



2022

Annual Report
年度報告

Hifood Group Holdings Co., Limited

海福德集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 442

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CORPORATE INFORMATION

公司資料

Executive Directors

Dr. So Shu Fai (*Chairman and Executive Director*)
(appointed on 1 December 2021)
Mr. Tom Xie (*Chief Executive Officer and Executive Director*)
(appointed on 1 December 2021 and
re-designated on 8 November 2021 respectively)

Non-executive Director

Mr. Chan Wai Dune (appointed on 8 November 2021)

Independent non-executive Directors

Mr. Yau Pak Yue (appointed on 11 May 2021)
Mr. Chung Wai Man (appointed on 11 May 2021)
Mr. Ning Rui (appointed on 11 May 2021)

Company secretary

Ms. Lai Wai Sheung FCPA (appointed on 1 June 2022)

Authorised representatives

Mr. Tom Xie (appointed on 27 November 2021)
Ms. Lai Wai Sheung FCPA (appointed on 1 June 2022)

Audit committee

Mr. Yau Pak Yue (*Chairman*) (appointed on 27 November 2021)
Mr. Chung Wai Man (appointed on 27 November 2021)
Mr. Ning Rui (appointed on 27 November 2021)

Remuneration committee

Mr. Yau Pak Yue (*Chairman*) (appointed on 27 November 2021 and
re-designated on 30 June 2022)
Dr. So Shu Fai (appointed on 1 December 2021 and
re-designated on 30 June 2022)
Mr. Tom Xie (appointed on 27 November 2021)
Mr. Chung Wai Man (appointed on 27 November 2021)
Mr. Ning Rui (appointed on 27 November 2021)

Nomination committee

Dr. So Shu Fai (*Chairman*) (appointed on 1 December 2021 and
re-designated on 30 June 2022)
Mr. Tom Xie (appointed on 27 November 2021 and re-designated on
1 December 2021 and 30 June 2022)
Mr. Chung Wai Man (appointed on 27 November 2021)
Mr. Yau Pak Yue (appointed on 27 November 2021)
Mr. Ning Rui (appointed on 27 November 2021)

執行董事

蘇樹輝博士 (*主席兼執行董事*)
(於2021年12月1日獲委任)
謝祺祥先生 (*行政總裁兼執行董事*) (分別於2021年
12月1日獲委任及於2021年11月8日調任)

非執行董事

陳維端先生 (於2021年11月8日獲委任)

獨立非執行董事

邱伯瑜先生 (於2021年5月11日獲委任)
鍾衛民先生 (於2021年5月11日獲委任)
寧睿先生 (於2021年5月11日獲委任)

公司秘書

賴偉嫦女士資深會計師 (於2022年6月1日獲委任)

授權代表

謝祺祥先生 (於2021年11月27日獲委任)
賴偉嫦女士資深會計師 (於2022年6月1日獲委任)

審核委員會

邱伯瑜先生 (*主席*) (於2021年11月27日獲委任)
鍾衛民先生 (於2021年11月27日獲委任)
寧睿先生 (於2021年11月27日獲委任)

薪酬委員會

邱伯瑜先生 (*主席*) (於2021年11月27日獲委任
並於2022年6月30日調任)
蘇樹輝博士 (於2021年12月1日獲委任
並於2022年6月30日調任)
謝祺祥先生 (於2021年11月27日獲委任)
鍾衛民先生 (於2021年11月27日獲委任)
寧睿先生 (於2021年11月27日獲委任)

提名委員會

蘇樹輝博士 (*主席*) (於2021年12月1日獲委任
並於2022年6月30日調任)
謝祺祥先生 (於2021年11月27日獲委任，
並於2021年12月1日及2022年6月30日調任)
鍾衛民先生 (於2021年11月27日獲委任)
邱伯瑜先生 (於2021年11月27日獲委任)
寧睿先生 (於2021年11月27日獲委任)

Details of changes of Directors and board committees composition, please refer to pages 29 to 31 of this annual report.

有關董事及董事委員會組成變動詳情，請參閱本年報第29至31頁。

Auditors

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

Principal bankers

Bank of Communications (Hong Kong) Limited
20/F., Henley Building
5 Queen's Road Central
Central
Hong Kong

Bank of China (Hong Kong) Limited
Bank of China Tower
1 Garden Road
Hong Kong

Principal share registrar

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman
KY1-1108
Cayman Islands

Hong Kong share registrar

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

Registered office

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman
KY1-1108
Cayman Islands

Place of business and headquarter in Hong Kong

Unit 1122, 11/F
Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

Stock code

442

Company's website

www.ktl.com.hk

核數師

安永會計師事務所
執業會計師
註冊公眾利益實體核數師
香港
鯉魚涌英皇道979號
太古坊一座27樓

主要往來銀行

交通銀行(香港)有限公司
香港
中環
皇后大道中5號
衡怡大廈20樓

中國銀行(香港)有限公司
香港
花園道1號
中國銀行大廈

主要股份過戶登記處

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman
KY1-1108
Cayman Islands

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

註冊辦事處

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman
KY1-1108
Cayman Islands

香港營業地點及總部

香港
銅鑼灣
禮頓道77號
禮頓中心
11樓1122室

股份代號

442

公司網站

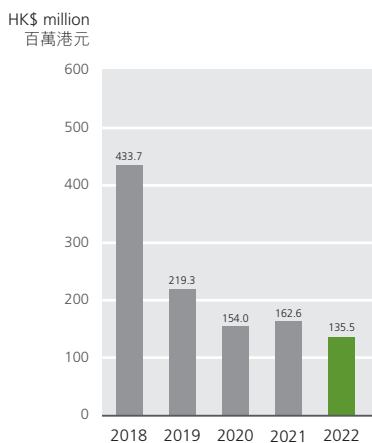
www.ktl.com.hk

FINANCIAL HIGHLIGHTS

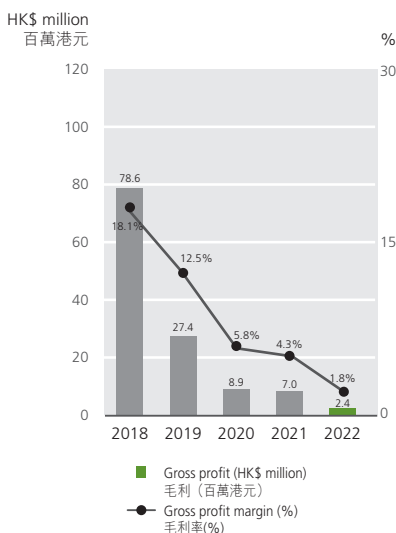
財務摘要

- Revenue was approximately HK\$135.5 million for the year ended 31 March 2022, representing a decrease of approximately 16.7% as compared with the same for the year ended 31 March 2021.
- Gross profit was approximately HK\$2.4 million for the year ended 31 March 2022, representing a decrease of approximately 65.7% as compared with the same for the year ended 31 March 2021.
- Gross profit margin decreased to approximately 1.8% for the year ended 31 March 2022 from approximately 4.3% for the year ended 31 March 2021.
- Loss attributable to owners of the Company was approximately HK\$78.2 million for the year ended 31 March 2022, compared to the loss attributable to owners of the Company of approximately HK\$75.0 million for the year ended 31 March 2021.
- Basic loss per share amounted to approximately HK\$0.45 for the year ended 31 March 2022, compared to the basic loss per share of approximately HK\$0.43 for the year ended 31 March 2021.
- The Board does not recommend the payment of final dividend for the year ended 31 March 2022.
- 截至2022年3月31日止年度，收益約為135.5百萬港元，較截至2021年3月31日止年度減少約16.7%。
- 截至2022年3月31日止年度，毛利約為2.4百萬港元，較截至2021年3月31日止年度減少約65.7%。
- 毛利率由截至2021年3月31日止年度約為4.3%下降至截至2022年3月31日止年度約為1.8%。
- 截至2022年3月31日止年度，本公司擁有人應佔虧損約為78.2百萬港元，而截至2021年3月31日止年度本公司擁有人應佔虧損約為75.0百萬港元。
- 截至2022年3月31日止年度，每股基本虧損約為0.45港元，而截至2021年3月31日止年度每股基本虧損約為0.43港元。
- 董事會不建議就截至2022年3月31日止年度派付末期股息。

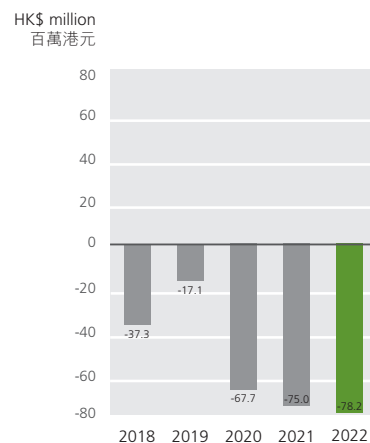
Revenue 收益



Gross Profit and Gross Profit Margin 毛利及毛利率



Loss Attributable to the Owners of the Company 本公司擁有人應佔虧損



Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Hifood Group Holdings Co., Limited (the "Company") together with its subsidiaries (collectively, the "Group"), we present to you the Group's annual results for the year ended 31 March 2022 (the "Reporting Period").

During the Reporting Period, the Group recorded approximately HK\$135.5 million in revenue, representing a decrease of approximately 16.7% as compared to the financial year ended 31 March 2021. Gross profit was approximately HK\$2.4 million with gross profit margin at approximately 1.8%. Loss attributable to owners of the Company was reported at approximately HK\$78.2 million. The Board does not recommend payment of a final dividend for the year ended 31 March 2022 (2021: nil).

BUSINESS OVERVIEW

During the Reporting Period, the business environment was filled with challenges. Due to the expectation of contractionary monetary policy of the United States ("U.S."), the prolong Sino-U.S. trade war, widespread of COVID-19 new variants and geopolitical tension, the hard-earned recovery environment was unexpectedly deteriorated during the Reporting Period.

The tightening of U.S. monetary policy and ongoing Sino-U.S. trade conflicts posed considerable risks and challenges within the industry and our business. Following a strong rebound of U.S. market after the U.S. president election, the federal reserve board of U.S. reaffirmed a more rapid adjustment on federal reserve interest rate hike cycle, which calmed down the investment sentiment and consumption demand on luxury goods. On the other hand, the new cabinet of U.S. government continue to impose pressure on China. As risk aversion measure, certain U.S. based companies continued to shift their supply chain from China to other countries in South-East Asia. Therefore, for the year ended 31 March, 2022, revenue generated from sales in the Americas market significantly decreased by approximately 59.9% to approximately HK\$32.0 million as compared with the same period last year.

The highly transmissible Omicron ("Omicron") variant of COVID-19 was first reported to World Health Organization ("WHO") in November 2021, the Omicron infection cases in various countries of continental Europe became the prologue of a new wave of pandemic outbreak. The Omicron infection case number started to soar from January 2022 in Hong Kong. Stringent measures, such as social distancing and quarantine measures, exacerbated the economic plight and worsened the business activities of the Group. Moreover, since the outbreak of Omicron, there has been travel restrictions between Hong Kong and Mainland China. Comprehensive inbound control measures for foreigners were also imposed by the Hong Kong government and the number of visiting tourists and international jewellery traders continued to be scanty during the Reporting Period. The slumping consumption demand for jewellery products caused by reduction of the number of visitors to Hong Kong and social distancing measures (such as restrictions on the holding of wedding banquets, international jewellery show and exhibition and other celebration activities) inevitably worsened the Group's sales performance compared to that the Group expected.

各位股東：

我們謹代表海福德集團控股有限公司(「本公司」)連同其附屬公司(統稱「本集團」)董事(「董事」)會(「董事會」)，欣然向各位提呈本集團截至2022年3月31日止年度(「報告期」)的全年業績。

於報告期內，本集團錄得收益約135.5百萬港元，較截至2021年3月31日止財政年度減少約16.7%。毛利約為2.4百萬港元，而毛利率維持於約1.8%。本公司擁有人應佔虧損約為78.2百萬港元。董事會不建議派付截至2022年3月31日止年度之末期股息(2021年：無)。

業務回顧

於報告期內，營商環境充滿挑戰。由於預期美國(「美國」)緊縮性貨幣政策、中美貿易戰延長、COVID-19新變種廣泛傳播及地緣政治局勢緊張，得來不易的復甦環境於報告期內意外惡化。

美國收緊貨幣政策及中美貿易矛盾持續，為整個行業及我們的業務帶來巨大的風險及挑戰。美國總統大選後，隨著美國市場強勁反彈，美國聯邦儲備委員會重申以更快速度調整聯邦儲備加息週期，令投資情緒及奢侈品的消費需求有所減退。另一方面，美國政府新內閣繼續對中國施加壓力，作為風險規避措施，若干美國公司繼續將其供應鏈從中國轉移至東南亞其他國家。因此，截至2022年3月31日止年度，本集團來自美洲市場銷售所產生的收益較去年同期顯著下跌約59.9%至約32.0百萬港元。

高傳播性的COVID-19變種Omicron(「Omicron」)於2021年11月首次被上報至世界衛生組織(「WHO」)，歐洲大陸多個國家的Omicron感染病例成為新一輪疫情爆發的序幕。香港的Omicron感染病例數目自2022年1月開始飆升，社交距離及隔離等嚴格措施加劇經濟困境，使本集團業務活動更加困難。此外，自Omicron爆發以來，香港與中國大陸實施旅遊限制。此外，於報告期內，香港對外國人士實施全面入境管制措施，而致訪客及國際珠寶商人數持續稀少。訪港旅客人數減少加上社交距離措施(例如限制舉行婚宴、國際珠寶展覽及其他慶祝活動)導致珠寶產品的消費需求下降，無可避免地對本集團的銷售表現產生較本集團預期不利的影響。

CHAIRMAN'S STATEMENT

主席報告

On the other hand, during the Reporting Period, Omicron caused adverse effect on global economic activities, and the intensification of the Sino-U.S. trade war and the reaction of the stock markets on Russia-Ukraine war, had changed the investment sentiment and risk appetite. Investors and consumers tended to purchase traditional safe-haven assets, driving gold prices to rise amid the market uncertainty.

With the experience and expertise of the management, the Group timely adjusted its strategy and reallocated the resource of the business on dealing with gold products and material and luxury watches in Hong Kong market, stimulating the Group's sales of gold products and material and watches to rise substantially. For the year ended 31 March 2022, the Group's revenue generated from sales in the Hong Kong market significantly increased by approximately 534.8% as compared with the same period last year to approximately HK\$101.0 million.

In October 2021, Russia commenced to mass military troops near its border with Ukraine. In February 2022, the Russian troops took military action, attacked the military facilities and the capital of Ukraine, which further escalated the tension to war status. The U.S., the European Union and their allies imposed massive economic sanctions against Russian military actions. Moreover, a lot of global corporations had suspended their operations in Russia. Under the complex and challenging situation, for the year ended 31 March 2022, revenue generated from sales to European markets recorded a significant decrease of approximately 96.0% to approximately HK\$1.9 million. The management of the Company endeavours to mitigate the risk in the European markets, as at 31 March 2022, all the account receivables has been settled or fully written-off.

PROSPECTS

Looking ahead, considering COVID-19 variants are unpredictable and inevitable, the COVID-19 pandemic would very likely to continuously disrupt the economic activities and adversely affect the recovery. The U.S. monetary policy contraction and Sino-U.S. trade tension are continuing to elevate financial vulnerabilities. Affiliated with the Russia-Ukraine war and related sanctions imposed between the North Atlantic Treaty Organisation ("NATO") and Russia, the inflationary pressures are being raised. The management of the Group stays cautiously optimistic in such challenging environment and endeavors to achieve business development.

The management identifies the risk associated with supply chain and deglobalisation caused by the COVID-19 pandemic, Sino-US trade war and NATO- Russia-Ukraine tension. In addition, the Sino-U.S. trade war has no obvious sign to be eased. The global economic growth rate has slowed down and downward pressure has increased significantly. The Group believes that the recovery process still faces significant challenges, and the Group is cautiously evaluating the future development of the overseas market.

另一方面，於報告期內，Omicron對全球經濟活動造成不利影響，中美貿易戰加劇及股市對俄烏戰爭的反應，改變了投資情緒及風險偏好。投資者及消費者傾向購買傳統避險資產，在市場不明朗的情況下推動金價上漲。

憑藉管理層的經驗及專業知識，本集團及時調整策略，將業務資源重新分配至香港市場的黃金製品及材料及奢侈品手錶貿易上，從而使本集團黃金製品及材料及手錶銷售大幅上升。截至2022年3月31日止年度，本集團來自香港市場銷售所產生的收益較去年同期顯著上升約534.8%至約101.0百萬港元。

2021年10月，俄羅斯開始於其與烏克蘭邊境附近集結軍隊。2022年2月，俄羅斯軍隊對烏克蘭採取軍事行動襲擊其軍事設施及首都，使緊張局勢進一步升級為戰爭狀態。美國、歐盟及其盟友針對俄羅斯的軍事行動實施大規模經濟制裁。此外，多家全球企業亦暫停於俄羅斯的業務。在複雜及具挑戰性的形勢下，截至2022年3月31日止年度，來自歐洲市場銷售所產生的收益大幅減少約96.0%至約1.9百萬港元。本公司管理層努力降低歐洲市場的風險，於2022年3月31日，所有應收賬款均已結清或悉數撇銷。

展望

展望未來，考慮到COVID-19變種不可預測且無可避免，COVID-19疫情將很可能持續擾亂經濟活動，並對復甦產生不利影響。美國貨幣政策緊縮及中美貿易緊張關係正持續提高金融脆弱性。鑒於俄烏戰爭及北大西洋公約組織（「NATO」）與俄羅斯之間實施的相關制裁，通貨膨脹壓力正在上升。在此充滿挑戰的環境中，本集團管理層仍保持謹慎樂觀，致力發展業務。

管理層認識到：COVID-19疫情、中美貿易戰及NATO與俄烏戰爭緊張局勢造成的供應鏈及去全球化的風險。此外，中美貿易戰亦未有明顯緩和跡象。全球經濟增速放緩，下行壓力顯著加大。本集團認為復甦過程仍面臨重大挑戰，而本集團正謹慎評估海外市場的未來發展。

We admire the full support given by the central government to Hong Kong on fighting the widespread of Omicron. We believe the Hong Kong government is striking for the best and constantly reviewing the epidemic policies in order to achieve early resumption of customs clearance arrangements from Hong Kong to Mainland China. Looking around the globe, the Chinese economic environment is comparatively stable during the COVID-19 pandemic, the management believes potential customers in Mainland China on fine jewellery products are still abundant. The Group will continue to solidify our operation in Hong Kong and take the foreseeable relief of travel restrictions between Hong Kong and Mainland China as an opportunity to connect with new business partners.

Being an integrated fine jewellery provider with a well-established operating history in Hong Kong, the Group continues to focus on its jewellery business and explore opportunity on cyber sale. We will increase the resources on brand promotion and insist to acquire high-quality gemstones, with creative designs and exquisite craftsmanship to create a fine artistic jewellery brand. With the management expertise, the Group will allocate more resources to participate in the high-end jewellery market and capture the market of high-net-worth customers. The management tends to optimise the utilisation and deployment of resources and control costs by reducing the fix operating expenses. By streamlining our business and improving internal resources, the Group is expected to have a strong financial position and sufficient resources for future market development.

The Group will further invest in human resources and invite experienced professionals in the jewellery industry to join our operation team in order to further develop our expertise in fine artistic jewellery. At the same time, the management is proactive in investing in new technological application to enrich the driver of our business. We will continue to optimise our corporate strategy, cultivate an excellent corporate culture and create long-term value for the stakeholders of the Company.

APPRECIATION

We would like to take this opportunity to extend our sincere gratitude to our customers, suppliers, business partners and all stakeholders for their continuous support. We would also like to express our appreciation to our management team and colleagues for their concerted effort and contribution.

Dr. So Shu Fai

Chairman and Executive Director

Hong Kong, 30 June 2022

我們十分感謝中央政府在對抗Omicron廣泛傳播中對香港的全力支持。我們相信香港政府正以最佳方式不斷檢討抗疫政策，以盡早恢復香港至中國大陸的通關安排。環顧全球，中國經濟環境在COVID-19疫情期間相對穩定，管理層相信中國大陸在優質珠寶產品方面的潛在客戶仍然充裕。本集團將繼續鞏固我們的香港業務，並以香港與中國大陸之間的旅行限制於可見將來有所緩解為契機，與新的商業合作夥伴聯繫。

作為一家於香港營運歷史悠久的優質珠寶綜合供應商，本集團繼續專注於其珠寶業務及探索網絡銷售的機會。我們將增加品牌推廣資源，堅持採購高品質的寶石、創意的設計、精湛的製造工藝，打造高級藝術珠寶品牌。憑藉管理專業知識，本集團將分配更多資源參與高端珠寶市場以及爭取高淨值客戶市場。管理層將優化資源配置使用，減少固定營運費用作為成本控制。透過精簡業務及改善內部資源，本集團預期擁有穩健的財務狀況及充足資源以供未來市場發展。

本集團將進一步投資於人力資源，並邀請富有經驗的珠寶業專業人士加入我們的營運團隊，從而進一步發展我們在高級藝術珠寶方面的專業知識。同時，管理層正積極投資新技術應用，以豐富我們的業務驅動力。我們將繼續優化我們的企業策略，培育優良的企業文化，為本公司的持份者創造長期價值。

致謝

我們謹藉此機會，對客戶、供應商、業務夥伴及所有持份者的不懈支持與信任致以萬分謝意。同時，我們亦衷心感謝管理團隊及全體同仁的共同努力及貢獻。

蘇樹輝博士

主席兼執行董事

香港，2022年6月30日

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

As at 31 March 2022 and up to the date of this report, the Board consists of six Directors, comprising two executive Directors, one non-executive Director and three independent non-executive Directors.

EXECUTIVE DIRECTORS

Dr. So Shu Fai (“**Dr. So**”), aged 71, who joined the Group in December 2021, has been appointed as the chairman of the Board cum executive Director and the chairman of the nomination committee of the Company (the “Nomination Committee”) and the member of the remuneration committee of the Company (the “Remuneration Committee”). Dr. So is the sole director and sole owner of Perfect Gain Group Limited, a controlling shareholder of the Company. Dr. So graduated with a Bachelor of Science degree from The University of Hong Kong in 1973, and received a doctoral degree in Management Studies from The International Management Centre as validated by Southern Cross University, Australia in 2001. He is currently a Chartered Secretary and a Chartered Governance Professional and a fellow member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute in the United Kingdom. Dr. So is also a fellow member of The Hong Kong Institute of Directors.

Dr. So is currently the vice-chairman, an executive director and chief executive officer of SJM Holdings Limited (a company principally engaged in casino gaming operations and gaming-related activities and provision of hotel, catering retail and related services in Macau; and listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with stock code 880) and the executive director of China Merchants Land Limited (a company principally engaged in development, sale, lease, investment of properties; assets management; and investment holding; and listed on the Main Board of the Stock Exchange with stock code 978). He is also a director and chairman of the executive committee of MACAUPORT — Sociedade de Administração de Portos, S.A.

Mr. Tom Xie (“**Mr. Xie**”), aged 72, was appointed as a non-executive Director on 9 July 2021 and re-designated as an executive Director on 8 November 2021, he has been appointed as an authorised representation (the “Authorised Representative”) under Rule 3.05 of the Listing Rules with effect from 27 November 2021. On 1 December 2021, Mr. Xie has been appointed as the Chief Executive Officer. Mr. Xie is the member of each of the Nomination Committee and Remuneration Committee.

Mr. Xie obtained a Master of Science degree and a Master’s Graduation Certificate in Gemology, both from China University of Geosciences (Beijing). He is currently a fellow member of the Hong Kong Institute of Directors. He was an independent non-executive director of U-Right International Holdings Limited (now known as Fullsun International Holdings Group Co., Limited, a company listed on the Main Board of the Stock Exchange with stock code 627) from August 2013 to December 2017, and a non-executive director of China Investment Development Limited (a company listed on the Main Board of the Stock Exchange with stock code 204) from September 2019 to September 2020. Mr. Xie has been an independent non-executive director of Yuan Heng Gas Holdings Limited (a company listed on the Main Board of the Stock Exchange with stock code 332) since January 2010.

於2022年3月31日直至本報告日期，董事會由六名董事組成，包括兩名執行董事、一名非執行董事及三名獨立非執行董事。

執行董事

蘇樹輝博士（「**蘇博士**」），71歲，於2021年12月加入本集團，獲委任為董事會主席兼執行董事，以及本公司提名委員會（「**提名委員會**」）主席及本公司薪酬委員會（「**薪酬委員會**」）成員。蘇博士為本公司控股股東精益集團有限公司的唯一董事兼唯一擁有人。蘇博士於1973年畢業於香港大學，獲授理學士學位，並於2001年獲澳洲Southern Cross University的The International Management Centre授予管理學博士學位。彼現為特許秘書及Chartered Governance Professional，並為香港公司治理公會（前稱香港特許秘書公會）及英國The Chartered Governance Institute資深會士。蘇博士亦為香港董事學會資深會員。

蘇博士現為澳門博彩控股有限公司（一間主要於澳門從事娛樂場博彩業務及博彩相關業務，以及提供酒店、餐飲零售及相關服務的公司，於香港聯合交易所有限公司（「**聯交所**」）主板上市（股份代號：880））的副主席、執行董事兼行政總裁；及招商局置地有限公司（一間主要從事物業開發、銷售、租賃、投資、資產管理及投資控股的公司，於聯交所主板上市（股份代號：978））的執行董事。彼亦為MACAUPORT — Sociedade de Administração de Portos, S.A.的董事及執行委員會主席。

謝祺祥先生（「**謝先生**」），72歲，於2021年7月9日獲委任為非執行董事，於2021年11月8日調任為執行董事。彼已獲委任為上市規則第3.05條項下之授權代表（「**授權代表**」），自2021年11月27日起生效。於2021年12月1日，謝先生獲委任為行政總裁。謝先生分別為提名委員會及薪酬委員會成員。

謝先生於中國地質大學（北京）取得寶石學理學碩士學位及碩士畢業證。現為香港董事學會資深會員。彼自2013年8月至2017年12月擔任聯交所主板上市公司佑威國際控股有限公司（現稱福晟國際控股集團有限公司）（股份代號：627）之獨立非執行董事，以及自2019年9月至2020年9月擔任聯交所主板上市公司中國投資開發有限公司（股份代號：204）之非執行董事。自2010年1月起至今為聯交所主板上市公司元亨燃氣控股有限公司（股份代號：332）之獨立非執行董事。

NON-EXECUTIVE DIRECTOR

Mr. Chan Wai Dune (“**Mr. Chan**”), aged 69, has been appointed as the non-executive Director with effect from 8 November 2021.

Mr. Chan is currently the chairman and chief executive officer of Crowe (HK) CPA Limited. He has over 40 years of experience in the finance sector, particularly in the areas of auditing and taxation. Mr. Chan is a certified public accountant and is a fellow member of each of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the Taxation Institute of Hong Kong. He is also an associate chartered accountant of The Institute of Chartered Accountants in England and Wales. Mr. Chan is currently serving various public positions such as the executive vice-chairman of the GMC Hong Kong Members Association Ltd. and a member and a standing committee member of CPPCC of the Guangzhou Municipal Committee. He was a member of the Selection Committee for the establishment of the First Government of the Hong Kong Special Administrative Region. Mr. Chan is currently an independent non-executive director of Wai Chun Group Holdings Limited (a company listed on the Main Board of the Stock Exchange with stock code 1013) and Tianjin Tianbao Energy Co., Ltd. (a company listed on the Main Board of the Stock Exchange with stock code 1671).

Mr. Chan was also a non-executive director of Pickquick Plc., a company incorporated in the United Kingdom, prior to its dissolution. As confirmed by Mr. Chan, as far as he is aware, the dissolution of Pickquick Plc. has not resulted in any liability or obligation being imposed against him. Further information of Pickquick Plc. is set out below:

| Name of Company 公司名稱 | Principal business before dissolution 解散前的主要業務 | Date of dissolution 解散日期 | Reason for dissolution 解散原因 |
|-------------------------|------------------------------------------------------|-----------------------------|---------------------------------------------|
| Pickquick Plc. | Sale of golf products 銷售高爾夫產品 | May 2004 2004年5月 | Creditors' voluntary liquidation 債權人自願清盤 |

On 2 February 2010, the HKICPA reprimanded (the “2010 Reprimand”) Mr. Chan and CCIF CPA Limited (“CCIF”) and imposed a penalty of HK\$40,000 due to their breach of a professional standard issued by the HKICPA in relation to the preparation of the audited financial statements of a listed company in Hong Kong for the year ended 31 July 2004. Mr. Chan was the then managing director of CCIF.

The 2010 Reprimand was related to the internal procedures of handling the audit of CCIF’s client where Mr. Chan had to assume some responsibilities as being the managing director of CCIF and responsible for signing the relevant auditors’ report.

Based on Mr. Chan’s past performance, the Board is of the view that with his professional knowledge and experience, Mr. Chan is fit and proper to act as a non-executive Director.

非執行董事

陳維端先生（「**陳先生**」），69歲，自2021年11月8日起獲委任為非執行董事。

陳先生現任國富浩華（香港）會計師事務所有限公司主席兼首席執行官。彼於財經界，尤其是核數及稅務方面累積超過40年經驗。陳先生為執業會計師及英國特許公認會計師公會、香港會計師公會（「香港會計師公會」）及香港稅務學會各自之資深會員。彼亦為英國皇家特許會計師。陳先生目前擔任廣州地區政協香港委員聯誼會有限公司常務副主席、廣州市政協委員、廣州市政協常委等多個公職。彼曾任香港特別行政區第一屆政府推選委員會委員。陳先生現為聯交所主板上市公司偉俊集團控股有限公司（股份代號：1013）及聯交所主板上市公司天津天保能源股份有限公司（股份代號：1671）之獨立非執行董事。

於Pickquick Plc.（一間於英國註冊成立之公司）解散前，陳先生亦為該公司之非執行董事。誠如陳先生所確認，就彼所知，Pickquick Plc.解散並無導致彼承擔任何負債或責任。有關Pickquick Plc.的進一步資料載列如下：

於2010年2月2日，香港會計師公會譴責（「2010年譴責」）陳先生及陳葉馮會計師事務所有限公司（「陳葉馮陳葉馮會計師事務所」），並處以罰款40,000港元，原因為彼等就編製香港上市公司截至2004年7月31日止年度之經審核財務報表違反香港會計師公會頒佈之專業準則。陳先生為陳葉馮會計師事務所當時之董事總經理。

該2010年譴責與處理陳葉馮會計師事務所客戶審計的內部程序有關，而陳先生作為陳葉馮會計師事務所的董事總經理及負責簽署相關核數師報告而須負上部分責任。

基於陳先生過往表現，董事會認為，憑藉其專業知識及經驗，陳先生為非執行董事的適合人選。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

According to a press release of the HKICPA dated 5 May 2022, Mr. Chan was the engagement director of CCIF, among others respondents, were reprimanded by a Disciplinary Committee (the “Disciplinary Committee”) of the HKICPA for their failure or neglect to observe, maintain or otherwise apply professional standards issued by the HKICPA in relation to the preparation of the consolidated financial statements of a listed company in Hong Kong and its subsidiaries for the year ended 31 December 2005 (the “2022 Reprimand”). Mr. Chan and CCIF were ordered by the Disciplinary Committee to pay penalties of HK\$200,000 and HK\$300,000 respectively and to jointly pay with the other respondents for the costs of HK\$493,881 of the HKICPA and the Financial Reporting Council (the “Order”). Further information on the 2022 Reprimand and the Order is published on the website of HKICPA (www.hkicpa.org.hk).

Given (i) that the 2022 Reprimand was related to procedural deficiencies in the internal procedures of handling the audit engagement of CCIF where Mr. Chan had to share some of the responsibilities as being the engagement director of CCIF and was responsible for signing the relevant auditors’ report, (ii) the absence of allegation or finding of fraud or dishonesty against Mr. Chan, CCIF and other respondents, (iii) that the incident related to the Reprimand occurred more than 15 years ago, (iv) that the incident related to the Reprimand is unrelated to the Group and has or will have no adverse effect on the business and operations of the Group, and (v) that only monetary penalties were ordered and Mr. Chan’s practicing certificate as a certified public accountant was not suspended by the HKICPA as a result of the Reprimand, the Board has also considered the past contribution and performance of Mr. Chan and is of the view that Mr. Chan is considered fit and proper and remains suitable to continue to act as a non-executive Director of the Company.

Details are set forth in the Company’s announcement dated 8 November 2021 and 6 May 2022.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Pak Yue (“**Mr. Yau**”), aged 53, has been appointed as an independent non-executive Director with effect from 11 May 2021 and has been appointed as the chairman of the Audit Committee of the Company (the “Audit Committee”) and the Remuneration Committee, and a member of the Nomination Committee. Mr. Yau obtained his Bachelor of Commerce (majoring in Accountancy) from the University of Wollongong in Australia. He was the chief knowledge officer of Guangzhou Chengfa Capital Company Limited, a state-owned fund management company, from May 2015 to January 2017. He was a partner at one of the big four international accounting firms from 2005 to 2012. He has over 25 years of experience in mergers and acquisitions transaction supports and financial due diligence.

根據香港會計師公會日期為2022年5月5日的新聞稿，香港會計師公會紀律委員會（「紀律委員會」）公開譴責陳葉馮會計師事務所項目執業董事陳先生及其他答辯人，彼等於截至2005年12月31日止年度未能或忽略遵守、維持或以其他方式應用香港會計師公會有關編製香港上市公司及其附屬公司的綜合財務報表頒佈的專業準則（「2022年譴責」）。紀律委員會命令陳先生及陳葉馮會計師事務所分別支付罰款200,000港元及300,000港元，並與其他答辯人共同支付香港會計師公會及財務匯報局費用493,881港元（「命令」）。有關2022年譴責及命令之進一步資料刊登於香港會計師公會網站（www.hkicpa.org.hk）。

鑒於(i)2022年譴責乃有關處理陳葉馮會計師事務所審核項目的內部程序的程序缺陷，而陳先生作為陳葉馮會計師事務所的項目執業董事須承擔部分責任，並負責簽署相關核數師報告；(ii)並無針對陳先生、陳葉馮會計師事務所及其他答辯人在欺詐或不誠實行為方面的指控或調查結果；(iii)有關公開譴責的事件發生於超過15年前；(iv)有關公開譴責的事件與本集團並無關聯，且並無或將不會對本集團的業務及營運產生不利影響；及(v)僅下令作出罰款，而陳先生作為執業會計師的執業證書並無因公開譴責而被香港會計師公會暫停，董事會亦已考慮陳先生過往的貢獻及表現，並認為陳先生被視為適當及適宜且繼續適合擔任本公司非執行董事。

詳情載於本公司日期為2021年11月8日及2022年5月6日之公告。

獨立非執行董事

邱伯瑜先生（「**邱先生**」），53歲，自2021年5月11日起獲委任為獨立非執行董事，獲委任為本公司審核委員會（「審核委員會」）及薪酬委員會主席以及提名委員會成員。邱先生取得澳洲伍倫貢大學（University of Wollongong）的商學學士學位，主修會計學。於2015年5月至2017年1月，他曾擔任廣州市城發投資基金管理有限公司的首席知識官，該公司為國有基金管理公司。彼於2005年至2012年曾為其中一所四大國際會計師事務所的合夥人。彼於併購交易支援及財務盡職調查方面擁有逾25年經驗。

He is currently the director of Ewin Advisory Company Limited. Mr. Yau is also a certified public accountant in Hong Kong and a certified practising accountant in Australia. Mr. Yau currently serves as a non-executive director of Daisho Microline Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 567), an independent non-executive director of Fullsun International Holdings Group Co., Limited, a company listed on the Main Board of the Stock Exchange (stock code: 627), an independent non-executive director of Xinhua News Media Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 309). Mr. Yau was an independent non-executive director of KEE Holdings Company Limited (currently renamed as China Apex Group Limited), a company listed on the Main Board of the Stock Exchange (stock code: 2011) from 2017 to 2019 and Ascent International Holdings Limited (currently renamed as China International Development Corporation Limited), a company listed on the Main Board of the Stock Exchange (stock code: 264) from 2017 to 2018. Mr. Yau was an executive director of Freeman FinTech Corporation Limited (currently renamed as Arta TechFin Corporation Limited), a company listed on the Main Board of the Stock Exchange (stock code: 279) from 2020 to 2021. Mr. Yau was a non-executive director of Peking University Resources (Holdings) Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 618) from October 2021 to December 2021.

Mr. Chung Wai Man (“**Mr. Chung**”), aged 63, has been appointed as an independent non-executive Director with effect from 11 May 2021 and has been appointed as a member of the Audit Committee, the Remuneration Committee and the Nomination Committee with effect from 27 November 2021. Mr. Chung holds a Diploma in Business Management from the Hong Kong Management Association and a Certificate of Bank of China Banking Course. He has over 25 years of experience in finance and business consulting. Mr. Chung started working in The Kwangtung Provincial Bank in 1976, and his last position before leaving the bank in 1996 was a manager in charge of the Tai Po sub-branch. After his departure from The Kwangtung Provincial Bank, Mr. Chung established Raymond Chung Company in 1996, a finance and business consulting firm for corporations in Hong Kong. In 2004, he set up another consulting firm, Excel Linker Capital (Asia) Limited, to provide similar consultancy services. Due to duplicity of the business nature, Raymond Chung Company was closed in September 2006. In 2009, Mr. Chung applied to deregister Excel Linker Capital (Asia) Limited as he decided to quit the consultancy services market.

邱先生現為易盈達諮詢有限公司的董事。邱先生亦為香港執業會計師及澳洲執業會計師。邱先生目前為大昌微綫集團有限公司（一間於聯交所主板上市的公司，股份代號：567）的非執行董事、福晟國際控股集團有限公司（一間於聯交所主板上市的公司，股份代號：627）的獨立非執行董事、聯交所主板上市公司新華通訊頻媒控股有限公司（股份代號：309）的獨立非執行董事。邱先生曾於2017年至2019年擔任開易控股有限公司（現稱為中國恒泰集團有限公司）（一間於聯交所主板上市的公司，股份代號：2011）的獨立非執行董事，及於2017年至2018年擔任中璽國際控股有限公司（現稱為中聯發展控股集團有限公司）（一間於聯交所主板上市的公司，股份代號：264）的獨立非執行董事。邱先生於2020年至2021年為聯交所主板上市公司民眾金融科技控股有限公司（目前易名為裕承科金有限公司，股份代號：279）的執行董事。邱先生於2021年10月至2021年12月為聯交所主板上市公司北大資源（控股）有限公司（股份代號：618）的非執行董事。

鍾衛民先生（「**鍾先生**」），63歲，自2021年5月11日起獲委任為獨立非執行董事，自2021年11月27日起獲委任為審核委員會、薪酬委員會及提名委員會成員。持有香港管理專業協會的企業管理文憑及中銀集團銀行課程文憑。彼於財務及業務諮詢方面擁有逾25年經驗。鍾先生自1976年起於廣東省銀行開展事業，並於1996年辭任，離開該銀行前的最後職務為大埔分行經理。辭任廣東省銀行後，鍾先生於1996年成立「衛民顧問公司」，一家為香港企業提供財務及業務顧問服務的公司。於2004年，彼成立另一家顧問公司卓聯融資（亞洲）有限公司，提供類似的顧問服務。由於業務性質相同，衛民顧問公司於2006年9月結業。於2009年，由於鍾先生決定退出諮詢服務市場，故其申請撤銷卓聯融資（亞洲）有限公司的註冊。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Chung acted as an independent non-executive director of United Gene High-Tech Group Limited (currently known as Innovative Pharmaceutical Biotech Limited) (stock code: 399) from March 2007 to May 2009, Fu Ji Food and Catering Services Holdings Limited (currently known as Fresh Express Delivery Holdings Group Co., Limited) (stock code: 1175) from June 2011 to July 2013, China Kingstone Mining Holdings Limited (stock code: 1380) from February 2013 to July 2015, Fuguiniao Co., Ltd. (stock code: 1819, the shares of which were delisted on 26 August 2019) from September 2017 to June 2018, China Taifeng Beddings Holdings Limited (stock code: 873, the shares of which were delisted on 21 February 2019) from November 2018 to February 2019 and Centron Telecom International Holding Ltd. (stock code: 1155, the shares of which were delisted on 1 December 2020) from April 2018 to February 2020. He acted as an independent non-executive director from January 2009 to August 2013 and a non-executive director from August 2013 to September 2014 of U-RIGHT International Holdings Limited (currently known as Fullsun International Holdings Group Co., Limited) (stock code: 627). Mr. Chung was an independent non-executive director of China Huishan Dairy Holdings Company Limited (stock code: 6863, the shares of which were delisted on 23 December 2019) from June 2017 until its delisting, and a non-executive director of Freeman Fintech Corporation Limited (currently known as Arta Techfin Corporation Limited) (stock code: 279) from December 2020 to October 2021. He has acted as an executive director of Silk Road Logistics Holdings Limited (stock code: 988) since June 2021, and an independent non-executive director of Peking University Resources (Holdings) Company Limited (stock code: 618) since October 2021.

Mr. Ning Rui (“**Mr. Ning**”), aged 46, has been appointed as an independent non-executive Director with effect from 11 May 2021 and has been appointed as a member of the Audit Committee, the Remuneration Committee and the Nomination Committee with effect from 27 November 2021. Mr. Ning graduated from Sun Yat-Sen University. He worked in audit department of Pricewaterhouse Coopers and financial advisory department of Deloitte after which he worked as an investment director in a private equity fund. Mr. Ning is a member of the Chinese Institute of Certified Public Accountants (CICPA).

Mr. Ning has over 15 years’ experience in investment and financial advisory. He has extensive experience in deal structuring, valuation, due diligence and post transaction management etc. relating to investment projects. He is good at providing solution to turn around under-performing business and enhance business value. He is familiar with business environment of Mainland China and has unique insights in opportunities and challenges which a PRC business could be facing. Mr. Ning is familiar with the capital market in Mainland China and Hong Kong. He handled many cases involving restructuring, RTO, re-listing of companies listed on Mainland China or Hong Kong market. Selective cases include Nanjing Tanker Corporation (600087.SH), Southwest Pharmaceuticals (600666.SH) and Integrated Waste Solutions Group Holdings Limited (00923.HK) (formerly known as Fook Woo Group). He has solid experience in pharmaceuticals, bio-tech, real estate as well as entertainment.

鍾先生自2007年3月至2009年5月、2011年6月至2013年7月、2013年2月至2015年7月、2017年9月至2018年6月、2018年11月至2019年2月及2018年4月至2020年2月，曾分別擔任聯合基因科技集團有限公司(現稱為領航醫藥及生物科技有限公司)(股份代號：399)、福記食品服務控股有限公司(現稱為鮮馳達控股集團有限公司)(股份代號：1175)、中國金石礦業控股有限公司(股份代號：1380)及富貴島股份有限公司(股份代號：1819，其股份於2019年8月26日除牌)、中國泰豐床品控股有限公司(股份代號：873，其股份於2019年2月21日除牌)及星辰通信國際控股有限公司(股份代號：1155，其股份於2020年12月1日除牌)的獨立非執行董事。彼自2009年1月至2013年8月及2013年8月至2014年9月分別擔任佑威國際控股有限公司(現稱為福晟國際控股集團有限公司)(股份代號：627)的獨立非執行董事及非執行董事。自2017年6月起直至除牌日，鍾先生擔任中國輝山乳業控股有限公司(股份代號：6863，其股份於2019年12月23日除牌)的獨立非執行董事，而自2020年12月至2021年10月，擔任民眾金融科技控股有限公司(現稱為裕承科金有限公司)(股份代號：279)的非執行董事。彼自2021年6月及2021年10月起分別擔任絲路物流控股有限公司(股份代號：988)的執行董事及北大資源(控股)有限公司(股份代號：618)的獨立非執行董事。

寧睿先生(「寧先生」)，46歲，自2021年5月11日起獲委任為獨立非執行董事，自2021年11月27日起獲委任為審核委員會、薪酬委員會及提名委員會成員。寧先生畢業於中山大學。彼曾於普華永道會計師事務所的審計部門及德勤的財務諮詢部門任職，其後於一間私募股權基金中擔任投資總監。寧先生為中國註冊會計師協會(CICPA)的會員。

寧先生擁有逾15年的投資及財務諮詢經驗。彼於投資項目有關的交易結構、估值、盡職調查及交易後管理等方面擁有豐富的經驗。彼擅長提供解決方案，以扭轉業績不佳的業務並提高業務價值。彼熟悉中國大陸的商業環境，對中國企業可能面臨的機遇及挑戰有獨特的見解。寧先生熟悉中國大陸及香港的資本市場。彼曾處理許多涉及重組、反收購行動、在中國大陸或香港市場上市的公司重新上市的案例。案例包括南京油運(600087.SH)、西南藥業(600666.SH)及綜合環保集團有限公司(00923.HK)(前稱福和集團)。彼於製藥、生物技術、房地產及娛樂方面擁有豐富的經驗。

SENIOR MANAGEMENT

The executive directors of the Company are regarded as senior management of the Group in view of the fact that they are directly responsible for overseeing the implementation of the Company's strategic objectives and the business operations of the Group.

Mr. Wong Tang Thomas ("Mr. Wong"), aged 48, has been appointed as the chief financial officer of the Group with effect from 1 March 2022 and is responsible for overseeing the financial affairs of the Group. Prior to joining the Company, Mr. Wong was the CFO and CRO of Encap (Global) Asset Management Limited between January 2018 and December 2021, responsible for the finance and control functions. Between November 2015 and September 2017, Mr. Wong was the director in business risk management of Union Bancaire Privée, UBP SA — Hong Kong Branch (formerly known as Coutts & Co Ltd), responsible for the overall management of the North Asia front office. From May 2005 to November 2015, Mr. Wong worked in DBS Bank (Hong Kong) Limited with his last position as the senior vice president in the risk management group, where he was responsible for overseeing operational risk control and management of all business and support departments. From 20 April 2018 to 30 November 2020, Mr. Wong was a non-executive director of Centron Telecom International Holding Limited, a company previously listed on the Stock Exchange until 30 November 2020.

Mr. Wong has been a senior associate of the Australasian Institute of Banking & Finance since January 2002, a member of the Hong Kong Securities and Investment Institute and the Hong Kong Institute of Bankers since January 2000 and January 1999 respectively. Mr. Wong graduated from Ottawa University with a bachelor of arts in business administration in August 1996. He subsequently obtained a bachelor of science in economics from the University of London in August 1998. Mr. Wong also obtained a master of finance from Curtin University of Technology in February 2002.

高級管理層

鑑於本公司的執行董事直接負責監督本公司策略目標的實施及本集團的業務營運情況，彼等被視為本集團的高級管理層。

黃騰先生（「黃先生」），48歲，自2022年3月1日起獲委任為本集團首席財務總監，負責監督本集團財務事務。於加入本公司前，黃先生於2018年1月至2021年12月擔任君裕（國際）資產管理有限公司的首席財務總監及首席風險總監，負責融資及監控職能。於2015年11月至2017年9月，黃先生為瑞聯銀行 — 香港分部（前稱Coutts & Co Ltd）的業務風險管理主管，負責北亞前線辦公室的整體管理。自2005年5月至2015年11月，黃先生任職於星展銀行（香港）有限公司，最後擔任的職位為風險管理部高級副總裁，負責監督所有業務及支援部門的營運風險控制及管理。自2018年4月20日至2020年11月30日，黃先生為星辰通信國際控股有限公司的非執行董事，該公司曾於聯交所上市直至2020年11月30日。

黃先生自2002年1月起為澳大利亞銀行及金融學會高級會員、分別自2000年1月及自1999年1月起為香港證券及投資學會及香港銀行學會成員。黃先生於1996年8月畢業於渥太華大學，獲得工商管理學士學位。彼隨後於1998年8月獲得倫敦大學經濟學士學位。黃先生亦於2002年2月獲得科廷科技大學金融學碩士學位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS OVERVIEW

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

During the year ended 31 March 2022, global economic situation remained difficult, the tightening of U.S. monetary policy as well as the escalated trade conflict between Mainland China and U.S. posed considerable risks and challenges to the business environment. During the Reporting Period, the inflation of U.S. hit the highest level in four decades. The federal reserve board announced that the U.S. government will suppress the inflation by all means, including rapidly increase the federal reserve interest rate in calendar year 2022 and 2023. The adjustment of U.S. monetary policy calmed down the market sentiment, therefore, slowed down the demand for luxury consumption. On the other hand, Sino-US trade war is not favorable to the export business in Hong Kong. For the year ended 31 March 2022, revenue generated from sales in the Americas market significantly decreased by approximately 59.9% to approximately HK\$32.0 million as compared with the same period last year.

