



英皇鐘錶珠寶有限公司  
EMPEROR WATCH & JEWELLERY LIMITED

於香港註冊成立之有限公司（股份代號：887）  
Incorporated in Hong Kong with limited liability (Stock Code: 887)



Annual Report 2021 年報

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# CORPORATE INFORMATION AND KEY DATES

## 公司資料及重要日期

### DIRECTORS

Cindy Yeung (*Chairperson*)  
Ng Koon Keung, Ricky (*Chief Executive Officer*)  
Wong Chi Fai  
Fan Man Seung, Vanessa  
Chan Sim Ling, Irene\*  
Liu Hing Hung\*  
Chan Wiling, Yvonne\*

\* Independent Non-executive Directors

### 董事

楊諾思 (*主席*)  
吳冠強 (*行政總裁*)  
黃志輝  
范敏嫦  
陳嬋玲\*  
廖慶雄\*  
陳慧玲\*

\* 獨立非執行董事

### COMPANY SECRETARY

Chung Ho Ying, Frina

### 公司秘書

鍾好英

### EXECUTIVE COMMITTEE

Cindy Yeung (*Chairperson*)  
Ng Koon Keung, Ricky  
Wong Chi Fai  
Fan Man Seung, Vanessa

### 執行委員會

楊諾思 (*主席*)  
吳冠強  
黃志輝  
范敏嫦

### AUDIT COMMITTEE

Liu Hing Hung (*Chairman*)  
Chan Sim Ling, Irene  
Chan Wiling, Yvonne

### 審核委員會

廖慶雄 (*主席*)  
陳嬋玲  
陳慧玲

### REMUNERATION COMMITTEE

Chan Wiling, Yvonne (*Chairperson*)  
Wong Chi Fai  
Liu Hing Hung

### 薪酬委員會

陳慧玲 (*主席*)  
黃志輝  
廖慶雄

### NOMINATION COMMITTEE

Chan Sim Ling, Irene (*Chairperson*)  
Fan Man Seung, Vanessa  
Chan Wiling, Yvonne

### 提名委員會

陳嬋玲 (*主席*)  
范敏嫦  
陳慧玲

### CORPORATE GOVERNANCE COMMITTEE

Fan Man Seung, Vanessa (*Chairperson*)  
Chan Sim Ling, Irene  
Liu Hing Hung  
a representative from company secretarial function  
a representative from finance and accounts function

### 企業管治委員會

范敏嫦 (*主席*)  
陳嬋玲  
廖慶雄  
一名公司秘書職能代表  
一名財務會計職能代表

### INVESTOR RELATIONS CONTACT

Luk Man Ching, Anna  
Email: [ir@emperorgroup.com](mailto:ir@emperorgroup.com)

### 投資者關係查詢

陸文靜  
電郵: [ir@emperorgroup.com](mailto:ir@emperorgroup.com)

### WEBSITE

<https://www.emperorwatchjewellery.com>

### 網站

<https://www.emperorwatchjewellery.com>

### STOCK CODE

Hong Kong Stock Exchange: 887

### 股份代號

香港聯合交易所: 887

## REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

25th Floor  
Emperor Group Centre  
288 Hennessy Road  
Wanchai  
Hong Kong

## 註冊辦事處及 主要營業地點

香港  
灣仔  
軒尼詩道288號  
英皇集團中心  
25樓

## SHARE REGISTRAR

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

## 股份過戶登記處

卓佳秘書商務有限公司  
香港  
皇后大道東183號  
合和中心54樓

## AUDITOR

Deloitte Touche Tohmatsu  
Certified Public Accountants  
Registered Public Interest Entity Auditor  
35th Floor, One Pacific Place  
88 Queensway  
Hong Kong

## 核數師

德勤•關黃陳方會計師行  
執業會計師  
註冊公眾利益實體核數師  
香港  
金鐘道88號  
太古廣場一期35樓

## PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Hang Seng Bank Limited  
The Bank of East Asia, Limited  
Industrial and Commercial Bank of China (Asia) Limited  
China Construction Bank (Asia) Corporation Limited

## 主要往來銀行

香港上海滙豐銀行有限公司  
恒生銀行有限公司  
東亞銀行有限公司  
中國工商銀行(亞洲)有限公司  
中國建設銀行(亞洲)股份有限公司

## KEY DATES

Annual Results Announcement	23 March 2022
Final Dividend	HK0.35 cent per share
– Latest Time to Lodge Transfers	31 May 2022 (before 4:30 p.m.)
– Book Close Dates	1 and 2 June 2022 (both days inclusive)
– Record Date	2 June 2022
– Payment Date	17 June 2022
2022 Annual General Meeting	26 May 2022
– Last Time to Lodge Transfers	20 May 2022 (before 4:30 p.m.)

## 重要日期

年度業績公告	2022年3月23日
末期股息	每股0.35港仙
– 遞交過戶文件的最後限期	2022年5月31日 (下午4時30分前)
– 暫停辦理股份 過戶登記日期	2022年6月1日及2日 (包括首尾兩日)
– 記錄日期	2022年6月2日
– 派付日期	2022年6月17日
2022股東週年大會	2022年5月26日
– 遞交過戶文件最後限期	2022年5月20日 (下午4時30分前)

## CORPORATE COMMUNICATIONS

This annual report (in both English and Chinese versions) is available to any shareholder of the Company ("Shareholders") either in printed form or on the websites of The Stock Exchange of Hong Kong Limited (<https://www.hkexnews.hk>) and the Company. In order to protect the environment, the Company highly recommends the Shareholders to receive electronic copy of this annual report. Shareholders may have the right to change their choice of receipt of our future Corporate Communications at any time by reasonable notice in writing to the Company's Share Registrar, Tricor Secretaries Limited, by post or by email at [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com).

## 公司通訊

本公司提供任何股東(「股東」)選擇以印刷本或於香港聯合交易所有限公司網站(<https://www.hkexnews.hk>)及本公司之網站收取本年報(中、英文版本)。為支持環保,本公司極力推薦各股東選擇以電子版本收取本年報。股東有權隨時以合理之書面通知形式,或透過郵寄或電郵([is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com))向本公司之股份過戶登記處「卓佳秘書商務有限公司」,更改所選擇日後收取公司通訊之方式。

# RESULTS HIGHLIGHTS

## 業績亮點

The board of directors (the “Board” or “Directors”) of Emperor Watch & Jewellery Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2021 (the “Year”).

英皇鐘錶珠寶有限公司（「本公司」）之董事會（「董事會」或「董事」）宣佈本公司及其附屬公司（統稱「本集團」）截至2021年12月31日止年度（「本年度」）之經審核綜合業績。

<i>HK\$ million</i> 百萬港元	<b>For the year ended 31 December</b> 截至12月31日止年度		<b>Changes</b> 變動
	2020	2021	
Revenue 收入	2,627	<b>3,927</b>	<b>+ 49.5%</b>
Gross profit 毛利	840	<b>1,230</b>	<b>+ 46.4%</b>
Adjusted EBITD* 經調整EBITD*	160	<b>365</b>	<b>+ 128.1%</b>
Net profit 淨利潤	34	<b>205</b>	<b>+ 502.9%</b>
Basic earnings per share 每股基本盈利	HK0.50 cent 港仙	<b>HK3.02 cents</b> 港仙	<b>+ 504.0%</b>
Final dividend per share 每股末期股息	HK0.15 cent 港仙	<b>HK0.35 cent</b> 港仙	<b>+ 133.3%</b>

\* Adjusted EBITD represents earnings before interest, tax and depreciation charge on the self-owned flagship store, which reflects the Group's core operating performance. The Group has fully adopted the HKFRS 16, which amortisation of right-of-use assets associated with rental lease agreements were included.

\* 經調整EBITD為利息、稅項及自家擁有旗艦店的折舊費用前之盈利，以反映本集團之核心營運表現。本集團已全面採納香港財務報告準則第16號，已包括與租賃合約有關的使用權資產攤銷。



## RESULTS

With the improved business performance in the mainland China and Hong Kong markets, the Group's total revenue increased by 49.5% to HK\$3,926.6 million (2020: HK\$2,626.6 million) during the Year. Regarding results by geographical segment, the mainland China market showed a strong rebound during the Year, with revenue from this market increasing by 56.7% to HK\$1,227.8 million (2020: HK\$783.3 million), accounting for 31.3% (2020: 29.8%) of the total revenue. In Hong Kong, the relatively stabilised pandemic situation provided support to domestic consumption, hence the revenue from the Hong Kong market increased by 38.4% to HK\$1,739.3 million (2020: HK\$1,256.6 million), accounting for 44.3% (2020: 47.8%) of the total revenue. In terms of revenue by product segment, the sales revenue from watch and jewellery segments increased to HK\$3,268.9 million (2020: HK\$2,056.2 million) and HK\$657.7 million (2020: HK\$570.4 million), respectively, accounting for 83.3% (2020: 78.3%) and 16.7% (2020: 21.7%) of the total revenue.

Gross profit increased to HK\$1,229.5 million (2020: HK\$840.1 million), while the gross profit margin was 31.3% (2020: 32.0%). As a result of the increase in revenue and better operating leverage, the Group's net profit surged 502.9% to HK\$204.7 million (2020: HK\$34.0 million) during the Year. Basic earnings per share was HK3.02 cents (2020: HK0.5 cent). The Group has recommended the payment of a final dividend of HK0.35 cent (2020: HK0.15 cent) per share. Together with the interim dividend of HK0.55 cent (2020: Nil) per share, the total dividends for the Year are HK0.9 cent (2020: HK0.15 cent) per share.

## 業績

隨著中國內地及香港市場的業務表現改善，本集團於本年度的總收入增加49.5%至3,926,600,000港元（2020年：2,626,600,000港元）。按地區分部劃分的業績而言，中國內地市場於本年度呈現強勁反彈，該市場的收入增加56.7%至1,227,800,000港元（2020年：783,300,000港元），佔總收入的31.3%（2020年：29.8%）。於香港，相對穩定的疫情為本地消費提供支持，因此香港市場的收入增加38.4%至1,739,300,000港元（2020年：1,256,600,000港元），佔總收入的44.3%（2020年：47.8%）。按產品分部劃分的收入而言，鐘錶及珠寶分部的銷售收入分別增加至3,268,900,000港元（2020年：2,056,200,000港元）及657,700,000港元（2020年：570,400,000港元），佔總收入的83.3%（2020年：78.3%）及16.7%（2020年：21.7%）。

毛利增加至1,229,500,000港元（2020年：840,100,000港元），而毛利率為31.3%（2020年：32.0%）。由於收入增長及經營槓桿改善，本集團於本年度的淨利潤飆升502.9%至204,700,000港元（2020年：34,000,000港元）。每股基本盈利為3.02港仙（2020年：0.5港仙）。本集團已建議派付末期股息每股0.35港仙（2020年：0.15港仙）。連同中期股息每股0.55港仙（2020年：無），本年度股息總額為每股0.9港仙（2020年：0.15港仙）。



### MARKET REVIEW

During the first half of the Year, the Covid-19 pandemic stabilised around the world, and the global economy was on track towards recovery. The public's daily activities broadly returned to normal and consumption sentiment further revived, hence there was a significant recovery in the retail industry. Domestic purchasing power stayed strong in mainland China, contributing to an upward trend in its consumption market. Relaxation of the travel restrictions within the Greater Bay Area by the Chinese government has also benefited the Greater Bay Area cities. In Hong Kong, although it was still affected by the closure of the major borders, local consumption was stable and business performance continued to improve.

Nevertheless, in the second half of the Year, various policies announced by the Chinese Government plus credit crises of the mainland China property industry have adversely impacted the China economy. With a high base in the second half of the previous year, the growth rate of the mainland China consumption market began slowing in the second half of the Year. Closer to the end of the Year, the Omicron variant of Covid-19 started to invade various countries and drove the numbers of cases to new highs. The first mainland China and Hong Kong Omicron cases were discovered in December 2021, prompting the governments to immediately tighten measures, inevitably affecting consumption sentiment.

### 市場回顧

於本年度上半年，新冠病毒疫情在世界各地維持穩定，全球經濟步入復甦軌道。大眾日常生活基本恢復正常及消費情緒進一步回暖，零售業因此顯著復甦。中國內地的本土購買力保持強勁，帶動消費市場呈上升趨勢。中國政府放寬大灣區內之旅行限制亦使大灣區城市受惠。雖然香港仍受主要邊境關閉之影響，但本地消費穩定，經營表現持續改善。

然而，於本年度下半年，中國政府出台的多項政策加上中國內地房地產行業的信貸危機對中國經濟造成了不利影響。由於去年下半年基數較高，本年度下半年中國內地消費市場之增速開始放緩。臨近本年度年底，Omicron變種新冠病毒開始入侵各個國家，並將病例數目推至新高。於2021年12月，中國內地及香港發現了首宗Omicron病例，促使政府立即加強措施，不可避免地影響消費情緒。



## BUSINESS REVIEW

The Group is a leading retailer of European-made internationally renowned watches, together with self-designed fine jewellery products under its own brand, “**Emperor Jewellery**”. The Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since July 2008.

The Group has established a retail network of approximately 100 stores across Hong Kong, Macau, mainland China, Singapore and Malaysia, as well as several online shopping platforms. With a history of nearly 80 years, the Company carries a balanced and comprehensive watch dealership list. The target customers range from middle to high income groups worldwide. The Group’s core strategy focuses on maintaining its position as a leading watch and jewellery retailing group in Greater China, coupled with an eye on expansion beyond the region.

### Presence in Prime Retail Locations

As at 31 December 2021, the Group had 99 stores in Hong Kong, Macau, mainland China, Singapore and Malaysia. The distribution was as follows:

		Number of stores 店舖數目
Hong Kong	香港	30
Macau	澳門	5
Mainland China	中國內地	55
Singapore	新加坡	8
Malaysia	馬來西亞	1
<b>Total</b>	<b>總數</b>	<b>99</b>

These stores include self-branded “**Emperor Jewellery**” stores, dedicated watch boutiques and multi-brand watch stores (with or without jewellery counters).

Over the years, the Group has built a strategic sales network in prime shopping areas as well as popular residential districts, particularly in Hong Kong and mainland China. Within mainland China, more than 70% of its stores are located in first tier and new first tier cities, which fits the Group’s customer targeting and market positioning. The Group also successfully expanded its presence in Singapore and Malaysia, to enhance its footprint and brand exposure beyond Greater China.

## 業務回顧

本集團主要銷售享譽國際之歐洲製鐘錶及旗下「**英皇珠寶**」品牌之自家設計的高級珠寶首飾，為零售商之翹楚。本公司於2008年7月在香港聯合交易所有限公司主板上市。

本集團之零售網絡設有約100間店舖，遍及香港、澳門、中國內地、新加坡及馬來西亞，亦設有數個線上購物平台。本公司擁有近80載之歷史，代理均衡而全面的鐘錶品牌。目標顧客群為遍及全球各地的中至高收入人士。本集團的核心策略為保持其於大中華地區作為領先鐘錶及珠寶零售集團的地位，同時放眼大中華以外地區以擴展業務。

### 覆蓋黃金零售地段

於2021年12月31日，本集團於香港、澳門、中國內地、新加坡及馬來西亞擁有99間店舖，其分佈如下：

該等店舖包括自有品牌「**英皇珠寶**」店、鐘錶專賣店及多品牌鐘錶店（附設或不設珠寶櫃檯）。

多年來，本集團已於香港以及中國內地的黃金購物地段及受歡迎之住宅區建立具策略性的銷售網絡。於中國內地，70%以上的店舖位於一線及新一線城市，符合本集團的客戶目標及市場定位。本集團亦成功延伸據點至新加坡及馬來西亞，以擴大其在大中華地區以外的足跡及品牌曝光率。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

During the Year, the Group opened one jewellery store in Hong Kong, and one dedicated watch boutique and five jewellery stores in mainland China, to further expand market coverage.

### Solidifying Leading Position

With its long-standing history, the Group is a trusted partner of and maintains solid relationships with major high end luxury Swiss watch brand suppliers, thereby continuing to hold a comprehensive portfolio of watch dealerships and maintaining its leading position, especially in Hong Kong. The Group actively participates in co-marketing campaigns and events with brands, highlighting new products and connecting the customers in a personalised way.

### Enhancing the Jewellery Business

The Group offers premium quality “*Emperor Jewellery*” products with a dedication to design excellence and craftsmanship. The spectacular “*Emperor Jewellery*” range features a variety of precious gem stones with a key focus on diamonds and jadeites. “*Emperor Jewellery*” unveils unique collections of exquisite designs that embrace and nurture different clusters of customers.

During the Year, the Group highlighted the *Nuò by Cindy Yeung* “*Sautoir*” High Jewellery Collection – a tribute to the contemporary women. The “*Sautoir*” is inspired by an iconic design of 20th century women’s fashion, the Sautoir necklace, which evokes the image of the modern women in a new era. A mix of classic beauty and contemporary chic, the collection reveals the unique grace of women. In order to enhance engagements with local consumers, the Group launched many promotional and VIP events during the Year.

於本年度，本集團於香港開設一間珠寶店，並於中國內地開設一間鐘錶專賣店及五間珠寶店，進一步擴大市場覆蓋。

### 鞏固領導地位

憑藉其悠久歷史，本集團為主要高級豪華瑞士鐘錶品牌供應商信賴的合作夥伴，並與該等供應商維持穩固的關係，從而繼續擁有全面組合之鐘錶代理權，並維持其領導地位，尤其是香港。本集團積極參加與各大品牌合辦之市場推廣活動，重點宣傳新產品並與顧客建立個人化聯繫。

### 加強珠寶業務

本集團堅持以優秀設計及工藝，為顧客提供優質「*英皇珠寶*」產品。富麗堂皇的「*英皇珠寶*」系列呈獻多款珍貴寶石，當中以鑽石及翡翠玉石為主。「*英皇珠寶*」推出之珠寶系列均設計精緻、獨一無二，能迎合及滿足不同顧客群體。

於本年度，本集團重點推介 *Nuò by Cindy Yeung* 「*Sautoir* (長流不息)」高級珠寶系列，向現代女性致敬。「*Sautoir*」以上世紀20年代女性時裝史上的劃時代設計 Sautoir 長項鍊為靈感，象徵新女性形象，以及新時代的來臨。該系列集合古典與時尚氣息，華麗與唯美，發揮女性獨有的優雅韻味。為加強與本地消費者的互動，本集團於本年度推出眾多推廣及尊貴客戶活動。





### PROSPECTS

The luxury market has been picking up during the Year. Nevertheless, with local Omicron cases detected in mainland China and Hong Kong, the governments have again tightened social distancing measures after stability of the pandemic for almost a year, aiming to bring the strain under control as soon as possible. This has led to delays in reopening borders among mainland China, Hong Kong and Macau, which in turn undoubtedly dampened market sentiment and impeded full market recovery.

On the other hand, against the backdrop of volatile stock and property markets, some luxury items with value retention and appreciation potential are alternatives for certain investors. Besides, cooped-up consumers may tend to pamper themselves with high-ticket consumption amid the pandemic. Coupled with the expansion of the middle-income group in mainland China, the Group believes that the mainland China market will be an important driver of the Group's business growth in the near future. The Group will therefore continue to enhance its retail network in mainland China through cautious expansion.

With both opportunities and challenges ahead, the Group will closely monitor the changes in market trends as well as consumer behaviour, so that it can promptly adjust its strategy as appropriate. The Group will also strive to maintain healthy inventory levels by meticulously adjusting the product portfolio and replenishment. Given the importance of social media in product promotions, the Group will continue to showcase and promote its products on mobile apps and social media platforms. Although a full recovery is yet to come, the Group will be prepared in order to reap the benefits when opportunities arise.

### 前景

於本年度，奢侈品市場持續復甦。然而，隨著在中國內地和香港發現Omicron本地病例，政府在疫情穩定近一年後再次收緊社交距離措施，旨在盡快控制疫情。這導致中國內地、香港和澳門三地之間的邊境重開有所延遲，繼而無疑損害了市場情緒並阻礙了市場的全面復甦。

另一方面，在股市和樓市波動的背景下，一些具有保值及增值潛力的奢侈品成為部分投資者的選擇。此外，在疫情期間，受壓抑的消費者可能會縱容自己進行高價消費。加上中國內地中等收入群體的擴大，本集團相信中國內地市場在不久的將來將成為本集團業務增長的重要驅動力。因此，本集團將繼續通過謹慎擴張加強其在中國內地的零售網絡。

同時面對機遇與挑戰，本集團將密切關注市場趨勢及消費者行為之變化，在適當的時候及時調整其策略。本集團亦將通過精心地調整產品組合及補貨，努力維持穩健的庫存水平。鑒於社交媒體在產品推廣中的重要性，本集團將繼續在手機應用程式及社交媒體平台上展示與推廣其產品。儘管全面復甦尚未到來，但本集團將做好準備，以便在機會出現時獲得裨益。

### FINANCIAL REVIEW

#### Capital Structure, Liquidity and Financial Resources

Bank balances and cash on hand of the Group as at 31 December 2021 increased to HK\$556.3 million (2020: HK\$405.1 million), which were mainly denominated in Hong Kong dollars and Renminbi. As at 31 December 2021, the Group had total bank borrowings of approximately HK\$165.5 million (2020: HK\$638.7 million) and was in a net cash position, hence its net gearing ratio (calculated on the basis of bank borrowings less cash and cash equivalents over net asset value) was zero (2020: 5.1%). The Group also had available un-utilised banking facilities of approximately HK\$942.7 million.

As at 31 December 2021, the Group's current assets and current liabilities were approximately HK\$3,435.6 million (2020: HK\$3,585.3 million) and HK\$535.4 million (2020: HK\$1,027.3 million), respectively. Current ratio and quick ratio of the Group were 6.4 (2020: 3.5) and 1.4 (2020: 0.5), respectively.

In view of the Group's financial position as at 31 December 2021, the Directors considered that the Group has sufficient working capital for its operations and future development plans.

### 財務回顧

#### 資本架構、流動資金及財務資源

於2021年12月31日，本集團之銀行結餘及手頭現金增加至556,300,000港元（2020年：405,100,000港元），主要以港元及人民幣計值。於2021年12月31日，本集團之總銀行借貸約為165,500,000港元（2020年：638,700,000港元），並處於淨現金狀況，因此淨負債比率（以銀行借貸減去現金和現金等價物除以資產淨值之比率計算）為零（2020年：5.1%）。本集團亦有可供動用但未動用之銀行融資約942,700,000港元。

於2021年12月31日，本集團之流動資產及流動負債分別約為3,435,600,000港元（2020年：3,585,300,000港元）及535,400,000港元（2020年：1,027,300,000港元）。本集團之流動比率及速動比率分別為6.4（2020年：3.5）及1.4（2020年：0.5）。

鑒於本集團於2021年12月31日的財務狀況，董事認為本集團擁有充裕之營運資金以應付其營運及未來發展計劃。





## EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2021, the Group has 678 salespersons (2020: 706) and 179 office staff (2020: 159). Total staff costs (including Directors' remuneration) were HK\$288.5 million (2020: HK\$192.2 million) for the Year. Employees' remuneration was determined in accordance with individual's responsibility, competence and skills, experience and performance as well as market pay level. Staff benefits include medical and life insurance, retirement benefits and other competitive fringe benefits.

To provide incentive or rewards to staff, the Company adopted a share option scheme, particulars of which are set out in the section headed "Share Option Scheme" in note 30 to the consolidated financial statements.

## 僱員及薪酬政策

於2021年12月31日，本集團僱有678（2020年：706）名銷售人員及179（2020年：159）名辦公室職員。於本年度，總員工成本（包括董事酬金）為288,500,000港元（2020年：192,200,000港元）。僱員薪酬乃根據個人職責、能力及技術、經驗及表現以及市場薪酬水平釐定。員工福利包括醫療及人壽保險、退休福利及其他具競爭性福利待遇。

本公司已採納一項購股權計劃以激勵或獎勵員工，其詳情於綜合財務報表附註30「購股權計劃」一節列載。



**CINDY YEUNG 楊諾思**

**Executive Director and Chairperson  
執行董事兼主席**

**CINDY YEUNG**, aged 57, an Executive Director of the Company and the Chairperson of the Board as well as the Chairperson of the Executive Committee of the Company and a director of certain subsidiaries of the Company. She joined the Group in September 1990 and became a director of Emperor Watch & Jewellery (HK) Company Limited, an operating arm of the retail outlets of the Group in Hong Kong, in April 1999. Ms. Yeung has over 30 years of experience in watch and jewellery industry. She has obtained the qualification of the Graduate Gemologist of Gemological Institute of America (GIA) and subsequently graduated from University of San Francisco with a Bachelor's Degree of Science in Business Administration majoring in Management, with emphasis on International Business.

Ms. Yeung is a member of the 13th Chinese People Political Consultative Conference Guangzhou Committee and an executive committee member of Hong Kong Federation of Guangzhou Associations Limited. She is also a member of the Supervisory Committee of Hong Kong Jewellers' & Goldsmiths' Association Limited and the honorary ambassador of "Because I am a Girl" organized by a charity body, PLAN International Hong Kong.

**楊諾思**，57歲，為本公司執行董事及董事會之主席，以及本公司執行委員會主席及本公司若干附屬公司之董事。彼於1990年9月加盟本集團，並於1999年4月獲委任為英皇鐘錶珠寶（香港）有限公司之董事，該公司為本集團於香港零售門市之營運公司。楊女士於鐘錶及珠寶行業擁有逾30年之經驗。彼獲得美國寶石研究院(GIA)所頒授的寶石鑒定師資格，繼而畢業於三藩市大學，持有工商管理學學士學位，主修管理學，專注於國際商務。

楊女士為第十三屆中國人民政治協商會議廣州市委員會委員及香港廣州社團總會有限公司常務會董。彼亦為香港珠石玉器金銀首飾業商會有限公司監事會之監事及慈善機構國際培幼會（香港）所舉辦之「愛·女孩」行動之榮譽大使。



**NG KOON KEUNG 吳冠強**

**Executive Director and  
Chief Executive Officer**  
執行董事兼行政總裁

**NG KOON KEUNG, RICKY**, aged 53, an Executive Director of the Company and the Chief Executive Officer of the Group, as well as a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. Ng joined the Group since July 2021. He is responsible for the Group's strategic planning, business growth and development and overseeing different business operations within the Group. Mr. Ng possesses over 25 years of extensive corporate management experience in retail, product planning, operations, marketing and business development. He was an executive director and chief executive officer of Ulferts International Limited (Stock Code: 1711) ("Ulferts"), a listed member of Emperor Group, from 1 May 2014 to 30 June 2021. Mr. Ng holds a Bachelor of Business Administration awarded by Hong Kong Baptist College (now Hong Kong Baptist University). He also holds a Degree of Master of Management in Marketing Management and a Degree of Master of Business Administration awarded by Macquarie University, Sydney, Australia.

**吳冠強**，53歲，為本公司之執行董事及本集團之行政總裁，以及本公司執行委員會成員及本公司若干附屬公司之董事。吳先生於2021年7月加盟本集團。彼負責本集團之策略規劃、業務增長與發展，並監督本集團各項業務營運。吳先生具有逾25年的零售、產品策劃、營運、市場推廣及業務發展的豐富企業管理經驗。彼自2014年5月1日至2021年6月30日期間擔任歐化國際有限公司（股份代號：1711）（「歐化」）（英皇集團之上市成員公司）之執行董事及行政總裁。吳先生持有香港浸會學院（現稱香港浸會大學）的工商管理學士學位。彼亦持有澳洲悉尼麥覺理大學頒授的營銷管理管理碩士學位及工商管理碩士學位。

### EXECUTIVE DIRECTORS

**WONG CHI FAI**, aged 66, an Executive Director of the Company. Mr. Wong has been involved in the management of the Group since November 1998. He is a member of the Executive Committee and Remuneration Committee of the Company as well as a director of certain subsidiaries of the Company. Currently, Mr. Wong is also a director of Emperor International Holdings Limited (Stock Code: 163) (“Emperor International”), Emperor Entertainment Hotel Limited (Stock Code: 296) (“Emperor E Hotel”), Emperor Culture Group Limited (Stock Code: 491) (“Emperor Culture”) and Ulferts, all being listed members of Emperor Group. Having over 30 years of finance and management experience, Mr. Wong has diversified experience in different businesses ranging from retailing of watch and jewellery, property investment and development, hotel and hospitality, financial and securities services, cinema development and operation to entertainment production and investment, artiste management, wholesaling and retailing of furniture as well as media and publication. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants.

**FAN MAN SEUNG, VANESSA** (*Former Name: Fan Man Seung*), aged 59, an Executive Director of the Company. Ms. Fan has been involved in the management of the Group since November 1998. She is also the Chairperson of the Corporate Governance Committee, a member of the Executive Committee and Nomination Committee of the Company as well as a director of certain subsidiaries of the Company. Currently, Ms. Fan is also a director of Emperor International, Emperor E Hotel, Emperor Culture and Ulferts. Having over 33 years of corporate management experience, Ms. Fan possesses diversified experience in different businesses ranging from retailing of watch and jewellery, property investment and development, hotel and hospitality, financial and securities services, cinema development and operation to entertainment production and investment, artiste management, wholesaling and retailing of furniture as well as media and publication. She is a lawyer by profession in Hong Kong and a qualified accountant, and holds a Master’s Degree in Business Administration.

### 執行董事

**黃志輝**，66歲，為本公司之執行董事。黃先生自1998年11月起參與本集團之管理。彼亦為本公司執行委員會及薪酬委員會成員以及本公司若干附屬公司之董事。黃先生現亦為英皇集團（國際）有限公司（股份代號：163）（「英皇國際」）、英皇娛樂酒店有限公司（股份代號：296）（「英皇娛樂酒店」）、英皇文化產業集團有限公司（股份代號：491）（「英皇文化產業」）及歐化之董事，該等公司為英皇集團之上市成員公司。黃先生擁有逾30年之財務及管理經驗，於多項業務包括鐘錶珠寶零售、物業投資及發展、酒店營運、金融證券服務、戲院發展及營運以至娛樂製作及投資、藝人管理、傢俬批發及零售以及傳媒與出版業務等範疇具有廣泛經驗。彼為香港會計師公會執業會計師及特許公認會計師公會資深會員。

**范敏嫦**，59歲，為本公司之執行董事。范女士自1998年11月起參與本集團之管理。彼亦為本公司企業管治委員會主席，執行委員會和提名委員會成員以及本公司若干附屬公司之董事。范女士現亦為英皇國際、英皇娛樂酒店、英皇文化產業及歐化之董事。范女士擁有逾33年之企業管理經驗，於多項業務包括鐘錶珠寶零售、物業投資及發展、酒店營運、金融證券服務、戲院發展及營運以至娛樂製作及投資、藝人管理、傢俬批發及零售以及傳媒與出版業務等範疇具有廣泛經驗。彼具備香港專業律師資格及為合資格會計師，並持有工商管理碩士學位。

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**CHAN SIM LING, IRENE**, aged 59, was appointed as Independent Non-executive Director of the Company in May 2016. She is also the Chairperson of the Nomination Committee as well as a member of the Audit Committee and Corporate Governance Committee of the Company. Ms. Chan is a retired solicitor with over 20 years of experience as independent non-executive director of various listed companies. Currently, She is also an independent non-executive director of Chinlink International Holdings Limited (Stock Code: 997) and Emperor Culture. Ms. Chan graduated from The University of Hong Kong with Bachelor's Degree in Laws.

**LIU HING HUNG**, aged 58, was appointed as Independent Non-executive Director of the Company in May 2017. He is also the Chairman of the Audit Committee as well as a member of the Remuneration Committee and Corporate Governance Committee of the Company. Mr. Liu runs a professional accountancy firm in Hong Kong and has over 20 years of experience in accounting, taxation, auditing and corporate finance. Currently, he is also an independent non-executive director of SIM Technology Group Limited (Stock Code: 2000). Mr. Liu holds a Master's Degree in Business Administration. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong and also a member of the Society of Chinese Accountants and Auditors.

**CHAN WILING, YVONNE**, aged 57, was appointed as Independent Non-executive Director of the Company in May 2017. She is the Chairperson of the Remuneration Committee as well as a member of the Audit Committee and Nomination Committee of the Company. Ms. Chan previously worked in two international accounting firms, Touche Ross & Co. and Ernst & Young and engaged in accounting, auditing and information security fields for 20 years. She graduated from the Hong Kong Polytechnic University majoring in accountancy and obtained a Master's Degree in Business Administration from Heriot-Watt University in Scotland. Ms. Chan is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

## 獨立非執行董事

**陳嬋玲**，現年59歲，於2016年5月獲委任為本公司之獨立非執行董事。彼亦為本公司提名委員會主席及審核委員會和企業管治委員會成員。陳女士為退休律師，且具有擔任數家上市公司獨立非執行董事職務逾20年之經驗。彼現亦為普匯中金國際控股有限公司（股份代號：997）及英皇文化產業之獨立非執行董事。陳女士畢業於香港大學，持有法律學士學位。

**廖慶雄**，58歲，於2017年5月獲委任為本公司之獨立非執行董事。彼亦為本公司審核委員會主席及薪酬委員會和企業管治委員會成員。廖先生主理香港一間專業會計師行，於會計、稅務、核數及企業融資方面擁有逾20年之經驗。彼現亦為晨訊科技集團有限公司（股份代號：2000）之獨立非執行董事。廖先生持有工商管理碩士學位。彼為香港會計師公會及香港稅務學會之資深會員，亦為香港華人會計師公會會員。

**陳慧玲**，57歲，於2017年5月獲委任為本公司之獨立非執行董事。彼為本公司薪酬委員會主席及審核委員會和提名委員會成員。陳女士曾任職於兩間國際會計師行Touche Ross & Co.及安永會計師事務所，於會計、核數及資訊保安方面具有20年之經驗。彼畢業於香港理工大學，主修會計學，並於蘇格蘭Heriot-Watt University取得工商管理碩士學位。陳女士為香港會計師公會會員及特許公認會計師公會資深會員。



# ACHIEVEMENTS

## 殊榮



Elite Brand Awards 2021  
 卓越品牌大獎 2021

Elite Watch & Jewellery Award  
 超卓鐘錶珠寶大獎  
 Oriental Daily News  
 東方日報

The 7th Investor Relations Awards 2021  
 2021年第七屆投資者關係大獎

- Best Investor Relations Company (Small Cap)  
 最佳投資者關係公司—小型股
- Best Investor Relations Material (Small Cap)  
 最佳投資者關係素材—小型股
- Best Investor Relations Officer (Small Cap)  
 最佳投資者關係主管—小型股
- Best Investor Relations Team (Small Cap)  
 最佳投資者關係團隊—小型股
- Hong Kong Investor Relations Association  
 香港投資者關係協會



The Outstanding Brand Awards 2021  
 實力品牌大獎 2021

Luxury Watch Retailer and Supreme Brand Award  
 名貴鐘錶行及非凡品牌大獎  
 Economic Digest  
 經濟一週

10 Years+ Caring Company  
 10年+ 商界展關懷



Hong Kong Service Awards 2021  
 2021年香港服務大獎

Luxury Watch Retailer  
 名貴鐘錶行  
 East Week  
 東周刊

The Board is pleased to present this annual report and the audited consolidated financial statements of the Group for the Year.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 35 to the consolidated financial statements.

## RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 67.

An interim dividend of HK0.55 cent (2020: Nil) per share for the Year amounting to approximately HK\$37.3 million was paid to the Shareholders during the Year.

The Directors recommended the payment of a final dividend of HK0.35 cent per share for the Year (2020: HK0.15 cent per share) to those Shareholders whose names appear on the register of members on 2 June 2022 (Thursday), subject to the approval of the Shareholders at the forthcoming annual general meeting to be held on 26 May 2022 (Thursday) ("2022 AGM").

## BUSINESS REVIEW AND PERFORMANCE

A fair review of the Group's business, a discussion and analysis of the Group's performance during the Year and an analysis of the likely future development of the Group's business are set out in the Management Discussion and Analysis from pages 5 to 11. Description of the principal risks and uncertainties facing the Group are set out in the Corporate Governance Report from pages 51 to 55 and note 28B to the consolidated financial statements respectively.

There is no important event affecting the Group that had occurred since the end of the Year up to the date of this report.

In addition, discussion on the Group's environmental policies and performance, key relationships with the Company's key stakeholders as well as compliance with relevant laws and regulations which have significant impact on the Company are set out in the 2021 Environmental, Social and Governance Report of the Company.

董事會欣然提呈本集團於本年度之年報及經審核綜合財務報表。

## 主要業務

本公司為一間投資控股公司，其主要附屬公司之業務載於綜合財務報表附註35。

## 業績及股息

本集團於本年度之業績載於第67頁之綜合損益及其他全面收入報表。

於本年度內本公司向股東派付本年度之中期股息每股0.55港仙（2020年：無），共約37,300,000港元。

董事建議向於2022年6月2日（星期四）名列股東登記冊之股東派付每股0.35港仙之本年度末期股息（2020年：每股0.15港仙），惟須待股東於2022年5月26日（星期四）舉行之應屆股東週年大會（「2022股東週年大會」）上批准後方可作實。

## 業務回顧及表現

於本年度內本集團業務之公平審核、本集團表現之討論與分析及本集團業務之可能未來發展分析乃載於第5至11頁之管理層討論及分析。本集團面臨之主要風險及不確定因素詳情乃分別列載於第51至55頁之企業管治報告及綜合財務報表附註28B。

於本年度末直至本報告日期概無發生影響本集團的重要事件。

此外，有關本集團環保政策及表現之討論、與本公司主要持份者之重要關係及遵守對本公司有重大影響的相關法律及法規載於本公司2021環境、社會及管治報告內。

# DIRECTORS' REPORT

## 董事會報告

### RESERVES

Details of movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 70.

### DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to Shareholders as at 31 December 2021, calculated in accordance with the Companies Ordinance, amounted to HK\$1,175,756,000 (2020: HK\$1,059,066,000).

### FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 168 of this annual report.

### SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in note 25 to the consolidated financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of the changes in the property, plant and equipment of the Group during the Year are set out in note 13 to the consolidated financial statements.

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

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the aggregate sales to the Group's five largest customers accounted for approximately 2.4% (2020: 3.6%) of the total turnover of the Group. The Group's five largest suppliers contributed to approximately 96.3% (2020: 95.9%) of the purchases of the Group during the Year.

None of the Directors, their close associates or any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the number of issued Shares) had any beneficial interest in the above major customers and suppliers of the Group.

### 儲備

本集團於本年度內之儲備變動詳情載於第70頁之綜合權益變動表。

### 本公司可供分派儲備

於2021年12月31日，按公司條例之規定計算，本公司可供分派予股東之儲備為1,175,756,000港元（2020年：1,059,066,000港元）。

### 五年財務概要

本集團過去五個財政年度之業績及資產與負債之概要載於本年報第168頁。

### 股本

本公司於本年度內之股本變動詳情載於綜合財務報表附註25。

### 物業、機器及設備

本集團物業、機器及設備於本年度內之變動詳情載於綜合財務報表附註13。

### 購買、出售或贖回本公司上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 主要客戶及供應商

於本年度內，本集團五大客戶之總銷售額佔本集團總營業額約2.4%（2020年：3.6%）。本集團五大供應商佔本集團本年度採購額約96.3%（2020年：95.9%）。

董事、彼等之緊密聯繫人士或據董事所深知擁有已發行股份數目5%以上之任何股東，概無於上述本集團主要客戶及供應商中擁有任何實際權益。



## DIRECTORS OF THE COMPANY

The Directors during the Year and up to the date of this report were:

### Executive Directors

Ms. Cindy Yeung (*Chairperson*)  
Mr. Ng Koon Keung, Ricky (*Chief Executive Officer*)  
(*Appointed on 1 July 2021*)  
Mr. Wong Chi Fai  
Ms. Fan Man Seung, Vanessa

### Independent Non-executive Directors

Ms. Chan Sim Ling, Irene  
Mr. Liu Hing Hung  
Ms. Chan Wiling, Yvonne

Biographical details of the Directors as at the date of this report are set out from pages 12 to 15 of this report. Details of Directors' remuneration are set out in note 9 to the consolidated financial statements.

In accordance with Article 79 of the Company's Articles of Association ("Articles"), Mr. Ng Koon Keung, Ricky who was appointed by the Board during the Year shall hold office only until the next following annual general meeting of the Company to be held on 26 May 2022 (i.e. 2022 AGM); whereas pursuant to Articles 80(1) and 80(3) of the Articles, Mr. Wong Chi Fai and Mr. Liu Hing Hung shall retire by rotation at the AGM. All of them, being eligible, shall offer themselves for re-election thereat.

None of the Directors offering themselves for re-election at the 2022 AGM has an unexpired service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

## MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Group's business were entered into or existed during the Year.

## PERMITTED INDEMNITY PROVISIONS

During the Year and up to the date of this report, the Company has in force the permitted indemnity provisions which are provided for in the Company's Articles and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against the directors of the Group.

## 本公司之董事

本年度內及直至本報告日期止，董事如下：

### 執行董事

楊諾思女士 (*主席*)  
吳冠強先生 (*行政總裁*)  
(*於2021年7月1日獲委任*)  
黃志輝先生  
范敏嫦女士

### 獨立非執行董事

陳嬋玲女士  
廖慶雄先生  
陳慧玲女士

於本報告日期，董事之履歷詳情乃載於本報告第12至15頁。董事之酬金詳情乃載於綜合財務報表附註9。

根據本公司之組織章程細則（「章程細則」）第79條，於本年度獲董事會委任的吳冠強先生的任期只到2022年5月26日舉行之本公司下屆股東週年大會（即2022股東週年大會）為止；而根據章程細則第80(1)及80(3)條，黃志輝先生及廖慶雄先生將於股東週年大會上輪值告退。彼等均符合資格並願意於會上膺選連任。

概無擬在2022股東週年大會上膺選連任之董事與本集團訂有本集團不可於一年內免付賠償（法定賠償除外）而終止之未屆滿服務合約。

## 管理合約

於本年度內，除僱傭合約外，概無訂立或存續有關管理及經營本集團全部或任何重大部分之業務之合約。

## 獲准許的彌償條文

於本年度及直至本報告日期止就本集團董事面臨的法律訴訟而產生的潛在責任及費用，本公司備有彌償條文，該等條文均載於本公司之章程細則及於本集團投購之董事及高級管理人員責任險內。



### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 31 December 2021, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors adopted by the Company ("EWJ Securities Code") were as follows:

#### (a) Long position interests in the Company

##### Ordinary shares of the Company ("Shares")

Name of Director	Capacity/Nature of interests	Number of Shares Interested	% of issued Voting Shares 佔已發行 有投票權股份%
董事姓名 Ms. Cindy Yeung 楊諾思女士	身份／權益性質 Eligible beneficiary of a private discretionary trust 私人酌情信託之合資格受益人	持有權益之股份數目 4,298,610,000	63.41%

*Note:* These Shares were held by Emperor Watch & Jewellery Group Holdings Limited ("Emperor W&J Holdings"), a wholly-owned subsidiary of Albert Yeung Watch & Jewellery Holdings Limited ("AY W&J Holdings"). AY W&J Holdings was held by First Family Advisors Trust reg. ("First Family") in trust for a private discretionary trust set up by Dr. Yeung Sau Shing, Albert ("Dr. Albert Yeung") under which Ms. Cindy Yeung had deemed interest by virtue of being one of the eligible beneficiaries.

### 董事及最高行政人員之證券權益

於2021年12月31日，董事及本公司之最高行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有本公司根據證券及期貨條例第352條須予備存之登記冊所記錄之權益及淡倉，或根據本公司採納之董事進行證券交易之標準守則（「英皇鐘錶珠寶證券守則」）須另行知會本公司及聯交所之權益及淡倉如下：

#### (a) 於本公司之好倉權益

##### 本公司之普通股（「股份」）

Number of Shares Interested	% of issued Voting Shares 佔已發行 有投票權股份%
4,298,610,000	63.41%

*附註：* 此等股份乃由英皇鐘錶珠寶集團控股有限公司（「英皇鐘錶珠寶控股」）持有，其為楊受成鐘錶珠寶控股有限公司（「楊受成鐘錶珠寶控股」）之全資附屬公司。楊受成鐘錶珠寶控股由楊受成博士（「楊博士」）設立的First Family Advisors Trust reg.（「First Family」）以私人酌情信託形式持有，而楊諾思女士為合資格受益人之一。

(b) Long position interests in associated corporations of the Company

(b) 於本公司相聯法團之好倉權益

(i) Ordinary Shares

(i) 普通股

Name of Director	Name of associated corporation	Capacity/Nature of interests	Number of shares interested	% of issued Voting shares 佔已發行 有投票權股份%
董事姓名	相聯法團名稱	身份/權益性質	持有權益之股份數目	有投票權股份%
Ms. Cindy Yeung 楊諾思女士	Emperor International Holdings Limited ("Emperor International") 英皇集團(國際)有限公司 (「英皇國際」)	Eligible beneficiary of a private discretionary trust 私人酌情信託之 合資格受益人	2,747,610,489 (Note) (附註)	74.71%
	Emperor Entertainment Hotel Limited ("Emperor E Hotel") 英皇娛樂酒店有限公司 (「英皇娛樂酒店」)	-ditto- -同上-	851,352,845 (Note) (附註)	71.11%
	Emperor Culture Group Limited ("Emperor Culture Group") 英皇文化產業集團有限公司 (「英皇文化產業」)	-ditto- -同上-	2,371,313,094 (Note) (附註)	73.80%
	Ulferts International Limited ("Ulferts") 歐化國際有限公司(「歐化」)	-ditto- -同上-	600,000,000 (Note) (附註)	75.00%
Ms. Fan Man Seung, Vanessa 范敏嫦女士	Emperor International 英皇國際	Beneficial Owner 實益擁有人	10,500,000	0.29%

(ii) Debentures

(ii) 債權證

Name of Director	Name of associated corporation	Capacity/Nature of interests	Amount of debentures held
董事姓名	相聯法團名稱	身份/權益性質	所持債權證金額
Mr. Wong Chi Fai 黃志輝先生	Emperor International 英皇國際	Interest of a controlled corporation 於受控制法團之權益	HK\$2,000,000 2,000,000港元

Note: Emperor International, Emperor E Hotel, Emperor Culture Group and Ulferts are companies with their shares listed on the Stock Exchange. These Shares were ultimately owned by the respective private discretionary trusts. Ms. Cindy Yeung had deemed interests in the same shares by virtue of being one of the eligible beneficiaries of such private discretionary trusts.

附註：英皇國際、英皇娛樂酒店、英皇文化產業及歐化均為股份於聯交所上市之公司。該等股份乃由有關私人酌情信託最終擁有。鑑於楊諾思女士為有關私人酌情信託合資格受益人之一，故彼被視為於上述股份中擁有權益。

## DIRECTORS' REPORT

### 董事會報告

Save as disclosed above, as at 31 December 2021, none of the Directors nor chief executives of the Company had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

### SHARE OPTIONS

The Company has adopted a share option scheme ("Share Option Scheme") on 23 May 2018. Particulars of the Share Option Scheme are summarized and set out in note 30 to the consolidated financial statements. No option was granted, exercised, cancelled or lapsed under the Share Option Schemes since its adoption.

### EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme as disclosed in note 30 to the consolidated financial statements, no equity-linked agreements were entered into by the Company during the Year or subsisted at the end of the Year.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than as stated above, at the end of the Year and at no time during the Year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors or chief executives of the Company or their spouses or children under 18 years of age to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTEREST IN COMPETING BUSINESS

As at 31 December 2021, none of the Directors or their respective close associates was interested in any business which was considered to compete or was likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

除上文披露者外，於2021年12月31日，概無董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份及債權證中擁有任何權益或淡倉。

### 購股權

本公司已於2018年5月23日採納一項購股權計劃（「購股權計劃」）。購股權計劃之詳情已概述並載於綜合財務報表附註30。自採納購股權計劃起，概無購股權已授出、行使、註銷或失效。

### 股票掛鈎協議

除於綜合財務報表附註30披露的購股權計劃外，並無任何股票掛鈎協議由本公司於本年度訂立或於本年度末存續。

### 購買股份或債權證之安排

除上文所述者外，於本年度末及本年度內任何時間，本公司、其任何控股公司、附屬公司或同系附屬公司概無訂立任何安排，致使董事或本公司最高行政人員或彼等配偶或18歲以下子女可藉購入本公司或任何其他法人團體之股份或債權證而獲取利益。

### 董事於競爭業務之權益

於2021年12月31日，概無根據聯交所證券上市規則（「上市規則」）須予披露董事或彼等各自之緊密聯繫人士於被視為與本集團業務直接或間接構成或可能構成競爭之任何業務中擁有的權益。

## OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to any Directors or chief executives of the Company, as at 31 December 2021, the persons or corporations (other than a Director or chief executive of the Company) who had, or were deemed or taken to have interests and short positions in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO ("DI Register") were as follows:

### Long Position in the Shares

Name	Capacity/Nature of interests	Number of Shares Interested	% of Issued Voting Shares
名稱／姓名	身份／權益性質	持有權益之股份數目	佔已發行有投票權股份%
Emperor W&J Holdings 英皇鐘錶珠寶控股	Beneficial owner 實益擁有人	4,298,610,000 (Note) (附註)	63.41%
AY W&J Holdings 楊受成鐘錶珠寶控股	Interest in a controlled corporation 於受控制法團之權益	4,298,610,000 (Note) (附註)	63.41%
First Family	Trustee of a private discretionary trust 私人酌情信託之受託人	4,298,610,000 (Note) (附註)	63.41%
Dr. Albert Yeung 楊博士	Founder of a private discretionary trust 私人酌情信託之創立人	4,298,610,000 (Note) (附註)	63.41%
Ms. Luk Siu Man, Semon 陸小曼女士	Interest of spouse 配偶權益	4,298,610,000 (Note) (附註)	63.41%
Brandes Investment Partners, L.P.	Investment Manager 投資經理	339,017,288	5.00%

Note: These Shares were the same Shares as those set out under Section (a) of "Directors' and Chief Executives' Interests in Securities" above.

Save as disclosed above, as at 31 December 2021, the Directors or chief executives of the Company were not aware of any person or corporation (other than the Directors and chief executives of the Company) who had, or were deemed or taken to have, any interests or short positions in any Shares or underlying Shares as recorded in the DI Register.

## 其他人士於股份及相關股份之權益

就任何董事或本公司最高行政人員所知，於2021年12月31日，除董事或本公司最高行政人員外，以下人士或法團於股份或相關股份中擁有或被視為或被當作擁有記錄於根據證券及期貨條例第336條須予備存之登記冊（「權益披露登記冊」）內之權益及淡倉：

### 於股份之好倉

Name	Capacity/Nature of interests	Number of Shares Interested	% of Issued Voting Shares
名稱／姓名	身份／權益性質	持有權益之股份數目	佔已發行有投票權股份%
Emperor W&J Holdings 英皇鐘錶珠寶控股	Beneficial owner 實益擁有人	4,298,610,000 (Note) (附註)	63.41%
AY W&J Holdings 楊受成鐘錶珠寶控股	Interest in a controlled corporation 於受控制法團之權益	4,298,610,000 (Note) (附註)	63.41%
First Family	Trustee of a private discretionary trust 私人酌情信託之受託人	4,298,610,000 (Note) (附註)	63.41%
Dr. Albert Yeung 楊博士	Founder of a private discretionary trust 私人酌情信託之創立人	4,298,610,000 (Note) (附註)	63.41%
Ms. Luk Siu Man, Semon 陸小曼女士	Interest of spouse 配偶權益	4,298,610,000 (Note) (附註)	63.41%
Brandes Investment Partners, L.P.	Investment Manager 投資經理	339,017,288	5.00%

附註：此等股份乃上文「董事及最高行政人員之證券權益」中第(a)節所載之相同股份。

除上文披露者外，於2021年12月31日，董事或本公司最高行政人員並不知悉任何人士或法團（董事及本公司最高行政人員除外）於任何股份或相關股份中擁有或被視為或被當作擁有權益披露登記冊所記錄之任何權益或淡倉。



## DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS IN SIGNIFICANCE AND CONNECTED TRANSACTIONS

### Continuing Connected Transactions

During the Year, the Group had the following transactions with connected persons (as defined in the Listing Rules) of the Company and certain Director(s) had material interests, directly or indirectly, in such transactions:

#### 1. Master Leasing Agreements

##### (a) 2018 Master Leasing Agreements ("2018 MLAs")

Date:	24 May 2018
Parties:	(1) EIHL Agreement: The Company and Emperor International  (2) EEH Agreement: The Company and Emperor E Hotel  (Emperor International, Emperor E Hotel and their subsidiaries are collectively referred to as "Emperor International Group")
Term:	From 24 May 2018 to 31 March 2021
Nature:	Each of 2018 MLAs sets out the framework of the terms governing all existing and future tenancy/licensing transaction(s) ("Tenancy Transactions") regarding leasing of certain office properties or other properties (including retail shop, signage or signboard space) from Emperor International Group with aggregate tenancy annual caps being set at HK\$54,000,000 (for Emperor International) and HK\$1,500,000 (for Emperor E Hotel) for the 3 months ended 31 March 2021 ("Aggregate Tenancy Annual Caps").

## 董事於重大交易、安排或合約之重大權益及關連交易

### 持續關連交易

於本年度內，本集團曾與本公司關連人士（定義見上市規則）進行下列交易且若干董事於相關交易中直接或間接擁有重大權益：

#### 1. 總租賃協議

##### (a) 2018年總租賃協議 (「2018年總租賃協議」)

日期：	2018年5月24日
訂約方：	(1) 英皇國際協議：本公司及英皇國際  (2) 英皇娛樂酒店協議：本公司及英皇娛樂酒店  (英皇國際、英皇娛樂酒店及彼等的附屬公司統稱「英皇國際集團」)
期限：	2018年5月24日至2021年3月31日
性質：	各2018年總租賃協議載列規管英皇國際集團就租賃若干辦公室物業或其他物業（包括零售商舖、廣告牌或招牌）而進行之所有現有及未來租賃／授權交易（「租賃交易」）的框架條款，並就截至2021年3月31日止三個月設定總租賃年度上限為54,000,000港元（與英皇國際）及1,500,000港元（與英皇娛樂酒店）（「總租賃年度上限」）。

Pursuant to the 2018 MLAs, relevant member(s) of the Group and Emperor International Group may from time to time enter into any definitive leasing agreement in relation to any Tenancy Transaction ("Definitive Leasing Agreement(s)"). The terms of each Definitive Leasing Agreement shall be on normal commercial terms or on terms which are no less favourable to the Group than terms offered by independent third parties. The terms and rental shall be subject to arm's length negotiation and determined based on the condition of the properties and with reference to the then prevailing market rents on property(ies) comparable in location, area and permitted use.

根據2018年總租賃協議，本集團相關成員公司與英皇國際集團可不時就任何租賃交易訂立任何正式租賃協議（「正式租賃協議」）。各正式租賃協議之條款按一般商業條款或不遜於獨立第三方給予本集團之條款訂立。條款及租金應經公平磋商協定，並根據該等物業狀況及參考具有相若位置、面積及許可用途之物業當時市場租金而釐定。

Announcements:	24 May 2018 and 9 August 2018	公告：	2018年5月24日及2018年8月9日
Circular:	17 July 2018	通函：	2018年7月17日
Aggregate Amounts:	For the period from 1 January 2021 to 31 March 2021, the aggregate amounts paid to the following parties in respect of the Tenancy Transactions (which did not exceed the Aggregate Tenancy Annual Caps for the said period) were as follows:	總金額：	於2021年1月1日至2021年3月31日期間，就租賃交易向以下各方支付的總額（未超過上述期間總租賃年度上限）如下：
	Emperor International	HK\$17,416,000	英皇國際 17,416,000港元
	Emperor E Hotel	HK\$1,181,000	英皇娛樂酒店 1,181,000港元

# DIRECTORS' REPORT

## 董事會報告

### (b) 2020 Master Leasing Agreements ("2020 MLAs")

Date:	3 December 2020
Parties:	(1) EIH Agreement: The Company and Emperor International (2) EEH Agreement: The Company and Emperor E Hotel
Term:	From 1 April 2021 to 31 March 2024
Nature:	With the expiration of the 2018 MLAs, the Company entered into new master leasing agreements, i.e. 2020 MLAs, with Emperor International and Emperor E Hotel to recite the parties' agreement for the Tenancy Transactions between them with new aggregate tenancy annual caps for each of the 9 months ended 31 December 2021, the years ending 31 December 2022 and 2023 and the 3 months ending 31 March 2024
Announcements:	3 December 2020 and 2 February 2021
Circular:	24 December 2020
Aggregate Amounts:	For the period from 1 April 2021 to 31 December 2021, the aggregate right-of-use amount and rental expense amount paid in respect of the Tenancy Transactions with Emperor International Group (which did not exceed the approved right-of-use annual cap of HK\$100,000,000 and rental expense annual cap of HK\$4,000,000 respectively for the said period) were as follows:
	Right-of-use HK\$31,037,000
	Rental expense HK\$1,705,000

### (b) 2020年總租賃協議 (「2020年總租賃協議」)

日期:	2020年12月3日
訂約方:	(1) 英皇國際協議: 本公司及英皇國際 (2) 英皇娛樂酒店協議: 本公司及英皇娛樂酒店
期限:	2021年4月1日至2024年3月31日
性質:	隨著2018年總租賃協議屆滿, 本公司與英皇國際及英皇娛樂酒店訂立新總租賃協議(即2020年總租賃協議), 以規管各方之間租賃交易的協議以及其截至2021年12月31日止九個月、截至2022年及2023年12月31日止年度以及截至2024年3月31日止三個月各自的新總租賃年度上限
公告:	2020年12月3日及2021年2月2日
通函:	2020年12月24日
總金額:	於2021年4月1日至2021年12月31日期間, 就與英皇國際集團所進行之租賃交易支付的使用權總額及租金開支總額(分別未超過上述期間獲批使用權年度上限100,000,000港元及租金開支年度上限4,000,000港元)如下:
	使用權 31,037,000港元
	租金開支 1,705,000港元

(c) *Connected Relationship and Directors' Interest under (a) and (b)*

As Emperor International and Emperor E Hotel were both indirectly controlled by a private discretionary trust set up by Dr. Albert Yeung who is a deemed substantial shareholder of the Company, Emperor International and Emperor E Hotel were deemed connected persons of the Company under Chapter 14A of the Listing Rules. Ms. Cindy Yeung, a Director of the Company, has deemed interest in the transactions by virtue of being one of the eligible beneficiaries of such private discretionary trust controlling Emperor International and Emperor E Hotel.

(c) (a)及(b)項下的關連關係及董事權益

由於英皇國際與英皇娛樂酒店均由私人酌情信託(由被視為本公司主要股東的楊博士設立)間接控制,因此根據上市規則第14A章,英皇國際及英皇娛樂酒店被視為本公司之關連人士。鑑於本公司董事楊諾思女士為控制英皇國際及英皇娛樂酒店的該私人酌情信託合資格受益人之一,故彼被視為於該等交易中擁有權益。

**(2) Consignment Agreement with Dr. Albert Yeung**

The Group may at its discretion make consignment arrangements with Dr. Albert Yeung and his associates and sell the consigned items at its retail shops as the Directors may think fit and beneficial to the Group.

Date: 15 November 2019

Parties: (1) The Company  
(2) Dr. Albert Yeung, the father of Ms. Cindy Yeung (a Director of the Company)

Term: 1 January 2020 to 31 December 2022

Consignment Annual Cap for the Year: HK\$50,000,000

Consignment for the Year: During the Year, certain watch and jewellery items with an aggregate consignment value of HK\$15,235,000 from Dr. Albert Yeung and his associate were recorded. The Group had applied the same purchasing and retail pricing policy and mechanism to these items as those normally adopted in the ordinary and usual course of business of the Group. No sale of these items were made during the Year.

**(2) 與楊博士之寄售協議**

本集團可酌情決定與楊博士及其聯繫人作出寄售安排及於董事認為合適及對本集團有利時在其零售店舖出售寄售物品。

日期: 2019年11月15日

訂約方: (1) 本公司  
(2) 楊博士, 楊諾思女士(本公司董事)之父親

期限: 2020年1月1日至2022年12月31日

本年度寄售年度上限: 50,000,000港元

本年度寄售: 於本年度內,本集團錄得若干由楊博士及其聯繫人所寄售鐘錶及珠寶首飾,總價值為15,235,000港元。本集團就該等首飾採納的購買及零售定價政策及機制與本集團於日常及一般業務過程中通常所採納者相同。於本年度,該等首飾未獲出售。

### Compliance with Disclosure Requirements

Among the related party transactions as set out in note 32 to the consolidated financial statements, the transactions as shown in item (7) are non-exempt continuing connected transactions (“Disclosed CCTs”) and that the Company had complied with the disclosure requirements under Chapter 14A of the Listing Rules.

### Auditor's Letter on Disclosed CCTs

The Company's auditor was engaged to report on the Group's Disclosed CCTs in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 (Revised) “Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” (“Auditor's Letter”) issued by the Hong Kong Institute of Certified Public Accountants.

The auditor has issued an unqualified letter containing its findings and conclusions in respect of the Disclosed CCTs of the Group as set out from pages 24 to 27 of this Annual Report in accordance with Rule 14A.56 of the Listing Rules. A copy of the Auditor's Letter had been provided by the Company to the Stock Exchange.

### Confirmation of Independent Non-executive Directors on Disclosed CCTs

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive directors of the Company (“INEDs”) had reviewed the Disclosed CCTs and the Auditor's Letter and confirmed that these transactions had been entered into by the Group:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better (as the case may be); and
- (iii) according to the agreements governing them on terms that were fair and reasonable and in the interests of the Shareholders as a whole.

### 遵守披露規定

於綜合財務報表附註32所載之關連方交易當中，第(7)項所示之交易為非豁免持續關連交易（「已披露持續關連交易」），而本公司已遵守上市規則第14A章的披露規定。

### 核數師有關已披露持續關連交易之函件

本公司核數師已獲委聘按照香港會計師公會頒佈之香港審驗應聘服務準則3000（經修訂）「歷史財務資料審計或審閱以外的審驗應聘」，並參照實務說明第740號（經修訂）「關於香港上市規則所述持續關連交易的核數師函件」（「核數師函件」），匯報本集團之已披露持續關連交易。

核數師已按照上市規則第14A.56條發出無保留意見函件，當中載有其於本年報第24至27頁所載就本集團的已披露持續關連交易之發現及結論。本公司已向聯交所提供核數師函件之副本。

### 獨立非執行董事對已披露持續關連交易之確認

根據上市規則第14A.55條，本公司之獨立非執行董事已審閱已披露持續關連交易及核數師函件，並確認該等交易已由本集團：

- (i) 於本集團之日常及一般業務過程中訂立；
- (ii) 按一般或更佳（視情況而定）商業條款進行；及
- (iii) 根據有關規管協議進行，其中條款公平合理，並符合股東整體利益。

Save as disclosed above, there was no transaction, arrangement or contract which was significant in relation to the Group's business to which the Company or any of its holding companies, subsidiaries or fellow subsidiaries was a party and in which a Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

## CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company had received from each of the INEDs an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considered all of the INEDs are independent.

## EMOLUMENT POLICY

The emolument of the Directors shall be decided by the Board as recommended by the Remuneration Committee having regard to a written remuneration policy (which ensures a clear link of business strategy and a close alignment with the Shareholders' interest and current market best practice). Remuneration should be paid with reference to the Board's corporate goals and objectives, the salaries paid by comparable companies, time commitment and responsibilities of the Executive and Non-executive Directors, internal equity of employment conditions across the Group and applicability of performance based remuneration. The Director's fees are paid fees in line with market practice. No individual should determine his or her own remuneration.

Employees' remuneration was determined in accordance with individual's responsibility, competence and skills, experience and performances as well as market pay level. Remuneration package includes, as the case may be, basic salaries, Directors' fees, contribution to pension schemes, discretionary bonus relating to financial performance of the Group and individual performance, ad-hoc rewards, share options and other competitive fringe benefits such as medical and life insurances. Details of the emoluments of the Directors and the five highest paid individuals in the Group are set out in note 9 to the consolidated financial statements.

## CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from pages 31 to 59.

除上文所披露者外，於本年度完結時或本年度任何時間並無存在本公司或其任何控股公司、附屬公司或同系附屬公司參與訂立而董事或其關連實體於當中擁有重大權益（無論直接或間接）且對本集團業務而言屬重大之交易、安排或合約。

## 獨立非執行董事之獨立確認書

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立確認書。本公司認為，全體獨立非執行董事均為獨立人士。

## 薪酬政策

董事之酬金由薪酬委員會經參照一套書面薪酬政策（以確保與業務策略清晰聯繫，並密切符合股東之權益及現行市場最佳常規）提供推薦意見而由董事會釐定。酬金應參考董事會企業目標及目的、可予以比較公司支付的薪金、執行及非執行董事的時間投入及職責、本集團內部一貫的僱傭條件及與表現掛鈎的薪酬之適用性而支付。董事袍金則以符合市場慣例之基準而支付。並無個別人士可自行釐定其酬金。

僱員薪酬乃根據個人責任、能力及技術、經驗及表現以及市場薪酬水平釐定。薪酬組合包括（視情況而定）基本薪金、董事袍金、退休金計劃供款、有關本集團財務表現及個人表現之酌情花紅、特別獎勵、購股權及其他具有競爭力之額外福利（如醫療及人壽保險）。董事及本集團五位最高薪人士之薪酬詳情載於綜合財務報表附註9。

## 企業管治

本公司採納之主要企業管治常規載於第31至59頁之企業管治報告。

# DIRECTORS' REPORT

## 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the issue of this annual report, there was sufficient public float of at least 25% of the Company issued Shares as required under the Listing Rules.

### AUDITOR

Messrs. Deloitte Touche Tohmatsu will retire and, being eligible, offer itself for re-appointment at the 2022 AGM. A resolution for its re-appointment as auditor of the Company will be proposed thereat.

On behalf of the Board

**Cindy Yeung**

*Chairperson*

Hong Kong, 23 March 2022

### 足夠之公眾持股量

根據本公司可得之公開資料及據董事所知，於刊發本年報前之最後實際可行日期，本公司已發行股份維持上市規則所規定至少25%之足夠公眾持股量。

### 核數師

德勤•關黃陳方會計師行將於2022股東週年大會上退任並符合資格並願意於會上膺選續聘。續聘其為本公司核數師之決議案將於會上提呈。

代表董事會

**楊諾思**

*主席*

香港，2022年3月23日

The Board is committed to maintaining a high standard of corporate governance for the Company so as to ensure “Accountability, Responsibility and Transparency” towards shareholders, stakeholders, investors as well as employees of the Company.

The Board of the Company has adopted various policies to ensure compliance with the code provisions of the Corporate Governance Code (the “CG Code”) under Appendix 14 of the Listing Rules.

The Company had fully complied with all code provisions of the CG Code under Appendix 14 of the Listing Rules (see further elaboration under section headed “Chairperson and CEO” below).

## THE BOARD

### Board Composition

As at 31 December 2021, the Board comprised seven Directors (four Executive Directors and three INEDs) who possess the skills, experience and expertise either in the same industry or relevant to the management of the business of the Group. The biographies of the Directors are set out on pages 12 to 15 of this report under the “Biographies of Directors and Senior Executives” section.

### Chairperson and CEO

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate. Following the appointment of Mr. Ng Koon Keung, Ricky (“Mr. Ng”) as Executive Director of the Company on 1 July 2021, Ms. Cindy Yeung continues her role as Chairperson of the Board while Mr. Ng takes up the role of Chief Executive Officer of the Group. Since then, the Company had fully complied with all the CG Code during the Year.

### Independent Non-executive Directors

The INEDs are all professionals with well recognized experience and expertise in legal, accounting or auditing fields who contribute impartial view and make independent judgment on issues to be discussed at Board meetings. The terms of the INEDs are subject to retirement by rotation and re-election provisions under the Articles of Association of the Company and the Listing Rules.

The Company had received confirmation of independence from each of the INEDs. Based on the annual review conducted by the Nomination Committee, the Board considered each of them to be independent with reference to the factors as set out in Rule 3.13 of the Listing Rules. The INEDs had been expressly identified as such in all corporate communications of the Company that disclose the names of Directors.

董事會致力為本公司維持高水平之企業管治，以確保為本公司股東、持份者、投資者以及僱員提供「問責、負責及具透明度」之制度。

本公司董事會已採納多項政策，以確保遵守上市規則附錄十四《企業管治守則》（「企業管治守則」）之守則條文。

本公司已全面遵守上市規則附錄十四企業管治守則之所有守則條文（請參閱下文「主席及行政總裁」一節的詳細描述）。

## 董事會

### 董事會組成

於2021年12月31日，董事會由七名董事組成（四名執行董事及三名獨立非執行董事），彼等擁有於相同行業或與本集團業務管理相關之技能、經驗及專業知識。董事履歷載於本報告第12至15頁「董事及高級行政人員之履歷」一節。

### 主席及行政總裁

企業管治守則守則條文第C.2.1條規定主席與行政總裁的角色須分開。吳冠強先生（「吳先生」）於2021年7月1日獲委任為本公司執行董事後，楊諾思女士繼續擔任董事會主席，而吳先生則擔任本集團行政總裁。自此之後，本公司於本年度內已全面遵守企業管治守則的所有守則條文。

### 獨立非執行董事

獨立非執行董事均為於法律、會計或審計界別中擁有廣泛認可的經驗及知識之專業人士，就將於董事會會議上討論之事宜提供中立觀點及作出獨立判斷。獨立非執行董事的任期受本公司組織章程細則及上市規則項下之輪值退任及重選連任條文所規限。

本公司已接獲各獨立非執行董事之獨立性確認書。基於提名委員會之年度審閱，董事會認為在參照上市規則第3.13條所載之因素後，各獨立非執行董事均屬獨立人士。本公司在所有需要披露董事姓名的公司通訊中，均已明確列明獨立非執行董事之身份。



### Delegation to the Management

The management is led by the Executive Committee of the Company (comprising all the Executive Directors of the Board) who has been delegated to carry out the day-to-day management and operation of the Group, formulate business policies and make decision on key business issues. The Executive Committee shall have all powers and authorities of the Board except the following major matters as set out in a “Formal Schedule on matters specifically reserved for and delegated by the Board”:

- determining the Group’s objectives and strategies;
- approving annual and interim results and financial reporting;
- declaring or recommending payment of dividends or other distributions;
- approving major changes that require notification by announcement under the Listing Rules;
- approving publication of the announcement for notifiable transactions (except for discloseable transactions in relation to lease transactions recognizing the right-of-use asset according to HKFRS 16 “Leases”) under the Listing Rules;
- approving non-exempt connected transactions; and
- approving major capital restructuring and issue of new securities of the Company.

### Induction, Support and Professional Development of Directors

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of equity and business interest in the Group and such induction materials will also be provided to newly appointed Directors shortly upon their appointment as Directors. All Directors have been updated on the latest developments regarding the Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices. There is a procedure agreed by the Board to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company’s expenses in order to assist them to perform their duties to the Company.

### 授權予管理層

管理層乃由本公司執行委員會（由董事會之所有執行董事所組成）領導，並獲授權進行本集團之日常管理及營運、制定業務政策，並就主要業務事項作出決定。執行委員會須具有董事會之一切權力及授權，惟「特別需要由董事會作決定及由董事會授權之事項之正式預定計劃表」所載之下列主要事項除外：

- 釐定本集團之目標及策略；
- 批准年度及中期業績以及財務報告；
- 宣派或建議派付股息或其他分派；
- 批准根據上市規則須以公告形式作出通知之重大變動；
- 批准刊發上市規則項下之須予公佈交易之公告（惟根據香港財務報告準則第16號「租賃」確認使用權資產之有關租賃交易之須予披露交易除外）；
- 批准非豁免關連交易；及
- 批准本公司之主要資本重組及新證券發行。

### 董事之啟導、支援及專業發展

所有董事均已獲提供有關擔任董事之職責及責任、適用於董事之相關法例及規例、披露本集團股權及業務利益之責任的相關指引資料，而於新任董事獲委任後，亦會於短期內向其提供該等就任董事須知資料。全體董事亦已就上市規則及其他適用監管要求之發展獲得最新資料，從而確保遵例，同時加強彼等對良好企業管治常規之意識。董事會已議定程序，使董事可在適當情況下經合理要求後尋求獨立專業意見以協助彼等為本公司執行職責，費用由本公司承擔。

The Directors confirmed that they had complied with the Code provision C.1.4 of the CG Code on Directors' training. During the Year, each Director had participated in continuous professional development by attending seminars/workshops/reading materials on the following topics to develop and refresh their knowledge and skills and provided a record of training to the Company.

董事確認，彼等已遵守企業管治守則內有關董事培訓之守則條文第C.1.4條。於本年度，各董事均已參與持續專業發展，透過出席有關以下主題之座談會／工作坊／閱讀材料，以發展及重溫彼等之知識及技能，並已向本公司提供培訓紀錄。

### Name of Directors

#### 董事姓名

Ms. Cindy Yeung

楊諾思女士

Mr. Ng Koon Keung, Ricky

吳冠強先生

Mr. Wong Chi Fai

黃志輝先生

Ms. Fan Man Seung, Vanessa

范敏嫦女士

Ms. Chan Sim Ling, Irene

陳嬋玲女士

Mr. Liu Hing Hung

廖慶雄先生

Ms. Chan Wiling, Yvonne

陳慧玲女士

### Topics of training covered by all Directors

#### 所有董事涵蓋之培訓主題

(1) corporate governance

企業管治

(2) finance

財務

(3) industry-specific

行業相關

(4) regulatory

監管

### Relationship between the Board Members

None of the members of the Board has any relationship (including financial, business, family or other material/relevant relations) among each other.

### 董事會成員間之關係

董事會成員之間概無任何關係（包括財務、業務、家屬或其他重大／相關關係）。

### Directors' insurance

The Company has arranged appropriate insurance cover in respect of any legal action against the directors of the Group.

### 董事之保險

本公司已就本集團董事可能會面對之任何法律訴訟作出適當之投保安排。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Directors' attendance and time commitment

The attendance of the Directors at the meetings during the Year is set out below:

### 董事之出席情況及時間投入

本年度董事出席下列會議之情況如下：

Name of Directors 董事姓名	Number of meetings attended/held 出席會議／舉行會議次數						
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Corporate Governance Committee 企業管治委員會	Executive Committee 執行委員會	General Meetings 股東大會
<b>Executive Directors</b> 執行董事							
Ms. Cindy Yeung (Note 1) 楊諾思女士 (附註1)	6/6	-	-	-	-	5/5	2/2
Mr. Ng Koon Keung, Ricky (appointed on 1 July 2021) 吳冠強先生 (於2021年7月1日獲委任)	2/2	-	-	-	-	2/2	-
Mr. Wong Chi Fai 黃志輝先生	6/6	-	2/2	-	-	5/5	2/2
Ms. Fan Man Seung, Vanessa (Note 2) 范敏嫦女士 (附註2)	6/6	-	-	2/2	1/1	5/5	2/2
<b>Independent Non-executive Directors</b> 獨立非執行董事							
Ms. Chan Sim Ling, Irene (Note 3) 陳嬋玲女士 (附註3)	6/6	3/3	-	2/2	1/1	-	2/2
Mr. Liu Hing Hung (Note 4) 廖慶雄先生 (附註4)	6/6	3/3	2/2	-	1/1	-	2/2
Ms. Chan Wiling, Yvonne (Note 5) 陳慧玲女士 (附註5)	6/6	3/3	2/2	2/2	-	-	2/2
<b>Total number of meetings held:</b> 舉行會議之總數：	6	3	2	2	1	5	2

#### Notes:

- Chairperson of the Executive Committee
- Chairperson of the Corporate Governance Committee
- Chairperson of the Nomination Committee
- Chairman of the Audit Committee
- Chairperson of the Remuneration Committee

#### 附註：

- 執行委員會主席
- 企業管治委員會主席
- 提名委員會主席
- 審核委員會主席
- 薪酬委員會主席

During the Year, the Chairperson held a meeting with INEDs without the presence of Executive Directors in compliance with code provision C.2.7 of the CG Code.

