

YGM

TRADING LTD.

YGM貿易有限公司
股份代號 Stock Code: 00375



BLACK CLOVER


Harmont & Blaine

Guy Laroche
PARIS

ASHWORTH


J. LINDBERG



MICHEL RENÉ


Tommy Bahama

Annual Report 年報
2019/20
For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

目錄

Contents

1	公司資料 Corporate Information
2	五年財務摘要 Five Year Financial Highlights
3	主席報告 Chairman's Statement
4	管理層討論及分析 Management Discussion and Analysis
10	企業管治報告 Corporate Governance Report
19	董事會報告 Directors' Report
25	董事及管理人員 Directors and Management
29	獨立核數師報告 Independent Auditor's Report
37	綜合損益表 Consolidated Statement of Profit or Loss
38	綜合損益及其他全面收益表 Consolidated Statement of Profit or Loss and Other Comprehensive Income
39	綜合財務狀況表 Consolidated Statement of Financial Position
40	綜合權益變動表 Consolidated Statement of Changes in Equity
41	綜合現金流量表 Consolidated Cash Flow Statement
42	財務報表附註 Notes to the Financial Statements
120	主要附屬公司 Principal Subsidiaries

公司資料

Corporate Information

董事會

執行董事

陳永燊 (主席)
周陳淑玲 (副主席)
傅承蔭 (行政總裁)
陳嘉然 (董事總經理)
陳永奎
陳永棋

獨立非執行董事

蔡廷基
蘇漢章
李光明

審核委員會

蘇漢章 (主席)
蔡廷基
李光明

薪酬委員會

李光明 (主席)
陳永奎
陳永燊
蔡廷基
蘇漢章

提名委員會

蔡廷基 (主席)
陳永奎
陳永燊
蘇漢章
李光明

風險管理委員會

陳永燊 (主席)
周陳淑玲
傅承蔭
陳嘉然

主要往來銀行

香港上海滙豐銀行有限公司

律師

Loeb & Loeb LLP

核數師

畢馬威會計師事務所
於《財務匯報局條例》下的註冊公眾利益實體
核數師

公司秘書

郭應東

註冊辦事處及主要營業地址

香港九龍新蒲崗大有街二十二號

股份登記及過戶處

香港中央證券登記有限公司
香港合和中心十七樓1712-1716室

股份代號：00375

公司網址

www.ygmtrading.com

Board of Directors

Executive Directors

Chan Wing Sun, Samuel (Chairman)
Chan Suk Ling, Shirley BBS JP (Vice Chairman)
Fu Sing Yam, William (Chief Executive Officer)
Andrew Chan (Managing Director)
Chan Wing Fui, Peter MA
Chan Wing Kee GBM, GBS, OBE, JP

Independent Non-executive Directors

Choi Ting Ki
So Stephen Hon Cheung
Li Guangming

Audit Committee

So Stephen Hon Cheung (Chairman)
Choi Ting Ki
Li Guangming

Remuneration Committee

Li Guangming (Chairman)
Chan Wing Fui, Peter
Chan Wing Sun, Samuel
Choi Ting Ki
So Stephen Hon Cheung

Nomination Committee

Choi Ting Ki (Chairman)
Chan Wing Fui, Peter
Chan Wing Sun, Samuel
So Stephen Hon Cheung
Li Guangming

Risk Management Committee

Chan Wing Sun, Samuel (Chairman)
Chan Suk Ling, Shirley
Fu Sing Yam, William
Andrew Chan

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited

Solicitors

Loeb & Loeb LLP

Auditors

KPMG
Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance

Company Secretary

Kwok Ying Tung FCPA, FCCA, FCA, ACIS, ACS

Registered Office and Principal Place of Business

22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong

Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shop 1712-1716, 17th Floor, Hopewell Centre, Hong Kong

Stock Code: 00375

Website

www.ygmtrading.com

五年財務摘要

Five Year Financial Highlights

(除另有所指外，均以港元列示 / Expressed in Hong Kong dollars unless otherwise indicated)

		2020	2019	2018	2017	2016
		\$'000	\$'000	\$'000	\$'000	\$'000
經營業績	Results of Operations					
收入	Revenue	269,818	360,675	575,690	760,510	894,240
毛利	Gross profit	139,337	240,771	352,461	433,212	524,604
毛利率	Gross profit margin	51.6%	66.8%	61.2%	57.0%	58.7%
經營虧損	Loss from operations	(154,540)	(85,414)	(72,828)	(104,525)	(112,971)
經營虧損率	Operating margin	-57.3%	-23.7%	-12.7%	-13.7%	-12.6%
投資物業估值 (虧損) / 收益淨額	Net valuation (losses) / gains on investment properties	(35,242)	5,330	3,770	7,400	5,185
出售投資物業 收益淨額	Net gain on disposal of investment properties	-	3,580	4,378	-	-
出售持作自用之 土地及樓宇收益 淨額	Net gain on disposal of land and building held for own use	-	44,753	-	-	-
出售附屬公司收益 淨額	Net gain on disposal of subsidiaries	-	129,510	220,790	-	29,845
潛在中國關稅及 彌償保證回撥及 相關扣押金退回	Reversal of provision for potential PRC customs duties and indemnity liabilities and refund of related distrained deposits	126,495	-	-	-	-
本公司權益股東 應佔(虧損) / 溢利	(Loss)/profit attributable to equity shareholders of the Company	(87,125)	90,189	151,023	(97,335)	(87,871)
淨(虧損) / 純利率	Net (loss)/profit margin	-32.3%	25.0%	26.2%	-12.8%	-9.8%
每股(虧損) / 盈利 — 基本	(Loss)/earnings per share — basic	(\$0.53)	\$0.54	\$0.91	(\$0.59)	(\$0.53)
每股中期股息	Interim dividend per share	\$0.10	\$0.20	\$0.20	-	-
每股末期股息	Final dividend per share	-	\$0.20	\$0.50	\$0.10	\$0.05
每股特別股息	Special dividend per share	-	-	\$4.00	-	-
派息率	Dividend payout	-18.9%	74.1%	516.5%	-16.9%	-9.4%
財務狀況	Financial Position					
經營業務(所用) / 產生之現金	Cash (used in)/generated from operations	(14,896)	(61,708)	(51,467)	12,494	(49,706)
現金及銀行結存 減短期銀行貸款 及透支	Cash and bank deposits less short-term bank loans and overdrafts	146,011	315,124	234,486	143,877	75,379
流動資產淨值	Net current assets	152,797	256,568	177,268	710,865	327,533
總資產	Total assets	725,132	919,985	961,854	1,326,242	1,452,598
總負債	Total liabilities	167,298	215,417	213,205	165,379	164,817
股東權益	Shareholders' equity	538,095	682,314	721,752	1,133,004	1,260,706
總資產回報率	Return on total assets	-12.0%	9.8%	15.7%	-7.3%	-6.0%
股東權益回報率	Return on shareholders' equity	-16.2%	13.2%	20.9%	-8.6%	-7.0%
流動率(倍)	Current ratio (times)	2.3	2.2	1.8	5.4	3.0
資本負債比率	Gearing ratio	0.210	0.010	0.015	0.006	0.021
市場流通股份 數目(千股)	Number of shares outstanding ('000)	165,864	165,864	165,864	165,864	165,864
總市值	Market capitalisation	497,592	1,169,341	978,598	1,293,739	812,734

附註：因採納香港財務報告準則第16號「租賃」(自二零一九年四月一日起生效)，本集團已變更其有關承租人會計模式之會計政策。根據準則之過渡性條文，會計政策變動採納之方式為透過期初結餘調整以確認於二零一九年四月一日之使用權資產及租賃負債。於初步確認該等資產及負債後，本集團(作為承租人)須確認租賃負債未償還結餘產生之利息開支以及使用權資產折舊，而非過往以直線基準確認租期內經營租賃產生之租賃開支政策。早於二零一九年之數字根據該等年度之適用政策呈列。

Note: As a result of the adoption of HKFRS 16, Leases, with effect from 1 April 2019, the Group changed its accounting policies in respect of the lessee accounting model. In accordance with the transitional provisions of the standard, the changes in accounting policies were adopted by way of opening adjustments to recognise right-of-use assets and lease liabilities as at 1 April 2019. After initial recognition of these assets and liabilities, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of previous policy of recognising rental expenses incurred under the operating leases on a straight line basis over the lease term. Figures in years earlier than 2019 are stated in accordance with the policies applicable in those years.

主席報告

Chairman's Statement

集團業績

於回顧財政年度初的四月及五月，我們的業務有好的開始，然而，自二零一九年六月以來社會持續出現動盪和不安，嚴重影響我們在香港的業務，因為我們的銷售業績在很大程度上取決於內地遊客，而內地遊客自社會動盪後一直下跌。此外，中國內地爆發COVID-19疫情大流行（「疫情大流行」），進一步嚴重打擊我們在香港和中國內地的業務。

因此，本集團的收入較去年下跌25.2%至269,818,000港元。本公司權益股東應佔虧損是87,125,000港元，其中計入許多非現金項目，包括租賃權費用及零售店舖資產減值虧損、投資物業估值虧損及撥備回撥。

業務回顧及展望

本集團的核心業務為品牌成衣零售及批發，較去年下跌28.4%至201,550,000港元，所有品牌均錄得虧損。自二零一九年六月以來，由於社會長期出現動盪和不安，本地消費者信心減弱，內地遊客人數下跌，嚴重影響香港。於二零二零年二月爆發疫情大流行後，銷售不振的情況進一步惡化。香港租金仍然高企，佔總零售運營成本的很大部分，尤其在銷售下跌的情況下，問題更嚴重。

於本財政年度，本集團以現金代價4,000,000美元（約相當於31,392,000港元）收購有關「Ashworth」品牌適用於全球市場的商標和部分知識產權資產。由於全球疫情大流行爆發，我們原來拓展美國和歐洲市場的計劃受影響，待大流行受控後，我們或會稍後恢復拓展計劃。

本集團擁有「Guy Laroche」的全球知識產權。由於特許授權商戶受疫情大流行拖累，我們預計特許收入會下跌。

旗下在香港的工業物業維持穩定的租賃收入，但將呈下跌趨勢。倫敦的商用物業因倫敦停擺而受拖累。高層辦公室現正空置，除非停擺結束，否則很難找到新的租戶。儘管我們出租餐廳物業的租約於首個租賃期完成後具有租金只加不減的條款，但租戶要求在倫敦停擺期間獲得減租。

儘管交易環境艱難，但安全印刷今年再度取得佳績，並正在開發新的場地安全系統，唯尚未獲得盈利。

前景

全球來年仍充斥不明朗因素，本集團已盡一切努力降低成本和固定支出以保留營運資金。截至二零二零年三月底，本集團扣除銀行透支後的淨現金結餘為146,011,000港元，財務狀況穩健，足以應付目前的業務需要。然而，疫情大流行在全球肆虐，使經營環境極為困難。儘管目前仍難以確定本公司何時可以進取拓展業務，但本集團已採取各種應對措施，例如改善員工的組織結構和成本結構，務求維持本集團的長遠發展實力，並使本集團能夠渡過艱難的時期，並盡快恢復盈利能力。

鳴謝

本人謹藉此機會向本年度為本集團提出寶貴指引和專業意見的董事會和付出努力的管理層及全體僱員致謝。

主席

陳永燊

香港，二零二零年六月二十九日

Group Results

The financial year under review started on a good note in April and May 2019. However, the prolonged social unrest and disturbances since June 2019 had significantly adversely affected our Hong Kong business as our sales depend to a great extent of Mainland tourists which witness a substantial drop since then. Furthermore, the outbreak of the COVID-19 pandemic (the "Pandemic") in Mainland China made another serious blow to our Hong Kong and Mainland China business.

Hence, the Group's revenue declined from last year by 25.2% to HK\$269,818,000. Loss attributable to equity shareholders of the Company was HK\$87,125,000 which included many non-cash items including impairment losses on lease premium and retail store assets, valuation losses on investment properties and reversal of provisions.

Business Review and Prospects

The wholesale and retail of branded garments, the core business of the Group, declined from last year by 28.4% to HK\$201,550,000 and all brands suffered a loss. Hong Kong was seriously affected by the weakening of local consumer confidence and the decline of the number of Mainland tourists due to the prolonged social unrest and disturbances since June 2019. The situation became worse further after the outbreak of the Pandemic in February 2020. Rental in Hong Kong is still high which represents a considerably significant portion of the total retail operating costs, in particular, in light of declining sales.

During the financial year, the Group acquired the trademarks and certain related intellectual property assets worldwide associated with the "Ashworth" brand at a cash consideration of USD4,000,000 (equivalent to approximately HK\$31,392,000). Original plans to the US and European market was affected by the global outbreak of the Pandemic and we will see a later start subject to the Pandemic situation.

The Group owns the global intellectual property rights of "Guy Laroche". The licensees were suffering from the Pandemic and we expect lower licensing income.

Rental income from industrial premises in Hong Kong held steady but will be facing downward trend. The commercial premises in London suffered due to the city lockdown. The office on upper floors is now vacant and it is difficult to find new tenant until after the city lockdown. Although we have rights for upward only rent review when the first term of the restaurant lease expired early this year, the tenant is asking for concession during the city lockdown.

The security printing had another successful year despite difficult trading environment. It is also developing the new field security system which is not yet profitable.

Outlook

Facing uncertainty in the coming year globally, the Group has made all efforts to reduce costs and overheads to preserve working capital. The Group has a net cash balance (after bank overdrafts) of HK\$146,011,000 as at the end of March 2020 and has strong financials to meet its current business needs. However, the Pandemic is raging worldwide which has made the operating environment extremely difficult. Despite it is still uncertain when the Company can look forward to meaningfully expansion, the Group has made various measures such as improving the staff organisational structure and cost structure with the aim of maintaining the Group's strength for its long term development and enabling the Group to get through this difficult time and recover its profitability soonest possible.

Appreciation

I would like to take this opportunity to express my appreciation to the Board of Directors for their valuable guidance and professional advice and to the management and staff for their hard work and contributions during this year.

Chan Wing Sun, Samuel

Chairman

Hong Kong, 29 June 2020

管理層討論及分析

Management Discussion and Analysis

主要表現指標

Key Performance Indicators

		2020 港元千元 HK\$'000	2019 港元千元 HK\$'000	+ / (-) 變動 change
表現指標	Performance Indicators			
收入	Revenue	269,818	360,675	-25.2%
毛利	Gross profit	139,337	240,771	-42.1%
毛利率	Gross profit margin	51.6%	66.8%	-15.2pp
經營虧損	Loss from operations	(154,540)	(85,414)	80.9%
經營虧損率	Operating margin	-57.3%	-23.7%	-33.6pp
本公司權益股東應佔 (虧損)／溢利	(Loss)/profit attributable to equity shareholders of the Company	(87,125)	90,189	-196.6%
淨(虧損)／純利率	Net (loss)/profit margin	-32.3%	25.0%	-57.3pp
扣除利息、稅項、折舊及 攤銷前的盈利(EBITDA)	EBITDA	51,064	115,217	-55.7%
EBITDA率	EBITDA margin	18.9%	31.9%	-13.0pp
總資產回報率	Return on total assets	-12.0%	9.8%	-21.8pp
財務狀況指標	Financial Health Indicators			
現金及銀行結存減 銀行透支	Cash and bank deposits less bank overdrafts	146,011	315,124	-53.7%
流動資產淨值	Net current assets	152,797	256,568	-40.4%
總資產	Total assets	725,132	919,985	-21.2%
總負債	Total liabilities	167,298	215,417	-22.3%
股東權益	Shareholders' equity	538,095	682,314	-21.1%
股東權益回報率	Return on shareholders' equity	-16.2%	13.2%	-29.4pp
流動率(倍)	Current ratio (times)	2.3	2.2	4.5%
資本負債比率	Gearing ratio	0.210	0.010	2000.0%
股東回報指標	Shareholders' Return Indicators			
每股(虧損)／盈利－基本	(Loss)/earnings per share – basic	\$(0.53)	\$0.54	-198.1%
每股股息	Dividend per share	\$0.10	\$0.40	-75.0%
派息率	Dividend payout	-18.9%	74.1%	-93.0pp
現金流及資本支出	Cash Flow and Capital Expenditure			
經營業務所用之現金	Cash used in operations	(14,896)	(61,708)	-75.9%
資本支出－除使用權資產 以外	Capital expenditure – other than right-of- use assets	41,128	11,327	263.1%

附註：因採納香港財務報告準則第16號「租賃」(自二零一九年四月一日起生效)，本集團已變更其有關承租人會計模式之會計政策。根據準則之過渡性條文，會計政策變動獲採納之方式為透過期初結餘調整以確認於二零一九年四月一日之使用權資產及租賃負債。於初步確認該等資產及負債後，本集團(作為承租人)須確認租賃負債未償還結餘產生之利息開支以及使用權資產折舊，而非過往以直線基準確認租期內經營租賃產生之租賃開支政策。比較資料並無重列。

Note: As a result of the adoption of HKFRS 16, Leases, with effect from 1 April 2019, the Group changed its accounting policies in respect of the lessee accounting model. In accordance with the transitional provisions of the standard, the changes in accounting policies were adopted by way of opening adjustments to recognise right-of-use assets and lease liabilities as at 1 April 2019. After initial recognition of these assets and liabilities, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of previous policy of recognising rental expenses incurred under the operating leases on a straight line basis over the lease term. The comparative information is not restated.

集團經營業績

本集團於本年度的收入下跌25.2%至269,818,000港元(二零一九年:360,675,000港元),整體毛利率下跌至51.6%(二零一九年:66.8%)。因此,本集團的經營虧損上升至154,540,000港元(二零一九年:85,414,000港元)。主要是由於本集團的核心業務品牌成衣批發及零售下跌28.4%,其綜合原因為自二零一九年六月以來,由於社會長期出現動盪和不安,本地消費者信心減弱;天氣異常溫暖,不利影響冬季服裝的銷售;及自二零二零年二月爆發COVID-19疫情大流行(「疫情大流行」),進一步拖累本集團的經營狀況,本集團的核心市場為大中華地區,區內城市出現半停擺,零售活動實際上已停頓。

本集團已採取提供更大折扣等的應對措施,以減少銷售下跌和將存貨減少到受制水平。

本集團年內之經營虧損包括根據香港會計準則第36號作出有關零售商店資產(包括使用權資產、物業、廠房及設備)的減值虧損43,199,000港元,產生減值虧損乃是由於本集團零售商店的營業額急劇下跌而錄得虧損。

年內,經計及投資物業估值虧損淨額35,242,000港元(二零一九年:收益淨額5,330,000港元)及撇除延遞稅項資產20,811,000港元(二零一九年:5,173,000港元),及扣除撥回潛在中國關稅和彌償保證的撥備及相關扣押按金退回126,495,000港元,本公司權益持有人應佔虧損為87,125,000港元。截至二零一九年三月三十一日止年度,本集團錄得權益持有人應佔溢利90,189,000港元,主要由於出售投資物業、持作自用的土地及樓宇及一家附屬公司的全部已發行股本而錄得的非經常性收益合共177,843,000港元。

截至二零二零年三月三十一日止年度,本集團從營運現金撥付14,896,000港元(二零一九年:61,708,000港元)。於二零二零年三月三十一日,存貨為59,798,000港元,較去年底減少19,902,000港元。

於二零二零年三月三十一日,本集團扣除銀行透支後的現金及銀行結存為146,011,000港元(二零一九年:315,124,000港元),扣除支付股息52,617,000港元及因收購有關「Ashworth」品牌適用於全球市場的商標和部分知識產權資產所支付31,392,000港元後,現金及銀行結存減少169,113,000港元。於二零二零年三月三十一日,本集團持有作買賣用途之證券公允價值為18,408,000港元(二零一九年:18,310,000港元)。

年內,本集團用於添置及更換其他物業、廠房及設備(除使用權資產以外)的支出約9,736,000港元,而去年則為11,327,000港元。

Results of the Group's Operations

The Group's revenue for the year dropped by 25.2% to HK\$269,818,000 (2019: HK\$360,675,000) and overall gross profit margin declined to 51.6% (2019: 66.8%). Thus, the Group's loss from operations rose to HK\$154,540,000 (2019: HK\$85,414,000). Major attribute was a 28.4% decrease in wholesale and retail of branded garments, the Group's core business, as a combined result of the weakening of local consumer confidence amid the prolonged social unrest and disturbances since June 2019; the unseasonably warm weather adversely affected the sales of winter clothing items; and the operating conditions for the Group were further aggravated since February 2020 with the outbreak of the COVID-19 pandemic (the "Pandemic"), when the Greater China region, the core market of the Group, where the Group operates encountered semi-lockdown of cities and retailing activities had virtually come to a halt.

The Group took actions, such as offering deeper discounts, to lessen the sales decline and reduce the inventory to a manageable level.

The Group's loss from operations for the year included impairment loss on retail store assets (including the right-of-use assets and property, plant and equipment) of HK\$43,199,000 made in accordance with the Hong Kong Accounting Standard 36 because of losses at the Group's retail stores due to drastic decline of sales.

Loss attributable to the equity shareholders of the Company for the year was HK\$87,125,000 included net valuation loss on investment properties of HK\$35,242,000 (2019: gain of HK\$5,330,000) and write-off of deferred tax assets of HK\$20,811,000 (2019: HK\$5,173,000) but after reversal of provision for potential PRC customs duties and indemnity liabilities and refund of related distrained deposits of HK\$126,495,000. The Group reported profit attributable to equity shareholders of HK\$90,189,000 for the year ended 31 March 2019 which was principally due to exceptional gains totaling HK\$177,843,000 from disposal of an investment property, land and buildings held for own use and the entire issued share capital of a subsidiary.

For the year ended 31 March 2020, the Group used HK\$14,896,000 (2019: HK\$61,708,000) cash in operations. Inventories as at 31 March 2020 was HK\$59,798,000, a decrease of HK\$19,902,000 from the previous year end.

As at 31 March 2020, the Group had cash and bank deposits net of bank overdrafts of HK\$146,011,000 (2019: HK\$315,124,000), representing a decrease of HK\$169,113,000 after dividend payments of HK\$52,617,000 and payment of HK\$31,392,000 for the purchase of the trademarks and certain related intellectual property assets worldwide associated with the "Ashworth" brand. At 31 March 2020, the Group had trading securities with fair value of HK\$18,408,000 (2019: HK\$18,310,000).

During the year, the Group spent approximately HK\$9,736,000 in additions and replacement of other property, plant and equipment (other than right-of-use assets), compared to HK\$11,327,000 for the previous year.

本集團財務狀況

本集團通過內部產生的現金流量和其往來銀行給予的銀行融資為其業務提供資金。本集團在管理財務需求方面會繼續保持審慎的態度。

截至二零二零年三月三十一日，本集團的淨資產為557,834,000港元(二零一九年：704,568,000港元)。本集團於年末之資本負債比率為0.210(二零一九年三月三十一日：0.010)，乃按總借貸7,485,000港元(二零一九年三月三十一日：6,777,000港元)及租賃負債105,991,000港元(二零一九年三月三十一日：無)及股東權益538,095,000港元(二零一九年三月三十一日：682,314,000港元)計算。本集團之借貸主要按浮動息率計算。

業務回顧

年內成衣總銷售額為201,550,000港元(二零一九年：281,360,000港元)及錄得虧損。於二零二零年三月底，本集團於經營市場擁有由86個銷售點組成的分銷網絡，當中有43個銷售點在香港，6個銷售點在澳門，27個銷售點在中國內地，9個銷售點在台灣及1個銷售點在巴黎，比較二零一九年三月底淨增加7個銷售點。本集團將繼續審慎地擴張分店網絡。

本公司的全資附屬公司以現金代價4,000,000美元(約相當於31,392,000港元)，收購有關「Ashworth」品牌適用於全球市場的商標和分部知識產權資產。

本集團擁有「Guy Laroche」之全球知識產權，來自外界客戶之特許商標收益總額為26,042,000港元(二零一九年：30,111,000港元)，分部內年錄得虧損。

於二零二零年三月三十一日，本集團分別於香港及倫敦持有若干物業持作收租，總公允價值為243,112,000港元，以及一座位於香港持作自用的工業大廈，賬面淨值為7,214,000港元。目前，該工業大廈全部由安全印刷分部使用。該工業大廈的重建計劃仍在進行中，使能為本集團帶來最大利益。

安全印刷分部的銷售較上年略有改善，分部溢利超越上年。

展望

由於中美兩國出現爭端，令全球經濟環境充滿不明朗因素。此外，疫情大流行在全球肆虐，使經營環境極為困難。本集團已盡一切努力降低成本和固定支出以保留營運資金。而且本集團已採取各種應對措施，例如改善員工的組織結構和成本結構，務求維持本集團的長遠發展實力，並使本集團能夠渡過艱難的時期，並盡快恢復盈利能力。

Group's Financial Position

The Group financed its operations by internally generated cashflows and banking facilities provided by its bankers. The Group continues to maintain a prudent approach in managing its financial requirements.

The Group's net assets as at 31 March 2020 were HK\$557,834,000 (2019: HK\$704,568,000). The Group's gearing ratio at the end of the year was 0.210 (31 March 2019: 0.010) which was calculated based on total borrowings of HK\$7,485,000 (31 March 2019: HK\$6,777,000) and leases liabilities of HK\$105,991,000 (31 March 2019: HK\$Nil) and shareholders' equity of HK\$538,095,000 (31 March 2019: HK\$682,314,000). The Group's borrowings are mainly on a floating rate basis.

Operations Review

Total sales of garment was HK\$201,550,000 (2019: HK\$281,360,000) and recorded a loss for the year. As at the end of March 2020, the Group has a distribution network of 86 points of sales ("POSs") in the Group's operating market comprising 43 POSs in Hong Kong, 6 POSs in Macau, 27 POSs in Mainland China, 9 POSs in Taiwan and 1 POS in Paris. A net increase of 7 POSs in total POSs from the end of March 2019. The Group will remain prudent with regard to store network expansion.

A wholly-owned subsidiary of the Company acquired the trademarks and certain related intellectual property assets worldwide associated with the "Ashworth" brand at a cash consideration of US\$4,000,000 (equivalent to approximately HK\$31,392,000).

The Group owns the global intellectual property rights of Guy Laroche. Total income of licensing of trademarks from external customers was HK\$26,042,000 (2019: HK\$30,111,000). The segment recorded a loss for the year.

As at 31 March 2020, the Group holds certain properties held for rental in Hong Kong and London respectively with total fair value of HK\$243,112,000 and an industrial building held for own use in Hong Kong with a net book value of HK\$7,214,000. Currently, the said industrial building is wholly occupied by security printing section. The re-development plan in respect of the industrial building is still ongoing to maximise the benefits to the Group.

Security printing section slightly improved in sales from the previous year and its segment profit surpassed that of the previous year.

Outlook

The global economic environment is prevailing with uncertainties due to the Sino-US disputes. Furthermore, the Pandemic is raging worldwide which has made the environment extremely difficult. The Group has made all efforts to reduce costs and overheads to preserve working capital. In addition, the Group has made various measures such as improving the staff organisational structure and cost structure with the aim of maintaining the Group's strength for its long term development and enabling the Group to get through this difficult time and recover its profitability soonest possible.

法律及法規

有關工作場所質素、產品安全和環保表現的法律及法規可能對本集團的主要業務產生重大影響。

工作場所質素

本集團認為持續業務成功有賴於本集團僱員全力貢獻和支持。本集團致力在不同範疇為所有僱員推廣平等機會，當中包括招聘、薪酬及福利、培訓、晉升機會、調職和解僱。本集團乃根據所有僱員的能力、表現和貢獻來進行評估，而不論其國籍、種族、宗教信仰、性別、年齡或家庭狀況。

本集團致力確保僱員之健康、安全及福利，承諾完全遵守所有職業健康及安全法例，並為本集團僱員執行有效及安全的工作環境。

本集團遵守勞工或其他相關法例，並沒發現任何重大地不遵守或違反有關工作場所質素之法例。

產品安全

本集團高度關注全球性客戶的福利及其廣泛性社會和環境的影響。本集團的產品質素及安全為該方針的重要部分。

本集團所有產品均屬安全，並完全符合國際環境及安全標準。本集團沒發現任何重大地不遵守或違反有關產品安全之法例。

環保表現

本集團通過節省用電致力保護和維持環境。

本集團致力維持高度環保標準，以滿足根據適用法律或條例在製造及處置材料過程中的規定。

本集團就空氣及溫室氣體排放、排放水源及土地、產生有害或無害用水等各方面，並沒發現任何重大地不遵守或違反相關標準、規定和法例。

社會表現

本集團長期以來一直致力成為負責任的企業公民，並積極支持不同的慈善機構和目標。本集團鼓勵員工加入本集團的「YGM企業義工隊」，並參與各種慈善活動，幫助有需要人士，以展示其企業社會責任及促進社會的關懷文化。

環境、社會及管治報告

環境、社會及管治報告將於本公司年報刊發後三個月內於香港聯合交易所有限公司及本公司網站刊載。

Law and Regulations

Law and regulations in relation to workplace quality, product safety and environmental performance may have a material effect on the Group's principal activities.

Workplace Quality

The Group believes that continued business success relies on the full contribution and support of our employees. We are dedicated to promoting equal opportunities for all of our employees in different areas, including recruitment, compensation and benefits, training, staff promotion, transfer, and dismissal. All employees are assessed based on their ability, performance and contribution, irrespective of their nationality, race, religion, gender, age or family status.

The Group is committed to the health, safety and welfare of our employees. We pledge full compliance in all occupational health and safety legislations and we have implemented an effective and safe working environment for our employees.

We complied with labour or other relevant legislations. We did not identify any material non-compliance or breach of legislation related to workplace quality.

Product Safety

The Group places the highest importance on the welfare of its customers globally, as well as on its broader societal and environmental impact. The quality and safety of our products is a vital part of this.

All products are safe and fully adhere to international environmental and safety standards. We did not identify any material non-compliance or breach of legislation related to product safety.

Environmental Performance

The Group is committed to protecting and sustaining the environment through reduced consumption of electrical power.

We are committed to upholding high environmental standards to fulfill relevant requirements under applicable laws or ordinances during the manufacturing and material disposal processes.

We did not identify any material non-compliance or breach of relevant standards, rules and regulations on air and greenhouse gas emission, discharges into water and land, generation of hazardous or non-hazardous water, etc..

Social Performance

The Group has long been committed to being a responsible corporate citizen and actively supports various charitable organisations and causes. We encourage staff to join our "YGM Volunteer Team" and participated in various charitable activities to help people in need, demonstrating its corporate social responsibility and promoting the caring culture in the society.

Environment, Social and Governance Report

An environment, social and governance report will be published on the website of The Stock Exchange of Hong Kong Limited and the Company's website no later than three months after the publication of the Company's annual report.

主要風險和不確定因素

風險和不確定因素可能影響本集團的業務、財務狀況、經營業績或增長前景，使其與預期或過去業績出現較大差距，影響本集團的主要風險和不確定因素概述如下。為處理該等風險及不確定因素，本集團仍然與股東密切聯繫，以了解和解除有關疑慮。

這些因素並非廣泛或全面，除了如下所示的風險外，亦可能有其他風險而本集團並不知悉或現時並非重大但將來可能屬重大者。

全球經濟和宏觀經濟狀況

由於中美兩國出現爭端，令全球經濟環境充滿不明朗因素。此外，疫情大流行在全球肆虐，使經營環境極為困難。

本集團之主要業務為零售及批發品牌成衣。在可預見的未來，集團運營市場的零售環境依然充滿挑戰。特別是中美兩國間爭端及疫情大流行引致市場動盪風險以及高營運成本基數（租金和員工成本為主）。此等市場持續不利的經濟狀況，則可能會影響本集團的財務狀況、潛在收入、資產價值和負債。

貨幣市場

本集團的貨幣風險主要是來自香港以外的投資。本集團的業績以港元入賬，但其香港以外的附屬公司以其他貨幣收取收益及承擔費用。此等附屬公司換算業績的過程中或在撥回盈利、股權投資和貸款時，如果出現任何貨幣變動，均可能影響本集團的業績。

地方、國家和國際法規的影響

有關本集團經營業務的個別國家和城市的本地業務風險可能對本集團財務狀況、經營業績和增長前景產生重大影響。

本集團在地方、國家和國際層面越來越多地涉及不同且不斷變化的政治、社會、法律、稅收、監管和上市規定。政府推行新政策或措施，不論是有關財政、稅收或監管，均可能對本集團業務所產生的回報構成風險，以及可能延遲或阻止個別業務的商業營運，導致收入及溢利損失。

本集團已採取積極方法，監察政府政策和立法的變化，妥善風險緩解措施已進行，且經常檢討，以加強其效用。

Principal Risks and Uncertainties

Risks and uncertainties can affect the Group's businesses, financial conditions, operational results or growth prospects leading to a divergence from expected or historical results. Key risk factors and uncertainties affecting the Group are outlined below. In dealing with these risk factors and uncertainties, the Group remains in touch with our stakeholders with the aim of understanding and addressing their concerns.

These factors are not exhaustive or comprehensive, and there may be other risks in addition to those shown below which are not known to the Group or which may not be material now but could become material in the future.

Global Economy and Macro-economic Conditions

The global economic environment is prevailing with uncertainties due to the Sino-US disputes. Furthermore, the Pandemic is raging worldwide which has made the environment extremely difficult.

The principal business activities of the Group is retailing and wholesaling of branded garments. The retail climate in the Group's principal operating markets remains challenging in the foreseeable future. Major attributes are, in particular, the risk of volatile market conditions due to the Sino-US disputes and the Pandemic and a high operating cost base from rental and staff cost. Continuing adverse economic conditions in these markets may adversely affect the Group's financial position, potential income, asset value and liabilities.

Currency Markets

The Group's currency exposure mainly arises from its investments outside Hong Kong. The results of the Group are recorded in Hong Kong dollars, however its subsidiaries outside Hong Kong receive revenue and incur expenses in other currencies. Any currency fluctuations that occur during the progress of translation of the results of these subsidiaries or during the repatriation of earnings, equity investments and loans may have an impact on the Group's results.

Impact of Local, National and International Regulations

Local business risks specific to individual countries and cities where the Group operates could have a material impact on its financing conditions, operating results and growth prospects.

The Group is, and may increasingly become, exposed to different and changing political, social, legal, tax, regulatory and listing requirements at the local, national and international level. New policies or measures by governments, whether fiscal, tax or regulatory, may pose a risk to the returns delivered by the Group's business and may delay or prevent the commercial operational of an individual business, with a resulting loss in revenue and profit.

The Group has taken a proactive approach to monitoring changes in government policies and legislation. Adequate risk mitigation measures are in place and are constantly reviewed for enhancement.

僱員及薪酬政策

截至二零二零年三月三十一日止，本集團之僱員總數約為440人(二零一九年三月三十一日：500人)，本集團一向為僱員提供具競爭力之酬金，其中包括醫療津貼及退休計劃供款，作為彼等所作貢獻之回報。此外，本集團亦會視乎本集團之業績及個別員工之工作表現而向合資格僱員發放酌情花紅。

供應商關係

公平及公開競爭

本集團鼓勵公平及公開競爭，本着互信與供應商建立長遠的合作關係。

公眾利益及問責性

本集團向供應商或服務商採購時，秉持最高的道德標準，有助確保產品質素優良，務求令客戶、供應商和公眾安心信賴。

採購程序

為確保符合採購政策及促進公開的良性競爭，本集團在加工及採購貨物時，僅以需要、質素和價格作為考慮因素。

客戶關係

客戶服務

本集團致力提供高效率及慇懃有禮的服務，令客戶感到滿意，樂於與我們合作。透過本集團的年報，客戶可獲得其業務營運和未來發展的資料。本集團不會作任何失實、誇大或過份的聲稱。

訂價政策

本集團信奉由供求決定價格的自由市場經濟體制，同時竭力以合理價格為客戶提供高質素的產品，以令本集團賺取與產品價值相符的合理利潤。

於結算日後發生之重大事項

除本報告所載綜合財務報表附註30披露外，於結算日後，並沒有存在其他影響本集團的重大事項。

Employment and Remuneration Policies

As at 31 March 2020, the Group had approximately 440 employees (31 March 2019: 500 employees). The Group offers competitive remuneration packages including medical subsidies and retirement scheme contributions to its employees in compensation for their contribution. In addition, discretionary bonuses may also be granted to the eligible employees based on the Group's and individuals' performances.

Relationship with Suppliers

Fair and Open Competition

The Group promotes fair and open competition that aims to develop long-term relationships with suppliers based on mutual trust.

Public Interest and Accountability

The procurement from suppliers or services providers is conducted in a manner consistent with the highest ethical standards. This helps assure high quality products at all times to gain the confidence of customers, suppliers and the public.

Procurement Procedures

The subcontracting and the purchase of goods are based solely on need, quality and price. This ensures compliance with procurement policies and fosters positive and open competition.

Relationship with Customers

Customer Services

The Group seeks to provide efficient and courteous customer service to maintain customer satisfaction and co-operation. Customers have access to information about the operation and development of the Group through annual reports. The Group shall not make any misrepresentation, exaggeration or overstatement.

Pricing Policies

The Group believes in the economic system of the free market, in which price is determined by supply and demand. The Group also seeks to provide customers with the highest quality products at fair prices which allow the Group a reasonable profit in relation to the value provided.

Important Event After the End of The Reporting Period

Saved as disclosed in note 30 to the consolidated financial statements set out in this report, there is no other important event affecting the Group which has occurred since the end of the reporting period.

本公司董事會（「董事會」）致力維持高水平之企業管治。董事會堅信，透明、問責和獨立三項原則對於保障本公司之利益及提升股東之價值至為重要。

於截至二零二零年三月三十一日止財政年度內，本公司已採納香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之《企業管治守則》（「守則」）適用的守則條文規定，惟守則之守則條文A.4.1項之偏離除外，據此，本公司的非執行董事應有特定明確任期，並可膺選連任。本公司的非執行董事並無特定明確任期，彼等須依據本公司的公司組織章程第96條及第105條於本公司股東週年大會上輪值告退及重選。

董事會

董事會致力以誠以公司及股東整體利益為最優先的考慮因素。董事會為本公司及其附屬公司（統稱「本集團」）訂立整體目標及策略方向、監督及評估其營運及財務表現。由董事會作決策之事宜包括年度及中期業績、經審核財務報表、須予公佈之交易、董事委任及續任、主要收購及出售、重大合約、風險管理、主要財務及借貸、會計以及股息政策。董事會指派本集團管理層負責本公司日常營運，並指示管理層執行董事會之決策及決議。此外，董事會亦將若干責任下放審核委員會、薪酬委員會、提名委員會及風險管理委員會。

於二零二零年三月三十一日，董事會包括七名執行董事及四名獨立非執行董事。自陳永滔先生及林克平先生於二零二零年四月十六日辭任後，董事會包括六名執行董事及三名獨立非執行董事。獨立非執行董事的數目根據上市規則第3.10A條須至少為董事會成員的三分之一。獨立非執行董事帶來多方面的專業知識、技能和經驗，為本集團提供有效指引，並為本集團面對的所有重大決策帶來局外的觀點。

董事背景及資歷與其關係載於「董事及管理人員」一節。

董事會、審核委員會、薪酬委員會、提名委員會及風險管理委員會曾於回顧年度分別舉行了四次、四次、一次、一次及一次會議。

The board of directors (the “Board”) of the Company is dedicated to uphold a high corporate governance standard. The Board firmly believes that the principles of transparency, accountability and independence are essential for protecting the interests of the Company and maximising shareholder value.