In Europe, the widespread of Delta and Omicron variants of COVID-19 had slowed down the economic recovery. The social distancing policy and travel restrictions in Hong Kong also reduced the number of foreign jewellery traders participating in the international jewellery shows and exhibitions which were traditionally organised in Hong Kong. Therefore, the business opportunity to meet new partners in the industry was adversely affected. Moreover, Russia-Ukraine war (geopolitical risk) further worsened the economy in continental Europe. Uncertainty and risk associated with the sanction multiplied. The suspension of business relationship between the western corporations and Russia, and reduction of Russian export of materials for energy production to Europe increased the stagflation risk of the European market. In addition, termination of Russia participation in the SWIFT system directly distorted the international trade ability of Russian enterprises. As a result, the Group ceased the business in Russia for the second half of the year ended 31 March 2022. For the year ended 31 March 2022, revenue generated from sales to European markets recorded a significant decrease of approximately 96.0% to approximately HK\$1.9 million.

業務概覽

作為一家於香港營運歷史悠久的優質珠寶綜合供應商及原設計製造商，本集團主要從事優質珠寶設計及製造，並主要將其出口至香港、亞洲（包括中國內地）、美洲及歐洲的珠寶批發商及零售商。本集團一直提供各式各樣的優質K金珠寶產品，當中包括戒指、耳環、吊墜、項鏈、手鐲、臂鐲、袖扣、胸針及踝飾，一般以大眾至中檔分部為目標，有關分部按零售價計算為優質珠寶市場分部三個級別中最低者。同時，為豐富產品系列，本集團亦提供黃金產品、材料及手錶。本集團客戶主要為珠寶產品批發商及零售商。

截至2022年3月31日止年度，全球經濟狀況依舊艱難，美國收緊貨幣政策以及中國大陸與美國的貿易矛盾升溫對營商環境構成巨大的風險及挑戰。於報告期內，美國通脹達到四十年來最高水平。聯邦儲備委員會宣佈美國政府將使用一切手段抑制通脹，包括於2022及2023曆年迅速提高聯邦儲備利率。美國貨幣政策調整抑制了市場情緒，因此減緩了對奢侈品消費的需求。另一方面，中美貿易戰不利於香港出口業務。截至2022年3月31日止年度，美洲市場銷售所產生的收益較去年同期大幅減少約59.9%至約32.0百萬港元。

在歐洲方面，COVID-19的Delta及Omicron變種的廣泛傳播使經濟復甦放緩。香港的社交距離措施及旅遊限制亦減少參與傳統上在香港舉辦的國際珠寶展覽的外國珠寶商數目。因此，結識業內新合作夥伴的商機受到不利影響。此外，俄烏戰爭（地緣政治風險）進一步打擊歐洲大陸經濟。與制裁相關的不確定因素及風險倍增。西方企業與俄羅斯之間的業務關係中止，以及俄羅斯減少向歐洲出口能源生產材料，增加了歐洲市場的滯脹風險。此外，俄羅斯終止參與SWIFT系統直接扭曲了俄羅斯企業的国际貿易能力。因此，本集團於截至2022年3月31日止年度之下半年止來自俄羅斯的業務。截至2022年3月31日止年度，來自歐洲市場銷售所產生的收益顯著下跌約96.0%至約1.9百萬港元。

To cope with the evolving business environment, the Group reacted promptly and allocated the resource on business development of gold products and material and luxury watches in Hong Kong market, which stimulating the Group's sales of gold products and material and watches to rise substantially. For the year ended 31 March 2022, the Group's revenue generated from sales in the Hong Kong market significantly increased by approximately 534.8% as compared with the same period last year to approximately HK\$101.0 million.

The Group has relentlessly applied stringent controls over expenditures. For the year ended 31 March 2022, the Group's administrative expenses were approximately HK\$20.2 million, which were approximately 8.4% lower than that of the corresponding period of last year, while selling expenses decreased by approximately 54.9% to approximately HK\$2.0 million, which was mainly due to the reduction of expenses related to overseas sales.

PROSPECTS

Looking forward, the global economy recovery is suffering in the prolonged COVID-19 pandemic, conflict on international trade sanction and geopolitical tension. The distortion in value chain of the market is no doubt an uncertainty for the world economic growth prospect.

Although the economy of U.S. has recovered rapidly following the large-scale stimulation policies launched in prior years, the commencement of federal reserve interest rate hike cycle and federal policy on tapering are slowing down the consumption and investment sentiment. Moreover, the business opportunity in U.S. is filled with uncertainty as the Sino-U.S. trade war continues. In Europe, the globe is looking for an end of Russia-Ukraine war and believing that Europe will establish a new economic relationship for the countries in continental Europe. The management is cautiously evaluating the future business plan in the overseas market and the risks and opportunities associated with the latest development.

In order to cope with the market environment in future, the management of the Group continues to strengthen the position in Hong Kong market, especially on risk-averse products such as gold products and material and luxury watches. We are actively optimising the resource allocation, streamlining the operation model and seeking business opportunity. The management is confident and having extensive experience in jewellery industry, which enables the Group to acquire high-quality gemstones, with creative designs and exquisite craftsmanship to create fine artistic jewellery products. In producing fine artistic jewellery products, we are eager to design featured products with high quality gemstones and jadeites. The management believes that providing fine artistic jewellery products is a positive element in promoting its brand. The Group will continue to input sales and marketing resources and craft our fine artistic jewellery brand, and utilise online marketing to promote sales.

為應對不斷變化的營商環境，本集團迅速作出反應，將業務發展資源分配至香港市場的黃金製品及材料及奢侈品手錶上，使本集團黃金製品及材料及手錶銷售大幅上升。截至2022年3月31日止年度，本集團來自香港市場銷售所產生的收益較去年同期大幅上升約534.8%至約101.0百萬港元。

本集團不遺餘力嚴格控制資本開支。截至2022年3月31日止年度，本集團行政開支約為20.2百萬港元，較去年同期減少約8.4%，而銷售開支同期減少約54.9%至約2.0百萬港元，主要由於與海外銷售減少有關的開支。

展望

展望未來，全球經濟復甦正因COVID-19疫情持續、國際貿易制裁糾紛及地緣政治局勢緊張而遭受影響。市場價值鏈扭曲，無疑為世界經濟增長前景帶來不確定性。

儘管美國經濟於數年前推出大規模刺激政策後迅速復甦，但美聯儲加息週期及縮減購債的聯邦政策開始，正令消費及投資情緒有所放緩。此外，由於中美貿易戰持續，在美國的商機充滿不確定因素。在歐洲方面，全球正期待俄烏戰爭結束，相信歐洲將為歐洲大陸國家建立新的經濟關係。管理層正謹慎評估海外市場的未來業務規劃及與最新發展相關的風險及機遇。

為應對未來的市場環境，本集團管理層繼續加強在香港市場的地位，特別是在黃金製品及材料及奢侈品手錶等風險規避產品方面。我們正積極優化資源配置、精簡營運模式及尋求商機。管理層對珠寶業充滿信心且擁有豐富經驗，使本集團可採購高品質的寶石，並擁有創意的設計、精湛的製造工藝生產高級藝術珠寶產品。於生產高級藝術珠寶產品時，我們渴望使用優質寶石及翡翠等設計特色產品。管理層認為提供高級藝術珠寶產品乃推廣其品牌的一個正面因素。本集團將繼續投入銷售及營銷資源，精心打造我們的高級藝術珠寶品牌，並利用網絡的推廣及做好銷售。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Since e-commerce has been involved in jewellery sales business, online jewellery sellers have developed very fast. Seizing the development opportunity of e-commerce is one of the focuses for jewellery brands to improve their competitiveness. The Group continues the assessment on utilising livestream e-commerce as a new channel for the sale to other overseas countries. Fashionable trendy jewellery and innovative products are promoted to the public and young consumer platforms. At the same time, the Group has capabilities in strengthening innovation and designing high end jewellery area with cultural and collectible value product, in conjunction with the rising of digital assets leading to new development direction and business model.

EVENT AFTER THE REPORTING PERIOD

A new letter of appointment was entered into between the Company and each of the independent non-executive Directors, namely, Mr. Yau Pak Yue, Mr. Chung Wai Man and Mr. Ning Rui, pursuant to which, inter alia, with effect from 1 July 2022, (a) each of the independent non-executive Directors' monthly salary has been increased to HK\$11,000, and (b) the term of office has been increased to two years. The rest of the terms of the new letter of appointment remains unchanged as compared to the previous letter of appointment.

Save as disclosed above, there is no other significant event of the Group after the Reporting Period.

FINANCIAL REVIEW

| | |
|----------------------------------------------------------|---------------------|
| Revenue (HK\$'000) | 收益 (千港元) |
| Gross profit (HK\$'000) | 毛利 (千港元) |
| Gross profit margin (%) | 毛利率 (%) |
| Loss attributable to owners of the Company (HK\$'000) | 本公司擁有人應佔虧損 (千港元) |

由於電子商務介入珠寶銷售業務，網上珠寶賣家迅速增長。把握電子商務的發展機遇為珠寶品牌提升競爭力的其中一個重點。本集團繼續評估利用直播電子商務作為銷售至其他海外國家新渠道的情況。時尚潮流珠寶及創新產品會推廣至公眾及年輕消費平台。同時，本集團有能力加強創新，設計具有文化及收藏價值產品的高端珠寶領域，連同數字資產興起帶來新的發展方向及商業模式。

報告期後事項

本公司與各獨立非執行董事（即邱伯瑜先生、鍾衛民先生及寧睿先生）已訂立新委任函件，據此，其中包括自2022年7月1日起，(a)各獨立非執行董事之月薪已增加至11,000港元；及(b)任期已增加至兩年。新委任函件其餘條款與先前的委任函件相比維持不變。

除以上披露外，本集團概無其他報告期後重大事項。

財務回顧

For the year ended 31 March

截至3月31日止年度

| | |
|-------|-------|
| 2022 | 2021 |
| 2022年 | 2021年 |

| | |
|----------|----------|
| 135,513 | 162,644 |
| 2,411 | 7,019 |
| 1.8 | 4.3 |
| (78,168) | (74,998) |

Revenue

The Group's revenue for the year ended 31 March 2022 was approximately HK\$135.5 million, representing a decrease of approximately HK\$27.1 million or 16.7% compared with the year ended 31 March 2021. The decrease in the Group's revenue was primarily due to (i) the complex and challenging situation for the year ended 31 March 2022, which contributed to the significant decrease of revenue from the sales in European market of approximately HK\$46.7 million or 96.0%; (ii) a decrease in revenue from the Americas market of approximately HK\$47.7 million or 59.9%, due to the tightened U.S. monetary policy and ongoing Sino-U.S. trade conflicts; and (iii) a decrease in revenue from the sales in the Asia (including Mainland China) and other countries of approximately HK\$17.9 million or 96.7% compared with the year ended 31 March 2021. On the other hand, the Group timely adjusted its strategy and reallocated the resource of the business on dealing with gold products and material and luxury watches in Hong Kong market. A significant increase in revenue from the sales in Hong Kong of approximately HK\$85.1 million or 534.8% compared with the year ended 31 March 2021.

Gross profit and gross profit margin

The Group's gross profit for the year ended 31 March 2022 was approximately HK\$2.4 million, representing a decrease of approximately HK\$4.6 million or 65.7% compared with the year ended 31 March 2021. Gross profit margin decreased to approximately 1.8% for the year ended 31 March 2022 from approximately 4.3% for the year ended 31 March 2021, which was mainly due to larger proportion of sales of gold products and material and trading of watches with lower margin to the Hong Kong market.

Selling expenses

The Group's selling expenses decreased by approximately HK\$2.4 million or 54.9% to approximately HK\$2.0 million for the year ended 31 March 2022 from approximately HK\$4.4 million for the year ended 31 March 2021. The decrease was primarily attributable to (i) freight charge and export insurance expenses co-related to the reduction of overseas sales decreased by approximately HK\$0.3 million; (ii) exhibition costs decreased by approximately HK\$0.2 million; and (iii) a decrease in staff costs of approximately HK\$1.9 million due to the result of the business operation and resources re-allocation process.

收益

本集團截至2022年3月31日止年度的收益約為135.5百萬港元，較截至2021年3月31日止年度減少約27.1百萬港元或16.7%。本集團收益減少主要由於與截至2021年3月31日止年度相比：(i) 複雜及具挑戰性的形勢於截至2022年3月31日止年度使來自歐洲市場銷售收益大幅減少約46.7百萬港元或96.0%；(ii) 美國收緊貨幣政策及中美貿易矛盾持續，來自美國市場的收益減少約47.7百萬港元或59.9%；及(iii) 亞洲(包括中國大陸)及其他國家的銷售收益減少約17.9百萬港元或96.7%。另一方面，本集團及時調整策略，將業務資源重新分配至香港市場的黃金製品及材料及奢侈品手錶貿易上，來自香港的銷售收益較截至2021年3月31日止年度顯著上升約85.1百萬港元或534.8%。

毛利及毛利率

本集團於截至2022年3月31日止年度的毛利約為2.4百萬港元，較截至2021年3月31日止年度減少約4.6百萬港元或65.7%。毛利率則由截至2021年3月31日止年度約4.3%下降至截至2022年3月31日止年度約1.8%，主要由於對香港市場銷售利潤較低的黃金製品及材料及買賣手錶比例增加。

銷售開支

本集團的銷售開支由截至2021年3月31日止年度的約4.4百萬港元下跌約2.4百萬港元或54.9%至截至2022年3月31日止年度的約2.0百萬港元。銷售開支下跌主要歸因於：(i) 與海外銷售減少有關的運費及出口保險開支下降約0.3百萬港元；(ii) 展銷成本減少約0.2百萬港元；及(iii) 業務調整及優化資源重新配置而減少員工成本約1.9百萬港元。

Administrative expenses

The Group's administrative expenses decreased by approximately HK\$1.8 million or 8.4%, to approximately HK\$20.2 million for the year ended 31 March 2022 from approximately HK\$22.0 million for the year ended 31 March 2021. The decrease was primarily due to the optimising of resource allocation, the decline in business entertainment, insurance expenses and motor vehicle fees by approximately HK\$1.8 million attributable to strengthening cost controls in business operation.

Finance costs

The Group's finance costs decreased by approximately HK\$0.2 million or 78.1%, to approximately HK\$0.1 million for the year ended 31 March 2022 from approximately HK\$0.3 million for the year ended 31 March 2021. The decrease was primarily a result of the decrease in average borrowing balance for the year ended 31 March 2022 compared with the year ended 31 March 2021.

Loss attributable to owners of the Company

The Group recorded a loss attributable to owners of the Company of approximately HK\$78.2 million for the year ended 31 March 2022, compared to a loss of approximately HK\$75.0 million for the year ended 31 March 2021. The loss was mainly attributable to the loss on changes in fair value on the listed equity securities held by the Group for the year ended 31 March 2022.

Property, plant and equipment

The net carrying amount as at 31 March 2022 was approximately HK\$2.0 million, representing an increase of approximately HK\$0.7 million from that as at 31 March 2021. This was mainly due to the reason that the Group increased leasehold improvement to approximately HK\$1.3 million and net off depreciation amounted to approximately HK\$0.6 million.

行政開支

本集團的行政開支由截至2021年3月31日止年度約22.0百萬港元減少約1.8百萬港元或8.4%至截至2022年3月31日止年度的約20.2百萬港元。行政開支減少主要由於優化資源配置，經營業務時加強成本管控產生的業務招待、保險費用及汽車開支減少約1.8百萬港元。

財務成本

本集團的財務成本由截至2021年3月31日止年度約0.3百萬港元減少約0.2百萬港元或78.1%，至截至2022年3月31日止年度的約0.1百萬港元。財務成本減少主要由於截至2022年3月31日止年度的平均貸款結餘較截至2021年3月31日止年度減少。

本公司擁有人應佔虧損

截至2022年3月31日止年度，本集團錄得本公司擁有人應佔虧損約78.2百萬港元，而截至2021年3月31日止年度則錄得虧損約75.0百萬港元。虧損主要由於截至2022年3月31日止年度本集團持有的上市公司股權證券公允值變動虧損所致。

物業、廠房及設備

於2022年3月31日的賬面淨值約為2.0百萬港元，較2021年3月31日增加約0.7百萬港元。賬面淨值增加主要是由於本集團增加租賃物業裝修約1.3百萬港元及減去折舊約0.6百萬港元。

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

Financial assets at FVPL amounted to approximately HK\$34.4 million including a portfolio of Hong Kong listed companies equity securities in various industries held for long term growth and a life insurance policy. During the year ended 31 March 2022, the loss on changes in fair value on financial assets at FVPL of approximately HK\$62.8 million has been recognised in profit or loss. The executive directors did not alter the Group’s investment strategy due to short-term market volatilities.

Trade receivables

There was a decrease in trade receivables as at 31 March 2022 of approximately HK\$51.1 million as compared with 31 March 2021, which was mainly due to the effective collection policy.

Liquidity and financial resources

As at 31 March 2022, the Group had current assets of approximately HK\$95.6 million (2021: approximately HK\$112.4 million) which comprised cash and bank balances of approximately HK\$92.8 million (2021: approximately HK\$37.2 million). As at 31 March 2022, the Group had non-current liabilities of approximately HK\$2.4 million (2021: approximately HK\$0.8 million), and the current liabilities amounted to approximately HK\$6.3 million (2021: approximately HK\$22.4 million), consisting mainly of payables arising in the normal course of operation. Accordingly, the current ratio, being the ratio of current assets to current liabilities, was approximately 15.1 as at 31 March 2022 (2021: approximately 5.0).

Gearing ratio

The gearing ratio of the Group as at 31 March 2022 was not applicable as cash and bank balances exceeded interest-bearing borrowings.

Treasury policies

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

按公允價值計入損益(「按公允價值計入損益」)的金融資產

按公允價值計入損益的金融資產約為34.4百萬港元，其中包括為長期增長而持有多個行業的香港上市公司股權證券投資組合及人壽保險保單。截至2022年3月31日止年度，按公允價值計入損益的金融資產公允價值變動虧損約62.8百萬港元已於損益中確認。執行董事未有因為短期市場波動而改變本集團的投資策略。

貿易應收款項

於2022年3月31日的貿易應收款項較於2021年3月31日的貿易應收款項減少約51.1百萬港元，乃主要由於有效的收款政策。

流動資金及財務資源

於2022年3月31日，本集團的流動資產約為95.6百萬港元(2021年：約112.4百萬港元)，包括現金及銀行結餘約92.8百萬港元(2021年：約37.2百萬港元)。於2022年3月31日，本集團的非流動負債約為2.4百萬港元(2021年：約0.8百萬港元)，以及流動負債約為6.3百萬港元(2021年：約22.4百萬港元)，主要包括日常營運過程中產生的應付款項。因此，於2022年3月31日，流動比率(即流動資產與流動負債的比率)約為15.1(2021年：約5.0)。

資本負債比率

本集團於2022年3月31日的資本負債比率並不適用，原因是現金及銀行結餘超過計息借貸。

庫務政策

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

BUSINESS STRATEGIES

With continued political, economic and market uncertainties, the production and sale of jewellery products reported a decrease in gross profit. In light of the operations and financial position of the Group, the Group intends to explore other possible business opportunities both locally and abroad while staying on with its jewellery business. The Group aims to develop as a fine artistic jewellery provider in Hong Kong by improving the brand awareness and quality of products, strengthening the sales and marketing force and solidifying its presence in market.

The Group continues to explore opportunities where it believes would benefit the integrated services it is offering, i.e. providing a wider range of styles and designs tailored for individual markets and adjusting its production resources and capacity to better cater for delivery period of varied products, consumer preferences and festive shopping practices. The Group will also strengthen its established corporate brand name and proven design capabilities, increase resources in procuring precious gems in order to attract high-net-worth customer group. The Group will spend its sales and marketing resources on promoting its brand and products, participating in selected trade exhibitions, utilising online marketing, and allocate sufficient design and product development resources to offer a wider range of products that are favourable to consumers in different markets.

The Group believes its abilities to create new product designs and develop innovative production techniques in response to market trends and consumer preferences contribute to the success of its products. The Group has been offering customers with a diverse range of products with appealing designs, made with assorted kinds of precious metals, diamonds and gem stones with various premium specifications in a bid to cater for a broad bandwidth of market demand, including collectible grade product. Backed by the “One Belt, One Road” initiative and increasing number of wealthy in China, the Group is devoted to expanding into the new market that will provide the Group with strong momentum for future growth.

Foreign exchange exposure

For the year ended 31 March 2022, the Group had monetary assets and monetary liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, which are mainly trade receivables, other receivables, financial assets at FVPL, cash and bank balances and trade and other payables. Consequently the Group had foreign exchange risk exposure from translation of amount denominated in foreign currencies as at 31 March 2022. Since HK\$ is pegged to US\$, the Group does not expect any significant movements in HK\$/US\$ exchange rate. The Group is exposed to foreign exchange risk primarily with respect to RMB. If HK\$ as at 31 March 2022 had strengthened/weakened by 5% against RMB with all other variables held constant, the loss for the year attributable to owners of the Company would have been decreased/increased by less than HK\$1,000 for the year ended 31 March 2022 (2021: loss for the year attributable to owners of the Company would have decreased/increased by approximately HK\$6,000).

業務策略

因著政治、經濟及市場持續不明朗，生產及銷售珠寶產品錄得毛利減少。鑒於本集團的營運及財務狀況，本集團立足於繼續從事其珠寶業務的同時，有意探索開拓本地及海外其他可能業務的機會。透過提高品牌知名度及產品質素，加強銷售及市場推廣力度以及鞏固其市場佔有率，本集團旨在發展為香港高級藝術珠寶供應商。

本集團將繼續挖掘其認為會受惠於其所提供的綜合服務的商機，即通過提供各種專為個別市場度身訂造的造型及設計，以及調整其生產資源及產能，從而更好地迎合不同產品交付期，消費者喜好及節日購物慣例。本集團亦將提升企業品牌效應及卓越設計能力的優勢，在採購珍貴寶石投入更多資源，以吸引高淨值客戶群。本集團將投入更多銷售及市場推廣資源以推廣其品牌及產品，選擇性地參加貿易展覽，採用線上營銷並投放充足設計及產品開發資源，以提供更多更符合各地消費者的產品。

本集團認為，其產品的成功歸因於本集團能夠應對市場趨勢及消費者喜好，提供新穎的產品設計及開發創新生產技術。本集團一直向客戶提供多款設計優美，且由各種貴金屬及各種優質規格的鑽石及寶石製成的產品（包括收藏級產品），以迎合更廣泛的市場需求。依靠「一帶一路」倡議及中國富人越來越多，本集團致力於拓擴至可為我們往後提供強勁增長勢頭的新市場。

外匯風險

於截至2022年3月31日止年度，本集團有以外幣（即相關集團實體功能貨幣以外的貨幣）計值的貨幣資產及貨幣負債，主要為貿易應收款項、其他應收款項、按公允值計入損益的金融資產、現金及銀行結餘以及貿易及其他應付款項，因此，本集團於2022年3月31日面臨來自換算以外幣計值的款項的外匯風險。由於港元與美元掛鈎，本集團預期港元兌美元的匯率不會發生任何重大變動。本集團承受的外匯風險主要與人民幣有關。倘港元於2022年3月31日兌人民幣升值／貶值5%，而其他所有變量保持不變，於截至2022年3月31日止年度本公司擁有人應佔年內虧損應會減少／增加少於1,000港元（2021年：本公司擁有人應佔年內虧損應會減少／增加約6,000港元）。

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

Capital structure

There has been no change in the capital structure of the Company during the year ended 31 March 2022. As at 31 March 2022, the capital of the Company comprises ordinary shares and capital reserves.

Capital commitments

As at 31 March 2022 and 31 March 2021, the Group had no capital commitments.

Dividend

The Board does not recommend the payment of final dividend for the year ended 31 March 2022.

No dividend has been paid or declared by the Company during the year ended 31 March 2022.

Information on employees

As at 31 March 2022, the Group had 6 employees (2021: 22). Total staff costs (including the Directors' emoluments) were approximately HK\$9.4 million, as compared with approximately HK\$7.9 million for the year ended 31 March 2021. Remuneration is determined with reference to market conditions and individual employees' performance, qualification and experience.

Apart from the provident fund scheme (operation in accordance with the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or social insurance fund (including retirement pension insurance, medical insurance, unemployment insurance, injury insurance and maternity insurance for the PRC employees), discretionary bonuses and employee share options may be also awarded to employees according to the Group's performance as well as assessment of individual performance. Since the adoption of the share option scheme on 10 February 2015 and up to 31 March 2022, no options have been granted by the Company.

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

Share option scheme

The Company has adopted the share option scheme on 10 February 2015 (the "Scheme") under which certain selected classes of participants (including, among others, Directors and full-time employees) may be granted options to subscribe for the shares. Unless otherwise cancelled or amended, the Scheme will remain in force for 10 years from that date. No share option had ever been granted under the Scheme since its adoption, up to 31 March 2022.

本集團並無從事任何衍生工具活動，亦無利用任何財務工具對沖其外幣風險。

資本架構

於截至2022年3月31日止年度，本公司資本架構概無變動。於2022年3月31日，本公司資本包括普通股及資本儲備。

資本承擔

於2022年3月31日及2021年3月31日，本集團概無資本承擔。

股息

董事會不建議派付截至2022年3月31日止年度之末期股息。

本公司於截至2022年3月31日止年度並無派付或宣派任何股息。

僱員資料

於2022年3月31日，本集團有6名僱員(2021年：22名)。員工成本總額(包括董事酬金)約為9.4百萬港元，而截至2021年3月31日止年度則約為7.9百萬港元。薪酬乃參考市況及個別僱員之表現、資格及經驗而釐訂。

除公積金計劃(根據強制性公積金計劃條例的條文為香港僱員運作)或社會保險基金(包括為中國僱員設立的退休養老保險、醫療保險、失業保險、工傷保險及生育保險)外，本公司會參考本集團表現及個別員工表現評估發放酌情花紅及僱員購股權。自於2015年2月10日採納購股權計劃起至2022年3月31日，本公司概無授出購股權。

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

購股權計劃

本公司已於2015年2月10日採納購股權計劃(「計劃」)，據此，若干選定類別的參與者(其中包括董事及全職僱員)可能獲授購股權以認購股份。除非以其他方式註銷或修訂，計劃於該日起計10年內仍有效。自其採納以來直至2022年3月31日，並無根據計劃授出任何購股權。

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Significant Investments Held

As at 31 March 2022, the Group held financial assets at fair value through profit or loss in the amounts of approximately HK\$34,399,000 as non-current assets, representing approximately 25.2% of its total assets.

The financial assets at fair value through profit or loss consist of a life insurance policy in the amounts of approximately HK\$17,575,000, representing approximately 12.9% of its total assets, and Hong Kong listed equity securities in the amounts of approximately HK\$16,824,000, representing approximately 12.3% of its total assets.

Pursuant to paragraph 32(4A) of Appendix 16 to the Listing Rules, the particulars of Hong Kong listed equity securities measured at fair value through profit or loss with a value of 5% or more of the Group's total assets as at 31 March 2022 and other material investments of listed equity securities held as at 31 March 2022 are set out below:

持有之重大投資

於2022年3月31日，本集團持有為非流動資產之按公允值計入損益的金融資產約34,399,000港元，相當於其資產總值約25.2%。

按公允值計入損益的金融資產包括人壽保險保單約17,575,000港元，相當於其資產總值約12.9%，以及香港上市股權證券約16,824,000港元，相當於其資產總值約12.3%。

根據上市規則附錄十六第32(4A)段，按公允價值計入損益且其價值於2022年3月31日佔本集團總資產5%以上的香港上市股權證券以及於2022年3月31日持有的其他重大上市股權證券投資詳情載列如下：

| | Place of incorporation | HK stock code | Date of acquisitions | Number of acquired shares as at 31 March 2022 | Proportion of acquired shares in the total issued share capital of investee as at 31 March 2022 | Cost (exclusive of transaction costs) | Principal activities | For the year ended 31 March 2022 | | | |
|----------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|----------------------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------------|------------------------------------------------|-------------------------|
| | | | | | | | | Fair value | Percentage to the Group's total assets | Unrealised gain/(loss) on change in fair value | Dividend income |
| | 註冊成立地點 | 香港股份代號 | 收購日期 | 於2022年3月31日已收購股份數目 | 於2022年3月31日被投資方已發行股本總額的比例 | 成本 (不包括交易成本) HK\$'000 千港元 | 主要業務 | 於2022年3月31日 HK\$'000 千港元 | 佔本集團總資產百分比 % | 公允價值變動之未變現收益/(虧損) HK\$'000 千港元 | 股息收入 HK\$'000 千港元 |
| 1) China Automobile New Retail (Holdings) Limited (the former name is "Lisi Group (Holdings) Limited") ("China Auto NR") | Bermuda | 0526 | 11 and 16 July 2019 | 86,672,000 | Approximately 1.08% | Approximately 68,789 | Provision of car trading platform related services, trading of imported cars, manufacturing and trading of household products, operation of supermarkets, wholesale of wine and electrical appliances and investments holding | Approximately 3,640 | Approximately 2.66 | Approximately (4,074) | - |
| 中國汽車新零售(控股)有限公司(前稱為「利時集團(控股)有限公司」)(「中國汽車新零售」) | 百慕達 | 0526 | 2019年7月11日及16日 | 86,672,000 | 約1.08% | 約68,789 | 提供汽車交易平台相關服務、買賣進口汽車、家用品之製造及貿易、經營超級市場、酒類及電器批發以及投資控股 | 約3,640 | 約2.66 | 約(4,074) | - |
| 2) China U-Ton Future Space Industrial Group Holdings Limited (the former name is "China U-Ton Holdings Limited") (Note 1) | Cayman Islands | 6168 | 11 July and 14 August 2019 | 200,540,000 | Approximately 7.01% | Approximately 69,658 | Provision of design, deployment and maintenance of optical fibers services, the provision of other communication networks services, the provision of environmentally intelligent technical products and services and the money lending services | - | - | Approximately (35,897) | - |
| 中國優通未來空間產業集團控股有限公司(前稱為「中國優通控股有限公司」)(附註1) | 開曼群島 | 6168 | 2019年7月11日及8月14日 | 200,540,000 | 約7.01% | 約69,658 | 提供光纖設計、佈放及維護服務、提供其他通訊網絡服務、提供環保智能技術產品及服務以及放債服務 | - | - | 約(35,897) | - |
| 3) Redsun Properties Group Limited | Cayman Islands | 1996 | 14 August 2019 | 3,500,000 | Approximately 0.10% | Approximately 8,470 | Property development, commercial property investment and operations, and hotel operations | Approximately 9,135 | Approximately 6.69 | Approximately (1,050) | Approximately 508 |
| 弘陽地產集團有限公司 | 開曼群島 | 1996 | 2019年8月14日 | 3,500,000 | 約0.10% | 約8,470 | 物業開發、商業物業投資與經營以及酒店經營業務 | 約9,135 | 約6.69 | 約(1,050) | 約508 |

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| | Place of incorporation | HK stock code | Date of acquisitions | Number of acquired shares as at 31 March 2022 | Proportion of acquired shares in the total issued share capital of investee as at 31 March 2022 | Cost (exclusive of transaction costs) | Principal activities | Fair value | For the year ended 31 March 2022 | | Dividend income |
|---------------------------------|------------------------|---------------|----------------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------|--------------------------------|----------------------------------|------------------------------------------------|-------------------------|
| | | | | | | | | 公允價值 | 截至2022年3月31日止年度 | Unrealised gain/(loss) on change in fair value | |
| | 註冊成立地點 | 香港股份代號 | 收購日期 | 於2022年3月31日已收購股份數目 | 於2022年3月31日被投資方已發行股本總額的比例 | 成本 (不包括交易成本) HK\$'000 千港元 | 主要業務 | 於2022年3月31日 HK\$'000 千港元 | 佔本集團總資產百分比 | 未變現收益/(虧損) HK\$'000 千港元 | 股息收入 HK\$'000 千港元 |
| 4) China Fordoo Holding Limited | Cayman Islands | 2399 | 11 July 2019 | 6,980,000 | Approximately 0.33% | Approximately 14,746 | Design, sourcing, manufacturing and sales of its branded menswear products | Approximately 4,049 | Approximately 2.96 | Approximately (23,940) | - |
| 中國虎都控股有限公司 | 開曼群島 | 2399 | 2019年7月11日 | 6,980,000 | 約0.33% | 約14,746 | 設計、採購、生產及銷售自有品牌的男裝產品 | 約4,049 | 約2.96 | 約(23,940) | - |
| Total | | | | | | Approximately 161,663 | | Approximately 16,824 | Approximately 12.31 | Approximately (64,961) | Approximately 508 |
| 總計 | | | | | | 約161,663 | | 約16,824 | 約12.31 | 約(64,961) | 約508 |

The Group will continue to be on the search for new opportunities both locally and abroad, which is expected to provide an additional boost to our future growth. Hong Kong listed equity securities are still attractive investment and can enhance the returns on investment for the Group in long term. The Board did not alter the Group's investment strategy due to short-term market volatilities.

Note 1

Based on the announcements of China U-Ton Future Space Industrial Group Holdings Limited (the former name is "China U-Ton Holdings Limited") ("U-Ton Future") dated 5 May 2021, 13 May 2021, 27 May 2021 and 29 June 2021, a petition in the matter of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32) was filed in the High Court of The Hong Kong Special Administrative Region (the "High Court") against U-Ton Future on 4 February 2021, upon which U-Ton Future was ordered to be wound up by the High Court on 5 May 2021 in HCCW 57/2021 and the Official Receiver was appointed as the Provisional Liquidator of U-Ton Future. Trading in the shares of U-Ton Future has been suspended since 5 May 2021 with share price of HK\$0.161 per share. On 7 May 2021, the Official Receiver made an application to the High Court seeking, inter alia, an order to appoint joint and several liquidators of U-Ton Future. U-Ton Future announces that, with effect date of 25 June 2021, Mr. Ho Man Kit and Ms. Kong Sze Man Simone of Maninvest Asia Limited, have been appointed as joint and several liquidators of the Company pursuant to an order dated 25 June 2021 made by the High Court. Please refer to the announcements of U-Ton Future for further details. At the date of approval of these financial statements, the Group held approximately 7.01% of the total issued share capital of U-Ton Future.

As U-Ton Future is under receivership and there is significant uncertainty about the prospect of resumption, the fair values of the shares of U-Ton Future held by the Group as at 31 March 2022 was assessed to be zero (31 March 2021: approximately HK\$35,897,000).

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

本集團將繼續尋找本地及海外的新機遇，相信將為日後的增長提供更多動力。本集團認為香港上市股權證券仍為具吸引力之投資，長遠可提升本集團之投資回報。董事會未有因為短期市場波動而改變本集團的投資策略。

附註 1

根據中國優通未來空間產業集團控股有限公司（前稱「中國優通控股有限公司」）（「優通未來」）日期為2021年5月5日、2021年5月13日、2021年5月27日及2021年6月29日的公佈，於2021年2月4日根據《公司（清盤及雜項規定）條例》（第32章）向香港特別行政區高等法院（「高等法院」）提交針對優通未來的呈請，據此，高等法院於2021年5月5日在HCCW 57/2021一案中頒令優通未來清盤，及委任破產管理署署長為優通未來的臨時清盤人。優通未來股份的股價為每股0.161港元，自2021年5月5日已暫停買賣。於2021年5月7日，破產管理署署長向高等法院提出申請，（其中包括）要求頒令委任優通未來的共同清盤人。根據高等法院於2021年6月25日之命令，優通未來宣佈，宏傑亞洲有限公司的何文傑先生和江詩敏女士被委任為該公司之共同及各別清盤人，並自2021年6月25日起生效。進一步詳情請參閱優通未來的公佈。於該等財務報表獲批准日期，本集團持有優通未來已發行股本總額約7.01%。

於2022年3月31日，由於優通未來已被接管，且複牌的前景存在重大不確定性，本集團持有的優通未來股份的公允價值經評估為零港元（2021年3月31日：約35,897,000港元）。

有關進一步的資料，請參閱(i)日期為2019年7月17日有關收購中國汽車新零售股份的公佈；(ii)日期為2019年8月16日及8月19日有關收購優通未來的公佈；以及(iii)日期為2019年9月19日有關收購優通未來股份的通函。

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Note 2

As disclosed in the announcement of the Company dated 15 September 2021, as at 31 March 2021, the Group held the following significant investment:

| Name | Place of incorporation | HK stock code | Date of acquisitions | Number of acquired shares as at 31 March 2021 | Proportion of acquired shares in the total issued share capital of investee as at 31 March 2021 | Cost (exclusive of transaction costs) | Principal activities | Fair value | For the year ended 31 March 2021 | | Dividend income |
|--------------------------------------------------------------------|------------------------|---------------|----------------------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------------|------------------------------------------------|-------------------------|
| | | | | | | | | As at 31 March 2021 | Percentage to the Group's total assets | Unrealised gain/(loss) on change in fair value | |
| 名稱 | 註冊成立地點 | 香港股份代號 | 收購日期 | 於2021年3月31日已收購股份數目 | 於2021年3月31日被投資方已發行股本總額的比例 | 成本(不包括交易成本) HK\$'000 千港元 | 主要業務 | 於2021年3月31日 HK\$'000 千港元 | 佔本集團資產總值的比例 % | 變動的未變現收益/(虧損) HK\$'000 千港元 | 股息收入 HK\$'000 千港元 |
| Xiezhong International Holdings Limited ("Xiezhong International") | Cayman Islands | 3663 | 11 July and 14 August 2019 | 19,296,000 | Approximately 2.41% | Approximately 36,390 | (i) Design, production and sale of automotive heating, ventilation and cooling systems and a range of automotive HVAC components and rendering of services; and (ii) 4S dealership business | Approximately 13,700 | Approximately 5.99 | Approximately (9,455) | - |
| 協眾國際控股有限公司(「協眾國際」) | 開曼群島 | | 2019年7月11日及8月14日 | | 約2.41% | 約36,390 | (i) 設計、生產及銷售汽車供暖、通風及冷卻系統及不同種類的汽車HVAC部件以及提供服務；及(ii)4S經銷業務 | 約13,700 | 約5.99 | 約(9,455) | - |

Based on the announcements of Xiezhong International and the scheme document jointly issued by Brilliance International Holding Limited, Golden Fair Chemical (Holding) Limited and Xiezhong International on 24 May 2021, a proposal (the "Proposal") for the privatisation of Xiezhong International by way of a scheme of arrangement under Section 86 of the Companies Act (the "Scheme") was made on 26 February 2021. Pursuant to the announcement of Xiezhong International dated 5 July 2021, the Proposal becomes unconditional and the Scheme becomes effective, the withdrawal of the listing of the Shares on the Stock Exchange becomes effective from 7 July 2021. Please refer to the announcements of Xiezhong International for further details. Cheques of approximately HK\$15,437,000 for cash payment under the Scheme was received on 15 July 2021 which was intended to be used as general working capital purposes of the Group.

Future Plans for Material Investments and Capital Assets

There was no definite future plan for material investments or acquisition of material capital assets as at 31 March 2022.

Material Acquisitions and Disposal of Subsidiaries and Affiliated Companies

Save as disclosed in the paragraph headed "Significant Investments Held" in this report, the Group did not have any material acquisitions or disposals of subsidiaries or affiliated companies during the year ended 31 March 2022.

附註2

誠如本公司日期為2021年9月15日的公佈所披露，於2021年3月31日，本集團持有以下重大投資：

| Name | Place of incorporation | HK stock code | Date of acquisitions | Number of acquired shares as at 31 March 2021 | Proportion of acquired shares in the total issued share capital of investee as at 31 March 2021 | Cost (exclusive of transaction costs) | Principal activities | Fair value | For the year ended 31 March 2021 | | Dividend income |
|--------------------------------------------------------------------|------------------------|---------------|----------------------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------------|------------------------------------------------|-------------------------|
| | | | | | | | | As at 31 March 2021 | Percentage to the Group's total assets | Unrealised gain/(loss) on change in fair value | |
| 名稱 | 註冊成立地點 | 香港股份代號 | 收購日期 | 於2021年3月31日已收購股份數目 | 於2021年3月31日被投資方已發行股本總額的比例 | 成本(不包括交易成本) HK\$'000 千港元 | 主要業務 | 於2021年3月31日 HK\$'000 千港元 | 佔本集團資產總值的比例 % | 變動的未變現收益/(虧損) HK\$'000 千港元 | 股息收入 HK\$'000 千港元 |
| Xiezhong International Holdings Limited ("Xiezhong International") | Cayman Islands | 3663 | 11 July and 14 August 2019 | 19,296,000 | Approximately 2.41% | Approximately 36,390 | (i) Design, production and sale of automotive heating, ventilation and cooling systems and a range of automotive HVAC components and rendering of services; and (ii) 4S dealership business | Approximately 13,700 | Approximately 5.99 | Approximately (9,455) | - |
| 協眾國際控股有限公司(「協眾國際」) | 開曼群島 | | 2019年7月11日及8月14日 | | 約2.41% | 約36,390 | (i) 設計、生產及銷售汽車供暖、通風及冷卻系統及不同種類的汽車HVAC部件以及提供服務；及(ii)4S經銷業務 | 約13,700 | 約5.99 | 約(9,455) | - |

根據協眾國際的公佈及光華國際控股有限公司、金輝化工(控股)有限公司與協眾國際於2021年5月24日聯合刊發的計劃文件，本公司於2021年2月26日根據公司法第86條以協議計劃(「計劃」)的方式將協眾國際私有化的建議(「建議事項」)。根據協眾國際日期為2021年7月5日的公佈，建議事項成為無條件且計劃生效，撤銷股份於聯交所的上市地位自2021年7月7日起生效。進一步詳情請參閱協眾國際的公佈。就2021年7月15日收訖計劃項下現金付款開出的支票約值15,437,000港元，擬用作本集團的一般營運資金。

重大投資及資本資產之未來計劃

於2022年3月31日，本集團並無任何有關重大投資或重大資本資產收購之具體未來計劃。

重大收購及出售附屬公司及聯屬公司

除本報告「持有之重大投資」一段所披露者外，本集團於截至2022年3月31日止年度並無任何重大收購或出售附屬公司或聯屬公司事項。

Charges of assets

As at 31 March 2022, the Group had no short-term secured borrowings (2021: Nil).

Contingent liabilities

The Group had no material contingent liabilities as at 31 March 2022 (2021: Nil).

SIGNIFICANT EVENTS

Mandatory unconditional cash offer

As disclosed in the joint announcements dated 8 October 2021 and 29 October 2021, and the composite offer and response document dated 5 November 2021 jointly issued by the Company and Perfect Gain Group Limited (the “Offeror”), the Offeror (as purchaser) and Messrs. Lai Kar Yan (Derek) and Ho Kwok Leung Glen of Deloitte Touche Tohmatsu (as receivers) (the “Joint Receivers”), who were appointed as the joint and several receivers pursuant to the deed of appointment of receivers dated 26 February 2020 over 129,372,494 shares of the Company (representing approximately 74.96% of the entire issued share capital of the Company) (the “Sale Shares”) held by HNA Aviation Investment Holding Company Ltd., the vendor, had entered into a sale and purchase agreement on 26 September 2021 (the “Sale and Purchase Agreement”), pursuant to which the Joint Receivers had agreed to sell and the Offeror had agreed to purchase the Sale Shares.

Consideration for the Sale Shares pursuant to the Sale and Purchase Agreement amounted to HK\$200,000,000, equivalently to approximately HK\$1.546 per Sale Share. Completion of the Sale and Purchase Agreement took place on 30 September 2021.

Upon completion of the Sale and Purchase Agreement, the Offeror, its ultimate beneficial owner and their respective parties acting in concert own 129,372,494 shares of the Company (the “Shares”), representing approximately 74.96% of the entire issued share capital of the Company. Pursuant to the Hong Kong Code on Takeovers and Mergers, Somerley Capital Limited, on behalf of the Offeror, made mandatory unconditional cash offer to acquire all the issued shares of the Company (other than those already owned by the Offeror) at HK\$1.546 for each Share (the “Offer”).

Pursuant to the announcement dated 26 November 2021 jointly issued by the Company and the Offeror, the Offer was closed on 26 November 2021 and the Offeror received valid acceptances in respect of a total of 160,000 Shares under the Offer, representing approximately 0.09% of the entire issued share capital of the Company.

Immediately after the close of the Offer, on 26 November 2021, the Offeror, its ultimate beneficial owner and parties acting in concert with it were beneficially interested in 129,532,494 Shares, representing approximately 75.05% of the entire issued share capital of the Company.

資產抵押

於2022年3月31日，本集團概無短期已抵押借貸(2021年：無)。

或然負債

於2022年3月31日，本集團並無任何重大或然負債(2021年：無)。

重大事項

強制性無條件現金要約

誠如日期為2021年10月8日及2021年10月29日之聯合公佈，以及本公司及精益集團有限公司(「要約人」)於2021年11月5日聯合刊發的綜合要約及回應文件所披露，要約人(作為買方)與德勤•關黃陳方會計師行的黎嘉恩先生及何國樑先生(作為接管人，「聯席接管人」)，根據日期為2020年2月26日之接管人委任契據獲委任為本公司129,372,494股股份之共同及個別接管人，有關股份約佔本公司全部已發行股本74.96%(「銷售股份」)，並由賣方HNA Aviation Investment Holding Company Ltd.持有)於2021年9月26日訂立買賣協議(「買賣協議」)，據此，聯席接管人已同意出售而要約人已同意購買銷售股份。

根據買賣協議，銷售股份的代價為200,000,000港元，相當於每股銷售股份約1.546港元。買賣協議已完成並於2021年9月30日作實。

於買賣協議完成後，要約人、其最終實益擁有人及其各自的一致行動人士擁有本公司129,372,494股股份(「股份」)，佔本公司全部已發行股本約74.96%。根據香港公司收購及合併守則，新百利融資有限公司代表要約人作出強制性無條件現金要約以每股股份1.546港元收購本公司全部已發行股份(要約人已擁有者除外)(「要約」)。

根據本公司與要約人聯合刊發日期為2021年11月26日的公佈，要約已於2021年11月26日截止，要約人已接獲要約項下合共160,000股要約股份的有效接納，佔本公司全部已發行股本約0.09%。

緊隨要約截止後，於2021年11月26日，要約人、其最終實益擁有人及其一致行動人士實益擁有129,532,494股股份權益，佔本公司全部已發行股本約75.05%。

Restoration of public float of the Company

As disclosed in the announcement dated 26 November 2021 jointly issued by the Company and the Offeror, the number of Shares held by the public fell below the minimum public float requirement of 25% as set out under Rule 8.08(1)(a) of the Listing Rules.

On 14 December 2021, the Company was granted a temporary waiver (the “Waiver”) from strict compliance with Rule 8.08(1)(a) of the Listing Rules to allow time for the Offeror to dispose the necessary Shares to independent third party(ies) in order to restore the required minimum public float by the Stock Exchange for the period from 26 November 2021 to 31 December 2021, subject to the disclosure of the Waiver (including details and reasons) by way of publication of the announcement issued by the Company dated 14 December 2021.

