



六福集團(國際)有限公司

LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

(於百慕達註冊成立之有限公司)

(Incorporated in Bermuda with Limited Liability)

Stock Code 股份代號 : 0590

Annual Report  
年報

2017/18



# 六福珠寶

LUKFOOK JEWELLERY

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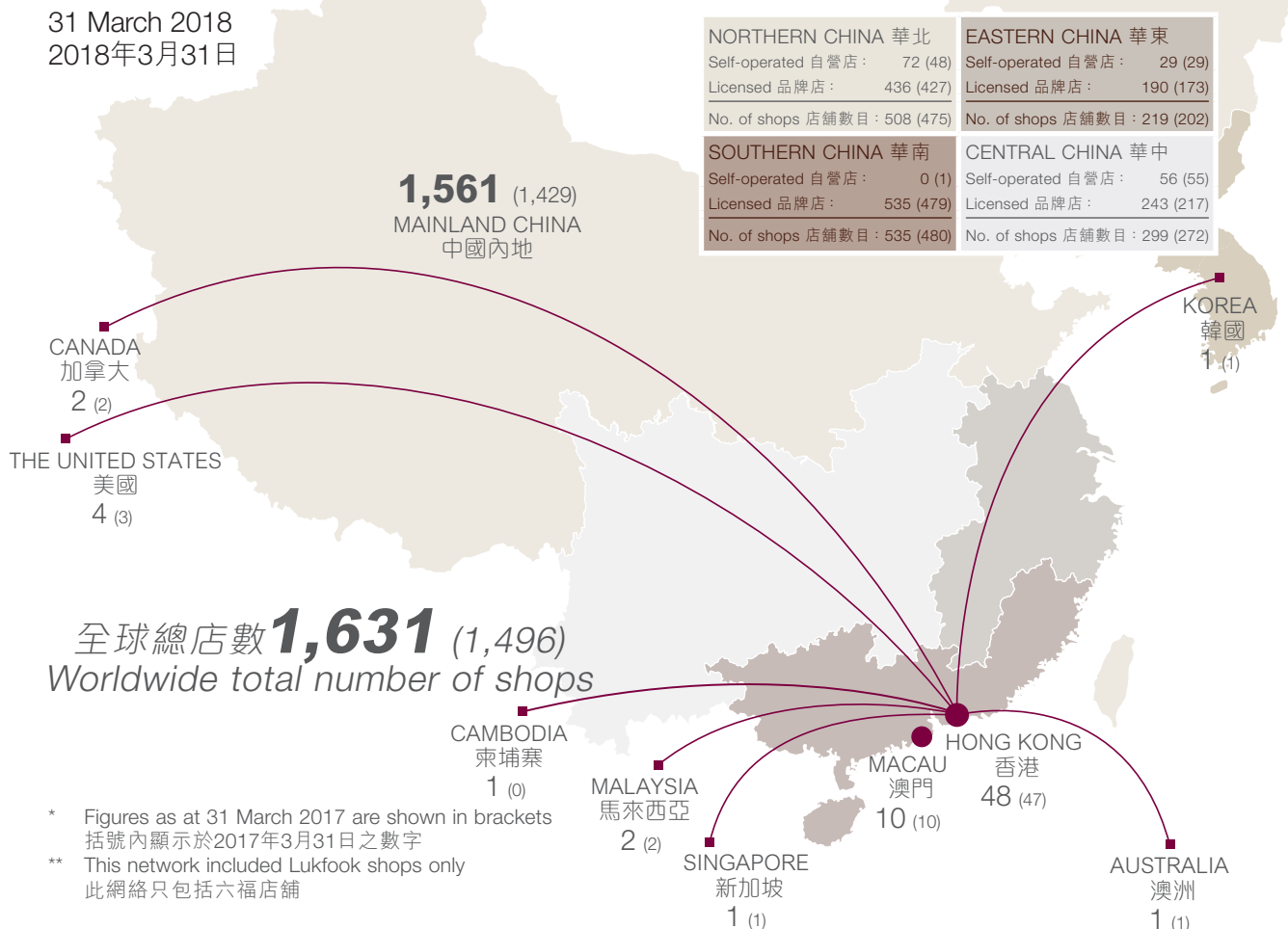


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# GLOBAL DISTRIBUTION NETWORK

## 全球分銷網絡

31 March 2018  
2018年3月31日



\* Figures as at 31 March 2017 are shown in brackets  
括號內顯示於2017年3月31日之數字

\*\* This network included Lukfook shops only  
此網絡只包括六福店舖

### NUMBER OF SHOPS | 店舖數目

Lukfook Shops 六福店舖		31 March 2018 2018年3月31日	31 March 2017 2017年3月31日	Y-o-Y Change 按年變化
Hong Kong 香港		48	47	+1
Macau 澳門		10	10	-
Mainland China 中國內地	Self-operated 自營店			
	- Tier I 一線城市	30	28	+2
	- Tier II 二線城市	72	54	+18
	- Tier III & IV 三線及四線城市	55	51	+4
	Sub-total 小計	157	133	+24
Mainland China 中國內地	Licensed 品牌店			
	- Tier I 一線城市	225	199	+26
	- Tier II 二線城市	432	402	+30
	- Tier III & IV 三線及四線城市	747	695	+52
Sub-total 小計	1,404	1,296	+108	
Sub-total 小計	1,561	1,429	+132	
Other locations 其他地區	Self-operated 自營店	10	9	+1
	Licensed 品牌店	2	1	+1
Total 合共		1,631	1,496	+135
3D-GOLD Shops 金至尊店舖		31 March 2018 2018年3月31日	31 March 2017 2017年3月31日	Y-o-Y Change 按年變化
Mainland China 中國內地	Self-operated 自營店			
	- Tier II 二線城市	6	5	+1
	- Tier III & IV 三線及四線城市	5	4	+1
Total 合共		11	9	+2

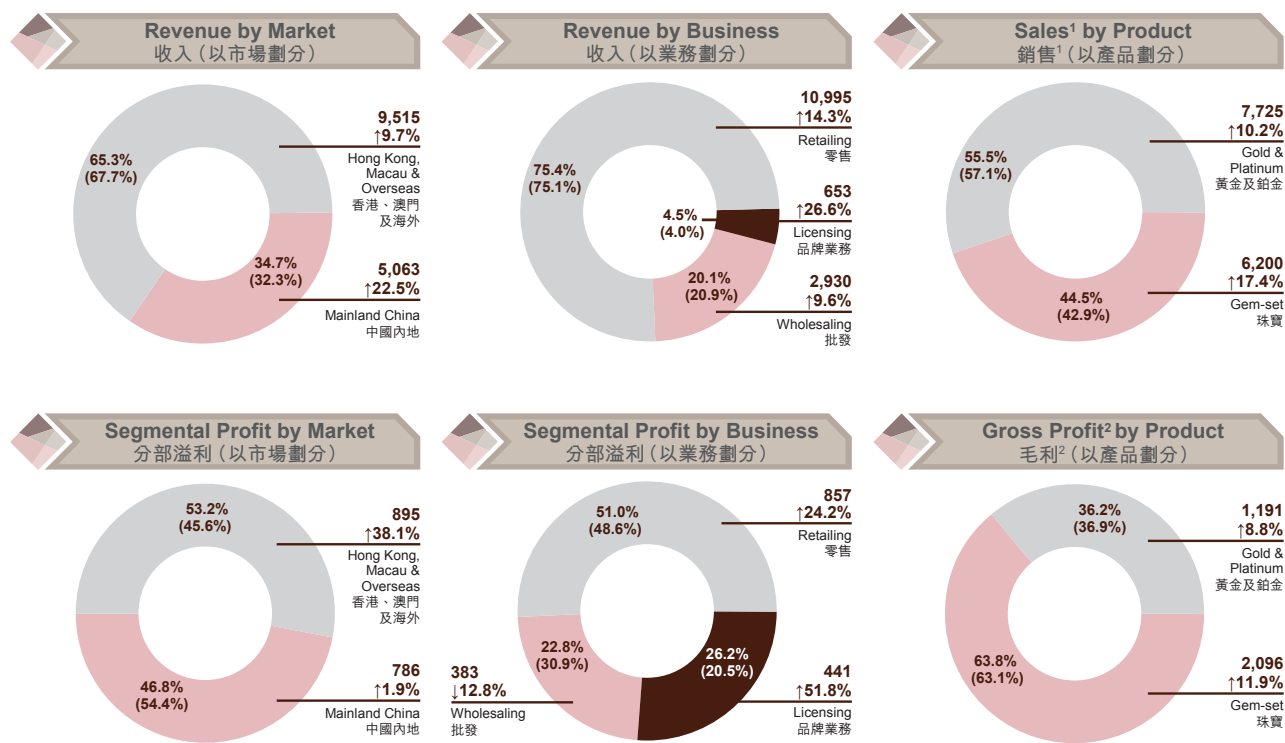
Remarks: During the year under review, the Group operated 11 3D-GOLD self-operated shops established by a joint venture (in which the Group held a 51% equity interest). As at 31 December 2017, total number of 3D-GOLD points of sale operated by China Gold Silver Group Company Limited through self-operating and franchising models was approximately 370.

