



# 東方表行

Oriental Watch Company

Since 1961

## Oriental Watch Holdings Limited 東方表行集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 398)



時尚匯聚 **東方**  
經驗成就 **眼光**

*Annual Report*

**2020** 年報



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# CORPORATE INFORMATION

## 公司資料

<b>BOARD OF DIRECTORS</b>	Dr. Yeung Ming Biu ( <i>Chairman</i> ) Mr. Yeung Him Kit, Dennis ( <i>Deputy Chairman and Managing Director</i> ) Madam Yeung Man Yee, Shirley ( <i>Executive Director</i> ) Mr. Lam Hing Lun, Alain ( <i>Finance Director</i> ) Mr. Choi Kwok Yum ( <i>Executive Director</i> ) ( <i>Resigned on 1 June 2020</i> ) Dr. Sun Ping Hsu, Samson ( <i>Independent Non-executive Director</i> ) Dr. Li Sau Hung, Eddy ( <i>Independent Non-executive Director</i> ) Mr. Choi Man Chau, Michael ( <i>Independent Non-executive Director</i> )	<b>董事會</b>	楊明標博士(主席) 楊衍傑先生 (副主席兼董事總經理) 楊敏儀女士 (執行董事) 林慶麟先生 (財務董事) 蔡國欽先生 (執行董事)(於二零二 零年六月一日辭任) 孫秉樞博士 (獨立非執行董事) 李秀恒博士 (獨立非執行董事) 蔡文洲先生 (獨立非執行董事)
<b>COMPANY SECRETARY</b>	Mr. Lam Hing Lun, Alain	<b>公司秘書</b>	林慶麟先生
<b>PRINCIPAL BANKERS</b>	Hang Seng Bank Limited Bank of China (Hong Kong) Limited Standard Chartered Bank (Hong Kong) Limited The Hong Kong & Shanghai Banking Corporation Limited	<b>主要往來銀行</b>	恒生銀行有限公司 中國銀行(香港)有限公司 渣打銀行(香港)有限公司 香港上海滙豐銀行 有限公司
<b>AUDITOR</b>	Deloitte Touche Tohmatsu Registered Public Interest Entity Auditors	<b>核數師</b>	德勤•關黃陳方會計師行 註冊公眾利益實體核數師
<b>HONG KONG BRANCH SHARE REGISTRARS</b>	Tricor Secretaries Limited Level 54 Hopewell centre 183 Queen's Road East Hong Kong	<b>股份過戶 登記處 香港分處</b>	卓佳秘書商務有限公司 香港 皇后大道東183號 合和中心 54樓
<b>HONG KONG LEGAL ADVISER</b>	Jennifer Cheung & Co	<b>香港法律顧問</b>	張美霞律師行
<b>BERMUDA LEGAL ADVISER</b>	Conyers, Dill & Pearman	<b>百慕達法律 顧問</b>	Conyers, Dill & Pearman
<b>REGISTERED OFFICE</b>	Clarendon House Church Street Hamilton HM 11 Bermuda	<b>註冊辦事處</b>	Clarendon House Church Street Hamilton HM 11 Bermuda
<b>PRINCIPAL PLACE OF BUSINESS</b>	Room 312-8 China Insurance Group Building 141 Des Voeux Road Central Central Hong Kong	<b>主要營業地點</b>	香港 中環 德輔道中141號 中保集團大廈 312-8室

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Group Results

On behalf of the Board of Directors of the Company (the "Board"), I hereby present the audited consolidated results of the Group for the year ended 31 March 2020 (the "Year").

The Year was a challenging year for the Group. Our business was adversely affected by the global macroeconomic uncertainty, social unrest in Hong Kong since June last year and most importantly, the COVID-19 outbreak which have impacted the retail and tourism industries. The number of tourists visiting Hong Kong, and among whom those from Mainland China, has significantly decreased. The Group's turnover for the year decreased by 3.5% to HK\$2,353 million (2019: HK\$2,437 million). However, gross profit increased by 7.0% to HK\$645 million (2019: HK\$603 million) and gross profit margin improved to around 27.4% (2019: 24.7%), mainly due to the Group's positioning at the high-end luxurious watch market where our long-term customers maintain strong purchasing power, as well as our vigorous efforts in control on inventory. The Group's net profit attributable to owners of the Company decreased by 27.5% to HK\$100 million (2019: net profit of HK\$138 million) mainly as a result of impairment losses made in respect of right-of-use assets and property, plant and equipment and increase in allowance of slowing moving watches, and decrease in revenue caused by the Covid-19 outbreak in the first quarter of 2020.

To show our appreciation for shareholders' continuous support, the Board has resolved to recommend a final dividend of 8.0 HK cent per share (2019: 8.0 HK cents) and special final dividend of 5.0 HK cents (2019: 13.5 HK cents) for the year ended 31 March 2020.

### 管理層討論及分析

#### 集團業績

本人謹代表本公司之董事會提呈本集團截至二零二零年三月三十一日止年度(「本年度」)之經審核綜合業績。

本年度對本集團而言充滿挑戰。本集團業務受全球宏觀經濟不明朗、香港自去年六月起社會紛擾不息，加上最重要的2019冠狀病毒疫症爆發，對零售業及旅遊業皆帶來影響。訪港旅客人數(包括來自中國內地者)大幅下跌。本集團於本年度之營業額減少3.5%至2,353,000,000港元(二零一九年：2,437,000,000港元)。不過，毛利上升7.0%至645,000,000港元(二零一九年：603,000,000港元)，而毛利率則增長至約27.4%(二零一九年：24.7%)，主要因為本集團定位於高端名貴手錶市場，而長期客戶保持強大消費力，加上本集團戮力控制存貨所致。本公司擁有人應佔本集團之純利減少27.5%至100,000,000港元(二零一九年：純利為138,000,000港元)，主要因為就使用權資產及物業、廠房及設備計提減值虧損、滯銷手錶撥備上升，以及於二零二零年第一季度因2019冠狀病毒疫症爆發導致收益減少所致。

為酬謝股東一直鼎力支持，董事會已議決建議派發截至二零二零年三月三十一日止年度之末期股息每股8.0港仙(二零一九年：8.0港仙)及特別末期股息每股5.0港仙(二零一九年：13.5港仙)。

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

### Business Review and Prospects

As at 31 March 2020, the Group operated 62 retail and wholesale points (including associate retail stores) in the Greater China region. Breakdown by geographic region is as follows:

Hong Kong	香港
Macau	澳門
China	中國
Taiwan	台灣
Total	總計

According to the National Bureau of Statistics, China's gross domestic product ("GDP") has sustained with a 6.1% year on year growth in 2019, representing a slower growth rate as compared to the past. With Chinese government's measures to stimulate consumption came into effect, consumer confidence index showed continuous increase in the fourth quarter of 2019. However, the pandemic, together with the lock-down measure, posted a huge impact on China economy. China's GDP recorded the first-ever decline of 6.8% in the first quarter of 2020 since 1992. The purchasing power rebounded in March 2020, which stimulated the Group's sales in China. Despite the slower economic growth in Mainland China, the Group's revenue in such market increased by 17.5% to HK\$945 million (2019: 804 million) mainly due to the Group's ability to offer in-demand watch products to customers, though sales in the first quarter of 2020 was hit by the Covid-19 outbreak. With the Covid-19 pandemic more under control, the Group's sales in Mainland China has rebound since March 2020. Profit contribution of our Mainland China operation increased substantially, which was principally attributable to the reversal of provision on the inventory made in previous years and higher profit margin of in-demand watch products.

### 業務回顧及前景

於二零二零年三月三十一日，本集團於大中華地區經營62個零售及批發點(包括聯營零售店)，按地區分析如下：

As at 31 March 2020 於二零二零年 三月三十一日
11
1
47
3
<b>62</b>

根據國家統計局報告，中國國內生產總值(「國內生產總值」)於二零一九年按年增長6.1%，與往年相比增長放緩。中國政府出台刺激消費措施，消費者信心指數亦於二零一九年第四季度出現持續增長。然而，疫情加上封鎖措施對中國經濟產生巨大影響。中國國內生產總值於二零二零年第一季度下降6.8%，乃一九九二年以來首見。購買力於二零二零年三月反彈，刺激本集團於中國之銷售。雖然中國內地經濟增長放緩，惟本集團於該市場之收益仍增長17.5%至945,000,000港元(二零一九年：804,000,000港元)，主要因為本集團有能力向客戶提供定制手錶產品，然而二零二零年第一季度之銷售仍受2019冠狀病毒疫症爆發所打擊。2019冠狀病毒疫情受控後，本集團於中國內地之銷售於二零二零年三月開始反彈。中國內地業務應佔溢利明顯上升，主要歸功於撥回過去多年就存貨計提之撥備，以及定制手錶產品利潤較高。

## CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

### 主席報告及管理層討論及分析

For the Hong Kong market, the Group's sales for the year were stable despite the social unrest since June 2019, but was hit by the Covid-19 outbreak in the first quarter of 2020. Revenue decreased by 17.3% to HK\$1,198 million (2019: HK\$1,449 million) for the year, and attributable profit dropped mainly as a result of impairment losses made in respect of right-of-use assets and property, plant and equipment and increase in allowance for slow-moving watches.

Sales of our shops in Taiwan and Macau grew slightly but suffered loss mainly due to increase in allowance for slow-moving watches.

The Group has implemented stringent cost control measures, in particular, control on rental cost. For the Year, the Group's aggregate expenses related to leases decreased by 15.7% to HK\$145 million, accounting for 28.7% of the Group's overall operating expenses (2019: 36.0%). We have successfully negotiated lower rental rates and more flexible leasing terms, and hence lowering the overall rental cost. In addition, we conduct regular assessment on the performance of all retail stores and close down non-performing ones to improve resources allocation. The Group will continue to closely monitor our stores' performance as well as rental contracts in order to improve our efficiency and cost structure.

The Group has adopted policies on inventory management to ensure stable cashflow and healthy financial position. We monitor the inventory level of high-ticket products and purchase stocks only when the existing inventory falls to a pre-determined level. As at 31 March 2020, the Group's overall inventory level amounted to HK\$799 million, a decrease of 3.0% from HK\$824 million as at 31 March 2019. We have also stepped up efforts in adjusting and optimising our brand portfolio in order to improve the Group's overall sales performance and keep abreast of market trend. We will continue to take measures to keep inventory at optimum level, maintain our strong liquidity position and further develop our business.

香港市場方面，即使自二零一九年六月起社會不穩本集團，年內銷售仍保持穩定，惟受到2019冠狀病毒疫情於二零二零年第一季度爆發所打擊。年內收益減少17.3%至1,198,000,000港元(二零一九年：1,449,000,000港元)，應佔溢利亦主要因為就使用權資產及物業、廠房及設備計提減值虧損，以及滯銷手錶撥備上升而有所下降。

台灣及澳門店舖之銷售額稍有增長，惟主要由於就滯銷手錶作出之撥備增加，故此錄得虧損。

本集團已實施嚴格成本控制措施，尤其是在租金成本方面之控制。本年度本集團租賃相關之總開支減少15.7%至145,000,000港元，佔本集團整體營運開支之28.7%(二零一九年：36.0%)。本集團已成功商議到較低租金及較靈活之租期，因而租金成本得以降低。此外，本集團定期對所有零售店之業績進行評估，並關閉表現欠佳之店舖，從而改進資源配置。本集團將繼續密切監察店舖表現及租約，以提升效率及改善成本架構。

為確保現金流量穩定及財務狀況穩健，本集團已實施多項存貨管理政策。本集團監察高價產品之存貨水平及僅於現有存貨降至預設水平時購置存貨。於二零二零年三月三十一日，本集團之整體存貨水平為799,000,000港元，較二零一九年三月三十一日之824,000,000港元下降3.0%。本集團亦逐步加強調整及提升其品牌形象，以改善本集團之整體銷售業績並緊貼市場趨勢。本集團將繼續採取措施，維持最適當存貨水平、保持穩健流動資金狀態，以及進一步發展其業務。

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

Looking forward, the China-US trade dispute, the ongoing COVID-19 pandemic, the social unrest of Hong Kong and the uncertain global economic outlook are expected to continue to affect the Group's business. The negative effect has not been fully reflected in this year's results. Even through the COVID-19 pandemic seems to be abating in Hong Kong, without a readily available vaccine for the virus, the possibility of a second or third wave attack is still high. The unknown will continue to place tremendous pressure on the performance of the Group in the coming periods. As a watch retailer with long history offering high quality products, the Group will continue to take prudent strategies to improve the performance of our outlets, strengthen cost and inventory management, as well as enrich our product portfolio in order to enhance the Group's business in these difficult situations.

On behalf of the Group, we would like to thank our customers, suppliers, staff and shareholders for their contribution, loyalty and unfailing support.

### FINANCIAL REVIEW

#### Liquidity and financial resources

At 31 March 2020, the Group's total equity reached HK\$2,083 million, compared with HK\$2,214 million as at 31 March 2019. The Group had net current assets of HK\$1,668 million, including bank and cash balances of HK\$937 million as at 31 March 2020, compared with balances of HK\$1,886 million and HK\$1,085 million respectively as at 31 March 2019. At 31 March 2020, bank loans of the Group amounted to HK\$6 million (31 March 2019: HK\$63 million), and the gearing ratio (defined as total bank borrowing on total equity) was 0.003 (31 March 2019: 0.03).

Management considers that the financial position of the Group is healthy with adequate funds and unused banking facilities.

展望未來，預期中美貿易糾紛、2019冠狀病毒疫情持續、香港社會不穩以及全球經濟前景不明朗會繼續影響零售市場，而此負面影響並無在本年度業績中完全反映。雖然2019冠狀病毒在香港之疫情似乎已獲緩解，惟在病毒未有可用疫苗之前，第二輪甚至第三輪攻擊之可能性仍然頗高。此不明朗因素對本集團未來期間之業績表現仍會有巨大壓力。作為以悠久歷史及優質產品而知名之手錶零售商，本集團將繼續採取審慎之策略，提升現有商店之業績表現、加強成本及存貨管理，並豐富其產品組合，以在不同狀況下提振本集團之業務。

我們謹代表本集團感謝客戶、供應商、員工及股東多年來的貢獻、忠誠和支持。

### 財務回顧

#### 流動資金及財務資源

於二零二零年三月三十一日，本集團之權益總額達2,083,000,000港元，而於二零一九年三月三十一日則為2,214,000,000港元。於二零二零年三月三十一日，本集團之流動資產淨值為1,668,000,000港元，包括937,000,000港元之銀行及現金結餘，而於二零一九年三月三十一日之結餘則分別為1,886,000,000港元及1,085,000,000港元。於二零二零年三月三十一日，本集團之銀行貸款為6,000,000港元(二零一九年三月三十一日：63,000,000港元)，而負債資產比率(定義為銀行借貸總額除以權益總額)為0.003倍(二零一九年三月三十一日：0.03倍)。

管理層認為本集團之財務狀況穩健，並具備充裕資金及未動用銀行融資。

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

### Foreign exchange exposure

The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

### HUMAN RESOURCES

As at 31 March 2020, our Group employed approximately 560 employees in Hong Kong, Macau, Mainland China and Taiwan, of whom approximately 63% were located in Mainland China.

Our employees' compensation packages include basic salary, commission, annual bonus, medical insurance and other common benefits. They are structured by reference to the nature of their posts, experiences and performance, and are reviewed annually based on the Group's objective performance appraisal system.

The Group has allocated significant resources to provide training programmes to employees to improve their services to customers. The management team has used results of a "Mystery Shoppers Programme" conducted by an independent consultancy firm to tailor-made training programmes for specific shop and at individual level.

The Group has also developed a series of training programmes for senior executives with diverse topics ranging from leadership, personal development and effectiveness, task and team management. These programmes enable our senior executives to improve their management skills and help to bring in innovative ideas to the Group.

The Company has adopted a share option scheme relating to the grant of options to eligible persons including directors and employees of the Group to subscribe for shares of the Company. The share option scheme enables the Group to offer valuable incentive to attract and retain quality personnel and other persons to work to increase the value of the shares of the Company.

### 外匯風險

本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

### 人力資源

截至二零二零年三月三十一日，本集團於香港、澳門、中國內地及台灣共僱有約560名僱員，其中大約63%為中國內地員工。

本集團參考僱員之職位性質、經驗及表現決定所提供之薪酬待遇，當中包括底薪、佣金、年終獎金、醫療保險及其他福利，並每年根據本集團之績效評估報告系統重新調整。

本集團投放大量資源以提供僱員培訓課程，藉以提升為客戶提供之服務。管理團隊利用獨立顧問公司所進行之「神秘顧客計劃」結果，設計針對個別店舖或員工之培訓課程。

本集團亦已為高級行政人員發展一系列培訓計劃，其主題多元化，包括領導能力、個人發展及效率、工作及團隊管理。該等計劃讓本集團之高級行政人員改善其管理能力，並有助為本集團帶來創新意念。

本公司已採納一項有關向合資格人士(包括本集團董事及僱員)授出購股權以認購本公司股份之購股權計劃。有關購股權計劃讓本集團提供有價值之誘因以吸引及保留高質素人員及其他人士，提高本公司股份之價值。

# DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層

### EXECUTIVE DIRECTORS:

**Dr. YEUNG Ming Biu**, aged 84, the Chairman of the Company, is a co-founder of the Group. He has over 60 years' experience in the watch business and is a Permanent Honorary Director of The Federation of Hong Kong Watch Trades and Industries Limited. He holds Honorary Fellow awarded by The Chinese University of Hong Kong and Honorary Doctor degree awarded by Lansbridge University of New Brunswick of Canada.

**Mr. YEUNG Him Kit, Dennis**, aged 51, joined the Group in 1993. He became Managing Director of the Company in March 2003. He holds a Bachelor Degree in Commerce from the University of Toronto, Canada. Mr. Yeung is the son of Dr. Yeung Ming Biu.

**Madam YEUNG Man Yee, Shirley**, aged 58, joined the Group in 1991. She received a Higher Diploma in Business Studies and Diploma in Watch and Jewellery Management from North Herts College in the United Kingdom and CFH Institute in Switzerland respectively. Madam Yeung is a daughter of Dr. Yeung Ming Biu.

**Mr. LAM Hing Lun, Alain**, aged 61, joined the Group in 1992. He is the Finance Director and Company Secretary of the Company and became Director of the Company in April 2003. He is responsible for the Group's accounting, financial control and secretarial matters. He has over 33 years' experience in accounting and auditing. Mr. Lam holds a Master Degree of Business Administration from the University of Hull. He is a Fellow Member of the Association of Chartered Certified Accountants and an Associate Member of the Hong Kong Institute of Certified Public Accountants.

**Mr. CHOI Kwok Yum**, aged 65, joined the Group in 1969. He became Director of the Company in April 2003 and has over 50 years' experience in the watch business. He resigned on 1 June 2020.

### 執行董事：

**楊明標博士**，84歲，本公司主席，亦為本集團創辦人之一。彼具有逾60年鐘表業經驗，並為香港鐘表業總會永遠名譽會董。楊先生持有香港中文大學頒授之榮譽院士及持有加拿大賓士域藍仕橋大學頒授之榮譽博士。

**楊衍傑先生**，51歲，於一九九三年加入本集團。彼於二零零三年三月出任本公司董事總經理。彼持有加拿大多倫多大學商業學士學位。楊先生為楊明標博士之兒子。

**楊敏儀女士**，58歲，於一九九一年加入本集團。彼分別持有英國North Herts College商業課程高級文憑及瑞士CFH Institute鐘表珠寶管理文憑。楊女士為楊明標博士之女兒。

**林慶麟先生**，61歲，於一九九二年加入本集團。彼為本公司財務董事兼公司秘書，並於二零零三年四月出任本公司董事。彼負責本集團會計、財務控制及秘書事宜。彼具有逾33年會計及核數經驗。林先生持有University of Hull工商管理碩士學位。彼為特許公認會計師公會資深會員及香港會計師公會會員。

**蔡國欽先生**，65歲，於一九六九年加入本集團。彼於二零零三年四月出任本公司董事，具有逾50年鐘表業經驗。彼於二零二零年六月一日辭任。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### INDEPENDENT NON-EXECUTIVE DIRECTORS:

**Dr. SUN Ping Hsu, Samson, M.B.E., J.P.**, aged 95, has been an Independent Non-executive Director of the Company since September 1993. He is the Chairman of Sun International Group of companies. He was Deputy Chairman and a Director of Gilman & Co., Ltd. and Inchcape Hong Kong respectively from 1967 to 1985. Dr. Sun is the Honorary Permanent President of The Federation of Hong Kong Watch Trades and Industries Limited. He has over 60 years' experience in the manufacturing, marketing and distribution of watches, and 32 years' experience in the marketing and distribution of consumer and electronic products. He has involved in the PRC trade since 1979, and continues to be active in both trading and property development in the PRC. Dr. Sun has chaired many voluntary community services and charitable organisations. He was a Member of Basic Law of HKSAR Consultative Committee in 1980's. He is an Independent Non-executive Director of National Electronics Holdings Limited (stock code: 0213), and Cheuk Nang (Holdings) Limited (stock code: 0131) both of which are listed on the Main Board of the Stock Exchange.

#### 獨立非執行董事：

**孫秉樞博士，M.B.E., J.P.**，95歲，自一九九三年九月起出任本公司獨立非執行董事。彼為新達集團主席。彼自一九六七年至一九八五年間分別出任香港太平洋洋行有限公司之副主席及英之傑香港之董事。孫博士為香港鐘表業總會永遠名譽會長。彼具有逾60年製造、經銷及分銷手表經驗及32年經銷及分銷消費品及電子產品經驗。彼自一九七九年起涉足中國貿易業務，並一直活躍於中國貿易及物業發展業務。孫博士為多個志願社團服務及慈善機構之主席。彼於一九八零年代曾任香港特區基本法諮詢委員會委員。彼為National Electronics Holdings Limited (股份代號：0213)及卓能(集團)有限公司(股份代號：0131)之獨立非執行董事，兩間公司均於聯交所主板上市。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

**Dr. LI Sau Hung, Eddy, G.B.S., J.P.**, aged 65, has over 40 years' experience in the manufacturing business. He is the President of Hong Kong Economic & Trade Association. Dr. Li holds a Master Degree of Business Administration and a PhD Degree in Economics. He was the 1991 awardee of The Ten Outstanding Young Persons and the 1993 awardee of Young Industrialists of Hong Kong. He has been an Independent Non-executive Director of the Company since September 1993. He is currently an Independent Non-executive Director of Man Yue Technology Holdings Limited (stock code: 0894) and Chuang's China Investments Limited (stock code: 0298), both of which are listed on the Main Board of the Stock Exchange.

**Mr. CHOI Man Chau, Michael**, aged 64, is a Fellow Member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr. Choi has been practising public accountancy in Hong Kong for over 30 years.

**李秀恒博士，G.B.S., J.P.**，65歲，具有逾40年製造業經驗。彼為香港經貿商會會長。李博士持有工商管理碩士學位及經濟學博士學位。彼為一九九一年度「香港十大傑出青年」之一，並於一九九三年獲「香港青年工業家」獎項。彼自一九九三年九月起出任本公司獨立非執行董事。彼現為萬裕科技集團有限公司(股份代號：0894)及莊士中國投資有限公司(股份代號：0298)之獨立非執行董事，兩間公司均於聯交所主板上市。

**蔡文洲先生**，64歲，為英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員。蔡先生擁有逾30年在香港出任執業會計師之經驗。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### SENIOR MANAGEMENT

**Mr. CHAN Sze Wing, Kenneth**, aged 55, is a director of our PRC companies. He is overseeing the Group's operation in the PRC. He joined the Group in 2013 and has over 26 years' experience in the watch business.

**Mr. YEUNG Chi On**, aged 60, is the General Manager overseeing the retail operation in Hong Kong. He joined the Group in 1980 and has over 38 years' experience in the watch business.

**Mr. LAM Tung Hing**, aged 62, is the General Manager and overseeing the retail operation in Hong Kong. He joined the Group in 2003 and has over 40 years' experience in the watch business.

#### 高級管理層

**陳仕榮先生**，55歲，為本集團在中國之公司董事，監督本集團於中國的業務運作。彼於二零一三年加入本集團，具有逾26年鐘表業經驗。

**楊志安先生**，60歲，為總經理，監督香港零售運作。彼於一九八零年加入本集團，具有逾38年鐘表業經驗。

**林東興先生**，62歲，為總經理，監督香港零售運作。彼於二零零三年加入本集團，具有逾40年鐘表業經驗。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain high standard of corporate governance as it believes that effective corporate governance practices are fundamental to enhancing shareholder value and safe guarding interests of shareholders and other stakeholders. The Company has accordingly adopted good corporate governance principles that emphasize a quality board of Directors (the “Board”), effective risk management and internal control, stringent disclosure practices and transparency and accountability to all stakeholders. It is, in addition, committed to continuously improving these practices and inculcating an ethical corporate culture.

Throughout the year ended 31 March 2020, the Company had complied with the code provisions prescribed in the Corporate Governance Code (the “CG Code”) set out in the Appendix 14 of the Listing Rules except for the deviations explained below in the following relevant paragraphs.

### DIRECTORS’ SECURITIES TRANSACTIONS

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 transactions by the Directors (the “Code”). Having made specific enquiry of all Directors, all Directors have confirmed compliance with the required standard set out in the Model Code for the year under review.

### 企業管治常規

本公司相信有效的企業管治常規乃提升股東價值與保障股東及其他利益相關者權益的根基，因此致力達致並維持最高的企業管治水平。為此，本公司已採納良好的企業管治原則，強調要有一個優秀的董事會（「董事會」）、有效的風險管理及內部監控、嚴格的披露常規，以及對所有利益相關者的透明度和問責性。此外，本公司不斷竭力改良該等常規，培養高尚的企業文化。

截至二零二零年三月三十一日止整個年度內，本公司一直符合上市規則附錄十四所載企業管治守則列載之守則條文，惟如下文相關段落所闡述之偏離除外。

### 董事之證券交易

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」），作為其董事進行證券交易之操守守則（「守則」）。經向全體董事作出特定查詢後，全體董事已確認於回顧年度內一直遵守標準守則所載之規定標準。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### THE BOARD

#### Corporate Strategy

The primary objective of the Company is to enhance long-term total return for our shareholders. To achieve this objective, the Group's strategy is to place equal emphasis on achieving sustainable recurring earning growth and maintaining the Group's strong financial profile. Management Discussion and Analysis contain discussion and analyses of the Group's performance and the basis on which the Group generates or preserves value over the longer term and the basis on which the Group will execute its strategy for delivering the Group's objective.

#### Role of the Board

The Board, which is accountable to shareholders for long-term performance of the Company, is responsible for directing the strategic objectives of the Company and overseeing the management of the business. Directors are charged with the task of promoting the success of the Company and making decision in the best interest of the Company.

The Board, led by the Chairman, Dr. Yeung Ming Biu, approves and monitors group-wide strategies and policies, annual budgets and business plans, evaluates the performance of the Company, and supervises the management of the Company ("Management"). Management is responsible for the day-to-day operations of the Group under the leadership of the Group Managing Director and Deputy Chairman.

### 董事會

#### 企業策略

本公司之首要目標為提升股東之長遠回報總額。為達致此目標，本集團之策略為同時着重取得可持續經常性盈利增長及維持本集團之穩健財務狀況。管理層討論及分析載有對本集團表現之討論及分析、本集團締造或保存較長遠價值之基礎，以及本集團為達成其目標而執行策略之基礎。

#### 董事會之角色

董事會須就本公司之長遠表現向股東負責，並負責制訂本公司之策略目標，同時監察業務之管理工作。董事負責促進本公司業務之成績，並作出符合本公司最佳利益之決策。

董事會在主席楊明標博士之領導下，批准及監察本集團之整體策略和政策、年度預算和業務計劃、評估本公司表現以及監督本公司管理層（「管理層」）之工作。在集團董事總經理兼副主席之帶領下，管理層負責本集團之日常運作。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Composition

At 31 March 2020, the Board comprised eight Directors, including the Chairman, Group Managing Director, Group Finance Director, two Executive Directors and three Independent Non-executive Directors. Biographical details of the Directors are set out in the Directors and Senior Management Section on pages 8 to 11. The composition of the Board is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business of the Group.

For a Director to be considered independent, the Board must determine that the Director does not have any direct or indirect material relationship with the Group. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

### Chairman and Chief Executive

The Role of the Chairman is separate from that of Group Managing Director and Deputy Chairman. Such division of responsibilities helps to reinforce their independence and accountability.

The Chairman is responsible for providing leadership to, and overseeing the functions of, the Board to ensure that the Board acts in the best interest of the Group and the Board meetings are planned and conducted effectively. The Chairman is responsible for approving the agenda of each Board meeting, taking into account, where appropriate, matters proposed by Directors for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly informed on issues arising at Board meetings and provided with adequate and accurate information in a timely manner. The Chairman also actively encourages Directors to be fully engaged in the Board's affairs and make contribution to the Board's functions. The Board, under the leadership of the Chairman, has adopted good corporate governance practices and procedures and taken appropriate steps to provide effective communication with shareholders.

### 董事會結構

於二零二零年三月三十一日，董事會由八名董事組成，包括主席、集團董事總經理、集團財務董事、兩名執行董事和三名獨立非執行董事。各董事之履歷載於第8頁至第11頁之「董事及高級管理層」一節內。董事會結構均衡，每名董事均具備與本集團業務有關之豐富知識、經驗及／或專長。

董事須經董事會確定與本集團並無任何直接或間接重大關係，方會被視為具獨立性。董事會按照上市規則所載規定，確定董事之獨立性。

### 主席及行政總裁

主席肩負有別於集團董事總經理兼副主席之職責。劃分職責有助加強彼等之獨立性和問責性。

主席負責領導與監管董事會之運作，確保董事會以符合本集團最佳利益之方式行事，以及有效地規劃和進行董事會會議。主席負責批准每次董事會會議之議程，當中適當考慮董事建議列入議程之事項。在執行董事和公司秘書協助下，主席將確保所有董事獲妥為簡報在董事會會議上提出之問題，並適時獲提供足夠與準確之資料。主席亦積極鼓勵董事充份參與董事會之事務以及對董事會之運作作出貢獻。在主席之領導下，董事會已採納良好的企業管治常規和程序，並採取適當步驟與股東保持有效溝通。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Group Managing Director and Deputy Chairman, Mr. Yeung Him Kit, Dennis, is responsible for managing business of the Group, attending to the formulation and successful implementation of the Group policies and assuming full accountability to the Board for all Group operations. Acting as the principal manager of the Group's business, the Group Managing Director and Deputy Chairman attends to developing strategic operating plans that reflect the long-term objectives and priorities established by the Board and is directly responsible for maintaining the operational performance of the Group. Working with the other Executive Directors and the executive management team of each core business divisions, he ensures that the Board is fully apprised of the funding requirements of the business of the Group and presents annual budgets to the Board for consideration and approval. With the assistance of the Group Finance Director, the Group Managing Director and Deputy Chairman sees to it that the funding requirements of the business are met and he closely monitors the operating and financial results of the business against plans and budgets, taking remedial action when necessary. He maintains an ongoing dialogue with the Chairman and all Directors to keep them fully informed of all major business development and issues. He is also responsible for building and maintaining an effective team to support him in his role.

### Independent Non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, there are three Independent Non-executive Directors representing over one-third of the Board of Directors. Among the three Independent Non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received from each of the independent non-executive directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company based on such confirmation, considers Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Choi Man Chau, Michael to be independent.

集團董事總經理兼副主席楊衍傑先生負責管理本集團之業務，以及制訂與有效實施本集團政策，並就本集團整體營運向董事會負上全責。作為本集團業務之主要管理人，集團董事總經理兼副主席負責制訂反映董事會所訂長遠目標與優先事項之策略性營運計劃，同時直接負責維持本集團之營運表現。集團董事總經理與其他執行董事和各核心業務部門之行政管理隊伍通力合作，確保董事會全面了解本集團業務之資金需求，並提呈年度預算供董事會審批。在集團財務董事協助下，集團董事總經理兼副主席確保業務之資金需求得到充足供應，同時根據計劃與預算密切監察業務之營運與財務業績，在必要時採取補救措施。彼與主席和全體董事保持溝通，確保彼等充分了解所有重大業務發展與事項，亦負責建立與維持高效率之行政隊伍以協助其履行職責。

### 獨立非執行董事

為符合上市規則第3.10(1)條，本集團有三名獨立非執行董事，佔董事會成員之三分之一。在三名獨立非執行董事中，一名具備上市規則第3.10(2)條所規定之適當會計專業資格或相關財務管理專長。

本公司已接獲各獨立非執行董事根據上市規則第3.13條有關其獨立性之書面確認書。根據該確認書，本公司認為孫秉樞博士、李秀恒博士及蔡文洲先生為獨立人士。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Directors' Appointment, Re-election and Removal

Under the Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. However, the independent non-executive directors were not appointed for a specific term but are subject to retirement by rotation in annual general meeting of the Company at least once every three years in accordance with the Bye-law for the Company. The retiring directors are eligible for re-election.

The management of the Company considered that there is no imminent need to revise the letters of appointment of independent non-executive directors by adding a specific term in their letters of appointment.

### Board Meetings and Practices

The Board meets regularly, and at least four times a year, and the Board will also meet on other occasions when a board-level decision on a particular matter is required. Between scheduled meetings, senior management of the Group provides information to Directors on a regular basis on the activities and development in the business of the Group. Throughout the year, Directors participate in the consideration and approval of routine and operational matters of the Company by way of circular resolutions with supporting explanatory materials, supplemented by additional verbal/written information or notification from the Company Secretary and other executives as when required. Details of material or notable transactions of subsidiary companies are provided to the Directors as appropriate. Whenever warranted, additional Board meetings are held.

The Directors will receive details of agenda items for decision and minutes of committee meeting in advance of each Board meeting. With respect to regular meeting of the Board, Directors receive written notice of the meeting at least 14 days in advance and agenda with supporting Board papers no less than 3 days prior to the meetings. With respect to the other meetings, Directors are given as much as notice as is reasonable and practicable in the circumstances.

### 董事之委任、重選及罷免

根據守則條文A.4.1，非執行董事之委任應有指定任期，並須接受重新選舉。然而，獨立非執行董事之委任並無指定任期，但須根據本公司之公司細則至少每三年在本公司之股東週年大會上輪值退任一次。退任董事均符合資格膺選連任。

本公司管理層認為並無迫切需要透過在獨立非執行董事之委任書中加入指定任期修訂委任書。

### 董事會會議及常規

董事會須每年定期舉行最少四次會議，董事會亦將於其他須董事會就特定事宜作出決策之情況下舉行會議。在編定會期的會議之間，本集團高級管理層會定時向董事提供有關本集團活動和業務發展之資料。年內各董事透過傳閱附有理據說明資料之決議案，及在有需要時由公司秘書與其他行政人員提供額外口頭／書面補充資料或通報，參與審批本公司之日常及營運事宜。有關附屬公司之重大或重要交易之詳細資料，亦會適時提供予各董事。在有需要時，董事會亦會加開會議。

董事將於各董事會會議舉行前接獲將須作決定之議程事項詳情及委員會會議之會議記錄。對於董事會之定期會議，各董事至少在十四天前接獲書面會議通告，並至少於會議舉行三天前獲發送議程與相關董事會文件。對於其他會議，董事亦視乎情況獲得合理及切實可行之通知期。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Any Director wishing to do so in the furtherance of his or her duty may take independent professional advice at the Company's expense. Directors are encouraged to update their skills, knowledge and familiarity with the Group through their initial induction, ongoing participation at Board and Committee meetings, and through meeting with key members of the Management.

During the year ended 31 March 2020, meetings and Directors attendance records for the meetings held are set out below:

任何董事如擬尋求獨立專業意見以充分履行其職責，均可尋求有關意見，費用概由本公司承擔。本公司鼓勵董事透過入職簡介、持續參與董事會及委員會會議以及與管理層主要成員舉行會議，提升其技能與知識，並加深對本集團之了解。

於截至二零二零年三月三十一日止年度內，會議及各董事於所舉行會議之出席記錄載列如下：

		Board 董事會	2019 Annual General Meeting 二零一九年 股東週年大會
<i>Executive Directors</i>	<i>執行董事</i>		
Dr. Yeung Ming Biu (1) – Chairman	楊明標博士(1)–主席	5/5	√
Mr. Yeung Him Kit, Dennis (1) – Group Managing Director	楊衍傑先生(1) –集團董事總經理	5/5	√
Madam Yeung Man Yee, Shirley (1)	楊敏儀女士(1)	5/5	√
Mr. Lam Hing Lun, Alain – Group Finance Director	林慶麟先生 –集團財務董事	5/5	√
Mr. Choi Kwok Yum	蔡國欽先生	5/5	√
<i>Independent Non-Executive Directors</i>	<i>獨立非執行董事</i>		
Dr. Sun Ping Hsu, Samson	孫秉樞博士	5/5	√
Dr. Li Sau Hung, Eddy	李秀恒博士	5/5	x
Mr. Choi Man Chau, Michael	蔡文洲先生	5/5	x

Note:

(1) Dr. Yeung Ming Biu is the father of Mr. Yeung Him Kit, Dennis and Madam Yeung Man Yee, Shirley.

附註：

(1) 楊明標博士為楊衍傑先生及楊敏儀女士之父。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Training and Commitment

The Company provides Continuous Professional Development (“CPD”) training and relevant reading materials to Directors to help ensure that they are apprised of the latest changes in the commercial, legal and regulatory environment in which the Group conducts its business and to refresh their knowledge and skills on the roles, functions and as director of the Company. In addition, Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Lam Hing Lun, Alain attend external forums or brief sessions (including delivery speeches by Mr. Lam Hing Lun, Alain) on the relevant topics. Mr. Choi Man Chau, Michael has also participated in CPD programs required by The Hong Kong Institute of Certified Public Accountants.

The directors have provided to the Company with details of the CPD training undertaken by them from time to time.

### COMPANY SECRETARY

The Company Secretary, Mr. Lam Hing Lun, Alain is responsible to the Board for ensuring that the Board procedures are followed and Board activities are efficiently and effectively conducted. These objectives are achieved through the adherence to proper Board processes and the timely preparation and dissemination to Directors and Board Committees comprehensive Board agendas and papers. Minutes of all Board meetings and Board Committees are prepared by and maintained by the Company Secretary to record in sufficient details the matters considered and decisions reached by the Board or Committee, including any concerns raised or dissenting views voiced by any Director. All the minutes are sent to Directors and are available for inspection by any Director upon request.

### 培訓及承擔

本公司為董事提供持續專業發展培訓與相關讀物，確保彼等獲悉本集團經營業務所在商務、法律及規管環境之最新變化，並更新彼等對本公司董事之角色及職能之知識與技能。此外，孫秉樞博士、李秀恒博士及林慶麟先生已出席涵蓋相關課題之外界論壇或簡報環節(包括由林慶麟先生發表演辭)。蔡文洲先生亦已按照香港會計師公會之規定參與持續專業發展課程。

董事已不時向本公司提供彼等所接受之持續專業發展培訓詳情。

### 公司秘書

公司秘書林慶麟先生向董事會負責，確保董事會程序獲得遵守及董事會活動迅速及有效地進行，方法為嚴格遵守適當董事會程序以及適時編製及發送詳盡董事會會議議程及文件予董事及各董事委員會。所有董事會會議及董事委員會會議記錄均由公司秘書編製及存置，以足夠詳盡地記錄董事會或委員會考慮之事項及達成之決定，包括由任何董事提出之任何關注或表達之反對意見。所有會議記錄均發送予董事，並可應要求供任何董事查閱。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company Secretary is responsible for ensuring that the Board is fully apprised of all legislative, regulatory and corporate governance developments relating to the Group and that it takes these into consideration when making decisions for the Group. The Company Secretary is also directly responsible for the Group's compliance with all obligations of the Listing Rules including publications and dissemination of annual reports and interim reports within the periods laid down in the Listing Rules, timely dissemination to shareholders and the market of announcement and information relating to the Group and assisting in the notification of Directors' dealings in securities of the Group.

The Company Secretary advises the Directors on their obligations for disclosure of interests in securities, connected transactions and price-sensitive information and ensures that the standards and disclosures required by the Listing Rules are observed and, where required, reflected in the annual report of the Company.

In relation to connected transactions, regular seminars are conducted for executives from business units within the Group to ensure that such transactions are handled in compliance with the Listing Rules. Details analyses are performed on all potential connected transactions to ensure full compliance and for Directors' considerations.

Furthermore, the Company Secretary advises the Directors on their obligations for disclosure of interests and dealings in the Group's securities, connected transactions and price-sensitive information and ensures that the standard and disclosure required by the Listing Rules are observed and where required, reflected in the annual report of the Company.

The appointment and removal of the Company Secretary is subject to Board approval in accordance with the Articles of Association of the Company. Whilst the Company Secretary reports to the Board through the Chairman and the Group Managing Director, all members of the Board have access to the advice and service of the Company Secretary. Mr. Lam Hing Lun, Alain has appointed as the Company Secretary of the Company since 1992 and has day-to-day knowledge of the Group affairs.

公司秘書負責確保董事會充份了解一切與本集團有關之法例、規管和企業管治發展，並於作出有關本集團之決策時加以考慮。公司秘書亦直接負責確保本集團遵守上市規則之所有責任，包括於上市規則規定之期限內刊發和發送年報與中期報告，及時向股東與市場發出有關本集團之公佈與資料，並協助董事於買賣本集團證券時發出通知。

公司秘書就董事披露於證券之權益、關連交易及股價敏感資料方面之責任向董事提供意見，並確保上市規則規定之標準及披露獲得遵守，以及在有需要時於本公司年報內反映。

本集團定期為本集團內各業務單位行政人員舉行關於關連交易之研討講座，以確保該等交易遵照上市規則規定處理。所有潛在關連交易均會經過詳細分析，確保完全符合規例，並提呈董事考慮。

另外，公司秘書就董事披露於本集團證券之權益及交易、關連交易及股價敏感資料方面之責任向董事提供意見，並確保上市規則規定之標準及披露獲得遵守，以及在有需要時於本公司年報內反映。

公司秘書之委任及免任須根據本公司之組織章程細則經董事會批准。儘管公司秘書透過主席及集團董事總經理向董事會匯報，惟董事會全體成員均可取得公司秘書之意見及服務。林慶麟先生自一九九二年起獲委任為本公司之公司秘書，對本集團事務相當熟悉。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### ACCOUNTABILITY AND AUDIT

#### **Directors' Responsibility for the Financial Statements and the Financial Reporting**

The annual and interim results of the Company are published in a timely manner of the year end and the half year.

The following statement, which set out the responsibilities of the Directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Auditor's report on pages 77 to 82 which acknowledge the reporting responsibilities of the Group's Auditor.

#### **Annual Report and Accounts**

The Directors acknowledge their responsibility for preparation of the Annual Report and financial statements of the Company to ensure that the financial statements give a true and fair presentation in accordance with Hong Kong Companies Ordinance and the applicable accounting standards.

#### **Accounting Policies**

The Directors consider that in preparing the financial statements, the Group applies appropriate accounting policies that are consistently applied and makes judgements and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

#### **Accounting Records**

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position of the Group upon which financial statements of the Group could be prepared in accordance with the Group's accounting policies.

#### **Safeguarding Assets**

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

### 問責性及核數

#### **董事就財務報表及財務申報須承擔之責任**

本公司之年度及中期業績於年底及年中適時刊發。

下文列出董事就財務報表須承擔之責任，與第77頁至第82頁之核數師報告所確認之本集團核數師申報責任有所不同，但兩者應一併閱讀。

#### **年報及賬目**

董事確認，其須負責根據香港公司條例與適用之會計準則擬備本公司之年報及財務報表，以確保財務報表真實而中肯地反映情況。

#### **會計政策**

董事認為，本集團在擬備財務報表時已貫徹應用適當之會計政策，並根據適用之會計準則作出合理及審慎之判斷與估計。

#### **會計記錄**

董事須負責確保本集團保存披露本集團財政狀況之會計記錄，讓本集團得以按照其會計政策擬備財務報表。

#### **保護資產**

董事須負責採取一切合理而必要之措施保護本集團之資產，並防範與查察本集團內之欺詐行為與其他違規事項。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Going Concern

The Directors, having made appropriate enquires, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparation the financial statements.