The Company has complied with the code provisions in the Corporate Governance Code (the “Code”) set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) throughout the financial year ended 31 March 2020, except for the deviation from code provision A.4.1 of the Code, pursuant to which the non-executive directors of the Company should be appointed for a specific term, subject to re-election. The non-executive directors of Company are not appointed for a specific term but are subject to retirement by rotation and re-election requirements at the annual general meeting of the Company in accordance with Articles 96 and 105 of the Company's articles of association.

Board of Directors

The Board is committed to act in good faith in the best interests of the Company and its shareholders. The Board sets overall objectives and strategic directions of the Company and its subsidiaries (collectively “the Group”), monitors and evaluates its operating and financial performance. It also decides on matters relating to annual and interim results, audited financial statements, notifiable transactions, appointment and re-appointment of directors, major acquisitions and disposals, material contracts, risk management, major financings and borrowings, accounting and dividends policies. The Board delegates day-to-day operations of the Company to the management of the Group and also instructs the management to implement the Board's decisions and resolutions. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk Management Committee.

As at 31 March 2020, The Board comprises seven executive directors and four independent non-executive directors. Subsequent to the resignation of Mr. Chan Wing To and Mr. Lin Keping with effect from 16 April 2020, the Board comprises six executive directors and three independent non-executive directors. The number of independent non-executive directors represents at least one-third of the Board in accordance with Rule 3.10A of the Listing Rules. The independent non-executive directors bring a diverse range of expertise, skills and experience to provide effective guidance and an outside perspective to all major decisions of the Group.

Details of backgrounds and qualifications of the directors as well as relationships between them are set out in the section of “Directors and Management”.

The Board, Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee had held 4, 4, 1, 1 and 1 meetings respectively in the year under review.

董事會及各董事委員會於截至二零二零年三月三十一日止年度內所舉行會議之出席記錄載列如下：

The attendance at the Board and respective Board Committees meetings held in the year ended 31 March 2020 are as follows:

		董事會	審核委員會	薪酬委員會	提名委員會	風險管理委員會	股東大會
		Board	Audit Committee	Remuneration Committee	Nomination Committee	Risk Management Committee	General Meeting
執行董事 <i>Executive Directors</i>							
陳永燊	Chan Wing Sun, Samuel	4/4	N/A	1/1	1/1	1/1	1/1
周陳淑玲	Chan Suk Ling, Shirley	4/4	N/A	N/A	N/A	1/1	1/1
傅承蔭	Fu Sing Yam, William	4/4	N/A	N/A	N/A	1/1	1/1
陳嘉然	Andrew Chan	4/4	N/A	N/A	N/A	1/1	1/1
陳永奎	Chan Wing Fui, Peter	4/4	N/A	1/1	1/1	N/A	1/1
陳永棋	Chan Wing Kee	4/4	N/A	N/A	N/A	N/A	1/1
陳永滔 (於二零二零年四月十六日辭任)	Chan Wing To (resigned on 16 April 2020)	4/4	N/A	N/A	N/A	N/A	1/1
獨立非執行董事 <i>Independent Non-executive Directors</i>							
林克平 (於二零二零年四月十六日辭任)	Lin Keping (resigned on 16 April 2020)	4/4	4/4	1/1	1/1	N/A	0/1
蔡廷基	Choi Ting Ki	4/4	4/4	1/1	1/1	N/A	1/1
蘇漢章	So Stephen Hon Cheung	4/4	4/4	1/1	1/1	N/A	1/1
李光明	Li Guangming	4/4	4/4	1/1	1/1	N/A	1/1

年內，於二零一九年九月十八日召開二零一九年度股東週年大會（「股東週年大會」），董事之出席記錄載列於第11頁。董事會主席、審核委員會及提名委員會主席、薪酬委員會成員及外聘核數師均出席股東週年大會答覆股東提問。本公司於適當時候會檢討股東週年大會進程序去執行良好企業管治常規。投票結果已於股東週年大會當日在本公司網站及聯交所網站發佈。

本公司已接獲各名獨立非執行董事各自按照上市規則第3.13條所載之相關指引作出之年度獨立身分確認書。提名委員會及董事會認為，本公司全體獨立非執行董事均屬上市規則第3.13條所述之獨立人士。

During the year, the 2019 Annual General Meeting (“AGM”) was held on 18 September 2019. The directors’ attendance to the general meeting is listed out on page 11. The Chairman of the Board, the Chairman of Audit Committee and Nomination Committee, the members of Remuneration Committee and the external auditor of the Company attended the AGM to answer questions raised by shareholders. Proceedings of annual general meeting are reviewed from time to time to ensure that the Company follows good corporate governance practices. Voting results were posted on the Company’s and the Stock Exchange’s website on the day of the AGM.

Each of the independent non-executive directors has confirmed with the Company in writing his independence from the Company in accordance with the relevant guidelines set out in Rules 3.13 of the Listing Rules. The Nomination Committee and the Board considered that all independent non-executive directors of the Company are independent with reference to Rule 3.13.

企業管治政策及職責

董事會致力確保本集團內建立良好的企業管治框架和常規。董事會負責履行守則之守則條文D.3.1項所規定之企業管治職能責任，其載列如下：

- (1) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (2) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (3) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (4) 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
- (5) 檢討本公司遵守《守則》的情況及在《企業管治報告》內的披露。

主席及行政總裁

董事會主席為陳永燊先生，本公司行政總裁為傅承蔭先生。本公司董事會主席及行政總裁的角色互相分立，各自有明確的職責區分。董事會主席負責制定企業策略及整體業務發展規劃；行政總裁則負責監督日常業務活動的執行。在董事會層面，清楚區分這兩者的職責，旨在確保權力及授權分佈均衡。

董事培訓

根據守則之守則條文A.6.5項，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。本公司應負責安排合適的培訓並提供有關經費，以及適切着重董事的角色、職能及責任。本公司於委任新董事後，均向其提供切合需要的入職培訓計劃，以便能充分認識本集團的業務及營運，並確保其完全知悉根據有關法律及上市規則所規定的責任和義務。

於本年度內，本公司安排了一次內部講座，使各董事了解企業管治守則修訂及有關上市規則的最新資料。本公司就立法和監管事宜定期向董事提供更新材料。本公司同時鼓勵各董事參與有關講座、研討會或論壇以增進各董事的知識及技能。於本年度內，所有董事均參與符合守則之守則條文A.6.5項所訂明的持續專業發展。

Corporate Governance Policy and Duties

The Board is committed to ensure that at good corporate governance framework and practices are established within the Group. The Board is responsible for performing the duties on corporate governance functions as required under code provision D.3.1 of the Code which are set out below:

- (1) developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the board;
- (2) reviewing and monitoring the training and continuous professional development of directors and senior management;
- (3) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- (4) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (5) reviewing the Company's compliance with the Code and disclosure in the Corporate Governance Report.

Chairman and Chief Executive Officer

The Chairman of the Board is Mr. Chan Wing Sun, Samuel and the Chief Executive Officer of the Company is Mr. Fu Sing Yam, William. The roles of the Chairman of the Board and the Chief Executive Officer of the Company are separated, with a clear division of responsibilities. The Chairman of the Board is responsible for formulating corporate strategies and overall business development planning. The Chief Executive Officer's duty is to oversee the execution of daily business activities. The division of responsibilities at the Board level is to ensure a balance of power and authority.

Directors' Training

According to code provision A.6.5 of the Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of the directors. The Company provides tailored induction programme to new director upon his appointment to equip him with the appropriate understanding of the business and operations of the Group and to ensure that he is fully aware of his responsibilities and obligations under the relevant law and the Listing Rules.

During the year, the Company organized one in-house seminar to update the Directors on the new amendments to the corporate governance code and relevant Listing Rules. The Company circulates materials relating to the legislative and regulatory environment to the directors on a regular basis for their information. The Company also encourages directors to attend relevant seminars, conferences or forums to develop and refresh their knowledge and skill. During the year, all directors participated in contained professional development in compliance with code provision A.6.5 of the Code.

董事保險

於本年度內，本公司已安排就董事及高級職員責任更新保單，以確保董事及高級管理人員於彼等履行職務時所產生的任何責任獲得保障。

董事委員會

董事會已成立審核委員會、薪酬委員會、提名委員會及風險管理委員會，並授權其監督本公司特定範疇事務。該四個董事委員會各備有書面權責範圍。董事委員會獲提供充足資源以履行其職責及可於適當情況下尋求獨立專業意見，費用由本公司支付。

審核委員會

本公司已成立審核委員會，並備有書面權責範圍。於二零二零年三月三十一日，審核委員會包括四名獨立非執行董事，分別為林克平先生、蔡廷基先生、蘇漢章先生及李光明先生。自林克平先生於二零二零年四月十六日辭任後，審核委員會由三名獨立非執行董事（即蔡廷基先生、蘇漢章先生及李光明先生）組成，並由蘇漢章先生出任主席。審核委員會會議之出席記錄載列於第11頁。

審核委員會主要負責監管本公司財務報表的完整性，透過檢討內部和外聘核數師進行的工作審閱本公司內部監控制度及其執行情況、評估財務資料及有關披露、審閱關連交易及考慮本公司於會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。

於截至二零二零年三月三十一日止年度內，審核委員會已審閱及和管理層與外聘核數師討論中期及全年業績，以確保本集團財務報表皆符合香港公認會計原則而編製。審核委員會在管理層不參與的情況下，與外聘核數師每年兩次會面，以討論由審計而產生的任何事宜及核數師可能提出的任何其他事項。審核委員會亦審閱畢馬威會計師事務所之獨立性及其工作質素並建議董事會續聘畢馬威會計師事務所為截至二零二一年三月三十一日止財政年之核數師。

於本年度內，董事會並無與審核委員會意見不合，亦無拒絕接納審核委員會提交之任何建議。

Directors' Insurance

During the year, the Company has arranged for the renewal of an insurance policy on directors' and officers' liability to ensure our directors and senior management are protected from any liability arising from the performance of their duties.

Board Committees

The Board has established the Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk Management Committee, each with mandate to oversee particular aspects of the affairs of the Company. Each of these four Board committees is set up with written terms of reference. The Board committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice in appropriate circumstance at the expenses of the Company.

Audit Committee

The Company has established an Audit Committee with written terms of reference. As at 31 March 2020, the Audit Committee comprises four independent non-executive directors, namely Mr. Lin Keping, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. Subsequent to the resignation of Mr. Lin Keping with effect from 16 April 2020, the Audit Committee comprises three independent non-executive directors, including, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. It is chaired by Mr. So Stephen Hon Cheung. The members' attendance to the Audit Committee meeting is listed out on page 11.

The Audit Committee is mainly responsible for monitoring the integrity of the Company's financial statements, reviewing the Company's internal control system and its execution through the review of the work undertaken by the internal and external auditors, evaluating financial information and related disclosure, reviewing connected transactions and considering the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

During the year ended 31 March 2020, the Audit Committee has, inter alia, reviewed and discussed with management and the external auditor the interim and annual results with a view to ensuring that the Group's financial statements were prepared in accordance with accounting principles generally accepted in Hong Kong. The Audit Committee has met with external auditor twice a year, in the absence of management, to discuss any issues arising from the audit and any other matters the auditor may wish to raise. The Audit Committee has also reviewed the independence and quality of work of KPMG and has recommended to the Board to re-appoint KPMG as auditor for the year ending 31 March 2021.

During the year, the Board has not taken any view that is different from that of the Audit Committee nor rejected any recommendation presented by the Audit Committee.

薪酬委員會

於二零二零年三月三十一日，薪酬委員會包括兩名執行董事分別為陳永奎先生及陳永榮先生，以及四名獨立非執行董事，即林克平先生、蔡廷基先生、蘇漢章先生及李光明先生，並由林克平先生出任主席。自林克平先生於二零二零年四月十六日辭任後，薪酬委員會由陳永奎先生、陳永榮先生、蔡廷基先生、蘇漢章先生及李光明先生組成，及由李光明先生出任主席。薪酬委員會會議之出席記錄載列於第11頁。

薪酬委員會負責確保制定酬金政策的程序合乎規範及透明，以及監督董事的酬金組合。委員會就個別執行董事及高級管理人員酬金組合向董事會提出意見，當中會考慮可作比較公司所支付的薪金及薪酬組合、董事投放的時間及責任等因素。委員會亦會考慮所提供酬金就各有關人士的職務及表現而言是否恰當，以及該等酬金有否競爭力及吸引力是否足以挽留該等人士。

董事酬金詳情載於財務報表附註第8項。

提名委員會

於二零二零年三月三十一日，提名委員會包括兩名執行董事，分別為陳永奎先生及陳永榮先生，以及四名獨立非執行董事，即林克平先生、蔡廷基先生、蘇漢章先生及李光明先生。自林克平先生於二零二零年四月十六日辭任後，提名委員會由陳永奎先生、陳永榮先生、蔡廷基先生、蘇漢章先生及李光明先生組成，並由蔡廷基先生出任主席。提名委員會會議之出席記錄載列於第11頁。

提名委員會負責檢討董事會之架構、人數及組成，物色具備合適資格可擔任董事的人士，評核獨立非執行董事的獨立性，以及就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出建議。提名委員會將根據候選人的專業資格、技能、經驗及背景，考慮是否適合。

提名委員會已採納董事會成員多元化政策。該政策列出當決定委任董事會成員及延續該等委任時，會考慮一系列因素包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及行業和地區經驗。最終決定會按人選的長處及其可為董事會提供的貢獻（考慮因素如技能、知識及經驗）為基礎。

Remuneration Committee

As at 31 March 2020, the Remuneration Committee comprises two executive directors, namely Mr. Chan Wing Fui, Peter and Mr. Chan Wing Sun, Samuel, and four independent non-executive directors, namely Mr. Lin Keping, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. It was chaired by Mr. Lin Keping. Subsequent to the resignation of Mr. Lin Keping with effect from 16 April 2020, the Remuneration Committee comprises of Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming and is chaired by Mr. Li Guangming. The members' attendance to the Remuneration Committee meeting is listed out on page 11.

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and in overseeing remuneration packages of the directors. It makes recommendations to the Board on the remuneration package of individual executive directors and senior management. It takes into consideration factors such as salaries and compensation packages paid by comparable companies, time commitment and responsibilities of the directors. It would also take into account whether the emoluments offered are appropriate given the duties and performance of the respective individuals concerned and whether such emoluments are competitive and sufficiently attractive to retain such individuals.

Details of the directors' remuneration are set out in note 8 to the financial statements.

Nomination Committee

As at 31 March 2020, the Nomination Committee comprises two executive directors, namely Mr. Chan Wing Fui, Peter and Mr. Chan Wing Sun, Samuel, and four independent non-executive directors, namely Mr. Lin Keping, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. Subsequent to the resignation of Mr. Lin Keping with effect from 16 April 2020, the Nomination Committee comprises of Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming. It is chaired by Mr. Choi Ting Ki. The members' attendance to the Nomination Committee meeting is listed out on page 11.

The roles of the Nomination Committee are to review the structure, size and composition of the Board, identify individuals suitably qualified to become members of the Board, and assess the independence of independent non-executive directors and make recommendations to the Board on the appointment and re-election of directors and succession planning for directors, in particular the chairman and the chief executives. The Nomination Committee will consider the suitability of the candidate on the basis of his professional qualification, skills, experience and background.

The Nomination Committee has adopted a Board Diversity Policy which sets out a policy of considering a number of factors when deciding on appointments to the Board and the continuation of those appointments, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The ultimate decision will be based on merit and contribution (considering factors like skills, knowledge and experience) that the selected candidates will bring to the Board.

董事會知悉，為達致董事會多元化，已制定可計量的目標。此外，在審視董事之技能、經驗及特質後，董事會認為其組成切合本公司需要。本公司提名委員會將會監察董事會成員多元化政策之執行及在適當時候檢討該政策。

於截至二零二零年三月三十一日止年度內，提名委員會執行下述工作：

- (i) 檢討董事會之架構、人數、組成(包括技能、知識及經驗方面)及多樣性，以及董事會成員多元化政策；
- (ii) 評估獨立非執行董事之獨立性；
- (iii) 就有關董事委任及重新委任事宜向董事會提出建議；及
- (iv) 檢討本公司的董事提名政策。

風險管理委員會

風險管理委員會包括四名執行董事，分別為陳永樂先生、周陳淑玲女士、傅承蔭先生及陳嘉然先生，並由陳永樂先生出任主席。風險管理委員會會議之出席記錄載列於第11頁。

成立委員會目的旨在監督對本集團風險管理及內部監控系統的整體設計、實施及監察；以及向董事會就本集團的風險相關事宜提供建議。

股息政策

本公司訂立並由董事會採納之股息政策列載指引以供董事會確定(i)是否宣布及派發股息，以及(ii)向本公司股東派發的股息水平。本政策允許股東參與本公司的利潤，同時預留足夠的儲備以供未來增長。

董事會於宣派及建議派發股息前，須考慮下列因素：

- (i) 財務業績；
- (ii) 現金流量狀況；
- (iii) 業務狀況及策略；
- (iv) 未來營運及收入；
- (v) 資金需求及支出計劃；
- (vi) 股東的利益；
- (vii) 任何派付股息的限制；及
- (viii) 董事會可能視為相關的任何其他因素。

The Board noted that the measurable objectives have been set for achieving diversity on the Board. In addition, the Board is satisfied that its composition is appropriate being considered the skills, experience and attributes of the Directors. The Nomination Committee of the Company will monitor the implementation of the Board Diversity Policy and review the policy as appropriate.

During the year ended 31 March 2020, the Nomination Committee performed the following work:

- (i) reviewing the structure, size, composition (including the skills, knowledge and experience) and diversity, and the Board diversity policy of the Board;
- (ii) assessed the independence of independent non-executive directors;
- (iii) made recommendations to the Board on the appointment and re-appointment of Directors; and
- (iv) reviewed the directors nomination policy of the Company.

Risk Management Committee

The Risk Management Committee comprises four executive directors, namely Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley, Mr. Fu Sing Yam, William and Mr. Andrew Chan. It is chaired by Mr. Chan Wing Sun, Samuel. The members' attendance to the Risk Management Committee meeting is listed out on page 11.

The purpose of the Committee is to oversee the overall design, implementation and monitoring of the risk management and the internal control systems of the Group and to advise the Board on the Group's risk-related matters.

Dividend Policy

The Company has established a Dividend Policy which was adopted by the Board to set out the guidelines for the Board to determine (i) whether dividends are to be declared and paid; and (ii) the level of the dividend to be paid to the shareholders. It is the policy to allow the shareholders to participate in the Company's profits whilst to retain adequate reserves for future growth.

The Board shall consider the following factors before declaring or recommending dividends:

- (i) financial results;
- (ii) cash flow situation;
- (iii) business conditions and strategies;
- (iv) future operations and earning;
- (v) capital requirements and expenditure plans;
- (vi) interests of shareholders;
- (vii) any restrictions on payment of dividends; and
- (viii) any other factors that the Board may consider relevant.

股息的宣派及派付應由董事會全權酌情決定，並受本公司章程細則和所有適用法律法規的約束。

董事會將會持續審閱股息政策以及保留其唯一及全權酌情權以在任何時候更新、修訂及／或修改本政策，並且股息政策絕不構成一項本公司對其將派付任何特定數額股息的律約約束承諾，本公司並無義務隨時或不時宣派股息。

高級管理人員的酬金

本集團的高級管理層由四名人士組成。各高級管理人員的背景及資歷載於「董事及管理人員」一節。

於截至二零二零年三月三十一日止年度，本集團高級管理人員的薪酬介乎以下區間：

The declaration and payment of dividends shall remain to be determined at the sole discretion of the Board and subject to the Articles of Association of the Company and all applicable laws and regulations.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

Emoluments of Senior Management

The Senior management of the Group comprises four individuals. Details of backgrounds and qualifications of each senior management are set out in the section of "Directors and Management".

During the year ended 31 March 2020, the emoluments of the senior management of the Group fell within the following bands:

酬金	Emoluments	高級管理人員數目 Number of senior management
0 港元至 1,000,000 港元	HK\$0 to HK\$1,000,000	2
1,000,001 港元至 2,000,000 港元	HK\$1,000,001 to HK\$2,000,000	1
2,000,001 港元至 3,000,000 港元	HK\$2,000,001 to HK\$3,000,000	1
		4

董事及核數師有關財務報表之責任

董事負責監督本集團財務報表之編製工作，並確保該等財務報表之編製均符合所有有關法規及適用會計準則的規定。

本公司之外部核數師有關彼等於財務報表之報告責任載於第29頁至第36頁之「獨立核數師報告」。

核數師之酬金

於本年度內，本集團就審核工作而支付之核數師酬金總額為2,445,000港元(二零一九年：2,533,000港元)，其中1,800,000港元(二零一九年：1,899,000港元)已支付予或應支付予本集團之主要核數師畢馬威會計師事務所。

本集團之主要核數師畢馬威會計師事務所及其關連機構就審核工作及非審核工作所提供之服務而獲支付或應付之酬金分別為1,800,000港元(二零一九年：1,899,000港元)及204,000港元(二零一九年：324,000港元)。非審核服務代表向本集團提供的稅務服務。

Directors' and Auditor's Responsibilities in respect of the Financial Statements

The directors are responsible for overseeing the preparation of financial statements of the Group and ensure that the financial statements are prepared in accordance with all relevant statutory requirements and applicable accounting standards.

The statement of external auditors of the Company about their reporting responsibilities of the financial statements is set out in the "Independent Auditor's Report" on pages 29 to 36.

Auditors' Remuneration

During the year, total auditors' remuneration in relation to audit services for the Group amounted to HK\$2,445,000 (2019: HK\$2,533,000) of which a sum of HK\$1,800,000 (2019: HK\$1,899,000) was paid or payable to the Group's principal auditors, KPMG.

The remunerations paid or payable to the Group's principal auditor, KPMG and its affiliated firms, for services rendered in audit and non-audit were HK\$1,800,000 (2019: HK\$1,899,000) and HK\$204,000 (2019: HK\$324,000) respectively. The non-audit services represent tax services provided to the Group.

董事之證券交易

本公司已採納有關董事證券交易的證券買賣守則，其條款不遜於上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）載列的規定準則。經過本公司向所有董事作出具體查詢後，本公司所有董事已確認彼等於回顧年度內一直遵守標準守則載列的規定準則及其有關董事證券交易的證券買賣守則。

內部監控及風險管理

董事會全面負責風險管理框架，釐定本公司為達成目標而願意承受的主要風險。審核委員會獲授權監察內部控制及風險管理的成效，而管理層負責設計、落實及監控有系統。風險管理委員會負責統籌風險管理活動，並至少每年向董事會匯報。不過，本集團風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

我們管理風險的措施包括識別及評估各組織層面來自外部及內部環境的主要風險。評估考慮主要風險性質及程度，以及本集團應對其業務及外部環境變化的能力。我們已就各主要風險制訂行動計劃及指定風險負責人。風險負責人負責統籌緩解措施，以確保妥善落實該等行動計劃。該程序由風險管理委員會緊密監控。

經考慮主要風險及緩解措施後，董事會相信本公司有能力應對其業務及外部環境所產生的任何有關變化，並且認為本集團的風險管理及內部監控制度有效及足夠。

就披露內幕消息而言，董事會已就處理及發佈內幕消息實程序及內部監控措施，以便就決定應否作出公佈從速識別及升級處理潛在內幕消息，確保遵守上市規則項下之持續責任並根據《證券及期貨條例》（「證券及期貨條例」）之法定責任披露資料。

內部審核職能

於回顧年度內，董事會外聘顧問進行內部審計服務。外聘顧問已協助集團執行內部監控制度的若干選定的進程的有效性進行審查。評估結果及改善建議已經與管理層討論及確認，並向審核委員會匯報。

Directors' Securities Transactions

The Company has adopted a Securities Dealing Code regarding director's securities transactions on terms no less exacting than required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. All directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code and its Securities Dealing Code throughout the year under review.

Internal Control and Risk Management

The Board has an overall responsibility for the risk management framework, and for determining the significant risks it is willing to take in achieving the Company's objectives. Audit Committee is delegated with overseeing the effectiveness of internal control and risk management, while management is responsible for the design, implementation and monitoring of such systems. The Risk Management Committee is responsible for coordinating risk management activities, and to report at least annually to the Board. However, the Group's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and only provide reasonable and not absolute assurance against material misstatement or loss.

Our approach to manage risks involves identification and assessment of principal risks from the external and internal environments at different organisation levels. The assessment considers the changes in nature and extent of significant risks and the Group's ability to respond to changes in its business and the external environment. Action plans have been developed and risk ownership has been assigned for each key principal risk. The risk owners coordinate the mitigation measures to ensure proper implementation of these action plans. The process is closely monitored by the Risk Management Committee.

Taken into consideration the principal risks and mitigation actions, the Board believes that the Company has the ability to respond to any such changes in our business and the external environment, and considers that the Group's risk management and internal control system was effective and adequate.

Regarding the disclosure of inside information, the Board had implemented procedures and internal controls for handling and dissemination of inside information so that potential inside information can be promptly identified and escalated up for deciding whether an announcement should be made in order to ensure compliance with the continuous obligations under the Listing Rules and the statutory obligation to disclose information under the Securities and Futures Ordinance ("SFO").

Internal Audit Function

During the year under review, the Board has engaged an external consultant to perform internal audit services. The external consultant has assisted the Group to perform a review of the effectiveness of internal controls system for certain selected processes. The assessment results and proposed improvement opportunities were discussed and agreed with management and were reported to the Audit Committee.

公司秘書

公司秘書為本公司僱員及了解本公司日常事務。通過主席及／或副主席，公司秘書負責對董事會提供管治事項意見及同時協助董事就職及專業發展。公司秘書同時保存董事會及各委員會的完整記錄。公司秘書的履歷已列於第28頁。於本年內，公司秘書已接受不少於15小時的相關專業培訓。

股東權利

股東召開股東特別大會（「股東特別大會」）之程序

本公司之組織章程細則第67條規定，按公司條例規定，股東特別大會可以應請求而召開。根據公司條例第566部，倘本公司收到不少於5%在本公司股東大會上擁有投票權的股東請求召開股東大會，則本公司之董事須召開股東大會。

於股東特別大會上提呈議案之程序

根據公司條例第566部，召開股東大會的請求書必須說明在會議上須處理事務的大體性質，並可包括在會議上可恰當地被動議及擬被動議的決議案細節。該請求書可以書面形式送呈本公司的註冊辦事處或以電子形式發送到cs_info@ygmtrading.com，且必須由請求人進行驗證。董事必須在收取請求書當日起二十一天內召開股東大會，該會議必須在召開大會通告日期起不超過二十八天內舉行。

股東向董事會查詢之程序

股東可透過公司秘書向董事會作出查詢，而公司秘書會轉交有關查詢予董事會處理。公司秘書之聯絡詳情如下：

公司秘書
YGM貿易有限公司
香港
九龍
新蒲崗
大有街二十二號

電郵：cs_info@ygmtrading.com
電話：(852) 2351 1111
傳真：(852) 2351 5211

本公司章程文件之修訂

截至二零二零年三月三十一日止年度，本公司的組織章程並無任何修訂。

Company Secretary

The Company Secretary is an employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary is responsible for advising the Board through the Chairman and/or the Vice Chairman on governance matters and also facilitates the induction and professional development of directors. The Company Secretary also keeps proper records of all Board and Committee meetings. The biography of the Company Secretary is set out on page 28. The Company Secretary has undertaken no less than 15 hours of professional training during the year.

Shareholders' Right

Procedures for Shareholders to convene an extraordinary general meeting ("EGM")

Article 67 of the articles of association of the Company provides that an EGM shall be convened on requisition, as provided by the Companies Ordinance. According to section 566 of the Companies Ordinance, the directors of the Company are required call a general meeting if the Company has received requests to do so from shareholders representing at least 5% of the total voting rights of all shareholders having a right to vote at general meetings of the Company.

Procedures for putting forward proposals at EGM

Pursuant to section 566 of the Companies Ordinance, the request for a general meeting must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request may be sent to the Company in hard copy form at the registered office of the Company or in electronic form at cs_info@ygmtrading.com and must be authenticated by the requisitioner(s). The directors must call a general meeting within 21 days after the date of the receipt of the requests to do so. The meeting called must be held on a date not more than 28 days after the date of the notice convening the meeting.

Procedures for directing Shareholders' enquiries to the Board

Shareholders may put forward enquiries to the Board through the Company Secretary who will direct the enquiries to the Board for handling. The contact details of the Company Secretary are as follows:

The Company Secretary
YGM Trading Limited
22 Tai Yau Street,
San Po Kong,
Kowloon,
Hong Kong

E-Mail: cs_info@ygmtrading.com
Telephone: (852) 2351 1111
Facsimile: (852) 2351 5211

Changes in the Company's constitutional documents

No amendments are made to the articles of association of the Company during the year ended 31 March 2020.

董事會報告

Directors' Report

董事會同寅謹提呈截至二零二零年三月三十一日止年度之董事會報告及經審核財務報表。

The directors submit herewith their report together with the audited financial statements for the year ended 31 March 2020.

主要業務

本公司之主要業務是投資控股及提供管理服務，本公司之主要附屬公司資料載於第120頁至第121頁。據香港《公司條例》附表5所規定，此等業務之進一步討論及分析(包括本公司及其附屬公司(統稱「本集團」)所面臨主要風險及不明朗因素之討論及本集團業務未來可能發展之指引)可於本年報第4頁至第9頁管理層討論及分析中查閱。此討論構成本董事會報告之一部分。

Principal Activities

The principal activities of the Company are investment holding and the provision of management services. Particulars of the Company's principal subsidiaries are set out on pages 120 to 121. Further discussion and analysis of these activities as required by Schedule 5 to Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Company and its subsidiaries (collectively the "Group") and an indication of likely future developments in the Group's business, can be found in the Management Discussion and Analysis set out on pages 4 to 9 of this Annual Report. This discussion forms part of this director's report.

分部資料

本集團於年內按照主要業務及經營業務所在地區的分析載於財務報表附註第4項。

Segment Information

The analysis of the principal activities and geographical locations of the operations of the Group during the year are set out in note 4 to the financial statements.

股息

中期股息每普通股10港仙(二零一九年：20港仙)已於二零二零年一月三日派發。

Dividends

An interim dividend of 10 HK cents (2019: 20 HK cents) per ordinary share was paid on 3 January 2020.

董事會不建議就本年度派發末期股息(二零一九年：20港仙)。

The directors do not recommend the payment of final dividend for the year (2019: 20 HK cents).

股本

本公司之股本於年內之變動詳情載於財務報表附註第24(c)項。年內概無變動。

Share Capital

Details of the movements of the share capital of the Company during the year are set out in note 24(c) to the financial statements. There were no movements during the year.

五年財務摘要

本集團過去五個財政年度之經營業績及財務狀況概要載於第2頁。

Five Year Financial Highlights

A summary of the results of operations and financial position of the Group for the last five fiscal years is set out on page 2.

物業

本集團各項主要物業及物業權益之詳情載於財務報表附註第11項。

Properties

Particulars of the major properties and property interests of the Group are set out in note 11 to the financial statements.

銀行貸款及其他借款

本集團於二零二零年三月三十一日之銀行貸款及其他借款詳情載於財務報表附註第19項。

慈善捐款

本集團於本年度內之慈善捐款為1,000港元(二零一九年：617,000港元)。

主要客戶及供應商

年內，本集團首五大銷售客戶及供應商佔本集團營業額及購貨額分別低於30%。

本公司各董事、彼等之聯繫人士或任何股東(就董事所知擁有本公司已發行股份5%以上者)在本年度任何時間內並無擁有上述主要客戶及供應商之權益。

董事

於年內及截至本報告之日期止，本公司之董事為：

執行董事

陳永樂
周陳淑玲
傅承蔭
陳嘉然
陳永奎
陳永棋
陳永滔(於二零二零年四月十六日辭任)

獨立非執行董事

林克平(於二零二零年四月十六日辭任)
蔡廷基
蘇漢章
李光明

詳列本集團附屬公司董事姓名的名錄，可於本公司網頁www.ygmtrading.com「投資者關係／企業管治」內查閱。

本公司董事會(「董事會」)謹藉此機會對陳永滔先生及林克平先生於任期內對本公司作出之寶貴貢獻表示謝意。

根據本公司的章程細則第105條，於各股東週年大會上，當時在任的三分一本公司董事須輪值告退。陳永奎先生、傅承蔭先生及蘇漢章先生將輪值退任董事會，唯均合資格且願意於即將召開之股東週年大會上膺選連任。

Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Group as at 31 March 2020 are set out in note 19 to the financial statements.

Charitable Donations

Charitable donations made by the Group during the year amounted to HK\$1,000 (2019: HK\$617,000).

Major Customers and Suppliers

During the year, the Group's sales to its five largest customers and purchases from its five largest suppliers accounted for less than 30% of the Group's turnover and purchases respectively.

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 issued shares) had any interest in these major customers and suppliers.

Directors

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

Executive Directors

Chan Wing Sun, Samuel
Chan Suk Ling, Shirley
Fu Sing Yam, William
Andrew Chan
Chan Wing Fui, Peter
Chan Wing Kee
Chan Wing To (resigned on 16 April 2020)

Independent Non-executive Directors

Lin Keping (resigned on 16 April 2020)
Choi Ting Ki
So Stephen Hon Cheung
Li Guangming

A full list of the names of the directors of the Group's subsidiaries can be found in the Company's website at www.ygmtrading.com under 'Investor Relations/Corporate Governance'.

The board of directors of the Company (the "Board") would like to take this opportunity to express its gratitude to Mr. Chan Wing To and Mr. Lin Keping for their valuable contribution to the Company during their tenure of service.

Pursuant to Article 105 of the Company's articles of association, at each annual general meeting, one-third of the directors of the Company for the time being shall retire from office by rotation. Mr. Chan Wing Fui, Peter, Mr. Fu Sing Yam, William and Mr. So Stephen Hon Cheung will retire from the Board by rotation, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

於本報告日，本公司董事之個人資料詳載於本年報第25頁至第27頁。有關將退任並獲推薦重選之董事的進一步資料詳載於通函。

本公司確認根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第3.13條收到各位獨立非執行董事具有獨立身份的確證書，且本公司認為獨立非執行董事具有獨立身份。

董事之交易、安排及合約權益

除於財務報表附註第27項內披露之詳情外，本公司各董事概無於本公司，或其任何控股公司、附屬公司或同系附屬公司所訂立，而在本年度結算日或年內任何時間仍屬有效之重大交易、安排及合約中佔有重大權益。

董事服務合約

獨立非執行董事由董事會委任，其酬金由董事會釐定，詳見「遵守《最佳應用守則》」一節。

願意於即將召開的本公司股東週年大會上膺選連任的董事，概無與本公司或本集團任何成員公司訂立於一年內不可在不予賠償（一般法定賠償除外）之情況下由僱主終止之服務合約。

董事及行政總裁於股份及相關股份的權益

依據《證券及期貨條例》（「證券及期貨條例」）第352條須予存置的董事及行政總裁權益及淡倉登記冊的紀錄，於二零二零年三月三十一日在任的本公司董事及行政總裁於該日擁有本公司、其附屬公司及其他相聯法團（定義見證券及期貨條例）已發行股份的權益如下：

Biographical details of the directors of the Company as at the date of this report are set out on pages 25 to 27 of this annual report. Further information of the retiring directors proposed to be re-elected are set out in the circular.

The Company confirms that it has received from each of the independent non-executive directors a confirmation of their respective independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") and the Company considers the independent non-executive directors to be independent.

Directors' interests in Transaction, Arrangement and Contracts

Apart from the details disclosed in note 27 to the financial statements, no transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

Directors' Service Contract

The independent non-executive directors were appointed by the board of directors and their remuneration is determined by the board of directors, see section headed 'Compliance with the Code of Best Practice'.

None of the directors who has offered himself for re-election at the forthcoming annual general meeting of the Company has entered into any service contract with the Company or any other member of the Group which is not determinable by the relevant employer within one year without payment of compensation, other than normal statutory compensation.

Directors' and Chief Executive's Interests in Shares and Underlying Shares

The directors and chief executive of the Company who held office at 31 March 2020 had the following interests in the issued shares of the Company, its subsidiaries and other associated corporations (within the meaning of the SFO at that date as recorded in the register of directors' and chief executives' interests and short positions required to be kept under section 352 of the Securities and Futures Ordinance ("SFO")):

		普通股數目 Number of Ordinary Shares			
		個人權益 Personal interests	家族權益 Family interests	公司權益 Corporate interests	其他權益 Other interests
實益權益	Beneficial interests				
陳永樂	Chan Wing Sun, Samuel	7,476,072	250,000	8,093,775	(i) & (ii)
周陳淑玲	Chan Suk Ling, Shirley	6,912,272	328,000	–	(i) & (ii)
傅承蔭	Fu Sing Yam, William	2,075,462	–	–	(i)
陳嘉然	Andrew Chan	392,000	–	–	–
陳永奎	Chan Wing Fui, Peter	24,068	12,630,051	–	(i) & (ii)
陳永棋	Chan Wing Kee	9,346,776	1,012,035	–	(i), (ii) & (iii)
陳永滔 (於二零二零年四月十六日辭任)	Chan Wing To (resigned on 16 April 2020)	10,051,366	–	–	(i), (ii) & (iii)
林克平 (於二零二零年四月十六日辭任)	Lin Keping (resigned on 16 April 2020)	25,000	–	–	–

- (i) 36,791,700股本公司股份乃由Chan Family Investment Corporation Limited (由陳永棋先生、陳永樂先生、陳永滔先生、傅承蔭先生、周陳淑玲女士及其他陳氏家族成員擁有)及其附屬公司所持有。
- (ii) 120,400股本公司股份乃由Hearty Investments Limited持有。該公司由陳永棋先生、陳永樂先生、陳永滔先生、周陳淑玲女士及其他陳氏家族成員間接擁有。
- (iii) 1,597,000股本公司股份乃由Super Team International Limited持有。該公司由陳永棋先生、陳永滔先生及其他陳氏家族成員間接擁有。

- (i) 36,791,700 shares of the Company were held by Chan Family Investment Corporation Limited (which is owned by Messrs Chan Wing Kee, Chan Wing Sun, Samuel, Chan Wing To and Fu Sing Yam, William, Madam Chan Suk Ling, Shirley and other members of the Chan family) and its subsidiaries.
- (ii) 120,400 shares of the Company were held by Hearty Investments Limited which is indirectly owned by Messrs Chan Wing Kee, Chan Wing Sun, Samuel and Chan Wing To, Madam Chan Suk Ling, Shirley and other members of the Chan family.
- (iii) 1,597,000 shares of the Company were held by Super Team International Limited which is indirectly owned by Messrs Chan Wing Kee and Chan Wing To and other members of the Chan family.

