



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)

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2021

Interim Report

中期報告

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Yeung Him Kit, Dennis (Chairman and Managing Director) Madam Yeung Man Yee, Shirley (Executive Director) Mr. Lam Hing Lun, Alain (Finance Director) Dr. Sun Ping Hsu, Samson* (Independent Non-executive Director) Dr. Li Sau Hung, Eddy (Independent Non-executive Director) Mr. Choi Man Chau, Michael (Independent Non-executive Director)
COMPANY SECRETARY	Mr. Lam Hing Lun, Alain
PRINCIPAL BANKERS	Hang Seng Bank Limited Bank of China (Hong Kong) Limited Standard Chartered Bank (Hong Kong) Limited The Hong Kong & Shanghai Banking Corporation Limited
AUDITOR	Deloitte Touche Tohmatsu Certified Public Accountants and Registered Public Interest Entity Auditors
HONG KONG BRANCH SHARE REGISTRARS	Tricor Secretaries Limited Level 54 Hopewell centre 183 Queen's Road East Hong Kong
HONG KONG LEGAL ADVISER	Jennifer Cheung & Co
BERMUDA LEGAL ADVISER	Conyers, Dill & Pearman
REGISTERED OFFICE	Clarendon House Church Street Hamilton HM 11 Bermuda
PRINCIPAL PLACE OF BUSINESS	19th Floor Wing On Centre 111 Connaught Road Central Hong Kong

* Dr. Sun Ping Hsu, Samson passed away on 28 November 2021.

公司資料

董事會	楊衍傑先生 (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) 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)
公司秘書	林慶麟先生
主要往來銀行	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
核數師	德勤•關黃陳方會計師行 註冊公眾利益實體核數師
股份過戶登記處 香港分處	卓佳秘書商務有限公司 香港 皇后大道東183號 合和中心 54樓
香港法律顧問	張美霞律師行
百慕達法律顧問	Conyers, Dill & Pearman
註冊辦事處	Clarendon House Church Street Hamilton HM 11 Bermuda
主要營業地點	香港 干諾道中111號 永安中心 十九樓

* 孫秉樞博士於二零二一年十一月二十八日辭世。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2021

簡明綜合損益及其他全面收益表

截至二零二一年九月三十日止六個月

			(Unaudited) (未審核)	
			Six months ended 截至九月三十日止六個月	
		Notes 附註	30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
Revenue	收益	3	1,859,457	1,359,410
Cost of goods sold	銷貨成本		(1,281,980)	(991,391)
Gross profit	毛利		577,477	368,019
Other income	其他收入	4A	10,074	20,650
Other gains and losses	其他收益及虧損	4B	(4,183)	(21,470)
Distribution and selling expenses	分銷及銷售開支			
— Expenses related to leases	— 租賃之相關開支		(76,031)	(63,823)
— Other distribution and selling expenses	— 其他分銷及銷售開支		(172,705)	(133,905)
Administrative expenses	行政開支		(89,311)	(66,433)
Finance costs	融資成本		(5,148)	(5,372)
Share of results of associates	應佔聯營公司之業績		7,245	5,113
Share of result of a joint venture	應佔一間合營公司之業績		345	(149)
Profit before taxation	除稅前溢利	5	247,763	102,630
Income tax expense	所得稅開支	6	(80,646)	(45,022)
Profit for the period	期內溢利		167,117	57,608
Other comprehensive income (expense)	其他全面收益(開支)			
Item that will not be reclassified to profit or loss:	將不會重新分類至損益之項目:			
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		1,611	473
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目:			
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額		18,004	25,497
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		(81)	563
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		17	(39)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

For the six months ended 30 September 2021

簡明綜合損益及其他全面收益表 (續)

截至二零二一年九月三十日止六個月

		(Unaudited) (未審核)	
		Six months ended 截至九月三十日止六個月	
		30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
Other comprehensive income for the period	期內其他全面收益	19,551	26,494
Total comprehensive income for the period	期內全面收益總額	186,668	84,102
Profit (loss) for the period attributable to:	應佔期內溢利(虧損):		
Owners of the Company	本公司擁有人	166,615	58,096
Non-controlling interests	非控股權益	502	(488)
		167,117	57,608
Total comprehensive income (expense) for the period attributable to:	應佔期內全面收益(開支)總額:		
Owners of the Company	本公司擁有人	186,125	84,586
Non-controlling interests	非控股權益	543	(484)
		186,668	84,102
Earnings per share	每股盈利	8	
— Basic and diluted	— 基本及攤薄	34.19 HK cents港仙	10.19 HK cents港仙

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2021

簡明綜合財務狀況表

於二零二一年九月三十日

		Notes 附註	(Unaudited) (未審核) 30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	(Audited) (經審核) 31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	9	232,257	208,112
Right-of-use assets	使用權資產	9	360,394	334,082
Deposits for acquisition of property, plant and equipment	收購物業、機器及 設備之按金		16,322	9,261
Interests in associates	佔聯營公司之權益		74,614	66,362
Interest in a joint venture	佔一間合營公司之權益		26,601	26,256
Equity instruments at FVTOCI	按公平值計入其他全面 收益之股本工具		6,136	4,525
Debt instruments at FVTOCI	按公平值計入其他全面 收益之債務工具		1,604	8,645
Loan receivables	應收貸款	11	28,471	41,957
Deferred tax assets	遞延稅項資產		3,138	4,015
Property rental deposits	物業租金按金		30,740	25,539
			780,277	728,754
Current assets	流動資產			
Inventories	存貨	10	511,893	622,768
Loan receivables	應收貸款	11	61,720	17,095
Trade and other receivables	貿易及其他應收賬款	12	226,018	286,023
Equity investments 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 股本投資		4,413	6,036
Debt instruments at FVTOCI	按公平值計入其他全面 收益之債務工具		5,661	—
Taxation recoverable	可退回稅項		4,380	5,534
Bank balances and cash	銀行結餘及現金		1,334,548	1,061,320
			2,148,633	1,998,776
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	13	227,115	287,370
Contract liabilities	合約負債	13	11,872	4,502
Dividend payable	應付股息		190,070	—
Lease liabilities	租賃負債		105,225	85,651
Derivative financial instruments at FVTPL	按公平值計入損益之 衍生金融工具		18,292	14,000
Taxation payable	應付稅項		42,967	43,425
Bank loans	銀行貸款	14	44,566	17,525
			640,107	452,473

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

At 30 September 2021

簡明綜合財務狀況表(續)

於二零二一年九月三十日

		Note	(Unaudited) (未審核) 30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	(Audited) (經審核) 31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
Net current assets	流動資產淨值		1,508,526	1,546,303
Total assets less current liabilities	資產總值減流動負債		2,288,803	2,275,057
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		22,749	18,797
Lease liabilities	租賃負債		278,907	265,711
			301,656	284,508
Net assets	資產淨值		1,987,147	1,990,549
Capital and reserves	資本及儲備			
Share capital	股本	15	48,736	48,736
Reserves	儲備		1,938,814	1,942,759
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,987,550	1,991,495
Non-controlling interests	非控股權益		(403)	(946)
Total equity	權益總額		1,987,147	1,990,549

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2021

簡明綜合權益變動表

截至二零二一年九月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔												Non-controlling interests 非控股權益		Total 合計
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元 (note c) (附註c)	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元 (note b) (附註b)	Capital reserve 資本儲備 HK\$'000 千港元	Asset revaluation reserve 資產重估儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元 (note a) (附註a)	Translation reserve 換算儲備 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	Sub-total 小計 HK\$'000 千港元			
At 1 April 2021 (audited)	於二零二一年四月一日 (經審核)	48,736	303,250	79,388	42,384	425	840	2,721	5,180	58,462	1,260,039	190,070	1,991,495	(946)	1,990,549	
Profit (loss) for the period	期內溢利(虧損)	—	—	—	—	—	—	—	—	—	166,615	—	166,615	502	167,117	
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	—	—	—	—	—	—	—	—	17,963	—	—	17,963	41	18,004	
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	—	—	—	—	—	—	1,611	—	—	—	—	1,611	—	1,611	
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	—	—	—	—	—	—	(81)	—	—	—	—	(81)	—	(81)	
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	—	—	—	—	—	—	17	—	—	—	—	17	—	17	
Total comprehensive income for the period	期內全面收益總額	—	—	—	—	—	—	1,547	—	17,963	166,615	—	186,125	543	186,668	
2021 final dividend declared	已派發二零二一年末期股息	—	—	—	—	—	—	—	—	—	—	(58,483)	(58,483)	—	(58,483)	
2021 special dividend declared	已派發二零二一年特別股息	—	—	—	—	—	—	—	—	—	—	(131,587)	(131,587)	—	(131,587)	
2021 interim dividend proposed	擬派發二零二一年中期股息	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
2021 interim special dividend proposed	擬派發二零二一年中期特別股息	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Share options expired	已屆滿之購股權	—	—	(79,388)	—	—	—	—	—	—	79,388	—	—	—	—	
Transfer	轉撥	—	—	—	18,643	—	—	—	—	—	(18,643)	—	—	—	—	
At 30 September 2021 (unaudited)	於二零二一年九月三十日 (未審核)	48,736	303,250	—	61,027	425	840	4,268	5,180	76,425	1,487,399	—	1,987,550	(403)	1,987,147	
At 1 April 2020 (audited)	於二零二零年四月一日 (經審核)	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	
Profit (loss) for the period	期內溢利(虧損)	—	—	—	—	—	—	—	—	—	58,096	—	58,096	(488)	57,608	
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	—	—	—	—	—	—	—	—	25,493	—	—	25,493	4	25,497	
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	—	—	—	—	—	—	473	—	—	—	—	473	—	473	
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	—	—	—	—	—	—	563	—	—	—	—	563	—	563	
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	—	—	—	—	—	—	(39)	—	—	—	—	(39)	—	(39)	
Total comprehensive income (expense) for the period	期內全面收益(開支)總額	—	—	—	—	—	—	997	—	25,493	58,096	—	84,586	(484)	84,102	
2020 final dividend paid	已派發二零二零年末期股息	—	—	—	—	—	—	—	—	—	—	(45,629)	(45,629)	—	(45,629)	
2020 special dividend paid	已派發二零二零年特別股息	—	—	—	—	—	—	—	—	—	—	(28,518)	(28,518)	—	(28,518)	
2020 interim dividend proposed	擬派發二零二零年中期股息	—	—	—	—	—	—	—	—	—	(13,646)	13,646	—	—	—	
2020 interim special dividend proposed	擬派發二零二零年中期特別股息	—	—	—	—	—	—	—	—	—	(44,837)	44,837	—	—	—	
Transfer	轉撥	—	—	—	10,027	—	—	—	—	—	(10,027)	—	—	—	—	
At 30 September 2020 (unaudited)	於二零二零年九月三十日 (未審核)	57,036	548,969	79,388	26,910	425	840	1,796	5,180	24,600	1,290,423	58,483	2,094,050	(809)	2,093,241	

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the six months ended 30 September 2021

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 the differences between the amount of non-controlling interests and fair value of consideration paid upon acquisition of additional interests in a subsidiary 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.