### Auditor's Remuneration

The Board is satisfied with Deloitte Touche Tohmatsu ("Deloitte") in respect of the audit fees they charged, the process and its effectiveness of the audit and has resolved to recommend their reappointment as the Company's external auditors at the forthcoming Annual General Meeting

During the financial year, the services provided by, and the associated remuneration paid to Deloitte were as follows:

### 持續經營

經作出適當查詢後，董事認為本集團擁有足夠資源在可見未來繼續經營，故採用持續經營基礎擬備財務報表實屬恰當。

### 核數師酬金

董事會滿意德勤•關黃陳方會計師行(「德勤」)有關其所收取之核數費用、審計過程及其有效性，並議決建議於應屆股東週年大會上續聘其出任本公司之外聘核數師。

於本財政年度內，德勤提供之服務及向其支付之相關酬金如下：

		HK\$'000 千港元
Audit	審計服務	3,480
Taxation and non-audit services	稅務及非審計服務	448
		<hr/>
		3,928

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES

#### Audit Committee

The Audit Committee comprises all Independent Non-executive Directors who possess the appropriate business and financial management experience and skills to understand financial statements and internal controls. It is chaired by Dr. Sun Ping Hsu, Samson with Dr. Li Sau Hung, Eddy, and Mr. Choi Man Chau as members.

Under the term of reference of the Audit Committee, it is required to oversee the relationship between the Company and its external auditors, review the Group's preliminary results, interim results and annual financial statements, monitor compliance with statutory and Listing Rules requirements, review the scope, extent and effectiveness of the activities of the Group's internal audit functions, engage independent legal or other advisers as it determines is necessary and perform investigations.

The terms of reference of the Audit Committee adopted by the Board are published on the Group's website.

During the year ended 31 March, 2020, 4 meetings were held. The attendance records for the audit committee meetings are set out below:

#### Members of the Audit Committee

Dr. Sun Ping Hsu, Samson  
Dr. Li Sau Hung, Eddy  
Mr. Choi Man Chau, Michael

During the year, the Audit Committee performed the duties and responsibilities under its terms of reference and other duties of the Existing Code.

### 董事委員會

#### 審核委員會

審核委員會由全體獨立非執行董事組成，彼等均具備了解財務報表及內部監控所需之適當商業與財務管理經驗與技巧。審核委員會由孫秉樞博士擔任主席，成員為李秀恒博士及蔡文洲先生。

根據審核委員會之職權範圍，審核委員會之職責包括監察本公司與其外聘核數師之關係、審閱本集團之初步業績、中期業績與年度財務報表、監察對法定與上市規則規定之遵守情況、檢討本集團內部審計職能之工作範疇、規限與效率、在認為有需要時委聘獨立法律或其他顧問，以及進行調查。

董事會所採納之審核委員會職權範圍已登載於本集團網站。

於截至二零二零年三月三十一日止年度內，審核委員會舉行了四次會議。審核委員會會議之出席記錄載列如下：

#### Directors' Attendance 董事出席率

#### 審核委員會成員

孫秉樞博士	4/4
李秀恒博士	4/4
蔡文洲先生	4/4

年內，審核委員會已根據其職權範圍及現有守則之其他職責履行職責及責任。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### **Financial Statements**

The Audit committee meets with the Group Finance Director and other senior management of the Group from time to time to review the interim and final results and the Interim Report and Annual Report of the Group and other financial, internal control and risk management matters of the Group. It considers and discusses the reports and presentations of Management, the Group internal and external auditors, with a view of ensuring that the Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong. It also meets the Group's external auditors, Deloitte, to consider their reports on the scope and outcome of their independent review of the interim financial report and on their annual audit of the consolidated financial statements.

### **External Auditors**

The Audit Committee reviews and monitors the external auditors' independence and objectivity and the effectiveness of the audit process. It has received representing from Deloitte of their independence and objectivity and holds meetings with Deloitte to consider the scope of their audit, approve the fees thereon, and the scope and appropriateness of non-audit services, if required, to be provided by them. The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

The Group's policy regarding the engagement of Deloitte for various services listed below is as follows:

- Audit services – includes audit services provided in connection with the audit of the consolidated financial statements. All such services are to be provided by external auditors.

### **財務報表**

審核委員會就審閱本集團之中期業績、末期業績、中期報告及年報以及本集團之其他財務、內部監控及風險管理事宜，不時與集團財務董事及本集團其他高級管理層舉行會議。審核委員會考慮與討論管理層、本集團內部及外聘核數師之報告與所提交之資料，以確保本集團之綜合財務報表已按照香港普遍採納之會計原則擬備。審核委員會亦與本集團之外聘核數師德勤舉行會議，以考慮德勤對中期財務報告進行之獨立審閱及對綜合財務報表進行之年度審計範圍和結果而提交之報告。

### **外聘核數師**

審核委員會檢討及監察外聘核數師之獨立性和客觀性，以及審計過程之有效性。審核委員會已收到德勤就其獨立性和客觀性作出之聲明，並與德勤舉行會議，以考慮其審計範圍、批准其收費，並審批其所提供之任何非審計服務(如有)之範圍及適當性。審核委員會亦就外聘核數師之委任與續聘事宜向董事會提供建議。

本集團按下列政策委聘德勤提供下文所列各類服務：

- 審計服務 — 包括與審計綜合財務報表有關之審計服務。所有此等服務將由外聘核數師提供。

# CORPORATE GOVERNANCE REPORT

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- Audited related services – included services that would normally be provided by an external auditors but not generally included in audit fees, for example, audit of the Group’s pension plans, due diligence and accounting advice related to mergers and acquisitions, internal control reviews of systems and/or process, issuance of special audit reports for tax purposes (if any). The external auditors are to be invited to undertake these services that they must or are best placed to undertake in their capacity as auditors.
- Taxation related services – includes all tax compliance and tax planning services except for those services which are provided in connection with the audit. The Group uses the services of the external auditors where they are best suited. All other significant taxation related work may be undertaken by other parties as appropriate.
- Others services – includes, for example audit or reviews of third parties to assess compliance with contracts, risk management diagnostics and assessments, and non-financial system consultations (if any). The external auditors are also permitted to assist management and the Group’s internal auditors with internal investigations and fact-finding into alleged improprieties. These services are subject to specific approval by the Audit Committee.
- 與審計有關之服務 — 包括一般由外聘核數師提供，但普遍不包括在核數費用內之服務，例如審核本集團之退休金計劃、與併購活動有關之盡職審查與會計意見、對制度及／或程序進行內部監控檢討，以及就稅務目的（如有）發表特別審計報告。本集團將邀請外聘核數師提供其作為核數師必須提供或最能勝任之服務。
- 與稅務有關之服務 — 包括所有稅務合規與稅務規劃服務，但不包括與審計有關之服務。本集團委聘外聘核數師提供其最能勝任之服務。所有其他重要稅務相關工作可能由其他適當人士執行。
- 其他服務 — 包括例如審計或審閱第三方之資料以評估合約遵守情況、風險管理分析與評估，以及不涉及財務制度之顧問服務（如有）。外聘核數師亦可協助管理層與本集團內部核數師進行內部調查與查察懷疑違規事項。此等服務須經審核委員會特別批准。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### **Review of Risk Management and Internal Control**

The Audit Committee assists the Board in meeting its responsibilities for maintaining an effective system of internal control. It reviews the process by which the Group evaluates its control environment and risk assessment process, and the way in which business and control risks are managed. In addition, it review with the Group's internal auditors the work plan for their audit together with their resources requirements and consider the report to the Audit Committee on the effectiveness of internal controls in the Group business operations.

These reviews and reports are taken into consideration by the Audit Committee when it makes its recommendations to the Board for approval of the consolidated financial statements for the year.

### **Remuneration Committee**

The Remuneration Committee comprises three members, including two Independent Non-executive Directors, namely Dr. Sun Ping Hsu, Samson and Dr. Li Sau Hung, Eddy and a Managing Director, Mr. Yeung Him Kit, Dennis. Dr. Sun Ping Hsu, Samson is the chairman of the Committee. The Committee meets for the determination of the remuneration package of Directors and senior management of the Group. In addition, the Committee also meets as and when required to consider remuneration related matters.

The responsibilities of the Remuneration Committee are to assist the Board in achieving its objectives of attracting, retaining and motivating people of the highest calibre and experience needed to shape and execute strategy across the Group's substantial business operations. It assists the Group in the administration of a fair and transparent procedure for setting remuneration policies including assessing the performance of Directors and senior executive of the Group and determining their remuneration packages. The terms of reference of the Remuneration Committee adopted by the Board are published on the Group's Website.

### **風險管理及內部監控檢討**

審核委員會協助董事會履行維持有效內部監控系統之責任。審核委員會檢討本集團對其監控環境與風險之評估程序，以及對業務與監控風險之管理方式。此外，審核委員會與本集團內部核數師檢討其審計工作計劃和所需資源，並審議就本集團業務營運之內部監控成效向審核委員會所提交之報告。

審核委員會於就批核年度綜合財務報表向董事會提出建議時，會參考此等檢討結果與報告。

### **薪酬委員會**

薪酬委員會由三名成員組成，包括兩名獨立非執行董事孫秉樞博士及李秀恒博士，以及董事總經理楊衍傑先生。薪酬委員會由孫秉樞博士擔任主席。薪酬委員會舉行會議以釐定本集團董事與高級管理層之薪酬待遇。此外，薪酬委員會亦將按需要舉行會議，以審議與薪酬相關之事宜。

薪酬委員會須負責協助董事會達成其目標，以吸引、挽留與激勵最有才能和經驗之人才，為本集團旗下規模龐大之業務制訂與執行策略。薪酬委員會協助本集團操作公平及具透明度之程序，用以制訂薪酬政策(包括評估本集團董事與高級行政人員之表現並釐定其薪酬待遇)。董事會所採納之薪酬委員會職權範圍已登載於本集團網站。

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The remuneration of Directors and senior executives is determined with reference to the performance and profitability of the Group as well as remuneration benchmarks from other local and/or international companies and prevailing market conditions. Directors and employees also participate in bonus scheme based on the performance of the Group and the individual's performance.

During the year ended 31 March 2020, two Remuneration Committee meetings have been held. Throughout the year, all members of the Remuneration Committee had reviewed market data, the Group's business activities and human resources issues, and headcounts and staff costs. The Remuneration Committee had also reviewed and approved the proposed directors' fees for year ended 31 March 2021, year-end bonus and remuneration packages of Executive Directors and senior management of the Company for the year ended 31 March 2020 and made recommendations to the Board on the directors' fees for independent non-executive directors. However, members of the Remuneration Committee do not participate in the determination of their own remunerations.

### NOMINATION OF DIRECTORS

Code Provisions A5.1 to A5.4 provide for the establishment of a nomination committee. The Board has not established a nomination committee as it considers that all Directors should be involved in performing the duties set out in such code provisions. However Executive Directors identify potential new directors and recommend to the Board for decision. The Board considers potential directorship based on the candidate's qualifications, business experience and suitability to the Company. During the year ended 31 March 2020, no new director had been nominated.

董事與高級行政人員之薪酬根據本集團本身之表現和盈利能力，並參考其他本港及／或國際公司之薪酬指標與現行市況釐定。董事與僱員亦參與根據本集團與個人表現之花紅計劃。

於截至二零二零年三月三十一日止年度內，薪酬委員會舉行了兩次會議。於整個年度內，薪酬委員會所有委員均已審閱市場數據、本集團業務活動與人力資源事宜，以及僱員人數與員工成本。薪酬委員會亦已審批截至二零二一年三月三十一日止年度之建議董事袍金，以及本公司執行董事與高級管理層截至二零二零年三月三十一日止年度之年終花紅及薪酬待遇建議，並向董事會建議獨立非執行董事之董事袍金。然而，薪酬委員會委員並無參與釐定其本身之薪酬。

### 董事提名

守則條文A5.1至A5.4規定成立提名委員會。董事會並無成立提名委員會，原因為其認為所有董事皆應參與履行該等守則條文所載之職務。然而，執行董事物色新董事人選，並向董事會提出建議以便作出決定。董事會按人選資歷、商業經驗及對本公司之適合性考慮出任董事之潛力。於截至二零二零年三月三十一日止年度內，並無提名新董事。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DIVIDEND POLICY

Code provision E.1.5 relates to disclosure of dividend policy. The Company does not have a dividend policy and the Board will decide on the declaration/ recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Group's operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

### GROUP RISK MANAGEMENT, INTERNAL CONTROL AND CORPORATE GOVERNANCE

#### Role of the Board

The Board has overall responsibility for the Group's system of risk management, internal control and legal and regulatory compliance.

In meeting its responsibilities, the Board seeks to increase risk awareness across the Group's business operations and has put in place policies and procedures, including parameters of delegated authority, which provide a framework for the identification and management of risks. The Board also evaluates and determines the nature and extent of the risks that the Company is willing to accept in pursuit of the Group's strategic and business objectives. It is also review and monitors the effectiveness of the systems of risk management and internal control on an ongoing basis. Reporting and reviewing activities include review by the Executive Directors and the Board and approval of detailed operational and financial reports, budgets and plans provided by the management of the business operations, review by the Board of actual results against budgets, review by the Audit Committee of the ongoing work of internal audit function and risk management function, as well as regular business review by Executive Directors and the executive management team of each core business division.

On behalf of the Board, the Audit Committee reviews regularly the corporate governance structure and practices within the Group and monitors compliance fulfillment on an ongoing basis.

### 股息政策

守則條文E.1.5與股息政策之披露有關。本公司並無股息政策，董事會將根據考慮多項因素(包括現行市場狀況、本集團經營業績、業務計劃及前景、財務狀況及營運資金需求，以及董事會認為相關之其他因素)後，決定宣派／建議任何未來股息。

### 集團風險管理、內部監控及企業管治

#### 董事會之角色

董事會全權負責本集團之風險管理制度、內部監控以及法律及規管遵守情況。

於履行其職責時，董事會尋求提升本集團旗下各業務營運之風險意識，並透過制訂政策和程序，包括界定授權之標準，藉以建立一個有助確定與管理風險之架構。董事會亦負責評估和釐定本集團於執行策略及業務目標時願意承擔之風險性質和水平。此外，董事會持續檢討並監察風險管理及內部監控系統之成效。匯報與審閱工作包括由執行董事及董事會審批業務營運管理人員提交之詳盡營運與財務報告、預算和計劃；由董事會對照實際業績與預算；由審核委員會審閱內部審計職能與風險管理職能之持續工作；以及由執行董事及每個核心業務部門之行政管理隊伍定期進行業務檢討。

審核委員會代表董事會定期檢討本集團內部之企業管治架構及常規，並持續監察合規履行情況。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Risk Management

The Group adopts an Enterprise Risk Management (ERM) framework which is consistent with the COSO (the Committee of Sponsoring Organization of the Treadway Commission) framework. The framework facilitates systemic approach to the management of risks within the Group, coupled with a strong internal control environment, enabling the Group effectively manage of risks it faces, be they strategic, financial, operational or compliance. The main features of the risk management and internal control systems are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage its risks across business operations.

The Group has established a risk management framework, which consists of the Board of Directors, the Audit Committee and the Risk Management Taskforce. The Board of Directors determines the nature and extent of risks that shall be taken in achieving the Group's strategic objectives, and has the overall responsibility for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems.

The Group has formulated and adopted Risk Management Policy in providing direction in identifying, evaluating and managing significant risks. At least on an annual basis, the Risk Management Taskforce identifies risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant.

In addition, the Group has established an internal audit function to assist the Board of Directors and the Audit Committee in ongoing monitoring of the risk management and internal control systems of the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board of Directors on a timely basis to ensure prompt remediation actions are taken.

### 風險管理

本集團所採用之企業風險管理框架符合 Committee of Sponsoring Organization of the Treadway Commission (COSO) 框架。該框架為管理本集團內部風險提供系統化之方法，結合穩健之內部監控環境，讓本集團有效管理所面對之風險，不論是策略、財務、營運或合規風險。該等風險管理及內部監控系統之主要功能為提供清晰的管治架構、政策及程序以及申報機制，以便本集團管理各業務營運之風險。

本集團已建立風險管理框架，由董事會、審核委員會及風險管理小組組成。董事會釐定於實現策略目標時應承擔之風險性質和水平，並須全權負責監察風險管理及內部監控系統之設計、實施及整體效能。

本集團亦已制定並採納風險管理政策，提供識別、評估及管理重大風險之方針。風險管理小組至少每年識別可對本集團達成目標構成不利影響之風險，並按照一套既定標準評估及排列所識別之風險，然後確立紓緩重大風險之計劃和風險所屬人士。

此外，本集團亦已設立內部審計職能，協助董事會和審核委員會持續監察本集團之風險管理及內部監控系統。該職能發掘內部監控設計及施行方面之缺陷，並提出改善建議，並及時向審核委員會和董事會匯報重大內部監控缺陷，確保迅速採取糾正行動。

# CORPORATE GOVERNANCE REPORT

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The Group Managing Director and Deputy Chairman and the Group Finance Director have the responsibility of developing and implementing risk mitigation strategies including the deploying of insurance to transfer the financial impact of risks. The Group Finance Director is responsible for arranging appropriate insurance coverage including Directors Liability Insurance to protect Directors of the Group against potential legal liabilities.

Risk management report is submitted to the Audit Committee and the Board of Directors at least once a year and internal control report is submitted half-a-year. The Board of Directors had performed annual review on the effectiveness of the Group's risk management and internal control systems, including but not limited to the Group's ability to cope with its business transformation and changing external environment; the scope and quality of management's review on risk management and internal control systems; result of internal audit work; the extent and frequency of communication with the Board of Directors in relation to result of risk and internal control review; significant failures or weaknesses identified and their related implications; and status of compliance with the Listing Rules. The Board of Directors considers the Group's risk management and internal control systems are effective.

The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

集團董事總經理兼副主席與集團財務董事有責任制訂與執行紓緩風險之策略，包括運用保險轉移風險之財務影響。集團財務董事負責作出適當之保險安排，包括董事責任保險，以保障董事免受潛在法律責任損害。

審核委員會和董事會至少每年一次收取風險管理報告，以及每半年收取內部監控報告。董事會對本集團風險管理及內部監控系統之成效進行年度檢討，涵蓋但不限於本集團應付業務轉變及外部環境變化之能力、管理層檢討風險管理及內部監控系統之範圍與質素、內部審計工作之結果、就風險及內部監控檢討結果與董事會溝通之範圍與次數、所識別之重大缺失或缺陷及其影響，以及遵守上市規則之情況。董事會認為，本集團之風險管理及內部監控系統行之有效。

風險管理及內部監控系統旨在管理而非消除未能達成業務目標之風險，而且只能就不會有重大之失實陳述或損失作出合理而非絕對之保證。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Procedures and internal controls for the handling and dissemination of inside information

The Group complies with requirements of Securities & Futures Ordinance (“SFO”) and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the Safe Harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

### Internal Control Environment and Systems

The Board is overall responsible for monitoring the operations of the business within the Group. Executive Directors are appointed to the Board of all material operating subsidiaries for monitoring of the operations of those companies, including attendance at Board meetings, review and approval of business strategies, budgets and plans, and setting of key business performance targets. The executive management team of each core business division is accountable for the conduct and performance of each business in the division within the agreed strategies and similarly the management of each business is accountable for its conduct and performance.

The Group’s internal control procedures include a system for reporting information to the executive management teams of each core business and the Executive Directors.

Business plans and budgets are prepared annually by the management of individual businesses and subject to review and approval by Executive Directors. Executive Directors review the differences to the budget and for approval. When setting budgets, management identifies, evaluates and reports on the likelihood and potential financial impact of significant business risks.

### 處理及發放內幕消息之程序及內部監控

本集團恪守證券及期貨條例及上市規則之規定，在合理可行情況下盡快向公眾披露內幕消息，除非有關消息屬證券及期貨條例所規定之任何安全港範圍內，則不在此限。本集團確保消息於向公眾發放前保持機密。倘本集團相信無法保持必要之機密程度，或機密可能已外洩，則本集團將立即向公眾披露消息。為了清楚和公正地呈列資料（為此須同時披露正負面事實），本集團致力確保公告所載資料中之重大事實屬真確和無誤導成份，亦無因遺漏任何重大事實而屬虛假或具誤導成份。

### 內部監控環境及系統

董事會全權負責監察本集團旗下業務之運作。執行董事獲委任加入所有經營重大業務的附屬公司之董事會，以監察此等公司之運作，包括出席其董事會會議、審批業務策略、預算和計劃，以及制訂主要業務表現目標。每個核心業務部門之行政管理隊伍對其部門內每項業務在協定策略範圍內之運作與表現承擔責任。同樣地，每項業務之管理層亦須為其業務運作與表現承擔責任。

本集團之內部監控程序包括資料申報制度，以向每個核心業務部門之行政管理隊伍及執行董事匯報資料。

業務計劃與預算由個別業務之管理層按年編製，並須經執行董事審批。執行董事檢討與預算之差異並作出審批。在編製預算時，管理層確定、評估並匯報業務蒙受重大風險之可能性及其潛在財務影響。

# CORPORATE GOVERNANCE REPORT

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The Executive Directors review monthly management reports on the financial results and key operating statistics of each business and hold regular meetings with the executive management team and senior management of business operations to review these reports, business performance against budgets, forecasts, significant risk sensitivities and strategies. In addition, Group Finance Director and members of his finance team review monthly performance against budget and forecast, and to address accounting and finance related matters.

The Group Finance Director has established guidelines and procedures for approval and control of expenditures. Operating expenditures are subject to overall budget control and are controlled within each business with approval level for such expenditures being set by reference to the level of responsibility of each executive officer. Capital expenditures are subject to overall control within the annual budget review and approval process, and more specific control and approval prior to commitment by the Group Finance Director or Executive Directors are required for unbudgeted expenditures and material expenditures within the approval budget. Reports of actual versus budgeted and approved expenditures are also regularly reviewed.

Internal audit department reporting to the Group Managing Director and Deputy Chairman on regular basis and also directly to the Audit Committee if necessary, provides independent assurance as to the existence and the effectiveness of the risk management activities and controls in the Group's business operations. Using risk assessment methodology and taking into account the dynamics of the Group activities, internal audit derives its yearly audit plan which is reviewed by the Audit Committee, and reassessed during the year as needed to ensure that adequate resources are deployed and the plan's objectives are met. Internal audit is responsible for assessing the Group's internal control system, formulating an impartial opinion on the system, and reporting its findings to the Group Finance Director, Group Managing Director and the Audit Committee as well as following up on all reports to ensure that all issues have been satisfactorily resolved. In addition, a regular dialogue is maintained with the Group's external auditors so that both are aware of the significant factors which may affect their respective scopes of work.

執行董事審閱涵蓋每項業務之財務業績及主要營運統計數字之每月管理報告，並定期與行政管理隊伍及業務營運之高級管理層舉行會議，以檢討此等報告、業務表現與預算之比較、業務預測及重大業務風險敏感度與策略。此外，集團財務董事與其財務小組成員對照預算和預測檢討每月表現，以及處理會計及財務相關事宜。

集團財務董事已為開支之批准和控制訂立指引和程序。營業支出均須根據整體預算受到監察，並由各個業務按與每名行政人員之職責輕重相稱之開支批核層面進行監控。資本開支須按照年度預算檢討和批核程序進行全面監控，未列入預算之開支以及在經批核預算內之重大支出，則須於承諾之前由集團財務董事或執行董事作出更具體之監管和批核。比較實際開支與預算及經批核開支之報告亦會定期獲審閱。

內部審計部門須定期向集團董事總經理兼副主席匯報其職務，並須直接向審核委員會匯報(如必要)，就本集團業務營運之風險管理活動及監控提供運作與效益方面之獨立保證。內部審計運用風險評估方法並考慮本集團業務運作機制，制訂其週年審核計劃。該計劃經審核委員會審議，並在需要時於年內重新評估，確保有足夠資源可供運用且計劃目標得以實現。內部審計負責評估本集團內部監控系統，就系統提供公正無私之意見，並將其評估結果向集團財務董事、集團董事總經理及審核委員會匯報，同時負責跟進所有報告，確保所有問題已獲得圓滿解決。此外，內部審計部門亦與本集團之外聘核數師定期溝通，讓雙方了解可能影響各自工作範圍之重大因素。

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Depending on the nature of business and risk exposure of individual business units, the scope of the work performed by the internal audit function includes financial and operations review, recurring and surprise audits, fraud investigation and productivity effectively reviews.

Reports from the external auditors on internal controls and relevant financial reporting matters, if any, are presented to the Group Finance Director and the relevant management team. These reports are reviewed and the appropriate actions taken.

### Corporate Governance

The Board is entrusted with the overall responsibility of developing and maintaining sound and effective corporate governance within the Group and is committed to ensuring that the effective governance structure is put in place to continuously review and improve the corporate governance practices within the Group in light of evolving environment and regulatory requirements.

Under the term of reference, the Audit Committee has been delegated the corporate function of the Board to monitor, procure and manage corporate governance compliance within the Group. To assist the Audit Committee in fulfilling its responsibilities, Company Secretary with representatives from key departments of the Company are continuously examine the corporate governance structure of the Group, provide updates, identify emerging matters of compliance, structure appropriate compliance mechanisms and monitor compliance fulfillment on an ongoing basis.

The Audit Committee has reviewed the compliance status and is satisfied that the Company has complied throughout the year with all the code provisions of the CG Code applicable during the year except deviations explained in the previous relevant paragraphs.

視乎個別業務單位之業務性質及所承受之風險，內部審計職能之工作範圍包括財務及營運檢討、經常性及突擊審計、詐騙調查，以及生產力效益檢討等。

外聘核數師向集團財務董事與相關管理隊伍提交有關內部監控及相關財務報告事宜之報告(如有)。該等報告會獲審閱，以採取適當行動。

### 企業管治

董事會全權負責為本集團制定並保持穩健有效之企業管治，並致力確保實行有效之管治結構，以因應瞬息萬變之環境及監管要求，持續檢討及改善本集團內之企業管治常規。

根據職權範圍，審核委員會已獲轉授董事會之企業職能，以監察、促使及管理本集團之企業管治遵守情況。為協助審核委員會履行其責任，公司秘書連同本公司主要部門之代表不斷檢討本集團之企業管治架構、提供最新情況、識別新出現之合規事宜、建立適當之合規機制以及持續監控合規事宜之進展。

審核委員會已檢討合規情況，並信納本公司已於整個年度內遵守年內適用之全部企業管治守則條文，惟於上文相關段落中說明之偏離除外。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Review of Internal Control Systems

The Board, through the Audit Committee, has conducted a review of the effectiveness of the Group' internal control system for the year ended 31 March, 2020 covering all material financial, operational and compliance controls and risk management functions, and is satisfied that such system are effective and adequate. In the view of the Board, the system of internal control of the Group is sufficient to safeguard the interest of the Group.

### COMMUNICATION WITH INVESTORS AND SHAREHOLDERS

The Board recognizes the importance of maintaining clear, timely and effective communication with the shareholders of the Company and investors. Therefore, the Board and the Group's senior Management maintain close communications with investors, analysts, fund managers and the media by various channels including interviews and meetings. The Group specially assigns Mr. Lam Hing Lun, Alain, Group Finance Director, being the contact person of investor relations to respond the requests of information and queries from the investors.

The Board also welcomes the view of shareholders on matters affecting the Group and encourages them to attend shareholders' meeting to communicate with the Board or Management directly.

### 檢討內部監控系統

董事會已透過審核委員會檢討本集團截至二零二零年三月三十一日止年度之內部監控系統成效，包括所有重大財務、營運和合規監控以及風險管理職能，並信納此等系統為有效與足夠。董事會認為，本集團之內部監控系統足以保障本集團之利益。

### 投資者及股東通訊

董事會深明與本公司股東及投資者維持清晰、適時及有效通訊之重要性。因此，董事會及本集團之高級管理層透過訪問及會議等多種不同渠道與投資者、分析員、基金經理及傳媒維持緊密溝通。本集團特別委派集團財務董事林慶麟先生作為投資者關係之聯絡人，以回應投資者有關索取資訊之要求及查詢。

董事會亦歡迎股東就對本集團構成影響之事宜表達意見，並鼓勵彼等出席股東大會，直接與董事會或管理層溝通。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### SHAREHOLDER'S RIGHT

The Board is committed to providing clear and full performance information of the Group to the shareholders through publication of notices, announcements, circulars, interim and annual reports. In addition to dispatching circulars, notices, financial reports to shareholders, additional information are also available to the shareholders on the Group's website.

Shareholders are encouraged to attend all general meeting of the Company, such as the annual general meeting and at which the Chairman and Directors are available to answer questions on the Group's business. All shareholders have statutory right to call for extraordinary general meeting and put forward agenda items for consideration by shareholders by sending to the Company Secretary at the registered office a written request for such general meeting together with the proposed agenda items. All substantial resolutions at the general meeting are decided on a poll. The poll is conducted by the Group's Share Registrars and the results of the poll are published on the websites at The Stock Exchange of Hong Kong Limited and the Group. Financial and other information is made available on the Group's website, which is regularly updated.

### 股東權利

董事會透過刊發通告、公佈、通函、中期及年度報告，致力為股東提供清晰及全面之本集團業績資料。股東除獲寄發通函、通告及財務報告外，亦可登入本集團網站取得更多資料。

本集團鼓勵股東出席本公司所有股東大會，例如股東週年大會，主席和董事均出席股東大會，以解答有關本集團業務之提問。全體股東均有法定權力可提出要求召開股東特別大會並提出議程事項以供股東考慮，股東只須致函本公司註冊辦事處，向公司秘書提出召開有關股東大會之要求及說明所建議討論之議程即可。股東大會上所有重要決議案均以投票方式表決。投票表決由本集團股份過戶登記處進行，而投票表決結果會登載於香港聯合交易所有限公司及本集團網站。本集團網站亦登載定期更新之財務與其他資料。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

In accordance with Appendix 27 – Environmental, Social and Governance Reporting Guide of the Main Board Listing Rules issued by the Hong Kong Stock Exchange, Oriental Watch Holdings Limited (the “Company”, “We”, and “Our”) presents this Environmental, Social and Governance (“ESG”) Report for the year ended 31 March 2020 (the “Reporting Period”, or “FY2020”).

### REPORTING SCOPE

We are principally engaged in the trading business of luxury watches. This report presents, aligned with the reporting scope of the last year, our ESG policies, programmes and performance in Hong Kong, Macau and Mainland China during the Reporting Period.

### REPORTING PRINCIPLES

The Company strictly follows the four Reporting Principles during the preparation of the ESG Report.

**Materiality:** Our Company conducted the annual stakeholder engagement and identified the material ESG issues during the Reporting Period. The final ESG issues have been confirmed by the management and the Board of the Company.

**Quantitative:** Our Company monitored various Key Performance Indicators (“KPI”) during the Reporting Period, which are presented in this Report, to keep track of the progress of our ESG initiatives. In this way, the effectiveness of ESG policies and management system can be evaluated and validated. For all standards and methods adopted for calculating the KPI (if applicable), please refer to the relevant sections in the Report.

**Balance:** The Report presents an unbiased picture of the Company’s ESG performance during the Reporting Period.

根據香港聯交所頒佈之主板上市規則附錄二十七—環境、社會及管治報告指引，東方表行集團有限公司(「本公司」及「我們」)謹此提呈截至二零二零年三月三十一日止年度(「呈報期」或「二零二零財年」)之環境、社會及管治(「ESG」)報告。

### 呈報範圍

我們主要從事名貴鐘錶買賣業務。本報告與去年之呈報範圍一致，旨在提呈我們於呈報期在香港、澳門及中國內地之ESG政策、計劃及表現。

### 呈報原則

在編製ESG報告時，本公司嚴格遵循四項呈報原則。

**重要性：** 於呈報期內，本公司進行年度利益相關者參與，並確定重要的ESG議題。最終的ESG議題已由本公司管理層及董事會確認。

**量化：** 於呈報期內，本公司對本報告中呈列的各項關鍵績效指標(「關鍵績效指標」)進行監控，以跟踪有關我們ESG措施的進展。藉此，可以評估及驗證ESG政策及管理制度的有效性。有關計算關鍵績效指標所採用的所有標準及方法(如適用)，請參閱本報告的相關章節。

**公平：** 本報告公平呈現呈報期內本公司ESG表現的情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

**Consistency:** The Company adopted consistent methodologies in the data calculation as compared to prior years to show comparable ESG data over time.

**一致性：** 本公司在數據計算中採用與往年一致的方法，以呈列一段時間內的相若 ESG 數據。

### OUR ESG GOVERNANCE

We believe a well-developed corporate governance structure is the key to success of our ESG strategy. Therefore, we have established an ESG taskforce, which includes senior management as well as department heads of different functions while the Board of Directors has the overall responsibility for the Company's ESG reporting and strategy in order to achieve green operations for sustainable development. The key responsibilities of the ESG taskforce include the following:

- Establishing the long-term ESG goals and missions of the Company;
- Monitoring and managing ESG-related risks;
- Evaluating the effectiveness of the Company's ESG management systems; and
- Reporting the ESG objectives achieved to the Board on a regular basis.

The ESG taskforce is authorised by the Board to carry out its tasks including stakeholder engagement and materiality assessment. External professional advices could be sought at the expense of the Company when the ESG risks are assessed to be material.

We are committed to complying with the latest laws and regulations as well as the industry standards in our ESG practice. Our ESG initiatives are revised and communicated timely with staff members in order to enhance the efficiency of the ESG tasks.

### 我們之 ESG 管治

我們相信，良好企業管治架構為我們 ESG 策略成功之關鍵。因此，我們已成立 ESG 小組，其中包括高級管理層及不同職能之部門主管，而董事會則全面負責本公司 ESG 報告及策略，以實現可持續發展綠色營運。ESG 小組之主要責任包括以下項目：

- 建立本公司長期 ESG 目標及任務；
- 監察及管理與 ESG 相關風險；
- 評估本公司 ESG 管理系統之有效性；及
- 定期向董事會報告已實現之 ESG 目標。

董事會授權 ESG 小組執行任務，包括利益相關者參與及重要性評估。ESG 風險評為嚴重時可徵詢外部專業意見，費用由本公司承擔。

我們致力遵守最新法律及法規以及我們 ESG 常規之行業標準。我們的 ESG 措施會適時修訂並與員工交流，以提升 ESG 工作之效益。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

We review our risk management process on a regular basis. Material risks will be assessed and discussed by the abovementioned ESG taskforce and the Board. Internal control measures will be designed and implemented to mitigate the ESG risks. Please refer to the “RISK MANAGEMENT AND INTERNAL CONTROL” section of the Company’s “CORPORATE GOVERNANCE REPORT” for details of the effectiveness of risk management and internal control systems.

我們定期檢討風險管理程序。上述 ESG 小組將與董事會評估及探討重大風險。內部監控措施將予設計及執行，以紓緩 ESG 風險。風險管理及內部監控制度效益之詳情，請參考本公司「企業管治報告」之「風險管理及內部監控」一節。

### STAKEHOLDER ENGAGEMENT

We understand that stakeholders’ comments are crucial to our decision-making process as well as our long-term success in the future. Therefore we engage our stakeholders by active communication and interaction. We have adopted the following engagement methods for our stakeholders:

### 利益相關者參與

我們瞭解，利益相關者之意見對我們日後之決策程序及長遠成功起關鍵作用。因此，我們藉積極交流及互動來讓利益相關者參與其事。我們已採納以下利益相關者參與方法：

# Stakeholders 利益相關者	Engagement Methods 參與方法
1 Suppliers and Business Partners 供應商及業務夥伴	<ul style="list-style-type: none"> <li>Meetings 會議</li> <li>Daily email communications 每日電郵通訊</li> <li>Regular evaluations 定期評估</li> </ul>
2 Customers 客戶	<ul style="list-style-type: none"> <li>Company website 公司網站</li> <li>Communication in retailing points 零售點交流</li> <li>Customer service hotline 客戶服務熱線</li> <li>Enquiry emails 查詢電郵</li> </ul>
3 Employees 僱員	<ul style="list-style-type: none"> <li>Internal trainings 內部培訓</li> <li>Staff notices and announcements 員工通告及公告</li> <li>Annual performance appraisal 年度表現評核</li> <li>Internal meetings 內部會議</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

# Stakeholders 利益相關者	Engagement Methods 參與方法
<b>4</b> Investors and Shareholders 投資者及股東	<ul style="list-style-type: none"> <li>• General meetings 股東大會</li> <li>• Annual and interim reports 年度及中期報告</li> <li>• Circulars and announcements 通函及公告</li> <li>• Company website 公司網站</li> </ul>
<b>5</b> Government and Supervising Authorities 政府及監督機關	<ul style="list-style-type: none"> <li>• Email communications 電郵通訊</li> <li>• Meetings 會議</li> <li>• Government websites regarding regulations 政府網站有關法規</li> </ul>
<b>6</b> Social Groups and Public 社會群體及公眾	<ul style="list-style-type: none"> <li>• Charitable activities 慈善活動</li> <li>• Public consultation emails 公眾諮詢電郵</li> </ul>
<b>7</b> Media 媒體	<ul style="list-style-type: none"> <li>• Press releases 新聞發佈</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### MATERIALITY ASSESSMENT

For the identification and assessment of material ESG issues, we have conducted a materiality assessment with regard to the ESG Reporting Guide. Our approach to the materiality assessment includes the following:

Identification of ESG issues  
識別 ESG 議題

Prior to the internal meetings with our business functions and questionnaires to both internal and external stakeholders to identify potential ESG issues of the Company, we also took reference to our peers' ESG disclosed issues.  
我們以業務職能舉行內部會議，並向外部及內部利益相關者派發問卷，以識別本公司的潛在 ESG 議題之前，亦已參考同業的已披露 ESG 議題。

Assessment of the ESG issues  
評估 ESG 議題

We discussed, assessed and prioritised our ESG issues by considering the social, environmental and economic impact towards the Company.  
我們藉考慮對本公司之社會、環境及經濟影響來探討、評估及釐定 ESG 議題的優先次序。

Prioritisation of material ESG issues  
優先考慮重大 ESG 議題

We concluded our material ESG issues to our management and the Board, and decided the ESG issues to be summarised and presented in this ESG Report.  
我們就重大 ESG 議題向管理層及董事會作結，並決定將於本 ESG 報告中總結及呈列之 ESG 議題。

### 重要性評估

為識別及評估重大 ESG 議題，我們已就 ESG 報告指引進行重要性評估。我們之重要性評估方針包括以下：

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

After the materiality assessment performed during our stakeholder engagement, we identified the following material ESG issues of the Company which are covered in this Report:

於利益相關者參與期間執行重要性評估後，我們已識別以下於本報告涵蓋之本公司重大ESG議題：



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

#	ESG Issues ESG 議題
<b>General</b> 一般事項	
1	Compliance 合規
<b>Environmental</b> 環境	
2	Air emissions and greenhouse gas emissions 氣體排放及溫室氣體排放
3	Non-hazardous waste 無害廢棄物
4	Energy consumption 耗能
5	Water consumption 水資源消耗
6	Use of packaging materials 使用包裝材料
7	Noise pollution 噪聲污染
8	Environmental Impacts from Investments 投資對環境的影響
<b>Social</b> 社會	
9	Recruitment, promotion and dismissal 招聘、晉升及解僱
10	Employee compensation and benefits 僱員薪酬及福利
11	Employee working hours and rest periods 僱員工作時數及假期
12	Equal opportunity 平等機會
13	Workplace health and safety 工作場所健康與安全
14	Employee training and development 僱員培訓及發展
15	Anti-child and anti-forced labour 防止童工及防止強制勞工
16	Supply chain relationship management 供應鏈關係管理
17	Product responsibility 產品責任

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

#	ESG Issues ESG 議題
18	Service quality 服務質素
19	Advertising and labelling 廣告及標籤
20	Data privacy and protection 資料私隱及保護
21	Anti-corruption and anti-money laundering 反貪污及防止洗黑錢
22	Community Investment 社區投資

In this Report, we have combined ESG Issue #17 Product responsibility and #18 Service quality into one part named Product responsibility and service quality below. ESG Issue #7 Noise pollution is also described inside the Renovation works part below. Lastly, the relevant regulations and rules have been mentioned in the corresponding sections to address the compliance concerns from the stakeholders.

In FY2020, we have also added a new ESG issue which is Advertising and labelling as a result of the concern from stakeholders. Based on the above analysis, this Report will cover the following major ESG related issues, and describe them in order according to the importance of the ESG issues to our stakeholders.

於本報告中，我們將17號ESG議題產品責任及18號議題服務質素合併為一個部分，即下文所述的產品責任及服務質素。7號ESG議題噪聲污染亦在下文裝修工程一節內描述。最後，相應章節中載有相關法規及規則，以解決利益相關者的合規問題。

由於利益相關者的關注，我們於二零二零財年亦新增一個ESG議題，即廣告及標籤。基於以上分析，本報告將涵蓋以下主要的ESG相關議題，並根據ESG議題對利益相關者之重要性按順序說明。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Social, Employment and Labour Practices

### 社會、僱傭及勞工常規

ESG aspects as set out in ESG Guide	Area	Material ESG issues for the Company	ESG aspects as set out in ESG Guide	Area	Material ESG issues for the Company
ESG 指引中所載之 ESG 層面	範疇	本公司之重大 ESG 議題	ESG 指引中所載之 ESG 層面	範疇	本公司之重大 ESG 議題
B6	<i>Product Responsibility</i> 產品責任	<ul style="list-style-type: none"> <li>Product responsibility and service quality 產品責任及服務質素</li> <li>Data privacy and protection 資料私隱及保護</li> <li>Advertising and labelling 廣告及標籤</li> </ul>	B1	<i>Employment</i> 僱傭	<ul style="list-style-type: none"> <li>Employee compensation and benefits 僱員薪酬及福利</li> <li>Recruitment, promotion and dismissal 招聘、晉升及解僱</li> <li>Equal opportunity 平等機會</li> <li>Employee working hours and rest periods 僱員工作時數及假期</li> </ul>
B2	<i>Health and Safety</i> 健康與安全	<ul style="list-style-type: none"> <li>Workplace health and safety 工作場所健康與安全</li> </ul>	B3	<i>Development and Training</i> 發展及培訓	<ul style="list-style-type: none"> <li>Employee training and development 僱員培訓及發展</li> </ul>
B7	<i>Anti-corruption</i> 反貪污	<ul style="list-style-type: none"> <li>Anti-corruption and anti-money laundering 反貪污及防止洗黑錢</li> </ul>	B8	<i>Community Investment</i> 社區投資	<ul style="list-style-type: none"> <li>Social responsibility 社會責任</li> </ul>
B5	<i>Supply Chain Management</i> 供應鏈管理	<ul style="list-style-type: none"> <li>Supply chain relationship management 供應鏈關係管理</li> </ul>	B4	<i>Labour Standards</i> 勞工標準	<ul style="list-style-type: none"> <li>Anti-child and anti-forced labour 防止童工及防止強制勞工</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Environmental

### 環境

ESG aspects as set out in ESG Guide	Area	Material ESG issues for the Company	ESG aspects as set out in ESG Guide	Area	Material ESG issues for the Company
ESG 指引中所載之 ESG 層面	範疇	本公司之重大 ESG 議題	ESG 指引中所載之 ESG 層面	範疇	本公司之重大 ESG 議題
A2	<i>Use of Resources</i> 資源使用	<ul style="list-style-type: none"> <li>– Energy consumption 耗能</li> <li>– Use of packaging materials 使用包裝材料</li> </ul>	A3	<i>Environmental Impacts from Investments</i> 投資對環境的影響	<ul style="list-style-type: none"> <li>– External lighting 戶外燈光</li> <li>– Renovation works 裝修工程</li> </ul>
A1	<i>Emissions</i> 排放物	<ul style="list-style-type: none"> <li>– Non-hazardous waste 無害廢棄物</li> <li>– Air emissions 氣體排放</li> <li>– Greenhouse Gas Emissions 溫室氣體排放</li> </ul>			

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### SOCIAL, EMPLOYMENT AND LABOUR PRACTICES

#### Product Responsibility

##### *Product responsibility and service quality*

Being one of the largest watch retailers in Hong Kong, the Company has joined the “Hong Kong Q-Mark Scheme” of the Hong Kong Q-Mark Council to attest the quality of its products and services. To achieve high product and service quality, the Company only imports watches from manufacturers who use environmentally friendly and safe raw materials for production. This ensures the products we sell to our customers are safe. During the reporting period, the Company is not aware of any product recall due to safety and health reasons. Moreover, the Company uses marketing materials provided by the suppliers to ensure consistency between actual product specification and information on the marketing materials. It guarantees the compliance with the Trade Description Ordinance in Hong Kong, Commercial Code in Macau and Advertisement Laws in Mainland China. During the Reporting Period, we have not identified any material non-compliance with the abovementioned laws and regulations.