除上述披露外，於二零二零年三月三十一日，本公司董事或彼等之聯繫人士概無在本公司及其控股公司、附屬公司或相關法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中擁有或被視作擁有根據該條例第352條須予備存的登記冊所載或根據上市規則附錄10所載《上市公司董事進行證券交易的標準守則》須知會本公司和聯交所之任何權益或淡倉。此外，除上述披露外，本公司或其任何控股公司、附屬公司或同系附屬公司於截至二零二零年三月三十一日止整年內概無訂立任何安排，令本公司董事或彼等之配偶或未滿18歲之子女可藉購入本公司或其他法團之股份或債權證而獲益。

Save as disclosed above, as at 31 March 2020, none of the directors or their associates had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its holding company, subsidiaries or other associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under section 352 of the SFO; or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules. Furthermore, save as disclosed above, at no time during the year ended 31 March 2020 was the Company or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

主要股東權益

於二零二零年三月三十一日，按本公司根據證券及期貨條例第336條規定存置的登記冊所記錄，除上文所載有關董事之權益外，本公司概無獲知會須登記於根據證券及期貨條例第336條規定存置的登記冊的任何其他權益。

除本文所披露外，於二零二零年三月三十一日，各董事並不知悉有任何人士直接或間接擁有根據證券及期貨條例第XV部第2及3分部條文規定而須向本公司及聯交所披露的股份或相關股份中的權益或淡倉，亦無於附有可在一切情況下於本公司的股東大會上投票的權利的已發行股本或涉及該等股本的任何購股權中，直接或間接擁有其面值10%或以上的權益。

收購、出售或贖回股份

截至二零二零年三月三十一日止年度內，本公司或其任何附屬公司並無收購、出售或贖回本公司任何上市證券。

關連交易

依據上市規則第十四A章所列的關連交易詳情載於財務報表附註第27(b)項內。獨立非執行董事認為，該等關連交易均：

- (i) 於其一般及日常業務過程中進行；
- (ii) 按正常商業條款(所指之「正常商業條款」將參考類似機構進行性質相若之交易時所依據之條款)或倘並無可供比較之條款，則按對本公司之獨立股東而言屬公平合理之條款進行；
- (iii) 根據規管該等交易之協議條款訂立；及
- (iv) 根據集團之定價政策(如有)進行。

本公司核數師畢馬威會計師事務所已獲聘請根據香港會計師公會發出的香港核證準則第3000號「審計或審閱過往財務數據」以外的核證委聘以及參考應用指引第740號「核數師根據香港上市規則就持續關連交易發出的信函」以匯報本集團的持續關連交易。畢馬威會計師事務所已根據上市規則第14A.38條，對本集團於上文披露的持續關連交易出具無保留意見函件，當中載有持續關連交易的調查結果及總結。本公司已將核數師函件副本送呈聯交所。

Substantial Shareholder's Interest

As at 31 March 2020, the register required to be kept by the Company pursuant to section 336 of the SFO showed that, other than the interests disclosed above in respect of the directors, no other interests required to be recorded in the register kept under section 336 of the SFO have been notified to the Company.

Save as disclosed herein, the directors are not aware of any person who was, directly or indirectly, interested or had a short position in the shares or underlying shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, was directly or indirectly, interested in 10% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meeting of the Company or any options in respect of such capital as at 31 March 2020.

Purchase, Sale or Redemption of Shares

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

Connected Transactions

Details of the connected transactions under Chapter 14A of the Listing Rules are set out in note 27(b) to the financial statements. In the opinion of the independent non-executive directors, these transactions were entered into by the Group:

- (i) in the ordinary and usual course of its business;
- (ii) conducted either on normal commercial terms (which expression will be applied by reference to transactions of a similar nature and to be made by similar entities) or, where there is no available comparison, on terms that are fair and reasonable so far as the independent shareholders of the Company are concerned;
- (iii) in accordance with the terms of the agreements governing the transactions; and
- (iv) in accordance with the pricing policies of the Group, where applicable.

KPMG, the Company's auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. KPMG have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

除以上所述者外，本公司各董事概無於本公司或其任何附屬公司所訂立，而在本年度結算日或於年內任何時間仍屬有效的重大合約中佔有重大權益。

遵守《最佳應用守則》

本公司在整個年度均有遵守在上市規則附錄14所載《最佳應用守則》，惟本公司的非執行董事並非按指定任期委任；彼等須按本公司的公司組織章程第96條及第105條於股東週年大會上輪值告退。

審核委員會

審核委員會由三位獨立非執行董事組成，並向董事會匯報。審核委員會與本集團高級管理層和外部核數師定期會晤，檢討內部控制系統的效用及本集團的年報。

充足公眾持股量

根據本公司可以得悉之公開資料及本公司董事亦知悉之情況下，本公司於本報告日已按上市規則之要求，維持足夠公眾持股量。

核數師

畢馬威會計師事務所依章告退，惟願膺選連任。續聘畢馬威會計師事務所為本公司核數師之決議案於即將舉行之股東週年大會上提呈。

承董事會命
主席
陳永燊

香港，二零二零年六月二十九日

Apart from the foregoing, no contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

Compliance with the Code of Best Practice

The Company has complied throughout the year with the Code of Best Practice as set out in Appendix 14 to the Listing Rules except that the non-executive directors of the Company are not appointed for a specific term but are subject to rotation in annual general meetings pursuant to Articles 96 and 105 of the Company's articles of association.

Audit Committee

The audit committee comprises three independent non-executive directors and reports to the board of directors. The audit committee meets with the Group's senior management and external auditors regularly to review the effectiveness of the internal control systems and the annual report of the Group.

Sufficiency Public Float

Based on the information that is publicly available to the Company and within the knowledge of the directors, as at the date of this report, the Company has maintained the prescribed public float required under the Listing Rules.

Auditor

KPMG will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditor of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board
Chan Wing Sun, Samuel
Chairman

Hong Kong, 29 June 2020

董事及管理人員

Directors and Management

董事

陳永燊先生，七十二歲，一九七零年獲英國曼徹斯特大學頒授學士學位，並於一九七三年成為特許會計師。彼於一九七四年至一九八八年間出任長江製衣有限公司(股份代號：294)之公司秘書及自一九七七年始出任該公司執行董事。陳先生於一九八七年至二零零六年間出任本公司之董事總經理及於二零零六年至二零一零年間出任本公司行政總裁。彼自二零一零年起出任本公司董事會副主席，並於二零一五年九月調任本公司董事會主席。陳先生自二零一三年起出任Crater Gold Mining Limited(其股份在澳洲證券交易所上市)之董事會主席。

周陳淑玲女士為本公司董事會副主席。彼於一九七三年加入長江製衣有限公司(股份代號：294)及由一九八三年一月至二零二零年四月出任該公司執行董事。陳女士現年六十九歲，於管理成衣零售及批發業務有廣泛之經驗。現為香港貿易發展局理事、香港貿易發展局職員及財務委員會主席、香港中華廠商聯合會常務會董、香港品牌發展局榮譽主席、廣東外商投資企業協會副會長、香港理工大學校董會成員、香港理工大學紡織及服裝學系顧問委員會主席、香港特別行政區政府康復諮詢委員會成員。彼於一九七三年獲英國Nottingham Trent University頒發學士學位。

傅承蔭先生，五十八歲，一九八四年獲加拿大西安大略省大學頒發學士學位。傅先生於一九八五年加入本集團，傅先生自一九九五年始出任本公司執行董事。彼於二零零六年至二零一零年間出任本公司副董事總經理及自二零一零年起出任董事總經理。於二零一五年九月，傅先生調任行政總裁。彼於時裝零售、批發、市場推廣及採購有廣泛之經驗。傅先生現為中國人民政治協商會議黑龍江省委員會委員。

陳嘉然先生，四十二歲，於二零零三年獲美國University of Hartford頒發經濟學士學位，並於同年加入本集團，陳先生自二零一四年始出任本公司執行董事，並於二零一五年九月調任為董事總經理。彼在國際品牌特許授權及在遠東、美國及歐洲地區的時裝零售擁有豐富的經驗。

Directors

Mr. Chan Wing Sun, Samuel, aged 72, received a Bachelor's degree from the University of Manchester, the United Kingdom in 1970 and qualified as a Chartered Accountant in 1973. He was the Company Secretary of Yangtzekiang Garment Limited (stock code: 294) from 1974 to 1988 and has been an executive director since 1977. Mr. Chan was the Managing Director of the Company from 1987 to 2006 and the Chief Executive Officer of the Company from 2006 to 2010. He was the Vice Chairman of the board of director of the Company from 2010 and was re-designated as the Chairman of the board of director of the Company in September 2015. Mr. Chan has been the chairman of the board of director of Crater Gold Mining Limited, whose shares are listed on Australian Securities Exchange, since 2013.

Madam Chan Suk Ling, Shirley, BBS, JP, is the Vice Chairman of the board of director of the Company. She joined Yangtzekiang Garment Limited (stock code: 294) in 1973 and has been an executive director from Jan 1983 to April 2020. Madam Chan, aged 69, has extensive experience of management in the garment retail and wholesale business. She is a Council Member of the Hong Kong Trade Development Council ("HKTDCC"), the Chairman of Staff & Finance Committee of HKTDCC, the Executive Committee Member of the Chinese Manufacturers' Association of Hong Kong, the Chairman Emeritus of Hong Kong Brand Development Council, the Vice President of the Guangdong Association of Enterprises with Foreign Investment, a Council Member of The Hong Kong Polytechnic University ("PolyU"), the Chairman of Advisory Committee on Textile and Clothing Industries of PolyU, a Member of Rehabilitation Advisory Committee of Hong Kong Special Administrative Region. She received a Bachelor's degree from Nottingham Trent University, the United Kingdom in 1973.

Mr. Fu Sing Yam, William, aged 58, received a Bachelor's degree from the University of Western Ontario, Canada in 1984 and joined the Group in 1985. Mr. Fu has been an Executive Director of the Company since 1995. He was the Deputy Managing Director of the Company from 2006 to 2010 and was the Managing Director since 2010. Mr. Fu was re-designated as the Chief Executive Officer of the Company in September 2015. He has extensive experience in fashion retailing, wholesaling, marketing and merchandising. He is a Committee Member of the Heilongjiang Provincial Committee of the Chinese People's Political Consultative Conference.

Mr. Andrew Chan, aged 42, received a Bachelor's degree in economics from the University of Hartford, the USA in 2003 and joined the Group in the same year. Mr. Chan has been an Executive Director of the Company since 2014 and was re-designated as the Managing Director in September 2015. He has extensive experience in international brand licensing and fashion retailing in Far East, the USA and Europe.

陳永奎先生，七十四歲，一九六九年獲美國耶魯大學頒發行政管理學碩士學位，並於同年加入長江製衣有限公司(股份代號：294)。彼於一九七一年獲委任為長江製衣有限公司董事，一九八零年為董事總經理。並於一九八七年分別任長江製衣有限公司及本公司董事會副主席。陳先生現為長江製衣有限公司董事會主席。彼於二零一零年至二零一五年間出任本公司董事會主席。陳先生積極參與遠東及美國之成衣製造及市場推廣逾三十年之久。

陳永棋先生，七十三歲，一九七零年獲工業工程學士學位。並於同年加入長江製衣有限公司(股份代號：294)，先後出任生產經理及營業經理，陳先生於一九七七年獲委任為長江製衣有限公司董事及於一九八七年獲委任為該公司董事總經理，陳先生自一九八七年始出任本公司執行董事。彼亦為建滔集團有限公司(股份代號：148)之獨立非執行董事。陳先生曾多次參與歐美與港澳之間之紡織品談判。陳先生為中華人民共和國第十屆、第十一屆及第十二屆全國政協常務委員；中華人民共和國第八屆及第九屆全國人民代表大會代表；前香港特別行政區策略發展委員會委員；前澳門特別行政區經濟委員會委員、前香港政府紡織品諮詢委員會委員、前香港特別行政區籌備委員會委員及前中國國務院香港事務顧問。

蔡廷基先生，六十五歲，現為香港會計師公會資深會員。蔡先生一九七八年畢業於香港理工學院(現稱為香港理工大學)會計系，同年加入畢馬威會計師事務所歷任香港畢馬威會計師事務所審計部合夥人，畢馬威會計師事務所上海辦事處執行合夥人，畢馬威華振會計師事務所上海首席合夥人，畢馬威華振會計師事務所華東華西區首席合夥人。二零一零年四月蔡先生自畢馬威華振會計師事務所退休。蔡先生自二零一二年十二月起出任本公司之獨立非執行董事，彼亦為長江製衣有限公司(股份代號：294)之獨立非執行董事。

Mr. Chan Wing Fui, Peter, MA, aged 74, received a Master's degree in Administrative Science from Yale University, USA in 1969 and joined Yangtzekiang Garment Limited (stock code: 294) in the same year. He was appointed as the Director and Managing Director of Yangtzekiang Garment Limited in 1971 and 1980 respectively and Vice Chairman of the board of directors of both Yangtzekiang Garment Limited and the Company in 1987. Mr. Chan is at present the Chairman of the board of directors of Yangtzekiang Garment Limited. He was the Chairman of the board of directors of the Company from 2010 to 2015. Mr. Chan has been actively involved in garment manufacturing and marketing in the Far East and the USA for over 30 years.

Mr. Chan Wing Kee, GBM, GBS, OBE, JP, aged 73, received a Bachelor's degree in Industrial Engineering in 1970 and joined Yangtzekiang Garment Limited (stock code: 294) in 1970 as Production Manager and later became Sales Manager. Mr. Chan was appointed as Director of Yangtzekiang Garment Limited in 1977 and Managing Director in 1987. Mr. Chan has been an Executive Director of the Company since 1987. He is also an independent non-executive director of Kingboard Holdings Limited (stock code: 148). Mr. Chan has participated in many textile negotiations with the USA and Europe for Hong Kong and Macau. He is a Standing Committee Member of The 10th, 11th and 12th of The Chinese People's Political Consultative Conference; Deputy of the 8th and 9th National People's Congress of China; Ex-member of Commission on Strategic Development of HKSAR, Ex-member of Economic Council of Macau Special Administrative Region; Ex-member of the Textile Advisory Board of Hong Kong; Ex-Committee Member of the Preparatory Committee for Hong Kong Special Administrative Region and Ex-Advisor of Hong Kong Affairs.

Mr. Choi Ting Ki, aged 65, is a fellow member of the Hong Kong Institute of Certified Public Accountants. In 1978, Mr. Choi graduated from the Department of Accounting of the Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University). He joined KPMG in the same year and has held various positions, including partner of the audit department of KPMG Hong Kong Office, Managing Partner of KPMG Shanghai Office, Senior Partner of KPMG Huazhen Shanghai Office as well as Senior Partner of KPMG Huazhen in Eastern and Western China. Mr. Choi retired from KPMG Huazhen in April 2010. Mr. Choi has been an Independent Non-executive Director of the Company since December 2012. He is also an independent non-executive director of Yangtzekiang Garment Limited (stock code: 294).

蘇漢章先生，六十四歲，自二零零三年八月起擔任會計師行何鐵文蘇漢章梁樹賢會計師行有限公司董事。彼目前為英記茶莊集團有限公司(創業板股份代號：8241)之財務總監及公司秘書。彼在製造、批發及貿易商業部門擁有豐富經驗，以及在香港、中國及加拿大多家公司擔任公職。彼持有加拿大英屬哥倫比亞大學商業學士學位。彼為香港會計師公會資深會員、加拿大特許專業會計師公會會員及加拿大公認管理會計師公會會員。蘇先生自二零一七年九月起出任本公司之獨立非執行董事。彼亦自二零一七年九月起出任長江製衣有限公司(股份代號：294)之獨立非執行董事、自二零一五年五月起出任鼎石資本有限公司(股份代號：804)之獨立非執行董事及自二零零二年九月起為松景科技控股有限公司(股份代號：1079)之獨立非執行董事，上述股份於聯交所主板上市。蘇先生曾於二零一一年五月至二零一七年二月期間及於二零一七年八月至二零一九年六月期間分別出任米蘭站控股有限公司(股份代號：1150)及Teamway International Group Holdings Limited(股份代號：1239)之獨立非執行董事，該等股份於聯交所主板上市。

李光明先生，六十八歲，於棉紡織行業擁有四十年以上經驗。李先生於一九八四年七月獲委任為無錫市第一棉紡織廠副廠長，並於一九九一年二月獲委任為廠長。彼曾在無錫市國聯發展(集團)有限公司及其附屬公司(「無錫國聯集團」)擔任若干職位，此外，彼於二零零五年十月獲委任為無錫國聯紡織集團有限公司(現稱無錫一棉紡織集團有限公司)總經理，其後出任董事長直至二零一四年十二月止。李先生畢業於無錫職業大學(現稱江南大學)，曾任中華人民共和國無錫市人民代表大會常務委員會委員。李先生自二零一八年一月起出任本公司之獨立非執行董事、彼亦為長江製衣有限公司(股份代號：294)之獨立非執行董事。

Mr. So Stephen Hon Cheung, aged 64, has been a director of an accounting firm T.M. Ho So & Leung CPA Limited since August 2003. Currently, he is the chief financial officer and company secretary of Ying Kee Tea House Group Limited (stock code on GEM: 8241). He has extensive experience in the commercial sector of manufacturing, wholesale and trading and in public practice working for various companies in Hong Kong, China and Canada. He holds a bachelor degree in commerce from the University of British Columbia, Canada. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Chartered Professional Accountants of Canada and a member of the Society of Management Accountants of Canada. Mr. So has been an Independent Non-executive Director of the Company since September 2017. He is also an independent non-executive director of Yangtzekiang Garment Limited (stock code: 294) since September 2017, Pinestone Capital Limited (stock code: 804) since May 2015 and PINE Technology Holdings Limited (stock code: 1079) since September 2002, whose shares are listed on the Main Board of the Stock Exchange. Mr. So was an independent non-executive director of Milan Station Holdings Limited (stock code: 1150) from May 2011 to February 2017 and Teamway International Group Holdings Limited (stock code: 1239) from August 2017 to June 2019, the shares of which are listed on the Main Board of the Stock Exchange.

Mr. Li Guangming, aged 68, has over 40 years' experience in the cotton textile industry. He was appointed as deputy chief of No. 1 Cotton Textile Factory of Wuxi City in July 1984 and chief of factory in February 1991. He has held various positions in Wuxi City Guolian Development (Group) Company Limited and its subsidiaries. Among other things, he was appointed as the general manager of Wuxi Guolian Textile Group Company Limited (now known as Wuxi No.1 Cotton Textile Group Company Limited) in October 2005, and subsequently served as the Chairman of its board until December 2014. Mr. Li graduated from Wuxi Professional University (now known as Jiangnan University) and was a member of the Standing Committee of Wuxi Municipal People's Congress of the People's Republic of China. Mr. Li has been an Independent Non-executive Director of the Company since January 2018. He is also an independent non-executive director of Yangtzekiang Garment Limited (stock code: 294).

董事與其他董事、本公司高級管理人員或主要或控股股東的關係

陳永樂先生、陳永奎先生及周陳淑玲女士為兄弟妹。

陳永棋先生及陳永滔先生為兄弟。他們同時為陳永樂先生、陳永奎先生及周陳淑玲女士堂兄弟姊妹。

陳嘉然先生為陳永奎先生兒子。

傅承蔭先生為陳永樂先生、陳永奎先生、周陳淑玲女士、陳永棋先生及陳永滔先生表弟。

除本文所披露者外，董事概無與任何董事、本公司高級管理人員或主要或控股股東有任何關係。

管理人員

孔士傑先生，五十三歲，於一九九二年加入本集團，彼現為Michel René Enterprises Limited之董事。孔先生畢業於美國明尼蘇達州大學，於服裝零售業擁有廣泛之經驗。

Hendrik H Penndorf先生，五十六歲，於二零零七年加入本集團出任Societe Guy Laroche的行政總裁(Directeur General)及GL Europa S.A.的董事。Penndorf先生獲培訓為零售商人，並獲德國Hamburg University頒授工商管理碩士學位。他曾於總部設在德國漢堡的德國百貨連鎖集團任職高級管理人員十五年，負責處理時裝採購及經銷各類職務，並曾獲該百貨連鎖集團委任為總經理。Penndorf先生加入本集團前，曾於Euro China Group Hong Kong任職行政總裁兩年，該集團為時裝顧問公司，主要服務歐洲的優質客戶。

郭應東先生，五十七歲，二零零三年加入本集團，於二零一八年三月獲委任為本公司之公司秘書及財務總監。郭先生為香港會計師公會資深會員、英國特許公認會計師公會資深會員、英格蘭及威爾士特許會計師協會資深會員、英國特許公司治理公會會員及香港特許秘書公會會員。郭先生持有企業管治碩士學位及工商管理碩士學位。郭先生於中國服裝製衣、零售及批發方面擁有超過二十年經驗，而在一般行政、會計及財務事宜亦擁有豐富資歷。

魏季雍先生，六十二歲，為香港安全印刷有限公司董事總經理。魏先生持有商業學士學位及工商管理碩士學位，彼為香港會計師公會資深會員與澳洲註冊會計師公會資深會員。

Directors' relationship with other Directors, senior management, substantial or controlling shareholders of the Company

Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Fui, Peter and Madam Chan Suk Ling, Shirley are siblings.

Mr. Chan Wing Kee and Mr. Chan Wing To are siblings. They are also the cousins of Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Fui, Peter and Madam Chan Suk Ling, Shirley.

Mr. Andrew Chan is the son of Mr. Chan Wing Fui, Peter.

Mr. Fu Sing Yam, William is the cousin of Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Fui, Peter, Madam Chan Suk Ling, Shirley, Mr. Chan Wing Kee and Mr. Chan Wing To.

Save as disclosed herein, the Directors do not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

Management

Mr. Kenneth Hung, aged 53, joined the Group in 1992. Director of Michel René Enterprises Limited. Mr. Hung graduated from the University of Minnesota in the USA and has extensive experience in the apparel retailing industry.

Mr. Hendrik H Penndorf, aged 56, joined the Group in 2007 and was appointed as the Chief Executive Officer (Directeur General) of Societe Guy Laroche and the Director of GL Europa S.A.. Mr. Penndorf, trained as a retail trader, received a MBA degree at Hamburg University, Germany. He worked for 15 years in senior management of a German department store chain group based in Hamburg, Germany in various capacities from buying and merchandising of fashion. He was the general manager of the department store chain group. Before joining the Group, Mr. Penndorf worked for 2 years as the managing director of Euro China Group Hong Kong which is a boutique consultancy with mainly European blue chip clients.

Mr. Kwok Ying Tung, FCPA, FCCA, FCA, ACIS, ACS, aged 57, joined the Group in 2003 and was appointed as the Company Secretary and Financial Controller of the Company in March 2018. Mr. Kwok is a fellow member of The Hong Kong Institute of Certified Public Accountants, a fellow member of The Association of Chartered Certified Accountants, a fellow member of The Institute of Chartered Accountants in England and Wales, a member of The Chartered Governance Institute and a member of The Hong Kong Institute of Chartered Secretaries. He holds a master degree of Corporate Governance and a master degree in Business Administration. Mr. Kwok has over 20 years of experience in fashion garment manufacturing, retail and wholesale in China and has extensive experience in general administration, accounting and finance field.

Mr. Ngai Kwai Yung, FCPA, FCPA(Aust.), MBA, aged 62, is the Managing Director of Hong Kong Security Printing Limited. Mr. Ngai holds a Bachelor of Commerce degree and a Master degree in Business Administration. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of CPA Australia.

獨立核數師報告

Independent Auditor's Report



獨立核數師報告 致YGM貿易有限公司成員

(於香港註冊成立的有限公司)

Independent auditor's report to the members of YGM Trading Limited

(Incorporated in Hong Kong with limited liability)

意見

本核數師(以下簡稱「我們」)已審計列載於第37頁至第121頁的YGM貿易有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此財務報表包括於二零二零年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零二零年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

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》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。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

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。

Opinion

We have audited the consolidated financial statements of YGM Trading Limited ("the Company") and its subsidiaries ("the Group") set out on pages 37 to 121, which comprise the consolidated statement of financial position as at 31 March 2020, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 Hong Kong Companies Ordinance.

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

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.

Impairment of property, plant and equipment and right-of-use assets of retail stores	
<i>Refer to notes 2(a) and 11 to the consolidated financial statements and the accounting policies in note 1(j)(ii).</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>Local economic conditions affect customer numbers and spending power such that the revenue generated from each retail store fluctuates during the lease term. During the year ended 31 March 2020, certain of the Group's retail stores were underperforming which indicated the carrying amounts of the property, plant and equipment and right-of-use assets of these retail stores may not be recoverable and required assessment of impairment.</p> <p>The recoverable amounts of property, plant and equipment and right-of-use assets of these retail stores were determined by management on a store-by-store basis based on value-in-use calculations of these retail stores. In determining value-in-use, discounted cash flow forecasts are prepared by the management. Based on the impairment assessment, impairment loss on property, plant and equipment and right-of-use assets amounting to HK\$43,199,000 was recognised in the profit or loss for the year ended 31 March 2020.</p>	<p>Our audit procedures to assess the potential impairment of property, plant and equipment and right-of-use assets of retail stores included the following:</p> <ul style="list-style-type: none"> • assessing and challenging the Group's impairment assessment model. This included challenging management's identification of impairment indicators and cash-generating units; • evaluating the key assumptions used in the discounted cash flow forecasts prepared by management, including revenue growth rate, profit margin and costs of the retail stores, by applying our knowledge of the business and industry and comparing the discount rate to comparable external information in the industry by performing market research; • comparing, on a sample basis, the data inputs used in the discounted cash flow forecasts with the historical performance of these retail stores;

零售商店的物業、廠房及設備及使用權資產的減值	
<i>參閱綜合財務報表附註第2(a)及11項及會計政策附註第1(j)(ii)項。</i>	
關鍵審計事項	我們的審計如何處理該事項
<p>由於當地經濟狀況會影響客戶數量和消費能力，故各零售商店的銷售趨勢可能會於有關零售商店的租賃期內有所變動。截至二零二零年三月三十一日止年度，貴集團旗下部分零售商店的表現不佳，顯示有關商店的物業、廠房及設備及使用權資產的賬面值未必可以收回，故須作出減值評估。</p> <p>有關零售商店的物業、廠房及設備及使用權資產的可收回金額乃由管理層依據個別零售商店的使用價值計算。於計算使用價值時，管理層編製折現現金流量的預測。根據減值評估，物業、廠房及設備及使用權資產的減值虧損為43,199,000港元，並於截至二零二零年三月三十一日止年度之損益確認入賬。</p>	<p>我們就評估零售商店的物業、廠房及設備及使用權資產的潛在減值的審計程序包括以下程序：</p> <ul style="list-style-type: none"> • 評估和質詢 貴集團的減值評估模式，此舉包括質詢管理層識別的減值指標和現金產生單位； • 通過我們對業務和行業的知識，評估管理層編製折現現金流量的預測所依據的主要假設，包括零售商店的收入增長率、毛利率及成本，透過市場研究，將折現率於行業內可作比較外部資料進行對比； • 按抽樣基準比較折現現金流量預測所使用的參數，與有關零售商店的過去表現；

Impairment of property, plant and equipment and right-of-use assets of retail stores	
Refer to notes 2(a) and 11 to the consolidated financial statements and the accounting policies in note 1(j)(ii).	
The Key Audit Matter	How the matter was addressed in our audit
We identified the impairment of property, plant and equipment and right-of-use assets of retail stores to be a key audit matter because future cash flows and profits of the retail stores are inherently uncertain and the significant judgements and estimates used in the impairment assessments.	<ul style="list-style-type: none"> performing a sensitivity analysis to evaluate the extent of change in key assumptions that would result in impairment of property, plant and equipment and right-of-use assets of retail stores; enquiring of the Chief Executive Officer and senior members of the sales team about any plans for retail store closures; and considering the Group's disclosures in the consolidated financial statements in respect of impairment testing of property, plant and equipment and right-of-use assets of retail stores, with reference to the requirements of the prevailing accounting standards.

零售商店的物業、廠房及設備及使用權資產的減值	
參閱綜合財務報表附註第2(a)及11項及會計政策附註第1(j)(ii)項。	
關鍵審計事項	我們的審計如何處理該事項
我們將零售商店的物業、廠房及設備及使用權資產的減值識別為關鍵審計事項，原因為零售商店的未來現金流量和溢利存有固有不確定性，於釐定減值評估時須作出重大判斷和估計。	<ul style="list-style-type: none"> 進行敏感度分析以評估主要假設的變動程度，而有關變動可能會導致零售商店的物業、廠房及設備及使用權資產出現減值； 向行政總裁及銷售團隊的高級人員詢問有關零售商店結業的任何計劃；及 考慮 貴集團在綜合財務報表披露有關零售商店的物業、廠房及設備及使用權資產的減值測試，並參考現行會計準則的規定。

Net realisable value of inventories	
Refer to notes 2(c) and 15 to the consolidated financial statements and the accounting policies in note 1(k).	
The Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 March 2020, the inventories of the Group amounted to HK\$59,798,000. Inventories are carried at the lower of cost and net realisable value ("NRV") in the consolidated financial statements of the Group.</p> <p>Sales of inventories in the fashion industry can be volatile due to changing fashion trends, consumer demand and economic retail conditions.</p> <p>The changing tastes and patterns of consumption of customers require the Group to periodically review its inventory portfolio and dispose of off-season inventories at a markdown from the original price to maintain the strength of the brand and make room for new season inventories in its retail stores. Accordingly, the actual future selling prices of some items of inventories may fall below their purchase costs.</p> <p>The Chief Executive Officer and senior members of the sales team review the full inventory list regularly to identify inventories which may need to be discounted in order to increase their chances of being sold. Key data used in this review process includes sales volume history and ageing patterns of inventories.</p>	<p>Our audit procedures to assess the valuation of inventories included the following:</p> <ul style="list-style-type: none"> assessing whether the inventory provision at the reporting date was consistent with the Group's inventory provisioning policy by recalculating the inventory provision based on the percentages of inventory costs and other parameters in the Group's inventory provision policy; assessing, on a sample basis, whether items in the inventory ageing report were classified within the appropriate ageing bracket; assessing the Group's inventory provision policy by comparing management's forecasts of the amounts of inventories which will be unsold at the end of each season and the corresponding forecast markdowns to the historical sales amounts and markdown data for the current and prior years;

存貨可變現淨值	
參閱綜合財務報表附註第2(c)和15項及會計政策附註1(k)。	
關鍵審計事項	我們的審計如何處理該事項
<p>於二零二零年三月三十一日，貴集團的存貨為59,798,000港元。存貨於貴集團的綜合財務報表以成本及可變現淨值兩者中之較低數額入賬。</p> <p>消費者的需求會因應當時的流行趨勢，消費者需求和零售經濟狀況有所變化，令時裝業的存貨銷售受到波動。為了維持品牌的實力和騰出零售店的空間供新一季的存貨之用，貴集團一般會以低於原價出售或處置換季的存貨。因此，某些存貨項目的實際未來售價可能會低於其本身的採購成本。</p> <p>行政總裁及銷售團隊的高級人員定期審閱完整之存貨清單，以確定可能需提供折扣之存貨，以增加其銷售之機會。審閱過程中使用之關鍵資料包括各地區之銷售量歷史數據及存貨之貨齡模式。</p>	<p>我們就評估存貨估值的審計程序包括以下程序：</p> <ul style="list-style-type: none"> 按照貴集團存貨撥備政策的存貨成本百分比及其他參數重新計算的存貨撥備，評估於報告日期存款撥備是否與貴集團的存貨撥備政策一致； 根據樣本基礎評估存貨的賬齡報告中的項目是否歸類在合適的賬齡類別； 通過比較管理層對每季結束未售出存貨數量的預測、相關減價預測和過往銷售額，以及今年和過去年度的有關減價數據，從而評估貴集團目前的存貨撥備政策；

Net realisable value of inventories	
Refer to notes 2(c) and 15 to the consolidated financial statements and the accounting policies in note 1(k).	
The Key Audit Matter	How the matter was addressed in our audit
<p>We identified the NRV of inventories as a key audit matter because significant judgements and assumptions are involved by management in estimating the amounts of inventories which will be unsold at the end of each season and the markdowns necessary to sell such off-season inventories on a discounted basis through outlets and other channels in the following years.</p>	<ul style="list-style-type: none"> comparing the carrying amount of the inventories at the reporting date to their NRV by reviewing the sales of inventories subsequent to the reporting date; comparing inventory balances by season against respective balances in prior years and the movement by season against historical movements to identify inventories which are relatively slow moving; performing a retrospective review on the Group's inventory provisioning policy by comparing the actual sales of inventories during the year with management's estimates at the end of the prior year; and enquiring of the Chief Executive Officer and senior members of the sales team about any expected changes in plans for markdowns or disposals of off-season inventories and comparing their representations with actual sales transactions subsequent to the reporting date.

存貨可變現淨值	
參閱綜合財務報表附註第2(c)及15項及會計政策附註第1(k)項。	
關鍵審計事項	我們的審計如何處理該事項
<p>我們識別存貨可變現淨值為關鍵審計事項，因管理層就估計庫存量時作出重大判斷和假設，當中涉及預測每季季尾未售出存貨數量和降價促銷數量，以及來年透過零售商店及其他渠道必須以折扣價出售換季存貨的價格減幅。</p>	<ul style="list-style-type: none"> 在報告日期後通過審查存貨銷售情況，將報告日存貨的入賬值與其可變現淨值進行比較； 按季度與往年的季度存貨結餘作比較，同時按季度與過往存貨變動作比較，從而辨別出相對周轉率較低的存貨； 對貴集團的存貨撥備政策進行追溯審查，當中將年內存貨的實際銷售比較管理層在上一年終作出的銷售預測；及 向行政總裁及銷售團隊的高級人員詢問有關減價或出售換季存貨計劃的任何預期變化，從而對前者的描述與報告日期之後的實際銷售交易作出比較。

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，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。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認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，董事須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。

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all 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 the directors for the consolidated financial statements

The directors 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 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 directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴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。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。

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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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.

- 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。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。
- 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.

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的內部控制的任何重大缺陷。

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.

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。

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

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。

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.

出具本獨立核數師報告的審計項目合夥人是鄭沛雅。

The engagement partner on the audit resulting in this independent auditor's report is Cheng Pui Ngar.

畢馬威會計師事務所
執業會計師

KPMG
Certified Public Accountants

香港中環
遮打道10號
太子大廈8樓
二零二零年六月二十九日

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
29 June 2020

綜合損益表

Consolidated Statement of Profit or Loss

截至二零二零年三月三十一日止年度 For the year ended 31 March 2020

(以港元列示 / Expressed in Hong Kong dollars)

		附註 Note	2020 \$'000	2019 (附註) (Note) \$'000
收入	Revenue			
銷售成本及直接成本	Cost of sales and direct costs	3 & 4	269,818 (130,481)	360,675 (119,904)
毛利	Gross profit		139,337	240,771
其他虧損淨額	Other net loss	5	(3,278)	(3,926)
分銷成本	Distribution costs		(203,376)	(236,954)
行政費用	Administrative expenses		(77,555)	(82,637)
其他經營費用	Other operating expenses		(9,668)	(2,668)
經營虧損	Loss from operations		(154,540)	(85,414)
投資物業估值(虧損)/收益淨額	Net valuation (losses)/gains on investment properties	11(a)	(35,242)	5,330
出售投資物業收益淨額	Net gain on disposal of an investment property	11(f)	–	3,580
出售持作自用土地及樓宇收益淨額	Net gain on disposal of land and buildings held for own use	11(g)	–	44,753
出售附屬公司收益淨額	Net gain on disposal of a subsidiary	28	–	129,510
潛在中國關稅及彌償保證回撥及相關扣押按金退回	Reversal of provision for potential PRC customs duties and indemnity liabilities and refund of related distrained deposits	23(a)	126,495	–
融資成本	Finance costs	6(a)	(3,841)	(75)
除稅前(虧損)/溢利	(Loss)/profit before taxation	6	(67,128)	97,684
所得稅	Income tax	7(a)	(22,392)	(6,602)
本年度(虧損)/溢利	(Loss)/profit for the year		(89,520)	91,082
歸屬：	Attributable to:			
本公司權益股東	Equity shareholders of the Company		(87,125)	90,189
非控股權益	Non-controlling interests		(2,395)	893
本年度(虧損)/溢利	(Loss)/profit for the year		(89,520)	91,082
每股(虧損)/盈利	(Loss)/earnings per share	10		
基本及攤薄	Basic and diluted		\$(0.53)	\$0.54

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

第42頁至第121頁之附註屬本財務報表之一部份。本年度應付本公司權益股東的股息詳情列於附註第24(b)項。

The notes on pages 42 to 121 form part of these financial statements. Details of dividends payable to equity shareholders of the Company are set out in note 24(b).