註：於回顧年度內，本集團以合資公司（本集團佔51%權益）形式營運11間金至尊自營店。於2017年12月31日，中國金銀集團有限公司以自營及特許經營模式共開設約370個金至尊零售點。

# OPERATIONAL HIGHLIGHTS

## 營運摘要

### REVENUE AND PROFIT ANALYSIS (HK\$ million) | 收入及溢利分析 (百萬港元)



Remarks: Comparative figures for the year ended 31 March 2017 are shown in brackets  
 註：截至2017年3月31日止年度之比較數字於括號內顯示

1 Sales = Revenue - Licensing Income  
 銷售 = 收入 - 品牌業務收入

2 Gross Profit = Consolidated Gross Profit - Gross Profit of Licensing Income  
 毛利 = 綜合毛利 - 品牌業務收入毛利

### RETAIL SALES PERFORMANCE | 零售銷售表現

	For the year ended 31 March 截至3月31日止年度			
	2018	2017	2018	2017
	Y-o-Y Change 按年變化		SSSG* 同店銷售增長	
<b>Overall 整體</b>	<b>+14%</b>	-12%	<b>+9%</b>	-18%
Gold & Platinum 黃金及鉑金	<b>+12%</b>	-18%	<b>+7%</b>	-25%
Gem-set 珠寶	<b>+18%</b>	-1%	<b>+13%</b>	-6%
<b>Hong Kong &amp; Macau 香港及澳門</b>	<b>+9%</b>	-18%	<b>+9%</b>	-20%
Gold & Platinum 黃金及鉑金	<b>+5%</b>	-24%	<b>+6%</b>	-26%
Gem-set 珠寶	<b>+15%</b>	-6%	<b>+14%</b>	-7%
<b>Mainland China 中國內地</b>	<b>+34%</b>	+27%	<b>+5%</b>	-5%
Gold & Platinum 黃金及鉑金	<b>+37%</b>	+20%	<b>+7%</b>	-8%
Gem-set 珠寶	<b>+28%</b>	+47%	<b>-1%</b>	+5%

\* Same store sales growth ("SSSG") represented a comparison of sales of the same Lukfook self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops and Mainland China's e-commerce business.  
 同店銷售增長(「同店銷售增長」)為同一間六福自營店於可比較期內完整日營運的銷售額比較，有關數據並不包括品牌店及中國內地電子商務業務的銷售額。

# FINANCIAL HIGHLIGHTS

## 財務摘要

### FINANCIAL PERFORMANCE | 財務表現

HK\$m 百萬港元	For the year ended 31 March 2018 截至2018年 3月31日 止年度	For the year ended 31 March 2017 截至2017年 3月31日 止年度	Y-o-Y Change 按年變化
Revenue 收入	14,578	12,807	+13.8%
Gross Profit 毛利	3,741	3,277	+14.2%
Operating Profit 經營溢利	1,621	1,289	+25.7%
Profit for the Year 年內溢利	1,370	1,027	+33.4%
Profit Attributable to Equity Holders 權益持有人應佔溢利	1,369	1,017	+34.7%
Basic Earnings per Share 每股基本盈利	HK\$2.33港元	HK\$1.73港元	+34.7%
Final Dividend per Share 每股末期股息	HK\$0.55港元	HK\$0.40港元	+37.5%
Special Dividend per Share 每股特別股息	–	HK\$0.15港元	N/A 不適用
Annual Dividend per Share 每股全年股息	HK\$1.10港元	HK1.10港元	–
Dividend Payout Ratio 派息比率	47.2%	63.5%	-16.3 p.p. 個百分點
Gross Margin 毛利率	25.7%	25.6%	+0.1 p.p. 個百分點
Operating Margin 經營溢利率	11.1%	10.1%	+1.0 p.p. 個百分點
Net Margin 淨利率	9.4%	8.0%	+1.4 p.p. 個百分點
EBITDA 未計利息、稅項、折舊及攤銷前盈利	1,719	1,367	+25.8%
EBITDA Margin 未計利息、稅項、折舊及攤銷前盈利率	11.8%	10.7%	+1.1 p.p. 個百分點
Total Operating Expenses to Revenue Ratio 總經營開支佔收入比率	15.9%	16.8%	-0.9 p.p. 個百分點
Effective Tax Rate 實際稅率	15.1%	17.8%	-2.7 p.p. 個百分點

### KEY FINANCIAL INDICATORS | 主要財務指標

	Financial Year 2018 2018財政年度	Financial Year 2017 2017財政年度	Y-o-Y Change 按年變化
Inventory 存貨 (HK\$m) (百萬港元)	7,992	6,973	+14.6%
Average Inventory Turnover Days <sup>1</sup> 平均存貨周轉日數 <sup>1</sup>	257	261	-4
Cash and Bank Balances 現金及銀行結餘 (HK\$m) (百萬港元)	2,098	1,862	+12.7%
Bank Borrowings & Gold Loans 銀行貸款及黃金借貸 (HK\$m) (百萬港元)	726	437	+66.1%
Net Cash 淨現金 (HK\$m) (百萬港元)	1,372	1,425	-3.7%
Net Gearing Ratio <sup>2</sup> 淨債務比率 <sup>2</sup>	–	–	N/A 不適用
Debt-to-Equity Ratio <sup>3</sup> 負債權益比率 <sup>3</sup>	21.3%	19.1%	+2.2 p.p. 個百分點
Return on Equity (ROE) <sup>4</sup> 股東權益回報率 <sup>4</sup>	13.6%	11.5%	+2.1 p.p. 個百分點
Return on Total Assets <sup>5</sup> 總資產回報率 <sup>5</sup>	11.2%	9.5%	+1.7 p.p. 個百分點
Current Ratio 流動比率	5.4	5.9	-0.5
Net Asset Value per Share 每股淨資產值	HK\$17.17港元	HK\$15.30港元	+12.2%
CAPEX 資本開支 (HK\$m) (百萬港元)	213	168	+26.8%

1 (Opening Inventory + Closing Inventory) ÷ 2 ÷ Cost of Inventories Sold\* Number of Days for the Year  
(期初存貨+ 期末存貨) ÷ 2 ÷ 已售存貨成本\*年內日數

2 (Long-term Bank Loans + Short-term Bank Loans + Bank Overdrafts + Gold Loans – Cash and Bank Balances) ÷ Capital and Reserves Attributable to Equity Holders of the Company  
(長期銀行貸款+ 短期銀行貸款+ 銀行透支+ 黃金借貸– 現金及銀行結餘) ÷ 本公司權益持有人應佔資本及儲備

3 (Long-term Liabilities + Short-term Liabilities) ÷ Capital and Reserves Attributable to Equity Holders of the Company  
(長期負債+ 短期負債) ÷ 本公司權益持有人應佔資本及儲備

4 Profit Attributable to Equity Holders ÷ Capital and Reserves Attributable to Equity Holders of the Company  
權益持有人應佔溢利 ÷ 本公司權益持有人應佔資本及儲備

5 Profit Attributable to Equity Holders ÷ (Long-term Assets + Short term Assets)  
權益持有人應佔溢利 ÷ (長期資產+ 短期資產)

## CORPORATE PROFILE

### 企業簡介

Established in 1991, Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) is one of the leading jewellery retailers in Hong Kong and Mainland China. The Group principally engages in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery and gem-set jewellery products, with a total of over 1,600 shops in Hong Kong, Macau, Mainland China, Singapore, Malaysia, Cambodia, the United States, Canada and Australia.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited in May 1997.

六福集團(國際)有限公司(「本公司」)及其附屬公司(統稱「本集團」)成立於1991年，是香港及中國內地主要珠寶零售商之一。本集團主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。本集團現時在香港、澳門、中國內地、新加坡、馬來西亞、柬埔寨、美國、加拿大及澳洲共擁有超過1,600間店舖。

本公司於1997年5月在香港聯合交易所有限公司主板上市。

## CORPORATE VISION

### 企業願景

The corporate vision of the Group is to be the “Brand of Hong Kong, Sparkling the World”. This is also our core brand value. The Group always puts forth maximum effort for Lukfook to reach its goal of becoming a globally recognised and desired brand, and as one of the Hong Kong’s most renowned brands in the luxury industry, the Group commits to crafting the finest jewellery for customers to further establish its reputation in the international market.

「香港名牌•國際演繹」為本集團的企業願景及品牌核心價值。本集團一直堅持不懈，盡心竭力使六福成為全球認知及喜愛的品牌。作為香港知名奢侈品牌，本集團致力為全球顧客提供優質首飾，以進一步確立其於國際市場上的聲譽。



# CHAIRMAN'S STATEMENT

## 主席報告



**WONG Wai Sheung 黃偉常**  
Chairman and Chief Executive 主席兼行政總裁

# CHAIRMAN'S STATEMENT

## 主席報告

Dear Shareholders,

On behalf of Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), I hereby present the Group's annual results for the year ended 31 March 2018 ("FY2018" or the "Year under review").

Benefiting from the overall economic recovery, successful product strategy and positive retail sentiment, the Group's revenue for FY2018 recorded satisfactory increase. With a stable level of overall gross margin, the profit attributable to equity holders for FY2018 therefore recorded a substantial growth, which was better than expected.

Generally speaking, during the Year under review, the retail environment of the Hong Kong and Macau market has improved due to the increase in visitor arrivals, therefore outperformed the Mainland China market. Nevertheless, the same store sales growth of both markets recorded positive growth, regaining a growth track after three consecutive years of decline.

The Group's total revenue for the Year under review amounted to HK\$14,578,409,000 (2017: HK\$12,807,277,000), representing an increase of 13.8% over last year. Profit attributable to equity holders increased by 34.7% to HK\$1,369,393,000 (2017: HK\$1,016,838,000), with earnings per share of HK\$2.33 (2017: HK\$1.73). The board of directors of the Company proposed a final dividend of HK\$0.55 per share, together with the interim and special dividends of HK\$0.55 per share in total paid in December 2017, the total dividend for FY2018 amounted to HK\$1.10 per share (2017: HK\$1.10 per share). The dividend payout ratio is 47.2% (2017: 63.5%) on a full year basis.

Despite the slowing economic growth in Mainland China, its GDP growth was amongst those at the top of the world. Given the considerable growth potential of the middle-class population, the Group continued to actively pursue further development in the Mainland China market. During the Year under review, the Group opened a net total of 132 Lukfook shops in Mainland China, and added 1 shop in each of Hong Kong, San Francisco of the United States and Cambodia as well. As at 31 March 2018, the Group had a total of 1,631 "Lukfook" shops globally (of which 1,406 were licensed shops and 225 were self-operated shops). Together with 11 "3D-GOLD" self-operated shops in Mainland China, there were 1,642 shops in total globally, spanning over Hong Kong, Macau, Mainland China, Singapore, Korea, Malaysia, Cambodia, the United States, Canada and Australia.