On 22 December 2021, the Company has been informed by the Offeror that the Offeror has disposed of 83,000 Shares, representing approximately 0.05% of the total issued Shares of the Company (the “Disposal”) to independent third parties. Immediately after the Disposal, 43,150,506 Shares, representing approximately 25.00% of the entire issued Shares of the Company, were held by the public (within the meaning of the Listing Rules). As such, the minimum public float requirement of 25% as set out under Rule 8.08(1)(a) of the Listing Rules has been fulfilled.

Formation of Joint Venture

As disclosed in the announcement of the Company dated 17 December 2021, the Company entered into a Joint Venture Agreement (the “JV Agreement”) with San J Jewellery Limited (新寶珠寶製造有限公司) (“San J Jewellery”) on 16 December 2021, pursuant to which the parties agreed to form a joint venture, Perfect King International Limited (寶鈞國際有限公司), a company incorporated in Hong Kong with limited liability (the “Joint Venture”), to engage in the online sales of jewellery to Mainland China.

According to the JV Agreement, the registered capital of the Joint Venture is HK\$5,000,000, with the Company paying up contribution in cash of HK\$2,550,000, representing 51% of shareholding in the Joint Venture, and San J Jewellery paying up contribution in cash of HK\$2,450,000, representing 49% of shareholding in the Joint Venture. Moreover, the board of directors of the Joint Venture shall consist of five directors, three of whom shall be appointed by the Company whereas two of whom shall be appointed by San J Jewellery. The first chairman of the board of directors of the Joint Venture shall be appointed by the Company.

恢復本公司公眾持股量

誠如本公司與要約人聯合刊發日期為2021年11月26日的公佈，公眾持股量低於上市規則第8.08(1)(a)條所規定的25%之最低公眾持股量要求。

於2021年12月14日，本公司獲暫時豁免(「豁免」)嚴格遵守上市規則第8.08(1)(a)條，以讓要約人有時間向獨立第三方出售所需股份，以便於2021年11月26日至2021年12月31日期間恢復聯交所規定的最低公眾持股量，惟須以本公司於2021年12月14日刊發公佈的方式披露豁免(包括詳情及理由)。

於2021年12月22日，本公司已接獲要約人通知，要約人已向獨立第三方出售83,000股股份(佔本公司全部已發行股份約0.05%)(「出售事項」)。緊隨出售事項後，43,150,506股(佔本公司全部已發行股份約25.00%)由公眾(定義見上市規則)持有。因此，上市規則第8.08(1)(a)條所載25%的最低公眾持股量規定已獲達成。

成立合營公司

誠如本公司日期為2021年12月17日的公佈所披露，於2021年12月16日，本公司與新寶珠寶製造有限公司(「新寶珠」)訂立合營協議(「合營協議」)，據此，訂約方同意成立合營公司寶鈞國際有限公司(於香港註冊成立的有限公司，「合營公司」)，以從事網上銷售珠寶至中國內地之業務。

根據合營協議，合營公司之註冊資本為5,000,000港元，本公司須以現金支付注資2,550,000港元(佔合營公司股權之51%)，而新寶珠須以現金支付注資2,450,000港元(佔合營公司股權之49%)。此外，合營企業之董事會應由五名董事組成，其中三名應由本公司委任，另其中兩名應由新寶珠委任。合營公司之董事會首任主席應由本公司委任。

The reasons for and benefits of entering into the JV Agreement are that, the Group has been actively exploring possibilities to expand its sales directly to customers in Mainland China. Given that the establishment of the Joint Venture shall be based on the principle of “complementary advantages, mutual support, long-term co-operation and common development” of the parties with the ultimate goal of penetrating into the online jewellery market of Mainland China, the Directors (including the independent non-executive Directors) consider that the formation of the Joint Venture represents a strategic move for the Group. The Directors (including the independent non-executive Directors) consider that the formation of the Joint Venture is conducted in the ordinary and usual course of business of the Company, the terms of which are fair and reasonable, on normal commercial terms and in the interests of the Company and the shareholders as a whole.

During the Reporting Period, the joint venture arrangement was not effective as the conditions in the JV Agreement were not satisfied. As a result, the Joint Venture was classified as a non-wholly owned subsidiary of the Company.

On 31 March 2022, the Company acquired the remaining 49% issued shares of the Joint Venture from the non-controlling shareholder (the “Acquisition”) to continue the development of online sales channel and the Joint Venture became a wholly owned subsidiary of the Company as of 31 March 2022 upon the completion of the Acquisition. The Acquisition does not constitute any change in control of the Joint Venture.

For more details of the Joint Venture and the JV Agreement, please refer to the announcement of the Company dated 17 December 2021.

訂立合營協議的理由及裨益為本集團一直積極探索將其銷售直接擴展至中國內地客戶的可能性。鑒於成立合營公司應基於訂約方的「優勢互補、相互支持、長期合作及共同發展」原則，以滲透中國內地網上珠寶市場為最終目標，董事(包括獨立非執行董事)認為，成立合營公司為本集團的策略舉措。董事(包括獨立非執行董事)認為，成立合營公司於本公司日常及一般業務過程中進行，其條款屬公平合理，按一般商業條款訂立，並符合本公司及股東的整體利益。

於報告期內，由於合營協議的條件未獲達成，故合營安排並未生效。因此，合營公司分類為本公司的非全資附屬公司。

於2022年3月31日，本公司向非控股股東收購合營公司剩餘49%之已發行股份(「收購事項」)，以繼續發展線上銷售渠道，而於收購事項完成後，合營公司於2022年3月31日成為本公司之全資附屬公司。收購事項並不構成合營公司控制權之任何變動。

有關合營公司及合營協議的更多詳情，請參閱本公司日期為2021年12月17日的公佈。

CORPORATE GOVERNANCE PRACTICES

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

The Board has adopted the code provisions (the “Code Provisions”) of the old Corporate Governance Code set out in Appendix 14 to the Listing Rules and now has adopted the new Corporate Governance Code as the basis of the Company’s corporate governance practices enabling its shareholders to evaluate. The Code Provisions numbers referred to in this report are those of the old Corporate Governance Code. During the year ended 31 March 2022, save as disclosed below, the Company had complied with the Code Provisions.

Code Provisions A.6.7 and E.1.2

Pursuant to A.6.7 of the Code Provisions, independent non-executive Directors should attend the annual general meeting of the Company to develop a balanced understanding of the views of the shareholders. However, the then independent non-executive Director, Mr. Ting Tit Cheung and the then non-executive Director, Ms. Mary Ang Mei Lee, did not attend the annual general meeting of the Company held on 19 August 2021 (the “2021 AGM”) due to other business engagements.

Pursuant to E.1.2 of the Code Provisions, the chairman of the Board should attend the annual general meeting. Mr. Su Zhiyi, the then chairman of the Board, was not able to attend the 2021 AGM due to COVID-19. Mr. Chan Chi Kuen, the then independent non-executive Director of the Company, was appointed as the chairman of the 2021 AGM to answer and address questions raised by the shareholders at the 2021 AGM.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transaction by Director of the Company. Having made specific enquiries to all the Directors, the Directors confirmed that they had complied with the required standard as set out in the Model Code during the year ended 31 March 2022.

BOARD COMPOSITION AND CHANGES

As at 31 March 2022 and up to the date of this report, the Board comprises six Directors, of which two are executive Directors, one is non-executive Director and three are independent non-executive Directors. In addition, a list containing the names of the Directors and their roles and functions is available on the websites of the Group and the Stock Exchange. The composition of the Board is as follows:

企業管治守則

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

董事會已採納上市規則附錄十四所載舊企業管治守則之守則條文（「守則條文」），目前已採納新企業管治守則作為本公司企業管治常規的基礎，以便股東進行評估。本報告所述守則條文編號為舊企業管治守則之守則條文編號。截至2022年3月31日止年度，除下文所披露者外，本公司一直遵守守則條文。

守則條文第A.6.7條及第E.1.2條

根據該守則條文第A.6.7條，獨立非執行董事應出席本公司股東週年大會以對股東的意見有公正的了解。然而，當時的獨立非執行董事丁鐵翔先生及當時的非執行董事洪美莉女士由於其他業務承擔未有出席本公司於2021年8月19日舉行的股東週年大會（「二零二一年股東週年大會」）。

根據守則條文第E.1.2條董事會主席應出席股東週年大會。當時的董事會主席蘇志一先生因應COVID 19疫情未能出席二零二一年股東週年大會。陳志權先生（本公司當時的獨立非執行董事）獲委任為二零二一年股東週年大會主席以回應股東於二零二一年股東週年大會上提出的問題。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易之行為守則。經向全體董事作出具體查詢後，董事確認於截至2022年3月31日止年度已遵守標準守則所載規定標準。

董事會組成及變動

於2022年3月31日及直至本報告日期，董事會由六名董事組成，其中包括兩名執行董事、一名非執行董事及三名獨立非執行董事。此外，董事名單與彼等角色和職能已載於本集團及聯交所之網站。董事會成員如下：

Executive Directors

Dr. So Shu Fai (*Chairman*)
Mr. Tom Xie (*Chief Executive Officer*)

Non-executive Director

Mr. Chan Wai Dune

Independent non-executive Directors

Mr. Yau Pak Yue
Mr. Chung Wai Man
Mr. Ning Rui

Up to the date of this annual report, there were changes in the composition of the Board.

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULES 13.51(2) AND 13.51B OF THE LISTING RULES

During the year ended 31 March 2022 there were certain changes of the Directors and board committees composition:

With effect from 11 May 2021:

- (i) Mr. Yau Pak Yue has been appointed as an independent non-executive Director;
- (ii) Mr. Chung Wai Man has been appointed as an independent non-executive Director; and
- (iii) Mr. Ning Rui has been appointed as an independent non-executive Director.

With effect from 9 July 2021:

- (i) Ms. Mary Ang Mei Lee has been appointed as a non-executive Director; and
- (ii) Mr. Tom Xie has been appointed as a non-executive Director.

With effect from 8 November 2021:

- (i) Mr. Tom Xie has been redesignated from the position of non-executive Director to the position of executive Director; and
- (ii) Mr. Chan Wai Dune has been appointed as a non-executive Director.

With effect from 27 November 2021:

- (i) Mr. Su Zhiyi has resigned from the position of executive Director and the chairman of the Board, and ceased to be the chairman of the Nomination Committee and a member of the Remuneration Committee;
- (ii) Mr. Xiong Cong has resigned from the position of executive Director and the Chief Executive Officer, and ceased to be a member of the Nomination Committee and the Remuneration Committee and the Authorised Representative (the "Authorised Representative") under Rule 3.05 of the Listing Rules;
- (iii) Mr. Cai Si has resigned from the position of executive Director;

執行董事

蘇樹輝博士 (主席)
謝祺祥先生 (行政總裁)

非執行董事

陳維端先生

獨立非執行董事

邱伯瑜先生
鍾衛民先生
寧睿先生

至本年報日期止，董事會成員有以下變動。

根據上市規則第13.51(2)條及第13.51B條披露董事資料

於截至2022年3月31日止年度，董事及董事會委員會組成曾有若干變動：

自2021年5月11日起生效：

- (i) 邱伯瑜先生已獲委任為獨立非執行董事；
- (ii) 鍾衛民先生已獲委任為獨立非執行董事；及
- (iii) 寧睿先生已獲委任為獨立非執行董事。

自2021年7月9日起生效：

- (i) 洪美莉女士已獲委任為非執行董事；及
- (ii) 謝祺祥先生已獲委任為非執行董事。

自2021年11月8日起生效：

- (i) 謝祺祥先生已由非執行董事調任為執行董事；及
- (ii) 陳維端先生已獲委任為非執行董事。

自2021年11月27日起生效：

- (i) 蘇志一先生已辭任執行董事兼董事會主席職務，並不再擔任提名委員會主席及薪酬委員會成員；
- (ii) 熊聰先生已辭任執行董事兼行政總裁職務，並不再擔任提名委員會及薪酬委員會成員以及上市規則第3.05條項下之授權代表(「授權代表」)；
- (iii) 蔡斯先生已辭任執行董事職務；

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| <p>(iv) Ms. Mary Ang Mei Lee has resigned from the position of non-executive Director;</p> <p>(v) Mr. Ting Tit Cheung has resigned from the position of independent non-executive Director, and ceased to be the chairman of the Remuneration Committee, and a member of the Audit Committee and the Nomination Committee;</p> <p>(vi) Mr. Chan Chi Kuen has resigned from the position of independent non-executive Director, and ceased to be the chairman of the Audit Committee, and a member of the Remuneration Committee and the Nomination Committee;</p> <p>(vii) Mr. Lo Chun Pong has resigned from the position of independent non-executive Director, and ceased to be a member of the Remuneration Committee, the Nomination Committee and the Audit Committee;</p> <p>(viii) Mr. Tom Xie, the executive Director, has been appointed as the chairman of the Nomination Committee and a member of the Remuneration Committee, and as the Authorised Representative;</p> <p>(ix) Mr. Chan Wai Dune, the non-executive Director, has been appointed as the chairman of the Remuneration Committee and a member of the Nomination Committee;</p> <p>(x) Mr. Yau Pak Yue, the independent non-executive Director, has been appointed as the chairman of the Audit Committee, and a member of the Remuneration Committee and the Nomination Committee;</p> <p>(xi) Mr. Chung Wai Man, the independent non-executive Director, has been appointed as a member of the Audit Committee, the Remuneration Committee and the Nomination Committee; and</p> <p>(xii) Mr. Ning Rui, the independent non-executive Director, has been appointed as a member of the Audit Committee, the Remuneration Committee and the Nomination Committee.</p> | <p>(iv) 洪美莉女士已辭任非執行董事職務；</p> <p>(v) 丁鐵翔先生已辭任獨立非執行董事職務，並不再擔任薪酬委員會主席以及審核委員會及提名委員會成員；</p> <p>(vi) 陳志權先生已辭任獨立非執行董事職務，並不再擔任審核委員會主席以及薪酬委員會及提名委員會成員；</p> <p>(vii) 盧振邦先生已辭任獨立非執行董事，並不再擔任薪酬委員會、提名委員會及審核委員會成員；</p> <p>(viii) 執行董事謝祺祥先生已獲委任為提名委員會主席及薪酬委員會成員以及授權代表；</p> <p>(ix) 非執行董事陳維端先生已獲委任為薪酬委員會主席及提名委員會成員；</p> <p>(x) 獨立非執行董事邱伯瑜先生已獲委任為審核委員會主席以及薪酬委員會及提名委員會成員；</p> <p>(xi) 獨立非執行董事鍾衛民先生已獲委任為審核委員會、薪酬委員會及提名委員會成員；及</p> <p>(xii) 獨立非執行董事寧睿先生已獲委任為審核委員會、薪酬委員會及提名委員會成員。</p> |
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With effect from 1 December 2021:

- (i) Dr. So Shu Fai has been appointed as the chairman of the Board cum executive Director, and the co-chairman of the Nomination Committee and the Remuneration Committee;
- (ii) Mr. Tom Xie has been appointed as the Chief Executive Officer of the Company and redesignated as co-chairman of the Nomination Committee; and
- (iii) Mr. Chan Wai Dune has been redesignated as co-chairman of the Remuneration Committee.

Details of the above changes of Directors and their biographies, and board committees composition, respectively have been disclosed in the announcements of the Company dated 11 May 2021, 12 July 2021, 8 November 2021 and 29 November 2021.

自 2021 年 12 月 1 日起生效：

- (i) 蘇樹輝博士已獲委任為董事會主席兼執行董事，以及提名委員會及薪酬委員會聯席主席；
- (ii) 謝祺祥先生已獲委任為行政總裁，並調任為提名委員會聯席主席；及
- (iii) 陳維端先生已調任為薪酬委員會聯席主席。

有關上文董事變更事項及董事履歷詳情及董事會委員會成員已分別於本公司 2021 年 5 月 11 日、2021 年 7 月 12 日、2021 年 11 月 8 日及 2021 年 11 月 29 日之公佈披露。

As at the date of this report, there were certain changes of the board committees composition:

With effect from 30 June 2022:

- (i) Dr. So Shu Fai, the co-chairman of the Nomination Committee and Remuneration Committee has been re-designated as chairman of the Nomination Committee and member of the Remuneration Committee;
- (ii) Mr. Tom Xie, the co-chairman of the Nomination Committee has been re-designated as member of the Nomination Committee;
- (iii) Mr. Chan Wai Dune has ceased to be the co-chairman and member of the Remuneration Committee and the member of the Nomination Committee; and
- (iv) Mr. Yau Pak Yue, the member of the Remuneration Committee has been appointed as chairman of the Remuneration Committee.

RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

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

As no corporate governance committee has been established, the Board is also responsible for determining the Company's corporate governance policies and has considered the following corporate governance matters during the year ended 31 March 2022 and up to the date of this report, which include:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (iv) to review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- (v) to review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report; and
- (vi) to review the effectiveness of the risk management and internal control systems of the Company and its subsidiaries as set out in code provision C.2.1 of the Code Provisions.

於本報告日期，董事會委員會成員組合有若干變動：

自2022年6月30日起生效：

- (i) 提名委員會及薪酬委員會之聯席主席蘇樹輝博士已調任為提名委員會之主席及薪酬委員會之成員；
- (ii) 提名委員會之聯席主席謝祺祥先生已調任為提名委員會之成員；
- (iii) 陳維端先生不再擔任薪酬委員會之聯席主席及成員以及提名委員會之成員；及
- (iv) 薪酬委員會成員邱伯瑜先生已獲委任為薪酬委員會主席。

董事會及管理層之責任

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

由於截至2022年3月31日止年度直至本報告日期，並無成立企業管治委員會，董事會亦須負責釐定本公司的企業管治政策並已考慮以下企業管治事宜，包括：

- (i) 制訂並檢討本公司的企業管治政策及常規；
- (ii) 檢討並監察董事及高級管理層的培訓及持續專業發展；
- (iii) 檢討並監察本公司在遵守法律及監管規定方面的政策及常規；
- (iv) 檢討並監察適用於僱員及董事的操守守則及合規手冊（如有）；
- (v) 檢討本公司遵守企業管治守則的情況及於企業管治報告中作出的披露；及
- (vi) 檢討守則條文第C.2.1條所載本公司及其附屬公司的風險管理及內部監控制度是否有效。

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

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

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

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

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of financial position and financial performance of the Group. The financial statements set out on pages 102 to 179 were prepared on the basis set out in note 2 to the financial statements. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements. The declaration of reporting responsibility issued by the external auditors of the Company on the financial statements is set out in the Independent Auditors' Report on pages 96 to 101.

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

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

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

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

董事會知悉其有責任編製真實及公平反映本集團財務狀況及財務表現的財務報表。第102至179頁所載的財務報表乃按財務報表附註2所載基準編製。本集團財務業績會根據法定及／或監管規定適時公佈。本公司外聘核數師就財務報表出具的報告職責聲明載於第96至101頁的獨立核數師報告。

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

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

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

BOARD MEETINGS AND ANNUAL GENERAL MEETING

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

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

獨立非執行董事

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

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

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

董事會會議及股東週年大會

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

除正式會議外，須董事會批准的事宜則以傳閱書面決議案方式處理。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

| Directors 董事 | BM 董事會 會議 | Meetings attended/Eligible to attend 出席會議／合資格出席會議 | | | | AGM 股東週年 大會 |
|-------------------------------------------------------|-----------------|------------------------------------------------------|--------------------|--------------------|-----|-------------------|
| | | ACM 審核委員會 會議 | NCM 提名委員會 會議 | RCM 薪酬委員會 會議 | | |
| Executive Directors 執行董事 | | | | | | |
| SO Shu Fai 蘇樹輝 (Note i) (附註 i) | 3/3 | – | 2/2 | – | – | |
| Tom XIE 謝祺祥 (Note ii) (附註 ii) | 10/10 | – | 3/3 | – | 1/1 | |
| SU Zhiyi 蘇志一 (Note iii) (附註 iii) | 6/9 | – | 2/2 | 1/3 | 0/1 | |
| XIONG Cong 熊聰 (Note iii) (附註 iii) | 8/9 | – | 2/2 | 1/3 | 1/1 | |
| CAI Si 蔡斯 (Note iii) (附註 iii) | 2/9 | – | – | – | 0/1 | |
| Non-executive Directors 非執行董事 | | | | | | |
| Mary ANG Mei Lee 洪美莉 (Note iii and iv) (附註 iii 及 iv) | 4/6 | – | – | – | 0/1 | |
| CHAN Wai Dune 陳維端 (Note v) (附註 v) | 5/5 | – | 1/1 | – | – | |
| Independent Non-executive Directors 獨立非執行董事 | | | | | | |
| TING Tit Cheung 丁鐵翔 (Note iii) (附註 iii) | 6/9 | 0/1 | 1/2 | 3/3 | 0/1 | |
| CHAN Chi Kuen 陳志權 (Note iii) (附註 iii) | 9/9 | 1/1 | 2/2 | 3/3 | 1/1 | |
| LO Chun Pong 盧振邦 (Note iii) (附註 iii) | 6/9 | 1/1 | 2/2 | 2/3 | 1/1 | |
| YAU Pak Yue 邱伯瑜 (Note vi) (附註 vi) | 12/12 | 1/1 | 3/3 | – | 1/1 | |
| CHUNG Wai Man 鍾衛民 (Note vi) (附註 vi) | 12/12 | 1/1 | 3/3 | – | 1/1 | |
| NING Rui 寧睿 (Note vi) (附註 vi) | 12/12 | 1/1 | 3/3 | – | 1/1 | |

Notes

- i Appointed as chairman and executive Director on 1 December 2021
- ii Appointed as non-executive Director on 9 July 2021, redesignated as executive Director on 8 November 2021 and appointed as Chief Executive Officer on 1 December 2021
- iii Resigned on 27 November 2021
- iv Appointed on 9 July 2021
- v Appointed on 8 November 2021
- vi Appointed on 11 May 2021

附註

- i 於2021年12月1日獲委任為主席及執行董事
- ii 於2021年7月9日獲委任為非執行董事，於2021年11月8日調任為執行董事，並於2021年12月1日獲委任為行政總裁
- iii 於2021年11月27日辭任
- iv 於2021年7月9日獲委任
- v 於2021年11月8日獲委任
- vi 於2021年5月11日獲委任

CONTINUOUS PROFESSIONAL DEVELOPMENT

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

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

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

Directors 董事

Executive Directors 執行董事

SO Shu Fai 蘇樹輝 (Note i) (附註 i)
Tom XIE 謝祺祥 (Note ii) (附註 ii)
SU Zhiyi 蘇志一 (Note iii) (附註 iii)
XIONG Cong 熊聰 (Note iii) (附註 iii)
CAI Si 蔡斯 (Note iii) (附註 iii)

Non-executive Directors 非執行董事

Mary ANG Mei Lee 洪美莉 (Note iii and iv) (附註 iii 及 iv)
CHAN Wai Dune 陳維端 (Note v) (附註 v)

Independent Non-executive Directors 獨立非執行董事

TING Tit Cheung 丁鐵翔 (Note iii) (附註 iii)
CHAN Chi Kuen 陳志權 (Note iii) (附註 iii)
LO Chun Pong 盧振邦 (Note iii) (附註 iii)
YAU Pak Yue 邱伯瑜 (Note vi) (附註 vi)
CHUNG Wai Man 鍾衛民 (Note vi) (附註 vi)
NING Rui 寧睿 (Note vi) (附註 vi)

Notes

- i Appointed as chairman and executive Director on 1 December 2021
ii Appointed as non-executive Director on 9 July 2021, redesignated as executive Director on 8 November 2021 and appointed as Chief Executive Officer on 1 December 2021
iii Resigned on 27 November 2021
iv Appointed on 9 July 2021
v Appointed on 8 November 2021
vi Appointed on 11 May 2021

持續專業發展

董事參與培訓課程，相關培訓課程着重上市公司董事的角色、職能及責任。

所有董事已提供參加培訓的記錄，本公司也將繼續依據守則條文安排及/或者撥付培訓。

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

| | Type of Trainings 培訓類別 | |
|------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| | attending seminars and/or conferences and/or forums 出席研討會及/ 或議會及/ 或論壇 | reading journals, updates, articles and/or materials, etc 閱讀期刊、最新 資訊、文章及/ 或資料等等 |
| SO Shu Fai 蘇樹輝 (Note i) (附註 i) | ✓ | ✓ |
| Tom XIE 謝祺祥 (Note ii) (附註 ii) | ✓ | ✓ |
| SU Zhiyi 蘇志一 (Note iii) (附註 iii) | ✓ | ✓ |
| XIONG Cong 熊聰 (Note iii) (附註 iii) | ✓ | ✓ |
| CAI Si 蔡斯 (Note iii) (附註 iii) | ✓ | ✓ |
| Mary ANG Mei Lee 洪美莉 (Note iii and iv) (附註 iii 及 iv) | ✓ | ✓ |
| CHAN Wai Dune 陳維端 (Note v) (附註 v) | ✓ | ✓ |
| TING Tit Cheung 丁鐵翔 (Note iii) (附註 iii) | ✓ | ✓ |
| CHAN Chi Kuen 陳志權 (Note iii) (附註 iii) | ✓ | ✓ |
| LO Chun Pong 盧振邦 (Note iii) (附註 iii) | ✓ | ✓ |
| YAU Pak Yue 邱伯瑜 (Note vi) (附註 vi) | ✓ | ✓ |
| CHUNG Wai Man 鍾衛民 (Note vi) (附註 vi) | ✓ | ✓ |
| NING Rui 寧睿 (Note vi) (附註 vi) | ✓ | ✓ |

附註

- i 於2021年12月1日獲委任為主席及執行董事
ii 於2021年7月9日獲委任為非執行董事，於2021年11月8日調任為執行董事，並於2021年12月1日獲委任為行政總裁
iii 於2021年11月27日辭任
iv 於2021年7月9日獲委任
v 於2021年11月8日獲委任
vi 於2021年5月11日獲委任

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to code provision A.2.1 of the Code Provisions, the Company fully supports the division of responsibility between the Chairman of the Board and the Chief Executive Officer to ensure a balance of power and authority during the year ended 31 March 2022. As at 31 March 2022 and up to the date of this annual report, the positions of the Chairman and Chief Executive Officer were held by Dr. So Shu Fai and Mr. Tom Xie, respectively.

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

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

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

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

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

BOARD COMMITTEES

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

主席及行政總裁

於截至2022年3月31日止年度，根據守則條文的守則條文第A.2.1條，本公司全面支持董事會主席及行政總裁之間的職責分工，以確保權力及授權的平衡。於2022年3月31日及截至本年報日期，主席及行政總裁之職位分別由蘇樹輝博士及謝祺祥先生擔任。

董事之委任、重選及罷免

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

所有執行董事均與本公司訂立服務合約，以及所有非執行董事及獨立非執行董事均與本公司簽訂委任函件。自委任日期起，對執行董事、非執行董事及獨立非執行董事而言，相關任期初步分別為三年、兩年以及一年，惟需接受重選。

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

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

董事會委員會

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

NOMINATION COMMITTEE

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

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

As at the date of this annual report, the nomination committee comprises three independent non-executive Directors, namely Mr. Yau Pak Yue, Mr. Chung Wai Man, and Mr. Ning Rui and two executive Directors, namely Dr. So Shu Fai and Mr. Tom Xie. The Nomination Committee is chaired by Dr. So Shu Fai.

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

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

BOARD DIVERSITY

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

提名委員會

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

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

於本年報日期，提名委員會由三名獨立非執行董事（即邱伯瑜先生、鍾衛民先生及寧睿先生）及兩名執行董事（即蘇樹輝博士及謝祺祥先生）組成。提名委員會主席為蘇樹輝博士。

提名委員會將至少每年舉行一次會議。

在物色合適的董事候選人時，提名委員會會遵循提名政策，根據候選人的技能、經驗、教育背景、專業知識、個人誠信和付出時間，為達致董事會多元化的《董事會成員多元化政策》，以及根據本公司需求和該職位所須遵循的其他相關法律法規的要求來執行選拔程序。所有候選人必須能夠滿足上市規則第3.08及3.09條所規定之標準。將被委任為獨立非執行董事的候選人亦須滿足上市規則第3.13條規定的獨立性標準。合資格的候選人將推薦董事會批准。

董事會多元化

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

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

REMUNERATION COMMITTEE

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

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

The remuneration policy of non-executive Director and independent non-executive Directors is to ensure that the non-executive Director and independent non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs including their participation in respective Board committees. The emoluments of non-executive Director and independent non-executive Directors are determined with reference to their skills, experience, knowledge, duties and market trends. As at the date of this annual report, the remuneration committee consists of three independent non-executive Directors namely Mr. Yau Pak Yue, Mr. Chung Wai Man, Mr. Ning Rui, and two executive Directors, namely Dr. So Shu Fai and Mr. Tom Xie. The Remuneration Committee is chaired by Mr. Yau Pak Yue. Details of remuneration of Directors are set out in note 10 to the financial statements.

At the 2021 AGM, a resolution was passed to authorise the Board to fix the Directors' remuneration. A resolution will be proposed at the forth coming Annual General Meeting to obtain shareholders' authorisation for the Board to fix Directors' remuneration.

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

薪酬委員會

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

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

非執行董事及獨立非執行董事的薪酬政策是要確保非執行董事及獨立非執行董事對參與公司事務包括其參加各董事委員會所作出的努力以及付出的時間得到充分的補償。非執行董事及獨立非執行董事的薪酬乃根據其技能、經驗、知識、責任及市場趨勢釐定。於本年報日期，薪酬委員會包括三名獨立非執行董事（即邱伯瑜先生、鍾衛民先生、寧睿先生）及兩名執行董事（即蘇樹輝博士及謝祺祥先生）。薪酬委員會主席為邱伯瑜先生。董事薪酬詳情載列於財務報表附註10。

2021年股東週年大會通過決議，授權董事會釐定董事薪酬。將在應屆股東週年大會上提呈一項決議案，以獲得股東授權董事會釐定董事薪酬。

Up to 31 March 2022, there was no significant change in the policy and structure of the remuneration of the Directors and senior management. The Remuneration Committee will meet at least once a year for reviewing the remuneration policy and structure and making recommendations to the Board on determining the annual remuneration packages of the Directors and the senior management and other related matters.

AUDIT COMMITTEE

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

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

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

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

截至2022年3月31日，董事及高級管理層的薪酬政策及架構並無重大變化。薪酬委員會每年舉行至少一次會議，以檢討薪酬政策及架構，同時向董事會提出釐定董事及高級管理層的年度薪酬待遇以及其他相關事宜的建議。

審核委員會

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

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

關於第(iii)項，審核委員會負責：

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

- to report to the Board on the matters set out in the Code Provisions;
- to consider other matters, as required by the Board, to be performed by the Audit Committee.

As at the date of this annual report, the Audit Committee consists of three independent non-executive Directors, namely Mr. Yau Pak Yue, Mr. Chung Wai Man and Mr. Ning Rui. The Chairman of the Audit Committee is Mr. Yau Pak Yue, who holds the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules.

As at the date of this annual report, the Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to internal control and financial reporting with the management. The Audit Committee considers that the financial results for the year ended 31 March 2022 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

The Audit Committee has held a meeting with the external auditors on 30 June 2022 to (i) review the financial statements for the year ended 31 March 2022; (ii) discuss the internal control and financial reporting matters of the Group; and (iii) review the financial statements and the auditor's report and recommend to the Board for approval. All members of the committee have attended that meeting. The Audit Committee will meet at least twice a year to review the financial results and reports, financial reporting and compliance procedures, the report of the internal auditor on the Company's internal control and risk management review and processes, and the re-appointment of the external auditor. Pursuant to the terms of reference of the Audit Committee of the Company, the minutes of meetings were circulated to all Committee Members. The minutes were kept by the Company Secretary.

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

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibilities for keeping proper accounting records and preparing the financial statements of each financial period, which shall give a true and fair view of the financial position of the Group and of the financial performance and cash flows for that period. In preparing the financial statements for the year ended 31 March 2022, the Directors have made judgements and estimates that are prudent and reasonable, and prepared the financial statements on a going concern basis.

The relevant responsibility statement from the external auditors is set out in the Independent Auditors' Report on pages 96 to 101.

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

- 就守則條文所載之事宜向董事會匯報；
- 考慮董事會要求審核委員會履行之其他事宜。

於本年報日期，審核委員會包括三名獨立非執行董事（即邱伯瑜先生、鍾衛民先生及寧睿先生）。審核委員會主席為邱伯瑜先生，彼擁有上市規則第3.10(2)及3.21條規定的適當專業資格。

截至本年報日期，審核委員會已考慮及審閱本集團所採納之會計原則及慣例，並已與管理層討論內部控制及財務申報相關事宜。審核委員會認為，截至2022年3月31日止年度的財務業績符合有關會計準則、規則及規定，並已正式作出適當披露。

審核委員會於2022年6月30日與外聘核數師舉行會議以(i)審閱截至2022年3月31日止年度之財務報表；(ii)討論本集團的內部控制及財務報告事宜；及(iii)檢討財務報表及核數師報告並推薦董事會批准。委員會全體成員已出席是次會議。審核委員會每年舉行至少兩次會議，以審閱財務業績及報告、財務申報及合規程序、內部核數師對本公司內部控制及風險管理檢討及過程之報告以及外聘核數師之重新委任。根據本公司之審核委員會之職權範圍，會議紀錄傳閱予全體委員會成員。會議紀錄由公司秘書保存。

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

董事對財務報告之責任

董事確認其保存適當會計賬簿及編製財務報表的責任，財務報表須真實而公平地反映本集團的財務狀況及該期間的財務表現及現金流量。於編製截至2022年3月31日止年度的財務報表時，董事已作出審慎及合理的判斷和估計，並按持續經營基準編製財務報表。

外聘核數師的有關責任聲明載於第96至101頁的獨立核數師報告。

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

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

The basis on which the Company generates or preserves value over the longer term and the strategy for delivering its objectives are explained in the “Management Discussion and Analysis” set out in pages 14 to 27 in this report.

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

AUDITOR'S REMUNERATION

For the year ended 31 March 2022, the total remuneration paid or payable to the Company's auditors, Ernst & Young, totaling approximately HK\$1.4 million.

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

| Types of services | 服務類型 | 31 March 2022 2022年3月31日 | 31 March 2021 2021年3月31日 |
|----------------------|--------|-----------------------------|-----------------------------|
| Audit services | 審核服務 | HK\$'000 千港元 | HK\$'000 千港元 |
| Annual audit service | 年度審核服務 | 1,350 | 1,150 |
| Non-audit service | 非審核服務 | – | – |
| Total | 總計 | 1,350 | 1,150 |

COMPANY SECRETARY

The Company Secretary supports the Chairman, the Board and Board committees by ensuring the Board policy and procedures are followed. The Company Secretary reports to the Board and assists the Board in functioning effectively and efficiently. The Company Secretary also advises the Board on applicable law, rules and regulations, and advises the governance matters and facilitates the induction and professional development of Directors.

During the year ended 31 March 2022, Mr. Chau Chi Lai (“Mr. Chau”) has resigned as the Company Secretary and Chief Financial Officer of the Company with effect from 1 March 2022. Following Mr. Chau's resignation, Mr. Wong Tang Thomas (“Mr. Wong”) has been appointed as the Company Secretary and Chief Financial Officer of the Company since 1 March 2022. Due to re-allocation of personnel resources, Mr. Wong has resigned as the Company Secretary with effect from 14 March 2022. For replacement of Mr. Wong, Mr. Yuen Wai Kin (“Mr. Yuen”) has been appointed as the Company Secretary with effect from 14 March 2022.

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

本公司產生及保障較長期價值所依據基準及為實現其目標的策略於本報告第14至27頁的「管理層討論及分析」中解釋。

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

核數師酬金

截至2022年3月31日止年度，本公司已付或應付本公司核數師安永會計師事務所的酬金總額約為1.4百萬港元。

有關已付或應付核數師的酬金分析載列如下：

公司秘書

公司秘書幫助主席、董事會及董事委員會，確保董事會政策及程序得以遵守。公司秘書向董事會匯報，並協助董事會有效及高效運作。公司秘書亦向董事會提供有關適用法律、規則及條例的意見，並就治理事宜提供建議，幫助董事的入職培訓及專業發展。

於截至2022年3月31日止年度，周智禮先生（「周先生」）已辭任公司秘書及本公司首席財務總監，自2022年3月1日起生效。於周先生辭任後，自2022年3月1日起，黃騰先生（「黃先生」）已獲委任為公司秘書及首席財務總監。基於重新調動人力資源，黃先生已辭任公司秘書，自2022年3月14日起生效。為替補黃先生，袁偉健先生（「袁先生」）已獲委任為公司秘書，自2022年3月14日起生效。

Mr. Yuen is currently a member of The Hong Kong Institute of Certified Public Accountants, a Chartered Secretary and a Chartered Governance Professional of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries). Therefore, Mr. Yuen meets the qualification requirements under Rule 3.28 of the Listing Rules.

The Company Secretary reports directly to the Board and is responsible for, inter alia, providing updated and timely information to all Directors from time to time. For the year ended 31 March 2022, Mr. Yuen has taken over 15 hours of relevant professional training and therefore he has complied Rule 3.29 of the Listing Rule.

Following Mr. Yuen's resignation with effect from 1 June 2022, Ms. Lai Wai Sheung ("Ms Lai") was appointed as the Company Secretary of the Company on 1 June 2022. Ms. Lai is currently a fellow of The Hong Kong Institute of Certified Public Accountants and therefore, the Listing qualification requirement under Rule 3.28 of the Listing Rules is met.

RISK MANAGEMENT AND INTERNAL CONTROL

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

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

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

袁先生現為香港會計師公會會員、香港公司治理公會(前稱香港特許秘書公會)的特許秘書及公司治理師。因此，袁先生符合上市規則第3.28條的資格要求。

公司秘書直接向董事會匯報，負責(其中包括)不時向全體董事提供最新及即時資訊。截至2022年3月31日止年度，袁先生已接受不少於15個小時的相關職業培訓，因此彼已遵循上市規則第3.29條。

繼袁先生於2022年6月1日辭任後，賴偉嫦女士(「賴女士」)於2022年6月1日獲委任為本公司的公司秘書。賴女士現為香港會計師公會資深會員，因此符合上市規則第3.28條的上市資格規定。

風險管理及內部監控

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

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

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

During the financial year ended 31 March 2022, the Audit Committee has conducted a review of the effectiveness of the Group's risk management and internal control systems and procedures covering all controls, including financial, operational and compliance and risk management, and the adequacy of resources, qualifications, experience and training of staff of the Company's financial reporting and treasury function. Confirmations from management in the form of certification that risk management and internal control procedures are functioning effectively to meet the respective financial reporting, operational and compliance needs, are submitted by business unit heads and reporting to the Audit Committee.

Based on the result of the review as reported by the Audit Committee, in respect of the financial year ended 31 March 2022, the Directors considered that the risk management and internal control systems and procedures of the Group were effective and adequate.

INTERNAL AUDIT DEPARTMENT

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

CONFLICTS OF INTEREST DECLARATION

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

WHISTLEBLOWING POLICY

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

在截至2022年3月31日止財政年度內，審核委員會在風險管理及內部監控委員會和部門風險管理及內部監控委員會的協助下，已對本集團的風險管理及內部監控系統及程序是否有效作出檢討，檢討範圍涵蓋所有方面的監控，包括財務監控、運作監控、合規及風險管理監控，以及本公司在財務申報庫務職能方面的資源、員工資歷及經驗是否足夠及員工所接受的培訓是否充足。業務單位主管已呈交管理層以核證方式確認風險管理及內部監控程序行之有效，符合財務申報、營運及合規需要，向審核委員會匯報。

根據審核委員會的檢討結果，董事認為本集團截至2022年3月31日止財政年度的風險管理及內部監控系統及程序為有效及足夠。

內部審核部

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

利益衝突申報

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

舉報政策

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

SHAREHOLDERS' RIGHTS

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

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

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong, namely, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the enquiries are directed before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong (if the enquiries are directed on or after 15 August 2022) or the principal place of business of the Company in Hong Kong at Unit 1122, 11/F, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong. Shareholders who wish to put enquiries to the Board can send their enquiries to the Company Secretary who will ensure these enquiries to be properly directed to the Board. Shareholders may at any time make a request for the Company's information to the extent such information is publicly available. Corporate communication of the Company will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either English or Chinese) or means of receipt of the corporate communications (in hard copy or through electronic means).

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

股東權利

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

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

股東應就其股權作出之查詢送交本公司於香港之股份過戶登記分處卓佳證券登記有限公司（如於2022年8月15日前作出查詢，地址為香港皇后大道東183號合和中心54樓，或如於2022年8月15日或之後作出查詢，地址為香港金鐘夏慤道16號遠東金融中心17樓）或本公司之香港主要營業地點（地址為香港銅鑼灣禮頓道77號禮頓中心11樓1122室）。股東如欲向董事會提交查詢，可將有關查詢送交公司秘書，其將確保將有關查詢妥善送達董事會。股東可隨時要求提供本公司可供公眾查閱之資料。本公司將向股東提供以平實語言編製之中、英文版公司通訊，以便於股東理解。股東有權選擇接收公司通訊之語言（英文或中文）或方式（印刷文本或電子文件）。

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

DIVIDEND POLICY

The Company has adopted a dividend policy (“Dividend Policy”), pursuant to which the Company may declare and distribute dividends to the shareholders of the Company (the “Shareholders”) to allow Shareholders to share the Company’s profits and for the Company to retain sufficient reserves for future development. The Company in general meeting may declare Dividends in any currency but no Dividends shall exceed the amount recommended by the Board. In proposing any dividend payout, the Board shall also take into account, inter alia, the Group’s financial results, the general financial condition of the Group, the Group’s current and future operations, capital requirement of the Group, obligations and financial covenants (if any) of the Group, the Group’s debts to equity ratio and return on equity, surplus received from the Company’s subsidiaries and any other factors that the Board deems appropriate. The Company’s ability to pay dividends is also subject to all applicable laws, rules and regulations in the Cayman Islands and Hong Kong, and the memorandum and articles of association of the Company. The Board will continually review the Dividend Policy and update, amend and/or modify the Dividend Policy from time to time. The Dividend Policy shall not constitute any legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

INVESTOR RELATIONS AND COMMUNICATION

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

The Company updates its shareholders on its latest business developments and financial performance through its corporate publications including annual reports and public announcements. Extensive information about the Company’s activities for the year ended 31 March 2022 has been provided in this annual report. While the Annual General Meeting provides a valuable forum for direct communication between the Board and its shareholders, the Company also maintains its website (www.ktl.com.hk) to provide an alternative communication channel for the public and its shareholders. All corporate communication and Company’s latest updates are available on the Company’s website for public’s information.

CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2022 and up to the date of this annual report, there has been no significant change in the Company’s constitutional documents.

Hong Kong, 30 June 2022

股息政策

本公司已採納一項股息政策（「股息政策」），據此，本公司可向本公司股東（「股東」）宣派及分派股息，以使股東可分享本公司溢利，並使本公司保留足夠儲備以供未來發展用途。本公司可於股東大會上宣佈以任何貨幣派發股息，惟股息金額不得高於董事會所建議者。建議派發任何股息時，董事會亦應考慮（其中包括）本集團的財務業績、本集團的一般財務狀況、本集團現時及未來營運情況、本集團的資本要求、義務及財務契約（如有），本集團的債務股本比率及股本回報、從本公司附屬公司收取的盈餘以及董事會認為適當的任何其他因素。本公司支付股息的能力亦受限於開曼群島及香港所有適用法律、規則及條例，以及本公司組織章程大綱及章程細則。董事會將持續審閱股息政策，並不時更新、修訂及／或修改股息政策。股息政策。股息政策不會構成本公司對將以任何特定金額支付股息的任何具法律約束力承擔及／或於任何情況下均不會使本公司有責任於任何時間或不時宣派股息。

投資者關係及通訊

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

本公司透過公司刊物（包括年報及公佈）為股東提供最新的業務發展及財務表現。本年報提供大量本公司截至2022年3月31日止年度的業務資料。股東週年大會為董事會及其股東提供寶貴的直接溝通機會，而本公司亦透過其網站（www.ktl.com.hk）向公眾及其股東提供另一種溝通渠道。所有公司通訊及本公司的最新資訊均可於本公司的網站供公眾人士查閱。

組織章程文件

於截至2022年3月31日止年度及直至本年報日期止，本公司組織章程文件並無重大變化。

香港，2022年6月30日

REPORT OF THE DIRECTORS

董事會報告

The Directors present their annual report together with the audited financial statements of the Group for the year ended 31 March 2022.

PRINCIPAL PLACE OF BUSINESS

The Company was incorporated in the Cayman Islands and has its registered office at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands and principal place of business at Unit 1122, 11/F, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Cap. 622), including a discussion of the principal risk and uncertainties facing the Group and an indication of likely future developments in the Group's businesses, can be found in the Management Discussion and Analysis set on pages 14 to 27 of this Annual Report. This discussion forms part of this directors' report.

RESULTS AND APPROPRIATIONS

The financial performance of the Group for the year ended 31 March 2022 and the financial position of the Group as at 31 March 2022 are set out in the consolidated financial statements on pages 102 to 107.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2022.

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 180. This summary does not form part of the consolidated financial statements.

SHARE CAPITAL

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

董事呈報年度報告連同本集團截至2022年3月31日止年度的經審核財務報表。

主要營業地點

本公司於在開曼群島註冊成立，註冊辦事處設於 Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands。主要營業地點為香港銅鑼灣禮頓道77號禮頓中心11樓1122室。

主要業務及業務回顧

本公司的主要業務為投資控股。作為一家於香港營運歷史悠久的優質珠寶綜合供應商及原設計製造商，本集團主要從事優質珠寶設計及製造，並主要將其出口至香港、亞洲(包括中國內地)、美洲及歐洲的珠寶批發商及零售商。本集團一直提供各式各樣的優質K金珠寶產品，當中包括戒指、耳環、吊墜、項鍊、手鐲、臂鐲、袖扣、胸針及踝飾，一般以大眾至中檔分部為目標，有關分部按零售價計算為優質珠寶市場分部三個級別中最低者。同時，為豐富產品系列，本集團亦提供黃金產品、材料及手錶。本集團客戶主要為珠寶產品批發商及零售商。

根據香港法例第622章《公司條例》附表五之規定，此等業務之進一步討論及分析(包括本集團所面對主要風險及不明朗因素之討論，以及本集團業務之可能未來發展)可參閱本年報第14至27頁所載管理層討論及分析。該討論為本董事會報告書之組成部分。

業績及分配

本集團截至2022年3月31日止年度的財務表現及本集團於2022年3月31日的財務狀況載列於第102至107頁的綜合財務報表。

末期股息

董事會不建議派付截至2022年3月31日止年度之末期股息。

五年財務概要

本集團過往5個財政年度的業績及資產負債概要載列於第180頁。該概要不構成綜合財務報表的一部分。

股本

本公司年內股本變動的詳情載列於綜合財務報表附註25內。

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 105 of this annual report and note 36 to the consolidated financial statements, respectively.

DISTRIBUTABLE RESERVES

The Company was incorporated in the Cayman Islands on 6 June 2014. As at 31 March 2022, the Company's distributable reserves, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$127.2 million.

DONATIONS

During the year, the Group was affected by the COVID-19 pandemic, no donations were made (2021: nil).