簡明綜合權益變動表(續)

截至二零二一年九月三十日止六個月

附註：

- (a) 本集團之特別儲備包括本公司已發行股本面值與本公司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%。此收購之入賬列作視作收購一間附屬公司之額外權益，而非控股權益金額與於收購一間附屬公司之額外權益後已付代價之公平值之差額已確認為資本儲備。
- (c) 根據中華人民共和國(「中國」)外商投資企業之相關法律及法規，中國附屬公司須將其於適用於在中國成立企業之法定財務規例(「中國公認會計原則」)呈報之10%除稅後利潤轉撥至法定儲備。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2021

簡明綜合現金流量表

截至二零二一年九月三十日止六個月

		(Unaudited) (未審核)	
		Six months ended 截至九月三十日止六個月	
		30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
Net cash from operating activities	經營業務所產生之現金淨額	342,720	272,377
Investing activities	投資活動		
Advance to third parties as loan receivable at FVTPL	向第三方墊款作為按公平值計入損益之應收貸款	(27,647)	—
Deposit paid for acquisition of property, plant and equipment	收購物業、機器及設備之已付按金	(16,322)	—
Purchase of property, plant and equipment	購買物業、機器及設備	(11,767)	(16,559)
Purchase of financial asset at FVTPL	購買按公平值計入損益之金融資產	(3,804)	(3,904)
Proceeds on 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	5,659	19,449
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	(682)	218
Interest received	已收利息	3,620	7,306
Dividends received from associates	已收聯營公司股息	2,442	7,959
Proceeds 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之所得款項	1,299	4,137
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	—	244
Proceeds from 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之所得款項	—	8

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

For the six months ended 30 September 2021

簡明綜合現金流量表(續)

截至二零二一年九月三十日止六個月

		(Unaudited) (未審核)	
		Six months ended 截至九月三十日止六個月	
		30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
Net cash (used in) from investing activities	投資活動(所耗)所產生之 現金淨額	(47,202)	18,858
Financing activities	融資活動		
Repayment of lease liabilities	償還租賃負債	(54,866)	(56,653)
Interest paid on lease liabilities	租賃負債之已付利息	(4,866)	(5,313)
Repayment of bank loans	償還銀行貸款	(1,667)	(2,000)
Interest paid	已付利息	(282)	(59)
New bank loan raised	新造銀行貸款	28,708	–
Dividends paid	已付股息	–	(74,147)
Net cash used in financing activities	融資活動所耗之現金淨額	(32,973)	(138,172)
Net increase in cash and cash equivalents	現金及等同現金項目之 增加淨額	262,545	153,063
Cash and cash equivalents at beginning of the period	期初之現金及等同 現金項目	1,061,320	936,632
Effect of foreign exchange rate changes	匯率變動之影響	10,683	12,235
Cash and cash equivalents at the end of the period, representing bank balances and cash	期終之現金及等同現金 項目，代表銀行結餘及 現金	1,334,548	1,101,930

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2021

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Other than additional in accounting policy resulting from application of amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2021 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2021.

2.1 Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2021 for the preparation of the Group's condensed consolidated financial statements:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions
Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

As described below, the application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

簡明綜合財務報表附註

截至二零二一年九月三十日止六個月

1. 編撰基準

簡明綜合財務報表乃按香港會計師公會所頒佈之香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則附錄16之適用披露規定而編撰。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準編製，惟按公平值計量之若干金融工具除外。

除應用香港財務報告準則之修訂本產生之額外會計政策外，截至二零二一年九月三十日止六個月之簡明綜合財務報表所用之會計政策及計算方法與編製本集團截至二零二一年三月三十一日止年度之年度財務報表所用者一致。

2.1 應用香港財務報告準則之修訂本

於本中期期間，本集團於編製本集團簡明綜合財務報表時已首次應用香港會計師公會所頒佈於二零二一年四月一日開始之本集團年度期間強制生效的下列香港財務報告準則之修訂本：

香港財務報告準則第16號 (修訂本)	2019冠狀病毒病相關租金減免
香港財務報告準則第16號 (修訂本)	二零二一年六月三十日後之2019冠狀病毒病相關租金減免
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號 (修訂本)	利率基準改革—第一階段

誠如下文所述，於本中期期間應用香港財務報告準則之修訂本並無對本期間及過往期間之本集團財務狀況及表現及／或該等簡明綜合財務報表所載的披露造成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Application of amendments to HKFRSs (Continued)

Impact and accounting policies on application of Amendment to HKFRS 16 “Covid-19-Related Rent Concessions” and Amendment to HKFRS 16 “Covid-19-Related Rent Concessions beyond 30 June 2021”

The application of these amendments has had no material impact on the Group's financial positions and performance in the current and prior periods as the Group opted not to apply the practical expedient, but applied the applicable requirements of HKFRS 16 “Leases” to account for rent concessions provided by certain lessors.

Impacts and accounting policies on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 “Interest Rate Benchmark Reform – Phase 2”

Accounting policies

Financial instruments

Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform

For changes in the basis for determining the contractual cash flows of a financial asset or financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial asset or financial liability.

A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:

- the change is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (i.e. the basis immediately preceding the change).

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

2. 主要會計政策(續)

2.1 應用香港財務報告準則之修訂本(續)

應用香港財務報告準則第16號(修訂本)「2019冠狀病毒病相關租金減免」及應用香港財務報告準則第16號(修訂本)「二零二一年六月三十日後之2019冠狀病毒病相關租金減免」之影響及會計政策

由於本集團選擇不採用可行權宜方法，而是採用香港財務報告準則第16號「租賃」之適用規定來將由若干出租人提供之租金減免入賬，因此應用該等修訂本對本集團本期間及過往期間的財務狀況及表現並無重大影響。

應用香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號(修訂本)「利率基準改革—第2階段」之影響及會計政策

會計政策

金融工具

因利率基準改革導致釐定合約現金流量之基準變動

就因利率基準改革導致應用攤銷成本計量釐定金融資產或金融負債之合約現金流量之基準變動，本集團應用可行權宜方法，以透過更新實際利率將該等變動入賬，而該等實際利率之變動一般對相關金融資產或金融負債之賬面值並無重大影響。

僅在同時符合以下情況時，利率基準改革方要求釐定合約現金流量之基準變動：

- 因利率基準改革的直接後果而導致必須作變動；及
- 釐定合約現金流量的新基準在經濟上等同於過往基準(即緊隨變動前的基準)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Application of amendments to HKFRSs (Continued)

Impacts and accounting policies on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 "Interest Rate Benchmark Reform – Phase 2" (Continued)

Accounting policies (Continued)

Financial instruments (Continued)

Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform (Continued)

For other changes made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first applies the practical expedient to the changes required by interest rate benchmark reform by updating the effective interest rate. The Group then applies the applicable requirements in HKFRS 9 "Financial Instruments" on modification of a financial asset or a financial liability to the additional changes to which the practical expedient does not apply.

Transition and summary of effects

As at 1 April 2021, the Group has bank loan amounted to HK\$15,858,000 which carries interest at London Interbank Offered Rate ("LIBOR"), the interest of which are indexed to benchmark rates that will or may be subject to interest rate benchmark reform.

The Group will apply the practical expedient in relation to the changes in contractual cash flows resulting from the interest rate benchmark reform for bank loans measured at amortised cost. The amendments have had no impact on the condensed consolidated financial statements as none of the above contracts has been transitioned to the relevant replacement rates during the interim period. The impacts on application of the amendments, if any, including additional disclosures, will be reflected in the Group's consolidated financial statements for the year ending 31 March 2022.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

2. 主要會計政策(續)

2.1 應用香港財務報告準則之修訂本(續)

應用香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號(修訂本)「利率基準改革－第2階段」之影響及會計政策(續)

會計政策(續)

金融工具(續)

因利率基準改革導致釐定合約現金流量之基準變動(續)

除利率基準改革所規定釐定合約現金流量基準的變動外，就金融資產或金融負債的其他變動而言，本集團透過更新實際利率，首先對利率基準改革所規定之變動應用可行權宜方法。本集團其後將香港財務報告準則第9號「金融工具」有關修改金融資產或金融負債之適用規定應用於實際權宜方法不適用之額外變動。

過渡及影響概要

於二零二一年四月一日，本集團之銀行貸款為15,858,000港元，其按倫敦銀行同業拆息計息，其利息以基準利率為準，並將或可能受利率基準改革影響。

本集團將就按攤銷成本計量之銀行貸款因利率基準改革而導致之合約現金流量變動應用可行權宜方法。由於上述合約概無於中期期間過渡至相關替代利率，故此有關修訂對簡明綜合財務報表並無影響。應用有關修訂之影響(如有)，包括作出額外披露，將於本集團截至二零二二年三月三十一日止年度之綜合財務報表中反映。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2.2. Potential impact of application of the June 2021 International Financial Reporting Standards Interpretations Committee's (the "Committee") agenda decision – Costs necessary to sell inventories

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

As at 30 September 2021, the Group is still in the process of assessing the potential impact and has yet to implement the change in accounting policy based on the Committee's agenda decision. The impacts on such change, if any, will be disclosed in the Group's future consolidated financial statements.