於本年度內，在沒有執行董事出席的情況下，根據企業管治守則守則條文第C.2.7條的規定，主席與獨立非執行董事舉行了一次會議。

The Board has reviewed the contribution required from each Director to perform his/her responsibilities to the Company and is satisfied that each Director has been spending sufficient time in performing his/her responsibilities during the Year.

董事會已檢討各董事於履行其對本公司之職責時須作出的貢獻，並信納各董事已於本年度投入足夠時間，履行其職責。

## Board Meetings and Proceedings

Regular Board meetings were held at approximately quarterly intervals. The Directors have access to the advice and services of the Company Secretary and key officers of the company secretarial team for ensuring that the Board procedures, all applicable rules and regulations are followed.

With the assistance of the Company Secretary, the meeting agenda is set by the Chairperson of the Board in consultation with other Board members. Board meeting notice was sent to the Directors at least 14 days prior to each regular Board meeting. For all other board meetings, reasonable notice was given. Board papers and related materials which provide appropriate, accurate, clear, complete and reliable information are generally sent to all Directors and relevant committee members at least 3 days before each Board meeting and Board Committee meeting (or other agreed period) to enable the Directors to make informed decisions.

Minutes of Board meetings and Board committee meetings are drafted by the secretary of the meetings and recorded in sufficient details the matters considered and decisions reached, with draft and final versions being circulated to the Directors for their comment and records respectively, within reasonable time after the meetings are held. Originals of such minutes, being kept by the Company Secretary, are open for inspection at any reasonable time on reasonable notice by any Director.

If a Director has conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical Board meeting rather than a written resolution. That Director will abstain from voting on the relevant Board resolution in which he/she or any of his/her associates has a material interest and he/she shall not be counted in the quorum present at such Board meeting. INEDs, who, and whose close associates, have no material interest in the transaction are present at that Board meeting.

## 董事會會議及程序

董事會定期會議約每季舉行。董事會可獲取公司秘書及公司秘書團隊主要職員之意見及服務，確保遵循董事會程序以及所有適用之規則及規例。

在公司秘書之協助下，會議議程乃由董事會主席在諮詢其他董事會成員後設定。董事會會議之通告於每次董事會定期會議舉行前至少14日發送予董事。至於所有其他董事會會議，亦會於合理時間內發出通知。董事會文件連同所有提供適當、準確、清晰、完整及可靠資料之相關會議材料一般於每次董事會會議及其轄下委員會會議日期之3天前（或經協定之其他期間）發送予全體董事及相關委員會成員，以便董事作出知情決策。

經由會議秘書就所考慮之事宜及所達成之決策起草及作出充分詳細記錄之董事會會議及董事委員會會議紀錄之初稿及最終定稿，均會交予董事傳閱，分別供彼等於舉行有關會議後之合理時間內表達意見及備案之用。有關會議紀錄之正本由公司秘書保存，可供任何董事於發出合理通知後在任何合理時間查閱。

若董事在董事會將予考慮之事項中存有董事會認為屬重大之利益衝突，則該事項將以召開董事會會議而非以書面決議案方式處理，而該董事將就彼或其任何聯繫人士具有重大利益之相關董事會決議案放棄投票，且不會計入出席該董事會會議之法定人數內。在交易中自身及其緊密聯繫人均沒有重大利益的獨立非執行董事會出席該董事會會議。

## Board Committees

To assist the Board in execution of its duties and facilitate effective management, certain functions of the Board have been delegated by the Board to the Executive Committee, Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee.

All members of the Audit Committee and majority members of the Remuneration Committee and Nomination Committee are INEDs. Clear written terms of reference of all the Board Committees are given to the respective members of these Committees. Details of the Board Committees as at 31 December 2021 are set out below:

### 1. Executive Committee (set up on 22 October 2014)

The Executive Committee consists of all the Executive Directors, namely Ms. Cindy Yeung (*Chairperson of the Committee*), Mr. Ng Koon Keung, Ricky ("Mr. Ricky Ng"), Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa. The primary duties of the Executive Committee are (a) formulating business policies and making decision (including entering into transactions) on matters relating to the management and day-to-day operations of the Group; (b) making and reviewing corporate/financial/treasury planning, investment and operation strategy of the Group; (c) discussing and approving any financial, borrowing, charging and guarantee commitment to be made or on behalf of the Group; (d) approving transactions, including discloseable transactions, exempted connected transactions and non-exempt continuing connected transactions which took place from time to time under the master agreement(s) previously approved by the Board/Shareholders (as the case may be) under the Listing Rules; (e) approving any publication of relevant announcement for discloseable transaction in relation to lease transaction recognizing the right-of-use assets by the Company as lessee according to HKFRS 16 "Leases"; and (f) having all power and authorities as that the Board except those matters specifically reserved for the full Board as set out in the "Formal Schedule on matters reserved for and delegated by the Board" adopted by the Board from time to time.

## 董事委員會

為協助董事會履行其職責及促進有效管理，董事會若干職能已由董事會委派予執行委員會、審核委員會、薪酬委員會、提名委員會及企業管治委員會。

審核委員會的全體成員、薪酬委員會及提名委員會大多數成員為獨立非執行董事。所有董事委員會之清晰書面職權範圍已提供予此等委員會之各自成員。於2021年12月31日的董事委員會詳情載列如下：

### 1. 執行委員會（於2014年10月22日成立）

執行委員會由全體執行董事組成，其分別為楊諾思女士（委員會主席）、吳冠強先生（「吳先生」）、黃志輝先生及范敏嫦女士。執行委員會之主要職責為(a)就與本集團管理及日常營運有關之事宜制定業務政策及作出決定（包括進行交易）；(b)制定及檢討本集團之企業／財務／庫務規劃、投資及營運策略；(c)討論及批准任何本集團或代表本集團制定之財務、借貸、收費及保證承諾；(d)批准交易，包括上市規則項下之須予披露交易、獲豁免關連交易及根據已由董事會／股東（視情況而定）批准之總協議下不時進行之非豁免持續關連交易；(e)根據香港財務報告準則第16號「租賃」，就確認本公司（作為承租人）的使用權資產的租賃交易，批准刊發任何有關須予披露交易的相關公告；及(f)擁有董事會之所有權力及授權，惟董事會不時採納之「需要由董事會作決定及由董事會授權之事項之正式預定計劃表」所載指定由全體董事會作決定之事項除外。

**2. Audit Committee (set up on 19 June 2008)**

The Audit Committee consists of three INEDs, namely Mr. Liu Hing Hung (*Chairman of the Committee*), Ms. Chan Sim Ling, Irene and Ms. Chan Wiling, Yvonne.

The specific written terms of reference of the Audit Committee is available on the websites of the Stock Exchange and the Company. The Audit Committee is primarily responsible for (a) making recommendations to the Board on the appointment, re-appointment and removal of the external auditor; (b) reviewing and monitoring the external auditor's independence and objectivity and effectiveness of the audit process; (c) approving the remuneration and terms of engagement of external auditor; and (d) reviewing financial information and overseeing the financial reporting system, risk management and internal control systems. The Audit Committee held three meetings during the Year.

A summary of work performed by the Audit Committee during the Year is set out as follows:

- i. reviewed with the management/finance personnel and/or the external auditor the effectiveness of audit process and the accounting policies and principles adopted by the Group, the accuracy and fairness of the annual consolidated financial statements for the financial year ended 31 December 2020 ("Previous Year") and the interim consolidated financial statements for the six months ended 30 June 2021;
- ii. reviewed with the senior management and finance personnel the effectiveness of the risk management and internal control systems of the Group during the Previous Year;
- iii. performed annual review of the non-exempt continuing connected transactions of the Group for the Previous Year;
- iv. recommended to the Board on the re-appointment of external auditor at the 2021 annual general meeting ("2021 AGM"); and
- v. approved the audit plan for the Year, reviewed the independence of the external auditor and approved its engagement.

**2. 審核委員會（於2008年6月19日成立）**

審核委員會由三名獨立非執行董事組成，其分別為廖慶雄先生（委員會主席）、陳嬋玲女士及陳慧玲女士。

審核委員會之具體書面職權範圍可於聯交所及本公司網站查閱。審核委員會之主要職責為(a)就委任、重新委任及罷免外聘核數師向董事會提供意見；(b)檢討及監察外聘核數師之獨立性以及審核程序之客觀性及有效性；(c)批准外聘核數師之酬金及委聘條款；及(d)審閱財務資料及監察財務報告制度、風險管理及內部監控系統。審核委員會於本年度舉行了三次會議。

審核委員會於本年度內所履行之工作概要載列如下：

- i. 與管理層／財務人員及／或外聘核數師審閱本集團所採納之審核程序及會計政策及原則之成效，以及截至2020年12月31日止財政年度（「上年度」）之年度綜合財務報表及截至2021年6月30日止六個月之中期綜合財務報表之準確性及公平性；
- ii. 與高級管理層及財務人員檢討上年度本集團風險管理及內部監控系統之成效；
- iii. 對本集團於上年度之非豁免持續關連交易進行年度審閱；
- iv. 就於2021股東週年大會（「2021股東週年大會」）上重新委聘外聘核數師向董事會提出建議；及
- v. 批准本年度之審核計劃、檢討外聘核數師之獨立性及批准其委聘。

**3. Remuneration Committee (set up on 19 June 2008)**

The Remuneration Committee consists of three members, namely Ms. Chan Wiling, Yvonne (*Chairperson of the Committee*) and Mr. Liu Hing Hung, both being INEDs, and Mr. Wong Chi Fai, being an Executive Director.

The specific written terms of reference of the Remuneration Committee is available on the websites of the Stock Exchange and the Company. The Remuneration Committee is primarily responsible for making recommendations to the Board on (a) the Company's policy and structure of all remuneration of Directors and senior management; (b) the remuneration of INEDs; and (c) the specific remuneration packages of individual Executive Directors and senior management. Details of the remuneration of each of the Directors for the Year are set out in note 9 to the consolidated financial statements. The Remuneration Committee held two meetings during the Year.

A summary of the work performed by the Remuneration Committee during the Year is set out as follows:

- i. reviewed the Directors' fees and made recommendation to the Board;
- ii. reviewed the current remuneration structure/package of the Executive Directors and senior management and recommended the Board to approve their specific packages;
- iii. reviewed and recommended the Board on the revised remuneration package of Ms. Cindy Leung; and
- iv. recommended the Board on the remuneration package of Mr. Ng Koon Keung, Ricky (the newly appointed Executive Director and Chief Executive Officer of the Group).

**3. 薪酬委員會 (於2008年6月19日成立)**

薪酬委員會由三名成員組成，其分別為獨立非執行董事陳慧玲女士 (委員會主席) 與廖慶雄先生及執行董事黃志輝先生。

薪酬委員會之具體書面職權範圍可於聯交所及本公司網站查閱。薪酬委員會之主要職責為就(a)所有本公司之董事及高級管理層之薪酬政策及架構；(b)獨立非執行董事之薪酬；及(c)個別執行董事及高級管理層之特定薪酬待遇向董事會提供意見。本年度各董事之薪酬詳情載於綜合財務報表附註9。薪酬委員會於本年度舉行了兩次會議。

薪酬委員會於本年度內所履行之工作概要載列如下：

- i. 檢討董事袍金，並向董事會提出建議；
- ii. 檢討執行董事及高級管理層之現有薪酬架構／待遇，並就批准彼等之具體薪酬待遇向董事會提出建議；
- iii. 檢討並向董事會建議楊諾思女士之經修訂薪酬待遇；及
- iv. 向董事會建議吳冠強先生 (本集團新獲委任執行董事兼行政總裁) 之薪酬待遇。

**4. Nomination Committee (set up on 19 March 2012)**

The Nomination Committee consists of three members, namely Ms. Chan Sim Ling, Irene (*Chairperson of the Committee*) and Ms. Chan Wiling, Yvonne, both being INEDs, and Ms. Fan Man Seung, Vanessa, being the Executive Director.

The specific written terms of reference of the Nomination Committee is available on the websites of the Stock Exchange and the Company. The primary duties of the Nomination Committee are (a) reviewing the structure, size, composition and diversity of the Board; (b) reviewing the Board Diversity Policy; (c) determining the policy for the nomination of Directors (“Nomination Policy”) and identifying potential candidates for directorship; (d) assessing the independence of INEDs; (e) reviewing the time commitment of each Director in performing his/her responsibilities; and (f) making recommendations to the Board on the appointment, re-appointment, re-election or re-designation of Directors and succession planning for Directors. The Nomination Committee held two meetings during the Year.

A summary of the work performed by the Nomination Committee during the Year is set out as follows:

- i. reviewed the structure, size, composition and diversity of the Board;
- ii. reviewed the independence of the INEDs;
- iii. reviewed the confirmation from the Directors on time commitment in performing their duties as Directors;
- iv. made recommendation to the Board on the re-election of Directors at the 2021 AGM; and
- v. made recommendation to the Board on the appointment of Mr. Ricky Ng as Executive Director and Chief Executive Officer of the Group.

**4. 提名委員會 (於2012年3月19日成立)**

提名委員會由三名成員組成，其分別為獨立非執行董事陳嬋玲女士 (委員會主席) 與陳慧玲女士及執行董事范敏嫦女士。

提名委員會之具體書面職權範圍可於聯交所及本公司網站查閱。提名委員會之主要職責為：(a)檢討董事會的架構、人數、組成及多元化；(b)檢討董事會多元化政策；(c)確定董事提名政策 (「提名政策」) 及物色潛在董事候選人；(d)評核獨立非執行董事的獨立性；(e)檢討各董事在履行其職責時所投入的時間；及(f)就董事委任、重新委任、重選或調任以及董事繼任計劃向董事會提出建議。提名委員會於本年度舉行兩次會議。

提名委員會於本年度內履行之工作概要載列如下：

- i. 檢討董事會的架構、人數、組成及多元化；
- ii. 檢討獨立非執行董事之獨立性；
- iii. 檢討董事就履行董事職責所投入時間之確認書；
- iv. 就於2021股東週年大會上重選董事向董事會提出建議；及
- v. 就委任吳先生為本集團執行董事兼行政總裁向董事會提出建議。



### *Board Diversity Policy*

As adopted by the Board, the Board Diversity Policy aims to achieve diversity on the Board in the broadest sense in order to have a balance of skills, experience and diversity of perspectives to the business nature of the Company. Selection of candidates on the Board is based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Nomination Committee will also assess the merits and contribution of any Director proposed for re-election or any candidate nominated to be appointed as Director that will bring to the Board against the objective criteria, with due regard for the benefits of diversity on the Board that would complement the Company's corporate strategy.

### *Nomination Policy*

The Company had adopted a written Nomination Policy of the Group which aims at assisting the Nomination Committee in identifying and nominating suitable candidates for directorship based on the Board Diversity Policy and sets out the nomination criteria and the nomination procedures for (i) nominating new Director to fill a casual vacancy on the Board; (ii) making recommendation to Shareholders regarding any Director proposed for election or re-election at general meeting; and (iii) nomination by Shareholders on election of new Director.

### *董事會多元化政策*

董事會所採納之董事會多元化政策旨在從最廣義角度實現董事會多元化，以達致適合本公司業務性質之均衡的技能、經驗及多元觀點。甄選董事會候任董事乃基於多方面考慮，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務年資。提名委員會亦將評估任何建議重選的董事或任何獲提名委任為董事之候選人會為董事會帶來之價值及貢獻，並以客觀準則評選，充分考慮董事會多元化的裨益，從而對本公司企業策略提供互補作用。

### *提名政策*

本公司已採納本集團之書面提名政策。該政策旨在協助提名委員會根據董事會多元化政策物色及提名董事之合適候選人，並訂明有關以下內容之提名標準及提名程序：(i)提名新董事，以填補董事會之臨時空缺；(ii)就擬於股東大會上選舉或重選董事，向股東提供推薦意見；及(iii)股東就選舉新董事之提名。

**5. Corporate Governance Committee (set up on 19 March 2012)**

The Corporate Governance Committee (“CG Committee”) consists of five members, namely Ms. Fan Man Seung, Vanessa (*Chairperson of the Committee*) being an Executive Director, Ms. Chan Sim Ling, Irene and Mr. Liu Hing Hung, both being INEDs, a representative from company secretarial function and a representative from finance and accounts function.

The specific written terms of reference of the CG Committee is available on the website of the Company. The primary duties of the CG Committee are (a) reviewing the policies and practices on corporate governance of the Company (“CG Policy”) and making recommendations to the Board; (b) reviewing and monitoring the policies and practices of the Company on compliance with legal and regulatory requirements of the Company; (c) developing, reviewing and monitoring the code of conduct applicable to Directors and relevant employees of the Group on dealings in the Company’s securities; (d) reviewing and monitoring the training and continuous professional development of Directors and senior management; and (e) reviewing the Company’s compliance with the CG Code and disclosure in this report. The CG Committee held one meeting during the Year.

A summary of the work performed by the CG Committee during the Year is set out as follows:

- i. reviewed the CG Policy and made recommendation to the Board;
- ii. reviewed the policies and practices on compliance with legal and regulatory requirements;
- iii. reviewed the training and continuous professional development of Directors and senior management;
- iv. reviewed the said code of conduct applicable to Directors and relevant employees of the Group; and
- v. reviewed the Company’s compliance with the CG Code and disclosure in Corporate Governance Report.

**5. 企業管治委員會（於2012年3月19日成立）**

企業管治委員會（「企業管治委員會」）由五名成員組成，其分別為執行董事范敏嫦女士（*委員會主席*）、獨立非執行董事陳嬋玲女士與廖慶雄先生、一名公司秘書職能代表及一名財務及會計職能代表。

企業管治委員會之具體書面職權範圍可於本公司網站查閱。企業管治委員會之主要職責為(a)檢討本公司企業管治之政策及常規（「企業管治政策」）並向董事會提出建議；(b)檢討及監察本公司在遵守本公司法律及監管規定方面之政策及常規；(c)制定、檢討及監察董事及本集團有關員工買賣本公司證券之適用行為守則；(d)檢討及監察董事及高級管理層之培訓及持續專業發展；及(e)檢討本公司遵守企業管治守則之情況及在本報告內之披露。企業管治委員會於本年度舉行了一次會議。

企業管治委員會於本年度內所履行之工作概要載列如下：

- i. 檢討企業管治政策及向董事會提出建議；
- ii. 檢討遵守法律及監管規定方面之政策及常規；
- iii. 檢討董事及高級管理層之培訓及持續專業發展；
- iv. 檢討董事及本集團有關僱員之所述行為守則；及
- v. 檢討本公司遵守企業管治守則之情況及於企業管治報告內之披露。

### COMPANY SECRETARY

The Company Secretary whose appointment was approved by the Board, plays an important role in supporting the Board for ensuring good information flow within the Board and that the Board policy and procedures are followed. She is responsible for advising the Board on general duties and obligations of Directors and good corporate governance issues, and has facilitated induction and professional development of the Directors. She has day-to-day knowledge of the Company's affairs.

During the Year, the Company Secretary had duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

### SECURITIES TRANSACTIONS OF DIRECTORS

The Company has adopted EWJ Securities Code as its own code of conduct regarding securities transactions by Directors on no less exacting terms than the required standards as set out in Appendix 10 of the Listing Rules regarding the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code"). Having made specific enquiry to the Directors, all of them confirmed that they had complied with the required standard of dealings as set out in the Model Code and EWJ Securities Code throughout the Year.

### ACCOUNTABILITY AND AUDIT

#### Financial Reporting

The Directors acknowledge their responsibilities to prepare the annual consolidated financial statements of the Group and other financial disclosures required under the Listing Rules. The management has provided all members of the Board with monthly updates on internal consolidated financial statements which give a balanced and understandable assessment of the Group's performance, position and prospects as at the reporting date.

In preparing the consolidated financial statements for the Year, the Board had adopted appropriate accounting policies and applied them consistently, made judgment and estimates that were prudent and reasonable and ensured the consolidated financial statements are prepared on a "going concern" basis (with supporting assumptions or qualifications as necessary) and showed a true view of the state of affairs of the Group for the Year. The management had provided sufficient explanation and information to the Board on the consolidated financial statements to enable it to make an informed assessment of the financial and other information put before it for approval. The auditor of the Company had made a statement about their reporting responsibilities in the Independent Auditor's Report.

### 公司秘書

公司秘書由董事會批准委聘，其在支持董事會方面擔當重要角色，以確保董事會內部之資訊流通良好及董事會政策及程序獲得遵行。彼負責就董事的一般職責和義務以及良好的企業管治事宜向董事會提供意見，並已推動董事之啟導及專業發展。彼對本公司之日常事務有所認識。

於本年度內，公司秘書已妥為遵守上市規則第3.29條項下之相關專業培訓規定。

### 董事之證券交易

本公司已採納英皇鐘錶珠寶證券守則作為其自訂之有關董事進行證券交易之行為守則，其條款不遜於上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）之規定標準。經向董事作出特定查詢後，全體董事確認，彼等於本年度內一直遵守標準守則及英皇鐘錶珠寶證券守則所載之規定交易準則。

### 問責及核數

#### 財務匯報

董事知悉彼等負責編製本集團之年度綜合財務報表及上市規則所規定之其他財務披露事項。於匯報日期，管理層已每月向董事會全體成員提供最新之內部綜合財務報表，藉此可公正及易於理解地評估本集團之表現、狀況及前景。

於編製本年度綜合財務報表時，董事會已採納適用之會計政策，並貫徹應用該等政策、作出審慎及合理之判斷及估計，並確保綜合財務報表按「持續經營」基準編製（於需要時附上佐證假設或保留意見）及真實反映本集團於本年度之財務狀況。管理層已向董事會提供有關綜合財務報表之充分解釋及資料，以便董事會就向其提交作審批之財務及其他資料作出知情評估。本公司之核數師已就彼等之匯報責任於獨立核數師報告內作出聲明。

## RISK MANAGEMENT AND INTERNAL CONTROL

Internal control is fundamental to the successful operation and day-to-day running of a business and it assists a company in achieving its business objectives. Internal control policies and procedures within the Group are updated regularly with the primary objective of providing general guidance and recommendations on a basic framework of risk management and internal control systems (“Control Systems”).

### A. Goals and Objectives

The Board is responsible to ensure that the Group establishes and maintains appropriate and effective Control Systems. Such systems are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or losses.

The key objectives of the Control Systems include:

- safeguarding assets;
- ensuring completeness, accuracy and validity of financial records and reports;
- promoting adherence to policies, procedures, regulations and laws; and
- promoting effectiveness and efficiency of operations.

A review has been conducted on (i) the Group’s internal control measures and procedures covering all material controls, including operational, financial and compliance controls; and (ii) risk management functions in the principal subsidiaries of the Company.

## 風險管理及內部監控

內部監控乃成功運作及日常業務運作之基礎，有助公司達成其業務目標。本集團定期更新之內部監控政策及程序，主要目的乃為風險管理及內部監控系統（「監控系統」）之基本框架提供一般指引及意見。

### A. 宗旨及目標

董事會負責確保本集團設立及維持合適及有效之監控系統。該等系統旨在管理而非消除未能達成業務目標之風險，並僅可就重大錯誤陳述或損失提供合理而非絕對保證。

監控系統之主要目標包括：

- 保障資產；
- 確保財務記錄及報告之完整性、準確性及有效性；
- 促進遵守政策、程序、法規及法律；及
- 促進經營效益性及效率性。

已就以下內容進行檢討：(i)本集團之內部監控措施及程序，覆蓋所有重大監控，包括營運、財務及合規監控；及(ii)本公司主要附屬公司之風險管理職能。

## B. Internal Control

### (1) Governance Control

The control structure of the Control Systems is set out as follows:

#### **The Board**

- responsible for the overall Control Systems and reviewing their effectiveness;
- oversee the Control Systems on an ongoing basis with the assistance of Audit Committee;
- ensure maintenance of appropriate and effective Control Systems;
- define management structure with clear lines of responsibility and limit of authority; and
- determine the nature and extent of significant risks that the Company is willing to take in achieving the strategic objectives and formulate the Group's risk management strategies.

#### **Audit Committee**

- review and discuss the Control Systems with the management annually to ensure that the management has performed its duty to have effective Control Systems. This discussion includes the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions; and
- consider major findings on internal control matters (if any) raised by external auditor and make recommendations to the Board.

## B. 內部監控

### (1) 管治監控

監控系統的監控架構載列如下：

#### **董事會**

- 負責整個監控系統並審閱其有效性；
- 在審核委員會協助下持續監督監控系統；
- 確保監控系統維持合適及有效性；
- 制定有明確責任及權限的管理架構；及
- 釐定本公司就達致戰略目標所願承擔之重大風險之性質及程度，並制定本集團之風險管理策略。

#### **審核委員會**

- 按年與管理層檢討並討論監控系統，以確保管理層履行其職責以維持監控系統之有效性。該討論包括本公司會計、內部審計及財務匯報職能之資源、員工資格及經驗、培訓計劃及預算之充足性；及
- 考慮外聘核數師所提出之內部監控事宜的重要發現（如有）並向董事會提出建議。

***The management (includes Chief Executive Officer, heads of business units, departments and divisions)***

- design and implement the Control Systems' policies and procedures duly endorsed by senior management and the Board;
- monitor the Control Systems properly and ensure the Control Systems are executed effectively;
- monitor risks and take measures to mitigate risks in day-to-day operations;
- give prompt responses to, and follow up the findings on internal control matters raised by internal or external auditors; and
- provide confirmation to the Board on the effectiveness of the Control Systems.

***Internal Audit Department***

- carry out the analysis and independent appraisal of adequacy and effectiveness of the Control Systems in respect of all material controls, including operational, financial and compliance aspects;
- alert the management on the audit review findings or irregularities, if any, and advise them on the implementation of necessary steps and actions to enhance the internal controls of the Group; and
- report the results of internal audit reviews and agreed action plans to the Audit Committee and the Board on a regular basis.

***管理層 (包括行政總裁、業務單位、部門及分部主管)***

- 設計及實施由高級管理層及董事會正式批准之監控系統政策及程序;
- 適當監督監控系統, 並確保該等系統得以有效執行;
- 監督風險並採取措施降低日常營運風險;
- 對內部或外部核數師提出之有關內部監控事宜之調查結果作出及時的回應及跟進; 及
- 向董事會確認監控系統之有效性。

***內部審核部門***

- 就有關所有重大監控, 包括營運、財務及合規方面對監控系統之充足性及有效性進行分析及獨立評核;
- 向管理層提報審核檢討結果或不規範行為 (如有) 及就實施必要步驟及行動以提高本集團之內部監控向彼等提供意見; 及
- 定期向審核委員會及董事會報告內部審核檢討結果及經協定行動計劃。

(2) **Operational Control**

During the Year, the management had analyzed the control environment, identified risks pertaining thereto, and implemented various controls therein as follows:

- **Approach taken:** The management communicates with relevant staff, reviews relevant documentation of the internal control system and evaluates findings of any deficiencies in the design of the Group's internal control system, providing recommendations for improvement and assesses the effectiveness of implementation of such recommendations, where appropriate. The scope and findings of review on the Control Systems have been reported to and reviewed by the Audit Committee annually.
- **Procedure manuals and operational guidelines:** They are in place to safeguard the assets against unauthorized use or disposition and ensure maintenance of proper accounting records that are in compliance with the applicable laws, rules and regulations for the provision of reliable financial that are information for internal use and/or external publication.
- **Management information system and technology:** Such use to control over the business activities allows close tracking of various inputs and outputs of the Company's business such as raw materials, inventories, products, customer information and human resources. It also tracks audit trails in the authorization system, under which permissions and responsibility of authorization are clearly identified and adequate records can be maintained in the Control Systems.

(2) **營運監控**

於本年度內，管理層已對監控環境及其相關已識別風險作分析，並就此實施以下多項監控：

- **所採取方法：**管理層與相關員工溝通，並審閱內部監控系統相關文件及評估本集團內部監控系統設計中所發現之任何不足，就改善措施提出建議及評估實施有關建議之有效性（倘適用）。對監控系統審閱的範圍及發現已每年呈報審核委員會並經其審閱。
- **程序手冊及運作指引：**制定該等手冊及指引以保障資產，以免未經授權使用或處置，並確保遵守適用法律、規則及法規存置適當會計記錄，以提供可靠財務資料供內部使用及／或對外刊發。
- **管理資訊系統及技術：**此用於控制業務活動，允許密切追蹤本公司業務之各項輸入及輸出，如原材料、存貨、產品、客戶資料及人力資源。其亦於授權系統追蹤審核程序，據此，授權許可及責任獲明確識別及監控系統可存置足夠記錄。

- **Reports and variance analysis:** Such reports and analysis of each segment in the upstream, midstream and downstream are conducted on a regular basis such that the performance of each point of sales and each product category can be easily accessible.
- **Information flow:** The transparent information flow alerts the management promptly of any deviations. Benchmarking with historical database and comparisons with the same also acts as a detecting device for spotting unusual activities.
- **Safeguarding of assets:** To safeguard shops' assets, security systems are installed and properly maintained in good condition at each shop. In addition, tests are carried out on a daily basis to ensure the proper functioning of the security systems and implementation of internal control procedures in daily operations. Daily stock count for each shop, regular and surprise stock counts are arranged by the shop managers, Assurance Team and Finance & Accounts Department respectively. Annual stock count is also carried out by external auditors. Insurance coverage on inventory is periodically reviewed by the management for sufficient coverage, and to ensure compliance with the terms and conditions of the insurance policies.
- **Quality control:** Diamonds are either sent to authoritative and reliable organizations for assessment and certification or are tested internally with our own professional equipment to assure the quality fulfills good standard requirement. In order to provide assurance of high quality products and services and to enhance the protection of our customers' interest, the Company had joined several associations and schemes.
- **Proper authorization on sales discounts:** Discount policies are properly maintained and controlled by electronic point-of-sales systems. Discount policies and pricing strategy are reviewed from time to time.
- **報告及差異分析:** 定期對上游、中游及下游各階段進行有關報告及分析，故可易於了解各銷售點及各產品類別之表現。
- **信息流:** 透明的信息流及時提醒管理層任何偏差。以過往數據庫為基準及與之比較亦為發現不尋常活動之檢測工具。
- **保障資產:** 為保障店舖資產，各店舖均安裝保安系統且維持妥善運作。此外，每日進行測試以確保保安系統維持良好運作及在日常營運中落實內部監控程序。各個店舖的每日盤點、定期及突擊盤點分別由店舖經理、保障團隊及財務及會計部安排。外部核數師亦進行年度盤點。管理層定期就存貨的保險範圍是否充足進行檢討，並確保符合保單的條款及條件。
- **品質監控:** 鑽石送往法定及信譽可靠的機構進行評估及認證，或經由我們的專業儀器進行內部測試，以確保品質達致高水平。為保證提供高品質產品及服務及增強對我們客戶權益的保護，本公司已加入若干協會及計劃。
- **就銷售折扣作出適當授權:** 折扣政策經電子銷售點系統妥善管理及控制，並不時檢討折扣政策及定價策略。



### (3) Financial Control

- proper controls are in place for the recording of complete, accurate and timely accounting and management information;
- annual budget and quarterly forecast on all capital and revenue items are prepared and approved by the management before being adopted;
- the management monitors the business activities closely and reviews monthly financial results of operations against budgets/forecasts;
- regular reports on revenue, trade receivables' ageing and debtors' ageing and internal financial reports are prepared to the management which give a balanced and understandable assessment of the Group's financial performance;
- monthly updates on internal financial statements are provided to all Directors which give a balanced and understandable assessment of the Group's performance, financial position and prospects in sufficient details;
- annual audit by external auditor is carried out to ensure that the consolidated financial statements are prepared in accordance with generally accepted accounting principles, the Group's accounting policies and the applicable laws and regulations; and
- daily available fund report is reviewed to monitor the cash flows against budgets/forecasts.

### (3) 財務監控

- 已建立適當的監控程序，確保全面、準確及準時記錄會計及管理資料；
- 所有資本及收入項目之年度預算及季度預測編製後，均須先獲管理層批准方可採納；
- 管理層嚴密監控業務活動並每月將經營之財務業績與預算／預測進行對比檢討；
- 為管理層編製收入、貿易應收款項賬齡及應收債項賬齡的定期報告以及內部財務報告，對本集團的財務表現給予平衡及可理解的評估；
- 每月向全體董事提供內部財務報表的更新，其中載有本集團表現、財務狀況及前景的持平及易於理解的評估，並具有充足詳情；
- 外聘核數師進行年度審核以確保綜合財務報表乃根據公認會計原則、本集團之會計政策及適用的法律及法規編製；及
- 審閱每日可動用資金報告，以就現金流量與預算／預測的對比進行監控。

(4) **Compliance Control**

The following policies and procedures are in place to safeguard the compliance control:

- **Systems and Procedures on Disclosure of Inside Information** to ensure, with the assistance of an internal work team (if required), that any material information which comes to the knowledge of any one or more officers should be promptly identified, assessed and escalated, where appropriate, for the attention of the Board. The Board shall make timely decisions on disclosure, if necessary, and take appropriate measures to preserve confidentiality of inside information until proper dissemination of inside information;
- **Policies and practices on compliance with legal and regulatory requirements** which shall be reviewed and monitored regularly by the CG Committee as delegated by the Board;
- **CCT Compliance Committee** is established to monitor, control and regularly review connected transactions and continuing connected transactions of the Company and ensure proper compliance with all relevant laws and regulations, the Listing Rules and disclosure requirements;
- **Whistle-blowing policy** for employees of the Group to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters. Such arrangement will be reviewed by the Audit Committee which ensures that proper arrangement is in place for fair and independent investigation of the matters; and
- **Anti-Money Laundering and Counter-terrorist Financing Policy and Procedures** is established to set out the general framework for combating crime against money laundering and financing of terrorism. It provides guideline to prevent the Group's employees and clients/customers/suppliers/vendors/contractors from being misused for money laundering, terrorist financing or other financial crime and has set out some indications of potentially suspicious transactions/activities for employees' reference.

(4) **合規監控**

設有以下政策及程序以保障合規監控：

- 設有內幕消息披露機制及程序，以在內部工作組的協助下（如需要），確保任何一名或多名高級人員得悉的任何重大資料須予及時識別、評估及提交（倘適用）至董事會。董事會須適時就披露作出決定（如需要），並採取適當措施將內幕消息保密，直至妥善發佈內幕消息為止；
- 有關遵守法例及監管規定方面的政策及常規須由董事會委派之企業管治委員會定期檢討及監察；
- 持續關連交易合規委員會已經成立，以監察、監管及定期檢討本公司之關連交易及持續關連交易，確保妥為遵守一切相關法律及法規、上市規則以及披露規定；
- 舉報政策已為本集團僱員制定，以在保密情況下就財務匯報、內部監控或其他事宜中的可能不當行為提出關注。有關安排將由審核委員會檢討，確保有恰當安排就有關事項進行公平及獨立之調查；及
- 打擊洗錢及恐怖分子資金籌集政策及程序已予制定，其訂明打擊洗錢及恐怖主義資金籌集罪行之整體框架，並提供指引防止本集團員工及客戶／顧客／供應商／賣方／承包商被誤用於洗錢、恐怖主義資金籌集或其他金融罪行，亦已列出部分潛在可疑交易／活動之指標，供員工參考。

## C. Risk Management

### (1) Risk Management Process

The risk management process includes risk identification, risk evaluation, risk management measures and risk control and review.

The management is entrusted with duties to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority. Risks are evaluated by the Board and management based on (i) the severity of the impact of the risk on the Group's financial results; (ii) the probability and frequency that the risks will occur; and (iii) the velocity or speed at which risks can occur.

Based on the risk evaluation, the Company will manage the risks as follows:

- **Risk elimination** – The management may identify and implement certain changes or controls that in effect eliminate the risk entirely.
- **Risk mitigation** – The management may implement risk mitigation plan designed to reduce the likelihood, velocity or severity of the risk to an acceptable level or contingency plan for possible loss scenarios.
- **Risk control and monitoring** – It involves making decisions regarding which risks are acceptable and how to address those that are not. Accidents and other situations involving loss or near-loss will be investigated and properly documented as part of the effort to manage risks.
- **Risk retention** – The management may decide that the risk rating is low enough that the risk is acceptable level and no action is required and the risk will continue to be monitored as part of the risk management program to ensure the level of risk does not increase to an unacceptable level.