各位股東：

本人謹代表六福集團（國際）有限公司（「本公司」）及其附屬公司（統稱「本集團」）謹此提呈本集團截至2018年3月31日止年度（「2018財年」或「回顧年度」）之全年業績。

受惠於整體經濟復甦、產品策略奏效及零售氣氛良好，本集團於2018財年的收入錄得理想增長，而整體毛利率處於穩定水平，令2018財年的權益持有人應佔溢利因此錄得可觀升幅，並高於預期。

總體來說，回顧年度內，港澳市場因來訪人流增加，零售環境得以逐步改善，業務表現因此優於中國內地市場。然而，兩地同店銷售增長皆錄得正增長，扭轉過去三年的跌勢，重拾升軌。

本集團於回顧年度的總收入為14,578,409,000港元（2017年：12,807,277,000港元），較去年同期增加13.8%。權益持有人應佔溢利則增加34.7%至1,369,393,000港元（2017年：1,016,838,000港元），每股盈利為2.33港元（2017年：1.73港元）。本公司董事會建議派付末期股息每股0.55港元，連同已於2017年12月派付的中期及特別股息合共每股0.55港元，2018財年股息合共為每股1.10港元（2017年：每股1.10港元），全年派息比率為47.2%（2017年：63.5%）。

雖然中國內地經濟增長放緩，惟其國民生產總值增長率仍處於世界前列，在中產人口可觀的增長潛力下，本集團仍會繼續積極拓展中國內地市場。回顧年度內，於中國內地淨增設132間六福店舖，並在香港、美國三藩市及柬埔寨各增加1間六福店舖。於2018年3月31日，本集團於全球共有1,631間「六福」店舖（其中1,406間為品牌店，225間為自營店），加上11間位於中國內地的「金至尊」自營店，全球共有1,642間店舖，遍及香港、澳門、中國內地、新加坡、韓國、馬來西亞、柬埔寨、美國、加拿大及澳洲。



# CHAIRMAN'S STATEMENT

## 主席報告

### OUTLOOK

During the Year under review, attributable to the improved overall economic environment and increased visitor arrivals in Hong Kong and Macau, despite a higher base in the second half of the financial year than the first half, the business performance of the second half of the financial year was even better than expected. Moreover, stepping into the new financial year, since April 2018, the market sentiment remained positive, especially for the Hong Kong and Macau market. The same store sales growth maintained at a double-digit and the same store sales of gem-set jewellery products in the Mainland market restored to a positive growth. However, under the influence of US-China trade war and geopolitics, there are still many uncertainties around. Therefore, the Group remains prudently optimistic about its business development and expects continuing growth in its business in the coming year. Moreover, with the anticipated considerable growth of the middle-class population in Mainland China, the Group also remains optimistic about the mid- to long-term business prospects. The Group will focus on product offering enrichment, market coverage enlargement in Mainland China and market oriented strategies to penetrate into the mass market, covering middle-class, wedding as well as kids.

The implementation of policies on pushing forward urbanisation in Mainland China has led to a significant increase in per capita income. In light of the strong growth potential in the Mainland China market, the Group will continue to actively pursue further development in the Mainland China market, and the Group's target for net shop additions in Mainland China for the new financial year will be at least 120 shops. Moreover, given the satisfactory performance of the Group's e-commerce business in Mainland China and the active consumption of consumers from younger age group on online sales platforms, the Group will continue to develop the e-commerce business and further strengthen cooperation with e-commerce platforms in Mainland China. The Group will also continue to promote sales of good-value-for-money jewellery products on online platforms to attract more young consumers, thereby raising the Group's brand awareness. The Group targets to grow e-commerce revenue by 30% in the coming year.

### 前景

於回顧年度，由於整體經濟環境有所改善，港澳遊客人流亦有增長，即使下半財年基數比上半年高，下半財年業務表現仍比預期好。再者，進入新財年後，從2018年的4月份至今，零售氣氛保持良好勢頭，尤其港澳市場，同店銷售增長維持雙位數字升幅。而內地珠寶首飾產品同店銷售亦重見正增長。惟受中美貿易戰及地緣政治影響，仍有頗多不明朗因素。因此，本集團對來年業務發展仍抱審慎樂觀態度，並期望業務可持續增長。再者，在中國內地中產人口增長良好的預期下，本集團對於中長線業務前景亦感樂觀，並將透過集中於豐富產品組合，於中國內地擴大市場覆蓋率及市場導向策略，以滲透涵蓋中產、婚嫁及孩童市場的大眾市場。

中國內地推動城市化政策令人均收入大大提升，有見內地市場仍有強勁發展潛力，故此本集團會繼續積極拓展中國內地市場，並訂下在新財年中國內地店舖之淨增長將不少於120間之目標。另外，鑑於本集團在中國內地電子商務業務發展理想，較年輕群體於網上銷售平台的消費活躍，本集團將繼續在中國內地致力發展電子商務業務，並加強與電子商務平台的合作。本集團亦將繼續於網上平台推動性價比高的珠寶首飾之銷售，吸引更多年輕消費者，並藉此提升本集團的品牌知名度。本集團於來年電子商務收入的增長目標為30%。

# CHAIRMAN'S STATEMENT

## 主席報告

In light of different purchasing power and spending habits of customers from different age groups, the Group will adopt holistic approach to expand its sales markets. We will also continue to attract customers and encourage local consumption by visual merchandising enhancement, cross-selling boosting and VIP promotional activities, so as to improve sales and profits. As social media platforms and mobile applications will be important sales platforms in the future, the Group will showcase, promote and market its products on Facebook and WeChat, etc.

In addition to its efforts to broadening income sources by different means, the Group will strive to enhance productivity and cost-effectiveness in every operational aspect, including improvement of service quality control, enhancement of support to licensees, promotion of continuous improvement culture and full automation of operational processes, so as to improve efficiency and reduce costs in the hope of delivering better results to its shareholders.

In the long run, driven by the unique geographic and tax advantages of Hong Kong and Macau, the Group's cumulative brand awareness and extensive retail network, the management's effective sales strategies plus cost-effectiveness enhancement measures, the increasing per capita income in Mainland China, as well as the solid customer demand for jewellery products, the outlook for jewellery industry remains promising, which will be conducive to the sustainable development of the Group.

I would like to extend my heartfelt gratitude to all our staff members, shareholders, customers, business partners and other stakeholders for their unfaltering support and contributions to the Group's continuing success. Going forward, the Group will adhere to pragmatic and sound growth measures, strengthen its competitive advantages and further enhance its leading position in the market, so as to generate sustainable returns for its shareholders and set a new benchmark for corporate excellence.

By order of the Board

**WONG Wai Sheung**

*Chairman and Chief Executive*

Hong Kong, 27 June 2018

由於不同年齡的消費者有著不同購買力及消費習慣，本集團將採取全面性舉措以擴大其銷售市場，我們亦會繼續透過加強產品陳列、交叉促銷和VIP推廣活動，吸引顧客，推動本土消費，以提高銷售和利潤。網絡社交平台及手機應用程式將會是未來重要的銷售平台，本集團將以面書和微信等進行產品展示、宣傳及推廣。

除以不同方法開源外，本集團亦會致力在各營運層面盡力提升生產力及成本效益，其中包括改善服務質量的監控、加強對品牌商的支援、推動持續進步文化及營運流程全面自動化等措施，以提升效率及減省成本，期望為股東帶來更佳業績。

長遠而言，憑著港澳獨特的地理及稅務優勢、歷年來累積的品牌知名度、龐大的零售網絡、管理層有效的銷售策略、各項提高成本效益措施及中國內地的人均收入之提升等，加上顧客對於珠寶產品仍有殷切的剛性需求，珠寶行業前景仍然樂觀，有利本集團業務的持續發展。

本集團持續的成功，全賴我們的員工、股東、顧客、業務夥伴和其他持份者的鼎力支持和貢獻，本人謹此致以衷心謝意！來年，本集團仍將以務實穩健的發展舉措，加強競爭優勢，進一步鞏固本集團於市場上的領導地位，為股東帶來持續回報及樹立成功的企業典範。

承董事會命

*主席兼行政總裁*

**黃偉常**

香港，2018年6月27日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL PERFORMANCE

#### Revenue

##### 收入

HK\$14,578M 百萬港元

+13.8%

#### Operating Profit

##### 經營溢利

HK\$1,621M 百萬港元

+25.7%

#### Profit Attributable to Equity Holders

##### 權益持有人應佔溢利

HK\$1,369M 百萬港元

+34.7%

#### Mainland China E-commerce Business Performance

##### 中國內地電子商務業務表現

Revenue 收入: +88.7% Y-o-Y Change 按年變化

Contribution to Mainland China Retail Revenue#

佔中國內地零售收入#:

15.5% (FY2017 財年:11.0%)

# Sales of self-operated shops and e-commerce business

自營店及電子商務業務銷售額

### 財務表現

#### Basic Earnings per Share

##### 每股基本盈利

HK\$2.33 港元

+34.7%

#### Proposed Final Dividend per Share

##### 擬派每股末期股息

HK55 Cents 港仙

Annual Dividend Payout Ratio

全年派息比率: 47.2%

#### Overall Net Shop Additions

##### 整體淨增設店舖

Lukfook 六福: +135

Mainland China 中國內地: +132

Hong Kong, Macau & Overseas

香港、澳門及海外: +3

#### 3D-GOLD 金至尊: +2

Mainland China 中國內地: +2

### Results

Benefiting from the overall economic recovery, successful product strategy and positive retail sentiment, Luk Fook Holdings (International) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") recorded revenue growth of 13.8% to HK\$14,578,409,000 (2017: HK\$12,807,277,000) for the year ended 31 March 2018 (the "Year under review"). With a stable overall gross margin of 25.7% (2017: 25.6%), gross profit therefore rose by 14.2% to HK\$3,741,377,000 (2017: HK\$3,277,061,000), while the total operating expenses to revenue ratio decreased to 15.9% (2017: 16.8%). Therefore, operating profit improved by 25.7% to HK\$1,620,806,000 (2017: HK\$1,289,317,000). Operating margin was 11.1% (2017: 10.1%), while net margin increased by 1.4 p.p. to 9.4% (2017: 8.0%). Profit attributable to equity holders increased by 34.7% to HK\$1,369,393,000 (2017: HK\$1,016,838,000), which was higher than expected. Basic earnings per share were HK\$2.33 (2017: HK\$1.73).

