conjunction with the accompanying notes.

以上綜合損益及其他全面虧損表應連同附註一起參閱。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 31 March 2020
於2020年3月31日

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	4,721	4,372
Right-of-use assets	使用權資產	16	1,009	–
Investment in a joint venture	於合營公司之投資	17	105	113
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	18	16,720	16,189
Total non-current assets	非流動資產總值		22,555	20,674
CURRENT ASSETS	流動資產			
Inventories	存貨	19	18,664	31,088
Trade receivables	貿易應收款項	20	78,910	51,569
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	9,222	3,730
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	18	152,201	–
Cash and bank balances	現金及銀行結餘	22	27,915	270,808
Total current assets	流動資產總值		286,912	357,195
Total assets	資產總值		309,467	377,869
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	23	19,725	28,515
Contract liabilities	合約負債	5	–	1,598
Borrowings	借貸	26	9,924	–
Lease liabilities	租賃負債	16	254	–
Taxes payables	應付稅項		145	245
Total current liabilities	流動負債總額		30,048	30,358

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

As at 31 March 2020
於 2020 年 3 月 31 日

		Notes 附註	2020 2020 年 HK\$'000 千港元	2019 2019 年 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債			
Lease liabilities	租賃負債	16	814	–
Deferred tax liabilities	遞延稅項負債	27	299	–
Total non-current liabilities	非流動負債總額		1,113	–
Total liabilities	負債總額		31,161	30,358
EQUITY	權益			
Equity attributable to the equity holders of the Company	本公司股權持有人應佔權益			
Share capital	股本	24	863	863
Reserves	儲備	25	277,443	346,648
Total equity	權益總額		278,306	347,511
Total equity and liabilities	權益及負債總額		309,467	377,869

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

以上綜合財務狀況表應連同附註一起參閱。

The consolidated financial statements on pages 85 to 167 were approved by the Board of Directors on 18 June 2020 and were signed on its behalf.

隨附 85 至 167 頁綜合財務報表已於 2020 年 6 月 18 日由董事會批准及代表簽署。

Li Neng
李能
Director
董事

Zhao Minhao
趙旻昊
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 the equity holders of the Company 本公司權益持有人應佔								
		Share capital	Share premium	Statutory surplus reserve	Merger reserve	Capital surplus	Exchange fluctuation reserve	Warrant reserve	Retained earnings	Total equity
		股本	股份溢價	法定盈餘儲備	合併儲備	資本盈餘	外匯波動儲備	認股權證儲備	保留盈利	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 24)	(note 24)	(note 25)	(note 25)	(note 25)	(note 25)	(note 24)	(note 24)	(note 24)
		(附註24)	(附註24)	(附註25)	(附註25)	(附註25)	(附註25)	(附註24)	(附註24)	(附註24)
As at 1 April 2018	於2018年4月1日	863	122,787	7,685	1,940	105,366	762	2,470	126,903	368,776
Loss for the year	年內虧損	-	-	-	-	-	-	-	(17,136)	(17,136)
Other comprehensive loss for the year:	年內其他全面虧損：									
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額	-	-	-	-	-	(4,129)	-	-	(4,129)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	(4,129)	-	(17,136)	(21,265)
Transaction with owners in their capacity as owners	與擁有人以其擁有人身份進行的交易									
Profit appropriations to statutory reserves	溢利撥至法定儲備	-	-	157	-	-	-	-	(157)	-
		-	-	157	-	-	-	-	(157)	-
As at 31 March 2019	於2019年3月31日	863	122,787	7,842	1,940	105,366	(3,367)	2,470	109,610	347,511
As at 1 April 2019	於2019年4月1日	863	122,787	7,842	1,940	105,366	(3,367)	2,470	109,610	347,511
Loss for the year	年內虧損	-	-	-	-	-	-	-	(67,694)	(67,694)
Other comprehensive loss:	其他全面虧損：									
Exchange differences on translation of foreign operations	換算國外業務產生的匯兌差額	-	-	-	-	-	(1,511)	-	-	(1,511)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	(1,511)	-	(67,694)	(69,205)
Transaction with owners in their capacity as owners	與擁有人以其擁有人身份進行的交易									
Profit appropriations to statutory reserves	溢利撥至法定儲備	-	-	104	-	-	-	-	(104)	-
Expiration of warrants	認股權證到期	-	-	-	-	-	-	(2,470)	2,470	-
		-	-	104	-	-	-	(2,470)	2,366	-
As at 31 March 2020	於2020年3月31日	863	122,787	7,946	1,940	105,366	(4,878)	-	44,282	278,306

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

以上綜合權益變動表應連同附註一起參閱。

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

	Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Loss before tax		(67,336)	(15,443)
Adjustments for:	調整：		
Finance costs	財務成本	8	1,034
Share of loss of a joint venture	應佔合營公司虧損	17	27
Interest income	利息收入	6	(96)
Gains on disposal of property, plant and equipment	出售物業、廠房及設備收益	7	(29,725)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	5,791
Depreciation of right-of-use assets	使用權資產折舊	16	–
Write-back of inventories to net realisable value	撇減存貨至可變現淨值	19	(3,198)
Net impairment losses on financial assets	金融資產減值虧損淨額	33	–
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	7	2,716
Fair value losses/(gains) on financial assets at fair value through profit or loss	按公允值計入損益的金融資產的公允值虧損/(收益)	7	(515)
Transaction cost for financial assets at fair value through profit or loss	按公允值計入損益的金融資產交易成本	7	–
Gain on disposal of a subsidiary	出售一間附屬公司的收益	7	(259)
		(18,768)	(39,668)
Decrease in inventories	存貨減少	13,167	21,189
(Increase)/decrease in trade receivables	貿易應收款項(增加)/減少	(31,656)	14,397
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)/減少	(5,586)	4,164
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)/增加	(9,241)	913
(Decrease)/increase in contract liabilities	合約負債(減少)/增加	(117)	1,598
Cash (used in)/generated from operations	經營(所用)/所得現金	(52,201)	2,593
Interest paid	已付利息	(121)	(1,045)
Interest elements of lease payments	租賃付款的利息部分	(76)	–
Interest elements of finance lease payments	融資租賃付款的利息部分	–	(213)
Income tax paid	已付所得稅	(149)	(2,285)
Net cash used in operating activities	經營活動所用現金淨額	(52,547)	(950)

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 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
	Notes 附註		
Net cash used in operating activities	經營活動所用現金淨額	(52,547)	(950)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Interest received	已收利息	72	96
Payment for financial assets at fair value through profit or loss	就按公允值計入損益的 金融資產付款	(198,053)	-
Payment for transaction cost for financial assets at fair value through profit or loss	就按公允值計入損益的 金融資產的交易成本付款	(710)	-
Purchases of property, plant and equipment	購置物業、廠房及設備	(3,713)	(3,916)
Proceeds from disposal of property, plant and equipment, net	出售物業、廠房及設備 所得款項淨額	1,285	47,909
Decrease in amounts due from a joint venture	應收合營企業款項減少	-	454
Net proceeds from disposal of a subsidiary	出售一間附屬公司所得款項淨額	887	(53)
Net cash (used in)/generated from investing activities	投資活動(所用)/所得現金淨額	(200,232)	44,490
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Proceeds from borrowings	借貸所得款項	10,710	24,313
Repayment of borrowings	償還借貸	(786)	(24,313)
Principal elements of lease payments	租金付款的本金部分	(168)	-
Principal elements of finance lease payments	融資租賃付款的本金部分	-	(1,977)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額	9,756	(1,977)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/ 增加淨額	(243,023)	41,563
Cash and cash equivalents at beginning of year	年初現金及現金等價物	270,808	230,489
Effect of foreign exchange rate changes	外匯匯率變動的影響額	130	(1,244)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物	27,915	270,808
	22		

Non-cash investing and financing activities disclosed in other note is:

- Acquisition of right-of-use assets — Note 16

非現金性投資及融資活動在其他附註披露：

- 購置使用權資產 — 附註16

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes.

以上綜合現金流量表應連同附註一起參閱。

NOTES TO 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. CORPORATE AND GROUP INFORMATION

Hifood Group Holdings Co., Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 6 June 2014. The registered office of the Company is located at Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The Company was formerly known as KTL International Holdings Group Limited and the name of the Company was changed to its current name on 24 October 2017.

During the year ended 31 March 2020, the Company and its subsidiaries (collectively the “Group”) were principally involved in the manufacture and sale of jewellery products, sale of precious metals and other raw jewellery materials and luxury watches.

In the opinion of the directors, the immediate holding company of the Company is HNA Aviation Investment Holding Company Ltd., which was incorporated in the Cayman Islands. The ultimate controlling company is HNA Group Co., Ltd., which was incorporated in Hainan Province, the People’s Republic of China (“PRC”).

Pursuant to a Deed of Appointment of Receivers dated 26 February 2020, Messrs. Lai Kar Yan (Derek) and Ho Kwok Leung Glen of Deloitte Touche Tohmatsu were appointed as joint and several receivers over the 129,372,494 ordinary shares held by HNA Aviation Investment Holding Company Ltd. in the Company, representing approximately 74.96% of the entire issued share capital of the Company (the “Receivership”). For details of the Receivership and the relevant updates, please refer to the Company’s announcements dated 13 March 2020, 15 April 2020, 15 May 2020 and 15 June 2020.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 11 March 2015 (the “Listing”).

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司及集團資料

海福德集團控股有限公司(「本公司」)於2014年6月6日在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處設於Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands。本公司前稱為KTL International Holdings Group Limited, 本公司的名稱於2017年10月24日變更為目前名稱。

於截至2020年3月31日止年度, 本公司及其附屬公司(統稱「本集團」)主要從事製造及銷售珠寶產品、銷售貴金屬及其他珠寶原材料, 及銷售奢侈手錶。

董事認為, 本公司的直屬控股公司為於開曼群島註冊成立的HNA Aviation Investment Holding Company Ltd., 而其最終控股公司為於中華人民共和國(「中國」)海南省註冊成立的海航集團有限公司。

根據2020年2月26日的接管人委任契據, 德勤•關黃陳方會計師行的黎嘉恩先生及何國樑先生就HNA Aviation Investment Holding Company Ltd. 於本公司持有的129,372,494股普通股, 獲委任為共同及各別接管人, 有關股份約佔本公司全部已發行股本74.96%(「接管權」)。有關接管權及相關更新的詳情, 請參閱本公司日期為2020年3月13日、2020年4月15日、2020年5月15日及2020年6月15日的公佈。

本公司股份於2015年3月11日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

綜合財務報表以港元(「港元」)呈列, 除另有指明外, 所有數值均四捨五入至最接近千位數。

NOTES TO 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. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊 及經營地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
KTL Jewellery Holdings Group Limited 三和珠寶控股集團有限公司	British Virgin Islands 英屬維爾京群島	HK\$1,950,009 1,950,009 港元	100	–	Investment holding 投資控股
KTL Brilliant Limited 三和展利有限公司	Hong Kong 香港	HK\$100,000 100,000 港元	–	100	Provision of car rental service to inter-group companies 向集團內公司 提供汽車租賃服務
KTL Management Limited 三和管理有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	–	100	Provision of management services to inter-group companies 向集團內公司 提供管理服務
K.T.L. Development Co., Limited 三和展貿有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	–	100	Investment holding and provision of car rental service to inter-group companies 投資控股及向集團內公司 提供汽車租賃服務
KTL (Guangzhou) Jewellery Limited* 雅和(廣州)首飾有限公司*	Mainland China 中國大陸	HK\$10,000,000 10,000,000 港元	–	100	Manufacture of jewellery 珠寶製造
Alan's Jewellery Company Limited 雅倫珠寶有限公司	Hong Kong 香港	HK\$10,000 10,000 港元	–	100	Trading of jewellery 珠寶貿易
Guangzhou KTL Jewellery Limited* 廣州市卡締爾首飾有限公司*	Mainland China 中國大陸	HK\$10,000,000 10,000,000 港元	–	100	Manufacture and trading of jewellery 珠寶製造及貿易
KTL Jewellery Trading Limited ("KTL Trading") 三和珠寶貿易有限公司 (「三和珠寶貿易」)	Hong Kong 香港	HK\$10,000 10,000 港元	–	100	Manufacture and trading of jewellery and investment holding 珠寶製造及貿易 以及投資控股
KTL Jewellery Manufacturer (Europe) Limited	Hong Kong 香港	HK\$1 1 港元	–	100	Trading of jewellery 珠寶貿易

* Registered as wholly foreign-owned enterprises under PRC law.

* 根據中國法律註冊的外商獨資企業。

1. 公司及集團資料(續)

關於附屬公司的資料

本公司主要附屬公司的詳情如下：

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

The above table lists the subsidiaries of the Company, which in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. As at 31 March 2020, the consolidated net assets value of all subsidiaries other than the Company was approximately HK\$113.6 million (2019: approximately HK\$130.0 million). To give details of other subsidiaries would, in the opinion of the directors, result in excessive length of particulars.

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 Basis of preparation

(i) Compliance with HKFRS and HKCO

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 (“HKCO”).

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial assets and financial liabilities are measured at fair value.

1. 公司及集團資料(續)

關於附屬公司的資料(續)

上表列示本公司之附屬公司，而董事認為，該等附屬公司對年度業績產生重大影響或構成本集團資產淨值之主要部份。於2020年3月31日，除本公司以外的所有附屬公司的綜合資產淨值約為113.6百萬港元(2019年：約130.0百萬港元)。董事認為，詳列其他附屬公司之詳情將會引致內容過於冗長。

2. 主要會計政策概要

本附註提供一系列在編製此等綜合財務報表時採用的重大會計政策。除非另行列明，否則有關政策已在所示全部年度貫徹應用。

2.1 編製基準

(i) 遵守香港財務報告準則及香港公司條例

本公司的綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)及第622章《香港公司條例》(「《香港公司條例》」)的披露規定編製。

(ii) 歷史成本慣例

綜合財務報表按歷史成本法編製，惟按公允值計量的金融資產和金融負債除外。

NOTES TO 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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

(iii) New standards and interpretations already adopted

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2019:

- *HKFRS 16 Leases*
- *Prepayment Features with Negative Compensation — Amendments to HKFRS 9*
- *Long-term Interests in Associates and Joint Ventures — Amendments to HKAS 28*
- *Annual Improvements to HKFRS Standards 2015–2017 Cycle*
- *Plan Amendment, Curtailment or Settlement — Amendments to HKAS 19*
- *Interpretation 23 Uncertainty over Income Tax Treatments*

The Group had to change its accounting policies as a result of adopting HKFRS 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. 主要會計政策概要(續)

2.1 編製基準(續)

(iii) 已採納的新訂準則及詮釋

本集團已於2019年1月1日開始的年度報告期間首次應用下列準則及修訂本：

- 香港財務報告準則第16號租賃
- 反向補償提前還款特徵 — 香港財務報告準則第9號修訂本
- 於聯營公司及合營企業之長期權益 — 香港會計準則第28號修訂本
- 香港財務報告準則2015年至2017年週期之年度改進
- 計劃修正、縮減或清償 — 香港會計準則第19號修訂本
- 詮釋23號所得稅處理之不確定性

由於採納香港財務報告準則第16號，故本集團須改變其會計政策。本集團選擇追溯採納新規則，惟已確認於2019年4月1日首次應用新準則的累計影響。有關影響於附註2.2披露。以上所列大部分其他修訂本並無對已於過往期間確認的金額造成任何影響，預期不會對本期間或未來期間造成重大影響。

NOTES TO 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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

(iv) **New standards and interpretations not yet adopted**

The following new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Amendments to HKAS 1 and HKAS 8
香港會計準則第1號及香港會計準則
第8號修訂本

Amendments to HKFRS 3
香港財務報告準則第3號修訂本
Revised Conceptual Framework

經修訂的概念框架
HKFRS 17
香港財務報告準則第17號

Definition of material
重大的定義

Definition of a business
企業的定義
Revised Conceptual Framework
for Financial Reporting

就財務報告修訂的概念框架
Insurance contracts
保險合約

1 January 2020
2020年1月1日

1 January 2020
2020年1月1日
1 January 2020

2020年1月1日
1 January 2021
2021年1月1日

**Effective for annual
periods beginning
on or after
於以下日期或
之後開始的
年度期間生效**

2. 主要會計政策概要(續)

2.1 編製基準(續)

(iv) **尚未採納的新訂準則及詮釋**

已發佈下列就2019年12月31日報告期間而言並非強制性的新會計準則及詮釋，本集團並無提早採納該等準則及詮釋。預期該等準則在當前或未來報告期間不會對實體及可預見未來交易產生重大影響。

NOTES TO 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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 16 *Leases* on the Group's consolidated financial statements.