3. 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, for the purpose of resource allocation and assessment of segment performance is analysed based on the geographical markets of the goods sold.

Specifically, the Group has four operating segments, being (a) Hong Kong, (b) the PRC, (c) Macau, (d) Taiwan, which is also the basis of organisation of the Group for managing the business operations. During the current interim period, the business in Taiwan is discontinued and the discontinued operation is not presented as the management considers that the result from the discontinued operation is not significant to 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. A credit period of not more than 30 days is granted to department stores who receive the payment on behalf of the Group at the point the customer purchases the goods.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

2. 主要會計政策(續)

2.2 應用二零二一年六月國際財務報告準則詮釋委員會(「委員會」)議程決定 – 出售存貨所需之成本之潛在影響

於二零二一年六月，委員會通過其議程決定，釐清實體在釐定存貨可變現淨值時應列為「進行銷售所需之估計成本」之成本。尤其是，該等成本是否應限於銷售增量之成本。委員會之結論是，進行銷售所需之估計成本不應限於特定銷售增量之成本。

於二零二一年九月三十日，本集團仍在評估潛在影響，且尚未根據委員會之議程決定實施會計政策變更。該等變動之影響(如有)將在本集團未來之綜合財務報表中披露。

3. 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。

具體而言，本集團有四個營運分部，即(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。於本中期期間，由於管理層認為已終止經營的台灣業務之業績對本集團而言並不重大，故位於台灣之業務已終止且並無呈列該已終止經營業務。

銷售鐘表(收益於某一時間點確認)

就銷售鐘表而言，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。於客戶購買貨品時代本集團收取款項之百貨公司獲授不多於30日的信貸期。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

3. REVENUE AND SEGMENT INFORMATION (Continued)

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.

The following is an analysis of the Group's segment revenue and results by operating segments:

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

3. 收益及分部資料(續)

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。

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 分部收益 – 按時點確認 Six months ended 30 September 截至九月三十日止六個月		Segment profit 分部溢利 Six months ended 30 September 截至九月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Hong Kong	香港	474,748	366,000	23,510	(11,991)
The PRC	中國	1,302,116	953,914	246,597	127,210
Macau	澳門	82,593	39,402	14,315	(2,793)
Taiwan	台灣	—	94	(186)	(7,121)
		1,859,457	1,359,410	284,236	105,305
Unallocated other income	未分配其他收入			5,753	7,306
Unallocated other gains and losses	未分配其他收益及虧損			(4,334)	799
Unallocated corporate expenses	未分配企業開支			(45,200)	(15,685)
Interest on bank loans	銀行貸款利息			(282)	(59)
Share of results of associates	應佔聯營公司之業績			7,245	5,113
Share of result of a joint venture	應佔一間合營公司之業績			345	(149)
Profit before taxation	除稅前溢利			247,763	102,630

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

3. REVENUE AND SEGMENT INFORMATION (Continued)

Segment profit represents the profit before taxation earned by each segment without allocation of interests, bank loans, share of results of associates and a joint venture and unallocated other income, unallocated other gains and losses and unallocated corporate expenses. Unallocated corporate expenses include auditor's remuneration and directors' remuneration. This is the measure reported to the chief operating decision maker of the Group for the purposes of resources allocation and performance assessment.

All segment revenue is generated from external customers for both periods.

The following is an analysis of the Group's assets and liabilities by operating segments:

		Segment assets 分部資產		Segment liabilities 分部負債	
		30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元	30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
Hong Kong	香港	866,992	904,781	402,087	388,913
The PRC	中國	423,926	530,241	125,763	176,017
Macau	澳門	86,706	30,376	43,500	5,717
Taiwan	台灣	—	19,972	—	131
Segment total	分部總額	1,377,624	1,485,370	571,350	570,778
Unallocated	未分配	1,551,286	1,242,160	370,413	166,203
Consolidated total	綜合總額	2,928,910	2,727,530	941,763	736,981

The segment assets by location are the same as by location of markets of the goods sold.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

3. 收益及分部資料(續)

分部溢利指在未分配利息、銀行貸款、應佔聯營公司及一間合營公司之業績及未分配其他收入、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及董事酬金。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。

兩個期間之所有分部收益均來自外部客戶。

以下為本集團按營運分部劃分之資產及負債分析：

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。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

4A. 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	政府補助
Interest income from loan receivable at amortised cost	按攤銷成本計量之應收貸款 利息收入
Others	其他

During the six months ended 30 September 2020, the Group recognised government subsidies of HK\$10,814,000 which mainly related to Employment Support Scheme provided by the Hong Kong government in respect of COVID-19-related subsidies and no such income is recognised during the six months ended 30 September 2021.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

4A. 其他收入

Six months ended 截至九月三十日止六個月	
30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
3,620	7,306
365	970
—	10,834
2,133	—
3,956	1,540
10,074	20,650

截至二零二零年九月三十日止六個月，本集團就2019冠狀病毒病相關補貼確認政府補助10,814,000港元，該補貼主要與香港政府所提供之「保就業」計劃有關，而於截至二零二一年九月三十日止六個月並無確認有關收入。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

4B. OTHER GAINS AND LOSSES

Change in fair value of loans receivables at FVTPL	按公平值計入損益之應收貸款之公平值變動
Reversal of (impairment loss) under expected credit loss model, net	預期信貸虧損模式下之撥回(減值虧損)淨額
Impairment loss recognised in respect of	就以下各項確認之減值虧損
— Property, plant and equipment	— 物業、機器及設備
— Right-of-use assets	— 使用權資產
Loss on disposal/written-off of property, plant and equipment	出售／撇銷物業、機器及設備之虧損
Net (loss) gain arising on financial assets at FVTPL	按公平值計入損益之金融資產產生之(虧損)收益淨額
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
(Loss) gain 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之(虧損)收益
Net foreign exchange losses	外匯虧損淨額

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

4B. 其他收益及虧損

Six months ended 截至九月三十日止六個月	
30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
1,359	—
846	(2,864)
—	(2,813)
—	(16,592)
(695)	(1,189)
(450)	2,222
(4,292)	(218)
(17)	39
(934)	(55)
(4,183)	(21,470)

5. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：
Depreciation of property, plant and equipment	物業、機器及設備之折舊
Depreciation of right-of-use assets	使用權資產之折舊
Allowance for slow-moving watches	滯銷手錶撥備
Short-term lease payments	短期租賃款項

5. 除稅前溢利

Six months ended 截至九月三十日止六個月	
30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
13,745	16,160
61,267	53,737
410	8,060
166	637

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(Continued)

For the six months ended 30 September 2021

6. INCOME TAX EXPENSE

Current tax:	本期稅項：
Hong Kong	香港
PRC Enterprise Income Tax	中國企業所得稅
Other jurisdictions	其他司法權區
Withholding tax on dividend income from associates	聯營公司股息收入之預扣稅
Withholding tax on dividend income from a subsidiaries	附屬公司股息收入之預扣稅
Deferred taxation charge	遞延稅項支出

Hong Kong Profits Tax for both periods is calculated at 16.5% of the estimated assessable profits for the period, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

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 periods, 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.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

6. 所得稅開支

Six months ended 截至九月三十日止六個月	
30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
4,908	3,213
61,585	33,270
1,784	—
513	1,671
6,893	6,043
75,683	44,197
4,963	825
80,646	45,022

兩個期間之香港利得稅按期內估計應課稅溢利之16.5%計算，惟本集團一間附屬公司（為利得稅兩級制下之合資格公司）除外。該附屬公司之首2,000,000港元應課稅溢利按8.25%之稅率繳納稅項，餘下應課稅溢利則按16.5%之稅率繳納稅項。

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），於兩個期間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 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

7. DIVIDEND

During the six months ended 30 September 2021 a final dividend of 12.0 HK cents per share, totalling HK\$58,483,000, in respect of the year ended 31 March 2021 (2020: 8.0 HK cents per share, totalling HK\$45,629,000) and a special dividend of 27.0 HK cents per share, totalling HK\$131,587,000, in respect of the year ended 31 March 2021 (2020: 5.0 HK cents per share, totalling HK\$28,518,000) were approved at the annual general meeting held on 8 September 2021 and paid on 11 October 2021.

On 24 November 2021, the directors resolved to declare an interim dividend of 8.6 HK cents per share, totalling HK\$41,913,000 in respect of the six months ended 30 September 2021 (2020: 2.8 HK cents per share, totalling HK\$13,646,000) and a special dividend of 25.8 HK cents per share, totalling HK\$125,738,000, in respect of the six months ended 30 September 2021 (2020: 9.2 HK cents per share, totalling HK\$44,837,000), to be paid in cash to those shareholders whose names appear on the Company's register of members on 10 December 2021.

8. 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 period attributable to owners of the Company)

盈利

計算每股基本及攤薄盈利之盈利
(本公司擁有人應佔期內溢利)

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

7. 股息

於截至二零二一年九月三十日止六個月，已於二零二一年九月八日舉行之股東週年大會上批准派發並已於二零二一年十月十一日支付截至二零二一年三月三十一日止年度之末期股息每股12.0港仙，合共58,483,000港元(二零二零年：每股8.0港仙，合共45,629,000港元)及截至二零二一年三月三十一日止年度之特別股息每股27.0港仙，合共131,587,000港元(二零二零年：每股5.0港仙，合共28,518,000港元)。

於二零二一年十一月二十四日，董事議決宣派截至二零二一年九月三十日止六個月之中期股息每股8.6港仙，合共41,913,000港元(二零二零年：每股2.8港仙，合共13,646,000港元)以及截至二零二一年九月三十日止六個月之特別股息每股25.8港仙，合共125,738,000港元(二零二零年：每股9.2港仙，合共44,837,000港元)。中期股息將以現金派付予於二零二一年十二月十日名列本公司股東名冊之股東。

8. 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：

Six months ended 截至九月三十日止六個月

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
166,615	58,096

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

8. EARNINGS PER SHARE (Continued)

Number of shares

Number of ordinary shares

股份數目

普通股數目

The diluted earnings per share for the six-months ended 30 September 2021 and 30 September 2020 had 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.

9. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 September 2021, the Group incurred expenditure of HK\$38,275,000 (six months ended 30 September 2020: HK\$20,150,000) to acquire property, plant and equipment for its operation. During the six months ended 30 September 2021, the Group wrote off of certain property, plant and equipment with carrying amount of HK\$695,000 (six months ended 30 September 2020: HK\$1,189,000) resulting in a loss on written-off of HK\$695,000 (six months ended 30 September 2020: HK\$1,189,000).

As at 30 September 2021, the Group has pledged certain land and buildings with an aggregate carrying value of HK\$80,930,000 (31 March 2021: HK\$82,100,000) to a bank to secure the bank loan facilities granted to the Group.

During the six months ended 30 September 2021, the Group entered into several new lease agreements for the use of retail shops and office premises with lease terms of 3 years (six months ended 30 September 2020: nil). The Group is required to make fixed payments. Upon entering into new lease agreements, the Group recognised right-of-use assets and related lease liabilities of HK\$35,154,000 (six months ended 30 September 2020: nil), which constitutes non-cash transactions. In addition, lease terms of certain leases were extended through modification and the Group recognised additions to right-of-use assets and related lease liabilities of HK\$51,883,000 (six months ended 30 September 2020: right-of-use assets of HK\$139,291,000 and lease liabilities of HK\$138,026,000) at the effective date of modification.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

8. 每股盈利(續)

Number of shares

股份數目

30 September 2021 二零二一年 九月三十日	30 September 2020 二零二零年 九月三十日
487,358,224	570,358,224

截至二零二一年九月三十日及二零二零年九月三十日止六個月之每股攤薄盈利並無包括本公司購股權之影響，原因是購股權之行使價高於本公司股份之平均市價。

9. 物業、機器及設備以及使用權資產之變動

截至二零二一年九月三十日止六個月，本集團產生支出38,275,000港元(截至二零二零年九月三十日止六個月：20,150,000港元)以收購物業、機器及設備作其營運用途。截至二零二一年九月三十日止六個月，本集團撇銷賬面值為695,000港元之若干物業、機器及設備(截至二零二零年九月三十日止六個月：1,189,000港元)，產生撇銷虧損695,000港元(截至二零二零年九月三十日止六個月：1,189,000港元)。

於二零二一年九月三十日，本集團已向銀行抵押總賬面值為80,930,000港元(二零二一年三月三十一日：82,100,000港元)之若干土地及樓宇，以作為本集團獲授銀行貸款融資之抵押。

截至二零二一年九月三十日止六個月，本集團就零售店及辦公室物業用途訂立若干租賃期為三年之新租賃協議(截至二零二零年九月三十日止六個月：無)。本集團須支付固定付款。於訂立新租賃協議後，本集團確認使用權資產及相關租賃負債35,154,000港元(截至二零二零年九月三十日止六個月：無)，其構成非現金交易。此外，若干租約已透過修改而延長，而本集團於修改生效日期已確認增加使用權資產及相關租賃負債51,883,000港元(截至二零二零年九月三十日止六個月：使用權資產139,291,000港元及租賃負債138,026,000港元)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

9. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (Continued)

During the six months ended 30 September 2020, certain lessors of the retail shops provided rent concessions to the Group through rent reductions ranging from 1 month to 2 months (six months ended 30 September 2021: nil). The Group concluded the changes in lease payments constitute lease modifications. As a result, during the six months ended 30 September 2020, reduction of the Group's lease liabilities of HK\$7,883,000 and a corresponding adjustment of the same amount to the right-of-use assets were recognised (six months ended 30 September 2021: nil).

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 six months ended 30 September 2020, a retail shop had been renovated which is considered as triggering event resulting in an addition of the Group's lease liabilities of HK\$18,336,000 (six months ended 30 September 2021: nil) and a corresponding adjustment of the same amount to the right-of-use assets was recognised.

Impairment assessment

During the six months ended 30 September 2021, the global economy has been recovering despite the unstable Covid-19 pandemic situation, and the growing vaccination rates and relaxing social distancing measures have driven up domestic consumption in Hong Kong, Macau and the PRC where the Group operates and the management concluded there was no indication for impairment.

During the six months ended 30 September 2020, as a result of the changes in the current economic environment related to the Covid-19 pandemic, the Group was experiencing negative conditions for its operation in Hong Kong and Macau including decreased revenues that indicate that the relevant property, plant and equipment and right-of-use assets may be impaired. As certain retail shops in Hong Kong and Macau 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 estimated the recoverable amount of these retail shops, each representing an individual cash generating unit ("CGU"), to which the asset belongs when it is not possible to estimate the recoverable amount individually. The recoverable amount of CGUs has been determined based on a value in use calculation. Based on the result of the assessment, the management of the Group determined that the recoverable amount of a CGU with impairment indication was lower than the respective carrying amount and as a result, an impairment loss of HK\$2,813,000 and HK\$16,592,000 had been recognised against the carrying amount of property, plant and equipment and right-of-use assets.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

9. 物業、機器及設備以及使用權資產之變動(續)

截至二零二零年九月三十日止六個月，若干零售店之出租人透過減免一至兩個月之租金而向本集團提供租金減讓(截至二零二一年九月三十日止六個月：無)。本集團認為租賃付款之變動構成租賃修改。因此，於截至二零二零年九月三十日止六個月，本集團確認租賃負債減少7,883,000港元及對使用權資產作出相同金額之相應調整(截至二零二一年九月三十日止六個月：無)。

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。截至二零二零年九月三十日止六個月，一間零售店已進行裝修，有關事項被視為導致本集團租賃負債增加18,336,000港元(截至二零二一年九月三十日止六個月：無)及確認對使用權資產作出相同金額之相應調整之觸發事件。

減值評估

截至二零二一年九月三十日止六個月，儘管2019冠狀病毒病疫情尚未穩定，全球經濟已走上復甦之路，且隨著疫苗接種率日益增加，加上社交距離措施正逐步放寬，以上因素推動了本集團經營所在地香港、澳門及中國之本地消費，故管理層認為並無減值跡象。

截至二零二零年九月三十日止六個月，由於2019冠狀病毒病疫情導致現時經濟環境出現變動，本集團於香港及澳門之業務處於不利狀況，包括收益減少，表示相關物業、機器及設備以及使用權資產或會減值。由於香港及澳門之若干零售店產生營運虧損，本集團管理層認為相關零售店之物業、機器及設備以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)之可收回金額。現金產生單位之可收回金額乃根據使用價值計算釐定。根據評估結果，本集團管理層確定有減值跡象之現金產生單位之可收回金額低於有關賬面值，因此，已就物業、機器及設備以及使用權資產之賬面值分別確認減值虧損2,813,000港元及16,592,000港元。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

10. INVENTORIES

Watches	手錶
Accessories and parts	配件及部件

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

10. 存貨

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
490,375	603,763
21,518	19,005
511,893	622,768

11. LOANS RECEIVABLES

Loan receivable at amortised cost (note a)	按攤銷成本計量之應收貸款 (附註a)
Loans receivables at FVTPL (note b and c)	按公平值計入損益之應收貸款 (附註b及c)

11. 應收貸款

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
44,090	41,957
46,101	17,095
90,191	59,052

The following is the maturity profile of the loans receivables at the end of the reporting period:

以下為於呈報期末應收貸款到期概況：

Repayable after one year	於一年後償還
Repayable within one year	於一年內償還

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
28,471	41,957
61,720	17,095
90,191	59,052

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

11. LOANS RECEIVABLES (Continued)

Notes:

- (a) On 13 November 2020, the Group entered into a loan facility agreement ("Facility A") with an independent third party ("Borrower A") with an amount not exceeding United States Dollar ("US\$") 5,200,000, to fund the Borrower A's obligation in lending to another party ("Project Borrower A") who has beneficial interest in certain properties in Indonesia ("Properties A"). The loan carries interest at a fixed rate of 10% per annum and is repayable after 18 months and 5 business days from the date of drawn down. As at 31 March 2021, Borrower A drew down the facility in full. Pursuant to the Facility A, the Group is entitled to take assignment of the beneficial interest in Properties A by way of security in the event of default by Borrower A and a personal guarantee. Based on the relevant terms in the Facility A and the personal guarantee provided to the Group, the directors of the Company consider that the loan has contractual right to cash flow that represent contractual cash flow that are solely payments of principal and interest on the principal outstanding, and is accounted for as amortised cost. As at 30 September 2021, the loan is still outstanding and is expected to be repaid within 1 year.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

11. 應收貸款(續)

附註：

- (a) 於二零二零年十一月十三日，本集團與一名獨立第三方（「借款人甲」）訂立一份金額不超過5,200,000美元（「美元」）之貸款融資協議（「融資甲」），為借款人甲貸款予另一方（「項目借款人甲」，其於印尼之若干物業（「物業甲」）中擁有實益權益）之義務提供資金。該貸款按固定年利率10%計息，須於提取日期後十八個月零五個營業日後償還。於二零二一年三月三十一日，借款人甲已全額提取融資。根據融資甲，倘借款人甲及個人擔保違約，本集團有權以抵押形式接受轉讓物業甲之實益權益。根據融資甲相關條件及向本集團提供之個人擔保，本公司董事認為該筆貸款對純粹作本金及尚未償還本金的利息付款的合約現金流量的現金流量有合約權利，且入賬列作攤銷成本。於二零二一年九月三十日，該筆貸款仍未償還，並預期將於1年內償還。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

11. LOANS RECEIVABLES (Continued)

Notes: (Continued)

- (b) On 23 December 2020, the Group, together with other lenders (collectively referred to as the "Lenders B"), entered into a loan facility agreement with an independent third party ("Borrower B") who was seeking to acquire a piece of land located in United Kingdom ("Property B") from a bank. The bank has beneficial interest over Property B pursuant to a pledged loan arrangement, which is currently in default by the existing borrower ("Existing Borrower"). The loan amount provided by the Group is British Pound ("GBP") 1,600,000 with a fixed interest rate 10% per annum. The loan is repayable either at the date when the Existing Borrower repays the loan originally owed to the bank or the completion of the sale of the Property B by the administrator appointed by Borrower B, whichever is earlier. Property B was subsequently taken over by a company beneficially owned by Borrower B ("Borrower B2") on 10 March 2021 and the loan and accrued interest are then fully repaid.