### 業績

受惠於整體經濟復甦、產品策略奏效及零售氣氛良好，六福集團（國際）有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至2018年3月31日止年度（「回顧年度」）的收入增加13.8%至14,578,409,000港元（2017年：12,807,277,000港元）。由於整體毛利率處於25.7%（2017年：25.6%）的穩定水平，總毛利因此增加了14.2%至3,741,377,000港元（2017年：3,277,061,000港元），而總經營開支佔收入比率則下降至15.9%（2017年：16.8%）。因此，經營溢利上升25.7%至1,620,806,000港元（2017年：1,289,317,000港元），經營溢利率為11.1%（2017年：10.1%），淨利率則提升1.4個百分點至9.4%（2017年：8.0%）。權益持有人應佔溢利上升34.7%至1,369,393,000港元（2017年：1,016,838,000港元），高於預期，每股基本盈利為2.33港元（2017年：1.73港元）。

# MANAGEMENT DISCUSSION AND ANALYSIS

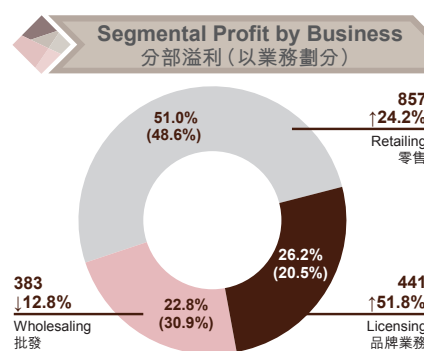
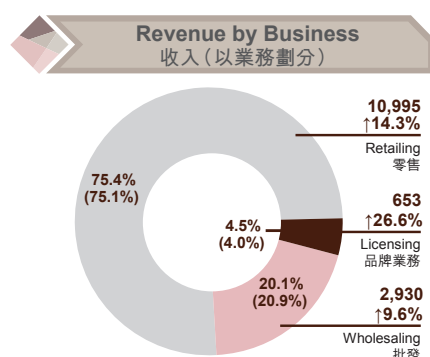
## 管理層討論及分析

### Overview

During the Year under review, the Group added a net total of 135 new Lukfook shops worldwide, including a net addition of 132 shops in Mainland China, 1 self-operated shop in both Hong Kong and San Francisco of the United States plus the first licensed shop in Cambodia. As at 31 March 2018, the Group had a global network of 1,642 shops (2017: 1,505 shops), including 1,631 Lukfook shops (2017: 1,496 shops) and 11 3D-GOLD self-operated shops (2017: 9 shops) operated in Mainland China, with business spanning across Hong Kong, Macau, Mainland China, Singapore, Korea, Malaysia, Cambodia, the United States, Canada and Australia.

### 概覽

於回顧年度內，本集團於全球淨增設135間六福店舖，包括於中國內地淨增設132間，於香港和美國三藩市各增設1間自營店及在柬埔寨設立首間品牌店。於2018年3月31日，本集團於全球共有1,642間店舖（2017年：1,505間），其中包括1,631間六福店舖（2017年：1,496間），和在中國內地經營的11間金至尊自營店（2017年：9間），業務遍及香港、澳門、中國內地、新加坡、韓國、馬來西亞、柬埔寨、美國、加拿大及澳洲。



Remarks: Comparative figures for FY2017 are shown in brackets

註：括號內為2017財年數字

The retail business was the Group's primary source of revenue. During the Year under review, its revenue rose by 14.3% year-on-year to HK\$10,995,093,000 (2017: HK\$9,618,677,000) under the improving overall retail sentiment, accounting for 75.4% (2017: 75.1%) of the Group's total revenue. With increased sales mix of gem-set jewellery products, segmental profit of the retail business therefore increased by 24.2% to HK\$857,092,000 (2017: HK\$690,021,000), accounting for 51.0% (2017: 48.6%) of the total; and its segmental profit margin was 7.8% (2017: 7.2%).

零售業務為本集團主要收入來源。於回顧年度內，在整體零售氣氛的改善下，零售收入按年增加14.3%至10,995,093,000港元（2017年：9,618,677,000港元），佔本集團總收入75.4%（2017年：75.1%）。因珠寶首飾產品的佔比提升，零售業務的分部溢利上升24.2%至857,092,000港元（2017年：690,021,000港元），佔比為51.0%（2017年：48.6%），其分部溢利率為7.8%（2017年：7.2%）。

Attributable to the increase in the number of licensed shops, the wholesale business revenue rose by 9.6% over the corresponding period last year to HK\$2,930,114,000 (2017: HK\$2,672,459,000), accounting for 20.1% (2017: 20.9%) of the Group's total revenue. However, in order to enhance market competitiveness, the wholesale price of gem-set jewellery products have been reduced. In addition, the realised profit of the gem-set jewellery products of inter-segmental wholesale transactions in Mainland China went back to a more normal level. These two factors led to decrease in gross margin of wholesale business, resulting in the decline in its segmental profit by 12.8% to HK\$382,608,000 (2017: HK\$438,891,000), accounting for 22.8% (2017: 30.9%) of the total. Its segmental profit margin was 13.1% (2017: 16.4%).

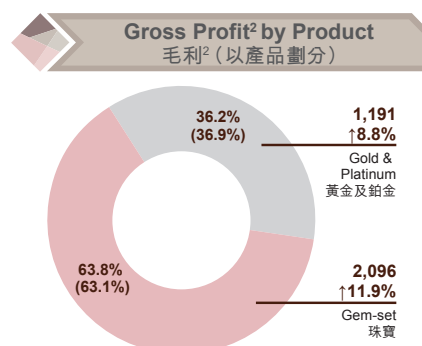
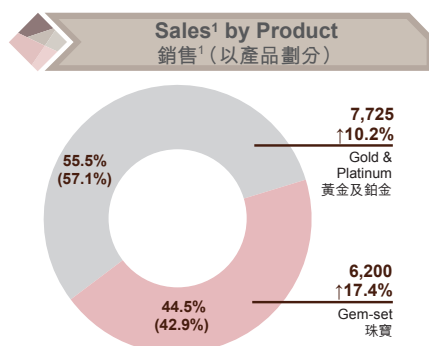
批發業務收入受惠於品牌店數目的增加，較去年同期上升9.6%至2,930,114,000港元（2017年：2,672,459,000港元），佔本集團總收入的20.1%（2017年：20.9%）。但珠寶首飾產品的批發價因為加強市場競爭力而下調，加上中國內地珠寶首飾產品分部間批發交易的已變現利潤回到較正常水平，此兩個因素使批發業務的毛利率下降，令其分部溢利下跌12.8%至382,608,000港元（2017年：438,891,000港元），佔比為22.8%（2017年：30.9%），其分部溢利率為13.1%（2017年：16.4%）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Licensing income, which accounted for 4.5% (2017: 4.0%) of the Group's total revenue, increased by 26.6% to HK\$653,202,000 (2017: HK\$516,141,000) due to an increase in the number of licensed shops as well. Its segmental profit margin significantly improved to 67.5% (2017: 56.3%) because of high fixed cost proportion in its cost structure. It helped to offset the impact of the reduction in wholesale gross margin of gem-set jewellery products. Its segmental profit increased by 51.8% to HK\$440,915,000 (2017: HK\$290,384,000), accounting for 26.2% (2017: 20.5%) of the total.

品牌業務收入亦因品牌店數目的增加，上升26.6%至653,202,000港元（2017年：516,141,000港元），佔本集團總收入的4.5%（2017年：4.0%）。由於其成本結構中固定費用比重高，其分部溢利率因此大幅改善至67.5%（2017年：56.3%），有助對沖珠寶首飾產品批發毛利率下跌的影響。其分部溢利則增加51.8%至440,915,000港元（2017年：290,384,000港元），佔比為26.2%（2017年：20.5%）。



<sup>1</sup> Sales = Revenue – Licensing Income

<sup>2</sup> Gross Profit = Consolidated Gross Profit – Gross Profit of Licensing Income

<sup>1</sup> 銷售 = 收入 – 品牌業務收入

<sup>2</sup> 毛利 = 綜合毛利 – 品牌業務收入毛利

Remarks: Comparative figures for FY2017 are shown in brackets

註：括號內為2017財年數字

Gold products remained the most favourite item. Sales of gold and platinum products increased by 10.2% to HK\$7,725,533,000 (2017: HK\$7,012,528,000), accounting for 55.5% (2017: 57.1%) of the overall sales (Group revenue minus licensing income). As gross margin of gold products stayed flat at around 15.0% (2017: 15.2%), gross profit of gold and platinum products therefore increased by 8.8% to HK\$1,191,303,000 (2017: HK\$1,094,924,000), accounting for 36.2% (2017: 36.9%) of the overall gross profit (consolidated gross profit of the Group minus gross profit of licensing income). On the other hand, sales of gem-set jewellery products rose by 17.4% to HK\$6,199,674,000 (2017: HK\$5,278,608,000), accounting for 44.5% (2017: 42.9%) of the overall sales. Because of reduction in gross margin in Mainland China's wholesale business, gem-set jewellery products' gross margin decreased by 1.7 p.p. to 33.8% (2017: 35.5%), while its gross profit, as a result, only increased by 11.9% to HK\$2,096,130,000 (2017: HK\$1,873,848,000), accounting for 63.8% (2017: 63.1%) of the overall gross profit.

黃金產品為最受歡迎產品，連同鉑金產品，其銷售額上升10.2%至7,725,533,000港元（2017年：7,012,528,000港元），佔整體銷售額（本集團收入減去品牌業務收入）的55.5%（2017年：57.1%）。由於黃金產品毛利率持平於15.0%左右（2017年：15.2%），黃金及鉑金產品毛利因此增加8.8%至1,191,303,000港元（2017年：1,094,924,000港元），佔整體毛利（本集團綜合毛利減去品牌業務收入毛利）的36.2%（2017年：36.9%）。另一方面，珠寶首飾產品的銷售額上升17.4%至6,199,674,000港元（2017年：5,278,608,000港元），佔整體銷售額的44.5%（2017年：42.9%）。珠寶首飾產品的毛利率則因中國內地批發業務的毛利率下降而下跌1.7個百分點至33.8%（2017年：35.5%），其毛利因此只上升11.9%至2,096,130,000港元（2017年：1,873,848,000港元），佔整體毛利的63.8%（2017年：63.1%）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

During the Year under review, the overall same store sales growth\* of the Group, after three consecutive years of decline, turned to a positive growth of +9.2% (2017: -18.3%). SSSG for the Hong Kong and Macau market was +9.4% (2017: -19.5%) and that for the Mainland China market was +4.6% (2017: -4.8%). SSSG for gold and platinum products was +6.6% (2017: -24.6%) and that for gem-set jewellery products was +13.3% (2017: -6.3%).

The Group has been striving to diversify its product mix to offer customers with more choices. Since 2010, the Group has been engaging in the mid- to high-end watch business. As at 31 March 2018, the Group was the authorised dealer of 24 watch brands, including BALL and its BALL for BMW series, BALMAIN, BULOVA, CERTINA, COINWATCH, DOXA, EMILE CHOURIET, ENICAR, ERNEST BOREL, ETERNA, HAMILTON, H. MOSER & CIE, LONGINES, LOUIS ERARD, LUDOVIC BALLOUARD, MIDO, OMEGA, RADO, ROMAGO SWISS, TISSOT, URWERK, VICTORINOX SWISS ARMY, WENGER and BIJOU MONTRE. For the Year under review, the revenue of watch business decreased by 14.8% to HK\$179,988,000 (2017: HK\$211,182,000) when compared with last year, accounting for 1.2% (2017: 1.6%) of the Group's total revenue.