綜合損益及其他全面收益表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零二零年三月三十一日止年度 For the year ended 31 March 2020
(以港元列示 / Expressed in Hong Kong dollars)

		2020 \$'000	2019 (附註) (Note) \$'000
本年度(虧損)/溢利	(Loss)/profit for the year	(89,520)	91,082
本年度其他全面收益 (稅後及重新分類調整)	Other comprehensive income for the year (after tax and reclassification adjustments)		
其後可能重新分類為損益 之項目：	Item that may be reclassified subsequently to profit or loss:		
換算香港以外附屬公司 財務報表所產生的 匯兌差額	Exchange differences on translation of financial statements of subsidiaries outside Hong Kong	(7,335)	(14,092)
本年度其他全面收益	Other comprehensive income for the year	(7,335)	(14,092)
本年度全面收益總額	Total comprehensive income for the year	(96,855)	76,990
歸屬：	Attributable to:		
本公司權益股東	Equity shareholders of the Company	(94,460)	76,667
非控股權益	Non-controlling interests	(2,395)	323
本年度全面收益總額	Total comprehensive income for the year	(96,855)	76,990

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

綜合財務狀況表

Consolidated Statement of Financial Position

於二零二零年三月三十一日 At 31 March 2020

(以港元列示 / Expressed in Hong Kong dollars)

		附註 Note	2020 \$'000	2019 (附註) (Note) \$'000
非流動資產	Non-current assets			
投資物業	Investment properties	11	243,112	278,173
其他物業、廠房及設備	Other property, plant and equipment	11	62,552	21,477
			305,664	299,650
無形資產	Intangible assets	12	133,442	102,050
租賃權費用	Lease premium	13	–	5,764
租金按金	Rental deposits		9,959	16,436
遞延稅項資產	Deferred tax assets	22(b)	4,226	25,607
			453,291	449,507
流動資產	Current assets			
作買賣用途之證券	Trading securities	14	18,408	18,310
存貨	Inventories	15(a)	59,798	79,700
應收賬款及其他應收款	Trade and other receivables	16	39,433	50,353
本期可退回稅項	Current tax recoverable	22(a)	706	214
現金及現金等價物	Cash and cash equivalents	17(a)	153,496	321,901
			271,841	470,478
流動負債	Current liabilities			
銀行透支	Bank overdrafts	19	7,485	6,777
應付賬款及其他應付款及 合同負債	Trade and other payables and contract liabilities	18	52,205	76,206
租賃負債	Lease liabilities	20	59,017	–
本期應付稅項	Current tax payable	22(a)	337	638
撥備	Provisions	23	–	130,289
			119,044	213,910
流動資產淨值	Net current assets		152,797	256,568
總資產減流動負債	Total assets less current liabilities		606,088	706,075
非流動負債	Non-current liabilities			
租賃負債	Lease liabilities	20	46,974	–
遞延稅項負債	Deferred tax liabilities	22(b)	1,280	1,507
			48,254	1,507
資產淨值	NET ASSETS		557,834	704,568
股本及儲備	CAPITAL AND RESERVES			
股本	Share capital	24(c)	383,909	383,909
儲備	Reserves		154,186	298,405
本公司權益股東 應佔權益總額	Total equity attributable to equity shareholders of the Company		538,095	682,314
非控股權益	Non-controlling interests		19,739	22,254
權益總額	TOTAL EQUITY		557,834	704,568

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

董事會於二零二零年六月二十九日核准及授權公佈。

Approved and authorised for issue by the board of directors on 29 June 2020.

陳永榮)
)
) 董事
周陳淑玲)
)

Chan Wing Sun, Samuel)
)
) Directors
Chan Suk Ling, Shirley)
)

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零二零年三月三十一日止年度 For the year ended 31 March 2020
(以港元列示 / Expressed in Hong Kong dollars)

		歸屬本公司權益股東 Attributable to equity shareholders of the Company							
附註 Note		股本 Share capital \$'000 (附註24(c) (Note 24(c))	外匯儲備 Exchange reserve \$'000 (附註24(d)(i) (Note 24(d)(i))	重估儲備 Revaluation reserve \$'000 (附註24(d)(ii) (Note 24(d)(ii))	保留溢利 Retained profits \$'000 (附註) (Note)	總額 Total \$'000	非控股權益 Non-controlling interests \$'000	權益總額 Total equity \$'000	
於二零一八年四月一日	Balance at 1 April 2018	383,909	(27,644)	99,229	266,258	721,752	26,897	748,649	
權益變動：	Changes in equity:								
本年度溢利	Profit for the year	-	-	-	90,189	90,189	893	91,082	
其他全面收益	Other comprehensive income	-	(13,522)	-	-	(13,522)	(570)	(14,092)	
本年度全面收益總額	Total comprehensive income	-	(13,522)	-	90,189	76,667	323	76,990	
過往年度已批准及 已付股息	Dividends approved and paid in respect of the previous year	-	-	-	(82,932)	(82,932)	-	(82,932)	
本年度已宣派及 已付之中期股息	Interim dividend declared and paid in respect of the current year	-	-	-	(33,173)	(33,173)	-	(33,173)	
已付非控股權益之股息	Dividends paid to non-controlling interests	-	-	-	-	-	(4,999)	(4,999)	
非控股權益貸款	Loan from non-controlling interests	-	-	-	-	-	33	33	
出售附屬公司時 撥回儲備	Release of revaluation reserve upon disposal of a subsidiary	-	-	(85,797)	85,797	-	-	-	
於二零一九年三月三十一日 及二零一九年四月一日	Balance at 31 March 2019 and 1 April 2019	383,909	(41,166)	13,432	326,139	682,314	22,254	704,568	
權益變動：	Changes in equity:								
本年度虧損	Loss for the year	-	-	-	(87,125)	(87,125)	(2,395)	(89,520)	
其他全面收益	Other comprehensive income	-	(7,335)	-	-	(7,335)	-	(7,335)	
本年度全面收益總額	Total comprehensive income	-	(7,335)	-	(87,125)	(94,460)	(2,395)	(96,855)	
過往年度已批准及 已付股息	Dividends approved and paid in respect of the previous year	-	-	-	(33,173)	(33,173)	-	(33,173)	
本年度已宣派及 已付之中期股息	Interim dividend declared and paid in respect of the current year	-	-	-	(16,586)	(16,586)	-	(16,586)	
已付非控股權益之股息	Dividends paid to non-controlling interests	-	-	-	-	-	(120)	(120)	
於二零二零年三月三十一日	Balance at 31 March 2020	383,909	(48,501)	13,432	189,255	538,095	19,739	557,834	

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

綜合現金流量表

Consolidated Cash Flow Statement

截至二零二零年三月三十一日止年度 For the year ended 31 March 2020
(以港元列示 / Expressed in Hong Kong dollars)

		附註 Note	2020 \$'000	2019 (附註) (Note) \$'000
經營活動	Operating activities			
經營業務所用之現金	Cash used in operations	17(b)	(14,896)	(61,708)
(已付)／退回稅項	Tax (paid)/refunded			
– 已付香港利得稅	– Hong Kong Profits Tax paid		(1,986)	(964)
– 已付香港以外地區稅項	– Tax paid outside Hong Kong		(567)	(1,173)
– 退回香港利得稅	– Hong Kong Profits Tax refunded		229	11
			(2,324)	(2,126)
經營活動所用之現金淨額	Net cash used in operating activities		(17,220)	(63,834)
投資活動	Investing activities			
購入其他物業、廠房和設備付款	Payment for the purchase of other property, plant and equipment		(9,736)	(11,327)
購入無形資產付款	Payment for the purchase of intangible assets	12	(31,392)	–
購入作買賣用途之證券付款	Payment for the purchase of trading securities		–	(10,456)
出售投資物業所得款項	Proceed from disposal of an investment property	11(f)	–	10,880
出售持作自用土地及樓宇所得款項	Proceed from disposal of land and buildings held for own use	11(g)	–	50,000
出售附屬公司之淨現金流入	Net cash inflows in respect of disposal of subsidiaries	28	–	215,746
出售作買賣用途之證券所得款項	Proceeds from disposal of trading securities		–	7,863
已收利息	Interest received	5	2,552	2,473
投資活動(所用)／產生之現金淨額	Net cash (used in)/generated from investing activities		(38,576)	265,179
融資活動	Financing activities			
非控股權益貸款所得款項	Proceeds from a loan from non-controlling interests		–	33
已支付租賃租金的資本部分	Capital element of lease rentals paid	17(c)	(54,328)	–
已支付租賃租金的利息部分	Interest element of lease rentals paid	17(c)	(3,715)	–
利息支出	Interest paid	17(c)	(126)	(75)
已付本公司權益股東之股息	Dividends paid to equity shareholders of the Company		(52,497)	(115,059)
已付非控股權益股息	Dividends paid to non-controlling interests		(120)	(4,999)
融資活動所用之現金淨額	Net cash used in financing activities		(110,786)	(120,100)
現金及現金等價物(減少)／增加淨額	Net (decrease)/increase in cash and cash equivalents		(166,582)	81,245
於年初之現金及現金等價物	Cash and cash equivalents at the beginning of the year		315,124	234,486
外幣匯率變動之影響	Effect of foreign exchange rate changes		(2,531)	(607)
於年末之現金及現金等價物	Cash and cash equivalents at the end of the year	17(a)	146,011	315,124

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

1 主要會計政策

(a) 遵例聲明

本財務報表是按照所有適用之《香港財務報告準則》編製，該統稱包括香港會計師公會頒佈之所有適用之個別《香港財務報告準則》、《香港會計準則》及其詮釋、香港公認會計原則及香港《公司條例》之規定。本財務報表亦符合香港聯合交易所有限公司證券上市規則（「上市規則」）之適用披露規定。以下是本集團採用之主要會計政策概要。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，並於本集團之本期會計期間首次生效或可供提早採納。初次應用該等與本集團有關之香港財務報告準則所引致當前和以往會計期間之會計政策變動，已反映於本財務報表內，有關資料列載於附註第1(c)項。

(b) 財務報表之編製基準

截至二零二零年三月三十一日止年度之綜合財務報表涵蓋本公司及其附屬公司（統稱「本集團」）。

除下文所載之資產按公允價值列賬外，本財務報表是以歷史成本作為編製所用之計量基準：

- 投資物業包括土地及樓宇持作投資物業且集團為該等物業權益的註冊擁有人（參閱附註第1(f)項）；及
- 作買賣用途之證券（參閱附註第1(e)項）。

編製符合香港財務報告準則之財務報表，要求管理層就可影響政策應用以及資產、負債、收益及開支之呈報金額作出判斷、估算及假設。有關估算及相關假設根據過往經驗及多項於此情況下相信屬合理之其他因素作出，有關結果構成對未能在其他資料來源顯示之資產及負債之賬面值作出判斷之基礎。實際結果可能與該等估算有所差異。

1 Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountant (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2020 comprise the Company and its subsidiaries (together referred to as the “Group”).

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- investment properties, including interests in leasehold land and buildings held as investment properties where the Group is the registered owner of the property interest (see note 1(f)); and
- trading securities (see note 1(e)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

1 主要會計政策 (續)

(b) 財務報表之編製基準 (續)

估算及相關假設乃按持續基準審閱。會計估算之修訂乃於估算有所修訂之期間(倘修訂僅影響該期間)，或修訂期間及未來期間(倘修訂影響當前期間及未來期間)內確認。

有關管理層在應用香港財務報告準則時所作出對本財務報表有重大影響之判斷以及構成估算的不確定因素，詳情載列於附註第2項。

(c) 會計政策變動

香港會計師公會已頒佈於本集團本會計期間首次生效之新香港財務報告準則(香港財務報告準則第16號「租賃」)及若干香港財務報告準則之修訂。

除香港財務報告準則第16號「租賃」外，該等發展對本集團所編製或呈列於本期或前期業績及財務狀況概無重大影響。本集團已選擇提早採納香港財務報告準則第16號(修訂本)「Covid-19相關租金寬減」，該修訂於二零二零年六月一日或之後開始的會計期間生效。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關詮釋、香港(國際財務報告詮釋委員會)詮釋第4號「釐定安排是否包含租賃」、香港(詮釋常務委員會)詮釋第15號「經營租賃－獎勵」及香港(詮釋常務委員會)詮釋第27號「評估涉及租賃法律形式的交易本質」。其為承租人引入一項單一會計模式，規定承租人就所有租賃確認使用權資產及租賃負債(除租期為十二個月或以下的租賃(「短期租賃」)及低價值資產的租賃外)。出租人的會計處理要求大致承接香港會計準則第17號的要求不變。

香港財務報告準則第16號亦引入額外的定性及定量披露要求，目的是讓財務報表使用者評估租賃對實體之綜合財務狀況、綜合財務表現及綜合現金流量的影響。

本集團已於二零一九年四月一日首次採用香港財務報告準則第16號。本集團已選用經修訂追溯法。比較資料未被重列且繼續根據香港會計準則第17號呈報。

1 Significant accounting policies (continued)

(b) Basis of preparation of the financial statements (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

(c) Changes in accounting policies

The HKICPA has issued a new HKFRS, HKFRS 16, *Leases*, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

Except for HKFRS 16, *Leases*, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has opted for the early adoption of the Amendment to HKFRS 16, *Covid-19-Related Rent Concessions*, which is effective for accounting period beginning on or after 1 June 2020.

HKFRS 16, *Leases*

HKFRS 16 replaces HKAS 17, *Leases*, and the related interpretations, HK(IFRIC) 4, *Determining whether an arrangement contains a lease*, HK(SIC) 15, *Operating leases – incentives*, and HK(SIC) 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low-value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the consolidated financial position, consolidated financial performance and consolidated cash flows of an entity.

The Group has initially applied HKFRS 16 as from 1 April 2019. The Group has elected to use the modified retrospective approach. Comparative information has not been restated and continues to be reported under HKAS 17.

1 主要會計政策 (續)**(c) 會計政策變動 (續)**

有關過往會計政策變動的性質和影響及所採用的過渡性選擇的進一步詳情列載如下：

a. 租賃的新定義

租賃定義的變動主要與控制權的概念有關。香港財務報告準則第16號根據客戶是否在某一時段內控制已識別資產的使用(其可由指定使用量釐定)來定義租賃。當客戶有權指示可識別資產的用途及從使用中獲得絕大部分經濟利益時，即表示擁有控制權。

香港財務報告準則第16號內租賃的新定義僅適用於本集團於二零一九年四月一日或之後訂立或變更的合約。就於二零一九年四月一日之前訂立的合約而言，本集團已採用過渡性可行權宜方法沿用此前對現有安排是否為租賃或包含租賃評估結果。因此，對於以往根據香港會計準則第17號評估為租賃的合約繼續根據香港財務報告準則第16號入賬列為租賃，而以往評估為非租賃服務安排的合約則繼續入賬列為待執行合約。

b. 承租人會計處理方法及過渡影響

香港財務報告準則第16號剔除以往香港會計準則第17號規定承租人將租賃分類為經營租賃或融資租賃的要求。反之，當本集團作為承租人，其須將所有租賃資本化，包括以往根據香港會計準則第17號分類為經營租賃的租賃(短期租賃及低價值資產租賃因獲豁免除外)。就本集團而言，此等新資本化租賃主要涉及物業及辦公室設備並載列於附註第26項。就集團如何執行承租人會計處理方法之解釋，參閱附註第1(i)(i)項。

於過渡至香港財務報告準則第16號當日(即二零一九年四月一日)，本集團釐定剩餘租賃期的長度，並以剩餘租賃付款額按二零一九年四月一日的相關遞增借款利率折現的現值，對此前劃分為經營租賃的租賃之租賃負債進行計量。用作釐定餘下租賃付款額現值的加權平均遞增借款利率為4.0%。

1 Significant accounting policies (continued)**(c) Changes in accounting policies (continued)**

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

a. New definition of a lease

The change in the definition of a lease mainly relates to the concept of control. HKFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group applies the new definition of a lease in HKFRS 16 only to contracts that were entered into or changed on or after 1 April 2019. For contracts entered into before 1 April 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under HKAS 17 continue to be accounted for as leases under HKFRS 16 and contracts previously assessed as non-lease service arrangements continue to be accounted for as executory contracts.

b. Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt. As far as the Group is concerned, these newly capitalised leases are primarily in relation to properties and office equipment as disclosed in note 26. For an explanation of how the Group applies lessee accounting, see note 1(i)(i).

At the date of transition to HKFRS 16 (i.e. 1 April 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates at 1 April 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 4.0%.

1 主要會計政策 (續)

(c) 會計政策變動 (續)

b. 承租人會計處理方法及過渡影響 (續)

為緩解香港財務報告準則第16號的過渡安排，本集團於首次應用香港財務報告準則第16號當日採用下列確認豁免及可行權宜方法：

- (i) 對於在首次應用香港財務報告準則第16號之日起計剩餘租賃期限在十二個月內終止，即租賃期於二零二零年三月三十一日或之前結束的租賃，本集團選擇不使用香港財務報告準則第16號對確認租賃負債和使用權資產的要求；及
- (ii) 於計量首次應用香港財務報告準則第16號當日之使用權資產時，本集團依據之前於二零一九年三月三十一日對虧損合同撥備作出的評估，以替代進行減值審閱。

以下為於二零一九年三月三十一日經營租賃承擔與租賃負債於二零一九年四月一日期初結餘的對賬表：

1 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

b. Lessee accounting and transitional impact (continued)

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 March 2020; and
- (ii) when measuring the right-of-use assets at the date of initial application of HKFRS 16, the Group relied on the previous assessment for onerous contract provisions as at 31 March 2019 as an alternative to performing an impairment review.

The following table reconciles the operating lease commitments as disclosed in note 26 as at 31 March 2019 to the opening balance for lease liabilities recognised as at 1 April 2019:

		二零一九年 四月一日 1 April 2019 \$'000
於二零一九年三月三十一日的經營租賃承擔	Operating lease commitments at 31 March 2019	210,305
減：無需資本化的租賃承擔：	Less: commitments relating to leases exempt from capitalisation:	
— 短期租賃或其他租賃期於二零二零年三月三十一日或之前完結的租賃	— short-term leases and other leases with remaining lease term ending on or before 31 March 2020	(34,604)
		175,701
減：未來利息支出總額	Less: total future interest expenses	(72,801)
於二零一九年四月一日確認的租賃負債總額	Total lease liabilities recognised at 1 April 2019	102,900

1 主要會計政策 (續)**(c) 會計政策變動 (續)**

- b. 承租人會計處理方法及過渡影響 (續)

有關租賃原先分類為經營租賃的使用權資產已確認為相當於剩餘租賃負債的金額，當中金額已經就原先於二零一九年三月三十一日綜合財務狀況表確認為虧損合同撥備的評估所調整。

下表為本集團就採納香港財務報告準則第16號對綜合財務狀況表的影響：

1 Significant accounting policies (continued)**(c) Changes in accounting policies (continued)**

- b. Lessee accounting and transitional impact (continued)

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the previous assessment for onerous contract provisions recognised in the consolidated statement of financial position at 31 March 2019.

The following table summarises the impacts of the adoption of HKFRS 16 on the Group's consolidated statement of financial position:

		於二零一九年 三月三十一日 之賬面值 Carrying amount at 31 March 2019 \$'000	營業租賃合同 資本化金額 Capitalisation of operating lease contracts \$'000	於二零一九年 四月一日 之賬面值 Carrying amount at 1 April 2019 \$'000
採用香港財務報告準則第16號 對綜合財務狀況表的項目之 影響：	Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16:			
投資物業	Investment properties	278,173	13,413	291,586
其他物業、廠房及設備	Other property, plant and equipment	21,477	78,887	100,364
總非流動資產	Total non-current assets	449,507	92,300	541,807
租賃負債 (流動)	Lease liabilities (current)	–	52,374	52,374
撥備	Provisions	130,289	(10,600)	119,689
流動負債	Current liabilities	213,910	41,774	255,684
流動資產淨值	Net current assets	256,568	(41,774)	214,794
總資產減流動負債	Total assets less current liabilities	706,075	50,526	756,601
租賃負債 (非流動)	Lease liabilities (non-current)	–	50,526	50,526
總非流動負債	Total non-current liabilities	1,507	50,526	52,033

1 主要會計政策 (續)

(c) 會計政策變動 (續)

- c. 對本集團財務業績、分部業績及現金流量之影響

於二零一九年四月一日初步確認使用權資產及租賃負債後，本集團作為承租人須確認租賃負債未付結存所產生之利息費用及使用權資產折舊，而非根據先前政策於租期內以直線法確認經營租賃項下所產生之租金費用。與假設已於年內應用香港會計準則第17號之業績相比，本集團綜合損益表內呈報之經營虧損因此受到正面影響。

於綜合現金流量表內，本集團作為承租人須將資本化租賃項下所付之租金分為資本部份及利息部份 (參閱附註第17(c)項)。該等部份分類為融資現金流出，與處理先前根據香港會計準則第17號分類為融資租賃之租賃方法相若，而非經營現金流出，即香港會計準則第17號項下有關經營租賃之處理方法。儘管現金流量總額未受影響，惟採納香港財務報告準則第16號導致綜合現金流量表內現金流量之呈列出現重大變動 (參閱附註第17(d)項)。

- d. 以租賃持有之投資物業

根據香港財務報告準則第16號，倘以租賃持有之物業乃為賺取租金收入及／或為資本增值而持有，則本集團須將所有該等以租賃持有之物業以投資物業入賬 (「以租賃持有之投資物業」)。本集團須將就租賃其投資物業之相關租用土地的租賃負債確認入賬，而此原先是根據香港會計準則第17號分類為經營租賃，並追加任何已確認之租賃負債到投資物業，從而得出投資物業的賬面值。

1 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

- c. Impact on the financial result, segment results and cash flows of the Group

After the initial recognition of right-of-use assets and lease liabilities as at 1 April 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. This results in a positive impact on the reported loss from operations in the Group's consolidated statement of profit or loss, as compared to the results if HKAS 17 had been applied during the year.

In the consolidated cash flow statement, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element (see note 17(c)). These elements are classified as financing cash outflows, similar to how leases previously classified as finance leases under HKAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under HKAS 17. Although total cash flows are unaffected, the adoption of HKFRS 16 therefore results in a significant change in presentation of cash flows within the consolidated cash flow statement (see note 17(d)).

- d. Leasehold investment property

Under HKFRS 16, the Group is required to account for all leasehold properties as investment properties when these properties are held to earn rental income and/or for capital appreciation ("leasehold investment properties"). The Group is required to recognise lease liability relating to a lease of the underlying leasehold land of its investment properties which was previously classified as an operating lease under HKAS 17 and add back any recognised lease liability to arrive at the carrying amount of the investment properties.

1 主要會計政策 (續)**(c) 會計政策變動 (續)****e. 出租人會計處理方法**

適用於本集團作為出租人的會計政策與香港會計準則第17號的會計政策基本保持不變。

根據香港財務報告準則第16號，當本集團在轉租安排中擔任中間出租人時，本集團須參考原租約的使用權資產將轉租分類為融資租賃或經營租賃，而非通過參考相關資產。就此而言，採納香港財務報告準則第16號對本集團的綜合財務報表並無重大影響。

香港財務報告準則第16號(修訂本)
[Covid-19相關租金寬減]

本集團已提早採納香港財務報告準則第16號(修訂本)[Covid-19相關租金寬減]。此修訂提供可行權宜方法允許承租人豁免評估的規定，不評估直接由Covid-19疫情產生的若干合資格租金寬減(「Covid-19相關租金寬減」)是否屬租賃修訂，而以並非租賃修訂方法入帳。

本集團已選擇提早採納此修訂且於二零二零年三月三十一日止年度對所有合資格Covid-19相關租金寬減應用可行權宜方法。因此，租金寬減已於觸發上述付款的事件或條件發生之期間在損益表確認為負值的可變租賃費用(參閱附註第11(c)項)。此舉對於二零一九年四月一日權益期初結餘並無影響。

(d) 附屬公司及非控股權益

附屬公司為本集團所控制之實體。當本集團可通過參與實體之業務從而承擔或享有變動之回報及有能力運用其控制權以影響回報金額，則本集團控制該實體。當評定本集團是否有該等權利時，僅考慮(本集團和其他方所持有的)實質權利。

附屬公司投資由持有控制權開始起併入綜合財務報表內，直至控制權終止為止。集團內公司間之結餘、交易及現金流量，及集團內公司間之交易所產生之任何未變現溢利，將於編製綜合財務報表時全面抵銷。集團內公司間之交易所產生之未變現虧損按與未變現收益相同之方式抵銷，惟只限於未變現虧損並不顯示有減值情況。

1 Significant accounting policies (continued)**(c) Changes in accounting policies (continued)****e. Lessor accounting**

The accounting policies applicable to the Group as a lessor remain substantially unchanged from those under HKAS 17.

Under HKFRS 16, when the Group acts as an intermediate lessor in a sublease arrangement, the Group is required to classify the sublease as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, instead of by reference to the underlying asset. The adoption of HKFRS 16 does not have a significant impact on the Group's consolidated financial statements in this regard.

Amendment to HKFRS 16, *Covid-19-Related Rent Concessions*

The Group has early adopted Amendment to HKFRS 16, *Covid-19-Related Rent Concessions*. The amendment provides a practical expedient that allows a lessee to by-pass the need to evaluate whether certain qualifying rent concessions occurring as a direct consequence of the Covid-19 pandemic ("Covid-19-related rent concessions") are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

The Group has elected to early adopt the amendment and apply the practical expedient to all qualifying Covid-19-related rent concessions during the year ended 31 March 2020. Consequently, rent concessions have been recognised as negative variable lease payments in profit or loss in the period in which the event or condition that triggers those payments occurs (see note 11(c)). There is no impact on the opening balance of equity at 1 April 2019.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

Investments in subsidiaries are consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

1 主要會計政策 (續)

(d) 附屬公司及非控股權益 (續)

非控股權益指非本公司直接或間接應佔之附屬公司股權，而本集團並未與有關權益持有人協定任何附加條款，令本集團整體對該等權益產生符合金融負債定義之合約義務。就各企業合併而言，本集團可選擇按公允值或非控股權益所佔附屬公司之淨可識別資產之比例計量任何非控股權益。

非控股權益在綜合財務狀況表之權益部份內，與本公司股權持有人應佔權益分開呈列。非控股權益所佔本集團業績之權益在綜合損益表及綜合損益及其他全面收益表呈列，以顯示本年度之總溢利或虧損及全面收益總額於非控股權益與本公司股權持有人之間之分配。非控股權益持有人貸款及其他該等持有人須履行之合約義務根據附註第1(n)或(o)項按負債性質於綜合財務狀況表中呈列為金融負債。

本集團將不導致喪失控制權之附屬公司權益變動乃以權益交易入賬，即只調整在綜合權益表內之控股及非控股權益金額以反映相關權益變動，但不調整商譽及確認盈虧。

當本集團喪失對附屬公司之控制權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧於損益確認。任何於喪失控制權當日仍保留該前附屬公司之權益乃按公允值確認，而此金額被視為初始確認金融資產之公允值(參閱附註第1(e)項)，或按成本初始確認於聯營公司。

本公司財務狀況表所示於附屬公司之投資，是按成本減去減值虧損後入賬(參閱附註第1(j)(ii)項)。

(e) 其他投資

本集團(於附屬公司之投資除外)之投資政策如下：

投資於本集團承諾購買／出售投資之日確認／終止確認。該等投資初始按公允值加直接應佔交易成本入賬，惟按公允值計入損益的投資除外，該等投資的交易成本直接於損益確認。有關本集團釐定金融工具公允值的方法的解釋(參閱附註第25(f)項)。此等投資其後入賬如下：

1 Significant accounting policies (continued)

(d) Subsidiaries and non-controlling interests (continued)

Non-controlling interests represent the equity in subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1(n) or (o) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(e)) or, when appropriate, the cost on initial recognition of an investment in an associate.

In the Company's statement of financial position, investment in subsidiaries are stated at cost less impairment losses (see note 1(j)(ii)).

(e) Other investments

The Group's policies for investments, other than investments in subsidiaries, are set out below.

Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 25(f). These investments are subsequently accounted for as follows:

1 主要會計政策 (續)**(e) 其他投資 (續)**

權益投資以外的投資

本集團持有之非權益投資乃按以下其中一種計量分類：

- 如持有投資是為了收取僅代表支付本金和利息之合約現金流，則按攤銷成本計量。投資之利息收入乃按實際利率法計算(參閱附註第1(t)(v)項)。
- 如投資之合約現金流僅包括支付本金及利息，並且持有投資之業務模式乃以收取合約現金流及出售為目標，則以按公允值計入其他全面收益(可撥回)計量。公允值之變動於其他全面收益內確認，惟預計期信貸虧損、利息收入(以實際利率法計算)及匯兌損益於損益中確認除外。當終止確認投資時，於其他全面收益累計之金額則從權益中撥回至損益中。
- 如投資不能符合按攤銷成本或按公允值計入其他全面收益(可撥回)計量之標準，則以按公允值計入損益計量。投資之公允值之變動(包括利息)於損益中確認。

(f) 投資物業

投資物業指為賺取租金收入及／或為資本增值而以租賃權益擁有或持有(參閱附註第1(i)項)之土地及／或樓宇，包括目前未確定未來用途之持有土地及正在興建或發展作為投資物業供日後使用之物業。

除於報告期末仍在興建或發展中的物業而其公允值並不能可靠地估算外，投資物業按公允值列賬。因投資物業公允值之變動或報廢或出售投資物業所產生之任何收益或虧損，均在損益內確認。投資物業之租金收入是按照附註第1(t)(iii)項所述方式入賬。

於比較期間，倘本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關之權益為按每項物業之基準劃歸為投資物業。劃歸為投資物業之任何物業權益之入賬方式與以融資租賃持有之權益相同(參閱附註第1(i)項)，而其適用之會計政策與以融資租賃出租之其他投資物業相同。租賃付款之入賬方式載列於附註第1(i)項。

1 Significant accounting policies (continued)**(e) Other investments (continued)**

Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 1(t)(v)).
- Fair value through other comprehensive income (“FVOCI”) (recycling), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(f) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(i)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 1(t)(iii).

In the comparative period, when the Group held a property interest under an operating lease and used the property to earn rental income and/or for capital appreciation, the Group could elect on a property-by-property basis to classify and account for such interest as an investment property. Any such property interest which had been classified as an investment property was accounted for as if it were held under a finance lease (see note 1(i)), and the same accounting policies were applied to that interest as were applied to other investment properties leased under finance leases. Lease payments were accounted for as described in note 1(i).

1 主要會計政策 (續)

(g) 其他物業、廠房及設備

以下持作自用之物業、廠房及設備項目乃按成本減去累計折舊及減值虧損列賬(參閱附註第1(j)(ii)項)：

- 租賃持有之土地及樓宇之權益且集團為該等物業權益的註冊擁有人(參閱附註第1(i)項)；
- 以永久業權或租賃持有之物業且集團並非該等物業權益的註冊擁有人所產生的使用權資產(參閱附註第1(i)項)；及
- 廠房及設備項目，包括相關廠房及設備租賃所產生的使用權資產(參閱附註第1(i)項)。

倘一項物業因使用狀況有變而列為投資物業，則該項目於轉讓日期的賬面值與公允值的差額在其他全面收益中確認並在重估儲備中累計。其後當該資產出售或停用時，有關重估儲備將直接轉撥至保留溢利。

物業、廠房及設備項目之折舊是以直線法在以下預計可用年限內撇銷其成本減去估計餘值(如有)計算：

- 租賃持有之土地按尚餘租賃期以直線法折舊。
- 集團於租賃持有之土地上之樓宇權益按尚餘租賃期或預計可用年限(即落成日期起計不多於50年)兩者中之較短期間計算折舊。
- 廠房及機器 10年
- 租賃樓宇裝修、汽車、傢俬及設備 2至10年內

當一項物業、廠房及設備之各部份有不同之可用年限，該項目之成本依據合理基準分配於其各部份並分開計提折舊。一項資產可用年限及其餘值(如有)乃每年進行檢討。

報廢或出售物業、廠房及設備而產生之收益或虧損以出售所得淨額與該項物業、廠房及設備之賬面值之間之差額釐定，並於報廢或出售當日在損益內確認。任何有關估值盈餘將由重估儲備轉撥至保留溢利而不會改列到損益內。

1 Significant accounting policies (continued)

(g) Other property, plant and equipment

The following items of property held for own use, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(j)(ii)):

- interests in leasehold land and buildings where the Group is the registered owner of the property interest (see note 1(i));
- right-of-use assets arising from leases over freehold or leasehold properties where the Group is not the registered owner of the property interest (see note 1(i)); and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see note 1(i)).

If a property becomes an investment property because its use has changed, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained profits.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Leasehold land is depreciated over the unexpired term of the lease.
- The Group's interests in buildings situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Plant and machinery 10 years
- Leasehold improvements, motor vehicles and furniture and equipment 2 to 10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

1 主要會計政策 (續)**(h) 無形資產**

本集團收購之商標及已付之租賃權費用估計可用年期為無限期乃按成本減去累計減值虧損入賬(參閱附註第1(j)(ii)項)。內部產生品牌之支出於產生期間列作開支。

可使用年期評估為無限期之無形資產不予攤銷。有關無形資產之可使用年期為無限期之任何結論，會每年檢討以釐定事件及情況是否繼續支持該資產之無限期可使用年期評估。倘不繼續支持，則可使用年期評估由無限期變為有限期，並自變化之日起根據上述有限年期之無形資產攤銷政策作出前瞻性記賬。

(i) 租賃資產

本集團於合約初始評估有關合約是否屬租賃或包含租賃。倘合約為給予於一段時間內控制可識別資產使用的權利而換取代價，則該合約為租賃或包含租賃。在客戶既有權主導已識別資產的使用，亦有權從使用獲得幾乎所有經濟利益的情況下，則已讓渡控制權。

(i) 作為承租人**(A) 從二零一九年四月一日起適用的政策**

於租賃開始日期，本集團確認使用權資產及租賃負債(租賃期為12個月或更短的短期租賃以及低價值資產租賃除外)。當本集團就低價值資產訂立租賃時，本集團按每項租賃情況決定是否將租賃資本化。與該等不作資本化租賃相關的租賃付款於租賃期內按系統基準確認為費用。

當將租賃資本化時，租賃負債最初按租賃期內應付租賃付款的現值確認，並使用租賃中隱含的利率或(倘該利率不可直接釐定)使用相關的遞增借款利率貼現。初步確認後，租賃負債按攤銷成本計量，而利息支出則採用實際利率法計算。不取決於某一指數或比率的可變租賃付款不包括在租賃負債的計量，因此於其產生的會計期間自損益扣除。

1 Significant accounting policies (continued)**(h) Intangible assets**

Trademark acquired and lease premium paid by the Group with an indefinite estimated useful life are stated at cost less impairment losses (see note 1(j)(ii)). Expenditure on internally generated brands is recognised as an expense in the period in which it is incurred.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives.

(i) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee**(A) Policy applicable from 1 April 2019**

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

1 主要會計政策 (續)

(i) 租賃資產 (續)

(ii) 作為承租人 (續)

(A) 從二零一九年四月一日起適用的政策 (續)

於租賃資本化時確認的使用權資產初步按成本計量，包括租賃負債的初始金額加上在開始日期或之前支付的任何租賃付款，以及產生的任何初步直接成本。在適用情況下，使用權資產的成本亦包括拆除及移除相關資產或還原相關資產或該資產所在地而產生的估計成本，該成本須貼現至其現值並扣除任何收取的租賃優惠。使用權資產隨後按成本減去累計折舊及減值虧損列賬(參閱附註第1(g)及第1(j)(ii)項)，惟為滿足根據附註第1(f)項按公允值列賬投資物業定義的使用權資產除外。

當未來租賃付款因某一指數或比率變動而變更，或當本集團預期根據剩餘價值擔保估計預期應付的金額有變，或因重新評估本集團是否合理地確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產的賬面值將作相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。

本集團將不符合投資物業定義的使用權資產呈列為「其他物業、廠房及設備」，並將租賃負債分別呈列於綜合財務狀況表。

1 Significant accounting policies (continued)

(i) Leased assets (continued)

(ii) As a lessee (continued)

(A) Policy applicable from 1 April 2019 (continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 1(g) and 1(j)(ii)), except for the right-of-use assets that meet the definition of investment property are carried at fair value in accordance with note 1(f).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'other property, plant and equipment' and presents lease liabilities separately in the consolidated statement of financial position.

1 主要會計政策 (續)**(i) 租賃資產 (續)****(i) 作為承租人 (續)**

(B) 於二零一九年四月一日前適用的政策

於比較期間，倘租賃轉移所有權之絕大部分風險及回報至本集團，則本集團(作為承租人)將有關租賃分類為融資租賃。倘租賃並無將所有權之絕大部分風險及回報轉移至本集團，則分類為經營租賃，惟以下者除外：

- 倘根據經營租賃持有之物業另行符合投資物業之定義，則按個別物業之基準歸類為投資物業，而倘歸類為投資物業，則根據融資租賃持有入賬(參閱附註第1(f)項)；及
- 按經營租賃持作自用之土地，其公允值無法與於其上興建之樓宇於租約生效時之公允值分開計量，有關土地則根據融資租賃持有入賬，惟有關樓宇已明確根據經營租賃持有則除外。就此而言，租賃生效之時間為本集團首次訂立租賃之時間，或從先前承租人接管租賃之時間。

1 Significant accounting policies (continued)**(i) Leased assets (continued)****(i) As a lessee (continued)**

(B) Policy applicable prior to 1 April 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property was classified as investment property on a property-by-property basis and, if classified as investment property, was accounted for as if held under a finance lease (see note 1(f)); and
- land held for own use under an operating lease, the fair value of which could not be measured separately from the fair value of a building situated thereon at the inception of the lease, was accounted for as being held under a finance lease, unless the building was also clearly held under an operating lease. For these purposes, the inception of the lease was the time that the lease was first entered into by the Group, or taken over from the previous lessee.

1 主要會計政策 (續)

(i) 租賃資產 (續)

(i) 作為承租人 (續)

(B) 於二零一九年四月一日前適用的政策 (續)

如屬本集團以融資租賃獲得資產使用權之情況，則會將相當於租賃資產公允值或最低租賃付款之現值 (以較低者為準) 之金額列為其他物業、廠房及設備。折舊是在相關租賃期或資產之可使用年限 (如本集團有可能取得資產之所有權，參閱附註第 1(g) 項) 內，按撇銷其成本或資產估值之比率作出撥備。減值虧損按照附註第 1(j)(ii) 項所述之會計政策入賬。租賃付款計及之融資費用於租賃期間自損益扣除，以於各會計期間就剩餘之義務產生大概一致之定期收費率。或然租金在其產生之會計期間內自損益扣除。

如屬本集團透過經營租賃使用資產之情況，則根據租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額在損益扣除；但如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。經營租賃協議所涉及之激勵措施均在損益確認為租賃淨付款總額之組成部份。或然租金在其產生之會計期間內在損益扣除。

根據經營租賃所收購土地之收購成本於租賃期內以直線法攤銷，惟該物業分類為投資物業之情況則屬例外 (參閱附註第 1(f) 項)。

1 Significant accounting policies (continued)

(i) Leased assets (continued)

(i) As a lessee (continued)

(B) Policy applicable prior to 1 April 2019 (continued)

Where the Group acquired the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets were recognised as other property, plant and equipment. Depreciation was provided at rates which wrote off the cost or valuation of the assets over the term of the relevant lease or, where it was likely the Group would obtain ownership of the asset, the life of the asset, as set out in note 1(g). Impairment losses were accounted for in accordance with the accounting policy as set out in note 1(j)(ii). Finance charges implicit in the lease payments were charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

The cost of acquiring land under an operating lease was amortised on a straight-line basis over the period of the lease term except where the property was classified as an investment property (see note 1(f)).