On the same date, the Lenders B have entered into another loan facility agreement with Borrower B2 to finance the acquisition of the Property B. The Property B and the outstanding loans, together with the accrued interest, was assigned to Borrower B2. The loan is repayable on 22 December 2021 with fixed interest rate of 10% per annum. The Property B was pledged to the Lenders B through the share charge over the Borrower B2. As at 30 September 2021, the loan is still outstanding and is expected to be repaid within 1 year. As of the date of this report, the loan and accrued interest are fully repaid.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

11. 應收貸款(續)

附註：(續)

- (b) 於二零二零年十二月二十三日，本集團連同其他貸款人（統稱「貸款人乙」）與一名獨立第三方（「借款人乙」）訂立一份貸款融資協議，該獨立第三方當時正尋求向一間銀行收購一塊位於英國之土地（「物業乙」）。該銀行根據一份有抵押貸款安排擁有物業乙之實益權益，而現有借款人（「現有借款人」）目前已違約。本集團提供之貸款金額為1,600,000英鎊（「英鎊」），按固定年利率10%計息。該筆貸款須於現有借款人償還原先欠付銀行之貸款之日或借款人乙委任之管理人完成出售物業乙之日（以較早者為準）償還。物業乙其後於二零二一年三月十日由借款人乙實益擁有之一家公司（「借款人乙2」）接管，該筆貸款及應計利息隨後已悉數償還。

同日，貸款人乙與借款人乙2訂立另一份貸款融資協議，為收購物業乙提供資金。物業乙及尚未償還之貸款連同應計利息已轉讓予借款人乙2。該筆貸款須於二零二一年十二月二十二日償還，按固定年利率10%計息。物業乙以借款人乙2之股份押記質押給貸款人乙。於二零二一年九月三十日，該筆貸款仍未償還，並預期將於1年內償還。截至本報告日期，該筆貸款及應計利息已悉數償還。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

11. LOANS RECEIVABLES (Continued)

Notes: (Continued)

(b) (Continued)

These loans receivables are accounted for as FVTPL as the directors of the Company consider that the Group's only recourse over the loans are through Property B in the event of default by the borrowers, resulting in the contractual right to cash flow that do not represent contractual cash flow that are solely payments of principal and interest on the principal outstanding.

- (c) On 12 July 2021, the Group entered into a loan facility agreement ("Facility C") with an independent third party ("Borrower C") with an amount not exceeding Australian Dollars ("A\$") 5,000,000, to fund the Borrower C's obligation in lending to another party ("Project Borrower C") who has beneficial interest in certain properties in Australia ("Properties C"). Pursuant to the project loan facility C, Borrower C is entitled to take assignment of the beneficial interest in Properties C by way of security in the event of default, at any time, other than the permitted security interest as set out in the project loan facility agreement. The loan to Borrower C carries interest at a fixed rate of 10% per annum and is repayable after 18 months and 5 business days from the date of draw down by the Project Borrower C. As at 30 September 2021, Borrower C drew down the facility in full and the amount is expected to be repaid after 1 year. The shareholder of Borrower C has pledged its shares in Borrower C to the Group as collateral and the Group is effectively entitled to the beneficial interest in Properties C through the shares charged.

This loans receivable is accounted for as FVTPL as the directors of the Company consider that the Group's recourse over the loan in the event of default by Borrower C is through its beneficial interest in Properties C, resulting in the contractual right to cash flow that do not represent contractual cash flow that are solely payments of principal and interest on the principal outstanding.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

11. 應收貸款(續)

附註：(續)

(b) (續)

該等應收貸款按公平值計入損益入賬，因本公司董事認為倘借款人違約，本集團僅可透過物業乙對貸款提出追索，導致對並非純粹作本金及尚未償還本金的利息付款的合約現金流量的現金流量有合約權利。

- (c) 於二零二一年七月十二日，本集團與一名獨立第三方（「借款人丙」）訂立一份金額不超過5,000,000澳元（「澳元」）之貸款融資協議（「融資丙」），為借款人丙貸款予另一方（「項目借款人丙」），其於澳洲之若干物業（「物業丙」）中擁有實益權益之義務提供資金。根據項目貸款融資丙，倘出現違約，借款人丙有權隨時以抵押形式接受轉讓項目貸款融資協議所載列之許可押記權益以外之物業丙之實益權益。授予借款人丙之貸款按固定年利率10%計息，須於項目借款人丙提取日期後十八個月零五個營業日後償還。於二零二一年九月三十日，借款人丙已全額提取融資，而有關款項預期將於1年後償還。借款人丙已將其於借款人丙之股權抵押予本集團作為抵押品，而本集團則透過已押記之股份實際上擁有物業丙之實益權益。

該應收貸款按公平值計入損益入賬，因本公司董事認為倘借款人丙違約，本集團可透過其於物業丙之實益對貸款提出追索，導致對並非純粹作本金及尚未償還本金的利息付款的合約現金流量的現金流量有合約權利。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

12. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收賬款
Less: Allowance for credit losses	減：信貸虧損撥備
Property rental and other deposits	物業租金及其他按金
Advances to suppliers	向其他供應商墊款
Other receivables and prepayment	其他應收賬款及預付款項

The Group maintains a general credit policy of not more than 30 days for its retail sales in department store and wholesale 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 presented 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
Over 90 days	90日以上

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

12. 貿易及其他應收賬款

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
203,467 (4,374)	265,217 (4,690)
199,093	260,527
21,735	16,368
1,922	4,716
3,268	4,412
226,018	286,023

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。零售銷售主要以現金進行。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：

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
174,893	219,729
14,405	30,882
5,358	5,688
4,437	4,228
199,093	260,527

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

13. 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 value-added tax and other taxes payables	應付中國增值稅及其他稅項
Property rental fee payables	應付物業租金
Other payables and accrued expenses	其他應付賬款及應計費用

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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Contract liabilities represent receipts in advance for sales of watches, giving rise to contract liabilities until revenue is recognised.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

13. 貿易及其他應付賬款

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
94,435	112,064
46,797	87,499
22,379	30,553
13,090	2,506
26,516	28,133
8,843	6,173
15,055	20,442
227,115	287,370

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：

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
90,340	110,976
413	17
3,682	1,071
94,435	112,064

合約負債

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
11,872	4,502

合約負債指銷售鐘表之預收款項，其產生合約負債直至確認收益為止。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

14. BANK LOANS

During the six months ended 30 September 2021, the Group obtained a bank loan amount of approximately HK\$28,708,000 (or equivalent to AUD5,000,000) (six months ended 30 September 2020: Nil). The loan carried interest at LIBOR + 2% and repayable on demand. During the six months ended 30 September 2021, the Group made the repayments of bank loan amounting to HK\$1,667,000 (six months ended 30 September 2020: HK\$2,000,000).

15. SHARE CAPITAL

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

14. 銀行貸款

於截至二零二一年九月三十日止六個月，本集團已取得一筆約為28,708,000港元(或相等於5,000,000澳元)之銀行貸款(截至二零二零年九月三十日止六個月：無)。該筆貸款按倫敦銀行同業拆息加2%計息，並須按要求償還。截至二零二一年九月三十日止六個月，本集團已償還銀行貸款1,667,000港元(截至二零二零年九月三十日止六個月：2,000,000港元)。

15. 股本

		Number of shares 股份數目	Amount 價值 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 2020, 30 September 2020, 1 April 2021 and 30 September 2021	於二零二零年四月一日、 二零二零年九月三十日、 二零二一年四月一日及 二零二一年九月三十日	1,000,000,000	100,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2020 and 30 September 2020	於二零二零年四月一日及 二零二零年九月三十日	570,358,224	57,036
At 1 April 2021 and 30 September 2021	於二零二一年四月一日及 二零二一年九月三十日	487,358,224	48,736

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

16. SHARE-BASED PAYMENT TRANSACTION

The Company has share option schemes for eligible directors, employees, consultants, customers, suppliers or advisors of the Company or a company in which the Company holds an interest or a subsidiary of such company.

(i) 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.

Details of specific categories of options are as follows:

Date of grant 授出日期	Number of share options granted 已授出購股權數目	Exercisable period 可行使期間
6 April 2011	32,300,000 (note a)	6 April 2011 to 5 April 2021
二零一一年 四月六日	32,300,000 (附註a)	二零一一年四月六日至 二零二一年四月五日
29 August 2011	23,000,000	29 August 2011 to 28 August 2021
二零一一年 八月二十九日	23,000,000	二零一一年八月二十九日至 二零二一年八月二十八日

Note a: 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.