於回顧年度內，本集團整體同店銷售增長\*從過去連續三年的下跌轉正為+9.2%（2017年：-18.3%）。香港及澳門市場的同店銷售增長為+9.4%（2017年：-19.5%），而中國內地市場則為+4.6%（2017年：-4.8%）。黃金及鉑金產品的同店銷售增長為+6.6%（2017年：-24.6%）；珠寶首飾產品的同店銷售增長則為+13.3%（2017年：-6.3%）。

本集團一直銳意拓展多元化產品，為顧客提供更多選擇。自2010年起，本集團開展中高檔鐘錶業務，於2018年3月31日，本集團為24個鐘錶品牌的授權經銷商，品牌包括波爾及其「波爾寶馬時計」系列、寶曼、寶路華、雪鐵納、科因沃奇、時度、艾米龍、英納格、依波路、綺年華、漢米爾頓、亨利慕時、浪琴、諾時錶、LUDOVIC BALLOUARD、美度、歐米茄、雷達、瑞士雷米格、天梭、和域、瑞士維氏、瑞士威戈及寶爵錶。於回顧年度內，來自鐘錶業務的收入較去年下跌14.8%至179,988,000港元（2017年：211,182,000港元），佔本集團總收入1.2%（2017年：1.6%）。

\* Same store sales growth ("SSSG") represented a comparison of sales of the same Lukfook self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops, and Mainland China's e-commerce business.

\* 同店銷售增長（「同店銷售增長」）為同一間六福自營店可比較期內完整日營運的銷售額比較，有關數據並不包括品牌店及中國內地電子商務業務的銷售額。

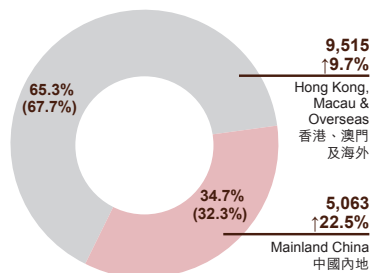
# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

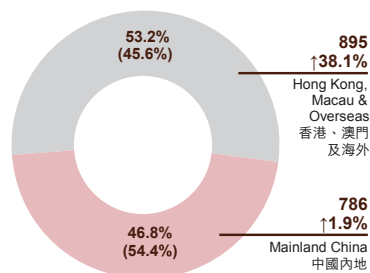
### BUSINESS REVIEW

### 業務回顧

**Revenue by Market**  
收入 (以市場劃分)



**Segmental Profit by Market**  
分部溢利 (以市場劃分)

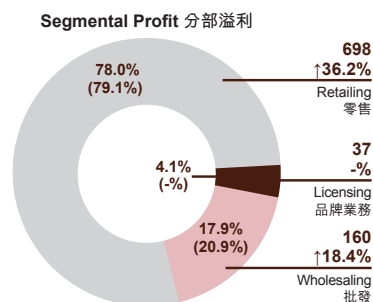
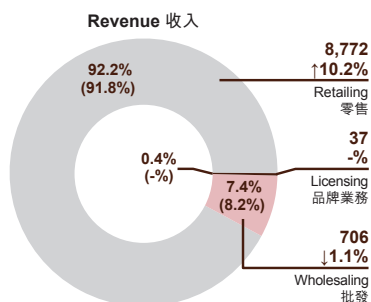


Remarks: Comparative figures for FY2017 are shown in brackets

註：括號內為2017財年數字

	Segmental Profit Margin 分部溢利率	Y-o-Y Change 按年變化
Hong Kong, Macau and Overseas 香港、澳門及海外	9.4%	+1.9 p.p. 個百分點
Mainland China 中國內地	15.5%	-3.2 p.p. 個百分點
Overall 整體	11.5%	+0.4 p.p. 個百分點

**Hong Kong, Macau and Overseas**  
香港、澳門及海外



Remarks: Comparative figures for FY2017 are shown in brackets

註：括號內為2017財年數字

	Segmental Profit Margin 分部溢利率	Y-o-Y Change 按年變化
Hong Kong, Macau and Overseas 香港、澳門及海外		
Retailing 零售	8.0%	+1.6 p.p. 個百分點
Licensing 品牌業務	99.8%	N/A 不適用
Wholesaling 批發	22.7%	+3.8 p.p. 個百分點
Overall 整體	9.4%	+1.9 p.p. 個百分點

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Hong Kong, Macau and Overseas

#### Hong Kong

The Hong Kong market was the key source of revenue for the Group. Visitors from Mainland China had been the major driver for the retail business growth in Hong Kong for the past few years. Despite the impact of the slowdown in economic growth in Mainland China and the changes to the Individual Visit Scheme, there was gradual improvement in consumption expenditure per capita and spending power of consumers recently, contributed by the local policy focus of promoting tourism. According to the statistics on visitor arrivals to Hong Kong published by the Hong Kong Tourism Board in January 2018, visitor arrivals from Mainland China in 2017 rose by 3.9% year-on-year to approximately 44.45 million. According to the visitor arrival statistics published in April 2018, Mainland Chinese visitors from January to March 2018 increased by 12.6% year-on-year to approximately 12.18 million. In respect of tourist spending, the value of sales of jewellery, watches and clocks, and valuable gifts in 2017 increased by 5.2% when compared to 2016, according to the figures on retail sales released by the Census and Statistics Department of Hong Kong in May 2018. The sales value of jewellery, watches and clocks, and valuable gifts from January to March 2018 rose by 21.7% over the corresponding period last year. It indicated the recovery of the retail market and a positive market sentiment. Therefore, the Group's retail revenue in the Hong Kong market increased by 7.0% to HK\$6,664,827,000 (2017: HK\$6,227,060,000) during the Year under review. As at 31 March 2018, the Group operated a total of 48 self-operated shops (2017: 47 shops) in Hong Kong.

### 香港、澳門及海外

#### 香港

香港市場為本集團的主要收入來源，中國內地旅客在過去多年一直為推動香港零售業務增長之主要動力。雖然受到中國內地經濟增長放緩及個人遊政策調整之影響，有賴本地致力推廣旅遊政策，人均消費及消費者消費力近期逐步改善，根據香港旅遊發展局於2018年1月公布之訪港旅客統計數據顯示，2017年訪港的中國內地旅客按年增加3.9%至約44.45百萬人次；而於2018年4月公布之訪港旅客統計數據顯示，2018年1月至3月份訪港的中國內地旅客按去年同比增加12.6%至約12.18百萬人次。旅客消費方面，據香港政府統計處於2018年5月發表的零售業銷貨額數字顯示，2017年全年的珠寶首飾、鐘錶及名貴禮物的銷貨價值與2016年比較上升5.2%；而2018年1月至3月份珠寶首飾、鐘錶及名貴禮物的銷貨價值與去年同比則上升21.7%，反映零售市場已經復甦，氣氛良好。因此，本集團於回顧年度在香港市場的零售收入增加7.0%至6,664,827,000港元（2017年：6,227,060,000港元）。於2018年3月31日，本集團在香港經營的店舖為48間自營店（2017年：47間）。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Macau

According to the tourism statistics published by the Statistics and Census Service of the Macau Special Administrative Region on 30 April 2018, visitor arrivals to Macau in 2017 increased by 5.4% over last year to 32.61 million; while the number of visitor arrivals from January to March 2018 rose by 8.6% year-on-year. With the better retail sentiment in Macau than in Hong Kong, the Group's revenue generated from the Macau market increased by 18.4% to HK\$1,833,983,000 (2017: HK\$1,549,409,000) during the Year under review. As at 31 March 2018, the Group had a total of 10 self-operated shops (2017: 10 shops) in Macau.

### Overseas

Adhering to its motto "Brand of Hong Kong, Sparkling the World", the Group has been seeking new opportunities around the world in recent years. During the Year under review, the Group added 1 Lukfook self-operated shop in San Francisco of the United States and the first Lukfook licensed shop in Cambodia. As at 31 March 2018, the Group operated a total of 12 overseas shops (2017: 10 shops), including self-operated shops of 1 in Singapore, 2 in Malaysia, 4 in the United States, 2 in Canada and 1 in Australia, as well as 1 licensed shop in both Korea and Cambodia.

Retail revenue from the Hong Kong, Macau and overseas markets increased by 10.2% to HK\$8,771,979,000 (2017: HK\$7,959,286,000), accounting for 60.2% (2017: 62.1%) of the Group's total revenue. Its segmental profit rose by 36.2% to HK\$697,739,000 (2017: HK\$512,408,000) as a result of the increase in sales mix of gem-set jewellery products and the benefits of operating leverage, which accounted for 41.5% (2017: 36.1%) of the total. Its segmental profit margin was 8.0% (2017: 6.4%). Its wholesale business revenue slightly decreased by 1.1% to HK\$706,194,000 (2017: HK\$713,900,000), accounting for 4.8% (2017: 5.6%) of the Group's total revenue. Its segmental profit increased by 18.4% to HK\$160,148,000 (2017: HK\$135,229,000) because of the increase in centralised purchases, accounting for 9.5% (2017: 9.5%) of the total, while its segmental profit margin increased to 22.7% (2017: 18.9%). Benefited from the new consultancy services income from certain authorised suppliers, Hong Kong's licensing income was HK\$36,563,000, accounting for 0.3% of the Group's total revenue. Its segmental profit was HK\$36,496,000, which accounted for 2.2% of the total.