MAJOR CUSTOMERS AND SUPPLIERS

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

| | Percentage of the Group's total | |
|-------------------------------------|---------------------------------|-----------|
| | Sales | Purchases |
| The largest customer | 56.6% | |
| Five largest customers in aggregate | 96.6% | |
| The largest supplier | | 53.8% |
| Five largest suppliers in aggregate | | 98.3% |

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

儲備

本集團及本公司於年內的儲備變動詳情分別載於本年報第105頁的綜合權益變動表及綜合財務報表附註36。

可供分派儲備

本公司於2014年6月6日在開曼群島註冊成立。於2022年3月31日，根據開曼群島法例第22章公司法（1961年第三號法例，經綜合及修訂）計算，本公司可供分派儲備約為127.2百萬港元。

捐款

年內，本集團受COVID-19疫情影響，並無作出捐款（2021年：無）。

主要客戶及供應商

有關本集團主要客戶及供應商於本財務年度分別應佔之銷售額及採購額之資料如下：

| | 佔本集團下列總額之百分比 | |
|-----------|--------------|-------|
| | 銷售額 | 採購額 |
| 最大客戶 | 56.6% | |
| 五大客戶(合共) | 96.6% | |
| 最大供應商 | | 53.8% |
| 五大供應商(合共) | | 98.3% |

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

REPORT OF THE DIRECTORS

董事會報告

Major customers

The following are the details of the Company's three largest customers for the year ended 31 March 2022:

| | Background 背景 | Relationship with the Company 與本公司之關係 | Relationship with Connected Persons 與關連人士之關係 | Length of Business Relationship 業務關係時長 |
|--------------------|------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------------------------------|----------------------------------------------|
| Customer A 客戶 A | One of the world's leading precious metal producers, headquarters in Germany 一名全球領先貴金屬生產商，總部位於德國 | Independent third party ("I3P") 獨立第三方(「I3P」) | N/A 不適用 | Since 2021 自 2021 年起 |
| Customer B 客戶 B | Retailer and wholesaler of jewellery and luxury products in the U.S. and in cruises 美國及郵輪上珠寶及奢侈品零售商及批發商 | I3P I3P | N/A 不適用 | Since 2009 自 2009 年起 |
| Customer C 客戶 C | Retailer of luxury watches in Hong Kong 香港奢侈品手錶零售商 | I3P I3P | N/A 不適用 | Since 2019 自 2019 年起 |

Since its IPO date, the Company has accumulated a portfolio of variety of customers engaging in different jewellery and watch businesses. However, in view of the worsened global economic situation brought by COVID-19 and geopolitical tension, the Company has temporarily tightened its credit control policy and endeavoured to mitigate the liquidity risk since the financial year ended 31 March 2022 by focusing on customers which were able to accept a shorter credit period (i.e. 7 days to 120 days). As a result, the Company has maintained good financial health although its turnover for the year ended 31 March 2022 dropped by around 16.7% to HK\$135.5 million which was mainly contributed by the abovementioned three customers.

The Company considers that the customer revenue concentration is a short-term phenomenon due to the temporary change in the Group's credit control policy. It is expected that following the slowing down of the development of COVID-19 and with the development of fine artistic jewellery and online jewellery business, the Group's customer base will be naturally broadened in the near future.

主要客戶

以下為本公司截至2022年3月31日止年度之三大客戶詳情：

自首次公開發售日期以來，本公司已積累各類客戶組合，其從事不同珠寶及手錶業務。然而，鑑於COVID-19使全球經濟狀況惡化，以及地緣政治局勢緊張，本公司自截至2022年3月31日止財政年度以來暫時收緊信貸監控政策，並努力降低流動資金風險，專注於能接受較短信貸期(即7日至120日)之客戶。因此，儘管截至2022年3月31日止年度之營業額下降約16.7%至135.5百萬港元(有關營業額主要由上述三名客戶貢獻)，惟本公司仍能維持穩健之財務狀況。

本公司認為，由於本集團之信貸監控政策暫時有變，惟客戶收益集中乃短期現象。預期隨著COVID-19減慢進展，以及高級藝術珠寶及線上珠寶業務發展，本集團之客源將在不久將來自然擴大。

Besides developing the business of fine artistic jewellery and online sale of jewellery, the Company is also confident in continuing its business of sale of jewellery products, gold products and materials, and luxury watches. The Company has established and maintained a good business relationship with its current customers. Given the Company's high reputation in the industry, the Company is confident that its business relationship with customers is strong and will continue to support the Company's business.

The Company has explored different customers' segments to reduce the level of concentration of corporate customers. Further, since the business relationship with the current customers remains very strong, the Company will conduct business with broader customer base following its relaxation of credit control policy upon the slowing down of the development of COVID-19. Hence, the Board is of the view that the issue of reliance on major customers will be improved in the future.

SUBSIDIARIES

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

PROPERTY, PLANT AND EQUIPMENT

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

BORROWINGS

As of 31 March 2022 and 2021, the Group had no borrowings.

除發展高級藝術珠寶業務以及線上銷售珠寶業務外，本公司亦有信心延續其珠寶產品、黃金製品及材料以及奢侈品手錶銷售業務。本公司已與現有客戶已建立並維持良好之業務關係。鑑於本公司在業內享負盛名，本公司有信心與客戶之間之業務關係穩固，並將繼續支持本公司之業務。

本公司已開拓不同客戶分部，以降低企業客戶集中度。此外，由於與現有客戶之間之業務關係仍然非常穩固，故 COVID-19 減慢進展後，本公司在放寬信貸監控政策後，所經營業務之客源將更為廣泛。因此，董事會認為依賴主要客戶此問題日後會有所改善。

附屬公司

有關本公司主要附屬公司的詳情載於財務報表附註1。

物業、廠房及設備

有關年內物業、廠房及設備變動的詳情載於綜合財務報表附註15。

借貸

截至2022年及2021年3月31日，本集團並無信貸。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors of the Company who hold office during the year ended 31 March 2022 and up to the date of this report are:

Executive Directors

Dr. So Shu Fai (*Chairman*) (appointed on 1 December 2021)
Mr. Tom Xie (*Chief Executive Officer*) (Note 1)
Mr. Su Zhiyi (resigned on 27 November 2021)
Mr. Xiong Cong (resigned on 27 November 2021)
Mr. Cai Si (resigned on 27 November 2021)

Non-executive Directors

Ms. Mary Ang Mei Lee
(appointed on 9 July 2021 and resigned on 27 November 2021)
Mr. Chan Wai Dune (appointed on 8 November 2021)

Independent non-executive Directors

Mr. Yau Pak Yue (appointed on 11 May 2021)
Mr. Chung Wai Man (appointed on 11 May 2021)
Mr. Ning Rui (appointed on 11 May 2021)
Mr. Ting Tit Cheung (resigned on 27 November 2021)
Mr. Chan Chi Kuen (resigned on 27 November 2021)
Mr. Lo Chun Pong (resigned on 27 November 2021)

Note 1: appointed as Non-executive Director on 9 July 2021, redesignated as Executive Director on 8 November 2021 and appointed as Chief Executive Officer on 1 December 2021.

All existing executive Directors has entered into a service contract with the Company for a term of three years commencing from 1 December 2021, which may be terminated by, not less than three months' notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of our Directors as set forth in the Articles of Association.

The existing non-executive Director has signed a letter of appointment with the Company for an initial term of two years commencing from 8 November 2021, subject to retirement by rotation and re-election at annual general meeting and until terminated by not less than one month's notice in writing served by either party on the other.

All existing independent non-executive Directors appointed on 11 May 2021 had signed a letter of appointment with the Company for an initial term of one year commencing from 11 May 2021, subject to retirement by rotation and re-election at annual general meeting and until terminated by not less than one month's notice in writing served by either party on the other. The appointment letters of all existing independent non-executive Directors have been renewed on 11 May 2022.

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

董事及董事服務合約

截至2022年3月31日止年度及截至本報告日期本公司之在職董事如下：

執行董事

蘇樹輝博士 (*主席*) (於2021年12月1日獲委任)
謝祺祥先生 (*行政總裁*) (附註1)
蘇志一先生 (於2021年11月27日辭任)
熊聰先生 (於2021年11月27日辭任)
蔡斯先生 (於2021年11月27日辭任)

非執行董事

洪美莉女士 (於2021年7月9日獲委任，
並於2021年11月27日辭任)
陳維端先生 (於2021年11月8日獲委任)

獨立非執行董事

邱伯瑜先生 (於2021年5月11日獲委任)
鍾衛民先生 (於2021年5月11日獲委任)
寧睿先生 (於2021年5月11日獲委任)
丁鐵翔先生 (於2021年11月27日辭任)
陳志權先生 (於2021年11月27日辭任)
盧振邦先生 (於2021年11月27日辭任)

附註1：於2021年7月9日獲委任為非執行董事，於2021年11月8日調任為執行董事，並於2021年12月1日獲委任為行政總裁。

全體現任執行董事已與本公司訂立服務合約，自2021年12月1日起計為期三年，可由任一方向另一方發出不少於三個月的書面通知予以終止，惟須遵守當中所載終止條文及組織章程細則所載有關董事輪席退任的條文。

現任非執行董事已與本公司簽署委任函，初步任期自2021年11月8日起計為兩年，並須於股東週年大會上輪席退任及膺選連任，直至其中一方向另一方發出不少於一個月的書面通知予以終止。

全體現任於2021年5月11日獲委任之獨立非執行董事已與本公司簽署委任函，初步任期自2021年5月11日起計為一年，並須於股東週年大會上輪席退任及膺選連任，直至其中一方向另一方發出不少於一個月的書面通知予以終止。全體現任獨立非執行董事之委任函件已於2022年5月11日重新續任。

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

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

Pursuant to Article 112 of the Company's articles of association, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Accordingly, Dr. So Shu Fai, Mr. Chan Wai Dune, Mr. Yau Pak Yue and Mr. Chung Wai Man, who being eligible, will retire from office at the annual general meeting and offer themselves for re-election at the annual general meeting.

CONFIRMATION OF INDEPENDENCE

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

DIRECTORS' INTERESTS IN CONTRACTS

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

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group are disclosed in the section headed "Directors and Senior Management" on pages 8 to 13 of this annual report.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

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

EQUITY-LINKED AGREEMENT

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

根據本公司組織章程細則，三分之一之現任董事須於應屆股東週年大會退任。

根據本公司組織章程細則第112條，獲董事會委任以填補臨時空缺的任何董事的任期僅至彼獲委任後本公司首屆股東大會為止，並須於該大會上膺選連任。獲董事會委任作為現有董事會新增成員的任何董事的任期僅至本公司下屆股東週年大會為止，屆時將符合資格膺選連任。因此，蘇樹輝博士、陳維端先生、邱伯瑜先生及鍾衛民先生將在股東週年大會上退任，並符合資格在股東週年大會上膺選連任。

獨立確認書

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

董事之合約權益

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

董事及高級管理層之履歷

本集團董事及高級管理層之履歷詳情於本年報第8至13頁「董事及高級管理層」一節披露。

控股股東之合約權益

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

股票掛鈎協議

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

SHARE OPTION SCHEME

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

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

Purpose

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

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

Who may join

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

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

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

購股權計劃

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

購股權計劃的主要條款摘要如下：

目的

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

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

合資格參與人士

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

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

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

Maximum number of Shares

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the Global Offering of the Company being 8,000,000 shares, representing 4.63% of the issued shares as at the date of this report, excluding for this purpose shares which would have been issuable pursuant to the Adjustment Option and options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company). Subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, our Board may:

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

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

股份數目上限

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的股份數目上限合共不得超過緊隨本公司全球發售完成後已發行股份總數的10%，即8,000,000股股份，佔本報告日期已發行股份4.63%，就此而言不包括根據調整權及根據購股權計劃（或本公司任何其他購股權計劃）的條款已失效的購股權原本可發行的股份。待本公司刊發通函並經股東在股東大會上批准及／或符合上市規則不時規定的其他要求後，董事會可：

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

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

Maximum number of options to any one individual

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

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

Price of Shares

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

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

向任何一名個別人士授出購股權之數目上限

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

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

股價

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

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

Restrictions on the times of grant of Options

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

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

Rights are personal to grantee

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

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

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

Performance target

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

From the date of adoption of the Share Option Scheme to 31 March 2022, no options were granted under the Share Option Scheme.

Apart from the aforesaid share option schemes, at no time during the year ended 31 March 2022 was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such right.

授出購股權之時間限制

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

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

權利屬承授人個人所有

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

購股權的行使期限及購股權計劃的有效期

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

表現目標

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

自購股權計劃採納日期起至2022年3月31日，概無根據購股權計劃授出購股權。

除前述購股權計劃外，於截至2022年3月31日止年度，本公司及其控股公司、附屬公司及同系附屬公司並無訂立任何安排，致使董事可透過收購本公司或任何其他法人團體之股份或債券獲取利益，且亦無董事，或彼等之配偶或18歲以下的子女擁有任何權利可認購本公司之股份或債券，或已行使有關權利。

REPORT OF THE DIRECTORS 董事會報告

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

At as 31 March 2022, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")), as recorded in the register required to be kept 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, as set out in Appendix 10 to the Listing Rules were as follows:

| Name of Director | Capacity/ nature of interest | Number of shares | Approximately percentage of shareholding in our Company |
|---------------------------------------|-------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------|
| 董事姓名 | 身份／權益性質 | 股份數目 | 佔本公司股權的 概約百分比 |
| Dr. So Shu Fai (Note 1) 蘇樹輝博士(附註1) | Interest of a controlled corporation 受控制法團權益 | 129,449,494 (long position) 129,449,494 股 (好倉) | 75% |

Note:

1. Perfect Gain Group Limited is solely owned by Dr. So Shu Fai which in turn owns 129,449,494 shares of the Company. By virtue of the SFO, Dr. So Shu Fai is deemed or taken to be interested in all the shares which are beneficially owned by Perfect Gain Group Limited.

Save as disclosed above, as at 31 March 2022, none of the Directors and chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which was required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which was required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及主要行政人員於股份、相關股份及債券中之權益及淡倉及於相聯法團之權益

於2022年3月31日，本公司董事及主要行政人員於本公司或其相聯法團(定義見香港法例第571章證券及期貨條例第XV部(證券及期貨條例))之股份、相關股份或債券中擁有記錄於按本公司根據證券及期貨條例第352條規定存置的登記冊的權益及淡倉，獲根據聯交所上市規則附錄十所載的標準守則知會本公司及聯交所的權益及淡倉如下：

| Name of Director | Capacity/ nature of interest | Number of shares | Approximately percentage of shareholding in our Company |
|---------------------------------------|-------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------|
| 董事姓名 | 身份／權益性質 | 股份數目 | 佔本公司股權的 概約百分比 |
| Dr. So Shu Fai (Note 1) 蘇樹輝博士(附註1) | Interest of a controlled corporation 受控制法團權益 | 129,449,494 (long position) 129,449,494 股 (好倉) | 75% |

附註：

1. 精益集團有限公司由蘇樹輝博士全資擁有，因而，蘇樹輝博士擁有本公司129,449,494股股份。根據證券及期貨條例，蘇樹輝博士被視為或當作於精益集團有限公司實益擁有的所有股份中擁有權益。

除上文所披露者外，於2022年3月31日，本公司董事及主要行政人員在本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中概無擁有記錄於按本公司根據證券及期貨條例第352條規定存置的登記冊的權益及淡倉，或根據標準守則須知會本公司及聯交所或根據標準守則其他規定須知會本公司及聯交所的任何權益或淡倉。

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

As at 31 March 2022, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

| Name of Shareholder | Capacity/ nature of interest | Number of shares | Approximately percentage of shareholding in our Company |
|-------------------------------------------------------|---------------------------------|--------------------------------------------------------|------------------------------------------------------------------|
| 股東名稱／姓名 | 身份／權益性質 | 股份數目 | 佔本公司股權的 概約百分比 |
| Perfect Gain Group Limited (Note 1) 精益集團有限公司 (附註1) | Beneficial owner 實益擁有人 | 129,449,494 (long position) 129,449,494股 (好倉) | 75% |
| Ms. Cheng Miu Bing Christina (Note 2) 鄭妙冰女士 (附註2) | Interest of spouse 配偶權益 | 129,449,494 (long position) 129,449,494股 (好倉) | 75% |

Notes:

- Dr. So Shu Fai beneficially owns 100% of the issued share capital of Perfect Gain Group Limited. By virtue of the SFO, Dr. So Shu Fai is deemed to be interested in 129,449,494 shares held by Perfect Gain Group Limited.
- Ms. Cheng Miu Bing Christina is the spouse of Dr. So Shu Fai. By virtue of the SFO, Ms. Cheng Miu Bing is deemed to be interested in the shares of the Company held by Dr. So Shu Fai.

Save as disclosed above, as at 31 March 2022, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests and short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

主要股東及其他人士於本公司股份及相關股份中之權益及／或淡倉

於2022年3月31日，就董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉，或已錄入根據證券及期貨條例第336條本公司須存置的股東名冊內的權益或淡倉如下：

| Name of Shareholder | Capacity/ nature of interest | Number of shares | Approximately percentage of shareholding in our Company |
|-------------------------------------------------------|---------------------------------|--------------------------------------------------------|------------------------------------------------------------------|
| 股東名稱／姓名 | 身份／權益性質 | 股份數目 | 佔本公司股權的 概約百分比 |
| Perfect Gain Group Limited (Note 1) 精益集團有限公司 (附註1) | Beneficial owner 實益擁有人 | 129,449,494 (long position) 129,449,494股 (好倉) | 75% |
| Ms. Cheng Miu Bing Christina (Note 2) 鄭妙冰女士 (附註2) | Interest of spouse 配偶權益 | 129,449,494 (long position) 129,449,494股 (好倉) | 75% |

附註：

- 蘇樹輝博士實益擁有精益集團有限公司100%已發行股本。根據證券及期貨條例，蘇樹輝博士被視為於精益集團有限公司持有的129,449,494股股份中擁有權益。
- 鄭妙冰女士為蘇樹輝博士的配偶。根據證券及期貨條例，鄭妙冰女士被視為於蘇樹輝博士所持有的本公司股份中擁有權益。

除上文所披露者外，於2022年3月31日，董事並不知悉有任何其他人士／實體（本公司董事及主要行政人員除外）於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益及淡倉，或根據證券及期貨條例第336條記入本公司規定存置的股東名冊之權益及淡倉。

REPORT OF THE DIRECTORS

董事會報告

RETIREMENT SCHEMES

The Group has made pension scheme contributions and Mandatory Provident Fund scheme. Particulars of these retirement schemes are set out in note 3 to the financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the date of this annual report, save as disclosed in “Significant Events” on pages 25 to 26, the Company has maintained the prescribed public float under the Listing Rules.

COMPETITION AND CONFLICT OF INTERESTS

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

PERMITTED INDEMNITY PROVISION

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

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

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

During the year ended 31 March 2022, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

TAX RELIEF AND EXEMPTION

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

PRE-EMPTIVE RIGHTS

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

CORPORATE GOVERNANCE REPORT

Details of the Group's corporate governance practices can be found in the Corporate Governance Report contained on pages 28 to 45 in this annual report.

退休計劃

本集團為退休金計劃及強制性公積金計劃作出供款。有關退休計劃的詳情載於財務報表附註3。

充足公眾持股量

根據本公司可公開取得的資料以及據本公司董事所知，除第25至26頁「重大事項」所披露者外，本公司於本年報日期一直維持上市規則所訂明的公眾持股量。

競爭及利益衝突

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

獲准許的彌償條文

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

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

購買、出售或贖回本公司的上市證券

截至2022年3月31日止年度，本公司及其任何附屬公司均沒有購買、出售或贖回任何本公司的上市證券。

稅務減免及豁免

董事並不知悉任何因股東持有本公司證券而享有的稅務減免及豁免。

優先購股權

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

企業管治報告

有關本集團企業管治常規的詳情，請參閱本年報第28至45頁所載企業管治報告。

COMPLIANCE WITH LAWS AND REGULATIONS

To the best knowledge of the management, the Group has complied with the relevant laws and regulations that have significant impact on the operations of the Group during the year ended 31 March 2022.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to build an environmental-friendly corporation that pays close attention to conserving natural resources. The Group strives to minimize our environmental impact by saving electricity and encouraging recycle of office supplies and other materials.

As a responsible corporation, the Group is committed to maintain the highest environmental and social standards to ensure sustainable development of its business. The Group has complied with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group understands a better future depends on everyone's participation and contribution. It has encouraged employees, customers, suppliers and other stakeholders to participate in environmental and social activities which benefit the community as a whole.

Further discussion on the environmental policies is set out in the Environmental, Social and Governance Report section in this annual report.

AUDIT COMMITTEE

This annual report and the financial results of the Group for the year ended 31 March 2022 have been reviewed by the Audit Committee. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company, risk management and internal control systems with senior management members of the Company.

CLOSURE OF THE REGISTER OF MEMBERS

To determine the eligibility of the shareholders of the Company to attend the annual general meeting to be held on 18 August 2022, the register of members will be closed from 15 August 2022 to 18 August 2022, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the transfer will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong (if the transfer will be lodged on or after 15 August 2022) for registration not later than 4:30 pm on 12 August 2022.

ANNUAL GENERAL MEETING

The annual general meeting will be held on 18 August 2022. Shareholders should refer to details regarding the annual general meeting in the circular of the Company and the notice of meeting and form of proxy accompanying thereto.

遵守法律法規

就管理層所知，於截至2022年3月31日止年度，本集團已遵守對本集團的經營造成重大影響的相關法律法規。

環境政策及表現

本集團致力打造成一個環境友善、關注保護天然資源的企業。本集團致力透過節省電力及鼓勵循環利用辦公室用品及其他材料，減少對環境產生的影響。

作為一間具社會責任的企業，本集團致力維持最高要求之環境及社會標準，以確保其業務可持續發展。本集團已遵守所有與其業務有關的相關法例及法規，包括健康及安全、工作環境條件、就業及環境。本集團明白有賴所有人的參與及貢獻才能成就美好將來，亦因此鼓勵所有僱員、客戶、供應商及其他持份者參與環境及社會活動，惠及整個社區。

有關環境政策的進一步討論載於本年報環境、社會及治理報告一節。

審核委員會

本年報及本集團截至2022年3月31日止年度之財務業績已由審核委員會審閱。審核委員會亦已就本公司採用的會計政策及常規、風險管理及內部監控系統之事項與本公司高級管理人員進行討論。

暫停辦理股東登記手續

為確定本公司股東出席將於2022年8月18日舉行的股東週年大會的資格，本公司將於2022年8月15日至2022年8月18日止期間（包括首尾兩日）暫停辦理股東登記手續，期間將不會辦理任何股份過戶登記。為符合資格出席股東週年大會並於會上表決，所有過戶表格連同相關股票，最遲須於2022年8月12日下午四時三十分前送交本公司於香港的股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓（如轉讓文書將於2022年8月15日前遞交）或香港金鐘夏慤道16號遠東金融中心17樓（如轉讓文書將於2022年8月15日或之後遞交），以辦理登記。

股東週年大會

本公司將於2022年8月18日舉行股東週年大會。有關股東週年大會的詳情，謹請股東參閱本公司的通函及大會通告連同所附代表委任表格。

REPORT OF THE DIRECTORS

董事會報告

AUDITORS

PricewaterhouseCoopers (“PwC”) has resigned as the auditor of the Company with effect from 25 February 2021 as the Company and PwC could not reach a consensus on the audit fee for the year ended 31 March 2021. The Company is incorporated under the laws of Cayman Islands and to the knowledge of the Board there is no requirement under the laws of Cayman Islands for the resigning auditor to confirm whether or not there is any circumstance connected with their resignation which they consider should be brought to the attention of the shareholders and creditors of the Company. PwC has therefore not issued such confirmation.

The Board, with the recommendation from the Audit Committee, has resolved to appoint Ernst & Young (“EY”) as the auditor of the Company with effect from 25 February 2021, to fill the vacancy following the resignation of PwC and to hold office until the conclusion of the next annual general meeting of the Company.

For the details, please refer to the announcement of the Company dated 25 February 2021 published on the website of the Stock Exchange and the website of the Company. The accompanying financial statements prepared in accordance with HKFRS have been audited by EY.

EY shall retire at the forthcoming annual general meeting and, being eligible, will offer itself for re-appointment. A resolution for the re-appointment of EY as Auditor will be proposed at the annual general meeting.

The Board and the audit committee of the Company confirmed that, save for the audit fee for the financial year ended 31 March 2022 as aforesaid, there is no disagreement between the Company and PwC, and there are no matters or circumstances in respect of the change of auditor of the Company that need to be brought to the attention of the shareholders and creditors of the Company.

The consolidated financial statements of the Group for the financial year ending 31 March 2022 have been audited by Ernst & Young (“EY”), who shall retire and, being eligible, offer themselves for re-appointment. A resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board

Dr. So Shu Fai
Chairman and Executive Director

Hong Kong, 30 June 2022

核數師

由於本公司與羅兵咸永道會計師事務所（「羅兵咸永道」）未能就截至2021年3月31日止年度的審核費用達成共識，羅兵咸永道已辭任本公司核數師職務，自2021年2月25日起生效。本公司乃根據開曼群島法例註冊成立，而就董事會所知，開曼群島法例並無規定辭任之核數師須確認是否存在任何涉及其辭任而彼等認為應促請本公司股東及債權人垂注的情況。因此，羅兵咸永道並無發出有關確認。

董事會經考慮審核委員會的推薦建議後，議決委任安永會計師事務所（「安永」）為本公司的核數師，自2021年2月25日起生效，以填補羅兵咸永道辭任後之空缺，並留任直至本公司下屆股東週年大會結束為止。

有關詳情，請參閱本公司日期為2021年2月25日刊載於聯交所及本公司網站的公佈。根據香港財務報告準則編製的隨附財務報表已獲安永審核。

安永將於應屆股東週年大會上退任，惟其合資格並將膺選連任。有關續聘安永為核數師的決議案將於股東週年大會上提呈。

董事會及本公司的審核委員會確認，除上文所述截至2022年3月31日止財政年度的核數費用外，本公司與羅兵咸永道之間並無意見分歧，亦無任何涉及更換本公司核數師的事項或情況須促請本公司股東及債權人垂注。

本集團截至2022年3月31日止財政年度的綜合財務報表由安永會計師事務所（「安永」）審核，其任滿退席，且合資格及將會膺選連任。續聘其為本公司核數師之決議案將於應屆股東週年大會上提呈。

承董事會命

蘇樹輝博士
主席兼執行董事

香港，2022年6月30日

ABOUT THE REPORT

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

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

Reporting Guideline

The reporting principles of Materiality, Quantitative, Balance, and Consistency underpinned the preparation of this ESG report. This report has been prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (HKEX).

關於本報告

此乃海福德集團控股有限公司(「海福德」或「本集團」)(股份代號：442)的第六份環境、社會及管治報告(「環境、社會及管治報告」)，呈列於其環境及社會方面的管理方針及表現。

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

報告指引

重要性、量化、平衡及一致性彙報原則為編製環境、社會及管治報告的基礎。本報告已遵照香港聯合交易所有限公司(香港聯交所)證券上市規則附錄27所載的環境、社會及管治報告指引編製。

Materiality: 重要性：

- Through stakeholder communication, management interviews and material issue assessment, we identify issues that have significant economic, environmental and social impacts due to company operations, and ESG issues that have a significant impact on stakeholder assessment and decision-making and respond to this report.
本集團透過與持份者溝通、管理層會談及重大議題評估，識別公司營運對經濟、環境及社會產生重大影響的議題以及對持份者評估及決策具有重大影響的環境、社會及管治議題，並對本報告進行回應。

Quantitative: 量化：

- The data contained in this report has been examined and analysed to illustrate year-on-year changes. Please refer to the “Performance Data Summary” in this report for the criteria used in the calculation of environmental KPIs.
本報告所載數據已審查並分析，以說明按年產生的變動。有關計算環境關鍵績效指標所用標準，請參閱本報告「績效數據概要」。

Balance: 平衡：

- We disclose the positive and negative impacts of the Group's operations, as well as our work and performance on major ESG issues, for stakeholder review.
本集團會披露本集團業務產生的正面及負面影響以及本集團在重大環境、社會及管治議題上的工作及表現，以供持份者審閱。

Consistency: 一致性：

- In order to maintain the comparability of information, unless otherwise stated, the statistical method of disclosures in this report is consistent with the past and presented in a meaningful comparative manner.
為保持資料可比性，除另有說明外，本報告所載有關披露資料的統計方法與過往一致，並以有意義的比較方式呈列。

Data in this report have been checked and analysed to explicate year-on-year changes and are presented in a way that allows for meaningful comparison. This report is published in both Chinese and English. In case of any discrepancy between the two versions, the English version shall prevail.

本報告所載數據已審查並分析，以闡明按年產生的變動，並以可進行有意義比較的方式呈現。本報告以中英文刊發。倘兩個版本有任何歧異，則以英文版為準。

Reporting Period and Scope

This report focuses on disclosing the Group's environmental and social performance during the period from April 1, 2021 to March 31, 2022. Unless otherwise stated, the contents of this report cover businesses with holdings greater than 51%, including operations of manufacturing and sale of jewellery product business in both Hong Kong and China.

Feedback

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

Address: Unit 1122, 11/F
Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong
Tel: +852 2363 8868
Fax: +852 2363 8787
Email: enquiry@ktl.com.hk

報告期間及範圍

本報告重點披露本集團於2021年4月1日至2022年3月31日期間的環境及社會績效。除另有說明外，本報告內容涵蓋持股超過51%的業務，其包括於香港及中國經營製造並銷售珠寶產品業務。

反饋

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

地址： 香港
銅鑼灣
禮頓道77號
禮頓中心
11樓1122室
電話： +852 2363 8868
傳真： +852 2363 8787
電郵： enquiry@ktl.com.hk

BOARD STATEMENT

Sale of fine jewellery is the Group's main business. Though the Group's businesses have a minor environmental impact, Hifood recognizes its role in providing proper ESG management and strives to consider sustainability when making decisions and formulating corporate strategies in order to minimize any environmental and social impacts we have, including well being of the communities where we operate.

The Board of Directors is ultimately responsible for all ESG concerns and is entirely accountable for the Group's ESG policies and performance. The Human Resources and Administration ("HR") Department coordinates between diverse stakeholders.

ESG-related topics that are considered important are listed and prioritised after extensive consultations with stakeholders. The final list of material topics and their order of priority is assessed and approved by the Board. That becomes the basis for the formulation of the Group's ESG management strategy.

The Group's risk management strategy takes ESG issues into consideration, particularly risks identified and prioritised as these have a higher likelihood of occurrence. We set targets for minimising our impact on the environment, after considering the nature of our business and the current status.

We are committed to managing ESG-related risks and opportunities that are material to the Group and pursuing sustainable development across environmental, economic, and social dimensions through carefully established policies and procedures. The Board has reviewed and approved this report and confirms that to the best of its knowledge, the report has addressed all material topics and fairly presents the performance on each topic.

董事會聲明

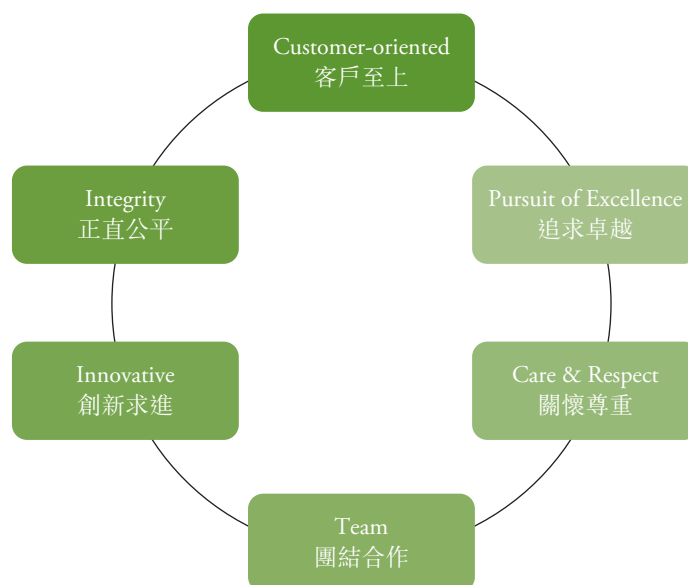
優質珠寶銷售為本集團的主要業務。儘管本集團的業務對環境造成輕微影響，惟海福德明白其在提供適當的環境、社會及管治管理中產生的作用，並在作出決策與制定公司策略時努力考慮可持續發展，以盡量減少對環境及社會構成的影響，其包括本集團業務所在社區的福祉。

董事會對所有環境、社會及管治問題承擔最終責任，並對本集團的環境、社會及管治政策以及表現承擔全部責任。人力資源及行政（「人力資源」）部會於不同持份者之間協調。

廣泛諮詢持份者後，本集團列出被認為重要的環境、社會及管治相關議題，並確定優先次序。重大議題的最終清單及其優先次序由董事會評估並批准。其成為制定本集團環境、社會及管治管理策略的依據。

本集團的風險管理策略計及環境、社會及管治事宜（特別是已識別及已優先次序的風險），原因乃該等風險較可能發生。經考慮本集團業務性質及現況後，本集團設定目標以盡量減少對環境構成的影響。

本集團致力管理對本集團而言屬重大的環境、社會及管治相關風險及機會，並透過審慎制定的政策及程序，在環境、經濟及社會方面追求可持續發展。董事會已審閱並批准本報告，並確認據其所深知，本報告已涵蓋所有重大議題，並公平呈列各議題的表現。



Environmental Protection
環境保護



The Group is dedicated to protecting the environment through a series of energy and resources conservation practices. Waste recycling is prioritised in our production plants to reduce water consumption. We monitor our emissions with care to ensure strict compliance with relevant regulatory standards. We continually implement green-office initiatives and stress the importance of environmental protection to our employees.

本集團致力於通過一系列節約能源及保護資源的措施保護環境。我們的生產廠房優先考慮廢棄物回收以減少用水。我們密切監察排放物，確保嚴格遵守相關監管標準。我們繼續推行綠色辦公措施，向僱員強調環保的重要性。

Product Responsibility
產品責任



The Group has been striving to improve the quality of its jewellery products and services. To ensure quality excellence, we use an ISO 9001:2015 certified quality management system and follow a set of comprehensive quality assurance procedures and strict supplier selection criteria. We effectively communicate with our customers to ensure a high level of customer satisfaction.

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

Talent Management
人才管理



The contributions of our employees are important to our success. The Group aims to provide a safe and healthy working environment to our employees. We attract and retain talents to work with us by offering competitive remuneration packages. We ensure that each individual is respected and promote inclusion and diversity in our workplace. We offer our employees appropriate and diversified training and opportunities to help them in their career development.

僱員的貢獻對我們能否成功十分重要。本集團旨在為僱員提供安全及健康的工作環境。我們提供具競爭力的薪酬待遇，以吸引及留聘人才為我們效力。我們確保每個人均受到尊重，並於工作場所內提倡包容及多元化。我們為僱員提供合適及多元化的培訓及機會，協助僱員發展事業。

Stakeholder Engagement

Understanding the concerns of our stakeholders, meeting their expectations, and balancing their interests are important to our operations and for promoting sustainability. Through various engagement channels, we identify and address the concerns of our internal and external stakeholders.

持份者參與

了解持份者關注的事宜、滿足彼等期望並平衡彼等的利益對我們的業務及促進可持續發展十分重要。透過各種參與渠道，我們可識別並處理內部及外部持份者關注的事宜。

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

Materiality Assessment

Materiality assessment was conducted to identify ESG topics that are relevant and material to the Group and to understand stakeholders' ESG concerns. The results were based on views and feedback collected from stakeholders via online surveys and phone interviews, regarding the Global Reporting Initiative (GRI) guidelines. We identified, prioritised, validated and reviewed the potential material aspects in order to evaluate the relative importance of the issues to both internal and external stakeholders, as well as to our business. This year, the management reviewed the materiality of various aspects and confirmed that the top 6 material issues are:

- 1) Prices of raw materials, water and electricity
- 2) Customer satisfaction
- 3) Product and service quality management
- 4) Supply chain management
- 5) Emissions management
- 6) Environmental compliance

Other material aspects include anti-corruption, business ethics, talent management, operational compliance, employee safety and health, production raw material consumption, risk management and company economic performance. The Group strives to address the related risks through continuous engagement with stakeholders and adjusting its ESG strategy, policies and measures, as reflected in the ESG report.

重要性評估

已進行重要性評估，以識別與本集團相關且就本集團而言屬重大的環境、社會及管治議題，並了解持份者所關注有關環境、社會及管治事項。有關結果基於線上調查及電話訪問自持份者收集有關全球報告倡議組織(GRI)指引的反饋意見。就可能屬重大的範疇而言，本集團已進行識別、優先排序、驗證及檢討工作，以評估議題對內部及外部持份者以及本集團業務的相對重要性。本年度，管理層已檢討各方面的重要性，並確認六大重要議題為：

- 1) 原材料、水電價格
- 2) 客戶滿意度
- 3) 產品及服務質量管理
- 4) 供應鏈管理
- 5) 排放物管理
- 6) 環保合規

其他重大範疇包括反貪污、商業道德、人才管理、營運合規、僱員安全及健康、生產原材料消耗、風險管理及公司經濟表現。誠如環境、社會及管治報告所反映，本集團透過持續與持份者溝通以及調整其環境、社會及管治策略、政策及措施，致力應對相關風險。

| LEVEL 1 第一級 | LEVEL 2 第二級 | LEVEL 3 第三級 |
|---------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------|
| 1 Emissions Management 排放物管理 | 15 Environmental Investment And Education 環保投資及教育 | 20 Water Consumption 用水 |
| 2 Production Raw Material Consumption 生產原材料消耗 | 16 Information Privacy And Security 資料私隱及保障 | 21 Emission Of Greenhouse Gases 溫室氣體排放 |
| 3 Environmental Compliance 環保合規 | 17 Training And Development 培訓及發展 | 22 Clean Energy Opportunities 潔淨能源機遇 |
| 4 Talent Management 人才管理 | 18 Employee Benefits And Rights 僱員福利及權利 | 23 Climate Change 氣候變化 |
| 5 Anti-Corruption 反貪污 | 19 Business Environment 營商環境 | 24 Energy And Resource Management 能源及資源管理 |
| 6 Business Ethics 商業道德 | | 25 Environmental Benefits 環保好處 |
| 7 Employee Safety And Health 僱員安全及健康 | | 26 Noise Management 噪音管理 |
| 8 Supply Chain Management 供應鏈管理 | | 27 Employee Diversity And Equal Opportunity 僱員組合多元化及平等機會 |
| 9 Product And Service Quality Management 產品及服務質量管理 | | 28 Green Procurement 環保採購 |
| 10 Customer Satisfaction 客戶滿意度 | | 29 Employee Communication 僱員通訊 |
| 11 Prices Of Raw Materials, Water And Electricity 原材料、水電價格 | | 30 Community Input And Engagement 社區投入及參與 |
| 12 Risk Management 風險管理 | | 31 Child Labor And Forced Labor 童工及強制勞工 |
| 13 Company Economic Performance 公司經濟表現 | | |
| 14 Operational Compliance 營運合規 | | |



OUR ENVIRONMENT

Hifood continues to integrate sustainability initiatives into its business-related decisions and plans. We are committed to continually improving our environmental management and reducing our impacts on the environment.

Environmental Management

The Group recognises the environmental impacts of its operations. To minimise the negative impact of its production operations in China and office-based operations in Hong Kong on the environment, the Group consistently monitors its operational processes carefully to ensure strictly compliance with relevant laws and regulations¹ in the People's Republic of China ("PRC"). The Group's management body takes the overall responsibility of guaranteeing that environmentally friendly and resources saving measures are incorporated into the Group's daily operations. We advocate recycling, ensure environmental compliance and putting green initiatives into action in our offices, striving to improve the environmental performance of our operations in both our offices and production plant.

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

Environmental Targets

We have set targets for different aspects of environmental protection and monitor our performance against these targets regularly. These are as shown in the table below:

| Aspect | Target |
|-------------------|--------------------------------------------------------------------------------------------------------------------------|
| GHG emissions | Full switch to electric vehicles by 2030 |
| Waste | The proportion of paper recycling is gradually moving towards 100% |
| Energy efficiency | Continue to implement the green-office initiatives 100% of electrical appliances to have energy-saving labels by 2025 |
| Water use | 100% compliance with sewage treatment procedures |

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

我們的環境

海福德繼續將可持續發展措施融入其有關決策及規劃的業務。我們致力於持續改進我們的環境管理工作並減少我們對環境的影響。

環境管理

本集團明白其業務對環境產生影響。為盡量減少其在中國的生產業務及在香港辦公室經營的業務對環境造成的負面影響，本集團持續謹慎監控其運作流程，以確保嚴格遵守中華人民共和國（「中國」）的相關法律及法規¹。本集團的管理機構整體負責保證將環保及節約資源的措施納入本集團的日常業務。我們提倡回收，確保環境合規，並在辦公室採取環保措施，努力改善我們在辦公室及生產廠房的業務對環境構成的影響。

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

環保目標

本集團已就環境保護的不同範疇設定目標，並定期監察在該等目標方面的表現。有關目標如下表所示：

| 範疇 | 目標 |
|---------------|-----------------------------------|
| 溫室氣體排放 廢棄物 | 於2030年前全面轉用電動車 紙張回收比例正逐步邁向100% |
| 能源效益 | 於2025年前繼續實施電器綠色辦公室措施100%，以取得節能標籤 |
| 用水 | 100%遵守污水處理程序 |

¹ 有關環境的法律及法規，請參閱法律及法規一節。

Resources Consumption

Energy

Business operations of the Group consume resources including energy, water and packaging materials.

The Group's total direct and indirect energy consumption comprised of 261.31 litres of petrol and 59.3 litres of diesel for vehicles and 51,804.55 kWh of purchased electricity during the year under review. The total energy consumption was about 196.95 Gigajoules ("GJ"), with electricity being the major component which contributed more than 95% of total energy consumption. The total energy intensity was approximately 32.83 GJ/person during the year under review.

The Group's greenhouse gas ("GHG") emissions include direct emissions from fuel consumption (Scope 1) and indirect emissions from the use of electricity (Scope 2). During the year under review, the total GHG emissions were 42.41 tonnes of carbon dioxide equivalent ("tCO₂e"), with Scope 1 and Scope 2 emissions accounting for approximately 2% (0.85 tCO₂e) and 98% (41.56 tCO₂e) respectively. The emission intensity was approximately 7.07 tCO₂e/person.

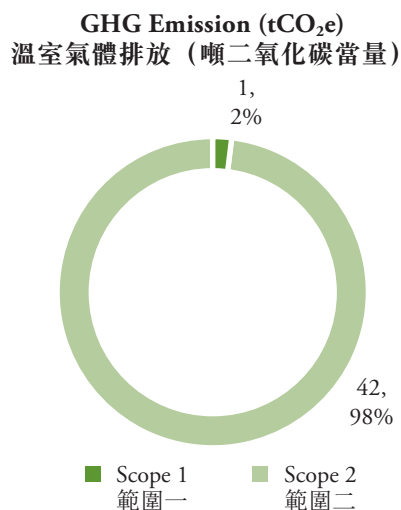
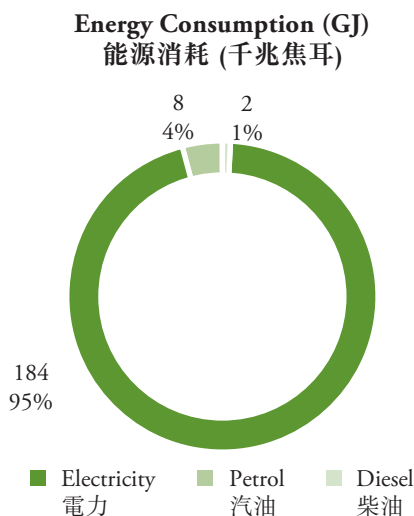
資源消耗

能源

本集團業務營運消耗的資源包括能源、水及包裝物料。

於回顧年度內，本集團的直接及間接總能源消耗由 261.31 升汽車用汽油及 59.3 升柴油以及 51,804.55 千瓦時外購電力組成。總能源消耗約為 196.95 千兆焦耳，其中電力為最大的組成部分，佔總能源消耗超過 95%。於回顧年度內的總能源密度約為 32.83 千兆焦耳／人。

本集團溫室氣體排放包括因消耗燃料而產生的直接排放（範圍一）及因使用電力而產生的間接排放（範圍二）。於回顧年度，總溫室氣體排放量為 42.41 噸二氧化碳當量，範圍一及範圍二的排放分別佔約 2%（0.85 噸二氧化碳當量）及 98%（41.56 噸二氧化碳當量）。排放密度約為 7.07 噸二氧化碳當量／人。



Water Resources

During the year under review, the Group consumed approximately 1,219 m³ of municipal water for both domestic and production use, with an intensity of approximately 203.17 m³/person. The Group did not have any issue in sourcing water that is fit for the purpose.

Packaging Materials

Engaged in the manufacture of fine jewellery, the Group consumes paper materials for finished products' packaging. During the year, a total of 425 kg of paper packaging materials were used. No plastic packaging materials were used.

Resources Conservation

Green Office — Let's GO

The Group devotes efforts to conserving energy and natural resources. We have continued to implement a green office scheme named "Let's Go" this year for our offices in Hong Kong. A series of energy and resources saving initiatives were adopted to integrate environmental sustainability into our daily operations. Stickers and posters are placed to raise employees' awareness of the need for environmental protection and to promote green habits in the office.

水資源

於回顧年度內，本集團消耗約1,219立方米城市用水作生活及生產用途，密度約為203.17立方米／人。本集團於獲取適用水源作有關用途方面並無問題。

包裝物料

本集團從事優質珠寶製造，製成品包裝會消耗紙材料。年內，我們合共使用425公斤紙包裝材料。並無使用塑料包裝材料。

資源保護

綠色辦公措施 — 綠識空間

本集團致力節約能源及保護天然資源。本集團於香港辦公室本年度繼續實施名為「綠識空間」的綠色辦公計劃。透過採納一系列節約能源及資源的措施，本集團將環境可持續發展融入日常經營中。已張貼貼紙及海報，藉此提升僱員的環保意識及推動辦公室內養成環保的習慣。



Emission Control

Air Emissions

The Group's air emissions come from petrol combustion by our vehicles in operation in Hong Kong and China. During the year under review, the Group emitted SO_x, NO_x and particulate matter (PM) amounting to 0.005 kg, 0.255 kg and 0.019 kg respectively.

Fumes are emitted during the process of jewellery polishing at our plants in China. We use a baghouse and desulphurisation device to remove particles and neutralise acidic sulphuric gases before discharge. During the year under review, a qualified third party was appointed to conduct air pollutant emissions tests and inspections to ensure compliance with the Level 2 standard of Integrated Emission Standard of Air Pollutants of the PRC.

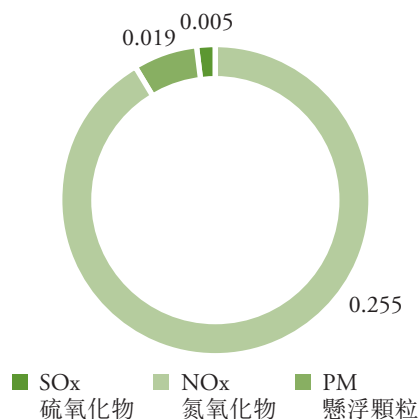
排放控制

大氣排放物

本集團的大氣排放物乃由香港及中國業務營運時汽車燃燒汽油所產生。於回顧年度內，本集團排放的硫氧化物、氮氧化物及懸浮顆粒分別為0.005公斤、0.255公斤及0.019公斤。

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

Air Emissions (kg)
大氣排放物 (公斤)



Effluent

Domestic sewage and production sewage account for all wastewater generation. To ensure the sewage discharge meets the regulatory standard, tests are conducted half-yearly to ensure we meet the requirements of the permit obtained from the Guangzhou government. We monitor our effluent discharge to ensure no hazardous effluents are discharged into the neighbourhood.

To reduce water consumption and discharge, we recycle the water used in production processes for several purposes, including washing gypsum moulds. A specialised service provider helps us to collect the small number of effluents generated containing metal particles and colorants for recycling.

Domestic water goes through our three-level treatment facilities before discharge, in order to strictly comply with the wastewater discharge standards. We are able to remove more than 80% of pollutants from sewage such as oil, scrap and organic compounds. Water used for cooling the central air-conditioning system is also reused.