As indicated in Note 2.1 above, the Group has adopted HKFRS 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 on 1 April 2019. The new accounting policies are disclosed in Note 2.24.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 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.

(i) Practical expedients applied

In applying HKFRS 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
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review — there were no onerous contracts as at 1 April 2019
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- 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.

2. 主要會計政策概要(續)

2.2 會計政策變動

本附註闡釋採納香港財務報告準則第16號租賃對本集團的綜合財務報表產生的影響。

誠如上文附註2.1所示，本集團自2019年4月1日起追溯採納香港財務報告準則第16號租賃，惟在該準則特定過渡條文准許的情況下，並無就2019年報告期間重列比較資料。因此，新租賃規則產生的重新分類及調整於2019年4月1日的年初結餘確認。新會計政策在附註2.24披露。

於採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號租賃的原則分類為「經營租賃」的租賃確認租賃負債。該等負債按餘下租賃付款的現值計量，並使用承租人截至2019年4月1日的增量借款利率貼現。

(i) 所採用可行權宜方法

於首次應用香港財務報告準則第16號時，本集團已採用以下該準則准許的可行權宜方法：

- 對具有合理相似特徵的租賃組合應用單一貼現率
- 依賴先前對租賃是否繁苛進行的評估作為進行減值審閱的替代方法 — 於2019年4月1日並無繁苛合約
- 將2019年4月1日餘下租期少於12個月的經營租賃以短期租賃方式入賬
- 於首次應用日期扣除初始直接成本以計量使用權資產；及
- 合約包含延長或終止租賃選擇權時，使用事後分析釐定租期

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For the year ended 31 March 2020
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies (continued)

(i) **Practical expedients applied (continued)**

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and Interpretation 4 Determining whether an Arrangement contains a Lease.

(ii) **Measurement of lease liabilities**

Operating lease commitments disclosed as at 31 March 2019
Discounted using the lessee's incremental borrowing rate of at the date of initial application
Less: short-term leases not recognised as a liability

Lease liability recognised as at 1 April 2019

2. 主要會計政策概要(續)

2.2 會計政策變動(續)

(i) **所採用可行權宜方法(續)**

本集團亦已選擇不重新評估於首次應用日期合約是否屬於或包含租賃。取而代之，就於過渡日期前訂立的合約而言，本集團依賴其應用香港會計準則第17號及詮釋4號釐定安排是否包含租賃作出的評估。

(ii) **計量租賃負債**

於2019年3月31日披露的經營租賃承擔
使用承租人於首次應用日期的增量借款利率貼現
減：確認為負債的短期租賃

於2019年4月1日確認的租賃負債

As at 1 April 2019
於2019年4月1日
HK\$'000
千港元

241

235

(235)

-

(iii) **Measurement of right-of-use assets**

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 March 2019.

(iv) **Adjustments recognised in the statement of financial position on 1 April 2019**

As the Group used the practical expedients of short-term leases, there was no financial impact as a result of the change in accounting policy.

(iii) **計量使用權資產**

物業租賃相關的使用權資產按追溯基準計量，猶如新規則一直獲應用。其他使用權資產按相等於租賃負債的金額計量，並就於2019年3月31日的財務狀況表確認的租賃有關的任何預付或應計租賃付款金額作出調整。

(iv) **於2019年4月1日在財務狀況表確認的調整**

由於本集團使用有關短期租賃的可行權宜方法，故會計政策變動不會對財務產生影響。

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For the year ended 31 March 2020
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Principles of consolidation and equity accounting

(i) Subsidiaries

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

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Joint arrangements

Under HKFRS 11 *Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iii) below), after initially being recognised at cost in the consolidated statement of financial position.

2. 主要會計政策概要(續)

2.3 合併與權益會計原則

(i) 附屬公司

附屬公司是指本集團有控制權的全部實體(包括結構化實體)。當本集團因為參與該主體而承擔可變回報的風險或享有可變回報的權利，並有能力透過其對該主體的權力影響該等回報時，本集團即控制該主體。附屬公司於控制權轉移至本集團之日合併入賬，自控制權終止之日不再合併入賬。

本集團內公司之間的交易、結餘及交易的未變現收益予以抵銷。未變現損失亦予以抵銷，除非本交易提供所轉撥資產的減值證據。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。

(ii) 合營安排

根據香港財務報告準則第11號合營安排，合營安排下的投資分類為合營業務或合營企業。分類取決於各投資方的合約權利及義務，而非按合營安排的法定結構。本集團擁有合營企業。

合營企業

於合營企業的權益在綜合財務狀況表中初步按成本確認後以權益法入賬，請參閱以下第(iii)項。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Principles of consolidation and equity accounting (continued)

(iii) 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 and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.8.

2. 主要會計政策概要(續)

2.3 合併與權益會計原則(續)

(iii) 權益法

根據權益會計法，投資初步按成本入賬，隨後予以調整以確認本集團在損益中應佔被投資單位的溢利或虧損，以及本集團在其他全面收入報表中應佔被投資單位的其他全面收入變動。聯營企業或合營企業已收或應收股息確認為投資賬面值之減少。

當本集團應佔按權益入賬之投資的虧損相當於或超過其於實體的權益時(包括任何其他無抵押的長期應收款項)，本集團不會確認日後虧損，除非其已代表其他實體產生責任或作出付款。

本集團與其聯營公司及合營公司之間交易所產生未變現收益的對銷，只限於本集團於該等實體的權益。未變現虧損亦會對銷，除非該交易有證據顯示所轉讓資產出現減值則作別論。按權益入賬之被投資單位的會計政策在必要時會作調整，以確保與本集團所採納之政策保持一致。

按權益入賬之投資的賬面值依照附註2.8所述政策進行減值測試。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 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 year 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.

2.5 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 a strategic steering committee which assesses the financial performance and position of the Group, and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

2. 主要會計政策概要(續)

2.4 獨立財務報表

於附屬公司的投資按成本減值列賬。成本包括投資直接應佔成本。附屬公司的業績由本公司按已收及應收股息基準列賬。

於附屬公司的投資須於自該等投資獲發股息而股息超過宣派股息年度的附屬公司全面收益總額時，或獨立財務報表內投資賬面值超過綜合財務報表內被投資方資產淨值(包括商譽)的賬面值時進行減值測試。

2.5 分部呈報

經營分部按向主要營運決策者提供的內部呈報一致的方式呈列。

本公司董事會已任命戰略決策委員會負責評估本集團財務業績及狀況並作出戰略性決策。決策委員會已被確定為主要經營決策者，由行政總裁、財務總監及企業規劃經理組成。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Foreign currency translation

(i) 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.

(ii) Transactions 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. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the 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 are recognised in other comprehensive income.

2. 主要會計政策概要(續)

2.6 外幣換算

(i) 功能及呈列貨幣

本集團各實體的財務報表所列項目乃按該實體主要經營所在經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表乃以港元(即本公司的功能及呈列貨幣)呈列。

(ii) 交易及結餘

外幣交易均按交易當日的匯率換算為功能貨幣。因結算該等交易及因按年結日匯率換算以外幣計值的貨幣資產及負債而產生的匯兌收益及虧損，通常於損益內確認。倘彼等與合資格現金流量對沖及合資格投資淨額對沖有關或歸因於海外業務投資淨額的一部分，則彼等於權益中遞延。

與借貸有關之外匯收益及虧損於收益表之融資成本內呈列。所有其他匯兌收益及虧損以淨額基準於損益表之其他收益/(虧損)內呈列。

按公允值計量並以外幣計值之非貨幣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的匯兌差額呈報為公允值損益之一部分。例如，按公允值計入損益之權益等非貨幣資產及負債之匯兌差額於損益內確認為公允值損益其中部分，非貨幣資產之匯兌差額於其他全面收益中確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Foreign currency translation (continued)

(iii) 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 that statement of financial position;
- income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation 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 and other financial instruments designated as hedges of such investments, 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. 主要會計政策概要 (續)

2.6 外幣換算 (續)

(iii) 集團成員公司

功能貨幣與呈列貨幣不同的海外業務(當中概無惡性通貨膨脹經濟的貨幣)的業績及財務狀況均換算為呈列貨幣,詳情如下:

- 各項財務狀況表之資產及負債均按照該財務狀況表結算日之匯率呈列並換算;
- 各項損益表的收入和支出均按照平均匯率折算為呈列貨幣,但若此平均匯率未能合理地反映各交易日之匯率所帶來的累積影響,則按照交易日之匯率折算此等收入和支出;及
- 所有產生的外幣換算差額均於其他全面收益內確認。

於編製綜合賬目時,換算海外實體任何投資淨額以及換算被指定為此等投資的對沖項目的借款及其他金融工具均於其他全面收益確認。當出售海外業務或償還構成該投資淨額部分的任何借款,相關的匯兌差額於損益賬重新歸類為出售的部分收益或虧損。

因收購境外業務而產生的商譽及公允值調整,被視作境外業務的資產及負債並按收市匯率折算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Foreign currency translation (continued)

(iv) Disposal of foreign operation and partial disposal

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

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

2. 主要會計政策概要(續)

2.6 外幣換算(續)

(iv) 境外業務的出售及部分出售

於出售境外業務(即出售本集團於境外業務的全部權益,或涉及喪失對一間擁有境外業務的附屬公司的控制權的出售,涉及喪失對擁有境外業務的合營企業的共同控制權的出售,或涉及喪失對一間擁有境外業務的聯營企業的重大影響力的出售)時,就本公司擁有人應佔該業務而於權益內累計的所有貨幣換算差額會重新歸類至損益。

倘有關部分出售並未導致本集團喪失擁有境外業務的附屬公司的控制權,則累計貨幣換算差額的按比例分佔再次計入非控股權益,而不在損益中確認。就所有其他部分出售(即減少本集團於聯營企業或合營企業的所有權權益但不會導致本集團喪失重大影響力或共同控制權)而言,按比例分佔的累計貨幣換算差額將予重新歸類至損益。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Property, plant and equipment and depreciation

All property, plant and equipment, are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

• Leasehold land	Over the lease terms
• 租賃土地	租期
• Buildings	2% to 2.5%
• 樓宇	2%至2.5%
• Leasehold improvement	Over the shorter of the lease terms and 20%
• 租賃物業裝修工程	租期或20% (以較短者為準)
• Furniture and fixtures	20%
• 傢俬及裝置	20%
• Office equipment and computers	20% to 33%
• 辦公設備及電腦	20%至33%
• Plant and machinery	20%
• 廠房及機器	20%
• Motor vehicles	20%
• 汽車	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

2. 主要會計政策概要 (續)

2.7 物業、廠房及設備以及折舊

所有物業、廠房及設備均按歷史成本減折舊列賬。歷史成本包括購買該等項目直接應佔的支出。成本亦可能包括從權益中轉撥有關利用合資格現金流量對沖外幣購置物業、廠房及設備所產生的任何收益或虧損。

其後成本僅在與項目相關的未來經濟利益可能流入本集團及該項目成本能可靠計量的情況下，方會計入資產賬面值或確認為獨立資產(如適用)。任何入賬列作獨立資產的零件之賬面值將於更換時終止確認。所有其他維修及保養於其產生的報告期間自損益扣除。

折舊於其估計可使用年期(或倘為租賃物業裝修及若干租賃廠房及設備，則於以下較短年期)按直線法分攤其成本或重估金額(扣除剩餘價值)計算：

Over the lease terms
租期
2% to 2.5%
2%至2.5%
Over the shorter of the lease terms and 20%
租期或20% (以較短者為準)
20%
20%
20% to 33%
20%至33%
20%
20%
20%
20%

資產的剩餘價值及可使用年期於各報告期末審閱，並作出適當調整。

倘資產賬面值高於其估計可收回金額，則即時將資產賬面值撇減至其可收回金額。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Property, plant and equipment and depreciation (continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

2.8 Impairment of non-financial assets

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. 主要會計政策概要(續)

2.7 物業、廠房及設備以及折舊(續)

出售產生的收益及虧損通過比較所得金額與賬面值釐定。該等金額計入損益中。當重估資產獲出售時，我們的政策是將有關該等資產的其他儲備中的任何金額轉移至保留盈利。

2.8 非金融資產減值

沒有確定使用年期的資產無需攤銷，惟須每年就減值進行測試，或倘出現可能減值的事宜或情況出現變動，則會作更頻密測試。其他資產如因事故或情況改變而顯示賬面值未能收回，亦須進行減值測試。減值虧損按資產賬面值超出其可收回金額的金額確認。可收回金額指資產公允值減出售成本及使用價值的較高者。就評估減值而言，資產按獨立可識別現金流入(即獨立於其他資產或一組資產的現金流入)(現金產生單位)的最低水平歸類。已減值的非財務資產(商譽除外)於各報告期末檢討是否可能撥回減值。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (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).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2. 主要會計政策概要(續)

2.9 投資及其他金融資產

(i) 分類

本集團按以下計量類別分類其金融資產：

- 其後按公允值計量(計入其他全面收益或計入損益)的金融資產，及
- 按攤銷成本計量的金融資產。

有關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。

對於按公允值計量的資產而言，其收益及虧損將計入損益或其他全面收益。對於非持作買賣的權益工具投資而言，其將取決於本集團在初始確認時是否作出不可撤銷的選擇而將有關股本投資按公允值計入其他全面收益(「按公允值計入其他全面收益」)入賬。

當及僅當管理該等資產的業務模式發生變化時，本集團方會將債務投資重新分類。

(ii) 確認及終止確認

以一般方式買賣的金融資產均於交易日(即本集團承諾收購或出售資產當日)確認。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，且本集團已大致上將擁有權的所有風險和回報轉移，則終止確認該等金融資產。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and other financial assets (continued)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (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.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

2. 主要會計政策概要(續)

2.9 投資及其他金融資產(續)

(iii) 計量

於初始確認時，本集團按公允值計量金融資產，倘金融資產並非按公允值計入損益，則加上收購該金融資產直接應佔的交易成本。按公允值計入損益的金融資產交易成本於損益中支銷。

在釐定具有嵌入衍生工具金融資產的現金流量是否純粹為本金及利息付款時，須從金融資產的整體作考慮。

債務工具

債務工具的隨後計量視乎本集團管理資產的業務模型及資產的現金流量特性而定。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：倘持有資產旨在收取合約性現金流量，而該等資產的現金流量純粹為本金及利息付款，則該等資產按攤銷成本計量。該等金融資產的利息收入以實際利率法計入財務收入。終止確認產生任何收益或虧損直接於損益中確認，並連同匯兌收益及虧損於其他收益／(虧損)中呈列。減值虧損於損益表中呈列為獨立項目。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and other financial assets (continued)

(iii) 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 revenue 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/(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/(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/(losses) in the period in which it arises.