### 澳門

根據澳門特別行政區政府統計暨普查局於2018年4月30日發表的旅遊統計數字，2017年訪澳旅客較去年增加5.4%至32.61百萬人次；而2018年1月至3月份訪澳旅客與去年同比則上升8.6%。由於澳門零售氣氛比香港較好，因此於回顧年度內，本集團來自澳門市場的收入增加18.4%至1,833,983,000港元（2017年：1,549,409,000港元）。於2018年3月31日，本集團在澳門共設有10間自營店（2017年：10間）。

### 海外

秉承著「香港名牌·國際演繹」的宗旨，本集團近年在世界各地不斷尋找機遇。於回顧年度內，本集團於美國三藩市增設1間六福自營店及於柬埔寨開設首間六福品牌店。於2018年3月31日，本集團總共經營12間海外店舖（2017年：10間），包括1間位於新加坡、2間位於馬來西亞、4間位於美國、2間位於加拿大和1間位於澳洲的自營店，以及於韓國和柬埔寨皆設有1間品牌店。

香港、澳門及海外市場的零售收入增加10.2%至8,771,979,000港元（2017年：7,959,286,000港元），佔本集團整體收入60.2%（2017年：62.1%）。其分部溢利則因珠寶首飾產品銷售佔比提升及得益於營運槓桿而上升36.2%至697,739,000港元（2017年：512,408,000港元），佔整體的41.5%（2017年：36.1%），其分部溢利率為8.0%（2017年：6.4%）。其批發業務的收入則輕微下跌1.1%至706,194,000港元（2017年：713,900,000港元），佔集團整體收入的4.8%（2017年：5.6%），其分部溢利因中央採購增加而上升18.4%至160,148,000港元（2017年：135,229,000港元），佔整體的9.5%（2017年：9.5%），其分部溢利率上升至22.7%（2017年：18.9%）。受惠於新增之指定供應商顧問服務收入，香港品牌業務收入為36,563,000港元，佔集團整體收入的0.3%，其分部溢利為36,496,000港元，佔整體的2.2%。

# MANAGEMENT DISCUSSION AND ANALYSIS

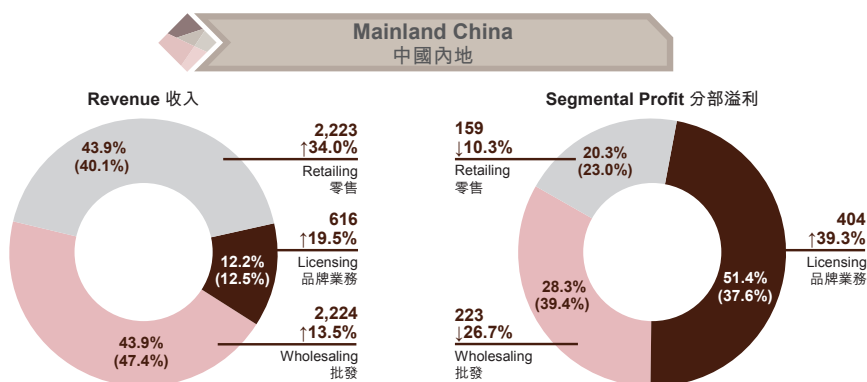
## 管理層討論及分析

Overall speaking, total revenue from the Hong Kong, Macau and overseas markets increased by 9.7% to HK\$9,514,736,000 (2017: HK\$8,673,186,000) during the Year under review, accounting for 65.3% (2017: 67.7%) of the Group's total revenue. Its segmental profit increased by 38.1% to HK\$894,383,000 (2017: HK\$647,637,000), accounting for 53.2% (2017: 45.6%) of the total, while its segmental profit margin was 9.4% (2017: 7.5%).

The SSSG for gold and platinum products in the Hong Kong, Macau and overseas markets was +5.6% (2017: -26.1%), while that for gem-set jewellery products improved to +14.6% (2017: -6.8%).

總體而言，回顧年度內，香港、澳門及海外市場的總收入上升9.7%至9,514,736,000港元（2017年：8,673,186,000港元），佔本集團整體收入65.3%（2017年：67.7%），而其分部溢利則上升38.1%至894,383,000港元（2017年：647,637,000港元），佔整體的53.2%（2017年：45.6%），其分部溢利率為9.4%（2017年：7.5%）。

香港、澳門及海外市場的黃金及鉑金產品之同店銷售增長為+5.6%（2017年：-26.1%），珠寶首飾產品則改善至+14.6%（2017年：-6.8%）。



Remarks: Comparative figures for FY2017 are shown in brackets

註：括號內為2017財年數字

Segmental Profit Margin 分部溢利率		
	Mainland China 中國內地	Y-o-Y Change 按年變化
Retailing 零售	7.2%	-3.5 p.p. 個百分點
Licensing 品牌業務	65.6%	+9.3 p.p. 個百分點
Wholesaling 批發	10.0%	-5.5 p.p. 個百分點
Overall 整體	15.5%	-3.2 p.p. 個百分點

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Mainland China

During the Year under review, because of the improvement in the retail environment and the increase in the number of self-operated shops, retail revenue from the Mainland China market grew substantially by 34.0% to HK\$2,223,114,000 (2017: HK\$1,659,391,000), accounting for 15.2% (2017: 13.0%) of the Group's total revenue. As the gross margin of gold products returned to a more normal level, its segmental profit decreased by 10.3% to HK\$159,353,000 (2017: HK\$177,613,000), accounting for 9.5% (2017: 12.5%) of the total profit. Its segmental profit margin was 7.2% (2017: 10.7%). The SSSG for gold and platinum products in Mainland China was +6.8% (2017: -8.2%) and that for gem-set jewellery products was -0.7% (2017: +4.7%).

Due to the increase in the number of new licensed shops, revenue of the wholesale business in the Mainland China market rose by 13.5% to HK\$2,223,920,000 (2017: HK\$1,958,559,000), which accounted for 15.3% (2017: 15.3%) of the Group's total revenue. With the declined gross margin as a result of reduction in wholesale price of gem-set jewellery products for enhancing market competitiveness, plus its realised profit on inter-segmental transactions going back to a more normal level, its segmental profit decreased by 26.7% to HK\$222,460,000 (2017: HK\$303,662,000), accounting for 13.2% (2017: 21.4%) of the total. Its segmental profit margin was 10.0% (2017: 15.5%).

### 中國內地

於回顧年度內，中國內地市場的零售收入因零售環境改善及自營店數目增加而大幅上升34.0%至2,223,114,000港元（2017年：1,659,391,000港元），佔集團整體收入的15.2%（2017年：13.0%），但其分部溢利因黃金產品毛利率回復較正常水平而下跌10.3%至159,353,000港元（2017年：177,613,000港元），佔整體的9.5%（2017年：12.5%），其分部溢利率為7.2%（2017年：10.7%）。中國內地黃金及鉑金產品之同店銷售增長為+6.8%（2017年：-8.2%），珠寶首飾產品則為-0.7%（2017年：+4.7%）。

由於新增品牌店數目增加，中國內地市場批發業務收入上升13.5%至2,223,920,000港元（2017年：1,958,559,000港元），佔集團整體收入的15.3%（2017年：15.3%），其分部溢利則因珠寶首飾產品批發價因為加強市場競爭力而下調，加上其於分部間交易的已變現利潤回到較正常水平，令其毛利率下降，因而下跌26.7%至222,460,000港元（2017年：303,662,000港元），佔整體的13.2%（2017年：21.4%），其分部溢利率為10.0%（2017年：15.5%）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Licensing income increased by 19.5% to HK\$616,639,000 (2017: HK\$516,141,000) due to the increase in the number of licensed shops as well, accounting for 4.2% (2017: 4.0%) of the Group's total revenue. Its segmental profit margin increased substantially to 65.6% (2017: 56.3%) because of high fixed cost proportion in its cost structure, offsetting the impact of wholesale gross margin decline of gem-set jewellery products. The segmental profit of licensing increased significantly by 39.3% to HK\$404,419,000 (2017: HK\$290,384,000), which accounted for 24.1% (2017: 20.5%) of the total.

As at 31 March 2018, the Group had a total of 1,561 shops (2017: 1,429 shops) under the "Lukfook" brand name in Mainland China, including 157 self-operated shops (2017: 133 shops) and 1,404 licensed shops (2017: 1,296 shops). During the Year under review, the Group reported a net increase of 108 Lukfook licensed shops (2017: 36 shops) and 24 Lukfook self-operated shops (2017: 28 shops) in Mainland China. 17 (2017: 23 shops) of the new self-operated shops were opened by a joint venture (in which the Group held a 51% equity interest) established with a licensee. Together with 11 3D-GOLD self-operated shops, the Group operated a total of 1,572 shops in Mainland China.

品牌業務之收入亦因品牌店數目增加而上升19.5%至616,639,000港元(2017年: 516,141,000港元),佔集團整體收入的4.2%(2017年: 4.0%)。因其成本結構中固定費用比重高,其分部溢利率大幅上升至65.6%(2017年: 56.3%),對沖了珠寶首飾產品批發毛利率下降的影響。品牌業務的分部溢利大幅上升39.3%至404,419,000港元(2017年: 290,384,000港元),佔整體的24.1%(2017年: 20.5%)。

於2018年3月31日,本集團在中國內地以「六福」品牌經營的店舖總數達1,561間(2017年: 1,429間),包括157間自營店(2017年: 133間)及1,404間品牌店(2017年: 1,296間)。於回顧年度內,本集團於中國內地淨增設了108間六福品牌店(2017年: 36間)及24間六福自營店(2017年: 28間),其中17間(2017年: 23間)新增的自營店乃與品牌商建立的合資公司(本集團佔51%權益)所設立。加上11間「金至尊」自營店,本集團在中國內地共經營1,572間店舖。

### FY2018 Mainland China E-Commerce Business Performance 2018財年中國內地電子商務業務表現

#### Revenue

#### 收入

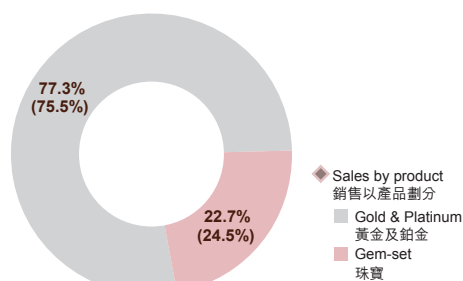
**+88.7% Y-o-Y Change 按年變化**

#### Contribution to Mainland China Retail Revenue 佔中國內地零售收入

**15.5%** (FY2017 財年: 11.0%)

#### Contribution to Group's Retail Revenue 佔集團零售收入

**3.1%** (FY2017 財年: 1.9%)



Remarks: Comparative figures for FY2017 are shown in brackets  
註: 括號內為2017財年數字

#### Average Selling Price

(value-added tax (VAT) included)

平均售價 (包含增值稅)

**RMB1,050人民幣** (+31.3% Y-o-Y Change 按年變化)

#### FY2019 Revenue Growth Target

2019財年收入增長目標

**30%**

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

In light of the rapid development of e-commerce, revenue of e-commerce business from Mainland China increased by 88.7% to HK\$343,875,000 (2017: HK\$182,198,000) during the Year under review, accounting for 15.5% (2017: 11.0%) of the retail revenue in Mainland China and 3.1% (2017: 1.9%) of the Group's retail revenue. Sales of gold and platinum products accounted for 77.3% (2017: 75.5%) of its sales mix while sales of gem-set jewellery products accounted for 22.7% (2017: 24.5%).