污水

本集團產生的廢水全部為生活污水及生產污水。為確保污水排放達規管標準，我們每半年進行一次測試，以確保其符合廣州市政府發出許可證的要求。我們監控污水排放，確保並無有毒污水排放至附近區域。

為減少用水消耗及廢水排放，我們循環使用生產過程中曾使用的水，並將其重用於洗滌石膏模具等多個用途。專業服務供應商協助我們收集少量已產生含有金屬屑及著色劑的污水。

為嚴格遵守廢水排放標準，生活用水排放前會通過三層處理設施。我們能去除污水中超過80%的污染物，例如油、廢金屬及有機化學物。我們亦重新利用曾使用的污水作中央空調系統的冷卻用途。

Waste

Hazardous waste such as organic solvents, acidic and alkaline waste are generated in production processes of the Group. To minimise its environmental impacts, the Group has appointed a licensed waste collector to handle the waste. To reduce the risks of leakage and nuisance, we separately store and carefully transport our hazardous waste. We maintain the records of collection and transfer of hazardous waste for inspection. Annual reviews of the performance of the contractor are conducted to assure the validity of license and consistency of the service throughout the contract period.

A series of waste reduction measures are in force, including recycling old furniture, using social media to replace paper-printing for promotion and providing four different kinds of recycling bins in the office to recycle metals, paper, plastics and glass.

Since our office in Hong Kong has been moved to our parent company's office, data on waste is not available as office garbage is handled by the management office. We do not record the waste generated in our operations in China.

Noise Management

We are mindful of the noise pollution our production plants generate. Shock absorbers and sound insulation systems have been installed to reduce noise. Audits are conducted by the local noise monitoring unit on an ad hoc basis to guarantee that the noise level does not exceed limits.

Plant Site Greening

The Group is concerned about the ecology within and outside the production base and is continually increasing its efforts for greening the environment. We have appointed professional personnel to take care of the plants and foliage to improve the air quality at our production sites and the community nearby.

Climate Change

The Group is very conscious that climate change is an issue that needs to be addressed seriously by all. Extreme weather events, such as typhoons and floods, have the potential to impair our daily operations. We leave no stone unturned to identify the risks climate change implies for our business and develop strategies on an ongoing basis, while following what our peers are doing.

A Climate Change Policy has been developed, which outlines the steps that must be followed to address climate change. The Group examines its climate change policy on a regular basis to ensure that it has the required information and resources to monitor and review the impact of climate change on its business operations.

廢棄物

本集團的生產過程會產生有機溶劑、酸性及鹼性廢棄物等有害廢物。為盡量減少對環境構成的影響，本集團已委聘持牌廢棄物收集公司處理廢棄物。為降低洩漏及造成滋擾的風險，有害廢棄物獨立存放並小心運輸。我們保留有害廢棄物的收集及轉移記錄以供檢查。我們每年審閱承包商的表現，以保證整個合約期內牌照的有效性以及服務的一致性。

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

由於我們在香港的辦公室已搬遷至母公司的辦公室，我們無法獲得有關廢棄物的數據，原因乃辦公室垃圾由管理處負責處理。我們不會記錄中國的業務產生的廢棄物。

噪音管理

我們明白生產廠房會產生噪音污染。我們已安裝減震器及隔音系統以減少噪音。當地噪聲監測單位會按特別情況進行審核，以保證噪聲水平不超過限制範圍。

廠區綠化

我們關心生產基地內外的生態系統，並繼續加倍努力綠化環境。我們已委聘專業人士照顧植物，努力改善生產工地及附近社區的空氣質素。

氣候變化

本集團非常清楚，氣候變化為需要所有人認真對待的問題。颱風及水災等極端天氣事件可能會損害本集團日常營運。本集團不遺餘力地識別氣候變化對我們業務的風險，並持續制定策略，同時留意同行舉動。

已制定氣候變化政策，概述應對氣候變化必須遵循的步驟。本集團定期審查其氣候變化政策，以確保其擁有所需資料及資源，藉此監察並審查氣候變化對其業務營運產生的影響。

OPERATIONAL EXCELLENCE

Hifood is committed to achieving the finest product quality. The Group continues to maintain an effective quality management system and ongoing communications with customers to improve product and service quality.

Product Quality

The Group is dedicated to delivering jewellery products of the highest standards to its customers. Our production site is certified with ISO 9001:2015 quality management system to ensure product quality. An Organisation for Quality is responsible for monitoring and managing the production process. It comprises the Board of Directors, Chief Executive officers, Sales and Marketing Department, Operational Department and Administration Department. An annual evaluation is carried out to ensure the management system is effective.



The Group requires its employees to obtain certification for the necessary technical skills needed for high-quality jewellery production. To ensure the premium quality of our products, we carry out quality checks at each production stage, including inspection of raw materials, semi-finished products and finished products. A stringent procedure for quality assurance is in place. All raw materials including gems, diamonds, and precious metals are inspected before use in production. Classification and grading of raw materials are aligned with reference to the Chinese national standards issued by the Standardisation Administration of China. A two-level quality check is conducted in every quality assurance process and the products are inspected by different experienced professionals. Any unqualified products are returned to the production site for correction. Before a product enters the market for sale, it must pass through all quality inspections.

卓越營運

海福德致力實現最佳產品質量。本集團繼續努力維持有效的質量管理制度，並與客戶持續溝通以改善其產品及服務質量。

產品質量

本集團致力為客戶提供最優質的珠寶產品。我們的生產工地已通過ISO 9001:2015質量管理體系認證，以確保產品質量。質量組織由董事會、行政總裁、銷售及市場推廣部、營運部及行政部組成，負責監控及管理生產過程。本集團每年進行一次評估，以確保管理體系有效。

本集團要求僱員為掌握生產優質珠寶所需的技術技能獲得認證。為確保產品優質，我們於各生產階段進行質量檢查，當中包括檢查原材料、半成品及製成品。本集團執行嚴格的程序以保證質量。所有原材料（包括寶石、鑽石及貴金屬）在用於生產前均會進行檢查。原材料參照中國國家標準化管理委員會頒佈的中國國家標準分類與評級。在各質量保證過程中均進行兩級質量檢查，產品會由不同的資深專業人士檢查。不合資格的產品將退回生產工地修正。產品在投入市場銷售前必須通過所有質量檢測。

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

Enhancing Customer Satisfaction

We respect customers' feedback as it is critical in providing the finest quality products and services. We also maintain effective communication with customers to meet their expectations. We implement a set of standardised customer complaints handling procedures to handle complaints in a timely and professional manner. The Quality and Production Engineering Department are in charge of identifying problems to maintain product quality. The Sales Department is responsible for communicating with customers concerning complaints. Rectification or preventive measures are taken if applicable after investigation.

A product recall handling procedure is in place for handling any unqualified products and to ensure the recall process is effective and efficient. Recalled or defected products are examined by the Quality and Production Engineering Department. To assure all products are up to standard, they are repaired when necessary.

Supply Chain Management

The Group strives to ensure the stability and quality of products by maintaining an effective supply chain management system. The department responsible for procurement needs to provide a candidate list of at least 3 suppliers after the appropriate investigation. The review team scores and confirms the list, and gives the final approval. Relevant departments need to set up a probation period of 3-6 months for suppliers. The procurement department follows up and supervises the process and if a supplier fails to meet the standards, it is removed from the list of approved suppliers. The performance of existing suppliers must be evaluated at least once a year.

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

提高客戶滿意度

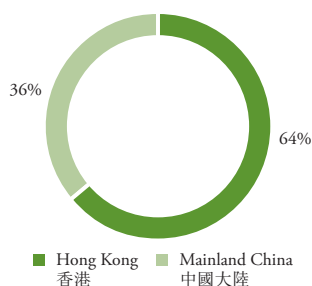
我們尊重客戶的反饋意見，因為這就提供最優質產品及服務而言十分關鍵。我們亦與客戶保持有效溝通，以滿足彼等的期望。我們實施一套統一的客戶合規處理程序，旨在及時、專業地處理投訴。質量及生產工程部負責發現問題，以保持產品質量。銷售部負責就投訴與客戶溝通。經調查後，於適用時採取糾正或預防措施。

已制定產品回收處理程序，以處理任何不合格的產品並確保回收過程有效及高效。已回收或有瑕疵的產品均由質量及生產工程部檢驗。為確保所有產品符合標準，必要時將會修補該等產品。

供應鏈管理

本集團透過維持有效的供應鏈管理制度，努力確保產品穩定及質量。負責採購的部門需要在進行適當調查後提供至少有三名供應商的候選名單。審查團隊會評分並確認清單，然後作出最終批准。相關部門需要為供應商設立3至6個月的試用期。採購部門會跟進並監督過程，倘供應商未能符合標準，則將從認可供應商名單中剔除該供應商。現有供應商的表現須至少每年評估一次。

Supplier Distribution
供應商分佈



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

² 有關產品責任的法律及法規，請參閱法律及法規一節。

During the year under review, the Group had a total of 33 suppliers, of which 64% are located in Hong Kong. Market search on diamonds, gems and semi-precious stones is conducted on a regular basis. The Group also collects quotations from different companies for price evaluation. The procurement process for polished diamonds, other raw materials and services from suppliers is fair, ethical and equitable. A series of supplier selection criteria including price, product and service quality, delivery performance, quality consistency and competitiveness are applied during the initial assessment. We only procure raw materials from suppliers who fulfil our selection criteria. In order to review suppliers' performance, an assessment is conducted half-yearly. Suppliers with unsatisfactory performances are removed from our supplier list.

Data and Intellectual Property Rights Protection

The Group values data security and privacy of its customers and employees. We strictly prohibit the disclosure of confidential documents without proper permission. Employee's obligation on confidentiality remains valid even after termination of services. When handling confidential information, employees must consult their supervisors or department managers for advice. The Group also values intellectual property rights. A set of policies and regulations concerning information security are in place to avoid data leakage and safeguard cybersecurity. All office software in the Group's computers is procured from authorised and copyright holders only. In order to safeguard the legitimate rights and interests of the enterprise and avoid infringement, the Marketing Communication Department of the Group evaluates patent applications for all inventions and creations within the Group in accordance with the Patent Management System. The Market Communications Department reports outcome of the patent monitoring and protection process to the Group management at least once a quarter.

於回顧年度，本集團共有33名供應商，其中64%位於香港。定期於市場上搜索有關鑽石、寶石及半寶石的資料。本集團亦會收集不同公司的報價進行價格評估。向供應商採購已打磨鑽石、其他原材料及服務的過程公允，符合道德及公平。於初步評估時，本集團應用一系列供應商甄選標準，有關標準包括價格、產品及服務質量、交付表現、質量一致性及競爭力。本集團僅向符合甄選標準的供應商採購原材料。為檢討供應商表現，每半年進行一次評估。表現未如理想的供應商將從供應商名單中剔除。

資料及知識產權保護

本集團重視客戶及僱員的資料安全及隱私。嚴禁未經正當許可披露機密文件。僱員在終止僱用後仍有保密義務。僱員在處理機密資料時，必須諮詢其主管或部門經理意見。本集團亦重視尊重知識產權。為防止資料洩露以及保障網絡安全，本集團已制定有關資料安全的一套政策及規定。本集團電腦中所有辦公軟件均僅向經授權及版權持有人採購。為維護企業的合法權益以及避免侵權，本集團營銷傳播部根據專利管理系統，評估本集團內所有發明及創造的專利申請。市場通訊部至少每季向本集團管理層報告專利監測結果及保護程序一次。

Business Ethics

The Group upholds the highest standards of integrity and honesty. We have zero tolerance for any form of corruption including bribery, extortion, fraud and money laundering. Anti-corruption standards concerning corrupt behaviours are in place to uphold integrity in the workplace.

The Code of Conduct with anti-corruption standards is incorporated in our Employee Handbook. Guidelines are provided to employees to deal with potential conflict or to receive advantages improperly. The Sales Department checks the corresponding bank account and customer name. For newly developed customers, we commission a professional organization to investigate the customer reputation and obtain the investigation report. For existing customers, we check and investigate the customer public reputation information at least once a year. Financial personnel of the fund management team regularly check the documents and customer accounts receivable, and report any abnormality to the superiors and the management in time. The Group regularly disseminates anti-money laundering knowledge to relevant personnel, and understands the importance of anti-money laundering work.

The Group has formulated a whistleblowing policy that is based on principles of fairness, mutual trust, morality and integrity. Rules pertaining to conflict of interest are laid out and to actively maintain noble ethics, we encourage and assist employees and third parties to report any misconduct or irregularities. After confirming the authenticity of the incident, the internal audit department takes further action with the relevant authorities to severely punish the violators. The HR and administration department of the Group is responsible for accepting employee reports and transferring the situation internal audit. After confirming the facts, the Human Resources Administration department assists the relevant departments in handling the disciplinary action. Whistle-blowers can report to internal audit or superior authorities, anonymously or publicly through email, or in writing, at any time, including through a 24-hour telephone line and other forms. Employees can also report through the mailbox in accordance with the Operation Procedures of SOP-HRM-21 Employee Suggestion Box. The Group has a policy to protect the informant, to keep confidential the identity of the informant, to ensure that the informant is not subjected to retaliation or threats, and to ensure a smooth investigation of the incident.

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

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

商業道德

本集團支持最高標準的誠信及誠實行為，對一切形式的貪污行為（包括賄賂、勒索、欺詐及洗黑錢）絕不容忍。為保持工作環境廉正，已制定反貪污準則應對貪污行為。

與反貪污準則有關的行為守則已在本集團的僱員手冊中訂明。本集團亦為僱員提供指引，以處理可能出現的利益衝突或不恰當利益輸送。銷售部檢查相應銀行賬戶及客戶名稱。就新開發的客戶而言，本集團委託專業機構對客戶聲譽進行調查並獲取調查報告。就現有客戶而言，本集團至少每年檢查並調查客戶公眾聲譽資料一次。基金管理團隊的財務人員定期檢查該等文件及應收客戶賬款，並及時向上級及管理層彙報任何異常情況。本集團定期向相關人員發佈反洗錢知識，明白反洗錢工作的重要性。

本集團已制定舉報政策，該政策以公平、互信、道德及誠信為原則。本集團已制定有關利益衝突的規則，為積極保持崇高的道德，亦鼓勵並協助僱員及第三方舉報任何不當行為或不合規行為。在確認事件的真實性後，內部核數部門與相關部門採取進一步行動，嚴格處罰違規人員。本集團的人力資源及行政部門負責接收僱員報告以及轉移狀況內部核數工作。在確認事實後，人力資源管理部門協助相關部門處理紀律處分。舉報人可隨時通過24小時電話熱線等形式，通過電子郵件或書面向內部核數或上級部門匿名或公開舉報。僱員亦可根據SOP-HRM-21僱員意見箱的操作程序通過郵箱舉報。本集團已制定政策保護舉報人，將舉報人的身分保密，確保舉報人不會遭受報復或威脅，並確保事件的調查工作順利進行。

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

³ 有關反貪污的法律及法規，請參閱**法律及法規**一節

OUR PEOPLE

Recognising people as an integral component of the Group, Hifood strives to provide a decent and comfortable work environment to its employees, creating development opportunities for them, and at the same time taking care of their well-being and benefits.

Employee Profile

As at 31 March 2022, the Group employed 6 full-time staff, of which 2 employees are based in mainland China. The ratio of male to female employees is 2:1. Regarding age, 83% of our staff are aged 31-50 and 17% are aged above 50. Among the employees, 67% are managerial staff and 33% are general staff.

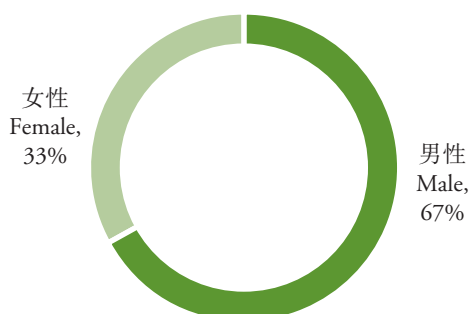
我們的員工

本集團將員工視為不可或缺的一部分。海福德致力於為僱員提供優質舒適的工作環境，提供發展機會，同時照顧其身心健康及利益。

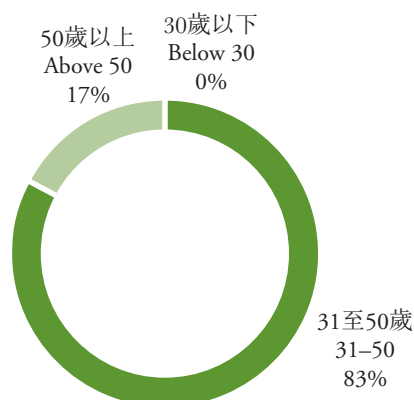
僱員概況

於2022年3月31日，本集團僱用6名全職員工，其中2名僱員位於中國大陸。男女僱員比例為2:1。就年齡而言，83%的員工年齡介乎31歲至50歲，而17%的員工年齡為50歲以上。在員工當中，管理人員佔67%，普通員工佔33%。

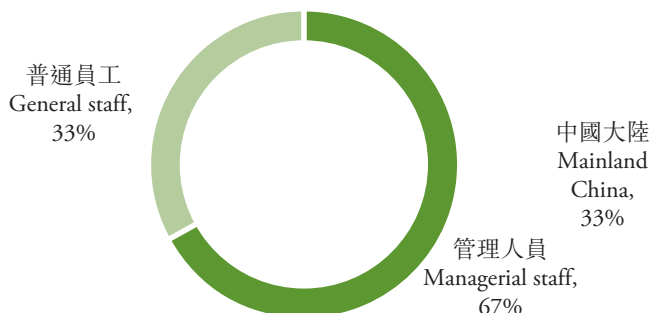
Employee Profile, by Gender
僱員概況 (按性別)



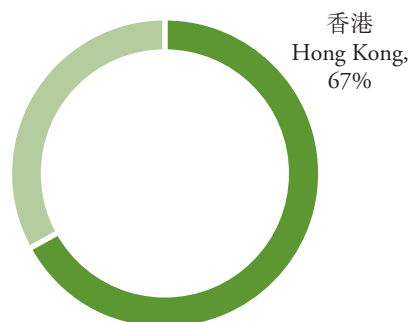
Employee Profile, by Age
僱員概況 (按年齡)



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



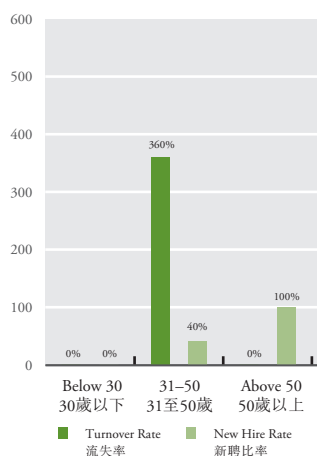
Employee Profile, by Geographical Region
僱員概況 (按地區)



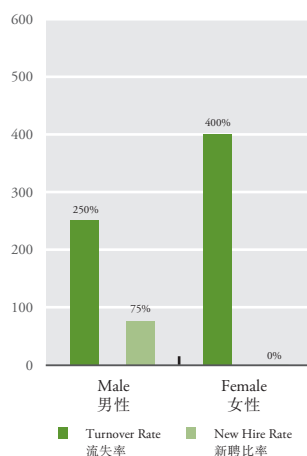
During the year under review, the overall employee turnover rate and new hire rate were 300% and 75% respectively. Detailed distributions of employee turnover and new hire rate by age and gender are presented in the graphs below:

於回顧年度內，整體僱員流失率及新聘比率分別為300%及75%。下圖顯示按年齡及性別劃分的僱員流失率及新聘比率的詳細分佈：

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



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



Employee Rights and Welfare

The Group is dedicated to building a diverse and inclusive workplace where all employees are respected. Therefore, we have zero tolerance for any form of discrimination or harassment because of one's age, gender, marital status, race, religion and disability.

To safeguard employees' rights and benefits, we adopt internal regulations covering areas that include remuneration, recruitment, promotion, working hours and equal opportunities.

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

Talent Recruitment

The Group has specified stringent human resources management processes and procedures in terms of recruitment and employment in the employee handbook. As an equal opportunity employer, suitable candidates are selected regardless of their race, colour, social status, origin, nationality, religion, disability, gender, sexual orientation, political affiliation or age. We strictly follow open and fair recruitment and promotion process that is solely based on merit, educational background, work performance and professional experience. Employees' work performance, attitudes and other key performance indicators are evaluated on an annual basis. These appraisals form the basis for promotion, position and salary adjustment.

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

僱員權利及福利

本集團致力於建立多元化及提倡包容的工作場所，讓全體僱員受到尊重。因此，我們絕不容忍基於年齡、性別、婚姻狀況、種族、宗教及殘疾任何形式的歧視或騷擾。

為保障僱員權益，我們採納涵蓋薪酬、招聘、晉升、工作時間及平等機會等領域的內部規則。

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

人才招聘

本集團已於僱員手冊內訂明有關招聘及僱傭的嚴格人力資源管理流程及程序。作為提供平等機會的僱主，不論種族、膚色、社會地位、出身、國籍、宗教、殘疾、性別、性取向、政治聯繫或年齡如何，均會選擇合適人選。我們嚴格遵循公開、公平的招聘及晉升流程，有關流程僅基於優點、教育背景、工作表現及專業經驗。每年評估僱員的工作表現、態度等關鍵績效指標。有關評估構成釐定晉升、職位及薪金調整的基礎。

⁴ 有關勞工相關法律及法規，請參閱法律及法規一節。

Welfare and Benefits

We believe employees' satisfaction is essential to the Group's long-term prosperity and success. To motivate them for continuous improvement, the Group provides its employees with attractive and comprehensive remuneration packages and welfare benefits. Employees' remuneration is adjusted in accordance with market conditions as well as employees' performance, qualifications and expertise.

On top of statutory benefits, employees are entitled to a range of welfare benefits such as healthcare, maternity and paternity leave, gifts on festive occasions and birthday and marriage leave. Additionally, free annual health checks are offered to employees in China. Moreover, we provide employees with social insurance and labour insurance. To attract and retain talented individuals, staffs with outstanding performances are entitled to bonus under the incentive scheme. The effectiveness of this scheme is reviewed on an annual basis. Furthermore, long service award and bonus are awarded to those who have served the Group for more than 5 years to reward their continuous dedication and contribution to the Group.

Equal Opportunity and Diversity

The Group is committed to fair recruitment practices and strives to ensure that all job applicants are treated equally, regardless of gender, nationality, disability, age, skin colour, race and family position. Employees are strongly encouraged to report any cases of discrimination or harassment to their supervisors or to the HR Department. The Group investigates such cases promptly and seriously. Corrective and rectification measures are initiated if the case is found to be true. In particular, an Equality Working Group has been set up in China to oversee the implementation of anti-discrimination policies and handle relevant complaints.

Employment Standards

Labour rights are important to us. The Group is cautious about prohibited labour practices such as recruitment of child or forced labour. Strict labour standards and internal policies are followed to ensure child or forced labour is used and we comply with applicable laws. For instance, the Group ensures all newly recruited employees are over 16 years old through verifying their identification documents. In addition, labour contracts are signed based on mutual agreement between the Group and employees.

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

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

待遇及福利

我們相信僱員的滿意程度對本集團長期繁榮及成功非常重要。為鼓勵彼等持續改進，本集團為僱員提供具有吸引力且全面的薪酬待遇及福利待遇。僱員薪酬根據市況以及僱員的表現、資格及專業知識調整。

除法定福利外，僱員亦有權獲得一系列薪酬待遇，例如醫療保健、產假及侍產假、節日禮品、生日假及婚假等福利待遇。此外，中國僱員亦獲提供免費年度健康檢查。此外，我們為僱員提供社會保險及勞工保險。為吸引並留聘人才，表現卓越的員工有權根據獎勵計劃獲得花紅。每年檢討該計劃是否有效。此外，向為本集團服務超過5年的人士頒發長期服務獎及獎金，以回報彼等持續效力本集團並作出貢獻。

平等機會及多元化

本集團致力公平招聘，努力確保所有求職者不論性別、國籍、殘疾、年齡、膚色、種族及家庭崗位，均一視同仁。強烈鼓勵僱員向其主管或人力資源部彙報任何歧視或騷擾案件。本集團會及時嚴肅調查案件。倘案件查證屬實，則將採取修正及糾正措施。特別是，在中國成立平等工作小組，以監督反歧視政策施行並處理相關投訴。

僱傭準則

勞工權利對我們十分重要。本集團謹慎防止任何受禁勞工行為發生，例如招募童工或強迫勞動。透過遵從嚴格的勞工標準及內部政策確保使用童工或強迫勞動，且我們符合適用法律。例如，本集團透過核實新聘僱員的身份證明文件，確保彼等全體年滿16歲。此外，勞工合約根據本集團與僱員訂立的雙方協議簽訂。

於回顧年度內，本集團並無發現不符合任何對本集團構成重大影響有關防止童工及強迫勞動的相關法律及法規⁵的情況。年內並無與童工或強迫勞動有關的經彙報案件。

⁵ 有關勞工相關法律及法規，請參閱法律及法規一節。

Employee Relations

The Group highly values open and two-way communication with its employees. As such, we maintain constant engagement with employees through various communication channels including intranet and monthly newsletters to update employees with the Group's latest policies and development status. Our open-door policy encourages employees to exchange ideas and provide feedbacks on product designs and policies. Protecting the legal rights and securing the best interests of employees is ensured by labour union and women workers' committee established to settle labour disputes.

Training and Development

The professional competency of our employees underpins the growth of the Group. To this end, Hifood spares no effort in investing in training and development of dedicated individuals to enable them to realise their full potential. We provide various development opportunities to them. To enhance employees' abilities for fulfilling the operational needs of their respective positions, the Group identifies training needs of employees based on their performance as evaluated in the annual assessment.

In accordance with development needs of the Group and employees' comments, the HR department delivers various in-house trainings, covering areas including technical knowledge, management skills and stone jewellery classification. This helps to equip employees with the required skills and knowledge so that they can improve their performances in an on-going manner. All newcomers are required to attend internal and external training for enhancing the understanding of their respective responsibilities and work procedures. Internal trainings are carried out by managerial staffs where they share first-hand experiences with colleagues.

| Training Performance | 培訓績效 | Training Coverage 培訓覆蓋率 | Average Training Hour 平均培訓時數 |
|----------------------|------------|----------------------------|---------------------------------|
| By Gender | 按性別 | | |
| Male | 男 | 100% | 9 |
| Female | 女 | 50% | 15 |
| By Function | 按職能 | | |
| Managerial staff | 管理人員 | 100% | 9 |
| General staff | 一般員工 | 50% | 15 |

Collaborating with Panya Vocational Training Center, the Group offers training opportunities for talented individuals in jewellery making industry. Looking ahead, we aim to provide more professional career support to all members of staff through assigning tutors with high professional competency.

僱員關係

本集團十分重視與僱員的相互開誠溝通。因此，我們通過內聯網及每月通訊等多個溝通渠道與僱員定期互動，從而讓僱員知悉本集團的最新政策及發展情況。我們的開放政策鼓勵僱員分享彼等對產品設計及政策的想法及意見。已成立工會及女工委員會確保僱員的法定權益及最佳利益得到保障，以調解勞資糾紛。

培訓及發展

僱員的專業能力支撐本集團成長。就此，海福德不遺餘力投資於培訓並發展敬業的個別人土，透過為彼等提供各種發展機會，使彼等明白自己潛力無限。為提高僱員滿足各自職位營運所需的能力，本集團根據彼等在年度評估時經評估的表現確定僱員是否需要培訓。

人力資源部根據本集團發展需要及僱員意見，開展各類內部培訓，其涵蓋技術知識、管理技能、寶石分類等領域。此舉有助為僱員提供所需技能及知識，故彼等能以持續的方式提升表現。所有新來者均須出席內部及外部培訓，以使彼等增加了解各自的職責及工作程序。內部培訓由管理人員進行，彼等將與同事分享一手經驗。

本集團與Panya職業培訓中心(Panya Vocational Training Center)合作，為珠寶製造行業的人才提供培訓機會。展望未來，我們旨在透過指派具有高專業能力的導師為所有員工提供更專業的職業支持。

Occupational Health and Safety

Ensuring the safety of our employees is one of our foremost tasks. The Group is dedicated to ensuring a safe and healthy work environment for its employees and eliminating any potential hazards. To achieve this objective, we implement strict safety management and training systems and procedures. During the year under review, there were no cases of work-related accidents and there were 0 lost days recorded; the Group did not record any case regarding work-related fatalities.

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

Safety and Emergency Management

As part of our management approach to strictly comply with relevant laws and regulations, a production safety management policy and occupational hygiene management organisation are deployed to oversee and monitor the operations and processes at the Group. In addition, HR Department conducts annual safety evaluation and monitors the usage of personal protective equipment. The persons-in-charge of the production units are responsible for adoption of safety practices and delivery of safety education to employees.

To effectively respond to emergency circumstances, the Group has set up an emergency handling group spearheaded by the HR Department for managing natural and man-made accidents such as fire, flooding and chemical leakage. Emergency plans including emergency preventive measures and handling procedures are formulated to ensure timely and effective handling of emergencies.

職業健康與安全

確保僱員安全為我們首要任務之一。本集團致力確保僱員擁有安全健康的工作環境，並消除任何潛在危害。為實現此目標，我們實施嚴格的安管理工作，亦執行培訓制度及程序。於回顧年度內，概無工作相關事故案例或錄得的損失天數；本集團並無錄得任何因工作關係而死亡的案例。

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

安全及緊急管理

作為嚴格遵守相關法律及法規的管理方法的一部分，我們採用安全生產管理政策及職業衛生管理組織監督並監察本集團的業務流程。此外，人力資源部每年進行安全評估並監察個人防護設備的使用情況。生產單位負責人則負責採納安全常規及為僱員提供安全教育。

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

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

⁶ 有關健康及安全相關法律及法規，請參閱法律及法規一節。

Production Safety

Our fine jewellery production involves casting, polishing and gold-filling. Therefore, our employees are subject to a range of potential safety hazards. To eliminate these production safety hazards, various safety measures are implemented at the workplace. For instance, personal protective equipment including gloves, masks and eye protectors are provided to protect the employees against safety hazards.

生產安全

優質珠寶生產涉及鑄造、拋光及鑲金。因此，僱員可能會面臨多種可出現的安全危害。為消除生產過程中的安全危害，多項安全措施已於工作場所中實行。例如，我們會提供手套、口罩及護目鏡等個人防護設備，以保障僱員免受安全危害。

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

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

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

Safety Measures 安全措施

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

為及時識別面對有毒物料、高溫、灰塵與噪音排放的風險，定期進行第三方安全評估。倘發現任何潛在或現有風險，則會採取修正措施。根據負責人員在管理安全事宜上的表現，向彼等分派貨幣獎勵及罰款。

The Group cares about its employees' health and well-being. On top of occupational health checks provided to employees annually, we also maintain an occupational health monitoring profile for each employee to monitor their occupational health. If occupational health risk is observed, medical treatment is provided when necessary, and then we rectify any improper practices in the workplace that could lead to occupational health issues.

本集團關心僱員的身心健康。除每年向僱員提供職業健康檢查外，我們亦為每名僱員留存職業健康監測簡檔，以監測彼等的職業健康狀況。倘發現職業健康風險，則在必要時提供醫療服務，其後我們將糾正工作場所中可能導致職業健康問題的任何不當行為。

Safety Training

Prevention is the first priority when it comes to safety risk management. In this regard, we are committed to enhancing safety awareness at workplace to avoid injuries. The production safety management policy of the Group requires the provision of safety training to all newcomers, temporary workers and transferees to ensure all employees are well trained and equipped with the necessary knowledge on safety issues. The completion of safety training is compulsory for all newcomers to ensure that they possess knowledge of occupational health and safety issues and the correct usage of personal protective equipment. After the training, they must pass an assessment before commencing their duties. For current employees, safety training is delivered by various operational units regularly.

Since the Group's operations involve technical manufacturing procedures, employees associated with these procedures are required to undergo professional safety training and obtain the required certificate as a proof of their ability to operate specific machines. Government organisations are regularly invited to deliver safety education training to managerial staff and person-in-charge of occupational health.

COMMUNITY INVOLVEMENT

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

安全培訓

就安全風險管理而言，預防為最優先考慮因素。就此，我們致力提高工作場所之間的安全意識，以避免損傷。本集團的安全生產管理政策規定須向新來者、臨時工人及調崗者提供安全培訓，以確保所有僱員均接受足夠培訓並具備有關安全事宜的必要知識。所有新來者均須完成安全培訓，以確保彼等在職業健康及安全事宜上掌握知識以及如何正確使用個人防護設備。於培訓後，彼等必須在履行其職務前通過評估。我們會定期向不同作業單位的現有僱員提供安全培訓。

由於本集團的營運涉及技術製造程序，與該等程序有關的僱員須接受專業安全培訓，並獲得可證明其有能力操作特定器械的必要證書。本集團亦定期邀請政府機構向管理層員工及職業健康負責人提供安全教育培訓。

社區參與

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

LAWS AND REGULATIONS

To ensure strict compliance with all applicable laws and regulations, the Group has established and implemented respective management approaches including policies and initiatives in response to each ESG aspect. The list of applicable laws and regulations is as follows:

法律及法規

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

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

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

PERFORMANCE DATA SUMMARY

績效數據概要

| | | 2022 二零二二年 | 2021 二零二一年 |
|---------------------------------------|-------------------------------|---------------|---------------|
| Workforce Demographics 僱員統計 | Total Headcount 總人數 | 6 | 22 |
| | By Region 按地區劃分 | | |
| | Hong Kong 香港 | 4 | 4 |
| | China 中國 | 2 | 18 |
| | By Age 按年齡劃分 | | |
| | ≤30 | 0 | 1 |
| | 31-50 | 5 | 19 |
| | ≥51 | 1 | 2 |
| | By Gender 按性別劃分 | | |
| | Male 男性 | 4 | 13 |
| | Female 女性 | 2 | 9 |
| | By Position Level 按職位層級劃分 | | |
| | Management staff 管理層員工 | 4 | 4 |
| | General staff 一般員工 | 2 | 18 |
| | By Employment Type 按僱傭類型劃分 | | |
| | Full-time 全職 | 6 | 22 |
| | Part-time 兼職 | 0 | 0 |
| Employee Turnover Rate 僱員流失率 | 300% | 45.45% | |
| Employee New Hire Rate 僱員新入職率 | 75% | 4.55% | |

| | | 2022 二零二二年 | 2021 二零二一年 |
|-----------------------------------------|----------------------------------------------------------|---------------|---------------|
| Health and Safety 健康與安全 | Work-related injury 工傷 | 0 | 0 |
| | Number of injured employees 受傷僱員人數 | 0 | 0 |
| | Lost days due to work-related injury 因工傷損失日數 | 0 | 0 |
| | Work-related fatalities 因工作關係死亡人數 | 0 | 0 |
| | | | |
| Supply Chain Management 供應鏈管理 | Supplier Distribution 供應商分佈 | | |
| | Hong Kong 香港 | 21 | 10 |
| | Mainland China 中國內地 | 12 | 34 |
| Environment 環境 | Resources Consumption 資源消耗 | | |
| | Electricity (kWh) 電力 (千瓦時) | 51,804.55 | 180,723.07 |
| | Petrol (Litre) 汽油 (升) | 261.31 | 89,452.77 |
| | Diesel (Litre) 柴油 (升) | 59.3 | 0 |
| | Total energy consumption (GJ) 總能源消耗 (千兆焦耳) | 196.95 | 3,501.62 |
| | Energy intensity (GJ/person) 能源密度 (千兆焦耳/人) | 32.83 | 159.16 |
| | Water (m ³) 用水 (立方米) | 1,219 | 3,410.88 |
| | Water intensity (m ³ /person) 用水密度 (立方米/人) | 203.17 | 155.04 |
| | Paper (kg) 紙 (公斤) | 425 | 669.57 |
| | Plastics (kg) 塑料 (公斤) | 0 | 0 |

| | | 2022 二零二二年 | 2021 二零二一年 |
|-----------------|-------------------------------------------------------------------------------|---------------|---------------|
| | Emissions 排放物 | | |
| | GHG Emissions 溫室氣體排放 | | |
| | Scope 1: direct carbon emission (tCO ₂ e) 範圍一：直接碳排放 (噸二氧化碳當量) | 0.85 | 237.94 |
| | Scope 2: indirect carbon emission (tCO ₂ e) 範圍二：間接碳排放 (噸二氧化碳當量) | 41.56 | 145.34 |
| | Total (tCO ₂ e) 總量 (噸二氧化碳當量) | 42.41 | 383.27 |
| | GHG intensity (tCO ₂ e/person) 溫室氣體排放密度 (噸二氧化碳當量/人) | 7.07 | 17.42 |
| | Air pollutants 空氣污染物 | | |
| | Sulphur oxides (kg) 硫氧化物 (公斤) | 0.005 | 1.31 |
| | Nitrogen oxides (kg) 氮氧化物 (公斤) | 0.255 | 71.14 |
| | Particulate matter (kg) 懸浮顆粒 (公斤) | 0.019 | 5.24 |
| | Hazardous waste (Tonnes) 有害廢棄物 (噸) | 0 | 0 |
| | Non-hazardous waste (kg) 無害廢棄物 (公斤) | 0 | 0 |
| Community 社區 | Donation (HKD) 捐款 (港元) | 0 | 0 |

HKEX ESG CONTENT INDEX

香港聯交所環境、社會及管治內容索引

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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

| KPIs 關鍵績效指標 | Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定 | Section/Remarks 章節／備註 |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aspect A4: Climate Change 層面 A4：氣候變化 | | |
| General Disclosure 一般披露 | Policies on minimising the issuer's significant impacts on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。 | OUR ENVIRONMENT — Climate Change 我們的環境 — 氣候變化 |
| | KPI A4.1 關鍵績效指標 A4.1 | Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 描述已經及可能會對發行人產生影響的重大氣候相關事宜及已採取管理有關影響的行動。 |
| B. Social B. 社會 | | |
| Aspect B1: Employment 層面 B1：僱傭 | | |
| General Disclosure 一般披露 | Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料。 | OUR PEOPLE — Employee Rights and Welfare 我們的員工 — 僱員權益及福利 |
| | KPI B1.1 關鍵績效指標 B1.1 | Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。 |
| | KPI B1.2 關鍵績效指標 B1.2 | Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。 |

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

| KPIs 關鍵績效指標 | Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定 | Section/Remarks 章節／備註 |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aspect B2: Health and Safety 層面 B2：健康與安全 | | |
| General Disclosure 一般披露 | Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料。 | OUR PEOPLE — Occupational Health and Safety 我們的員工 — 職業健康與安全 |
| | KPI B2.1 關鍵績效指標 B2.1 | Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 於過去三年(包括報告年度)各年發生的因工作關係而死亡的人數及比率。 |
| | KPI B2.2 關鍵績效指標 B2.2 | Lost days due to work injury. 因工傷損失工作日數。 |
| | KPI B2.3 關鍵績效指標 B2.3 | Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。 |
| Aspect B3: Development and Training 層面 B3：發展及培訓 | | |
| General Disclosure 一般披露 | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 | OUR PEOPLE — Training and Development 我們的員工 — 培訓及發展 |
| | KPI B3.1 關鍵績效指標 B3.1 | The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。 |
| | KPI B3.2 關鍵績效指標 B3.2 | The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分每名僱員完成受訓的平均時數 |

| KPIs 關鍵績效指標 | Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定 | Section/Remarks 章節／備註 |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Aspect B4: Labour Standards 層面 B4：勞工準則 | | |
| General Disclosure 一般披露 | Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to prevention of child and forced labour. 有關防止童工及強制勞工的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料。 | OUR PEOPLE — Employment Standards 我們的員工 — 僱傭準則 |
| KPI B4.1 關鍵績效指標 B4.1 | Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。 | OUR PEOPLE — Employment Standards 我們的員工 — 僱傭準則 |
| KPI B4.2 關鍵績效指標 B4.2 | Description of steps taken to eliminate such practices when discovered. 描述在發現有關手法時消除有關手法所採取步驟。 | OUR PEOPLE — Employment Standards 我們的員工 — 僱傭準則 |
| Aspect B5: Supply Chain Management 層面 B5：供應鏈管理 | | |
| General Disclosure 一般披露 | Policies on managing environmental and social risks of the supply chain 管理供應鏈的環境及社會風險政策。 | OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管理 |
| KPI B5.1 關鍵績效指標 B5.1 | Number of suppliers by geographical region 按地區劃分的供應商數目。 | OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管理 |
| KPI B5.2 關鍵績效指標 B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。 | OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管理 |
| KPI B5.3 關鍵績效指標 B5.3 | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述用於識別供應鏈上的環境及社會風險的手法以及執行並監察有關手法的方法。 | OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管理 |
| KPI B5.4 關鍵績效指標 B5.4 | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在甄選供應商時用於推廣環保產品及服務的手法以及執行並監察有關手法的方法。 | OPERATIONAL EXCELLENCE — Supply Chain Management 卓越營運 — 供應鏈管理 |

| KPIs 關鍵績效指標 | Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定 | Section/Remarks 章節／備註 |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| Aspect B6: Product Responsibility 層面 B6：產品責任 | | |
| General Disclosure 一般披露 | Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料。 | OPERATIONAL EXCELLENCE — Product Quality 卓越營運 — 產品質量 |
| KPI B6.1 關鍵績效指標 B6.1 | Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已付運產品總數中因安全及健康理由而須回收的產品百分比。 | OPERATIONAL EXCELLENCE — Product Quality 卓越營運 — 產品質量 |
| KPI B6.2 關鍵績效指標 B6.2 | Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。 | OPERATIONAL EXCELLENCE — Enhancing Customer Satisfaction 卓越營運 — 提高客戶滿意度 |
| KPI B6.3 關鍵績效指標 B6.3 | Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。 | OPERATIONAL EXCELLENCE — Data and Intellectual Property Rights Protection 卓越營運 — 資料及知識產權保護 |
| KPI B6.4 關鍵績效指標 B6.4 | Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。 | OPERATIONAL EXCELLENCE — Product Quality 卓越營運 — 產品質量 |
| KPI B6.5 關鍵績效指標 B6.5 | Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。 | OPERATIONAL EXCELLENCE — Data and Intellectual Property Rights Protection 卓越營運 — 資料及知識產權保護 |

| KPIs 關鍵績效指標 | Stock Exchange ESG Reporting Guide Requirements 聯交所環境、社會及管治報告指引規定 | Section/Remarks 章節／備註 |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| Aspect B7: Anti-corruption 層面 B7：反貪污 | | |
| General Disclosure 一般披露 | Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料。 | OPERATIONAL EXCELLENCE — Business Ethics 卓越營運 — 商業道德 |
| KPI B7.1 關鍵績效指標 B7.1 | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。 | OPERATIONAL EXCELLENCE — Business Ethics 卓越營運 — 商業道德 |
| KPI B7.2 關鍵績效指標 B7.2 | Description of preventive measures and whistleblowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。 | OPERATIONAL EXCELLENCE — Business Ethics 卓越營運 — 商業道德 |
| KPI B7.3 關鍵績效指標 B7.3 | Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。 | OPERATIONAL EXCELLENCE — Business Ethics 卓越營運 — 商業道德 |
| Aspect B8: Community Investment 層面 B8：社區投資 | | |
| General Disclosure 一般披露 | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。 | COMMUNITY INVOLVEMENT 社區參與 |
| KPI B8.1 關鍵績效指標 B8.1 | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇 (如教育、環境事宜、勞工需求、健康、文化、體育)。 | COMMUNITY INVOLVEMENT 社區參與 |
| KPI B8.2 關鍵績效指標 B8.2 | Resources contributed (e.g. money or time) to the focus area. 在專注範疇所投放資源 (如金錢或時間)。 | COMMUNITY INVOLVEMENT 社區參與 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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

OPINION

We have audited the consolidated financial statements of Hifood Group Holdings Co., Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 102 to 179, which comprise the consolidated statement of financial position as at 31 March 2022, 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 March 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致海福德集團控股有限公司股東
(於開曼群島註冊成立的有限公司)

意見

我們已審計列載於第 102 至 179 頁海福德集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,包括於 2022 年 3 月 31 日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、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,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒布的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於 2022 年 3 月 31 日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(「守則」),我們獨立於貴集團,並已履行守則中的其他道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

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

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter

Estimation of fair value of a financial asset at fair value through profit or loss

Included in the Group's financial assets at fair value through profit or loss as of 31 March 2022 is an investment in an entity listed in the Stock Exchange of Hong Kong Limited, of which the trading of these shares has been suspended from 5 May 2022. The investment in these shares is measured at fair value in accordance with Hong Kong Financial Reporting Standard ("HKFRS") 13 *Fair Value Measurement*.

For the purpose of assisting management in their assessment of the fair value of the investment held by the Group, an independent professional valuer ("Management Specialist") was engaged to perform a fair value valuation.

The valuation of the investment involves significant judgements and estimates.

The significant accounting judgements, estimates and disclosures for fair value measurement of financial assets at fair value through profit or loss are included in notes 4, 19 and 34 to the consolidated financial statements.

致海福德集團控股有限公司股東
(於開曼群島註冊成立的有限公司)

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。就下文各事項而言，我們的審計如何處理該事項的描述乃以此為背景。

我們已履行本報告「核數師就審計綜合財務報表承擔的責任」部分中闡述的責任，包括與此等事項相關的責任。因此，我們的審計包括執行為應對評估綜合財務報表重大錯誤陳述風險而設的程序。我們的審計程序結果（包括處理下列事項所執行的程序）為我們對隨附綜合財務報表發表的審計意見提供基礎。

關鍵審計事項

按公允值計入損益的金融資產公允值估計

截至2022年3月31日，貴集團按公允值計入損益的金融資產包括在一家香港聯合交易所有限公司上市實體之投資，當中該等股份已於2022年5月5日起暫停買賣。對該等股份之投資根據香港財務報告準則（「香港財務報告準則」）第13號公允值計量按公允值計量。

為協助管理層評估 貴集團持有之投資之公允值，已委聘獨立專業估值師（「管理層專家」）進行公允值估值。

投資估值涉及重大判斷及估計。

按公允值計入損益的金融資產公允值計量涉及之重大會計判斷、估計及披露情況載於綜合財務報表附註4、19及34。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

KEY AUDIT MATTERS (CONTINUED)

How our audit addressed the key audit matter

Our procedures included:

- Reviewing the announcements made by the entity on the website of The Stock Exchange of Hong Kong Limited to understand the latest status of the entity in relation to its winding-up process, financial information and business development;
- Understanding the rationale of the underlying assumptions applied by management for the valuation;
- Evaluating the independence, objectivity and competence of the Management Specialist;
- Reviewing the data used as inputs for the valuation and also involving our internal valuation specialists to assist us in evaluating the valuation methodology adopted by the Management Specialist; and
- Assessing the adequacy of the related disclosures in the notes to the consolidated financial statements.

致海福德集團控股有限公司股東
(於開曼群島註冊成立的有限公司)

關鍵審計事項(續)

我們的審計如何處理關鍵審計事項

我們的程序包括：

- 審閱實體在香港聯合交易所有限公司網站上發佈之公告，以了解實體在財務資料及業務發展方面之最新狀況；
- 了解管理層就估值所用之相關假設原理；
- 評估管理層專家是否獨立、客觀以及其能力；
- 審閱用作估值輸入資料之數據，並讓內部估值專家協助評估管理層專家採納之估值方法；及
- 評估綜合財務報表附註所載相關披露資料是否充足。

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

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

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

致海福德集團控股有限公司股東
(於開曼群島註冊成立的有限公司)

年報所載其他信息

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

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為該等其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表承擔的責任

貴公司董事須對根據香港會計師公會頒布之香港財務報告準則及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

貴公司董事獲審核委員會協助，負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

致海福德集團控股有限公司股東
(於開曼群島註冊成立的有限公司)

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包含我們意見的核數師報告。我們僅向閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上責任或承擔責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，總能在某一重大錯誤陳述存在時發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總時可能影響使用者依賴該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

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

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

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF
THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)**

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is CHIU, Caroline Su Yuen.