## C. 風險管理

### (1) 風險管理程序

風險管理程序包括風險識別、風險評估、風險管理措施及風險監控及檢討。

管理層獲委派於其責任及權力範圍內識別、分析、評估、應對、監察及傳達與任何活動、職務或程序有關風險。董事會及管理層根據(i)風險對本集團財務業績造成之影響之嚴重性；(ii)風險發生之概率及頻率；及(iii)風險發生之速度或速率，對風險進行評估。

根據風險評估，本公司將按以下方式管理風險：

- **風險消除**—管理層可確定及實施若干變動或監控，完全排除風險。
- **減低風險水平**—管理層可實施風險緩解計劃，旨在使風險之可能性、速度或嚴重性降低至可接受水平，或就潛在虧損情境預備應變方案。
- **風險監控及監察**—涉及對那種風險屬可接受及如何應對不可接受之風險作出決定；而作為管理風險之一部分，對涉及造成損失或接近損失之事故及其他情況將進行調查並妥為存檔。
- **維持風險水平**—管理層可確定基於風險評級屬於低而風險屬可接納水平，毋須採取任何行動；作為風險管理計劃的一部分，將繼續監察風險以確保風險不會上升至不可接納水平。

(2) **Significant Risks and Strategies**

Certain significant risks have been identified through the process of risk identification and assessment. Such significant risks of the Group together with their respective key strategies/control measures are set out below:

**a) Decline in tourists' arrivals and consumption demand resulted from downturn in economic and unstable social conditions and also outbreak of contagious diseases such as COVID-19, SARS**

Facing the unfavourable market situation, the Group:

- proactively manages the Group's geographical presence and develops alternative sales channels including e-commerce and also explores new on-line payment solution;
- optimises business operations and shops establishments in Hong Kong and Mainland China;
- develops market diversification beyond Hong Kong market; and
- decisively takes stringent cost control measures including human resources streamline plan, negotiation for rental concession, retail network optimisation exercises including shorten business hours, shops closure plan, etc.

**b) Damage to brand name and reputation**

In addition to advertising and promotional efforts in strengthening our brand image, the Group has also given much attention to:

- register of brand name and major jewellery product collection names;
- conduct customer service training and mystery shopper reviews to ensure sales staff service standards;
- maintain product quality by various means from vendor selection to quality check upon delivery from vendors; and
- brand name infringements which are followed up by legal department until completely resolved.

(2) **重大風險及策略**

本集團已透過風險識別及評估程序識別若干重大風險。本集團所面臨的該等重大風險及彼等各自的主要策略/控制措施載列如下：

**a) 遊客來港及消費需求下降由於經濟下滑及不穩定的社會狀況以及傳染病爆發（例如新冠病毒疫情、非典型肺炎）**

面對不利的市場形勢，本集團：

- 積極管理集團的地域分佈及開發包括電子商務在內的替代銷售渠道，並探索新的在線支付方案；
- 優化香港及中國內地的業務營運及商店；
- 拓展香港市場外的市場多元化；及
- 果斷採取嚴格的控制成本措施，包括人力資源精簡計劃、租金特許議價、零售網絡優化工作（包括縮短營業時間及關閉店舖計劃等）。

**b) 品牌及信譽受損**

除透過廣告及宣傳活動加強品牌形象外，本集團亦特別關注以下方面：

- 註冊品牌和主要珠寶系列名稱；
- 安排客戶服務培訓及神秘顧客審查，以確保銷售人員之服務水平；
- 透過供應商篩選及供應商交付後之質量檢查等不同途徑，維持產品質量；及
- 品牌侵權個案交由法律部門跟進，直至完全解決為止。

**c) Reliance on major suppliers and watch brands**

In fact, the Group's success largely rides on its relationship with the world's giant watch suppliers and top-tier brands. The loss of key brands may adversely affect the Group's business. To cope with this, the Group:

- centralizes communication with major watch brands suppliers within top management;
- develops and maintains mutually beneficial and long-term relationship with all suppliers;
- continues to build up our own jewellery brands; and
- arranges senior sales staff inspecting all watches delivered to shops.

**d) Excess and shortage of watch inventory**

The Group strives to be leading retailer in bands that have higher consumer appreciation and consequently stronger profit yield. In order to achieve this leading position, we:

- maintain close business relationship and communication with watch manufacturers to strive for optimal and timely supply; and
- systematically review inventory with updated sales forecasts to determine appropriate inventory level.

**e) Substandard design and production of jewellery**

The Group's strategy is to yield higher gross margin and avoid price competition with other market players. As such, quality of our jewellery and highly regarded designs are vital.

**c) 過度依賴大型供應商及鐘錶品牌**

事實上，本集團的成功極大依賴其與世界大型鐘錶供應商及頂級品牌的關係。失去主要品牌可能會對本集團的業務產生不利影響。為應對此風險，本集團：

- 與大型鐘錶品牌供應商之高級管理層建立統一溝通；
- 與所有供應商發展及維持互惠互利及長遠合作關係；
- 持續建立自家珠寶品牌；及
- 安排高級銷售員工檢查所有進店之鐘錶。

**d) 鐘錶存貨過量與短缺**

本集團力爭成為該等獲較多顧客欣賞並因此擁有較強溢利回報之品牌之領先零售商。為了達到此頂尖地位，我們：

- 與鐘錶製造商維持緊密業務關係及溝通，力求獲得妥善及時的供應；及
- 系統化審查存貨及不斷更新銷售預測，以釐定適當存貨水平。

**e) 不符合標準的珠寶設計及生產**

本集團之策略乃要賺取更高毛利及避免與其他市場競爭對手展開價格戰。因此，我們的珠寶質量及擁有備受推崇的設計相當重要。

- The Group maintains a high quality design team with good market trend knowledge, measured by effectiveness of successful product design launched.
- Merchandising managers, design managers, sales operation managers and shop representatives review all jewellery design before approval by CEO for production.
- Production vendors selection and regular quality performance review are conducted by merchandising managers, technical manager and in some cases jewellery design manager.
- Merchandising managers, technical manager and in some cases design manager inspect jewellery product mold and first sample before bulk production.
- All jewellery products must pass through quality inspection by quality control team and shop front sales team.
- Scanning of diamond by equipment is used to avoid receiving synthetic diamonds and procure diamonds from international renowned suppliers.
- Higher value jewellery products are tested by reputable and commonly recognized third-party laboratories who issue testing certificates.
- 本集團維持高水平、熟知市場趨勢之設計團隊；就此，以成功推出產品設計之效率來衡量。
- 所有珠寶設計在提交行政總裁批准生產前，先經過採購經理、設計經理、銷售營運經理及店舖代表檢視。
- 由採購經理、技術經理及（在部分情況）珠寶設計經理篩選生產供應商及進行定期質量表現審查。
- 於大量生產前，由採購經理、技術經理及（在部分情況）珠寶設計經理檢查珠寶成品模具及第一批樣品。
- 所有珠寶產品均必須通過品質監控團隊及店舖前線銷售團隊之品質檢查。
- 利用相關設備掃描鑽石以避免收到合成鑽石，並向國際知名供應商採購鑽石。
- 委託具信譽及獲普遍認可之第三方實驗室為價值較高之珠寶產品進行檢測並發出檢測證書。

**f) Stable supply of raw materials at fair price**

In order to maintain our timely replenishment and new product launch, we secure reliable sourcing by:

**f) 以公平價格獲得穩定的原材料供應**

為了保持存貨獲得適時補充及新產品及時推出，我們透過以下方法取得可靠供應源：

- adopting systematic vendor selection process; and
- regularly reviewing and exploring more attractive sources.

**g) Stock loss or theft**

Since our stock items are easily concealable, the Group places very much attention on safeguarding them with all practicable measures as follows:

- CCTV monitoring and back up;
- daily stock-take at shops;
- procedures and approval requirements for stock transfer, and use of security guarded service;
- security systems for stock locations; and
- insurance coverage.

**h) Shop location and rental expenses**

- conduct adequate research and study to ensure proper location selected; and
- perform feasibility study and scenario analysis to ensure financial viability on each new shop location including renewal of lease contract.

- 實行系統化的供應商篩選流程；及
- 定期審視及探索更具吸引力之供應源。

**g) 現貨遺失或失竊**

因現貨商品易被收藏，本集團特別注重該等商品之保管事宜，並採取一切以下切實措施：

- 閉路電視監察及備份；
- 每日進行店舖盤點；
- 訂定有關商品轉移的程序及審批要求，以及利用保安護衛服務；
- 於存放地點裝設保安系統；及
- 投購保險。

**h) 店舖位置及租金開支**

- 進行足夠調查及研究，以確保篩選合適位置；及
- 進行可行性研究及情境分析，以確保各個新店舖位置（包括續訂租賃合約）的財務可行性。

**i) Anti-money laundering**

Non-compliance with applicable anti-money laundering laws would adversely affect the Group's business and reputation. We shall:

- review compliance policies regularly;
- enforce the relevant internal control procedures in all shops and assist sales personnel to be familiar with "know your customers" approach;
- stay alert to the industrial practices and co-operates with banks on case investigation; and
- provide regular training to the staff.

**j) Cyber security risks**

To mitigate cyber security risks, the Group has taken measures as follows:

- the Company's IT infrastructure is regularly scanned and patched;
- risky external IP addressees are blocked;
- emails are filtered for spam and malware;
- specialized ransomware/virus detection software are installed in all computers;
- access rights to the Group's systems are strictly controlled and regularly reviewed;
- training for personnel about dangerous email attachments; and
- regular backups of data for recovery.

The Board will make sure that the risks facing by the Company shall be reviewed regularly, and the management will take suitable measures to deal with them on ongoing basis.

**i) 防止洗黑錢**

違反適用防止洗黑錢法律可能對本集團的業務及聲譽造成不利影響。我們：

- 定期審閱合規政策；
- 於所有店舖執行相關內部監控程序並協助銷售人員熟悉「了解客戶」方針；
- 留意行業常規及與銀行合作調查個案；及
- 為員工提供定期培訓。

**j) 網絡安全風險**

為降低網絡安全風險，本集團採取措施如下：

- 本公司會定期掃描資訊科技設施並修補漏洞；
- 具風險的外部IP地址會遭阻截；
- 電子郵件會過濾垃圾郵件及惡意軟件；
- 在所有計算機上安裝特定勒索軟件／病毒檢測軟件；
- 嚴格控制及定期檢討本集團系統的訪問權限；
- 為人員提供危險郵件附件有關的培訓；及
- 定期備份數據，以進行恢復。

董事會保證其將定期審閱本公司所面對之風險，而管理層會恆常採取適當措施應對有關風險。



#### D. Management Confirmation

The Board acknowledged that it had received a confirmation from the management on the effectiveness of the Control Systems of the Group for the Year. The Audit Committee and the Board had reviewed the Control Systems and were not aware of any significant issues that would have an adverse impact on the effectiveness and adequacy of the Group's operational, financial and compliance areas of the Control Systems.

#### DIVIDEND POLICY

The Company had adopted a written dividend policy setting out the principles for the Board to determine appropriate amount of dividend to be distributed to the Shareholders. The Company intends to provide Shareholders with regular interim and final dividends (as the case may be) based on the earnings attributable to its Shareholders after taking into consideration of the factors including, inter alia, (i) cash flow requirements for business operations; (ii) cash available, financial liabilities and capital commitment; (iii) market environment and challenges; and (iv) future development and investment opportunities. The declaration of dividends or recommendation on such payment shall be subject to all applicable laws, rules and regulations including but not limited to the Listing Rules, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("CO") and the Articles of Association of the Company.

#### D. 管理層確認

於本年度內董事會確認已接獲管理層就本集團之監控系統之成效的確認書。審核委員會及董事會已檢討監控系統，並不知悉任何對本集團監控系統的經營、財務及合規方面之成效及充足性產生不利影響之重大事宜。

#### 股息政策

本公司已採納書面股息政策，其訂明供董事會釐定將派付予股東之合適數額的股息之原則。本公司擬根據其股東應佔之盈利，向股東提供經常性的中期及末期股息（視情況而定），當中已考慮若干因素，其中包括：(i)業務營運之現金流量需求；(ii)可用現金、金融負債及資本承擔；(iii)市場環境及挑戰；及(iv)未來發展及投資機遇。宣派股息或建議作出有關派付時須符合所有適用法律、規則及規例，包括但不限於上市規則、公司條例（香港法例第622章）（「公司條例」）及本公司的組織章程細則。

## COMMUNICATION WITH SHAREHOLDERS

The Company has established a shareholders' communication policy and the Board shall review it on a regular basis to ensure its effectiveness. The Company communicates with the Shareholders mainly in the following ways: (i) the holding of annual general meetings ("AGM") and extraordinary general meetings, if any, which may be convened for specific purposes to provide opportunities for the Shareholders to communicate directly to the Board; (ii) the publication of announcements, annual reports, interim reports and/or circulars as required under the Listing Rules and press releases providing updated information of the Group; (iii) the availability of latest information of the Group on the Company's website at <https://www.emperorwatchjewellery.com>; (iv) the holding of press conference(s) from time to time; and (v) meeting with investors and analysts on a regular basis and participate investor road show and sector conference.

There is regular dialogue with institutional Shareholders and general presentations are made when financial results are announced. Shareholders and investors are welcome to visit the Company's website to raise enquiries through our Investor Relations Department whose contact details are available on the Company's website and the "Corporate Information and Key Dates" section of this annual report.

Separate resolutions are proposed at the general meetings for substantially separate issues, including re-election of retiring Directors. The Chairperson of the 2021 AGM and chairman/members of the Board Committees and the external auditor had attended the 2021 AGM to answer questions from the Shareholders. With the assistance of the Company Secretary, the Chairperson of the meeting had explained the procedures for conducting a poll voting during the meeting.

## 與股東之溝通

本公司已經制定股東溝通政策，且董事會將定期檢討以確保其成效。本公司主要以下列方式與股東溝通：(i)舉行股東週年大會（「股東週年大會」）及可能就特別目的而召開股東特別大會（如有），藉以提供機會讓股東直接與董事會溝通；(ii)根據上市規則之規定刊發公告、年報、中期報告及／或通函及提供本集團最新資料之新聞稿；(iii)本公司網站(<https://www.emperorwatchjewellery.com>)刊發本集團之最新資料；(iv)不時舉行記者招待會；及(v)定期與投資者及分析員會面及參加投資者路演及業界大會。

本集團與機構股東定期對話，並於公佈財務業績時舉行全面發佈會。本公司歡迎股東及投資者瀏覽本公司網站及透過投資者關係部查詢，該部門之聯絡詳情可於本公司網站及本年報「公司資料及重要日期」一節查閱。

各重大獨立事項（包括重選退任董事）均會於股東大會上提呈個別決議案。2021股東週年大會之主席及董事委員會之主席／成員及外部核數師均已出席2021股東週年大會以回答股東之提問。透過公司秘書之協助，大會主席已於大會上解釋進行投票表決之程序。

### SHAREHOLDERS' RIGHTS

Set out below is a summary of certain rights of the Shareholders as required to be disclosed pursuant to the CG Code:

#### Right to convene/Call general meetings

Shareholder(s) representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings may send a request to the Company pursuant to Section 566 of the CO. The request must state the general nature of the business to be dealt with at the meeting, and may include the text of resolution that may properly be moved and is intended to be moved at the meeting. Requests may consist of several documents in like form. A request may be sent to the Company for the attention of the Company Secretary in hard copy form or in electronic form and must be authenticated by the relevant Shareholder(s). Such request will be verified with the Company's share registrar and the Company Secretary will request the Board to convene a general meeting within 21 days upon its confirmation that the request is in order. Such meeting must be held on a date not more than 28 days after the date of the notice convening the meeting and such notice must include notice of the resolution.

Section 568 of the CO provides that if the Directors do not within 21 days as stated above to call a general meeting, the Shareholders representing more than one half of the total voting rights of all of them, may themselves call a general meeting, but the meeting so convened must be called for a date not more than 3 months after the Directors become subject to the requirement to call a meeting. The meeting must be called in the same manner, as nearly as possible, as that in which that meeting is required to be called by the Directors. The business that may be dealt with at the meeting includes a resolution to be dealt with at the meeting. All reasonable expenses incurred by the Shareholders of this purpose must be reimbursed by the Company.

#### Putting forward Proposals at General Meetings

Section 615 of the CO provides that (i) Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders; or (ii) at least 50 Shareholders having a right to vote on the resolution at the AGM may request the Company to circulate a notice of a resolution to be properly moved or is intended to be moved at that meeting. Such request must identify the resolution to be moved at the AGM, must be authenticated by the relevant Shareholder(s) and sent to the registered office of the Company for the attention of the Company Secretary in hard copy form or in electronic form not later than 6 weeks before the relevant AGM or if later, the time when the notice of AGM is despatched.

### 股東之權利

根據企業管治守則須予披露之若干股東權利之摘要如下：

#### 召開股東大會之權利／召開股東大會

根據公司條例第566條，倘股東擁有佔全體有權於股東大會上投票之股東之總投票權最少5%，則可向本公司發出要求。要求須列明大會上將處理事項之一般性質，並可包含於該大會可能恰當地動議並擬於該大會動議之決議案文本。要求可包含多份格式相似之文件。要求可以列印本或電子版本送達本公司予公司秘書且必須經相關股東確認。該要求將由本公司股份過戶登記處核實且公司秘書將要求董事會於其確認相關要求符合程序後21日內召開股東大會。相關大會須於不超過召開大會通告日期後28日之日期舉行且相關通告必須包含決議案之通告。

公司條例第568條規定，倘董事未按以上所述於21日內召開股東大會，則佔全體股東總投票權一半以上之股東，可自行召開股東大會，但如此召開之大會須在董事收到召開大會要求後不超過三個月舉行。該大會須以盡可能接近董事召開大會之相同方式召開。可能於大會上處理之事宜包括將於會上處理之決議案。股東就此產生的所有合理開支須由本公司付還。

#### 於股東大會上提出建議

公司條例第615條規定：(i)佔全體有投票權的股東最少2.5%之股東；或(ii)最少50名有權於股東週年大會上就決議案投票之股東可要求本公司發出關於可在該會議上恰當地動議並擬在該會議上動議決議案的通告。該要求須指出有待於股東週年大會上動議之決議案，須經相關股東認證並不遲於相關股東週年大會或（如較後）寄發股東週年大會通告時間前六個星期以列印本或電子版送至本公司註冊辦事處予公司秘書。

### Proposing a Person for Election as a Director

The procedures for Shareholders to propose a person for election as a Director are available for viewing on the Company's website.

### Enquires from Shareholders

Shareholders should direct their enquiries about their shareholdings to the Company's share registrar, Tricor Secretaries Limited. Other Shareholders' enquiries can be directed to the Investor Relations Department of the Company.

### CONSTITUTIONAL DOCUMENTS

There are no significant changes in the Company's constitutional documents during the Year.

### AUDITOR'S INDEPENDENCE AND REMUNERATION

The Audit Committee is mandated to review and monitor the independence of the auditor to ensure objectivity and the effectiveness of the audit process of the financial statements in accordance with applicable standards. Members of the Audit Committee were of the view that the Company's auditor, Messrs. Deloitte Touche Tomatsu ("Deloitte"), is independent and had recommended the Board to re-appoint it as the Company's auditor at the 2022 AGM. During the Year, Deloitte had rendered audit services and certain non-audit services to the Group and the remuneration paid/payable to it by the Group is set out as follows:

<b>Services rendered 所提供服務</b>	<b>Fees paid/payable 已付／應付費用 HK\$'000 千港元</b>
Audit services 核數服務	3,520
Non-audit services: 非核數服務:	
– Agreed-upon procedures for continuing connected transactions 持續關連交易已協定程序	20
– Review of preliminary results announcement 審閱初步業績公告	10

### 提名他人參選董事

股東提名他人參選董事之程序可於本公司網站查閱。

### 股東查詢

股東可向本公司之股份過戶登記處「卓佳秘書商務有限公司」查詢彼等之持股情況。股東之其他查詢可向本公司投資者關係部門作出。

### 組織章程文件

於本年度，本公司之組織章程文件並無任何重大變動。

### 核數師之獨立性及酬金

審核委員會獲授權根據適用之準則審閱及監督核數師之獨立性，以確保審計過程中財務報表之客觀性及有效性。審核委員會成員認為，本公司之核數師德勤•關黃陳方會計師行（「德勤」）屬獨立人士，並已向董事會作出推薦建議，於2022股東週年大會上續聘其為本公司之核數師。於本年度內，德勤曾向本集團提供核數服務及若干非核數服務，而本集團已付／應付予彼之酬金載列如下：



**TO THE MEMBERS OF  
EMPEROR WATCH & JEWELLERY LIMITED**  
*(incorporated in Hong Kong with limited liability)*

致：英皇鐘錶珠寶有限公司全體股東

(於香港註冊成立之有限公司)

## OPINION

We have audited the consolidated financial statements of Emperor Watch & Jewellery Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 67 to 167, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows 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 December 2021, 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 (“HKSAs”) 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.

## 意見

本核數師行已審核載於第67頁至第167頁英皇鐘錶珠寶有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於2021年12月31日之綜合財務狀況報表與截至該日止年度之綜合損益及其他全面收入報表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

本核數師行認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於2021年12月31日的綜合財務狀況及截至該日止年度 貴集團的綜合財務表現及其綜合現金流量，並已按照香港《公司條例》妥為編製。

## 意見之基準

本核數師行已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。根據該等準則，本核數師行的責任於本報告「核數師就審核綜合財務報表之責任」一節中詳述。根據香港會計師公會香港職業會計師道德守則(「守則」)，本核數師行獨立於 貴集團，並已遵循守則履行其他道德責任。本核數師行相信，本核數師行所獲得的審核憑證足夠及能適當地為本核數師行的意見提供基礎。



## 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.

## 關鍵審核事項

關鍵審核事項為本核數師行的專業判斷中，審核本期綜合財務報表中最重要的事項。本核數師行於審核整體綜合財務報表處理此等事項及就此形成意見，而不會就此等事項單獨發表意見。

### Key audit matter

#### 關鍵審核事項

*Valuation of inventories – Jewelleries held for resale*  
存貨－持作轉售珠寶之估值

### How our audit addressed the key audit matter

#### 本核數師行如何處理關鍵審核事項

We identified the valuation of inventories – jewellery held for resale as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the judgement and estimation associated with determining the amount of allowance for inventories.

本核數師行確定存貨－持作轉售珠寶之估值為一項關鍵審核事項，原因在於其結餘對綜合財務報表整體而言十分重要，亦涉及與釐定存貨撥備金額有關之判斷及估計。

In estimating the amount of allowance for inventories – jewellery held for resale, it is the Group's policy to review the net realisable value of inventories periodically with reference to the condition of the items and the market condition. The management reviews regularly the suitability of the allowance policy and the amount of allowance for inventories that are based on the estimation by considering factors as detailed in the note 4 to the consolidated financial statements in relation to the allowance for inventories. In addition, the management also appoints an independent professional gemmologist to perform valuation on certain jewellery items as reference for allowance consideration.

於估計存貨－持作轉售珠寶之撥備金額時，貴集團之政策為參考各項目狀況及市況定期檢討存貨之可變現淨值。管理層乃根據於綜合財務報表附註4詳載有關存貨撥備之考慮因素所作之估計，定期檢討撥備政策之適當性及存貨撥備金額。此外，管理層亦委聘一名獨立專業寶石鑑定師以對若干珠寶項目進行估值作為撥備考慮之參考。

Our procedures in relation to evaluating the appropriateness of valuation of inventories – jewellery held for resale included:

本核數師行評估存貨－持作轉售珠寶之估值恰當性之程序包括：

- Obtaining an understanding of management's process of reviewing and evaluating net realisable value of inventories;
- 了解管理層檢討及評估存貨可變現淨值之程序；
- Evaluating the allowance policy adopted by the management with reference to current market conditions, historical and current sales information, pricing policy and strategies, inventory realisation plan, ageing and conditions of inventories;
- 參考現行市況、過往及當前銷售資料、定價政策及策略、存貨變現計劃、存貨的賬齡及狀況評估管理層所採納的撥備政策；

KEY AUDIT MATTERS – *continued*

關鍵審核事項 – 續

**Key audit matter**

**關鍵審核事項**

*Valuation of inventories – Jewellery held for resale*  
存貨 – 持作轉售珠寶之估值

As disclosed in note 4 to the consolidated financial statements, as at 31 December 2021, the carrying amount of inventories – jewellery held for resale is HK\$2,011,104,000, net of allowance of HK\$52,559,000, which represents 43% of the net assets of the Group.

如綜合財務報表附註4所披露，於2021年12月31日，存貨 – 持作轉售珠寶之賬面值為2,011,104,000港元，已扣除撥備52,559,000港元，相當於 貴集團資產淨值之43%。

**How our audit addressed the key audit matter**

**本核數師行如何處理關鍵審核事項**

- Evaluating net realisable value of inventories assessed by management, on a sample basis, with reference to the selling prices of similar products;
- 進行抽樣測試以評估由管理層評估具有同類產品之銷售價的存貨的可變現淨值；
- Evaluating the competence, capabilities and objectivity of the independent professional gemmologist and obtaining an understanding of the scope of work and the terms of engagement; and
- 評估獨立專業寶石鑑定師之才幹、能力及客觀性，並了解其工作範圍及委聘條款；及
- Understanding the valuation process carried out by the independent professional gemmologist on selected jewellery items and checking the carrying amounts of selected jewellery items to the jewellery appraisal report to test that these items were recorded at lower of cost and net realisable value.
- 了解獨立專業寶石鑑定師所用估值精選珠寶項目的程序以及於珠寶評估報告中檢驗精選珠寶項目賬面值的估值程序，檢驗其是否按成本與可變現淨值之較低者記錄。

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## 其他資料

貴公司董事就其他資料負責。其他資料包括已計入年報的資料，惟不包括綜合財務報表及相關核數師報告。

本核數師行就綜合財務報表的意見並不涵蓋其他資料且本核數師行並不就此發表任何形式的核證結論。

就本核數師行審核綜合財務報表而言，本核數師行負責閱讀其他資料，並在閱讀中考慮其他資料是否與綜合財務報表或本核數師行於審核中的了解存在重大不一致或可能存在重大錯誤陳述。倘根據本核數師行所進行的工作，本核數師行認為該其他資料存在重大錯誤申述，則本核數師行須報告該事實。本核數師行並無須就此作出報告之事項。

## 董事及治理層就綜合財務報表之責任

貴公司董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例編製真實公平的綜合財務報表，並負責董事認為就使綜合財務報表之編製不存在由於欺詐或錯誤而產生的重大錯誤陳述而言屬必要的相關內部監控。

於編製綜合財務報表時，董事負責評估貴集團的持續經營能力、披露（如適用）與持續經營相關的事宜並採用持續經營基準的會計法，惟董事擬清盤、貴集團或終止經營或除此之外並無其他切實可行的選擇則除外。

治理層負責監督貴集團的財務報告程序。



### 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 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

### 核數師就審核綜合財務報表之責任

本核數師行的目標為合理確保綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並出具載有本核數師行意見的核數師報告，該報告乃根據香港公司條例第405條僅向閣下（作為整體）作出而並無其他目的。本核數師行不就本報告的內容向任何其他人士負責或承擔責任。合理確保為高水平的確保，惟並不保證根據香港審計準則進行的審核總能發現所存在的重大錯誤陳述。錯誤陳述可能由欺詐或錯誤而產生，倘其個別或整體可合理預期將影響使用者根據該等綜合財務報表作出的經濟決定，則被視為重大。

根據香港審計準則進行審核時，本核數師行運用專業判斷，於整個審核過程中抱持專業懷疑態度。本核數師行亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為本核數師行的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部監控，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審核有關的內部監控，以設計恰當的審核程序，但並非旨在對貴集團內部監控的有效性發表意見。

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。
- 總結董事採用持續經營基準的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘本核數師行認為存在重大不確定因素，本核數師行需於核數師報告中提請注意綜合財務報表內的相關披露，或如果相關披露不足，則修訂本核數師行的意見。本核數師行的結論以截至核數師報告日期所獲得的審核憑證為基礎。惟未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表（包括披露）的整體列報、架構及內容，以及綜合財務報表是否已公允列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。本核數師行負責指導、監督及執行集團的審核工作。本核數師行僅為本核數師行的審核意見承擔責任。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

本核數師行與治理層就（其中包括）審核工作的計劃範圍及時間安排及重大審核發現，包括本核數師行於審核期間識別出內部監控的任何重大缺陷溝通。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

The engagement partner on the audit resulting in the independent auditor's report is Ka-Lai Man.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
23 March 2022

本核數師行亦向治理層提交聲明，說明本核數師行已遵守有關獨立性的道德要求，並就所有被合理認為可能影響本核數師行的獨立性的關係及其他事宜及消除威脅或防範行為（如適用）與治理層溝通。

本核數師行從與治理層溝通的事項中，確定對本期綜合財務報表的審核工作最為重要的事項，因而構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，本核數師行認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則本核數師行會於核數師報告中描述此等事項。

出具本獨立核數師報告的審核項目合夥人為文嘉麗。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
2022年3月23日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入報表

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

		NOTES 附註	2021 HK\$'000 千港元	2020 HK\$'000 千港元
Revenue	收入	5	<b>3,926,608</b>	2,626,609
Cost of sales	銷售成本		<b>(2,697,103)</b>	(1,786,545)
Gross profit	毛利		<b>1,229,505</b>	840,064
Other income	其他收入	6	<b>8,848</b>	8,195
Selling and distribution expenses	銷售及分銷開支		<b>(840,549)</b>	(677,227)
Administrative expenses	行政開支		<b>(113,566)</b>	(89,265)
Other gains or losses	其他收益或虧損		<b>(11,591)</b>	(13,832)
Finance costs	融資成本	7	<b>(16,378)</b>	(33,139)
Profit before tax	除稅前溢利	8	<b>256,269</b>	34,796
Taxation	稅項	10	<b>(51,574)</b>	(803)
Profit for the year	年度溢利		<b>204,695</b>	33,993
Other comprehensive income for the year	年度其他全面收入			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額		<b>14,433</b>	42,098
Total comprehensive income for the year and attributable to owners of the Company	本公司擁有人應佔年度全面收入總額		<b>219,128</b>	76,091
Earnings per share – basic	每股盈利 – 基本	12	<b>HK3.02 cents 港仙</b>	HK0.50 cent 港仙

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況報表

AT 31 DECEMBER 2021

於2021年12月31日

		NOTES 附註	2021 HK\$'000 千港元	2020 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	13	<b>1,615,723</b>	1,717,896
Right-of-use assets	使用權資產	14	<b>207,527</b>	365,022
Rental deposits	租金按金		<b>85,765</b>	93,910
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及設備之已付按金		<b>504</b>	364
Deferred tax assets	遞延稅項資產	23	<b>5,103</b>	10,896
			<b>1,914,622</b>	2,188,088
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	15	<b>2,710,757</b>	3,029,949
Right to returned goods asset	退貨權資產	21	<b>1,553</b>	794
Receivables, deposits and prepayments	應收款項、按金及預付款項	16	<b>166,226</b>	148,928
Amounts due from related companies	應收關連公司款項	22	<b>753</b>	561
Bank balances and cash	銀行結餘及現金	17	<b>556,344</b>	405,111
			<b>3,435,633</b>	3,585,343
<b>Current liabilities</b>	<b>流動負債</b>			
Payables and accrued charges	應付款項及應計費用	18	<b>150,137</b>	123,697
Lease liabilities	租賃負債	19	<b>160,343</b>	227,155
Contract liabilities	合約負債	20	<b>18,653</b>	9,877
Refund liabilities	退款負債	21	<b>2,204</b>	1,035
Amounts due to related companies	應付關連公司款項	22	<b>2,122</b>	4,622
Taxation payable	應付稅項		<b>36,455</b>	22,184
Bank borrowings	銀行借貸	24	<b>165,452</b>	638,693
			<b>535,366</b>	1,027,263
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>2,900,267</b>	2,558,080

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況報表

AT 31 DECEMBER 2021  
於2021年12月31日

		NOTES 附註	2021 HK\$'000 千港元	2020 HK\$'000 千港元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	23	2,988	3,359
Lease liabilities	租賃負債	19	91,111	193,691
			<b>94,099</b>	197,050
<b>Net assets</b>	<b>資產淨值</b>		<b>4,720,790</b>	4,549,118
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	25	3,484,152	3,484,152
Reserves	儲備	26	1,236,638	1,064,966
<b>Total equity</b>	<b>總權益</b>		<b>4,720,790</b>	4,549,118

The consolidated financial statements on pages 67 to 167 were approved and authorised for issue by the Board of Directors on 23 March 2022 and are signed on its behalf by:

第67至第167頁之綜合財務報表已於2022年3月23日獲董事會批准及授權刊發，並由下列董事代為簽署：

**NG KOON KEUNG, RICKY**  
吳冠強  
DIRECTOR  
董事

**WONG CHI FAI**  
黃志輝  
DIRECTOR  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

		Share capital 股本 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元 (note 26(a)) (附註26(a))	Other reserve 其他儲備 HK\$'000 千港元 (note 26(b)) (附註26(b))	Capital reserve 資本儲備 HK\$'000 千港元 (note 26(c)) (附註26(c))	Translation reserve 匯兌儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於2020年1月1日	3,484,152	(373,003)	(26,195)	2,529	(38,058)	1,423,602	4,473,027
Profit for the year	年度溢利	-	-	-	-	-	33,993	33,993
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	42,098	-	42,098
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	42,098	33,993	76,091
At 31 December 2020	於2020年12月31日	3,484,152	(373,003)	(26,195)	2,529	4,040	1,457,595	4,549,118
At 1 January 2021	於2021年1月1日	<b>3,484,152</b>	<b>(373,003)</b>	<b>(26,195)</b>	<b>2,529</b>	<b>4,040</b>	<b>1,457,595</b>	<b>4,549,118</b>
Profit for the year	年度溢利	-	-	-	-	-	204,695	204,695
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	14,433	-	14,433
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	14,433	204,695	219,128
Final dividend paid for 2020 (note 11)	2020年已付之末期股息 (附註11)	-	-	-	-	-	(10,169)	(10,169)
Interim dividend paid for 2021 (note 11)	2021年已付之中期股息 (附註11)	-	-	-	-	-	(37,287)	(37,287)
At 31 December 2021	於2021年12月31日	<b>3,484,152</b>	<b>(373,003)</b>	<b>(26,195)</b>	<b>2,529</b>	<b>18,473</b>	<b>1,614,834</b>	<b>4,720,790</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit before tax	除稅前溢利	<b>256,269</b>	34,796
Adjustments for:	調整：		
Allowance for (reversal of allowance for) inventories	存貨(撥備撥回)撥備	<b>16,604</b>	(1,189)
Depreciation of property, plant and equipment	物業、機器及設備折舊	<b>128,785</b>	141,590
Depreciation of right-of-use assets	使用權資產折舊	<b>266,166</b>	242,515
Impairment loss recognised in respect of property, plant and equipment	就物業、機器及設備確認之減值虧損	<b>6,729</b>	6,990
Loss on disposal/write-off of property, plant and equipment	出售/註銷物業、機器及設備之虧損	<b>1,373</b>	1,580
Gain arising from termination/modification of leases	租約終止/修改所產生之收益	<b>(50)</b>	(317)
Impairment loss recognised in respect of right-of-use assets	就使用權資產確認之減值虧損	<b>7,939</b>	8,951
(Reversal of) allowance for credit losses	信貸虧損(撥備撥回)撥備	<b>(665)</b>	536
Interest income	利息收入	<b>(8,653)</b>	(5,476)
Finance costs	融資成本	<b>16,378</b>	33,139
Operating cash flows before movements in working capital	未計營運資金變動前之經營現金流量	<b>690,875</b>	463,115
Decrease in inventories	存貨之減少	<b>311,181</b>	151,370
(Increase) decrease in right to returned goods asset	退貨權資產(增加)減少	<b>(759)</b>	2,373
Increase in receivables, deposits and prepayments	應收款項、按金及預付款項增加	<b>(14,628)</b>	(7,195)
(Increase) decrease in amounts due from related companies	應收關連公司款項(增加)減少	<b>(192)</b>	3,363
Increase in payables and accrued charges	應付款項及應計費用增加	<b>11,092</b>	7,867
Increase (decrease) in contract liabilities	合約負債增加(減少)	<b>8,776</b>	(2,080)
Increase (decrease) in refund liabilities	退款負債增加(減少)	<b>1,169</b>	(3,184)
(Decrease) increase in amounts due to related companies	應付關連公司款項(減少)增加	<b>(2,500)</b>	3,592
Net cash generated from operations	經營所得之現金淨額	<b>1,005,014</b>	619,221
Income taxes paid	已付所得稅	<b>(31,452)</b>	(42,383)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營活動所得之現金淨額</b>	<b>973,562</b>	576,838



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

		NOTES	2021 HK\$'000 千港元	2020 HK\$'000 千港元
		附註		
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>			
Refunds of rental deposits	退還租金按金		10,710	24,054
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及設備之已付按金		(140)	(621)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項		–	5
Purchase of property, plant and equipment	購置物業、機器及設備		(34,150)	(15,306)
Interest received	已收利息		6,141	1,888
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>投資活動(所用)所得之現金淨額</b>		<b>(17,439)</b>	10,020
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>			
Dividends paid	已付股息	33	(47,456)	–
Interest paid	已付利息	33	(16,378)	(33,139)
Bank borrowings raised	已籌得之銀行借貸	33	400,000	129,515
Repayments of bank borrowings	償還銀行借貸	33	(873,241)	(281,949)
Repayments of lease liabilities	償還租賃負債	33	(271,527)	(241,687)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>融資活動所用之現金淨額</b>		<b>(808,602)</b>	(427,260)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物增加淨額</b>		<b>147,521</b>	159,598
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>年初之現金及現金等價物</b>		<b>405,111</b>	239,909
Effect of foreign exchange rate changes	外匯匯率變動之影響		3,712	5,604
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, REPRESENTED BY BANK BALANCES AND CASH</b>	<b>年終之現金及現金等價物(由銀行結餘及現金代表)</b>		<b>556,344</b>	405,111

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

### 1. GENERAL INFORMATION

Emperor Watch & Jewellery Limited (the “Company”) is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is Emperor Watch & Jewellery Group Holdings Limited (“Emperor W&J Holdings”) which is incorporated in the British Virgin Islands (“BVI”). The directors of the Company (the “Directors”) consider that its ultimate holding company is Albert Yeung Watch & Jewellery Holdings Limited, a company incorporated in the BVI. The address of the registered office and principal place of business of the Company is 25/F, Emperor Group Centre, 288 Hennessey Road, Wanchai, Hong Kong.