The following tables disclose movements of the Company's share options held by directors, employees and consultants during the six months ended 30 September 2021 and 30 September 2020:

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

16. 以股份為基礎之付款交易

本公司為本公司之合資格董事、僱員、顧問、客戶、供應商或諮詢人或本公司持有權益之公司或該公司之附屬公司設有購股權計劃。

(i) 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，本公司採納一項購股權計劃（「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開始十年期間內有效。

特定購股權類別之詳情如下：

Original exercise price per share 原有每股行使價	Adjusted exercise price per share 經調整每股行使價
HK\$4.13	HK\$3.44 (note a)
4.13港元	3.44港元 (附註a)

HK\$4.80	N/A
4.80港元	不適用

附註a：未行使購股權項下之股份數目及行使價已按於二零一一年七月每持有五股普通股獲派一股新普通股的基準於派送紅股後作出調整。

下表披露於截至二零二一年九月三十日及二零二零年九月三十日止六個月內董事、僱員及顧問持有之本公司購股權之變動：

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

16. SHARE-BASED PAYMENT TRANSACTION (Continued)

(i) 2003 Share Option Scheme (Continued)

Share options granted on 6 April 2011

		Number of share options outstanding at 1 April 2020, 30 September 2020 and 31 March 2021		Number of share options outstanding at 30 September 2021	
		於二零二零年 四月一日、 二零二零年 九月三十日及 二零二一年 三月三十一日 未行使之 購股權數目	Expired during the period 期內 已屆滿	於 二零二一年 九月三十日 未行使之 購股權數目	
Categories of participants	參與者類別				
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 (<i>note b</i>)	顧問 (<i>附註b</i>)	2,640,000	(2,640,000)	—	
Total	總計	28,560,000	(28,560,000)	—	

Share options granted on 29 August 2011

於二零一一年八月二十九日授出之購股權

		Number of share options outstanding at 1 April 2020, 30 September 2020 and 31 March 2021		Number of share options outstanding at 30 September 2021	
		於二零二零年 四月一日、 二零二零年 九月三十日及 二零二一年 三月三十一日 未行使之 購股權數目	Expired during the period 期內 已屆滿	於 二零二一年 九月三十日 未行使之 購股權數目	
Categories of participants	參與者類別				
Other employees	其他僱員	18,000,000	(18,000,000)		—
Consultants (note b)	顧問 (附註b)	5,000,000	(5,000,000)		—
Total	總計	23,000,000	(23,000,000)		—

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

16. SHARE-BASED PAYMENT TRANSACTION (Continued)

(i) 2003 Share Option Scheme (Continued)

Note b: 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.

No option was exercised under the 2003 Share Option Scheme during the six months ended 30 September 2021 and 30 September 2020. During the six months ended 30 September 2021, 51,560,000 options (six months ended 30 September 2020: 3,000,000 options were forfeited) under the 2003 Share Option Scheme were expired.

(ii) 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. 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 each of the six months ended 30 September 2021 and 30 September 2020 since its effective date on 3 November 2013 and there was no outstanding share option as at 30 September 2021.

During the six months ended 30 September 2021 and 30 September 2020, no share-based payment expense was recognised in relation to share options granted by the Company.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

16. 以股份為基礎之付款交易(續)

(i) 二零零三年購股權計劃(續)

附註b: 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，參與者仍可於購股權行使期間隨時行使購股權。

截至二零二一年九月三十日及二零二零年九月三十日止六個月內，概無購股權根據二零零三年購股權計劃獲行使。截至二零二一年九月三十日止六個月內，51,560,000份購股權(截至二零二零年九月三十日止六個月：3,000,000份購股權已沒收)根據二零零三年購股權計劃已屆滿。

(ii) 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，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」)已獲採納。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。

自其生效日期二零一三年十一月三日起，分別截至二零二一年九月三十日及二零二零年九月三十日止六個月內，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，而於二零二一年九月三十日亦無未行使購股權。

截至二零二一年九月三十日及二零二零年九月三十日止六個月內，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。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities 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 and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

17. 金融工具之公平值計量

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

本集團若干金融資產及金融負債於呈報期末按公平值計量。下表載列有關如何釐定該等金融資產及金融負債之公平值(尤其是所使用之估值技術及輸入數據),以及公平值計量按照公平值計量之輸入數據之可觀察程度進行分類之公平值架構層級(第1至3級)之資料。

- 第1級公平值計量乃基於相同資產或負債在活躍市場之報價(未經調整);
- 第2級公平值計量指包括在第1級內可直接(即按價格)或間接(即由價格產生)觀察所得之資產或負債輸入數據(報價除外)所產生者;及
- 第3級公平值計量指包括並非根據觀察所得市場數據之資產或負債輸入數據(非觀察所得輸入值)之估值技術所產生者。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

17. 金融工具之公平值計量(續)

Fair value of the Group's financial assets and financial liabilities 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及金融負債之公平值(續)

Financial assets 金融資產	Fair value as at 公平值於		Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技巧及主要輸入數據
	30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元		
(i) Equity instruments at FVTOCI – equity securities listed in Hong Kong (i) 按公平值計入其他全面收益之股本工具 – 於香港上市之股本證券	–	27	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 (ii) 按公平值計入其他全面收益之股本工具 – 非上市投資	6,136	4,498	Level 2 第2級	Quoted market prices provided by brokers which are financial institutions (note 1) 作為經紀之金融機構提供之市場報價(附註1)
(iii) Debt instruments at FVTOCI – listed debt securities in overseas (iii) 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	7,265	7,330	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 – unlisted debt securities (iv) 按公平值計入其他全面收益之債務工具 – 非上市債務證券	–	1,315	Level 2 第2級	Quoted market prices provided by brokers which are financial institutions (note 1) 作為經紀之金融機構提供之市場報價(附註1)
(v) Equity investments at FVTPL – listed investments, equity securities listed in Hong Kong and overseas (v) 按公平值計入損益之股本投資 – 上市投資、於香港及海外上市之股本證券	4,413	6,036	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
(vi) Loans receivables at FVTPL (vi) 按公平值計入損益之應收貸款	46,101	17,095	Level 2 第2級	Discounted cash flow. Future cash flow is estimated based on the contracted interest rates discounted at a rate that reflects the credit risk of counterparty 貼現現金流量。未來現金流量乃根據合約利率估計，並按反映對手方之信貸風險的比率貼現得出。
Financial liabilities 金融負債				
(i) Derivate financial instruments at FVTPL (i) 按公平值計入損益之衍生金融工具	18,292	14,000	Level 3 第3級	Black-Scholes option pricing model with the following multiples: Price to earning ratio and price to book value of selected comparable listed companies in similar business (note 2) 柏力克 – 舒爾斯期權定價模式，運用選定且業務相近的可比較上市公司之有關比率(市盈率及市賬率)(附註2)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis
(Continued)

Notes:

- (1) Quoted market prices provided by brokers which are financial institutions represent the fair values of the respective funds, based on the observable quoted prices of the underlying investments in active market.
- (2) The higher the applied multiples, the higher the fair value. In the opinion of the directors of the Company, no sensitivity analysis is prepared as the effect is considered insignificant.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair values.

Reconciliation of Level 3 fair value measurements

The only financial liability subsequently measured at FVTPL 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 力新鐘錶股份有限公司、永新鐘錶股份有限公司 and 益新鐘錶股份有限公司.

During the six months ended 30 September 2021, fair value loss of HK\$4,292,000 relating to this buy back option has been recognised in profit or loss (six months ended 30 September 2020: Nil). As at 30 September 2021, the fair value of the derivative financial instruments at FVTPL is HK\$18,292,000 (31 March 2021: HK\$14,000,000).

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

17. 金融工具之公平值計量(續)

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(續)

附註：

- (1) 作為經紀之金融機構提供之市場報價指基於相關投資於活躍市場之可觀察報價釐定之各基金公平值。
- (2) 有關比率越高，公平值則越高。本公司董事認為，由於影響被認為屬微不足道，故並無作出敏感度分析。

本公司董事認為，簡明綜合財務報表中以攤銷成本入賬之金融資產及金融負債賬面值與其公平值相若。

第3級公平值計量對賬

唯一一項其後按第3級公平值計量之金融負債為就收購力新鐘錶股份有限公司、永新鐘錶股份有限公司及益新鐘錶股份有限公司額外20%權益授予賣方之回購權。

於截至二零二一年九月三十日止六個月，已於損益確認有關此回購權之公平值虧損4,292,000港元(截至二零二零年九月三十日止六個月：無)。於二零二一年九月三十日，按公平值計入損益之衍生金融工具之公平值為18,292,000港元(二零二一年三月三十一日：14,000,000港元)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

18. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The key management personnel are the directors of the Company. The remuneration of directors during the period 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.

Financial guarantees given to banks in respect of banking facilities granted to associates

The Group and the other shareholders of the associates of the Company issued financial guarantees jointly and severally to certain banks in respect of banking facilities granted to associates. As at 30 September 2021, the aggregate amount that might be required to be paid is amounting to NT\$150,000,000 (equivalent to HK\$42,000,000) (31 March 2021: NT\$150,000,000 (equivalent to HK\$39,675,000)), if the guarantees would be called upon in entirety of which full amounts has been fully utilised by these associates. The Group considers the fair value of the financial guarantee contracts at the grant date is nil and the loss allowance at 31 March 2021 and 30 September 2021 are insignificant.

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

18. 有關連人士交易

主要管理層人員之補償

主要管理層人員為本公司之董事。期內董事薪酬如下：

Six months ended 截至九月三十日止六個月	
30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	30 September 2020 二零二零年 九月三十日 HK\$'000 千港元
44,200	13,852
530	443
44,730	14,295

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。

就聯營公司獲授之銀行融資向銀行發出財務擔保

本集團及本公司聯營公司之其他股東就聯營公司獲授之銀行融資共同及個別向若干銀行發出財務擔保。於二零二一年九月三十日，倘被要求全數代還該等擔保，則可能須予支付之總額為新台幣150,000,000元（相等於42,000,000港元）（二零二一年三月三十一日：新台幣150,000,000元（相等於39,675,000港元）），已獲該等聯營公司全數動用。本集團認為財務擔保合約之公平值於授出日期為零，且於二零二一年三月三十一日及二零二一年九月三十日之虧損撥備屬微不足道。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

For the six months ended 30 September 2021

19. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements

就簡明綜合財務報表內已訂約但未撥備之收購物業、機器及設備相關資本開支

簡明綜合財務報表附註(續)

截至二零二一年九月三十日止六個月

19. 資本承擔

30 September 2021 二零二一年 九月三十日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
4,080	16,975

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 September 2021, 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，於二零二一年九月三十日，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 所持股份數目			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 個人權益	Family interest 家族權益	Corporate interest 公司權益		
Mr. Yeung Him Kit, Dennis	楊衍傑先生	4,084,000	—	(note (a)) (附註(a))	4,084,000	0.84%
Madam Yeung Man Yee, Shirley	楊敏儀女士	1,200,000	221,161	(note (b)) (附註(b))	1,421,161	0.29%
Dr. Sun Ping Hsu, Samson	孫秉樞博士	—	—	3,200,000 (note (c)) (附註(c))	3,200,000	0.66%

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES (Continued)

Notes:

- (a) 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, the beneficial owner of 10% of the issued share capital of Furama Investments Limited, which in turn is the beneficial owner of 80% of the issued share capital of Datsun Holdings Limited. He is also the beneficial owner of about 14.3% of the issued share capital of Real Champ Limited, 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. He is also the beneficial owner of 2.5% 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) Madam Yeung Man Yee, Shirley is the beneficial owner of about 13.3% of the issued share capital of Realtower Holdings Limited.
- (c) 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 30 September 2021, 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.