Ernst & Young
Certified Public Accountants
Hong Kong
30 June 2022

致海福德集團控股有限公司股東
(於開曼群島註冊成立的有限公司)

核數師就審計綜合財務報表承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內各實體或業務活動的財務信息獲取充足適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動或所應用的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露該事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是趙素顯。

安永會計師事務所
執業會計師
香港
2022年6月30日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益及其他全面收益表

For the year ended 31 March 2022
截至2022年3月31日止年度

| | | Notes 附註 | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------|----------------------------------|----------------------------------|
| REVENUE | 收益 | 5 | 135,513 | 162,644 |
| Cost of sales | 銷售成本 | | (133,102) | (155,625) |
| Gross profit | 毛利 | | 2,411 | 7,019 |
| Other income | 其他收入 | 6 | 1,678 | 713 |
| Selling expenses | 銷售開支 | | (1,977) | (4,380) |
| Administrative expenses | 行政開支 | | (20,187) | (22,033) |
| Reversal of impairment losses on financial assets, net | 金融資產減值虧損撥回， 淨額 | | 925 | 1,341 |
| Other gains, net | 其他收益，淨額 | 7 | 2,243 | 815 |
| Other losses, net | 其他虧損，淨額 | 7 | (63,366) | (57,778) |
| Finance costs | 財務成本 | 8 | (78) | (356) |
| Share of loss of a joint venture | 應佔合營公司虧損 | | (3) | (13) |
| Impairment loss on a joint venture | 合營公司減值虧損 | | (88) | — |
| LOSS BEFORE TAX | 除稅前虧損 | 9 | (78,442) | (74,672) |
| Income tax expense | 所得稅開支 | 12 | (1) | (326) |
| LOSS FOR THE YEAR | 年內虧損 | | (78,443) | (74,998) |
| OTHER COMPREHENSIVE INCOME | 其他全面收益 | | | |
| <i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods — Exchange differences on translation of foreign operations</i> | <i>可能於其後期間重新分類至 損益的其他全面收益 — 換算 國外業務產生的匯兌差額</i> | | 1,084 | 2,025 |
| OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX | 年內其他全面收益，扣除稅項 | | 1,084 | 2,025 |
| TOTAL COMPREHENSIVE LOSS FOR THE YEAR | 年內全面虧損總額 | | (77,359) | (72,973) |
| Loss for the year attributable to: | 下列人士應佔本年度虧損： | | | |
| Owners of the Company | 本公司擁有人 | | (78,168) | (74,998) |
| Non-controlling interests | 非控股權益 | | (275) | — |
| | | | (78,443) | (74,998) |
| Total comprehensive loss for the year attributable to: | 下列人士應佔本年度 全面虧損總額： | | | |
| Owners of the Company | 本公司擁有人 | | (77,084) | (72,973) |
| Non-controlling interests | 非控股權益 | | (275) | — |
| | | | (77,359) | (72,973) |
| LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY | 本公司普通權益持有人應佔 每股虧損 | | | |
| — Basic and diluted | — 基本及攤薄 | 14 | HK\$(0.45) (0.45) 港元 | HK\$(0.43) (0.43) 港元 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

As at 31 March 2022
於2022年3月31日

| | | Notes 附註 | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------------------------------------------------|----------------|-------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 15 | 2,017 | 1,273 |
| Intangible assets | 無形資產 | 16 | 1,158 | 1,324 |
| Right-of-use assets | 使用權資產 | 17 | 3,241 | 781 |
| Investment in a joint venture | 於合營公司之投資 | 18 | – | 91 |
| Financial assets at fair value through profit or loss | 按公允值計入損益的金融資產 | 19 | 34,399 | 112,596 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 12 | 265 | – |
| Total non-current assets | 非流動資產總值 | | 41,080 | 116,065 |
| CURRENT ASSETS | 流動資產 | | | |
| Inventories | 存貨 | 20 | 2,053 | 21,437 |
| Trade receivables | 貿易應收款項 | 21 | – | 51,137 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 22 | 679 | 2,654 |
| Cash and bank balances | 現金及銀行結餘 | 23 | 92,833 | 37,213 |
| Total current assets | 流動資產總值 | | 95,565 | 112,441 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade and other payables and accruals | 貿易及其他應付款項及應計費用 | 24 | 4,870 | 21,601 |
| Lease liabilities | 租賃負債 | 17 | 861 | 180 |
| Tax payables | 應付稅項 | | 590 | 588 |
| Total current liabilities | 流動負債總額 | | 6,321 | 22,369 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

As at 31 March 2022
 於2022年3月31日

| | | Notes 附註 | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------------------------------------|---------------|-------------|----------------------------------|----------------------------------|
| NET CURRENT ASSETS | 流動資產淨值 | | 89,244 | 90,072 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | 17 | 2,244 | 698 |
| Deferred tax liabilities | 遞延稅項負債 | 27 | 106 | 106 |
| Total non-current liabilities | 非流動負債總額 | | 2,350 | 804 |
| Net assets | 資產淨值 | | 127,974 | 205,333 |
| EQUITY | 權益 | | | |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | | |
| Issued capital | 已發行股本 | 25 | 863 | 863 |
| Reserves | 儲備 | 26 | 127,111 | 204,470 |
| Total equity | 權益總額 | | 127,974 | 205,333 |

So Shu Fai
 蘇樹輝
 Director
 董事

Tom Xie
 謝祺祥
 Director
 董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31 March 2022
截至2022年3月31日止年度

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | | |
|----------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------|------------------------------------------------|------------------------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------|--------------------------------------------------|-----------------------|----------------------------------|-------------------------|
| | | Issued capital | Share premium | Statutory surplus reserve | Merger reserve | Capital surplus | Exchange fluctuation reserve | Retained earnings/ (accumulated losses) | Sub-total | Non- controlling interests | Total equity |
| | | 已發行股本 HK\$'000 千港元 (note 25) (附註25) | 股份溢價 HK\$'000 千港元 (note 25) (附註25) | 法定盈餘 儲備 HK\$'000 千港元 (note 26) (附註26) | 合併儲備 HK\$'000 千港元 (note 26) (附註26) | 資本盈餘 HK\$'000 千港元 (note 26) (附註26) | 外匯波動 儲備 HK\$'000 千港元 | (累計虧損) 保留盈利/ 儲備 HK\$'000 千港元 | 小計 HK\$'000 千港元 | 非控股權益 HK\$'000 千港元 | 權益總額 HK\$'000 千港元 |
| As at 1 April 2020 | 於2020年4月1日 | 863 | 122,787 | 7,946 | 1,940 | 105,366 | (4,878) | 44,282 | 278,306 | - | 278,306 |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | (74,998) | (74,998) | - | (74,998) |
| Other comprehensive income for the year: Exchange differences on translation of foreign operations | 年內其他全面收益： 換算國外業務產生的 匯兌差額 | - | - | - | - | - | 2,025 | - | 2,025 | - | 2,025 |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | - | - | 2,025 | (74,998) | (72,973) | - | (72,973) |
| As at 31 March 2021 and 1 April 2021 | 於2021年3月31日 及2021年4月1日 | 863 | 122,787* | 7,946* | 1,940* | 105,366* | (2,853)* | (30,716)* | 205,333 | - | 205,333 |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | (78,168) | (78,168) | (275) | (78,443) |
| Other comprehensive income for the year: Exchange differences on translation of foreign operations | 年內其他全面收益： 換算國外業務產生的 匯兌差額 | - | - | - | - | - | 1,084 | - | 1,084 | - | 1,084 |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | - | - | 1,084 | (78,168) | (77,084) | (275) | (77,359) |
| Contribution from a non-controlling shareholder of a subsidiary | 附屬公司非控股股東注資 | - | - | - | - | - | - | - | - | 2,450 | 2,450 |
| Acquisition of additional interests in a subsidiary | 收購於附屬公司的其他權益 | - | - | - | (275) | - | - | - | (275) | (2,175) | (2,450) |
| | | - | - | - | (275) | - | - | - | (275) | 275 | - |
| As at 31 March 2022 | 於2022年3月31日 | 863 | 122,787* | 7,946* | 1,665* | 105,366* | (1,769)* | (108,884) | 127,974 | - | 127,974 |

* These reserve accounts comprise the consolidated reserves of HK\$127,111,000 (2021: HK\$204,470,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表中的綜合儲備127,111,000港元(2021年: 204,470,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2022
截至2022年3月31日止年度

| | | Notes 附註 | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------------------------------------------------------------|----------------------------|-------------|----------------------------------|----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | 經營活動所得現金流量 | | | |
| Loss before tax | 除稅前虧損 | | (78,442) | (74,672) |
| Adjustments for: | 調整： | | | |
| Finance costs | 財務成本 | 8 | 78 | 356 |
| Share of loss of a joint venture | 應佔合營公司虧損 | | 3 | 13 |
| Impairment loss on a joint venture | 合營公司減值虧損 | | 88 | - |
| Interest income | 利息收入 | 6 | (94) | (44) |
| Dividend income | 股息收入 | 6 | (508) | (434) |
| (Gains)/losses on disposal of property, plant and equipment, net | 出售物業、廠房及設備 (收益)/虧損，淨額 | 7 | (2,133) | 63 |
| Gain from lease termination | 終止租賃所得收益 | 7 | (110) | - |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 15 | 689 | 964 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 17 | 479 | 293 |
| Write-down of inventories to net realisable value | 存貨撇減至可變現淨值 | | 789 | 256 |
| Reversal of impairment losses on financial assets, net | 金融資產減值虧損撥回， 淨額 | | (925) | (1,341) |
| Fair value losses on financial assets at fair value through profit or loss, net | 按公允值計入損益的金融資產的 公允值虧損，淨額 | 7 | 62,760 | 56,221 |
| Gains on disposal of subsidiaries | 出售附屬公司的收益 | 7, 28 | - | (815) |
| | | | (17,326) | (19,140) |
| Decrease/(increase) in inventories | 存貨減少/(增加) | | 18,595 | (3,029) |
| Decrease in trade receivables | 貿易應收款項減少 | | 52,106 | 29,945 |
| Decrease in prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 減少 | | 1,853 | 5,526 |
| (Decrease)/increase in trade and other payables and accruals | 貿易及其他應付款項及應計費用 (減少)/增加 | | (16,737) | 2,627 |
| Cash generated from operations | 經營所得現金 | | 38,491 | 15,929 |
| Interest paid | 已付利息 | | (4) | (1,016) |
| Interest elements of lease payments | 租賃付款的利息部分 | | (78) | (80) |
| Income tax (paid)/refunded | (已付)/退回所得稅 | | (35) | 55 |
| Net cash flows from operating activities | 經營活動所得現金流量淨額 | | 38,374 | 14,888 |

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

For the year ended 31 March 2022
截至2022年3月31日止年度

| | Notes 附註 | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------------------------------------------------------------|---------------------|----------------------------------|----------------------------------|
| Net cash flows from operating activities | | 38,374 | 14,888 |
| CASH FLOWS FROM INVESTING ACTIVITIES | 投資活動所得現金流量 | | |
| Interest received | | 94 | 44 |
| Dividends received from listed investments | | 508 | 434 |
| Proceeds from disposal of financial assets at fair value through profit or loss | | 15,437 | – |
| Purchases of property, plant and equipment | | (1,471) | (85) |
| Proceeds from disposal of property, plant and equipment | | 2,088 | – |
| Net proceeds from disposal of subsidiaries | 28 | – | 2,980 |
| Net cash flows from investing activities | | 16,656 | 3,373 |
| CASH FLOWS FROM FINANCING ACTIVITIES | 融資活動所得現金流量 | | |
| Repayment of borrowings | | – | (9,924) |
| Principal elements of lease payments | | (606) | (261) |
| Acquisition of non-controlling interests | | (2,450) | – |
| Contribution from non-controlling interests | | 2,450 | – |
| Net cash flows used in financing activities | | (606) | (10,185) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等價物增加淨額 | | |
| Cash and cash equivalents at beginning of year | | 54,424 | 8,076 |
| Effect of foreign exchange rate changes | | 37,213 | 27,915 |
| | | 1,196 | 1,222 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 年末現金及現金等價物 | | |
| | 23 | 92,833 | 37,213 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2022
截至2022年3月31日止年度

1. CORPORATE AND GROUP INFORMATION

Hifood Group Holdings Co., Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 6 June 2014. The registered office of the Company is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands and its principal place of business is Unit 1122, 11/F., Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 11 March 2015 (the “Listing”).

During the year ended 31 March 2022, the Company and its subsidiaries (collectively the “Group”) were principally involved in the manufacture and sale of jewellery products, and the trading of precious metals, raw jewellery materials and luxury watches to customers in Hong Kong, Asia (including Mainland China), the Americas and Europe.

In the opinion of the directors, the immediate holding company of the Company is Perfect Gain Group Limited, which was incorporated in the British Virgin Islands, and the ultimate controlling shareholder is Dr. So Shu Fai.

1. 公司及集團資料

海福德集團控股有限公司(「本公司」)於2014年6月6日在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處設於Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands，而其主要營業地點為香港銅鑼灣禮頓道77號禮頓中心11樓1122室。本公司股份已自2015年3月11日於香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

於截至2022年3月31日止年度，本公司及其附屬公司(統稱「本集團」)主要為香港、亞洲(包括中國大陸)、美洲及歐洲客戶從事製造與銷售珠寶產品、貴金屬、珠寶原材料及奢侈品手錶貿易。

董事認為，本公司的直屬控股公司為於英屬維爾京群島註冊成立的精益集團有限公司，而其最終控股股東為蘇樹輝博士。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

For the year ended 31 March 2022
截至2022年3月31日止年度

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries

Particulars of the Company's principal subsidiaries as at 31 March 2022 are as follows:

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

1. 公司及集團資料(續)

關於附屬公司的資料

於2022年3月31日，本公司主要附屬公司詳情如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2022
截至2022年3月31日止年度

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

| Name | Place of incorporation/ registration and business 註冊成立/註冊及經營地點 | Issued ordinary share capital/ registered capital 已發行普通股股本/註冊股本 |
|---------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------|
| KTL Jewellery Manufacturer (Europe) Limited | Hong Kong 香港 | HK\$1 1港元 |
| Perfect King International Limited 寶鈞國際有限公司 | Hong Kong 香港 | HK\$5,000,000 5,000,000港元 |

* These subsidiaries are registered as wholly foreign-owned enterprises under PRC law.

The above table lists the subsidiaries of the Company, which in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2022. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司及集團資料(續)

關於附屬公司的資料(續)

| Principal activities | Percentage of equity attributable to the Company 本公司應佔股權百分比 | |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------|
| | Direct 直接 | Indirect 間接 |
| Trading of jewellery products, precious metals, raw jewellery materials and luxury watches 珠寶產品、貴金屬、珠寶原材料及奢侈品手錶貿易 | – | 100 |
| Trading of jewellery 珠寶貿易 | 100 | – |

* 該等附屬公司根據中國法律註冊為外商獨資企業。

上表列示本公司之附屬公司，而董事認為，該等附屬公司對年度業績產生重大影響或構成本集團資產淨值之主要部份。董事認為，詳列其他附屬公司之詳情將會引致內容過於冗長。

2.1 編製基準

該等財務報表乃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」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例的披露規定編製。該等財務報表乃根據歷史成本慣例編製，惟按公允值計入損益的金融資產已按公允值計量除外。該等財務報表以港元(「港元」)呈列，除另有指明外，所有數值均四捨五入至最接近千位數。

綜合基準

綜合財務報表包括本公司及其附屬公司截至2022年3月31日止年度的財務報表。附屬公司指本公司直接或間接控制的實體(包括結構化實體)。當本集團因為參與被投資方的業務而承擔可變回報的風險或享有可變回報的權利，並有能力透過其對該被投資方的權力(即賦予本集團有能力指示被投資方相關活動的既有權利)影響該等回報時，即取得控制權。

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained earnings/accumulated losses, as appropriate, on the same basis as would be required if the Group has directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

倘本公司直接或間接擁有少於被投資方過半數投票權或類似權利，則本集團於評估是否對被投資方擁有權力時會考慮一切相關事實及情況，包括：

- (a) 與被投資方其他投票持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司的財務報表乃按與本公司相同的報告期間採用一致的會計政策編製。附屬公司的業績自本集團取得控制權之日起綜合入賬，並繼續綜合入賬直至失去控制權之日為止。

損益及其他全面收益的各個組成部分歸屬於本公司母公司擁有人及非控股權益，即使此舉會導致非控股權益有虧絀結餘。所有有關本集團成員公司間交易的集團內公司間資產及負債、權益、收入、開支及現金流量於綜合入賬時全數抵銷。

倘有事實及情況顯示上述控制權三個要素當中一個或以上出現變動，則本集團會重新評估其是否仍控制被投資方。附屬公司所有權益的變動(並無失去控制權)作為權益交易入賬。

倘本集團失去對附屬公司的控制權，則其終止確認(i)該附屬公司的資產及負債、(ii)任何非控股權益的賬面值及(iii)於權益內記錄的累計匯兌差額；及確認(i)已收代價的公允值、(ii)所保留任何投資的公允值及(iii)損益中任何因此產生的盈餘或虧絀。先前於其他全面收益確認的本集團應佔組成部分按猶如本集團直接出售相關資產或負債而原應採用的相同基準，重新分類至損益或保留盈利/累計虧損(如適用)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2022
截至2022年3月31日止年度

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

| | |
|---------------------------------------------------------------|--------------------------------------------------------------|
| Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 | <i>Interest Rate Benchmark Reform — Phase 2</i> |
| Amendment to HKFRS 16 | <i>Covid-19-Related Rent Concessions beyond 30 June 2021</i> |

The nature and the impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate (“RFR”). The amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

2.2 會計政策變動及披露

本集團在本年度財務報表中首次採用以下經修訂的香港財務報告準則。

| | |
|----------------------------------------------------------------|----------------------------------|
| 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號修訂本 | 利率基準改革 —第2階段 |
| 香港財務報告準則第16號修訂本 | 於2021年6月30日後之 Covid-19相關之租金優惠 |

經修訂香港財務報告準則的性質及影響載述如下：

- (a) 現行利率基準被替代無風險利率（「無風險利率」）取代時，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號修訂本解決先前影響財務報告的修訂本尚未處理的問題。該等修訂本提供對釐定金融資產及負債合約現金流量的基準變動進行會計處理時毋須調整金融資產及負債賬面值而允許更新實際利率的可行權宜方法，前提為該變動為利率基準改革的直接後果且釐定合約現金流量的新基準於經濟上等同於緊接有關變動前的先前基準。此外，該等修訂本允許利率基準改革所規定就對沖指定及對沖文件進行更改，而不會中斷對沖關係。過渡期間可能產生的任何損益均透過香港財務報告準則第9號的正常規定處理，以計量及確認對沖無效性。倘無風險利率指定為風險組成部分，則該等修訂本亦提供暫時舒緩措施，以免實體達成可單獨識別的規定。倘實體合理地預期無風險利率風險組成部分於未來24個月內將變得可單獨識別，則該舒緩措施允許實體於指定對沖後假定已達成可單獨識別的規定。此外，該等修訂本亦規定實體須披露額外資料，以使財務報表使用者能了解利率基準改革對實體的金融工具及風險管理策略構成的影響。

該等修訂本對本集團的綜合財務報表並無影響。本集團擬在未來期間使用可行的權宜方法（如適用）。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (b) Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. In April 2021, the HKICPA issued another amendment to HKFRS 16 *Covid-19-Related Rent Concessions beyond 30 June 2021* to extend the availability of the practical expedient for any reduction in lease payments that affects only payments originally due on or before 30 June 2022 (the “2021 Amendment”). The 2021 Amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted.

The Group has adopted the amendment on 1 April 2021. However, the Group has not received Covid-19-related rent concessions and plans to apply the practical expedient when it becomes applicable within the allowed period of application.

2.2 會計政策變動及披露(續)

- (b) 香港財務報告準則第16號修訂本為承租人提供可行權宜方法，可選擇不就Covid-19疫情直接導致的租金優惠應用租賃修訂會計處理。該可行權宜方法僅適用於該疫情直接導致的租金優惠，並僅在以下情況下適用：(i)租賃付款變動所導致的經修訂租賃代價與緊接該變動前的租賃代價大致相同或低於有關代價；(ii)租賃付款的任何減幅僅影響原到期日為2021年6月30日或之前的付款；及(iii)其他租賃條款及條件並無實質變動。2021年4月，香港會計師公會發佈對香港財務報告準則第16號於2021年6月30日後之Covid-19相關之租金優惠的另一項修訂，以擴大對任何減少租賃付款的可行權宜方法的適用範圍，只影響最初在2022年6月30日或之前到期的付款（「2021年修訂本」）。2021年修訂本於2021年4月1日或之後開始的年度期間追溯生效，初始應用該修訂本的任何累計影響確認為對本會計期初保留溢利的期初餘額作出的調整。准許提前應用。

本集團已於2021年4月1日採納該修訂本。然而，本集團尚未收訖與Covid-19相關的租金優惠，並計劃在准許應用期內於可行權宜方法適用時應用有關方法。

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2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

| | |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| Amendments to HKFRS 3 | <i>Reference to the Conceptual Framework</i> ¹ |
| Amendments to HKFRS 10 and HKAS 28 (2011) | <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ² |
| HKFRS 17 | <i>Insurance Contracts</i> ² |
| Amendments to HKFRS 17 | <i>Insurance Contracts</i> ^{2,5} |
| Amendment to HKFRS 17 | <i>Initial Application of HKFRS 17 and HKFRS 9 — Comparative Information</i> ⁶ |
| Amendments to HKAS 1 | <i>Classification of Liabilities as Current or Non-current</i> ^{2,4} |
| Amendments to HKAS 1 and HKFRS Practice Statement 2 | <i>Disclosure of Accounting Policies</i> ² |
| Amendments to HKAS 8 | <i>Definition of Accounting Estimates</i> ² |
| Amendments to HKAS 12 | <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i> ² |
| Amendments to HKAS 16 | <i>Property, Plant and Equipment: Proceeds before Intended Use</i> ¹ |
| Amendments to HKAS 37 | <i>Onerous Contracts — Cost of Fulfilling a Contract</i> ¹ |
| <i>Annual Improvements to HKFRSs 2018–2020</i> | Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41 ¹ |

- ¹ Effective for annual periods beginning on or after 1 January 2022
- ² Effective for annual periods beginning on or after 1 January 2023
- ³ No mandatory effective date yet determined but available for adoption
- ⁴ As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion
- ⁵ As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023
- ⁶ The HKICPA amends HKFRS 17 in February 2022 to permit a classification overlay for financial assets presents in comparative periods on initial application of HKFRS 17

2.3 已頒佈但尚未生效的香港財務報告準則

本集團於該等財務報表中並無應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

| | |
|-----------------------------------|-----------------------------------------------------------------------|
| 香港財務報告準則第3號修訂本 | 概念框架提述 ¹ |
| 香港財務報告準則第10號及香港會計準則第28號(2011年)修訂本 | 投資者與其聯營公司或合營公司之間的資產出售或注資 ² |
| 香港財務報告準則第17號 | 保險合約 ² |
| 香港財務報告準則第17號修訂本 | 保險合約 ^{2,5} |
| 香港財務報告準則第17號修訂本 | 首次應用香港財務報告準則第17號及香港財務報告準則第9號 — 比較資料 ⁶ |
| 香港會計準則第1號修訂本 | 將負債分類為流動或非流動 ^{2,4} |
| 香港會計準則第1號修訂本及香港財務報告準則實務說明第2號 | 會計政策披露 ² |
| 香港會計準則第8號修訂本 | 會計估計的定義 ² |
| 香港會計準則第12號修訂本 | 與單一交易產生的資產及負債相關的遞延稅項 |
| 香港會計準則第16號修訂本 | 物業、廠房及設備：作擬定用途前的所得款項 |
| 香港會計準則第37號修訂本 | 繁重合約 — 履行合約的成本 ¹ |
| 香港財務報告準則2018年至2020年的年度改進 | 香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附說明示例及香港會計準則第41號修訂本 ¹ |

- ¹ 於2022年1月1日或之後開始的年度期間生效
- ² 於2023年1月1日或之後開始的年度期間生效
- ³ 強制生效日期尚未釐定，但可供採納
- ⁴ 由於香港會計準則第1號修訂本，故於2020年10月修訂香港詮釋第5號財務報表呈列方式 — 借貸人對包含按要求償還款條的定期貸款進行的分類方法，以使相應辭彙一致而結論不變
- ⁵ 由於2020年10月頒佈香港財務報告準則第17號修訂本，故香港財務報告準則第4號已予以修訂，以延長暫時豁免期間，允許承保人於2023年1月1日前開始的年度期間應用香港會計準則第39號而非香港財務報告準則第9號
- ⁶ 香港會計師公會於2022年2月修訂香港財務報告準則第17號，以准許在首次應用香港財務報告準則第17號時就比較期間呈列的金融資產重新分類

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (CONTINUED)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 April 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

預期適用於本集團有關該等香港財務報告準則的進一步資料載述如下。

香港財務報告準則第3號修訂本擬以於2018年6月頒佈的對財務報告概念框架的提述取代對先前財務報表編製及呈列框架的提述，而不會重大改變其規定。該等修訂本亦為香港財務報告準則第3號增添其確認原則的例外情況，使實體可提述概念框架釐定資產或負債的構成部分。該例外情況列明，就香港會計準則第37號或香港（國際財務報告詮釋委員會）—詮釋第21號範圍內的負債及或然負債而言，倘其屬單獨產生而非於企業合併中產生，則採用香港財務報告準則第3號的實體應分別提述香港會計準則第37號或香港（國際財務報告詮釋委員會）—詮釋第21號而非概念框架。此外，該等修訂本澄清或然資產在收購日期不合資格確認。本集團預期自2022年4月1日起按前瞻基準採用該等修訂本。由於該等修訂本預期應用於收購日期為首次應用日期或之後的業務合併，故本集團在過渡日期將不受該等修訂本影響。

香港財務報告準則第10號及香港會計準則第28號（2011年）修訂本解決香港財務報告準則第10號與香港會計準則第28號（2011年）之間有關處理投資者與其聯營公司或合營公司之間的資產出售或注資兩者規定的不一致性。該等修訂本規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須全數確認下游交易收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營公司的權益為限。該等修訂本將按前瞻基準應用。香港會計師公會已於2016年1月剔除香港財務報告準則第10號及香港會計準則第28號（2011年）修訂本的以往強制生效日期，而新的強制生效日期將於對聯營公司及合營公司的會計處理完成更廣泛的檢討後釐定。然而，該等修訂本可於現時採納。

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2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (CONTINUED)

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current* clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 1 *Disclosure of Accounting Policies* require entities to disclose their material accounting policy information rather than their significant accounting policies. 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. Amendments to HKFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. Amendments to HKAS 1 are effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. Since the guidance provided in the amendments to HKFRS Practice Statement 2 is non-mandatory, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments on the Group's accounting policy disclosures.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港會計準則第1號修訂本將負債分類為流動或非流動澄清將負債分類為流動或非流動的規定。該等修訂本指明，倘實體推遲清償負債的權利受限於該實體須符合特定條件，則實體有權於報告期末推遲清償負債，前提為其於該日符合該等條件。負債分類不受實體將行使其權利延遲清償負債的可能性影響。該等修訂本亦澄清被視為清償負債的情況。該等修訂本於2023年1月1日或之後開始的年度期間生效，並須追溯應用。可提早應用該等修訂本。該等修訂本預期不會對本集團的財務報表產生任何重大影響。

香港會計準則第1號修訂本會計政策披露，規定實體披露其重大會計政策資料，而非其重大會計政策。倘會計政策資料與實體財務報表所載其他資料一併考慮時，可合理預期會影響一般用途財務報表主要使用者根據該等財務報表作出的決策，則有關資料屬重大。香港財務報告準則實務說明第2號修訂本，就如何將重要性概念應用於會計政策披露提供非強制指引。香港會計準則第1號修訂本於2023年1月1日或之後開始的年度期間生效，並准許提前應用。由於香港財務報告準則實務說明第2號修訂本所提供指引並非強制，故該等修訂本的生效日期並非必要。本集團目前正評估修訂本對本集團會計政策披露產生的影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (CONTINUED)

Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 12 narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset and a deferred tax liability for temporary differences arising from these transactions. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied to transactions related to leases and decommissioning obligations at the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to the opening balance of retained profits or other component of equity as appropriate at that date. In addition, the amendments shall be applied prospectively to transactions other than leases and decommissioning obligations. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港會計準則第8號修訂本澄清會計估計變動與會計政策變動之間的區別。會計估計界定為財務報表中受計量不確定性限制的貨幣金額。有關修訂本亦澄清實體如何使用計量技術及輸入數據得出會計估計。有關修訂本於2023年1月1日或之後開始的年度報告期間生效，並適用於該期間開始時或之後發生的會計政策變動及會計估計變動。准許提前應用。預期有關修訂本不會對本集團的財務報表產生任何重大影響。

香港會計準則第12號修訂本縮小初始確認的例外情況範圍，使其不再適用於產生相等應課稅及可扣除暫時差異的交易，例如租賃及停用義務。因此，實體需要就有關交易產生的暫時差異，確認遞延稅項資產及遞延稅項負債。有關修訂本於2023年1月1日或之後開始的年度報告期間生效，並應適用於在呈列的最早比較期初與租賃及停用義務相關的交易，任何累計影響確認為對該日期適用的保留溢利或其他組成部分期初結餘作出的調整。此外，有關修訂本應於日後適用於租賃及停用義務以外的交易。准許提前應用。預計有關修訂本不會對本集團的財務報表產生任何重大影響。

香港會計準則第16號修訂本禁止實體自物業、廠房及設備項目的成本中扣除出售所生產項目並就該資產能以管理層擬定的方式運作將其送往所需地點及達致所需狀況的任何所得款項。相反，實體於損益內確認出售任何該等項目的所得款項及該等項目的成本。該等修訂本於2022年1月1日或之後開始的年度期間生效，且僅可追溯應用於實體首次應用該等修訂本的財務報表所呈列最早期間開始時或之後可供使用的物業、廠房及設備項目。可提早應用該等修訂本。該等修訂本預期不會對本集團的財務報表產生任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSs (CONTINUED)

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRSs 2018–2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.
- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港會計準則第37號修訂本澄清，就根據香港會計準則第37號評估合約是否屬繁重而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本(如直接勞工及材料)及與履行該合約直接相關的其他成本分配(如履行合約所用物業、廠房及設備項目的折舊費用以及合約管理及監督成本分配)。一般及行政成本與合約並無直接關係，除非根據合約可明確向交易對手收取，否則不予計入。該等修訂本於2022年1月1日或之後開始的年度期間生效，並須應用於實體於其首次應用該等修訂本的年度報告期間開始時尚未履行其所有責任的合約。可提早應用該等修訂本。首次應用該等修訂本的任何累計影響須於首次應用日期確認為對期初權益作出的調整，而毋須重列比較資料。該等修訂本預期不會對本集團的財務報表產生任何重大影響。

香港財務報告準則2018年至2020年的年度改進載列香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附說明示例及香港會計準則第41號修訂本。預期適用於本集團的修訂本詳情如下：

- 香港財務報告準則第9號金融工具：澄清實體於評估一項新訂或經修訂金融負債的條款是否與原有金融負債的條款重大不同時包括的費用。該等費用僅包括借貸人與貸款人之間已付或已收的費用，當中包括借貸人或貸款人代表對方支付或收取的費用。實體將修訂本應用於實體首次應用該修訂本的年度報告期間開始或之後修訂或交換的金融負債。該修訂本於2022年1月1日或之後開始的年度期間生效。可提早應用該修訂本。該修訂本預期不會對本集團的財務報表產生重大影響。
- 香港財務報告準則第16號租賃：剔除香港財務報告準則第16號隨附說明示例13中有關租賃裝修的出租人付款說明。此舉消除於應用香港財務報告準則第16號時有關租賃優惠處理的潛在混淆情況。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment in a joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in a joint venture is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of a joint venture is included in the consolidated profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint venture are eliminated to the extent of the Group's investment in the joint venture, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of joint venture is included as part of the Group's investment in a joint venture.

If an investment in a joint venture becomes an investment in an associate, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

3. 主要會計政策概要

於合營公司的投資

合營公司為一種合營安排，對安排擁有共同控制權的訂約方可據此對合營公司的資產淨值擁有權利。共同控制權指按照合約協定對一項安排所共同擁有的控制權，僅在有關活動要求享有控制權的訂約方作出一致同意的決定時存在。

本集團於合營公司的投資以權益會計法按本集團應佔資產淨值減任何減值虧損於綜合財務狀況表列賬。為使可能存在任何不同的會計政策一致而予以調整。本集團應佔合營公司收購後業績及其他全面收益分別計入綜合損益及綜合其他全面收益。此外，倘直接於合營公司的權益確認一項變動，則本集團會於綜合權益變動表確認其應佔任何變動（如適用）。本集團與其合營公司之間的交易產生的未變現收益及虧損均以本集團於合營公司的投資為限撇銷，惟倘未變現虧損提供所轉讓資產減值的憑證則除外。收購合營公司所產生的商譽計入本集團於合營公司投資的一部分。

倘於合營公司的投資成為於聯營公司的投資，則保留利益不予重新計量。相反，有關投資繼續根據權益法入賬。於所有其他情況下，在失去對合營公司共同控制權的重大影響力後，本集團會按其公允值計量並確認任何保留投資。合營公司於失去重大影響力或共同控制權後的賬面值與保留投資及出售所得款項公允值之間的任何差額於損益內確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurement

The Group measures its financial assets at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3. 主要會計政策概要 (續)

公允值計量

本集團於各報告期末按公允值計量其按公允值計入損益的金融資產。公允值為市場參與者於計量日期進行的有序交易中出售資產所收取或轉讓負債所支付的價格。公允值計量假設出售資產或轉讓負債的交易於資產或負債的主要市場或於資產或負債的最有利市場(並無主要市場)進行。本集團必須可於該主要或最有利市場進行交易。資產或負債的公允值乃採用假設市場參與者按其最佳經濟利益行事時，市場參與者為資產或負債定價時所用的假設計量。

非金融資產的公允值計量及市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而產生經濟利益的能力。

本集團採用在各情況下適當的估值技術，而其有足夠可用資料以計量公允值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。

於財務報表中計量或披露公允值的所有資產及負債，均根據對公允值計量整體而言屬重大的最低層輸入數據按下述公允值層級進行分類：

- 第一級 — 基於相同資產或負債於活躍市場的報價(未經調整)
- 第二級 — 基於估值技術，而該技術採用對公允值計量而言屬重大的最低層輸入數據可直接或間接觀察得到
- 第三級 — 基於估值技術，而該技術採用對公允值計量而言屬重大的最低層輸入數據不可觀察得到

就按經常基準於財務報表確認的資產及負債而言，本集團於各報告期末按對公允值計量整體而言屬重大的最低層輸入數據重新評估分類，以釐定各層級之間有否出現轉移。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g. a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

3. 主要會計政策概要(續)

非金融資產減值

如有跡象顯示出現減值，或須就資產(不包括存貨及金融資產)進行年度減值測試，則估計資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值與公允值減出售成本的較高者，並就個別資產而釐定，除非有關資產並無產生在很大程度上獨立於其他資產或資產組別的現金流入，否則在此情況下，則就資產所屬的現金產生單位釐定可收回金額。在測試現金產生單位減值時，倘公司資產(如總部大樓)的眼面值一部分能夠按合理一致的基礎分配，則有關部分會分配至個別現金產生單位或以其他方式分配至最小的現金產生單位組。

減值虧損僅於資產眼面值超過可收回金額時予以確認。評估使用價值時，估計未來現金流量按反映當期市場對金錢時間值及該資產特定風險的評估的稅前貼現率貼現為現值。減值虧損於產生期間自損益內與減值資產功能一致的開支類別中扣除。

於各報告期末會評估是否有跡象顯示先前確認的減值虧損可能不再存在或可能已有所減少。如出現有關跡象，則會估計可收回金額。先前確認的資產(商譽除外)減值虧損，僅於用以釐定該資產可收回金額的估計有變時予以撥回，但金額不得高於假設過往年度並無就資產確認減值虧損而應已釐定的眼面值(已扣除任何折舊／攤銷)。有關減值虧損撥回於產生期間計入損益。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

3. 主要會計政策概要 (續)

關聯方

在下列情況下，一方被視為與本集團有關聯：

- (a) 該方為某一人士或該人士直系親屬，而該人士
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員成員；

或

- (b) 倘符合下列任何條件，則該方為實體：
 - (i) 該實體與本集團為同一集團成員公司；
 - (ii) 一間實體為另一實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營公司或合營公司；
 - (iii) 該實體與本集團為同一第三方的合營公司；
 - (iv) 一間實體為第三方實體的合營公司，而另一實體則為該第三方實體的聯營公司；
 - (v) 該實體為就本集團或與本集團有關聯的實體的僱員利益而設立的退休後福利計劃；
 - (vi) 該實體受(a)項識別的人士控制或共同控制；
 - (vii) (a)(i)項識別的人士對該實體有重大影響力或為該實體（或該實體的母公司）的主要管理人員成員；及
 - (viii) 該實體或組成其中一部分的集團任何成員公司向本集團或本集團母公司提供主要管理人員服務。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

| | |
|--------------------------------|----------------------|
| Leasehold improvements | Over the lease terms |
| Furniture and fixtures | 20% |
| Office equipment and computers | 20% to 33% |
| Plant and machinery | 20% |
| Motor vehicles | 20% |

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

3. 主要會計政策概要(續)

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目成本包括其購買價以及任何使資產達致擬定用途的運作狀態及地點的直接應佔成本。

物業、廠房及設備項目投入運作後產生的支出(例如維修及保養費)一般於產生期間自損益扣除。在符合確認條件的情況下,重大檢查的支出於資產的賬面值中撥充資本作為重置成本。倘物業、廠房及設備的主要部分須分階段重置,則本集團將該等部分確認為具特定可使用年期的個別資產,並相應計提折舊。

折舊以直線法計算,按每項物業、廠房及設備的估計可使用年期撇銷其成本至其剩餘價值。就此而言,所使用的主要年率如下:

| | |
|---------|---------|
| 租賃物業裝修 | 於租期內 |
| 傢俬及裝置 | 20% |
| 辦公設備及電腦 | 20%至33% |
| 廠房及機器 | 20% |
| 汽車 | 20% |

當物業、廠房及設備項目各部分具有不同可使用年期時,該項目的成本以合理基準在各部分分配,並對各部分單獨計提折舊。本公司至少於各財政年度結算日審閱剩餘價值、可使用年期及折舊方法,並在適當情況下作出調整。

物業、廠房及設備項目(包括首次確認的任何主要部分)於出售時或於預期使用或出售不會產生未來經濟利益時終止確認。於終止確認資產的年度在損益內確認的任何出售或報廢收益或虧損,為有關資產的銷售所得款項淨額與賬面值之間的差額。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3. 主要會計政策概要(續)

無形資產

單獨獲得的無形資產在初始確認時按成本計量。無形資產的可使用年期被評估為有限的或不確定的。可使用年期不確定的無形資產每年單獨或在現金產生單位層面進行減值測試。此類無形資產不進行攤銷。可使用年期不確定的無形資產的可使用年期每年都要進行審查，以確定不確定年期的評估是否繼續得到支持。如果不是，可使用年期評估從無限期到有限期的變化將按未來的基礎進行核算。

可使用年期不確定的無形資產每年單獨或在現金產生單位層面進行減值測試。此類無形資產不進行攤銷。可使用年期不確定的無形資產的可使用年期每年都要進行審查，以確定不確定年期的評估是否繼續得到支持。如果不是，可使用年期評估從無限期到有限期的變化將按未來的基礎進行核算。

租賃

本集團於合約開始時評估合約是否為租賃或包含租賃。倘合約為換取代價而附帶權利可在一段時間內控制使用已識別資產，則該合約為租賃或包含租賃。

本集團作為承租人

本集團就所有租賃應用單一確認及計量方法，惟短期租賃及低價值資產租賃除外。本集團就作出租賃付款及使用權資產(即使用相關資產的權利)確認租賃負債。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Group as a lessee (Continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

| | |
|------------|---------|
| Properties | 3 years |
|------------|---------|

If ownership of the leased asset is transferred to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Group's right-of-use assets are separately disclosed in the consolidated statement of financial position.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. 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, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

3. 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(a) 使用權資產

使用權資產乃於租賃開始日期(即相關資產可供使用之日)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量,並就重新計量任何租賃負債作出調整。使用權資產成本包括於開始日期或之前已確認租賃負債的金額、已產生的初始直接成本及已作出的租賃付款,扣減任何已收租賃優惠。使用權資產按資產的租期及估計可使用年期(以較短者為準)以直線法计提折舊,情況如下:

| | |
|----|----|
| 物業 | 3年 |
|----|----|

倘於租期結束前租賃資產的所有權轉讓予本集團或成本反映購買權獲行使,則折舊採用資產的估計可使用年期計算。

本集團的使用權資產在綜合財務狀況表分開披露。

(b) 租賃負債

租賃負債乃於租賃開始日期按租期內作出的租賃付款現值確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、取決於指數或利率的可變租賃付款以及預期在剩餘價值擔保下支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及假設租賃條款反映本集團行使終止租賃選擇權時終止租賃的罰金付款。並非取決於指數或利率的可變租賃付款於觸發付款的事件或情況出現期間確認為開支。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities (continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are separately disclosed in the consolidated statement of financial position.

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of offices and car park lots (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

3. 主要會計政策概要 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債 (續)

計算租賃付款現值時，由於租賃中所隱含的利率不易確定，故本集團使用於租賃開始日期的增量借貸利率。於開始日期後，租賃負債金額將為反映累計利息而增加，並為所作出的租賃付款而減少。此外，倘發生修訂、租期變動、租賃付款變動（例如指數或利率變動導致未來租賃付款變動）或購買相關資產的選擇權評估變動，則重新計量租賃負債的賬面值。

本集團的租賃負債於綜合財務狀況表內單獨披露。

(c) 短期租賃

本集團對辦公室及停車場車位短期租賃（即自開始日期起計租賃期為12個月或以下且並不包含購買權的租賃）應用確認短期租賃豁免。

短期租賃的租賃付款額在租賃期內以直線法確認為費用。

投資及其他金融資產

首次確認及計量

首次確認時，金融資產分類為其後按攤銷成本及按公允值計入損益計量。

首次確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等資產的業務模式。除並無包含重大融資組成部分或本集團已應用可行權宜方法不就重大融資組成部分的影響作出調整的貿易應收款項外，本集團初步按公允值加上（倘金融資產並非按公允值計入損益）交易成本計量金融資產。並無包含重大融資組成部分或本集團已應用可行權宜方法的貿易應收款項根據下文「收益確認」所載政策按香港財務報告準則第15號項下釐定的交易價格計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

3. 主要會計政策概要(續)

投資及其他金融資產(續)

首次確認及計量(續)

為使金融資產按攤銷成本或按公允值計入其他全面收益分類及計量，其需產生純粹為支付本金及未償還本金利息(「純粹為支付本金及利息」)的現金流量。不論業務模式為何，現金流量並非純粹為支付本金及利息的金融資產按公允值計入損益分類及計量。

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式釐定現金流量是否來自收回合約現金流量、出售金融資產或同時來自兩者。按攤銷成本分類及計量的金融資產按目標為持有金融資產以收取合約現金流量的業務模式持有，而按公允值計入其他全面收益分類及計量的金融資產按目標為同時持作收取合約現金流量及出售的業務模式持有。並非按上述業務模式持有的金融資產按公允值計入損益分類及計量。

金融資產的所有常規買賣於交易日期(即本集團承諾買入或出售資產之日)確認。常規買賣指須於法規或市場慣例一般設定的期間內交付資產的金融資產買賣。

後續計量

金融資產的後續計量取決於以下分類：

按攤銷成本計量的金融資產(債務工具)

按攤銷成本計量的金融資產其後使用實際利率法計量，並受減值影響。當資產終止確認、修訂或減值時，收益及虧損於損益內確認。

按公允值計入損益的金融資產

按公允值計入損益的金融資產乃於財務狀況表按公允值列賬，而公允值變動淨額則於損益內確認。

此類別包括本集團並無不可撤銷地選擇按公允值計入其他全面收益分類的股本投資。倘已確立付款權利，而與股息相關的經濟利益將可能流入本集團，且股息金額能可靠計量，則分類為按公允值計入損益的金融資產的股本投資股息亦會於損益內確認為其他收入。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

3. 主要會計政策概要(續)

終止確認金融資產

金融資產(或(如適用)一項金融資產的一部分或一組同類金融資產的一部分)主要在下列情況下終止確認(即從本集團的綜合財務狀況表移除):

- 自資產收取現金流量的權利已屆滿;或
- 本集團已轉讓自資產收取現金流量的權利,或已根據「轉手」安排承擔在無重大延誤的情況下將所收取的現金流量全數支付予第三方的責任;及(a)本集團已轉讓資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留資產的絕大部分風險及回報,但已轉讓資產的控制權。

當本集團已轉讓自資產收取現金流量的權利或已訂立轉手安排時,其會評估是否保留資產所有權的風險及回報與保留程度。倘本集團並無轉讓或保留資產的絕大部分風險及回報,亦無轉讓資產的控制權,則其將以本集團持續參與程度為限繼續確認已轉讓資產。在該情況下,本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團所保留權利及責任的基準計量。

以已轉讓資產擔保方式進行的持續參與乃按資產原有賬面值與本集團或須償還的最高代價金額的較低者計量。

金融資產減值

本集團就並非按公允值計入損益持有的所有債務工具的預期信貸虧損(「預期信貸虧損」)確認撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額釐定,並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押品的現金流量或組成合約條款的其他信貸提升措施。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, 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 and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset to be in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

3. 主要會計政策概要(續)

金融資產減值(續)

一般方法

預期信貸虧損分兩個階段確認。就自首次確認以來信貸風險並無顯著增加的信貸風險而言，預期信貸虧損為未來12個月內可能發生違約事件而導致的信貸虧損(12個月預期信貸虧損)計提撥備。就自首次確認以來信貸風險出現顯著增加的該等信貸風險而言，不論何時發生違約，於餘下風險年期內的預期信貸虧損均須計提虧損撥備(全期預期信貸虧損)。

於各報告日期，本集團會評估金融工具的信貸風險自首次確認以來是否顯著增加。進行評估時，本集團會比較於報告日期就金融工具產生的違約風險與於首次確認日期就金融工具產生的違約風險，並會考慮合理及有據且毋須花費過度成本或精力即可獲得的資料，包括過往及前瞻性資料。

倘合約付款已逾期90日，則本集團認為金融資產違約。然而，在若干情況下，倘內部或外部資料顯示，在計及本集團所持有的任何信貸提升措施前，本集團不大可能全數收取未償還合約金額，則本集團亦可能認為金融資產違約。倘無法合理預期收回合約現金流量，則撇銷金融資產。

按攤銷成本計量的金融資產按一般方法進行減值，並就計量預期信貸虧損分類為下列階段，惟應用下文所詳述簡化方法的貿易應收款項除外。

- 第1階段 — 金融工具的信貸風險自首次確認以來並無顯著增加，其虧損撥備按等同12個月預期信貸虧損的金額計量
- 第2階段 — 金融工具的信貸風險自首次確認以來出現顯著增加(惟並非信貸減值的金融資產)，其虧損撥備按等同全期預期信貸虧損的金額計量
- 第3階段 — 於報告日期出現信貸減值的金融資產(惟並非購買或產生信貸減值的金融資產)，其虧損撥備按等同全期預期信貸虧損的金額計量

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (continued)

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Financial liabilities

Initial recognition and measurement

Financial liabilities are all classified, at initial recognition, as financial liabilities at amortised cost.

These financial liabilities are recognised initially at fair value and, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings and lease liabilities.