1 主要會計政策 (續)**(i) 租賃資產 (續)****(ii) 作為出租人**

本集團作為出租人時，其在租賃開始時將每項租賃釐定為融資租賃或經營租賃。倘其將相關資產所有權附帶的絕大部分風險及回報轉移至承租人，則租賃分類為融資租賃。如不屬此情況，則租賃分類為經營租賃。

當合約包含租賃及非租賃部分，本集團按相對獨立的銷售價格將合約中代價分配到各部分。融資租賃的租賃收入根據附註第1(t)(iii)項確認入賬。

倘本集團為中間出租人，經參考總租約產生的使用權資產，分租被分類為融資租賃或經營租賃。倘總租約為短期租賃，本集團豁免遵守附註第1(i)(i)項所載規定，則本集團將分租分類為經營租賃。

(j) 資產的信貸虧損及減值**(i) 金融工具及應收租賃權費的信貸虧損**

本集團為以下項目的預期信貸虧損確認了損失撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等價物以及應收賬款及其他應收賬款)；及
- 應收租賃權費。

以公允價值計量的金融資產不受預期信貸虧損評估的約束。

預期信貸虧損的計量

預期信貸虧損是以概率加權估計出的信貸虧損。信貸虧損乃按所有預期現金差額的現值(即根據本集團合同應得的現金流量與本集團預期收到的現金流量之間的差額)計量。

1 Significant accounting policies (continued)**(i) Leased assets (continued)****(ii) As a lessor**

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 1(t)(iii).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 1(i)(i), then the Group classifies the sub-lease as an operating lease.

(j) Credit losses and impairment of assets**(i) Credit losses from financial instruments and lease receivables**

The Group recognises a loss allowance for expected credit losses (“ECLs”) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- lease receivables.

Financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

1 主要會計政策 (續)

(j) 資產的信貸虧損及減值 (續)

- (i) 金融工具及應收租賃權費的信貸虧損 (續)

預期信貸虧損的計量 (續)

當折現率的影響很重大時，預期現金差額的折現將使用以下折現率：

- 固定利率金融資產、應收賬款及其他應收賬款：在初始確認時確定的實際利率或其近似值；
- 浮動利率金融資產：當前實際利率；
- 應收租賃權費：折現率用於應收租賃權費計量。

估計預期信貸虧損時考慮的最長期限是本集團承受信貸風險的最長合同期限。

在計量預期信貸虧損時，本集團會考慮可用的合理且可支持的資料，而無需付出不必要的成本或努力，包括關於過去事件，當前狀況和未來經濟狀況預測的資料。

預期信貸虧損是根據以下任何一項為基礎計量：

- 十二個月的預期信貸虧損：這是預期在結算日後十二個月內可能發生的違約事件所產生之虧損；及
- 一整個存續期的預期信貸虧損：這是根據預期信貸虧損模式下於整個預計存續期內所有可能發生的違約事件所產生之虧損。

對於所有其他金融工具，本集團的損失撥備以相等於十二個月的預期信貸虧損的金額確認。除非自初始確認後該金融工具的信用風險大幅增加，在這種情況下，損失撥備則以整個存續期的預期信貸虧損的等值金額計量。

1 Significant accounting policies (continued)

(j) Credit losses and impairment of assets (continued)

- (i) Credit losses from financial instruments and lease receivables (continued)

Measurement of ECLs (continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

1 主要會計政策 (續)**(j) 資產的信貸虧損及減值 (續)**

- (i) 金融工具及應收租賃權費的信貸虧損 (續)

信貸風險大幅增加

在評估金融工具的信貸風險自初始確認後是否大幅增加時，本集團將在結算日評估的金融工具違約風險與初始確認日評估的風險進行比較。在進行重新評估時，本集團認為違約事件發生於當(i)借款人在本集團不採取行動追索(如變現抵押品(如持有))的情況下向本集團悉數支付其信貸責任的可能性不大，或(ii)該金融資產已逾期90天。本集團認為定量和定性的資料是合理和可支持而無需付出不必要的成本或努力的，包括過往經驗和可獲得的前瞻性信息。

在評估自初始確認後信貸風險是否大幅增加時，須特別考慮以下事項：

- 未能在合同到期日支付本金或利息；
- 金融工具外部或內部信貸評級於實際或預期有顯著惡化(如有)；
- 債務人經營的業績於實際或預期有顯著惡化；及
- 現有或預期有關科技、市場、經濟或法律環境的變化對債務人履行其對本集團債務的能力產生重大不利影響。

根據金融工具的性质，信貸風險大幅增加的評估是以單獨為基礎或以集體為基礎進行的。當評估以集體基礎進行時，金融工具根據共享信貸風險特徵進行分類，例如逾期狀況和信貸風險評級。

預期信貸虧損於各結算日重新計量，以反映自初始確認後金融工具的信用風險變化。預期信貸虧損金額的任何變化均確認為減值收益或虧損並計入損益。本集團通過損失撥備賬確認所有金融工具的減值收益或虧損，以對其賬面進行相應調整。

1 Significant accounting policies (continued)**(j) Credit losses and impairment of assets (continued)**

- (i) Credit losses from financial instruments and lease receivables (continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due date;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

1 主要會計政策 (續)

(j) 資產的信貸虧損及減值 (續)

- (i) 金融工具及應收租賃權費的信貸虧損 (續)

利息收入的計算基礎

利息收入根據附註第1(t)(v)項按金融資產的賬面總值計算，除非該金融資產出現信貸減值，在這種情況下，利息收入按金融資產的已攤銷成本(即賬面總值減損失撥備)計算。

於各結算日，本集團評估金融資產是否有信貸減值。當出現一項或多項對金融資產的預期未來現金流量有不利影響的事件時，金融資產會出現信貸減值。

金融資產出現信貸減值的證據包括以下可觀察事件：

- 債務人有重大財務困難；
- 違反合同，如違約或拖欠償還利息、或本金；
- 債務人可能破產或進行其他財務重組；
- 因科技、市場、經濟或法律環境的重大改變而對債務人產生不利影響；或
- 因發行人的財務困難而消失的證券活躍市場。

撇銷政策

金融資產或應收租賃權費的賬面總額被撇銷(部分或全部)至沒有切實恢復的前景。這種情況一般發生於當本集團確定債務人沒有資產或收入來源可產生足夠的現金流量以償還撇銷的金額時。

之前撇銷而其後收回的資產會在收回當期損益中確認為減值回撥。

1 Significant accounting policies (continued)

(j) Credit losses and impairment of assets (continued)

- (i) Credit losses from financial instruments and lease receivables (continued)

Basis of calculation of interest income

Interest income recognised in accordance with note 1(t)(v) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

1 主要會計政策 (續)**(j) 資產的信貸虧損及減值 (續)****(ii) 其他非流動資產減值**

於每個報告期末均會審核內部及外部資料，以識別下列資產是否可能出現減值跡象或之前已確認之減值虧損是否不再存在或已減少：

- 其他物業、廠房及設備，包括使用權資產(按重估值列賬之物業除外)；
- 歸類為按經營租賃持有之租賃土地之預付權益；
- 無形資產；
- 租賃權費；及
- 本公司財務狀況表內附屬公司之投資。

如果發現有減值跡象，則會估計該資產之可收回數額。此外，就可使用年期為無限期之無形資產和租賃權費而言，每年評估可收回數額(不論是否有任何減值跡象)。

- 計算可收回數額

資產之可收回數額以公允價值減出售成本和使用價值兩者中之較高數額為準。在評估使用價值時，會使用除稅前折讓率將估計未來現金流量折讓至現值。該折讓率反映市場當時所評估之貨幣時間價值和該資產之獨有風險。如果資產未能以大致獨立於其他資產之方式產生現金流入，則以資產所屬之可獨立產生現金流入之最小組別資產(即現金產生單位)來釐定可收回數額。

- 確認減值虧損

倘資產或其所屬現金產生單位之賬面值超過其可收回數額，則減值虧損於損益確認。就現金產生單位確認之減值虧損，則按比例減少該單位(或一組單位)中其他資產之賬面值，惟資產之賬面值不會減少至低於其個別公允價值減出售成本(倘能計量)或使用價值(倘能釐定)。

1 Significant accounting policies (continued)**(j) Credit losses and impairment of assets (continued)****(ii) Impairment of other non-current assets**

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets (other than properties carried at revalued amounts);
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- lease premium; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible assets and lease premium that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

1 主要會計政策 (續)

(j) 資產的信貸虧損及減值 (續)

(ii) 其他非流動資產減值 (續)

— 減值虧損轉回

倘用以釐定可收回數額之估計出現有利轉變，則轉回減值虧損。

減值虧損之轉回僅限於資產之賬面值 (在以往年度內並無確認任何減值虧損之情況下原應釐定者)。減值虧損之轉回在確認轉回之年度內撥入損益內處理。

(iii) 中期財務報告及減值

根據上市規則，本集團須按照《香港會計準則》第34號「中期財務報告」就財政年度首六個月編製中期財務報告。於中期期間結束時，本集團應用與其將在財政年度結束時使用之相同減值測試、確認及撥回標準 (參閱附註第1(j)項)。

(k) 存貨

於日常業務過程中持之為銷售、或在生產過程中銷售、或以材料或供應品形式在生產過程中所消耗的所持有資產，是為存貨。

存貨以成本及可變現淨值兩者中之較低數額入賬。

成本以先進先出法計算，其中包括所有採購成本、加工成本及將存貨運至目前地點和變成現狀之其他成本。

可變現淨值是以日常業務過程中之估計售價減去完成生產及銷售所需之估計成本後所得之數額。

所有出售存貨之賬面值在相關收入確認之期間內確認為支出。

任何存貨撇減至可變現淨值之數額及存貨之所有虧損，均在出現撇減或虧損之期間內確認為支出。存貨之任何撇減轉回之數額，均在出現轉回之期間內確認為已列作支出之存貨數額減少。

1 Significant accounting policies (continued)

(j) Credit losses and impairment of assets (continued)

(ii) Impairment of other non-current assets (continued)

— Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) Interim financial reporting and impairment

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see note 1(j)).

(k) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process.

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1 主要會計政策 (續)**(l) 合同負債**

當客戶在本集團確認相關收入(參閱附註第1(t)項)前支付不可退還的代價，則確認合同負債。如本集團擁有在本集團確認相關收入前擁有無條件接收不可退還的代價時的權利，則同樣會確認合同負債(參閱附註第1(m)項)。

(m) 應收賬款及其他應收款

本集團擁有無條件接收代價的權利時，確認應收賬款。倘代價僅隨時間推移即成為到期應付，則收取代價的權利為無條件。如在本集團擁有無條件接收代價權利前已確認收入，則該金額以合同資產列示。

應收款項以實際利率法，按攤銷成本減去信貸虧損撥備後列示(參閱附註第1(j)(i)項)。

(n) 計息借貸

計息借貸初步按公允值減應佔交易成本確認。初步確認後，計息借貸按實際利率法以攤銷成本列賬。利息根據本集團借貸成本之會計政策確認(參閱附註第1(v)項)。

(o) 應付賬款及其他應付款

應付賬款及其他應付款初步按公允值確認。其後則按攤銷成本列賬，惟倘折現之影響並不大之情況則例外，於該情況下，按成本列賬。

(p) 現金及現金等價物

現金及現金等價物包括銀行存款及現金、存放於銀行和其他財務機構之活期存款，以及可隨時轉換為已知現金數額、短期和流動性極高之投資項目。這些項目所須承受之價值變動風險甚小，並在購入後三個月內到期。就編製綜合現金流量表而言，現金及現金等價物也包括須於接獲通知時償還，並構成本集團現金管理一部份之銀行透支。現金及現金等價物根據會計政策按預期信貸虧損模式評估(詳情列載於附註第1(j)(i)項)。

1 Significant accounting policies (continued)**(l) Contract liabilities**

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 1(t)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 1(m)).

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 1(j)(i)).

(n) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 1(v)).

(o) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 1(j)(i).

1 主要會計政策 (續)

(q) 僱員福利

- (i) 短期僱員福利及對界定供款退休計劃之供款

薪金、年度花紅、有薪年假、對界定供款退休計劃之供款及各項非貨幣福利產生之成本，均在僱員提供相關服務之年度內累計。如延遲付款或結算會構成重大影響，該等金額將按現值列賬。

- (ii) 離職福利

終止受僱福利為當本集團不再撤回這些福利及涉及支付終止福利之重組成本確認時確認(以較早者為準)。

(r) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產和負債之變動。本期稅項及遞延稅項資產和負債之變動均在損益內確認，惟若涉及於其他全面收益或直接於權益中確認的項目，則分別在其他全面收益或權益中確認。

本期稅項是按本年度應課稅收入根據已執行或在報告期末實質上已執行之稅率計算之預期應付稅項，加上以往年度應付稅項之任何調整。

遞延稅項資產和負債分別由可抵扣和應課稅暫時差異產生。暫時差異是指資產和負債就財務報告目的之賬面值與這些資產和負債之計稅基礎之差異。遞延稅項資產也可以由未動用稅項虧損產生。

1 Significant accounting policies (continued)

(q) Employee benefits

- (i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

- (ii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(r) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses.

1 主要會計政策 (續)**(r) 所得稅 (續)**

除了某些例外情況外，所有遞延稅項負債和遞延稅項資產（只限於可能獲得能利用該遞延稅項資產來抵扣之未來應課稅溢利）都會確認。支持確認由可抵扣暫時差異所產生遞延稅項資產之未來應課稅溢利包括因轉回目前存在之應課稅暫時差異而產生之數額；但這些轉回之差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計轉回之同一期間或遞延稅項資產所產生稅項虧損可結轉之期間內轉回。在決定目前存在之應課稅暫時差異是否足以支持確認由未動用稅項虧損及轉回，抵免所產生之遞延稅項資產時，亦會採用同一準則，即如該等差異與同一稅務機關及同一應課稅實體有關，並預期在可以使用稅務虧損或抵免之同一期間或多個期間轉回，將計及該等差異。

確認遞延稅項資產和負債的例外情況包括與投資附屬公司有關之暫時差異，如屬應課稅差異，只限於本集團可以控制撥回的時間，而且在可預見的將來不大可能撥回的差異；或如屬可抵扣差異，則只限很可能在將來撥回的差異。

當投資物業根據附註第1(f)項所載按公允值列賬，除該投資物業屬可折舊及以同一商業模式所持有，而有關模式並非透過出售形式而使用該物業絕大部份經濟利益，按投資物業之賬面值出售時所產生的稅項負債，計算其投資物業之任何遞延稅項。在其他情況下，應確認之遞延稅項數額是按資產及負債賬面值之預期變現或清償方式，以於報告期末適用或主要適用之稅率計算。遞延稅項資產及負債均無作折現計算。

本集團會在每個報告期末評估遞延稅項資產之賬面值。如不再可能獲得足夠應課稅溢利以利用相關之稅務利益，該遞延稅項資產之賬面值便會調低；但倘若日後可能獲得足夠之應課稅溢利，有關減額便會轉回。

因分派股息而產生之額外所得稅，於確認支付有關股息之負債時確認入賬。

1 Significant accounting policies (continued)**(r) Income tax (continued)**

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exception to recognition of deferred tax assets and liabilities are those temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 1(f), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

1 主要會計政策 (續)

(r) 所得稅 (續)

本期稅項結餘及遞延稅項結餘和其變動額會分開列示，並且不予抵銷。本期稅項資產和遞延稅項資產只會在本公司或本集團有法定行使權以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件之情況下，才可以分別抵銷本期稅項負債和遞延稅項負債：

- 本期稅項資產和負債：本公司或本集團計劃按淨額基準結算，或同時變現該資產和清償該負債；或
- 遞延稅項資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回之每個未來期間，按淨額基準變現本期稅項資產和清償本期稅項負債，或同時變現該資產和清償該負債。

(s) 撥備及或然負債

(i) 撥備及或然負債

如果本集團須就已發生的事件承擔法定或推定責任，並可能以可靠估計的經濟利益以清償有關責任，本集團便會確認撥備。如果貨幣時間值重大，有關撥備則按預計清償責任所需開支的現值列賬。

如果需要流出經濟利益的可能性不大，或是無法對有關金額作出可靠估計，便會將該責任披露為或然負債，但付出經濟利益的可能性極低的情況除外。如果本集團的責任須視乎一宗或多宗未來事件是否發生才能確定是否存在，則亦會披露為或然負債，但需付出經濟利益的可能性極低的情況除外。

1 Significant accounting policies (continued)

(r) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(s) Provisions and contingent liabilities

(i) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1 主要會計政策 (續)**(s) 撥備及或然負債 (續)****(ii) 虧損合約**

當集團簽訂合同時，履行合同義務的不可避免的成本超過預期從合同中得到的經濟利益，則為虧損合同。有關虧損合同的撥備乃按終止合同的預期成本與繼續履行合同的淨成本兩者之間較低者的現值計量。

(t) 收入及其他收益

通過銷售商品、提供印刷及有關服務、特許使用商標、或本集團業務一般方式租賃供他人使用本集團資產產生的收益，由本集團分類為收入。

當一件產品或一項服務的控制權轉移到客戶上，或租賃方有權使用該資產，本集團將享有預期承諾代價金額(以第三方的名義收集的金額除外)，則確認為收入。收入不包括增值稅或其他銷售稅及已撇減任何交易折扣。

關於本集團收入及其他收益確認政策的更多細節如下所示：

(i) 銷售貨品

銷售成衣及印刷產品之收入在本地銷售而言乃於貨品被送到顧客的經營場所或被提取，在出口銷售而言乃於貨品已被裝船，即顧客取得和接受貨品後予以確認。

(ii) 專利權費收益

專利權費收益按應計基準根據有關協議之具體內容確認。

(iii) 經營租賃租金收入

經營租賃可收取之租金收入按租約期涉及之期間平均攤分而於損益中確認，但如有其他基準能更清楚地反映使用租賃資產所產生之收益模式則除外。經營租賃協議所涉及之激勵措施均在損益中確認為應收租賃淨付款總額之組成部份。或然租金乃於賺取此等租金之會計期間確認為收入。

1 Significant accounting policies (continued)**(s) Provisions and contingent liabilities (continued)****(ii) Onerous contracts**

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of continuing with the contract.

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of printing and related services, the licensing or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sale of goods

Revenue arising from the sale of garments and printing products is recognised when goods are delivered to the customers' premises or picked up by customers for domestic sales and when goods are shipped on board for export sales which is taken to be the point in time when the customer takes possession and accepted the goods.

(ii) Royalty income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

(iii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

1 主要會計政策 (續)

(t) 收入及其他收益 (續)

(iv) 股息收入

- 非上市投資之股息收入於股東獲得派息之權利確定時確認。
- 上市投資股息收入於投資股價除息之時確認。

(v) 利息收入

利息收入乃採用透過金融資產之預計年期將估計未來現金收款精確貼現至金融資產總賬面值之利率，在產生時按實際利率法確認。

(vi) 服務收入

服務收入於提供相關服務後予以入賬。

(u) 外幣換算

本集團各附屬公司財務報表內所列項目，均以公司經營業務之主要經濟環境之貨幣（「功能貨幣」）計算。綜合財務報表以港元列賬，港元為本公司之功能貨幣及呈列貨幣。

年內之外幣交易乃按交易日匯率換算。以外幣計值之貨幣資產及負債均按報告期末之匯率換算。匯兌盈虧在損益內確認。

以外幣歷史成本計算之非貨幣資產及負債採用交易日之匯率換算。本公司初始確認此類非貨幣資產或負債的日期為交易日期。以外幣為單位及按公允值入賬之非貨幣資產及負債採用公允值釐定當日之匯率換算。

海外業務業績按與交易日匯率相若之匯率換算為港元，財務狀況表項目則按結算日之匯率換算為港元。所產生之匯兌差額於其他全面收益內確認並單獨在權益中之外匯儲備中累計。

1 Significant accounting policies (continued)

(t) Revenue and other income (continued)

(iv) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(v) Interest income

Interest income is recognised as it accrues using the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

(vi) Service fee income

Service fee income is recognised when the relevant services are rendered.

(u) Translation of foreign currencies

Items included in the financial statements of each of the Group's subsidiaries 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 dollars, which is the Company's functional and presentation currency.

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

1 主要會計政策 (續)**(u) 外幣換算 (續)**

出售海外業務時，當出售損益確認時，與該海外業務有關的累計匯兌差額，從權益重新改列為損益。

(v) 借貸成本

因收購、建造或生產合資格資產(即必須耗用一段頗長時間方可作擬定用途或銷售之資產)而直接應佔之借貸成本均撥作該等資產之部份成本。其他借貸成本均在產生的期間列作開支。

屬於合資格資產成本一部分的借貸成本在資產產生開支、借貸成本產生及使資產投入擬定用途或銷售所必須的準備工作進行期間開始資本化。在使合資格資產投入原定用途或銷售所必須的絕大部分準備工作終止或完成時，借貸成本便會暫停或停止資本化。

(w) 關連人士

(1) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團母公司的主要管理層成員。

(2) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方的合營企業。
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。

1 Significant accounting policies (continued)**(u) Translation of foreign currencies (continued)**

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(w) Related parties

(1) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(2) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

1 主要會計政策 (續)

(w) 關連人士 (續)

- (2) 倘符合下列任何條件，即實體與本集團有關連：(續)
- (vi) 實體受(1)所識別人土控制或受共同控制。
- (vii) 於(1)(i)所識別人土對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 向本集團或本集團母公司提供主要管理成員服務之實體或其所屬集團之任何成員公司。

任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員。

(x) 分部報告

財務報表所報告的經營分部及各分部項目的款項乃於為分配資源予本集團不同業務及地區以及評估該等業務及地區表現而定期向本集團最高級行政管理層提交的財務資料中識別出來。

就財務報告而言，個別重大經營分部不會合併，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務的方法以及監管環境性質方面相類似則除外。個別非重大的經營分部，如果符合上述大部分標準，則該等經營分部可能會被合併。

1 Significant accounting policies (continued)

(w) Related parties (continued)

- (2) An entity is related to the Group if any of the following conditions applies: (continued)
- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(x) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 會計判斷及估計

附註第11(b)、12、13及25項分別載有有關投資物業估值、無形資產之公允值、租賃權費用及財務工具之假設及其風險因素之資料。估計不明朗因素之其他主要方面如下：

(a) 其他物業、廠房及設備、無形資產及租賃權費用之減值

倘有情況顯示該等資產可能無法收回，資產可被視為已「減值」，並可按照《香港會計準則》第36號「資產減值」確認減值虧損。根據《香港會計準則》第36號，其他物業、廠房及設備於事件或情況變化顯示其記錄之賬面值可能無法收回時，即須進行減值測試，而可使用年限為無限期之無形資產及租賃權費用則須每年進行減值測試。於出現有關減幅時，賬面值須削減至可收回金額。可收回金額為公允值減出售成本與使用價值兩者的較高者。於釐定可收回金額時資產所產生之預期現金流量乃貼現至其現值，此舉須對有關零售商店的收入增長率、毛利率、成本及預期專利費用率金額作出重大判斷。本集團運用所有可用資料以確定可收回金額的合理概算。然而，實際零售商店的收入增長率、毛利率、成本及預期專利費用率可能有別於假設，並可能須對受影響資產的賬面值作出重大調整。其他物業、廠房及設備、無形資產及租賃權費用的性質和賬面值詳情分別於附註第11、12及13項中披露。

(b) 其他物業、廠房及設備之折舊

其他物業、廠房及設備在其估計可使用年限按直線法折舊。本集團定期對資產的估計可使用年限作出檢討，以釐定於報告期內所須記錄的折舊開支。可使用年限乃根據本集團對類似資產的過往經驗及考慮到技術的預期變動而作出。倘與過往估計有重大改變，未來期間的折舊開支須予調整。

(c) 撇減存貨

本集團參考陳舊存貨之分析、預期未來貨物銷售之預測及管理層之經驗及判斷，定期審閱存貨之賬面值。倘存貨之估計可變現淨值跌至低於其賬面值，則本集團會根據審閱之結果而撇減存貨之價值。鑒於客戶之喜好可能轉變，實際貨物銷售可能與估計不同，而此估計之出入可能影響日後會計期間之損益。

2 Accounting judgements and estimates

Notes 11(b), 12, 13 and 25 contain information about the assumptions and their risk factors relating to valuation of investment properties, fair value of intangible assets, lease premium and financial instruments respectively. Other key sources of estimation uncertainty are as follows:

(a) *Impairment of other property, plant and equipment, intangible assets and lease premium*

If the circumstances indicate that the carrying values of these assets may not be recoverable, the assets may be considered "impaired" and an impairment loss may be recognised in accordance with HKAS 36, *Impairment of assets*. Under HKAS 36, other property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable, while intangible assets and lease premium with indefinite useful lives are tested for impairment annually. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of its fair value less costs of disposal and value in use. In determining the recoverable amount, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to revenue growth rate, profit margin, cost of the retail stores and expected royalty charge rate. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount. However, actual revenue growth rate, profit margin, cost of the retail stores and expected royalty charge rate may be different from assumptions which may result in a material adjustment to the carrying amount of the assets affected. Details of the nature and carrying amounts of other property, plant and equipment, intangible assets and lease premium are disclosed in notes 11, 12 and 13 respectively.

(b) *Depreciation of other property, plant and equipment*

Other property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

(c) *Write-down of inventories*

The Group performs regular reviews of the carrying amounts of inventories with reference to aged inventories analyses, projections of expected future saleability of goods and management experience and judgement. Based on this review, a write down of inventories will be made when the estimated net realisable value decline below their carrying amounts of inventories. Due to changes in customers' preferences and actual saleability of goods may be different from estimation and profit or loss in future accounting periods could be affected by differences in this estimation.

2 會計判斷及估計 (續)

(d) 撥備

根據附註第1(s)(i)項所載之會計政策，本集團已就彌償保證負債及詳載附註第23項潛在的中華人民共和國（「中國」）的關稅確認撥備。管理層參照簽訂的銷售和購買協議、與監管機構的溝通和調查情況而估算撥備。每個報告期末或在管理層對可能導致經濟利益外流的估計發生變化時將對撥備進行檢討，而此須管理層作出重大判斷。撥備的任何增加或減少將影響未來年度的損益。

(e) 疑賬減值虧損

本集團使用撥備矩陣計算應收款項的預期信貸虧損。撥備率乃基於具有類似虧損模式的各債務人分組的逾期天數。撥備矩陣乃基於管理層對將產生的存續期預期信貸虧損（經計及信貸虧損經驗、逾期應收款項的賬齡、客戶還款歷史及客戶財務狀況以及對當前及預測一般經濟狀況的評估進行估計，以上所有均須管理層作出重大判斷）的估計。

(f) 遞延稅項資產

根據附註第1(r)項所載之會計政策，由於管理層評估認為有可能在有關之稅務司法權區及有關實體產生可供動用之虧損以抵銷未來應課稅溢利，本集團已就截至年終之累計稅項虧損和其他暫時性差異確認遞延稅項資產。倘最後結果有異於最初評估，此差異將影響相關估計改變之期間內的遞延稅項資產確認及所得稅支出。

(g) 投資物業估值

本集團投資物業的公允值乃由獨立測量師行經參考有關地區可作比較的銷售數據或將現有租賃所產生之租金及租約期滿後歸屬租金資本化而進行計算。物業估值師所採用的估值方法乃使用市場參數。倘該等市場參數發生變化，則投資物業的估值亦將相應改變。

2 Accounting judgements and estimates (continued)

(d) Provisions

In accordance with the accounting policy set out in note 1(s)(i), the Group had recognised provisions in respect of indemnity liabilities and potential People's Republic of China ("PRC") customs duties as detailed in note 23. Management estimates the provisions with reference to the signed sales and purchase agreement, communication with regulatory authority and the status of the investigation. The provisions are reviewed at the end of each reporting period or when there are changes in management's estimate of the possible outflow of economic benefits which involve a significant degree of management judgement. Any increase or decrease in the provisions would affect profit or loss in future years.

(e) Impairment of trade debtors

The Group uses a provision of matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various debtors that have similar loss patterns. The provision matrix is based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgment.

(f) Deferred tax assets

In accordance with the accounting policy set out in note 1(r), the Group has recognised deferred tax assets in respect of cumulative tax losses and other temporary difference as at the year end based on management's assessment that it is probable that future taxable profits against which the assets can be utilised will be available in the relevant tax jurisdiction and entity. Where the expectation is different from the original estimates, such differences will impact the recognition of deferred tax assets and income tax charges in the period in which such estimates are changed.

(g) Valuation of investment properties

The fair value for the Group's investment properties is calculated by an independent firm of surveyors by making reference to the comparable sales evidence in the relevant locality, or otherwise, by capitalising the current rent derived from the existing tenancies with provision for any revisionary income potential. The valuation model used by the property valuer makes use of market inputs. Should changes be made to the market inputs, the corresponding investment property valuations would change.

3 收入

本集團之主要業務為成衣批發及零售、擁有及特許使用商標、物業投資以及安全印刷、一般商業印務及買賣印刷產品。

(i) 重大收入類別分類

按重大收入類別分類與客戶的合約收益如下：

		2020	2019
		\$'000	\$'000
香港財務報告準則第15號範圍內與客戶的合約收入		Revenue from contracts with customers within the scope of HKFRS 15	
銷售成衣	Sales of garments	201,550	281,360
專利權費及相關收益	Royalty and related income	26,042	30,111
印刷及相關服務收益	Income from printing and related services	33,476	33,347
		261,068	344,818
來自其他來源的收入		Revenue from other sources	
投資物業租金收入總額	Gross rentals from investment properties		
– 租賃付款為固定或依賴指數或利率浮動	– lease payments that are fixed or depend on an index or a rate	8,750	15,857
		269,818	360,675

收入類別分類由合約客戶按地區市場披露於附註第4(c)項。

本集團之客戶群屬多元化，於截至二零二零年及二零一九年三月三十一日止年度，並無個別客戶的交易額超過本集團收入的十分之一。

(ii) 預期將於報告日期與客戶訂立的合約產生的收入確認

本集團已採納香港財務報告準則第15號第121段的可行權宜方法。因此，對於最初預期期限為一年或更短的合同以及當發出發票時便視為已滿足履約義務的合同，不會披露有關剩餘履約義務的信息。

3 Revenue

The principal activities of the Group are garment wholesaling and retailing, trademark ownership and licensing, property investment and provision of security printing, general business printing and trading of printing products.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by significant category of revenue is as follows:

Disaggregation of revenue from contracts with customers by geographical markets is disclosed in note 4(c).

The Group's customer base is diversified and no individual customer with whom transactions have exceeded 10% of the Group's revenue for the years ended 31 March 2020 and 2019.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 and therefore the information about the remaining performance obligation is not disclosed for contracts that have an original expected duration of one year or less and also for those performance obligations which are regarded as satisfied as invoiced.

4 分部報告

(a) 分部業績、資產及負債

本集團透過按業務線組成分部管理業務。按與向本集團最高層行政管理人員就資源配置及表現評估的內部匯報資料一致方式，本集團已呈報下列四個報告分部。本集團並無將經營分部合併，以組成以下的報告分部。

- 銷售成衣：批發及零售成衣。
- 特許商標：有關專利權費收益的商標特許及管理。
- 印刷及有關服務：提供安全印刷服務及出售印刷產品。
- 物業租賃：出租物業產生租金收入。

就評估分部表現及各分部間之資源配置而言，本集團主要的高層行政管理人員根據下列事項監測各呈報分部之業績、資產及負債：

分部資產包括全部有形資產、無形資產及流動資產，惟不包括遞延稅項資產、作買賣用途之證券、本期可退回稅項、現金及現金等價物及其他企業資產。分部負債包括應付賬款及其他應付款及合同負債、租賃負債以及銀行透支，惟不包括本期應付稅項、遞延稅項負債及其他企業負債。

收入及支出乃參考該等分部所產生的銷售額及支出，或因該等分部應佔資產的折舊而分配至須呈報分部。

用作計量在分部報告之溢利／虧損是「調整扣除利息、稅項、折舊以及非流動資產減值虧損前的盈利」，而其中「利息」包括投資收益。為附合調整扣除利息、稅項、折舊以及非流動資產減值虧損前的盈利，本集團之盈利／虧損會就並無明確歸因於個別分部之項目，如總公司或企業行政成本，進一步調整。

除了接收有關分部調整扣除利息、稅項、折舊以及非流動資產減值虧損前的盈利的資料外，管理層還取得有關分部收入(包括分部業務間銷售)，由分部直接管理的現金及借貸的利息收入及支出，由分部運用的非流動資產折舊及減值虧損及增置。分部間之銷售及價格變動參考外間類似買賣定價。

4 Segment reporting

(a) Segment results, assets and liabilities

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has presented the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Sales of garments: the wholesale and retail of garments.
- Licensing of trademarks: the management and licensing of trademarks for royalty income.
- Printing and related services: the provision of security printing and sale of printed products.
- Property rental: the leasing of properties to generate rental income.

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of deferred tax assets, trading securities, current tax recoverable, cash and cash equivalents and other corporate assets. Segment liabilities include trade and other payables and contract liabilities, lease liabilities and bank overdrafts with the exception of current tax payable, deferred tax liabilities and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments.

The measure used for reporting segment profit or loss is "adjusted EBITDA", i.e. "adjusted earnings before interest, taxes, depreciation and impairment loss on non-current assets", where "interest" is regarded as including investment income. To arrive at adjusted EBITDA, the Group's earnings/losses are further adjusted for items not specifically attributed to individual segments, such as other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning revenue (including inter-segment sales), interest income and expenses from cash balances and borrowings managed directly by the segments, depreciation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segments sales are priced with reference to prices charged to external parties for similar orders.

4 分部報告(續)

4 Segment reporting (continued)

(a) 分部業績、資產及負債(續)

截至二零二零年及二零一九年三月三十一日止年度，本集團最高層行政人員取得有關本集團呈報分部的資料(以供其進行資源分配及分部表現評估)，詳情如下：

(a) Segment results, assets and liabilities (continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2020 and 2019 is set out below:

	銷售成衣		特許商標		印刷及有關服務		物業租賃		總額		
	Sales of garments		Licensing of trademarks		Printing and related services		Property rental		Total		
	2019 (附註)	2019 (附註)	2019	2019	2019 (附註)	2019 (附註)	2019 (附註)	2019 (附註)	2019 (附註)	2019 (附註)	
2020	(Note)	2020	2020	2020	(Note)	2020	(Note)	2020	(Note)	2020	(Note)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
來自外界客戶之收入	201,550	281,360	26,042	30,111	33,476	33,347	8,750	15,857	269,818	360,675	
Revenue from external customers											
分部間收入	-	-	600	475	167	324	2,421	3,630	3,188	4,429	
Inter-segment revenue											
須呈報分部收入	201,550	281,360	26,642	30,586	33,643	33,671	11,171	19,487	273,006	365,104	
Reportable segment revenue											
須呈報分部之(虧損)/溢利 (調整扣除利息、稅項、折舊 及非流動資產減值虧損前盈利)	(31,954)	(67,974)	(5,856)	(4,222)	6,351	5,046	8,011	15,468	(23,448)	(51,682)	
Reportable segment (loss)/profit (adjusted EBITDA)											
利息收入	32	27	15	33	13	1	-	32	60	93	
Interest income											
利息支出	(2,791)	(3)	(88)	(72)	(187)	-	(775)	-	(3,841)	(75)	
Interest expense											
本年度之折舊	(62,854)	(12,151)	-	-	(1,383)	(389)	(1,230)	(1,425)	(65,467)	(13,965)	
Depreciation for the year											
其他物業、廠房及設備之減值虧損	(43,199)	(3,493)	-	-	-	-	-	-	(43,199)	(3,493)	
Impairment loss on other property, plant and equipment											
租賃權費用之減值虧損	(5,685)	-	-	-	-	-	-	-	(5,685)	-	
Impairment loss on lease premium											
須呈報之分部資產	471,687	398,688	146,819	123,079	21,633	22,199	246,550	282,217	886,689	826,183	
Reportable segment assets											
本年度添置非流動分部資產	56,929	11,029	-	21	3,816	277	-	-	60,745	11,327	
Additions to non-current segment assets during the year											
須呈報之分部負債	459,208	451,823	18,407	22,045	5,919	3,646	13,592	1,863	497,126	479,377	
Reportable segment liabilities											

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

4 分部報告 (續)

4 Segment reporting (continued)

(b) 須呈報分部收入、損益、資產及負債之對賬

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

		2020 \$'000	2019 (附註) (Note) \$'000
收入	Revenue		
須呈報分部收入	Reportable segment revenue	273,006	365,104
分部間收入之撤銷	Elimination of inter-segment revenue	(3,188)	(4,429)
綜合收入	Consolidated revenue	<u>269,818</u>	<u>360,675</u>
(虧損)/溢利	(Loss)/profit		
須呈報分部經營虧損	Reportable segment loss	(23,448)	(51,682)
分部間溢利之撤銷	Elimination of inter-segment profits	(2,387)	(2,809)
來自集團以外客戶的須呈報 分部虧損	Reportable segment loss derived from the Group's external customers	(25,835)	(54,491)
其他收益	Other income	1,797	2,269
折舊	Depreciation	(65,467)	(13,965)
其他物業、廠房及設備之 減值虧損	Impairment loss on other property, plant and equipment	(43,199)	(3,493)
租賃權費用之減值虧損	Impairment loss on lease premium	(5,685)	-
投資物業估值(虧損)/收益淨額	Net valuation (losses)/gains on investment properties	(35,242)	5,330
出售投資物業收益淨額	Net gain on disposal of an investment property	-	3,580
出售持作自用土地及樓宇 收益淨額	Net gain on disposal of land and buildings held for own use	-	44,753
出售附屬公司收益淨額	Net gain on disposal of a subsidiary	-	129,510
潛在中國關稅及彌償保證回撥及 相關扣押按金退回	Reversal of provision for potential PRC customs duties and indemnity liabilities and refund of related distrained deposits	126,495	-
融資成本	Finance costs	(3,841)	(75)
未分配之總公司及企業費用	Unallocated head office and corporate expenses	(16,151)	(15,734)
除稅前綜合(虧損)/溢利	Consolidated (loss)/profit before taxation	<u>(67,128)</u>	<u>97,684</u>
資產	Assets		
須呈報分部資產	Reportable segment assets	886,689	826,183
分部間應收款之撤銷	Elimination of inter-segment receivables	(353,525)	(276,607)
遞延稅項資產	Deferred tax assets	533,164	549,576
作買賣用途之證券	Trading securities	4,226	25,607
本期可退回稅項	Current tax recoverable	18,408	18,310
現金及現金等價物	Cash and cash equivalents	706	214
未分配之總公司及企業資產	Unallocated head office and corporate assets	153,496	321,901
綜合總資產	Consolidated total assets	<u>15,132</u>	<u>4,377</u>
負債	Liabilities		
須呈報分部負債	Reportable segment liabilities	725,132	919,985
分部間應付款之撤銷	Elimination of inter-segment payables	497,126	479,377
本期應付所得稅	Current tax payable	(353,525)	(276,607)
遞延稅項負債	Deferred tax liabilities	143,601	202,770
未分配之總公司及企業負債	Unallocated head office and corporate liabilities	337	638
綜合總負債	Consolidated total liabilities	1,280	1,507
		<u>22,080</u>	<u>10,502</u>
		<u>167,298</u>	<u>215,417</u>

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

4 分部報告(續)

(c) 地區分部資料

下表載列地區分佈的資料：(i)本集團來自外界客戶之收入及(ii)本集團之投資物業、其他物業、廠房及設備、無形資產及租賃權費用(「特定非流動資產」)。客戶之地區分佈是基於服務提供處或貨品送運地；而指定非流動資產中，其他物業、廠房及設備及租賃費用的地區分佈是基於其實際所在地；而無形資產的地區分佈是基於其管理所在地。

4 Segment reporting (continued)

(c) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's investment properties, other property, plant and equipment, intangible assets and lease premium ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of other property, plant and equipment and lease premium, and the location to which they are managed, in the case of intangible assets.