2. 主要會計政策概要(續)

2.9 投資及其他金融資產(續)

(iii) 計量(續)

債務工具(續)

- 按公允值計入其他全面收益：倘持有資產目的為收取合約性現金流量及銷售金融資產，且資產的現金流量純粹為本金及利息付款，則按公允值計入其他全面收益計量。賬面值變動計入其他全面收益，惟減值損益、利息收益及匯兌損益於損益中確認。於終止確認金融資產時，過往於其他全面收益確認的累計收益或虧損由權益重新分類至損益並於其他收益／(虧損)中確認。該等金融資產的利息收入乃使用實際利率法計入財務收入。匯兌收益及虧損於其他收益／(虧損)中呈列，而減值開支在損益表中呈列為獨立項目。
- 按公允值計入損益：不符合攤銷成本或按公允值計入其他全面收益標準的資產乃以按公允值計入損益計量。隨後按公允值計入損益的債務投資的損益於其產生期間在損益中確認並在其他收益／(虧損)中呈列為淨值。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and other financial assets (continued)

(iii) Measurement (continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in 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/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost 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 HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See Note 20 for further details.

2. 主要會計政策概要(續)

2.9 投資及其他金融資產(續)

(iii) 計量(續)

權益工具

本集團隨後就所有股本投資按公允價值計量。當本集團管理層已選擇於其他全面收益呈列股本投資的公允價值收益及虧損，公允價值收益及虧損於終止確認投資後不會重新分類至損益。有關投資的股息於本集團收取款項的權利確立時繼續於損益確認為其他收入。

按公允價值計入損益的金融資產公允價值變動於損益表中確認為其他收益／(虧損)(倘適用)。按公允價值計入其他全面收益計量的股本投資的減值虧損(及減值虧損撥回)不會因公允價值其他變動而分開列報。

(iv) 減值

本集團對有關其按攤銷成本列賬及按公允價值計入其他全面收益的債務工具的預期信貸虧損進行前瞻性評估。所應用的減值方法取決於信貸風險是否大幅增加。

就貿易應收款項而言，本集團應用香港財務報告準則第9號允許的簡化方法，其中要求全期預期虧損須自首次確認應收款項時確認。有關進一步詳情，請參見附註20。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where the Company 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 Company 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.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.12 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 within 120 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 20 for further information about the Group's accounting for trade receivables and Note 33 for a description of the Group's impairment policy.

2. 主要會計政策概要(續)

2.10 抵銷金融工具

倘本公司現時擁有合法可強制執行權利抵銷已確認金額及擬按淨額基準結付或同時變現資產及結付負債，則金融資產及負債可予抵銷，而有關淨額在財務狀況表呈報。本公司亦已制定安排，惟有關安排不符合抵銷標準但仍准許相關款項在若干情況下(例如破產或終止合約)抵銷。

2.11 存貨

存貨乃按成本與可變現淨值兩者中之較低者列賬。成本乃按先進先出基準釐定及(倘為在製品及製成品)包括直接材料、直接勞工及適當比例之日常開支。可變現淨乃是根據估計售價扣除直至完成及出售所需之任何估計成本計算。

2.12 貿易應收款項

貿易應收款項為在日常業務過程中就已售貨品及履行的服務而應收客戶的款項。貿易應收款項一般於結算後120日內到期，因此全數分類為流動款項。

貿易應收款項初步按已成為無條件的代價金額確認，除非含有重大融資成份，在有關情況下，則按公允價確認。本集團持有目的為收取合約現金流量的貿易應收款項，因此其後使用實際利率法按攤銷成本對其進行計量。有關本集團貿易應收款項的會計方法的進一步資料及本集團的減值政策概述請分別參閱附註20及附註33。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

2.14 Share capital

Ordinary shares and non-redeemable participating preference 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.

2.15 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 within 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. 主要會計政策概要(續)

2.13 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、金融機構活期存款、其他短期、高流動性投資(初始期限為三個月或以內，該類投資可隨時轉換為可知數額的現金且無重大的價值變動風險)以及銀行透支。銀行透支於財務狀況表內流動負債中借貸項下列示。

2.14 股本

普通股及不可贖回分成優先股分類為權益。

發行新股或購股權直接相關的新增成本於權益中列作所得款項的扣減(扣除稅項)。

2.15 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。該等金額為無抵押及通常於確認後180日內償付。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，且其後使用實際利率法按攤銷成本計量。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 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 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.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

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.

2.17 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.

Other borrowing costs are expensed in the period in which they are incurred.

2. 主要會計政策概要(續)

2.16 借貸

貸款扣除所產生的交易成本後初步按公允價值確認。貸款其後按攤銷成本計量。所得款項(扣除交易成本)與贖回金額之間的差額於貸款期間以實際利率法於損益確認。為建立貸款額度所支付的費用在部分或全部融資額度將會很可能被提取的情況下確認為貸款的交易成本。在此情況下，費用遞延至貸款提取為止。倘沒有證據證明部分或全部融資額度將會很可能被提取，則該費用會被資本化為流動資金服務的預付款，並按有關的融資額度期間攤銷。

當合約列明的債務被解除、取消或到期時，借貸自財務狀況表中刪除。已消除或轉撥至另一方的金融負債的眼面值與已付代價的差額，包括任何已轉撥的非現金資產或已承擔負債，在損益中確認為財務成本。

倘重新商討金融負債的條款，而實體向債權人發行權益工具，以消除全部或部分負債(權益與債務掉期)，該項金融負債眼面值與所發行權益工具公允值的差額在損益中確認為收益或虧損。

除非本集團有權無條件將債務結算日期遞延至報告期後至少12個月，否則貸款將分類為流動負債。

2.17 借貸成本

可直接歸屬於收購、建築或生產合資格資產的一般及特定貸款成本，在完成及籌備資產作其預定用途或出售所需的期間內資本化。合格資產是須花費相當長時間方可用作擬定用途或銷售的資產。

其他借貸成本於產生期間支銷。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Current and deferred Income tax

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's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

2. 主要會計政策概要(續)

2.18 流動及遞延所得稅

期內所得稅開支或抵免為本期間根據各司法權區適用所得稅稅率計算的應課稅收入的應付稅項，並經歸屬於暫時性差額及未用稅項虧損的遞延稅項資產及負債的變動調整。

即期所得稅

即期所得稅開支根據本公司的附屬公司及聯營公司營運所在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規詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

遞延所得稅

對於資產及負債的稅基與其在綜合財務報表的賬面值之間的暫時性差額，使用負債法計提全額遞延所得稅撥備。然而，若遞延稅項負債來自初步確認商譽時，則不予確認。若遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初步確認，而在交易時不影響會計方法或應課稅損益，即遞延所得稅不作記賬。遞延所得稅乃以於報告期末已頒佈或實質頒佈的稅率(及稅法)釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時應用。

僅於可能有未來應課稅金額以動用該等臨時差異及虧損時，方會確認遞延稅項資產。

倘本公司能控制撥回臨時差異的時間及差異很可能不會於可見未來撥回，則遞延稅項負債及資產不會就海外業務投資的賬面值及稅基的臨時差異予以確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Current and deferred Income tax (continued)

Deferred income tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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.

2.19 Employee benefits

(i) 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 statement of financial position.

(ii) Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2. 主要會計政策概要 (續)

2.18 流動及遞延所得稅 (續)

遞延所得稅 (續)

當有合法可強制執行權利抵銷流動稅項資產及負債及當遞延稅項結餘與同一稅務機關有關，則遞延稅項資產及負債可予抵銷。倘實體擁有合法可強制執行權利抵銷及擬按淨額基準結付或同時變現資產及結付負債，則流動稅項資產及稅項負債可予抵銷。

除與於其他全面收益或直接於權益確認的項目相關外，即期及遞延稅項於損益內確認。於此情況下，稅項亦分別於其他全面收益或直接於權益中確認。

2.19 僱員福利

(i) 短期責任

工資和薪金的負債，包括非現金福利及累計的病假，預計在僱員提供相關服務後的12個月內結算，並就僱員直至報告期末的服務確認，且按負債結算時預期支付的金額計量。該負債列示於財務狀況表的流動員工福利責任。

(ii) 退休金計劃

本集團根據強制性公積金計劃條例為其香港僱員經營一項界定供款強制性公積金退休福利計劃（「強積金計劃」）。根據強積金計劃的規則，供款額乃根據僱員基本薪酬百分比計算，並於應付時從損益內扣除。強積金計劃之資產與本集團資產分開並存放於獨立管理基金。本集團向強積金計劃作出僱主供款，款額即時全數歸僱員所有。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Employee benefits (continued)

- (ii) **Pension schemes (continued)**
- The Group entities in Mainland China participate in defined contribution retirement benefit plans organised by relevant government authorities for its employees in Mainland China and contribute to these plans based on certain percentage of the salaries of the employees on a monthly basis, up to a maximum fixed monetary amount, as stipulated by the relevant government authorities. The government authorities undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. The contributions to these plans are recognised as employee benefit expenses when incurred.
- (iii) **Employee leave entitlements**
- Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of reporting period.
- Employee entitlements to other leaves are not recognised until the time of leave.
- (iv) **Termination benefits**
- Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

2.20 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

2. 主要會計政策概要(續)

2.19 僱員福利(續)

- (ii) **退休金計劃(續)**
- 根據相關政府機構的規定，本集團於中國內地的實體須為其中國內地僱員參與相關政府機構組織的界定供款退休福利計劃，並基於僱員的工資按若干比例(最高為固定貨幣金額)向該等計劃每月供款。政府機構承諾根據該等計劃承擔所有現有及未來退休僱員的退休福利責任。本集團並無進一步責任支付供款範圍外的退休福利。本集團對該等計劃的供款在產生時確認為僱員福利開支。
- (iii) **員工休假**
- 僱員享有的年假權利在僱員應獲得時予以確認。本集團已為截至報告期末因僱員提供服務而產生的估計年假負債計提撥備。
- 其他性質的假期不被確認直到該日。
- (iv) **離職福利**
- 倘本集團在正常退休日期前終止僱傭關係，或倘僱員接受自願離職以換取有關福利，則應支付離職福利。本集團於以下日期(以較早者為準)確認離職福利：(a)本集團不再能取消提供該等福利當日；及(b)實體確認重組成本，而有關成本處於香港會計準則第37號範圍內，並涉及支付終止福利。倘就鼓勵自願離職而提供有關福利，則離職福利根據預期接受有關福利的僱員人數計量。在報告期間結束後到期超過12個月的福利貼現至現值。

2.20 撥備

當本集團須就過去事件承擔現有法律或推定責任，履行該責任可能導致資源流出，而有關金額能可靠估計，會就法律申索、服務保證及補償確認撥備。進一步經營虧損不作撥備確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Provisions (continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.21 Revenue recognition

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods underlying the particular performance obligation is transferred to customers. Control of the goods is transferred at a point in time.

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts returns and value added taxes.

(i) Sales of goods

The Group's revenue is mainly sales of goods. Revenue for sales of goods is recognised when the Group transfers all the control of goods to the customer and no longer reserved any right to continue to manage and implement effective control which often associated with the ownership of the goods, and costs incurred or to be incurred can be measured reliably. The revenue for the sales of good is recognised on prices received or receivable from the customer according to the contract or agreement. As receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Services

Revenue from the render of processing services is recognised in the accounting period in which the services are rendered.

2. 主要會計政策概要 (續)

2.20 撥備 (續)

倘出現多項類似責任時，因履行責任而導致資源流出的可能性通過整體考慮責任類別而釐定。即使同一類別責任中任何一項導致資源流出的可能性很小，仍須確認撥備。

撥備乃按管理層於報告期末結算對履行現時責任所需支出作最佳估計的現值計量。用於釐定現值的貼現率是稅前利率，反映當期市場對金錢時間值及該負債的特定風險的評估。隨時間流逝而增加的撥備確認為利息支出。

2.21 收益確認

於(或隨著)本集團完成履約責任，即與特定履約責任相關的貨品的「控制權」轉移予顧客時確認收益。貨品控制權於某一時刻轉移。

收益按已收或應收代價的公允值計量，指就所供應的貨品而應收的金額，經扣除折扣、退貨及增值稅後列賬。

(i) 貨品銷售

本集團的收益主要為貨品銷售。貨品銷售收益於本集團將所有貨品控制權轉移予客戶，並不再保留通常與貨品所有權相關的繼續管理及實施有效控制的任何權利，且已產生或將產生的成本能夠可靠地計量時確認。貨品銷售收益按照客戶根據合約或協議已收或應收的價格確認。應收款項於貨品交付時確認，因付款到期前僅須待時間過去，於該時間點代價為無條件。

(ii) 服務

提供服務的收益於提供服務的會計期間確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners 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.

(ii) 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.

2.23 Dividends income

Dividends are received from financial assets measured at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

2. 主要會計政策概要(續)

2.22 每股盈利

(i) 每股基本盈利

每股基本盈利按：

- 本公司擁有人應佔溢利(扣除普通股以外的任何權益成本)
- 除以本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花紅部分作出調整，且不包括庫存股份。

(ii) 每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利時所用數字以計及：

- 與具有潛在攤薄效應的普通股有關的利息及其他財務成本的除所得稅後影響；及
- 假設轉換所有具有潛在攤薄效應的普通股，則原應已發行的額外普通股加權平均數。

2.23 股息收入

股息源自按公允值計入損益(按公允值計入損益)及按公允值計入其他全面收益(按公允值計入其他全面收益)計量之金融資產。倘本集團已確立收取股息的權利，則股息會於損益賬確認為其他收入。即使股息以收購前溢利支付，惟有關假設仍然適用，惟股息明顯表示收回部分投資成本。在此情況下，若股息與按公允值計入其他全面收益計量的投資相關，則本集團將於其他全面收益確認股息。然而，本集團可能需因此對有關投資進行減值測試。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 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 16). 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.

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
- 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.

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.