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 35.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

#### AMENDMENTS TO HKFRSs THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

### 1. 一般事項

英皇鐘錶珠寶有限公司(「本公司」)為一間於香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。其直接控股公司為英皇鐘錶珠寶集團控股有限公司(「英皇鐘錶珠寶控股」)，於英屬處女群島(「英屬處女群島」)註冊成立之公司。本公司董事(「董事」)認為本公司之最終控股公司為楊受成鐘錶珠寶控股有限公司，於英屬處女群島註冊成立之公司。本公司之註冊辦事處及主要營業地點之地址是香港灣仔軒尼詩道288號英皇集團中心25樓。

本公司為一間投資控股公司。其附屬公司之主要業務載於附註35。

綜合財務報表以港元(「港元」)呈報，港元亦為本公司之功能貨幣。

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

#### 本年度強制生效的經修訂香港財務報告準則

於本年度，本集團已首次採用以下由香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則修訂本，其於2021年1月1日或之後開始的年度期間強制生效，以編製綜合財務報表：

香港財務報告準則第16號之修訂本	2019冠狀病毒病相關的租金減免
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂本	利率基準改革 – 第二階段

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – *continued*

#### AMENDMENTS TO HKFRSs THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR – *continued*

In addition, the Group applied the agenda decision of the IFRS Interpretations Committee of the International Accounting Standards Board issued in June 2021 which clarified the costs an entity should include as “estimated costs necessary to make the sale” when determining the net realisable value of inventories.

Except for the new and amendments to HKFRSs mentioned below, the Directors anticipate that the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

#### IMPACTS ON APPLICATION OF AMENDMENTS TO HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 AND HKFRS 16 INTEREST RATE BENCHMARK REFORM – PHASE 2

The amendments have no impact on the consolidated financial statements as none of the relevant contracts has been transitioned to the relevant replacement rates during the year. The Group will apply the practical expedient in relation to the changes in contractual cash flows resulting from the interest rate benchmark reform for bank borrowings measured at amortised cost. Additional disclosures as required by HKFRS 7 are set out in note 28.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」） – 續

#### 本年度強制生效的經修訂香港財務報告準則 – 續

此外，本集團已應用於2021年6月發佈的國際會計準則理事會國際財務報告準則詮釋委員會議程決定，澄清實體釐定存貨可變現淨值時須列作「進行銷售所需之估計成本」的成本。

除下文所提及之新訂及經修訂香港財務報告準則外，董事預期於本年度應用香港財務報告準則之修訂本對本集團於本年度及過往年度的財務狀況及表現及／或對該等綜合財務報表所載的披露並無重大影響。

#### 應用香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂本利率基準改革 – 第二階段之影響

由於相關合約概無於年內過渡至相關替代利率，故有關修訂本對綜合財務報表並無影響。本集團將就因利率基準改革而導致按攤銷成本計量之銀行借貸之合約現金流之變動採用可行權宜方法。香港財務報告準則第7號要求的額外披露載於附註28。

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截至2021年12月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – *continued*

**IMPACTS ON APPLICATION OF THE AGENDA DECISION OF THE COMMITTEE – COST NECESSARY TO SELL INVENTORIES (HKAS 2 INVENTORIES)**

In June 2021, the Committee, through its agenda decision, clarified the costs an entity should include as “estimated costs necessary to make the sale” when determining the net realisable value of inventories. In particular, whether such costs should be limited to those that are incremental to the sale. The Committee concluded that the estimated costs necessary to make the sale should not be limited to those that are incremental but should also include costs that an entity must incur to sell its inventories including those that are not incremental to a particular sale.

The Group’s accounting policy prior to the Committee’s agenda decision was to determine the net realisable value of inventories taking into consideration of incremental costs only. Upon application of the Committee’s agenda decision, the Group changed its accounting policy to determine the net realisable value of inventories taking into consideration of both incremental costs and other cost necessary to sell inventories. The new accounting policy has been applied retrospectively.

The application of the Committee’s agenda decision has had no material impact on the Group’s financial positions and performance.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

**應用委員會議程決定－出售存貨所需之成本（香港會計準則第2號存貨）之影響**

於2021年6月，委員會透過其議程決定澄清實體釐定存貨可變現淨值時須列作「進行銷售所需之估計成本」的成本。特別是澄清此類成本是否應僅限於銷售增量的成本。委員會認為，進行銷售所需之估計成本不應限於增量成本，亦應包括實體出售其存貨必須承擔的成本，包括非特定銷售增量的成本。

於委員會作出議程決定之前，本集團會計政策僅考慮增量成本來釐定存貨的可變現淨值。應用委員會議程決定後，本集團改變其會計政策，在釐定存貨的可變現淨值時亦考慮出售存貨所需之增量成本和其他成本。新會計政策已追溯應用。

委員會議程決定的應用不會對本集團的財務狀況及表現造成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – continued

#### NEW AND AMENDMENTS TO HKFRSs IN ISSUE BUT NOT YET EFFECTIVE

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and the related Amendments <sup>3</sup>
Amendments to HKFRS 3	Reference to the Conceptual Framework <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 <sup>1</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>3</sup>
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies <sup>3</sup>
Amendments to HKAS 8	Definition of Accounting Estimates <sup>3</sup>
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>3</sup>
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use <sup>2</sup>
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract <sup>2</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018 – 2020 <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 April 2021

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2022

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2023

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－續

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約及相關修訂本 <sup>3</sup>
香港財務報告準則第3號之修訂本	概念框架的提述 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>4</sup>
香港財務報告準則第16號之修訂本	2021年6月30日後的2019冠狀病毒病相關的租金減免 <sup>1</sup>
香港會計準則第1號之修訂本	將負債分類為流動或非流動及對香港詮釋第5號的相關修訂（2020年） <sup>3</sup>
香港會計準則第1號及香港財務報告準則實務報告第2號之修訂本	會計政策披露 <sup>3</sup>
香港會計準則第8號修訂本	會計估計的定義 <sup>3</sup>
香港會計準則第12號修訂本	與單一交易產生之資產及負債相關之遞延稅項 <sup>3</sup>
香港會計準則第16號之修訂本	物業、機器及設備－擬定用途前的所得款項 <sup>2</sup>
香港會計準則第37號之修訂本	有償合約－履行合約的成本 <sup>2</sup>
香港財務報告準則之修訂本	香港財務報告準則2018年至2020年的年度改進 <sup>2</sup>

<sup>1</sup> 於2021年4月1日或之後開始的年度期間生效

<sup>2</sup> 於2022年1月1日或之後開始的年度期間生效

<sup>3</sup> 於2023年1月1日或之後開始的年度期間生效

<sup>4</sup> 於待釐定日期或之後開始的年度期間生效

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – *continued*

**NEW AND AMENDMENTS TO HKFRSs IN ISSUE BUT NOT YET EFFECTIVE** – *continued*

Except for the amendment to HKFRSs mentioned below, the Directors anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

*AMENDMENTS TO HKAS 1 AND HKFRS PRACTICE STATEMENT 2 DISCLOSURE OF ACCOUNTING POLICIES*

HKAS 1 is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 *Making Materiality Judgements* (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」） – 續

已頒佈但尚未生效之新訂及經修訂香港財務報告準則 – 續

除下文所提及之香港財務報告準則之修訂本外，董事預期應用所有新訂及經修訂香港財務報告準則於可見將來將不會對綜合財務報表造成重大影響。

**香港會計準則第1號及香港財務報告準則實務報告第2號之修訂本會計政策披露**

香港會計準則第1號經修訂以「重大會計政策資料」取代「主要會計政策」一詞的所有情況。倘連同實體財務報表內其他資料一併考慮，會計政策資料可以合理預期會影響通用財務報表的主要使用者根據該等財務報表所作出的決定，則該會計政策資料屬重大。

該等修訂亦澄清，即使涉及款項並不重大，但基於相關交易性質、其他事項或情況，會計政策資料仍可屬重大。然而，並非所有與重大交易、其他事項或情況有關的會計政策資料本身即屬重大。倘一間實體選擇披露非重大會計政策資料，有關資料不得掩蓋重大會計政策資料。

香港財務報告準則實務報告第2號作出**重大性判斷**（「實務報告」）亦經修訂，以說明一間實體如何將「四步法評估重大性流程」應用於會計政策披露及判斷有關一項會計政策的資料對其財務報表是否屬重大。實務報告已增加指導意見及實例。

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### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

(“HKFRSs”) – *continued*

#### **NEW AND AMENDMENTS TO HKFRSs IN ISSUE BUT NOT YET EFFECTIVE** – *continued*

##### *AMENDMENTS TO HKAS 1 AND HKFRS PRACTICE STATEMENT 2 DISCLOSURE OF ACCOUNTING POLICIES* – *continued*

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group’s significant accounting policies. The impacts of application, if any, will be disclosed in the Group’s future consolidated financial statements.

##### *AMENDMENTS TO HKAS 8 DEFINITION OF ACCOUNTING ESTIMATES*

The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group’s consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」） – 續

已頒佈但尚未生效之新訂及經修訂香港財務報告準則 – 續

#### **香港會計準則第1號及香港財務報告準則實務報告第2號之修訂本會計政策披露** – 續

應用該等修訂預計不會對本集團財務狀況或表現產生重大影響，但可能影響本集團主要會計政策之披露。有關應用影響（如有）將於日後本集團的綜合財務報表中予以披露。

#### **香港會計準則第8號之修訂本會計估計的定義**

該修訂定義會計估計為「存在計量不明朗因素的財務報表之貨幣金額」。會計政策可能規定對計量不明朗因素的財務報表的項目進行計量 – 即會計政策可能規定將按貨幣金額計量的有關項目不可直接觀察而須予以估計。於該情況下，一間實體應編製會計估計，旨在達到會計政策載列的目標。編製會計估計涉及根據最新可得的可靠資料使用判斷或假設。

此外，香港會計準則第8號的會計估計變更的概念予以保留，惟有進一步澄清。

應用該等修訂本預計不會對本集團之綜合財務報表產生重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value-in-use in HKAS 36 *Impairment of Assets*.

### 3. 編製綜合財務報表的依據及重大會計政策

#### 3.1 編製綜合財務報表的依據

綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則編製。就編製綜合財務報表而言，倘有關資料合理預期會影響主要使用者作出的決定，則有關資料被視為重大。此外，綜合財務報表亦包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例規定之適用披露。

綜合財務報表乃於各匯報期末根據歷史成本基準編製，於下文載列的會計政策中說明。

歷史成本一般基於用作交換貨品及服務之代價之公允價值計算。

公允價值乃於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付之價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債之特徵，則本集團於估計資產或負債之公允價值時會考慮該資產或負債之特徵。此等綜合財務報表中作計量及／或披露用途之公允價值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份為基礎之付款範圍之以股份為基礎之付款交易、根據香港財務報告準則第16號列賬之租賃交易，以及與公允價值部分相似但並非公允價值之計量（如香港會計準則第2號存貨內之可變現淨值或香港會計準則第36號資產減值之使用價值）除外。



### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

– *continued*

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES

##### *BASIS OF CONSOLIDATION*

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.1 編製綜合財務報表的依據—續

此外，就財務報告而言，公允價值計量根據公允價值計量輸入數據之可觀察程度及公允價值計量之輸入數據對其整體之重要性分類為一級、二級及三級，詳情如下：

- 一級輸入數據是本集團於計量日期可以取得之可識別資產或負債於活躍市場之報價（未經調整）；
- 二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（包括在一級內之報價除外）；及
- 三級輸入數據是資產或負債的不可觀察之輸入數據。

#### 3.2 重大會計政策

##### *綜合賬目基準*

綜合財務報表包括本公司及本公司控制之實體及其附屬公司之財務報表。倘屬以下情況，則本公司獲得控制權：

- 可對投資對象行使權力；
- 因參與投資對象之業務而可獲得或有權獲得可變回報；及
- 有能力藉行使其權力而影響該等回報。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *BASIS OF CONSOLIDATION – continued*

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

##### *MERGER ACCOUNTING FOR BUSINESS COMBINATION INVOLVING BUSINESSES UNDER COMMON CONTROL*

The consolidated financial statements incorporate the financial statements items of the combining businesses in which the common control combination occurs as if they had been consolidated from the date when the combining businesses first came under the control of the controlling party.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *綜合賬目基準—續*

倘有事實或情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收入報表內。

附屬公司之財務報表於有需要情況下作出調整，以使其會計政策與本集團會計政策一致。

所有集團內公司間資產及負債、權益、收入、支出及現金流（與本集團成員公司間之交易有關）均於綜合賬目時予以全數對銷。

##### *涉及共同控制業務之業務合併之合併會計法*

綜合財務報表納入該等涉及發生共同控制合併之合併業務之財務報表項目，猶如該等財務報表項目於合併業務首次被置於控制方之控制下當日起已被綜合入賬。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *MERGER ACCOUNTING FOR BUSINESS COMBINATION INVOLVING BUSINESSES UNDER COMMON CONTROL – continued*

The net assets of the consolidated entities are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

##### *REVENUE FROM CONTRACTS WITH CUSTOMERS*

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *涉及共同控制業務之業務合併之合併會計法—續*

從控制方之角度而言，經綜合實體之資產淨值乃採用現有賬面值綜合入賬。於共同控制合併發生時，並無確認有關商譽或議價購買收益之任何金額。

##### *來自客戶合約之收入*

本集團於完成履約責任時（或就此）確認收入，即當特定履約責任的相關商品或服務的「控制權」轉移予客戶時確認收入。

履約責任涉及一個單獨商品或服務（或一組捆綁銷售之商品或服務）或一系列大致相同之單獨商品或服務。

控制權於一段時間內轉移，倘達成以下其中一項條件，收入將參照相關履約責任之完成進度，於一段時間內確認：

- 客戶於本集團履約時同時收取及耗用本集團履約所帶來之利益；
- 本集團履約導致產生或提升一項資產，而該資產於本集團履約時由客戶控制；或
- 本集團履約並無產生對本集團有替代用途之資產，而本集團可享有強制執行權利，以收取迄今已達成履約義務之款項。

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3. BASIS OF PREPARATION OF  
CONSOLIDATED FINANCIAL  
STATEMENTS AND SIGNIFICANT  
ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*REVENUE FROM CONTRACTS WITH  
CUSTOMERS – continued*

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

***Contracts with multiple performance obligations (including allocation of transaction price)***

For contracts that contain more than one performance obligations, including customer loyalty programme, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis, except for the allocation of discounts and variable consideration.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

3. 編製綜合財務報表的依據及重大會計政策—續

3.2 重大會計政策—續

*來自客戶合約之收入—續*

否則，客戶可於取得該單獨商品或服務之控制權之時間點確認收入。

應收款項指本集團收取代價之無條件權利，亦即代價付款僅需待時間流逝就可收取。

合約負債指本集團向客戶轉移商品或服務之責任，而本集團就此已向客戶收取代價（或已到期可收取代價金額）。

***包含多項履約責任（包括分配交易價）之合約***

對於包含多於一項履約責任之合約（包括顧客忠誠計劃），本集團按照相對單獨售價基準將交易價分配至各履約責任，惟分配折扣及可變代價除外。

各履約責任下之單獨商品或服務之單獨售價於合約訂立時釐定。有關售價為本集團會獨立向客戶出售承諾商品或服務之價格。倘單獨售價不可直接觀察得知，本集團會使用適當的技巧作出估計，使最終分配至任何履約責任之交易價，可反映本集團預期就轉移承諾商品或服務至客戶而有權換取之代價金額。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *REVENUE FROM CONTRACTS WITH CUSTOMERS – continued*

###### **Variable consideration**

For contracts that contain variable consideration including the customers' right to return goods, the Group estimates the amount of consideration to which it will be entitled using the expected value method.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

###### **Refund liabilities**

The Group recognises a refund liability if the Group expects to refund some or all of the consideration received from customers.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *來自客戶合約之收入—續*

###### **可變代價**

對於包含可變代價之合約(包括客戶退貨權),本集團採用預期價值法估計其將有權獲得之代價金額。

可變代價之估計金額乃計入交易價內,前提是計入後有很大可能不會導致於未來(當與可變代價相關之不確定性於其後變得確定時)出現顯著收入撥回。

於各匯報期完結時,本集團會更新估計交易價(包括更新其就可變代價之估計是否有限度而作出之評估),以忠實反映於匯報期末之現況及於匯報期間之情況變動。

###### **退款負債**

倘本集團預期須退回向客戶所收取之部分或全部代價,本集團會確認退款負債。

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3. BASIS OF PREPARATION OF  
CONSOLIDATED FINANCIAL  
STATEMENTS AND SIGNIFICANT  
ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*REVENUE FROM CONTRACTS WITH  
CUSTOMERS – continued*

**Sales with a right of return/exchange**

For a sale of products with a right of return/exchange for dissimilar products, the Group recognises all of the following:

- (a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned/exchanged);
- (b) a refund liability/contract liability; and
- (c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers and are presented as right to returned goods asset.

**Principal versus agent**

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

3. 編製綜合財務報表的依據及重大會計政策—續

3.2 重大會計政策—續

來自客戶合約之收入—續

具有退貨／換貨權之銷售

對於具有退貨／換取不同產品之權利之產品銷售，本集團確認以下所有項目：

- (a) 按本集團預期有權收取之代價確認已轉移之產品之收入（因此，不會就預期須退貨／換貨之產品確認收入）；
- (b) 退款負債／合約負債；及
- (c) 就其向客戶收回產品之權利確認資產（及相應之銷售成本調整），並呈列為退貨權資產。

主事人與代理人

當有另一方參與向客戶提供商品或服務，本集團會釐定其履約責任承諾之性質是自身提供指定商品或服務（即本集團為主事人），還是安排另一方提供該等商品或服務（即本集團為代理人）。

倘本集團於向客戶轉移指定商品或服務之前已控制該商品或服務，則本集團為主事人。

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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *REVENUE FROM CONTRACTS WITH CUSTOMERS – continued*

##### **Principal versus agent – continued**

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

##### **LEASES**

##### **Definition of 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.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

### 3. 編製綜合財務報表的依據及重大會計政策－續

#### 3.2 重大會計政策－續

##### 來自客戶合約之收入－續

##### 主事人與代理人－續

倘本集團的履約義務為安排另一方提供指定商品或服務，則本集團為代理人。在這一情況下，本集團於轉讓指定商品或服務予客戶之前，不控制由另一方提供之該商品或服務。倘本集團作為代理人行事，其所確認之收入金額為安排另一方提供指定商品或服務後預期有權收取之任何費用或佣金。

##### 租賃

##### 租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬於或包含租賃。

就於首次應用日期或之後因業務合併而訂立或修改之合約而言，本集團根據香港財務報告準則第16號的定義於開始、修訂日期或收購日期（視何者合適而定）評估該合約是否屬於或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

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3. BASIS OF PREPARATION OF  
CONSOLIDATED FINANCIAL  
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ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*LEASES – continued*

**The Group as a lessee**

*Allocation of consideration to components of a  
contract*

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

*Right-of-use assets*

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

**租賃—續**

**本集團作為承租人**

*分配代價至合約組成部分*

就包含租賃組成部分以及一項或多項額外租賃或非租賃組成部分之合約而言，本集團根據租賃組成部分之相對獨立價格基準及非租賃組成部分之合計獨立價格基準將合約代價分配至各項租賃組成部分。

非租賃組成部分與租賃組成部分分開，並應用其他適用準則入賬。

*使用權資產*

使用權資產之成本包括：

- 租賃負債之初步計量金額；
- 於開始日期或之前作出之任何租賃付款，減任何已收租賃優惠；
- 本集團產生之任何初步直接成本；及
- 本集團拆卸及移除相關資產、復原相關資產所在場地或復原相關資產至租賃條款及條件所規定之狀況之過程中所產生的估計成本。



### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *LEASES – continued*

##### **The Group as a lessee – continued**

##### *Right-of-use assets – continued*

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

##### *Refundable rental deposits*

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* (“HKFRS 9”) and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

##### *Lease liabilities*

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *租賃—續*

##### **本集團作為承租人—續**

##### *使用權資產—續*

使用權資產按成本計量，減去任何累計折舊及減值虧損，並就租賃負債的任何重新計量作出調整。

使用權資產在估計可使用年期與租期兩者孰短的期間內按直線法計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

##### *可退回之租金按金*

已支付的可退回租金按金乃根據香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）入賬，並初步按公允價值計量。初始確認時對公允價值的調整被視為額外租賃付款並計入使用權資產成本。

##### *租賃負債*

於租賃開始日，本集團按該日未支付的租賃付款現值確認及計量租賃負債。於計算租賃付款現值時，倘租賃隱含的利率難以釐定，則本集團使用租賃開始日期的增量借款利率計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *LEASES – continued*

##### **The Group as a lessee – continued**

##### *Lease liabilities – continued*

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

Variable lease payments that reflect changes in market rental rates are initially measured using the market rental rates as at the commencement date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period in which the event or condition that triggers the payment occurs.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *租賃—續*

##### **本集團作為承租人—續**

##### *租賃負債—續*

租賃付款包括：

- 固定付款（包括實質上是固定之付款）減任何應收租賃優惠；
- 取決於指數或比率的可變租賃付款額，最初使用開始日期的指數或比率計算；
- 剩餘價值擔保下本集團預期支付之金額；
- 倘本集團合理肯定會行使選擇權，則為購買選擇權的行使價；及
- 倘租期反映本集團會行使選擇權終止租賃，則為終止租賃而支付之罰款。

反映市場租金變動之可變租賃付款初步使用於開始日期之市場租金計量。不會視乎指數或比率而定之可變租賃付款並無計入租賃負債及使用權資產計量，並在觸發付款之事件或情況出現之期間確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *LEASES – continued*

##### **The Group as a lessee – continued**

##### *Lease liabilities – continued*

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments. The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever the lease payments change due to changes in market rental rates following a market rent review in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

##### *Lease modifications*

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivables, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *租賃—續*

##### **本集團作為承租人—續**

##### *租賃負債—續*

於開始日期後，租賃負債透過增加利息及租賃付款作出調整。當租賃付款因進行市場租金審閱後市場租金有變而出現變動，於此情況下，相關租賃負債按初始貼現率透過貼現經修訂租賃付款而重新計量，則本集團重新計量租賃負債（並就有關使用權資產作相應調整）。

本集團於綜合財務狀況表內將租賃負債呈列為單獨項目。

##### *租賃修改*

倘出現以下情況，本集團將租賃修改作為一項單獨的租賃進行入賬：

- 該項修改通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 調增租賃的代價，增加的金額相當於範圍擴大對應的單獨價格，加上按照特定合約的實際情況對單獨價格進行的任何適當調整。

就未作為一項單獨租賃入賬的租賃修改而言，本集團基於透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期重新計量租賃負債減任何已收租賃優惠。

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3. BASIS OF PREPARATION OF  
CONSOLIDATED FINANCIAL  
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ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*LEASES – continued*

**The Group as a lessee – continued**

*Lease modifications – continued*

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

**FOREIGN CURRENCIES**

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

**租賃—續**

**本集團作為承租人—續**

**租賃修改—續**

本集團通過對相關使用權資產進行相應調整，對租賃負債的重新計量進行會計處理。當修改後的合約包含租賃組成部分和一個或多個額外租賃或非租賃組成部分時，本集團會根據租賃組成部分的相對獨立價格及非租賃組成部分的合計獨立價格將修改後的合約代價分配至各項租賃組成部分。

**外幣**

於編製各個集團實體之財務報表時，以該實體功能貨幣以外貨幣（外幣）結算之交易按交易日期當時之匯率確認。於匯報期間結算日，以外幣結算之貨幣項目均按該日當時之匯率重新換算。按歷史成本法按外幣計量之非貨幣項目毋須重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額乃於其產生期間於損益確認，惟應收或應付海外業務而結算並無計劃亦不可能發生（因此構成海外業務投資淨額之一部分）之貨幣項目之匯兌差額除外，該等匯兌差額初步於其他全面收入內確認，並於出售時自權益重新分類至損益。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FOREIGN CURRENCIES – continued*

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

##### *BORROWING COSTS*

All borrowing costs that are not directly attributable to the acquisition, construction or production of quality assets are recognised in profit or loss in the period in which they are incurred.

##### *GOVERNMENT GRANTS*

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *外幣—續*

就呈列綜合財務報表而言，本集團業務之資產及負債按各匯報期間結算日當時之匯率換算為本集團之呈列貨幣（即港元），而收支項目則按年內平均匯率換算，除非匯率於期間內大幅波動，於此情況下，則使用交易日當時之匯率換算。所產生之匯兌差額（如有）於其他全面收入內確認，並於匯兌儲備項下之權益累計。

##### *借貸成本*

並非直接用於收購、興建或生產符合規定資產的所有借貸成本於產生期間於損益內確認。

##### *政府補助*

本集團在獲得合理保證將遵守政府補助所附帶的條件且將可收取政府補助前，不會確認政府補助。

政府補助按系統性基準於本集團確認補助擬補償的相關成本為開支的期間於損益內確認。

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3. BASIS OF PREPARATION OF  
CONSOLIDATED FINANCIAL  
STATEMENTS AND SIGNIFICANT  
ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*GOVERNMENT GRANTS – continued*

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants relating to compensation of expenses are deducted from the related expenses, other government grants are presented under “other income”.

*RETIREMENT BENEFIT COSTS*

Payments to defined contribution retirement benefit plans, the Mandatory Provident Fund Scheme and state-managed retirement benefit schemes, are recognised as an expense when employees have rendered service entitling them to contributions.

*SHORT-TERM EMPLOYEE BENEFITS*

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

*政府補助—續*

與收入有關的政府補助作為補償已產生開支或虧損而應收或旨在為本集團提供即時財務支援（而無未來相關成本）於應收期間於損益內確認。與開支補償有關的政府補助自其他有關開支扣除，其他政府補助於「其他收入」項下呈列。

*退休福利成本*

界定供款退休福利計劃、強制性公積金計劃及國家管理之退休福利計劃付款於僱員提供服務而有權獲得供款時列作開支。

*短期僱員福利*

短期僱員福利乃按僱員提供服務時預期將予支付之未貼現福利金額確認。所有短期僱員福利均確認為開支。

僱員之應計福利（例如工資及薪金及年假）乃於扣減任何已付金額後確認負債。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 編製綜合財務報表的依據及重大會計政策－續

#### 3.2 重大會計政策－續

##### 稅項

稅項指本期應繳稅項及遞延稅項之總和。

本期應繳稅項按年內應課稅溢利計算。應課稅溢利有別於『除稅前溢利』，源於其他年度需要課稅或可扣稅之收入或支出且其毋須課稅或從不獲扣稅之項目。本集團之本期稅項負債按匯報期間結算日已頒佈或實質頒佈之稅率計算。

遞延稅項按綜合財務報表中資產及負債之賬面金額與計算應課稅溢利所用相應稅基間之暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額進行確認。遞延稅項資產一般於預期應課稅溢利可用作抵銷可予扣稅暫時差額時，確認所有可扣稅暫時差額。如因初次確認交易（業務合併除外）中之資產及負債而出現暫時差異，但並未對應課稅溢利或會計溢利造成影響，該遞延稅項資產及負債將不予確認。

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3. BASIS OF PREPARATION OF  
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ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*TAXATION – continued*

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

*稅項—續*

遞延稅項負債按附屬公司投資相關之應課稅暫時差額確認，惟若本集團可控制該暫時差額之撥回，而該暫時差額又可能不會在可見將來撥回則不在此限。可扣減暫時差額產生之遞延稅項資產（與該等投資有關）可確認，惟僅以可能將有足夠應課稅溢利可動用暫時差額之利益，且彼等預期於可預見將來撥回為限。

遞延稅項資產之賬面值於各匯報期間結束時進行檢討，並調低至預期將不可能有充裕的應課稅溢利以收回所有或部分資產。

倘負債可結算或資產可變現，遞延稅項資產及負債按預期於期間內可應用之稅率以於匯報期間結束時已施行或大部分施行之稅率（及稅法）為基準。

遞延稅項負債及資產之計量反映稅務影響，可由本集團於匯報期間結束時預期之方式以收回或結算其資產及負債之賬面值。



### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *TAXATION – continued*

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 3. 編製綜合財務報表的依據及重大會計政策－續

#### 3.2 重大會計政策－續

##### *稅項－續*

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定減稅額應歸屬於使用權資產還是租賃負債。

就因租賃負債而須扣除稅項的租賃交易而言，本集團整體採納香港會計準則第12號*所得稅*之租賃交易規定。有關使用權資產及租賃負債之暫時性差異按淨額進行評估。暫時性差異的淨額扣除是由於使用權資產之折舊超過租賃負債的主要部分之租賃款項。

當合法行使權用於將流動稅項資產抵銷流動稅項負債，且兩者與同一稅局向同一應課稅實體徵收所得稅有關時，遞延稅項資產及負債將得到抵銷。

即期及遞延稅項於損益確認，惟倘其與其他全面收入或直接於權益確認之項目有關為限，於此情況下，即期及遞延稅項資產亦分別於其他全面收入或直接於權益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *PROPERTY, PLANT AND EQUIPMENT*

Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for a prospective basis.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### **物業、機器及設備**

物業、機器及設備按成本減去其後累計折舊及累計減值虧損(如有)於綜合財務狀況報表入賬。

本集團作出物業擁有權權益付款(包括租賃土地及樓宇部分)時,全部代價按初始確認時之相對公允價值按比例分配至租賃土地及樓宇部分。

倘相關款項能夠得到合理分配,租賃土地權益於綜合財務狀況表中以「使用權資產」呈列。倘該代價不能合理分配至非租賃樓宇部分和相關租賃土地之未拆分權益中,全部物業則分類為物業、機器及設備。

折舊採用直線法按資產的估計可使用年期註銷其成本減剩餘價值確認。估計可使用年期、剩餘價值和折舊方法會在各匯報期間結算時復核,估計的任何變動影響按預先計提基準入賬。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *PROPERTY, PLANT AND EQUIPMENT – continued*

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

##### *IMPAIRMENT ON PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS*

At the end of the reporting period, the Group reviews the carrying amounts of its assets with finite useful lives to determine whether there is any indicator that those assets have suffered an impairment loss. If any such indicator exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount of an individual asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### 3. 編製綜合財務報表的依據及重大會計政策－續

#### 3.2 重大會計政策－續

##### *物業、機器及設備－續*

當出售物業、機器及設備項目時或預期繼續使用有關資產不會產生日後經濟利益時，該資產予以終止確認。出售或廢棄物業、機器及設備項目產生之任何收益或虧損，按出售所得款項與該資產賬面值間之差額計算，並於損益內確認。

##### *物業、機器及設備以及使用權資產減值*

本集團會於匯報期間結算日審閱其具有限可使用年期之資產之賬面值，確定是否有任何跡象顯示該等資產已蒙受減值虧損。倘出現任何有關跡象，則估計有關資產之可收回金額，以釐定減值虧損程度（如有）。

物業、機器及設備以及使用權資產之可收回金額單獨估算。倘不能單獨估算個別資產之可收回金額，本集團將估算該資產所屬的現金產生單位的可收回金額。

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3. BASIS OF PREPARATION OF  
CONSOLIDATED FINANCIAL  
STATEMENTS AND SIGNIFICANT  
ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*IMPAIRMENT ON PROPERTY, PLANT AND  
EQUIPMENT AND RIGHT-OF-USE ASSETS –  
continued*

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of 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 or a cash-generating unit for which the estimates of future cash flows have not been adjusted.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

*物業、機器及設備以及使用權資  
產減值—續*

於測試現金產生單位是否減值時，當可建立合理及一致之分配基準時，企業資產會分配至相關現金產生單位，否則會分配至能建立合理及一致分配基準之最小現金產生單位組別。可收回金額按企業資產所屬現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別之賬面值作比較。

可收回金額為公允價值減銷售成本及使用價值兩者之較高者。於評估使用價值時，估計未來現金流量利用稅前折現率折現至其現值，以反映當前市場對貨幣時間價值及估計未來現金流量未經調整之資產或一個現金產生單位之特定風險之評估。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *IMPAIRMENT ON PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS – continued*

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### **物業、機器及設備以及使用權資產減值—續**

倘一項資產（或一個現金產生單位）之可收回金額估計低於其賬面值，則該資產（或現金產生單位）之賬面值扣減至其可收回金額。由於企業資產或部分企業資產不能合理一致地分配至一個現金產生單位內，本集團比較一組現金產生單位的賬面值（包括企業資產賬面值，或部分已分配至該組現金產生單位的企業資產賬面值）與該組現金產生單位之可收回金額。分配減值虧損時，該減值虧損首先分配以降低任何商譽的賬面值（倘適用），而後基於該單位內或該組現金產生單位各項資產之賬面值按比例分配至其他資產。一項資產的賬面值不會減至其公允價值減出售成本（如可計量）、其使用價值（如可釐定）及零中最高者。本將分配至該資產的減值虧損之金額按比例分配至該單位或該組現金產生單位的其他資產。減值虧損即時於損益確認。

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3. BASIS OF PREPARATION OF  
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ACCOUNTING POLICIES – *continued*

3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*IMPAIRMENT ON PROPERTY, PLANT AND  
EQUIPMENT AND RIGHT-OF-USE ASSETS –  
continued*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit or a group of cash-generating units) unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

*INVENTORIES*

Inventories are stated at the lower of cost and net realisable value. Cost of inventories is determined on a weighted average basis for gold and specific identification basis for watches and other jewellery items depending on the nature of the inventory. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale. Cost necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

*物業、機器及設備以及使用權資  
產減值—續*

倘減值虧損其後撥回，則該資產（或現金產生單位或一組現金產生單位）之賬面值須增加至其經修訂之估計可收回金額，惟增加後之賬面值數額不得超過倘若於過往年度未有就該項資產（或現金產生單位或一組現金產生單位）確認減值虧損之原有賬面值。減值虧損撥回會即時於損益確認。

*存貨*

存貨按成本與可變現淨值之較低者入賬。黃金之存貨成本根據加權平均值基準釐定，而鐘錶及其他珠寶項目成本則根據指定識別基準釐定，視乎存貨之性質。可變現淨值指存貨估計售價減所有估計完成成本及進行出售所需成本。進行出售所需成本包括銷售直接應佔增量成本及本集團進行銷售必須產生的非增量成本。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *PROVISIONS*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

##### **Restoration provisions**

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognised at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets, estimates are regularly reviewed and adjusted as appropriate for new circumstances.

##### *FINANCIAL INSTRUMENTS*

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### 3. 編製綜合財務報表的依據及重大會計政策－續

#### 3.2 重大會計政策－續

##### **撥備**

當本集團因過往事件而承擔現有責任（不論屬法律或推定責任），而本集團可能須償付該責任時及就承擔責任之金額可作出可靠估計時，則確認撥備。

計及有關責任的風險及不明朗因素後，確認為撥備的金額為清償於匯報期末的現時責任所需代價的最佳估計。倘使用估計用以清償現時責任的現金流量計算撥備，則該撥備賬面值為該等現金流量現值（倘金錢時間值的影響屬重大）。

##### **恢復撥備**

恢復租賃資產至其原始狀態（根據租賃條款及條件中規定）的撥備成本於租賃開始之日按董事對恢復資產所需的開支作出的最佳估計確認。董事會根據新情況定期審閱及適當調整估計。

##### **金融工具**

當集團實體成為工具合約條文的一方時，金融資產及金融負債會予以確認。所有以正規途徑購買或銷售之金融資產乃按交易日期基準確認及終止確認。正規途徑購買或銷售乃要求於市場法規或慣例所確定之時間框架內交付資產之金融資產購買或銷售。

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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 *Revenue from contracts with Customers* (“HKFRS 15”). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *金融工具—續*

金融資產及金融負債初步按公允價值計量，惟產生自客戶合約之貿易應收款項乃按照香港財務報告準則第15號 *客戶合約之收益*（「香港財務報告準則第15號」）初步計量除外。收購或發行金融資產及金融負債直接產生的交易成本乃於初步確認時加入金融資產及金融負債之公允價值或自金融資產或金融負債之公允價值扣除（視適用情況而定）。

實際利率法是一種在相關期間內用於計算金融資產或金融負債之已攤銷成本以及分配利息收入及利息開支之方法。實際利率是將金融資產或金融負債預計年期或（如適用）較短期間之估計未來現金付款（包括屬於實際利率整體部分的所有已付或已收費用、交易成本及其他溢價或折讓）精確貼現至首次確認的賬面淨值之利率。



### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets**

##### *Classification and subsequent measurement of financial assets*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### *Amortised cost and interest income*

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### **金融工具—續**

##### **金融資產**

##### *金融資產之分類及其後計量*

符合下列條件之金融資產其後按攤銷成本計量：

- 持有金融資產之業務模式目的為收取合約現金流量；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

##### *攤銷成本及利息收入*

其後按攤銷成本計量之金融資產之利息收入乃採用實際利率法確認。利息收入之計算方法為對金融資產之賬面總值應用實際利率（不包括其後為信用減值的金融資產）。由於金融資產其後產生信貸減值，利息收入透過於下一個匯報期間的金融資產之攤銷成本應用實際利率而確認。倘信貸減值金融工具之信貸風險增加，金融資產將不再產生信貸減值，則利息收入於確定金融資產不再產生信貸減值後透過於匯報期初的金融資產之賬面總值應用實際利率而確認。

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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets – continued**

##### *Impairment of financial assets*

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade receivables, other receivables, amounts due from related companies, rental deposits and bank balances), which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances.