Overall speaking, during the Year under review, revenue from the Mainland China market increased by 22.5% to HK\$5,063,673,000 (2017: HK\$4,134,091,000), accounting for 34.7% (2017: 32.3%) of the Group's total revenue. Its segmental profit increased by 1.9% to HK\$786,232,000 (2017: HK\$771,659,000), accounting for 46.8% (2017: 54.4%) of the total; and its segmental profit margin was 15.5% (2017: 18.7%).

由於電子商務的發展迅速，中國內地電子商務業務之收入於回顧年度內上升88.7%至343,875,000港元（2017年：182,198,000港元），佔中國內地零售收入的15.5%（2017年：11.0%）及集團零售收入的3.1%（2017年：1.9%）。其黃金及鉑金產品的銷售佔比為77.3%（2017年：75.5%），而珠寶首飾產品則佔比22.7%（2017年：24.5%）。

整體而言，於回顧年度內，來自中國內地市場的收入上升22.5%至5,063,673,000港元（2017年：4,134,091,000港元），佔本集團總收入34.7%（2017年：32.3%）。其分部溢利則上升1.9%至786,232,000港元（2017年：771,659,000港元），佔整體的46.8%（2017年：54.4%），其分部溢利率為15.5%（2017年：18.7%）。

### Financial Impact in relation to Investments and Operating Activities in HKRH# & Its Subsidiaries

### 於香港資源控股#及其附屬公司的投資及營運活動之財務影響

HK\$M 百萬港元	Profit/(Loss) 盈利/(虧損)		
	FY2018 2018財年	FY2017 2017財年	Y-o-Y Change 按年變化
50% Share of Profit/(Loss) of Associate 聯營公司50%盈利/(虧損)貢獻	(30)	(54)	24
Valuation Gain/(Loss) on Convertible Bond 可換股債券估值得益/(虧損)	2	3	(1)
Wholesale Gross Profit 批發毛利	6	9	(3)
Interest Income on Working Capital Loan 流動資金貸款利息收入	4	4	-
Interest Income on Convertible Bond 可換股債券利息	2	2	-
<b>Total 整體</b>	<b>(16)</b>	<b>(36)</b>	<b>20</b>

# HKRH represents Hong Kong Resources Holdings Company Limited (Stock Code: 2882) which conducts jewellery retail and franchise businesses under the brand name of "3D-GOLD" in Hong Kong, Macau and Mainland China.

# 香港資源控股代表香港資源控股有限公司（股份代號：2882），於香港、澳門及中國內地經營以「金至尊」品牌從事珠寶零售及特許經營業務。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The loss on investments and operating activities in HKRH and its subsidiaries substantially reduced by 55.6% to approximately HK\$16,000,000 (2017: loss of HK\$36,000,000) during the Year under review.

### FINANCIAL REVIEW

#### Liquidity and Financial Resources

As at 31 March 2018, the Group's cash and bank balances amounted to approximately HK\$2,098,000,000 (2017: approximately HK\$1,862,000,000). The Group's net gearing ratio at the year-end was 0% (2017: 0%), which was calculated by using the ratio of total bank borrowings and gold loans of approximately HK\$726,000,000 (2017: approximately HK\$437,000,000) less cash and bank balances against total shareholders' equity of approximately HK\$10,035,000,000 (2017: approximately HK\$8,873,000,000). Net cash was approximately HK\$1,372,000,000 (2017: approximately HK\$1,425,000,000). The debt-to-equity ratio was 21.3% (2017: 19.1%), being the ratio of total liabilities of approximately HK\$2,135,000,000 (2017: approximately HK\$1,699,000,000) against total shareholders' equity of approximately HK\$10,035,000,000 (2017: approximately HK\$8,873,000,000). The Group's income and expenditure streams are mainly denominated in Hong Kong dollars.

#### Inventory

As at 31 March 2018, the Group's inventory increased by 14.6% to approximately HK\$7,992,000,000 (2017: approximately HK\$6,973,000,000) due to an increase in the number of self-operated shops. The average number of inventory turnover days was 257 days (2017: 261 days) with the inventory turnover days of gold products being 156 days (2017: 152 days) and that of gem-set jewellery products being 405 days (2017: 436 days).

於香港資源控股及其附屬公司的投資及營運活動的虧損於回顧年度內大幅減少55.6%至約16,000,000港元(2017年:36,000,000港元虧損)。

#### 財務回顧

#### 流動資金及財務資源

於2018年3月31日，本集團的現金及銀行結餘約為2,098,000,000港元(2017年:約1,862,000,000港元)。本集團於年結日的淨債務比率為0%(2017年:0%)，此乃按銀行貸款及黃金借貸總額約726,000,000港元(2017年:約437,000,000港元)減去現金及銀行結餘後，相對股東權益總額約10,035,000,000港元(2017年:約8,873,000,000港元)之比例計算。淨現金約為1,372,000,000港元(2017年:約1,425,000,000港元)，負債權益比率為21.3%(2017年:19.1%)，此乃按總負債約2,135,000,000港元(2017年:約1,699,000,000港元)相對股東權益總額約10,035,000,000港元(2017年:約8,873,000,000港元)之比例計算。本集團之收支項目主要以港元列值。

#### 存貨

#### Inventory Turnover Days by Product 存貨周轉日數(以產品劃分)

	FY2018 2018財年	FY2017 2017財年
Gold 黃金	156	152
Gem-set 珠寶	405	436
Overall 整體	257	261

於2018年3月31日，本集團的存貨因自營店舖數目增加而上升14.6%至約7,992,000,000港元(2017年:約6,973,000,000港元)，而平均存貨周轉日數為257日(2017年:261日)，其中黃金產品之存貨周轉日數為156日(2017年:152日)，珠寶首飾產品之存貨周轉日數則為405日(2017年:436日)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Capital Expenditure

During the Year under review, the Group's capital expenditures amounted to approximately HK\$213,000,000 (2017: approximately HK\$168,000,000), including the costs of properties, leasehold lands, land use rights, leasehold improvements, furniture, fixtures and equipment.

### Capital Commitments

As at 31 March 2018, the Group's total capital commitments amounted to approximately HK\$489,000,000 (2017: approximately HK\$13,000,000).

### Contingent Liabilities

As at 31 March 2018, the Group had outstanding financial guarantees amounting to approximately HK\$899,000,000 (2017: approximately HK\$764,000,000) issued in favour of several banks in respect of banking facilities granted to an associate.

### Human Capital Policy

As at 31 March 2018, the number of employees of the Group was approximately 7,500 (2017: approximately 7,400). The management reviews and examines the remuneration policies on a regular basis to ensure that fair rewards and compensation are provided to our employees. Remuneration packages are structured by reference to comparable market rates while bonuses and other rewards are linked to the performances of the Group and the employees. This policy aims to motivate employees with monetary incentives to work together to enhance the Group's business performance.

### 資本開支

於回顧年度內，本集團資本開支約為213,000,000港元（2017年：約168,000,000港元），包括物業、租賃土地、土地使用權、租賃物業裝修、傢俬、裝置及設備成本。

### 資本承擔

於2018年3月31日，本集團的資本承擔總額約為489,000,000港元（2017年：約13,000,000港元）。

### 或然負債

於2018年3月31日，本集團向數間銀行出具有關向一間聯營公司授予銀行融資之未償還財務擔保約為899,000,000港元（2017年：約764,000,000港元）。

### 人力資本政策

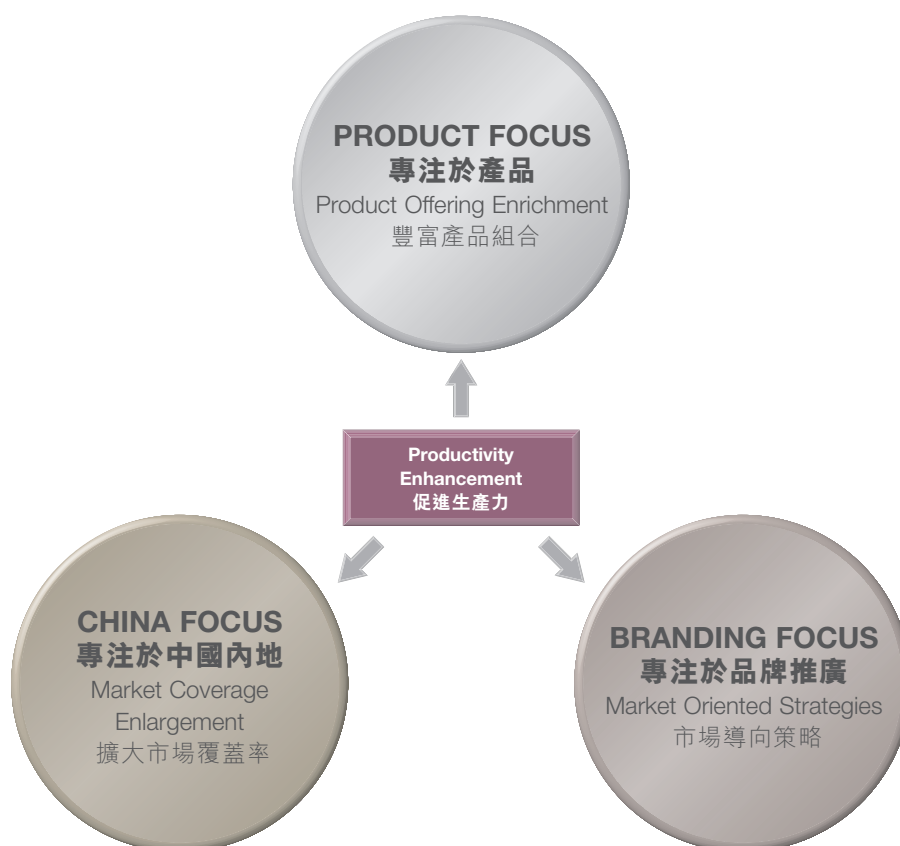
於2018年3月31日，本集團的員工人數約為7,500人（2017年：約7,400人）。管理層定期檢討及審核薪酬政策，以確保為員工提供公平報酬及補償。薪酬待遇乃經考慮相近市場水平後釐定，而花紅及其他獎賞則與本集團表現及僱員表現掛鉤。此政策旨在以金錢獎賞，鼓勵員工協力達成提升本集團業務表現的目標。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OUTLOOK

### 前景



During the Year under review, with the improved overall economic environment and increased visitor arrivals in Hong Kong and Macau, despite a higher base in the second half of the financial year than the first half, the business performance in the second half of the year was even better than expectation. Moreover, stepping into the new financial year, since April 2018, the market sentiment remained positive, especially for the Hong Kong and Macau market with SSSG of more than +20%, and the same store sales of gem-set jewellery products in the Mainland market also restored to a growth track. However, under the influence of US-China trade war and geopolitics, there are still quite many uncertainties around. Therefore, the Group remains prudently optimistic about its business development in the coming year and expects to have continuing growth in its business. Moreover, with the anticipated considerable growth of the middle-class population in Mainland China, the Group also remains optimistic about the mid- to long-term business prospects. The Group will focus on product offering enrichment, market coverage enlargement in Mainland China and market oriented strategies to penetrate into the mass market, covering middle-class, wedding as well as kids.