2. 主要會計政策概要(續)

2.24 租賃

誠如上文附註2.2所闡述，本集團已就本集團為承租人的租賃更改會計政策。新政策及變動的影響分別載於下文及附註2.2。

直至2019年3月31日為止，絕大部分擁有權風險及回報不會轉讓予本集團(作為承租人)的租賃分類為經營租賃(附註16)。根據經營租賃支付的款項(扣除獲出租人給予的任何優惠)於租期內按直線法於損益賬扣除。

自2019年4月1日起，租賃於租賃資產可供本集團使用當日確認為使用權資產及相應負債。

租賃產生的資產及負債初步按現值基準計量。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)減任何應收租賃優惠
- 根據剩餘價值擔保預期將支付的金額；
- 本集團合理確定行使購買選擇權時該選擇權的行使價；及
- 終止租賃的罰金付款(倘租賃條款反映本集團行使該選擇權)。

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方法。

租賃付款採用租賃內含利率予以貼現。倘無法輕易釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人增量借款利率(即個別承租人在類似經濟環境中按類似條款、抵押及條件就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)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Leases (Continued)

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 Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, eg term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

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. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

2. 主要會計政策概要(續)

2.24 租賃(續)

為釐定增量借款利率，本集團：

- 在可行情況下，使用個別承租人最近獲得的第三方融資為出發點(經調整以反映自獲得第三方融資以來融資條件的變動)
- 使用累加法，首先就本集團所持租賃的信貸風險(最近並無第三方融資)調整無風險利率；及
- 進行有關租賃特有的調整，例如期限、國家、貨幣及抵押。

本集團未來可能須根據指數或利率增加可變租賃付款，而有關款項在生效前不會計入租賃負債。倘根據指數或利率對租賃付款作出的調整生效，則租賃負債會根據使用權資產重新評估並作出調整。

租賃付款於本金及財務成本之間作出分配。財務成本於租期內自損益賬扣除，以得出各期間負債餘額的固定週期利率。

使用權資產按成本計量，包括以下各項：

- 租賃負債的初始計量金額
- 於開始日期或之前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
- 修復成本。

使用權資產一般按資產可使用年期與租期(以較短者為準)以直線法折舊。倘本集團合理確定行使購買選擇權，則使用權資產按相關資產可使用年期折舊。儘管本集團將物業、廠房及設備項下呈列的土地及樓宇重新估值，則其已選擇不就本集團持有的使用權樓宇進行有關估值。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Leases (Continued)

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise computer equipment and small items of office furniture.

2.25 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.

2.26 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

2.27 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets. Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in profit or loss as part of other income. Interest income is presented as other 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 asset (after deduction of the loss allowance).

2. 主要會計政策概要 (續)

2.24 租賃 (續)

與設備及汽車有關的短期租賃及所有低價值資產租賃的付款按直線法於損益確認為開支。短期租賃為租賃期為12個月或以下的租賃。低價值資產包括電腦設備及辦公室傢俬的小型物品。

2.25 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。

2.26 政府補助

如可合理保證將可接獲政府補助，以及本集團將遵守一切附帶條件則按其公允值確認有關補助。

2.27 利息收入

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淨收益/(虧損)。按攤銷成本計量的金融資產及按公允值計入其他全面收益的金融資產的利息收入以實際利率法計算，並於損益中確認為其他收入的一部分。倘利息收入來自目的為現金管理而持有的金融資產，則呈列為其他收益。任何其他利息收入計入其他收入。

金融資產利息收入按實際利率乘以金融資產賬面總值計算，後續會發生信貸減值的金融資產除外。已發生信貸減值的金融資產的利息收入按實際利率乘以金融資產(減去損失撥備後)賬面價值淨額計算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.28 Fair value measurement

The Group measures its FVPL at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. 主要會計政策概要(續)

2.28 公允值計量

本集團於各報告期末按公允值計量其按公允值計入損益之金融資產。公允值為市場參與者於計量日期進行的有序交易中出售資產所收取或轉讓負債所支付之價格。公允值計量假設出售資產或轉讓負債的交易於資產或負債的主要市場或於資產或負債的最有利市場(並無主要市場)進行。本集團必須可於該主要市場或最有利市場進行交易。資產或負債的公允值乃採用假設市場參與者按其最佳經濟利益行事時，市場參與者為資產或負債定價時所用的假設計量。

本集團採用在各情況下適當的估值技術，而其有足夠資料以計量公允值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.28 Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly;

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. 主要會計政策概要(續)

2.28 公允值計量(續)

於綜合財務報表中計量或披露公允值的所有資產及負債，均根據對公允值計量整體而言屬重大的最低層輸入數據按下述公允值層級進行分類：

第一級 — 基於相同資產或負債於活躍市場的報價(未經調整)；

第二級 — 基於估值技術，而該技術採用對公允值計量而言屬重大的最低層輸入數據可直接或間接觀察得到；

第三級 — 基於估值技術，而該技術採用對公允值計量而言屬重大的最低層輸入數據不可觀察得到。

就按經常基準於綜合財務報表確認的資產及負債而言，本集團於各報告期末按對公允值計量整體而言屬重大的最低層輸入數據重新評估分類，以釐定各層級之間有否出現轉移。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Net realisable value of inventories

Net realisable value of inventories is based on estimated selling price less any estimated costs to be incurred to completion and disposal with reference to prevailing market information. These estimates are based on the current market condition and the historical experience in selling goods of similar nature. It could change significantly as a result of changes in market conditions. The Group reassesses the end of each reporting period. Further details are contained in Note 19 to the financial statements.

(ii) Impairment of trade receivables

The Group has adopted the simplified expected credit loss model for its trade receivables, as allowed by HKFRS 9. The Group referred to the experience of historical credit losses, integrated with the current situation and the forecast of the future economic situation, and prepared the model which refers to the days past due and the expected credit loss rate during lifetime, in order to assess the expected credit loss. Management will reassess the provision by the end of reporting period. Further details are contained in Note 20 to the consolidated financial statements.

(iii) Income tax and deferred tax assets

Significant judgements on the future tax treatment of certain transactions are required in determining income tax provisions. The Group carefully evaluates tax implications of transactions and tax provisions are recorded accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised.

3. 關鍵會計估計及判斷

估計及判斷會持續予以評估，並且乃根據過往經驗及其他因素而作出，包括對相信在有關情況下屬合理之未來事件之預期。

本集團就未來作出有關估計及假設。顧名思義，該等會計估計甚少與有關實際結果相同。有重大風險可能導致下個財政年度須對資產及負債之賬面值作出重大調整之估計及假設討論如下。

(i) 存貨可變現淨值

存貨的可變現淨值乃基於估計售價減直至完工及出售前估計將產生之任何成本得出，並會參考現行市場信息。此等估計乃基於當前市況及銷售類似性質貨品的過往經驗而作出，且可能隨著市況變化而出現大幅變動。本集團於各報告期末對有關估計進行重新評估。進一步詳情載於財務報表附註19。

(ii) 貿易應收款項減值

本集團已按照香港財務報告準則第9號，對其貿易應收款項採用簡化的預期信貸虧損模式。本集團參考歷史信貸虧損經驗，結合當前情況及對未來經濟狀況的預測及編製參考逾期天數及全期預期信貸虧損率的模型，以評估預期信貸虧損。管理層將於報告期末前重新評估撥備。進一步詳情載於綜合財務報表附註20。

(iii) 所得稅和遞延稅項資產

釐定所得稅撥備時需要對若干交易之未來稅務處理作出重大判斷。本集團詳細評估該等交易所帶來之稅務影響及已記錄相應之所得稅撥備。該等交易之稅務處理將定期檢討，以計入所有稅務條例之變動。

在釐定可確認之遞延稅項資產的金額時，須根據可能的時間、未來應課稅溢利水平連同未來稅項計劃策略作出重大管理層判斷。

倘可能有應課稅溢利可用以對銷可動用的稅務虧損，則遞延稅項資產就可對銷部分未動用虧損予以確認。

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4. SEGMENT INFORMATION

(i) Operating segment

The Group is primarily engaged in the manufacture and sale of jewellery products, sale of precious metals and other raw jewellery materials and luxury watches. The management has determined the operating segments based on the reports reviewed by the chief operating decision makers, who have been identified as the executive directors of the Company. Information reported to the Group's chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated. Accordingly, the Group has identified one reportable operating segment, i.e. manufacture and sale of jewellery products, and no further analysis thereof is presented.

(ii) Geographical segment

Information about the Group's revenue by geographical locations is presented based on the area or country in which the external customer is operated.

(a) Revenue from external customers

Hong Kong	香港
Mainland China	中國大陸
Europe (including Russia)	歐洲(包括俄羅斯)
Americas	美洲
Other countries	其他國家

Information about the Group's non-current assets, excluding financial assets at FVPL, is presented based on the locations of the assets.

4. 分部資料

(i) 經營分部

本集團主要從事製造及銷售珠寶產品、銷售貴金屬及其他珠寶原材料，及銷售奢侈手錶。管理層已根據首席營運決策者(已獲確定為本公司的執行董事)審閱的報告釐定經營分部。就資源分配及業績評估向本集團首席營運決策者報告的資料著重本集團的整體經營業績，原因在於本集團的資源已整合。因此，本集團已確定一個可報告經營分部，即珠寶產品的製造及銷售，且並無呈列有關進一步分析。

(ii) 地域分部

有關根據外部客戶經營業務所在地區或國家按所在地域呈列的本集團收益的資料。

(a) 來自外部客戶的收益

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元
103,002	46,392
19,669	80,777
17,508	77,665
12,173	13,824
1,686	628
154,038	219,286

本集團非流動資產(不包括按公允價值計入損益的金融資產)的資料乃根據資產所在地區呈列。

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

(ii) Geographical segment (continued)

(b) Non-current assets excluding financial assets at FVPL

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Hong Kong	香港	4,377	3,239
Mainland China	中國大陸	1,458	1,246
		5,835	4,485

The Company is domiciled in the Cayman Islands while the Group operates its business in Hong Kong and Mainland China. During the year ended 31 March 2020, no revenue was generated from any customer in the Cayman Islands and no assets were located in the Cayman Islands.

(iii) Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the year, including sales to a group of entities which are known to be under common control with that customer, is as set out below:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Customer A	客戶A	102,930	*
Customer B	客戶B	19,663	*
Customer C	客戶C	18,790	55,914
Customer D	客戶D	*	51,933
Customer E	客戶E	*	36,833
Customer F	客戶F	*	33,986
Total	總計	141,383	178,666

* Less than 10% of revenue

4. 分部資料(續)

(ii) 地域分部(續)

(b) 非流動資產(不包括按公允值計入損益的金融資產)

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Hong Kong	4,377	3,239
Mainland China	1,458	1,246
	5,835	4,485

本公司的原駐地為開曼群島，而本集團於香港及中國大陸經營其業務。於截至2020年3月31日止年度，開曼群島的任何客戶並無產生任何收益，且並無任何資產位於開曼群島。

(iii) 有關主要客戶的資料

年內各主要客戶所得收益(佔本集團收益10%或以上)(包括向與有關客戶受共同控制的一組實體作出的銷售)載列如下：

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Customer A	102,930	*
Customer B	19,663	*
Customer C	18,790	55,914
Customer D	*	51,933
Customer E	*	36,833
Customer F	*	33,986
Total	141,383	178,666

* 少於收益的10%

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5. REVENUE

Revenue represents the net amounts received and receivable arising from manufacture and sales of jewellery products, sales of precious metals and other raw jewellery materials, sales of luxury watches and provision of service during the year.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue recognised at a point in time	於時間點確認的收益		
— Sales of precious metals and other raw jewellery materials	— 銷售貴金屬及其他珠寶原材料	101,489	34,665
— Sales of jewellery products*	— 銷售珠寶產品*	46,867	184,232
— Sales of luxury watches	— 銷售奢侈品手錶	5,682	—
Revenue recognised over time	於時間段內確認的收益		
— Service revenue	— 服務收益	—	389
		154,038	219,286

* Among the sales of jewellery products, approximately HK\$71,000 (2019: HK\$522,000) are sold to a related party.

The Group has recognised the following liabilities related to contracts with customers:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Contract liabilities	合約負債	—	1,598

5. 收益

收益指年內製造及銷售珠寶產品、銷售貴金屬及其他珠寶原材料、銷售奢侈手錶以及提供服務所產生的已收及應收款項淨額。

* 在銷售珠寶產品中，約71,000港元(2019年：522,000港元)為售予一名關聯方。

本集團確認與客戶合約相關的以下負債：

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5. REVENUE AND OTHER INCOME (CONTINUED)

(i) Significant changes in contract liabilities

Contract liabilities for sales of jewellery products have decreased by HK\$1,598,000, mainly due to the disposal of one of the Company's subsidiaries.

(ii) Revenue recognised in relation to contract liabilities

The following table shows the revenue recognised in the current reporting period relates to carried-forward contract liabilities:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue recognised that was included in the contract liabilities at the beginning of the year:	確認年初於合約負債內列賬的收益：		
Sales of jewellery products during the year:	年內銷售珠寶產品：	100	3,974

6. OTHER INCOME

Government grants*

Interest income from bank deposits

Others

政府補助*

銀行存款利息收入

其他

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
		200	166
		72	96
		84	337
		356	599

* Government grants were received by certain subsidiaries of the Company in Mainland China as compensation for expenses already incurred. There are no unfulfilled conditions or contingencies in relation to the grants.

5. 收益 (續)

(i) 合約負債的重大變動

銷售珠寶產品的合約負債減少1,598,000港元，此乃主要由於本公司出售其中一家附屬公司。

(ii) 確認有關合約負債的收益

下表列示於本公佈期間所確認有關結轉合約負債的收益：

6. 其他收入

* 本公司若干中國內地附屬公司已收取政府補助以補貼所產生的開支。概無有關補助的未達成條件或然事項。

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7. OTHER (LOSSES)/GAINS, NET

7. 其他收益／(虧損)淨額

			2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Fair value (losses)/gains on financial assets at FVPL	按公允值計入損益的金融資產公允值(虧損)／收益	18(ii)	(45,321)	515
Transaction cost for financial assets at FVPL	按公允值計入損益的金融資產交易成本		(710)	–
Gains on disposal of subsidiaries	出售附屬公司的收益		2,285	259
Gains/(losses) on disposal of other property, plant and equipment, net	出售其他物業、廠房及設備的收益／(虧損)淨額		786	(3,395)
Foreign exchange differences, net	外匯差額淨額		(502)	989
Gains on disposal of properties in Hong Kong, net	出售香港物業的收益淨額		–	33,120
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損		–	(2,716)
Employment termination expense	裁員費用		–	(473)
Others	其他		–	453
			(43,462)	28,752

8. FINANCE COSTS

8. 財務成本

			2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest on borrowings	借貸利息		764	–
Interest on factoring of trade receivables	貿易應收款項保理利息		101	821
Interest on lease liabilities	租賃負債利息		76	–
Interest on finance leases	融資租賃利息		–	213
			941	1,034

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9. TOTAL COST OF SALES, SELLING EXPENSES AND ADMINISTRATION EXPENSES BY NATURE

9. 按性質分類的銷售成本、銷售開支及行政開支之總額

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Cost of inventories sold	已售存貨成本	134,892	174,735
Employee benefits (including directors' remuneration)	僱員福利(包括董事薪酬)	9,084	27,330
Salaries and other benefits	薪金及其他利益	8,368	25,575
Pension scheme contributions	退休金計劃供款	716	1,755
Management consultancy fees	管理諮詢費	7,800	6,021
Subcontracting charges	分包費用	7,218	10,065
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,810	5,791
Professional service fees	專業服務費	2,283	3,220
Auditors' remuneration	核數師酬金	1,583	1,943
Auditors of the Company	本公司核數師	1,344	1,743
Other auditors	其他核數師	239	200
Advertising and promotion fees	廣告及推廣費用	572	3,084
Minimum lease payments under operating leases	經營租賃最低租賃付款	444	3,052
Depreciation of right-of-use assets	使用權資產折舊	229	-
Commission fees	佣金費用	158	7,656
Write-back of inventories to net realisable value	撥回存貨至可變現淨值	(922)	(3,198)
Other operating expenses	其他營運費用	8,554	23,320
Total cost of sales, selling expenses and administration expenses	銷售成本、銷售開支及行政開支之總額	174,705	263,019

(i) The management consultancy fees paid and payable to directors of the Company's subsidiaries amounted to approximately HK\$7,800,000 (2019: approximately HK\$6,021,000) for the year ended 31 March 2020.