For other instruments, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *金融工具—續*

##### **金融資產—續**

##### *金融資產減值*

本集團根據香港財務報告準則第9號就須作減值評估之金融資產(包括貿易應收款項、其他應收款項、應收關連公司之款項、租金按金及銀行結餘)之預期信貸虧損(「預期信貸虧損」)進行減值評估。預期信貸虧損之金額於各匯報日期更新,以反映信貸風險自初始確認以來之變化。

全期預期信貸虧損指於相關工具之預期使用期內所有可能發生之違約事件所產生之預期信貸虧損。相反,12個月預期信貸虧損指預期於匯報日期後12個月內可能發生之違約事件所產生之部分全期預期信貸虧損。有關評估乃根據本集團之過往信貸虧損經驗進行,並根據債務人特有之因素、整體經濟狀況以及於匯報日期時之當前狀況評估及未來狀況預測而作出調整。

本集團必然就貿易應收款項確認全期預期信貸虧損。該等資產之預期信貸虧損就具有重大結餘債務人而言將予獨立評估。

就其他工具而言,本集團計量之虧損撥備相等於12個月預期信貸虧損,除非信貸風險自初始確認以來顯著增加,則在此情況下,本集團確認全期預期信貸虧損。就應否確認全期預期信貸虧損而作出之評估乃基於自初始確認以來發生違約之可能性或風險有否顯著增加而定。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets – continued**

##### *Impairment of financial assets – continued*

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, 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:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### **金融工具—續**

##### **金融資產—續**

##### **金融資產減值—續**

(i) 信貸風險顯著增加

於評估信貸風險自初始確認以來是否顯著增加時，本集團對金融工具於匯報日期發生違約之風險與金融工具於初始確認日期發生違約之風險進行比較。在進行該評估時，本集團考慮合理有據之定量及定性資料，包括毋須付出過度成本或精力就可獲得之過往經驗及前瞻性資料。

具體而言，評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具之外部（如有）或內部信貸評級實際上或預期會顯著惡化；
- 外部市場指標顯示信貸風險顯著惡化，如信貸息差顯著增加、債務人之信貸違約掉期價格顯著增加等；

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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets – continued**

##### *Impairment of financial assets – continued*

- (i) Significant increase in credit risk – *continued*
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
  - an actual or expected significant deterioration in the operating results of the debtor;
  - an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### 金融工具—續

##### 金融資產—續

##### 金融資產減值—續

- (i) 信貸風險顯著增加—續
- 商業、金融或經濟環境於現時或預測會出現不利變化，其預期可導致債務人償還其債務之能力大幅下降；
  - 債務人經營業績的實際或預期重大惡化；
  - 債務人所在之監管、經濟或技術環境實際上或預期會出現重大不利變化，其可導致債務人償還其債務之能力大幅下降。

不論上述評估之結果如何，當合約付款逾期超過30天，本集團將假定信貸風險自初始確認以來已顯著增加，除非本集團有合理有據之資料證明事實並非如此。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets – continued**

##### *Impairment of financial assets – continued*

- (i) Significant increase in credit risk – *continued*

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### **金融工具—續**

##### **金融資產—續**

##### **金融資產減值—續**

- (i) 信貸風險顯著增加—續

儘管上文所述，倘債務工具於匯報日期釐定為具較低信貸風險，本集團將假設債務工具之信貸風險自初始確認以來並無顯著增加。倘出現以下情況，債務工具將被釐定為具較低信貸風險：i)具有低違約風險；ii)借款人擁有雄厚實力，可於短期內履行其合約現金流量責任；及iii)經濟及商業狀況之長期不利變動可能（但未必會）削弱借款人履行其合約現金流量責任之能力。倘債務工具之內部或外部信貸評級為『投資級別』（根據國際通用釋義），本集團將視該債務工具為具較低信貸風險。

本集團定期監察其確定信貸風險是否顯著增加時所用標準之效用，並因應適當情況修訂有關標準，以確保能夠於款項逾期前確定信貸風險顯著增加。

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3. BASIS OF PREPARATION OF  
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3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*FINANCIAL INSTRUMENTS – continued*

**Financial assets – continued**

*Impairment of financial assets – continued*

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

**金融工具—續**

**金融資產—續**

**金融資產減值—續**

(ii) 違約之定義

就內部信貸風險管理而言，本集團認為，違約事件是在內部所形成或外部所得資料顯示，債務人不大可能向債權人（包括本集團）償還全數款項（不考慮本集團所持任何抵押品）時發生。

不管上文所述為何，本集團認為，當金融資產逾期超過90日，即代表已發生違約，除非本集團有合理有據之資料顯示使用更寬鬆之違約標準更為恰當。

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets** – *continued*

##### *Impairment of financial assets – continued*

##### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *金融工具—續*

##### **金融資產—續**

##### *金融資產減值—續*

##### (iii) 金融資產已信貸減值

在一項或以上違約事件發生，而有關事件對該金融資產之估計未來現金流量構成負面影響時，即代表金融資產已信貸減值。金融資產已信貸減值之證據包括與下列事件有關之可觀察數據：

- (a) 發行人或借款人出現重大財政困難；
- (b) 違反合約，如違約或逾期事件；
- (c) 借款人之貸款人出於借款人面臨財政困難所涉及之經濟或合約理由，而向借款人給予其在其他情況下不會考慮之寬限；或
- (d) 借款人有可能面臨破產或其他財務重組。

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3. BASIS OF PREPARATION OF  
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3.2 SIGNIFICANT ACCOUNTING POLICIES –  
*continued*

*FINANCIAL INSTRUMENTS – continued*

**Financial assets – continued**

*Impairment of financial assets – continued*

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables from contracts with customers when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information, such as Gross Domestic Product (i.e. GDP). Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

3. 編製綜合財務報表的依據及重大  
會計政策—續

3.2 重大會計政策—續

**金融工具—續**

**金融資產—續**

**金融資產減值—續**

(iv) 註銷政策

當有資料顯示對手方處於嚴重財政困難及有關資產無實際收回之可能時(例如,對手方被頒布清盤令或進入破產程序時),或倘為來自客戶合約之貿易應收款項,當有關款項逾期超過兩年時(兩者以較早發生者為準),本集團將註銷金融資產。經考慮適當法律意見後,遭註銷之金融資產可能仍須根據本集團之收回程序進行強制執行活動。註銷構成一項終止確認事件。其後任何收回均於損益確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量是違約概率、違約虧損率(即違約時之虧損程度)與違約風險敞口之函數。違約概率及違約虧損率乃基於過往數據及前瞻性資料(如國內生產總值)進行評估。預期信貸虧損之估計值反映一個無偏概率之加權平均金額,以各自發生違約之風險為權重確定。



### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets** – *continued*

##### *Impairment of financial assets – continued*

(v) Measurement and recognition of ECL – *continued*

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Except for the trade debtors with significant balances which are assessed individually, ECL for other financial assets is considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

The Group takes into consideration the following characteristics when formulating the grouping:

- Nature of financial instruments (including trade receivables, other receivables, rental deposits, amounts due from related companies and bank balances);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *金融工具—續*

##### *金融資產—續*

##### *金融資產減值—續*

(v) 預期信貸虧損之計量及確認—續

一般而言，預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額（按初始確認時釐定之實際利率貼現）。

除單獨評估的具有重大餘額的貿易應收款項外，經考慮逾期資料及如前瞻性宏觀資料等相關信貸資料，其他金融資產的預期信貸虧損乃按集體基準進行計量。

本集團考慮以下特徵進行分組：

- 金融工具之性質（包括貿易應收款項、其他應收款項、租金按金、應收關連公司之款項及銀行結餘）；
- 逾期狀況；
- 債務人之性質、規模及行業；及
- 外部信貸評級（如有）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial assets – continued**

##### *Impairment of financial assets – continued*

- (v) Measurement and recognition of ECL – *continued*

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income 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 amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

##### **Financial liabilities and equity**

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### 3. 編製綜合財務報表的依據及重大會計政策—續

#### 3.2 重大會計政策—續

##### *金融工具—續*

##### *金融資產—續*

##### *金融資產減值—續*

- (v) 預期信貸虧損之計量及確認—續

管理層定期審查分組以確保每個分組下之組成部分繼續具有類似之信貸風險特徵。

利息收入基於該金融資產之賬面總值計算，除非該金融資產產生信貸減值，在此情況下，利息收入基於該金融資產之攤銷成本計算。

本集團透過調整所有金融工具之賬面值（除通過虧損撥備賬戶確認之相應調整之貿易應收款項外）於損益中確認減值收益或虧損。

##### *金融負債及權益*

集團實體發行之債務及權益工具乃根據所訂立合約安排之內容與金融負債及權益工具之定義作為金融負債或權益分類。

##### *權益工具*

權益工具為證明實體於扣減所有負債後在資產中有剩餘權益之任何合約。本公司發行之權益工具經扣除直接發行成本後按已收所得款項確認。

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### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### 3.2 SIGNIFICANT ACCOUNTING POLICIES – *continued*

##### *FINANCIAL INSTRUMENTS – continued*

##### **Financial liabilities and equity – continued**

##### *Equity instruments – continued*

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### *Financial liabilities at amortised cost*

Financial liabilities (including trade payables, other payables, amounts due to related companies and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

##### **Derecognition of financial assets and financial liabilities**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liability when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 編製綜合財務報表的依據及重大會計政策－續

#### 3.2 重大會計政策－續

##### **金融工具－續**

##### **金融負債及權益－續**

##### *權益工具－續*

倘本公司回購本身之權益工具，有關回購將直接於權益確認及扣除。購買、出售、發行或註銷本公司本身之權益工具不會導致於損益確認收益或虧損。

##### *按攤銷成本計量的金融負債*

金融負債（包括貿易應付款項、其他應付款項、應付關連公司款項以及銀行借貸）其後採用實際利率法按攤銷成本計量。

##### **終止確認金融資產及金融負債**

僅於資產現金流量之合約權利屆滿時，本集團方會終止確認金融資產。

於終止確認按攤銷成本列賬之金融資產時，資產賬面值與已收及應收代價之和之差額，會於損益確認。

僅當本集團之義務獲解除、取消或到期時，本集團方會終止確認金融負債。已終止確認之金融負債賬面值與已付及應付代價之差額，會於損益確認。

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## 綜合財務報表附註

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### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 4. 估計不確定因素之主要來源

於應用附註3所載之本集團會計政策時，董事須就從其他來源不顯而易見之資產及負債賬面值作出估計及假設。估計及相關假設乃以過往經驗及認為屬有關之其他因素為基礎。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂只影響該期間，則有關修訂會在修訂估計期間確認。倘若有關修訂既影響當期，亦影響未來期間，則有關修訂會在修訂期間及未來期間確認。

以下是關於未來的主要假設，以及於匯報期末估計不確定因素之主要來源，其對下一個財政年度的資產及負債之賬面值可能會造成重大調整的風險。

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY – *continued*

#### ALLOWANCE FOR INVENTORIES – JEWELLERIES HELD FOR RESALE

In estimating the amount of allowance for inventories – jewellery held for resale, it is the Group's policy to review the net realisable value of inventories periodically with reference to the condition of the items and the market condition. The management of the Group reviews regularly the suitability of allowance policy and estimates the amount of allowance for inventories based primarily current market conditions, historical and current sales information, pricing policy and strategies, inventory realisation plan, as well as the ageing and conditions of inventories to identify slow-moving items. In addition, the management also appoints an independent professional gemmologist to perform valuation on certain jewellery items as reference for allowance consideration. The Group carries out an inventory review at the end of the reporting period and makes allowance. When the subsequent estimated amount of allowance for inventories is less than the original cost, a material allowance may arise. As at 31 December 2021, the carrying amount of inventories for jewellery held for resale is HK\$2,011,104,000 (net of allowance for inventories of HK\$52,559,000) (31 December 2020: HK\$1,994,353,000 (net of allowance for inventories of HK\$41,511,000)).

### 5. REVENUE AND SEGMENT INFORMATION

Revenue represents sales of products to retail customers and commission income from services provided.

For sales of products to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail shop. Payment of the transaction price is due immediately at the point the customer purchases the goods.

### 4. 估計不確定因素之主要來源—續

#### 存貨—持作轉售珠寶之撥備

於估計存貨—持作轉售珠寶之撥備金額時，本集團之政策為參考各項目狀況及市況定期檢討存貨之可變現淨值。本集團管理層定期審閱撥備政策之適當性並主要根據當前市況、過往及現時銷售資料、定價政策及策略、存貨變現計劃以及存貨賬齡分析及狀況以識別滯銷項目從而估計存貨撥備款項。此外，管理層亦委聘一名獨立專業寶石鑑定師以對若干珠寶項目進行估值作為撥備考慮之參考。本集團於匯報期末進行存貨檢討並作出撥備。在其後存貨之估計撥備款項少於其原有成本時，可能產生重大撥備。於2021年12月31日，持作轉售珠寶之存貨賬面值為2,011,104,000港元（扣除存貨撥備52,559,000港元）（2020年12月31日：1,994,353,000港元，扣除存貨撥備41,511,000港元）。

### 5. 收入及分部資料

收入指向零售客戶銷售產品和已提供之服務佣金收入。

對於向零售客戶銷售產品，商品的控制權發生轉移時（即客戶在零售店購買商品時）確認收入。交易價格應在客戶購買商品時立即支付。

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5. REVENUE AND SEGMENT INFORMATION  
– continued

For commission income, revenue is recognised when it expects to be entitled in exchange for arranging for the specified goods provided by the other party to the customers at the retail shop.

All revenue are recognised at a point in time.

Information reported to the chief operating decision maker (“CODM”), the Executive Director of the Group, for the purposes of resource allocation and assessment of segment performance focuses on the locations of the operations. This is also the basis upon which the Group is arranged and organised. The Group’s operating segments under HKFRS 8 *Operating Segments* are operations located in Hong Kong, Macau, The People’s Republic of China excluding Hong Kong and Macau (“PRC”) and other regions in Asia Pacific (representing Singapore and Malaysia). The revenue generated by each of the operating segments is mainly derived from sales of watch and jewellery. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

All the sales of products and commission income are completed within one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5. 收入及分部資料—續

就其預期從交換安排其他方於零售店向客戶提供指定貨品有權收取之佣金收入確認收入。

所有收入均於某一時點確認。

主要營運決策者（「主要營運決策者」），即本集團執行董事，就資源分配及評估分部表現所獲匯報之資料主要依據業務所在地。此亦為本集團進行安排及籌劃之依據。根據香港財務報告準則第8號經營分部，本集團之經營分部位於香港、澳門、中華人民共和國（不包括香港及澳門）（「中國」）及亞太其他地區（指新加坡及馬來西亞）。各經營分部所產生之收入主要來自銷售鐘錶及珠寶。主要營運決策者於釐定本集團之可呈報分部時，概無將已識別之任何經營分部作合併處理。

所有產品銷售及佣金收入於一年內完成。按香港財務報告準則第15號所容許，分配至該等未履行合約的交易價格並未披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 5. REVENUE AND SEGMENT INFORMATION

– continued

The following is an analysis of the Group's revenue and results by reportable and operating segment:

For the year ended 31 December 2021

		Hong Kong 香港 HK\$'000 千港元	Macau 澳門 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Other regions in Asia Pacific 亞太其他地區 HK\$'000 千港元	Elimination 撇銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入						
External sales	外界銷售	1,737,379	370,731	1,227,807	586,971	–	3,922,888
Inter-segment sales*	分部間銷售*	125,342	16,225	–	–	(141,567)	–
Commission income	佣金收入	1,872	1,848	–	–	–	3,720
		1,864,593	388,804	1,227,807	586,971	(141,567)	3,926,608
* Inter-segment sales are charged at cost	* 分部間銷售按成本支銷						
Segment profit	分部溢利	137,376	48,709	188,250	106,702	–	481,037
Unallocated other income	未分配其他收入						8,848
Unallocated corporate expenses	未分配企業開支						(205,647)
Unallocated other gains or losses	未分配其他收益或虧損						(11,591)
Unallocated finance costs	未分配融資成本						(16,378)
Profit before tax	除稅前溢利						256,269

### 5. 收入及分部資料—續

以下為本集團收入及業績之可呈報及經營分部分析：

截至2021年12月31日止年度

For the year ended 31 December 2020

截至2020年12月31日止年度

		Hong Kong 香港 HK\$'000 千港元	Macau 澳門 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Other regions in Asia Pacific 亞太其他地區 HK\$'000 千港元	Elimination 撇銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入						
External sales	外界銷售	1,256,426	160,393	783,267	426,331	–	2,626,417
Inter-segment sales*	分部間銷售*	42,681	6,637	–	–	(49,318)	–
Commission income	佣金收入	155	37	–	–	–	192
		1,299,262	167,067	783,267	426,331	(49,318)	2,626,609
* Inter-segment sales are charged at cost	* 分部間銷售按成本支銷						
Segment profit	分部溢利	70,570	11,599	104,509	68,493	–	255,171
Unallocated other income	未分配其他收入						8,195
Unallocated corporate expenses	未分配企業開支						(181,599)
Unallocated other gains or losses	未分配其他收益或虧損						(13,832)
Unallocated finance costs	未分配融資成本						(33,139)
Profit before tax	除稅前溢利						34,796

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 5. REVENUE AND SEGMENT INFORMATION

– continued

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned from each segment without allocation of other income, corporate expenses including depreciation charged on the self-owned flagship shop, other gains or losses and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

#### SEGMENT ASSETS AND LIABILITIES

No assets and liabilities are included in the measures of the Group's segment reporting that are regularly reviewed by the CODM. Accordingly, no segment assets and liabilities are presented.

#### OTHER SEGMENT INFORMATION

Amounts included in the measure of segment result:

**For the year ended 31 December 2021**

	Hong Kong 香港 HK\$'000 千港元	Macau 澳門 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Other regions in Asia Pacific 亞太其他地區 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元 (Note b) (附註b)	Consolidated 綜合 HK\$'000 千港元
Depreciation of property, plant and equipment 物業、機器及設備折舊	107,584	3,685	6,638	4,916	5,962	128,785
Depreciation of right-of-use assets 使用權資產折舊	209,540	12,532	23,955	9,010	11,129	266,166
Expense relating to rented premises (Note a) 與租賃物業有關之開支(附註a)	960	329	98,599	11,136	771	111,795

### 5. 收入及分部資料—續

可呈報及經營分部之會計政策與附註3所載之本集團會計政策相同。分部溢利指未分配其他收入、企業開支(包括自家擁有旗艦店的折舊費用、其他收益或虧損以及融資成本)之自各分部賺取的溢利。此為向主要營運決策者進行匯報，以作資源分配及評估分部表現之計量基準。

#### 分部資產及負債

主要營運決策者定期審閱之本集團分部報告計量中並無計入資產及負債。因此，並無呈報分部資產及負債。

#### 其他分部資料

計入分部業績計量之金額：

**截至2021年12月31日止年度**



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 5. REVENUE AND SEGMENT INFORMATION

– continued

#### OTHER SEGMENT INFORMATION – continued

For the year ended 31 December 2020

	Hong Kong 香港 HK\$'000 千港元	Macau 澳門 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Other regions in Asia Pacific 亞太其他地區 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元 (Note b) (附註b)	Consolidated 綜合 HK\$'000 千港元
Depreciation of property, plant and equipment	116,031	5,864	7,758	6,159	5,778	141,590
Depreciation of right-of-use assets	189,143	12,528	19,552	9,533	11,759	242,515
Expense relating to rented premises (Note a)	33	–	66,882	5,767	945	73,627

Notes:

- (a) Expenses relating to rented premises includes expenses relating to variable lease payments and rental expenses for contracts assessed not under the definition of lease under HKFRS 16.
- (b) Unallocated represents amount used for office.

#### REVENUE BY MAJOR PRODUCTS

The following is an analysis of the Group's revenue from its major products and services:

	2021 HK\$'000 千港元	2020 HK\$'000 千港元
Sales of watch	3,265,202	2,055,960
Sales of jewellery	657,686	570,457
Commission income – Watch	3,720	192
	<b>3,926,608</b>	2,626,609

### 5. 收入及分部資料—續

#### 其他分部資料—續

截至2020年12月31日止年度

附註：

- (a) 與租賃物業有關之開支包括與可變租賃付款有關之開支及未根據香港財務報告準則第16號租賃的釋義而評估的合約之租金開支。
- (b) 未分配指用於辦公室之金額。

#### 主要產品之收入

本集團來自主要產品及服務之收入分析如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

### 5. REVENUE AND SEGMENT INFORMATION

– continued

#### GEOGRAPHICAL INFORMATION

Information about the Group's non-current assets, excluding rental deposits and deferred tax assets, presented based on the geographical location of the assets are detailed below:

As at 31 December 2021

	Hong Kong 香港 HK\$'000 千港元	Macau 澳門 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Other regions in Asia Pacific 亞太其他地區 HK\$'000 千港元 (Note b) (附註b)	Consolidated 綜合 HK\$'000 千港元
Non-current assets 非流動資產	1,711,497	13,617	86,582	12,058	1,823,754

As at 31 December 2020

	Hong Kong 香港 HK\$'000 千港元	Macau 澳門 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Other regions in Asia Pacific 亞太其他地區 HK\$'000 千港元 (Note b) (附註b)	Consolidated 綜合 HK\$'000 千港元
Non-current assets 非流動資產	1,946,835	31,634	83,829	20,984	2,083,282

No revenue from a single customer amounted to 10% or more of the Group's total revenue for both years.

### 5. 收入及分部資料—續

#### 地區資料

有關按資產所在地域位置呈報之本集團非流動資產(租金按金及遞延稅項資產除外)之資料詳情載列如下:

於2021年12月31日

於2020年12月31日

於兩個年度,概無來自本集團單一客戶之收入佔本集團收入總額10%或以上。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 6. OTHER INCOME

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Interest income from bank deposits	銀行存款利息收入	6,141	1,888
Interest income from rental deposits	租金按金利息收入	2,512	3,588
Government grants	政府補助	—	2,589
Others	其他	195	130
		<b>8,848</b>	8,195

In 2020, the Group recognised government grants to HK\$26,705,000 in respect of COVID-19-related subsidies, of which HK\$20,193,000 relates to Employment Support Scheme provided by the Hong Kong government and HK\$3,923,000 provided by the Singapore government. These amounts have been offset against staff costs for the year.

於2020年，本集團就與新冠病毒疫情相關的補貼確認政府補助26,705,000港元，其中20,193,000港元與香港政府提供的「保就業」計劃有關及3,923,000港元由新加坡政府提供。該等款項已被本年度的員工成本抵銷。

### 7. FINANCE COSTS

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Interest on bank borrowings	銀行借貸利息	6,406	16,652
Interest on lease liabilities	租賃負債利息	9,972	16,487
		<b>16,378</b>	33,139

### 6. 其他收入

### 7. 融資成本

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

## 8. PROFIT BEFORE TAX

## 8. 除稅前溢利

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Profit before tax has been arrived at after charging (crediting):	除稅前溢利已扣除(計入)下列項目:		
Auditor's remuneration	核數師酬金		
– Current year	– 本年度	3,520	3,433
– Overprovision in prior years	– 過往年度超額撥備	(222)	(220)
Cost of inventories included in cost of sales (included allowance for inventories of HK\$16,604,000 (2020: reversal of allowance for inventories of HK\$1,189,000))	銷售成本內之存貨成本(包括存貨撥備16,604,000港元(2020年:撥回存貨撥備1,189,000港元))	2,692,567	1,777,163
(Reversal of) allowance for credit losses	信貸虧損(撥備撥回)撥備	(665)	536
Depreciation of property, plant and equipment	物業、機器及設備折舊		
– retail shops	– 零售店舖	122,823	135,812
– offices	– 辦公室	5,962	5,778
		128,785	141,590
Depreciation of right-of-use assets	使用權資產折舊		
– retail shops	– 零售店舖	255,037	230,756
– offices	– 辦公室	11,129	11,759
		266,166	242,515
Staff costs, including Directors' remuneration (note 9(a))	員工成本,包括董事酬金(附註9(a))		
– salaries and other benefits costs	– 薪金及其他福利費用	264,738	177,664
– retirement benefits scheme contributions	– 退休福利計劃供款	23,804	14,534
		288,542	192,198
Included in other gains or losses:	計入其他收益或虧損:		
Impairment loss recognised in respect of property, plant and equipment	就物業、機器及設備確認之減值虧損	6,729	6,990
Impairment loss recognised in respect of right-of-use assets	就使用權資產確認之減值虧損	7,939	8,951
Loss on disposals/write-off of property, plant and equipment	出售/註銷物業、機器及設備之虧損	1,202	1,580
Gain arising from termination/modification of leases	租賃終止/修改所產生之收益	(50)	(317)
Net exchange gains	匯兌收益淨額	(4,229)	(3,372)
		11,591	13,832

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

#### (A) DIRECTORS

Details of the emoluments paid and payable to the Directors for the years ended 31 December 2021 and 2020 are as follows:

#### For the year ended 31 December 2021

		Salaries and Fees	Performance related incentive payment	Retirement benefits scheme contributions	Others (note)	Total	
		袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	表現獎勵開支 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	其他(附註) HK\$'000 千港元	總計 HK\$'000 千港元
<b>Executive Directors</b>	<b>執行董事</b>						
Ms. Cindy Yeung	楊諾思女士	250	3,437	–	60	2,400	6,147
Mr. Ng Koon Keung, Ricky (appointed on 1 July 2021)	吳冠強先生 (於2021年7月1日獲委任)	125	1,176	432	30	–	1,763
Mr. Wong Chi Fai	黃志輝先生	250	–	–	–	–	250
Ms. Fan Man Seung, Vanessa	范敏嫦女士	250	–	–	–	–	250
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>						
Ms. Chan Sim Ling, Irene	陳嬋玲女士	220	–	–	–	–	220
Mr. Liu Hing Hung	廖慶雄先生	220	–	–	–	–	220
Ms. Chan Wiling, Yvonne	陳慧玲女士	220	–	–	–	–	220
		<b>1,535</b>	<b>4,613</b>	<b>432</b>	<b>90</b>	<b>2,400</b>	<b>9,070</b>

Note: For the year ended 31 December 2021, a sum of HK\$2,400,000 was paid to a company controlled by Ms. Cindy Yeung for the provision of her services relating to design and consulting services rendered to the Group.

### 9. 董事及僱員酬金

#### (A) 董事

截至2021年及2020年12月31日止年度之已付及應付董事之酬金詳情如下：

#### 截至2021年12月31日止年度

附註：截至2021年12月31日止年度，就楊諾思女士提供與提供予本集團的設計及諮詢服務有關的服務向其控制之公司支付一筆款項2,400,000港元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

### 9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS – continued

#### (A) DIRECTORS – continued

For the year ended 31 December 2020

		Fees	Salaries and allowance	Performance related incentive payment	Retirement benefits contributions	Total
		袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	表現獎勵開支 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
<b>Executive Directors</b>	<b>執行董事</b>					
Ms. Cindy Yeung	楊諾思女士	250	2,461	223	60	2,994
Mr. Wong Chi Fai	黃志輝先生	250	–	–	–	250
Ms. Fan Man Seung, Vanessa	范敏嫦女士	250	–	–	–	250
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Ms. Chan Sim Ling, Irene	陳嬋玲女士	220	–	–	–	220
Mr. Liu Hing Hung	廖慶雄先生	220	–	–	–	220
Ms. Chan Wiling, Yvonne	陳慧玲女士	220	–	–	–	220
		1,410	2,461	223	60	4,154

#### (B) EMPLOYEES

Of the five individuals with the highest emoluments in the Group, two (2020: one) were Director whose emoluments are included in note 9(a) above. The emoluments of the remaining three (2020: four) individuals were as follows:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Salaries and allowance	薪金及津貼	4,793	5,593
Performance related incentive payment	表現獎勵開支	198	650
Retirement benefits scheme contributions	退休福利計劃供款	172	274
		5,163	6,517

### 9. 董事及僱員酬金 – 續

#### (A) 董事 – 續

截至2020年12月31日止年度

#### (B) 僱員

本集團之五位最高薪酬僱員中，兩位（2020年：一位）為董事。彼等之薪酬載列於上述附註9(a)。餘下三位（2020年：四位）之薪酬如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS – *continued*

#### (B) EMPLOYEES – *continued*

Their emoluments were within the following bands:

		Number of employees 僱員人數	
		2021	2020
HK\$1,000,001 to	1,000,001港元至		
HK\$1,500,000	1,500,000港元	1	2
HK\$1,500,001 to	1,500,001港元至		
HK\$2,000,000	2,000,000港元	2	2

Notes:

- (i) The fees paid or payable to the Executive Directors and Independent Non-executive Directors shown above were for their services in connection with their services as directors of the Company.
- (ii) The salaries and allowance, performance related incentive payment and retirement benefits scheme contributions paid or payable to the Executive Directors shown above were for their services in connection with the management of the affairs of the Group.
- (iii) The performance related incentive payment is a discretionary bonus determined based on the financial performance of the Group.
- (iv) No Directors waived or agreed to waive any emoluments in the years ended 31 December 2021 and 31 December 2020.
- (v) During the years ended 31 December 2021 and 31 December 2020, no emoluments were paid by the Group to any of the directors of the Group or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

### 9. 董事及僱員酬金—續

#### (B) 僱員—續

彼等之薪酬範圍如下：

		Number of employees 僱員人數	
		2021	2020
HK\$1,000,001 to	1,000,001港元至		
HK\$1,500,000	1,500,000港元	1	2
HK\$1,500,001 to	1,500,001港元至		
HK\$2,000,000	2,000,000港元	2	2

附註：

- (i) 上述已付或應付執行董事及獨立非執行董事之袍金乃與彼等就擔任本公司董事而提供之服務有關。
- (ii) 上述已付或應付執行董事之薪金及津貼、表現獎勵開支及退休福利計劃供款乃與彼等就管理本集團事務而提供之服務有關。
- (iii) 表現獎勵開支乃按本集團之財務表現釐定之酌情花紅。
- (iv) 截至2021年12月31日及2020年12月31日止年度，概無董事放棄或同意放棄任何酬金。
- (v) 截至2021年12月31日及2020年12月31日止年度，本集團概無向任何本集團董事或五位最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團後的獎勵，或作為離職時的補償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

### 10. TAXATION

### 10. 稅項

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
The tax charge (credit) for the year comprises:	年內稅項支出(抵免)包括:		
Current year:	本年度:		
Hong Kong	香港	7,039	-
Macau	澳門	5,673	-
PRC	中國	19,143	-
Singapore	新加坡	16,313	9,286
		<b>48,168</b>	9,286
(Over)underprovision in prior years:	過往年度(超額撥備)撥備不足:		
Hong Kong	香港	-	(5,894)
Macau	澳門	(2,153)	(4,855)
Singapore	新加坡	87	-
		<b>(2,066)</b>	(10,749)
Deferred taxation (note 23)	遞延稅項(附註23)	5,472	2,266
		<b>51,574</b>	803

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

The Macau Complementary Income Tax is calculated at 12% of the estimated assessable profits for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Company's subsidiaries in the PRC is 25% for both years.

Singapore Income Tax is calculated at 17% of the estimated assessable profits for both years.

根據利得稅兩級制，合資格集團實體首筆2,000,000港元溢利將按8.25%稅率徵稅，而超過2,000,000港元之溢利將按16.5%稅率徵稅。不符合利得稅兩級制資格之集團實體之溢利將繼續按16.5%之劃一稅率徵稅。

董事認為，利得稅兩級制實施後所涉及之金額與綜合財務報表並無重大關係。兩個年度之香港利得稅均按估計應課稅溢利之16.5%計算。

兩個年度之澳門所得補充稅均按估計應課稅溢利之12%計算。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，本公司在中國之附屬公司於兩個年度之稅率為25%。

兩個年度之新加坡所得稅均按估計應課稅溢利之17%計算。



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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 10. TAXATION – continued

Malaysia Income Tax is calculated at 24% of the estimated assessable profits for both years. No provision for Malaysia Income Tax has been made as the Company's subsidiary did not have any assessable profit arising from Malaysia for both years.

Details of deferred taxation are set out in note 23.

Taxation for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

### 10. 稅項—續

兩個年度之馬來西亞所得稅均按估計應課稅溢利之24%計算。於兩個年度內，由於本公司附屬公司並無於馬來西亞產生任何應課稅溢利，因此並無就馬來西亞所得稅作出撥備。

遞延稅項之詳情載列於附註23。

本年度稅項與綜合損益及其他全面收入報表所示之除稅前溢利對賬如下：

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Profit before tax	除稅前溢利	256,269	34,796
Tax charge at Hong Kong Profits Tax rate of 16.5% (2020: 16.5%)	按16.5%之香港利得稅稅率徵收之稅項(2020年: 16.5%)	42,284	5,741
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	21,976	20,795
Tax effect of income not taxable for tax purpose	無須課稅收入之稅務影響	(2,712)	(2,410)
Effect of different tax rates of subsidiaries operating in other jurisdictions	附屬公司於其他司法權區經營之不同稅率之影響	3,705	56
Tax effect of tax losses not recognised	尚未確認稅項虧損之稅務影響	2,353	938
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(13,823)	(12,988)
Over provision in respect of prior years	過往年度之超額撥備	(2,066)	(10,749)
Others	其他	(143)	(580)
Taxation for the year	年度稅項	51,574	803

The Hong Kong Profits Tax rate is used as this is the domestic tax rate in the jurisdiction where the operation of the Group is substantially based. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.

所採用之香港利得稅率乃本集團業務主要所在司法權區之當地稅率。於其他司法權區產生之稅項乃按相關司法權區之適用稅率計算。

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### 11. DIVIDENDS

### 11. 股息

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Dividends recognised as distribution during the year:	確認為本年度分派之股息：		
2020 Final: HK0.15 cent (2020: 2019 final dividend: Nil) per share	2020年末期：每股0.15港仙（2020年：2019年末期股息：無）	10,169	-
2021 Interim: HK0.55 cent (2020: interim dividend: Nil) per share	2021年中期：每股0.55港仙（2020年：中期股息：無）	37,287	-
		<b>47,456</b>	-

The Board of Directors proposed the payment of a final dividend of HK0.35 cent (2020: HK0.15 cent) per share in an aggregate amount of approximately HK\$23,728,000 (2020: HK\$10,169,000) for the year ended 31 December 2021 which is subject to approval by the shareholders of the Company at the forthcoming annual general meeting.

截至2021年12月31日止年度，董事會建議派付末期股息每股0.35港仙（2020年：0.15港仙），總金額約為23,728,000港元（2020年：10,169,000港元），惟須獲本公司股東於應屆股東週年大會上批准後方可作實。

### 12. EARNINGS PER SHARE – BASIC

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

### 12. 每股盈利 – 基本

本公司擁有人應佔每股基本盈利乃根據下列數據計算：

#### EARNINGS

#### 盈利

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	就計算每股基本盈利之本公司擁有人應佔年度溢利	204,695	33,993

#### NUMBER OF SHARES

#### 股份數目

		2021	2020
Number of ordinary shares for the purpose of basic earnings per share	就計算每股基本盈利之普通股數目	6,779,458,129	6,779,458,129

No diluted earnings per share in both years was presented as there were no potential dilutive ordinary shares in issue during both years.

由於兩個年度並無已發行潛在攤薄普通股，因此於兩個年度內並無呈列每股攤薄盈利。

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### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、機器及設備

		Leasehold land and building	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃土地及 樓宇	租賃物業 改善工程	傢俬、裝置及 設備	汽車	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>COST</b>	<b>成本</b>					
At 1 January 2020	於2020年1月1日	1,800,000	371,079	121,572	1,333	2,293,984
Exchange realignment	匯兌調整	-	1,854	1,102	13	2,969
Additions	添置	-	10,852	6,252	-	17,104
Disposals/write-off	出售/註銷	-	(52,739)	(4,208)	-	(56,947)
At 31 December 2020	於2020年12月31日	1,800,000	331,046	124,718	1,346	2,257,110
Exchange realignment	匯兌調整	-	587	615	7	1,209
Additions	添置	-	27,069	7,081	-	34,150
Disposals/write-off	出售/註銷	-	(27,343)	(3,730)	-	(31,073)
At 31 December 2021	於2021年12月31日	<b>1,800,000</b>	<b>331,359</b>	<b>128,684</b>	<b>1,353</b>	<b>2,261,396</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>	<b>累計折舊及減值</b>					
At 1 January 2020	於2020年1月1日	96,874	275,268	71,096	688	443,926
Exchange realignment	匯兌調整	-	1,356	701	13	2,070
Provided for the year	年內撥備	92,334	35,110	13,924	222	141,590
Impairment loss recognised in profit or loss	於損益確認之減值虧損	-	6,990	-	-	6,990
Eliminated on disposals/write-off	出售/註銷時撇銷	-	(51,872)	(3,490)	-	(55,362)
At 31 December 2020	於2020年12月31日	189,208	266,852	82,231	923	539,214
Exchange realignment	匯兌調整	-	337	301	7	645
Provided for the year	年內撥備	92,081	22,159	14,323	222	128,785
Impairment loss recognised in profit or loss	於損益確認之減值虧損	-	6,729	-	-	6,729
Eliminated on disposals/write-off	出售/註銷時撇銷	-	(26,607)	(3,093)	-	(29,700)
At 31 December 2021	於2021年12月31日	<b>281,289</b>	<b>269,470</b>	<b>93,762</b>	<b>1,152</b>	<b>645,673</b>
<b>CARRYING VALUES</b>	<b>賬面值</b>					
At 31 December 2021	於2021年12月31日	<b>1,518,711</b>	<b>61,889</b>	<b>34,922</b>	<b>201</b>	<b>1,615,723</b>
At 31 December 2020	於2020年12月31日	1,610,792	64,194	42,487	423	1,717,896

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### 13. PROPERTY, PLANT AND EQUIPMENT – *continued*

The items of property, plant and equipment above, after taking into account the residual value, are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and building	Over the lease terms
Leasehold improvements	16.7% – 33.3%
Furniture, fixtures and equipment	9% – 33.3%
Motor vehicles	18% – 20%

Leasehold land and building is located in Hong Kong.