The Company's retail shops are all located at prime locations to allow customers to enjoy convenient and comfortable shopping experience. The Company has established a specially designed VIP lounge at the flagship stores to provide a private, nice and leisure environment for customers to exchange professional knowledge and insights of timepieces with our staff. Our professional sales team are well-trained and strive to provide comprehensive and knowledgeable advice accompanied with sincere and premium after-sale services to each customer.

Customer feedback can be communicated through various channels such as designated customer service hotline, email address and social media platforms. Reports of enquiries and complaints are recorded and reviewed regularly by the management team for improvements on products and services. During the Reporting Period, the Company is not aware of any serious products and service related complaints due to safety and health reasons.

### 社會、僱傭及勞工常規

#### 產品責任

##### *產品責任及服務質素*

作為香港最大型鐘錶零售商之一，本公司已參加香港優質標誌局之「香港Q嘜計劃」，證明其產品及服務之素質。為得到優質產品及服務，本公司僅從使用環保及安全原材料生產之製造商進口鐘錶。此舉確保我們向顧客出售產品之安全性。於呈報期內，本公司並不知悉任何因安全與健康理由而導致的產品召回。再者，本公司使用供應商提供之市場推廣材料，確保實際產品規格與市場推廣材料中之資料相符一致，亦保證可符合香港商品說明條例、澳門商法典及中國內地廣告法。於呈報期內，我們尚未發現上述法律及法規有任何重大違規情況。

本公司之零售店全部位於黃金地段，讓顧客可享便利舒適之購物體驗。本公司已於旗艦店設立經特別設計之貴賓區，為顧客提供私人、體面而休閒之環境，與我們的員工交流有關時計之專業知識與心得。我們之專業銷售團隊訓練有素，為每一位顧客提供週全而淵博之意見以及誠懇而優越之售後服務。

顧客可透過不同渠道，例如專屬顧客服務熱線、電郵及社交媒體平台回饋意見。查詢及投訴報告會作記錄並由管理團隊定期審閱，以改進產品及服務。於呈報期內，本公司並不知悉任何因安全及健康理由而導致有關產品及服務的嚴重投訴。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

With our persistent sincerity and valuable relationship with customers, the Company has been awarded the “Service Industry Leader – Silver Award” by the Hong Kong Retail Management Association.

### **Data privacy and protection**

The Company respects the data privacy of our prestigious customers, business partners and staff. It strives to protect the privacy in the collection, processing and use of personal data. The Company strictly follows the data protection regulations in Hong Kong, Macau and Mainland China. Furthermore, the Company has deployed appropriate technical measures in place, such as firewall and anti-virus software, to protect personal data against unauthorised use or access. The Company guarantees that the personal data is securely kept and processed only for the purpose for which it has been collected.

We devote our efforts in compliance with the Personal Data (Privacy) Ordinance, Sale of Goods Ordinance, Trade Description Ordinance, Supply of Services (Implied Terms) Ordinance in Hong Kong, Commercial Code and Personal Data Protection Act in Macau, and Product Quality Law of the People’s Republic of China (the “PRC”) and Advertisement Laws in Mainland China. During the Reporting Period, we have not identified any material non-compliance with the abovementioned laws and regulations.

### **Advertising and labelling**

We execute our marketing strategy with the principle of integrity as it is our responsibility to treat our customers fairly and truthfully. Therefore, our marketing, advertising, and sales related materials and services must always be genuine and precise with the aim to meet the customer needs. We never misrepresent any untruthful statements that would as a result mislead our customers. Our advertisements are all factually correct to the real product. Our products are only offered to meet the customers’ needs and we never sell unsuitable product.

基於我們堅持以誠待客，重視客戶關係，本公司獲香港零售管理協會頒發「行業服務領袖—銀獎」。

### **資料私隱及保護**

本公司尊重尊貴客戶、業務夥伴及員工之資料私隱，致力於收集、處理及使用個人資料時保護私隱。本公司恪守香港、澳門及中國內地之資料保護規例。此外，本公司已採取合適技術措施，如防火牆及防毒軟件，以保護個人資料，防止未經授權使用或獲取。本公司保證，個人資料均穩妥地保存及處理，僅為收集目的使用。

我們致力遵守香港之個人資料(私隱)條例、貨品銷售條例、商品說明條例、服務提供(隱含條款)條例、澳門之商法典及個人資料保護法以及中華人民共和國(「中國」)之產品質量法及中國內地之廣告法。呈報期內，我們尚未發現上述法律及法規有任何重大違規情況。

### **廣告及標籤**

我們秉承誠信原則執行營銷策略，公平、真誠地對待客戶是我們的責任。因此，我們的市場推廣、廣告及銷售相關材料及服務必須保持真實、準確，以滿足客戶需求。我們絕不進行任何不真實的虛假陳述，以致誤導客戶。我們的廣告全部如實反映真實的產品。我們的產品僅供滿足客戶需求，絕不銷售不合適的產品。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Health and Safety

#### Workplace health and safety

The Company is committed to providing a safe, healthy, pleasant and efficient work environment for its staff. In order to ensure the work environment is healthy and safe, various administrative measures such as workplace safety posters, training courses and practical guidelines have been implemented to communicate such a concept to all staff in its extensive retail network. Regardless of seriousness and locations, all cases of injury are required to be reported to the head office for further assessment under the internal policies and procedures so as to ensure proper handling of the cases and execution of preventive measures. In FY2020<sup>1</sup>, the number of lost days by the Company's employees due to work-related injuries was 2 days<sup>2</sup> and we have not identified any case of work-related fatalities.

As a responsible employer, all staff are entitled to the Company's medical insurance and other competitive fringe benefits to enable them to have easier access to preventive and emergency health care services and afford treatment.

We realise the laws and regulations about workplace health and safety have been tightened and more aware by the local authorities. We have spent efforts in compliance with the Employees' Compensation Ordinance and Occupational Safety and Health Ordinance in Hong Kong, safety laws in Macau (i.e. Section 2/83/M), and Work Safety Law of the PRC in Mainland China. During the Reporting Period, we have not identified any material non-compliance with the aforesaid workplace health and safety-related laws and regulations.

<sup>1</sup> The system for collection of work-related injuries and fatalities data was established in the Reporting Period and the data in FY2019 was not available.

<sup>2</sup> The lost day injuries were caused by the accidental slippery by employee and furniture fatigue. The Company would conduct more safety trainings and regular facility inspection in the future in order to enhance employee safety awareness and safety in working environment.

### 健康與安全

#### 工作場所健康與安全

本公司承諾為其員工提供安全、健康、舒適及有效率之工作環境。為確保工作環境健康及安全，工作場所已落實不同行政措施，如工作場所安全海報、培訓課程及實務指引，向其龐大零售網絡全體員工灌輸有關意識。所有受傷個案不論嚴重程度及發生地點，均須通報總部，以根據內部政策及程序作進一步評估，從而確保妥善處理有關個案，執行防範措施。於二零二零財年<sup>1</sup>，本公司員工因工傷造成的損失天數為2天<sup>2</sup>，我們並無發現任何因工死亡的案例。

作為盡責僱主，全體員工均享有本公司之醫療保險及其他具競爭力之福利待遇，令員工更容易接受預防及緊急醫療服務及接受治療。

我們理解有關工作場所健康與安全之法律及法規已遭當地機關收緊且更受關注。我們已盡力遵守香港之僱員補償條例及職業安全及健康條例、澳門之安全法(即 [http://bo.io.gov.mo/bo/i/83/08/lei02\\_cn.asp](http://bo.io.gov.mo/bo/i/83/08/lei02_cn.asp) 第2/82/M條)及中國內地之中國工作安全法。於呈報期內，我們尚未發現上述工作場所健康及安全相關法律及法規有任何重大違規情況。

<sup>1</sup> 因工傷亡數據收集系統於呈報期內建立，故二零一九財年的數據不可用。

<sup>2</sup> 工傷損失天數乃由於員工意外打滑及家具疲勞所致。本公司未來將進行更多的安全培訓及定期設施檢查，以提高員工的安全意識及工作環境的安全性。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Anti-corruption

#### *Anti-corruption and anti-money laundering*

We believe that honesty, integrity and fairness are of vital importance to its business operations. The Company has incorporated a strict code of conduct in its staff manual for all employees to specify that solicitation and acceptance of advantages are prohibited and breaches of the code of conduct would result in disciplinary actions. Regular declaration of interest is compulsory for certain staff depending on grades and positions. Reminders are sent to employees regularly, and our business partners, suppliers and contractors are also informed of our policy on declaration of interests. Employees have been given induction briefing organised by the Company or seminars on anti-corruption regularly organised by the Independent Commission Against Corruption of the Government of the Hong Kong Special Administrative Region. The Company also maintains a set of whistleblowing procedures and periodically reviews the effectiveness of its internal control systems.

We adhere to the applicable laws and regulations in relation to the bribery, corruption and money laundering, for example, the Prevention of Bribery Ordinance, and Anti-Money Laundering and Counter-Terrorist Financing Ordinance in Hong Kong, Prevention and Suppression of Bribery in the Private Sector in Macau, and Anti-Unfair Competition Law of the PRC, Interim Provisions on Banning Commercial Bribery and Criminal Law of the PRC in Mainland China. During the Reporting Period, we have not identified any material non-compliance with the aforesaid laws and regulations.

### 反貪污

#### *反貪污及防止洗黑錢*

我們相信，誠信、廉潔及公平對其業務營運至為重要。本公司已於其員工手冊內載列嚴格行為守則，供全體僱員遵守，當中指明嚴禁索取及收受利益，如有違反行為守則會受紀律處分。視乎職級及崗位，若干員工必須定期申報利益。本公司定期提醒僱員，而業務夥伴、供應商及承辦商亦獲告知有關申報利益之政策。僱員已接受本公司舉辦之入職簡報會，或出席香港特別行政區政府廉政公署定期舉辦之防止貪污講座。本公司亦設有舉報程序，並定期檢討其內部監控制度之成效。

我們恪守有關賄賂、貪污及洗黑錢之適用法律及法規，例如香港之防止賄賂條例及打擊洗黑錢及恐怖分子資金籌集條例、澳門之預防及遏止私營部門賄賂法律以及中國之反不公平競爭法及中國內地之禁止商業賄賂暫行規定及中國刑事法。呈報期內，我們尚未發現上述法律及法規有任何重大違規情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Supply Chain Management

#### Supply chain relationship management

Since its establishment in 1961, we have established and maintained strong relationships with various well-known luxury European watch brands. Many of these brands are accredited for their supreme quality and excellent craftsmanship. Furthermore, their products are required to comply with high production standards and pass through various testing procedures to ensure quality. Apart from product quality, we also consider the reputation, as well as the environmental and social performance of the watch manufacturers before establishing business relationship with them. Our Company purchases well-known luxury watches from their brand regional offices. The following table shows the total number of suppliers in FY2020<sup>3</sup> across different regions:

	Unit	Hong Kong	Macau	Mainland China	Total
	單位	香港	澳門	中國內地	總計
Supply chain management 供應鏈管理					
No. of suppliers 供應商數目	Supplier 供應商	100	60	20	180

### Employment

Considering human resources as the most important asset of the Company, the Company has established employment policies and guidelines based on the local employment laws in Hong Kong, Macau and Mainland China.

### 供應鏈管理

#### 供應鏈關係管理

本公司自一九六一年成立以來，一直與一眾知名名貴歐洲鐘錶品牌建立及維持深厚關係。該等品牌不少已獲得品質上乘、工藝精湛之美名。此外，彼等之產品須符合高生產標準及通過不同測試，以確保品質。除產品品質以外，與鐘錶製造商建立業務關係前，我們亦考慮其聲譽及環境及社會方面之表現。本公司向彼等之品牌區域辦事處採購知名的名貴鐘錶。下表顯示二零二零財年<sup>3</sup>不同地區的供應商總數：

### 僱傭

本公司視人力資源為其最重要資產，已根據香港、澳門及中國內地當地之僱傭法例制訂僱傭政策及指引。

<sup>3</sup> The system for collection of the number of suppliers was established in the Reporting Period and the data in FY2019 was not available.

<sup>3</sup> 供應商數目收集系統於呈報期內建立，故二零一九財年的數據不可用。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Employee compensation and benefits

The Company takes reference from local industrial average to determine staff remuneration and other fringe benefits. Experience and qualifications of staff are also taken into account. Key performance indices, depending on staff position, have been adopted to measure staff performance in determining staff salary packages.

### Recruitment, promotion and dismissal

The Company hires and promotes staff who share and support the Company's missions, values and work ethics. The Company treasures those who demonstrate diligence, initiative, responsibility and integrity. Hiring and promotion are based on performance and merit.

Total workforce in FY2020<sup>4</sup>:

### 僱員薪酬及福利

本公司參照當地行業平均水平釐定員工薪酬及其他福利待遇。員工之經驗及資格亦在考慮之列。釐定員工薪金待遇時亦採用主要表現指標(視員工職位而定)衡量員工表現。

### 招聘、晉升及解僱

本公司聘用及拔擢認同並支持本公司使命、價值及職業道德之員工。本公司重視展現勤奮、主動、盡責及誠懇等優點之員工。本公司以表現及功績為聘用及晉升標準。

二零二零財年之員工總數<sup>4</sup>：

	Unit	Hong Kong	Macau	Mainland China	Total
	單位	香港	澳門	中國內地	總計
Total workforce 員工總數					
Full-time employee 全職僱員	Employee 僱員	186	22	353	561
Total workforce by gender 按性別劃分之員工總數					
Male 男性	Employee 僱員	114	10	77	201
Female 女性	Employee 僱員	72	12	276	360
Total workforce by age group 按年齡劃分之員工總數					
Below 30 30歲以下	Employee 僱員	12	3	38	53
30-50 30至50歲	Employee 僱員	112	13	298	423
Over 50 50歲以上	Employee 僱員	62	6	17	85

<sup>4</sup> The system for collection of total workforce data was established in the Reporting Period and the data in FY2019 was not available.

<sup>4</sup> 員工總數數據收集系統於呈報期內建立，故二零一九財年的數據不可用。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Dismissal is considered for underperformance, misconduct and/or fraud. All dismissal cases will be carried out in accordance with the Employment Laws in Hong Kong, Macau and Mainland China.

員工表現欠佳、行為失當及／或干犯欺詐，本公司會考慮將其解僱。所有解僱個案會按香港、澳門及中國內地之僱傭法例進行。

Employee turnover rate<sup>5</sup> in FY2020<sup>6</sup>:

二零二零財年<sup>5</sup>之僱員流失率<sup>6</sup>：

		Unit	Hong Kong	Macau	Mainland China	Total
		單位	香港	澳門	中國內地	總計
Employee resigned/terminated 辭任／離職僱員						
Total 總計	Employee 僱員		21	2	53	76
Turnover rate 流失率	—		11.29%	9.09%	15.01%	13.55%
Employee resigned/terminated by gender 按性別劃分之辭任／離職僱員						
Male 男性	Total 合計	Employee 僱員	15	1	16	32
	Turnover rate 流失率	—			—	15.92%
Female 女性	Total 合計	Employee 僱員	6	1	37	44
	Turnover rate 流失率	—			—	12.22%
Employee resigned/terminated by age group 按年齡劃分之辭任／離職僱員						
Below 30 30歲以下	Total 合計	Employee 僱員	5	0	13	18
	Turnover rate 流失率	—			—	33.96%
Between 30-50 30至50歲	Total 合計	Employee 僱員	8	1	36	45
	Turnover rate 流失率	—			—	10.64%
Over 50 50歲以上	Total 合計	Employee 僱員	8	1	4	13
	Turnover rate 流失率	—			—	15.29%

<sup>5</sup> Employee turnover rate (percentage) = Number of employee departure of the category/Total employees at the end of the Reporting Period x 100%

<sup>6</sup> The system for collection of employee turnover rate was established in the Reporting Period and the data in FY2019 was not available.

<sup>5</sup> 僱員流失率收集系統於呈報期內建立，故二零一九財年的數據不可用。

<sup>6</sup> 僱員流失率(百分比) = 該類別僱員離職人數 / 呈報期末的僱員總數 x 100%

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ***Equal opportunity***

The Company is an equal opportunity employer. The Company emphasises human capital diversity, and is against any kind of discrimination. The Company ensures equal opportunity in all of its human resources processes, regardless of gender, pregnancy, marital status, disability, family status, and race of the staff.

### ***Employee working hours and rest periods***

Working hours, rest periods and other benefits and welfare are determined based on local industrial averages. Experience, qualifications and seniority of staff are taken into account as well.

We have put great emphasis to the compliance with the labour-related laws and regulations such as the Employment Ordinance and Minimum Wage Ordinance in Hong Kong, Labour Relations Law, and Framework Law on Employment Policy and Worker's Rights in Macau as well as Labour Law of the PRC and Labour Contract Law of the PRC in Mainland China. During the Reporting Period, we have not identified any material non-compliance with the aforesaid employment laws and regulations.

### **Development and Training**

#### ***Employee training and development***

The Company considers human resources as vitally important to the success of its business. Therefore, the Company has developed a comprehensive training programmes consisting of product knowledge, service and selling skills, complaints handling techniques and managerial competences. These training courses are provided for different levels of staff based on their job responsibilities.

### **平等機會**

本公司為奉行平等機會之僱主。本公司重視人力資本多元化，反對任何類型歧視。本公司確保所有人力資源程序均體現平等機會，不論員工之性別、懷孕、婚姻狀況、殘疾、家庭狀況及種族。

### **僱員工作時數及假期**

工作時數、假期以及其他待遇及福利乃根據地方行業平均水平釐定。員工之經驗、資格及資歷亦在考慮之列。

我們已着力強調遵守勞工相關法律及法規，如香港之僱傭條例及最低工資條例、澳門之勞動關係法及就業政策及勞工權利綱要法以及中國內地之中國勞動法及中國勞動合同法。呈報期內，我們尚未發現上述僱傭法律及法規有任何重大違規情況。

### **發展及培訓**

#### ***員工培訓及發展***

本公司認為人力資源對業務成功而言攸關重要。因此，本公司已制訂全面培訓計劃，涵蓋產品知識、服務及銷售技能、投訴處理技巧及管理才能。該等培訓課程按職責向不同職級員工提供。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The Company also offers induction training courses for communicating corporate values, service standards and code of conduct to new joiners. In addition, leadership programmes organised by external professional institutions have been provided to management personnel so as to equip them with proper professional management skills. Furthermore, the Company has engaged external service providers to perform independent evaluation on the performance of frontline staff. It helps identify potential improvement areas to enhance customer service skills of the staff.

本公司亦為新入職僱員提供入職培訓課程，讓彼等了解企業價值、服務標準及行為守則。此外，本公司亦會向管理人員提供由外聘專業機構籌辦之領袖計劃，讓彼等習得合適專業管理技能。此外，本公司已委聘外聘服務供應商獨立評核前線員工之表現，有助發現可能改善之處，提高員工之客戶服務技巧。

The percentage of employees trained<sup>7</sup> in FY2020<sup>8</sup>:

二零二零財年<sup>7</sup>受訓僱員之百分比<sup>8</sup>：

		Unit	Hong Kong	Macau	Mainland China	Total
		單位	香港	澳門	中國內地	總計
Number of employee trained by gender 按性別劃分之受訓僱員人數						
Male 男性	Total trained workforce 受訓員工總人數	Employee 僱員	45	7	10	62
	Employees training rate 僱員培訓率	—			—	30.85% <sup>9</sup>
Female 女性	Total trained workforce 受訓員工總人數	Employee 僱員	22	0	14	36
	Employees training rate 僱員培訓率	—			—	10.00% <sup>9</sup>

<sup>7</sup> Employee training rate (percentage) = Number of trained workforce of the category/Total workforce of the category at the end of the Reporting Period x 100%

<sup>8</sup> The system for collection of employee training rate was established in the Reporting Period and the data in FY2019 was not available.

<sup>9</sup> The employee training rate in Mainland China is relatively low compared to the other two regions. We are dedicated to improving our training development plan in the future.

<sup>7</sup> 僱員培訓率(百分比) = 該類別受訓員工人數 / 報期末該類別員工總數 x 100%

<sup>8</sup> 僱員培訓率收集系統於呈報期內建立，故二零一九財年的數據不可用。

<sup>9</sup> 與其他兩個地區相比，中國內地的僱員培訓率相對較低。我們致力改進我們的未來培訓發展計劃。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

		Unit	Hong Kong	Macau	Mainland China	Total
		單位	香港	澳門	中國內地	總計
Total workforce and number of employee trained by employee category 按僱員類別劃分之總人數及受訓僱員人數						
General level 一般級別	Total workforce 員工總人數	Employee 僱員	137	18	328	483
	Total trained workforce 受訓員工總人數	Employee 僱員	42	6	20	68
	Employees training rate 僱員培訓率	—	—			14.08% <sup>9</sup>
Middle management level 中級管理層	Total workforce 員工總人數	Employee 僱員	39	4	22	65
	Total trained workforce 受訓員工總人數	Employee 僱員	21	1	3	25
	Employees training rate 僱員培訓率	—	—			38.46% <sup>9</sup>
Senior management level 高級管理層	Total workforce 員工總人數	Employee 僱員	10	0	3	13
	Total trained workforce 受訓員工總人數	Employee 僱員	4	0	1	5
	Employees training rate 僱員培訓率	—	—			38.46% <sup>9</sup>

<sup>9</sup> The employee training rate in Mainland China is relatively low compared to the other two regions. We are dedicated to improving our training development plan in the future.

<sup>9</sup> 與其他兩個地區相比，中國內地的僱員培訓率相對較低。我們致力改進我們的未來培訓發展計劃。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The average training hours completed per employee<sup>10</sup> in FY2020<sup>11</sup>:

二零二零財年<sup>11</sup>每名僱員完成之平均培訓時數<sup>10</sup>：

		Unit	Hong Kong	Macau	Mainland China	Total
		單位	香港	澳門	中國內地	總計
Total training hours by gender 按性別劃分之總培訓時數						
Male 男性	Training hours 培訓時數	Hour 小時	404	52	174	630
	Average training hours 平均培訓時數	Hour 小時			—	3.13
Female 女性	Training hours 培訓時數	Hour 小時	265	0	224	489
	Average training hours 平均培訓時數	Hour 小時			—	1.36
Total training hours by employee category 按僱員類別劃分之總培訓時數						
General level 一般級別	Training hours 培訓時數	Hour 小時	280	50	318	648
	Average training hours 平均培訓時數	Hour 小時			—	1.34
Middle management level 中級管理層	Training hours 培訓時數	Hour 小時	328	2	48	378
	Average training hours 平均培訓時數	Hour 小時			—	5.81
Senior management level 高級管理層	Training hours 培訓時數	Hour 小時	61	0	32	93
	Average training hours 平均培訓時數	Hour 小時			—	7.12

<sup>10</sup> Average training hours = Total number of training hours for employees of the category/ Number of employees of the category at the end of the Reporting Period

<sup>11</sup> The system for collection of employee training hours data was established in the Reporting Period and the data in FY2019 was not available.

<sup>10</sup> 僱員培訓時數數據收集系統於呈報期內建立，故二零一九財年的數據不可用。

<sup>11</sup> 平均培訓時數 = 該類別僱員的總培訓時數 / 呈報期末該類別僱員人數

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Community Investment

#### *Social responsibility*

The Company demonstrates its care for society by giving back to the community. We are committed to enhancing the community's well-being and social services. During the reporting period, the Company as a whole, as well as individual senior management personnel have been actively donating to various charitable organisations with a lump sum of HKD\$252,000 equivalent. On one hand, it provides funding to support charity activities. On the other hand, it motivates the staff to join the charity activities, thereby magnifying the effect.

Since 2015, the Company has sponsored the FIVB Volleyball World Grand Prix (Hong Kong), which is an international women's volleyball competition held annually by Federation Internationale de Volleyball (FIVB). The Company aims at raising public concerns and awareness of physical health by supporting the worldwide sports competition. The Company has also sponsored the World Heart Day Run for Heart 2019 event for raising awareness about cardiovascular disease including heart disease and stroke.

Since 2007, Oriental Watch Company has sponsored Médecins Sans Frontières (MSF) Day for 13 consecutive years, supporting the humanitarian work from MSF in more than 70 locations across the globe. With adequate funding, over 35,000 personnel can provide medical aid across national boundaries, regardless of their race, religion, gender and political stance.

### 社區投資

#### *社會責任*

本公司透過回饋社區，展示其對社會之關懷。我們致力提升社區福祉及社會服務。呈報期內，本公司整體以及個別高級管理人員一直向不同慈善團體積極捐輸，一次性捐贈252,000港元等值。本公司一方面出資支持慈善活動，另一方面推動員工參與慈善活動，從而提高成效。

自二零一五年以來，本公司一直贊助國際排球聯合會（國際排聯）每年舉辦的國際女排比賽—國際排聯世界大獎賽（香港）。本公司旨在透過支持世界體育競賽來提高大眾對身體健康的關注及意識。本公司亦贊助「世界心臟日2019」健心跑，以提高人們對心臟病及中風等心血管疾病的意識。

自二零零七年以來，東方表行公司已連續13年贊助無國界醫生（無國界醫生）日，以支持無國界醫生組織在全球70多個地方開展的人道主義工作。有了充足的資金，無論種族、宗教、性別及政治立場，超過35,000名人員可提供跨越國界的醫療援助。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Labour Standards

#### *Anti-child and anti-forced labour*

All of the Company's offices and retail stores strictly comply with the local law's requirements, with no tolerance on child and forced labour. During our hiring process, we check and verify the personal data of the potential candidates in order to prevent from hiring child or forced labour.

We have noted the requirements about child or forced labour in the local laws and regulations of our operating locations. Therefore we strictly adhere to these laws and regulations such as Employment Ordinance in Hong Kong, Labour Relations Law in Macau and Labour Law of the PRC in Mainland China. During the Reporting Period, we have not identified any material non-compliance with the aforesaid employment laws and regulations.

### ENVIRONMENTAL

The Company exerts its best efforts in protecting the environment from its business activities and workplace. The Company is committed to promoting the green concept by introducing environmentally friendly business practices and educating its employees to raise their awareness on environmental protection.

Multiple measures have been adopted to reduce energy and other resource use, minimise waste, increase recycling and promote environmentally friendly practices in its supply chain and retail network operations. During FY2020, owing to the outbreak of COVID-19, this has resulted in a decrease of our overall sales revenue. Along with the utilisation of flexible work arrangements, the overall consumption of energy and use of other resources (including packaging materials) of FY2020 decreased as compared to that of FY2019.

### 勞工標準

#### *防止童工及防止強制勞工*

本公司所有辦公室及零售店嚴格遵守地方法律規定，絕不容許童工及強制勞工。在我們僱用過程中，我們檢查並核實潛在應徵者之個人資料，旨在防止僱用童工或強制勞工。

我們已注意到我們營業地點之當地法律及法規有關童工或強制勞工之規定。因此，我們恪守此等法律及法規，如香港之僱傭條例、澳門之勞動關係法及中國內地之中國勞動法。呈報期內，我們尚未發現上述僱傭法律及法規有任何重大違規情況。

### 環境

本公司竭盡全力保護環境，使環境免受業務活動及工作場所影響。本公司致力推廣綠色概念，引入環保商業慣例，並教導僱員提升環保意識。

本公司已採取多項措施，以於其供應鏈及零售網絡營運中減少使用能源及其他資源，盡量減少廢棄物，加強回收，以及宣揚實踐環保。於二零二零財年，由於COVID-19爆發，導致我們的整體銷售收入下降。由於實行靈活的工作安排，二零二零財年的能源及其他資源(包括包裝材料)消耗總量與二零一九財年相比有所下降。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

During our daily operations, we are subject to the Product Eco-responsibility Ordinance and Motor Vehicle Idling (Fixed Penalty) Ordinance in Hong Kong, environmental laws in Macau (i.e. Section 2/91/M), and Law of the PRC on Prevention and Control of Pollution from Environmental Noise and Environmental Protection Law of the PRC in Mainland China. We strictly adhere to all applicable environmental laws and regulations and we have not identified any material non-compliance with the aforesaid laws and regulations during the Reporting Period.

### Use of Resources

Owing to the nature of our retail business, our operations do not involve significant water consumption and no issue in sourcing water that is fit for purpose was noted during the Reporting Period. Fuels, electricity and packaging bags are the major resources we use in our luxury watch retail business.

### Energy consumption

During the Reporting Period, the types and amount of energy consumed were as follows:

於日常營運過程中，我們須受香港之產品環保責任條例及汽車引擎空轉(定額罰款)條例、澳門之環境法(即第2/91/M條)、中國內地之有關中國防止及控制環境噪音污染之法律及中國環保法約束。本公司恪守一切適用環境法律及法規，而我們於呈報期內尚未發現上述法律及法規有任何重大違規情況。

### 資源使用

基於零售業務之性質，我們之營運不涉及大量耗水，及於呈報期內在獲取適用水源方面並無任何問題。燃料、電力及包裝袋為我們用於名貴鐘錶零售業務之主要資源。

### 耗能

呈報期內，所耗能源類型及量值如下：

Energy Type	Unit	FY2020 二零二零財年		FY2019 二零一九財年	
		Amount	Intensity (Per square foot of operating locations) 程度(每平方呎營業地點)	Amount	Intensity (Per square foot of operating locations) 程度(每平方呎營業地點)
能源類型	單位	量值	呎營業地點)	量值	呎營業地點)
Electricity <sup>12</sup>	電 <sup>12</sup> kWh 千瓦小時	2,561,487	44.69	2,780,631	48.54
Diesel	柴油 Liter 公升	11,326	0.20	14,148	0.25
Petrol	汽油 Liter 公升	22,503	0.39	23,682	0.41

<sup>12</sup> During the Reporting Period, we have established a system for collection of electricity data in China regions, while in FY2019, only data for Hong Kong and Macau regions was collected.

<sup>9</sup> 呈報期內，我們已設立收集中華地區電力數據之系統，但於二零一九財年，則僅收集香港及澳門地區之數據。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

To minimise energy consumption in its retail stores and offices, the Company advocates the efficient use of energy by adopting green technologies and close monitoring on operations. As a retailer of luxury watches, the most significant use of energy has arisen from the electricity consumption in retail stores for air conditioning and lighting. The Company monitors technology advancements in lighting systems and upgrades the systems accordingly so as to increase overall operating efficiency. For instance, the Company has replaced many of the traditional light bulbs with LED ones, which are more energy efficient. In addition, the Company measures and records the energy consumption on an on-going basis to analyse its energy consumption efficiency.

### Use of packaging materials

We consume packaging bags and materials in our business. During the Reporting Period, the packaging materials consumed were as follows:

		Unit 單位	FY2020 二零二零財年 Amount 量值	FY2019 二零一九財年 Amount 量值
Packaging materials	包裝材料	kg 千克	13,357	14,720

During the Reporting Period, we have established a more comprehensive data collection system for our packaging materials. In addition to the record of normal packaging materials presented in FY2019, we have consolidated our consumption of all other kinds of shopping bags including recycled shopping bags.

All of the packaging bags distributed to customers are made of Forest Stewardship Council (“FSC”) accredited paper which are more environmentally friendly. Furthermore, the packaging bags are designed to fit the product size in order to avoid excessive packaging. Packaging bags will only be distributed upon customers’ request.

為盡量降低零售店及辦公室能耗，本公司提倡有效使用能源，於經營過程中採用環保技術，密切監察。作為名貴鐘錶零售商，最大能耗來自零售店之空調及照明耗電。本公司留意照明系統的技術發展，並作相應升級，從而提升整體經營效益。例如，本公司以能源效益較高之LED燈泡取代大部分傳統燈泡。此外，本公司會持續計量及記錄能耗，以分析其能耗效益。

### 使用包裝材料

我們營業時耗用包裝袋及材料。呈報期內，所耗包裝材料如下：

呈報期內，我們已就包裝材料設立更完善之數據收集系統。除二零一九財年呈列之正規包裝材料記錄外，我們亦已整合所有其他類型購物袋之耗用，包括循環再用購物袋。

至於給予顧客之包裝袋，全部以經森林管理委員會認證之紙張製成，更為環保。此外，包裝袋配合產品大小設計，避免過度包裝。包裝袋僅應顧客要求提供。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Emissions

Owing to the nature of our retail business, the Company has no production activities or facilities. Therefore, there were no sewage discharge to the environment during the Reporting Period.

### Non-hazardous waste

Owing to the Company's retail business nature, no hazardous waste was produced during the Reporting Period. For non-hazardous wastes, the major type was the paper used for administrative work and the details of non-hazardous wastes created were as follows:

Type	Unit	FY2020 二零二零財年		FY2019 二零一九財年	
		Quantity	Intensity (Per square foot of operating locations)	Quantity	Intensity (Per square foot of operating locations)
類型	單位	數量	程度(每平方呎營業地點)	數量	程度(每平方呎營業地點)
Non-hazardous waste 無害廢棄物	tonnes 噸	21.76	0.00038	24.17	0.00042

As compared to FY2019, the reduction of non-hazardous waste was mainly caused by a lower usage of paper and our effective paper recycling initiatives.

To reduce office waste paper, the Company has been creating a paperless working environment through increasing the use of internet system gradually. On one hand, it reduces environmental damage; on the other hand, it fits commercial goals, as this saves office space used for storing hardcopies and facilitates efficient information sharing via office network. Furthermore, double-sided printing and copying has become compulsory in the Company except for special circumstances with approval obtained. Only used paper can be used as draft paper by staff. Collection boxes have been put in place to collect single-side used paper for reuse and other scrap paper for recycling. These can help reduce paper consumption and save costs substantially. To monitor the paper usage efficiency, consumption records of paper and printing have been regularly collected, assessed and monitored.

### 排放物

基於零售業務之性質，本公司並無生產活動或設施，故此，於呈報期內並無向環境排放污水。

### 無害廢棄物

基於本公司零售業務之性質，於呈報期內並無產生有害廢棄物。就無害廢棄物而言，主要類別為行政工作所用紙張，而所產生無害廢棄物之詳情如下：

相較於二零一九財年，無害廢棄物減少，主要歸功於用紙減少及紙張循環再用措施見效。

為減少辦公室廢紙，本公司已透過逐步增加使用互聯網系統，營造無紙工作環境。此舉一方面可減少損害環境，一方面可節省用以儲存紙印文件之辦公空間，同時透過辦公室網絡有效分享資訊，切合商業目標。再者，本公司規定除非於特殊情況下獲得批准，否則必須使用雙面打印及複印。員工僅可以已使用紙張作草稿紙。同時設置收集箱，收集單面紙以作重複利用，收集其他廢紙以作回收。此等措施有助減少紙張消耗，並可大幅節省成本。為監察紙張使用效益，本公司定期收集、評估及監察紙張及打印消耗紀錄。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Air emissions

We maintain vehicles for our executives and customers, as well as for delivery purposes. Such vehicles are the major source of our air emissions. During the Reporting Period, our air emissions details were as follows:

#### Source of emission<sup>13</sup>

排放源<sup>13</sup>

Nitrogen oxides (“NOx”)	氮氧化物(「NOx」)	tonnes 噸
Sulphur oxides (“SOx”)	硫氧化物(「SOx」)	tonnes 噸
Particular matter (“PM”)	懸浮粒子(「PM」)	tonnes 噸

We are aware of the air emissions generated from our use of vehicles so that we have established internal procedures to reduce the negative impact and ensure the compliance with the Air Pollution Control Ordinance in Hong Kong and Environmental Protection Law of the PRC. For example, we monitored the vehicle conditions on a regular basis and arranged the vehicles for annual test by the local authority.

### Greenhouse gas emissions

The Company’s major business is luxury watches retailing in different geographical areas of the Greater China region, the major direct greenhouse gas emissions (Scope 1 emission) of the Company came from the use of vehicles. Our major indirect greenhouse gas emissions (Scope 2 emission) and other indirect greenhouse emissions (Scope 3 emission)

### 氣體排放

我們為行政人員及客戶保養汽車及作付運用途。相關汽車為氣體排放之主要源頭。呈報期內，我們之氣體排放詳情如下：

	FY2020 二零二零財年 Amount 量值	FY2019 二零一九財年 Amount 量值
	<b>0.13</b>	0.16
	<b>0.00051</b>	0.00058
	<b>0.012</b>	0.015

我們察覺到使用汽車產生之氣體排放，因此我們已設立內部程序降低負面影響，並確保遵守香港空氣污染管制條例及中國環保法。例如，我們定期監控汽車狀態，並安排汽車讓當地機關作年度檢測。

### 溫室氣體排放

本公司之主要業務為於大中華地區不同地區從事名貴鐘錶零售，故本公司之直接溫室氣體排放(範疇一排放)主要來自使用汽車。我們之間接溫室氣體排放(範疇二

<sup>13</sup> The calculation of air emissions was based on the “Reporting Guidance on Environmental KPIs” of the Stock Exchange of Hong Kong Limited.

<sup>13</sup> 氣體排放量乃基於香港聯合交易所有限公司之「環境關鍵績效指標匯報指引」計算。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

came from the electricity consumption and paper use of offices and retail stores respectively. The details of the greenhouse gas emission (“CO<sub>2</sub>e”) were as follows:

排放)及其他間接溫室氣體排放(範疇三排放)主要來自辦公室及零售店耗電及用紙。溫室氣體排放(「CO<sub>2</sub>e」)詳情如下:

Source of emission <sup>14</sup>			FY2020 二零二零財年		FY2019 二零一九財年		
			Unit	Quantity	Intensity (Per square foot of operating locations) 程度(每平方呎營業地點)	Quantity	Intensity (Per square foot of operating locations) 程度(每平方呎營業地點)
排放源 <sup>14</sup>			單位	數量	呎營業地點)	數量	呎營業地點)
Scope 1 <sup>15</sup>	範疇一 <sup>15</sup>	tonne CO <sub>2</sub> e 噸 CO <sub>2</sub> e		<b>91.58</b>	<b>0.0016</b>		
Scope 2 <sup>16</sup>	範疇二 <sup>16</sup>	tonne CO <sub>2</sub> e 噸 CO <sub>2</sub> e		<b>1,667.42</b>	<b>0.030</b>	1,975.03	0.034
Scope 3 <sup>17</sup>	範疇三 <sup>17</sup>	tonne CO <sub>2</sub> e 噸 CO <sub>2</sub> e		<b>51.86</b>	<b>0.00090</b>		
Total	總計	tonne CO <sub>2</sub> e 噸 CO <sub>2</sub> e		<b>1,810.86</b>	<b>0.032</b>		

We are cautious about the environment and the carbon footprints in our operations. We have put into practice certain environmentally friendly initiatives in reducing the greenhouse gas emission. Please refer to Use of Resources for details.

我們對營運之環境及碳足印保持警覺。我們已實踐若干環保措施來減少溫室氣體排放。詳情請參考資源使用。

<sup>14</sup> The calculation of greenhouse gas emissions was based on the “Greenhouse Gas Protocol” published by World Resources Institute and World Business Council on Sustainable Development, “Reporting Guidance on Environmental KPIs” published by the Stock Exchange of Hong Kong Limited, “Guidelines to Account for and Report on Greenhouse Gas Emission and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong” by Hong Kong Environmental Protection Department and Electrical and Mechanical Services Department, “CLP Sustainability Report 2018” by CLP Holdings Limited, “HONG KONG Electric Sustainability Report 2018” by Hongkong Electric Company Limited, “CEM Sustainability Report 2017” by Companhia de Electricidade de Macau, “陸上交通運輸企業溫室氣體排放核算方法與報告指南(試行)” published by the National Development and Reform Commission of the PRC, and “2017年度減排項目中國區域電網基準線排放因子” published by the Ministry of Ecology and Environment of the PRC.

<sup>15</sup> This is the first year for the company to separately disclose Scope 1 emission, which include carbon emission from vehicles.

<sup>16</sup> This is the first year for the company to separately disclose Scope 2 emission, which include carbon emission from electricity consumption by the company.

<sup>17</sup> This is the first year for the company to separately disclose Scope 3 emission, which include carbon emission from paper usage by the company.

<sup>14</sup> 溫室氣體排放量計算乃基於世界資源研究所及世界可持續發展商業理事會公佈之「溫室氣體議定書」、香港聯合交易所有限公司公佈之「環境關鍵績效指標匯報指引」、香港環境保護署及機電工程署公佈之「香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引」、中華電力有限公司之「中電集團2018可持續發展報告」、香港電燈有限公司之「港燈2018年可持續發展報告」、澳門電力股份有限公司之「澳門電力可持續發展報告2017」、中國國家發展和改革委員會公佈之「陸上交通運輸企業溫室氣體排放核算方法與報告指南(試行)」及中國生態環境部公佈之「2017年度減排項目中國區域電網基準線排放因子」。

<sup>15</sup> 本年度乃本公司首次單獨披露範疇一排放，其中包括汽車的碳排放。

<sup>16</sup> 本年度乃本公司首次單獨披露範疇二排放，其中包括公司耗電的碳排放。

<sup>17</sup> 本年度乃本公司首次單獨披露範疇三排放，其中包括公司用紙的碳排放。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Environmental Impacts from Investments

As most of our retail stores are located at central business areas, the Company endeavours to minimise its impacts on the environment by identifying, assessing and managing environmental impacts resulting from its various operational activities regularly. For any significant impacts identified, the Company will immediately formulate and execute the corresponding mitigation measures and monitor its effectiveness continuously to ensure the impacts have been resolved.

#### External lighting

As a luxury watch retailer, the Company uses standout advertising signs to attract customers, which may create certain level of light. In view of that, the Company has signed up to the “Charter on External Lighting” launched by the Environment Bureau of the Government of the Hong Kong Special Administration Region such that all advertising signs of the retail stores will be switched off between 11p.m. and 7a.m. on the following day.

#### Renovation works

Renovation works are carried out regularly to ensure our retail shops offer pleasant environment to customers and to increase our bargaining power when negotiating rental terms with landlords. As such, noise and dust will be resulted from the renovation works and affect the neighbourhood. Although all renovation works are outsourced to third party contractors which the Company has no direct control, we require our contractors to execute all possible measures in mitigating the negative impacts on the neighbourhood, for example, requiring renovation works to be carried out during non-peak hours and installing barriers to prevent dust and noise from spreading out.

### 投資對環境的影響

由於大部分零售店位於中央商業區，因此，本公司致力降低其對環境之影響，定期識別、評估及管理其各類營運活動對環境造成之影響。任何重大影響一經識別，本公司將即時制定及執行相應之應對措施，並持續監察其成效，以確保有關影響得到解決。

#### 戶外燈光

身為名貴鐘錶零售商，本公司使用廣告牌吸引顧客，可能發出一定程度之亮光。有鑑於此，本公司已簽署香港特別行政區政府環境局推出之「戶外燈光約章」，各零售店所有廣告牌會於下午十一時正至翌日上午七時正關掉。

#### 裝修工程

本公司定期裝修零售店，以確保各店舖為顧客提供舒適環境，與業主磋商租務條款時亦可增加議價能力。因此，裝修工程會產生噪音及粉塵，影響週遭居民商舖。儘管裝修工程全部外判予第三方承建商進行，本公司並無直接控制權，然而，我們要求承建商採取一切可行措施，減輕對鄰近環境之負面影響，例如，要求裝修工程於非繁忙時間進行，並裝設屏障防止粉塵飄散及噪音。

# DIRECTORS' REPORT

## 董事會報告

The directors present their annual report and the audited consolidated financial statements for the year ended 31 March 2020.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company as well as engaged in watch trading. The principal activities of its principal subsidiaries are set out in note 39 to the consolidated financial statements. The Company and its subsidiaries are collectively referred to as the "Group".