		來自外界客戶收入 Revenue from external customers		特定非流動資產 Specified non-current assets	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000 (附註) (Note)
香港(藉地)	Hong Kong (place of domicile)	163,462	200,434	87,944	96,583
台灣	Taiwan	13,884	45,337	1,837	1,588
中國其他地區	Other areas of the People's Republic of China ("PRC")	60,104	74,918	14,231	6,486
英國	The United Kingdom	6,234	9,755	232,892	194,773
其他	Others	26,134	30,231	102,202	108,034
		106,356	160,241	351,162	310,881
		269,818	360,675	439,106	407,464

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

5 其他虧損淨額

5 Other net loss

		2020 \$'000	2019 \$'000
以攤銷成本入賬之財務資產利息收入	Interest income on financial assets measured at amortised cost	2,552	2,473
匯兌虧損淨額	Net exchange loss	(8,434)	(8,535)
出售作買賣用途之證券收益淨額	Net gain on disposal of trading securities	-	38
作買賣用途之證券產生之未變現收益淨額	Net unrealised gain on trading securities	98	28
出售其他物業、廠房及設備產生之虧損淨額	Net loss on disposal of other property, plant and equipment	(852)	(271)
其他	Others	3,358	2,341
		(3,278)	(3,926)

6 除稅前(虧損)/溢利

6 (Loss)/profit before taxation

除稅前(虧損)/溢利已扣除/(計入)：

(Loss)/profit before taxation is arrived at after charging/(crediting):

		2020 \$'000	2019 (附註) (Note) \$'000
(a)	融資成本		
	銀行透支利息支出	126	75
	租賃負債利息(附註第17(c)項)	3,715	-
		<u>3,841</u>	<u>75</u>
(b)	員工成本*		
	界定供款退休計劃之供款	9,292	10,192
	薪金、工資及其他福利	101,776	114,389
		<u>111,068</u>	<u>124,581</u>
(c)	其他項目		
	核數費用		
	— 核數服務		
	— 畢馬威會計師事務所	1,800	1,899
	— 其他核數師	645	634
	— 稅務服務	204	324
	— 其他服務	64	152
		<u>2,713</u>	<u>3,009</u>
	按香港會計準則第17號分類為經營租賃之租賃費用**	-	109,619
	並無計入租賃負債的可變租賃費用	6,961	9,340
	折舊費用*(附註第11(a)項)		
	— 擁有的物業、廠房及設備#	10,038	13,965
	— 使用權資產#	55,429	-
	其他物業、廠房及設備之減值虧損(附註第11(a)項)		
	— 擁有的物業、廠房及設備	6,166	3,493
	— 使用權資產	37,033	-
	租賃權費用之減值虧損(附註第13項)	5,685	-
	應收賬款之減值虧損(附註第25(a)項)	5,039	872
	應收賬款之減值虧損回撥(附註第25(a)項)	(3,413)	(5,804)
	虧損合同撥備(附註第23項)	-	10,600
	投資物業應收租金減直接支出1,964,000元(二零一九年：2,067,000元)	(6,786)	(13,790)
	存貨成本*(附註第15(b)項)	<u>124,330</u>	<u>117,837</u>

附註：本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

6 除稅前(虧損)/溢利(續)

6 (Loss)/profit before taxation (continued)

除稅前(虧損)/溢利已扣除/(計入):
(續)

(Loss)/profit before taxation is arrived at after charging/(crediting):
(continued)

* 存貨成本包括與員工成本、折舊費用及經營租賃費用有關之10,091,000元(二零一九年: 11,678,000元)。有關數額亦已記入上表或附註第6(b)項分別列示之各類費用總額中。

* Cost of inventories includes \$10,091,000 (2019: \$11,678,000) relating to staff costs, depreciation and lease expenses, which amount is also included in the respective total amounts disclosed separately above or in note 6(b) for each of these types of expenses.

本集團已使用經修訂追溯法首次應用香港財務報告準則第16號並調整於二零一九年四月一日之期初結餘，以就先前根據香港會計準則第17號分類為經營租賃之租賃確認使用權資產。初步確認於二零一九年四月一日之使用權資產後，本集團作為承租人須確認使用權資產折舊，而非根據先前政策於租期內按直線法確認經營租賃項下產生之租金開支。根據此方法，比較資料並無重列。參閱附註第1(c)項。

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets at 1 April 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See note 1(c).

7 綜合損益表所列之所得稅

7 Income tax in the consolidated statement of profit or loss

(a) 綜合損益表所列之稅項為:

(a) Taxation in the consolidated statement of profit or loss represents:

		2020 \$'000	2019 \$'000
本期稅項 – 香港利得稅	Current tax – Hong Kong Profits Tax		
本年度撥備	Provision for the year	1,308	1,296
以往年度不足/(過剩)撥備	Under/(over)-provision in respect of prior years	212	(101)
		<u>1,520</u>	<u>1,195</u>
本期稅項 – 香港以外地區	Current tax – Outside Hong Kong		
本年度撥備	Provision for the year	12	846
以往年度不足/(過剩)撥備	Under/(over)-provision in respect of prior years	4	(48)
		<u>16</u>	<u>798</u>
遞延稅項	Deferred tax		
產生和撥回暫時性差異	Origination and reversal of temporary differences	20,856	4,609
		<u>22,392</u>	<u>6,602</u>

二零二零年，香港利得稅之撥備將按本年度估計應課稅溢利的16.5% (二零一九年: 16.5%) 計算。

The provision for Hong Kong Profits Tax for 2020 is calculated at 16.5% (2019: 16.5%) of the estimated assessable profits for the year.

香港以外地區附屬公司之稅項則以相關國家適用之現行稅率計算。

Taxation for subsidiaries based outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

本年度本集團在英國業務企業稅率為20% (二零一九年: 20%)。

The corporate tax rate applicable to the Group's operations in the United Kingdom is 20% (2019: 20%) for the year.

在中國稅法下，外國投資者獲宣派的股息會被徵收10%預扣稅。然而，須徵收10%預扣稅的股息，僅為來自二零零八年一月一日起財政期間溢利的股息。倘中國與外國投資者所在司法權區之間訂有稅務優惠協議，則可按較低預扣稅率繳稅。根據中國與香港之間的雙重徵稅安排，本集團須就本集團的中國附屬公司所支付的任何股息按5%的預扣稅率繳付預扣稅。

Under the tax law of the PRC, a 10% withholding tax shall be levied on dividends declared to foreign investors from the Group's PRC subsidiaries, however, only the dividends attributable to the profits of the financial period starting from 1 January 2008 will be subject to withholding tax. A lower withholding tax rate may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign investor. Pursuant to a double tax arrangement between the PRC and Hong Kong, the Group is subject to a withholding tax at a rate of 5% for any dividend payments from its PRC subsidiaries.

7 綜合損益表所列之所得稅 (續) 7 Income tax in the consolidated statement of profit or loss (continued)

(b) 所得稅支出和會計(虧損)/溢利按適用稅率計算之對賬：

(b) Reconciliation between tax expense and accounting (loss)/profit at applicable tax rates:

		2020 \$'000	2019 \$'000
除稅前(虧損)/溢利	(Loss)/profit before taxation	(67,128)	97,684
按照在相關稅務管轄區之適用稅率計算除稅前(虧損)/溢利之名義稅項	Notional tax on (loss)/profit before taxation, calculated at the rates applicable in the countries concerned	(15,828)	25,347
不可扣抵開支之稅項影響	Tax effect of non-deductible expenses	7,706	6,636
非課稅收入之稅項影響	Tax effect of non-taxable income	(21,462)	(43,528)
未確認之未動用稅項虧損和暫時性差異之稅項影響	Tax effect of unused tax losses and other temporary differences not recognised	31,006	13,175
以前年度未確認之未動用稅項虧損和暫時性差異而於年內已使用之稅項影響	Tax effect of unused tax losses and other temporary differences not recognised in prior year but utilised during the year	(57)	(52)
終止確認先前已確認由稅項虧損所產生之遞延稅項	Derecognition of deferred tax arising from tax losses	20,811	5,173
以往年度之不足/(過剩)撥備	Under/(over)-provision in respect of prior years	216	(149)
實際稅項開支	Actual tax expense	22,392	6,602

8 董事酬金

8 Directors' emoluments

根據香港《公司條例》第383(1)條及《公司(披露董事利益資料)規例》第2部之規定而披露之董事酬金如下：

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	董事袍金		薪金、津貼及實物利益		酌定花紅		退休計劃供款		總計		
	Directors' fees		Salaries, allowances and benefits in kind		Discretionary bonuses		Retirement scheme contributions		Total		
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	
執行董事	Executive directors										
陳永榮	Chan Wing Sun, Samuel	60	60	1,122	1,122	11	126	-	-	1,193	1,308
周陳淑玲	Chan Suk Ling, Shirley	60	60	1,944	1,964	21	219	-	-	2,025	2,243
傅承蔭	Fu Sing Yam, William	60	60	2,130	2,120	18	223	90	90	2,298	2,493
陳嘉然	Chan Andrew	60	60	1,440	1,430	26	162	60	60	1,586	1,712
陳永奎	Chan Wing Fui, Peter	60	60	-	-	-	-	-	-	60	60
陳永棋	Chan Wing Kee	60	60	-	-	-	-	-	-	60	60
陳永滔*	Chan Wing To*	60	60	-	-	-	-	-	-	60	60
獨立非執行董事	Independent non-executive directors										
林克平#	Lin Keping#	150	150	-	-	-	-	-	-	150	150
蔡廷基	Choi Ting Ki	150	150	-	-	-	-	-	-	150	150
蘇漢章	So Stephen Hon Cheung	150	150	-	-	-	-	-	-	150	150
李光明	Li Guangming	110	110	-	-	-	-	-	-	110	110
		980	980	6,636	6,636	76	730	150	150	7,842	8,496

* 陳永滔先生於二零二零年四月十六日辭任本公司執行董事

* Mr. Chan Wing To has resigned an executive director of the Company on 16 April 2020.

林克平先生於二零二零年四月十六日辭任本公司獨立非執行董事

Mr. Lin Keping has resigned an independent non-executive director of the Company on 16 April 2020.

9 最高酬金人士

在五位酬金最高之人士中，四位(二零一九年：四位)為董事，有關酬金詳情載於附註第8項。截至二零二零年三月三十一日止其他人士之酬金總額如下：

		2020 \$'000	2019 \$'000
薪金及其他酬金	Salaries and other emoluments	1,833	1,883
酌定花紅	Discretionary bonuses	282	311
退休計劃供款	Retirement scheme contributions	-	-
		<u>2,115</u>	<u>2,194</u>

9 Individuals with highest emoluments

Of the five individuals with the highest emoluments, four (2019: four) are directors whose emoluments are disclosed in note 8. The emoluments of the other individual for the year ended 31 March 2020 are as follows:

10 每股(虧損)／盈利**(a) 每股基本(虧損)／盈利**

每股基本(虧損)／盈利是按照本年度之本公司權益股東應佔虧損87,125,000元(二零一九年：90,189,000元盈利)及已發行普通股股數165,864,000股(二零一九年：165,864,000股)計算。

(b) 每股攤薄(虧損)／盈利

截至二零二零年及二零一九年三月三十一日止年度，本公司並無具有潛在攤薄能力的普通股；故此每股基本(虧損)／盈利與每股攤薄(虧損)／盈利相同。

10 (Loss)/earnings per share**(a) Basic (loss)/earnings per share**

The calculation of basic (loss)/earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of \$87,125,000 (2019: profit of \$90,189,000) and 165,864,000 (2019: 165,864,000) ordinary shares in issue during the year.

(b) Diluted (loss)/earnings per share

There were no potential dilutive ordinary shares outstanding during the years ended 31 March 2020 and 2019. Accordingly, the diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share.

11 投資物業及其他物業、廠房及設備

11 Investment properties and other property, plant and equipment

(a) 賬面值之對賬

(a) Reconciliation of carrying amount

		持作自用之 土地及樓宇 所有權益 Ownership interests in land and buildings held for own use \$'000	其他租賃作 自用物業 (作成本列賬) Other properties leased for own use carried at cost \$'000	廠房及 機器 Plant and machinery \$'000	租賃樓宇 裝修、汽車、 傢俬及設備 Leasehold improvements, motor vehicles, furniture and equipment \$'000	小計 Sub-total \$'000	投資物業 Investment properties \$'000	合計 Total \$'000
成本或估值：	Cost or valuation:							
於二零一八年四月一日	At 1 April 2018	42,390	-	16,457	63,273	122,120	381,580	503,700
匯兌調整	Exchange adjustments	-	-	(2)	(1,374)	(1,376)	(13,237)	(14,613)
添置	Additions	-	-	4	11,323	11,327	-	11,327
出售	Disposals	(10,737)	-	(4)	(6,594)	(17,335)	(7,300)	(24,635)
轉移至投資物業(附註第28項)	Disposal of a subsidiary (note 28)	-	-	-	-	-	(88,200)	(88,200)
公允價值調整	Fair value adjustment	-	-	-	-	-	5,330	5,330
於二零一九年三月三十一日	At 31 March 2019	31,653	-	16,455	66,628	114,736	278,173	392,909
代表：	Representing:							
成本	Cost	31,653	-	16,455	66,628	114,736	-	114,736
估值-二零一九年	Valuation - 2019	-	-	-	-	-	278,173	278,173
		31,653	-	16,455	66,628	114,736	278,173	392,909
於二零一九年三月三十一日	At 31 March 2019	31,653	-	16,455	66,628	114,736	278,173	392,909
首次採納《香港財務報告準則》 第16號的影響(附註)	Impact on initial application of HKFRS 16 (note)	-	88,643	-	844	89,487	13,413	102,900
於二零一九年四月一日	At 1 April 2019	31,653	88,643	16,455	67,472	204,223	291,586	495,809
匯兌調整	Exchange adjustments	-	(836)	-	(611)	(1,447)	(13,232)	(14,679)
調整-租賃修訂	Adjustments - lease modifications	-	(2,462)	-	-	(2,462)	-	(2,462)
添置	Additions	-	61,815	3,754	9,506	75,075	-	75,075
出售	Disposals	-	(32)	(148)	(20,313)	(20,493)	-	(20,493)
公允價值調整	Fair value adjustment	-	-	-	-	-	(35,242)	(35,242)
於二零二零年三月三十一日	At 31 March 2020	31,653	147,128	20,061	56,054	254,896	243,112	498,008
代表：	Representing:							
成本	Cost	31,653	147,128	20,061	56,054	254,896	-	254,896
估值-二零二零年	Valuation - 2020	-	-	-	-	-	243,112	243,112
		31,653	147,128	20,061	56,054	254,896	243,112	498,008
累計折舊：	Accumulated depreciation:							
於二零一八年四月一日	At 1 April 2018	27,275	-	15,510	45,788	88,573	-	88,573
匯兌調整	Exchange adjustments	-	-	(2)	(953)	(955)	-	(955)
本年度折舊	Charge for the year	1,424	-	256	12,285	13,965	-	13,965
減值虧損	Impairment loss	-	-	-	3,493	3,493	-	3,493
出售時撥回	Written back on disposals	(5,490)	-	(2)	(6,325)	(11,817)	-	(11,817)
於二零一九年三月三十一日	At 31 March 2019	23,209	-	15,762	54,288	93,259	-	93,259
於二零一九年三月三十一日	At 31 March 2019	23,209	-	15,762	54,288	93,259	-	93,259
首次採納《香港財務報告準則》 第16號的影響(附註)	Impact on initial application of HKFRS 16 (note)	-	10,600	-	-	10,600	-	10,600
於二零一九年四月一日	At 1 April 2019	23,209	10,600	15,762	54,288	103,859	-	103,859
匯兌調整	Exchange adjustments	-	(154)	-	(386)	(540)	-	(540)
本年度折舊	Charge for the year	1,230	52,967	1,254	10,016	65,467	-	65,467
減值虧損	Impairment loss	-	37,033	-	6,166	43,199	-	43,199
出售時撥回	Written back on disposals	-	(32)	(117)	(19,492)	(19,641)	-	(19,641)
於二零二零年三月三十一日	At 31 March 2020	24,439	100,414	16,899	50,592	192,344	-	192,344
賬面淨值：	Net book value:							
於二零二零年三月三十一日	At 31 March 2020	7,214	46,714	3,162	5,462	62,552	243,112	305,664
於二零一九年三月三十一日	At 31 March 2019	8,444	-	693	12,340	21,477	278,173	299,650

附註：本集團使用經修改追溯法首次應用香港財務報告準則第16號，並於二零一九年四月一日調整期初結餘以對先前根據香港會計準則第17號分類為經營租賃的租賃確認使用權資產，參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. See note 1(c).

11 投資物業及其他物業、廠房及設備 (續)

(a) 賬面值之對賬 (續)

減值虧損

截至二零二零年三月三十一日止年度，管理層根據有關資產減值的會計政策對本集團零售商店之部分其他物業、廠房及設備進行減值評估。根據評估，相關其他物業、廠房及設備錄得減值虧損為43,199,000元(二零一九年：3,493,000元)，並於綜合損益表入賬。其他物業、廠房及設備的可收回金額乃根據有關零售商店於有關零售商店不可撤銷的剩餘租賃年期產生的估計未來現金流量釐定，香港和澳門的零售商店適用的折現率為13.52%(二零一九年：12.79%)，中國的零售商店適用的折現率為14.06%(二零一九年：無)。

(b) 投資物業按公允值計量

(i) 公允值架構

下表呈列本集團投資物業之公允值，該等投資物業於報告期末按經常性基準計量，並分類為香港財務報告準則第13號「公允值計量」所界定之三級公允值架構。將公允值計量分類之等級乃經參考如下估值方法所用輸入數據之可觀察性及重要性後釐定：

- 第一級估值：僅使用第一級輸入數據(即於計量日同類資產或負債於活躍市場之未經調整報價)計量之公允值
- 第二級估值：使用第二級輸入數據(即未能達到第一級之可觀察輸入數據及未有使用重大不可觀察數據)計量之公允值。不可觀察數據乃指無法取得市場資料之數據
- 第三級估值：使用重大不可觀察數據計量之公允值

11 Investment properties and other property, plant and equipment (continued)

(a) Reconciliation of carry amount (continued)

Impairment loss

During the year ended 31 March 2020, management performed an impairment assessment on certain other property, plant and equipment of the Group's retail stores in accordance with the accounting policy on impairment of assets. Based on the assessment, an impairment loss of \$43,199,000 (2019: \$3,493,000) was recognised in respect of the respective other property, plant and equipment and charged to the consolidated statement of profit or loss. The recoverable amounts of these other property, plant and equipment were determined based on the estimated future cash flows generated from these retail stores for the remaining non-cancellable lease term of the respective retail stores at a discount rate of 13.52% (2019: 12.79%) for retail stores in Hong Kong and Macau and 14.06% (2019: Nil) for retail stores in the PRC.

(b) Fair value measurement of investment properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

11 投資物業及其他物業、廠房及設備 (續)

(b) 投資物業按公允值計量 (續)

(i) 公允值架構 (續)

	於二零二零年三月三十一日的公允值 Fair value at 31 March 2020 \$'000	於二零二零年三月三十一日的公允值計量分類之等級 Fair value measurements as at 31 March 2020 categorised into		
		第一級 Level 1 \$'000	第二級 Level 2 \$'000	第三級 Level 3 \$'000
按經常性基準計量之公允值	Recurring fair value measurement			
工業 – 香港	Industrial – Hong Kong	76,800	–	76,800
商業 – 英國	Commercial – The United Kingdom	166,312	–	166,312
		<u>243,112</u>	<u>–</u>	<u>243,112</u>

	於二零一九年三月三十一日的公允值 Fair value at 31 March 2019 \$'000	於二零一九年三月三十一日的公允值計量分類之等級 Fair value measurements as at 31 March 2019 categorised into		
		第一級 Level 1 \$'000	第二級 Level 2 \$'000	第三級 Level 3 \$'000
按經常性基準計量之公允值	Recurring fair value measurement			
工業 – 香港	Industrial – Hong Kong	83,400	–	83,400
商業 – 英國	Commercial – The United Kingdom	194,773	–	194,773
		<u>278,173</u>	<u>–</u>	<u>278,173</u>

於截至二零二零年三月三十一日止年度，於第一級與第二級之間概無轉移，或轉入至或轉出自第三級 (二零一九年：無)。本集團的政策是於產生轉移的報告期終確認公允值架構之間的轉移。

本集團所有投資物業於二零二零年三月三十一日重新估值。估值由獨立測量師事務所瑞豐環球評估諮詢有限公司進行，該公司員工為香港測量師學會資深會員，具有處理本次重估物業地點及類別的近期經驗。管理層已經與其測量師討論於報告期期末估值假設和結果。

11 Investment properties and other property, plant and equipment (continued)

(b) Fair value measurement of investment properties (continued)

(i) Fair value hierarchy (continued)

During the year ended 31 March 2020, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2019: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

All of the Group's investment properties were revalued as at 31 March 2020. The valuations were carried out by an independent firm of surveyors, Ravia Global Appraisal Advisory Limited ("Ravia"), who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of properties being valued. The management have discussion with the surveyors on the valuation assumptions and valuation results when the valuations were performed at the end of each reporting period.

11 投資物業及其他物業、廠房及設備 (續)

(b) 投資物業按公允值計量 (續)

(ii) 有關第三級公允值計量的資料

		估值技術 Valuation techniques	不可觀察 輸入數據 Unobservable inputs	範圍 Range	加權平均數 Weighted average
工業 — 香港	Industrial — Hong Kong	市場比較估值法 Market comparison approach	物業質素 (折讓) / 溢價 (Discount)/premium on quality of the properties	(5)% to 5% (2019: (10)% to 10%)	0% (2019: 0%)
商業 — 英國	Commercial — The United Kingdom	市場比較估值法 Market comparison approach	物業質素 (折讓) / 溢價 (Discount)/premium on quality of the properties	0% to 10% (2019: 0% to 15%)	(7.5)% (2019: 7.5%)

位於香港及英國的投資物業之公允值乃參考相關地區可作比較的銷售數據，按公開市場價值基準而釐定。

於市場比較估值法中使用的溢價或折讓，乃特定樓宇與近期銷售數據的比較。樓宇質素較高，溢價亦會較高，將導致公允值計量上升。

投資物業的公允值調整於綜合損益表「投資物業估值(虧損) / 收益淨額」項下確認入賬。

11 Investment properties and other property, plant and equipment (continued)

(b) Fair value measurement of investment properties (continued)

(ii) Information about Level 3 fair value measurement

The fair value of investment properties located in Hong Kong and the United Kingdom are determined on an open market value basis, by making reference to the comparable sale transactions evidence in the relevant locality.

The premium or discount used in market comparison approach is specific to the building compared to the recent sale transactions. Higher premium for higher quality buildings will result in a higher fair value measurement.

Fair value adjustment of investment properties is recognised in the line item "Net valuation (losses)/gains on investment properties" in the consolidated statement of profit or loss.

11 投資物業及其他物業、廠房及設備 (續)

11 Investment properties and other property, plant and equipment (continued)

(c) 使用權資產

按相關資產類別劃分之使用權資產賬面淨值分析如下：

(c) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	附註 Note	二零二零年 三月三十一日 31 March 2020 \$'000	二零一九年 四月一日 1 April 2019 \$'000
於香港持作自用之土地及樓宇所有權權益按折舊成本列賬，餘下租賃期為十年至五十年之內			
Ownership interests in leasehold land and buildings held for own use, carried at depreciated cost in Hong Kong, with remaining lease term between 10 and 50 years	(i)	7,214	8,444
其他自用租賃物業，按折舊成本列賬	(ii)	46,714	78,043
廠房及機器，按折舊成本列賬	(iii)	2,517	-
傢俬及設備，按折舊成本列賬	(iii)	619	844
		<u>57,064</u>	<u>87,331</u>
持作自用之租賃投資物業按公允值列賬，餘下租賃期為：			
Ownership interests in leasehold investment properties, carried at fair value, with remaining lease term of:	(iv)		
– 五十年或超過五十年		166,312	208,186
– 十年至五十年之內		76,800	83,400
		<u>243,112</u>	<u>291,586</u>
		<u>300,176</u>	<u>378,917</u>

於損益表確認之租賃相關之開支項目或(扣減開支)之分析如下：

The analysis of expense items or (reduction of expenses) in relation to leases recognised in profit or loss is as follows:

	2020 \$'000	2019 (附註) (Note) \$'000
使用權資產折舊以資產分類：		
Depreciation charge of right-of-use assets by class of underlying asset:		
持作自用之土地及樓宇所有權權益	1,230	1,424
Ownership interests in leasehold land and buildings		
其他自用租賃物業	52,967	-
Other properties leased for own use		
廠房及機器	1,007	-
Plant and machinery		
傢俬及設備	225	-
Furniture and equipment		
	<u>55,429</u>	<u>1,424</u>
租賃負債利息(附註第6(a)項)與短期租賃及其他租賃剩餘租賃在二零二零年三月三十一日或以前屆滿的租賃相關的開支	3,715	-
Interest on lease liabilities (note 6(a)) Expense relating to short-term leases and other leases with remaining lease term ending on or before 31 March 2020		
	30,505	-
過往根據《香港會計準則》第17號分類為經營租賃之最低營業租賃付款總額	-	109,619
Total minimum lease payments for leases previously classified as operating leases under HKAS 17		
可變租賃付款(不包括於租賃負債的計量)	6,961	9,340
Variable lease payments not included in the measurement of lease liabilities		
租金寬減	(5,458)	-
Rent concessions		

11 投資物業及其他物業、廠房及設備 (續)

(c) 使用權資產 (續)

附註：本集團使用經修改追溯法首次應用香港財務報告準則第16號，並於二零一九年四月一日調整期初結餘以對先前根據香港會計準則第17號分類為經營租賃的租賃確認使用權資產。於二零一九年四月一日初步確認使用權資產後，本集團作為承租人須確認使用權資產折舊，而非按先前的政策於租賃期內按直線法確認根據經營租賃產生之租金開支。根據此方法，比較資料不予重列。參閱附註第1(c)項。

截至二零二零年三月三十一日止年度，使用權資產增加65,339,000元。該金額主要與根據新租賃協議應付的資本化租賃付款有關。

租賃的現金流出總額及租賃負債的到期日分析詳情分別載列於附註17(d)及20項。

(i) 持作自用之土地及樓宇所有權權益

本集團於主要為生產廠房所在地持有一個工業樓宇，以供其印刷業務使用。本集團為物業權益(包括全部或部份不能分割部份的其中土地)的登記擁有人。向之前登記擁有人購入有關物業權益之款項已經支付，除向有關政府機構按差餉估值計算支付的款項外，並無任何根據租賃合同需要持續支付的金額。有關政府機構按差餉估值計算的款項可予隨時間改變。

(ii) 其他自用租賃物業

本集團已透過租賃協議獲得使用其他物業作為其零售商店及辦公室的權利。租賃期一般初步為期一年至三年。

截至二零二零年三月三十一日止年度，本集團租賃多間零售商店，當中包括根據零售商店產生之銷售及固定最低年度租賃付款條款而定之可變租賃付款條款。該等付款條款於本集團營運所在的香港、中國及澳門零售商店甚為常見。本年度於損益確認的固定及可變租賃付款金額概述如下：

	固定付款 Fixed payments \$'000	可變動付款 Variable payments \$'000	總額付款 Total payments \$'000
零售商店－香港、 中國及澳門	56,072	6,261	62,333
Retail stores – Hong Kong, PRC and Macau			

11 Investment properties and other property, plant and equipment (continued)

(c) Right-of-use assets (continued)

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets at 1 April 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See note 1(c).

During the year ended 31 March 2020, additions to right-of-use assets were \$65,339,000. This amount primarily related to the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 17(d) and 20 respectively.

(i) Ownership interests in leasehold land and buildings held for own use

The Group holds an industrial building in Hong Kong for its printing business, where its manufacturing facilities are primarily located. The Group is the registered owner of the property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire the property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authority. These payments vary from time to time and are payable to the relevant government authority.

(ii) Other properties leased for own use

The Group has obtained the right to use other properties as its retail stores and offices through tenancy agreements. The leases typically run for an initial period of 1 to 3 years.

During the year ended 31 March 2020, the Group leased a number of retail stores which contain variable lease payment terms that are based on sales generated from the retail stores and minimum annual lease payment terms that are fixed. These payment terms are common in retail stores in Hong Kong, the PRC and Macau where the Group operates. The amount of fixed and variable lease payments recognised in profit or loss for the year is summarised below:

11 投資物業及其他物業、廠房及設備 (續)

(c) 使用權資產 (續)

(iii) 其他租賃

本集團的廠房及設備及辦公室設備的租賃由一至五年內到期，這些租賃不包括可變動租賃付款。

(iv) 租賃投資物業的所有權權益

本集團分別在香港及英國持有多个工業和商用物業，以賺取租金收入及／或為資本增值。

投資物業 – 香港

本集團為物業權益 (包括全部或部份不能分割部份的其中土地) 的登記擁有人。向之前登記擁有人購入有關物業權益之款項已經支付，除向有關政府機構按差餉估值計算的款項外，並無任何根據租賃合同需要持續支付的金額。有關款項可予隨時間改變。

投資物業 – 英國

本集團為物業權益的登記擁有人，並通過相關土地的自由持有人與本集團之間簽訂主租約而獲得相關土地的使用權。向之前登記擁有人購入有關物業權益之款項已經支付。相關土地的主租約首租期為125年，其中包含按分租產生的租金收入之可變租賃付款條款，而最低年度租賃付款條款是固定的，並且每10年增加一次以反映市場租金。

截至二零二零年三月三十一日止年度，按主租約的固定及可變租賃付款金額概述如下：

11 Investment properties and other property, plant and equipment (continued)

(c) Right-of-use assets (continued)

(iii) Other leases

The Group leases plant and machinery and office equipment under leases expiring from 1 to 5 years. None of the leases includes variable lease payments.

(iv) Ownership interests in leasehold investment properties

The Group holds several industrial and commercial properties in Hong Kong and the United Kingdom, respective, to earn rental income and/or capital appreciation.

Investment properties – Hong Kong

The Group is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable value set by the relevant government authority. These payments vary from time to time.

Investment properties – United Kingdom

The Group is the registered owner of these property interests and obtained the right of use of the underlying land through head lease signed between the freeholder of the underlying land and the Group. Lump sum payments were made upfront to acquire the property interests from the previous registered owner. The head lease of the underlying land runs for an initial period of 125 years and contain variable lease payment terms that are based on rental income generated from subleases and minimum annual lease payment term are fixed and increased every 10 years to reflect market rentals.

During the year ended 31 March 2020, the amount of fixed and variable lease payments under the head lease is summarised below:

		固定付款 Fixed payments \$'000	可變動付款 Variable payments \$'000	總額付款 Total payments \$'000
投資物業 – 英國	Investment properties – United Kingdom	777	700	1,477

11 投資物業及其他物業、廠房及設備 (續)

(d) 本集團投資物業之詳情如下：

地點	目前用途	租期	Location	Existing use	Term of lease
九龍油塘草園街4號 華順工業大廈7樓 B、C、D、G及H室， 及1樓8號停車位	辦公室、 工廠及 貨倉	中	Unit B, C, D, G and H on 7/F, and Car Parking Space No. 8 on 1/F, Wah Shun Industrial Building, 4 Cho Yuen Street, Yau Tong, Kowloon	Offices, factories and warehouses	Medium-term lease
九龍新蒲崗五芳街28號 利森工廠大廈 8樓1及2室	工廠	中	Unit Nos. 1 and 2 on 8/F, Lee Sum Factory Building, 28 Ng Fong Street, Kowloon	Factories	Medium-term lease
Nos. 42-43 Great Marlborough Street, London W1V, The United Kingdom	辦公室 及餐館	長	Nos. 42-43 Great Marlborough Street, London W1V, The United Kingdom	Offices and restaurants	Long-term lease

(e) 按經營租賃租出的投資物業

本集團以經營租賃租出投資物業，租期一般初步為期一至二十五年，且有權選擇續期，屆時所有條款均可重新商定。各項經營租賃均不包括可變動租賃付款。

本集團根據不可解除之經營租賃在報告期末後應收之最低租賃款額總數如下：

		2020 \$'000	2019 \$'000
一年內	Within 1 year	5,510	7,696
一年後但兩年內	After 1 year but within 2 years	4,215	4,527
兩年後但三年內	After 2 years but within 3 years	4,215	4,527
三年後但四年內	After 3 years but within 4 years	4,226	4,527
四年後但五年內	After 4 years but within 5 years	4,215	4,539
五年後	After 5 years	19,054	24,991
		41,435	50,807

(f) 出售投資物業

於二零一九年三月三十一日止年度，本集團出售一個公允值為7,300,000元的香港投資物業單位，代價為10,880,000元，出售收益淨額為3,580,000元。

(g) 出售持作自用土地及樓宇

於二零一九年三月三十一日止年度，本集團出售一個賬面價值為5,247,000元的澳門持作自用的物業單位，代價為50,000,000元，出售收益淨額為44,753,000元。

11 Investment properties and other property, plant and equipment (continued)

(d) Details of the Group's investment properties are as follows:

(e) Investment properties leased out under operating leases

The Group leases out investment properties under operating leases. The leases typically run for an initial period of 1 to 25 years, with an option to renew the leases at which time all terms are renegotiated. None of the leases includes variable lease payments.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

(f) Disposal of an investment property

During the year ended 31 March 2019, the Group disposed of an investment property in Hong Kong with fair value of \$7,300,000 at a consideration of \$10,880,000, resulting in a net gain on disposal of \$3,580,000.

(g) Disposal of land and buildings held for own use

During the year ended 31 March 2019, the Group disposed of a property held for own use in Macau with net book value of \$5,247,000 at a consideration of \$50,000,000, resulting in a net gain on disposal of \$44,753,000.

12 無形資產

12 Intangible assets

	2020 \$'000	2019 \$'000
Guy Laroche trademark	102,050	102,050
Ashworth trademark	31,392	—
	133,442	102,050

於二零二零年三月三十一日止年度，本集團以現金代價4,000,000美元（約相當於31,392,000元），收購有關「Ashworth」品牌的商標。

「Guy Laroche」和「Ashworth」商標被視作可無限期使用，並根據附註第1(h)項之會計政策入賬。

(a) 無限期可用經濟年期商標減值測試

「Guy Laroche」和「Ashworth」商標分別應用於「Guy Laroche」和「Ashworth」的全球業務，可獨立識別。

「Guy Laroche」和「Ashworth」商標的可收回金額乃分別按其公允值減出售成本以貼現現金流法計算。五年期後之現金流使用永久增長率推斷（參閱附註第12(b)項）。瑞豐環球評估諮詢有限公司進行於二零二零年三月三十一日的估值。公允值按香港財務報告準則第13號「公允值計量」（參閱附註第11(b)(i)項）所界定之三級架構中，根據估值方法所用輸入數據釐定屬第三級。

管理層認為，以計量方式釐定可收回金額的重要假設如有任何合理可能變動，不會導致賬面值超過其可收回金額。

(b) 有關第三級公允值計量的資料：

估值方法為貼現現金流量方法。主要不可觀察數據如下：

		2020		2019	
		「Guy Laroche」 商標 Guy Laroche trademark	「Ashworth」 商標 Ashworth trademark	「Guy Laroche」 商標 Guy Laroche trademark	「Ashworth」 商標 Ashworth trademark
經風險調整貼現率	Risk-adjusted discount rate	13%	14%	12%	N/A
永久增長率	Terminal growth rate	3%	3%	0%	N/A
預計專利權費增長率	Expected royalty charge rate	8%	5%	8%	N/A

管理層根據過往表現及其對市場發展之預期釐定永久增長率及預計專利權費增長率。所用之經風險調整貼現率為特許權市場內之經風險調整加權平均資金成本。

During the year ended 31 March 2020, the Group acquired the trademark of Ashworth at a cash consideration of US\$4,000,000 (equivalent to \$31,392,000).

Guy Laroche and Ashworth trademarks are considered to have indefinite useful lives and are accounted for in accordance with accounting policy note 1(h).

(a) Impairment tests for trademarks with an indefinite useful economic life

Guy Laroche and Ashworth trademarks service Guy Laroche and Ashworth worldwide operations respectively and are separately identifiable.

The recoverable amounts of Guy Laroche and Ashworth trademarks are based on their respective fair value less costs of disposal, estimated using discounted cash flows method. Cash flows beyond the five-year period are extrapolated using terminal growth rates (see note 12(b)). The valuations as at 31 March 2020 were carried out by Ravia. Their fair values fall within Level 3 of the three-level hierarchy as defined in HKFRS 13, Fair value measurement (see note 11(b)(i)), based on the inputs in the valuation technique used.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount measurement is based would not cause the carrying amount to exceed their recoverable amounts.

(b) Information about Level 3 fair value measurement:

The valuation technique is discounted cash flows method. The major unobservable inputs are as follows:

Management determined the terminal growth rate and expected royalty charge rate based on past performance and its expectation on market development. The risk-adjusted discount rate used is the risk-adjusted weighted average cost of capital of the licensing industry.