(i) 截至2020年3月31日止年度，已支付及應付本公司的附屬公司董事的管理諮詢費約7,800,000港元(2019年：約6,021,000港元)。

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10. BENEFITS AND INTERESTS OF DIRECTORS

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Fees	袍金	600	600
		600	600

During the year ended 31 March 2020 and 2019, no share options were granted to the directors.

(i) Independent non-executive directors

The fees paid to independent non-executive directors during the year ended 31 March 2020 and 2019 were as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Lo Chun Pong	盧振邦	200	200
Chan Chi Kuen	陳志權	200	200
Ting Tit Cheung	丁鐵翔	200	200
		600	600

There were no other emoluments payable to the independent non-executive directors during the year ended 31 March 2020 and 2019.

10. 董事福利及權益

年內根據上市規則及香港公司條例第383(1)(a)、(b)、(c)及(f)條以及《公司(披露董事利益資料)規例》第二部披露的董事酬金如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Fees	袍金	600	600
		600	600

截至2020年及2019年3月31日止年度，概無董事獲授購股權。

(i) 獨立非執行董事

截至2020年及2019年3月31日止年度支
付予獨立非執行董事的袍金如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Lo Chun Pong	盧振邦	200	200
Chan Chi Kuen	陳志權	200	200
Ting Tit Cheung	丁鐵翔	200	200
		600	600

截至2020年及2019年3月31日止年度，
並無其他應付獨立非執行董事的薪酬。

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10. BENEFITS AND INTERESTS OF DIRECTORS
(CONTINUED)

(ii) Executive directors

		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total
		袍金	薪金、津貼 及實物利益	退休金 計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2020	2020年				
Li Neng	李能	-	-	-	-
Zhao Minhao	趙旻昊	-	-	-	-
Zhao Yeyong	趙葉勇	-	-	-	-
		-	-	-	-

* Appointed on 28 June 2019

10. 董事福利及權益(續)

(ii) 執行董事

		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total
		袍金	薪金、津貼 及實物利益	退休金 計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2019	2019年				
Nang Qi	曩麒	-	-	-	-
Chen Peiliang	陳佩良	-	-	-	-
Xue Qiang	薛強	-	-	-	-
		-	-	-	-

* 於2019年6月28日獲委任。

* Appointed on 27 January 2017 and resigned on 28 June 2019.

During the year ended 31 March 2020, no emoluments, retirement benefits, payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the executive directors; nor are any payable (2019: Nil). No consideration was provided to or receivable by third parties for making available directors' services (2019: Nil). There are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities (2019: Nil).

The directors are not paid directly by the Company but receive remuneration from other companies in HNA Group Co. Ltd., in respect of their services to the larger group which includes the Company and its subsidiaries.

* 於2017年1月27日獲委任，2019年6月28日辭任。

在截至2020年3月31日止年度內，本公司未直接或間接向執行董事支付或作出薪酬、退休福利或與董事終止服務相關的費用或福利，也不存在任何應付款項(2019：無)。概無就提供董事服務向第三方提供對價或由第三方收取對價(2019年：無)。概無貸款、准貸款或其他有利於董事及其所控制實體公司及關聯實體的交易(2019年：無)。

對於董事為本公司及附屬公司等較大集團提供的服務，董事未於本公司直接獲得薪酬，而是從HNA Group Co. Ltd. 中其他公司收取。

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11. FIVE HIGHEST PAID EMPLOYEES

No director was included in the five highest paid employees for the year ended 31 March 2020 (2019: Nil). The five highest paid employees excluding directors are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,832	12,211
Pension scheme contributions	退休金計劃供款	25	41
		4,857	12,252

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2020 2020年	2019 2019年
HK\$Nil to HK\$1,000,000	零港元至1,000,000港元	2	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	-
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	-
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	-	2
		5	5

11. 五名最高薪酬僱員

截至2020年3月31日止年度的五名最高薪酬僱員並不包括董事(2019年：無)。董事以外的五名最高薪酬僱員如下：

酬金屬以下範圍的非董事最高薪酬僱員人數如下：

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12. INCOME TAX EXPENSE

The profit tax of the Group has been provided at the applicable tax rates on estimated assessable profits arising in Hong Kong and Mainland China during the year.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Current — Hong Kong	即期 — 香港		
Charge for the year	年內支出	—	—
Under provision in prior year	過往年度撥備不足	—	7
Current — Mainland China	即期 — 中國大陸		
Charge for the year	年內支出	59	1,736
Withholding	預扣	—	1,872
Deferred	遞延	299	(1,922)
Total tax charge for the year	年內稅項支出總額	358	1,693

12. 所得稅開支

年內，本集團的利得稅乃就於香港和中國大陸產生的估計應課稅溢利按適用稅率計提撥備。

(i) Cayman Islands and British Virgin Islands corporate income tax

The Company is not subject to any taxation in the Cayman Islands.

The Company's subsidiaries incorporated in the British Virgin Islands ("BVI") are not subject to any taxation in the BVI.

(ii) Hong Kong profits tax

The Company's subsidiaries established in Hong Kong are subject to Hong Kong profits tax at the rate of 16.5% (2019: 16.5%). The operation in Hong Kong has incurred net accumulated operating losses for income tax purposes and no income tax provisions are recorded for the year ended 31 March 2020.

(iii) PRC corporate income tax ("CIT")

CIT provision was made on the estimated assessable profits of entities within the Group incorporated in the PRC and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The general PRC CIT rate is 25% for the years ended 31 March 2020 and 2019.

(i) 開曼群島及英屬維爾京群島的企業所得稅

本公司毋須繳納開曼群島的任何稅項。

本公司於英屬維爾京群島（「英屬維爾京群島」）註冊成立的附屬公司毋須繳納英屬維爾京群島的任何稅項。

(ii) 香港利得稅

本公司於香港成立的附屬公司須按16.5%的稅率（2019年：16.5%）繳納香港利得稅。就所得稅而言，於香港的業務已產生累計經營虧損淨額，截至2020年3月31日止年度並無錄得所得稅撥備。

(iii) 中國企業所得稅（「企業所得稅」）

企業所得稅撥備已根據本集團於中國註冊成立的實體的估計應課稅溢利作出並按照中國相關規例計算，並已計及可以獲得的退稅及減免等稅收優惠。截至2020年及2019年3月31日止年度，一般中國企業所得稅稅率為25%。

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12. INCOME TAX EXPENSE (CONTINUED)

(iv) PRC withholding income tax

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. As at 31 March 2020, the aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised amounted to approximately HK\$2,884,000 (2019: HK\$4,391,000).

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the statutory tax rate to the effective tax rate, are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss before tax	除稅前虧損	(67,336)	(15,443)
Tax at the statutory tax rate of 16.5%	按法定稅率16.5%計算的稅項	(11,110)	(2,548)
Different tax rates for specific provinces or enacted by local authority	特定省份的不同稅率或由地方機關頒佈的不同稅率	8,633	2,680
Effect of tax impact of apportionment under a 50:50 basis*	稅務影響(按50:50基準攤分)*	430	3,573
Income not subject to tax	毋須繳稅收入	-	(5,804)
Expenses not deductible for tax	不可扣稅開支	407	613
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	19	919
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	1,979	2,253
Others	其他	-	7
		358	1,693

* In relation to the Departmental Interpretation and Practice Notes No. 21 (Revised) (apportionment under a 50:50 basis) of the Inland Revenue Department Hong Kong, a portion of KTL Trading's loss is not considered neither arisen in, nor derived from Hong Kong. Accordingly, that portion of KTL Trading's loss is not subject to Hong Kong profits tax.

12. 所得稅開支(續)

(iv) 中國扣繳所得稅

根據中國企業所得稅法，於中國大陸成立的外商投資企業須就向外國投資者宣派的股息提撥10%預扣稅。該規定由2008年1月1日起生效，並適用於2007年12月31日後產生的盈利。若中國大陸與外國投資者所屬司法權區有稅務協議，外國投資者可申請較低的預扣稅率。於2020年3月31日，與於中國大陸附屬公司的投資有關的暫時性差額總額約2,884,000港元(2019年：4,391,000港元)尚未確認作遞延稅項負債。

採用本公司及大部分附屬公司所在司法權區的法定稅率計算得出適用於除稅前虧損的稅項開支與按實際稅率得出的稅項開支的對賬，以及法定稅率與實際稅率的對賬如下：

* 就香港稅務局《稅務條例釋義及執行指引第21號》(經修訂)(按50:50基準攤分)而言，三和珠寶貿易的部分虧損被視為既不產生於亦非得自香港。因此，三和珠寶貿易的該部分虧損毋須繳納香港利得稅。

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13. DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2020 (2019: Nil).

13. 股息

董事會不建議就截至2020年3月31日止年度派付末期股息(2019年：無)。

14. LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of approximately HK\$67,694,000 (2019: HK\$17,136,000), and the weighted average number of ordinary shares of 172,600,000 (2019: 172,600,000) in issue during the year. The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2020 and 2019.

14. 本公司普通股權益持有人應佔虧損之每股虧損

每股基本虧損金額乃根據本公司普通股權益持有人應佔年內虧損約67,694,000港元(2019年：17,136,000港元)及年內已發行普通股的加權平均數172,600,000股(2019年：172,600,000股)計算。截至2020年及2019年3月31日止年度，本集團並無已發行的具有潛在攤薄效應的普通股。

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss	虧損		
Loss attributable to ordinary equity holders of the Company used in the basic loss per share calculation (HK\$'000)	計算每股基本虧損時使用的本公司普通股權益持有人應佔虧損(千港元)	67,694	17,136
Number of Shares	股份數目		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	計算每股基本虧損時使用的年內已發行普通股加權平均數	172,600,000	172,600,000
Loss per share	每股虧損	HK\$0.39 0.39 港元	HK\$0.10 0.10 港元

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Furniture and fixtures 傢俬及 裝置 HK\$'000 千港元	Office equipment and computers 辦公設備 及電腦 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2019 and 1 April 2019:	於2019年3月31日 及2019年4月1日：					
Cost	成本	–	1,074	347	14,322	15,743
Accumulated depreciation	累計折舊	–	(881)	(236)	(7,538)	(8,655)
Impairment	減值	–	–	–	(2,716)	(2,716)
Net carrying amount	賬面淨值	–	193	111	4,068	4,372
Year ended 31 March 2020	截至2020年3月31日 止年度					
Additions	添置	20	111	–	3,582	3,713
Depreciation provided during the year	年內折舊	(3)	(205)	(60)	(2,542)	(2,810)
Disposals	出售	–	–	–	(499)	(499)
Exchange realignment	匯兌重新調整	–	(3)	(5)	(47)	(55)
As at 31 March 2020	於2020年3月31日	17	96	46	4,562	4,721
As at 31 March 2020:	於2020年3月31日：					
Cost	成本	20	1,178	326	15,001	16,525
Accumulated depreciation	累計折舊	(3)	(1,082)	(280)	(8,290)	(9,655)
Impairment	減值	–	–	–	(2,149)	(2,149)
Net carrying amount	賬面淨值	17	96	46	4,562	4,721

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15. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)

15. 物業、廠房及設備(續)

		Leasehold land	Buildings	Leasehold improvement	Furniture and fixtures 傢俬及 裝置	Office equipment and computers 辦公設備 及電腦	Plant and machinery 廠房及 機器	Motor vehicles 汽車	Total
		租賃土地 HK\$'000 千港元	樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
As at 31 March 2018 and 1 April 2018:	於2018年3月31日 及2018年4月1日:								
Cost	成本	14,959	3,828	10,640	5,023	37,953	22,573	21,240	116,216
Accumulated depreciation	累計折舊	(5,400)	(1,575)	(8,914)	(4,632)	(36,086)	(21,963)	(10,186)	(88,756)
Net carrying amount	賬面淨值	9,559	2,253	1,726	391	1,867	610	11,054	27,460
Year ended 31 March 2019	截至2019年3月31日 止年度								
Additions	添置	-	-	2,068	330	1,518	-	-	3,916
Depreciation provided during the year	年內折舊	(245)	(59)	(623)	(155)	(1,442)	(204)	(3,063)	(5,791)
Disposals	出售	(9,314)	(2,194)	(3,128)	(562)	(1,697)	(264)	(1,025)	(18,184)
Impairment	減值	-	-	-	-	-	-	(2,716)	(2,716)
Exchange realignment	匯兌重新調整	-	-	(43)	(4)	(53)	(31)	(182)	(313)
As at 31 March 2019	於2019年3月31日	-	-	-	-	193	111	4,068	4,372
As at 31 March 2019:	於2019年3月31日:								
Cost	成本	-	-	-	-	1,074	347	14,322	15,743
Accumulated depreciation	累計折舊	-	-	-	-	(881)	(236)	(7,538)	(8,655)
Impairment	減值	-	-	-	-	-	-	(2,716)	(2,716)
Net carrying amount	賬面淨值	-	-	-	-	193	111	4,068	4,372

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16. LEASES

This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

		2020 2020年 HK\$'000 千港元	1 April 2019 2019年 4月1日 HK\$'000 千港元
Right-of-use assets	使用權資產		
Properties	物業	1,009	–
Lease liabilities	租賃負債		
Current	即期	254	–
Non-current	非即期	814	–
		1,068	–

Additions to the right-of-use assets during the year ended 31 March 2020 were approximately HK\$1,231,000.

16. 租賃

本附註提供有關本集團作為承租人的租賃資料。

(i) 於綜合財務狀況表確認的金額

綜合財務狀況表顯示以下與租賃有關的金額：

	2020 2020年 HK\$'000 千港元	1 April 2019 2019年 4月1日 HK\$'000 千港元
	1,009	–
	254	–
	814	–
	1,068	–

截至2020年3月31日止年度，使用權資產添置約1,231,000港元。

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16. LEASES (CONTINUED)

(ii) Amounts recognised in the consolidated statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

16. 租賃(續)

(ii) 於綜合損益表中確認的金額

損益表顯示以下與租賃有關的金額：

			2020 2020年 HK\$'000 千港元
Properties	物業	Notes 附註	
Depreciation charge of right-of-use assets	使用權資產的折舊費		229
Exchange realignment	匯兌重新調整		(7)
			222
Interest expense (included in finance costs)	利息支出(計入財務成本)	8	76
Expense relating to short-term leases (included in cost of sales and administrative expenses)	與短期租賃有關的開支 (計入銷售成本及行政開支)		444

The total cash outflow for leases during the year ended 31 March 2020 was approximately HK\$244,000.