### RESULTS AND DIVIDENDS

The results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 83 to 84.

An interim dividend of 2.8 Hong Kong cents per share and a special dividend of 8.7 Hong Kong cents per share was declared and paid to the shareholders during the year. A final dividend of 8.0 Hong Kong cents per share and a special dividend of 5.0 Hong Kong cents per share being proposed by the directors are subject to approval by the shareholders in the forthcoming annual general meeting.

### RESERVES

As at 31 March 2020, the Company's reserves available for distribution consisted of contributed surplus of HK\$122,183,000, dividend reserve of HK\$74,147,000 and retained profits of HK\$76,300,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) to do so would render the Company unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than its liabilities.

董事會謹此提呈截至二零二零年三月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為投資控股公司並從事鐘表貿易業務。其主要附屬公司之主要業務載於綜合財務報表附註39。本公司及其附屬公司統稱「本集團」。

### 業績及股息

本集團於本年度之業績載於第83頁至84頁之綜合損益及其他全面收益表。

年內，本公司已向股東宣派及派付中期股息每股2.8港仙及特別股息每股8.7港仙。董事亦建議派付末期股息每股8.0港仙及特別股息每股5.0港仙，須待股東於應屆股東週年大會上批准，方可作實。

### 儲備

於二零二零年三月三十一日，本公司可供分派之儲備包括繳入盈餘122,183,000港元、股息儲備74,147,000港元及保留溢利76,300,000港元。

根據百慕達一九八一年公司法(經修訂)，本公司繳入盈餘賬可用作分派。然而，倘出現下列情況，本公司不可由繳入盈餘中宣派或支付股息，或作出分派：

- (a) 此舉將導致本公司無法償還其到期負債；或
- (b) 其資產之可變現價值會低於其負債。

# DIRECTORS' REPORT

## 董事會報告

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred approximately HK\$44.2 million on the purchase of property, plant and equipment. Details of these and other movements in property, plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

#### Executive directors:

Dr. Yeung Ming Biu (*Chairman*)  
Mr. Yeung Him Kit, Dennis  
(*Deputy Chairman and Managing Director*)  
Madam Yeung Man Yee, Shirley  
Mr. Lam Hing Lun, Alain  
Mr. Choi Kwok Yum (*resigned on 1 June 2020*)

#### Independent non-executive directors:

Dr. Sun Ping Hsu, Samson  
Dr. Li Sau Hung, Eddy  
Mr. Choi Man Chau, Michael

In accordance with Bye-law 87 of the Company's Bye-laws, Mr. Yeung Him Kit, Dennis, Dr. Sun Ping Hsu, Samson and Mr. Choi Man Chau, Michael retire and, being eligible, offer themselves for re-election.

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Details of the remuneration paid by the Group to the directors of the Company and the senior management of the Group for the year ended 31 March 2020 are set out in note 11 to the consolidated financial statements.

During the year ended 31 March 2020 and up to the date of this report, the other director of subsidiary of the Company was Madam Cheong, Wai Lin.

### 物業、機器及設備

年內，本集團動用約44,200,000港元購置物業、機器及設備。有關詳情以及本集團之物業、機器及設備於年內之其他變動詳情載於綜合財務報表附註15。

### 董事及董事服務合約

本公司於年內及截至本報告日期之董事如下：

#### 執行董事：

楊明標博士(*主席*)  
楊衍傑先生  
(*副主席兼董事總經理*)  
楊敏儀女士  
林慶麟先生  
蔡國欽先生(*於二零二零年六月一日辭任*)

#### 獨立非執行董事：

孫秉樞博士  
李秀恒博士  
蔡文洲先生

根據本公司之公司細則第87條，楊衍傑先生、孫秉樞博士及蔡文洲先生均須告退，惟符合資格並願膺選連任。

董事概無與本公司或其任何附屬公司訂立本集團不作賠償(法定賠償除外)則不得於一年內終止之服務合約。

截至二零二零年三月三十一日止年度本集團支付予本公司董事及本集團高級管理層之薪酬詳情載於綜合財務報表附註11。

截至二零二零年三月三十一日止年度及直至本報告日期，本公司附屬公司之其他董事為莊蕙蓮女士。

# DIRECTORS' REPORT

## 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 March 2020, the interests of the directors of the Company in the shares and underlying shares of the Company, as recorded in the register required to be kept under Section 352 of the Hong Kong Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

### 董事擁有之證券權益及淡倉

根據香港證券及期貨條例(「證券及期貨條例」)第352條規定保管之登記冊所記錄，於二零二零年三月三十一日，本公司之董事於本公司之股份及相關股份中擁有之權益，或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益如下：

Name of director	董事姓名	Number of shares held			Total number of shares	Percentage of issued share capital of the Company 佔本公司已發行股本百分比
		Personal interest	Family interest	Corporate interest		
		個人權益	家族權益	公司權益	股份總數	
Dr. Yeung Ming Biu	楊明標博士	19,669,583	7,920,000	128,164,561 (note (a)) (附註(a))	155,754,144	27.31%
Mr. Yeung Him Kit, Dennis	楊衍傑先生	5,524,000	—	(note (b)) (附註(b))	5,524,000	0.97%
Madam Yeung Man Yee, Shirley	楊敏儀女士	2,640,000	221,161	(note (c)) (附註(c))	2,861,161	0.50%
Mr. Lam Hing Lun, Alain	林慶麟先生	3,600,000	—	—	3,600,000	0.63%
Mr. Choi Kwok Yum	蔡國欽先生	3,600,000	—	—	3,600,000	0.63%
Dr. Sun Ping Hsu, Samson	孫秉樞博士	—	—	3,200,000 (note (d)) (附註(d))	3,200,000	0.56%

# DIRECTORS' REPORT

## 董事會報告

### Notes:

- (a) Dr. Yeung Ming Biu and his wife, Madam Au Po Kee, are the beneficial owners of 10% and 30.8% respectively of the issued share capital of Realtower Holdings Limited. Realtower Holdings Limited and Dr. Yeung Ming Biu are the respective beneficial owners of 55% and 10% of the issued share capital of Furama Investments Limited, which is the beneficial owner of 80% of the issued share capital of Datsun Holdings Limited. He and his wife are also the beneficial owners of about 26.8% and 17.9% respectively of the issued share capital of Real Champ Limited, which is the beneficial owner of 20% of the issued share capital of Datsun Holdings Limited. Datsun Holdings Limited is the beneficial owner of 127,776,000 shares in the Company.

Dr. Yeung Ming Biu is the beneficial owner of 47.5% of the issued share capital of Y.H. Chan Limited, which is the beneficial owner of 25% of the issued share capital of Furama Investments Limited. Y.H. Chan Limited also directly holds 388,561 shares in the Company.

- (b) Mr. Yeung Him Kit, Dennis and his wife are the beneficial owners of an aggregate of about 16.7% of the issued share capital of Realtower Holdings Limited. He is also the beneficial owner of about 14.3% of the issued share capital of Real Champ Limited.
- (c) Madam Yeung Man Yee, Shirley is the beneficial owner of about 13.3% of the issued share capital of Realtower Holdings Limited.
- (d) Dr. Sun Ping Hsu, Samson and his family members are the beneficial owners of the entire issued share capital of Sun International Limited, which is the beneficial owner of 3,200,000 shares in the Company.

Save as disclosed above, as at 31 March 2020, none of the directors of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

### 附註:

- (a) 楊明標博士及其妻子區寶琪女士分別實益擁有 Realtower Holdings Limited 已發行股本 10% 及 30.8%。Realtower Holdings Limited 及楊明標博士各自實益擁有 Furama Investments Limited 已發行股本 55% 及 10%。Furama Investments Limited 實益擁有 Datsun Holdings Limited 已發行股本 80%。他與其妻子亦分別實益擁有 Real Champ Limited 已發行股本約 26.8% 及 17.9%，Real Champ Limited 實益擁有 Datsun Holdings Limited 已發行股本 20%。Datsun Holdings Limited 實益擁有 127,776,000 股本公司股份。

楊明標博士實益擁有陳耀洪有限公司已發行股本 47.5%。陳耀洪有限公司實益擁有 Furama Investments Limited 已發行股本 25%。陳耀洪有限公司亦直接持有 388,561 股本公司股份。

- (b) 楊衍傑先生及其妻子合共實益擁有 Realtower Holdings Limited 已發行股本約 16.7%。他亦實益擁有 Real Champ Limited 已發行股本約 14.3%。
- (c) 楊敏儀女士實益擁有 Realtower Holdings Limited 已發行股本約 13.3%。
- (d) 孫秉樞博士及其家族成員實益擁有 Sun International Limited 全部已發行股本。Sun International Limited 實益擁有 3,200,000 股本公司股份。

除上文所披露者外，於二零二零年三月三十一日，根據證券及期貨條例第 352 條規定保管之登記冊所記錄，本公司之董事概無於本公司或其任何相聯法團（定義見證券及期貨條例第 XV 部）之任何股份、相關股份或債券中擁有任何權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

# DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

#### (a) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3 November 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3 November 2003.

Under the 2003 Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company, the trustee of the eligible persons or a company beneficially owned by the eligible persons. The purpose of the 2003 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

### 購股權計劃及董事購買股份或債券之權利

#### (a) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司已採納購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起計有效十年。

根據二零零三年購股權計劃，購股權可授予本集團之任何董事、僱員、顧問、客戶、供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司、合資格人士之信託人或合資格人士實益擁有之公司。二零零三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。根據聯交所證券上市規則（「上市規則」），除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

# DIRECTORS' REPORT

## 董事會報告

The 2003 Share Option Scheme expired on 2 November 2013. The options could be exercised by the participants at any time during the option period and notwithstanding that the 2003 Share Option Scheme had expired.

The following table discloses movements of the options granted under the 2003 Share Option Scheme to directors, certain employees and consultants during the year:

二零零三年購股權計劃於二零一三年十一月二日屆滿。購股權可由參與者於購股權期間任何時間予以行使，而不論二零零三年購股權計劃已屆滿。

下表披露董事、若干僱員及顧問於年內根據二零零三年購股權計劃獲授購股權之變動：

Name of category of participant	Date of grant of options	Original exercise price per share	Adjusted exercise price per share	Exercisable period	Number of shares under options at 1.4.2017 and 31.3.2018 於二零一七年四月一日至二零一八年三月三十一日 購股權涉及之股份數目	Forfeited during the year ended 31.3.2019 於截至二零一九年三月三十一日止年度沒收	Number of shares under options at 31.3.2019 and 31.3.2020 於二零一九年三月三十一日至二零二零年三月三十一日 購股權涉及之股份數目
參與者類別名稱	購股權授出日期	原有每股行使價 HK\$ 港元 (note a) (附註a)	經調整每股行使價 HK\$ 港元 (note a) (附註a)	可行使期間			
<b>Directors</b>							
<b>董事</b>							
Dr. Yeung Ming Biu 楊明標博士	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	1,440,000	–	1,440,000
Mr. Yeung Him Kit, Dennis 楊衍傑先生	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	1,440,000	–	1,440,000
Madam Yeung Man Yee, Shirley 楊敬儀女士	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	1,440,000	–	1,440,000
Mr. Lam Hing Lun, Alain 林慶麟先生	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	3,600,000	–	3,600,000
Mr. Choi Kwok Yum (resigned on 1 June 2020) 蔡國欽先生 (於二零二零年六月一日辭任)	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	3,600,000	–	3,600,000
					11,520,000	–	11,520,000
<b>Other employees</b>							
<b>其他僱員</b>							
Type A (note b) A類(附註b)	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	14,400,000	–	14,400,000
Type B (note c) B類(附註c)	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021	18,000,000	–	18,000,000
<b>Consultants</b>							
<b>顧問</b>							
Type A (note b) A類(附註b)	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	5,640,000	(3,000,000)	2,640,000
Type B (note c) B類(附註c)	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021	5,000,000	–	5,000,000
<b>Total</b> 總計					54,560,000	(3,000,000)	51,560,000

### Notes:

- (a) An ordinary resolution was passed by the shareholders at the annual general meeting of the Company held on 28 July 2011 approving a bonus issue of shares to shareholders of the Company on the basis of one new ordinary share for every five ordinary shares held. The number of shares under the outstanding options and the exercise price per share of the outstanding options were adjusted accordingly pursuant to the terms of the 2003 Share Option Scheme.
- (b) Type A represented share options were granted on 6 April 2011.
- (c) Type B represented share options were granted on 29 August 2011.

### (b) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13 August 2013, a new share option scheme was adopted with effect on 3 November 2013 (the "2013 Share Option Scheme") after the expiry of the 2003 Share Option Scheme.

Under the 2013 Share Option Scheme, options may be granted to (i) any director, employee or consultant of the Group or a company in which the Company holds an equity interest or a subsidiary of such company ("Affiliate"); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at the date of this report is 57,061,022 shares, representing about 10% of the issued share capital of the Company on such date. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed

### 附註：

- (a) 股東在本公司於二零一一年七月二十八日舉行之股東週年大會上通過普通決議案，批准派送紅股予本公司股東，基準為每持有五股普通股可獲派一股新普通股。未行使購股權之股份數目及未行使購股權之每股行使價已根據二零零三年購股權計劃之條款作出相應調整。
- (b) A類指於二零一一年四月六日授出之購股權。
- (c) B類指於二零一一年八月二十九日授出之購股權。

### (b) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零零三年購股權計劃屆滿後，一項於二零一三年十一月三日生效之新購股權計劃（「二零一三年購股權計劃」）獲採納。

根據二零一三年購股權計劃，購股權可授予(i)本集團或本公司於其中持有股本權益之公司或該公司之附屬公司（「聯屬公司」）之任何董事、僱員或顧問；或(ii)受益人包括本集團或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)為本集團或本集團之業務服務而對或預期對本集團之業務或經營作出貢獻之任何客戶、供應商或顧問。二零一三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。於本報告日期，二零一三年購股權計劃項下可供發行之股份數目合共為57,061,022股，相當於該日本公司已發行股本約10%。根據上市規則，除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股

## DIRECTORS' REPORT

### 董事會報告

1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme will remain in force until 2 November 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme during the year since its effective date on 3 November 2013 and there was no outstanding share option as at 31 March 2020.

本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零一三年購股權計劃將一直有效，直至二零二三年十一月二日。

自其生效日期二零一三年十一月三日起至本年度內，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零二零年三月三十一日亦無未行使購股權。

# DIRECTORS' REPORT

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS

As at 31 March 2020, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following persons (not being a director or chief executive of the Company) had interests in the share capital of the Company:

#### Name of shareholder

#### 股東名稱

		Number of shares held	Percentage of issued share capital of the Company
		所持股份數目	佔本公司已發行股本百分比
Datsun Holdings Limited	Datsun Holdings Limited	127,776,000	22.40%
Furama Investments Limited (Note 1)	Furama Investments Limited (附註1)	127,776,000	22.40%
Realtower Holdings Limited (Note 1)	Realtower Holdings Limited (附註1)	127,776,000	22.40%
FMR LLC	FMR LLC	57,035,800	9.99%
Pandanus Associates Inc.	Pandanus Associates Inc.	47,784,000	8.38%
Pandanus Partners L.P. (Notes 2 and 3)	Pandanus Partners L.P. (附註2及3)	47,784,000	8.38%
483A Bay Street Holdings LP (Note 3)	483A Bay Street Holdings LP (附註3)	46,002,000	8.07%
483A Bay Street Holdings Management LLC	483A Bay Street Holdings Management LLC	46,002,000	8.07%
Fidelity Canada Investors LLC (Note 3)	Fidelity Canada Investors LLC (附註3)	46,002,000	8.07%
FIL Limited (Note 3)	FIL Limited (附註3)	46,002,000	8.07%
Ntasian Discovery Master Fund	Ntasian Discovery Master Fund	29,164,000	5.11%
TIG Advisors LLC	TIG Advisors LLC	16,134,000	5.05% (Note 4) (附註4)

#### Notes:

1. Realtower Holdings Limited holds 55% of the issued share capital of Furama Investments Limited, which holds 80% of the issued share capital of Datsun Holdings Limited. Accordingly, both Realtower Holdings Limited and Furama Investments Limited are deemed under the SFO to be interested in the 127,776,000 shares in the Company held by Datsun Holdings Limited.
2. Pandanus Partners L.P. was 100% owned by Pandanus Associates Inc.

### 主要股東

本公司根據證券及期貨條例第336條規定存置之登記冊所示，於二零二零年三月三十一日，以下人士(並非為本公司之董事或最高行政人員)於本公司股本中擁有權益。

#### Percentage of issued share capital of the Company

#### 佔本公司已發行股本百分比

		Number of shares held	Percentage of issued share capital of the Company
		所持股份數目	佔本公司已發行股本百分比
Datsun Holdings Limited	Datsun Holdings Limited	127,776,000	22.40%
Furama Investments Limited (Note 1)	Furama Investments Limited (附註1)	127,776,000	22.40%
Realtower Holdings Limited (Note 1)	Realtower Holdings Limited (附註1)	127,776,000	22.40%
FMR LLC	FMR LLC	57,035,800	9.99%
Pandanus Associates Inc.	Pandanus Associates Inc.	47,784,000	8.38%
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FIL Limited (Note 3)	FIL Limited (附註3)	46,002,000	8.07%
Ntasian Discovery Master Fund	Ntasian Discovery Master Fund	29,164,000	5.11%
TIG Advisors LLC	TIG Advisors LLC	16,134,000	5.05% (Note 4) (附註4)

#### 附註:

1. Realtower Holdings Limited 持有 Furama Investments Limited 已發行股本 55%，Furama Investments Limited 則持有 Datsun Holdings Limited 已發行股本 80%。因此，根據證券及期貨條例，Realtower Holdings Limited 及 Furama Investments Limited 均被視為擁有 Datsun Holdings Limited 所持之 127,776,000 股本公司股份權益。
2. Pandanus Partners L.P. 由 Pandanus Associates Inc. 擁有 100% 之權益。

# DIRECTORS' REPORT

## 董事會報告

3. These companies were related. FIL Limited was 37.51% controlled by Pandanus Partners L.P.
4. This percentage is according to the latest notice filed under the SFO on 15 January 2008 on the basis of 319,253,000 shares then in issue.

Save as disclosed above, at 31 March 2020, there was no person who had any interests or short position in the shares or underlying shares of the Company according to the register maintained by the Company pursuant to Section 336 of the SFO.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent.

### INTERESTS IN TRANSACTIONS, ARRANGEMENT AND CONTRACTS OF SIGNIFICANCE

There were no transactions, arrangements and contracts of significance to which the Company or any of its subsidiaries was a party and in which a director or a connected entity of a director of the Company had a material interest, whether directly or indirectly, subsisting at the end of the year or at any time during the year.

There is no contract of significance between the Group and a controlling shareholder of the Company (as defined in the Listing Rules) or any of its subsidiaries, including for the provision of services to the Group.

3. 該等公司互相為關連人士。FIL Limited由Pandanus Partners L.P. 控制37.51%之權益。
4. 該百分比乃根據二零零八年一月十五日根據證券及期貨條例存檔之最新通知按319,253,000股當時已發行股份釐定。

按本公司根據證券及期貨條例第336條規定存置之登記冊所示，除上文所披露者外，於二零二零年三月三十一日，概無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

### 獨立非執行董事

本公司已接獲獨立非執行董事根據上市規則第3.13條有關其獨立性之年度確認書。本公司認為所有獨立非執行董事均屬獨立。

### 於重大交易、安排及合約之權益

本公司或其任何附屬公司概無訂立任何於年終或年內任何時間有效而本公司董事或其關連實體直接或間接擁有重大利益之重大交易、安排及合約。

本集團與本公司控股股東(定義見上市規則)或其任何附屬公司概無訂立任何重大合約，包括向本集團提供服務之重要合約。

# DIRECTORS' REPORT

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

The aggregate purchases during the year attributable to the Group's five largest suppliers comprised approximately 94% of the Group's total purchases while the purchases attributable to the Group's largest supplier was approximately 80% of the Group's total purchases.

None of the directors, their associates or any shareholder, which to the knowledge of the directors owned more than 5% of the Company's issued share capital, had any interest in the share capital of any of the five largest customers or suppliers of the Group.

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

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

### DONATIONS

During the year, the Group made donations totalling HK\$252,000.

### CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Group are set out in the Corporate Governance Report on pages 12 to 34.

### EMOLUMENT POLICY

As at 31 March 2020, the Group had a total of about 560 employees.

The emolument policy of the employees of the Group is set by the Remuneration Committee on the basis of their merit, qualifications and competence.

### 主要客戶及供應商

年內，本集團五大供應商應佔之總採購額佔本集團總採購額約94%，而本集團最大供應商應佔之採購額佔本集團總採購額約80%。

各董事、彼等之聯繫人或任何股東(就董事所知擁有本公司已發行股本5%以上者)概無於本集團任何五大客戶及供應商之股本中擁有任何權益。

### 買賣或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

### 捐贈

年內，本集團作出之捐贈合共252,000港元。

### 企業管治

本集團所採納之主要企業管治常規載於第12頁至第34頁之企業管治報告。

### 酬金政策

於二零二零年三月三十一日，本集團合共約有560名僱員。

本集團僱員之酬金政策由薪酬委員會按彼等之功績、資歷及能力制定。

## DIRECTORS' REPORT

### 董事會報告

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted share option schemes as an incentive to directors and employees of the Group, details of the schemes are set out in the paragraph headed "Share option schemes and directors' rights to acquire shares or debentures" above and in note 31 to the consolidated financial statements.

### AUDIT COMMITTEE AND REMUNERATION COMMITTEE

Details of the Group's Audit Committee and Remuneration Committee are set out in the Corporate Governance Report on pages 22 to 26.

### SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 29 to the consolidated financial statements.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its directors as at the latest practicable date prior to the issue of this annual report, the percentage of the Company's shares in the hands of the public exceeds 25% of the Company's total number of issued shares.

本公司董事之酬金由薪酬委員會考慮本集團之經營業績、個人表現及可資比較市場統計數字後決定。

本公司已採納購股權計劃作為董事及本集團僱員之獎勵，計劃詳情載於上文「購股權計劃及董事購買股份或債券之權利」一段及綜合財務報表附註31。

### 審核委員會及薪酬委員會

本集團審核委員會及薪酬委員會之詳情載於第22頁至第26頁之企業管治報告。

### 股本

本公司股本於年內之變動詳情載於綜合財務報表附註29。

### 優先購買權

根據本公司之公司細則或百慕達法例，並無任何規定本公司按比例向現有股東發售新股份之優先購買權條文。

### 足夠公眾持股量

根據本公司可取得之公開資料並就其董事所知，於本年報刊發前之最後可行日期，由公眾人士持有之本公司股份百分比超過本公司之已發行股份總數25%。

# DIRECTORS' REPORT

## 董事會報告

### AUDITOR

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

**Yeung Ming Bui**  
CHAIRMAN

Hong Kong, 26 June 2020

### 核數師

本公司將於股東週年大會上提呈決議案續聘德勤•關黃陳方會計師行為本公司之核數師。

代表董事會

主席  
**楊明標**

香港，二零二零年六月二十六日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

# Deloitte.

# 德勤

**To the Shareholders of  
Oriental Watch Holdings Limited**  
*(incorporated in Bermuda with limited liability)*

致：東方表行集團有限公司  
*(於百慕達註冊成立之有限公司)*  
各股東

## OPINION

## 意見

We have audited the consolidated financial statements of Oriental Watch Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 83 to 230, which comprise the consolidated statement of financial position as at 31 March 2020, 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.

本核數師(以下簡稱「我們」)已審計列載於第83頁至第230頁的東方表行集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，其中包括於二零二零年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表的附註，包括主要會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實公平地反映 貴集團於二零二零年三月三十一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善擬備。

## BASIS FOR OPINION

## 意見的基礎

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.

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key audit matter

##### 關鍵審計事項

##### **Net realisable value assessment of watches**

##### 手錶之可變現淨值評估

We identified net realisable value assessment of watches included in inventories as a key audit matter due to the significance of amount of watches to the consolidated statement of financial position as at the end of the reporting period, and significant judgements and estimate by management in determining the net realisable value for watches.

由於手錶於呈報期末的綜合財務狀況表數額龐大，且管理層於釐定手錶可變現淨值時作出重大判斷及估計，故此，我們視計入存貨之手錶之可變現淨值評估為關鍵審計事項。

As disclosed in note 4 to the consolidated financial statements, the management of the Group identifies slow-moving watches with reference to the ageing analysis. The net realisable value of the watches are determined by considering the saleability of watches based on current market conditions, pricing policies and strategies, as well as the historical/latest available sales information of similar watches. As at 31 March 2020, the carrying amount of watches (net of allowance) is HK\$780,556,000. Details of the allowance for slow-moving watches charged during the year and the carrying amount of watches (net of allowance) at 31 March 2020 are set out in notes 10 and 22 to the consolidated financial statements, respectively. 誠如綜合財務報表附註4所披露，貴集團管理層參考賬齡分析識別滯銷手錶。手錶可變現淨值乃依據現行市況、定價政策及策略，以及類似手錶的過往／最新銷售資料考慮手錶的可銷售程度而釐定。於二零二零年三月三十一日，手錶的賬面金額（扣除撥備）為780,556,000港元。有關年內扣除之滯銷手錶撥備及於二零二零年三月三十一日手錶之賬面值（扣除撥備）分別載於綜合財務報表附註10及22。

### 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。

#### How our audit addressed the key audit matter

##### 我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to the valuation of watches included:

我們有關進行手錶估值的程序包括：

- Obtaining an understanding of the Group's allowance policy on watches and evaluating management's process in identifying slow-moving watches and determining the allowance for watches;  
了解貴集團的手錶撥備政策，評價管理層識別滯銷手錶及釐定手錶撥備的程序；
- Evaluating the allowance policy adopted by the management with reference to current market conditions, historical and current sales information, pricing policy and strategies, inventory realisation plan, ageing and conditions of inventories;  
評價管理層經參考現行市況、過往及最新銷售資料、銷售政策及策略、存貨變現計劃、賬齡及存貨狀況採納的撥備政策；
- Reviewing inventory ageing analysis and analysing the level of aged inventory; and  
審閱存貨賬齡分析及分析陳舊存貨水平；及
- Evaluating the reasonableness of the estimation of the net realisable value of watches with reference to sales subsequent to the end of the reporting period, on a sample basis.  
評價經參考以抽樣基準核證的呈報期末後的銷售額所釐定手錶可變現淨值評估的合理性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION

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

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

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

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

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

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

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

### 其他資訊

貴公司董事需對其他資訊負責。其他資訊包括刊載於年報內的資訊，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資訊，我們亦不對該等其他資訊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資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實公平的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴集團的財務報告過程。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, 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 judgment and maintain professional skepticism throughout the audit. We also:

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

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照百慕達《公司法》第90條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告的內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《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，設計及執行審計程式以應對這些風險，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。
- 瞭解與審計相關的內部控制，以設計適當的審計程式，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。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### 核數師就審計綜合財務報表承擔的 責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

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

The engagement partner on the audit resulting in the independent auditor's report is Tsang Yiu Chung.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
26 June 2020

### 核數師就審計綜合財務報表承擔的 責任(續)

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

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是曾耀宗。

**德勤•關黃陳方會計師行**  
*執業會計師*  
香港  
二零二零年六月二十六日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收益	5	<b>2,352,683</b>	2,437,184
Cost of goods sold	銷貨成本		<b>(1,707,356)</b>	(1,834,224)
Gross profit	毛利		<b>645,327</b>	602,960
Other income	其他收入	6	<b>28,360</b>	42,338
Other gains and losses	其他收益及虧損	7	<b>(32,160)</b>	(11,029)
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模式下之 減值虧損(扣除撥回)	8	<b>(15,461)</b>	(253)
Distribution and selling expenses	分銷及銷售開支			
— Expenses related to leases	— 租賃之相關開支	16	<b>(144,836)</b>	(171,904)
— Other distribution and selling expenses	— 其他分銷及銷售 開支		<b>(189,579)</b>	(162,268)
Administrative expenses	行政開支		<b>(155,328)</b>	(141,346)
Finance costs	融資成本	9	<b>(14,210)</b>	(1,959)
Share of results of associates	應佔聯營公司之業績		<b>5,379</b>	3,244
Share of result of a joint venture	應佔一間合營公司之 業績		<b>(59)</b>	192
Profit before taxation	除稅前溢利	10	<b>127,433</b>	159,975
Income tax expense	所得稅開支	12	<b>(28,324)</b>	(21,936)
Profit for the year	年內溢利		<b>99,109</b>	138,039
Other comprehensive (expense) income	其他全面(開支)收益			
<i>Item that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損 益之項目:</i>			
Change in fair value of equity instruments at fair value through other comprehensive income ("FVTOCI")	按公平值計入其他 全面收益(「按公平 值計入其他全面收 益」)之股本工具之 公平值變動		<b>(696)</b>	(468)
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至 損益之項目:</i>			
Exchange difference arising on translation of foreign operations	換算海外業務所產生 之匯兌差額		<b>(40,056)</b>	(42,146)
Reclassification adjustments for the cumulative exchange differences upon deregistration of a foreign operation	一項海外業務終止註 冊後累計匯兌差額 之重新分類調整		—	2,256
Change in fair value of debt instruments at FVTOCI	按公平值計入其他全 面收益之債務工具 之公平值變動		<b>(448)</b>	60
Release on redemption of debt instruments at FVTOCI	贖回按公平值計入其 他全面收益之債務 工具時撥回		<b>(6)</b>	—
Other comprehensive expense for the year	年內其他全面開支		<b>(41,206)</b>	(40,298)
Total comprehensive income for the year	年內全面收益總額		<b>57,903</b>	97,741

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

		Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Profit (loss) for the year attributable to:	以下人士應佔年內溢利(虧損):			
Owners of the Company	本公司擁有人		<b>100,301</b>	138,099
Non-controlling interests	非控股權益		<b>(1,192)</b>	(60)
			<b>99,109</b>	138,039
Total comprehensive income (expense) attributable to:	以下人士應佔全面收益(開支)總額:			
Owners of the Company	本公司擁有人		<b>59,096</b>	97,848
Non-controlling interests	非控股權益		<b>(1,193)</b>	(107)
			<b>57,903</b>	97,741
Earnings per share	每股盈利			
Basic	基本	14	<b>17.59</b> HK cents 港仙	24.21 HK cents 港仙
Diluted	攤薄	14	<b>17.59</b> HK cents 港仙	24.21 HK cents 港仙

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2020

於二零二零年三月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	15	213,034	215,444
Right-of-use assets	使用權資產	16	287,779	—
Deposits for acquisition of property, plant and equipment	收購物業、機器及設備之按金		3,591	10,636
Interests in associates	佔聯營公司之權益	17	63,981	37,337
Interest in a joint venture	佔一間合營公司之權益	18	24,239	26,005
Equity instruments at FVTOCI	按公平值計入其他全面收益之股本工具	19	3,211	3,907
Debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具	20	9,680	5,008
Deferred tax assets	遞延稅項資產	28	5,153	24
Property rental deposits	物業租金按金		24,186	31,463
			<b>634,854</b>	329,824
Current assets	流動資產			
Inventories	存貨	22	798,693	823,654
Trade and other receivables	貿易及其他應收賬款	23	112,755	148,576
Financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益(「按公平值計入損益」)之金融資產	21	15,871	14,982
Debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具	20	7,486	1,812
Taxation recoverable	可退回稅項		7,330	4,470
Bank balances and cash	銀行結餘及現金	24	936,632	1,084,911
			<b>1,878,767</b>	2,078,405
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	25	86,774	119,026
Contract liabilities	合約負債	25	4,366	7,476
Lease liabilities	租賃負債	26	101,663	—
Taxation payable	應付稅項		12,237	2,758
Bank loans	銀行貸款	27	5,667	63,367
			<b>210,707</b>	192,627

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2020

於二零二零年三月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Net current assets	流動資產淨值		<b>1,668,060</b>	1,885,778
Total assets less current liabilities	資產總值減流動負債		<b>2,302,914</b>	2,215,602
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	28	<b>2,864</b>	2,001
Lease liabilities	租賃負債	26	<b>205,773</b>	—
Derivative financial instruments at FVTPL	按公平值計入其他全面收益之衍生金融工具	17	<b>10,991</b>	—
			<b>219,628</b>	2,001
Net assets	資產淨值		<b>2,083,286</b>	2,213,601
Capital and reserves	資本及儲備			
Share capital	股本	29	<b>57,036</b>	57,036
Reserves	儲備		<b>2,026,575</b>	2,155,697
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>2,083,611</b>	2,212,733
Non-controlling interests	非控股權益		<b>(325)</b>	868
Total equity	權益總額		<b>2,083,286</b>	2,213,601

The consolidated financial statements on pages 83 to 230 were approved and authorised for issue by the board of directors on 26 June 2020 and are signed on its behalf by:

載於第83頁至第230頁之綜合財務報表經董事會於二零二零年六月二十六日批准及授權刊發，並由下列董事代為簽署：

**Yeung Ming Bui**  
楊明標  
CHAIRMAN  
主席

**Yeung Him Kit, Dennis**  
楊衍傑  
DEPUTY CHAIRMAN AND MANAGING DIRECTOR  
副主席兼董事總經理

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

Attributable to owners of the Company  
本公司擁有人應佔

		Attributable to owners of the Company											Non-controlling interests		Total
		Share capital	Share premium	Share option reserve	Statutory reserve	Capital redemption reserve	Capital reserve	Asset revaluation reserve	Special reserve	Translation reserve	Retained profits	Dividend reserve	Sub-total	Non-controlling interests	
		股本	股份溢價	購股權儲備	法定儲備	贖回儲備	資本儲備	重估儲備	特別儲備	換算儲備	保留溢利	股息儲備	小計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2018 (audited)	於二零一八年四月一日(經審核)	57,061	549,396	83,554	-	425	840	6,932	5,180	79,005	1,398,535	131,241	2,312,169	975	2,313,144
Profit (loss) for the year	年內溢利(虧損)	-	-	-	-	-	-	-	-	-	138,099	-	138,099	(60)	138,039
Change in fair value of equity instruments at FVTOCI	按公平值計入其他全面收益之股本工具之公平值變動	-	-	-	-	-	-	(468)	-	-	-	-	(468)	-	(468)
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	-	(42,099)	-	-	(42,099)	(47)	(42,146)
Reclassification adjustments for the cumulative exchange differences upon deregistration of a foreign operation	一項海外業務終止註冊後累計匯兌差額之重新分類調整	-	-	-	-	-	-	-	-	2,256	-	-	2,256	-	2,256
Change in fair value of debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具之公平值變動	-	-	-	-	-	-	60	-	-	-	-	60	-	60
Total comprehensive (expense) income for the year	年內其他全面(開支)收益	-	-	-	-	-	-	(408)	-	(39,843)	138,099	-	97,848	(107)	97,741
2018 final dividend paid	已派發二零一八年末期股息	-	-	-	-	-	-	-	-	-	-	(45,649)	(45,649)	-	(45,649)
2018 special dividend paid	已派發二零一八年特別股息	-	-	-	-	-	-	-	-	-	-	(85,592)	(85,592)	-	(85,592)
2019 interim dividend paid	已派發二零一九年中期股息	-	-	-	-	-	-	-	-	-	(15,970)	-	(15,970)	-	(15,970)
2019 interim special dividend paid	已派發二零一九年中期特別股息	-	-	-	-	-	-	-	-	-	-	(49,621)	(49,621)	-	(49,621)
2019 final dividend proposed	擬派發二零一九年末期股息	-	-	-	-	-	-	-	-	-	(45,629)	45,629	-	-	-
2019 special dividend proposed	擬派發二零一九年特別股息	-	-	-	-	-	-	-	-	-	(76,998)	76,998	-	-	-
Shares repurchased and cancelled (note 29)	股份購回及註銷(附註29)	(25)	(427)	-	-	-	-	-	-	-	-	-	(452)	-	(452)
Forfeiture of share options	購股權沒收	-	-	(4,166)	-	-	-	-	-	-	4,166	-	-	-	-
Disposal of equity instruments at FVTOCI	出售按公平值計入其他全面收益之股本工具	-	-	-	-	-	-	(4,575)	-	-	4,575	-	-	-	-
At 31 March 2019	於二零一九年三月三十一日	57,036	548,969	79,388	-	425	840	1,949	5,180	39,162	1,357,157	122,627	2,212,733	868	2,213,601
Profit (loss) for the year	年內溢利(虧損)	-	-	-	-	-	-	-	-	-	100,301	-	100,301	(1,192)	99,109
Change in fair value of equity instruments at FVTOCI	按公平值計入其他全面收益之股本工具之公平值變動	-	-	-	-	-	-	(696)	-	-	-	-	(696)	-	(696)
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	-	(40,055)	-	-	(40,055)	(1)	(40,056)
Change in fair value of debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具之公平值變動	-	-	-	-	-	-	(448)	-	-	-	-	(448)	-	(448)
Release on redemption of debt instruments at FVTOCI	贖回按公平值計入其他全面收益之債務工具時撥回	-	-	-	-	-	-	(6)	-	-	-	-	(6)	-	(6)
Total comprehensive (expense) income for the year	年內其他全面(開支)收益	-	-	-	-	-	-	(1,150)	-	(40,055)	100,301	-	59,096	(1,193)	57,903
2019 final dividend paid	已派發二零一九年末期股息	-	-	-	-	-	-	-	-	-	-	(45,629)	(45,629)	-	(45,629)
2019 special dividend paid	已派發二零一九年特別股息	-	-	-	-	-	-	-	-	-	-	(76,998)	(76,998)	-	(76,998)
2020 interim dividend paid	已派發二零二零年中期股息	-	-	-	-	-	-	-	-	-	(15,970)	-	(15,970)	-	(15,970)
2020 interim special dividend paid	已派發二零二零年中期特別股息	-	-	-	-	-	-	-	-	-	-	(49,621)	(49,621)	-	(49,621)
2020 final dividend proposed	擬派發二零二零年末期股息	-	-	-	-	-	-	-	-	-	(45,629)	45,629	-	-	-
2020 special dividend proposed	擬派發二零二零年特別股息	-	-	-	-	-	-	-	-	-	(28,518)	28,518	-	-	-
Transfer	轉撥	-	-	-	16,883	-	-	-	-	-	(16,883)	-	-	-	-
At 31 March 2020	於二零二零年三月三十一日	57,036	548,969	79,388	16,883	425	840	799	5,180	(893)	1,300,837	74,147	2,083,611	(325)	2,083,286

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### Notes:

- (a) The special reserve of the Group comprises the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital and special reserves of those companies which were acquired by the Company pursuant to a group reorganisation in 1993. The special reserves of these acquired subsidiaries represent the credit arising on reduction of their paid up share capital under the group reorganisation.
- (b) Subsequent to 力龍國際貿易股份有限公司 (“Li Loong”) becoming a subsidiary of the Company in May 2013, the Group further subscribed 6,000,000 shares of Li Loong in September 2013, for a cash consideration of New Taiwan Dollar (“NT\$”) 60,000,000 (equivalent to HK\$15,698,000). The Group’s equity interest in Li Loong increased from 90% to 96%. This is accounted for as a deemed acquisition of additional interests in a subsidiary and has been recognised as capital reserve.
- (c) In accordance with relevant laws and regulations for foreign investment enterprises in the People’s Republic of China (the “PRC”), the PRC subsidiaries are required to transfer 10% of their profit after taxation reported in their statutory financial regulations applicable to enterprises established in the PRC (the “PRC GAAP”) to the statutory reserve.

### 附註：

- (a) 本集團之特別儲備包括本公司所發行股本面值與本集團根據一九九三年進行集團重組而收購之公司已發行股本面值之差額及所收購公司之特別儲備。該等所收購附屬公司之特別儲備指根據集團重組削減該等公司已繳足股本而產生之進賬。
- (b) 於力龍國際貿易股份有限公司(「力龍」)在二零一三年五月成為本公司之附屬公司後，於二零一三年九月，本集團進一步認購6,000,000股力龍股份，現金代價為新台幣(「新台幣」)60,000,000元(相等於15,698,000港元)。本集團於力龍之股權由90%增加至96%。此收購入賬列作視作收購一間附屬公司之額外權益，並已確認為資本儲備。
- (c) 根據中華人民共和國(「中國」)外商投資企業的相關法律及法規，中國附屬公司須將其於適用於在中國成立企業的法定財務規例(「中國公認會計原則」)呈報的10%除稅後利潤轉撥至法定儲備。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	<b>127,433</b>	159,975
Adjustments for:	就以下項目作出調整：		
Depreciation of property, plant and equipment	物業、機器及設備之折舊	<b>33,253</b>	21,618
Depreciation of right-of-use assets	使用權資產之折舊	<b>132,227</b>	—
Impairment loss, net of reversal	減值虧損(扣除撥回)		
— property, plant and equipment	— 物業、機器及設備	<b>4,123</b>	263
— right-of-use assets	— 使用權資產	<b>12,479</b>	—
— deposits for acquisition of property, plant and equipment	— 收購物業、機器及設備之按金	<b>4,000</b>	—
— financial assets under expected credit loss model	— 預期信貸虧損模式下之金融資產	<b>15,461</b>	253
Loss arising from termination of leases	終止租賃產生之虧損	<b>43</b>	—
Gain on redemption of debt instruments at FVTOCI	按公平值計入其他全面收益之贖回債務工具之收益	<b>(6)</b>	—
Net loss on derivative financial instruments at FVTPL	按公平值計入損益之衍生金融工具之虧損淨額	<b>2,179</b>	—
Allowance (reversal of allowance) on inventories	存貨撥備(撥備撥回)	<b>19,005</b>	(355)
Interest expense	利息開支	<b>14,210</b>	1,959
Interest income	利息收入	<b>(16,794)</b>	(13,762)
Loss on disposal/written off of property, plant and equipment	出售/撇銷物業、機器及設備之虧損	<b>7,431</b>	2,557
Loss on deregistration of a subsidiary	終止註冊一間附屬公司之虧損	—	2,256
Fair value loss on financial assets at FVTPL	按公平值計入損益之金融資產之公平值虧損	<b>2,123</b>	890
Share of results of associates	應佔聯營公司之業績	<b>(5,379)</b>	(3,244)
Share of result of a joint venture	應佔一間合營公司之業績	<b>59</b>	(192)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	<b>351,847</b>	172,218
Decrease (increase) in rental deposits	租金按金減少(增加)	<b>8,261</b>	(4,728)
(Increase) decrease in inventories	存貨(增加)減少	<b>(6,470)</b>	161,050
Decrease (increase) in trade and other receivables	貿易及其他應收賬款減少(增加)	<b>9,550</b>	(20,027)
(Decrease) increase in trade and other payables	貿易及其他應付賬款(減少)增加	<b>(27,945)</b>	5,730
Decrease in contract liabilities	合約負債減少	<b>(2,984)</b>	(1,304)
Cash generated from operations	經營業務所產生之現金	<b>332,259</b>	312,939
Income taxes paid in Hong Kong	於香港支付之所得稅	<b>(15,925)</b>	(42,886)
Income taxes paid in the PRC	於中國支付之所得稅	<b>(8,358)</b>	—
Income taxes paid in other jurisdictions	於其他司法權區支付之所得稅	<b>(1,540)</b>	(273)
Net cash from operating activities	經營業務所產生之現金淨額	<b>306,436</b>	269,780
Investing activities	投資活動		
Purchase of financial assets at FVTPL	購買按公平值計入損益之金融資產	<b>(43,347)</b>	(74,048)
Purchase of property, plant and equipment	購買物業、機器及設備	<b>(37,538)</b>	(25,232)
Purchase of debt instruments at FVTOCI	購買按公平值計入其他全面收益之債務工具	<b>(14,650)</b>	(7,074)
Acquisition of interests in associates	收購聯營公司權益	<b>(12,000)</b>	—
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及設備之已付按金	<b>(3,591)</b>	(10,636)
Net settlement of derivative financial instruments at FVTPL	按公平值計入損益之衍生金融工具之結算淨額	<b>(2,179)</b>	—
Proceeds from disposal of financial assets at FVTPL	出售按公平值計入損益之金融資產之所得款項	<b>40,335</b>	58,176
Interest received	已收利息	<b>15,392</b>	13,762
Proceeds from redemption of debt instruments at FVTOCI	贖回按公平值計入其他全面收益之債務工具之所得款項	<b>3,856</b>	—
Net refund of rental deposits	退還租金按金淨額	<b>2,921</b>	—
Dividends received from associates	已收聯營公司股息	<b>2,002</b>	1,676
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項	<b>380</b>	12

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Net cash outflow from acquisition of a subsidiary under asset acquisition	資產收購項下收購一間附屬公司之現金流出淨額	—	(4,155)
Proceeds from disposal of equity investments at FVTOCI	出售按公平值計入其他全面收益之股本工具之所得款項	—	7,969
Proceeds from disposal of debt instruments at FVTOCI	出售按公平值計入其他全面收益之債務工具之所得款項	—	314
Net cash used in investing activities	投資活動所耗之現金淨額	<b>(48,419)</b>	(39,236)
Financing activities	融資活動		
Dividends paid	已付股息	<b>(188,218)</b>	(196,832)
Repayment of lease liabilities	償還租賃負債	<b>(121,552)</b>	—
Repayment of bank loans	償還銀行貸款	<b>(57,860)</b>	(33,644)
Interest paid	已付利息	<b>(14,210)</b>	(1,959)
Repurchase of shares	購回股份	—	(452)
New bank loans raised	新造銀行貸款	—	23,359
Net cash used in financing activities	融資活動所耗之現金淨額	<b>(381,840)</b>	(209,528)
Net (decrease) increase in cash and cash equivalents	現金及等同現金項目之(減少)增加淨額	<b>(123,823)</b>	21,016
Cash and cash equivalents at the beginning of the year	年初之現金及等同現金項目	<b>1,084,911</b>	1,081,891
Effect of foreign exchange rate changes	匯率變動之影響	<b>(24,456)</b>	(17,996)
Cash and cash equivalents at the end of the year, represented by bank balances and cash	年終之現金及等同現金項目，以銀行結餘及現金代表	<b>936,632</b>	1,084,911

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 1. GENERAL

Oriental Watch Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and acts as an investment holding company as well as engaged in watch trading. The principal activities of its principal subsidiaries are set out in note 39. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and principal place of business of the Company are detailed in the corporate information section of the annual report.