13 租賃權費用

13 Lease premium

		2020	2019
		\$'000	\$'000
成本：	Cost:		
年初	At the beginning of the year	8,360	9,215
匯兌調整	Exchange adjustments	(238)	(855)
年末	At the end of the year	8,122	8,360
累計減值虧損：	Accumulated impairment losses:		
年初	At the beginning of the year	2,596	2,861
匯兌調整	Exchange adjustments	(159)	(265)
減值虧損	Impairment loss	5,685	-
年末	At the end of the year	8,122	2,596
賬面淨值：	Net book value:		
年末	At the end of the year	-	5,764

租賃權費用指一間附屬公司為取得法國一所物業之租賃權而支付之數額。倘該附屬公司不再佔用該物業，則有權將租賃權出售予下一個租客。因此，租賃權費用被視為擁有無限期可用經濟年期，並根據附註第1(h)項之會計政策，按成本減減值虧損列賬。

於二零二零年三月三十一日，管理層無意在二零二零年六月租賃期屆滿時續約相關租賃，並鑑於在租賃期屆滿之前不太可能承接新租戶，截至二零二零年三月三十一日止年度，於「其他經營費用」確認入賬的減值虧損為5,685,000元。

於二零一九年三月三十一日，可收回金額乃按照其公允值減出售成本，並以折現的現金流量估計。租賃權費用的公允值屬於香港財務報告準則第13號「公允值計量」所界定之三級公允值架構之第三層（參閱附註第11(b)(i)項），按估值方法所用輸入數據計算。截至二零一九年三月三十一日止年度，並無減值虧損確認入賬。

估值方法為貼現現金流量方法。主要不可觀察數據如下：

		2019
經風險調整貼現率	Risk-adjusted discount rate	4%
預計市場租金增長率	Expected market rental growth rate	0%

管理層根據過往表現及其對市場發展之預期釐定預計市場租金增長率。所用之經風險調整貼現率為特許權市場內之經風險調整加權平均資金成本。

Lease premium represents an amount paid by a subsidiary to obtain the right to lease a property in France. In the event that the subsidiary vacates the property, the subsidiary would be entitled to sell the right to the lease to the next tenant. Accordingly, the lease premium is considered to have an indefinite useful economic life and is carried at cost less impairment loss in accordance with accounting policy note 1(h).

As at 31 March 2020, the management did not intend to renew the underlying lease upon the expiry of the lease term in June 2020 and an impairment loss of \$5,685,000 was recognised in "other operating expenses" during the year ended 31 March 2020 in view of the unlikelihood in securing a new tenant before the expiry of the lease term.

At 31 March 2019, the recoverable amount was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value of lease premium fell within Level 3 of the three-level hierarchy as defined in HKFRS 13, *Fair value measurement* (see note 11(b)(i)), based on the inputs in the valuation technique use. No impairment loss was recognised during the year ended 31 March 2019.

The valuation technique was discounted cash flows method. The major unobservable inputs were as follows:

Management determined the expected market rental growth rate based on past performance and its expectations on market development. The risk-adjusted discount rate used was the risk-adjusted weighted average cost of capital of the leasing industry.

14 作買賣用途之證券

14 Trading securities

		2020 \$'000	2019 \$'000
通過損益以反映公平價值的 金融資產：	Financial assets measured at FVPL:		
香港以外在貨幣市場的未上市 基金單位	Unlisted units in money market funds outside Hong Kong	18,408	18,310

15 存貨

15 Inventories

(a) 綜合財務狀況表內之存貨包括：

(a) *Inventories in the consolidated statement of financial position comprise:*

		2020 \$'000	2019 \$'000
原材料	Raw materials	3,729	3,492
在製品	Work in progress	805	554
製成品	Finished goods	55,264	75,654
		59,798	79,700

(b) 確認為開支並已計入損益的存貨數額分析如下：

(b) *The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:*

		2020 \$'000	2019 \$'000
已售存貨之賬面值	Carrying amount of inventories sold	96,745	125,450
存貨撇減	Write-down of inventories	35,792	559
存貨撇減撥回	Reversal of write-down of inventories	(8,207)	(8,172)
		124,330	117,837

撥回過往年度作出之存貨撇減乃由於顧客取向之改變而引致成衣的預計變現價值增加。

The reversal of write-down of inventories made in prior years arose due to an increase in the estimated realisable value of certain garments as a result of a change in consumer preferences.

16 應收賬款及其他應收款

16 Trade and other receivables

		2020 \$'000	2019 \$'000
應收賬款	Trade debtors	26,827	33,743
減：損失撥備	Less: Loss allowance	(9,423)	(8,053)
		17,404	25,690
按金、預付款及其他應收款	Deposits, prepayments and other receivables	22,029	24,663
		39,433	50,353

除其他應收款為2,403,000元(二零一九年：2,696,000元)外，本集團所有應收賬款及其他應收款預期可於一年內收回或確認為費用。

All of the Group's trade and other receivables, apart from other receivables of \$2,403,000 (2019: \$2,696,000), are expected to be recovered or recognised as expense within one year.

16 應收賬款及其他應收款(續)

截至本報告期末日，應收賬款(除虧損撥備後淨額)根據發票日之賬齡分析如下：

16 Trade and other receivables (continued)

At the end of the reporting period, the ageing analysis of trade debtors (net of loss allowance) based on invoice date is as follows:

		2020	2019
		\$'000	\$'000
一個月內	Within 1 month	12,186	19,213
一個月以上但二個月以內	Over 1 month but within 2 months	1,261	1,429
二個月以上但三個月以內	Over 2 months but within 3 months	774	1,997
三個月以上但十二個月以內	Over 3 months but within 12 months	2,838	2,649
超過十二個月	Over 12 months	345	402
		17,404	25,690

應收賬款在發票日期後的30至90日內到期，本集團信貸政策之進一步詳情載於附註第25(a)項。

Trade debtors are due within 30 days to 90 days from the date of billing. Details on the Group's credit policy are set out in note 25(a).

17 現金及現金等價物及其他現金流量資料

(a) 現金及現金等價物包括：

17 Cash and cash equivalents and other cash flow information

(a) *Cash and cash equivalents comprise:*

		2020	2019
		\$'000	\$'000
銀行之存款	Deposits with banks	66,806	205,716
銀行存款及現金	Cash at bank and on hand	86,690	116,185
綜合財務狀況表所示之現金及現金等價物	Cash and cash equivalents in the consolidated statement of financial position	153,496	321,901
銀行透支(附註第19項)	Bank overdrafts (note 19)	(7,485)	(6,777)
綜合現金流量表所示之現金及現金等價物	Cash and cash equivalents in the consolidated cash flow statement	146,011	315,124

計入現金及現金等價物的結餘金額約4,006,000元(二零一九年：5,000,000元)，為本集團於中國境內銀行存放的人民幣存款。從中國將資金匯出境外，須遵守中國政府施加的外匯管制。

Included in the balance of cash and cash equivalents is an amount of \$4,006,000 (2019: \$5,000,000) representing Renminbi Yuan deposits placed with banks in the PRC by the Group. The remittance of these funds out of the PRC is subject to the exchange controls imposed by the PRC government.

17 現金及現金等價物及其他現金流量資料 (續) **17 Cash and cash equivalents and other cash flow information (continued)**

(b) 將除稅前(虧損)/溢利調節為經營業務所用之現金：

(b) Reconciliation of (loss)/profit before taxation to cash used in operations:

	附註 Note	2020 \$'000	2019 \$'000
除稅前(虧損)/溢利	(Loss)/profit before taxation	(67,128)	97,684
調整項目：	Adjustments for:		
按攤銷成本計量之金融資產之利息收入	Interest income on financial assets measured at amortised cost	5	(2,473)
出售其他物業、廠房及設備之虧損淨額	Net loss on disposal of other property, plant and equipment	5	271
出售附屬公司之收益淨額	Net gain on disposal of a subsidiary	28	(129,510)
出售投資物業之收益淨額	Net gain on disposal of an investment property	11(f)	(3,580)
出售持作自用土地及樓宇收益淨額	Net gain on disposal of land and buildings held for own use	11(g)	(44,753)
出售作買賣用途之證券收益淨額	Net gain on disposal of trading securities	5	(38)
作買賣用途之證券產生之未變現收益淨額	Net unrealised gain on trading securities	5	(28)
潛在中國關稅及彌償保證負債回撥	Reversal of provisions for potential PRC customs duties and indemnity liabilities	23	(120,420)
融資成本	Finance costs	6(a)	3,841
折舊	Depreciation	6(c)	65,467
投資物業估值虧損/(收益)淨額	Net valuation losses/(gains) on investment properties	11(a)	35,242
虧損合同撥備	Provision for onerous contracts	6(c)	(3)
其他物業、廠房及設備之減值虧損	Impairment loss on other property, plant and equipment	6(c)	43,199
租賃權費用之減值虧損	Impairment loss on lease premium	6(c)	5,685
租金寬減	Rent concessions		(5,458)
匯兌虧損	Foreign exchange loss		10,204
營運資金變動：	Changes in working capital:		
存貨減少/(增加)	Decrease/(increase) in inventories		19,902
租金按金減少	Decrease in rental deposits		6,477
應收賬款減少	Decrease in trade debtors		7,642
按金、預付款及其他應收款減少/(增加)	Decrease/(increase) in deposits, prepayments and other receivables		2,161
應付賬款減少	Decrease in trade creditors		(3,285)
應付票據(減少)/增加	(Decrease)/increase in bills payable		(1,346)
其他應付款及應計費用(減少)/增加	(Decrease)/increase in other payables and accrued charges		(12,860)
合同負債(減少)/增加	(Decrease)/increase in contract liabilities		(1,236)
撥備減少	Decrease in provisions		(179)
應付關連公司款項(減少)/增加	(Decrease)/increase in amounts due to related companies		(1,006)
經營業務所用之現金	Cash used in operations	(14,896)	(61,708)

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號並調整於二零一九年四月一日之期初結餘，以就先前根據香港會計準則第17號分類為經營租賃之租賃確認使用權資產及租賃負債。先前，本集團作為承租人所繳付109,619,000元之經營租賃項下現金付款於綜合現金流量表內被分類為「經營活動」。根據香港財務報告準則第16號，除在計量租賃負債時不會計入之短期租賃付款、低價值資產租賃付款及可變租賃付款外，所有其他已付租金現時均分拆為資本部分及利息部分(參閱附註第17(c)項)並分類為融資現金流出。根據經修訂追溯法，比較資料並無重列。有關過渡至香港財務報告準則第16號之影響之進一步詳情載列於附註第1(c)項。

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise right-of-use assets and lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Previously, cash payments under operating leases made by the Group as a lessee of \$109,619,000 were classified as operating activities in the consolidated cash flow statement. Under HKFRS 16, except for short-term lease payments, payments for leases of low value assets and variable lease payments not included in the measurement of lease liabilities, all other rentals paid on leases are now split into capital element and interest element (see note 17(c)) and classified as financing cash outflows. Under the modified retrospective approach, the comparative information is not restated. Further details on the impact of the transition to HKFRS 16 are set out in note 1(c).

17 現金及現金等價物及其他現金流量資料(續)

(c) 由融資活動產生之調節表

本集團因融資活動而產生之債務的變動，包括現金及非現金變動，已詳列於下表。由融資活動產生的債務，即為該債務過去及將來的現金流，於本集團的綜合現金流量表中，會歸類為融資活動之現金流。

17 Cash and cash equivalents and other cash flow information (continued)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

		應計利息 Interest accruals 2020 (附註a) (Note a) \$'000	租賃負債 Lease liabilities 2020 \$'000	總額 Total 2020 \$'000	應計利息 Interest accruals 2019 (附註a) (Note a) \$'000	總額 Total 2019 \$'000
年初	At the beginning of the year	-	-	-	-	-
首次採納《香港財務報告準則》第16號的影響(附註(b)項)	Impact on initial application of HKFRS 16 (note (b))	-	102,900	102,900	-	-
年初(調整)	At the beginning of the year (adjusted)	-	102,900	102,900	-	-
融資現金流變動：	Changes from financing cash flows:					
利息支出	Interest paid	(126)	-	(126)	(75)	(75)
已支付租賃租金之資本部份	Capital element of lease rentals paid	-	(54,328)	(54,328)	-	-
已支付租賃租金之利息部份	Interest element of lease rentals paid	-	(3,715)	(3,715)	-	-
融資現金流變動總額	Total changes from financing cash flows	(126)	(58,043)	(58,169)	(75)	(75)
其他變動：	Other changes:					
利息支出(附註第6(a)項)	Interest expenses (note 6(a))	126	3,715	3,841	75	75
於年內新訂租賃之租賃負債增加	Increase in lease liabilities from entering into new leases during the year	-	65,339	65,339	-	-
調整－租賃修訂租金寬減(附註第11(c)項)	Adjustment – lease modifications Rent concessions (note 11(c))	-	(2,462)	(2,462)	-	-
		-	(5,458)	(5,458)	-	-
		126	61,134	61,260	75	75
年末	At the end of the year	-	105,991	105,991	-	-

附註a：銀行透支利息中已包括應計利息，已包括在綜合財務狀況表的「應付賬款及其他應付款及合同負債」內。

附註b：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號並調整於二零一九年四月一日之期初結餘，以就先前根據香港會計準則第17號分類為經營租賃之租賃確認租賃負債。參閱附註第1(c)及第17(b)項。

Note a: Interest accruals represented interests on bank overdrafts which were included in "Trade and other payables and contract liabilities" on the face of the consolidated statement of financial position.

Note b: The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. See notes 1(c) and 17(b).

17 現金及現金等價物及其他現金流量資料 (續) **17 Cash and cash equivalents and other cash flow information (continued)**

(d) 租賃現金流出總額

綜合現金流量表中包括以下租賃之金額：

(d) Total cash outflow for leases

Amounts included in the consolidated cash flow statement for leases comprise the following:

		2020 \$'000	2019 (附註) (Note) \$'000
包含在經營現金流量	Within operating cash flows	29,465	109,619
包含在融資現金流量	Within financing cash flows	58,043	-
		87,508	109,619

附註：如附註第17(b)項內闡述，採用香港財務報告準則第16號引入就租賃租金支付若干租金的現金流量的分類的變動，比較金額不予重列。

Note: As explained in the note to note 17(b), the adoption of HKFRS 16 introduces a change in classification of cash flows of certain rentals paid on leases. The comparative amounts have not been restated.

18 應付賬款及其他應付款及合同負債 **18 Trade and other payables and contract liabilities**

		二零二零年 三月三十一日 31 March 2020 \$'000	二零一九年 三月三十一日 31 March 2019 \$'000
應付賬款及其他應付款	Trade and other payables		
應付票據	Bills payable	3,489	4,954
應付賬款	Trade creditors	14,002	17,728
		17,491	22,682
其他應付款及應付費用	Other payables and accrued charges	30,075	46,506
應付關連公司款項	Amounts due to related companies	982	1,991
		48,548	71,179
合同負債	Contract liabilities		
預收貨款	Receipts in advance	3,657	5,027
		52,205	76,206

18 應付賬款及其他應付款及合同負債 (續)

(a) 應付賬款及其他應付款

應付賬款及其他應付款項下的所有金額預期於一年內清償。

應付關連公司款項為無抵押、免息及接獲通知償還。

截至本報告期末日，應付賬款及應付票據根據發票日之賬齡分析如下：

		2020 \$'000	2019 \$'000
一個月內	Within 1 month	13,425	18,136
一個月以上但三個月以內	Over 1 month but within 3 months	2,613	2,969
三個月以上但六個月以內	Over 3 months but within 6 months	904	452
超過六個月	Over 6 months	549	1,125
		17,491	22,682

(b) 合同負債

對經確認合同負債金額構成影響的一般支付條款如下：

本集團就特許安排及提供安全印刷向若干客戶收取墊款。有關墊款確認為合同負債，直至完成履行責任為止。

合同負債的變動

		2020 \$'000	2019 \$'000
年初	At the beginning of the year	5,027	5,385
因年內確認年初計入合同負債的收益而導致合同負債減少	Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(1,289)	(1,128)
因年內就特許安排及提供安全印刷向客戶收取墊款而導致合同負債增加	Increase in contract liabilities as a result of receiving advances from customers during the year in respect of the licensing arrangements and provision of security printing	53	1,253
匯兌調整	Exchange adjustments	(134)	(483)
年末	At the end of the year	3,657	5,027

所有預收款項預計將在一年內確認為收入。

18 Trade and other payables and contract liabilities (continued)

(a) Trade and other payables

All of the trade and other payables are expected to be settled within one year.

The amounts due to related companies are unsecured, interest-free and repayable on demand.

As of the end of the reporting period, the ageing analysis of trade creditors and bills payable based on invoice date is as follows:

(b) Contract liabilities

Typical payment terms which impact the amount of contract liabilities recognised are as follows:

The Group receives advances from certain customers in connection with the licensing arrangements and the provision of security printing. These advances are recognised as contract liabilities until the performance obligations are completed.

Movements in contract liabilities

All receipts in advance are expected to be recognised as income within one year.

19 銀行透支

截至二零二零年及二零一九年三月三十一日止年度，銀行透支如下：

19 Bank overdrafts

At 31 March 2020 and 2019, the bank overdrafts were as follows:

		2020 \$'000	2019 \$'000
一年內或接獲通知償還：	Repayable within one year or on demand:		
無抵押的銀行透支(附註第17(a)項)	Unsecured bank overdrafts (note 17(a))	7,485	6,777

於二零二零年及二零一九年三月三十一日，本集團所有銀行信貸融資不附帶達成財務契約的條件。

At 31 March 2020 and 2019, the Group's banking facilities were not subject to the fulfilment of any financial covenants.

20 租賃負債

下表顯示了本集團在報告期末和過渡至香港財務報告準則第16號當日的租賃負債：

20 Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current reporting period and at the date of transition to HKFRS 16:

		二零二零年 三月三十一日 31 March 2020		二零一九年 四月一日(附註) 1 April 2019 (Note)	
		最低租賃 付款額的 現值 Present value of the minimum lease payments \$'000	最低租賃 付款總額 Total minimum lease payments \$'000	最低租賃 付款額的 現值 Present value of the minimum lease payments \$'000	最低租賃 付款總額 Total minimum lease payments \$'000
一年以內	Within 1 year	59,017	59,622	52,374	54,313
一年後但二年內	After 1 year but within 2 years	26,296	27,853	27,418	29,484
二年後但五年內	After 2 years but within 5 years	10,648	11,803	13,096	14,973
五年後	After 5 years	10,030	71,820	10,012	76,931
		<u>46,974</u>	<u>111,476</u>	<u>50,526</u>	<u>121,388</u>
		<u>105,991</u>	<u>171,098</u>	<u>102,900</u>	<u>175,701</u>
減：未來利息支付總額	Less: total future interest expenses		(65,107)		(72,801)
租賃負債的淨現值	Present value of lease liabilities		<u>105,991</u>		<u>102,900</u>

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號並調整於二零一九年四月一日之期初結餘，以就先前根據香港會計準則第17號分類為經營租賃。比較資料並無重列。有關香港財務報告準則第16號之過渡期影響，參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 March 2019 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in note 1(c).

21 僱員退休福利

本集團乃按照香港《強制性公積金計劃條例》之規定，為根據香港《僱傭條例》聘用之僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃乃一項界定供款退休計劃，由獨立受託人負責管理。根據強積金計劃，僱主及僱員各須按僱員有關收入之5%向該計劃作出供款，每月有關收入之上限為30,000元。向該計劃作出之供款乃即時歸屬。

在中國境內註冊成立之附屬公司參加中國政府為中國僱員運作之界定供款退休計劃。該等供款於支付時自損益扣除。向該計劃作出之供款乃即時歸屬。

一間在台灣成立之附屬公司根據當地《勞動基準法》參與一項界定福利退休計劃。該計劃對本集團並不構成重大之影響，故沒有按香港會計師公會頒佈之《香港會計準則》第19號「僱員福利」披露。

其他在香港、中國及台灣以外司法權區境內註冊成立之附屬公司根據相應司法權區之規定，參加當地政府為僱員運作之界定供款退休計劃。該等計劃供款於支付時自損益扣除。向該計劃作出之供款乃即時歸屬。

21 Employee retirement benefits

The Group operates a Mandatory Provident Fund Scheme (the “MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of \$30,000. Contributions to the scheme vest immediately.

Subsidiaries established in the PRC participate in the defined contribution retirement schemes operated by the PRC government for employees in the PRC. Contributions to these schemes are charged to profit or loss when incurred. Contributions to the schemes vest immediately.

A subsidiary established in Taiwan participates in a defined benefit retirement plan established in accordance with the local Labour Standards Law. The scheme is not material to the Group and, therefore, the disclosures required by HKAS 19, *Employee benefits*, have not been presented.

Subsidiaries established in other jurisdictions other than Hong Kong, PRC and Taiwan participate in the defined contribution retirement schemes operated by the local government for employees in accordance with the ruling in the relevant jurisdictions. Contributions to these schemes are charged to profit or loss when incurred. Contributions to the schemes vest immediately.

22 綜合財務狀況表之所得稅

(a) 綜合財務狀況表所示之本期所得稅為：

		2020 \$'000	2019 \$'000
香港利得稅準備	Balance relating to Hong Kong Profits Tax	(174)	63
香港以外地區稅項準備	Balance relating to tax outside Hong Kong	(195)	361
		(369)	424
分析如下：	Analysed as follows:		
本期可退回稅項	Current tax recoverable	(706)	(214)
本期應付稅項	Current tax payable	337	638
		(369)	424

22 Income tax in the consolidated statement of financial position

(a) *Current taxation in the consolidated statement of financial position represents:*

22 綜合財務狀況表之所得稅 (續) 22 Income tax in the consolidated statement of financial position (continued)

(b) 已確認遞延稅項資產／負債：

- (i) 已於綜合財務狀況表確認之遞延稅項負債／(資產) 部份及本年度變動如下：

(b) Deferred tax assets and liabilities recognised:

- (i) The components of deferred tax liabilities/(assets) recognised in the consolidated statement of financial position and the movements during the year are as follows

遞延稅項來自：	Deferred tax arising from:	超出相關折舊 免稅額之折舊 Depreciation in excess of the related depreciation allowances \$'000	重估物業 Revaluation of properties \$'000	撥備 Provisions \$'000	稅項虧損之 日後利益 Future benefit of tax losses \$'000	總額 Total \$'000
於二零一八年四月一日	At 1 April 2018	(4,157)	4,480	(1,495)	(30,062)	(31,234)
匯兌調整	Exchange adjustments	-	-	125	2,400	2,525
在損益表已(計入)／扣除 (附註第7(a)項)	(Credited)/charged to profit or loss (note 7(a))	(1,031)	-	910	4,730	4,609
於二零一九年三月三十一日 及二零一九年四月一日	At 31 March 2019 and 1 April 2019	(5,188)	4,480	(460)	(22,932)	(24,100)
匯兌調整	Exchange adjustments	-	-	25	273	298
在損益表已(計入)／扣除 (附註第7(a)項)	(Credited)/charged to profit or loss (note 7(a))	4,273	(4,480)	1,181	19,882	20,856
於二零二零年三月三十一日	At 31 March 2020	(915)	-	746	(2,777)	(2,946)

- (ii) 調節至綜合財務狀況表

- (ii) Reconciliation to the consolidated statement of financial position

		2020 \$'000	2019 \$'000
在綜合財務狀況表內 確認之遞延稅項資產 淨值	Net deferred tax assets recognised in the consolidated statement of financial position	(4,226)	(25,607)
在綜合財務狀況表內 確認之遞延稅項負債 淨值	Net deferred tax liabilities recognised in the consolidated statement of financial position	1,280	1,507
		(2,946)	(24,100)

22 綜合財務狀況表之所得稅 (續) 22 Income tax in the consolidated statement of financial position (continued)

(c) 未確認之遞延稅項資產

依據附註第1(r)項之會計政策，本集團未將累計稅務虧損457,534,000元(二零一九年：291,326,000元)及其他95,015,340元暫時性差異(二零一九年：17,348,432元)確認為遞延稅項資產。因本集團未來不大可能在相關稅務管轄區產生可供沖銷該資產的應課稅利潤。本集團未確認稅項虧損為遞延稅項資產，其屆滿日期如下：

		2020 \$'000	2019 \$'000
在二零二零年十二月	In December 2020	21,983	23,915
在二零二一年十二月	In December 2021	15,234	16,204
在二零二二年十二月	In December 2022	21,472	22,495
在二零二三年十二月	In December 2023	17,772	15,276
在二零二四年十二月	In December 2024	12,563	–
在二零二五年十二月	In December 2025	2,354	2,354
在二零二六年十二月	In December 2026	1,693	1,693
在二零二七年十二月	In December 2027	170	170
在二零二八年十二月	In December 2028	896	896
在二零二九年十二月	In December 2029	5,762	–
在現行稅務法規下不會屆滿	Do not expire under current tax legislation	357,635	208,323
		457,534	291,326

(d) 未確認之遞延稅項負債

於二零二零年三月三十一日，有位於中國之附屬公司未派發溢利之暫時性差額為12,493,720元(二零一九年：25,037,000元)。鑒於本公司控制該附屬公司之股息政策，而該附屬公司亦已決定在可見將來極可能不派發溢利，導致並未確認可能因分派該等保留溢利所產生預提稅項而涉及之遞延稅項負債為624,686元(二零一九年：1,252,000元)。

(c) *Deferred tax assets not recognised*

In accordance with the accounting policy set out in note 1(r), the Group has not recognised deferred tax assets in respect of cumulative tax losses of \$457,534,000 (2019: \$291,326,000) and other temporary differences of \$95,015,340 (2019: \$17,348,432) as it is not probable that future taxable profits against which the assets can be utilised will be available in the relevant tax jurisdictions. The Group has not recognised deferred tax assets in respect of tax losses, whose expiry dates are:

(d) *Deferred tax liabilities not recognised*

At 31 March 2020, temporary differences relating to the undistributed profits of a subsidiary based in the PRC amounted to \$12,493,720 (2019: \$25,037,000). Deferred tax liabilities of \$624,686 (2019: \$1,252,000) have not been recognised in respect of the withholding tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of this subsidiary and it has been determined that it is probable that profits of this subsidiary will not be distributed in the foreseeable future.

23 撥備

23 Provisions

		潛在中國 關稅及彌償 保證負債 (附註23(a)項) Potential PRC customs duties and indemnity liabilities (Note 23(a)) \$'000	虧損合同 (附註23(b)項) Onerous contracts (Note 23(b)) \$'000	總額 Total \$'000
於二零一八年四月一日	Balance at 1 April 2018	120,266	–	120,266
計提撥備	Provisions made	–	10,600	10,600
已使用撥備	Provisions utilised	(1,418)	–	(1,418)
匯兌調整	Exchange adjustments	841	–	841
於二零一九年三月三十一日	Balance at 31 March 2019	119,689	10,600	130,289
首次採納《香港財務報告 準則》第16號的影響	Impact on initial application of HKFRS 16	–	(10,600)	(10,600)
於二零一九年四月一日	Adjusted balance at 1 April 2019	119,689	–	119,689
經調整餘額				
已使用撥備	Provisions utilised	(179)	–	(179)
撥備回撥	Reversal of provisions	(120,420)	–	(120,420)
匯兌調整	Exchange adjustments	910	–	910
於二零二零年三月三十一日	At 31 March 2020	–	–	–

(a) 於截至二零一三年三月三十一日止年度，中華人民共和國海關總處拱北海關（「拱北海關」）就進口中國內地「Aquascutum」品牌產品向本集團一間附屬公司展開實地審核。

根據本公司與Aquascutum Holdings Limited 買方（「買方」）於二零一七年二月二十八日訂立的出售協議，本集團向買方提供合約責任彌償保證，此合約責任彌償保證期由二零一七年十一月二十三日到二零一九年五月二十二日止，唯Aquascutum Holdings Limited及其附屬公司產生的潛在稅項及徵費（如有）除外，此等合約責任彌償保證期限至二零二四年十一月二十二日止。

截至二零一八年三月三十一日止年度，根據拱北海關的實地審核情況及法律顧問對實地審核以及上文提述因出售協議而引伸的合約責任彌償保證的意見，按照管理層的最佳估算，提撥136,319,000元作為稅務風險及合約責任彌償保證撥備和繳付拱北海關16,053,000元作為按金。

(a) During the year ended 31 March 2013, Gongbei Customs District of the General Administration of Customs, PRC (“Gongbei Customs”) initiated a field audit on a subsidiary of the Group in respect of its import of Aquascutum products to Mainland China.

According to the disposal agreement dated 28 February 2017 entered into between the Company and the purchaser of Aquascutum Holdings Limited (the “Purchaser”), a contractual indemnity was provided by the Group to the Purchaser for a period from the completion date of the disposal of Aquascutum Holdings Limited of 23 November 2017 to 22 May 2019 except for potential claims, if any, in relation to taxes and levies arising from Aquascutum Holdings Limited and its subsidiaries which will be up to 22 November 2024.

During the year ended 31 March 2018, with reference to the status of the field audit carried out by Gongbei Customs and relevant advice from legal counsels on the field audit as well as the contractual indemnity arising from the disposal agreement, a provision of \$136,319,000 was made for the tax exposure and contractual indemnity based on the best estimate of the management and \$16,053,000 have been paid to Gongbei Customs as deposits.

23 撥備 (續)

截至二零一九年三月三十一日止年度，潛在中國關稅及合約責任彌償保證的索償及解決，並無進一步發展。因此，管理層認為於二零一九年三月三十一日的潛在中國關稅及合約責任彌償保證維持撥備119,689,000元是適當的。

於二零二零年三月三十一日止年度，拱北海關將上述稅務調查的目標由本集團的其中一間附屬公司轉為協助本集團於被調查期內從事進口商品之進出口公司。於二零一九年十月，拱北海關要求該等進出口公司支付相關的少繳關稅及進口增值稅，與相關遲繳附加費，合共為9,355,000元，該款項已由本集團在拱北海關同意的情況下支付。於二零二零年一月至三月期間，拱北海關向本集團退回合共6,075,000元，即已付15,430,000元的金額減去上述追繳稅項9,355,000元的餘額。

根據本集團從法律顧問所獲得的法律意見，上述調查已經完結，本集團之附屬公司不會因調查事件承擔進一步負債。再者，買方於合同彌償期內並無就合約責任彌償保證提出索償。因此，於截至二零二零年三月三十一日止年度的損益表尚未動用的撥備120,420,000元撥回入賬。

- (b) 撥備是針對香港業務的某些商店的虧損合同而計提。根據這些合同，履行義務的不可避免成本超過了預期由這些商店的銷售產生的經濟利益。因此，在「分銷成本」中確認虧損合同撥備。

本集團於二零一九年四月一日已初步採納香港財務報告準則第16號，當中乃應用經修訂的追溯方法和調整於二零一九年四月一日的期初結餘，以將根據香港會計準則第17號原先分類為經營租賃有關租賃的租賃負債確認入賬，其中包括於二零一九年三月三十一日確認虧損合約撥備有關的零售商店租賃。

23 Provisions (continued)

During the year ended 31 March 2019, there was no further development in connection with the demand and settlement of the potential PRC customs duties and the contractual indemnity. Therefore, the management considered that it is appropriate to maintain the provision for potential PRC customs duties and indemnity liabilities of \$119,689,000 as at 31 March 2019.

During the year ended 31 March 2020, Gongbei Customs changed the target of the above tax case from a subsidiary of the Group to certain import/export companies who assisted the Group on import of goods during the period subject to challenge by Gongbei Customs. In October 2019, Gongbei Customs demanded those import/export companies for payment of the underpaid customs duty and import value-added tax, with related late payment surcharge amounted to \$9,355,000 which were borne by the Group as agreed with Gongbei Customs. During January and March 2020, Gongbei Customs refunded a total of \$6,075,000 to the Group which was the remaining balance of the deposits paid of \$15,430,000 less the demanded taxes of \$9,355,000 as mentioned above.

Based on the legal opinion obtained by the Group, the above case is considered closed and the subsidiary of the Group would not be subject to further liability arising from this case. Outstanding provision of \$120,420,000 is therefore reversed in the profit or loss during the year ended 31 March 2020.

- (b) The provision was made for onerous contracts for certain stores of the Hong Kong operation during the year ended 31 March 2019. Under these contracts, the unavoidable cost of meeting the obligations have exceeded the economic benefits expected to be derived from the sales generated by these stores. The provision for onerous contracts was recognised in “distribution costs”.

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases where were previously classified as operating leases under HKAS 17, including the leases of retail stores for which the provision for onerous contracts was made at 31 March 2019.

24 股本、儲備及股息

24 Capital, reserves and dividends

(a) 權益部分變動

本集團之綜合權益中各部分的年初及年末調節於綜合權益變動表內列載。本公司之各個權益部分的年初及年末變動詳情列載如下：

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

本公司

Company

		附註 Note	股本 Share capital \$'000	保留溢利 Retained profits \$'000	總額 Total \$'000
於二零一八年四月一日	Balance at 1 April 2018		383,909	184,546	568,455
權益變動：	Changes in equity:				
本年度溢利及全面收益	Profit and total comprehensive income for the year		-	187,782	187,782
過往年度已批准及已付股息	Dividends approved and paid in respect of the previous year	24(b)(ii)	-	(82,932)	(82,932)
本年度已宣派及已付中期股息	Interim dividend declared and paid in respect of the current year	24(b)(i)	-	(33,173)	(33,173)
於二零一九年三月三十一日 及二零一九年四月一日	Balance at 31 March 2019 and 1 April 2019		383,909	256,223	640,132
權益變動：	Changes in equity:				
本年度虧損及全面收益	Loss and total comprehensive income for the year		-	(72,387)	(72,387)
過往年度已批准及已付股息	Dividends approved and paid in respect of the previous year	24(b)(ii)	-	(33,173)	(33,173)
本年度已宣派及已付中期股息	Interim dividend declared and paid in respect of the current year	24(b)(i)	-	(16,586)	(16,586)
於二零二零年三月三十一日	Balance at 31 March 2020		383,909	134,077	517,986

附註：

本集團已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。採用香港財務報告準則第16號對本公司二零一九年四月一日的財務狀況表並無重大影響。

Note:

The Group, including the Company, has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. The initial adoption of HKFRS 16 does not have any significant impact on the statement of financial position of the Company at 1 April 2019.

24 股本、儲備及股息 (續)

24 Capital, reserves and dividends (continued)

(b) 股息

- (i) 本年度應佔之應付本公司權益股東股息

(b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the year

		2020 \$'000	2019 \$'000
已宣派及已付中期股息普通股 每股10仙(二零一九年：每股20仙)	Interim dividend declared and paid of 10 cents (2019: 20 cents) per ordinary share	16,586	33,173
於本報告期末日後建議分派末期 股息普通股每股零仙 (二零一九年：每股20仙)	Final dividend proposed after the end of the reporting period of Nil cents (2019: 20 cents) per ordinary share	-	33,173
		<u>16,586</u>	<u>66,346</u>

於本報告期末日後建議分派之
末期股息尚未在本報告期末日
確認為負債。

The final dividend proposed after the end of the reporting
period has not been recognised as a liability at the end of
the reporting period.

- (ii) 就上個財政年度應付本公司權益股東應佔股息(已於年內獲批准及已付)

- (ii) Dividends payable to equity shareholders of the Company
attributable to the previous financial year, approved and paid
during the year

		2020 \$'000	2019 \$'000
上個財政年度之末期股息普通股 每股20仙(已於年內獲批准及已付) (二零一九年：每股50仙)	Final dividend in respect of the previous financial year, approved and paid during the year, of 20 cents (2019: 50 cents) per ordinary share	33,173	82,932

(c) 已發行股本

(c) Issued share capital

		2020		2019	
		股數 No. of shares ('000)	\$'000	股數 No. of shares ('000)	\$'000
已發行及繳足股本 普通股： 年初及年末	Ordinary shares, issued and fully paid: At the beginning and the end of the year	<u>165,864</u>	<u>383,909</u>	<u>165,864</u>	<u>383,909</u>

根據香港《公司條例》第135條，本公司之普通股並無面值。

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

普通股持有人有權收取不時宣派之股息，且每持有一股擁有一票在本公司會議上之投票權。所有普通股均對本公司剩餘資產享有同等權益。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

24 股本、儲備及股息 (續)

(d) 儲備之性質及用途

(i) 外匯儲備

外匯儲備包括折算海外業務財務報表所產生之所有匯兌差額。該儲備根據附註第1(u)項所載之會計政策處理。

(ii) 重估儲備

重估儲備指在改變投資物業用途時持作自用之土地和建築物的重估盈餘。儲備根據附註第1(g)項所載的會計政策處理。

(e) 可供分派儲備

於二零二零年三月三十一日，根據香港公司條例第6部計算，本公司可供分派予本公司股權持有人的儲備總額為134,077,000元(二零一九年：256,223,000元)。於本報告期末日後，董事建議派發末期股息每股普通股零仙(二零一九年：20仙)，金額為零元(二零一九年：33,173,000元)(附註第24(b)(i)項)。

(f) 資本管理

本集團管理資本之主要目標為保障本集團能夠繼續按持續經營基準經營，從而透過與風險水平相對應之產品及服務定價以及按合理成本進行融資，繼續為股東帶來回報及為其他利益相關者創造利益。

本集團積極及定期檢討及管理其資本架構，以便在較高股東回報情況下可能取得較高借貸水平與良好資本狀況帶來之好處及保障之間取得平衡，並因應經濟環境之變化對資本架構作出調整。

根據行業慣例，本集團按債務淨額對經調整資本比率監察其資本架構。就此而言，本集團將債務淨額界定為總債務(包括計息貸款及借貸以及應付賬款及合同負債及租賃負債)加非累計擬派股息，減現金及現金等價物。經調整資本包括所有權益部份減非累計擬派股息。

24 Capital, reserves and dividends (continued)

(d) Nature and purpose of reserves

(i) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside Hong Kong. The reserve is dealt with in accordance with the accounting policies set out in note 1(u).

(ii) Revaluation reserve

The revaluation reserve represents the surplus on revaluation of land and buildings held for own use upon change of use to investment properties. The reserve is dealt with in accordance with the accounting policies set out in note 1(g).

(e) Distributability of reserves

At 31 March 2020, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of Part 6 of the Hong Kong Companies Ordinance was 134,077,000 (2019: \$256,223,000). After the end of the reporting period, the directors proposed a final dividend of Nil cents (2019: 20 cents) per ordinary share, amounting to \$Nil (2019: \$33,173,000) (note 24(b)(i)).