Due to the impact of COVID-19 pandemic, the number of visitor arrivals dampened which led to certain shops in Hong Kong and Macau not performing as expected, the management of the Group concluded there was an indicator for impairment and conducted impairment assessment on recoverable amounts of property, plant and equipment and right-of-use assets of relevant shops. The Group estimates the recoverable amount of these shops, each represents an individual CGU, to which the asset belongs when it is not possible to estimate the recoverable amount individually.

The recoverable amount of CGUs has been determined based on a value in use calculation.

Based on the result of the assessment, certain shops with impairment indicators have been impaired in full as the remaining lease term of these shops are to end in less than one year from the end of the reporting period and hence would not generate a net cash inflow in the future, accordingly, an impairment loss of HK\$6,729,000 and HK\$7,939,000 (2020: HK\$6,990,000 and HK\$8,951,000) has been recognised against the carrying amount of property, plant and equipment and right-of-use assets respectively, in profit or loss during the year ended 31 December 2021.

### 13. 物業、機器及設備—續

經計及剩餘價值後，上述物業、機器及設備項目以直線基準按下列年率折舊：

租賃土地及樓宇	於租期內
租賃物業改善工程	16.7% – 33.3%
傢私、裝置及設備	9% – 33.3%
汽車	18% – 20%

租賃土地及樓宇位於香港。

由於新冠病毒疫情的影響訪客人數減少，導致香港及澳門若干店舖的表現未如預期，本集團管理層作出結論，有跡象顯示相關店舖之物業、機器及設備之可收回金額以及使用權資產蒙受減值及已進行減值評估。倘無法單獨估計可收回金額，則本集團估計該等店舖資產所屬之現金產生單位之可收回金額。

現金生產單位之可收回金額乃根據使用價值計算釐定。

根據評估結果，由於有減值跡象的若干店舖的剩餘租期於匯報期末起計一年內屆滿，該等店舖已獲悉數減值，因此於未來無法產生現金流入淨額，故截至2021年12月31日止年度，物業、機器及設備以及使用權資產分別於損益確認賬面值減值虧損6,729,000港元及7,939,000港元（2020年：6,990,000港元及8,951,000港元）。

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### 14. RIGHT-OF-USE ASSETS

### 14. 使用權資產

		<b>Leased properties 租賃物業 HK\$'000 千港元</b>
<b>As at 31 December 2021</b>	<b>於2021年12月31日</b>	
Carrying amount	賬面值	207,527
<b>As at 31 December 2020</b>	<b>於2020年12月31日</b>	
Carrying amount	賬面值	365,022
<b>For the year ended 31 December 2021</b>	<b>截至2021年12月31日止年度</b>	
Depreciation charge	折舊費用	266,166
Impairment losses recognised (note 13)	已確認之減值虧損(附註13)	7,939
<b>For the year ended 31 December 2020</b>	<b>截至2020年12月31日止年度</b>	
Depreciation charge	折舊費用	242,515
Impairment losses recognised (note 13)	已確認之減值虧損(附註13)	8,951

Variable lease payments during the year ended 31 December 2021 was HK\$51,104,000 (2020: HK\$25,232,000). In addition, rental expenses for contracts reassessed not under the definition of lease under HKFRS 16 was HK\$60,691,000 (2020: HK\$48,395,000). Total cash outflow for leases during the year ended 31 December 2021 amounted to HK\$332,653,000 (2020: HK\$283,406,000).

For both years, the Group leases retail shops and office for its operations. Lease contracts are entered into for fixed term of 1 to 5 years, but may have extension and termination options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Addition to right-of-use assets resulting from new lease entered or renewed amounted to HK\$117,362,000 (2020: HK\$107,671,000).

截至2021年12月31日止年度的可變租賃付款為51,104,000港元(2020年: 25,232,000港元)。此外,並未根據香港財務報告準則第16號租賃的釋義而重新評估的合約之租金開支為60,691,000港元(2020年: 48,395,000港元)。截至2021年12月31日止年度租賃之現金流出總額達332,653,000港元(2020年: 283,406,000港元)。

於兩個年度,本集團出租零售店舖及辦公室以作營運。租賃合約訂立固定期限為一至五年,但可能有下列所述之延長及終止選擇權。租賃條款乃根據單獨基礎進行協商及包含大範圍不同條款及條件。於釐定租期及估計不可撤銷期間的長度時,本集團應用合約的定義及釐定合約強制生效的期間。

新訂立或續簽新租約而增添使用權資產為117,362,000港元(2020年: 107,671,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 14. RIGHT-OF-USE ASSETS – *continued*

Leases of retail shops are either with only fixed lease payments or contain variable lease payment that are based on certain percentage sales and minimum annual lease payment that are fixed over the lease term. The payment terms are common in retail shops in the PRC where the Group operates. The overall financial effect of using variable payment terms is that higher rental costs are incurred by shops with higher sales.

The Group has extension options for certain leases in Hong Kong. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension options held are exercisable only by the Group.

The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. As at 31 December 2021, the potential exposures to these future lease payments not included in lease liabilities for extension options in which the Group is not reasonably certain to exercise was Nil (2020: HK\$7,506,000).

### 15. INVENTORIES

Raw materials	原材料
Goods held for resale	持作轉售商品

	2021 HK\$'000 千港元	2020 HK\$'000 千港元
	<b>26,375</b>	35,752
	<b>2,684,382</b>	2,994,197
	<b>2,710,757</b>	3,029,949

### 14. 使用權資產－續

零售店舖之租賃僅有固定租賃付款或包含可變租賃付款（其乃基於租期固定之若干百分比銷售額及最低年度租賃付款）。付款條款於本集團在中國營運的零售店舖為普遍。使用可變支付條款的整體財務影響為高銷店舖會產生更多的租賃成本。

本集團於香港擁有若干租賃之延長選擇權。該等選擇權用於就管理本集團經營所用之資產使經營靈活性最大化。惟本集團可行使該延長選擇權。

本集團於租賃開始日期評估是否能夠合理確定行使延長選擇權。於2021年12月31日，本集團未能合理確定行使延長選擇權之租賃負債並未納入該等未來租賃付款之潛在風險為零（2020年：7,506,000港元）。

### 15. 存貨

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### 16. RECEIVABLES, DEPOSITS AND PREPAYMENTS

### 16. 應收款項、按金及預付款項

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Trade receivables from contracts with customers	來自客戶合約之貿易應收款項	<b>54,589</b>	63,830
Less: Allowance for credit losses	減：信貸虧損撥備	<b>(585)</b>	(1,223)
		<b>54,004</b>	62,607
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	<b>96,531</b>	78,140
PRC Value-Added Tax ("VAT") recoverable	中國可收回增值稅（「增值稅」）	<b>15,691</b>	8,181
		<b>166,226</b>	148,928

As at 1 January 2020, trade receivable from contracts with customers amounted to HK\$50,716,000.

於2020年1月1日，來自客戶合約之貿易應收款項為50,716,000港元。

Retail sales are normally settled in cash or by credit cards with the settlement from the corresponding banks or other financial institutions within seven days. The credit term of receivables from retail sales in department stores are normally ranged between 15 to 45 days.

零售銷售一般以現金或相關銀行或其他金融機構支付之信用卡於七日內償付。於百貨公司零售銷售之應收款項一般獲授之信貸期為15至45日。

Included in other receivables, deposits and prepayments as at 31 December 2021 were advance payments to suppliers of HK\$13,814,000 (2020: HK\$15,506,000) and rebate receivables of HK\$37,297,000 (2020: HK\$30,624,000). The remaining items are individually insignificant.

於2021年12月31日，向供應商墊款13,814,000港元（2020年：15,506,000港元）及應收回扣37,297,000港元（2020年：30,624,000港元）已計入其他應收款項、按金及預付款項。其餘的項目均為單項不重大金額。

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### 16. RECEIVABLES, DEPOSITS AND PREPAYMENTS – continued

The following is an ageing analysis of trade receivables before impairment presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates.

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Within 30 days	30日內	51,939	60,956
31 – 60 days	31至60日	1,222	409
61 – 90 days	61至90日	200	48
Over 90 days	超過90日	1,228	2,417
		<b>54,589</b>	63,830

Included in the trade receivables balance were receivables from department stores with aggregate carrying amount of HK\$636,000 (2020: HK\$1,301,000) which are past due at the reporting date for which the Group has not provided for impairment loss.

Details of impairment assessment of trade and other receivables are set out in note 28.

### 17. BANK BALANCES AND CASH

As at 31 December 2021, bank balances carried interest at market rates which ranged from 0.01% to 3.50% per annum (2020: 0.01% to 3.15% per annum).

Bank balances and cash that are not denominated in the functional currencies of the respective group entities are as follow:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
HK\$	港元	10	234
Macau Pataca (“MOP”)	澳門元(「澳門元」)	42,352	53,272
United States dollars (“USD”)	美元(「美元」)	158	790

### 16. 應收款項、按金及預付款項－續

以下為減值前貿易應收款項於匯報期末按發票日期(與各相應收入確認日期相近)呈列之賬齡分析。

貿易應收款項結餘中包括賬面總值為636,000港元(2020年:1,301,000港元)之應收百貨公司款項,於匯報日期,該等款項已逾期,而本集團並無作出減值虧損撥備。

貿易及其他應收款項之減值評估之詳情載列於附註28。

### 17. 銀行結餘及現金

於2021年12月31日,銀行結餘按每年0.01%至3.50%(2020年:每年0.01%至3.15%)的市場利率計息。

並非以各集團實體之功能貨幣列值之銀行結餘及現金如下:



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### 18. PAYABLES AND ACCRUED CHARGES

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Trade payables	貿易應付款項	51,394	45,235
Other payables and accrued charges	其他應付款項及應計費用	96,776	75,484
Singapore Goods and Services Tax payables	新加坡商品及服務應付稅項	1,909	1,892
PRC VAT payables	中國應付增值稅	58	1,086
		<b>150,137</b>	123,697

Included in other payables and accrued charges as at 31 December 2021 were accrued bonus and incentive of HK\$16,605,000 (2020: HK\$6,621,000) and accrued renovation costs of HK\$30,642,000 (2020: HK\$12,005,000).

The ageing analysis of trade payables presented based on the invoice date at the end of the reporting period are as follows:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Within 30 days	30日內	48,716	39,964
31 – 60 days	31至60日	2,442	2,131
61 – 90 days	61至90日	29	866
Over 90 days	超過90日	207	2,274
		<b>51,394</b>	45,235

The Group normally receives credit terms granted by creditors of 30 to 60 days.

### 18. 應付款項及應計費用

於2021年12月31日，累計花紅及獎金16,605,000港元（2020年：6,621,000港元）及應計裝修成本30,642,000港元（2020年：12,005,000港元）已計入其他應付款項及應計費用。

貿易應付款項於匯報期末按發票日期呈列之賬齡分析如下：

本集團一般獲債權人授予之信貸期為30至60日。

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## 18. PAYABLES AND ACCRUED CHARGES –

*continued*

Trade payables that are not denominated in the functional currencies of the respective group entities are as follows:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
MOP	澳門元	9,262	6,263
USD	美元	128	1,821

## 18. 應付款項及應計費用—續

並非以各集團實體之功能貨幣計值之貿易應付款項如下：

## 19. LEASE LIABILITIES

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：		
Within one year	一年內	160,343	227,155
Within a period of more than one year but not more than two years	一年以上但不超過兩年	70,503	131,447
Within a period of more than two years but not more than five years	兩年以上但不超過五年	20,608	62,244
		251,454	420,846
Less: Amount due for settlement within one year shown under current liabilities	減：列入流動負債並須於一年內償還結算之金額	(160,343)	(227,155)
Amount due for settlement after one year shown under non-current liabilities	列入非流動負債並須於一年後償還結算之金額	91,111	193,691

## 19. 租賃負債

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### 20. CONTRACT LIABILITIES

		Notes	2021 HK\$'000 千港元	2020 HK\$'000 千港元
Advances from customers	客戶墊款	(a)	16,191	6,777
Customer loyalty programmes	顧客忠誠計劃	(b)	2,462	3,100
			<b>18,653</b>	9,877

Contract liabilities are expected to be settled within the Group's normal operating cycle and classified as current liabilities.

As at 1 January 2020, contract liabilities amounted to HK\$11,957,000.

Notes:

- (a) Advances from customers of HK\$16,191,000 (2020: HK\$6,777,000) were received for the sales of watches and jewellery.
- (b) Sales of goods that result in award credits for customers, under the Group's customer loyalty programmes, are accounted for as multiple element revenue transactions. The fair value of the consideration received or receivable is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to the fair value of the awards for which they could be redeemed. As at 31 December 2021, the consideration of HK\$2,462,000 (2020: HK\$3,100,000) was allocated to the award credits.

The customer loyalty points granted during the year will expire at the end of June in the following year.

### 20. 合約負債

合約負債預期於本集團一般經營週期內結算及分類為流動負債。

於2020年1月1日，合約負債為11,957,000港元。

附註：

- (a) 自銷售鐘錶及珠寶所收取之客戶預付款項為16,191,000港元（2020年：6,777,000港元）。
- (b) 能夠讓客戶根據本集團之顧客忠誠計劃獲得獎賞之商品銷售乃入賬為多元收入交易，當中已收或應收代價之公允價值於所供應商品與所給予獎賞之間進行分配。分配至獎賞之代價乃參考該等可予兌換之獎賞之公允價值計量。於2021年12月31日，分配至獎賞之代價為2,462,000港元（2020年：3,100,000港元）。

於本年度授出的顧客忠誠計劃之積分將於來年六月底屆滿。

### 21. RIGHT TO RETURNED GOODS ASSET AND REFUND LIABILITIES

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Right to returned goods asset	退貨權資產	1,553	794
Refund liabilities arising from right of return	退貨權所產生之退款負債	2,204	1,035

### 21. 退貨權資產及退款負債

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### 21. RIGHT TO RETURNED GOODS ASSET AND REFUND LIABILITIES – continued

The refund liabilities relate to customers' right to return products. At the point of sale, a refund liability and a right to returned goods asset and a corresponding adjustments to revenue and cost of sales are recognised for those products expected to be returned. The Group uses its accumulated historical experience to estimate the number of returns using the expected value method.

### 22. AMOUNTS DUE FROM (TO) RELATED COMPANIES

The amounts due from related companies mainly represent prepayment of operating expenses.

The amounts due to related companies mainly represent the service charge payable to related companies. These amounts are unsecured, interest-free and repayable on demand.

The related companies represent companies controlled by a director or private trusts of which another director is one of the eligible beneficiaries.

### 23. DEFERRED TAXATION

The following are the deferred tax assets (liabilities) recognised by the Group and the movements thereon during the current and prior years:

		Accelerated tax depreciation	Tax losses	Total
		Leases 租賃 HK\$'000 千港元 (Note) (附註)	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2020	於2020年1月1日	7,592	2,225	9,817
Exchange realignment (Charge) credit to profit or loss for the year	匯兌調整 於年內損益(扣除)計入	–	(14)	(14)
		(7,592)	(1,109)	6,435
At 31 December 2020	於2020年12月31日	–	1,102	6,435
Exchange realignment	匯兌調整	–	50	50
Credit (charge) to profit or loss for the year	於年內損益計入(扣除)	–	963	(6,435)
<b>At 31 December 2021</b>	<b>於2021年12月31日</b>	<b>–</b>	<b>2,115</b>	<b>–</b>

Note: At 31 December 2021 and 2020, no temporary difference arise in leases because the Group was entitled to claim all related expenses as clarified by the tax authority.

### 21. 退貨權資產及退款負債 – 續

退款負債與客戶退貨權有關。於銷售時，就預期將退還之產品確認退款負債及退貨權資產以及相應收益及銷售成本調整。本集團透過預期價值法使用累計歷史經驗估計退貨數目。

### 22. 應收(付)關連公司款項

應收關連公司款項主要為經營開支之預付款項。

應付關連公司款項主要為應付關連公司之服務費。該等款項為無抵押、免息及按要求償還。

關連公司為董事或私人信託(另一位董事為合資格受益人之一)控制之公司。

### 23. 遞延稅項

本集團確認之遞延稅項資產(負債)及其於本年度及過往年度之變動如下:

附註: 於2021年及2020年12月31日,由於本集團有權要求稅務機關闡明所有相關費用,因此租賃並無產生暫時差額。

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### 23. DEFERRED TAXATION – *continued*

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purpose:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	5,103	10,896
Deferred tax liabilities	遞延稅項負債	(2,988)	(3,359)
		<b>2,115</b>	7,537

At the end of the reporting period, the Group has unused tax losses of approximately HK\$33,964,000 (2020: HK\$102,608,000) available for offset against future profits. No deferred tax has been recognised in respect of such losses (2020: HK\$39,000,000). No deferred tax asset has been recognised in respect of remaining tax losses of HK\$33,964,000 (2020: HK\$63,608,000) due to unpredictability of future profit streams. Included in unrecognised tax losses are losses incurred by subsidiaries in other jurisdictions of HK\$33,964,000 (2020: HK\$63,564,000) that will expire in the coming years (please see the table below). Other losses may be carried forward indefinitely. Tax losses of HK\$4,503,000 (2020: HK\$1,902,000) have been expired during the year.

The unused tax losses available for offset against future profits are analysed as follows:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Will expire on:	將於下列日期屆滿：		
31 December 2021	2021年12月31日	–	10,709
31 December 2022	2022年12月31日	1,271	14,031
31 December 2023	2023年12月31日	8,985	20,391
31 December 2024	2024年12月31日	2,629	2,629
31 December 2025	2025年12月31日	8,310	8,310
31 December 2026	2026年12月31日	5,371	5,371
31 December 2027	2027年12月31日	2,123	2,123
31 December 2028	2028年12月31日	5,275	–
		<b>33,964</b>	63,564
Unrecognised tax losses that may be carried forward indefinitely	可無限期結轉之 尚未確認稅項虧損	–	44
		<b>33,964</b>	63,608

### 23. 遞延稅項 – 續

就呈列於綜合財務狀況報表而言，若干遞延稅項資產及負債已予抵銷。以下為就財務申報而言的遞延稅項結餘的分析：

於匯報期間結算日，本集團擁有可供抵銷未來溢利之未動用稅項虧損約33,964,000港元（2020年：102,608,000港元）。概無就該等虧損（2020年：39,000,000港元）確認遞延稅項。由於未來溢利來源難以預計，故未就餘下稅項虧損33,964,000港元（2020年：63,608,000港元）確認遞延稅項資產。於其他司法權區經營之附屬公司所產生尚未確認稅項虧損包括將於未來數年屆滿之33,964,000港元（2020年：63,564,000港元）之虧損（見下表）。其他虧損可無限期結轉。年內已屆滿之稅項虧損達4,503,000港元（2020年：1,902,000港元）。

可用作抵銷未來溢利之未動用稅項虧損分析如下：

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### 24. BANK BORROWINGS

### 24. 銀行借貸

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
The carrying amounts of bank loans that contain a repayment on demand clause (shown under current liabilities) but repayable:	含有按要求償還條款之銀行貸款賬面值（在流動負債項下列示）但須於以下期間償還：		
Within one year	一年內	18,041	45,630
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年	18,041	45,630
Within a period of more than two years but not exceeding five years	兩年以上但不超過五年	129,370	430,179
Within a period of more than five years	五年以上	-	117,254
		<b>165,452</b>	638,693
Less: Amounts due within one year shown under current liabilities	減：列入流動負債並須於一年內償還之金額	<b>(165,452)</b>	(638,693)
Amounts shown under non-current liabilities	列入非流動負債之金額	-	-

The bank borrowings carry floating interest rate ranged from 0.50% to 1.14% over Hong Kong Interbank Offered Rate ("HIBOR") (2020: 1.10% to 1.14%) per annum.

銀行借貸按香港銀行同業拆息（「香港銀行同業拆息」）加0.50%至1.14%之浮動年利率計息（2020年：1.10%至1.14%）。

The Group had pledged a property with carrying amount of HK\$1,518,711,000 (2020: HK\$1,610,792,000) to secure banking facilities granted to the Group. In addition, corporate guarantee was also issued in favour of the banks by the Company and its subsidiary to secure banking facilities granted to Group.

本集團已質押一項賬面值1,518,711,000港元（2020年：1,610,792,000港元）之物業，以作為本集團獲授銀行融資之抵押品。此外，本公司及其附屬公司亦就本集團獲授銀行融資而向銀行提供企業擔保。

### 25. SHARE CAPITAL

### 25. 股本

		Number of ordinary shares 普通股數目		Share capital 股本	
		2021	2020	2021 HK\$'000 千港元	2020 HK\$'000 千港元
Issued and fully paid	已發行及繳足				
At beginning of year and at end of year	於年初及年末	6,779,458,129	6,779,458,129	3,484,152	3,484,152

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### 26. RESERVES

- (a) Merger reserve arose from the group reorganisation scheme (the "Group Reorganisation") undertaken by the Company to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Stock Exchange in 2008.
- (b) Other reserve represented the aggregate amount of:
  - (i) the difference between the nominal value of share capital and the amount due to Emperor W&J Holdings capitalised for issue of 344 ordinary shares of US\$1 each in a subsidiary of HK\$343,997,000 prior to the Group Reorganisation;
  - (ii) the capital contribution of HK\$6,000 by Emperor W&J Holdings in Emperor Watch and Jewellery Company Limited (subsequently renamed as Prime Sharp Limited, a then fellow subsidiary of the Company) ("EWJCL") prior to the Group Reorganisation;
  - (iii) promissory notes in aggregate of HK\$373,006,000 issued in exchange for shares in the subsidiaries as a part of Group Reorganisation;
  - (iv) the excess of the consideration paid for acquisition of additional interest in a subsidiary from a non-controlling shareholder over the carrying amount of non-controlling interest of HK\$927,000 during the year ended 31 December 2010;
  - (v) the shortfall of the consideration paid for acquisition of additional interest in a subsidiary from a non-controlling interest of HK\$4,063,000 during the year ended 31 December 2010;
  - (vi) the reversal of reserve of HK\$295,000 arising from the deregistration of a non-wholly owned subsidiary during the year ended 31 December 2011; and

### 26. 儲備

- (a) 合併儲備因本公司為籌備本公司股份於2008年在聯交所上市而精簡本集團架構之集團重組計劃（「集團重組」）所產生。
- (b) 其他儲備指下列各項之總額：
  - (i) 於集團重組前，股本面值與應付英皇鐘錶珠寶控股款項資本化（發行344股附屬公司每股面值1美元之普通股股份）之間的差額343,997,000港元；
  - (ii) 英皇鐘錶珠寶控股在集團重組前對英皇鐘錶珠寶有限公司（其後稱為Prime Sharp Limited，當時為本公司之同母系附屬公司）（「EWJCL」）之出資6,000港元；
  - (iii) 作為集團重組之部分，就交換附屬公司之股份而發行之承兌票據合共373,006,000港元；
  - (iv) 向一名非控股股東收購一間附屬公司額外權益之已付代價超過非控股權益於截至2010年12月31日止年度之賬面值927,000港元；
  - (v) 於截至2010年12月31日止年度向一名非控股權益收購一間附屬公司額外權益之已付代價不足金額4,063,000港元；
  - (vi) 截至2011年12月31日止年度，剔除註冊一間非全資附屬公司而撥回之儲備295,000港元；及

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**26. RESERVES – continued**

(b) – continued

(vii) the reversal of HK\$28,000 and HK\$5,000 arising from the deregistration of a wholly owned subsidiary during the year ended 31 December 2015 and 31 December 2014, respectively.

(c) Capital reserve represented the excess of the value of net assets acquired over purchase consideration paid to EWJCL by Emperor Watch & Jewellery (HK) Company Limited in 1987.

**27. CAPITAL RISK MANAGEMENT**

The Group manages its capital to ensure the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents, debt comprising bank borrowings, lease liabilities and equity attributable to the owners of the Company, comprising issued share capital and reserves.

The Directors review the capital structure periodically. As part of this review, the Group considers the cost of capital and risks associated with the capital, and will balance its overall capital structure through new share issues and share buy-backs as well as raising of new bank borrowings.

**28. FINANCIAL INSTRUMENTS****A. CATEGORIES OF FINANCIAL INSTRUMENTS**

		<b>2021</b>	2020
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
<i>Financial assets</i>	金融資產		
At amortised cost	按攤銷成本	<b>734,164</b>	594,002
<i>Financial liabilities</i>	金融負債		
At amortised cost	按攤銷成本	<b>232,498</b>	697,981

**26. 儲備—續**

(b) – 續

(vii) 截至2015年12月31日及2014年12月31日止年度，剔除註冊一間全資附屬公司而分別撥回28,000港元及5,000港元。

(c) 資本儲備指英皇鐘錶珠寶(香港)有限公司於1987年收購EWJCL之資產淨值超逾購買代價之部分。

**27. 資本風險管理**

本集團管理資本以確保集團內各實體均可持續經營，同時透過優化債務及股本結餘為股東謀求最大回報。本集團之整體策略與過往年度相比並無改變。

本集團之資本結構包括現金及現金等價物、由銀行借貸組成之債務、租賃負債以及本公司擁有人應佔權益(包括已發行股本及儲備)。

董事定期檢討資本結構。檢討時，本集團考慮資本成本及資本相關風險，並將透過發行新股、回購股份及籌措銀行借貸平衡整體資本結構。

**28. 金融工具****A. 金融工具類別**



28. FINANCIAL INSTRUMENTS – *continued***B. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES**

The Group's financial instruments include trade receivables, other receivables, rental deposits, amounts due from related companies, bank balances and cash, trade payables, other payables, amounts due to related companies, lease liabilities and bank borrowings. Details of these financial instruments are disclosed in their respective notes. The risks associated with these financial instruments include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

**MARKET RISK**

The Group's activities are exposed primarily to the financial risks of changes in interest rates and foreign currency exchange rates (see below).

**(i) Interest rate risk**

The Group exposed to cash flow interest rate risk in relation to floating-rate bank balances (see note 17 for details) and floating-rate bank borrowings (see note 24 for details) and also exposed to fair value interest rate risk in relation to fixed rate lease liabilities (see note 19 for details). The Group cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances, HIBOR arising from the floating-rate bank borrowings. The Group aims at keeping bank borrowings at floating rates. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of bank borrowings in fixed and floating rates and ensure they are within reasonable range.

## 28. 金融工具—續

**B. 財務風險管理目標及政策**

本集團之金融工具包括貿易應收款項、其他應收款項、租金按金、應收關連公司款項、銀行結餘及現金、貿易應付款項、其他應付款項、應付關連公司款項、租賃負債以及銀行借貸。該等金融工具詳情於各附註披露。與該等金融工具相連之風險包括市場風險（包括外匯風險及利率風險）、信貸風險及流動資金風險。下文載列減低該等風險之政策。本集團管理層管理及監察該等風險，以確保及時有效地採取適當措施。

**市場風險**

本集團業務主要面臨來自利率及外幣匯率變動之財務風險（見下文）。

**(i) 利率風險**

本集團面臨與浮息銀行結餘（詳情見附註17）及浮息銀行借貸（詳情見附註24）有關之現金流量利率風險，亦面臨與固定利率租賃負債有關之公允價值利率風險（詳情見附註19）。本集團之現金流量利率風險主要集中於銀行結餘利率波動、浮息銀行借貸所產生之香港銀行同業拆息波動。本集團致力維持借貸為按浮動利率計息。本集團通過評估以利率水平及前景為基礎之任何利率變動所產生之潛在影響，以管理其利率風險。管理層將審閱固定及浮動利率銀行借貸之比例，並確保該等借貸處於合理範圍內。

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28. FINANCIAL INSTRUMENTS – *continued*

**B. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES – *continued***

*MARKET RISK – continued*

**(i) Interest rate risk – *continued***

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates with alternative nearly risk-free rates. Details of the impacts on the Group's risk management strategy arising from the interest rate benchmark reform and the progress towards implementation of alternative benchmark interest rates are set out under "interest rate benchmark reform" in this note.

*Sensitivity analysis*

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis point (2020: 100 basis point) increase or a 10 basis point (2020: 10 basis point) decrease in floating-rate bank borrowings are used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the Directors consider that the exposure of cash flow interest rate risk arising from floating-rate bank balances is insignificant.

28. 金融工具—續

**B. 財務風險管理目標及政策—續**

*市場風險—續*

**(i) 利率風險—續**

目前全球正在對主要利率基準進行根本性改革，包括將若干銀行同業拆息率替換為其他近乎無風險的利率。利率基準改革對本集團風險管理策略的影響及替代基準利率的實施進度詳情載於本附註「利率基準改革」。

*敏感度分析*

以下敏感度分析乃根據於匯報期末之利率風險釐定。編製分析時乃假設於各匯報期結束時未償還之金融工具於整個年度一直維持未償還狀態。向內部主要管理人員匯報利率風險時就浮息銀行借貸採用100基點（2020年：100基點）上升或10基點（2020年：10基點）下降為基礎，乃反映管理層對利率合理潛在變動之評估。由於董事認為浮息銀行結餘所產生之現金流量利率風險並不顯著，故並無將銀行結餘納入敏感度分析。

28. FINANCIAL INSTRUMENTS – *continued***B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – *continued****MARKET RISK – continued***(i) Interest rate risk – *continued****Sensitivity analysis – continued*

If interest rates had been 100 basis points (2020: 100 basis points) higher and all other variables were held constant, the Group's pre-tax profit for the year ended 31 December 2021 would decrease by HK\$1,655,000 (2020: HK\$6,387,000). If interest rates had been 10 basis points (2020: 10 basis points) lower and all other variables were held constant, the Group's pre-tax profit for the year ended 31 December 2021 would increase by HK\$165,000 (2020: HK\$639,000). This is mainly attributable to the Group's exposure to interest rates on its floating-rate bank borrowings.

**(ii) Foreign currency risk**

The Group has certain sales and purchases transactions and bank balances denominated in MOP, USD, Renminbi ("RMB"), Singapore Dollars ("SGD") and Malaysian Ringgit ("MYR") which are the currencies other than the functional currencies of respective group entities. The Group manages its foreign currency risk by closely monitoring the movements of the foreign currency rates. The Directors conduct periodical review of foreign currency exposure and will consider hedging significant foreign exchange exposure should the need arise.

## 28. 金融工具—續

**B. 財務風險管理目標及政策—續***市場風險—續***(i) 利率風險—續***敏感度分析—續*

倘利率上升100基點(2020年:100基點),而所有其他可變因素維持不變,則本集團截至2021年12月31日止年度之除稅前溢利將減少1,655,000港元(2020年:6,387,000港元)。倘利率下降10基點(2020年:10基點),而所有其他可變因素維持不變,則本集團截至2021年12月31日止年度之除稅前溢利將增加165,000港元(2020年:639,000港元)。此乃主要歸因於本集團面對浮息銀行借貸之利率風險。

**(ii) 外匯風險**

本集團以澳門元、美元、人民幣(「人民幣」)、新加坡元(「新加坡元」)及馬來西亞令吉(「馬來西亞令吉」)(即各集團實體功能貨幣以外之貨幣)為單位進行若干買賣交易及銀行結餘。本集團透過緊密監察外幣匯率變動管理其外幣風險。董事定期審閱外匯風險,並於需要時考慮對沖重大外匯風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

### 28. FINANCIAL INSTRUMENTS – continued

#### B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

##### MARKET RISK – continued

##### (ii) Foreign currency risk – continued

The carrying amounts of the Group's monetary assets and liabilities, including inter-group balances at the end of the reporting period that are denominated in currencies other than the functional currency of the relevant entities are as follow:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
<i>Third parties</i>	<i>第三方</i>		
HK\$	港元	10	233
MOP	澳門元	46,564	55,716
USD	美元	158	790
RMB	人民幣	162,568	236
MYR	馬來西亞令吉	319	479
<i>Inter-group balances</i>	<i>集團間結餘</i>		
SGD	新加坡元	–	48
MYR	馬來西亞令吉	7,452	5,520
<b>Liabilities</b>	<b>負債</b>		
<i>Third parties</i>	<i>第三方</i>		
MOP	澳門元	9,316	6,269
USD	美元	128	1,821
<i>Inter-group balances</i>	<i>集團間結餘</i>		
HK\$	港元	858,395	858,395
SGD	新加坡元	91,042	–

### 28. 金融工具—續

#### B. 財務風險管理目標及政策—續

##### 市場風險—續

##### (ii) 外匯風險—續

於匯報期末，本集團以相關集團實體功能貨幣以外的貨幣列值的貨幣資產及負債（包括集團間結餘）賬面值如下：

28. FINANCIAL INSTRUMENTS – *continued***B. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES – *continued****MARKET RISK – continued***(ii) Foreign currency risk – *continued****Sensitivity analysis*

The sensitivity analysis below details the Group's sensitivity to a 6% (2020: 6%) increase in the functional currencies of the relevant group entities, relative to respective foreign currencies. The sensitivity analysis of the Group also includes foreign currency exposure on inter-group balances. 6% (2020: 6%) is the sensitivity rate used in the management's assessment of the reasonably possible change in foreign currency rates. The sensitivity analysis includes only foreign currencies denominated monetary items and adjusts their translation at the end of the reporting period for a 6% (2020: 6%) change in the foreign currency rates. If the functional currencies of the relevant group entities strengthen/weaken 6% against respective foreign currencies:

Translation reserve would have increased/decreased by HK\$56,519,000 (2020: HK\$51,170,000) as a result of change in foreign currency rates of inter-group balances, as the inter-group balances form part of the Group's net investments in subsidiaries.

Pre-tax profit for the year would have decreased/increased by HK\$12,011,000 (2020: Pre-tax profit for the year would have decreased/increased by HK\$2,981,000) as a result of change in foreign currency rates of third parties' assets and liabilities.

## 28. 金融工具—續

**B. 財務風險管理目標及政策—續***市場風險—續***(ii) 外匯風險—續***敏感度分析*

下列敏感度分析詳述本集團對相關集團實體之功能貨幣兌各自之外幣升6% (2020年: 6%) 之敏感度。本集團之敏感度分析亦包括集團間結餘所承擔之外幣風險。敏感度比率6% (2020年: 6%) 乃管理層就外幣匯率可能合理出現之變動所作出之評估。敏感度分析僅包括以外幣結算之貨幣項目，並於匯報期末按6% (2020年: 6%) 外幣匯率變動調整換算。倘若相關集團實體之功能貨幣兌各自之外幣升值/貶值6%：

由於集團間結餘 (乃本集團於附屬公司投資淨值中之集團間結餘部分) 之外幣匯率變動，匯兌儲備將增加/減少56,519,000港元 (2020年: 51,170,000港元)。

由於第三方人士之資產及負債外幣匯率變動，本年度之除稅前溢利將減少/增加12,011,000港元 (2020年: 該年度除稅前溢利將減少/增加2,981,000港元)。

FOR THE YEAR ENDED 31 DECEMBER 2021  
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28. FINANCIAL INSTRUMENTS – *continued*

**B. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES – *continued***

*CREDIT RISK AND IMPAIRMENT  
ASSESSMENT*

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables, other receivables, rental deposits, amounts due from related companies and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The Group performed impairment assessment for financial assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

***Trade receivables***

Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed annually. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

28. 金融工具—續

**B. 財務風險管理目標及政策—續**

***信貸風險及減值評估***

信貸風險指本集團對手方違反彼等合約義務而導致本集團產生財務虧損的風險。本集團面臨的信貸風險主要來自貿易應收款項、其他應收款項、租金按金、應收關連公司款項及銀行結餘。本集團並無持有任何抵押品或其他信用增級措施以保障其金融資產有關的信貸風險。

本集團根據預期信貸虧損模式對金融資產進行減值評估。有關本集團的信貸風險管理、面臨的最大信貸風險及相關減值評估的資料(如適用)概述如下:

***貿易應收款項***

於接受新客戶前,本集團使用內部信貸評分系統評估潛在客戶的信貸質素,並為客戶界定信貸額度。客戶的額度及評分每年進行一次檢討。其他監控程序已設立,以確保採取跟進行動追回逾期債務。就此,董事認為,本集團的信貸風險已顯著減少。

FOR THE YEAR ENDED 31 DECEMBER 2021

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28. FINANCIAL INSTRUMENTS – *continued***B. FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES – *continued****CREDIT RISK AND IMPAIRMENT  
ASSESSMENT – continued***Trade receivables – *continued***

The Group's concentration of credit risk by geographical locations is mainly in the PRC and Hong Kong, which accounted for 79% (2020: 90%) and 17% (2020: 6%) of the total trade receivables as at 31 December 2021, respectively. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

In addition, the Group performs impairment assessment under ECL model on trade balances. Except for items that are subject to individual evaluation, the remaining trade receivables are grouped based on shared credit risk characteristics by reference to the external credit ratings for industry/Group's internal credit ratings/past-due amounts/repayment frequency after due dates. Details of the quantitative disclosures are set out below in this note.

**Other receivables, rental deposits and  
amounts due from related companies**

The directors of the Company have taken into account internal credit rating based on the historical default experience and credit quality and various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of the other financial assets occurring within their respective loss assessment time horizon. They are grouped based on shared credit risk characteristics by reference to the external credit ratings for industry/Group's internal credit ratings/past-due amounts/repayment frequency after due dates. For the purpose of impairment assessment, the ECL of these financial assets is measured under 12-month ECL. No ECL allowance has been recognised as the amount is not considered to be material.