截至2020年3月31日止年度，租賃的現金流出總額約為244,000港元。

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16. LEASES (CONTINUED)

(iii) The Group's leasing activities and how these are accounted for

The Group leases properties and rental contracts are typically made for fixed periods of 2 years and 6.5 years.

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.

17. INVESTMENT IN A JOINT VENTURE

Particulars of the Group's joint venture are as follows:

Name 名稱	Amount of issued capital 已發行股本額	Place of registration and business 註冊與業務地點	Percentage of 百分比			Principal activities 主要活動
			Ownership interest 所有權利益	Voting power 投票權	Profit sharing 利潤分配	
Dynamic Tactics (Hong Kong) Limited	HK\$780,000 780,000 港元	Hong Kong 香港	50	50	50	Trading of jewellery 珠寶貿易

The above investment is held by Dynamic Tactics Limited, a subsidiary of the Group.

16. 租賃(續)

(iii) 本集團的租賃活動及如何進行會計處理

本集團的租賃物業及租賃合約一般按兩年及6.5年的固定期限訂立。

租賃條款根據個別情況磋商，包含各種不同的條款及條件。除出租人持有的租賃資產中的抵押權益外，租賃協議不會施加任何其他契諾。租賃資產不得用作借貸抵押。

17. 於合營公司之投資

本集團合營公司的詳情如下：

以上投資是由本集團附屬公司Dynamic Tactics Limited持有。

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**17. INVESTMENT IN A JOINT VENTURE
(CONTINUED)**

The table below provides summarised financial information for the joint venture. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Summarised statement of financial position	匯總財務狀況表		
Total current assets	流動資產總值	492	474
Total current liabilities	流動負債總額	283	249
Net assets	淨資產	209	225
Group's share in %	集團持股份額(%)	50%	50%
Group's share in HK\$	集團持股份額(港元)	105	113
Carrying amount	賬面價值	105	113

The Group's trade receivable balance due from the joint venture is disclosed in Note 20 to the consolidated financial statements. The amount due from the joint venture was unsecured, interest-free and had no fixed terms of repayment.

There are no contingent liabilities relating to the Company's interest in the joint venture, and no contingent liabilities of the joint venture itself.

17. 於合營公司之投資(續)

下表匯總了合營公司的財務資訊。這些披露的資訊反映了合營公司財務報表呈列的金額，而非本集團於該等金額所佔股權份額。該等金額已作修訂，以反映實體使用權益法時作出的調整，包括公允值調整及會計政策差異的修改。

本集團應收合營公司的貿易應收款項結餘於綜合財務報表附註20披露。應收合營公司金額為無抵押、免息及無固定還款條件。

該合營公司不存在與本公司利息相關的或有負債，也不存在與合營公司本身相關的或有負債。

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18. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

(i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at FVPL:

- debt instruments that do not qualify for measurement at either amortised cost or at FVOCI;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains or losses through other comprehensive income.

Financial assets mandatorily measured at FVPL include the following:

Included in non-current assets:	計入非流動資產：
Life insurance policy (a)	人壽保險保單 (a)
Include in current assets:	計入流動資產：
Hong Kong listed equity securities (b)	香港上市股權證券 (b)

18. 按公允價值計入損益之金融資產

(i) 按公允價值計入損益之金融資產分類

本集團將以下金融資產分類為按公允價值計入損益：

- 不符合按攤銷成本或按公允價值計入其他全面收益計量的債務工具；
- 持作買賣的股本投資；及
- 實體並無選擇透過其他全面收益確認公允價值收益或虧損的股本投資。

按公允價值計入損益強制計量的金融資產包括以下各項：

	2020	2019
	2020年	2019年
	HK\$'000	HK\$'000
	千港元	千港元
	16,720	16,189
	152,201	-
	168,921	16,189

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18. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Classification of financial assets at fair value through profit or loss (continued)

- (a) Under the life insurance policy (the “Policy”), the beneficiary and policy holder is KTL Trading and the total insured sum is approximately US\$6,500,000 (approximately HK\$50,375,000). The Group paid an upfront premium for the Policy of approximately US\$2,325,000 (approximately HK\$18,020,000) and may surrender any time by filing a written request and receive cash based on the surrender value of the Policy at the date of withdrawal, which is calculated by the insurer. In the opinion of the directors, the surrender value of the Policy provided by the insurance company is the best approximation of its fair value, which is categorised within Level 3 of the fair value hierarchy.

The movements in fair value measurement within Level 3 (life insurance policy) during the period are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At the beginning of the year	於年初	16,189	–
Adjustment on adoption of HKFRS 9	採納香港財務報告準則 第9號的調整	–	15,674
Change in fair value	公允值變動	531	515
At the end of the year	於年末	16,720	16,189

- (b) The fair values of Hong Kong listed equity securities are determined based on the quoted market closing prices available on the Stock Exchange at the end of the reporting period.

18. 按公允值計入損益之金融資產(續)

(i) 按公允值計入損益的金融資產分類(續)

- (a) 根據人壽保險保單(「該保單」), 受益人及保單持有人為三和珠寶貿易, 且承保總金額約為6,500,000美元(約50,375,000港元)。本集團為該保單預付保費約2,325,000美元(約18,020,000港元)及可能透過提交書面請求隨時退保, 並根據該保單於撤回日期的退保價值(由承保人計算)收取現金。董事認為, 保險公司規定的該保單退保價值與其公允值相若, 歸類為公允值架構的第3級。

期內公允值計量第3級(人壽保險保單)的變動如下:

- (b) 於報告期末, 香港上市股權證券的公允值按照聯交所報收市價釐定。

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18. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(ii) Amounts recognised in profit or loss

During the year, the following (losses)/gains were recognised in profit or loss:

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Fair value (losses)/gains on financial assets at FVPL		
— Life insurance policy	531	515
— Hong Kong listed equity securities	(45,852)	—
	(45,321)	515

18. 按公允值計入損益之金融資產(續)

(ii) 於損益確認的金額

年內，下列(虧損)/收益在損益中確認：

19. INVENTORIES

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Raw materials	10,812	27,886
Work in progress	3,550	59
Finished goods	4,302	3,143
	18,664	31,088

The reversal of write-down of inventories to net realisable value of approximately HK\$922,000 (2019: HK\$3,198,000) for the year ended 31 March 2020 is included in “cost of sales” in the consolidated statement of profit or loss and other comprehensive loss.

截至2020年3月31日止年度，存貨撇減撥回至可變現淨值約922,000港元(2019年：3,198,000港元)已計入綜合損益及其他全面虧損表內「銷售成本」中。

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20. TRADE RECEIVABLES

Trade receivables
Less: Allowance for doubtful accounts

貿易應收款項
減：呆賬撥備

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元
82,269	67,718
(3,359)	(16,149)
78,910	51,569

The Group's trading terms with its customers are mainly on credit, except for new customers. Before accepting any new customer, the Group will apply an internal credit assessment policy to assess the potential customer's credit quality and define credit limits for each customer. The credit period is generally for a period of 90 to 120 days for major customers. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables at the end of the reporting period, based on the invoice date is as follows:

Within 1 month	一個月內		
1 to 2 months	一至兩個月		
2 to 3 months	兩至三個月		
Over 3 months	超過三個月		

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元
15,782	4,592
6,991	7,602
3,778	22,033
55,718	33,491
82,269	67,718

The Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. Information about the impairment of trade receivable and the Group's exposure to credit risk can be found in Note 33.

20. 貿易應收款項

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元
82,269	67,718
(3,359)	(16,149)
78,910	51,569

本集團與其客戶的貿易條款主要為信貸，惟新客戶除外。於接納任何新客戶之前，本集團將採用內部信貸評估政策以評估潛在客戶的信貸質素並確定各客戶的信貸額度。主要客戶的信貸期一般為90至120天。逾期結餘由高級管理層定期檢討。貿易應收款項不計利息。

於報告期末按發票日期呈列的貿易應收款項賬齡分析如下：

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元
15,782	4,592
6,991	7,602
3,778	22,033
55,718	33,491
82,269	67,718

本集團應用香港財務報告準則第9號准許的簡化方法，當中規定自初步確認資產起確認預期存續期虧損。關於貿易應收款項的減值及本集團的信貸風險相關的信息可以在附註33中查詢。

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20. TRADE RECEIVABLES (CONTINUED)

The movements in the allowance for doubtful accounts are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	於年初	16,149	16,149
Allowance for doubtful accounts	呆賬撥備	2,614	-
Write-off	撇銷	(15,373)	-
Exchange realignment	匯兌重新調整	(31)	-
At the end of the year	於年末	3,359	16,149

As at 31 March 2020 and 2019, the amount due from the Group's joint venture was nil and approximately HK\$224,000, respectively, which is repayable on credit terms similar to those offered to the major customers of the Group.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Deposits	按金	6,292	138
Prepayments	預付款項	875	901
Other receivables	其他應收款項	2,055	2,691
		9,222	3,730

Note 33 sets out information about the impairment of financial assets and the Group's exposure to credit risk.

20. 貿易應收款項(續)

就呆賬作出的撥備變動如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	於年初	16,149	16,149
Allowance for doubtful accounts	呆賬撥備	2,614	-
Write-off	撇銷	(15,373)	-
Exchange realignment	匯兌重新調整	(31)	-
At the end of the year	於年末	3,359	16,149

於2020年及2019年3月31日，應收本集團合營公司款項金額分別為零港元及約為224,000港元，該筆款項須按信貸條款償還，內容與向本集團主要客戶提供的信貸條款相若。

21. 預付款項、按金及其他應收款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Deposits	按金	6,292	138
Prepayments	預付款項	875	901
Other receivables	其他應收款項	2,055	2,691
		9,222	3,730

附註33載列金融資產減值的相關資料，以及本集團的信貸風險。

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22. CASH AND BANK BALANCES

22. 現金及銀行結餘

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Cash and bank balances	現金及銀行結餘	27,915	270,808
Denominated in:	按下列貨幣計值：		
HKD	港元	22,794	243,963
RMB	人民幣	4,127	19,250
USD	美元	994	7,595
		27,915	270,808

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn respective interest. The bank balances are deposited with creditworthy banks with no recent history of default.

RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

銀行結餘按每日銀行存款利率的浮動利率計息。短期定期存款的存款期介乎一日至三個月，視本集團的即時現金需求而定，並分別計息。銀行結餘於近期無拖欠歷史且信譽良好的銀行儲存。

人民幣不能自由兌換成其他貨幣。然而，根據中國大陸《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可通過獲授權經營外匯業務的銀行將人民幣兌換成其他貨幣。

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23. TRADE AND OTHER PAYABLES

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade payables	貿易應付款項	6,358	9,324
Other payables:	其他應付款項：		
Salaries and bonus payables	應付薪金及花紅	6,307	7,734
Other taxes payables	其他應付稅項	2,399	2,460
Auditor's remuneration	核數師酬金	1,475	1,929
Interest payable	應付利息	740	-
Commission fees payables	應付佣金費用	-	5,559
Others	其他	2,446	1,509
		19,725	28,515

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 1 month	一個月內	2,252	2,020
1 to 2 months	一至兩個月	957	1,666
2 to 3 months	兩至三個月	647	1,740
Over 3 months	超過三個月	2,502	3,898
		6,358	9,324

The trade payables are non-interest-bearing and the credit period of purchases ranges from 30 to 180 days. Other payables are non-interest-bearing and have an average credit term of 1 to 3 months. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

23. 貿易及其他應付款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade payables	貿易應付款項	6,358	9,324
Other payables:	其他應付款項：		
Salaries and bonus payables	應付薪金及花紅	6,307	7,734
Other taxes payables	其他應付稅項	2,399	2,460
Auditor's remuneration	核數師酬金	1,475	1,929
Interest payable	應付利息	740	-
Commission fees payables	應付佣金費用	-	5,559
Others	其他	2,446	1,509
		19,725	28,515

於報告期末按發票日期呈列的貿易應付款項的賬齡分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 1 month	一個月內	2,252	2,020
1 to 2 months	一至兩個月	957	1,666
2 to 3 months	兩至三個月	647	1,740
Over 3 months	超過三個月	2,502	3,898
		6,358	9,324

貿易應付款項乃不計息且採購的信貸期介乎30天至180天。其他應付款項乃不計息且平均信貸期限為1至3個月。本集團已實施財務風險管理政策，以確保全部應付款項於信貸期間償付。

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24. SHARE CAPITAL, SHARE PREMIUM AND WARRANT RESERVE

24. 股本、股份溢價以及認股權證儲備

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Authorised:	法定：		
2,000,000,000 ordinary shares at par value of HK\$0.005	2,000,000,000 股面值0.005 港元的普通股	10,000	10,000
Issued and fully paid:	已發行及繳足：		
172,600,000 ordinary shares at par value of HK\$0.005	172,600,000 股面值0.005 港元的普通股	863	863

A summary of the Company's issued share capital, share premium and warrant reserve is as follows:

本公司已發行股本、股份溢價及認股權證儲備的變動概要如下：

		Number of shares in issue 已發行股份數目	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Warrant reserve (i) 認股權證儲備 (i) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Authorised:	法定：					
As at 31 March 2019 and 2020	於2019年及2020年3月31日	2,000,000,000	10,000	-	-	10,000
Issued and fully paid:	已發行及繳足：					
As at 31 March 2019	於2019年3月31日	172,600,000	863	122,787	2,470	126,120
As at 31 March 2020	於2020年3月31日	172,600,000	863	122,787	-	123,650

Notes:

- (i) Pursuant to the Placing Agreement, the Company agreed to issue 12,600,000 unlisted warrants at an issue price of HK\$0.20 per warrant at 14 August 2017. Each warrant entitled the holder to subscribe for one ordinary share of HK\$0.005 each at an initial subscription price of HK\$7.00 per share.

The warrant holder can subscribe for same number of ordinary shares at any time within two years commencing from the date of the issue of warrants. The number of shares and the subscription price of the shares to be issued do not vary with changes in their fair value. The warrants are recognised initially at proceeds as a whole in equity. The transaction cost that is directly attributed to the issue of the warrants is recognised net of proceeds in equity.

No warrant was exercised until the expiry date of 14 August 2019 and the warrant reserve was transferred to retained earnings.

附註：

- (i) 根據配售協議，本公司同意於2017年8月14日按每份認股權證0.20港元的發行價發行12,600,000份非上市認股權證。各認股權證持有人有權按每股7.00港元的初步認購價認購一股每股面值0.005港元的普通股。

認股權證持有人可於認股權證發行日期起計兩年內隨時認購相同數目的普通股。股份數目及發行股份的認購價不會隨其公允值的變動而改變。認股權證以初始收到的所得款項確認權益。與發行認股權證直接相關的交易成本扣除所得款項後於權益確認。

直至2019年8月14日到期日為止，並無行使任何認股權證，且認股權證儲備已轉撥入保留溢利。

NOTES TO 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

25. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the consolidated financial statements.

Statutory surplus reserve

In accordance with the relevant law and regulations in the PRC, each of the Company's subsidiaries that was registered in the PRC is required to appropriate 10% of the annual statutory profit after tax (after offsetting any prior years' losses), determined in accordance with the PRC General Accepted Accounting Principles, to the statutory reserve until the balance of the reserve funds reaches 50% of the entity's registered capital. The statutory reserve can be utilised to offset prior years' losses or to increase capital, provided the remaining balance of the statutory reserve is not less than 25% of the registered capital.