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

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

#### New and Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs and an interpretation issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle

### 1. 一般資料

東方表行集團有限公司\*（「本公司」）為於百慕達註冊成立之獲豁免有限公司，乃投資控股公司，並從事鐘表貿易。其主要附屬公司之主要業務載於附註39。本公司股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址詳情載於年報之公司資料一節。

綜合財務報表乃以港元（「港元」）呈列，港元亦為本公司之功能貨幣。

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本

#### 於本年度強制生效之新訂香港財務報告準則及修訂本

本集團已於本年度首次應用以下由香港會計師公會（「香港會計師公會」）頒佈之新訂香港財務報告準則及修訂本以及詮釋：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅項處理之不確定性
香港會計準則第19號（修訂本）	計劃修訂、縮減或支付
香港會計準則第28號（修訂本）	於聯營公司及合營公司之長期權益
香港財務報告準則（修訂本）	香港財務報告準則二零一五年至二零一七年週期之年度改善

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

### New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

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

#### 2.1 HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 “Leases” (“HKAS 17”), and the related interpretations.

#### Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) — Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

## 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

### 於本年度強制生效之新訂香港財務報告準則及修訂本（續）

除下文所述者外，於本年度應用新訂香港財務報告準則及修訂本以及詮釋對本集團於本年度及過往年度之財務表現及狀況及／或於該等綜合財務報表所載之披露並無重大影響。

#### 2.1 香港財務報告準則第16號「租賃」

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」（「香港會計準則第17號」）及相關詮釋。

#### 租賃定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號「釐定安排是否包含租賃」識別為租賃之合約應用香港財務報告準則第16號，而並無對先前並未識別為包含租賃之合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在之合約。

就於二零一九年四月一日或之後訂立或修訂之合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載之規定應用租賃之定義。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### 2.1 HKFRS 16 “Leases” (Continued)

##### As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019.

As at 1 April 2019, the Group recognised lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 2.1 香港財務報告準則第16號「租賃」（續）

##### 作為承租人

本集團已追溯應用香港財務報告準則第16號，而累計影響已於二零一九年四月一日首次應用當日確認。

於二零一九年四月一日，本集團透過應用香港財務報告準則第16.C8(b)(ii)號過渡確認租賃負債及使用權資產，其金額相等於相關租賃負債。於首次應用日期之任何差額在年初之保留溢利確認，且比較資料並無重列。

於過渡時應用香港財務報告準則第16號項下之經修訂追溯方法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關之租賃應用以下可行權宜方法：

- 選擇不就租期於首次應用日期起計12個月內結束之租賃確認使用權資產及租賃負債；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### 2.1 HKFRS 16 “Leases” (Continued)

##### As a lessee (Continued)

- applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of properties and land leases in the People’s Republic of China (the “PRC”) and properties in Hong Kong was determined on a portfolio basis; and
- used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group’s leases with extension and termination options.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rates applied by the relevant group entities range from 2.67% to 4.85%.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 2.1 香港財務報告準則第16號「租賃」（續）

##### 作為承租人（續）

- 就類似經濟環境內相似相關資產類別並具有類似剩餘租期的租賃組合應用單一貼現率。具體而言，中華人民共和國（「中國」）物業若干租賃及土地租賃以及香港物業之貼現率乃按組合基準釐定；及
- 根據於首次應用日期之事實及情況於事後釐定本集團帶有延期及終止選擇權之租賃之租期。

就先前分類為經營租賃之租賃確認租賃負債時，本集團已於首次應用日期應用相關集團實體之增量借款利率。相關集團實體所應用之加權平均增量借款利率介乎2.67%至4.85%不等。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### 2.1 HKFRS 16 “Leases” (Continued)

As a lessee (Continued)

		At 1 April 2019 於二零一九年 四月一日 HK\$'000 千港元
Operating lease commitments disclosed as at 31 March 2019	於二零一九年三月三十一日披露之經營租賃承擔	281,658
Less: Practical expedient — leases with lease term ending within 12 months from the date of initial application	減：實際權宜做法 — 租期於初始應用日期起計12個月內完結之租賃	(1,604)
Recognition exemption — short-term leases	確認豁免 — 短期租賃	(1,429)
		<u>278,625</u>
Lease liabilities discounted at relevant incremental borrowing rates	按相關增量借款利率貼現之租賃負債	264,876
Add: Extension options reasonably certain to be exercised	加：合理確定可予行使之延期選擇權	121,199
Lease liabilities as at 1 April 2019	於二零一九年四月一日之租賃負債	<u>386,075</u>
Analysed as	分析為	
Current	即期部分	135,929
Non-current	非即期部分	250,146
		<u>386,075</u>

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 2.1 香港財務報告準則第16號「租賃」（續）

作為承租人（續）

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### 2.1 HKFRS 16 “Leases” (Continued)

##### As a lessee (Continued)

The carrying amount of right-of-use assets as at 1 April 2019 comprises the following:

Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	與於應用香港財務報告準則第16號後確認之經營租賃有關之使用權資產
Adjustments on rental deposits at 1 April 2019	於二零一九年四月一日之租金按金之調整

By class:  
Leased properties

按類別：  
租賃物業

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 2.1 香港財務報告準則第16號「租賃」（續）

##### 作為承租人（續）

使用權資產於二零一九年四月一日之賬面值包括下列各項：

Note	Right-of-use assets
附註	使用權資產
	HK\$'000
	千港元

	386,075
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(a)	3,167
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389,242

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389,242

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### 2.1 HKFRS 16 “Leases” (Continued)

##### As a lessee (Continued)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 2.1 香港財務報告準則第16號「租賃」（續）

##### 作為承租人（續）

本集團已對於二零一九年四月一日之綜合財務狀況表內確認之金額作出以下調整。不包括未受該等變動影響之項目。

			Carrying amounts previously reported at 31 March 2019		Carrying amounts under HKFRS 16 at 1 April 2019
			於二零一九年三月三十一日 先前呈報之 賬面值		於二零一九年 四月一日 根據香港財務 報告準則第16號 之賬面值
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	附註	千港元	千港元	千港元	千港元
Non-current Assets					
Right-of-use assets		—	389,242	389,242	
Property rental deposits	(a)	31,463	(2,692)	28,771	
Current Assets					
Trade and other receivable	(a)	148,576	(475)	148,101	
Current Liabilities					
Lease liabilities		—	135,929	135,929	
Non-current Liabilities					
Lease liabilities		—	250,146	250,146	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

### 2.1 HKFRS 16 “Leases” (Continued)

#### As a lessee (Continued)

Note:

- (a) Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied under property rental deposits and other receivables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. Accordingly, HK\$3,167,000 was adjusted to refundable rental deposits paid and right-of-use assets.

For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 March 2020, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 April 2019 as disclosed above.

## 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

### 2.1 香港財務報告準則第16號「租賃」（續）

#### 作為承租人（續）

附註：

- (a) 於應用香港財務報告準則第16號之前，本集團將已付可退還租賃按金視為租賃項下之權利及義務，應用香港會計準則第17號，列入物業租金按金及其他應收賬款。根據香港財務報告準則第16號項下租賃付款之定義，該等按金並非與相關資產使用權有關之款項，故獲調整以反映過渡時之貼現影響。因此，3,167,000港元已獲調整至已付可退還租賃按金及使用權資產。

就截至二零二零年三月三十一日止年度根據間接法呈報經營活動所得現金流量而言，營運資金變動已根據上文所披露於二零一九年四月一日之期初綜合財務狀況表計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 16	Covid-19-Related Rent Concessions <sup>5</sup>
Amendments to HKFRS 3	Definition of a Business <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>4</sup>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform <sup>4</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>2</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- <sup>3</sup> Effective for annual periods beginning on or after a date to be determined
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2020
- <sup>5</sup> Effective for annual periods beginning on or after 1 June 2020

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the Amendments to References to the Conceptual Framework in HKFRS Standards, will be effective for annual periods beginning on or after 1 January 2020.

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

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 已頒佈但尚未生效之新訂香港財務報告準則及修訂本

本集團並無提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及修訂本：

香港財務報告準則第17號	保險合約 <sup>1</sup>
香港財務報告準則第16號(修訂本)	新冠病毒疫情相關租金減免 <sup>5</sup>
香港財務報告準則第3號(修訂本)	業務之定義 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營公司之間之資產出售或投入 <sup>3</sup>
香港會計準則第1號及香港會計準則第8號(修訂本)	重大之定義 <sup>4</sup>
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)	利率基準改革 <sup>4</sup>

- <sup>1</sup> 於二零二一年一月一日或之後開始之年度期間生效
- <sup>2</sup> 適用於收購日期為二零二零年一月一日或之後開始之首個年度期間開始當日或之後進行之業務合併及資產收購
- <sup>3</sup> 於待定期日或之後開始之年度期間生效
- <sup>4</sup> 於二零二零年一月一日或之後開始之年度期間生效
- <sup>5</sup> 於二零二零年六月一日或之後開始之年度期間生效

除上文之新訂香港財務報告準則及修訂本外，二零一八年頒佈了經修改之財務報告理念框架。其相應修訂，即香港財務報告準則理念框架指引修訂本，將於二零二零年一月一日或之後開始之年度期間生效。

除下文所述新訂香港財務報告準則及修訂本之外，本公司董事預期應用上述新訂香港財務報告準則及修訂本將不會於可預見未來對綜合財務報表造成任何重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### New and amendments to HKFRSs in issue but not yet effective (Continued)

#### Amendments to HKAS 1 and HKAS 8 “Definition of Material”

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgments. In particular, the amendments:

- include the concept of “obscuring” material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from “could influence” to “could reasonably be expected to influence”; and
- include the use of the phrase “primary users” rather than simply referring to “users” which was considered too broad when deciding what information to disclose in the financial statements.

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 April 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 已頒佈但尚未生效之新訂香港財務報告準則及修訂本（續）

#### 香港會計準則第1號及香港會計準則第8號（修訂本）「重大之定義」

該等修訂通過在作出重要判斷時納入額外的指引及解釋，對重大之定義進行了微調。尤其是有關修訂：

- 包含「隱瞞」重要資料之概念，其與遺漏或誤報資料有類似效果；
- 就影響使用者重要性的範圍以「可合理預期影響」取代「可影響」；及
- 包含使用詞組「主要使用者」，而非僅指「使用者」，於決定於財務報表披露何等資料時，該用語被視為過於廣義。

該等修訂亦與所有香港財務報告準則的定義一致，並將在本集團於二零二零年四月一日開始之年度期間強制生效。預期應用該等修訂不會對本集團之財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中之呈列及披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### New and amendments to HKFRSs in issue but not yet effective (Continued)

##### Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;
- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income (“OCI”) will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及修訂本（續）

##### 二零一八年財務報告概念框架（「新框架」）及提述香港財務報告準則概念框架之修訂

新框架：

- 重新引入管理及審慎此等術語；
- 引入著重權利之新資產定義以及範圍可能比所取代定義更廣之新負債定義，惟不會改變負債與權益工具之間的區別；
- 討論歷史成本及現值計量，並就如何為某一資產或負債選擇計量基準提供額外指引；
- 指出財務表現主要計量標準為損益，且僅於特殊情況下方會使用其他全面收益（「其他全面收益」），且僅用於資產或負債現值產生變動之收入或開支；及
- 討論不確定因素、終止確認、會計單位、報告實體及合併財務報表。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

#### New and amendments to HKFRSs in issue but not yet effective (Continued)

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for the Group’s annual period beginning after 1 April 2020. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

#### Amendment to HKFRS 16 “Covid-19-Related Rent Concessions”

The amendment is effective for annual reporting periods beginning on or after 1 June 2020, with early application permitted.

The amendment introduces a new practical expedient for lessees to elect not to assess whether a Covid-19-related rent concession is a lease modification. The practical expedient only applies to rent concessions occurring as a direct consequence of the Covid-19 that meets all of the following conditions:

- 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;

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 已頒佈但尚未生效之新訂香港財務報告準則及修訂本（續）

後續修訂已作出，致使有關若干香港財務報告準則中的提述已更新至符合新框架，惟部分香港財務報告準則仍參考該框架的先前版本。該等修訂於本集團於二零二零年四月一日後開始之年度期間。除仍參考該框架先前版本之特定準則外，本集團將於其生效日期按新框架決定會計政策，尤其是會計準則未另行處理之交易、事件或情況。

#### 香港財務報告準則第16號（修訂本） 「新冠病毒疫情相關租金減免」

修訂本於二零二零年六月一日或以後開始年度報告期間生效，並允許提前採用。

該修訂本為承租人引進了新的可行權宜之計使其可選擇不評估新冠病毒疫情相關租金減免是否為一項租賃修訂。該可行權宜之計僅適用於滿足以下所有條件的新冠病毒疫情直接產生的租賃減免：

- 租賃付款變動導致的租賃的經修訂代價與緊接變動前的租賃代價基本相同或低於該代價；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

#### New and amendments to HKFRSs in issue but not yet effective (Continued)

#### Amendment to HKFRS 16 “Covid-19-Related Rent Concessions” (Continued)

- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 Leases if the changes were not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

The directors of the Company anticipate that this amendment will have no material impact on the measurement, presentation and disclosure.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及修訂本（續）

#### 已頒佈但尚未生效之新訂香港財務報告準則及修訂本（續）

#### 香港財務報告準則第16號（修訂本）「新冠病毒疫情相關租金減免」（續）

- 租賃付款的減少僅影響原定於二零二一年六月三十日或之前到期的付款；及
- 租賃的其他條款及條件並無實質性變動。

應用可行權宜之計將租賃減免導致的租賃付款變動列賬的承租人將以同一方式將應用香港財務報告準則第16號「租賃」的變動入賬（倘變動並非租賃修訂）。租賃付款的寬免或豁免被入賬列作可變租賃付款。相關租賃負債獲調整以反映寬免或豁免的金額，並於該事件發生的期內在損益中確認相應調整。

本公司董事預期此修訂不會對計量、呈列及披露有重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of the reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that accounted for in accordance with of HKFRS 16 (since 1 April 2019) or HKAS 17 “Leases” (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

### 3. 主要會計政策

綜合財務報表乃按香港會計師公會頒佈之香港財務報告準則編撰。此外，綜合財務報表載有聯交所證券上市規則（「上市規則」）及香港公司條例規定之適當披露事項。

除若干金融工具如下文所載之會計政策所述於呈報期末以公平值計量外，綜合財務報表乃按歷史成本基準編撰。

歷史成本一般根據為交換貨物及服務所付代價之公平值釐定。

公平值為於計量日期市場參與者間於有序交易中就出售資產收取或就轉讓負債支付之價格，而不論該價格為可直接觀察取得或可使用其他估值技巧估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟屬於香港財務報告準則第2號「以股份為基礎之付款」範疇之以股份為基礎之付款交易、根據香港財務報告準則第16號（自二零一九年四月一日起）或香港會計準則第17號（應用香港財務報告準則第16號之前）入賬之租賃交易及其計量與公平值之計量存在一些相似之處但並非公平值，例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

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

The principal accounting policies are set out below.

#### Basis of consolidation

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

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

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

### 3. 主要會計政策(續)

此外，就財務呈報而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第1級、第2級或第3級，載述如下：

- 第1級輸入數據為實體於計量日期可就相同資產或負債取得之活躍市場報價（未經調整）；
- 第2級輸入數據為就資產或負債直接或間接地可觀察之輸入數據（包括在第1級之報價除外）；及
- 第3級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表包括本公司以及由本公司及其附屬公司所控制實體之財務報表。當本公司在下列情況下即達致控制權：

- 對被投資方擁有權力；
- 從參與被投資方可以或有權取得可變回報；及
- 有能力運用其權力影響回報。

倘有事實及情況顯示上文所列控制權之三個元素中一個或以上發生變化，則本集團會重新評估是否控制被投資方。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Basis of consolidation (Continued)

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

Profit or loss and each item of OCI are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

Non-controlling interests in subsidiaries are presented, separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

### 3. 主要會計政策(續)

#### 綜合基準(續)

綜合附屬公司於本集團取得附屬公司之控制權時開始，並於本集團失去附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支，會由本集團取得控制權當日起直至本集團失去附屬公司之控制權當日止計入綜合損益及其他全面收益表。

損益及其他全面收益之各個項目會分配予本公司擁有人及非控股權益。附屬公司之全面收益總額會分配予本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，本集團會對附屬公司之財務報表作出調整，使附屬公司之會計政策與本集團之會計政策一致。

所有與本集團成員公司間之交易有關之集團內公司間資產及負債、權益、收入、開支及現金流會於綜合賬目時全數對銷。

於附屬公司之非控股權益與本集團於當中的權益分開呈列，指現時擁有之權益且賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Basis of consolidation (Continued)

#### Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in OCI in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 "Financial Instruments" ("HKFRS 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3. 主要會計政策(續)

#### 綜合基準(續)

#### 本集團於現有附屬公司之權益變動

本集團於現有附屬公司之權益之變動(而並無導致本集團失去對附屬公司之控制權)當作股本交易入賬。本集團權益之相關部份及非控股權益之賬面值均予以調整,以反映於附屬公司之相對權益之變動,包括按照本集團與非控股權益之權益比例,將本集團與非控股權益之間之相關儲備重新歸屬。

非控股權益之調整額與所支付或收取代價公平值之間之任何差額,均直接於權益中確認,並歸屬於本公司擁有人。

倘本集團失去對附屬公司之控制權,該附屬公司之資產及負債及非控股權益(如有)終止確認,則收益或虧損於損益內確認且以下列兩者間之差額計算:(i)所收代價之公平值與任何保留權益之公平值總和及(ii)資產(包括商譽)之賬面值與本公司擁有人應佔該附屬公司之負債。過往在有關附屬公司之其他全面收益確認之所有金額均入賬,猶如本集團已直接出售附屬公司之相關資產或負債(即按適用之香港財務報告準則具體規定/准許重新分類至損益或轉撥至其他權益類別)。於前附屬公司所保留任何投資於失去控制權之日之公平值根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)被視為初步確認公平值供後續會計處理,或(如適用)於聯營公司或合營公司投資之初步確認成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits” respectively; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which the lease term ends within 12 months of the acquisition date. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

### 3. 主要會計政策(續)

#### 業務合併

業務收購採用收購法入賬。業務合併中轉讓之代價按公平值計量，而公平值乃按本集團所轉讓資產、本集團向被收購方前擁有人承擔之負債及本集團為交換被收購方控制權所發行之股權於收購日之公平值總和計量。收購相關成本一般在產生時於損益確認。

於收購日，所收購可識別資產及所承擔負債按公平值確認，惟下列各項除外：

- 遞延稅項資產或負債以及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量。
- 倘所收購的租賃於收購日期為新租賃，租賃負債會以剩餘租賃付款的現值(定義見香港財務報告準則第16號)確認及計量，惟租期於收購日期起計12個月以內結束的租賃除外。使用權資產按有關租賃負債的同等金額確認及計量，並進行調整以反映與市場條件相比租賃的有利或不利條件。

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

#### Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

### 3. 主要會計政策(續)

#### 業務合併(續)

商譽以所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有之被收購方股權(如有)之公平值總和超出所收購可識別資產及所承擔負債於收購日之淨值之差額計量。倘經重新評估後，所收購可識別資產及所承擔負債之淨額超出所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有被收購方權益之公平值(如有)總和，則超出部分即時於損益中確認為議價收購收益。

屬現時所有權權益且於清盤時賦予其持有人權利按比例分佔相關附屬公司資產淨值之非控股權益初步按公平值或按非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準之選擇乃按每次交易為基礎。其他類型之非控股權益乃按公平值計量。

#### 收購一間不構成業務之附屬公司

當本集團收購一組不構成業務之資產與負債，本集團首先按該等資產及負債各自之公平值將購買價分配至金融資產及負債，隨後按於購買日期各自之相對公平值將購買價餘額分配至其他可識別資產及負債，藉此識別並確認所收購之可識別資產及所承擔負債。該項交易並無產生商譽或議價購買收益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which goodwill is monitored for internal management purposes and not longer than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of associates and a joint venture is described below.

### 3. 主要會計政策(續)

#### 商譽

收購業務產生之商譽按於收購該業務當日確立之成本(見上文會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至本集團預期可從合併協同效應中獲益之各現金產生單位(或現金產生單位組別)，相當於商譽為內部管理而受監察的最低層次且不得高於經營分部。

獲分配商譽之現金產生單位(或現金產生單位組別)每年進行減值測試，或當有跡象顯示該單位有可能減值時更頻繁地進行測試。倘現金產生單位之可回收金額低於其賬面值，則減值虧損應首先分配到削減任何商譽之賬面值，再根據該單位(或現金產生單位組別)內各資產賬面值按比例削減該單位其他資產獲分配之任何商譽之賬面值。

就出售相關現金產生單位或現金產生單位組別內之任何現金產生單位而言，歸屬於商譽之金額於釐定出售之損益金額時計算在內。

本集團因收購聯營公司及合營公司而產生商譽之政策於下文載述。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Investments in associates and a joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and a joint venture are incorporated in the consolidated financial statements using the equity method of accounting. The financial statements of associates and a joint venture used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and OCI of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and OCI are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

### 3. 主要會計政策(續)

#### 於聯營公司及一間合營公司之投資

聯營公司乃本集團對其有重大影響力之實體。重大影響力乃參與被投資方財務及經營決策之權力，惟並非對該等政策擁有控制權或共同控制權。

合營公司乃一項共同安排，據此，擁有該安排共同控制權之訂約各方享有共同安排淨資產之權利。共同控制權乃合約協定分佔安排之控制權，僅於與相關業務有關之決策須分佔控制權之各方一致同意時存在。

聯營公司及一間合營公司之業績及資產與負債以權益會計法計入綜合財務報表。以權益會計法處理之聯營公司及一間合營公司財務報表按與本集團就於類似情況下之相類交易及事件所採用者相同之會計政策編製。根據權益法，於聯營公司或合營公司之投資初步按成本於綜合財務狀況表確認，並其後作出調整以確認本集團應佔該聯營公司或合營公司之損益及其他全面收益。聯營公司/合營公司之資產淨值(損益及其他全面收益除外)變動不予入賬，除非該等變動導致本集團持有之擁有權權益出現變動。當本集團應佔某聯營公司或合營公司之虧損超出其佔該聯營公司或合營公司之權益(包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司或合營公司之投資淨額之一部分)時，本集團不再繼續確認其應佔之進一步虧損。本集團僅會在已代表該聯營公司或合營公司承擔法律或推定責任，或代其支付款項之情況下，方會確認額外虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Investments in associates and a joint venture

(Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective that the interest in an associates or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

### 3. 主要會計政策(續)

#### 於聯營公司及一間合營公司之投資(續)

於聯營公司或合營公司之投資採用權益法自被投資方成為聯營公司或合營公司當日起入賬。於收購於聯營公司或合營公司之投資時，投資成本超出本集團分佔被投資方可識別資產及負債公平淨值之任何差額均確認為商譽，並計入投資之賬面值。本集團分佔可識別資產及負債之公平淨值超過投資成本之任何差額在重新評估後於收購投資期間內即時於損益確認。

本集團評估是否客觀地顯示於聯營公司或合營公司權益可能已減值。倘出現客觀證據，投資(包括商譽)之全部賬面值乃根據香港會計準則第36號「資產減值」作為單獨資產，通過比較其可收回金額(即使用價值與公平值減出售成本兩者之較高者)與賬面值進行減值測試。任何確認之減值虧損並未分配至任何資產(包括商譽)，屬投資賬面值之一部分。倘投資之可收回金額隨後增加，則該減值虧損之任何撥回乃按香港會計準則第36號確認。

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## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Investments in associates and a joint venture

(Continued)

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of entire interest in the investee with resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in OCI in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in OCI by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

When the Group increases its ownership interest in an associate or a joint venture and the Group continues to use the equity method, the consideration transferred to acquire the additional interest are added to the existing carrying amount of the investment without remeasurement of the previously held interest.

### 3. 主要會計政策(續)

#### 於聯營公司及一間合營公司之投資 (續)

當本集團不再對某聯營公司擁有重大影響力，或不再對某合營公司擁有共同控制權時，會按出售被投資方全部權益入賬，所產生之收益或虧損於損益確認。當本集團保留於前聯營公司或合營公司之權益，且保留權益為香港財務報告準則第9號範圍內之金融資產時，本集團會按該日之公平值計量保留權益，而該公平值被視為於初步確認時之公平值。聯營公司或合營公司於終止採用權益法當日之賬面值與任何保留權益及出售於聯營公司或合營公司之相關權益之任何所得款項公平值間之差額，會於釐定出售該聯營公司或合營公司之收益或虧損時計算在內。此外，本集團會將先前在其他全面收益就該聯營公司或合營公司確認之所有金額入賬，基準與該聯營公司或合營公司直接出售相關資產或負債所規定之基準相同。因此，倘該聯營公司或合營公司先前已於其他全面收益確認之收益或虧損應會於出售相關資產或負債時重新分類至損益，則本集團會於出售／部分出售相關聯營公司或合營公司時將收益或虧損由權益重新分類至損益(作為重新分類調整)。

當本集團增加其於聯營公司或合資企業的擁有權權益但本集團繼續採用權益法時，收購額外權益的轉讓代價加入現有的投資賬面金額，而無需重新計量先前持有的權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Investments in associates and a joint venture

(Continued)

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

#### Revenue from contracts with customers

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

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

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

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

### 3. 主要會計政策(續)

#### 於聯營公司及一間合營公司之投資(續)

當某集團實體與本集團之聯營公司或合營公司進行交易時，與聯營公司或合營公司之交易產生之損益於本集團之綜合財務報表確認，惟數額以與本集團無關之聯營公司或合營公司權益為限。

#### 客戶合約收益

本集團於達成履約責任時確認收入，即當與特定履約責任相關的貨品或服務的「控制權」轉移予客戶時。

履約責任指一個明確貨品及一項明確服務(或一批明確貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合下列其中一項標準，則控制權在一段時間內轉移，而收益會參考已完成相關履約責任的進度於一段時間內確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生及提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 March 2020

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### 3. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### Revenue from contracts with customers

*(Continued)*

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

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

#### **Incremental costs of obtaining a contract**

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (sales commissions) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

### 3. 主要會計政策(續)

#### 客戶合約收益(續)

否則，收益會在當客戶獲得明確貨品或服務的控制權時在某一時點確認。

合約負債指本集團因已向客戶收取代價(或已到期收取代價)，而須向客戶轉讓貨品或服務的責任。

#### 取得合約之增量成本

取得合約之增量成本是本集團為取得客戶合約而產生之該等成本，倘並無取得合約則不會產生該等成本。

倘本集團預期可收回該等成本，則將該等成本(銷售佣金)確認為資產。如此確認之資產其後按系統化基準攤銷至損益，該基準與向客戶轉讓該資產相關之貨品或服務一致。

倘該等成本原應在一年內全數攤銷至損益，則本集團應用可行權宜之計，支銷所有取得合約之遞增成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

#### Ownership interests in leasehold land and building

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

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “right-of-use assets” (2019: “prepaid lease payments”) in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the consideration cannot be allocated reliably between non-lease building elements and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

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

### 3. 主要會計政策(續)

#### 物業、機器及設備

物業、機器及設備為用於製造或提供產品或服務，或作行政用途而持有的有形資產。物業、機器及設備於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

#### 於租賃土地及樓宇之擁有權權益

當本集團作出付款的物業擁有權益包括租賃土地及樓宇成分，全部代價按於首次確認時之相對公平值比例，於租賃土地及樓宇成分之間進行分配。

倘相關付款分配能可靠計量時，經營租賃之租賃土地權益於綜合財務狀況表「使用權資產」(二零一九年：「預付租賃款項」)呈列，並在租賃期內按直線法或遞減餘額法攤銷。當代價無法在相關租賃土地的非租賃樓宇成分及未分割權益之間可靠分配時，整項物業分類為物業、廠房及設備。

折舊使用直線法或餘額遞減法於其估計可使用年期撇銷資產項目成本減其剩餘價值而確認。於報告期結束時，估計可使用年期、剩餘價值及折舊方法將經審閱，任何估計變動的影響將按前瞻性基準入賬。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### Property, plant and equipment *(Continued)*

##### **Ownership interests in leasehold land and building**

*(Continued)*

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

#### Leases

##### **Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 2)**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

### 3. 主要會計政策(續)

#### 物業、機器及設備(續)

##### 於租賃土地及樓宇之擁有權權益(續)

物業、機器及設備項目於出售或預期繼續使用資產並不會產生未來經濟利益時不再確認。出售或報廢物業、機器及設備項目產生之任何盈虧乃按出售所得款項與該資產賬面值間之差額釐定，並於損益確認。

#### 租賃

##### 租賃的定義(根據附註2過渡條文應用香港財務報告準則第16號後)

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

就於初始應用日期或之後訂立或修改之合約而言，本集團根據香港財務報告準則第16號項下定義於開始或修改日期(倘適用)評估合約是否為或包含租賃。該合約將不會重新評估，除非合約的條款及條件其後變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

#### **The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)**

##### *Allocation of consideration to components of a contract*

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

##### *Short-term leases*

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

### 3. 主要會計政策(續)

#### 租賃(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)

##### *分配代價至合約組成部分*

對於包含一項租賃組成部分及一項或多項額外租賃或非租賃組成部分的合約，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總額將合約代價分配至各個租賃組成部分。

##### *短期租賃*

本集團對於租賃年期為自開始日期起計12個月或以內之租賃應用短期租賃確認豁免。短期租賃及低價值資產租賃之租賃付款於租賃年內以直線法或另一系統性基準確認為開支。

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

**The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)**  
(Continued)

#### Right-of-use assets

The cost of right-of-use asset includes:

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

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

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

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

### 3. 主要會計政策(續)

#### 租賃(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

#### 使用權資產

使用權資產之成本包括：

- 初始計量租賃負債之金額；
- 於開始日期或之前支付之任何租賃付款減任何已收租賃獎勵；
- 本集團產生之任何初始直接成本；及
- 本集團將於拆除及移除相關資產、復修相關資產位處之場址或將相關資產復修至租賃條款及條件規定之狀況時產生之估計成本。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。

使用權資產於估計可使用年期與租賃年期兩者之較短者以直線法計算折舊。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

**The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)**  
(Continued)

#### Refundable rental deposits

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

#### Lease liabilities

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

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

### 3. 主要會計政策(續)

#### 租賃(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

#### 可退回租賃按金

已付之可退回租賃按金根據香港財務報告準則第9號入賬，初始按公平值計量。對於初始確認時公平值之調整會被視為額外租賃付款，並計入使用權資產之成本。

#### 租賃負債

於租賃開始日期，本集團按於該日未支付之租賃付款之現值確認及計量租賃負債。計算租賃付款之現值時，倘租賃內含之利率無法輕易地釐定，則本集團會利用於租賃開始日期之遞增借貸利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵；
- 取決於指數或比率之可變租賃付款，初步使用於開始日期的指數或比率計量；及
- (倘租賃條款反映本集團行使終止選擇權)就終止租賃支付之罰金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

**The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)**  
(Continued)

#### Lease liabilities (Continued)

Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period in which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.

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

### 3. 主要會計政策(續)

#### 租賃(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

#### 租賃負債(續)

非根據指數或利率變動之可變動租賃開支並不包括於租賃負債及使用權資產計量之內，並於觸發付款事件或條件發生之期間確認為開支。

開始日期後，租賃負債乃透過利息孳長及租賃付款調整。

每當租賃年期已更改或對行使購買選擇權之評估有變時，本集團會重新計量租賃負債(並對相關使用權資產作出相應調整)，在此情況下，相關租賃負債乃透過利用於重新評估日期之經修訂貼現率貼現經修訂租賃付款重新計量。

本集團於綜合財務狀況表中將租賃負債呈列為單獨項目。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

**The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)**  
(Continued)

#### Lease modifications

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

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

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

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

### 3. 主要會計政策(續)

#### 租賃(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

#### 租賃修改

倘出現下列情況，則本集團將租賃修訂入賬列為一項獨立租賃：

- 進行修改時透過加入使用一項或多項相關資產之權利，令租賃範圍增加；及
- 租賃之代價按與範圍增加之單獨價格相符之金額及為反映特定合約之情況而對該單獨價格進行之任何適當調整增加。

對於並無入賬列作一項獨立租賃之租賃修訂，本集團會透過利用於修改生效日期之經修訂貼現率貼現經修訂租賃付款，基於經修改租賃之租賃年期重新計量租賃負債。

本集團通過對相關使用權資產進行相應調整，對出租人的租賃獎勵及租賃優惠重新計量。當經修改合約包含租賃組成部份及一項或多項額外租賃或非租賃組成部份時，本集團會根據租賃組成部份的相對獨立價格及非租賃組成部份的單獨價格總和將合約代價分配至各個租賃組成部份。

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

##### The Group as lessee (prior to 1 April 2019)

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Lease incentives relating to operating leases are considered as integral part of lease payments, the aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

##### Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

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

### 3. 主要會計政策(續)

#### 租賃(續)

##### 本集團作為承租人(二零一九年四月一日之前)

經營租賃付款於租期內以直線法確認為開支。或然租金於產生期間確認為開支。

有關經營租賃的租賃獎勵被視為租賃付款整體部分，獎勵利益總額以直線法確認為租金開支減少。

##### 物業、機器及設備以及使用權資產資產減值

於呈報期末，本集團檢討其物業、機器及設備以及使用權資產之賬面值，以釐定該等資產是否出現任何蒙受減值虧損之跡象。倘有任何該等跡象，則會估計相關資產之可收回金額，以釐定減值虧損(如有)之程度。

物業、機器及設備以及使用權資產之可收回金額個別地減值。當不可能個別估計可收回金額時，本集團會估計資產所屬現金產生單位之可收回金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Impairment on property, plant and equipment and right-of-use assets (Continued)

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

### 3. 主要會計政策(續)

#### 物業、機器及設備以及使用權資產資產減值(續)

在測試現金產生單位的減值時，企業資產在可建立一個合理且一致之分配基準時，企業資產將分配至個別現金產生單位，否則，企業資產將被分配至能建立一個合理且一致之分配基準之最小現金產生單位組別。可收回金額按公司資產所屬的現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別的賬面值進行比較。

可收回金額為公平值減出售成本與使用價值兩者之較高者。於評估使用價值時，會採用反映現時市場對貨幣時間價值，以及該資產(或現金產生單位)之特定風險(尚未就此調整未來現金流量估計)之稅前貼現率，將估計未來現金流量貼現至其現值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Impairment on property, plant and equipment and right-of-use assets (Continued)

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

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

### 3. 主要會計政策(續)

#### 物業、機器及設備以及使用權資產資產減值(續)

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則將資產(或現金產生單位)之賬面值減至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產，本集團會比較一個現金產生單位組別的賬面值(包括已分配至該現金產生單位組別的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。於分配減值虧損時，減值虧損首先分配到削減任何商譽(如適用)之賬面值，再根據該單位或現金產生單位組別內各資產之賬面值按比例削減其他資產。資產之賬面值不會削減至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)或零(以最高者為準)。應另行分配至資產之減值虧損金額按比例分配至該單位或現金產生單位組別之其他資產。減值虧損即時於損益確認。

當減值虧損其後撥回時，資產(或現金產生單位或現金產生單位組別)之賬面值會增至可收回金額之經修訂估計，惟增加之賬面值不得超過假設該資產(或現金產生單位或現金產生單位組別)於以往年度並無確認減值虧損而應釐定之賬面值。減值虧損之撥回即時於損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

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

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

### 3. 主要會計政策(續)

#### 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)於交易日期之適用匯率確認。於呈報期末，以外幣計值之貨幣項目按該日之適用匯率重新換算。以外幣歷史成本計量之非貨幣項目不予重新換算。

於結算貨幣項目及重新換算貨幣項目時產生之匯兌差額於產生期間內在損益確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃採用呈報期末之適用匯率換算為本公司之呈報貨幣(即港元)。收入及開支項目乃按該期間之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額(如有)乃於其他全面收益確認，並於權益內之換算儲備下累計。

於出售海外業務(即出售本集團於海外業務之全部權益、出售涉及失去包含海外業務之附屬公司之控制權、或部分出售包含海外業務的共同安排或聯營公司權益，而其保留權益為金融資產)時，就本公司擁有人應佔該業務而於權益累計之所有匯兌差額重新分類至損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All the Group's borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### Government grants

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

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

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Retirement benefit costs

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

### 3. 主要會計政策(續)

#### 借貸成本

於有關合資格資產可大致作其擬定用途或出售前，收購、建設或生產該等合資格資產直接應佔的借貸成本將計入該等資產的成本，該等合資格資產為需耗時較長方可作其擬定用途或出售的資產。

本集團所有借貸成本於產生期間在損益確認。

#### 政府補助金

政府補助金於合理確認本集團將符合政府補助金所附條件並將收取補助金時方會確認。

本集團有系統地在不同期間確認政府補助金，並將補助金擬補償之相關成本確認為開支。

作為已產生開支或虧損的應收補償或就給予本集團即時財務資助而無未來相關成本的政府補助金，於成為應收款項的期間於損益確認。

#### 退休福利成本

定額供款退休福利計劃(包括強制性公積金計劃及國家管理退休福利計劃)付款，於僱員已提供服務使彼等可享有供款時確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Short-term employee benefits and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

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

#### Share-based payment transactions

##### Equity-settled share-based payment transactions

###### Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with a corresponding adjustment to the share option reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

### 3. 主要會計政策(續)

#### 短期僱員福利及其他長期僱員福利

短期僱員福利於僱員提供服務時按預期支付之未貼現福利金額確認。所有短期僱員福利確認為開支，除非另一項香港財務報告準則規定或允許將福利計入資產成本。

累計應歸僱員之福利(例如工資及薪金以及年假)於扣除任何已付金額後確認為負債。

#### 以股份為基礎之付款交易

##### 股權結算以股份為基礎之付款交易

###### 授予僱員之購股權

向僱員及提供類似服務之其他方作出之股權結算以股份為基礎之付款，按於授出日期之股本工具公平值計量。

於授出日期並無慮及所有非市場歸屬之條件釐定之股權結算以股份為基礎之付款之公平值依據本集團估計將會最終歸屬之股本工具，於歸屬期內按直線法支銷，而權益(購股權儲備)亦會相應增加。於各呈報期末，本集團修改其預期根據所有相關非市場歸屬條件之評估歸屬之股本工具數目。修改原有估計之影響(如有)於損益確認，致使累計開支反映經修改估計，而購股權儲備亦會作相應調整。就於授出日期即時歸屬之購股權而言，已授出購股權之公平值即時於損益支銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### Share-based payment transactions *(Continued)*

##### **Equity-settled share-based payment transactions**

*(Continued)*

##### *Share options granted to employees (Continued)*

When the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

##### *Share options granted to consultants*

Equity-settled share-based payment transactions with parties other than employees are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses unless the goods or services qualify for recognition as assets.

### 3. 主要會計政策(續)

#### 以股份為基礎之付款交易(續)

##### **股權結算以股份為基礎之付款交易** (續)

##### *授予僱員之購股權(續)*

當購股權獲行使時，先前於購股權儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於到期日仍未獲行使時，先前於購股權儲備確認之金額將轉撥至保留溢利。

##### *授予顧問之購股權*

與僱員以外人士進行之股權結算以股份為基礎之付款交易按已收貨品或服務之公平值計量，除非該公平值不能可靠地計量則作別論，在此情況下，已收貨品或服務乃參考已授出購股權之公平值計量。除非貨品或服務合資格確認為資產，否則已收貨品或服務之公平值確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Taxation

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

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

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

### 3. 主要會計政策(續)

#### 稅項

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付之稅項乃按年內應課稅溢利計算。由於在其他年度應課稅或可扣稅之收入或開支項目及毋須課稅或不可扣稅之項目，故此應課稅溢利與除稅前溢利並不相同。本集團就本期稅項承擔之負債乃按已於呈報期末或之前實施或大致實施之稅率計算。

遞延稅項乃就綜合財務報表之資產及負債賬面值及計算應課稅溢利所使用相應稅基兩者之暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產在可能出現可動用可扣稅暫時差額扣減之應課稅溢利時就所有可扣稅暫時差額確認。倘產生暫時差額，有關遞延稅項資產及負債不會確認。此外，倘差額由初步確認商譽或因於不會影響應課稅溢利或會計溢利之交易中初步確認(於業務合併除外)其他資產及負債而引致之暫時差額，則不會確認遞延稅項負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Taxation (Continued)

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

The carrying amount of deferred tax assets is reviewed at the end of the 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 asset to be recovered.

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

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

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

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項負債乃就與於附屬公司及聯營公司之投資，以及佔一間合營公司之權益有關之應課稅暫時差額確認，惟倘本集團能夠控制暫時差額之撥回及暫時差額於可見將來可能不會撥回則除外。與該等投資及權益有關之可扣稅暫時差額產生之遞延稅項資產僅於可能有足夠應課稅溢利可動用暫時差額之利益及預期暫時差額於可見將來撥回時確認。

遞延稅項資產之賬面值於呈報期末作檢討，並於不再有足夠應課稅溢利收回全部或部分資產時調減。

遞延稅項資產及負債乃根據於呈報期末或之前已實施或大致實施之稅率（及稅法）按預期於負債清償或資產變現期間應用之稅率計量。

遞延稅項負債及資產之計量反映本集團預期於呈報期末收回或清償其資產及負債賬面值之方式所產生之稅務後果。

就計量本集團確認使用權資產及相關租賃負債之租賃交易的遞延稅項而言，本集團首先釐定稅項扣除是歸屬於使用權資產或歸屬於租賃負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Taxation (Continued)

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

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in OCI or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for business combination.

#### Inventories

Inventories, which are finished goods held for sale, are stated at the lower of cost and net realisable value. Cost is calculated on a specific identification basis for watches. Net realisable value represents the estimated selling price for inventories less costs necessary to make the sale.