## 28. 金融工具—續

**B. 財務風險管理目標及政策—續****信貸風險及減值評估—續****貿易應收款項—續**

按地區劃分本集團之信貸風險主要集中於中國及香港，於2021年12月31日分別佔貿易應收款項總額之79%（2020年：90%）及17%（2020年：6%）。為盡可能減低信貸風險，本集團管理層指派團隊負責釐定信貸額度及信貸批核。

此外，本集團根據預期信貸虧損模式就貿易結餘作出減值評估。除須個別評估的項目外，餘下貿易應收款項經參考行業外部信貸評級／本集團內部信貸評級／逾期金額／逾期後的還款頻率後，根據共同風險特徵進行分組。量化披露之詳情載於本附註下文。

**其他應收款項、租金按金及應收  
關連公司款項**

本公司董事已根據過往違約經驗及信貸質素以及各種實際及預測經濟信息的外部來源（如適用）考慮內部信貸評級，以估計各項其他金融資產在其各自損失評估時間範圍內發生違約的可能性。彼等經參考行業外部信貸評級／本集團內部信貸評級／逾期金額／逾期後的還款頻率後，根據共同風險特徵進行分組。為了進行減值評估，該等金融資產的預期信貸虧損按照12個月預期信貸虧損進行計量。因該金額被認為並不重大，故概無確認預期信貸虧損撥備。

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## 綜合財務報表附註

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### 28. FINANCIAL INSTRUMENTS – *continued*

#### B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – *continued*

##### *CREDIT RISK AND IMPAIRMENT ASSESSMENT – continued*

##### **Bank balances**

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating 內部信貸評級	Description 說明	Trade receivables 貿易應收款項	Other financial assets 其他金融資產
Low risk 低風險	The counterparty is reputable and has a low risk of default and does not have any past-due amounts 具聲譽的交易對手方之違約風險較低，且並無任何逾期未還款項	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信貸減值	12-month ECL 12個月預期信貸虧損
Watch list 監察名單	Debtor is reputable but with past-due amounts and frequently repays after due dates 具聲譽卻經常於到期日後償還逾期債務的債務人	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信貸減值	12-month ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 根據內部形成之資料或外部資源，信貸風險自初始確認以來顯著增加	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信貸減值	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示資產出現信貸減值	Lifetime ECL – credit-impaired 全期預期信貸虧損 – 已信貸減值	Lifetime ECL – credit-impaired 全期預期信貸虧損 – 已信貸減值
Write-off 註銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人面對嚴重財政困難及本集團並無實際可收回希望	Amount is written off 款項被註銷	Amount is written off 款項被註銷

### 28. 金融工具 – 續

#### B. 財務風險管理目標及政策 – 續

##### *信貸風險及減值評估 – 續*

##### **銀行結餘**

由於交易對手為獲國際信貸評級機構評定為高信貸評級之銀行，故銀行結餘之信貸風險有限。

除存入數間具高信貸評級的銀行的流動資金的集中信貸風險外，本集團並無任何其他重大集中信貸風險。

本集團內部信貸風險評級由下列類別組成：



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### 28. FINANCIAL INSTRUMENTS – continued

#### B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

##### CREDIT RISK AND IMPAIRMENT ASSESSMENT – continued

##### Bank balances – continued

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

	Notes 附註	External credit rating 外部信貸 評級	Internal credit rating 內部信貸 評級	12-month or lifetime ECL 12個月或 全期預期信貸虧損	Gross carrying amount	
					2021 HK\$'000 千港元	2020 HK\$'000 千港元
<b>Financial assets at amortised cost</b> 按攤銷成本列賬之金融資產						
Trade receivables 貿易應收款項	16	N/A 不適用	(Note 1) (附註1)	Lifetime ECL (not credit-impaired) 全期預期信貸虧損 (無信貸減值)	<b>54,004</b>	62,607
				Credit-impaired 已信貸減值	<b>585</b>	1,223
Other receivables 其他應收款項	16	N/A 不適用	(Note 2) (附註2)	12-month ECL 12個月預期信貸虧損	<b>37,297</b>	31,813
Rental deposits 租金按金	–	N/A 不適用	(Note 2) (附註2)	12-month ECL 12個月預期信貸虧損	<b>85,765</b>	93,910
Amounts due from related companies 應收關連公司款項	22	N/A 不適用	(Note 2) (附註2)	12-month ECL 12個月預期信貸虧損	<b>753</b>	561
Bank balances 銀行結餘	17	A or above A級或以上	(Note 3) (附註3)	12-month ECL 12個月預期信貸虧損	<b>551,513</b>	398,439

Notes:

- Trade receivables primarily consist of credit card sales, e-payment sales platforms such as Alipay or WeChat Pay and department store sales. The Directors monitor their balances on an ongoing basis. Trade receivables in connection with invoices settled through credit card of HK\$8,668,000 or e-payment platforms of HK\$1,776,000 are assessed individually and with high credit rating and no past due history. Trade receivables with significant balances in connection with department stores are assessed individually. Other trade receivables in connection with department stores are considered on a collective basis. In determining the ECL for certain trade receivables in connection with department stores, the management of the Group has taken into account the historical default experience and forward-looking information, such as GDP. The management of the Group considers some of these assets are short-term in nature and the probability of default is negligible on the basis of reputable department stores. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

附註：

- 貿易應收款項主要包括信用卡銷售、如支付寶或微信支付等電子支付平台及百貨公司銷售。董事持續監察其結餘。與透過信用卡8,668,000港元或電子支付平台1,776,000港元結算之發票有關之貿易應收款項均會進行單獨評估並具有高信貸評級及並無逾期紀錄。與百貨公司有關之有重大結餘貿易應收款項會進行單獨評估，與百貨公司有關之其他貿易應收款項乃按集體基準予以考慮。於釐定與百貨公司有關的若干貿易應收款項的預期信貸虧損時，本集團管理層經考慮過往拖欠紀錄及如GDP等前瞻性資料。本集團管理層認為該等資產屬短期性質，並基於其為具聲譽的百貨公司，其拖欠之可能性微乎其微。在此方面，董事認為本集團之信貸風險已顯著減少。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 28. FINANCIAL INSTRUMENTS – continued

#### B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

##### CREDIT RISK AND IMPAIRMENT ASSESSMENT – continued

##### Bank balances – continued

Notes: – continued

- In determining the ECL for other receivables, rental deposits and amounts due from related companies, the management of the Group has taken into account the historical default experience and forward-looking information, such as GDP, as appropriate, and concluded that no significant increase in credit risk since initial recognition is noted and risk of default is insignificant, and therefore, no impairment has been recognised.
- The Group measures the loss allowance on liquid funds equal to 12-month ECL. The credit risk on liquid funds is limited because cash are placed with reputable banks with external credit rating of at least “A” assigned by an international credit-rating agency or state owned.

There has been no change in the estimation techniques or significant assumptions made throughout the year.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables which are assessed for impairment individually:

Movement in the allowance for credit losses:

As at 1 January 2020	於2020年1月1日	682
Impairment losses recognised	已確認減值虧損	536
Exchange realignment	匯兌調整	5
As at 31 December 2020	於2020年12月31日	1,223
Reversal of impairment losses	減值虧損撥回	(665)
Exchange realignment	匯兌調整	27
<b>As at 31 December 2021</b>	<b>於2021年12月31日</b>	<b>585</b>

### 28. 金融工具—續

#### B. 財務風險管理目標及政策—續

##### 信貸風險及減值評估—續

##### 銀行結餘—續

附註：—續

- 於釐定其他應收款項、租金按金及應收關連公司款項之預期信貸虧損方面，本集團管理層已視情況適當考慮過往拖欠紀錄及如GDP等前瞻性資料，並認為信貸風險自初始確認較為顯著以來並無顯著增加，且拖欠風險相當輕微，因此，並無就此確認減值。
- 本集團計量流動資金之虧損撥備為相等於12個月預期信貸虧損。流動資金之信貸風險有限，是由於現金乃存放於具信譽且外部信貸評級至少達到「A級」（由國際信貸評級機構授予）之銀行或國有銀行內。

於本年度並無改變估計技巧或主要假設。

下表顯示已就個別進行減值評估的貿易應收款項確認的全期預期信貸虧損變動：

信貸虧損撥備的變動情況：

**Lifetime ECL**  
**(credit-**  
**impaired)**  
全期預期  
信貸虧損  
(已信貸減值)  
HK\$'000  
千港元

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 28. FINANCIAL INSTRUMENTS – continued

#### B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

##### LIQUIDITY RISK

The Group's liquidity position is monitored closely by the management of the Company. In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities and lease liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

		Weighted average effective interest rate	Repayable on demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at the end of the reporting period
		加權平均實際利率 %	隨時要求償還或1年內 HK\$'000 千港元	1年以上但少於2年 HK\$'000 千港元	2年以上但少於5年 HK\$'000 千港元	未貼現現金流量總額 HK\$'000 千港元	於匯報期末之賬面值 HK\$'000 千港元
<b>At 31 December 2021</b>	<b>於2021年12月31日</b>						
Trade and other payables	貿易及其他應付款項	–	64,924	–	–	64,924	64,924
Amounts due to related companies	應付關連公司款項	–	2,122	–	–	2,122	2,122
Bank borrowings	銀行借貸	1.14	165,452	–	–	165,452	165,452
Lease liabilities	租賃負債	2.23	159,767	72,076	20,798	252,641	251,454
			<b>392,265</b>	<b>72,076</b>	<b>20,798</b>	<b>485,139</b>	<b>483,952</b>

		Weighted average effective interest rate	Repayable on demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at the end of the reporting period
		加權平均實際利率 %	隨時要求償還或1年內 HK\$'000 千港元	1年以上但少於2年 HK\$'000 千港元	2年以上但少於5年 HK\$'000 千港元	未貼現現金流量總額 HK\$'000 千港元	於匯報期末之賬面值 HK\$'000 千港元
<b>At 31 December 2020</b>	<b>於2020年12月31日</b>						
Trade and other payables	貿易及其他應付款項	–	54,666	–	–	54,666	54,666
Amounts due to related companies	應付關連公司款項	–	4,622	–	–	4,622	4,622
Bank borrowings	銀行借貸	2.22	638,693	–	–	638,693	638,693
Lease liabilities	租賃負債	2.66	236,893	135,366	63,823	436,082	420,846
			<b>934,874</b>	<b>135,366</b>	<b>63,823</b>	<b>1,134,063</b>	<b>1,118,827</b>

### 28. 金融工具—續

#### B. 財務風險管理目標及政策—續

##### 流動資金風險

本集團之流動資金狀況由本公司管理層密切監察。於管理流動資金風險時，本集團監督及維持足夠的現金及現金等價物水平，以撥付本集團業務及減低現金流量波動影響。

下表詳列本集團金融負債和租賃負債和租賃負債根據議定還款期之剩餘合約年期。下表乃根據本集團可被要求還款之最早日期按照金融負債之未貼現現金流量編製。下表已載入利息及本金現金流量。就浮動利率之利息現金流而言，未貼現款額來自於匯報期末之利率曲線。

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### 28. FINANCIAL INSTRUMENTS – continued

#### B. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

##### LIQUIDITY RISK – continued

As at 31 December 2021, the Group's bank borrowings with a repayable on demand clause is classified under "Repayable on demand or within 1 year" time band in the maturity analysis. Taking into account the Group's financial position, the Directors believe that it is probable that the bank will not exercise its discretionary right to demand immediate repayment and such term loan will be repaid in accordance with the scheduled repayment dates set out in the loan agreement. On this basis, the interest and principal cash flows for the bank loan would be as follows:

		Weighted average effective interest rate	Repayable on demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at the end of the reporting period
		加權平均實際利率 %	隨時要求償還或1年內 HK\$'000 千港元	1年以上但少於2年 HK\$'000 千港元	2年以上但少於5年 HK\$'000 千港元	超過5年 HK\$'000 千港元	未貼現現金流量總額 HK\$'000 千港元	於匯報期末之賬面值 HK\$'000 千港元
At 31 December 2021	於2021年12月31日							
Bank borrowings	銀行借貸	1.14	19,949	19,715	130,124	-	169,788	165,452
		Weighted average effective interest rate	Repayable on demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at the end of the reporting period
		加權平均實際利率 %	隨時要求償還或1年內 HK\$'000 千港元	1年以上但少於2年 HK\$'000 千港元	2年以上但少於5年 HK\$'000 千港元	超過5年 HK\$'000 千港元	未貼現現金流量總額 HK\$'000 千港元	於匯報期末之賬面值 HK\$'000 千港元
At 31 December 2020	於2020年12月31日							
Bank borrowings	銀行借貸	2.22	53,901	53,245	443,223	120,613	670,982	638,693

### 28. 金融工具—續

#### B. 財務風險管理目標及政策—續

##### 流動資金風險—續

於2021年12月31日，本集團含有按要求償還條款的銀行借貸於到期分析中分類為「隨時要求償還或1年內」的時間段。經考慮本集團的財務狀況，董事認為銀行可能不會行使其酌情權要求立即償還，而該定期貸款將根據貸款協議中所載的規定償還日期償還。於此基礎上，銀行貸款的利息及本金現金流量如下：

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### 28. FINANCIAL INSTRUMENTS – *continued*

#### C. FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

#### *INTEREST RATE BENCHMARK REFORM*

As listed in note 24, several of the Group's HIBOR bank borrowings will or may be subject to the interest rate benchmark reform. The Group is closely monitoring the market and managing the transition to new benchmark interest rates, including announcements made by the relevant IBOR regulators and acknowledgements from the banks.

The amendments have had no impact on the consolidated financial statements as none of the relevant HIBOR bank borrowings has been transitioned to the relevant replacement rates during the year.

#### **HIBOR**

While the Hong Kong Dollar Overnight Index Average ("HONIA") has been identified as an alternative to HIBOR, there is no plan to discontinue HIBOR. The multi-rate approach has been adopted in Hong Kong, whereby HIBOR and HONIA will co-exist.

### 29. CAPITAL COMMITMENT

Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	有關購買已訂約但未於綜合財務報表撥備之物業、機器及設備之資本開支
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### 28. 金融工具—續

#### C. 金融資產及負債之公允價值計量

董事認為，按攤銷成本於綜合財務報表所記錄之金融資產及金融負債之賬面值與彼等之公允價值相若。

#### **利率基準改革**

如附註24所列，本集團的多筆香港銀行同業拆息銀行借貸將或可能須進行利率基準改革。本集團正密切關注市場並力圖將交易調整為新基準利率，包括相關銀行同業拆息監管機構作出的公告及銀行的致謝。

修訂並無對綜合財務報表產生影響，原因為相關香港銀行同業拆息銀行借貸已於年內過渡為相關替代利率。

#### **香港銀行同業拆息**

儘管港元隔夜平均指數（「港元隔夜平均指數」）已被確定為香港銀行同業拆息的替代方案，但並無計劃終止香港銀行同業拆息。香港採用多利率方式，香港銀行同業拆息及港元隔夜平均指數將並存。

### 29. 資本承擔

	2021 HK\$'000 千港元	2020 HK\$'000 千港元
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	688	247

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### 30. SHARE OPTION SCHEME

The shareholders of the Company passed an ordinary resolution at the annual general meeting of the Company held on 23 May 2018 to approve the adoption of a share option scheme of the Company (“2018 Share Option Scheme”).

A summary of the 2018 Share Option Scheme is set out as follows:

#### 1. PURPOSE

To enable the Group to attract, retain and motivate talented eligible participants to strive for future development and expansion of the Group.

#### 2. ELIGIBILITY

Eligible participants include employees (whether full-time or part time, including any Executive Director, Non-executive Director or Independent Non-executive Director) and such other eligible participants.

#### 3. TOTAL NUMBER OF SHARES AVAILABLE FOR ISSUE

- i. No. of Shares: 687,308,812 Shares, representing 10% of the total number of issued shares as at 23 May 2018, the date of passing the resolution for adoption of the 2018 Share Option Scheme.
- ii. Percentage of the issued shares that it represents as at 23 March 2022 (the date of this annual report): 10.14%.

#### 4. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

- i. in aggregate not to exceed 1% of the Shares in issue in any 12-month period unless approved by the Shareholders; and
- ii. options granted to eligible participant in excess of the 1% limit must be approved by the Shareholders.

### 30. 購股權計劃

本公司股東已於2018年5月23日舉行之本公司股東週年大會上通過一項普通決議案，批准採納本公司一項購股權計劃（「2018年購股權計劃」）。

2018年購股權計劃之概要載列如下：

#### 1. 目的

讓本集團能夠吸引、挽留及激勵卓越之合資格參與者為本集團之日後發展及擴張而努力。

#### 2. 參與資格

合資格參與者包括僱員（無論為全職或兼職，包括任何執行董事、非執行董事或獨立非執行董事）及其他合資格參與者。

#### 3. 可供發行股份總數

- i. 股份數目：687,308,812股股份，佔於2018年5月23日（即通過採納2018年購股權計劃之決議案日期）已發行股份總數之10%。
- ii. 於2022年3月23日（即本年報日期）佔已發行股份百分比：10.14%。

#### 4. 每名合資格參與者可獲授權益上限

- i. 除非獲股東批准，否則在任何12個月內總計不得超過已發行股份之1%；及
- ii. 向合資格參與者授出之購股權若超過1%限額則須經股東批准。

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### 30. SHARE OPTION SCHEME – *continued*

#### 5. PERIOD WITHIN WHICH THE SHARES MUST BE TAKEN UP UNDER AN OPTION

At any time from the date of grant of the option to such a date determined by the Board of Directors but in any event no exceeding 10 years from the date of grant.

#### 6. MINIMUM PERIOD FOR WHICH AN OPTION MUST BE HELD BEFORE IT CAN BE EXERCISED

No minimum period unless otherwise determined by the Board of Directors.

7. (i) Price payable on application or acceptance of the option: HK\$1.00;
- (ii) The period within which payments or calls must or may be made: Within 28 days from the date of grant; and
- (iii) Period within which loans for such purposes of the payments or calls must be repaid: Not applicable.

#### 8. BASIS FOR DETERMINING THE EXERCISE PRICE

The exercise price is determined by the Board of Directors (subject to adjustment) and will not be less than the highest of (i) the closing price of the Share as stated in daily quotation sheet of the Stock Exchange on the offer date; and (ii) the average closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the offer date.

#### 9. REMAINING LIFE

Approximately 6 years (expiring on 22 May 2028).

During the years ended 31 December 2020 and 31 December 2021, no option was granted, exercised, cancelled or remained outstanding under the 2018 Share Option Scheme.

### 30. 購股權計劃—續

#### 5. 行使購股權後必須認購股份之期限

自購股權授出日期起至董事會釐定之有關日期止期間內任何時間，惟無論如何不得超過授出日期起計10年。

#### 6. 購股權行使前必須持有之最短期限

除非董事會另行決定，否則概無最短期限。

7. (i) 申請或接納購股權時所須繳付的代價：1.00港元；
- (ii) 付款或通知付款之期限：授出日期起計28日內；及
- (iii) 償還作付款或通知付款用途的貸款期限：不適用。

#### 8. 釐定行使價之基準

行使價由董事會釐定（可予調整），其將不低於下列最高者：(i) 股份於要約日期於聯交所每日報價表所示之收市價；及(ii) 股份於緊接要約日期前5個營業日於聯交所每日報價表所示之平均收市價。

#### 9. 尚餘之年期

約6年（於2028年5月22日屆滿）。

於截至2020年12月31日及2021年12月31日止年度，概無購股權為根據2018年購股權計劃授出、行使、註銷或仍未行使。

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### 31. RETIREMENT BENEFIT SCHEMES

The Group participates in both a defined contribution schemes which are registered under the Hong Kong Occupational Retirement Scheme Ordinance (the “ORSO” Scheme) and a Mandatory Provident Fund Scheme (the “MPF Scheme”) established under the Hong Kong Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1 December 2000 are required to join the MPF Scheme.

The retirement benefit costs charged to the consolidated statement of profit or loss and other comprehensive income represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the Scheme, which contribution is matched by the employee. The maximum amount of contribution is limited to HK\$1,500 per each employee.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at 5% of the employee's basic salary.

### 31. 退休福利計劃

本集團參與根據香港職業退休計劃條例註冊之界定供款計劃（「職業退休計劃條例計劃」）及於2000年12月根據香港強制性公積金條例成立之強制性公積金計劃（「強積金計劃」）。該等計劃資產與本集團之資產分開處理，由獨立受託人控制之基金持有。凡於成立強積金計劃前已參與職業退休計劃條例計劃之僱員可選擇繼續留用職業退休計劃條例計劃或轉用強積金計劃，而所有於2000年12月1日或之後加入本集團之新僱員則須參加強積金計劃。

自綜合損益及其他全面收入報表扣除之退休福利成本指本集團按計劃規則指定之比率應付予基金之供款。倘員工於供款全數歸屬前退出職業退休計劃，本集團應付供款將按已沒收供款扣減。

就強積金計劃之成員而言，本集團須向該計劃就相關工資成本作5%供款，該筆供款與僱員之供款額一致。每位僱員最高供款金額為1,500港元。

職業退休計劃之資金來自僱員及本集團雙方按僱員底薪之5%計算之每月供款。



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### 31. RETIREMENT BENEFIT SCHEMES –

*continued*

The eligible employees of the Company's subsidiaries in the PRC, Macau, Singapore and Malaysia are members of pension schemes operated by respective local governments. The subsidiaries in the PRC are required to contribute a certain percentage ranging from 38% to 44% of the relevant cost of the payroll of these employees to the pension schemes to fund the benefits. The subsidiary in Macau is required to contribute MOP60 for every employee per month. The subsidiary in Singapore is required to contribute 16% of the employee's monthly gross salary while the subsidiary in Malaysia is required to contribute 12% to 13% of the employee's monthly gross salary. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contribution under the schemes.

The total expense recognised in profit or loss of HK\$23,804,000 (2020: HK\$14,534,000) represents contributions, payable to those plans by the Group at the rate specified in the rules of the plans.

### 32. RELATED PARTY TRANSACTIONS

The terms and balances with related companies at the end of the reporting periods are set out in consolidated statements of financial position and note 22.

### 31. 退休福利計劃—續

本公司於中國、澳門、新加坡及馬來西亞之附屬公司之合資格僱員為各當地政府管理之退休金計劃成員，中國之附屬公司須按有關僱員薪金相關成本之若干百分比（介乎38%至44%）就彼等退休金計劃供款，為福利提供資金，澳門之附屬公司須每月就每名僱員供款60澳門元，新加坡附屬公司須就僱員月薪總金額作出16%供款，而馬來西亞附屬公司須就僱員月薪總金額作出12%至13%供款。本集團有關退休福利計劃之唯一責任為根據計劃作出所須供款。

於損益確認的總開支23,804,000港元（2020年：14,534,000港元）為本集團按該等計劃規則所規定的費率應向該等計劃作出的供款。

### 32. 關連方交易

於匯報期末之關連公司條款及結餘載列於綜合財務狀況報表及附註22。

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## 32. RELATED PARTY TRANSACTIONS –

*continued*

During the year, other than the arrangements with and compensation to the Directors and key management personnel of the Group disclosed in note 9, the Group had the following transactions with related parties:

## 32. 關連方交易－續

於年內，除附註9所披露的與董事及本集團主要管理人員訂立的安排及向彼等作出的補償外，本集團與關連方之交易如下：

		<b>2021</b> <b>HK\$'000</b> 千港元	2020 HK\$'000 千港元
(1) Sales of goods to Directors, their close family members and related companies (notes a and b)	銷售商品予董事、彼等之近親及關連公司(附註a及b)	<b>6,859</b>	3,745
(2) Electricity and air-conditioning expenses paid and payable to related companies (notes a and b)	已支付及應付予關連公司之電費及空調費支出(附註a及b)	<b>277</b>	258
(3) Service charge in respect of information system and administrative work paid and payable to related companies (notes a and b)	已支付及應付予關連公司有關資訊系統及行政工作之服務費(附註a及b)	<b>7,067</b>	607
(4) Advertising expenses paid and payable to related companies (notes a and b)	已支付及應付予關連公司之廣告開支(附註a及b)	<b>514</b>	428
(5) Financial advisory fee paid and payable to a related company (notes a and b)	已支付及應付予一間關連公司之財務顧問費用(附註a及b)	<b>375</b>	285
(6) Interest expenses on lease liabilities to related companies (note a)	向關連公司作出之租賃負債利息開支(附註a)	<b>1,464</b>	2,455
(7) Variable lease payments to related companies (notes a and c)	向關連公司作出的可變租賃款項(附註a及c)	<b>2,427</b>	1,443

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### 32. RELATED PARTY TRANSACTIONS –

*continued*

As at 31 December 2021, deposits paid to related companies amounting to HK\$18,223,000 (2020: HK\$25,661,000) was included in rental deposits under non-current assets.

As at 31 December 2021, the Group had recognised lease liabilities of approximately HK\$31,287,000 (2020: HK\$40,653,000) for the leases with related companies.

Notes:

- (a) The related companies are controlled by a Director or private trusts of which another Director is one of the eligible beneficiaries.
- (b) These transactions are connected transactions exempt from announcement, reporting and independent shareholders' requirements under Rule 14A.33 of the Listing Rules.
- (c) The expenses paid are in relation to the tenancy agreements entered into with the related companies of the Company. Some of these transactions are disclosed continuing connected transactions (as defined under Chapter 14A of the Listing Rules) of the Company which details are disclosed under the section headed "Continuing Connected Transactions" under "Directors' Interests in Transactions, Arrangements or Contracts of Significance and Connected Transactions" of the Directors' Report.

### 32. 關連方交易—續

於2021年12月31日，已支付予關連公司之按金18,223,000港元（2020年：25,661,000港元）已列入非流動資產之租金按金。

於2021年12月31日，本集團已就與關連公司的租賃確認租賃負債約為31,287,000港元（2020年：40,653,000港元）。

附註：

- (a) 關連公司由一名董事或私人信託（另一名董事為其中一名合資格受益人）控制。
- (b) 該等交易為根據上市規則第14A.33條獲豁免遵守公告、匯報及獨立股東批准之規定的關連交易。
- (c) 已付支出乃關於與本公司關連公司訂立之租賃協議。其中某些交易乃本公司之須予披露持續關連交易（定義見上市規則第14A章），其詳情於董事會報告「董事於重大交易、安排或合約之權益及關連交易」項下「持續關連交易」一節披露。

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### 33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

### 33. 融資活動產生之負債對賬

下表載列本集團融資活動所產生的負債變動詳情。融資活動所產生的負債為將於本集團綜合現金流量表中分類為融資活動所得現金流量的現金流量或未來現金流量。

		Lease liabilities 租賃負債 HK\$'000 千港元	Bank borrowings 銀行借貸 HK\$'000 千港元	Dividend payable 應付股息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2020	於2020年1月1日	619,297	790,934	-	1,410,231
- Bank borrowings raised	一已籌得之銀行借貸	-	129,515	-	129,515
- Repayments of bank borrowings	一償還銀行借貸	-	(281,949)	-	(281,949)
- Repayments of lease liabilities	一償還租賃負債	(241,687)	-	-	(241,687)
- Interest paid	一已付利息	(16,487)	(16,652)	-	(33,139)
Net cash used in financing cash flows	融資現金流量所用之現金淨額	(258,174)	(169,086)	-	(427,260)
New leases entered or renewed	訂立或重續之新租賃	98,619	-	-	98,619
Lease modified	租賃修改	(58,736)	-	-	(58,736)
Interest expenses	利息開支	16,487	16,652	-	33,139
Exchange realignment	匯兌調整	3,353	193	-	3,546
<b>As at 31 December 2020</b>	<b>於2020年12月31日</b>	<b>420,846</b>	<b>638,693</b>	<b>-</b>	<b>1,059,539</b>
Financing cash flows:	融資現金流量：				
- Bank borrowings raised	一已籌得之銀行借貸	-	400,000	-	400,000
- Repayments of bank borrowings	一償還銀行借貸	-	(873,241)	-	(873,241)
- Repayments of lease liabilities	一償還租賃負債	(271,527)	-	-	(271,527)
- Interest paid	一已付利息	(9,972)	(6,406)	-	(16,378)
- Dividend paid	一已付股息	-	-	(47,456)	(47,456)
Net cash used in financing cash flows	融資現金流量所用之現金淨額	(281,499)	(479,647)	(47,456)	(808,602)
New leases entered or renewed	訂立或重續之新租賃	102,225	-	-	102,225
Lease modified	租賃修改	(2,449)	-	-	(2,449)
Interest expenses	利息開支	9,972	6,406	-	16,378
Dividend recognised	已確認股息	-	-	47,456	47,456
Exchange realignment	匯兌調整	2,359	-	-	2,359
<b>As at 31 December 2021</b>	<b>於2021年12月31日</b>	<b>251,454</b>	<b>165,452</b>	<b>-</b>	<b>416,906</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 34. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY

### 34. 本公司之財務狀況報表及儲備

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之投資	2,714,664	2,295,216
Amount due from a subsidiary	應收一間附屬公司款項	2,032,547	2,335,330
		<b>4,747,211</b>	4,630,546
<b>Current assets</b>	<b>流動資產</b>		
Deposits and prepayments	按金及預付款項	563	541
Bank balances and cash	銀行結餘及現金	258	1,021
		<b>821</b>	1,562
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables and accrued charges	其他應付款項及應計費用	415	353
Amount due to a subsidiary	應付一間附屬公司款項	87,709	88,537
		<b>88,124</b>	88,890
<b>Net current liabilities</b>	<b>流動負債淨值</b>	<b>(87,303)</b>	(87,328)
<b>Net assets</b>	<b>資產淨值</b>	<b>4,659,908</b>	4,543,218
<b>Capital and reserve</b>	<b>資本及儲備</b>		
Share capital	股本	3,484,152	3,484,152
Reserve	儲備	1,175,756	1,059,066
<b>Total equity</b>	<b>總權益</b>	<b>4,659,908</b>	4,543,218

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 23 March 2022 and are signed on its behalf by:

本公司之財務狀況報表於2022年3月23日經董事會批准及授權刊發，並由下列董事代表簽署：

**NG KOON KEUNG, RICKY**

吳冠強

DIRECTOR

董事

**WONG CHI FAI**

黃志輝

DIRECTOR

董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
截至2021年12月31日止年度

### 34. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY –

*continued*

#### MOVEMENT IN THE COMPANY'S RESERVE

### 34. 本公司之財務狀況報表及儲備 – 續

#### 本公司之儲備變動

		<b>Retained profits</b>
		保留溢利
		HK\$'000
		千港元
At 1 January 2020	於2020年1月1日	936,114
Profit and total comprehensive income for the year	年內溢利及全面收入總額	122,952
At 31 December 2020	於2020年12月31日	1,059,066
Profit and total comprehensive income for the year	年內溢利及全面收入總額	164,146
Final dividend paid for 2020	2020年末期股息	(10,169)
Interim dividend paid for 2021	2021年中期股息	(37,287)
<b>At 31 December 2021</b>	<b>於2021年12月31日</b>	<b>1,175,756</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021

截至2021年12月31日止年度

### 35. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 December 2021 and 2020 are as follows:

### 35. 主要附屬公司之詳情

於2021年及2020年12月31日，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operation 成立／註冊／ 營運地點	Issued ordinary share capital/ registered capital 已發行 普通股股本／ 註冊資本	Proportion of issued share capital held by the Group 本集團持有 已發行股本之比例		Principal activities 主要業務
			2021	2020	
<b>Direct subsidiaries</b> 直接附屬公司					
Emperor Watch & Jewellery (China) Holdings Limited 英皇鐘錶珠寶(中國)控股有限公司	Hong Kong ("HK") 香港	HK\$1 1港元	100%	100%	Investment holding 投資控股
Emperor Watch & Jewellery (China) Holdings Limited 英皇鐘錶珠寶(中國)控股有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 投資控股
Emperor Watch & Jewellery (HK & Macau) Holdings Limited 英皇鐘錶珠寶(港澳)控股有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 投資控股
Emperor Watch & Jewellery Overseas Holdings Limited 英皇鐘錶珠寶海外控股有限公司	HK 香港	HK\$1 1港元	100%	100%	Investment holding 投資控股
<b>Indirect subsidiaries</b> 間接附屬公司					
Beauty Royal Limited 麗盟有限公司	HK 香港	HK\$2 2港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
Charter Loyal Limited 耀仁有限公司	HK 香港	HK\$2 2港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
Emperor Watch & Jewellery (HK) Company Limited 英皇鐘錶珠寶(香港)有限公司	HK 香港	HK\$100 100港元	100%	100%	Sales of watches & jewellery 銷售鐘錶及珠寶
Emperor Watch & Jewellery (Malaysia) Sdn. Bhd.	Malaysia 馬來西亞	MYR3,000,000 3,000,000 馬來西亞令吉	100%	100%	Sales of jewellery 銷售珠寶
Emperor Watch & Jewellery (Singapore) Pte. Ltd.	Singapore 新加坡	SGD1,000,000 1,000,000新加坡元	100%	100%	Sales of watches & jewellery 銷售鐘錶及珠寶
EWJ Macau Company Limited EWJ澳門有限公司	Macau 澳門	MOP25,000 25,000澳門元	100%	100%	Sales of watches & jewellery 銷售鐘錶及珠寶
Foremost Resources Limited 富茂資源有限公司	HK 香港	HK\$1 1港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
Gold Pleasure Investment Limited 樂德投資有限公司	HK 香港	HK\$10,000 10,000港元	100%	100%	Property investment 物業投資
Mount Win Limited 嶺耀有限公司	HK 香港	HK\$1,000,000 1,000,000港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務

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## 綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2021  
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### 35. PARTICULARS OF PRINCIPAL SUBSIDIARIES – continued

### 35. 主要附屬公司之詳情—續

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operation 成立／註冊／ 營運地點	Issued ordinary share capital/ registered capital 已發行 普通股股本／ 註冊資本	Proportion of issued share capital held by the Group 本集團持有 已發行股本之比例		Principal activities 主要業務
			2021	2020	
<b>Indirect subsidiaries – continued</b> 間接附屬公司—續					
Success Wealthy Limited 隆寶有限公司	HK 香港	HK\$1 1港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
Trillion Winner Limited 亨士奧有限公司	HK 香港	HK\$1 1港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
Up Success Limited 雄揚有限公司	HK 香港	HK\$300,000 300,000港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
Wealthy Able Limited 財領有限公司	HK 香港	HK\$1 1港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
Zeal Team Limited 潔渝有限公司	HK 香港	HK\$1 1港元	100%	100%	Provision of group tenancy agent services 提供集團租賃代理服務
英皇鐘錶珠寶(北京)有限公司#	PRC 中國	HK\$280,000,000 280,000,000港元	100%	100%	Sales of watches & jewellery 銷售鐘錶及珠寶
英皇鐘錶珠寶(深圳)有限公司#	PRC 中國	HK\$100,500,000 100,500,000港元	100%	100%	Sales of watches & jewellery 銷售鐘錶及珠寶
北京富嘉佳美鐘錶貿易有限公司#	PRC 中國	HK\$73,000,000 73,000,000港元	100%	100%	Sales of watches & jewellery 銷售鐘錶及珠寶

# The subsidiaries are wholly foreign owned enterprises.

# 該等附屬公司為外商獨資企業。

None of the subsidiaries had issued any debt securities at the end of the year.

在年結日並無附屬公司發行任何債務證券。

The Directors are of the opinion that a complete list of the particulars of all subsidiaries of the Group will be of excessive length and therefore the list above contains only the particulars of subsidiaries which principally affect the results or assets of the Group.

董事認為列出本集團所有附屬公司之詳情會使名單過度冗長，故上表僅列出對本集團業績或資產有重大影響之附屬公司詳情。



# FINANCIAL SUMMARY

## 財務概要

### For the year ended 31 December

截至12月31日止年度

		2017	2018	2019	2020	2021
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
				(note)	(note)	(note)
				(附註)	(附註)	(附註)
<b>RESULT</b>	<b>業績</b>					
Revenue	收入	4,075,124	4,722,248	4,110,117	2,626,609	<b>3,926,608</b>
Gross Profit	毛利	1,089,244	1,304,526	1,263,979	840,064	<b>1,229,505</b>
Profit before taxation	除稅前溢利	173,237	318,253	119,324	34,796	<b>256,269</b>
Taxation	稅項	(13,546)	(53,969)	(29,293)	(803)	<b>(51,574)</b>
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利	159,691	264,284	90,031	33,993	<b>204,695</b>

### As at 31 December

於12月31日

		2017	2018	2019	2020	2021
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
				(note)	(note)	(note)
				(附註)	(附註)	(附註)
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	4,673,484	5,969,472	6,086,602	5,773,431	<b>5,350,255</b>
Total liabilities	總負債	(306,799)	(1,504,452)	(1,613,575)	(1,224,313)	<b>(629,465)</b>
Net Assets	資產淨值	4,366,685	4,465,020	4,473,027	4,549,118	<b>4,720,790</b>
Equity attributable to owners of the Company and total equity	本公司擁有人應佔權益及總權益	4,366,685	4,465,020	4,473,027	4,549,118	<b>4,720,790</b>

As at 1 January 2019, the Group had applied HKFRS 16. Accordingly, certain comparative information for the years ended 31 December 2017 and 2018 may not be comparable to the year ended 31 December 2019, 2020 and 2021 as such comparative information was prepared under HKAS 17. Accounting policies resulting from application of HKFRS 16 are disclosed in the "Significant Accounting Policies" Section.

於2019年1月1日，本集團應用香港財務報告準則第16號。因此，截至2017年及2018年12月31日止年度的若干比較資料未必能與截至2019年、2020年及2021年12月31日止年度的若干比較資料作比較，原因是該等比較資料乃根據香港會計準則第17號編製。因應用香港財務報告準則第16號而產生的會計政策於「重大會計政策」一節披露。