Subsequent measurement

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

3. 主要會計政策概要 (續)

金融資產減值 (續)

簡化方法

就並無包含重大融資組成部分或本集團應用可行權宜方法不就重大融資組成部分的影響作出調整的貿易應收款項而言，本集團應用簡化方法計算預期信貸虧損。根據簡化方法，本集團不會追蹤信貸風險變動，而是根據各報告日期的全期預期信貸虧損確認虧損撥備。

金融負債

首次確認及計量

首次確認時，金融負債均分類為按攤銷成本計量的金融負債。

該等金融負債乃初步按公允值確認 (扣除直接應佔交易成本)。

本集團的金融負債包括貿易及其他應付款項、借貸及租賃負債。

後續計量

按攤銷成本計量的金融負債 (貸款及借貸)

首次確認後，計息貸款及借貸其後以實際利率法按攤銷成本計量，除非貼現影響不大，否則在此情況下，其按成本列賬。收益及虧損於負債終止確認時在損益內確認，亦透過實際利率攤銷程序確認。

計算攤銷成本時已計及任何收購折讓或溢價與為實際利率組成部分的費用或成本。實際利率攤銷計入損益內的財務成本。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, and are subject to an insignificant risk of changes in value and less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

3. 主要會計政策概要(續)

終止確認金融負債

倘金融負債項下的責任已解除、註銷，或屆滿，則終止確認該負債。

倘一項現有金融負債被來自同一貸款人而條款大有不同的另一項金融負債取代，或現有負債的條款大幅修改，則該項置換或修改視作終止確認原有負債及確認新負債，而各自賬面值之間的差額於損益內確認。

抵銷金融工具

倘有現時可執行的法律權利以抵銷已確認金額及有意按淨額基準償付或同時變現資產及償付負債，則金融資產及金融負債可予抵銷，並於財務狀況表內呈報淨額。

存貨

存貨按成本及可變現淨值兩者的較低者列賬。成本以先入先出法釐定，且在製品及製成品的成本包括直接材料、直接勞工及適當比例的開支。可變現淨值按估計售價減於完成及出售時將產生的任何估計成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款與可隨時轉換為已知數額現金及價值變動風險極微的短期高流通投資，經扣減須按要求償還並屬本集團現金管理組成部分的銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括手頭及銀行現金(包括定期存款及性質類似現金而用途不受限制的資產)。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included as finance costs in profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3. 主要會計政策概要 (續)

撥備

倘現有責任(法定或推定)因過往事件而產生及可能需要有未來資源流出以償付責任，則確認撥備，前提為能可靠估計有關責任金額。

倘貼現的影響屬重大，則就撥備確認的金額為預期須用作償付責任的未來支出於報告期末的現值。因時間流逝而產生的貼現現值增加作為財務成本計入損益。

所得稅

所得稅包括即期及遞延稅項。與於損益以外確認項目相關的所得稅於損益以外在其他全面收益或直接在權益內確認。

經考慮本集團經營所在國家現行的詮釋及慣例後，即期稅項資產及負債根據報告期末已實施或實質上已實施的稅率(及稅法)，按預期自稅務當局退回或支付予稅務當局的金額計量。

對於資產及負債的稅基與其用作財務報告的賬面值之間於報告期末的所有暫時性差額，使用負債法計提遞延稅項撥備。

遞延稅項負債乃就所有應課稅暫時性差額確認，惟下列情況除外：

- 倘遞延稅項負債乃因在一項並非業務合併的交易中首次確認商譽或資產或負債而產生，且於交易時並不影響會計溢利或應課稅損益；及
- 就與於附屬公司及合營公司的投資有關的應課稅暫時性差額而言，暫時性差額的撥回時間可予控制，且該等暫時性差額於可見未來可能不會撥回。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3. 主要會計政策概要(續)

所得稅(續)

遞延稅項資產乃就所有可扣稅暫時性差額以及未動用稅項抵免及任何未動用稅項虧損結轉確認。遞延稅項資產在可能有應課稅溢利可用於抵銷可扣稅暫時性差額以及未動用稅項抵免及未動用稅項虧損結轉的情況下確認，惟下列情況除外：

- 倘與可扣稅暫時性差額有關的遞延稅項資產乃因在一項並非業務合併的交易中首次確認資產或負債而產生，且於交易時並不影響會計溢利或應課稅損益；及
- 就與於附屬公司及合營公司的投資有關的可扣稅暫時性差額而言，遞延稅項資產僅在暫時性差額於可見未來可能不會撥回及可能有應課稅溢利可用於抵銷暫時性差額的情況下確認。

遞延稅項資產的賬面值於各報告期末予以審閱，並在不再可能有足夠應課稅溢利可用以抵銷全部或部分遞延稅項資產的情況下予以扣減。未確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅溢利可用以收回全部或部分遞延稅項資產的情況下確認。

遞延稅項資產及負債根據於報告期末已實施或實質上已實施的稅率(及稅法)，按預期適用於變現資產或償付負債期間的稅率計量。

倘及僅倘本集團有合法可執行權利可將即期稅項資產及即期稅項負債抵銷，且遞延稅項資產及遞延稅項負債與同一稅務機關對同一應課稅實體或不同應課稅實體(於各未來期間預期有大額遞延稅項負債或資產需要償付或清償時，擬按淨額基準償付即期稅項負債及資產或同時變現資產及償付負債)徵收的所得稅相關，則遞延稅項資產及遞延稅項負債可予抵銷。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sales of goods

The Group's revenue is mainly derived from sales of goods. Revenue from the sale of goods is recognised when the Group transfers the control of goods to the customer and no longer reserves any right to continue to manage and implement effective control which is often associated with the goods, and costs incurred or to be incurred can be measured reliably. The revenue from the sale of goods is recognised on prices received or receivable from the customer according to the contract or agreement. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

3. 主要會計政策概要(續)

政府補助

政府補助於合理確定將會收取補助及將符合所有附帶條件時按公允值確認。倘補助與開支項目有關，則會於擬補償成本支銷期間有系統地確認為收入。

倘補助與資產有關，則公允值計入遞延收入賬，並按相關資產的預期可使用年期按年等額分期撥回至損益表，或自該資產的賬面值扣除，並透過扣減折舊開支方式撥回至損益表。

收益確認

客戶合約的收益

客戶合約的收益於貨品或服務控制權轉讓予客戶時確認，其金額反映本集團預期就交換該等貨品或服務而有權獲得的代價。

當合約中的代價包含可變金額時，代價金額按本集團就該等貨品或服務轉讓予客戶而有權換取的金額估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定性其後獲解除時，所確認的累計收益金額極有可能不會發生重大收益撥回為止。

銷售貨品

本集團的收益主要來自銷售貨品。銷售貨品的收益於本集團將貨品的控制權轉讓予客戶及不再保留繼續管理及實施通常涉及貨品有效控制權的任何權利，且已產生或將會產生的成本能夠可靠計量時確認。銷售貨品的收益就根據合約或協議已收或應收客戶的價格確認。應收款項於貨品交付時確認，此乃代價成為無條件的時點，原因為有關款項只須經過一段時間便會到期。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Employee benefits

Retirement benefit schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions vest fully once made and are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred.

3. 主要會計政策概要(續)

收益確認(續)

其他收入

利息收入以應計基準採用實際利率法按金融工具的預期年期或更短期間(如適用)將所得估計未來現金收入準確貼現至該金融資產賬面淨值的比率確認。

股息收入於股東收取付款的權利確立後確認，與股息相關的經濟利益可能將流入本集團且股息金額能可靠計量。

僱員福利

退休福利計劃

本集團根據強制性公積金計劃條例為該等合資格參與一項界定供款強制性公積金退休福利計劃(「強積金計劃」)經營強積金計劃。根據強積金計劃的規則，供款乃根據僱員基本薪金百分比作出，並於應付時自損益扣除。強積金計劃的資產與本集團資產分開並存放於獨立管理基金。本集團向強積金計劃作出僱主供款，款額即時全數歸僱員所有，惟本集團的僱主自願供款除外，根據強積金計劃的規則，倘僱員在全數歸屬供款前離職，則該等自願供款將退還予本集團。

本集團於中國大陸經營業務的附屬公司的僱員須參與由當地市政府經營的中央退休金計劃。該等附屬公司須按其工資成本的若干百分比向中央退休金計劃供款。供款於投入計劃時即時全數歸計劃所有並根據中央退休金計劃的規則在應付時自損益扣除。

借貸成本

借貸成本包括實體就資金借貸產生的利息及其他成本。

購買、建造或生產合資格的資產(即需要長時間始能達致其擬定用途或出售的資產)直接應佔借貸成本均撥充資本作為該等資產成本的一部分。當該等資產已大致上達致其擬定用途或出售時，即停止將該等借貸成本撥充資本。指定借貸於用作合資格資產開支前作短暫投資所賺取的投資收入自撥充資本的借貸成本扣除。所有其他借貸成本會於產生期間支銷。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

These financial statements are presented in HK\$, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

3. 主要會計政策概要(續)

外幣

該等財務報表以港元呈列，港元為本公司的功能貨幣。本集團各實體釐定其本身的功能貨幣，而各實體於財務報表的項目則以該功能貨幣計量。本集團實體記賬的外幣交易初步按其各自於交易日期的現行功能貨幣匯率入賬。以外幣計值的貨幣資產及負債按報告期末適用的功能貨幣匯率換算。因結算或換算貨幣項目而產生的差額於損益內確認。

因結算或換算貨幣項目而產生的差額於損益內確認，惟指定作為本集團境外業務投資淨額對沖一部分的貨幣項目除外。該等貨幣項目於其他全面收益內確認，直至出售投資淨額為止，屆時累計金額重新分類至損益。該等貨幣項目匯兌差額應佔稅項開支及抵免亦於其他全面收益內列賬。

以外幣按歷史成本計量的非貨幣項目採用初始交易日期的匯率換算。以外幣按公允值計量的非貨幣項目採用計量公允值當日的匯率換算。因換算按公允值計量的非貨幣項目而產生的收益或虧損被視為等同於確認該項目公允值變動所產生的收益或虧損(即於其他全面收益或損益內確認公允值收益或虧損的項目的匯兌差額，亦分別於其他全面收益或損益內確認)。

就終止確認與預付代價有關的非貨幣資產或非貨幣負債而言，釐定初步確認相關資產、開支或收入所用的匯率時，初步交易日期為本集團首次確認預付代價產生的非貨幣資產或非貨幣負債當日。倘涉及多筆預付款項或預收款項，則本集團就預付代價的每筆付款或收款釐定交易日期。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (Continued)

The functional currencies of certain subsidiaries established in Mainland China and overseas are currencies other than HK\$. As at the end of the reporting period, the assets and liabilities of these entities are translated into HK\$ at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into HK\$ at the exchange rates that approximate to those prevailing at the dates of the transactions. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of the exchange fluctuation reserve relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of certain subsidiaries established in Mainland China and overseas are translated into HK\$ at the exchange rates prevailing at the dates of the cash flows. Frequently recurring cash flows of these entities which arise throughout the year are translated into HK\$ at the weighted average exchange rates for the year.

3. 主要會計政策概要(續)

外幣(續)

若干於中國大陸及海外成立的附屬公司的功能貨幣為港元以外貨幣。於報告期末，該等實體的資產及負債按報告期末的現行匯率換算為港元，而其損益表則按與有關交易日期適用匯率相若的匯率換算為港元。因此產生的匯兌差額於其他全面收益內確認並於外匯波動儲備累計。出售境外業務時，與該項特定境外業務有關的外匯波動儲備的組成部分於損益內確認。

就綜合現金流量表而言，若干於中國大陸及海外成立的附屬公司的現金流量按現金流量日期的現行匯率換算為港元。該等實體於整個年度產生的經常性現金流量按年內的加權平均匯率換算為港元。

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

The major judgements, estimates and assumptions, that have the most significant effect on the amounts recognised in the financial statements and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are set out below:

(i) Estimation of fair value of a financial asset at fair value through profit or loss

The Group measured its financial assets at fair value in accordance with HKFRS 13 *Fair Value Measurement*. The determination of the fair value of the financial asset without quoted prices (unadjusted) in active markets requires significant judgements by management, in particular management's view on key assumptions on the latest legal and financial information of the underlying investment and external market conditions.

Based on management's assessment, fair value losses of HK\$35,897,000 (2021: HK\$26,271,000) were recognised in profit or loss with regard to a financial asset without quoted prices (unadjusted) in active markets during the year ended 31 March 2022, details of which are set out in notes 7, 19 and 34 to the consolidated financial statements.

(ii) Net realisable value of inventories

Net realisable value of inventories is based on the estimated selling price less any estimated costs to be incurred to completion and disposal with reference to prevailing market information. These estimates are based on the current market condition and the historical experience in selling goods of a similar nature. It could change significantly as a result of changes in market conditions. The Group reassesses net realisable value of inventories at the end of each reporting period. Further details are contained in note 20 to the consolidated financial statements.

4. 關鍵會計判斷及估計

編製本集團財務報表時，管理層須作出判斷、估計及假設，而此等判斷、估計及假設影響收益、開支、資產及負債的呈報金額及其隨附披露以及或然負債的披露。有關該等假設及估計的不確定性可能導致須於日後對受影響資產或負債賬面值作出重大調整的結果。

對財務報表中確認的金額構成最重大影響及存在顯著風險導致下個財政年度內的資產及負債賬面值須作出重大調整的主要判斷、估計及假設載列如下：

(i) 按公允值計入損益的金融資產公允值估計

本集團根據香港財務報告準則第13號公允值計量，按公允值計量其金融資產。釐定金融資產公允值時，如並無在活躍市場中報價（未經調整），則需要管理層作出重大判斷，尤其是管理層對相關投資的最近期法律及財務資料關鍵假設以及外部市場狀況發表的意見。

根據管理層評估，截至2022年3月31日止年度，就並無在活躍市場報價（未經調整）的金融資產而言，公允值虧損35,897,000港元（2021年：26,271,000港元）於損益確認，其詳情載於綜合財務報表附註7、19及34。

(ii) 存貨可變現淨值

存貨的可變現淨值乃基於估計售價減直至完工及出售前估計將產生之任何成本得出，並會參考現行市場信息。此等估計乃基於當前市況及銷售類似性質貨品的過往經驗而作出，且可能隨著市況變化而出現大幅變動。本集團於各報告期末對有關存貨可變現淨值進行重新評估。進一步詳情載於綜合財務報表附註20。

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5. REVENUE AND SEGMENTAL INFORMATION

An analysis of the Group's revenue from contracts with customers and disaggregated revenue information are as follows:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------------|---------------|----------------------------------|----------------------------------|
| Revenue recognised at a point in time | 於時間點確認的收益 | | |
| — Sales of jewellery products | — 銷售珠寶產品 | 34,495 | 146,981 |
| — Sales of luxury watches | — 銷售奢侈品手錶 | 16,283 | 9,727 |
| — Sales of precious metals and raw jewellery materials | — 銷售貴金屬及珠寶原材料 | 84,735 | 5,936 |
| | | 135,513 | 162,644 |

5. 收益及分部資料

本集團與客戶合約的收益及分拆收益資料分析如下：

(i) Operating segment

The Group is primarily engaged in the manufacture and sale of jewellery products, trading of precious metals, raw jewellery materials and luxury watches. Management has determined the operating segments based on the reports reviewed by the chief operating decision makers, who have been identified as the executive directors of the Company. Information reported to the Group's chief operating decision makers, for the purposes of resource allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated. Accordingly, the Group has identified one reportable operating segment and no further analysis thereof is presented.

(i) 經營分部

本集團主要從事製造與銷售珠寶產品、貴金屬、珠寶原材料及奢侈品手錶貿易。管理層已根據首席營運決策者(已獲確定為本公司的執行董事)審閱的報告釐定經營分部。由於本集團已整合資源，為分配資源及評估績效而向本集團首席營運決策者匯報的資料主要為本集團的整體經營業績。因此，本集團已確定一個可報告經營分部，且並無呈列有關進一步分析。

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5. REVENUE AND SEGMENTAL INFORMATION (CONTINUED)

(ii) Geographical segment

(a) Revenue from external customers

Information about the Group's revenue by geographical location is presented based on the jurisdiction or country in which the external customer is located.

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|---------------------------------|-------------|----------------------------------|----------------------------------|
| Hong Kong | 香港 | 101,018 | 15,914 |
| Americas | 美洲 | 31,967 | 79,629 |
| Europe | 歐洲 | 1,925 | 48,622 |
| Asia (including Mainland China) | 亞洲 (包括中國大陸) | - | 18,158 |
| Others | 其他 | 603 | 321 |
| | | 135,513 | 162,644 |

(b) Non-current assets excluding financial instruments

Information about the Group's non-current assets, excluding financial instruments, is presented based on the locations of the assets.

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------|------|----------------------------------|----------------------------------|
| Hong Kong | 香港 | 6,392 | 2,410 |
| Mainland China | 中國大陸 | 24 | 1,059 |
| | | 6,416 | 3,469 |

The Company is domiciled in the Cayman Islands while the Group operates its business in Hong Kong and Mainland China. During the years ended 31 March 2022 and 2021, no revenue was generated from any customer in the Cayman Islands and no assets were located in the Cayman Islands.

5. 收益及分部資料 (續)

(ii) 地域分部

(a) 來自外部客戶的收益

按所在地域劃分的本集團收益資料乃根據外部客戶所在司法權區或國家呈列。

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|---------------------------------|----------------------------------|----------------------------------|
| Hong Kong | 101,018 | 15,914 |
| Americas | 31,967 | 79,629 |
| Europe | 1,925 | 48,622 |
| Asia (including Mainland China) | - | 18,158 |
| Others | 603 | 321 |
| | 135,513 | 162,644 |

(b) 非流動資產 (不包括金融工具)

本集團非流動資產 (不包括金融工具) 的資料乃根據資產所在地區呈列。

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------|----------------------------------|----------------------------------|
| Hong Kong | 6,392 | 2,410 |
| Mainland China | 24 | 1,059 |
| | 6,416 | 3,469 |

本公司的註冊地為開曼群島，而本集團於香港及中國大陸經營其業務。於截至2022年及2021年3月31日止年度，開曼群島的任何客戶並無產生任何收益，且並無任何資產位於開曼群島。

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5. REVENUE AND SEGMENTAL INFORMATION (CONTINUED)

(iii) Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the year, including sales to a group of entities which are known to be under common control with that customer, is set out below:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------|------|----------------------------------|----------------------------------|
| Customer A | 客戶 A | 76,638 | N/A 不適用* |
| Customer B | 客戶 B | 31,967 | 61,785 |
| Customer C | 客戶 C | 16,283 | N/A 不適用* |

* Less than 10% of revenue

(iv) Liabilities related to contracts with customers

Revenue recognised in relation to contract liabilities

There was no revenue recognised in the current reporting period relating to carried-forward contract liabilities (2021: Nil).

5. 收益及分部資料(續)

(iii) 有關主要客戶的資料

年內各主要客戶所得收益(佔本集團收益10%或以上)(包括向已知與該客戶共同控制的一組實體作出的銷售)載列如下:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------|------|----------------------------------|----------------------------------|
| Customer A | 客戶 A | 76,638 | N/A 不適用* |
| Customer B | 客戶 B | 31,967 | 61,785 |
| Customer C | 客戶 C | 16,283 | N/A 不適用* |

* 少於收益的10%

(iv) 客戶合約相關負債

確認有關合約負債的收益

本報告期內並無確認與結轉合約負債相關的收益(2021年:無)。

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5. REVENUE AND SEGMENTAL INFORMATION (CONTINUED)

(v) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of jewellery products

The Group's performance obligation is satisfied upon delivery of the products and payment is generally due within 120 days (2021: 120 days) from delivery for major customers.

Sales of luxury watches

The performance obligation is satisfied upon delivery of the luxury watches and payment is generally due within 60 to 120 days (2021: 120 days) from delivery.

Sales of precious metals and raw jewellery materials

The performance obligation is satisfied upon delivery of the precious metals and raw jewellery materials and payment is generally due within 20 to 120 days (2021: 120 days) from delivery.

No transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are disclosed as at 31 March 2022 and 2021 because all the remaining performance obligations are a part of contracts that have an original expected duration of one year or less.

6. OTHER INCOME

| | |
|------------------------------------|----------|
| Government grants* | 政府補助* |
| Interest income from bank deposits | 銀行存款利息收入 |
| Dividend income | 股息收入 |
| Others | 其他 |

5. 收益及分部資料(續)

(v) 履約責任

本集團履約責任資料概述如下：

銷售珠寶產品

本集團履約責任於產品交付時達成，一般於主要客戶交付起計120日(2021年：120日)內到期付款。

銷售奢侈品手錶

本集團履約責任於奢侈品手錶交付時達成，一般於自交付起計60日至120日(2021年：120日)內到期付款。

銷售貴金屬及珠寶原材料

本集團履約責任於貴金屬及珠寶原材料交付時達成，一般於自交付起計20至120日(2021年：120日)內到期付款。

於2022年及2021年3月31日，概無分配至餘下履約責任(未達成或部分未達成)的交易價格，原因是所有餘下履約責任均為原有預計期限為一年或以下的合約的一部分。

6. 其他收入

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------------|----------------------------------|----------------------------------|
| Government grants* | 199 | 144 |
| Interest income from bank deposits | 94 | 44 |
| Dividend income | 508 | 434 |
| Others | 877 | 91 |
| | 1,678 | 713 |

* Government grants were received by certain subsidiaries of the Company in Mainland China as government subsidies. There are no unfulfilled conditions or contingencies in relation to the grants.

* 本公司若干中國大陸附屬公司已收取政府補助作為政府補貼。概無有關補助的未達成條件或或然事項。

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7. OTHER GAINS, NET AND OTHER LOSSES, NET

7. 其他收益，淨額及其他虧損，淨額

Other gains, net

其他收益，淨額

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|---------------------------------------------------------|-----------------|----------------------------------|----------------------------------|
| Gains on disposal of property, plant and equipment, net | 出售物業、廠房及設備收益，淨額 | 2,133 | – |
| Gain from lease termination | 終止租賃所得收益 | 110 | – |
| Gains on disposal of subsidiaries | 出售附屬公司收益 | – | 815 |
| | | 2,243 | 815 |

Other losses, net

其他虧損，淨額

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------------------------------------------------------------------------|------------------------|----------------------------------|----------------------------------|
| Fair value losses on financial assets at fair value through profit or loss, net* | 按公允值計入損益的金融資產公允值虧損，淨額* | 62,760 | 56,221 |
| Losses on disposal of property, plant and equipment, net | 出售物業、廠房及設備虧損，淨額 | – | 63 |
| Foreign exchange differences, net | 外幣換算差額，淨額 | 606 | 1,494 |
| | | 63,366 | 57,778 |

* During the year ended 31 March 2022, the amount recognised included a fair value gain of HK\$1,737,000 on disposal of a Hong Kong listed equity security due to privatisation, of which the net proceeds from the disposal was HK\$15,437,000.

* 於截至2022年3月31日止年度，已確認金額包括因私有化而出售香港上市股權證券所得公允值收益1,737,000港元，其中出售事項所得款項淨額為15,437,000港元。

8. FINANCE COSTS

8. 財務成本

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------------------------|--------|----------------------------------|----------------------------------|
| Interest on lease liabilities | 租賃負債利息 | 78 | 80 |
| Interest on borrowings | 借貸利息 | – | 276 |
| | | 78 | 356 |

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9. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

| | | | |
|---------------------------------------------------------------------------------|------------------------|------|--|
| Cost of inventories sold | 已售存貨成本 | | |
| Employee benefits (including directors' remuneration) | 僱員福利(包括董事薪酬) | | |
| Salaries and other benefits | 薪金及其他利益 | | |
| Pension scheme contributions | 退休金計劃供款 | | |
| Management consultancy fees | 管理諮詢費 | (i) | |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 15 | |
| Depreciation of right-of-use assets | 使用權資產折舊 | 17 | |
| Fair value losses on financial assets at fair value through profit or loss, net | 按公允值計入損益的金融資產的公允值虧損，淨額 | | |
| Auditors' remuneration | 核數師酬金 | | |
| Auditor of the Company | 本公司核數師 | | |
| Other auditors | 其他核數師 | | |
| Lease payments not included in the measurement of lease liabilities | 不計入租賃負債計量的租賃付款 | | |
| Write-down of inventories to net realisable value | 存貨撇減至可變現淨值 | (ii) | |
| Impairment loss on a joint venture | 合營公司的減值虧損 | | |

- (i) The management consultancy fees paid and payable to the directors of the Company's subsidiaries amounted to HK\$1,250,000 (2021: HK\$9,000,000) for the year ended 31 March 2022.
- (ii) The write-down of inventories to net realisable value of HK\$789,000 (2021: HK\$256,000) for the year ended 31 March 2022 is included in "cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

9. 除稅前虧損

本集團除稅前虧損經扣除／(計入)下列各項後達至：

| Notes 附註 | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------|----------------------------------|----------------------------------|
| | 122,321 | 122,502 |
| | 9,427 | 7,879 |
| | 9,103 | 7,523 |
| | 324 | 356 |
| (i) | 1,250 | 9,000 |
| 15 | 689 | 964 |
| 17 | 479 | 293 |
| | 62,760 | 56,221 |
| | 1,394 | 1,449 |
| | 1,350 | 1,150 |
| | 44 | 299 |
| | 507 | 422 |
| (ii) | 789 | 256 |
| | 88 | - |

- (i) 截至2022年3月31日止年度，已支付及應付本公司的附屬公司董事的管理諮詢費為1,250,000港元(2021年：9,000,000港元)。
- (ii) 截至2022年3月31日止年度，存貨撇減至可變現淨值789,000港元(2021年：256,000港元)計入綜合損益及其他全面收益表的「銷售成本」。

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10. BENEFITS AND INTERESTS OF DIRECTORS

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------------------------------------|------------|----------------------------------|----------------------------------|
| Fees | 袍金 | 4,346 | 600 |
| Termination benefits | 離職福利 | 1,542 | - |
| Other emoluments: | 其他酬金： | | |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | - | - |
| Pension scheme contributions | 退休金計劃供款 | - | - |
| | | 5,888 | 600 |

During the year ended 31 March 2022, no directors were granted with share options (2021: Nil).

(1) Independent non-executive directors

The fees paid to independent non-executive directors during the years ended 31 March 2022 and 2021 were as follows:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------|------------------|----------------------------------|----------------------------------|
| Yau Pak Yue* | 邱伯瑜* | 110 | - |
| Chung Wai Man* | 鍾衛民* | 110 | - |
| Ning Rui* | 寧睿* | 110 | - |
| Lo Chun Pong [#] | 盧振邦 [#] | 150 | 200 |
| Chan Chi Kuen [#] | 陳志權 [#] | 150 | 200 |
| Ting Tit Cheung [#] | 丁鐵翔 [#] | 150 | 200 |
| | | 780 | 600 |

* Appointed on 11 May 2021

[#] Resigned on 27 November 2021

There were no other emoluments payable to the independent non-executive directors during the year ended 31 March 2022 (2021: Nil).

10. 董事福利及權益

年內根據香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例第383(1)(a)、(b)、(c)及(f)條以及《公司（披露董事利益資料）規例》第二部披露的董事酬金如下：

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------------------------------------|------------|----------------------------------|----------------------------------|
| Fees | 袍金 | 4,346 | 600 |
| Termination benefits | 離職福利 | 1,542 | - |
| Other emoluments: | 其他酬金： | | |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | - | - |
| Pension scheme contributions | 退休金計劃供款 | - | - |
| | | 5,888 | 600 |

截至2022年3月31日止年度，概無董事獲授購股權（2021年：無）。

(1) 獨立非執行董事

截至2022年及2021年3月31日止年度支付予獨立非執行董事的袍金如下：

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------|------------------|----------------------------------|----------------------------------|
| Yau Pak Yue* | 邱伯瑜* | 110 | - |
| Chung Wai Man* | 鍾衛民* | 110 | - |
| Ning Rui* | 寧睿* | 110 | - |
| Lo Chun Pong [#] | 盧振邦 [#] | 150 | 200 |
| Chan Chi Kuen [#] | 陳志權 [#] | 150 | 200 |
| Ting Tit Cheung [#] | 丁鐵翔 [#] | 150 | 200 |
| | | 780 | 600 |

* 於2021年5月11日獲委任

[#] 於2021年11月27日辭任

截至2022年3月31日止年度，並無其他應付獨立非執行董事的薪酬（2021年：無）。

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10. BENEFITS AND INTERESTS OF DIRECTORS
(CONTINUED)

(2) Executive directors and non-executive directors

| | | Notes 附註 | Fees 袍金 HK\$'000 千港元 | Termination benefits 離職福利 HK\$'000 千港元 | Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 HK\$'000 千港元 | Pension scheme contributions 退休金 計劃供款 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-------------------------|-------|-------------|-------------------------------|----------------------------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------|
| 2022 | 2022年 | | | | | | |
| Executive directors | 執行董事 | | | | | | |
| So Shu Fai | 蘇樹輝 | (a) | 600 | – | – | – | 600 |
| Tom Xie | 謝祺祥 | (b) | 700 | – | – | – | 700 |
| Su Zhiyi | 蘇志一 | (c) | 1,256 | 942 | – | – | 2,198 |
| Xiong Cong | 熊聰 | (c) | 800 | 600 | – | – | 1,400 |
| Cai Si | 蔡斯 | (c) | – | – | – | – | – |
| Non-executive directors | 非執行董事 | | | | | | |
| Mary Ang Mei Lee | 洪美莉 | (c), (d) | 115 | – | – | – | 115 |
| Chan Wai Dune | 陳維端 | (e) | 95 | – | – | – | 95 |
| | | | 3,566 | 1,542 | – | – | 5,108 |

Notes:

- (a) Appointed as the Chairman and an executive director on 1 December 2021
- (b) Appointed as a non-executive director on 9 July 2021, redesignated as an executive director on 8 November 2021 and appointed as the Chief Executive Officer on 1 December 2021
- (c) Resigned on 27 November 2021
- (d) Appointed on 9 July 2021
- (e) Appointed on 8 November 2021

附註：

- (a) 於2021年12月1日獲委任為主席兼執行董事
- (b) 於2021年7月9日獲委任為非執行董事，於2021年11月8日調任為執行董事，並於2021年12月1日獲委任為行政總裁
- (c) 於2021年11月27日辭任
- (d) 於2021年7月9日獲委任
- (e) 於2021年11月8日獲委任

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10. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

10. 董事福利及權益(續)

(2) Executive directors and non-executive directors (continued)

(2) 執行董事及非執行董事(續)

| | | | Fees | Termination benefits | Salaries, allowances and benefits in kind | Pension scheme contributions | Total |
|---------------------|-------|-------|-----------------|----------------------|-------------------------------------------|------------------------------|-----------------|
| | | Notes | 袍金 | 離職福利 | 薪金、津貼及實物利益 | 退休金計劃供款 | 總計 |
| | | 附註 | 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 |
| 2021 | 2021年 | | | | | | |
| Executive directors | 執行董事 | | - | - | - | - | - |
| Su Zhiyi | 蘇志一 | (f) | - | - | - | - | - |
| Xiong Cong | 熊聰 | (f) | - | - | - | - | - |
| Cai Si | 蔡斯 | (f) | - | - | - | - | - |
| Li Neng | 李能 | (g) | - | - | - | - | - |
| Zhao Minhao | 趙旻昊 | (g) | - | - | - | - | - |
| Zhao Yeyong | 趙葉勇 | (g) | - | - | - | - | - |
| | | | - | - | - | - | - |

Notes:

(f) Appointed on 16 September 2020

(g) Resigned on 16 September 2020

During the year ended 31 March 2022, no consideration was provided to or receivable by third parties for making available directors' services (2021: Nil). There are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities (2021: Nil).

附註：

(f) 於2020年9月16日獲委任

(g) 於2020年9月16日辭任

在截至2022年3月31日止年度內，概無就提供董事服務向第三方提供代價或由第三方收取代價(2021年：無)。概無貸款、準貸款或其他有利於董事及其所控制法人團體及關聯實體的交易(2021年：無)。

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11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two directors (2021: Nil), details of whose remuneration are set out in note 10 above. Details of the remuneration for the year of the remaining three (2021: five) highest paid employees are as follows:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------------------------------------|------------|----------------------------------|----------------------------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 2,921 | 4,646 |
| Pension scheme contributions | 退休金計劃供款 | 35 | 39 |
| | | 2,956 | 4,685 |

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

| | | Number of employees 僱員數目 | |
|--------------------------------|-------------------------|-----------------------------|---------------|
| | | 2022 2022年 | 2021 2021年 |
| Nil to HK\$1,000,000 | 零至1,000,000港元 | 2 | 2 |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001港元至1,500,000港元 | 1 | 3 |
| | | 3 | 5 |

11. 五名最高薪酬僱員

年內五名最高薪酬僱員包括兩名董事(2021年：無)，其薪酬詳情載於上文附註10。其餘三名(2021年：五名)最高薪酬僱員的年內薪酬詳情如下：

酬金屬以下範圍的非董事最高薪酬僱員人數如下：

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12. INCOME TAX EXPENSE

The income tax of the Group has been provided at the applicable tax rates on estimated assessable profits arising in Hong Kong and Mainland China during the year.

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------|-----------------|----------------------------------|----------------------------------|
| Current — Mainland China | 即期 — 中國大陸 | | |
| Charge for the year | 年內支出 | 1 | 380 |
| Deferred (note 27) | 遞延(附註27) | - | (54) |
| Total tax charge for the year | 年內稅項支出總額 | 1 | 326 |

(i) Cayman Islands and British Virgin Islands corporate income tax

The Company is not subject to any taxation in the Cayman Islands.

The Company's subsidiaries incorporated in the British Virgin Islands ("BVI") are not subject to any taxation in the BVI.

(ii) Hong Kong profits tax

The Company's subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax at the rate of 16.5% (2021: 16.5%). The operation in Hong Kong has incurred net accumulated operating losses for income tax purposes and no income tax provisions are recorded for the year ended 31 March 2022 (2021: Nil).

(iii) PRC corporate income tax ("CIT")

CIT provision was made on the estimated assessable profits of entities within the Group established in the PRC and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The general PRC CIT rate was 25% for the years ended 31 March 2022 and 2021.

12. 所得稅開支

年內，本集團已就於香港和中國大陸產生的估計應課稅溢利按適用稅率計提所得稅撥備。

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------|----------------------------------|----------------------------------|
| Current — Mainland China | | |
| Charge for the year | 1 | 380 |
| Deferred (note 27) | - | (54) |
| Total tax charge for the year | 1 | 326 |

(i) 開曼群島及英屬維爾京群島的企業所得稅

本公司毋須繳納開曼群島的任何稅項。

本公司於英屬維爾京群島(「英屬維爾京群島」)註冊成立的附屬公司毋須繳納英屬維爾京群島的任何稅項。

(ii) 香港利得稅

本公司於香港註冊成立的附屬公司須按16.5%的稅率(2021年: 16.5%)繳納香港利得稅。就所得稅而言，於香港的業務已產生累計經營虧損淨額，截至2022年3月31日止年度並無錄得所得稅撥備(2021年: 無)。

(iii) 中國企業所得稅(「企業所得稅」)

企業所得稅撥備已根據本集團於中國成立的實體的估計應課稅溢利作出並按照中國相關法規計算，當中已計及可獲得的退稅及減免等稅收優惠。截至2022年及2021年3月31日止年度，一般中國企業所得稅稅率為25%。

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12. INCOME TAX EXPENSE (CONTINUED)

(iv) PRC withholding income tax

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by the subsidiaries established in Mainland China to foreign shareholders in respect of earnings generated. As of 31 March 2022 and 2021, the directors of the Company estimated that the retained earnings of the PRC subsidiaries would be retained in Mainland China for use in future operations and investments. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future to their foreign shareholders. As at 31 March 2022, the aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised amounted to HK\$703,000 (2021: HK\$864,000).

A reconciliation of the tax expense applicable to loss before tax at the statutory tax rate of Hong Kong to the tax expense at the effective tax rate, are as follows:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------------------------------|------------------------|----------------------------------|----------------------------------|
| Loss before tax | 除稅前虧損 | (78,442) | (74,672) |
| Tax at the statutory tax rate of 16.5% | 按法定稅率16.5%計算的稅項 | (12,943) | (12,321) |
| Different tax rates for specific provinces or enacted by local authority | 特定省份的不同稅率或由地方機關頒佈的不同稅率 | 13,000 | 11,457 |
| Effect of tax impact of apportionment under a 50:50 basis* | 稅務影響(按50:50基準攤分)* | 90 | 528 |
| Income not subject to tax | 毋須繳稅收入 | (622) | (331) |
| Expenses not deductible for tax | 不可扣稅開支 | 286 | 287 |
| Tax effect of tax losses not recognised | 未確認稅項虧損的稅務影響 | 190 | 706 |
| Tax expense at the Group's effective tax rate | 按本集團實際稅率計算的稅項開支 | 1 | 326 |

* In relation to the Departmental Interpretation and Practice Notes No. 21 (Revised) (apportionment under a 50:50 basis) of the Inland Revenue Department Hong Kong, a portion of KTL Trading's loss is considered to be neither arisen in, nor derived from Hong Kong. Accordingly, that portion of KTL Trading's loss is not allowed for further utilisation for Hong Kong profits tax purposes.

There was no share of tax attributable to a joint venture during the year ended 31 March 2022 (2021: Nil).

12. 所得稅開支(續)

(iv) 中國扣繳所得稅

根據中國企業所得稅法，於中國內地成立的外國投資企業須就向外國投資者宣派的股息提撥10%預扣稅。倘中國內地與外國投資者所屬司法權區之間有稅務條約，則可按較低預扣稅率繳稅。因此，本集團須就於中國內地成立的附屬公司就所產生盈利向海外股東分派的股息負責預扣稅。截至2022年及2021年3月31日，本公司董事估計中國附屬公司的保留盈利將留於中國內地，以供未來營運及投資之用。董事認為，該等附屬公司不大可能於可見未來向其海外股東分派該等盈利。於2022年3月31日，與中國大陸附屬公司投資有關尚未確認遞延稅項負債的暫時性差額總額為703,000港元(2021年：864,000港元)。

按香港的法定稅率計算適用於除稅前虧損的稅項開支與按實際稅率計算的稅項開支的對賬如下：

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Loss before tax | (78,442) | (74,672) |
| Tax at the statutory tax rate of 16.5% | (12,943) | (12,321) |
| Different tax rates for specific provinces or enacted by local authority | 13,000 | 11,457 |
| Effect of tax impact of apportionment under a 50:50 basis* | 90 | 528 |
| Income not subject to tax | (622) | (331) |
| Expenses not deductible for tax | 286 | 287 |
| Tax effect of tax losses not recognised | 190 | 706 |
| Tax expense at the Group's effective tax rate | 1 | 326 |

* 就香港稅務局《稅務條例釋義及執行指引第21號》(經修訂)(按50:50基準攤分)而言，三和珠寶貿易的部分虧損被視為並非來自或源自香港。因此，三和珠寶貿易的該部分虧損不得進一步作香港利得稅用途。

截至2022年3月31日止年度，並無合營公司應佔稅項(2021年：無)。

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13. DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2022 (2021: Nil).

14. LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to owners of the Company of HK\$78,168,000 (2021: HK\$74,998,000), and the weighted average number of ordinary shares of 172,600,000 (2021: 172,600,000) in issue during the year. The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2022 and 2021.

15. PROPERTY, PLANT AND EQUIPMENT

13. 股息

董事會不建議派付截至2022年3月31日止年度之末期股息(2021年：無)。

14. 本公司普通權益持有人應佔虧損之每股虧損

每股基本虧損金額乃根據本公司擁有人應佔年內虧損78,168,000港元(2021年：74,998,000港元)及年內已發行普通股的加權平均數172,600,000股(2021年：172,600,000股)計算。截至2022年及2021年3月31日止年度，本集團並無已發行的具有潛在攤薄效應的普通股。

15. 物業、廠房及設備

| | | Leasehold improvements | Furniture and fixtures | Office equipment and computers | Plant and machinery | Motor vehicles | Total |
|---------------------------------------|-----------------|---------------------------|---------------------------|-----------------------------------------|------------------------|-------------------|----------|
| | | 租賃裝修 | 傢俬及 裝置 | 辦公設備 及電腦 | 廠房及 機器 | 汽車 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Year ended 31 March 2022 | 截至2022年3月31日止年度 | | | | | | |
| At 1 April 2021: | 於2021年4月1日： | | | | | | |
| Cost | 成本 | - | 21 | 1,208 | 352 | 5,810 | 7,391 |
| Accumulated depreciation | 累計折舊 | - | (7) | (1,083) | (352) | (3,990) | (5,432) |
| Impairment | 減值 | - | - | - | - | (686) | (686) |
| Net carrying amount | 賬面淨值 | - | 14 | 125 | - | 1,134 | 1,273 |
| Net carrying amount: | 賬面淨值： | | | | | | |
| At 1 April 2021 | 於2021年4月1日 | - | 14 | 125 | - | 1,134 | 1,273 |
| Additions | 添置 | 1,275 | - | 196 | - | - | 1,471 |
| Depreciation provided during the year | 年內計提折舊 | (142) | (4) | (77) | - | (466) | (689) |
| Disposals | 出售 | - | - | (19) | - | (36) | (55) |
| Exchange realignment | 匯兌調整 | - | - | - | - | 17 | 17 |
| At 31 March 2022 | 於2022年3月31日 | 1,133 | 10 | 225 | - | 649 | 2,017 |
| At 31 March 2022: | 於2022年3月31日： | | | | | | |
| Cost | 成本 | 1,275 | 21 | 315 | - | 5,138 | 6,749 |
| Accumulated depreciation | 累計折舊 | (142) | (11) | (90) | - | (3,947) | (4,190) |
| Impairment | 減值 | - | - | - | - | (542) | (542) |
| Net carrying amount | 賬面淨值 | 1,133 | 10 | 225 | - | 649 | 2,017 |

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15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| | | Furniture and fixtures 傢俬及 裝置 HK\$'000 千港元 | Office equipment and computers 辦公設備 及電腦 HK\$'000 千港元 | Plant and machinery 廠房及 機器 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|------------------------------------------|---------------------|-----------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------|--------------------------------|
| Year ended 31 March 2021 | 截至2021年3月31日 止年度 | | | | | |
| At 1 April 2020: | 於2020年4月1日： | | | | | |
| Cost | 成本 | 20 | 1,178 | 326 | 15,001 | 16,525 |
| Accumulated depreciation | 累計折舊 | (3) | (1,082) | (280) | (8,290) | (9,655) |
| Impairment | 減值 | – | – | – | (2,149) | (2,149) |
| Net carrying amount | 賬面淨值 | 17 | 96 | 46 | 4,562 | 4,721 |
| Net carrying amount: | 賬面淨值： | | | | | |
| At 1 April 2020 | 於2020年4月1日 | 17 | 96 | 46 | 4,562 | 4,721 |
| Additions | 添置 | – | 85 | – | – | 85 |
| Depreciation provided during the year | 年內計提折舊 | (4) | (61) | (48) | (851) | (964) |
| Disposals | 出售 | – | – | – | (263) | (263) |
| Disposal of subsidiaries (note 28) | 出售附屬公司 (附註28) | – | – | – | (2,334) | (2,334) |
| Exchange realignment | 匯兌調整 | 1 | 5 | 2 | 20 | 28 |
| At 31 March 2021 | 於2021年3月31日 | 14 | 125 | – | 1,134 | 1,273 |
| At 31 March 2021: | 於2021年3月31日： | | | | | |
| Cost | 成本 | 21 | 1,208 | 352 | 5,810 | 7,391 |
| Accumulated depreciation | 累計折舊 | (7) | (1,083) | (352) | (3,990) | (5,432) |
| Impairment | 減值 | – | – | – | (686) | (686) |
| Net carrying amount | 賬面淨值 | 14 | 125 | – | 1,134 | 1,273 |

15. 物業、廠房及設備(續)

16. INTANGIBLE ASSETS

Intangible assets represented club memberships which have no specific maturity date pursuant to the terms and conditions of the memberships. They are tested for impairment annually and whenever there is an indication that they may be impaired. The directors of the Company are of the opinion that no impairment loss was incurred with reference to market values of each of the intangible assets.

16. 無形資產

無形資產是指根據會籍條款及條件並無具體到期日的俱樂部會籍。其會按年及於有跡象顯示其可能減值時進行減值測試。本公司董事認為，經參考各項無形資產的市值後，並無產生減值虧損。

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17. LEASES

The Group as a lessee

The Group leases properties and rental contracts are made for fixed periods of 3 years (2021: 2 years or 6.5 years).

(a) **Right-of-use assets**

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

| | | Properties 物業 HK\$'000 千港元 |
|-----------------------------------|-----------------------|---------------------------------------------------|
| At 1 April 2020 | 於2020年4月1日 | 1,009 |
| Depreciation charge | 折舊費用 | (293) |
| Exchange realignment | 匯兌調整 | 65 |
| <hr/> | | |
| At 31 March 2021 and 1 April 2021 | 於2021年3月31日及2021年4月1日 | 781 |
| Additions | 添置 | 3,614 |
| Lease termination | 終止租賃 | (694) |
| Depreciation charge | 折舊費用 | (479) |
| Exchange realignment | 匯兌調整 | 19 |
| <hr/> | | |
| At 31 March 2022 | 於2022年3月31日 | 3,241 |

17. 租賃

本集團作為承租人

本集團租賃物業，租約的固定期限為3年（2021年：2年或6.5年）。

(a) **使用權資產**

本集團使用權資產賬面值及年內變動如下：

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17. LEASES (CONTINUED)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------|----------------|----------------------------------|----------------------------------|
| Carrying amount at the beginning of the year | 於年初之賬面值 | 878 | 1,068 |
| Additions | 添置 | 3,614 | - |
| Lease termination | 終止租賃 | (804) | - |
| Accretion of interest recognised during the year | 年內確認利息增加 | 78 | 80 |
| Payments | 付款 | (684) | (341) |
| Exchange realignment | 匯兌調整 | 23 | 71 |
| Carrying amount at the end of the year | 於年末之賬面值 | 3,105 | 878 |
| Analysed into: | 分析為： | | |
| Current portion | 即期部分 | 861 | 180 |
| Non-current portion | 非即期部分 | 2,244 | 698 |

The maturity analysis of lease liabilities is disclosed in note 35 to the consolidated financial statements.

租賃負債到期情況分析於綜合財務報表附註35披露。

(c) The amounts recognised in profit or loss in relation to leases are as follows:

(c) 於損益中確認的租賃相關金額如下：

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------------------------------------------------------------------------------------------|-------------------------------|----------------------------------|----------------------------------|
| Gain from lease termination | 終止租賃所得收益 | (110) | - |
| Interest on lease liabilities | 租賃負債利息 | 78 | 80 |
| Depreciation charge of right-of-use assets | 使用權資產折舊費用 | 479 | 293 |
| Expense relating to short-term leases (included in cost of sales and administrative expense) | 短期租賃相關開支 (計入銷售成本及 行政開支) | 507 | 422 |
| Total amount recognised in profit or loss | 於損益中確認的總額 | 954 | 795 |

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

計入綜合現金流量表的租賃現金流出總額如下：

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-----------------------------------|----------|----------------------------------|----------------------------------|
| The total cash outflow for leases | 租賃現金流出總額 | 1,191 | 763 |

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18. INVESTMENT IN A JOINT VENTURE

Particulars of the Group's joint venture are as follows:

| Name 名稱 | Amount of issued capital 已發行股本額 | Place of registration and business 註冊與業務地點 | Percentage of 百分比 | | | | Principal activities 主要活動 |
|-------------------------------------------|---------------------------------------|-----------------------------------------------------|--------------------------------|------------------------|---------------------------|------------------------------------------------|---------------------------------|
| | | | Ownership interest 所有權利益 | Voting power 投票權 | Profit sharing 溢利分配 | | |
| Dynamic Tactics (Hong Kong) Limited | HK\$780,000 780,000 港元 | Hong Kong 香港 | 50 | 50 | 50 | Trading of jewellery (Note) 珠寶貿易 (附註) | |

Note:

Dynamic Tactics (Hong Kong) Limited was dormant during the years ended 31 March 2022 and 2021.