董事擁有之證券權益及淡倉 (續)

附註：

- (a) 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%，Realtower Holdings Limited實益擁有Furama Investments Limited已發行股本10%，而Furama Investments Limited實益擁有Datsun Holdings Limited已發行股本80%。他亦實益擁有Real Champ Limited已發行股本約14.3%，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。彼亦實益擁有陳耀洪有限公司已發行股本2.5%。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) 楊敏儀女士實益擁有Realtower Holdings Limited已發行股本約13.3%。
- (c) 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，於二零二一年九月三十日，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。

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 might 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 was 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 should 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 had been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period was determined by the directors of the Company, which should not be more than 10 years from the date of grant, and might include a minimum period for which the options must be held before it could be exercised. The exercise price per share payable on the exercise of an option equaled 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，合資格人士不應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，惟不應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。

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

購股權計劃及董事購買股份或債券之權利(續)

(a) 2003 Share Option Scheme (Continued)

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:

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 1.4.2019, 31.3.2020 and 31.3.2021 於二零一九年四月一日、二零二零年三月三十一日及二零二一年三月三十一日 購股權涉及股份數目	Expired during the period	Number of shares under options at 30.9.2021 於二零二一年九月三十日 購股權涉及股份數目
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	購股權涉及股份數目	期內已屆滿	購股權涉及股份數目
Directors 董事							
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 林震麟先生	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)	-
Other employees 其他僱員							
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)	-
Consultants 顧問							
Type A (note b) A類(附註b)	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	2,640,000	(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)	-
Total 總計					51,560,000	(51,560,000)	-

(a) 二零零三年購股權計劃(續)

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：

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

(a) 2003 Share Option Scheme (Continued)

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.

All the above options have expired and no shares are available for issue under the 2003 Share Option Scheme.

(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.

購股權計劃及董事購買股份或債券之權利(續)

(a) 二零零三年購股權計劃(續)

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。

上述所有購股權均已屆滿，且二零零三年購股權計劃項下概無股份可供發行。

(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。

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES *(Continued)*

(b) 2013 Share Option Scheme *(Continued)*

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 11.7% 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 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

購股權計劃及董事購買股份或債券之權利 *(續)*

(b) 二零一三年購股權計劃 *(續)*

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11.7%。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

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES *(Continued)*

(b) 2013 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.

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

No option has been 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 under such scheme as at 30 September 2021.

購股權計劃及董事購買股份或債券之權利 *(續)*

(b) 二零一三年購股權計劃 *(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。

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，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，而於二零二一年九月三十日，該計劃項下亦無未行使購股權。

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2021, 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
Yeung Ming Biu	楊明標	155,754,144	31.96%
Datsun Holdings Limited	Datsun Holdings Limited	127,776,000	26.22%
Furama Investments Limited (Note 1)	Furama Investments Limited (附註1)	127,776,000	26.22%
Realtower Holdings Limited (Note 1)	Realtower Holdings Limited (附註1)	127,776,000	26.22%
FMR LLC	FMR LLC	29,207,919	5.99%
Ntasian Discovery Master Fund	Ntasian Discovery Master Fund	29,164,000	5.11% (Note 2) (附註2)
TIG Advisors LLC	TIG Advisors LLC	16,134,000	5.05% (Note 3) (附註3)

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. This percentage is according to the latest notice filed under the SFO on 10 June 2016 on the basis of 570,610,224 shares then in issue.
3. 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 30 September 2021, 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.

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，於二零二一年九月三十日，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：

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. 該百分比乃根據二零一六年六月十日根據證券及期貨條例存檔之最新通知按 570,610,224 股當時已發行股份釐定。
3. 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，於二零二一年九月三十日，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。

MANAGEMENT DISCUSSION AND ANALYSIS

Group Results

On behalf of the Board of Directors (the “Board”) of Oriental Watch Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”), I hereby present the unaudited consolidated results of the Group for the six months ended 30 September 2021 (the “Period”).

Since early 2021, the global economy has been recovering despite the unstable COVID-19 pandemic situation. While travel restrictions are still in place, the growing vaccination rates and relaxing social distancing measures have driven up domestic consumption in Hong Kong, Macau and the People’s Republic of China (the “PRC”) where the Group operates. During the Period, the Group’s revenue increased by 36.8% year-on-year (“yoy”) to HK\$1,859 million (2020: HK\$1,359 million), which was mainly attributable to the significant growth in revenue from the PRC market as consumers increased their spending locally due to travel restrictions caused by the pandemic, and improvement of the Group’s business in Hong Kong and Macau as consumer sentiment improved with the pandemic situation much under control. In line with the increase in revenue, gross profit increased by 56.8% to HK\$577 million (2020: HK\$368 million), with gross profit margin increased by 3.9 percentage points to 31.0% (2020: 27.1%), and profit attributable to owners of the Company surged by 187.9% to HK\$167 million (2020: HK\$58 million).

管理層討論及分析

集團業績

本人謹代表東方表行集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）之董事會提呈本集團截至二零二一年九月三十日止六個月（「本期間」）之未經審核綜合業績。

自二零二一年初以來，儘管2019冠狀病毒病疫情尚未穩定，全球經濟已走上復甦之路。雖然旅遊限制仍然維持實施，但隨著疫苗接種率日益增加，加上社交距離措施正逐步放寬，以上因素帶動了本集團經營所在地香港、澳門及中華人民共和國（「中國」）之本地消費。於本期間，本集團之收益按年增長36.8%至1,859,000,000港元（二零二零年：1,359,000,000港元），主要由於因應疫情而設之旅遊限制令消費者之本地消費增加，且隨著疫情受控，本集團於香港及澳門之業務因消費意欲好轉而有所改善，帶動來自中國市場之收益大幅增長。隨著收益增長，毛利增加56.8%至577,000,000港元（二零二零年：368,000,000港元），毛利率則增加3.9個百分點至31.0%（二零二零年：27.1%），而本公司擁有人應佔溢利則飆升187.9%至167,000,000港元（二零二零年：58,000,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Business Review

As at 30 September 2021, the Group operates 45 retail points (including associate retail stores) in the Greater China region and 1 online store in the PRC. Breakdown of retail points by geographic region is as follows:

		As at 30 September 2021 於 二零二一年 九月三十日
Hong Kong	香港	11
Macau	澳門	1
The PRC	中國	30
Taiwan	台灣	3
Total		45

According to the latest statistics, the PRC's gross domestic product had recorded growth of 7.9% and 4.9% yoy for the second and third quarters in 2021 respectively. Private consumption contributed to 64.8% of the growth in the first three quarters of 2021, compared with 61.7% of growth contribution in the first half of 2021. Sales of gold, silver and jewelry recorded a 41.6% yoy growth from January to September. According to the Federation of the Swiss Watch Industry FH, the PRC was also the only market that recorded an over 45% growth in August (+55.3%) and September (+45.3%) alone, as compared with the same period in 2019, showing a strong recovery from the COVID-19 impact. With improving economic condition and strong local consumption due to travel restrictions, revenue from the Group's PRC operation increased by 36.5% to HK\$1,302 million (2020: HK\$954 million) while its profit contribution also increased substantially.

管理層討論及分析(續)

業務回顧

於二零二一年九月三十日，本集團於大中華地區經營45個零售點（包括聯營零售店）及於中國經營1間網上商店，零售點按地區分析如下：

根據最新統計數字，中國於二零二一年第二季度及第三季度之國內生產總值分別錄得按年增長7.9%及4.9%。私人消費於二零二一年首三個季度貢獻64.8%之增長，而二零二一年上半年則貢獻61.7%之增長。黃金、銀及珠寶首飾之銷售於一月到九月錄得按年增長41.6%。根據瑞士鐘表工業聯合會FH，與二零一九年同期相比，中國亦是唯一一個單獨在八月(+55.3%)及九月(+45.3%)增長超過45%之市場，顯示經濟從2019冠狀病毒影響中強勁復甦之跡象。由於經濟狀況日益改善及旅遊限制令本地消費強勁，本集團來自中國業務之收益增加36.5%至1,302,000,000港元（二零二零年：954,000,000港元），而其應佔溢利則大幅上升。

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Business Review (Continued)

In Hong Kong, the luxury market has shifted its focus from mainly tourist consumption to domestic spending. As the pandemic situation stabilized and the labour market became more vibrant, Hong Kong's retail sales climbed for the seventh month straight in August 2021, increasing 11.9% yoy to HK\$28.6 billion. Sales of jewellery, watches, clocks and valuable gifts also recorded a 26.3% and 28.0% yoy growth in July and August 2021 respectively. As a result of such improved market condition, the revenue of the Group's Hong Kong operation for the Period increased by 29.8% to HK\$475 million (2020: HK\$ 366 million).