### 3. 主要會計政策(續)

#### 稅項(續)

就稅項扣減歸屬於租賃負債之租賃交易而言，本集團將香港會計準則第12號「所得稅」之規定應用於整項租賃交易。使用權資產與租賃負債之暫時性差額以淨額基準評估。使用權資產折舊超過租賃負債本金部分之租賃付款的超額部份，產生可扣稅暫時性淨差額。

當有合法執行權利可將即期稅項資產與即期稅項負債抵銷，且與同一稅務機關對同一應課稅實體徵收之所得稅有關及本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

本期及遞延稅項於損益內確認，惟當本期及遞延稅項關乎於其他全面收益或直接於權益中確認之項目時，在此情況下，本期及遞延稅項亦分別於其他全面收益或直接於權益中確認。倘本期稅項或遞延稅項乃因對業務合併進行初步會計處理而產生，則稅務影響計入業務合併之會計處理內。

#### 存貨

存貨指持作出售之製成品，乃按成本及可變現淨值兩者之較低者入賬。就手錶而言，成本採用特定識別基準計算。可變現淨值指存貨估計售價減作出銷售之必要成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

#### Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 撥備

倘本集團因過往事件(法定或推斷)而產生現時責任，且本集團極可能須履行該責任，該責任金額亦可可靠計量，則會確認撥備。確認為撥備之金額乃以於報告期末履行現時責任所須代價之最佳估算計算，並計及與該責任相關之風險及不確定因素。倘以履行現時責任所估計之現金流量計量撥備，其賬面值為該等現金流量之現值(倘貨幣時間價值的影響屬重大)。

#### 金融工具

金融資產及金融負債乃當某集團實體成為工具合同條文之訂約方時確認。金融資產的所有常規買賣乃按交易日期基準確認及不再確認。常規買賣指須於市場規定或慣例所訂時限內交付資產的金融資產買賣。

金融資產及金融負債初步以公平值計量，惟來自客戶合約的貿易應收賬款除外，其初步根據香港財務報告準則第15號計量。收購或發行金融資產及金融負債(以公平值計入損益之金融資產或金融負債除外)直接應佔之交易成本乃於初步確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(如適用)。收購透過損益按公平值列賬之金融資產或金融負債直接應佔的交易成本，即時於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

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

#### Financial assets

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

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

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

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

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

### 3. 主要會計政策(續)

#### 金融工具(續)

實際利率法乃計算金融資產或金融負債之攤銷成本及按相關期間攤分利息收入及利息開支之方法。實際利率為可準確透過金融資產或金融負債之估計年期或(倘適用)在較短期間內對估計未來現金收入及付款(包括所支付或收取屬實際利率構成部分之全部費用及積分、交易成本及其他溢價或折讓)折算至初步確認之資產賬面淨值之利率。

#### 金融資產

##### 金融資產的分類及其後計量

滿足以下條件的金融資產其後按攤銷成本計量：

- 金融資產由一個旨在持有金融資產以收取合約現金流量的業務模式所持有；及
- 合約條款於特定日期產生的現金流量純粹為支付本金及未償還本金之利息。

滿足以下條件的金融資產其後透過按公平值計入其他全面收益計量：

- 金融資產由一個以流量及收取合約現金出售來實現目標的業務模式所持有；及
- 合約條款於特定日期產生的現金流量純粹為支付本金及未償還本金之利息。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 “Business Combinations” applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產的分類及其後計量(續)

所有其他金融資產其後透過按公平值計入損益計量，惟於初始應用香港財務報告準則第9號／初始確認金融資產之日，倘該股本投資既非持作買賣，亦非香港財務報告準則第3號「業務合併」所適用之業務合併收購方確認的或然代價，本集團可能不可撤銷地選擇於其他全面收益呈列股本投資的其後公平值變動。

倘出現下列情況，則金融資產為持作買賣：

- 收購的主要目的為於短期作出售用途；或
- 於初始確認時構成本集團合併管理之已識別金融工具組合之一部分，並具有近期實際短期獲利模式；或
- 並非作為指定及有效對沖工具的衍生工具。

此外，本集團可不可撤回地將一項須按攤銷成本計量或按公平值計入其他全面收益的金融資產指定為按公平值計入損益方式計量，前提為有關指定可消除或大幅減少會計錯配。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(i) Amortised cost and interest income

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

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產的分類及其後計量(續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產及其後按公平值計入其他全面收益計量的債務工具之利息收入乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外。就其後出現信貸減值的金融資產而言，自下一呈報期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自呈報期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

- (ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the asset revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other incomes" line item in profit or loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產的分類及其後計量(續)

- (ii) 指定為透過按公平值計入其他全面收益之股本工具

按公平值計入其他全面收益之股本工具投資乃其後按公平值計量，公平值變動產生的收益及虧損於其他全面收益中確認，並於資產重估儲備中累計；毋須進行減值評估。累計收益或虧損將不重新分類至出售股本投資之損益，並將轉撥至保留溢利。

當本集團確認收取股息的權利時，該等股本工具投資的股息於損益中確認，除非股息明確表示收回部分投資成本。股息於損益表計入「其他收入」項目內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(iii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method, and foreign exchange gains and losses are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in OCI and accumulated under the heading of asset revaluation reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to OCI without reducing the carrying amounts of these debt instruments. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in OCI are reclassified to profit or loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產的分類及其後計量(續)

(iii) 分類為按公平值計入其他全面收益之債務工具

分類為按公平值計入其他全面收益之債務工具的賬面值其後變動因使用實際利率法計算的利息收入和匯兌收益及虧損於損益確認。該等債務工具賬面值的所有其他變動於其他全面收益確認並於資產重估儲備項下累計。減值撥備於損益確認，並對其他全面收益作出相應調整，而不會減少該等債務工具的賬面值。於損益確認的該等金額與當該等債務工具按攤銷成本計量時將於損益確認的金額相同。當不再確認該等債務工具時，先前於其他全面收益確認的累計收益或虧損重新分類至損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Classification and subsequent measurement of financial assets (Continued)*

#### (iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI nor designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss included any dividend or interest earned on the financial asset and is included in the “other income” line item.

#### *Impairment of financial assets and financial guarantee contracts*

The Group performs impairment assessment under expected credit losses (“ECL”) on financial assets (including trade receivables, other receivables, refundable property rental deposits, debt instruments at FVTOCI and bank balances) and financial guarantee contracts, which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產的分類及其後計量(續)*

#### (iv) 按公平值計入損益之金融資產

金融資產如不符合按攤銷成本或按公平值計入其他全面收益或指定為按公平值計入其他全面收益的標準，則按公平值計入損益計量。

於各呈報期末，按公平值計入損益的金融資產按公平值計量，而任何公平值收益或虧損於損益確認。於損益確認的收益或虧損淨額包括就金融資產所賺取的任何股息或利息，並計入「其他收入」項目內。

#### *金融資產及財務擔保合約減值*

本集團根據預期信貸虧損(「預期信貸虧損」)模式就須根據香港財務報告準則第9號進行減值評估的金融資產(包括貿易應收款項、其他應收款項、可退回物業租金按金、按公平值計入其他全面收益之債務工具及銀行結餘)以及財務擔保合約進行減值評估。預期信貸虧損金額於各呈報日期更新，以反映自初始確認起的信貸風險變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Impairment of financial assets and financial guarantee contracts (Continued)*

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

The Group always recognises lifetime ECL for trade receivables. The ECL on trade receivables are assessed individually.

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

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產及財務擔保合約減值(續)*

存續期預期信貸虧損指於相關工具之預期可使用年期內發生的所有可能違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)則指預期於呈報日期後12個月內可能發生的違約事件而導致的部分存續期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估，並根據應收款項特定因素、一般經濟狀況以及對於呈報日期之現況及未來狀況預測之評估而作出調整。

本集團經常就貿易應收賬款確認存續期預期信貸虧損。貿易應收賬款的預期信貸虧損進行個別評估。

就所有其他工具而言，本集團計量與12個月預期信貸虧損等額的虧損撥備，除非信貸風險自初始確認以來已大幅增加，則本集團確認存續期預期信貸虧損。評估是否應確認存續期預期信貸虧損，乃基於自初始確認起出現違約的可能性或風險是否大幅增加。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Impairment of financial assets and financial guarantee contracts (Continued)*

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

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

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產及財務擔保合約減值(續)*

(i) 信貸風險大幅增加

於評估信貸風險是否自初始確認以來大幅增加時，本集團比較金融工具於呈報日期出現違約的風險與該金融工具於初始確認日期出現違約的風險。作出此評估時，本集團考慮合理有據的定量及定性資料，包括過往經驗及毋須花費不必要成本或努力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險之外部市場指標顯著惡化，例如債務人之信貸息差、信貸違約掉期價格顯著上升；

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

Impairment of financial assets and financial guarantee contracts (Continued)

(i) Significant increase in credit risk (Continued)

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

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

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

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

金融資產及財務擔保合約減值(續)

(i) 信貸風險大幅增加(續)

- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

無論上述評估之結果如何，當合約付款逾期超過30日時，本集團假設信貸風險自初始確認以來顯著增加，除非本集團有合理及支持性資料另行證明。

本集團定期監察識別信貸風險有否大幅增加所用準則的有效性，並作出適當修訂，確保該等準則能於有關金額逾期前識別信貸風險的大幅增加。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Impairment of financial assets and financial guarantee contracts (Continued)*

(ii) Definition of default

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

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

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產及財務擔保合約減值(續)*

(ii) 違約之定義

當由內部編製或從外部來源取得的資料顯示債務人不大可能向其債權人(包括本集團)悉數付款(不計及本集團持有的任何抵押品)時,則本集團認為發生違約事件。

不論上述各項,本集團認為當金融工具已逾期超過90日,則已經發生違約,除非本集團具有合理有據之資料展示更為滯後的違約準則更為合適。

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Impairment of financial assets and financial guarantee contracts (Continued)*

#### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產及財務擔保合約減值(續)*

#### (iii) 信貸減值金融資產

當發生對金融資產的估計未來現金流量產生不利影響的一項或多項事件之時，該金融資產即出現信貸減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- (a) 發行人或借款人陷入嚴重財務困難；
- (b) 違反合約，例如違約或逾期事件；
- (c) 借款人的貸款人出於與借款人財務困難相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠；或
- (d) 借款人有可能面臨破產或其他財務重組。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Impairment of financial assets and financial guarantee contracts (Continued)*

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產及財務擔保合約減值(續)*

(iv) 撇銷政策

當有資料顯示對手方出現嚴重財務困難且並無實際收回預期時，例如當對手方被清盤或已進入破產程序時，本集團會撇銷金融資產。經考慮法律建議(如適用)，已撇銷的金融資產可能仍須進行本集團收回程序下的執行行動。撇銷構成不再確認事件。所作的任何隨後收回於損益內確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損的計量為違約可能性、違約虧損率(即出現違約時的虧損幅度)及違約風險的函數。違約可能性及違約虧損率的評估乃按照過往數據進行，並就前瞻性資料作出調整。預期信貸虧損的估計反映以發生的相關違約風險作為加權數值而確定的無偏概率加權金額。

一般而言，預期信貸虧損估計為本集團根據合約應收的所有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，並按初始確認時釐定的實際利率貼現。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Impairment of financial assets and financial guarantee contracts (Continued)*

(v) Measurement and recognition of ECL (Continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Interest income is calculated based on the gross carrying amount of the financial assets unless the financial assets are credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產及財務擔保合約減值(續)*

(v) 預期信貸虧損之計量及確認(續)

就財務擔保合約而言，根據擔保工具條款，本集團僅須於債務人違約時作出付款。因此，預期虧損為補償持有人所產生信貸虧損的預期付款現值減本集團預期自持有人、債務人或任何其他人士收取的任何款項。

就未能釐定實際利率的財務擔保合約的預期信貸虧損而言，本集團將採用反映現時市場對貨幣時間價值的評估及該等現金流量之特定風險的貼現率，惟僅限於風險按調整貼現率而非調整所貼現的現金不足納入考慮時。

利息收入按財務資產的總賬面值計算，除非財務資產出現信貸減值，在該情況下，利息收入乃按財務資產的攤銷成本計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

*Impairment of financial assets and financial guarantee contracts (Continued)*

(v) Measurement and recognition of ECL (Continued)

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for investments in debt instruments that are measured at FVTOCI and financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in OCI and accumulated in the asset revaluation reserve without reducing the carrying amount of these debt instruments. Such amount represents the changes in the asset revaluation reserve in relation to accumulated loss allowance.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

*金融資產及財務擔保合約減值(續)*

(v) 預期信貸虧損之計量及確認(續)

就財務擔保合約而言，虧損撥備按根據香港財務報告準則第9號釐定的虧損撥備金額；及首次確認的金額減(倘適用)於擔保期間確認的累計收入金額的較高者確認。

除按公平值計入其他全面收益計量之債務工具投資及財務擔保合約外，本集團透過調整其賬面值於損益中確認所有金融工具的減值收益或虧損，其相應調整乃透過虧損撥備賬目確認，惟貿易應收賬款除外。就按公平值計入其他全面收益計量之債務工具投資而言，虧損撥備於其他全面收益確認且於資產重估儲備中累計，而並無減少該等債務工具的賬面值。此金額指與累計虧損撥備有關之資產重估儲備之變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

##### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the asset revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the asset revaluation reserve is not reclassified to profit or loss, but is transferred to retained profits.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

##### 不再確認金融資產

本集團只有當從資產收取現金流之合約權利屆滿時，方會不再確認金融資產。

於不再確認按攤銷成本計量之金融資產時，資產賬面值與已收及應收代價總和之差額於損益中確認。

於不再確認分類為按公平值計入其他全面收益之債務工具投資時，過往於資產重估儲備累計之收益或虧損會重新分類至損益。

當不再確認本集團首次確認時已選擇按公平值計入其他全面收益計量的股本工具投資時，其先前累計於資產重估儲備的累計收益或虧損不會分類至損益，但會轉撥至累計溢利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### Financial instruments *(Continued)*

##### Financial liabilities and equity

###### *Classification as debt or equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

###### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

###### *Financial liabilities at amortised cost*

Financial liabilities including trade and other payables and bank loans are subsequently measured at amortised cost, using the effective interest method.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融負債及股本

###### *分類至債務或股本*

債務及股本工具乃根據合約安排的性質與金融負債及股本工具的定義分類為金融負債或股本。

###### *股本工具*

股本工具乃證明本集團於扣減其所有負債後於資產中擁有剩餘權益之任何合約。本集團發行之股本工具按已收所得款項扣除直接發行成本確認。

購回本公司自身股本工具直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司自身股本工具而於損益中確認收益或虧損。

###### *按攤銷成本之金融負債*

金融負債(包括貿易及其他應付賬款以及銀行貸款)隨後採用實際利率法按攤銷成本計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity (Continued)

##### Financial liabilities at FVTPL

A financial liability is held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融負債及股本(續)

##### 按公平值計入損益之金融負債

金融負債於下列情況分類為持作買賣：

- 已收購主要是供短期內出售；或
- 於首次確認時，為本集團集中管理的可辨認金融工具組合的一部分，且近期實際上有短期獲利的模式；或
- 其為衍生工具，惟作為財務擔保合約或指定及有效用作對沖工具的衍生工具除外。

##### 財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之條款如期付款而令發行人須作出指定付款予持有人以補償其所遭受損失之合約。財務擔保合約負債初始按其公平值計量，其後按下列兩項之較高者計量：

- 根據香港財務報告準則第9號釐定之虧損撥備金額；及
- 初始確認之金額減(倘適用)隨擔保期確認之累計攤銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity (Continued)

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融負債及股本(續)

##### 不再確認金融負債

本集團於及僅於其責任獲解除、取消或到期時，方會不再確認金融負債。不再確認之金融負債賬面值與已付及應付代價之差額，於損益內確認。

##### 衍生金融工具

衍生工具初步按於訂立衍生工具合約日期的公平值確認，其後於各報告期末重新計量至其公平值。所產生的收益或虧損於損益內確認。

### 4. 主要會計判斷及估計不確定性之主要來源

於應用附註3所述本集團之會計政策時，本公司董事須作出有關資產及負債賬面值而目前未能從其他來源得出之判斷、估計及假設。該等估計及相關假設乃建基於過往經驗及被認為相關的其他因素。實際結果或會有別於該等估計。

估計及相關假設均按持續基準進行審閱。倘對會計估計之修訂僅影響估計修訂之期間，則有關修訂會於該期間確認，而倘修訂影響當前及未來期間，則於修訂期間及未來期間確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY (Continued)

#### Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

#### Determination on lease term of contracts with renewal options

The Group applies judgment to determine the lease term for lease contracts in which it is a lessee that include renewal option, specifically, the leases relating to retail shops. The assessment of whether the Group is reasonably certain to exercise renewal options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

### 4. 主要會計判斷及估計不確定性之主要來源(續)

#### 應用會計政策之關鍵判斷

以下為本公司董事在應用本集團會計政策之過程中作出，而對在綜合財務報表中確認之金額有最重大影響之關鍵判斷(不包括涉及估計之判斷(見下文))。

#### 釐定包含續租選擇權之合約之租期

本集團運用判斷釐定其為承租人並擁有續租選擇權的租賃合約(尤其零售店相關租賃)的租期。有關本集團是否合理確定將行使續租選擇權的評估會對租期產生影響，繼而對所確認的租賃負債及使用權資產金額造成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY (Continued)

#### Critical judgments in applying accounting policies (Continued)

#### Determination on lease term of contracts with renewal options (Continued)

When assessing reasonable certainty, the Group considers all relevant facts and circumstances including economic incentives/penalties for exercising or not exercising the options. Factors considered include:

- contractual terms and conditions for the optional periods compared with market rates (e.g. whether the amount of payments in the optional periods is below the market rates);
- the extent of leasehold improvements undertaken by Group; and
- costs relating to termination of the lease (e.g. relocation costs, costs of identifying another underlying asset suitable for the Group's needs).

The directors of the Company concludes the Group is reasonably certain to exercise renewal options impact considering all relevant facts and circumstances including economic incentives for exercising the options. Details of determination on lease term of contracts with renewal options are set out in note 16.

### 4. 主要會計判斷及估計不確定性之主要來源(續)

#### 應用會計政策之關鍵判斷(續)

#### 釐定包含續租選擇權之合約之租期(續)

在評估合理確定性時，本集團會考慮所有相關事實及情況，包括行使或不行使有關選擇權的經濟獎罰。所考慮之因素包括：

- 對比市場費率而言，合約在續租期方面的條款及條件(例如續租期間付款金額是否低於市場費率)；
- 本集團進行的租賃物業裝修程度；及
- 終止租賃的相關成本(例如搬遷成本、物色適合本集團需求的其他相關資產的成本)。

考慮到一切相關事實及狀況(包括行使選擇權之經濟上誘因)，本公司董事認定，本集團合理肯定會行使續租選擇權。釐定包含續租選擇權之合約之租期詳情載於綜合財務報表附註16。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Net realisable value assessment of watches

Watches are stated at the lower of cost and net realisable value. The management of the Group reviews regularly the suitability of the Group's allowance policy for watches and carries out review of the watches at the end of each reporting period. The management of the Group reviews regularly the suitability of allowance policy and estimates the amount of allowance for inventories. The Group identifies slow-moving watches with reference to the ageing analysis. The net realisable value of the watches are determined by considering the salability of watches based on current market conditions, pricing policies and strategies, as well as historical/latest available sales information of similar watches. If conditions which have an impact on the net realisable value of inventories deteriorate/improve, additional allowances/reversal of allowances already made may be required. Details of the allowance (reversal of allowance) for slow-moving watches charged (credited) during the year and the carrying amount of watches (net of allowance) as at 31 March 2020 are set out in notes 10 and 22, respectively.

### 4. 主要會計判斷及估計不確定性之主要來源(續)

#### 估計不確定性之主要來源

於呈報期末，很大可能導致須於下一個財政年度內對資產及負債賬面值作出重大調整而有關未來之主要假設，以及估計不確定性之其他主要來源如下。

#### 手錶之可變現淨值評估

手錶按成本及可變現淨值兩者之較低者列賬。本集團管理層定期檢討本集團手錶備抵政策是否合適，並於各呈報期末進行手錶檢討。本集團管理層定期檢討本集團存貨備抵政策是否合適及估計存貨撥備金額。本集團參考賬齡分析識別滯銷手錶。手錶可變現淨值乃依據現行市況、定價政策及策略，以及類似手錶的過往／最新銷售資料考慮手錶的可銷售程度而釐定。倘影響存貨的可變現淨值的狀況惡化／改善，可能需要額外撥備／撥回已作出之撥備。有關於本年度滯銷手錶扣除(計入)之撥備(撥備撥回)以及於二零二零年三月三十一日手錶之賬面值(扣除撥備)之詳情分別載於附註10及22。

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### 5. REVENUE AND SEGMENT INFORMATION

The Group's operation is principally sales of watches. The Group's revenue represents consideration received or receivable from sales of watches.

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment of segment performance is analysed based on the geographical markets of the goods sold.

In the current year, with the growth in the businesses of the Group in the PRC and Macau, the operating results of these jurisdictions are separately reported to the management. Prior year segment information have been represented to conform with the current year's presentation.

Specifically, the Group has four operating segments, being (a) Hong Kong, (b) the PRC, (c) Macau and (d) Taiwan, which is also the basis of organisation of the Group for managing the business operations. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

#### **Sales of watches (revenue recognised at a point in time)**

For sales of watches, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail shop. Payment of the transaction price is due immediately at the point the customer purchases the goods.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

### 5. 收益及分部資料

本集團主要從事銷售鐘表業務。本集團之收益指銷售鐘表之已收或應收代價。

就資源調配及評估分部表現之目的向本公司之執行董事(乃首席營運決策者)匯報之資料乃按出售貨品之地理市場分析。

於本年度，由於本集團於中國及澳門之業務有明顯增長，該等司法權區之經營業績已予分開向管理層匯報。上一年度之分部資料已予重新呈列，以符合本年度之呈列。

具體而言，本集團有四個營運分部，分別為(a)香港、(b)中國、(c)澳門及(d)台灣，亦為組織本集團以管理業務營運之基準。概無首席營運決策者所識別之經營分部已於達致本集團之可呈報分部時彙集計算。

#### **銷售鐘錶(收益於某一時間點確認)**

就銷售鐘錶而言，收益於貨品控制權轉讓時(即客戶於零售店購買貨品的時間)確認。客戶購買貨品的時間須即時支付交易價格。

所有銷售合約均為期一年或更短時間。根據香港財務報告準則第15號所准許，並無披露相應未履約合約之交易價格。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 5. REVENUE AND SEGMENT INFORMATION (Continued)

#### Sales of watches (revenue recognised at a point in time) (Continued)

The following is an analysis of the Group's segment revenue and results by operating segments:

### 5. 收益及分部資料(續)

#### 銷售鐘錶(收益於某一時間點確認)(續)

以下為本集團按營運分部劃分之分部收益及業績分析：

		Segment revenue — recognised at a point in time		Segment profit (loss)	
		分部收益 — 按時點確認		分部溢利(虧損)	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	<b>1,198,061</b>	1,448,880	<b>59,212</b>	128,976
The PRC	中國	<b>944,759</b>	803,856	<b>104,589</b>	38,240
Macau	澳門	<b>204,385</b>	154,009	<b>23,377</b>	12,398
Taiwan	台灣	<b>5,478</b>	30,439	<b>(27,986)</b>	24
		<b>2,352,683</b>	2,437,184	<b>159,192</b>	179,638
Unallocated other income	未分配其他收入			<b>15,604</b>	13,762
Unallocated corporate expenses	未分配企業開支			<b>(31,511)</b>	(28,949)
Unallocated other gains and losses	未分配其他收益及虧損			<b>(20,216)</b>	(5,953)
Interest on bank loans	銀行貸款利息			<b>(956)</b>	(1,959)
Share of results of associates	應佔聯營公司之業績			<b>5,379</b>	3,244
Share of result of a joint venture	應佔一間合營公司之業績			<b>(59)</b>	192
Profit before taxation	除稅前溢利			<b>127,433</b>	159,975

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## 綜合財務報表附註

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### 5. REVENUE AND SEGMENT INFORMATION

*(Continued)*

#### Sales of watches (revenue recognised at a point in time) *(Continued)*

The accounting policies used to determine segment revenue and results are the same as the accounting policies adopted in the Group's consolidated financial statements described in note 3. Segment profit represents the profit before taxation earned by each segment without allocation of interest on bank loans, share of results of associates and a joint venture, unallocated other income, unallocated other gains and losses and unallocated corporate expenses. Unallocated corporate expenses include auditor's remuneration, directors' emoluments and operating expenses of inactive companies. This is the measure reported to the chief operating decision maker of the Group for the purposes of resources allocation and performance assessment.

The Group has no customer who contributed over 10% of the total revenue of the Group for any of the two years ended 31 March 2020.

All segment revenue is generated from external customers for both years.

### 5. 收益及分部資料(續)

#### 銷售鐘錶(收益於某一時間點確認) (續)

釐定分部收益及業績所用之會計政策與附註3所述之本集團之綜合財務報表採納之會計政策相同。分部溢利指在未分配銀行貸款利息、應佔聯營公司及一間合營公司之業績、未分配其他收入、未分配其他收益及虧損及未分配企業開支之情況下各分部賺取之除稅前溢利。未分配企業開支包括核數師酬金、董事酬金及暫無營業公司之營運開支。此乃向本集團首席營運決策者就資源分配及表現評估作出報告之計量方式。

本集團並無客戶為本集團截至二零二零年三月三十一日止兩個年度任何一年之收益總額帶來10%以上之貢獻。

兩個年度之所有分部收益均來自外部客戶。

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## 綜合財務報表附註

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### 5. REVENUE AND SEGMENT INFORMATION (Continued)

#### Sales of watches (revenue recognised at a point in time) (Continued)

The following is an analysis of the Group's assets and liabilities by operating segments.

### 5. 收益及分部資料(續)

#### 銷售鐘錶(收益於某一時間點確認)(續)

以下為本集團按營運分部劃分之資產與負債分析。

		Segment assets 分部資產		Segment liabilities 分部負債	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Hong Kong	香港	<b>977,166</b>	774,804	<b>311,958</b>	69,661
The PRC	中國	<b>351,958</b>	339,840	<b>51,049</b>	28,747
Macau	澳門	<b>85,570</b>	50,172	<b>24,431</b>	3,553
Taiwan	台灣	<b>24,984</b>	64,298	<b>668</b>	8,533
Segment total	分部總計	<b>1,439,678</b>	1,229,114	<b>388,106</b>	110,494
Unallocated	未分配	<b>1,073,943</b>	1,179,115	<b>42,229</b>	84,134
Group's total	本集團總計	<b>2,513,621</b>	2,408,229	<b>430,335</b>	194,628

The segment assets by location of assets are the same as by location of markets of the goods sold.

按資產所在地劃分之分部資產與按出售貨品市場之位置劃分者相同。

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## 綜合財務報表附註

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### 5. REVENUE AND SEGMENT INFORMATION

(Continued)

#### Sales of watches (revenue recognised at a point in time) (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than equity instruments at FVTOCI, debt instruments at FVTOCI, financial assets at FVTPL, deferred tax assets, interests in associates, interest in a joint venture, taxation recoverable, bank balances and cash and unallocated corporate assets; and
- all liabilities are allocated to operating segments other than taxation payable, deferred tax liabilities, derivative financial instruments at FVTPL and bank loans. Bank loans are classified as unallocated corporate liabilities because they are managed centrally by the treasury function of the Group.

### 5. 收益及分部資料(續)

#### 銷售鐘錶(收益於某一時間點確認)(續)

就監察分部表現及於分部間分配資源而言：

- 除按公平值計入其他全面收益之股本工具、按公平值計入其他全面收益之債務工具、按公平值計入損益之金融資產、遞延稅項資產、佔聯營公司之權益、佔一間合營公司之權益、可收回稅項、銀行結餘及現金以及未分配公司資產外，所有資產均分配至各營運分部；及
- 除應付稅項、遞延稅項負債、按公平值計入其他全面收益之衍生金融工具及銀行貸款外，所有負債均分配至各營運分部。由於銀行貸款由本集團之庫務部門集中管理，故分類為未分配公司負債。

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## 綜合財務報表附註

For the year ended 31 March 2020

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### 5. REVENUE AND SEGMENT INFORMATION

(Continued)

#### Other segment information

Amounts included in the measure of segment results or segment assets:

### 5. 收益及分部資料(續)

#### 其他分部資料

計量分部業績或分部資產時包括之金額：

	Additions of property, plant and equipment		Additions of right-of-use assets		Depreciation of property, plant and equipment		Depreciation of right-of-use assets		Loss on disposal of property, plant and equipment		Impairment loss recognised in property, plant and equipment*		Impairment loss recognised in right-of-use assets	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Hong Kong 香港	36,353	19,323	39,487	–	20,041	12,456	102,528	–	5,921	2,553	6,973	–	12,479	–
The PRC 中國	7,689	11,165	17,248	–	10,314	7,459	9,561	–	–	4	1,150	263	–	–
Macau 澳門	132	124	–	–	2,611	849	18,537	–	–	–	–	–	–	–
Taiwan 台灣	–	–	–	–	287	800	1,601	–	1,510	–	–	–	–	–
Segment total 分部總計	44,174	30,612	56,735	–	33,253	21,564	132,227	–	7,431	2,557	8,123	263	12,479	–
Unallocated 未分配	–	–	–	–	–	54	–	–	–	–	–	–	–	–
Group's total 本集團總計	44,174	30,612	56,735	–	33,253	21,618	132,227	–	7,431	2,557	8,123	263	12,479	–

\* The amount includes the impairment loss on deposits for acquisition of property, plant and equipment in Hong Kong.

\* 金額包括在香港收購物業、機器及設備之按金之減值虧損。

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## 綜合財務報表附註

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### 5. REVENUE AND SEGMENT INFORMATION (Continued)

#### Other segment information (Continued)

Information about the Group's non-current assets (excluding equity instruments at FVTOCI, debt instruments at FVTOCI, deferred tax assets, interests in associates and interest in a joint venture) by geographical location of the assets is detailed below:

Hong Kong	香港
The PRC	中國
Macau	澳門
Taiwan	台灣

### 5. 收益及分部資料(續)

#### 其他分部資料(續)

按資產所在地區劃分之本集團非流動資產(不包括按公平值計入其他全面收益之股本工具、按公平值計入其他全面收益之債務工具、遞延稅項資產、佔聯營公司之權益及佔一間合營公司之權益)之資料詳述如下:

#### Carrying amount of non-current assets 非流動資產之賬面值

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
454,511	217,130
48,213	30,310
25,866	7,804
—	2,299
<b>528,590</b>	<b>257,543</b>

### 6. OTHER INCOME

Interest income from bank	銀行利息收入
Interest income from rental deposits	租金按金利息收入
Government subsidies (note)	政府補助(附註)
Others	其他

### 6. 其他收入

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
15,392	13,762
1,402	—
8,311	4,357
3,255	24,219
<b>28,360</b>	<b>42,338</b>

Note: Government subsidies mainly comprised of unconditional subsidies received for subsidising the Group's business in the PRC.

附註: 政府補助主要包括就補助本集團中國業務收到之無條件補助。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 7. OTHER GAINS AND LOSSES

### 7. 其他收益及虧損

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss on disposal/written off of property, plant and equipment	出售／撇銷物業、機器及設備之虧損	(7,431)	(2,557)
Loss from changes in fair value of financial assets at FVTPL	按公平值計入損益之金融資產之公平值變動虧損	(2,123)	(890)
Impairment loss on deposits for acquisition of property, plant and equipment	收購物業、機器及設備之按金減值虧損	(4,000)	—
Impairment loss recognised in respect of property, plant and equipment	就物業、機器及設備確認之減值虧損	(4,123)	(263)
Impairment loss recognised in respect of right-of-use assets	就使用權資產確認之減值虧損	(12,479)	—
Loss arising from termination of leases	終止租賃產生之虧損	(43)	—
Gain on redemption of debt instruments at FVTOCI	按公平值計入其他全面收益之贖回債務工具之收益	6	—
Net loss on derivative financial instruments at FVTPL	按公平值計入損益之衍生金融工具之虧損淨額	(2,179)	—
Net exchange gains (losses)	匯兌收益(虧損)淨額	212	(5,063)
Loss on deregistration of a subsidiary	撤銷註冊一間附屬公司之虧損	—	(2,256)
		<b>(32,160)</b>	<b>(11,029)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSSES MODEL, NET OF REVERSAL

Impairment losses under credit losses (reversed) recognised on:

預期信貸虧損下就下列各項(撥回)確認之減值虧損：

- trade receivables
- other receivables

— 貿易應收賬款

— 其他應收賬款

### 8. 預期信貸虧損模式下之減值虧損(扣除撥回)

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
671	(253)
<b>(16,132)</b>	—
<b>(15,461)</b>	<b>(253)</b>

### 9. FINANCE COSTS

Interest on bank loans

Interest on lease liabilities

銀行貸款之利息

租賃負債之利息

### 9. 融資成本

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
956	1,959
<b>13,254</b>	—
<b>14,210</b>	<b>1,959</b>

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## 綜合財務報表附註

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### 10. PROFIT BEFORE TAXATION

### 10. 除稅前溢利

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Profit before taxation has been arrived at after (crediting) charging:	除稅前溢利已(計入)扣除：		
Directors' remuneration (note 11)	董事酬金(附註11)	<b>27,740</b>	26,583
Other staff's retirement benefits scheme contributions	其他職員之退休福利計劃供款	<b>6,066</b>	4,789
Other staff costs	其他職員成本	<b>103,066</b>	102,021
		<b>136,872</b>	133,393
Auditor's remuneration	核數師酬金	<b>3,480</b>	3,190
Cost of inventories recognised as expense (including allowance for slow-moving watches of HK\$19,005,000 (2019: net of reversal of allowance for slow-moving watches of HK\$355,000))	確認為開支之存貨成本(包括滯銷手錶撥備19,005,000港元(二零一九年：滯銷手錶撥備撥回淨額355,000港元))	<b>1,707,356</b>	1,834,224
Depreciation of property, plant and equipment	物業、機器及設備之折舊	<b>33,253</b>	21,618
Depreciation of right-of-use assets	使用權資產之折舊	<b>132,227</b>	N/A 不適用
Minimum operating lease rentals in respect of rented premises	有關租賃物業之最低經營租賃租金	<b>N/A 不適用</b>	162,268

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## 綜合財務報表附註

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截至二零二零年三月三十一日止年度

### 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Hong Kong Companies Ordinance. The emoluments paid or payable to each of the eight (2019: eight) directors were as follows:

### 11. 董事及僱員之酬金

董事及行政總裁之本年度薪酬乃根據適用上市規則及香港公司條例披露。已付或應付八名(二零一九年：八名)董事各人之酬金如下：

	2020 二零二零年					2019 二零一九年				
	Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance-related incentive bonus	Total	Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance-related incentive bonus	Total
	袍金 HK\$'000 千港元	薪金及其他福利 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	表現相關獎勵花紅 HK\$'000 千港元 (note) (附註)	總計 HK\$'000 千港元	袍金 HK\$'000 千港元	薪金及其他福利 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	表現相關獎勵花紅 HK\$'000 千港元 (note) (附註)	總計 HK\$'000 千港元
Executive directors 執行董事										
Dr. Yeung Ming Biu 楊明標博士	-	2,720	18	5,766	8,504	-	2,723	18	5,325	8,066
Mr. Yeung Him Kit, Dennis 楊衍傑先生	-	3,400	425	3,843	7,668	-	3,414	423	3,550	7,387
Madam Yeung Man Yee, Shirley 楊敏儀女士	-	797	110	1,921	2,828	-	797	108	1,775	2,680
Mr. Lam Hing Lun, Alain 林慶麟先生	-	1,967	272	1,921	4,160	-	1,882	239	1,775	3,896
Mr. Choi Kwok Yum* 蔡國欽先生*	-	1,877	242	1,921	4,040	-	1,969	270	1,775	4,014
Independent non-executive directors 獨立非執行董事										
Dr. Sun Ping Hsu, Samson 孫秉福博士	180	-	-	-	180	180	-	-	-	180
Dr. Li Sau Hung, Eddy 李秀恒博士	180	-	-	-	180	180	-	-	-	180
Mr. Choi Man Chau, Michael 蔡文洲先生	180	-	-	-	180	180	-	-	-	180
	540	10,761	1,067	15,372	27,740	540	10,785	1,058	14,200	26,583

Note: The performance-related incentive bonus is determined as a percentage of the profit for the year before bonus charge.

附註：表現相關獎勵花紅按扣除花紅支出前年內溢利之某一百分比釐定。

\* Resigned on 1 June 2020

\* 於二零二零年六月一日辭任

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

All the five highest paid employees of the Group were executive directors of the Company. Details of their emoluments are disclosed above.

Mr. Yeung Him Kit, Dennis is also the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The emoluments of independent non-executive directors shown above were for their services as directors of the Company.

During the year, no emoluments were paid by the Group to the directors and five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

### 11. 董事及僱員之酬金(續)

本集團五位最高薪酬僱員均為本公司執行董事。彼等之酬金詳情於上文披露。

楊衍傑先生亦為本公司之行政總裁，上文所披露其酬金包括其作為行政總裁提供服務之酬金。

上文所示執行董事之酬金乃就彼等所提供有關管理本公司及本集團事務之服務而支付。上文所示獨立非執行董事之酬金乃就彼等擔任本公司董事所提供之服務而支付。

年內，本集團並無向董事及五位最高薪酬人士支付任何酬金，作為加入本集團或加入本集團後之報酬或作為離職補償。年內概無董事放棄任何酬金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 12. INCOME TAX EXPENSE

### 12. 所得稅開支

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current tax:	本期稅項：		
Hong Kong	香港	<b>13,598</b>	20,769
PRC Enterprise Income Tax	中國企業所得稅	<b>15,348</b>	—
Other jurisdictions	其他司法權區	<b>3,469</b>	1,600
Withholding tax on dividend income from associates	聯營公司股息收入之預 扣稅	<b>420</b>	352
		<b>32,835</b>	22,721
Overprovision in prior years:	過往年度超額撥備：		
Hong Kong	香港	<b>(166)</b>	(357)
Other jurisdictions	其他司法權區	<b>(60)</b>	(794)
		<b>(226)</b>	(1,151)
Deferred taxation (credit) charge (note 28)	遞延稅項(抵免)支出 (附註28)	<b>(4,285)</b>	366
		<b>28,324</b>	21,936

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 12. INCOME TAX EXPENSE (Continued)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%, after setting off of tax losses brought forward, if any.

Accordingly, the Hong Kong profits tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, after setting off of tax losses brought forward, if any.

Taxation in other jurisdictions is calculated at the rates prevailing pursuant to the relevant laws and regulations.

### 12. 所得稅開支(續)

於二零一八年三月二十一日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，該條例草案引入利得稅兩級制。該條例草案於二零一八年三月二十八日簽署成為法律，並於翌日於憲報上刊登。根據利得稅兩級制，合資格集團實體將就首2,000,000港元溢利按8.25%之稅率繳納稅項，並將按16.5%之稅率繳納2,000,000港元以上溢利之稅項。不合利得稅兩級制資格之集團實體之溢利將於抵銷結轉的稅項虧損後(如有)繼續按固定稅率16.5%計算。

因此，就合資格集團實體之首2,000,000港元估計應課稅溢利按8.25%之稅率繳納香港利得稅，並將按16.5%之稅率繳納2,000,000港元以上估計應課稅溢利之香港利得稅。

根據《中國企業所得稅法》(「企業所得稅法」)及《企業所得稅法實施條例》，於抵銷結轉的稅項虧損後(如有)，於兩個年度中國附屬公司之稅率為25%。

其他司法權區之稅項乃根據有關法例及法規按現行稅率計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 12. INCOME TAX EXPENSE (Continued)

The tax expense for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

Profit before taxation	除稅前溢利
Tax at the applicable income tax rate of 16.5% (2019: 16.5%)	根據適用所得稅率 16.5% (二零一九年：16.5%) 計算之稅項
Tax effect of share of results of associates	應佔聯營公司之業績之稅務影響
Tax effect of share of result of a joint venture	應佔一間合營公司之業績之稅務影響
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響
Tax effect of temporary differences attributable to undistributed profits of associates and a joint venture	聯營公司及一間合營公司未分派溢利應佔之暫時差額之稅務影響
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司所使用不同稅率之影響
Overprovision in prior years	過往年度超額撥備
Utilisation of tax losses previously not recognised	動用之前未確認之稅務虧損
Income tax at concessionary rate	優惠稅率所得稅
Others	其他
Tax expense for the year	年內稅項支出

### 10. 所得稅開支(續)

年內稅項開支可與根據綜合損益及其他全面收益表之除稅前溢利對賬如下：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>127,433</b>	159,975
<b>21,026</b>	26,396
<b>(888)</b>	(535)
<b>10</b>	(32)
<b>4,488</b>	1,939
<b>(2,540)</b>	(872)
<b>5,300</b>	62
<b>1,127</b>	689
<b>3,990</b>	(600)
<b>(226)</b>	(1,151)
<b>(3,871)</b>	(3,822)
<b>(165)</b>	(165)
<b>73</b>	27
<b>28,324</b>	21,936

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 13. DIVIDENDS

### 13. 股息

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Dividends recognised as distribution during the year:	年內已確認為分派之股息：		
Interim dividend for financial year ended 31 March 2020 of 2.8 HK cents (2019: 2.8 HK cents) per share on 570,358,224 (2019: 570,358,224) shares	按570,358,224股(二零一九年：570,358,224股)股份計算之截至二零二零年三月三十一日止財政年度中期股息每股2.8港仙 (二零一九年：2.8港仙)	15,970	15,970
Interim special dividend for financial year ended 31 March 2020 of 8.7 HK cents (2019: 8.7 HK cents) per share on 570,358,224 (2019: 570,358,224) shares	按570,358,224股(二零一九年：570,358,224股)股份計算之截至二零二零年三月三十一日止財政年度中期特別股息每股8.7港仙 (二零一九年：8.7港仙)	49,621	49,621
Final dividend for financial year ended 31 March 2019 of 8.0 HK cents (2018: 8.0 HK cent) per share on 570,358,224 (2018: 570,610,224) shares	按570,358,224股(二零一八年：570,610,224股)股份計算之截至二零一九年三月三十一日止財政年度末期股息每股8.0港仙 (二零一八年：8.0港仙)	45,629	45,649
Special dividend for financial year ended 31 March 2019 of 13.5 HK cents (2018: 15.0 HK cents) per share on 570,358,224 (2018: 570,610,224) shares	按570,358,224股(二零一八年：570,610,224股)股份計算之截至二零一九年三月三十一日止財政年度特別股息每股13.5港仙 (二零一八年：15.0港仙)	76,998	85,592
		<b>188,218</b>	196,832
Dividends proposed after year end (note):	年結後擬派之股息(附註)：		
Proposed final dividend for financial year ended 31 March 2020 of 8.0 HK cents (2019: 8.0 HK cents) per share on 570,358,224 (2019: 570,358,224) shares	按570,358,224股(二零一九年：570,358,224股)股份計算之截至二零二零年三月三十一日止財政年度擬派末期股息每股8.0港仙 (二零一九年：8.0港仙)	45,629	45,629
Proposed special dividend for financial year ended 31 March 2020 of 5.0 HK cents (2019: 13.5 HK cents) per share on 570,358,224 (2019: 570,358,224) shares	按570,358,224股(二零一九年：570,358,224股)股份計算之截至二零二零年三月三十一日止財政年度擬派特別股息每股5.0港仙 (二零一九年：13.5港仙)	28,518	76,998
		<b>74,147</b>	122,627

Note: Subsequent to the end of the reporting period, a final dividend and a special dividend for the year ended 31 March 2020 have been proposed by the directors of the Company and are subject to approval by the shareholders in the forthcoming annual general meeting.

附註：於呈報期末後，本公司董事擬派截至二零二零年三月三十一日止年度之末期股息及特別股息，並待股東於應屆股東週年大會上批准。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

#### Earnings

Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)

#### 盈利

計算每股基本及攤薄盈利之盈利(本公司擁有人應佔年內溢利)

#### Number of shares

Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share

#### 股份數目

計算每股基本及攤薄盈利之普通股加權平均數

The diluted earnings per share for both years has not included the effect from the Company's share options because the exercise prices of the share options are higher than the average market price of the shares of the Company.