The above investment is held by Dynamic Tactics Limited, a subsidiary of the Group.

There are no contingent liabilities relating to the Company's interest in the joint venture, and no contingent liabilities of the joint venture itself.

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

- debt instruments that do not qualify for measurement at either amortised cost or at fair value through other comprehensive income;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains or losses through other comprehensive income.

18. 於合營公司之投資

本集團合營公司的詳情如下：

| Name 名稱 | Amount of issued capital 已發行股本額 | Place of registration and business 註冊與業務地點 | Percentage of 百分比 | | | | Principal activities 主要活動 |
|-------------------------------------------|---------------------------------------|-----------------------------------------------------|--------------------------------|------------------------|---------------------------|------------------------------------------------|---------------------------------|
| | | | Ownership interest 所有權利益 | Voting power 投票權 | Profit sharing 溢利分配 | | |
| Dynamic Tactics (Hong Kong) Limited | HK\$780,000 780,000 港元 | Hong Kong 香港 | 50 | 50 | 50 | Trading of jewellery (Note) 珠寶貿易 (附註) | |

附註：

Dynamic Tactics (Hong Kong) Limited 於截至2022年及2021年3月31日止年度並無營業。

以上投資是由本集團附屬公司 Dynamic Tactics Limited 持有。

本公司於合營公司權益並無或然負債，而合營公司本身亦無或然負債。

19. 按公允值計入損益的金融資產

(i) 按公允值計入損益的金融資產分類

本集團將以下金融資產分類為按公允值計入損益：

- 不符合按攤銷成本或按公允值計入其他全面收益計量的債務工具；
- 持作買賣的股本投資；及
- 實體並無選擇透過其他全面收益確認公允值收益或虧損的股本投資。

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Classification of financial assets at fair value through profit or loss (Continued)

Financial assets measured at fair value through profit or loss include the following:

Included in non-current assets:

| | |
|---------------------------------------------|---------------|
| Hong Kong listed equity securities (note a) | 香港上市股權證券(附註a) |
| Life insurance policy (note b) | 人壽保險保單(附註b) |

計入非流動資產：

| |
|---------------|
| 香港上市股權證券(附註a) |
| 人壽保險保單(附註b) |

| | |
|----------|----------|
| 2022 | 2021 |
| 2022年 | 2021年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |

| | |
|--------|--------|
| 16,824 | 95,485 |
| 17,575 | 17,111 |

| | |
|--------|---------|
| 34,399 | 112,596 |
|--------|---------|

(a) The fair values of Hong Kong listed equity securities are determined based on quoted market closing prices available on the Stock Exchange or a valuation under the asset approach when the trading of listed shares is suspended at the end of the reporting period.

The movements in fair value measurement within Level 3 for the Hong Kong listed equity security without active market during the year are as follows:

| | |
|------------------------------|--------|
| At the beginning of the year | 於年初 |
| Transfer from Level 1 | 轉撥自第一級 |
| Change in fair value | 公允值變動 |

At the end of the year

於年末

| | |
|----------|----------|
| 2022 | 2021 |
| 2022年 | 2021年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |

| | |
|----------|---|
| - | - |
| 32,287 | - |
| (32,287) | - |

| | |
|---|---|
| - | - |
|---|---|

19. 按公允值計入損益的金融資產(續)

(i) 按公允值計入損益的金融資產分類(續)

按公允值計入損益計量的金融資產包括以下各項：

| | |
|---------------|--------|
| 香港上市股權證券(附註a) | 95,485 |
| 人壽保險保單(附註b) | 17,111 |

| |
|---------|
| 112,596 |
|---------|

(a) 於報告期末，香港上市股權證券的公允值按照聯交所所報收市價或上市股份暫停買賣時根據資產法作出的估值釐定。

年內公允值計量第三級(並無活躍市場的香港上市股權證券)的變動如下：

| | |
|--------|---|
| 於年初 | - |
| 轉撥自第一級 | - |
| 公允值變動 | - |

| | |
|-----|---|
| 於年末 | - |
|-----|---|

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) Classification of financial assets at fair value through profit or loss (continued)

- (b) Under the life insurance policy (the “Policy”), the beneficiary and policy holder is KTL Jewellery Trading Limited and the total insured sum is US\$6,500,000 (equivalent to HK\$50,375,000). The Group paid an upfront premium for the Policy of US\$2,325,000 (equivalent to HK\$18,020,000) and may surrender any time by filing a written request and receive cash based on the surrender value of the Policy at the date of withdrawal, which is calculated by the insurer. In the opinion of the directors, the surrender value of the Policy provided by the insurance company is the best approximation of its fair value, which is categorised within Level 3 of the fair value hierarchy.

The movements in fair value measurement within Level 3 for the life insurance policy during the year are as follows:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------|-------|----------------------------------|----------------------------------|
| At the beginning of the year | 於年初 | 17,111 | 16,720 |
| Change in fair value | 公允值變動 | 464 | 495 |
| Exchange realignment | 匯兌調整 | - | (104) |
| At the end of the year | 於年末 | 17,575 | 17,111 |

(ii) Amounts recognised in profit or loss

During the year, the following (losses)/gains were recognised in profit or loss:

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------------------------------------------------------------|-------------------------|----------------------------------|----------------------------------|
| Fair value (losses)/gains on financial assets at fair value through profit or loss | 按公允值計入損益的金融資產公允值(虧損)/收益 | | |
| — Hong Kong listed equity securities | — 香港上市股權證券 | (63,224) | (56,716) |
| — Life insurance policy | — 人壽保險保單 | 464 | 495 |
| Dividend income | 股息收入 | 508 | 434 |
| | | (62,252) | (55,787) |

19. 按公允值計入損益的金融資產(續)

(i) 按公允值計入損益的金融資產分類(續)

- (b) 根據人壽保險保單(「該保單」), 受益人及保單持有人為三和珠寶貿易有限公司, 且承保總金額為6,500,000美元(相當於50,375,000港元)。本集團為該保單預付保費2,325,000美元(相當於18,020,000港元)及可能透過提交書面請求隨時退保, 並根據該保單於撤回日期的退保價值(由承保人計算)收取現金。董事認為, 保險公司規定的該保單退保價值與其公允值相若, 歸類為公允值架構的第三級。

年內公允值計量第三級(人壽保險保單)的變動如下:

(ii) 於損益中確認的金額

年內, 下列(虧損)/收益在損益中確認:

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Fair value (losses)/gains on financial assets at fair value through profit or loss | | |
| — Hong Kong listed equity securities | (63,224) | (56,716) |
| — Life insurance policy | 464 | 495 |
| Dividend income | 508 | 434 |
| | (62,252) | (55,787) |

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20. INVENTORIES

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------|-----|----------------------------------|----------------------------------|
| Raw materials | 原材料 | 2,053 | 13,915 |
| Work in progress | 在製品 | – | 4,479 |
| Finished goods | 製成品 | – | 3,043 |
| | | 2,053 | 21,437 |

21. TRADE RECEIVABLES

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|---------------------------------------|--------|----------------------------------|----------------------------------|
| Trade receivables | 貿易應收款項 | – | 53,239 |
| Less: Allowance for doubtful accounts | 減：呆賬撥備 | – | (2,102) |
| | | – | 51,137 |

The Group's trading terms with its customers are mainly on credit, except for new customers. Before accepting any new customer, the Group will apply an internal credit assessment policy to assess the potential customer's credit quality and define credit limits for each customer. The credit period is generally for a period of 120 days for major customers. Overdue balances are reviewed regularly by senior management. Trade receivables as of 31 March 2021 were non-interest-bearing.

20. 存貨

21. 貿易應收款項

本集團與其客戶的貿易條款主要為信貸，惟新客戶除外。於接納任何新客戶之前，本集團將採用內部信貸評估政策以評估潛在客戶的信貸質素並確定各客戶的信貸額度。主要客戶的信貸期一般為120日。逾期結餘由高級管理層定期檢討。截至2021年3月31日，貿易應收款項不計利息。

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21. TRADE RECEIVABLES (CONTINUED)

An ageing analysis of the gross trade receivables at the end of the reporting period, based on the invoice date is as follows:

| | |
|----------------|-------|
| Within 1 month | 一個月內 |
| 1 to 2 months | 一至兩個月 |
| 2 to 3 months | 兩至三個月 |
| 3 to 4 months | 三至四個月 |
| Over 4 months | 超過四個月 |

21. 貿易應收款項(續)

於報告期末按發票日期呈列的貿易應收款項總額賬齡分析如下：

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--|--------------------------------------------------------------|----------------------------------|
| | – | 8,762 |
| | – | 15,054 |
| | – | 13,572 |
| | – | 10,445 |
| | – | 5,406 |
| | – | 53,239 |

The Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets.

本集團應用香港財務報告準則第9號准許的簡化方法，當中規定自初步確認資產起確認預期全期虧損。

The movements in the loss allowance for impairment are as follows:

減值虧損撥備變動如下：

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------------------------------|--------------------------------------------------------------|----------------------------------|
| At the beginning of the year | 2,102 | 3,359 |
| Reversal of impairment losses, net | (925) | (1,341) |
| Amount written off as uncollectible | (1,203) | – |
| Exchange realignment | 26 | 84 |
| At the end of the year | – | 2,102 |

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22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------------------|-------------|----------------------------------|----------------------------------|
| Deposits | 按金 | 450 | 1,703 |
| Prepayments | 預付款項 | 86 | 263 |
| Other receivables | 其他應收款項 | 408 | 688 |
| | | 944 | 2,654 |
| Portion classified as non-current assets | 分類為非流動資產的部分 | (265) | - |
| | | 679 | 2,654 |

Note 35 sets out information about the impairment of financial assets and the Group's exposure to credit risk.

22. 預付款項、按金及其他應收款項

附註35載列金融資產減值的相關資料，以及本集團的信貸風險。

23. CASH AND BANK BALANCES

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------|------------|----------------------------------|----------------------------------|
| Cash and bank balances | 現金及銀行結餘 | 92,833 | 37,213 |
| Denominated in: | 按下列貨幣計值： | | |
| HK\$ | 港元 | 48,312 | 15,488 |
| Renminbi ("RMB") | 人民幣(「人民幣」) | 20,008 | 17,375 |
| US\$ | 美元 | 24,513 | 4,350 |
| | | 92,833 | 37,213 |

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn respective interest. The bank balances are deposited with creditworthy banks with no recent history of default.

RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

23. 現金及銀行結餘

銀行結餘按每日銀行存款利率的浮動利率計息。短期定期存款的存款期介乎一日至三個月，視乎本集團的即時現金需求而定，並分別計息。銀行結餘存放於近期無拖欠記錄且信譽良好的銀行。

人民幣不能自由兌換成其他貨幣。然而，根據中國大陸《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可通過獲授權經營外匯業務的銀行將人民幣兌換成其他貨幣。

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24. TRADE AND OTHER PAYABLES AND ACCRUALS

24. 貿易及其他應付款項及應計費用

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------|--------------|----------------------------------|----------------------------------|
| Trade payables | 貿易應付款項 | 22 | 11,200 |
| Other payables and accruals: | 其他應付款項及應計費用： | | |
| Salaries and bonus payables | 應付薪金及花紅 | 53 | 5,548 |
| Other taxes payable | 其他應付稅項 | 2,519 | 2,399 |
| Auditors' remuneration | 核數師酬金 | 1,599 | 1,450 |
| Others | 其他 | 677 | 1,004 |
| | | 4,870 | 21,601 |

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

於報告期末按發票日期呈列的貿易應付款項的賬齡分析如下：

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------|-------|----------------------------------|----------------------------------|
| Within 1 month | 一個月內 | - | 3,214 |
| 1 to 2 months | 一至兩個月 | - | 723 |
| 2 to 3 months | 兩至三個月 | - | 2,171 |
| Over 3 months | 超過三個月 | 22 | 5,092 |
| | | 22 | 11,200 |

The trade payables are non-interest-bearing and the credit period of purchases ranges from 30 to 180 days. Other payables are non-interest-bearing and have an average credit term of 1 to 3 months. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

貿易應付款項乃不計息且採購的信貸期介乎30至180日。其他應付款項乃不計息且平均信貸期限為1至3個月。本集團已實施財務風險管理政策，以確保全部應付款項於信貸期間償付。

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25. SHARE CAPITAL AND SHARE PREMIUM

25. 股本及股份溢價

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-----------------------------------------------------------------------------------------|-----------------------------------------------|----------------------------------|----------------------------------|
| Authorised: 2,000,000,000 ordinary shares at par value of HK\$0.005 each | 法定： 2,000,000,000 股每股面值 0.005 港元 的普通股 | 10,000 | 10,000 |
| Issued and fully paid: 172,600,000 ordinary shares at par value of HK\$0.005 each | 已發行及繳足： 172,600,000 股每股面值 0.005 港元 的普通股 | 863 | 863 |

A summary of the Company's issued share capital and share premium is as follows:

本公司已發行股本及股份溢價的概要如下：

| | | Number of shares in issue 已發行 股份數目 | Share capital 股本 HK\$'000 千港元 | Share premium 股份溢價 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------|-------------------------------------------|---------------------------------------------|--------------------------------|
| Issued and fully paid: As of 31 March 2021 and 31 March 2022 | 已發行及繳足： 於 2021 年 3 月 31 日及 2022 年 3 月 31 日 | 172,600,000 | 863 | 122,787 | 123,650 |

Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company. Under the Companies Law of the Cayman Islands, the share premium account of the Company is distributable to the equity shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debt as they fall due in the ordinary course of business.

股份溢價

股份溢價指本公司股份面值與發行本公司股份所得款項之間的差額。根據開曼群島公司法，本公司的股份溢價賬可分派予本公司的權益股東，前提乃緊隨建議分派股息日期後，本公司將有能力清償其在一般業務過程中到期的債務。

26. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

Statutory surplus reserve

In accordance with the relevant law and regulations in the PRC, each of the Company's subsidiaries that was registered in the PRC is required to appropriate 10% of the annual statutory profit after tax (after offsetting any prior years' losses), determined in accordance with the PRC General Accepted Accounting Principles, to the statutory reserve until the balance of the reserve funds reaches 50% of the entity's registered capital. The statutory reserve can be utilised to offset prior years' losses or to increase capital, provided the remaining balance of the statutory reserve is not less than 25% of the registered capital.

Merger reserve

The merger reserve of the Group arose from the reorganisation for the purpose of the Listing of the Group and acquisition of additional interests in a subsidiary.

Capital surplus reserve

On 28 July 2014, a balance due to the immediate holding company of the Company amounting to HK\$105,366,000 was capitalised as equity of the Group.

26. 儲備

本集團於本年度及過往年度的儲備金額及其變動於綜合權益變動表呈列。

法定盈餘儲備

根據中國相關法律及法規，於中國註冊的本公司各附屬公司須劃撥10%根據中國公認會計原則釐定的年度法定除稅後溢利（經抵銷任何過往年度虧損後）至法定儲備，直至儲備金結餘達到該實體註冊資本的50%為止。該法定儲備可用於抵銷過往年度虧損或用於增資，惟法定儲備的餘下結餘不少於註冊資本的25%。

合併儲備

本集團的合併儲備因本集團上市重組及收購於附屬公司的其他權益而產生。

資本盈餘儲備

於2014年7月28日，應付本公司直屬控股公司之結餘105,366,000港元已資本化為本集團權益。

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27. DEFERRED INCOME TAX

The movements in deferred tax liabilities during the year are as follows:

| | | Plant and equipment depreciation | Loss available for offsetting future taxable profits 可供抵銷 未來應課稅 溢利的虧損 | Net deferred tax liabilities |
|----------------------------------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------|
| | | 廠房及 設備折舊 HK\$'000 千港元 | HK\$'000 千港元 | 遞延稅項 負債淨額 HK\$'000 千港元 |
| At 1 April 2020 | 於2020年4月1日 | (671) | 372 | (299) |
| Disposal of subsidiaries | 出售附屬公司 | 394 | (255) | 139 |
| Deferred tax charged/(credited) to profit or loss (note 12) | 扣除自/(計入)損益的遞延 稅項(附註12) | 78 | (24) | 54 |
| At 31 March 2021, 1 April 2021 and 31 March 2022 | 於2021年3月31日、2021年 4月1日及2022年3月31日 | (199) | 93 | (106) |

As at 31 March 2022, the Group had unused tax losses of HK\$49,837,000 (2021: HK\$49,091,000), which were contributed by the Hong Kong subsidiaries and can be carried forward indefinitely. Deferred tax assets have not been recognised in respect of these losses as they have been arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

As at 31 March 2022, the Group also has tax losses arising in Mainland China of HK\$720,000 (2021: HK\$1,439,000) that will expire in one to five years for offsetting against future taxable profits.

27. 遞延所得稅

年內遞延稅項負債的變動如下：

| | | Plant and equipment depreciation | Loss available for offsetting future taxable profits 可供抵銷 未來應課稅 溢利的虧損 | Net deferred tax liabilities |
|----------------------------------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------|
| | | 廠房及 設備折舊 HK\$'000 千港元 | HK\$'000 千港元 | 遞延稅項 負債淨額 HK\$'000 千港元 |
| At 1 April 2020 | 於2020年4月1日 | (671) | 372 | (299) |
| Disposal of subsidiaries | 出售附屬公司 | 394 | (255) | 139 |
| Deferred tax charged/(credited) to profit or loss (note 12) | 扣除自/(計入)損益的遞延 稅項(附註12) | 78 | (24) | 54 |
| At 31 March 2021, 1 April 2021 and 31 March 2022 | 於2021年3月31日、2021年 4月1日及2022年3月31日 | (199) | 93 | (106) |

於2022年3月31日，本集團的未動用稅項虧損為49,837,000港元(2021年：49,091,000港元)，由香港附屬公司引致並可無限期轉結。概無就該等虧損確認遞延稅項資產，因其於過去一段時間產生虧損的附屬公司產生，且認為不大可能動用可用的稅務虧損抵銷應課稅溢利。

於2022年3月31日，本集團亦在中國大陸產生720,000港元(2021年：1,439,000港元)的稅項虧損，將於一至五年內屆滿以抵銷未來應課稅溢利。

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28. DISPOSAL OF SUBSIDIARIES

28. 出售附屬公司

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|---------------------------------------------|----------------|----------------------------------|----------------------------------|
| Net assets disposed of: | 出售資產淨值： | | |
| Property, plant and equipment | 物業、廠房及設備 | – | 2,334 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | – | 10 |
| Other payables | 其他應付款項 | – | (40) |
| Deferred tax liabilities | 遞延稅項負債 | – | (139) |
| <hr/> | | | |
| Gains on disposal of subsidiaries | 出售附屬公司收益 | – | 2,165 |
| | | – | 815 |
| <hr/> | | | |
| | | – | 2,980 |
| <hr/> | | | |
| Satisfied by: | 支付方式： | | |
| Cash | 現金 | – | 2,980 |

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

有關出售附屬公司的現金及現金等價物淨流入分析如下：

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|------------------------------------------------------------------------------------|----------------------|----------------------------------|----------------------------------|
| Cash consideration | 現金代價 | – | 2,980 |
| <hr/> | | | |
| Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries | 有關出售附屬公司的現金及現金等價物淨流入 | – | 2,980 |

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29. ACQUISITION OF INTEREST IN A SUBSIDIARY WITHOUT CHANGE IN CONTROL

On 16 December 2021, the Group had entered into an agreement (the “Agreement”) with an independent third-party to form Perfect King International Limited (“Perfect King”), to develop online sales of jewellery business, of which the Company holds 51% of issued shares of Perfect King. Details please refer to the announcement of the Company made on 17 December 2021. On 31 March 2022, the Company acquired the remaining 49% issued shares of Perfect King from the non-controlling shareholder (the “Acquisition”) to continue the development of online sales channel and Perfect King became a wholly owned subsidiary of the Company as of 31 March 2022 upon the completion of the Acquisition. The Acquisition does not constitute any change in control of Perfect King, the effect of the acquisition on the equity attributable to the owners of the Company is as follows:

29. 收購附屬公司權益(控制權並無變動)

於2021年12月16日，本集團已與獨立第三方訂立協議(「該協議」)，以成立寶鈞國際有限公司(「寶鈞」)發展珠寶線上銷售業務，其中本公司持有寶鈞51%之已發行股份。詳情請參閱本公司於2021年12月17日刊發之公佈。於2022年3月31日，本公司向非控股股東收購寶鈞剩餘49%之已發行股份(「收購事項」)，以繼續發展線上銷售渠道，而於收購事項完成後，寶鈞於2022年3月31日成為本公司之全資附屬公司。收購事項並不構成寶鈞控制權之任何變動，收購事項對本公司擁有人應佔權益之影響如下：

| | | 2022 2022年 HK\$'000 千港元 |
|-------------------------------------------------------|---------------|----------------------------------|
| Carrying amount of non-controlling interests acquired | 已收購非控股權益的賬面值 | 2,175 |
| Cash consideration paid for non-controlling interests | 就非控股權益支付的現金代價 | (2,450) |
| Loss on acquisition recognised directly in equity | 直接於權益確認的收購虧損 | (275) |

30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$3,614,000 in respect of lease arrangements for two leased offices (2021: Nil).

During the year, the Group had terminated a lease arrangement for a factory located in the PRC. As such, right-of-use assets of HK\$694,000 and lease liabilities of HK\$804,000 were derecognised and the difference of HK\$110,000 was credited to other gains, net in the consolidated financial statements (2021: Nil).

30. 綜合現金流量表附註

(a) 主要非現金交易

年內，本集團就兩間租賃辦公室之租賃安排，以非現金方式添置使用權資產及租賃負債3,614,000港元(2021年：無)。

年內，本集團已終止一項位於中國之工廠租賃安排。因此，已終止確認價值694,000港元之使用權資產及價值804,000港元之租賃負債，而差額110,000港元則計入綜合財務報表中之其他收益，淨額(2021年：無)。

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30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Changes in liabilities arising from financing activities

| At 1 April 2020 | 於2020年4月1日 |
|------------------------------------------|------------------------------|
| Changes from financing cash flows | 融資現金流量變動 |
| Foreign exchange alignment | 外匯調整 |
| At 31 March 2021 and 1 April 2021 | 於2021年3月31日及2021年4月1日 |
| Additions | 添置 |
| Lease termination | 終止租賃 |
| Changes from financing cash flows | 融資現金流量變動 |
| Foreign exchange alignment | 外匯調整 |
| At 31 March 2022 | 於2022年3月31日 |

30. 綜合現金流量表附註(續)

(b) 融資活動產生的負債變動

| Borrowings 借貸 HK\$'000 千港元 | Lease liabilities 租賃負債 HK\$'000 千港元 |
|-------------------------------------|----------------------------------------------|
| 9,924 | 1,068 |
| (9,924) | (261) |
| - | 71 |
| - | 878 |
| - | 3,614 |
| - | (804) |
| - | (606) |
| - | 23 |
| - | 3,105 |

31. COMMITMENTS

At 31 March 2022 and 2021, the Group had no capital commitments as at the end of the reporting periods.

31. 承擔

於2022年及2021年3月31日，本集團於報告期末概無資本承擔。

32. RELATED PARTY TRANSACTIONS

(i) Management consultancy fees paid and payable to directors of the Company's subsidiaries amounted to HK\$1,250,000 (2021: HK\$9,000,000) for the year ended 31 March 2022 (note 9). Other than this, the Group had no other material transactions with related parties during the years ended 31 March 2022 and 2021.

(ii) Compensation of key management personnel of the Group:

| | |
|------------------------------|---------|
| Short-term employee benefits | 短期僱員福利 |
| Pension scheme contributions | 退休金計劃供款 |

32. 關聯方交易

(i) 截至2022年3月31日止年度，已付及應付本公司附屬公司董事的管理諮詢費為1,250,000港元(2021年：9,000,000港元)(附註9)。除此之外，截至2022年及2021年3月31日止年度，本集團與關聯方並無其他重大交易。

(ii) 本集團主要管理層成員的薪酬：

| 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 6,998 | 3,792 |
| 17 | 15 |
| 7,015 | 3,807 |

Further details of directors' remuneration are included in note 10 to the consolidated financial statements.

有關董事薪酬的進一步詳情載於綜合財務報表附註10。

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33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------------------------------|-----------------------|----------------------------------|----------------------------------|
| Financial assets at amortised cost: | 按攤銷成本列賬的金融資產： | | |
| Trade receivables | 貿易應收款項 | – | 51,137 |
| Financial assets included in prepayments, deposits and other receivables | 計入預付款項、按金及其他應收款項的金融資產 | 858 | 1,903 |
| Cash and bank balances | 現金及銀行結餘 | 92,833 | 37,213 |
| | | 93,691 | 90,253 |

| | | | |
|-------------------------------------------------------|---------------|--------|---------|
| Financial assets at fair value through profit or loss | 按公允值計入損益的金融資產 | 34,399 | 112,596 |
|-------------------------------------------------------|---------------|--------|---------|

| | | | |
|--|--|---------|---------|
| | | 128,090 | 202,849 |
|--|--|---------|---------|

Financial liabilities

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------|---------------|----------------------------------|----------------------------------|
| Financial liabilities at amortised cost: | 按攤銷成本列賬的金融負債： | | |
| Trade payables | 貿易應付款項 | 22 | 11,200 |
| Financial liabilities included in other payables | 計入其他應付款項的金融負債 | 2,276 | 2,454 |
| | | 2,298 | 13,654 |

33. 按類別劃分的金融工具

於報告期末各類金融工具的賬面值如下：

金融資產

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Financial assets at amortised cost: | | |
| Trade receivables | – | 51,137 |
| Financial assets included in prepayments, deposits and other receivables | 858 | 1,903 |
| Cash and bank balances | 92,833 | 37,213 |
| | 93,691 | 90,253 |

| | | |
|-------------------------------------------------------|--------|---------|
| Financial assets at fair value through profit or loss | 34,399 | 112,596 |
|-------------------------------------------------------|--------|---------|

| | | |
|--|---------|---------|
| | 128,090 | 202,849 |
|--|---------|---------|

金融負債

| | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|--------------------------------------------------|----------------------------------|----------------------------------|
| Financial liabilities at amortised cost: | | |
| Trade payables | 22 | 11,200 |
| Financial liabilities included in other payables | 2,276 | 2,454 |
| | 2,298 | 13,654 |

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair value of the Group's financial assets at fair value through profit or loss are as follows:

| Financial assets | 金融資產 | Carrying amount | | Fair value | |
|------------------------------------|----------|-----------------|----------|---------------|----------|
| | | 賬面值 | 賬面值 | 公允值 | 公允值 |
| | | 2022 | 2021 | 2022 | 2021 |
| | | 2022年 | 2021年 | 2022年 | 2021年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Hong Kong listed equity securities | 香港上市股權證券 | 16,824 | 95,485 | 16,824 | 95,485 |
| Life insurance policy | 人壽保險保單 | 17,575 | 17,111 | 17,575 | 17,111 |
| | | 34,399 | 112,596 | 34,399 | 112,596 |

Management has assessed that the fair values of cash and bank balances, trade receivables, financial assets included in other receivables, trade payables and financial liabilities included in other payables approximate to their carrying amounts largely due to the short term maturities of these instruments.

34. 金融工具公允值及公允值層級

本集團按公允值計入損益的金融資產的賬面值及公允值載列如下：

管理層已評估現金及銀行結餘、貿易應收款項、計入其他應收款項的金融資產、貿易應付款項及計入其他應付款項的金融負債的公允值與賬面值相若，主要由於該等工具於短期內到期。

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34. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments measured at fair value:

| | | Fair value measurement using 採用公允值計量 | | | |
|------------------------------------|-------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------|
| | | Quoted prices in active markets (Level 1) 活躍市場報價 (第一級) HK\$'000 千港元 | Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元 | Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| As at 31 March 2022 | 於2022年3月31日 | | | | |
| Hong Kong listed equity securities | 香港上市股權證券 | 16,824 | – | – | 16,824 |
| Life insurance policy | 人壽保險保單 | – | – | 17,575 | 17,575 |
| | | 16,824 | – | 17,575 | 34,399 |
| As at 31 March 2021 | 於2021年3月31日 | | | | |
| Hong Kong listed equity securities | 香港上市股權證券 | 95,485 | – | – | 95,485 |
| Life insurance policy | 人壽保險保單 | – | – | 17,111 | 17,111 |
| | | 95,485 | – | 17,111 | 112,596 |

The Group did not have any financial liabilities measured at fair value as at 31 March 2022 and 2021.

The movements in fair value measurement within Level 3 during the years ended 31 March 2022 and 2021 are as disclosed in note 19.

During the year ended 31 March 2022, one of the investments held by the Group which was categorised as Level 1 equity securities with fair value of HK\$35,897,000 as of 31 March 2021 was suspended from trading with effect from 5 May 2021. Therefore, the quoted market closing price was no longer available, and the related fair value measurement was transferred from Level 1 to Level 3 of the fair value hierarchy for the year ended 31 March 2022. There were no transfer of fair value measurements between Level 1 and Level 2 for financial instruments.

During the year ended 31 March 2021, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial instruments.

34. 金融工具公允值及公允值層級(續)

公允值層級

下表說明本集團按公允值計量的金融工具的公允值計量層級：

| | | Fair value measurement using 採用公允值計量 | | | |
|------------------------------------|-------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------|
| | | Quoted prices in active markets (Level 1) 活躍市場報價 (第一級) HK\$'000 千港元 | Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元 | Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| As at 31 March 2022 | 於2022年3月31日 | | | | |
| Hong Kong listed equity securities | 香港上市股權證券 | 16,824 | – | – | 16,824 |
| Life insurance policy | 人壽保險保單 | – | – | 17,575 | 17,575 |
| | | 16,824 | – | 17,575 | 34,399 |
| As at 31 March 2021 | 於2021年3月31日 | | | | |
| Hong Kong listed equity securities | 香港上市股權證券 | 95,485 | – | – | 95,485 |
| Life insurance policy | 人壽保險保單 | – | – | 17,111 | 17,111 |
| | | 95,485 | – | 17,111 | 112,596 |

本集團於2022年及2021年3月31日並無任何按公允值計量之金融負債。

截至2022年及2021年3月31日止年度，公允值計量第三級的變動在附註19中披露。

截至2022年3月31日止年度，本集團持有之其中一項投資(於2021年3月31日歸類為第一級股權證券，公允值為35,897,000港元)自2021年5月5日起暫停買賣。因此，所報市場收市價無法獲得，相關公允值計量於截至2022年3月31日止年度由第一級公允值層級轉移至第三級。就金融工具而言，第一級與第二級公允值計量之間並無轉移。

截至2021年3月31日止年度，就金融工具而言，第一級與第二級公允值計量之間並無轉移，亦無轉入或轉出第三級。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and short term bank deposits, financial assets at fair value through profit or loss, other receivables and other payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group's exposure to market risk (including foreign currency risk), credit risk and liquidity risk arises in the normal course of its business. These risks are managed by the Group's financial management policies and practices described below:

As of 31 March 2022 and 2021, the Group had no short-term borrowings, so there is no interest rate risk.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group manages its foreign currency risk by closely monitoring the level of foreign currency balances. The Group currently has not entered into any foreign currency forward contracts to hedge against foreign currency risk. Management will consider hedging foreign currency exposure should the need arise.

35. 財務風險管理目標及政策

本集團的主要金融工具包括現金及短期銀行存款、按公允值計入損益的金融資產、其他應收款項及其他應付款項。該等金融工具主要用於為本集團籌集營運資金。本集團有直接來自其營運的各種其他金融資產及負債，例如貿易應收款項及貿易應付款項。

本集團面臨於其一般業務過程中產生的市場風險（包括外幣風險）、信貸風險及流動資金風險。由本集團的財務管理政策及慣例管理的該等風險概述如下：

截至2022年及2021年3月31日，因本集團並無短期借貸，因此沒有利率風險。

外幣風險

本集團在交易上有貨幣風險。此等風險因營運單位以該單位功能貨幣以外之貨幣進行買賣而產生。本集團通過密切監控外幣結餘水平管理其外幣風險。本集團目前尚未訂立任何外幣遠期合約對沖外幣風險。管理層將於必要時考慮對沖外幣風險。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk (continued)

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in foreign currencies, i.e. currencies other than the functional currency of the respective group entities, which are mainly trade receivables, other receivables, bank balances and trade and other payables, at the end of the reporting period are approximately as follows:

| | | Assets 資產 | | Liabilities 負債 | |
|------|-----|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
| US\$ | 美元 | 24,995 | 48,916 | 291 | 4,110 |
| RMB | 人民幣 | 9 | 4 | - | 152 |

Since HK\$ is pegged to US\$, the Group does not expect any significant movements in the HK\$/US\$ exchange rate.

The Group's loss before tax has no significant exposure to foreign currency risk on the reasonably possible change in the RMB exchange rate.

Credit risk

The Group is exposed to credit risk primarily in relation to its cash and cash equivalents, trade receivables as well as other receivables. The carrying amounts of each class of the above financial assets represent the Group's maximum exposure to credit risk in relation to financial assets.

Risk management

Credit risk is managed on a group basis. All cash and cash equivalents were placed with state-owned banks and financial institutions in the PRC and reputable international banks and financial institutions in Hong Kong. The Group has policies in place to ensure that revenues under credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of its counterparties. In addition, the Group has policies in place to ensure that settlement of trade receivables is followed up on a timely basis. The Group has no significant concentrations of credit risk.

35. 財務風險管理目標及政策(續)

外幣風險(續)

本集團於報告期末以各集團實體的功能貨幣以外的外幣計值的貨幣資產及貨幣負債(主要為貿易應收款項、其他應收款項、銀行結餘以及貿易及其他應付款項)的賬面值概約如下:

由於港元與美元掛鈎，本集團預期港元兌美元的匯率將不會出現任何重大變動。

本集團之除稅前虧損並無因人民幣匯率之合理可能變動而面臨重大外幣風險。

信貸風險

本集團主要面臨與其現金及現金等價物、貿易應收款項及其他應收款項有關的信貸風險。上述各類金融資產的賬面值指本集團所面臨與金融資產有關的最大信貸風險。

風險管理

信貸風險按集團基準管理。所有現金及現金等價物均存置在中國的國有銀行及金融機構以及香港信譽良好的國際銀行及金融機構。本集團已實施政策，確保收益是按信貸條款從具有適當信用記錄的交易對手獲得，而管理層持續對交易對手進行信貸評估。此外，本集團已實施政策，確保及時跟進貿易應收款項的結算。本集團並無重大集中信貸風險。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

Impairment of financial assets

The Group has two types of financial assets that are subject to HKFRS 9's expected credit loss model:

- trade receivables for sales of goods, and
- other financial assets at amortised cost.

While cash and cash equivalents were also subject to the impairment requirements of HKFRS 9, no impairment loss was identified.

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March. The amounts presented are gross carrying amounts for financial assets.

As at 31 March 2022

| | | 12-month ECLs | | Lifetime ECLs | | |
|--------------------------------------------------------------------------|-----------------------|----------------------|-----------------|----------------------|----------------------------|-----------------|
| | | 12個月預期信貸虧損 | | 全期預期信貸虧損 | | |
| | | Stage 1 | Stage 2 | Stage 3 | Simplified approach | Total |
| | | 第一階段 | 第二階段 | 第三階段 | 簡化方法 | 總計 |
| | | 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 |
| Financial assets included in prepayments, deposits and other receivables | 計入預付款項、按金及其他應收款項的金融資產 | | | | | |
| — Normal* | — 正常* | 858 | — | — | — | 858 |
| Cash and bank balances | 現金及銀行結餘 | 92,833 | — | — | — | 92,833 |
| | | 93,691 | — | — | — | 93,691 |

35. 財務風險管理目標及政策(續)

信貸風險(續)

金融資產減值

本集團有兩種金融資產須遵守香港財務報告準則第9號的預期信貸虧損模式：

- 銷售貨品的貿易應收款項；及
- 按攤銷成本計量的其他金融資產。

儘管現金及現金等價物亦須遵守香港財務報告準則第9號的減值規定，但並未識別任何減值虧損。

下表顯示基於本集團信貸政策的信貸品質和最大的信貸風險敞口，該政策主要基於逾期資料，除非其他資料可以在沒有不當成本或努力的情況下獲得，以及截至3月31日的年終分期分類。呈現的金額是金融資產的賬面總值。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

Impairment of financial assets (continued)

As at 31 March 2021

| | | 12-month | Lifetime ECLs | | | Total |
|---------------------------|---------|----------------|---------------|----------|------------|----------|
| | | ECLs | ECLs | | | |
| | | 12個月預期 信貸虧損 | 全期預期信貸虧損 | | | 總計 |
| | | Stage 1 | Stage 2 | Stage 3 | Simplified | |
| | | 第一階段 | 第二階段 | 第三階段 | 簡化方法 | |
| | | 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 |
| Trade receivables | 貿易應收款項 | – | – | – | 53,239 | 53,239 |
| Financial assets included | 計入預付款項、 | | | | | |
| in prepayments, deposits | 按金及其他應收 | | | | | |
| and other receivables | 款項的金融資產 | | | | | |
| — Normal* | — 正常* | 1,903 | – | – | – | 1,903 |
| Cash and bank balances | 現金及銀行結餘 | 37,213 | – | – | – | 37,213 |
| | | 39,116 | – | – | 53,239 | 92,355 |

* The credit quality of the financial assets included in prepayments, deposits and other receivables is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Trade receivables

The Group applied the HKFRS 9 simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and ageing periods.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

35. 財務風險管理目標及政策 (續)

信貸風險 (續)

金融資產減值 (續)

於2021年3月31日

* 計入預付款項、按金及其他應收款項的金融資產如並無逾期，且並無任何資料表明該等金融資產自初步確認以來的信貸風險顯著增加，則其信貸質素被視為「正常」。否則，金融資產的信貸質素被視為「存疑」。

貿易應收款項

本集團應用香港財務報告準則第9號的簡化方法計量預期信貸虧損，其就所有貿易應收款項使用全期預期虧損撥備。為計量預期信貸虧損，貿易應收款項已按相同的信貸風險特徵及賬齡期分組。

過往虧損率乃經調整以反映影響客戶結清應收款項能力的宏觀經濟因素的現時及前瞻性資料。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

Impairment of financial assets (continued)

Trade receivables (continued)

On that basis, the loss allowance as at 31 March 2022 and 2021 was determined as follows for trade receivables:

| | | Current | Overdue | Overdue | Total |
|-----------------------|-------------|----------------|----------------------|--------------------|--------------|
| | | 即期 | within 1 year | over 1 year | 總計 |
| | | | 1年內逾期 | 1年後逾期 | |
| As at 31 March 2021 | 於2021年3月31日 | | | | |
| Expected loss rate | 預期虧損率 | 0.29% | 1.09% | 100.00% | 3.95% |
| Gross carrying amount | 賬面總值 | 51,013 | 274 | 1,952 | 53,239 |
| Loss allowance | 虧損撥備 | 147 | 3 | 1,952 | 2,102 |

Other financial assets at amortised cost

There was no loss allowance for other financial assets at amortised cost as at 31 March 2022 and 2021.

35. 財務風險管理目標及政策(續)

信貸風險(續)

金融資產減值(續)

貿易應收款項(續)

有鑑於此，於2022年及2021年3月31日貿易應收款項的虧損撥備釐定如下：

按攤銷成本計量的其他金融資產

於2022年及2021年3月31日，按攤銷成本計量的其他金融資產並無虧損撥備。

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35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

The Group aims to maintain sufficient cash and credit lines to meet its liquidity requirements. The Group finances its working capital requirements through a combination of funds generated from operations and leases.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period based on contractual undiscounted payments including interest payments computed using contractual rates.

| | | On demand or less than 1 year 應要求或 於1年內 HK\$'000 千港元 | 1 to 5 years 1至5年 HK\$'000 千港元 | Over 5 years 超過5年 HK\$'000 千港元 | Total contractual cash flows 合約現金 流量總額 HK\$'000 千港元 | Carrying amount 賬面值 HK\$'000 千港元 |
|--------------------------|-------------|------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------|----------------------------------------------|
| As at 31 March 2022 | 於2022年3月31日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 2,298 | – | – | 2,298 | 2,298 |
| Lease liabilities | 租賃負債 | 1,005 | 2,350 | – | 3,355 | 3,105 |
| | | 3,303 | 2,350 | – | 5,653 | 5,403 |
| As at 31 March 2021 | 於2021年3月31日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 13,654 | – | – | 13,654 | 13,654 |
| Lease liabilities | 租賃負債 | 247 | 808 | – | 1,055 | 878 |
| | | 13,901 | 808 | – | 14,709 | 14,532 |

35. 財務風險管理目標及政策(續)

流動資金風險

本集團致力於維持充足的現金及信用額度以滿足其流動資金要求。本集團通過經營所產生的資金及租賃方式為其營運資金要求提供融資。

下表概述本集團於報告期末基於合約未貼現付款(包括使用合約利率計算的利息款項)的非衍生金融負債到期情況。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital management

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, or sell assets to reduce debt. No changes in the objectives, policies or processes for managing capital were made during the years ended 31 March 2022 and 2021.

The management of the Group reviews the capital structure on a regular basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of management, the Group will balance its overall capital structure through the payment of dividends as well as issue of new debt or the redemption of the debt.

The Group monitors capital using, inter alia, a gearing ratio which is net debt divided by total equity plus net debt. As at 31 March 2022 and 31 March 2021, the Group had a net cash position.

35. 財務風險管理目標及政策(續)

資本管理

本集團管理資本的目標乃保障本集團持續經營能力，為股東創造回報以及維持最佳資本架構以降低資本成本。

本集團管理其資本架構並就經濟狀況的變動作出調整。為維持或調整資本架構，本集團可能調整向股東支付的股息、向股東退還資本或銷售資產以減少債務。於截至2022年及2021年3月31日止年度，有關資本管理的目標、政策或程序並無任何變動。

本集團管理層定期審閱資本架構。作為審閱的一部分，管理層會考慮資本成本及與各類資本相關的風險。根據管理層建議，本集團將通過支付股息及發行新債或償還債務，以平衡整體資本架構。

本集團使用(其中包括)資產負債比率(債務淨額除以權益總額加債務淨額)以監控資本。於2022年3月31日及2021年3月31日，本集團持有現金淨額。

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36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

36. 本公司財務狀況表

Information about the statement of financial position of the Company at the end of the reporting year is as follows:

本公司於報告年度末財務狀況表的資料如下：

| | | 2022 2022年 HK\$'000 千港元 | 2021 2021年 HK\$'000 千港元 |
|-------------------------------------------------------|--------------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | |
| Property, plant and equipment | 物業、廠房及設備 | 131 | 73 |
| Investments in subsidiaries | 於附屬公司的投資 | 112,193 | 107,193 |
| Financial assets at fair value through profit or loss | 按公允值計入損益的金融資產 | 16,824 | 95,485 |
| Total non-current assets | 非流動資產總值 | 129,148 | 202,751 |
| Current assets | 流動資產 | | |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 49 | 1,661 |
| Due from subsidiaries | 應收附屬公司款項 | 17,228 | 9,453 |
| Cash and bank balances | 現金及銀行結餘 | 15,738 | 3,448 |
| Total current assets | 流動資產總值 | 33,015 | 14,562 |
| Current liabilities | 流動負債 | | |
| Due to subsidiaries | 應付附屬公司款項 | 35,842 | 10,780 |
| Other payables and accruals | 其他應付款項及應計費用 | 1,752 | 1,200 |
| Total current liabilities | 流動負債總額 | 37,594 | 11,980 |
| Net current assets/(liabilities) | 流動資產/(負債)淨值 | (4,579) | 2,582 |
| Total assets less current liabilities | 資產總值減流動負債 | 124,569 | 205,333 |
| Net assets | 資產淨值 | 124,569 | 205,333 |
| Equity | 權益 | | |
| Issued capital | 已發行股本 | 863 | 863 |
| Reserves (note) | 儲備(附註) | 123,706 | 204,470 |
| Total equity | 權益總額 | 124,569 | 205,333 |

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36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note: A summary of the reserve movements of the Company is as follows:

| | | Share premium | Other reserve | Capital surplus | Retained earnings/ (accumulated losses) 保留盈利/ (累計虧損) | Total equity |
|-------------------------------------------------------------|---------------------------|------------------|------------------|--------------------|---------------------------------------------------------------------|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| As at 1 April 2020 | 於2020年4月1日 | 122,787 | 1,940 | 105,366 | 39,109 | 269,202 |
| Loss for the year and total comprehensive loss for the year | 年內虧損及 年內全面虧損總額 | - | - | - | (64,732) | (64,732) |
| As at 31 March 2021 and 1 April 2021 | 於2021年3月31日及 2021年4月1日 | 122,787 | 1,940 | 105,366 | (25,623) | 204,470 |
| Loss for the year and total comprehensive loss for the year | 年內虧損及 年內全面虧損總額 | - | - | - | (80,764) | (80,764) |
| As at 31 March 2022 | 於2022年3月31日 | 122,787 | 1,940 | 105,366 | (106,387) | 123,706 |

36. 本公司財務狀況表(續)

附註：本公司儲備變動概要如下：

37. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 30 June 2022.

37. 批准綜合財務報表

董事會已於2022年6月30日批准及授權刊發綜合財務報表。

FINANCIAL SUMMARY
財務概要

FIVE YEAR FINANCIAL RESULTS

五年財務業績

| | | Year ended 31 March 截至3月31日止年度 | | | | |
|-----------------------------------------------------------------------------------|------------------------------|-------------------------------------------------|-----------|-----------|-----------|-----------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | 2022年 | 2021年 | 2020年 | 2019年 | 2018年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Revenue | 收益 | 135,513 | 162,644 | 154,038 | 219,286 | 433,666 |
| Cost of sales | 銷售成本 | (133,102) | (155,625) | (145,153) | (191,839) | (355,041) |
| Gross profit | 毛利 | 2,411 | 7,019 | 8,885 | 27,447 | 78,625 |
| Other income | 其他收入 | 1,678 | 713 | 356 | 599 | 2,660 |
| Selling expenses | 銷售開支 | (1,977) | (4,380) | (4,283) | (21,362) | (31,826) |
| Administrative expenses | 行政開支 | (20,187) | (22,033) | (25,269) | (49,818) | (61,610) |
| Reversal of impairment losses/ (impairment losses) on financial assets, net | 金融資產減值虧損 撥回/(減值虧損), 淨額 | 925 | 1,341 | (2,614) | - | - |
| Other gains, net | 其他收益, 淨額 | 2,243 | 815 | 3,071 | 35,336 | 12,992 |
| Other losses, net | 其他虧損, 淨額 | (63,366) | (57,778) | (46,533) | (6,584) | (25,570) |
| Finance costs | 財務成本 | (78) | (356) | (941) | (1,034) | (8,714) |
| Share of loss of a joint venture | 應佔合營公司虧損 | (3) | (13) | (8) | (27) | (140) |
| Impairment loss on a joint venture | 合營公司減值虧損 | (88) | - | - | - | - |
| Loss before tax | 除稅前虧損 | (78,442) | (74,672) | (67,336) | (15,443) | (33,583) |
| Income tax expense | 所得稅開支 | (1) | (326) | (358) | (1,693) | (3,714) |
| Loss for the year attributable to the equity holders of the parent | 母公司權益持有人應佔 年內虧損 | (78,443) | (74,998) | (67,694) | (17,136) | (37,297) |

| | | As at 31 March 於3月31日 | | | | |
|-------------------------------------------------------------|----------------------------|----------------------------------------|----------|----------|----------|----------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | 2022年 | 2021年 | 2020年 | 2019年 | 2018年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| Total assets, total liabilities and total equity | 資產總值、負債總額 及權益總額 | | | | | |
| Total assets | 資產總值 | 136,645 | 228,506 | 309,467 | 377,869 | 400,709 |
| Total liabilities | 負債總額 | 8,671 | 23,173 | 31,161 | 30,358 | 31,933 |
| Total equity | 權益總額 | 127,974 | 205,333 | 278,306 | 347,511 | 368,776 |

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