Merger reserve

The merger reserve of the Group represents the reserves arising from the reorganisation for the purpose of the Group of the Listing.

Capital surplus reserve

On 28 July 2014, a balance due to the immediate holding company of the Company amounting to HK\$105,366,000 was capitalised as equity of the Group.

26. BORROWINGS

In June 2018, the Group entered into three loan facilities agreements with a financial institution, which provided for a revolving facility amount in the sum of HK\$60 million. The borrowings under the facility agreements bear an interest rate of HIBOR plus 6% per annum, and are due for repayment in one calendar year after drawdown of such borrowings. The borrowings shall be secured by the pledge of the Group's trade receivables with the same amount as that of the outstanding borrowings. As at 31 March 2020, the borrowings outstanding under the facility agreements amounted to HK\$9,924,000, and due for repayment in October 2020.

25. 儲備

本集團於本年及往年的儲備金額及變動於綜合財務報表的綜合權益變動表呈列。

法定盈餘儲備

根據中國相關法律及法規，於中國註冊的本公司各附屬公司須劃撥10%根據中國公認會計原則釐定的年度法定除稅後溢利（經抵銷任何過往年度虧損後）至法定儲備，直至儲備金結餘達到該實體註冊資本的50%為止。該法定儲備可用於抵銷過往年度虧損或用於增資，惟法定儲備的餘下結餘不少於註冊資本的25%。

合併儲備

本集團的合併儲備指因本集團上市重組而產生的儲備。

資本盈餘儲備

於2014年7月28日，應付本公司直屬控股公司之結餘達105,366,000港元已資本化為本集團權益。

26 借貸

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Secured borrowings 已抵押借貸	9,924	-

於2018年6月，本集團與一家金融機構訂立三份貸款融資協議，該協議提供循環融資金額合共60百萬港元。融資協議項下的借貸按香港銀行同業拆息加年利率6%計息，在有關借貸提取當日起計一個日曆年內應予償還。有關借貸應以本集團貿易應收款項質押，有關款項金額與未償還借貸金額相同。於2020年3月31日，該融資協議項下的未償還借貸為9,924,000港元，並應於2020年10月償還。

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綜合財務報表附註

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截至2020年3月31日止年度

27. DEFERRED INCOME TAX

The movements in deferred tax liabilities during the year are as follows:

		Plant and equipment depreciation	Withholding Tax	Loss available for offsetting future taxable profits	Total
		廠房及 設備折舊 HK\$'000 千港元	預扣稅 HK\$'000 千港元	可供抵銷 未來應課稅 溢利的虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	(731)	(1,872)	681	(1,922)
Deferred tax credited to profit or loss (Note 12)	於損益入賬的遞延稅項 (附註12)	731	1,872	(681)	1,922
At 31 March 2019	於2019年3月31日	–	–	–	–
Deferred tax charged to profit or loss (Note 12)	於損益扣除的遞延稅項 (附註12)	(671)	–	372	(299)
At 31 March 2020	於2020年3月31日	(671)	–	372	(299)

As at 31 March 2020, the Group has unused tax losses of approximately HK\$49,969,000 (2019: HK\$75,733,000), which was contributed by the Hong Kong subsidiaries and can be carried forward indefinitely. Deferred tax assets have not been recognised in respect of these losses as they have been arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

27. 遞延所得稅

年內遞延稅項負債的變動如下：

於2020年3月31日，本集團的未動用稅項虧損約為49,969,000港元(2019年：75,733,000港元)，由香港附屬公司引致並可無限期轉結。概無就該等虧損確認遞延稅項資產，因其於過去一段時間產生虧損的附屬公司產生，且認為不大可能動用可用的稅務虧損抵銷應課稅溢利。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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28. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Net asset reconciliation

This section sets out an analysis of net debt/asset and the movements in net asset for each of the periods presented.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Net asset	淨資產		
Cash and bank balances	現金及銀行結餘	27,915	270,808
Liquid investments (i)	流動性投資 (i)	152,201	–
Borrowings	借貸	(9,924)	–
Lease liabilities	租賃負債	(1,068)	–
Net asset	淨資產	169,124	270,808

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Net asset	淨資產		
Cash and liquid investments	現金及流動性投資	180,116	270,808
Gross debt — fixed interest rates	債務總額 — 固定利率	(1,068)	–
Gross debt — variable interest rates	債務總額 — 浮動利率	(9,924)	–
Net asset	淨資產	169,124	270,808

28. 綜合現金流量表附註

淨資產對賬

本節載列各所示期間的淨債務／資產及淨資產變動分析。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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28. NOTES TO THE CONSOLIDATED STATEMENT
OF CASH FLOWS (CONTINUED)

28. 綜合現金流量表附註(續)

Net asset reconciliation (continued)

淨資產對賬(續)

		Liabilities from financing activity 融資活動產生的負債			Other assets 其他資產		Total 總計 HK\$'000 千港元
		Borrowings 借貸 HK\$'000 千港元	Leases 租賃 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元	Cash/bank 現金/銀行 HK\$'000 千港元	Liquid investments 流動性投資 HK\$'000 千港元	
Net asset as at 1 April 2018	於2018年4月1日的淨資產	-	(1,977)	(1,977)	230,489	-	228,512
Cash flows	現金流量	-	1,977	1,977	41,563	-	43,540
Foreign exchange alignment	外匯調整	-	-	-	(1,244)	-	(1,244)
Net asset as at 31 March 2019	於2019年3月31日的淨資產	-	-	-	270,808	-	270,808
Net asset as at 1 April 2019	於2019年4月1日的淨資產	-	-	-	270,808	-	270,808
Cash flows	現金流量	(9,924)	168	(9,756)	(243,023)	198,053	(54,726)
Foreign exchange alignment	外匯調整	-	(5)	(5)	130	-	125
Other changes (ii)	其他變動(ii)	-	(1,231)	(1,231)	-	(45,852)	(47,083)
Net asset as at 31 March 2020	於2020年3月31日的淨資產	(9,924)	(1,068)	(10,992)	27,915	152,201	169,124

- (i) Liquid investments comprise of equity securities that are traded in an active market, being the Group's financial assets held at fair value through profit or loss.
- (ii) Other changes include non-cash movements, including acquisition of right-of-use assets and fair value change on liquid investments.

- (i) 流動性投資包括在活躍市場買賣的股權證券，即本集團按公允值計入損益的金融資產。
- (ii) 其他變動包括非現金變動，包括收購使用權資產以及流動性投資的公允值變動。

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29. COMMITMENTS

(i) Capital commitments

At 31 March 2020 and 2019, the Group had no capital commitments as at the end of the reporting years.

(ii) Operating leases

The Group leases offices under operating leases expiring within 2 to 6.5 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 16 for further information.

29. 承擔

(i) 資本承擔

於2020年及2019年3月31日，本集團於報告年末概無資本承擔。

(ii) 經營租賃

本集團根據經營租賃租用辦公室，租期在2至6.5年內屆滿。各租賃具有不同條款、自動條款及續訂權利。續訂時，將重新磋商租賃條款。

自2019年4月1日起，本集團已就有關租賃確認使用權資產，惟短期及低價值租賃除外，有關進一步資料請參閱附註16。

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Minimum lease payments Within 1 year	最低租賃款項 一年內	—	241

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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30. RELATED PARTY TRANSACTIONS

(i) In addition to the transactions as disclosed in Note 5 to the consolidated financial statements, the Group had the following material transactions with related parties during the year ended 31 March 2020:

(a) During the year ended 31 March 2020, total service fee of approximately HK\$579,000 (2019: HK\$1,119,000) were paid to Guarantee Travel Limited, an entity controlled by a close family member of a key management of major subsidiaries, for provision of reservation services for tickets and hotel accommodation etc. to a subsidiary of the Group. The service charges were based on the terms and conditions mutually agreed between both parties.

(b) During the year ended 31 March 2020, the Group's sales to Dynamic Tactics (Hong Kong) Limited, a joint venture of the Group, amounted to approximately HK\$71,000 (2019: HK\$522,000). The sales were based on the terms and conditions mutually agreed between both parties.

(ii) Outstanding balances with related parties:

Details of the Group's amount due from its joint venture and trade balance with its joint venture are disclosed in Notes 17 and 20 to the consolidated financial statement, respectively.

(iii) Compensation of key management personnel of the Group:

Short-term employee benefits	短期僱員福利		
Pension scheme contributions	退休金計劃供款		

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元

	4,176		9,733
	7		23

	4,183		9,756
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Further details of directors' remuneration are included in Note 10 to the consolidated financial statements.

30. 關聯方交易

(i) 除綜合財務報表附註5披露的交易外，截至2020年3月31日止年度，本集團與關聯方存在以下主要交易：

(a) 截至2020年3月31日止年度，服務費用總額約579,000港元(2019年：1,119,000港元)已支付予保誠旅遊有限公司，一家由主要附屬公司的主要管理人員的親屬控制的實體，目的為向本集團一家附屬公司提供機票及酒店預訂服務。服務收費乃以經雙方相互協定的條款及條件為基準。

(b) 截至2020年3月31日止年度，本集團向本集團的合營公司Dynamic Tactics (Hong Kong) Limited作出的銷售約為71,000港元(2019年：522,000港元)。銷售乃以經雙方相互協定的條款及條件為基準。

(ii) 與關聯方的未償還結餘：

本集團的應收合營公司款項及合營公司貿易結餘詳情分別於綜合財務報表附註17及20披露。

(iii) 本集團主要管理層成員的薪酬：

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元

	4,176		9,733
	7		23

	4,183		9,756
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有關董事薪酬的進一步詳情載於綜合財務報表附註10。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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31. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets at amortised cost:	按攤銷成本列賬的金融資產：		
Trade receivables	貿易應收款項	78,910	51,569
Financial assets included in other receivables	計入其他應收款項的金融資產	6,316	1,002
Cash and bank balances	現金及銀行結餘	27,915	270,808
Financial assets at FVPL	按公允值計入損益的金融資產	168,921	16,189
		282,062	339,568

Financial liabilities

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial liabilities at amortised cost:	按攤銷成本列賬的金融負債：		
Trade payables	貿易應付款項	6,358	9,324
Financial liabilities included in other payables	計入其他應付款項的金融負債	13,367	19,191
Borrowings	借貸	9,924	-
Lease liabilities	租賃負債	1,068	-
		30,717	28,515

31. 按類別劃分的金融工具

於報告期末各類金融工具的賬面值如下：

金融資產

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets at amortised cost:		
Trade receivables	78,910	51,569
Financial assets included in other receivables	6,316	1,002
Cash and bank balances	27,915	270,808
Financial assets at FVPL	168,921	16,189
	282,062	339,568

金融負債

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial liabilities at amortised cost:		
Trade payables	6,358	9,324
Financial liabilities included in other payables	13,367	19,191
Borrowings	9,924	-
Lease liabilities	1,068	-
	30,717	28,515

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 March 2020
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32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amount and fair value of the Group's financial instrument, other than those with carrying amounts that reasonably approximate to fair values, is as follows:

Financial asset	金融資產	Carrying amount 賬面值		Fair value 公允值	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Hong Kong listed equity securities (i)	香港上市股權證券 (i)	152,201	–	152,201	–
Life insurance policy (ii)	人壽保險保單 (ii)	16,720	16,189	16,720	16,189
		168,921	16,189	168,921	16,189

- (i) The fair value of Hong Kong listed equity securities is based on the quoted market closing prices available on the stock exchange at the end of the reporting period. These instruments are included in Level 1 of the fair value hierarchy.
- (ii) The fair value of the Policy is estimated at the surrender value of the Policy as disclosed in Note 18 as at the end of reporting period. As there is no active market to demonstrate the fair value of FVPL, and the potential exit price in a hypothetical transfer of the life insurance policy to another market participant cannot be reliably estimated, the directors believe that the estimated fair value resulting from the surrender value is reasonable and is the most appropriate value at the end of the reporting period. This instrument is included in Level 3 of the fair value hierarchy.

Management has assessed that the fair values of cash and bank balances, trade receivables, financial assets included in other receivables, trade payables and financial liabilities included in other payables approximate to their carrying amounts largely due to the short term maturities of these instruments.

32. 金融工具公允值及公允值層級

本集團金融工具的賬面值及公允值(賬面值與公允值合理地相若的金融工具除外)載列如下:

- (i) 香港上市的股本證券的公允值根據於報告期末於聯交所所報的市場收市價釐定。該等工具計入第一級公允值層級。
- (ii) 誠如附註18所披露，於報告期末該保單之公允值已根據該保單的退保價值估算。由於沒有活躍市場展示按公允值計入損益之金融資產的公允值，且無法可靠地估計假設將人壽保險保單轉讓予另一個市場參與者的潛在脫售價格，董事認為根據退保價值所得出的估計公允值屬合理，而且為於報告期末最恰當的價值。此工具計入第三級公允值層級。

管理層已評估現金及銀行結餘、貿易應收款項、計入其他應收款項的金融資產、貿易應付款項及計入其他應付款項的金融負債的公允值與賬面值相若，主要由於該等工具於短期內到期。

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32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

As at 31 March 2020 and 2019, the financial asset measured at fair value is as follows:

		Fair value measurement using 採用公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2020	於2020年3月31日				
Hong Kong listed equity securities	香港上市的股本證券	152,201	-	-	152,201
Life insurance policy	人壽保單	-	-	16,720	16,720
As at 31 March 2019	於2019年3月31日				
Life insurance policy	人壽保單	-	-	16,189	16,189

The Group did not have any financial liabilities measured at fair value as at 31 March 2020 and 2019.

The movements in fair value measurement within Level 3 during the year ended 31 March 2020 and 2019 are as disclosed in Note 18.

During the years ended 31 March 2020 and 2019, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

32. 金融工具公允值及公允值層級(續)

公允值層級

下表說明本集團的金融工具的公允值計量層級：

於2020年及2019年3月31日，以公允值計量的金融資產如下：

本集團在2020年及2019年3月31日並無任何按公允值計量之金融負債。

截至2020年及2019年3月31日止年度，公允值計量第3級的變動在附註18中披露。

截至2020年及2019年3月31日止年度，就金融資產及金融負債而言，第1級與第2級的公允值計量方法之間並無轉移及並無轉入第3級或自第3級轉出。

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, comprise interest-bearing bank and other borrowings, obligations under finance leases, cash and short term bank deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group's exposure to market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk arises in the normal course of its business. These risks are managed by the Group's financial management policies and practices described below:

Interest rate risk

The Group's main interest rate risk arises from short-term borrowings with floating interest rates, which expose the Group to cash flow interest rate risk. During the year ended 31 March 2020, the Group's borrowings at floating interest rates were denominated in Hong Kong dollar.

As of 31 March 2020, if the interest rates had been 50 basis point higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2020 would have been approximately HK\$40,000 lower/higher (2019: nil), mainly attributable to the Group's exposure to interest rates on its variable rate other borrowings.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group manages its foreign currency risk by closely monitoring the level of foreign currency balances. The Group currently has not entered into any foreign currency forward contracts to hedge against foreign currency risk. Management will consider hedging foreign currency exposure should the need arise.