### 14. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
100,301	138,099
2020 二零二零年 '000 千股	2019 二零一九年 '000 千股
570,358	570,501

兩個年度之每股攤薄盈利並無包括本公司購股權之影響，此乃由於購股權之行使價高於本公司股份之平均市價所致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、機器及設備

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>COST</b>						
At 1 April 2018	於二零一八年四月一日	187,225	160,093	100,363	3,564	451,245
Exchange adjustment	匯兌調整	(1,498)	(3,919)	(1,786)	—	(7,203)
Additions	添置	—	23,567	1,567	1,278	26,412
Acquisition of a subsidiary (note 30)	收購一間附屬公司 (附註30)	4,200	—	—	—	4,200
Disposals/written off	出售/撤銷	—	(14,963)	(5,437)	(597)	(20,997)
At 31 March 2019	於二零一九年三月三十一日	189,927	164,778	94,707	4,245	453,657
Exchange adjustment	匯兌調整	(1,588)	(3,686)	(1,522)	—	(6,796)
Additions	添置	—	39,266	4,599	309	44,174
Disposals/written off	出售/撤銷	—	(33,767)	(8,247)	—	(42,014)
At 31 March 2020	於二零二零年三月三十一日	188,339	166,591	89,537	4,554	449,021
<b>DEPRECIATION AND IMPAIRMENT</b>						
At 1 April 2018	於二零一八年四月一日	40,889	126,110	70,937	2,493	240,429
Exchange adjustment	匯兌調整	(819)	(3,618)	(1,232)	—	(5,669)
Provided for the year	本年度撥備	4,079	11,336	5,967	236	21,618
Impairment loss recognised in profit or loss	於損益確認之減值虧損	—	263	—	—	263
Eliminated on disposals/ written off	出售/撤銷時對銷	—	(14,011)	(3,926)	(491)	(18,428)
At 31 March 2019	於二零一九年三月三十一日	44,149	120,080	71,746	2,238	238,213
Exchange adjustment	匯兌調整	(973)	(3,291)	(1,135)	—	(5,399)
Provided for the year	本年度撥備	4,085	23,717	5,028	423	33,253
Impairment loss recognised in profit or loss	於損益確認之減值虧損	—	4,123	—	—	4,123
Eliminated on disposals/ written off	出售/撤銷時對銷	—	(27,942)	(6,261)	—	(34,203)
At 31 March 2020	於二零二零年三月三十一日	47,261	116,687	69,378	2,661	235,987
<b>CARRYING VALUES</b>						
At 31 March 2020	於二零二零年三月三十一日	141,078	49,904	20,159	1,893	213,034
At 31 March 2019	於二零一九年三月三十一日	145,778	44,698	22,961	2,007	215,444

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## 綜合財務報表附註

For the year ended 31 March 2020

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### 15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Depreciation is provided to write off the cost of items of property, plant and equipment, using straight-line method or reducing balance method at the following rates per annum:

Leasehold land and buildings	Over 20 years for those located in the PRC or 50 years for those located in Hong Kong
Leasehold improvement	20% – 33 <sup>1</sup> / <sub>3</sub> %
Furniture, fixtures and equipment	10 – 20%
Motor vehicles	20%

Owner-occupied leasehold land located in Hong Kong and the PRC is included in property, plant and equipment because the allocation between the land portion and building portion cannot be made reliably.

### 15. 物業、機器及設備(續)

折舊為按直線法或餘額遞減法以下列年利率撇銷物業、機器及設備項目之成本：

租賃土地及樓宇	位於中國為超過20年或位於香港則50年
租賃物業裝修	20% – 33 <sup>1</sup> / <sub>3</sub> %
傢俬、裝置及設備	10 – 20%
汽車	20%

由於位於香港及中國之業主自用租賃土地之土地部分及樓宇部分不能可靠地劃分，故業主自用租賃土地乃計入物業、機器及設備。

The carrying value of property comprises:

Properties located in:	位於下列地點之物業：
Hong Kong	香港
PRC	中國

During the year, as certain retail shops in Hong Kong and the PRC incurred operating losses. The management of the Group concluded there was an indication for impairment and conducted impairment assessment on recoverable amounts of property, plant and equipment and right-of-use assets of relevant retail shops. The Group estimates the recoverable amount of these retail shops, each represents an individual CGU, to which the asset belongs when it is not possible to estimate the recoverable amount individually.

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
133,057	136,008
8,021	9,770
<b>141,078</b>	<b>145,778</b>

年內，由於香港及中國若干零售店產生營運虧損，本集團管理層認為相關零售店的廠房及設備及使用權資產存在減值跡象並就可收回金額進行減值評估。當無法單獨估計每項可收回金額時，本集團估計資產所屬零售店(各自為個別現金產生單位)的可收回金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The recoverable amount of CGUs has been determined based on a value in use calculation.

Based on the result of the assessment, management of the Group determined that the recoverable amount of certain CGUs is lower than the respective carrying amount. The relevant retail shops are not expected to resume profitable position before the end of the relevant leases. As a result, an impairment loss of HK\$4,123,000 and HK\$12,479,000 (2019: HK\$263,000 and nil) has been recognised in full against the carrying amount of property, plant and equipment and right-of-use assets.

### 16. RIGHT-OF-USE ASSETS

### 15. 物業、機器及設備(續)

現金產生單位的可收回金額乃根據使用價值計算釐定。

根據評估結果，本集團管理層確定若干現金產生單位的可收回金額低於各自的賬面值。有關零售店預期不會於相關租約結束前恢復盈利。因此，已就物業、廠房及設備及使用權資產的賬面值全數確認減值虧損4,123,000港元及12,479,000港元(二零一九年：263,000港元及無)。

### 16. 使用權資產

		<b>Leased properties 租賃物業 HK\$'000 千港元</b>
<b>As at 1 April 2019</b>	於二零一九年四月一日	
Carrying amount	賬面值	389,242
<b>As at 31 March 2020</b>	於二零二零年三月三十一日	
Carrying amount	賬面值	287,779

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 16. RIGHT-OF-USE ASSETS (Continued)

For the year ended 31 March 2020

### 16. 使用權資產(續)

截至二零二零年三月三十一日止年度

		2020 二零二零年 HK\$'000 千港元
<b>Expenses related to leases</b>	<b>租賃之相關費用</b>	
Expenses relating to leases with lease terms end within 12 months of the date of initial application of HKFRS 16	與租期於初始應用香港財務報告準則第16號當日起計12個月內結束之租賃有關之開支	1,788
Expenses relating to short-term leases	與短期租賃有關之開支	6,960
Variable lease payments not included in the measurement of lease liabilities	計量租賃負債時並無計入之可變租賃付款	3,861
Depreciation for the year	年內折舊	132,227
		<b>144,836</b>
Additions to right-of-use assets	使用權資產增加	56,735
Termination of lease	終止租賃	(7,456)
Modification of lease	修改租賃	(4,731)
		<b>147,772</b>
Total cash outflow for leases	租賃現金流出總額	

During the year ended 31 March 2019, expenses related to leases amounted to HK\$162,268,000 were paid as the minimum operating lease rentals in respect of rented premises, which were accounted for under HKAS 17.

於截至二零一九年三月三十一日止年度，有關租賃之開支為162,268,000港元，已就租賃物業作為最低經營租賃支付，並按香港會計準則第17號入賬。

For both years, the Group leases various retail shops and offices for its operations. Lease contracts are entered into for fixed term of 1 year to 8 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

於兩個年度，本集團就其營運租賃多個零售店及辦公室。租賃合約以固定租期一至八年訂立，惟具有如下文闡述之續租選擇權。租賃條款乃按個別基準商議，所載條款及條件各有不同且幅度頗大。釐定租賃條款及評估不可撤銷期長度時，本集團應用合約之定義，並決定可強制執行合約之期間。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 16. RIGHT-OF-USE ASSETS (Continued)

During the year, the Group entered into new lease agreements for the use of leased properties for 5 years. On the lease commencement, the Group recognised right-of-use asset and related lease liability of HK\$56,369,000, which constitutes non-cash transactions.

In addition to the short-term leases for a retail shops in the PRC which are regularly entered into by the Group with related expenses of approximately HK\$3,660,000 during the year ended 31 March 2020, the Group incurred expenses related to extended lease term for 2 months upon the expiry of the original lease during the year amounting to HK\$3,300,000.

#### Variable lease payments

Leases of retail shops are either with only fixed lease payments or contain variable lease payment that are based on certain percentage of sales. The payment terms are common in retail shops in Hong Kong and the PRC where Group operates.

For leases of retail shops that contain both fixed lease payments and variable lease payment that are based on 2% to 13% sales, the amount of fixed and variable lease payments paid/payable to relevant lessors for the year ended 31 March 2020 are as below:

		Number of shops 店舖數目	Fixed payments 固定付款 HK\$'000 千港元	Variable payments 可變付款 HK\$'000 千港元	Total payments 付款總額 HK\$'000 千港元
Retail shops without variable lease payments	不設可變租賃付款之 零售店	3	16,462	—	16,462
Retail shops with variable lease payments	設有可變租賃付款之 零售店	4	6,612	3,861	10,473
		7	23,074	3,861	26,935

### 16. 使用權資產(續)

於本年度，本集團就使用租賃物業訂立新租賃協議，為期五年。於租賃開始時，本集團確認使用權資產及相關租賃負債56,369,000港元，構成非現金交易。

除本集團於截至二零二零年三月三十一日止年度就中國零售店定期訂立之短期租賃外，本集團就在年內原有租賃相關開支約3,660,000港元屆滿後將租期延長兩個月產生開支3,300,000港元。

#### 可變租賃付款

零售店之租賃僅有固定租賃付款或包含可變租賃付款(其乃基於若干百分比銷售額)。付款條款於本集團在香港及中國營運之零售店乃屬普遍。

就包括固定租賃付款及包含基於銷售額的2%到13%之可變租賃付款之零售店租賃，截至二零二零年三月三十一日止年度，已付/應付予相關出租人之固定及可變租賃付款金額如下：

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 16. RIGHT-OF-USE ASSETS (Continued)

#### Variable lease payments (Continued)

The overall financial effect of using variable payment terms is that higher rental costs are incurred by shops with higher sales. Variable rent expenses are expected to continue to represent a similar proportion of shops sales in future years.

#### Extension options

The Group has extension options in three of the leases for retail shops. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension options held are exercisable only by the Group and not by the respective lessors.

The Group assesses at lease commencement date or date of initial application whether it is reasonably certain to exercise the extension options. The directors of the Company concluded the Group is reasonably certain to exercise all leases with renewal options considering all relevant facts and circumstances including economic incentives for exercising the options.

In addition, the Group reassesses whether it is reasonably certain to exercise an extension option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. During the year ended 31 March 2020, there is no such triggering event.

### 16. 使用權資產(續)

#### 可變租賃付款(續)

使用可變付款條款之整體財政影響為銷售額較高之店舖所產生之租金成本較高。預期未來多年，可變租金開支將繼續相當於店舖銷售額之相若比重。

#### 續租選擇權

本集團就零售店之三個租賃中包含續租選擇權，用於令管理本集團營運所用資產方面之營運靈活性達至最大。所持有的大部分續租選擇權僅由本集團行使，相關出租人不得行使。

本集團於租賃開始當日或初始應用當日評估會否合理肯定會行使續租選擇權。考慮到一切相關事實及狀況(包括行使選擇權之經濟上誘因)，本公司董事認定，本集團合理肯定會行使續租選擇權。

此外，在發生重大事件或承租人控制範圍內之情況發生重大變化時，本集團重新評估是否合理確定行使續租選擇權。截至二零二零年三月三十一日止年度，概無發生此類觸發事件。

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 16. RIGHT-OF-USE ASSETS (Continued)

#### Restriction on assets

In addition, lease liabilities of HK\$307,436,000 are recognised with related right-of-use assets of HK\$287,779,000 as at 31 March 2020. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

Details of the lease maturity analysis of lease liabilities are set out in notes 26 and 38.

Details of the impairment assessment on right-of-use assets are set out in note 15.

### 17. INTERESTS IN ASSOCIATES

Cost of investments in unlisted associates	於非上市聯營公司之投資成本
Exchange adjustments	匯兌調整
Share of post-acquisition profits, net of dividends received	應佔收購後溢利，扣除已收股息

Included in the interests of investments are goodwill of HK\$25,734,000 (2019: HK\$15,342,000) arising on acquisition of associates.

### 16. 使用權資產(續)

#### 資產之限制

此外，已就於二零二零年三月三十一日之相關使用權資產287,779,000港元確認租賃負債307,436,000港元。租賃協議並無賦予任何契諾，惟有租賃資產(由出租人持有)之抵押品權益，而相關租賃資產不可於借款時用作抵押品。

租賃負債之租賃到期日分析詳情載於附註26及38。

使用權資產減值評估之詳情載於附註15。

### 17. 佔聯營公司之權益

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
53,192	30,201
(558)	(834)
11,347	7,970
<b>63,981</b>	<b>37,337</b>

投資權益中包括因收購聯營公司而產生之商譽25,734,000港元(二零一九年：15,342,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 17. INTERESTS IN ASSOCIATES (Continued)

Details of the Group's associates at 31 March 2020 and 2019 are as follows:

Name of associate 聯營公司名稱	Place of incorporation and operation 註冊成立及營運地點	Proportion of ownership interest 所有權益比例		Proportion of voting power held 持有之投票權比例		Principal activity 主要業務
		2020 二零二零年	2019 二零一九年	2020 二零二零年 (note) (附註)	2019 二零一九年	
力新鐘錶股份有限公司 (「力新」)	Taiwan 台灣	60%	40%	60%	40%	Watch trading 手錶經銷
永新鐘錶股份有限公司 (「永新」)	Taiwan 台灣	60%	40%	60%	40%	Watch trading 手錶經銷
益新鐘錶股份有限公司 (「益新」)	Taiwan 台灣	60%	40%	60%	40%	Watch trading 手錶經銷

Aggregate information of associates that are not individually material

### 17. 佔聯營公司之權益(續)

本集團聯營公司於二零二零年及二零一九年三月三十一日之詳情如下：

並非個別重大之聯營公司之合計資料

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
The Group's share of profit and total comprehensive income	本集團應佔溢利及全面收益總額	5,379	3,244
Aggregate carrying amount of the Group's interests in these associates	本集團佔該等聯營公司之權益之合計賬面值	52,990	37,337

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## 綜合財務報表附註

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截至二零二零年三月三十一日止年度

### 17. INTERESTS IN ASSOCIATES (Continued)

On 22 January 2020, the Group acquired additional (“Interest”) 20% interest over 力新, 永新 and 益新, together with a call option exercisable by the seller with aggregate cash consideration of HK\$12,000,000. Pursuant to the agreement, the seller has the right to buy back the Interest, exercisable between 22 January 2022 to 21 February 2022 at exercise price of HK\$12,000,000 plus interests of 4% per annum. Upon completion of the transaction, the Group recognised the call option derivative at fair value of HK\$10,991,000 and consideration of the additional interest of HK\$22,991,000, respectively. The Group holds 60% of the issued share capital in each of the associate after the acquisitions are completed. However, under the shareholders’ agreement, other shareholders has the right to appoint three out of five directors to the board of that associates and since the critical business decision of that associates are determined by the simple majority in the board, the directors of the Company consider that the Group does not have control over of those associates and they are therefore continued to be classified as associates of the Group.

### 18. INTEREST IN A JOINT VENTURE

Cost of investment in an unlisted joint venture	於一間非上市合營公司之投資成本
Exchange adjustments	匯兌調整
Share of post-acquisition profit	應佔收購後溢利

### 17. 佔聯營公司之權益(續)

於二零二零年一月二十二日，本集團以總現金代價12,000,000港元收購力新、永新及益新額外20%權益（「該權益」）連同可予賣方行使的認購期權。根據協議，賣方可於二零二零年一月二十二日至二零二零年二月二十一日期間購回該權益，行使價為12,000,000港元加年利率4%。交易完成後，本集團按公平值分別確認認購期權衍生工具10,991,000港元及額外利息22,991,000港元。本集團於收購完成後於持有各聯營公司已發行股本60%。然而，根據股東協議，其他股東有權委任該等聯營公司五名董事中的三名，而由於該等聯營公司之關鍵業務決策由董事會簡單大多數決定，本公司董事認為本集團並無聯營公司之控制權，故此彼等繼續分類為本集團之聯營公司。

### 18. 佔一間合營公司之權益

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cost of investment in an unlisted joint venture	21,793	21,793
Exchange adjustments	(2,655)	(948)
Share of post-acquisition profit	5,101	5,160
	<b>24,239</b>	26,005

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### 18. INTEREST IN A JOINT VENTURE

(Continued)

Details of the Group's joint venture at 31 March 2020 and 2019 are as follows:

Name of joint venture	Place of incorporation and operation	Proportion of ownership interest 2020 & 2019 所有權益比例 二零二零年及二零一九年	Proportion of voting power held 2020 & 2019 持有之投票權比例 二零二零年及二零一九年	Principal activity 主要業務
合營公司名稱	註冊成立及營運地點			
寧波匯美鐘錶有限公司 ("Huimei") (「匯美」)	The PRC 中國	40%	40% (note) (附註)	Watch trading 手錶經銷

Note: The Group holds 40% of the paid-in capital of Huimei. Huimei is jointly controlled by the Group and the other significant equity owner by virtue of contractual arrangements among equity owners. Therefore, Huimei is classified as a joint venture of the Group.

Included in the interest of investments is goodwill of HK\$3,749,000 (2019: HK\$4,013,000) arising on acquisition of Huimei during the year ended 31 March 2012.

#### Information of the joint venture that is not individually material

The Group's share of (loss) profit and total comprehensive (expense) income	本集團應佔(虧損)溢利及全面(開支)收益總額
Carrying amount of the Group's interest in the joint venture	本集團佔該合營公司之權益之賬面值

### 18. 佔一間合營公司之權益(續)

本集團合營公司於二零二零年及二零一九年三月三十一日之詳情如下：

附註：本集團持有匯美實繳股本之40%。匯美因各股權擁有人之間訂立之合約安排而受本集團與另一重大股權擁有人共同控制。因此，匯美分類為本集團之合營公司。

投資權益中包括因於截至二零一二年三月三十一日止年度內收購匯美而產生之商譽3,749,000港元(二零一九年：4,013,000港元)。

#### 並非個別重大之合營公司之資料

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	(59)	192
	<b>24,239</b>	26,005

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 19. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### 19. 按公平值計入其他全面收益之股本工具

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed investments	上市投資		
Equity securities listed in Hong Kong	於香港上市之股本證券	36	41
Unlisted investments	非上市投資	3,175	3,866
		<b>3,211</b>	<b>3,907</b>

*Note:* The directors of the Company have elected to designate these investments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance in the long run.

*附註：*由於本公司董事相信，確認該等投資於損益反映之公平值之短期波動與本集團為長遠目的而持有該等投資及實現其長遠表現之策略不符，因此已選擇將該等投資指定為按公平值計入其他全面收益。

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## 綜合財務報表附註

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### 20 DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### 20. 按公平值計入其他全面收益之債務工具

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed investments	上市投資		
Debt securities listed in overseas with fixed interests ranging from 1.80% to 4.25% (2019: 1.56% to 4.25%) per annum and maturity dates ranging from 6 June 2020 to 15 June 2023 (2019: 16 May 2020 to 26 October 2020)	年利率介乎 1.80% 至 4.25% (二零一九年：1.56% 至 4.25%) 及介乎於二零二零年六月六日至二零二三年六月十五日(二零一九年：二零二零年五月十六日至二零二零年十月二十六日)到期之海外上市債務證券	10,926	3,683
Debt securities listed in Hong Kong with fixed interests 2.50% per annum and maturity date on 28 November 2019	年利率固定為 2.50% 及於二零一九年十一月二十八日到期之香港上市債務證券	—	1,568
Unlisted investments	非上市投資		
Debt securities issued in overseas with fixed interests ranging from 2.00% to 5.30% (2019: 2.63%) per annum and maturity date from 6 May 2020 to 15 August 2025 (2019: 14 January 2020)	年利率介乎 2.00% 至 5.30% (二零一九年：2.63%) 及介乎於二零二零年五月六日至二零二五年八月十五日(二零一九年：二零二零年一月十四日)到期之海外上市債務證券	6,240	1,569
		<b>17,166</b>	6,820
Analysed as:	分析為：		
Current portion	即期部分	7,486	1,812
Non-current portion	非即期部分	9,680	5,008
		<b>17,166</b>	6,820

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## 綜合財務報表附註

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### 20 DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

At 31 March 2020, debt instruments at FVTOCI are stated at fair values, which have been determined with reference to the quoted bid prices available and quoted market prices provided by brokers which are financial institutions.

The amount of the Group's debt instruments at FVTOCI denominated in currencies other than functional currency of the Group is set out below:

United State Dollars ("US\$")      美元(「美元」)

Details of impairment assessment of debt instruments at FVTOCI are set out in note 38.

### 21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Listed investments      上市投資  
Equity securities listed in Hong Kong      於香港上市之股本證券  
Equity securities listed in overseas      於海外上市之股本證券

### 20. 按公平值計入其他全面收益之債務工具(續)

於二零二零年三月三十一日，按公平值計入其他全面收益之債務工具乃按公平值入賬，其乃參考可得之所報投標價及由經紀(為金融機構)所提供之所報市場價格而釐定。

本集團按公平值計入其他全面收益之債務工具之金額以下文所載本集團功能貨幣以外之貨幣計值：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>17,166</b>	6,820

有關按公平值計入其他全面收益之債務工具減值評估之詳情載於附註38。

### 21. 按公平值計入損益之金融資產

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>4,230</b>	6,112
<b>11,641</b>	8,870
<b>15,871</b>	14,982



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 23. TRADE AND OTHER RECEIVABLES

(Continued)

Rental deposits paid were adjusted upon the initial application of HKFRS 16. Details of the adjustments are set out in note 2.

As at 1 April 2018, trade receivables from contract with customers amounted to HK\$105,130,000.

The Group maintains a general credit policy of not more than 30 days for its retails sales in department store and wholesales customers. Sales made to retail customers are mainly made on a cash basis. The following is an aged analysis of trade receivables net of allowance for credit losses based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日

As at 31 March 2020, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$19,770,000 (2019: HK\$10,711,000) which are past due as at the reporting date. These balances are not considered as in default because historical experience indicated that such receivables could be recoverable from the relevant debtors. The Group does not hold any collateral over these balances.

Details of the impairment assessment of trade and other receivables are stated in note 38.

### 23. 貿易及其他應收賬款(續)

已付租金按金於初始應用香港財務報告準則第16號之時已予調整。調整詳情載於附註2。

於二零一八年四月一日，來自客戶合約之貿易應收賬款為105,130,000港元。

本集團對其百貨公司零售銷售及批發客戶實行不超過30日之一般信貸政策。零售客戶銷售以現金進行。以下為貿易應收賬款(扣除信貸虧損撥備)於呈報期末按發票日期之賬齡分析：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
61,106	75,335
19,770	9,843
—	868
<b>80,876</b>	<b>86,046</b>

於二零二零年三月三十一日，本集團之貿易應收賬款結餘包括債務人賬面總值19,770,000港元(二零一九年：10,711,000港元)之應收賬款，而該等應收賬款於呈報日已逾期。該等餘額不被視為違約，此乃由於過往經驗顯示該等應收賬款可自相關債務人收回。本集團並無就該等結餘持有任何抵押品。

有關貿易及其他應收賬款減值評估之詳情載於附註38。

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## 綜合財務報表附註

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### 24. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less at prevailing market rates ranging from 0.01% to 2.03% (2019: 0.01% to 1.14%) per annum.

### 25. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

#### Trade and other payables

Trade payables	貿易應付賬款
Payroll and welfare payables	應付工資及福利
Commission payables	應付佣金
Renovation work payables	應付翻新工程賬款
PRC VAT and other taxes payables	應付中國增值稅及其他稅項
Advertising fee payables	應付廣告費
Property rental fee payables	應付物業租金
Other payables	其他應付賬款
Accrued expenses	應計費用

### 24. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金及原到期日為三個月或以下並按現行市場年利率介乎0.01厘至2.03厘(二零一九年：0.01厘至1.14厘)計息之短期銀行存款。

### 25. 貿易及其他應付賬款以及合約負債

#### 貿易及其他應付賬款

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
26,168	50,907
15,648	20,559
25,886	25,996
1,430	3,468
1,230	5,970
613	1,007
1,916	1,408
10,883	6,521
3,000	3,190
<b>86,774</b>	<b>119,026</b>

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## 綜合財務報表附註

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### 25. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES (Continued)

#### Trade and other payables (Continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 60 days	0至60日
61 to 90 days	61至90日
Over 90 days	90日以上

#### Contract liabilities

Contract liabilities on sales of watches	銷售手錶之合約負債
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During the year ended 31 March 2020, revenue recognised in current year of HK\$7,476,000 (2019: HK\$8,780,000) was included in the contract liability balance at the beginning of the year.

Contract liabilities represent receipts in advance for sales of watches, giving rise to contract liabilities until revenue is recognised.

As at 1 April 2018, contract liabilities amounted to HK\$8,780,000.

### 25. 貿易及其他應付賬款以及合約負債(續)

#### 貿易及其他應付賬款(續)

以下為貿易應付賬款於呈報期末按發票日期呈列之賬齡分析：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
25,088	43,498
52	1,227
1,028	6,182
<b>26,168</b>	<b>50,907</b>

#### 合約負債

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
4,366	7,476

截至二零二零年三月三十一日止年度，於本年度確認之收益7,476,000港元(二零一九年：8,780,000港元)已計入本年初之合約負債結餘中。

合約負債指銷售鐘錶之預收款項，其產生合約負債直至確認收益為止。

於二零一八年四月一日，合約負債為8,780,000港元。

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## 綜合財務報表附註

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### 26. LEASE LIABILITIES

### 26. 租賃負債

		2020 二零二零年 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：	
Within one year	一年內	101,663
Within a period of more than one year but not more than two years	一年後但兩年內	70,777
Within a period of more than two years but not more than five years	兩年後但五年內	90,675
Within a period of more than five years	超過五年	44,321
		<b>307,436</b>
Less: Amount due for settlement with 12 months shown under current liabilities	減：流動負債下所示12個月內到期 結算之款項	<b>(101,663)</b>
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債下所示12個月後到期 結算之款項	<b>205,773</b>

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## 綜合財務報表附註

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### 27. BANK LOANS

### 27. 銀行貸款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
The bank loans are repayable as follows (based on the scheduled repayment dates set out in the loan agreements):	銀行貸款須於以下期間償還(依照貸款協議所載之預定還款日)：		
Within one year	一年內	4,000	57,700
Within a period of more than one year but not exceeding two years	一年後但兩年內	1,667	4,000
Within a period of more than two years but not exceeding five years	兩年後但五年內	—	1,667
		<b>5,667</b>	<b>63,367</b>
Comprising:	包括：		
Amount due within one year shown under current liabilities	於一年內到期之款項(列為流動負債)	—	53,700
Amount that contains a repayment on demand clause (shown under current liabilities) but repayable:	包含按要求償還條款之款項(列為流動負債)惟須於以下期間償還：		
Within one year	一年內	4,000	4,000
Within a period of more than one year	超過一年	1,667	5,667
Total amount shown under current liabilities	列為流動負債之款項總額	<b>5,667</b>	<b>63,367</b>
Analysed as:	分析為：		
Secured	有抵押	5,667	9,667
Unsecured	無抵押	—	53,700
		<b>5,667</b>	<b>63,367</b>

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 27. BANK LOANS (Continued)

At 31 March 2020, the Group pledged certain leasehold land and buildings with an aggregate carrying value of HK\$84,340,000 (2019: HK\$86,714,000) to banks to secure bank loan facilities granted to the Group.

All bank loans carrying interest at variable rates, mainly comprising:

Loans carrying interest at:	按以下利率計息之貸款：
— Bank's cost of funding (quoted by bank) plus 1.50% per annum	— 銀行融資成本(按銀行報價)加年利率1.50厘
— Hong Kong Interbank Offered Rate ("HIBOR") plus 1.75% per annum	— 香港銀行同業拆息加年利率1.75厘
— Taipei Interbank Offered Rate ("TAIBOR") plus 1.50% divided by 0.946 per annum	— 台灣銀行同業拆息加年利率1.50厘除以0.946

At the end of the reporting period, the Group has the following undrawn short-term borrowing facilities:

Variable rates	浮息
Expiring within one year	於一年內到期

### 27. 銀行貸款(續)

於二零二零年三月三十一日，本集團已向銀行質押總賬面值為84,340,000港元(二零一九年：86,714,000港元)之若干租賃土地及樓宇，以作為本集團獲授銀行貸款融資之抵押。

銀行貸款均按浮動利率計息，主要包括：

#### Effective interest rate per annum 實際年利率

2020 二零二零年	2019 二零一九年
1.94%	1.94%
—	3.38%
—	2.30%

於呈報期末，本集團有以下未提取短期借貸融資：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
424,109	409,860

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## 綜合財務報表附註

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### 28. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

For the purpose of presentation in the consolidated statement of financial assets, certain deferred tax assets and liabilities have been offset.

Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債

The following are the major deferred tax (liabilities) assets recognised and movements thereon during the current and prior years:

		ECL provision of trade receivable 貿易應收賬款之預期信貸虧損撥備 HK\$'000 千港元	Undistributable profits of associates and a joint venture 聯營公司及一間合營公司之不可分派溢利 HK\$'000 千港元	Others 其他 HK\$'000 千港元 (note) (附註)	Total 合計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	—	(1,664)	56	(1,608)
Exchange adjustment	匯兌調整	—	—	(3)	(3)
Reversal of withholding tax payment	撥回已付預扣稅	—	352	—	352
Charge to profit or loss	於損益扣除	—	(689)	(29)	(718)
At 31 March 2019	於二零一九年三月三十一日	—	(2,001)	24	(1,977)
Exchange adjustment	匯兌調整	(18)	—	(1)	(19)
Reversal of withholding tax payment	撥回已付預扣稅	—	420	—	420
Charge (credit) to profit or loss	於損益扣除(記入)	758	(1,127)	4,234	3,865
At 31 March 2020	於二零二零年三月三十一日	740	(2,708)	4,257	2,289

Note: The amounts mainly represent temporary differences arising from impairment on property, plant and equipment, and right-of-use assets.

### 28. 遞延稅項

以下為用作財務申報之遞延稅項結餘分析：

就呈列綜合財務資產表而言，若干遞延稅項資產及負債已予抵銷。

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
5,153	24
(2,864)	(2,001)

以下為於本年度及以往年度確認之主要遞延稅項(負債)資產及其變動：

ECL provision of trade receivable 貿易應收賬款之預期信貸虧損撥備 HK\$'000 千港元	Undistributable profits of associates and a joint venture 聯營公司及一間合營公司之不可分派溢利 HK\$'000 千港元	Others 其他 HK\$'000 千港元 (note) (附註)	Total 合計 HK\$'000 千港元
—	(1,664)	56	(1,608)
—	—	(3)	(3)
—	352	—	352
—	(689)	(29)	(718)
—	(2,001)	24	(1,977)
(18)	—	(1)	(19)
—	420	—	420
758	(1,127)	4,234	3,865
740	(2,708)	4,257	2,289

附註：該等金額主要指物業、廠房及設備及使用權資產減值所產生的暫時差額。

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### 28. DEFERRED TAXATION (Continued)

At 31 March 2020, the Group had unutilised tax losses of HK\$123,239,000 (2019: HK\$114,578,000) available to set off against future assessable profits. No deferred tax asset has been recognised in respect of these unutilised tax losses due to the unpredictability of future profit stream. Included in unutilised tax losses at 31 March 2019 are losses of HK\$23,460,000 (2020: nil) that will expire in the period from 2020 to 2024 (2020: nil). Other losses of the Group at 31 March 2019 and 2020 may be carried forward indefinitely.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred tax has not been provided for in the consolidated financial statements in respect of temporary differences attributable to retained profits of the PRC subsidiaries amounting to HK\$168,748,000 (2019: HK\$92,555,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 28. 遞延稅項(續)

於二零二零年三月三十一日，本集團有未動用稅務虧損123,239,000港元(二零一九年：144,578,000港元)可供抵銷未來應課稅溢利。由於未能預測未來溢利來源，故並無就該等未動用稅務虧損確認遞延稅項資產。於二零一九年三月三十一日之未動用稅務虧損包括將於二零二零年至二零二四年(二零二零年：無)期間屆滿之虧損23,460,000港元(二零二零年：無)。本集團於二零一九年及二零二零年三月三十一日之其他虧損可無限期結轉。

根據中國企業所得稅法，自二零零八年一月一日起，中國附屬公司所宣派有關所賺取溢利之股息須繳付預扣稅。由於本集團可控制撥回中國附屬公司保留溢利應佔暫時差額168,748,000港元(二零一九年：92,555,000港元)之時間，且暫時差額不大可能於可見將來撥回，故並無於綜合財務報表就暫時差額計提遞延稅項撥備。

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## 綜合財務報表附註

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### 29. SHARE CAPITAL

### 29. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
Authorised:	法定：		
At 1 April 2018, 31 March 2019 and 31 March 2020	於二零一八年四月一日、二零 一九年三月三十一日及 二零二零年三月三十一日	1,000,000,000	100,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2018	於二零一八年四月一日	570,610,224	57,061
Share repurchased and cancelled (note)	股份購回及註銷(附註)	(252,000)	(25)
At 31 March 2019 and 31 March 2020	於二零一九年三月三十一日及 二零二零年三月三十一日	570,358,224	57,036

Note: During the year ended 31 March 2019, the Company repurchased a total of 252,000 issued ordinary shares on 25 October 2018 at prices ranging from HK\$1.78 per share to HK\$1.80 per share in the market for a consideration of HK\$452,000. The ordinary shares were cancelled upon repurchase.

附註：於截至二零一九年三月三十一日止年度，本公司於二零一八年十月二十五日按介乎每股1.78港元至每股1.80港元之價格於市場上以代價452,000港元購回總數為252,000股已發行普通股。該等普通股於購回後已註銷。

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### 30. ACQUISITION OF A SUBSIDIARY UNDER ASSET ACQUISITION

On 18 September 2018, the Group acquired entire equity interest in Fully Field Development Limited (“Fully Field”) at a consideration of HK\$4,186,000. Fully Field holds 3 signage spaces in Hong Kong. The directors of the Company were of the opinion that acquisition of Fully Field did not constitute business combinations as defined in HKFRS 3, therefore, the acquisition had been accounted for as asset acquisition. Details of acquisition were summarised follows:

#### Assets and liabilities recognised at the date of acquisition

### 30. 資產收購下收購一間附屬公司

於二零一八年九月十八日，本集團收購滿輝發展有限公司(「滿輝」)全部股權，代價為4,186,000港元。滿輝於香港持有三個標牌。本公司董事認為收購滿輝並不構成香港財務報告準則第3號所界定之業務合併，因此，該收購事項計入為資產收購。該收購事項詳情概述如下：

#### 於收購日期已確認之資產及負債

		<b>Total</b> 總數 HK\$'000 千港元
Net assets of Fully Field acquired:	已收購之滿輝資產淨值：	
Property, plant and equipment	物業、機器及設備	4,200
Bank balances	銀行結餘	31
Other payables	其他應付賬款	(45)
		<hr/>
Net assets	資產淨值	4,186
		<hr/>
Cash consideration paid	已付現金代價	4,186
Bank balances acquired	已收購銀行結餘	(31)
		<hr/>
Net cash outflow from acquisition of a subsidiary under asset acquisition	資產收購下收購一間附屬公司之現金流出淨額	4,155
		<hr/>

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 31. SHARE-BASED PAYMENT TRANSACTION

#### (a) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3 November 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3 November 2003.

Under the 2003 Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company, the trustee of the eligible persons or a company beneficially owned by the eligible persons. The purpose of the 2003 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than ten years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and

### 31. 以股份為基礎之付款交易

#### (a) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司採納購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起計有效十年。

根據二零零三年購股權計劃，購股權可授予本集團或本公司持有權益之公司或該公司之附屬公司之任何董事、僱員、顧問、客戶、供應商或諮詢人、合資格人士之信託人或合資格人士實益擁有之公司。二零零三年購股權計劃旨在吸引及挽留優秀人才及其他人士，以激勵彼等對本集團之業務及經營作出貢獻。根據上市規則，除非已取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間最後一日之已發行股本1%之購股權。行使期由本公司董事釐定，惟不得超過自授出日期起計十年，且可包括購股權獲行使前必須持有之最短期限。在行使購股權時應付之每股行使價相等於以下三者中之最高者：

- (a) 一股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及

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### 31. SHARE-BASED PAYMENT TRANSACTION

(Continued)

#### (a) 2003 Share Option Scheme (Continued)

- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

On 6 April 2011, 32,300,000 share options were granted and on 29 August 2011, and 23,000,000 share options were granted under the 2003 Share Option Scheme. The options may be exercised by the grantees at any time during the option period up to the termination of employment. All share options vested immediately at the date of grant. The estimated fair values of the options granted on these dates are HK\$44,855,000 and HK\$48,698,000, respectively. The closing prices immediately before the date of grant were HK\$3.95 and HK\$4.38, respectively.

Details of specific categories of options are as follows:

Date of grant	Number of share options granted	Exercisable period	Original exercise price per share	Adjusted exercise price per share
授出日期	已授出購股權數目	可行使期間	原有每股行使價	經調整每股行使價
6 April 2011	32,300,000	6 April 2011 to 5 April 2021	HK\$4.13	HK\$3.44
二零一一年四月六日		二零一一年四月六日至二零二一年四月五日	4.13 港元	3.44 港元 (附註i)
29 August 2011	23,000,000	29 August 2011 to 28 August 2021	HK\$4.80	N/A
二零一一年八月二十九日		二零一一年八月二十九日至二零二一年八月二十八日	4.80 港元	不適用

### 31. 以股份為基礎之付款交易(續)

#### (a) 二零零三年購股權計劃(續)

- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

於二零一一年四月六日，根據二零零三年購股權計劃，32,300,000份購股權獲授出，而於二零一一年八月二十九日，23,000,000份購股權獲授出。承授人可於購股權期間隨時行使購股權，直至終止僱用為止。所有購股權於授出當日即時歸屬。於該等日期授出之購股權之估計公平值分別為44,855,000港元及48,698,000港元。緊接授出當日前之收市價分別為3.95港元及4.38港元。

特定購股權類別之詳情如下：

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### 31. SHARE-BASED PAYMENT TRANSACTION

(Continued)

#### (a) 2003 Share Option Scheme (Continued)

The following tables disclose movements of the Company's share options granted under the 2003 Share Option Scheme held by directors, employees and consultants during the years ended 31 March 2019 and 2020:

#### Share options granted on 6 April 2011

Categories of participants		Number of shares under option outstanding at 1 April 2018	Forfeited during the year ended 31 March 2019	Number of shares under option outstanding at 31 March 2019 and
				31 March 2020
		於二零一八年四月一日未行使購股權之股份數目	於截至二零一九年三月三十一日止年度沒收	於二零一九年三月三十一日及二零二零年三月三十一日未行使購股權之股份數目
Directors of the Company	本公司董事	11,520,000	—	11,520,000
Other employees	其他僱員	14,400,000	—	14,400,000
Consultants (note ii)	顧問(附註ii)	5,640,000	(3,000,000)	2,640,000
Total	總計	31,560,000	(3,000,000)	28,560,000

### 31. 以股份為基礎之付款交易(續)

#### (a) 二零零三年購股權計劃(續)

下表披露分別於截至二零一九年及二零二零年三月三十一日止年度內董事、僱員及顧問所持有根據二零零三年購股權計劃獲授出之本公司購股權變動：

#### 於二零一一年四月六日授出之購股權

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### 31. SHARE-BASED PAYMENT TRANSACTION

(Continued)

#### (a) 2003 Share Option Scheme (Continued)

##### Share options granted on 29 August 2011

##### Categories of participants

##### 參與者類別

Other employees  
Consultants (note ii)

其他僱員  
顧問(附註ii)

Total

總計

##### Notes:

- (i) The number of shares under the outstanding options and the exercise price have been adjusted upon the bonus issue of shares in July 2011 on the basis of one new ordinary share for every five ordinary shares held.
- (ii) The share options were granted to consultants for services rendered in exploring investment opportunities for the Group.

The 2003 Share Option Scheme expired on 2 November 2013. The options could be exercised by the participants at any time during the option exercisable period and notwithstanding that the 2003 Share Option Scheme had expired. During the year ended 31 March 2019, 3,000,000 (2020: nil) options under the 2003 Share Option Scheme were forfeited.

### 31. 以股份為基礎之付款交易(續)

#### (a) 二零零三年購股權計劃(續)

##### 於二零一一年八月二十九日授出之購股權

Number of  
shares under  
option  
outstanding at  
1 April 2018,  
31 March 2019  
and  
31 March 2020  
於二零一八年  
四月一日、  
二零一九年  
三月三十一日  
及二零二零年  
三月三十一日  
未行使購股權  
涉及之股份數目

18,000,000  
5,000,000

23,000,000

##### 附註:

- (i) 未行使購股權涉及之股份數目及行使價已於二零一一年七月按每持有五股普通股獲派一股新普通股之基準派送紅股後作出調整。
- (ii) 該等購股權乃授予顧問，作為其為本集團發掘投資機會所提供服務之回報。

二零零三年購股權計劃已於二零一三年十一月二日屆滿。儘管二零零三年購股權計劃已經屆滿，惟參與者仍可於購股權行使期間隨時行使購股權。於截至二零一九年三月三十一日止年度，3,000,000份(二零二零年：無)購股權已根據二零零三年購股權計劃沒收。

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 31. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (b) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13 August 2013, a new share option scheme was adopted with effect on 3 November 2013 (the “2013 Share Option Scheme”) after the expiry of the 2003 Share Option Scheme.

Under the 2013 Share Option Scheme, options may be granted to (i) any director, employee or consultant of the Group or a company in which the Company holds an equity interest or a subsidiary of such company (“Affiliate”); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at the date of this report is 57,061,022 shares, representing about 10% of the issued share capital of the Company on such date. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than ten years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

### 31. 以股份為基礎之付款交易(續)

#### (b) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零零三年購股權計劃屆滿後，一項於二零一三年十一月三日生效之新購股權計劃(「二零一三年購股權計劃」)獲採納。

根據二零一三年購股權計劃，購股權可授予(i)本集團或本公司持有股本權益之公司或該公司之附屬公司(「聯屬公司」)之任何董事、僱員或顧問；或(ii)受益人包括本集團或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)為本集團或本集團之業務服務而對或預期對本集團之業務或經營作出貢獻之任何客戶、供應商或顧問。二零一三年購股權計劃旨在吸引及挽留優秀人才及其他人士，以激勵彼等對本集團之業務及經營作出貢獻。於本報告日期，二零一三年購股權計劃項下可供發行之股份總數為57,061,022股，相當於該日本公司已發行股本約10%。根據上市規則，除非已取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年，且可包括購股權獲行使前必須持有之最短期限。在行使購股權時應付之每股行使價相等於以下三者中之最高者：

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### 31. SHARE-BASED PAYMENT TRANSACTION

(Continued)

#### (b) 2013 Share Option Scheme (Continued)

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme will remain in force until 2 November 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme since its effective date on 3 November 2013 and there was no outstanding share option as at 31 March 2020.

No share-based payment expense was recognised for the years ended 31 March 2019 and 2020 in relation to share options granted by the Company.

### 31. 以股份為基礎之付款交易(續)

#### (b) 二零一三年購股權計劃(續)

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零一三年購股權計劃將一直有效，直至二零二三年十一月二日為止。

自二零一三年購股權計劃生效日期二零一三年十一月三日起，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零二零年三月三十一日亦無未行使購股權。

截至二零一九年及二零二零年三月三十一日止年度，概無就本公司授出之購股權確認以股份為基礎之付款開支。

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### 32. CONTINGENT LIABILITIES

As at 31 March 2020, the Group and the other shareholders issued financial guarantees jointly to banks in respect of banking facilities granted to associates. The amount disclosed represents the aggregate amount of such contingent liabilities for which the Group and the other shareholders as investor are liable that could be required to be paid if the guarantees were called upon in entirety amounted to New Taiwan Dollar (“NT\$”) 150,000,000 and equivalent to HK\$38,775,000 (2019: NT\$150,000,000 and equivalent to HK\$38,624,000), which was fully utilised by these associates at 31 March 2020. The fair value of the financial guarantee contracts at the grant date is not significant.