To further improve operating efficiency, the Group has implemented stringent cost control, especially on rent. The Group would periodically conduct regular internal assessment on retail store performances, and close down the high-rent yet non-performing stores. During the Period, the Company maintained constant communication with the landlords, and was able to receive certain concession on rental expenses during renewal. Yet, as the Group continued to grow its business in the PRC, there was an increase in variable lease payments due to improving financial performance. Hence, the Group's aggregated expenses related to leases increased to HK\$76 million, accounting for 22.2% of the overall operating expenses (2020: 23.7%). The Group will continue to closely monitor and review store performance, as well as review rental contracts from time to time, in order to expand margins.

管理層討論及分析 (續)

業務回顧 (續)

在香港，奢侈品市場之重心由主要為旅遊消費轉為本地消費。隨著疫情緩和及勞動力市場越趨活躍，香港之零售銷售於二零二一年八月連續七個月攀升，按年增長11.9%至28,600,000,000港元。珠寶、手錶、鐘錶及貴重禮品之銷售於二零二一年七月及八月亦分別按年增長26.3%及28.0%。市況有所改善令本集團於本期間之香港業務收益增加29.8%至475,000,000港元(二零二零年：366,000,000港元)。

為進一步提升營運效率，本集團已實施嚴格之成本控制，尤其在租金方面。本集團會定期對零售店之業績進行恆常內部評估，並關閉租金高昂但表現欠佳之店鋪。於本期間，本公司與業主一直保持溝通，並於續租時取得若干租金開支優惠。然而，由於本集團繼續擴展其於中國之業務，可變租賃款項因而有所增加，因為財務表現有所改善。因此，本集團租賃之相關開支總額增加至76,000,000港元，佔整體營運開支之22.2%(二零二零年：23.7%)。本集團將繼續密切監察及檢討店鋪業績，並不時檢討租賃合約，以擴升利潤表現。

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Business Review (Continued)

The Group exercises strict inventory management to ensure stable cash flow and healthy financial position. We closely review and monitor the inventory level of high-ticket products, and purchase stocks only when existing inventory depletes to a pre-determined level. Riding on the dedicated and collaborated effort from various departments, the Group's inventory level has been maintained at a reasonable level. As at 30 September 2021, the Group's overall inventory amounted to HK\$512 million, decreasing by 17.8% from HK\$623 million as at 31 March 2021. To maintain stable sales performance and keep abreast of market trend, the Group would also continue to optimise its brand portfolio in the future.

Prospect

In terms of prospect, despite the uncertainties and new normal under the pandemic, the global watch market size is expected to grow at a compound annual growth rate of 2% during 2021-2025, reaching US\$8.31 billion. As the COVID-19 situation is expected to ease in the Greater China region, the management believes domestic consumption in the luxury watch market will further improve. The Group, being one of the largest watch retailers in the region, is well-positioned to take advantage of such opportunities. To maintain stable sales performance and to keep abreast of market trend, the Group will also continue to optimise its brand portfolio in the future. We will also strengthen our efforts on marketing, distribution, cost control and inventory management in order to increase our business sustainability.

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

管理層討論及分析 (續)

業務回顧 (續)

本集團實施嚴格存貨管理，以確保穩定現金流量及穩健財務狀況。我們會密切檢討及監察高價產品之存貨水平，並僅在現有存貨消耗到預先釐定之水平時才進行庫存採購。有賴各部門齊心協力，本集團之存貨水平維持於合理水平。於二零二一年九月三十日，本集團之整體存貨金額為512,000,000港元，較二零二一年三月三十一日之623,000,000港元下跌17.8%。為繼續鞏固整體銷售業績並緊貼市場趨勢，本集團於未來亦會持續提升其品牌形象。

前景

前景方面，儘管面對疫情之不確定性及新常態，預期二零二一年至二零二五年全球手錶市場規模將增加至8,310,000,000美元，複合年增長率為2%。由於預期大中華地區之2019冠狀病毒病疫情將會緩和，管理層相信名貴手錶市場之本地消費將進一步改善。作為區內最大型鐘錶零售商之一，本集團定能借助各種機遇取得優勢。為維持穩定銷售業績並緊貼市場趨勢，本集團亦將繼續於未來提升其品牌形象。我們亦會加強我們之市場推廣、分銷、成本控制及存貨管理方面之工作，以提高我們之業務可持續發展性。

我們謹代表本集團感謝客戶、供應商、員工及股東多年來之貢獻、忠誠及支持。

MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

Liquidity and financial resources

At 30 September 2021, the Group's total equity reached HK\$1,987 million, compared with HK\$1,991 million as at 31 March 2021. The Group had net current assets of HK\$1,509 million, including bank and cash balances of HK\$1,335 million as at 30 September 2021 compared with balances of HK\$1,546 million and HK\$1,061 million respectively as at 31 March 2021. At 30 September 2021, the Group had bank loans of HK\$45 million (31 March 2021: HK\$18 million) and the gearing ratio (defined as total bank borrowing on total equity) was 0.022 (31 March 2021: 0.009).

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

Foreign exchange exposure

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

STAFF AND EMPLOYMENT

As at 30 September 2021, our Group employed approximately 579 employees in Hong Kong, Macau, the PRC and Taiwan, of which approximately 63% were located in the PRC.

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.

管理層討論及分析 (續)

流動資金及財務資源

於二零二一年九月三十日，本集團之權益總額達1,987,000,000港元，而於二零二一年三月三十一日則為1,991,000,000港元。於二零二一年九月三十日，本集團之流動資產淨值為1,509,000,000港元，包括1,335,000,000港元之銀行及現金結餘，而於二零二一年三月三十一日之結餘則分別為1,546,000,000港元及1,061,000,000港元。於二零二一年九月三十日，本集團之銀行貸款為45,000,000港元（二零二一年三月三十一日：18,000,000港元），而負債資產比率（定義為銀行借貸總額除以權益總額）則為0.022倍（二零二一年三月三十一日：0.009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。

外匯風險

本集團之買賣交易主要以港元及人民幣為單位。本集團並無任何重大外匯波動風險。

員工及僱傭

於二零二一年九月三十日，本集團於香港、澳門、中國及台灣共僱有約579名僱員，其中約63%為中國員工。

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。

STAFF AND EMPLOYMENT *(Continued)*

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.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed the consolidated financial statements of the Group for the six months ended 30 September 2021.

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

During the six months ended 30 September 2021, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

員工及僱傭 (續)

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。

審閱綜合財務報表

本公司審核委員會已審閱本集團截至二零二一年九月三十日止六個月之綜合財務報表。

買賣或贖回本公司上市證券

截至二零二一年九月三十日止六個月內，本公司或其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

CORPORATE GOVERNANCE

The Company is committed to the establishment of good governance practices and procedures. The Company has met the code provisions set out in the Corporate Governance Code (the “CG Code”) in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the six months ended 30 September 2021 except the following deviations:

1. Under Code Provision A.2.1, the roles of the chairman and chief executive should be separated and should not be performed by the same individual. However, such roles have been taken up by Mr. Yeung Him Kit, Dennis since 10 February 2021 after Dr. Yeung Ming Biu, the Company’s former chairman, passed away as the Board considers that he is the most suitable person with the necessary experience to provide leadership to the Board as well as to manage the day-to-day operations of the Group.
2. Under 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 of the Company 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.
3. 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 of the Company should be involved in performing the duties set out in such Code Provisions.
4. 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.

企業管治

本公司致力制定良好之管治常規及程序。截至二零二一年九月三十日止六個月內，本公司一直符合香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載企業管治守則列載之守則條文，惟以下偏離者除外：

1. 根據守則條文A.2.1，主席與行政總裁之角色應有區分，並不應由一人同時兼任。然而，於本公司前主席楊明標博士辭世後，自二零二一年二月十日起，有關職位已由楊衍傑先生擔任，因董事會認為，彼為擁有所需經驗以領導董事會及管理本集團之日常運作之最適合人選。
2. 根據守則條文A.4.1，非執行董事應按指定年期委任，並須接受重選。然而，本公司之獨立非執行董事並無按指定年期委任，但須至少每三年一次在本公司之股東週年大會上輪值退任。
3. 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，原因為其認為本公司所有董事皆應參與履行該等守則條文所載之職務。
4. 守則條文E.1.5與股息政策披露有關。本公司並無股息政策，而董事會將於考慮多項因素，包括現行市況、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，方決定宣派／建議派付任何未來股息。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Enquiry has been made with all directors of the Company and all directors have confirmed that they had complied with the required standard set out in the Model Code during the six months ended 30 September, 2021.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company. Terms of reference of the Audit Committee have been updated in compliance with the CG Code.

The Audit Committee, together with the management of the Company, has reviewed the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of audited consolidated financial statements for the six months ended 30 September 2021.

MEMBERS OF THE BOARD OF DIRECTORS

As at the date of this report, the Board comprises Mr. Yeung Him Kit, Dennis (Chairman), Madam Yeung Man Yee, Shirley and Mr. Lam Hing Lun Alain as executive directors; and Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Choi Man Chau, Michael as independent non-executive directors.

By order of the Board
Yeung Him Kit, Dennis
Chairman

Hong Kong, 24 November 2021

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載之標準守則，作為其董事進行證券交易之操守守則。本公司已向本公司各董事作出查詢，並獲各董事確認，彼等於截至二零二一年九月三十日止六個月內一直遵守標準守則所載之規定標準。

審核委員會

審核委員會由本公司三名獨立非執行董事組成。審核委員會之職權範圍已按照企業管治守則予以更新。

審核委員會（連同本公司管理層）已審閱本集團所採用之會計原則及慣例，並已討論有關內部監控及財務報告事宜，包括審閱截至二零二一年九月三十日止六個月之經審核綜合財務報表。

董事會成員

於本報告日期，董事會成員包括執行董事楊衍傑先生（主席）、楊敏儀女士及林慶麟先生，以及獨立非執行董事孫秉樞博士、李秀恒博士及蔡文洲先生。

承董事會命
主席
楊衍傑

香港，二零二一年十一月二十四日



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