33. 財務風險管理目標及政策

本集團的主要金融工具包括計息銀行及其他借貸、融資租賃承擔、現金及短期銀行存款。該等金融工具主要用於為本集團籌集營運資金。本集團有直接來自其營運的各種其他金融資產及負債，例如貿易應收款項及貿易應付款項。

本集團面臨於其一般業務過程中產生的市場風險(包括利率風險及外幣風險)、信貸風險及流動資金風險。由本集團的財務管理政策及慣例管理的該等風險概述如下：

利率風險

本集團的主要利率風險源自浮息短期借貸，並使本集團面臨現金流利率風險。截至2020年3月31日止年度，本集團的浮息借貸以港元計值。

截至2020年3月31日，倘利率上升/下跌50個基點，且所有其他可變因素維持不變，則本集團截至2020年3月31日止年度的稅後溢利將下跌/增加約40,000港元(2019年：無)，主要由於本集團面臨其他浮息借款的利率風險。

外幣風險

本集團在交易上有貨幣風險。此等風險因營運單位以該單位功能貨幣以外之貨幣進行買賣而產生。本集團通過密切監控外幣結餘水平管理其外幣風險。本集團目前尚未訂立任何外幣遠期合約對沖外幣風險。管理層將於必要時考慮對沖外幣風險。

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For the year ended 31 March 2020
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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk (continued)

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, which are mainly trade receivables, other receivables, bank balances, trade and other payables and obligations under finance leases, at the end of the reporting period are approximately as follows:

		Assets 資產		Liabilities 負債	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
US\$	美元	13,599	30,313	5,284	10,542
RMB	人民幣	24	59	157	445

Since HK\$ is pegged to US\$, the Group does not expect any significant movements in HK\$/US\$ exchange rate.

The following table demonstrates the sensitivity to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's loss after tax.

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下降) %	(Increase)/ decrease in loss after tax 除稅後虧損 減少/(增加) HK\$'000 千港元
2020	2020年		
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣貶值	5%	(6)
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣升值	(5%)	6
2019	2019年		
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣貶值	5%	(16)
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣升值	(5%)	16

33. 財務風險管理目標及政策(續)

外幣風險(續)

本集團於報告期末以各集團實體的功能貨幣以外的外幣計值的貨幣資產及貨幣負債(主要為貿易應收款項、其他應收款項、銀行結餘、貿易及其他應付款項以及融資租賃承擔),其賬面值概約如下:

由於港元與美元掛鈎,本集團預期港元兌美元的匯率將不會出現任何重大變動。

下表呈列本集團除稅後虧損對人民幣匯率之合理可能變動而所有其他可變因素保持不變的敏感度。

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

The Group is exposed to credit risk primarily in relation to its cash and cash equivalents, trade receivables as well as other receivables. The carrying amounts of each class of the above financial assets represent the Group's maximum exposure to credit risk in relation to financial assets.

Risk management

Credit risk is managed on a Group basis. All cash and cash equivalents were placed with state-owned banks and financial institutions in the PRC and reputable international banks and financial institutions in the Hong Kong. The Group has policies in place to ensure that revenues of on credit terms are made to counterparties with an appropriate credit history and the management performs ongoing credit evaluations of its counterparties. In addition, The Group has policies in place to ensure that settlement of trade receivables are followed up on a timely basis. The Group has no significant concentrations of credit risk.

Impairment of financial assets

The Group has two types of financial assets that are subject to HKFRS 9's expected credit loss model:

- trade receivables for sales of goods, and
- other financial assets at amortised cost.

While cash and cash equivalents were also subject to the impairment requirements of HKFRS 9, no impairment loss was identified.

Trade receivables

The Group applied the HKFRS 9 simplified approach to measure 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 aging periods.

The expected loss rates are based on the aging profiles of trade receivables over a period of 36 months before 31 March 2020 or 1 April 2019 respectively. 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.

33. 財務風險管理目標及政策(續)

信貸風險

本集團主要面臨與其現金及現金等價物、貿易應收款項及其他應收款項有關的信貸風險。上述各類金融資產的賬面值指本集團所面臨與金融資產有關的最大信貸風險。

風險管理

信貸風險按集團基準管理。所有現金及現金等價物均存置在中國的國有銀行及金融機構以及香港信譽良好的國際銀行及金融機構。本集團已實施政策，確保信貸期的收益是按信貸條款從具有適當信用記錄的交易對手獲得，而管理層持續對交易對手進行信貸評估。此外，本集團已實施政策，確保及時跟進貿易應收款項的結算。本集團並無重大集中信貸風險。

金融資產減值

本集團有兩種金融資產須遵守香港財務報告準則第9號的預期信貸虧損模式：

- 銷售貨品的貿易應收款項；及
- 按攤銷成本計量的其他金融資產。

儘管現金及現金等價物亦須遵守香港財務報告準則第9號的減值規定，但並未識別任何減值虧損。

貿易應收款項

本集團應用香港財務報告準則第9號所訂明的簡化方法計量預期信貸虧損，其就所有貿易應收款項使用全期預期虧損撥備。為計量預期信貸虧損，貿易應收款項已按共通信貸風險特徵及賬齡期分類。

預期虧損率分別按2020年3月31日或2019年4月1日之前36個月期間的貿易應收款賬齡狀況計算。過往虧損率乃經調整以反映影響客戶結清應收款項能力的宏觀經濟因素的現時及前瞻性資料。

NOTES TO 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

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

Impairment of financial assets (continued)

Trade receivables (continued)

On that basis, the loss allowance as at 31 March 2020 and 2019 was determined as follows for trade receivables:

		Current 即期	Overdue within 1 year 1年內逾期	Overdue over 1 year 1年後逾期	Total 總計
As at 31 March 2020	於2020年3月31日				
Expected loss rate	預期虧損率	1.35%	2.20%	100.00%	4.08%
Gross carrying amount	賬面總值	32,599	47,803	1,867	82,269
Loss allowance	虧損撥備	439	1,053	1,867	3,359
As at 31 March 2019	於2019年3月31日				
Expected loss rate	預期虧損率	0.03%	0.27%	100.00%	23.85%
Gross carrying amount	賬面總值	45,663	5,823	16,232	67,718
Loss allowance	虧損撥備	–	–	16,149	16,149

The difference of amounts of loss allowance for trade receivables as at 31 March 2019 under HKFRS 9 and HKAS 39 was immaterial.

Other financial assets at amortised cost

There was no loss allowance for other financial assets at amortised cost as at 31 March 2020 and 2019.

33. 財務風險管理目標及政策 (續)

信貸風險 (續)

金融資產減值 (續)

貿易應收款項 (續)

有鑑於此，於2020年及2019年3月31日貿易應收款項的虧損撥備釐定如下：

於2019年3月31日，香港財務報告準則第9號及香港會計準則第39號項下的貿易應收款項虧損撥備差額為不重大。

按攤銷成本計量的其他金融資產

於2020年及2019年3月31日，按攤銷成本計量的其他金融資產並無虧損撥備。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

The Group aims to maintain sufficient cash and credit lines to meet its liquidity requirements. The Group finances its working capital requirements through a combination of funds generated from operations and other borrowings.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period based on contractual undiscounted payments including interest payments computed using contractual rates.

		On demand or less than 1 year 應要求或 於1年內 償還 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Over 5 year 超過5年 HK\$'000 千港元	Total contractual cash flows 合約現金 流總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 31 March 2020	於2020年3月31日					
Trade and other payables	貿易及其他應付款項	20,177	–	–	20,177	19,725
Borrowings	借貸	9,924	–	–	9,924	9,924
Leases liabilities	租賃負債	332	846	128	1,306	1,068
		30,433	846	128	31,407	30,717
As at 31 March 2019	於2019年3月31日					
Trade and other payables	貿易及其他應付款項	28,515	–	–	28,515	28,515

33. 財務風險管理目標及政策(續)

流動資金風險

本集團致力於維持充足的現金及信用額度以滿足其流動資金要求。本集團通過經營所產生的資金及其他借貸方式為其營運資金要求提供融資。

下表概述本集團於報告期末基於合約未貼現付款(包括使用合約利率計算的利息款項)的非衍生金融負債到期情況。

NOTES TO 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

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, or sell assets to reduce debt. No changes in the objectives, policies or processes for managing capital were made during the years ended 31 March 2020 and 2019.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends as well as issue of new debt or the redemption of the debt.

The Group monitors capital using, inter alia, a gearing ratio which is net debt divided by total equity plus net debt. As at 31 March 2020 and 31 March 2019, the Group had a net cash position.

33. 財務風險管理目標及政策(續)

資本管理

本集團管理資本的目標乃保障本集團持續經營能力，為股東創造回報以及維持最佳資本架構以降低資本成本。

本集團管理其資本架構並就經濟狀況的變動作出調整。為維持或調整資本架構，本集團可能調整向股東支付的股息、向股東償還的資金或銷售資產以減少債務。於截至2020年及2019年3月31日止年度，有關資本管理的目標、政策或程序並無任何變動。

本集團管理層定期審閱資本架構。作為審閱的一部分，管理層會考慮資本成本及與各類資本相關的風險。根據管理層建議，本集團將通過支付股息及發行新債或償還債務，以平衡整體資本架構。

本集團採用(其中包括)資產負債比率(負債淨額除以權益總額加債務淨額)監察資本的運用。於2020年3月31日及2019年3月31日，本集團持有現金淨額。

NOTES TO 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

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

34. 本公司財務狀況表

Information about the statement of financial position of the Company at the end of the reporting year is as follows:

本公司於報告年度末財務狀況表的資料如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	107,316	105,366
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	36	-
Due from subsidiaries	應收附屬公司款項	11,897	10,466
Financial assets at fair value through profit or loss	按公允值計入損益的金融資產	152,201	-
Cash and bank balances	現金及銀行結餘	10,222	219,584
Total current assets	流動資產總值	174,356	230,050
Total assets	資產總值	281,672	335,416
Current liabilities	流動負債		
Due to subsidiaries	應付附屬公司款項	10,780	10,830
Other payable	其他應付款項	827	1,741
Total current liabilities	流動負債總額	11,607	12,571
Total liabilities	負債總額	11,607	12,571
Equity	權益		
Share capital	股本	863	863
Reserves (i)	儲備 (i)	269,202	321,982
Total equity	權益總額	270,065	322,845
Total equity and liabilities	權益及負債總額	281,672	335,416

The statement of financial position of the Company was approved by the Board of Directors on 18 June 2020 and was signed on its behalf.

本公司的綜合財務狀況表已於2020年6月18日由董事會批准及代表簽署。

Li Neng
李能
Director
董事

Zhao Minhao
趙旻昊
Director
董事

NOTES TO 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

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Notes:

- (i) A summary of the reserve movements of the Company is as follows:

34. 本公司財務狀況表(續)

附註：

- (i) 本公司儲備變動概要如下：

		Share premium	Merger reserve	Capital surplus	Warrant reserve	Retained earnings	Total equity
		股份溢價	合併儲備	資本盈餘	認股權證儲備	保留盈利	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
As at 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	122,787	1,940	105,366	2,470	49,304	281,867
Profit for the year	年內溢利	-	-	-	-	40,115	40,115
As at 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日	122,787	1,940	105,366	2,470	89,419	321,982
Loss for the year	年內虧損	-	-	-	-	(52,780)	(52,780)
Expiration of warrants	認股權證到期	-	-	-	(2,470)	2,470	-
As at 31 March 2020	於2020年3月31日	122,787	1,940	105,366	-	39,109	269,202

35. EVENT AFTER THE REPORTING PERIOD

(i) COVID-19 outbreak

In early 2020, the outbreak of novel coronavirus (COVID-19) has certain impact on the business of the Group. The degree of the impact depends on the epidemic preventive measures and the duration of the epidemic. Given the dynamic circumstances and high uncertainties, the management is unable to estimate the adverse impact of these events on the results of operations, financial position and cash flows for the year ending 31 March 2021. The Company will pay close attention to the development of the COVID-19 outbreak, perform further assessment of its impact on the Group's financial statements and take relevant measures to minimise the impact.

(ii) Significant fair value decrease of financial assets at FVPL

The Hong Kong listed equity securities held by the Group classified under financial assets at FVPL demonstrated a decrease in valuation, which in turn led to a significant unrealised loss in fair value changes. The net loss arising in change in fair value of financial assets at FVPL was approximately HK\$53.3 million for the period from 1 April 2020 to 17 June 2020. On 18 June 2020, the Board of Directors approved the listed equity securities would be held for long term trading.

36. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 18 June 2020.

35. 報告期後事項

(i) 爆發 COVID-19

2020年初，新型冠狀病毒(COVID-19)爆發對本集團業務產生若干影響。受影響程度取決於防疫措施及疫症持續時間。鑑於情況不斷改變以及存在高度不確定性，管理層無法估計該等事件對截至2021年3月31日止年度的經營業績、財務狀況及現金流量造成的不利影響。本公司將密切關注COVID-19疫情發展，進一步評估其對本集團財務報表的影響，並採取相關措施盡量減少有關影響。

(ii) 按公允值計入損益之金融資產的重大公允值下跌

本集團所持的分類為按公允值計入損益之金融資產為香港上市股權證券，估值有所下降，從而導致因公允值變動而產生的重大未變現虧損。於2020年4月1日至2020年6月17日期間，按公允值計入損益的金融資產公允值變動產生的虧損淨額約為53.3百萬港元。於2020年6月18日，董事會已核准該上市股權證券持作長期買賣。

36. 批准綜合財務報表

董事會已於2020年6月18日批准及授權刊發綜合財務報表。

FINANCIAL SUMMARY
財務概要

RESULTS

業績

		Year ended 31 March 截至3月31日止年度				
		2020	2019	2018	2017	2016
		2020年	2019年	2018年	2017年	2016年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收益	154,038	219,286	433,666	547,623	683,687
Cost of sales	銷售成本	(145,153)	(191,839)	(355,041)	(440,824)	(568,772)
Gross profit	毛利	8,885	27,447	78,625	106,799	114,915
Other income	其他收入	356	599	2,660	2,890	4,243
Selling expenses	銷售開支	(4,283)	(21,362)	(31,826)	(42,608)	(34,152)
Administrative expenses	行政開支	(25,269)	(49,818)	(61,610)	(70,997)	(82,388)
Net impairment losses on financial assets	金融資產減值虧損淨額	(2,614)	-	-	-	-
Other (losses)/gains, net	其他(虧損)/收益淨額	(43,462)	28,752	(12,578)	3,926	(5,087)
Finance costs	財務成本	(941)	(1,034)	(8,714)	(6,153)	(9,172)
Share of loss of a joint venture	應佔合營公司虧損	(8)	(27)	(140)	(27)	(49)
Loss before tax	除稅前虧損	(67,336)	(15,443)	(33,583)	(6,170)	(11,690)
Income tax expense	所得稅開支	(358)	(1,693)	(3,714)	(2,984)	(1,812)
Loss for the year attributable to the equity holders of the parent	母公司權益擁有人應佔年內虧損	(67,694)	(17,136)	(37,297)	(9,154)	(13,502)
Total assets, total liabilities and total equity	資產總值、負債總額及權益總額					
Total assets	資產總值	309,467	377,869	400,709	719,942	674,968
Total liabilities	負債總額	31,161	30,358	31,933	398,678	322,355
Total equity	權益總額	278,306	347,511	368,776	321,264	352,613

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