### 33. OPERATING LEASE ARRANGEMENTS

At 31 March 2019, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2019 二零一九年 HK\$'000 千港元
Within one year	一年內	122,768
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	158,304
Over five years	超過五年	586
		<hr/> 281,658

Operating lease payments represent rentals payable by the Group for certain shops and office premises. Leases are negotiated for a term ranged from 1 to 8 years. Some group entities are required to pay lease charges based on a fixed percentage of net sales.

### 32. 或然負債

於二零二零年三月三十一日，本集團及其他股東就聯營公司獲授之銀行融資共同向銀行發出財務擔保。所披露金額指本集團及其他股東作為投資者須要負責，於被要求全數代還擔保時可能須予支付之或然負債總額新台幣(「新台幣」)150,000,000元(相等於38,775,000港元)(二零一九年：新台幣150,000,000元，相等於38,624,000港元)，於二零二零年三月三十一日已獲該等聯營公司全數動用。財務擔保合約於授出當日之公平值並不重大。

### 33. 經營租賃安排

於二零一九年三月三十一日，本集團已承諾日後根據不可撤銷之經營租賃支付最低租賃付款，到期日如下：

經營租賃付款指本集團就其若干分店及辦公室物業應付之租金。租賃議定之年期介乎1至8年。若干集團實體須按銷售淨額之固定百分比支付租賃費用。

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## 綜合財務報表附註

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### 34. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	就已訂約但未於綜合財務報表內撥備之收購物業、機器及設備之資本開支
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### 35. RETIREMENT BENEFITS SCHEMES

The Group principally operates defined contribution retirement schemes for all qualifying employees, including directors. The assets of the schemes are held separately from those of the Group in funds under the control of independent trustees.

The retirement scheme cost represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

In Hong Kong, the Group participates in a defined contribution schemes, of which one scheme is registered under the Occupational Retirement Schemes Ordinance (the "ORSO" Scheme) and the other is a Mandatory Provident Fund Scheme (the "MPF" Scheme) established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5% to 15% of the employee's basic salary, depending on the length of service with the Group.

### 34. 資本承擔

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>8,378</b>	8,780

### 35. 退休福利計劃

本集團主要為所有合資格僱員(包括董事)營辦定額供款退休計劃。該等計劃的資產於受獨立受託人控制之基金持有，與本集團的資產分開。

退休計劃成本指本集團按計劃規則指定之比率應付予基金之供款。倘僱員於可全數取得供款前退出該等計劃，則已沒收之供款金額會用於扣減本集團應付之供款。

於香港，本集團參與定額供款計劃，其中一項計劃根據職業退休計劃條例註冊(「ORSO」計劃)，而另一項為於二零零零年十二月根據強制性公積金計劃條例設立之強制性公積金計劃(「強積金」計劃)。該等計劃的資產於受獨立受託人控制之基金持有，與本集團的資產分開。

ORSO計劃以僱員及本集團作出之每月供款提供資金，供款比率為僱員基本薪金之5%至15%，視乎於本集團之服務年期而定。

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## 綜合財務報表附註

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### 35. RETIREMENT BENEFITS SCHEMES

*(Continued)*

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme subject to a maximum monthly contribution amount of HK\$1,500 to an individual, which contribution is matched by the employee.

The employees of the Company's PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The Company's PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total cost charged to profit or loss of HK\$7,133,000 (2019: HK\$5,847,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

### 35. 退休福利計劃(續)

至於強積金計劃之成員，本集團按相關薪資成本之5%向強積金計劃作出供款，向個別僱員作出之每月供款額最多1,500港元，而僱員亦作出等額供款。

本公司中國附屬公司之僱員為由中國政府營辦之國家管理退休福利計劃之成員。本公司之中國附屬公司須按僱員薪支之若干百分比向退休福利計劃供款，為該等福利提供資金。本集團有關退休福利計劃之責任為根據計劃作出規定供款。

自損益扣除之總成本7,133,000港元(二零一九年：5,847,000港元)指本集團就本會計期間應付該等計劃之供款。

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### 36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

### 36. 融資活動而產生之負債之對賬

下表詳述本集團融資活動而產生之負債變動，包括現金及非現金變動。融資活動而產生之負債為現金流量已經或未來現金流量將會於本集團之綜合現金流量表中分類為融資活動產生之現金流量。

		Lease liabilities 租賃負債 HK\$'000 千港元	Interest payable 應付利息 HK\$'000 千港元	Bank loans 銀行貸款 HK\$'000 千港元	Dividend payable 應付股息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	—	—	75,320	—	75,320
Financing cash flows (note)	融資現金流量 (附註)	—	(1,959)	(10,285)	(196,832)	(209,076)
Dividends declared	已宣派股息	—	—	—	196,832	196,832
Interest accrued	應計利息	—	1,959	—	—	1,959
Exchange adjustment	匯兌調整	—	—	(1,668)	—	(1,668)
At 31 March 2019	於二零一九年三月三十一日	—	—	63,367	—	63,367
Effect of adoption of new standard of HKFRS 16 (note 2.1)	採納香港財務報告準則第16號新準則之影響(附註2.1)	386,075	—	—	—	386,075
At 1 April 2019	於二零一九年四月一日	386,075	—	63,367	—	449,442
Financing cash flows (note)	融資現金流量 (附註)	(134,806)	(956)	(57,860)	(188,218)	(381,840)
Dividends declared	已宣派股息	—	—	—	188,218	188,218
Interest accrued	應計利息	13,254	956	—	—	14,210
New leases entered or modified	已訂立或修改之新租賃	51,638	—	—	—	51,638
Termination of leases	租賃終止	(7,413)	—	—	—	(7,413)
Exchange adjustment	匯兌調整	(1,312)	—	160	—	(1,152)
At 31 March 2020	於二零二零年三月三十一日	307,436	—	5,667	—	313,103

Note: The cash flows represent dividends paid, repayment of bank loans, new bank loan raised, repayments of lease liabilities and interest paid in the consolidated statement of cash flows.

附註：現金流量指綜合現金流量表之已付股息、償還銀行貸款、新造銀行貸款、償還租賃負債及已付利息。

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### 37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank loans disclosed in note 27 and lease liabilities in note 26, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves including retained profits. The directors of the Company review the capital structure on an annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, new share issues as well as issue of new debts or redemption of existing debts.

### 38. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

Financial assets	金融資產
Financial assets at amortised cost	按攤銷成本計量之金融資產
Debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具
Financial assets at FVTPL	按公平值計入損益之金融資產
Equity instruments at FVTOCI	按公平值計入其他全面收益之股本工具
Financial liabilities	金融負債
Amortised cost	攤銷成本
Derivative financial instruments at FVTPL	按公平值計入損益之衍生金融工具

### 37. 資本風險管理

本集團管理其資本，以確保本集團旗下實體將能夠持續經營，同時透過改善債務與權益平衡提高股東之回報。本集團之整體策略與上年度維持不變。

本集團的資本架構包括債務淨額(其中包括附註27所披露之銀行貸款及附註26所披露之租賃負債扣除現金及等同現金項目)及本公司擁有人應佔權益(其中包括已發行股本及儲備(包括保留溢利))。本公司董事每年檢討資本架構。作為此檢討工作一部分，董事考慮資本成本及與各類資本相關之風險。基於董事作出之建議，本集團將透過派發股息、發行新股及發行新債或贖回現有債務平衡其整體資本架構。

### 38. 金融工具

#### 金融工具類別

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial assets at amortised cost	1,060,754	1,238,255
Debt instruments at FVTOCI	17,166	6,820
Financial assets at FVTPL	15,871	14,982
Equity instruments at FVTOCI	3,211	3,907
Financial liabilities at amortised cost	65,723	152,674
Derivative financial instruments at FVTPL	10,991	—



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## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Market risk (Continued)

##### Currency risk (Continued)

Under the pegged exchange rate system, the financial impact on exchange difference between HK\$ and US\$ will be immaterial as US\$ denominated monetary assets are held by group entities having HK\$ as their functional currency, and therefore no sensitivity analysis has been prepared.

The management conducts periodical review of exposure and requirements of various currencies, and will consider hedging significant foreign currency exposures should the need arise. No sensitivity analysis was prepared since the directors consider the amount involved is not significant.

##### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to debt securities with fixed coupon interest and lease liabilities (details of which are set out in notes 20 and 26). The management monitors interest rate exposure when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank loans and bank balances (details of which are set out in notes 27 and 24). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fair value interest rate risk on bank deposits is insignificant as the fixed deposits are short-term.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 市場風險(續)

##### 貨幣風險(續)

根據匯率掛鈎制度，由於集團實體持有之美元計值貨幣資產以港元為其功能貨幣，港元兌美元匯率差別的財務影響將不重大，因此並無編製敏感度分析。

管理層會定期檢討各種貨幣之風險及需求，並將於有需要時考慮對沖重大外幣風險。由於董事認為本集團涉及之金額並不重大，故並無編製敏感度分析。

##### 利率風險

本集團面對有關固定息票利息債務證券及租賃負債之公平值利率風險，有關詳情載於附註20及26。當預期有重大利率風險時，管理層會監察利率風險。

本集團亦面對有關浮息銀行貸款及銀行結餘之現金流量利率風險，有關詳情載於附註27及24。本集團現時並無利率對沖政策。然而，管理層會監察利率風險，並將於有需要時考慮對沖重大利率風險。由於定期存款屬短期存款，故銀行存款之公平值利率風險不大。

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Market risk (Continued)

##### Interest rate risk (Continued)

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of bank's cost of funding HIBOR and TAIBOR arising from the Group's bank loans.

For bank loans, debt instruments at FVTOCI and bank deposits, no sensitive analysis is performed as the exposure to interest rates for these items is considered as insignificant.

##### Other price risk

The Group's debt instruments at FVTOCI, financial assets at FVTPL, equity instruments at FVTOCI and derivative financial instruments at FVTPL at the end of the reporting period exposed the Group to other price risk.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 市場風險(續)

##### 貨幣風險(續)

本集團之現金流量利率風險主要集中於銀行融資成本、香港銀行同業拆息及台灣銀行同業拆息波動，乃因本集團之銀行貸款而產生。

就銀行貸款、按公平值計入其他全面收益之債務工具及銀行存款而言，由於該等項目的利率風險甚微，故並無進行敏感度分析。

##### 其他價格風險

本集團於呈報期末之按公平值計入其他全面收益之債務工具、按公平值計入損益之金融資產、按公平值計入其他全面收益之股本工具及按公平值計入損益之衍生金融工具令本集團面對其他價格風險。

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## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Market risk (Continued)

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the reporting date. For sensitivity analysis purpose, the sensitivity rate of 10% is applied in current year.

If the prices of the respective equity securities has been 10% (2019: 10%) higher/lower:

- post-tax profit for the year would increase/decrease by HK\$1,325,000 (2019: increase/decrease by HK\$1,251,000) as a result of the changes in fair value of financial assets at FVTPL; and
- asset revaluation reserve would increase/decrease by HK\$321,000 (2019: increase/decrease by HK\$391,000) as a result of the changes in fair values of equity instruments at FVTOCI.

For debt instruments at FVTOCI and derivative financial instruments at FVTPL, no sensitive analysis is performed as the exposure is considered as insignificant.

In management's opinion, the above sensitivity analysis is for illustrative purpose only and is unrepresentative of the inherent equity price risk facing by the Group as the year end exposure does not reflect the exposure during the year.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 市場風險(續)

##### 敏感度分析

下文敏感度分析乃按呈報日期面臨的股本價格風險釐定。就敏感度分析而言，本年度應用敏感度利率為10%。

倘各債務及股本證券之價格上升/下降10%(二零一九年：10%)，則：

- 因按公平值計入損益之金融資產之公平值變動，導致年內除稅後溢利將增加/減少1,325,000港元(二零一九年：增加/減少1,251,000港元)；及
- 因按公平值計入其他全面收益之股本工具之公平值變動，導致資產重估儲備增加/減少321,000港元(二零一九年：增加/減少391,000港元)。

就按公平值計入其他全面收益之債務工具及按公平值計入損益之衍生金融工具而言，由於風險被視為不大，故並無進行敏感度分析。

就管理層之意見，由於年內面對之風險並不反映於年內承擔之風險，上文之敏感度分析僅作說明用途，並不代表本集團所面對之固有股本價格風險。

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## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables, bank balances, refundable rental and other deposits and other receivables and debt instruments at FVTOCI. Other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of contingent liabilities in relation to financial guarantees provided by the Group is disclosed in note 32. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets and financial guarantee contracts.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估

信貸風險指本集團的對手方違反其合約責任，導致本集團蒙受財務損失的風險。本集團的信貸風險主要源於貿易應收賬款、銀行結餘、可退回租賃及其他按金與其他應收款項以及按公平值計入其他全面收益之債務工具。除賬面值最有效代表最高信貸風險的該等金融資產外，令本集團蒙受財務損失之本集團最高信貸風險來自附註32所披露之由本集團發出之財務擔保之或然負債金額。本集團並無持有任何抵押品或其他提升信貸的措施，以涵蓋與其財務資產及財務擔保合約相關的信貸風險。

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## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

#### Credit risk and impairment assessment (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description
內部信貸評級	描述
Low risk	The counterparty has a low risk of default and does not have any past-due amounts
低風險	對手方的違約風險較低且並無任何逾期款項
Watch list	Debtor frequently repays after due dates but usually settle in full
觀察名單	債務人經常於到期日後償還款項，但通常悉數償還
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources
存疑	內部或外部資料來源所得信息顯示信貸風險自初始確認以來顯著增加
Loss	There is evidence indicating the asset is credit-impaired
虧損	有證據顯示有關資產已發生信貸減值
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery
撇銷	有證據顯示債務人陷入嚴重財務困難且本集團不認為日後可收回有關款項

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估(續)

本集團內部信貸風險級別評估包括下列類別：

Trade receivables	Other financial assets/other items
應收款項	其他金融資產/ 其他項目
Lifetime ECL — not credit-impaired	12m ECL
存續期預期信貸虧損 — 非信貸減值	12個月預期信貸虧損
Lifetime ECL — not credit-impaired	12m ECL
存續期預期信貸虧損 — 非信貸減值	12個月預期信貸虧損
Lifetime ECL — not credit-impaired	Lifetime ECL — not credit-impaired
存續期預期信貸虧損 — 非信貸減值	存續期預期信貸虧損 — 非信貸減值
Lifetime ECL — credit-impaired	Lifetime ECL — credit-impaired
存續期預期信貸虧損 — 信貸減值	存續期預期信貸虧損 — 信貸減值
Amount is written off	Amount is written off
撇銷有關金額	撇銷有關金額

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposure of the Group's financial assets and financial guarantee contracts, which are subject to ECL assessment:

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估(續)

下表詳列本集團之金融資產及財務擔保合約面對之信貸風險，其受限於預期信貸虧損評估：

		Notes 附註	External credit rating 外部信貸評級		Internal credit rating	12m or lifetime ECL	Gross carrying amount	
			2020 二零二零年	2019 二零一九年	內部信貸評級	12個月或存續 期預期信貸虧損	2020 二零二零年	2019 二零一九年
			HK\$'000 千港元	HK\$'000 千港元				
<b>Debt instruments at FVTOCI</b>	按公平值計入其他全面收益之債務工具							
Investments in listed debts (Note e)	上市債務投資 (附註e)	20	<b>Baa2 – Aa2</b>	Baa3 – A1	N/A 不適用	12m ECL 12個月預期 信貸虧損	<b>10,926</b>	5,251
Investments in unlisted debts	非上市債務投資	20	<b>Caa2 – Aa1</b>	A3	N/A 不適用	12m ECL 12個月預期 信貸虧損	<b>6,240</b>	1,569
<b>Financial assets at amortised cost</b>	按攤銷成本計量之金融資產							
Bank balances (Note d)	銀行結餘(附註d)	24	<b>B2 – Aa1</b>	Baa3 – A1	N/A 不適用	12m ECL (not credit- impaired) 12個月預期 信貸虧損 (非信貸減值)	<b>935,803</b>	1,080,094
Refundable rental and other deposits and other receivables	可退回租賃及其他按金 以及其他應收賬款	23	<b>N/A 不適用</b>	N/A 不適用	(Note a) (附註a)	12m ECL 12個月預期 信貸虧損 Credit-impaired 信貸減值	<b>43,740</b>	72,115
Trade receivables	貿易應收賬款	23	<b>N/A 不適用</b>	N/A 不適用	(Note b) (附註b)	Lifetime ECL (not credit- impaired) 存續期預期 信貸虧損 (非信貸減值) Credit-impaired 信貸減值	<b>83,569</b>	89,885
<b>Other item</b>	其他項目							
Financial guarantee contracts	財務擔保合約	32	<b>N/A 不適用</b>	N/A 不適用	(Note c) (附註c)	12m ECL 12個月預期 信貸虧損	<b>38,775</b>	38,624

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

#### Credit risk and impairment assessment (Continued)

Notes:

- (a) In determining the ECL for other receivables, the management of the Group makes periodic individual assessment on the recoverability of other receivables based on the historical default experience and forward-looking information, as appropriate. For the individual balances of HK\$16,467,000 comprising the earnest money paid, after considering the deteriorating financial position of the counter party, the management of the Group considered that there is a significant increase in credit risk on that balance since the initial recognition. The balance is considered as credit-impaired and fully impaired during the year ended 31 March 2020. Except for that earnest money paid, the management of the Group has considered the consistently low historical default rate in connection with other general payments, and concluded that credit risk inherent in the Group's remaining balance of other receivables is insignificant.
- (b) Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk as 20% (2019: 13%) and 49% (2019: 44%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime ECL for trade receivables and assesses the expected losses on trade receivables individually.

Management assessed the expected losses on trade receivables individually.

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. Such forward-looking information is used by the management of the Group to assess both the current as well as the forecast direction of conditions at the reporting date.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估(續)

附註：

- (a) 於釐定其他應收賬款的預期信貸虧損時，本集團管理層根據過往違約經驗及前瞻性資料(倘適用)對其他應收賬款的可收回性作出定期個別評估。就包含已付誠意金之個別結餘16,467,000港元而言，本集團管理層認為該結餘之信貸風險自初始確認以來顯著增加。該結餘被視為存在信貸減值，且已於截至二零二零年三月三十一日止年度全數減值。除該已付誠意金外，本集團管理層已考慮持續與付款有關之低過往違約率，並得出結論為本集團其他應收賬款餘額之固有信貸風險並不重大。
- (b) 接納任何新客戶前，本集團運用內部信貸評分系統以評估潛在客戶之信貸質素及界定客戶之信貸限額。給予客戶之信貸上限及評分每年審閱兩次。其他已實施的監察程序可確保採取跟進行動收回逾期債務。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

由於20%(二零一九年：13%)及49%(二零一九年：44%)的貿易應收款項總額分別來自本集團最大客戶及前五大客戶，因此本集團面臨貿易應收款項信貸風險集中之情況。為將信貸風險減至最低，本集團管理層已委派一支團隊，專責釐定信貸額度及信貸審批。

本集團應用簡化方法就香港財務報告準則第9號所訂明預期信貸虧損作出撥備，該準則允許就貿易應收賬款使用存續期預期信貸虧損及個別評估貿易應收賬款的預期虧損。

管理層個別評估貿易應收賬款的預期虧損。

估計虧損率乃根據債務人預期年內之過往觀察違約率而估計，並就毋須付出過多成本或努力可得之前瞻性資料作出調整。本集團管理層使用有關前瞻資料評估呈報日期狀況的當前及預測方向。

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## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Credit risk and impairment assessment (Continued)

Notes: (Continued)

(b) (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

As at 1 April 2018	於二零一八年四月一日			
Changes due to financial instruments recognised as at 1 April 2018:	因金融工具於二零一八年四月一日確認而變動：			
— Impairment losses recognised	— 已確認減值虧損	3,839	—	3,839
— Impairment losses reversal	— 減值虧損撥回	(3,586)	—	(3,586)
Exchange adjustment	匯兌調整	(222)	—	(222)
As at 31 March 2019	於二零一九年三月三十一日	3,839	—	3,839
Changes due to financial instruments recognised as at 1 April 2019:	因金融工具於二零一九年四月一日確認而變動：			
— Transfer to credit-impaired	— 轉撥至信貸減值	(266)	266	—
— Impairment losses reversed during the year	— 一年內減值虧損撥回	(3,364)	—	(3,364)
New financial assets originated or purchased	已產生或購買新金融資產	2,693	—	2,693
Exchange adjustment	匯兌調整	(209)	—	(209)
As at 31 March 2020	於二零二零年三月三十一日	2,693	266	2,959

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估(續)

附註：(續)

(b) (續)

下表顯示根據簡化方法已確認貿易應收賬款之存續期預期信貸虧損之變動。

	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	存續期預期信貸虧損 (非信貸減值)	存續期預期信貸虧損 (信貸減值)	總額
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
As at 1 April 2018	3,808	—	3,808
Changes due to financial instruments recognised as at 1 April 2018:			
— Impairment losses recognised	3,839	—	3,839
— Impairment losses reversal	(3,586)	—	(3,586)
Exchange adjustment	(222)	—	(222)
As at 31 March 2019	3,839	—	3,839
Changes due to financial instruments recognised as at 1 April 2019:			
— Transfer to credit-impaired	(266)	266	—
— Impairment losses reversed during the year	(3,364)	—	(3,364)
New financial assets originated or purchased	2,693	—	2,693
Exchange adjustment	(209)	—	(209)
As at 31 March 2020	2,693	266	2,959

倘有資料顯示債務人處於嚴重財務困難且並無實際收回可能(如債務人已進入清盤或破產程序)，則本集團撇銷貿易應收賬款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

#### Credit risk and impairment assessment (Continued)

Notes: (Continued)

- (c) For financial guarantee contracts, the gross carrying amount represents the maximum amount that the Group has guaranteed under the respective contracts was approximately HK\$38,775,000 (2019: HK\$38,624,000) as at 31 March 2020. At the end of the reporting period, the directors of the Company have performed impairment assessment, and concluded that there has been no significant increase in credit risk since initial recognition of the financial guarantee contracts. Accordingly, the loss allowance for financial guarantee contracts issued by the Group is measured at an amount equal to 12m ECL. The management of the Group considers the probability of default is low and accordingly, loss allowance was considered as insignificant.
- (d) The Group has concentration of credit risk on bank balances. The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.
- (e) For the purpose of ECL assessment, the Group considers the gross principal assessment and the related contractual interests of the debt instruments. As at 31 March 2020, the gross principal amount of these debt instruments amounted to HK\$17,380,000 (2019: HK\$6,814,000). The Group's debt instruments at FVTOCI mainly comprise instruments that have a low risk of default and the counterparties have a strong capacity to repay (e.g. financial instruments that are of investment grade or issuer with good credit history and capacity to repay), and accordingly, loss allowance was considered as insignificant.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估(續)

附註：(續)

- (c) 就財務擔保合約而言，賬面總值指本集團於二零二零年三月三十一日根據各合約所擔保的最高金額約為38,775,000港元(二零一九年：38,624,000港元)。於呈報期末，本公司董事已進行減值評估，認為財務擔保合約之信貸風險自初始確認以來並無大幅增加。因此，本集團發出的財務擔保合約之虧損撥備按相等於12個月預期信貸虧損計量。本集團管理層認為違約機率甚低，因此虧損撥備被視為微不足道。
- (d) 本集團有與銀行結餘有關之信貸風險集中情況。由於交易對手方為獲國際信貸評級機構評定為具有高信貸評級之銀行，銀行結餘之信貸風險有限。
- (e) 就預期信貸虧損評估而言，本集團考慮債務工具之本金總額及相關合約權益。於二零二零年三月三十一日，該等債務工具之總額為17,380,000港元(二零一九年：6,814,000港元)。本集團之按公平值計入其他全面收益之債務工具為違約風險低及交易對手方還款能力強之工具(例如投資級別之金融工具，或擁有良好信貸記錄及還款能力之發行人)，因此虧損撥備被視為微不足道。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31 March 2020, the Group has available unutilised short-term bank loan facilities of HK\$424,109,000 (2019: HK\$409,860,000).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. The amounts included below for variable interest rate bank loans are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 流動資金風險

於管理流動資金風險時，本集團會監察及維持管理層視作足夠之現金及等同現金項目水平，以為本集團營運提供資金及減低現金流量波動之影響。管理層會監察銀行借貸之使用情況，並確保遵守貸款契諾。

本集團倚賴銀行借貸作為重要流動資金來源。於二零二零年三月三十一日，本集團有可供動用之未動用短期銀行貸款融資424,109,000港元(二零一九年：409,860,000港元)。

下表詳述本集團非衍生金融負債按協定還款期之餘下合約期限。下表乃依照本集團可能須付款之最早日期之未貼現金融負債現金流量編製。特別是，不論銀行選擇行使其權利之可能性高低，包含按要求償還條款之銀行貸款均計入最早時段。其他非衍生金融負債之到期日乃按協定還款日釐定。下表包括利息及本金現金流量。倘浮動利率變化與於呈報期末釐定之利率估計有別，則以下所包含之浮動利率銀行貸款金額亦會改變。

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## 綜合財務報表附註

For the year ended 31 March 2020

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### 38. FINANCIAL INSTRUMENTS (Continued)

### 38. 金融工具(續)

#### Financial risk management objectives and policies

#### 財務風險管理目標及政策(續)

(Continued)

#### Liquidity risk (Continued)

#### 流動資金風險(續)

Liquidity and interest risk tables

流動資金及利率風險列表

		Weighted average effective interest rate 加權平均 實際利率	On demand or less than 1 year 按要求或 少於1年 HK\$'000 千港元	Over 1 year	Over 2 years	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
				but not more than 2 years 1年以上 但2年內 HK\$'000 千港元	but not more than 5 years 2年以上 但5年內 HK\$'000 千港元		
<b>2020</b>	<b>二零二零年</b>						
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>						
Trade and other payables	貿易及其他應付賬款	N/A 不適用	60,056	–	–	60,056	60,056
Bank loans	銀行貸款	1.94%	5,667	–	–	5,667	5,667
Lease liabilities	租賃負債	3.99%	110,967	76,888	100,284	48,070	307,436
			176,690	76,888	100,284	48,070	373,159
Financial guarantee contracts	財務擔保合約	N/A 不適用	38,775	–	–	38,775	–
<b>2019</b>	<b>二零一九年</b>						
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>						
Trade and other payables	貿易及其他應付賬款	N/A 不適用	89,307	–	–	89,307	89,307
Bank loans	銀行貸款	2.46%	63,704	–	–	63,704	63,367
			153,011	–	–	153,011	152,674
Financial guarantee contracts	財務擔保合約	N/A 不適用	38,624	–	–	38,624	–

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## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

#### Liquidity risk (Continued)

#### Liquidity and interest risk tables (Continued)

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

Bank loans with a repayment on demand clause are included in the “on demand or less than 1 year” time band in the above maturity analysis. As at 31 March 2020, the aggregate undiscounted principal amount of the bank loans with a repayment on demand clause amounted to HK\$5,667,000 (2019: HK\$9,667,000). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that the bank loans will be repaid in 1.5 years (2019: 2.5 years) after the reporting period in accordance with the scheduled repayment period set out in the loan agreement. At that time, the aggregate undiscounted principal and interest cash outflows will amount to HK\$5,817,000 (2019: HK\$9,901,000).

### 38. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 流動資金風險(續)

#### 流動資金及利率風險列表(續)

以上就財務擔保合約計入之金額為於交易對手方申索擔保金額時本集團根據安排須償付全數擔保額之最高金額。依照呈報期末之預期，本集團認為不大可能須支付安排下之任何金額。然而，此估計可能因應持有已擔保財務應收賬款之交易對手方蒙受信貸損失而按擔保條款追討之可能性而改變。

包含按要求償還條款之銀行貸款於上述到期分析中計入「按要求或少於1年」之時段內。於二零二零年三月三十一日，附有按要求償還條款之銀行貸款之未貼現本金總額為5,667,000港元(二零一九年：9,667,000港元)。經考慮本集團之財務狀況後，本公司董事相信銀行不大可能行使其酌情權要求即時還款。本公司董事相信，該等銀行貸款將按照貸款協議所載之預定還款期於呈報期後1.5年(二零一九年：2.5年)內償還。屆時，未貼現本金及利息現金流出總額將為5,817,000港元(二零一九年：9,901,000港元)。

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## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets 金融資產	Fair value 公平值		Fair value hierarchy 公平值架構	Valuation techniques and key inputs 估值技巧及主要輸入數據
	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元		
<b>Financial liabilities</b> 金融負債				
(i) Equity instruments at FVTOCI – listed investments, equity securities listed in Hong Kong 按公平值計入其他全面收益之股本工具 – 上市投資、於香港上市之股本證券	36	41	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
(ii) Equity instruments at FVTOCI – unlisted investments 按公平值計入其他全面收益之股本工具 – 非上市投資	3,175	3,866	Level 2 第2級	Quoted market prices provided by brokers which are financial institutions (note) 作為經紀之金融機構提供之市場報價(附註)
(iii) Debt instruments at FVTOCI – listed debt securities in overseas 按公平值計入其他全面收益之債務工具 – 於海外上市之債務證券	10,926	3,683	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
(iv) Debt instruments at FVTOCI – listed debt securities in Hong Kong 按公平值計入其他全面收益之債務工具 – 於香港上市之債務證券	–	1,568	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價

### 38. 金融工具(續)

#### 按經常性基準以公平值計量之本集團金融資產之公平值

於呈報期末，本集團部分金融資產以公平值計量。下表提供有關如何釐定此等金融資產之公平值的資料。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 38. FINANCIAL INSTRUMENTS (Continued)

### 38. 金融工具(續)

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis**  
(Continued)

按經常性基準以公平值計量之本集團金融資產之公平值(續)

Financial assets 金融資產	Fair value 公平值		Fair value hierarchy 公平值架構	Valuation techniques and key inputs 估值技巧及主要輸入數據
	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元		
(v) Debt instruments at FVTOCI – unlisted debt securities 按公平值計入其他全面收益之債務工具 – 非上市債務證券	6,240	1,569	Level 2 第2級	Quoted market prices provided by brokers which are financial institutions (note) 作為經紀之金融機構提供之市場報價(附註)
(vi) Financial assets at FVTPL – listed investments, equity securities listed in Hong Kong and overseas 按公平值計入損益之金融資產 – 上市投資、 於香港及海外上市之股本證券	15,871	14,982	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
<b>Financial liabilities 金融負債</b>				
(i) Derivative financial instruments at FVTPL 按公平值計入損益之衍生金融工具	10,991	–	Level 3 第3級	Black-Scholes option pricing model significant unobservable input: Volatility of 28% Dividend yield at 4.49% 柏力克-舒爾斯期權定價模式重大不可觀察輸入數據：波幅28% 股息率4.49%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

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### 38. FINANCIAL INSTRUMENTS (Continued)

#### **Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

#### **Reconciliation of Level 3 fair value measurements**

The only financial liability subsequently measured at fair value on Level 3 fair value measurement represents buy back option granted to the seller of the associates in relation to the acquisition of additional 20% interest over 力新, 永新 and 益新 (see note 17). No gain or loss for the current year relating to this buy back option has been recognised in profit or loss.

### 38. 金融工具(續)

並非按經常性基準以公平值計量之本集團金融資產及金融負債之公平值

本公司董事認為，於綜合財務報表中按攤銷成本記賬之金融資產及金融負債之賬面值與公平值相若。

#### **第3級公平值計量對賬**

唯一一項其後按第3級公平值計量的金融負債為就收購力新、永新及益新額外20%權益授予賣方的回購權(參閱附註17)。本年度概無有關此回購權的收益或虧損於損益確認。

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## 綜合財務報表附註

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### 39. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries, all of which are limited liability companies, at 31 March 2020 and 2019 are as follows:

### 39. 主要附屬公司

於二零二零年及二零一九年三月三十一日，本公司主要附屬公司(均為有限公司)之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/ 登記/經營地點	Issued and fully paid share capital/registered and paid-up capital		Proportion of nominal value of issued capital/ registered capital held by the Company				Principal activities 主要業務
		已發行及繳足股本/註冊及已繳資本		本公司所持已發行股本面值/註冊資本之比例				
		2020 二零二零年	2019 二零一九年	Directly 直接	2020 二零二零年	2019 二零一九年	Indirectly 間接	
La Suisse Watch Company Limited 瑞士表行有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	100	100	–	–	Watch trading 手錶經銷
Oriental Watch (China) Company Limited 東方表行(中國)有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	–	–	100	100	Watch trading and investment holding 手錶經銷及投資控股
Oriental Watch Company Limited 東方表行有限公司	Hong Kong 香港	Ordinary shares HK\$2,000 普通股 2,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	100	100	–	–	Watch trading 手錶經銷
Oriental Watch (Macau) Company Limited 東方表行(澳門)有限公司	Macau 澳門	Ordinary shares MOP\$25,000 普通股 25,000 澳門元	Ordinary shares MOP\$25,000 普通股 25,000 澳門元	50	50	50	50	Watch trading 手錶經銷
Cathay Watch Company Limited 國泰表行有限公司	Hong Kong 香港	Ordinary shares HK\$2,000 普通股 2,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	100	100	–	–	Watch trading 手錶經銷
Sharp Beauty Limited 麗亮有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股 1 港元	Ordinary share HK\$1 普通股 1 港元	–	–	100	100	Investment holding 投資控股
Unex Development Limited 宇立發展有限公司	Hong Kong 香港	Ordinary shares HK\$2 普通股 2 港元	Ordinary shares HK\$2 普通股 2 港元	–	–	100	100	Property holding 持有物業

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 39. PRINCIPAL SUBSIDIARIES (Continued)

### 39. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/ 登記/經營地點	Issued and fully paid share capital/registered and paid-up capital		Proportion of nominal value of issued capital/ registered capital held by the Company				Principal activities 主要業務
		已發行及繳足股本/註冊及已繳資本		本公司所持已發行股本面值/註冊資本之比例				
		2020 二零二零年	2019 二零一九年	Directly 直接	2019 二零一九年	Indirectly 間接	2019 二零一九年	
Fully Field 滿輝	Hong Kong 香港	Ordinary shares HK\$8 普通股 8 港元	Ordinary shares HK\$8 普通股 8 港元	100 %	100 %	- %	- %	Property holding 持有物業
上海東昉表行國際貿易有限公司 (Shanghai Oriental Watch International Trading Co., Ltd.) 上海東昉表行國際貿易有限公司	The PRC (note) 中國(附註)	Registered and paid-up capital US\$200,000 註冊及已繳資本 200,000 美元	Registered and paid-up capital US\$200,000 註冊及已繳資本 200,000 美元	- %	- %	100 %	100 %	Watch trading 手錶經銷
東方表行(中國)貿易有限公司 (Oriental Watch (China) Trading Co., Ltd.) 東方表行(中國)貿易有限公司	The PRC (note) 中國(附註)	Registered and paid-up capital US\$54,000,000 註冊及已繳資本 54,000,000 美元	Registered and paid-up capital US\$54,000,000 註冊及已繳資本 54,000,000 美元	- %	- %	100 %	100 %	Watch trading 手錶經銷

Note: These companies were established in the PRC in the form of wholly foreign-owned enterprise.

附註：該等公司於中國以外商獨資企業之形式成立。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 39. PRINCIPAL SUBSIDIARIES (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in Hong Kong, the PRC and Taiwan. The principal activities of these subsidiaries are summarised as follows:

#### Principal activity 主要業務

#### Principal place of business 主要業務地點

#### Number of subsidiaries 附屬公司數目

		2020 二零二零年	2019 二零一九年
Watch trading 手錶經銷	Hong Kong 香港	1	—
	Taiwan 台灣	1	1
		2	1
Investment holding 投資控股	Hong Kong 香港	6	6
	The PRC 中國	1	1
		7	7
Inactive 暫無營業	Hong Kong 香港	8	8
		17	16

### 39. 主要附屬公司(續)

上表載列董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為，如載列其他附屬公司之詳情，則會導致資料過份冗長。

各附屬公司於年終或年內任何時間概無任何未償還債務證券。

於呈報期末，本公司有對本集團而言並非重大之其他附屬公司。大部分該等附屬公司於香港、中國及台灣經營。該等附屬公司之主要業務概述如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 40. RELATED PARTY TRANSACTIONS

#### Compensation of key management personnel

The key management personnel are the directors of the Company. The remuneration of directors during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	離職後福利

The remuneration of directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 40. 有關連人士交易

#### 主要管理層人員之補償

董事薪酬由薪酬委員會經考慮個人表現及市場趨勢後釐定：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
21,673	25,525
1,067	1,058
<b>22,740</b>	<b>26,583</b>

董事薪酬由薪酬委員會經考慮個人表現及市場趨勢後釐定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 41. 本公司之財務狀況表

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、機器及設備	355	444
Investments in subsidiaries	於附屬公司之投資	619,279	619,279
Equity instruments at FVTOCI	按公平值計入其他全面 收益之股本工具	3,175	3,866
		<b>622,809</b>	623,589
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from subsidiaries	應收附屬公司款項	447,658	456,361
Bank balances and cash	銀行結餘及現金	267	225
		<b>447,925</b>	456,586
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付賬款	10,470	16,008
Amounts due to subsidiaries	應付附屬公司款項	100,587	96,993
		<b>111,057</b>	113,001
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>336,868</b>	343,585
<b>Net assets</b>	<b>資產淨值</b>	<b>959,677</b>	967,174
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	57,036	57,036
Reserves (note (a))	儲備(附註(a))	902,641	910,138
Total equity	權益總額	<b>959,677</b>	967,174

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

### 41. 本公司之財務狀況表(續)

Note:

(a) Movements of the Company's reserves during the current and the prior years are as follows:

附註：

(a) 本公司儲備於本年度及過往年度之變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Asset revaluation reserve 資產重估儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Dividend reserve 股息儲備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2018	於二零一八年 四月一日	549,396	83,554	425	122,183	2,467	6,990	131,241	896,256
Profit for the year	年內溢利	—	—	—	—	—	211,689	—	211,689
Change in fair value of equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益之股本工具之公平值變動	—	—	—	—	(548)	—	—	(548)
Total comprehensive income (expense) for the year	年內全面收益(開支)總額	—	—	—	—	(548)	211,689	—	211,141
2018 final dividend paid	已派發二零一八年末期股息	—	—	—	—	—	—	(45,649)	(45,649)
2018 special dividend paid	已派發二零一八年特別股息	—	—	—	—	—	—	(85,592)	(85,592)
2019 interim dividend paid	已派發二零一九年中期股息	—	—	—	—	—	(15,970)	—	(15,970)
2019 interim special dividend paid	已派發二零一九年中期特別股息	—	—	—	—	—	(49,621)	—	(49,621)
2019 final dividend proposed	擬派發二零一九年末期股息	—	—	—	—	—	(45,629)	45,629	—
2019 special dividend proposed	擬派發二零一九年特別股息	—	—	—	—	—	(76,998)	76,998	—
Share repurchased and cancelled	購回及註銷股份	(427)	—	—	—	—	—	—	(427)
Forfeiture of share options	沒收購股權	—	(4,166)	—	—	—	4,166	—	—
At 31 March 2019	於二零一九年 三月三十一日	548,969	79,388	425	122,183	1,919	34,627	122,627	910,138
Profit for the year	年內溢利	—	—	—	—	—	181,411	—	181,411
Change in fair value of equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益之股本工具之公平值變動	—	—	—	—	(690)	—	—	(690)
Total comprehensive income (expense) for the year	年內全面收益(開支)總額	—	—	—	—	(690)	181,411	—	180,721
2019 final dividend paid	已派發二零一九年末期股息	—	—	—	—	—	—	(45,629)	(45,629)
2019 special dividend paid	已派發二零一九年特別股息	—	—	—	—	—	—	(76,998)	(76,998)
2020 interim dividend paid	已派發二零二零年中期股息	—	—	—	—	—	(15,970)	—	(15,970)
2020 interim special dividend paid	已派發二零二零年中期特別股息	—	—	—	—	—	(49,621)	—	(49,621)
2020 final dividend proposed	擬派發二零二零年末期股息	—	—	—	—	—	(45,629)	45,629	—
2020 special dividend proposed	擬派發二零二零年特別股息	—	—	—	—	—	(28,518)	28,518	—
At 31 March 2020	於二零二零年 三月三十一日	548,969	79,388	425	122,183	1,229	76,300	74,147	902,641

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

### 41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note: (Continued)

(a) (Continued)

The contributed surplus arose as a result of the difference between the aggregate net tangible assets of the subsidiaries by the Company and the nominal amount of the Company's shares which were issued to acquire those subsidiaries under the group reorganisation in 1993.

### 41. 本公司之財務狀況表(續)

附註：(續)

(a) (續)

繳入盈餘因本公司附屬公司淨有形資產總值與於一九九三年根據集團重組為收購該等附屬公司而發行之本公司股份之名義金額兩者之差額而產生。

# FINANCIAL SUMMARY

## 財務摘要

### Year ended 31 March

截至三月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元 (Note 1) (附註1)	2020 二零二零年 HK\$'000 千港元 (Note 2) (附註2)
<b>RESULTS</b>	<b>業績</b>					
Revenue	收益	3,031,752	3,142,295	2,891,692	2,437,184	<b>2,352,683</b>
Profit (loss) before taxation	除稅前溢利(虧損)	(12,717)	25,449	164,691	159,975	<b>127,433</b>
Income tax expense	所得稅開支	(3,042)	(9,352)	(26,006)	(21,936)	<b>(28,324)</b>
Profit (loss) for the year	年內溢利(虧損)	(15,759)	16,097	138,685	138,039	<b>99,109</b>
Attributable to: Owners of the Company	以下人士應佔： 本公司擁有人	(15,528)	16,383	138,763	138,099	<b>100,301</b>
Non-controlling interests	非控股權益	(231)	(286)	(78)	(60)	<b>(1,192)</b>
Profit (loss) for the year	年內溢利(虧損)	(15,759)	16,097	138,685	138,039	<b>99,109</b>

# FINANCIAL SUMMARY

## 財務摘要

At 31 March  
於三月三十一日

		2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元 (Note 1) (附註1)	2020 二零二零年 HK\$'000 千港元 (Note 2) (附註2)
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總值	2,533,582	2,354,738	2,539,937	2,408,229	<b>2,513,621</b>
Total liabilities	負債總額	(376,010)	(207,724)	(222,985)	(194,628)	<b>(430,335)</b>
		<b>2,157,572</b>	<b>2,147,014</b>	<b>2,316,952</b>	<b>2,213,601</b>	<b>2,083,286</b>
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,156,518	2,146,006	2,315,977	2,212,733	<b>2,083,611</b>
Non-controlling interests	非控股權益	1,054	1,008	975	868	<b>(325)</b>
		<b>2,157,572</b>	<b>2,147,014</b>	<b>2,316,952</b>	<b>2,213,601</b>	<b>2,083,286</b>

Notes:

- (1) On 1 April 2018, the Group had applied HKFRS 9 and HKFRS 15. Accordingly, certain information for the years ended 31 March 2016, 2017 and 2018 which was prepared under HKAS 39 and HKAS 18 may not be comparable to the years ended 31 March 2019 and 2020.
- (2) On 1 April 2019, the Group has applied HKFRS 16. Accordingly, certain information for the years ended 31 March 2016, 2017, 2018 and 2019 which was prepared under HKAS 17 may not be comparable to the year ended 31 March 2020.

附註：

- (1) 於二零一八年四月一日，本集團應用香港財務報告準則第9號及香港財務報告準則第15號。因此，若干根據香港會計準則第39號及香港會計準則第18號編制的截至二零一六年、二零一七年及二零一八年三月三十一日止年度的資料可能無法與截至二零一九年及二零二零年三月三十一日止年度比較。
- (2) 於二零一九年四月一日，本集團應用香港財務報告準則第16號。因此，若干根據香港會計準則第17號編制的截至二零一六年、二零一七年、二零一八年及二零一九年三月三十一日止年度的資料可能無法與截至二零二零年三月三十一日止年度比較。