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between a higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, the Group defines net debt as total debt (which includes interest-bearing loans and borrowings, trade and other payables and contract liabilities and lease liabilities) plus unaccrued proposed dividends, less cash and cash equivalents. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

24 股本、儲備及股息 (續)

24 Capital, reserves and dividends (continued)

(f) 資本管理 (續)

本集團使用經修改追溯法首次應用香港財務報告準則第16號。根據此方法，本集團自二零一九年四月一日起就幾乎所有先前以經營租賃入賬的租賃項目確認使用權資產和相應租賃負債。這導致本集團的總債務顯著增加，因此本集團於二零一九年四月一日經調整淨債務資本比率與二零一九年三月三十一日的狀況相比，由(31)%上升至(15)%。

本集團於本報告期末及過往報告期末以及過渡至香港財務報告準則第16號日期的經調整淨債務資本比率如下：

(f) Capital management (continued)

The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group recognizes right-of-use assets and corresponding lease liabilities for almost all leases previously accounted for as operating leases as from 1 April 2019. This caused a significant increase in the Group's total debt and hence the Group's adjusted net debt-to-capital ratio rose from (31)% to (15)% on 1 April 2019 when compared to its position as at 31 March 2019.

The Group's adjusted net debt-to-capital ratio at the end of the current and previous reporting periods and at the date of transition to HKFRS 16 was as follows:

		二零二零年 三月三十一日	二零一九年 四月一日 (附註)	二零一九年 三月三十一日 (附註)
		附註 Note	1 April 2019 (Note)	31 March 2019 (Note)
		\$'000	\$'000	\$'000
流動負債：	Current liabilities:			
應付賬款及其他應付款 及合同負債	Trade and other payables and contract liabilities	18	76,206	76,206
銀行透支	Bank overdrafts	19	6,777	6,777
租賃負債	Lease liabilities	20	52,374	-
			<u>135,357</u>	<u>82,983</u>
非流動負債	Non-current liability:			
租賃負債	Lease liabilities	20	50,526	-
			<u>50,526</u>	<u>-</u>
債務總額	Total debt		185,883	82,983
加：擬派股息	Add: Proposed dividends	24(b)(i)	33,173	33,173
減：現金及現金等價物	Less: Cash and cash equivalents	17(a)	(321,901)	(321,901)
現金淨額	Adjusted net debt		<u>(102,845)</u>	<u>(205,745)</u>
權益總額	Total equity		704,568	704,568
減：擬派股息	Less: Proposed dividends	24(b)(i)	(33,173)	(33,173)
經調整資本	Adjusted capital		<u>671,395</u>	<u>671,395</u>
債務淨額對經調整資本 比率	Adjusted net debt-to-capital ratio		<u>(15)%</u>	<u>(31)%</u>

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號並調整於二零一九年四月一日之期初結餘，以就先前根據香港會計準則第17號分類為經營租賃之租賃確認租賃負債。在此方法下，不重列比較資料。參閱附註第1(c)項。

本公司及其任何附屬公司均不受外部施加之資本規定限制。

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Under this approach, the comparative information is not restated. See note 1(c).

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

25 金融風險管理及金融工具公允價值

本集團會在正常業務過程中出現信貸、流動資金、利率和外幣風險。本集團亦因持有作買賣用途之證券而面對買賣證券的價格風險。

本集團涉及有關風險，並透過以下財務管理政策及慣常做法管理有關風險。

(a) 信貸風險

信貸風險指交易對方違約其合約責任導致本集團財務虧損的風險。

本集團的信貸風險主要來自貿易及其他應收款項，非流動租賃按金及作買賣用途之證券。本集團因現金及現金等價物而產生的信貸風險有限，因為對手方為信用評級良好的銀行，本集團為此認為信用風險較低。

管理層制定了信貸政策，並持續監控這些信貸風險。信貸風險的最大風險由綜合財務狀況表中每項金融資產的賬面值表示。

非流動租賃按金及預付款項主要包括從零售門店及商場業主的應收賬款，近期並無重大違約事件。

本集團涉及的信貸風險主要取決於零售門店及商場業主的個別狀況。本集團與眾多零售門店及商場業主合作，並無高度集中的信貸風險。

本集團只投資於在認可證券交易所或信用評級良好的銀行／金融機構報價的流動性金融資產。

就貿易及其他應收款項而言，個別信貸評估是對所有需要超過一定金額的信貸的客戶進行的。這些評估側重於客戶過去的到期付款歷史和當前的支付能力，並考慮客戶特定的信息以及與客戶經營所處的經濟環境有關的信息。貿易債務人應在結算日起90天內到期。通常，本集團不會從客戶處獲得抵押品。

本集團所承受之信貸風險乃受各客戶個別特徵影響。有關客戶之業務行業及其國家的違約風險亦會影響信貸風險，惟程度較小。因此，本集團只會承受個別客戶之重大風險時才會產生高度集中的信貸風險。於二零二零年及二零一九年三月三十一日，無個別客戶的餘額超過本集團的應收賬款及其他應收款的十分一。

25 Financial risk management and fair values of financial instruments

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to trading securities price risk arising from the trading securities held by the Group.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

The Group's credit risk is primarily attributable to trade and other receivables, non-current rental deposits and trading securities. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks with sound credit rating, for which the Group considers to have low credit risk.

Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

Non-current rental deposits primarily comprise of amounts receivable from the landlords of retail outlets and shopping malls with no recent history of material defaults.

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each landlord of retail outlets and shopping malls. The Group has worked with a large number of landlords of retail outlets and shopping malls and there is no significant concentration of credit risk.

The Group only invests in liquid financial assets quoted on a recognised stock exchange or banks/financial institutions with sound credit rating.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade debtors are due within 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customer operates and therefore significant concentrations of credit risk only arise if the Group has significant exposure to individual customer. At 31 March 2020 and 2019, no individual customer with whom balance has exceeded 10% of the Group's trade and other receivables.

25 金融風險管理及金融工具公允值 (續)

(a) 信貸風險 (續)

本集團以等於整個存續期的預計信貸虧損的金額計量貿易債務人的損失撥備，該金額使用撥備矩陣計算。由於本集團的歷史信用損失經驗並未表明不同客戶群的損失模式存在顯著差異，因此基於過期狀態的損失撥備不會進一步區分本集團的不同客戶群。

本集團有關貿易債務人信貸風險及預期信貸風險資料如下表所示：

		預計虧損率 Expected loss rate	2020 總賬面金額 Gross carrying amount \$'000	損失撥備 Loss allowance \$'000
本期 (未過期)	Current (not past due)	0.0%	12,693	–
超過一個月	Overdue within 1 month	0.0%	1,008	–
超過一個月 但三個月內	Overdue over 1 month but within 3 months	0.0%	765	–
超過三個月 但十二個月內	Overdue over 3 months but within 12 months	51.3%	6,033	(3,095)
超過十二個月	Overdue over 12 months	100.0%	6,328	(6,328)
			<u>26,827</u>	<u>(9,423)</u>

		預計虧損率 Expected loss rate	2019 總賬面金額 Gross carrying amount \$'000	損失撥備 Loss allowance \$'000
本期 (未過期)	Current (not past due)	0.0%	19,774	–
超過一個月	Overdue within 1 month	0.0%	1,429	–
超過一個月 但三個月內	Overdue over 1 month but within 3 months	0.0%	1,997	–
超過三個月 但十二個月內	Overdue over 3 months but within 12 months	26.0%	3,367	(877)
超過十二個月	Overdue over 12 months	100.0%	7,176	(7,176)
			<u>33,743</u>	<u>(8,053)</u>

25 Financial risk management and fair values of financial instruments (continued)

(a) Credit risk (continued)

The Group measures loss allowance for trade debtors at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade debtors:

25 金融風險管理及金融工具公允值 (續) **25 Financial risk management and fair values of financial instruments (continued)**

(a) 信貸風險 (續)

年內貿易債務人的損失撥備賬變動如下：

		2020 \$'000	2019 \$'000
於年初	At the beginning of the year	8,053	12,536
匯兌調整	Exchange adjustments	(256)	(1,105)
已確認減值虧損	Impairment loss recognised	5,039	872
減值虧損回撥	Reversal of impairment loss	(3,413)	(5,804)
撇銷不可收回之金額	Uncollectible amounts written off	-	1,554
於年末	At the end of the year	9,423	8,053

(a) Credit risk (continued)

Movement in the loss allowance account in respect of trade debtors during the year is as follows:

(b) 流動資金風險

本集團內個別營運實體須自行負責現金管理，包括將現金盈餘作短期投資及籌集貸款以應付預期之現金需求(惟借貸額超過預先釐定之授權水平時須獲得本公司董事會批准)。本集團之政策為定期監察流動資金需求及遵守放款契諾(如有)，以確保其維持足夠現金儲備及來自主要財務機構之充足承諾資金額度，以應付其長短期之流動資金需求。

下表就本集團於本報告期末日非衍生財務負債之尚餘合約期限作出分析，有關期限乃按合約未貼現現金流量(包括使用合約利率計算之利息付款；倘為浮息，則按結算日當時之利率計算)以及本集團可能須付款之最早日期計算。

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to the approval by the Company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants (if any), to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table shows the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

25 金融風險管理及金融工具公允價值 (續)

(b) 流動資金風險 (續)

		2020					三月三十一日賬面值 Carrying amount at 31 March \$'000
		合約未貼現的現金流出 Contractual undiscounted cash outflows					
	一年內 或按通知 Within 1 year or on demand \$'000	一年以上 但不足 兩年 More than 1 year but less than 2 years \$'000	兩年以上 但不足 五年 More than 2 years but less than 5 years \$'000	五年以上 More than 5 years \$'000	總額 Total \$'000		
銀行透支	Bank overdrafts	7,485	-	-	-	7,485	7,485
應付票據	Bills payable	3,489	-	-	-	3,489	3,489
應付賬款	Trade creditors	14,002	-	-	-	14,002	14,002
其他應付款 及應計費用	Other payables and accrued charges	30,072	-	-	-	30,072	30,072
應付關連 公司款項	Amounts due to related companies	985	-	-	-	985	985
租賃負債 (附註)	Lease liabilities (note)	59,622	27,853	11,803	71,820	171,098	105,991
		<u>115,655</u>	<u>27,853</u>	<u>11,803</u>	<u>71,820</u>	<u>227,131</u>	<u>162,024</u>

		2019					三月三十一日賬面值 Carrying amount at 31 March \$'000
		合約未貼現的現金流出 Contractual undiscounted cash outflows					
	一年內 或按通知 Within 1 year or on demand \$'000	一年以上 但不足 兩年 More than 1 year but less than 2 years \$'000	兩年以上 但不足 五年 More than 2 years but less than 5 years \$'000	五年以上 More than 5 years \$'000	總額 Total \$'000		
銀行透支	Bank overdrafts	6,777	-	-	-	6,777	6,777
應付票據	Bills payable	4,954	-	-	-	4,954	4,954
應付賬款	Trade creditors	17,728	-	-	-	17,728	17,728
其他應付款 及應計費用	Other payables and accrued charges	46,506	-	-	-	46,506	46,506
應付關連 公司款項	Amounts due to related companies	1,991	-	-	-	1,991	1,991
		<u>77,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,956</u>	<u>77,956</u>

附註：本集團使用經修改追溯法首次應用香港財務報告準則第16號，並於二零一九年四月一日調整期初結餘以對先前根據香港會計準則第17號分類為經營租賃的租賃確認租賃負債。租賃負債包括在過渡至香港財務報告準則第16號日期就先前根據香港會計準則第17號分類為經營租賃確認租賃的金額，以及就年內訂立新租賃的金額。根據此方法，比較資料不予重列。參閱附註第1(c)項。

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Lease liabilities include amounts recognised at the date of transition to HKFRS 16 in respect of leases previously classified as operating leases under HKAS 17 and amounts relating to new leases entered into during the year. Under this approach, the comparative information is not restated. See note 1(c).

25 金融風險管理及金融工具公允值 (續) 25 Financial risk management and fair values of financial instruments (continued)

(c) 利率風險

本集團之利率風險主要來自銀行透支。按可變利率借入之借貸使本集團承受現金流量利率風險。本集團監控其固定利率及可變利率借貸水平，並管理計息財務資產及負債之合約期限。管理層監控之本集團利率概況載列如下：

(i) 利率概況

下表詳列本集團之借貸於本報告期末日之利率概況。

		2020		2019	
		實際利率 %		實際利率 %	
		Effective interest rate		Effective interest rate	
		%	\$'000	%	\$'000
固定利率借貸	Fixed rate borrowings:				
租賃負債 (附註)	Lease liabilities (note)	3.29	105,991	N/A	–
可變利率借貸：	Variable rate borrowings:				
銀行透支	Bank overdrafts	1.18	7,485	1.04	6,777
借貸總額	Total borrowings		<u>113,476</u>		<u>6,777</u>
固定利率借貸按總借貸的百分比	Fixed rate borrowings as a percentage of total borrowings		<u>93%</u>		<u>0%</u>

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號並調整於二零一九年四月一日之期初結餘，以就先前根據香港會計準則第17號分類為經營租賃之租賃確認租賃負債。在此方法下，不重列比較資料。參閱附註第1(c)項。

(ii) 敏感度分析

於二零二零年三月三十一日，假設所有其他變數保持不變，利率整體上升／下降100個基點估計會導致本集團之除稅後虧損上升／下降及保留溢利下降／上升約52,000元(二零一九年：本集團之除稅後溢利及保留溢利下降／上升約45,000元)。綜合權益之其他部份將不會因利率整體上升／下降而受到影響。

上述敏感度分析反映本集團之除稅後虧損／溢利(及保留溢利)因利率變動而產生之年度化利息支出或收入的影響作估計。二零一九年的分析按同一基準進行。

(c) Interest rate risk

The Group's interest rate risk arises primarily from bank overdrafts. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group monitors the level of its fixed rate and variable rate borrowings and manages the contractual terms of the interest-bearing financial assets and liabilities. The Group's interest rate profile as monitored by management is set out below:

(i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the end of the reporting period.

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Under this approach, the comparative information is not restated. See note 1(c).

(ii) Sensitivity analysis

At 31 March 2020, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's loss after tax and decreased/increased retained profits by approximately \$52,000 (2019: decreased/increased the Group's profit after tax and retained profits by approximately \$45,000). Other components of consolidated equity would not be affected in response to the general increase/decrease in interest rates.

The sensitivity analysis above indicates the impact on the Group's loss/profit after tax (and retained profits) that would arise assuming that there is an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for 2019.

25 金融風險管理及金融工具公允值 (續)

(d) 外幣風險

本集團涉及之外幣風險主要來自因買賣交易產生之外幣(即該交易並非以相關業務之功能貨幣進行)為單位之應收賬款、應付賬款及現金結存。引致此項風險之貨幣主要為美元、英鎊、歐元、人民幣及日圓。

鑒於港元與美元掛鈎，管理層預期美元兌港元的匯率並不會有重大波動，並認為美元的外幣風險甚微。然而，管理層認為，本集團面臨其他貨幣匯率變動之風險。如果出現短期的失衡情況，本集團會在必要時按現貨匯率買賣外幣，以確保將淨風險額度維持在可接受的水平。

本集團之借貸均以借取貸款之實體之功能貨幣計值，或倘功能貨幣為港元之本集團公司，則以港元或美元計值。因此，管理層並不預期本集團之借貸會涉及任何重大之外幣風險。

(i) 承受外幣風險

下表詳列本集團於本報告期末日所承受之外幣風險，該等外幣風險乃因所涉實體之已確認資產或負債以其功能貨幣以外之貨幣計值而產生。基於呈報目的，外幣風險額以結算日之即期匯率換算為港元列示。將海外業務之財務報表換算成本集團之功能貨幣所產生之差額並不包括在內。

		承受外幣風險(以港元列示) Exposure to foreign currencies (expressed in HKD)									
		美元 United States Dollars		英鎊 Pound Sterling		歐元 Euro		人民幣 Renminbi Yuan		日圓 Japanese Yen	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
應收賬款及 其他應收款	Trade and other receivables	3,920	4,752	-	-	375	379	21	6	-	-
現金及 現金等價物	Cash and cash equivalents	1,272	2,780	121	130	796	2,916	13,234	23,884	364	424
應付賬款及 其他應付款 及合同負債	Trade and other payables and contract liabilities	(436)	(1,691)	-	-	(6,271)	(6,284)	(824)	(829)	(524)	(475)
		4,756	5,841	121	130	(5,100)	(2,989)	12,431	23,061	(160)	(51)

(d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars ("USD"), Pound Sterling ("GBP"), Euros, Renminbi Yuan and Japanese Yen.

As the Hong Kong dollars ("HKD") is pegged to the USD, management does not expect any significant movements in the USD/HKD exchange rate and considers the exposure to foreign currency risk in relation to the USD to be low. However, management acknowledges that it is exposed to fluctuations in the exchange rate for other currencies and the Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

All the Group's borrowings are denominated in the functional currency of the entity taking out the loan or, in the case of the Group's entities whose functional currency is HKD, in either HKD or USD. Given this, management does not expect that there will be any significant currency risk associated with the Group's borrowings.

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposures are shown in HKD, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of operations outside Hong Kong into the Group's presentation currency are excluded.

25 金融風險管理及金融工具公允價值 (續)

(d) 外幣風險 (續)

(ii) 敏感度分析

下表列示倘於本報告期末日本集團承擔重大風險的貨幣匯率於當日發生變動而其他變量保持不變，對本集團的稅後溢利 (及保留溢利) 產生的即時變化。鑒於如此，本集團假定港元及美元之間之掛鈎匯率受美元對其他貨幣之匯率變動影響甚微。

25 Financial risk management and fair values of financial instruments (continued)

(d) Currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss/profit after tax (and retained profits) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rates between the HKD and the USD would be materially unaffected by any changes in movement in value of the USD against other currencies.

		2020		2019	
		對除稅後虧損之減少 / (增加) 及保留溢利之增加 / (減少)		對除稅後溢利之增加 / (減少) 及保留溢利	
		Decrease / (increase) in loss after tax and increase / (decrease) in retained profits		Increase / (decrease) in profit after tax and retained profits	
		匯率上升 / (下跌)	匯率上升 / (下跌)	匯率上升 / (下跌)	匯率上升 / (下跌)
		Increase / (decrease) in foreign exchange rates	Increase / (decrease) in foreign exchange rates	Increase / (decrease) in foreign exchange rates	Increase / (decrease) in foreign exchange rates
		%	%	%	%
英鎊	Pound Sterling	5	6	5	7
		(5)	(6)	(5)	(7)
歐元	Euros	5	(258)	5	(101)
		(5)	258	(5)	101
人民幣	Renminbi Yuan	5	663	5	1,194
		(5)	(663)	(5)	(1,194)
日圓	Japanese Yen	5	(6)	5	(2)
		(5)	6	(5)	2

上表所列的敏感度分析代表本集團各實體於本報告期末日以個別功能貨幣計量 (為呈報目的，已按本報告期末日之匯率兌換為港元) 之本年度除稅後虧損 / 溢利和權益之即時合併影響。

敏感性分析已假設外幣匯率之變動已用於重新計量本集團所持有並於本報告期末日使本集團面臨外幣風險之金融工具。此分析不包括將香港以外業務之財務報表換算成本集團之呈列貨幣所產生之差額。二零一九年的分析按同一基準進行。

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' loss/profit after tax and equity measured in the respective functional currencies, translated into HKD at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of operations outside Hong Kong into the Group's presentation currency. The analysis is performed on the same basis for 2019.

25 金融風險管理及金融工具公允值 (續)

(e) 股價風險

本集團須承受持作買賣證券所產生之價格變動風險(參閱附註第14項)。

購買或出售作買賣用途之證券的決定是基於每日監測個別金融資產的表現與預期相比，以及本集團的流動資金需求。

於二零二零年三月三十一日，估計綜合財務報表中本集團的作買賣用途之證券的市值增加或減少5% (二零一九年：5%)，而所有其他變數保持不變，則會減少或增加本集團稅後溢利(及增加或減少保留溢利) 920,000元(二零一九年：增加或減少本集團除稅後溢利及保留溢利 916,000元)。分析在二零一九年以相同的基礎進行。

(f) 公允值計量

(i) 公允值入賬之金融資產及負債

公允值架構

本集團金融工具之公允值於本報告期末日按經常性基準計量。持作買賣用途之證券分為香港財務報告準則第13號「公允價值計量」所界定的三級公允值架構的第一級，使用估值所用輸入數據釐定(參閱附註第11(b)(i)項)。

於截至二零二零年及二零一九年三月三十一日止年度，於第一級與第二級之間，或轉入至或轉出自第三級概無轉移。本集團的政策是於產生轉移的報告期末確認公允值架構之間的轉移。

(ii) 以公允值以外入賬之金融工具的公允值

所有其他以成本或攤銷成本列賬之金融工具的賬面值與二零二零年及二零一九年三月三十一日之公允值並無重大差異。

25 Financial risk management and fair values of financial instruments (continued)

(e) Price risk

The Group is exposed to price changes arising from the trading securities (see note 14).

Decisions to buy or sell trading securities are based on daily monitoring of the performance of the securities compared to the expectations, as well as the Group's liquidity needs.

At 31 March 2020, it is estimated that an increase or decrease of 5% (2019: 5%) in the market value of the Group's trading securities, with all other variables held constant, would have decreased/increased the Group's loss after tax and increased/decreased the Group's retained profits by \$920,000 (2019: increased/decreased the Group's profit after tax and retained profits by \$916,000). The analysis is performed on the same basis for 2019.

(f) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The fair value of the Group's financial instruments are measured at the end of the reporting period on a recurring basis. The fair value of the trading securities falls within Level 1 of the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*, based on the inputs used in the valuation technique (see note 11(b)(i)).

During the years ended 31 March 2020 and 2019, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy at the end of the reporting period in which they occur.

(ii) Fair values of financial instruments carried at other than fair value

All other financial assets and liabilities carried at cost or amortised cost are carried at amounts not materially different from their fair values as at 31 March 2020 and 2019.

26 承擔

於二零一九年三月三十一日，根據不可解除之經營租賃在日後應付之最低租賃付款額總數如下：

		物業 Properties \$'000	其他 Others \$'000	總數 Total \$'000
一年內	Within 1 year	88,665	2,305	90,970
一年後但五年內	After 1 year but within 5 years	42,404	–	42,404
五年後	After 5 years	76,931	–	76,931
		<u>208,000</u>	<u>2,305</u>	<u>210,305</u>

本集團為根據租賃(先前根據香港會計準則第17號分類為經營租賃)持有的若干物業和辦公室設備的承租人。本集團使用經修改追溯法首次應用香港財務報告準則第16號。根據此方法，本集團於二零一九年四月一日調整期初結餘以確認與該等租賃相關租賃負債(見附註第1(c)項)。自二零一九年四月一日起，未來租賃付款乃根據附註第1(i)項所載政策於綜合財務狀況表內確認為租賃負債，有關本集團未來租賃付款之詳情載於附註第20項。

27 重大關聯人士交易

除在本綜合財務報表其他地方所披露之交易及結餘外，本集團與重大關聯人士進行以下交易。

(a) 主要管理人員的交易

所有主要管理人員均為本公司之董事，董事酬金已於附註第8項披露。

26 Commitment

At 31 March 2019, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

The Group is the lessee in respect of a number of properties and office equipment held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to these leases (see note 1(c)). From 1 April 2019 onwards, future lease payments are recognised as lease liabilities in the consolidated statement of financial position in accordance with the policies set out in note 1(i), and the details regarding the Group's future lease payments are disclosed in note 20.

27 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions.

(a) Transactions with key management personnel

All members of key management personnel are the directors of the Company, and their emoluments are disclosed in note 8.

27 重大關聯人士交易(續)

- (b) 與長江製衣有限公司，其附屬公司(「長江製衣集團」)進行之交易及向其支付之數額(本公司若干董事乃同時為長江製衣集團及本集團之控股股東)：

		2020	2019
		\$'000	\$'000
購入成衣商品	Purchases of garment products	11,166	16,241
已付及應付物業租金 (附註ii)	Rental expenses paid and payable on properties (note ii)	6,000	6,009
已付及應付管理費	Management fees paid and payable	804	804
已付及應付大廈管理費	Building management fees paid and payable	180	180

財務安排	Financing arrangement	相關年度應付 本集團的數額		相關年度的利息支出	
		Amount owed by the Group as at 31 March		Related interest expense for the year ended 31 March	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
租賃負債(附註ii)	Lease liabilities (note ii)	14,330	-	-	-

附註：

- (i) 若干董事及彼等之聯繫人士統稱為長江製衣集團及本集團之控股股東(定義參閱上市規則)，因此，以上交易構成本集團之持續關連交易(定義參閱上市規則第14A章)。上市規則第14A章所規定的披露事項載於董事會報告「關連交易」一節。
- (ii) 於二零一七年三月，本集團就長江製衣集團的若干租賃物業訂立為期三年的租賃，以作辦公室使用。截至二零二零年三月三十一日止年度，本集團根據租賃應支付的租金為每月500,000元，金額乃經參考市場租金而釐定。於香港財務報告準則第16號過渡日期，本集團已選擇不就租賃其餘下租期於首次應用香港財務報告準則第16號當日起計12個月內屆滿應用香港財務報告準則第16號有關租賃的規定。由於該租賃於二零二零年三月三十一日屆滿，因此該租賃在截至二零二零年三月三十一日止年度繼續根據香港會計準則第17號入賬及報告。

於二零二零年三月，本集團就上述相同的租賃物業訂立為期三年的租賃。本集團根據租賃應支付的租金為每月400,000元，金額乃經參考市場租金而釐定。於租賃之租賃修訂日，本集團根據香港財務報告準則第16號確認使用權資產及租賃負債為14,330,000元。根據經修改追溯法，比較資料不予重列。參閱附註第1(c)項。

Note:

- (i) As certain directors and their associates are collectively the controlling shareholders (as defined in the Listing Rules) of Yangtzekiang Garment Group and the Group, the above transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in the section "Connected transactions" in the Directors' Report.
- (ii) In March 2017, the Group entered into a three-year lease in respect of certain leasehold properties from Yangtzekiang Garment Group for its own office use. The amount of rent payable by the Group under the lease is \$500,000 per month for the year ended 31 March 2020, which was determined with reference to market rent. On the date of transition of HKFRS 16, the Group elected not to apply the requirements of HKFRS 16 in respect of the leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16. As the lease term of the lease ends on 31 March 2020, the lease continues to be accounted for and reported under HKAS 17 during the year ended 31 March 2020.

In March 2020, the Group entered into a three-year lease in respect of the same leasehold properties mentioned above. The amount of rent payable by the Group under the lease is \$400,000 per month, which was determined with reference to market rent. At the date of lease modification of the lease, the Group recognised a right-of-use asset and a lease liability of \$14,330,000 under HKFRS 16. Under the modified retrospective approach, the comparative information is not restated. See note 1(c).

27 重大關聯人士交易 (續)

(c) 於二零二零年三月三十一日應付關連公司結餘如下：

		2020 \$'000	2019 \$'000
應付長江製衣集團款項	Amounts due to YangtzeKiang Garment Group	982	1,991

與關連公司之結餘乃無抵押、免息及按通知即時償還。

27 Material related party transactions (continued)

(c) Outstanding balances due to related companies as at 31 March 2020:

The outstanding balances with related companies are unsecured, interest-free and repayable on demand.

28 出售附屬公司

出售 Squash International Limited (「Squash International」)

於二零一九年一月十日，本集團與一位獨立第三方身簽訂買賣合同，出售 Squash International，本集團一附屬公司，(其持有一項位於澳門持作出租的店舖) 全部已發行股本，現金代價為 220,000,000 元。其交易已於二零一九年一月十四日完成。

出售 Squash International 對本集團的資產及負債有如下影響：

28 Disposal of subsidiary

Disposal of Squash International Limited (“Squash International”)

On 10 January 2019, the Group entered into a sale and purchase agreement with an independent third party for the sale of the entire issued share capital of Squash International, a subsidiary of the Group, which held an investment property in Macau, for a total cash consideration of \$220,000,000. The transaction was completed on 14 January 2019.

The disposal of Squash International had the following effect on the Group's assets and liabilities.

		附註 Note	2019 \$'000
投資物業	Investment properties	11(a)	88,200
應收賬款及其他應收款	Trade and other receivables		5
應付賬款及其他應付款及合同負債	Trade and other payables and contract liabilities		(1,969)
出售之淨可識別資產	Net identifiable assets disposed of		86,236
直接歸因於出售之其他成本	Other costs directly attributable to the disposal		4,254
出售附屬公司之收益淨額	Net gain on disposal of a subsidiary		129,510
以現金支付	Satisfied by cash		220,000

出售附屬公司的相關投資物業的重估儲備為 85,797,000 元並直接計入保留溢利。

The revaluation reserve related to the investment property of \$85,797,000 was released directly to retained profits upon the disposal of the subsidiary.

有關出售 Squash International 之淨現金流入分析如下：

An analysis of the net cash inflow in respect of the disposal of Squash International was as follow:

		2019 \$'000
已收取之代價，以現金支付	Consideration received, satisfied by cash	220,000
直接歸因於出售列作支出之其他成本	Other costs directly attributable to the disposal charged as expenses	(4,254)
計入投資活動產生現金流之現金之淨流入	Net cash inflow included in cash flows generated from investing activities	215,746

29 公司層面財務狀況表

29 Company-level statement of financial position

		附註 Note	2020 \$'000	2019 (附註) (Note) \$'000
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment		14,330	–
附屬公司權益	Interests in subsidiaries		62,780	233,136
遞延所得稅資產	Deferred tax assets		6	8
			<u>77,116</u>	<u>233,144</u>
流動資產	Current assets			
其他應收款	Other receivables		802	4,377
應收附屬公司款項	Amounts due from subsidiaries		417,462	341,219
本期可退回稅項	Current tax recoverable		286	–
現金及現金等價物	Cash and cash equivalents		103,721	223,779
			<u>522,271</u>	<u>569,375</u>
流動負債	Current liabilities			
其他應付款	Other payables		11,170	15,380
應付附屬公司款項	Amounts due to subsidiaries		55,902	55,538
租賃負債	Lease liabilities		4,890	–
本期應付稅項	Current tax payable		–	150
撥備	Provisions		–	91,319
			<u>71,962</u>	<u>162,387</u>
流動資產淨值	Net current assets		<u>450,309</u>	<u>406,988</u>
總資產減流動負債	Total assets less current liabilities		<u>527,425</u>	<u>640,132</u>
非流動負債	Non-current liability			
租賃負債	Lease liabilities		9,439	–
資產淨值	NET ASSETS		<u>517,986</u>	<u>640,132</u>
股本及儲備	CAPITAL AND RESERVE	24(a)		
股本	Share capital		383,909	383,909
儲備	Reserve		134,077	256,223
權益總額	TOTAL EQUITY		<u>517,986</u>	<u>640,132</u>

附註：

本公司已於二零一九年四月一日首次採用香港財務報告準則第16號並選擇使用經修訂追溯法，在此方法下，不重列比較資料。參閱附註第1(c)項。而首次採用香港財務報告準則第16號並沒有對本公司於二零一九年四月一日的財務狀況表有重大影響。

董事會於二零二零年六月二十九日核准及授權公佈。

陳永燊)
)
) 董事
周陳淑玲)
)

Note:

The Company has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 1(c). The initial adoption of HKFRS 16 does not have any material impact on the statement of financial position of the Company at 1 April 2019.

Approved and authorised for issue by the board of directors on 29 June 2020.

Chan Wing Sun, Samuel)
)
) Directors
Chan Suk Ling, Shirley)
)

30 報告期後非調整事項

由新型冠狀病毒大流行引起目前不利狀況在業界乃前所未見。本集團預計，大流行將帶來更深遠的影響，導致來年的經營業績將進一步惡化。

鑑於大流行導致無法預測未來發展，管理層現階段難以準確評估對本集團財務業績的財務影響。本集團將密切監察疫情發展，並通過削減成本及經常性開支以保持營運資金充裕，將對本集團財務狀況和經營成果的影響降至最低。

31 比較資料

本集團於二零一九年四月一日首次使用經修訂的追溯性方法應用香港財務報告準則第16號。根據該方法，比較資料並無重列。會計政策變更詳情於附註第1(c)項作進一步披露。

32 直接及最終控股公司

於二零二零年三月三十一日，董事認為本集團的直接母公司及最終控股公司為Chan Family Investment Corporation Limited，其於開曼群島註冊成立。該公司未提供可供大眾使用的財務報表。

33 已頒佈但尚未對截至二零二零年三月三十一日止年度生效之修訂、新準則及詮釋可能造成之影響

截至本財務報表刊發日期，香港會計師公會已頒佈多項修訂及新準則，該等修訂及新準則尚未對截至二零二零年三月三十一日止年度生效，亦未於本綜合財務報表中採納。有關修訂及新準則包括下列與本集團有關之項目。

	於下列日期或之後 開始的會計期間生效		Effective for accounting periods beginning on or after
香港財務報告準則第3號之修訂、 業務之定義	二零二零年一月一日	Amendments to HKFRS 3, <i>Definition of a business</i>	1 January 2020
香港會計準則第1號及香港會計準則 第8號之修訂、重大之定義	二零二零年一月一日	Amendments to HKAS 1 and HKAS 8, <i>Definition of a material</i>	1 January 2020

本集團現正評估此等修訂、新準則及詮釋於初步採納時所產生之影響。現階段本集團並未發現某些新訂的準則可能對綜合財務報表構成重大影響。

30 Non-adjusting event after the reporting period

The current adverse situation caused by the Covid-19 pandemic is unseen in the industry ever before. The Group expected its operating results will be further deteriorated in the coming year when deeper impact from the pandemic will be realised.

Given the unpredictability of future developments brought by the pandemic, it is difficult for management to precisely assess the financial impact on the Group's financial performance at this stage. The Group will closely monitor the development of the outbreak and minimise the impact on the financial position and operating results of the Group by cutting costs and overheads to preserve working capital.

31 Comparative figures

The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 1(c).

32 Immediate and ultimate controlling party

At 31 March 2020, the directors consider the immediate and ultimate controlling party of the Group to be Chan Family Investment Corporation Limited, which is incorporated in the Cayman Islands. This entity does not provide financial statements available for public use.

33 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2020

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard which are not yet effective for the year ended 31 March 2020 and which have not been adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group:

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

主要附屬公司 Principal Subsidiaries

於二零二零年三月三十一日 At 31 March 2020

下表僅列出對本集團的業績、資產或負債有主要影響的附屬公司資料。除另有列明外，所持有股份類別均為普通股。

這些公司均為受控附屬公司(定義參閱附註第1(d)項)，並已在本集團的財務報表綜合處理。

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

All of these are controlled subsidiaries as defined under note 1(d) and have been consolidated into the Group's consolidated financial statements.

公司名稱 Name of company	註冊成立/ 成立及經營地點 Place of incorporation/ establishment and business	已發行及 繳足股本資料 Particulars of issued and paid up capital	所有權權益 百分率 Percentage of ownership interest	主要業務 Principal activities
馬獅龍有限公司 Michel René Limited	香港 Hong Kong	10,000 shares	100	成衣批發及零售 Garment wholesaling and retailing
長江拓展有限公司 YGM Marketing Limited	香港 Hong Kong	2 shares	100	投資控股及成衣批發及零售 Investment holding, and garment wholesaling and retailing
YGM Apparel Hong Kong Limited	香港 Hong Kong	2 shares	100	成衣批發及零售 Garment wholesaling and retailing
YGM Asset Management Limited	香港 Hong Kong	2 shares	100	物業投資 Property investment
YGM市場拓展(澳門)有限公司# YGM Marketing (Macau) Limited #	澳門 Macau	100,000 shares	100	成衣零售 Garment retailing
姬龍雪有限公司# Guy Laroche Limited #	香港 Hong Kong	2 shares	100	成衣批發 Garment wholesaling
揚子江商業有限公司#### YGM Trading Company Limited #####	中華人民共和國 The PRC	US\$1,000,000	100	成衣批發及零售 Garment wholesaling and retailing
上海姬揚商貿有限公司#### Shanghai Ji Yang Trading Company Limited #####	中華人民共和國 The PRC	RMB500,000	100	成衣批發及零售 Garment wholesaling and retailing
Michel René Enterprises Limited***	英屬處女群島 British Virgin Islands	50,000 shares	68	成衣批發及零售 Garment wholesaling and retailing
Luk Hop Garments Limited #	香港 Hong Kong	2 shares *10 shares	100	物業投資 Property investment
東方聯盟有限公司# Far East Gate Limited #	香港 Hong Kong	60,600,000 shares	99	物業投資 Property investment
百樂恆有限公司# Parahood Limited #	香港 Hong Kong	6,000 shares	80	物業投資 Property investment
香港安全系統有限公司# Hong Kong Security Systems Limited #	香港 Hong Kong	2 shares	100	投資控股 Investment holding
香港安全印刷有限公司# Hong Kong Security Printing Limited #	香港 Hong Kong	100 shares	100	安全印刷、一般商業印務及買賣 印刷產品及投資控股 Provision of security printing, general business printing and trading of printing products and investment holding
近訊系統控股有限公司# NF Systems Holding Limited #	香港 Hong Kong	100,000 shares	95	投資控股 Investment holding

主要附屬公司 Principal Subsidiaries

於二零二零年三月三十一日 At 31 March 2020

公司名稱 Name of company	註冊成立/ 成立及經營地點 Place of incorporation/ establishment and business	已發行及 繳足股本資料 Particulars of issued and paid up capital	所有權權益 百分率 Percentage of ownership interest	主要業務 Principal activities
近訊系統有限公司 [#] NF Systems Limited [#]	香港 Hong Kong	1 share	95	認證及電子防偽解決方案之開發 Development of authentication and electronic forgery detection solutions
Société Guy Laroche [#]	法國 France	EUR1,239,000	100	擁有及許可使用商標 Trademark ownership and licensing
YGM Studio Limited	香港 Hong Kong	21,061,000 shares **46,800,000 shares	100	投資控股 Investment holding
YGM Consortium Limited	香港 Hong Kong	2 shares	100	投資控股 Investment holding
YGM Retail Limited	香港 Hong Kong	2 shares	100	擁有及許可使用商標 Trademark ownership and licensing

所有已發行股本均為普通股股份或註冊股本，但以下各項除外：

* 為無投票權遞延股份。

** 為無投票權優先股。

All the issued share capital represents ordinary shares or registered capital except where noted by:

* Represent non-voting deferred shares.

** Represent non-voting preference shares.

此外，*** 代表於台灣經營的 Michel René Enterprises Limited。

In addition, *** represents Michel René Enterprises Limited which operates in Taiwan.

[#] 指並非由畢馬威會計師事務所審核的公司。

^{##} 該等公司的英文譯名只供參考，其正確名稱以中文為主。

^{###} 該等公司為中國註冊成立的外商獨資投資企業。

[#] Companies not audited by KPMG.

^{##} The English translation of the companies name are for reference only. The official name of the companies are in Chinese.

^{###} These are wholly foreign owned enterprises registered in the PRC.