於回顧年度，由於整體經濟環境有所改善，港澳遊客人流亦有增長，即使下半財年基數比上半年高，下半財年業務表現仍比預期好。再者，進入新財年後，從2018年的4月份至今，零售氣氛保持良好勢頭，尤其港澳市場，同店銷售增長超過+20%，而內地珠寶首飾產品的同店銷售亦重拾升軌。惟受中美貿易戰及地緣政治影響，仍有頗多不明朗因素。因此，本集團對來年業務發展抱審慎樂觀態度，並期望業務可持續增長。再者，在中國內地中產人口上升良好的預期下，本集團對於中長線業務前景亦感樂觀，並將透過集中於豐富產品組合，於中國內地擴大市場覆蓋率及市場導向的策略，以滲透涵蓋中產、婚嫁及孩童市場的大眾市場。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Product Focus

It was stated at the Fifth Plenary Session of the Eighteenth Central Committee of the Communist Party of China that China would maintain medium to high economic growth during the Thirteenth Five-Year Plan period (2017–2020) and that China would double its 2010 GDP and per capita income of urban and rural residents by 2020 as planned to build China into a moderately prosperous society in all aspects. Therefore, the per capita disposable income of all national residents and urban residents are both increasing. In addition, the recent tax reform of the individual income tax will also help to enhance people's spending power. All these factors, together with the stable annual number of weddings in Mainland China and the implementation of two-child policy, would foster the long-term development of the mass luxury sector. The demand for luxury products for kids will also increase gradually. Accordingly, the Group will offer more fashionable yet affordable products to target at the mass market covering middle-class customers, wedding as well as kids.

### China Focus

With improvement in the operating environment, the number of net shop additions in Mainland China reached 134 during the Year under review, while the target for net addition of shops in the coming year is at least 120 shops. The Group is also committed to further developing its e-commerce business and strengthening cooperation with e-commerce platforms in Mainland China. During the Year under review, the Group had a total of 10 online sales platforms in Mainland China, including Tmall.com, JD.com and VIP.com. In light of the enormous spending potential of young consumers on online sales platforms, the Group will step up its efforts to promote the sales of affordable luxury and good-value-for-money jewellery products to expand its footprint in the young consumer market. The Group targets to grow e-commerce revenue by 30% in the coming year.

### 專注於產品

中共十八屆五中全會提出，「十三五」（2017至2020年）期間，中國經濟將保持中高速增长，並強調將會如期在2020年達到國內生產總值和城鄉居民人均收入比2010年翻一番，實現全面建成小康社會目標。所以，全國居民及城鎮居民人均可支配收入均正在增長中，而近期個人所得稅的稅務改革，將有助提升人民的消費能力。此種種因素，加上中國內地每年穩定的結婚數字和二孩政策的實施，都將促進大眾奢侈品市場之長遠發展，對兒童奢侈品的需求亦會日漸增加。因此，本集團將會積極針對覆蓋中產、婚嫁及孩童市場的大眾市場，推出更多款式新穎、價格相宜的產品。

### 專注於中國

由於經營環境改善，中國內地店舖於回顧年度內之淨增長為134間，來年店舖目標淨增長不少於120間。本集團亦會銳意在中國內地繼續發展電子商務業務，加強與電商的合作。於回顧年度內，本集團在中國內地包括天貓、京東商城和唯品會等共有10家網上銷售平台。有見年輕消費者於網上銷售平台的消費有著無限潛力，本集團將繼續致力推動輕奢及高性價比珠寶首飾之銷售，以拓展年輕消費者市場。本集團已訂下目標，於來年促進電子商務收入增長30%。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Branding Focus

By understanding customers' spending habits, the Group will adopt holistic approach to penetrate into the markets for the middle-class, wedding couples and kids. It will also continue to attract customers and encourage local consumption by visual merchandising enhancement, cross-selling boosting and VIP promotional activities, so as to improve sales and profits. Given the importance of social media in product promotion, the Group will continue to showcase and promote its products on mobile applications and social media platforms such as Facebook and WeChat, etc.

### Productivity Enhancement

Apart from accelerating sales growth, the Group will also strive to enhance its operational efficiency and control costs in every operational aspect, including the improvement of service quality control, enhancement of support to licensees, promotion of continuous improvement culture and full automation of operational processes in the hope of delivering better results to its shareholders.

### 專注於品牌推廣

本集團將透過了解顧客的消費習慣，採取全面性舉措以滲透中產、婚嫁及孩童市場，亦會繼續透過加強產品陳列、交叉促銷和VIP推廣活動，吸引顧客，推動本土消費，以提高銷售和利潤。鑑於社交媒體是產品推廣的重要渠道，本集團將繼續以手機應用程式和網絡社交平台如面書和微信等，進行產品展示及宣傳。

### 促進生產力

除促進銷售增長外，本集團亦會同時在各營運層面盡力提升營運效率及控制成本，其中包括改善服務質量的監控、加強對品牌商的支援、推動持續進步文化及營運流程全面自動化等措施，期望為股東帶來更理想的業績。

# BRANDING

## 品牌策略

In order to align with the branding theme of “Love is Beauty”, the Group has been building a welcoming and warm-hearted brand image, and strengthening customers’ emotional attachment to the brand through outstanding marketing campaigns and excellent customer service programmes.

Adhering to the motto of “Exquisite Craftsmanship, Quality Services and Customer Orientation”, we act in the customers’ best interests in our operational management, and are meticulous from product design, quality assurance to sales services. To tie in with our “Six Heartfelt Services” culture, we are dedicated to fulfilling customers’ need with a caring heart and offering sincere quality services, aiming to provide the most enjoyable shopping experience for customers.

Meanwhile, we also extend the concept of “love” to our employees. We strive to promote a caring culture and create a friendly and harmonious working atmosphere. We treat employees as our family members and care for their physical and mental wellbeing in order to enhance their sense of belonging and foster a corporate culture of Lukfook Family.

為貫徹「愛很美」的品牌推廣主題，本集團一直透過出色的市場推廣活動及卓越的顧客服務計劃，建立殷切親和的品牌形象，加強顧客對品牌的情意連繫。

本著「匠心獨運、服務為本、以客為先」的精神，在經營理念上以顧客權益為首要，從產品設計、質量保證以至銷售服務均一絲不苟，並秉承本集團「六心服務」的宗旨，用「心」了解顧客需要，時刻提供優質摯誠的服務，務求令每一位客人有賓至如歸的感覺。

與此同時，我們將「愛」的概念延伸至員工層面，積極推廣關愛文化，締造友愛和諧的工作氣氛，並視員工如我們的家庭成員一樣，關顧他們的身心健康，以增強員工歸屬感，締造六福大家庭的企業文化。



# BRANDING

## 品牌策略

### MARKET ORIENTED STRATEGY

Targeting the mid- to high-end markets in Mainland China, Hong Kong, Macau and overseas, the Group has implemented comprehensive marketing strategies, and launched diversified product offerings with exquisite designs, together with outstanding marketing campaigns, to seize the business opportunities in the middle-class, wedding and kids markets.

### MIDDLE-CLASS MARKET

To cope with the brand's positioning of mass luxury sector, we have endeavoured to further penetrate the middle-class market through various channels. During the Year under review, the Group held the "Lukfook Jewellery Raceday" featuring the theme "Crown the Love", and invited Miss Hong Kong Pageant title winners to showcase a series of glamorous diamond jewellery to the guests and audience, so as to raise our brand awareness among the middle-class population.

In the light of the popularity of fashionable jewellery suitable for daily wear among this group of customers, the Group stepped up the marketing efforts on the "Love is Beauty" Collection of diamond jewellery and the "Love Forever" Collection of couple jewellery in collaboration with the Collection's celebrity endorser Mr. Lam-Fung. We also unveiled the "Dear Q" Collection endorsed by Ms. Qiao Xin, a popular idol in Mainland China. Customers can mix and match charms for their unique styling. Our innovative "Goldstyle" Collection is crafted with exquisite techniques to double the hardness of gold, and provides a selection of gold jewellery featuring creative designs and style effects of K-gold to attract the sophisticated, chic middle-class customers.

As pet-keeping gains increasing popularity among middle-class families, pet-related expenditures are on the rise. This, coupled with a growing middle-class population in Mainland China, is expected to push the development of pet-related "Cuteness Economy" to a new height. The Group organised the "Lukfook Jewellery Dog Ambassador Contest" in partnership with the Society for the Prevention of Cruelty to introduce the charity accessories featuring the design of winning dogs, which turned out to be well received by dog lovers.

Nowadays, marathon running has become one of the most popular sports among the middle-class in pursuit of a healthy lifestyle. Therefore, the Group sponsored the medals set with gold and diamonds for the Hong Kong, Beijing, Shanghai and Wuhan marathons to honour over 118,600 marathon finishers. This year we continued to collaborate with the mobile sports application Codoon to launch marketing programmes, with a view to boosting brand awareness and seizing the business opportunities from the middle-class market.

### 市場導向策略

針對中港澳及海外的中高端消費市場，本集團採取全面的市場推廣策略，配合設計精湛、多元化的產品組合，以及出色的市場推廣活動，以抓緊中產、婚嫁和孩童市場帶來的發展機遇。

### 中產市場

為配合本集團大眾化奢侈品的市場定位，我們致力透過不同渠道進一步滲透中產市場。本集團於回顧年度內舉辦「六福珠寶賽馬日」，以「為愛加冕」為活動主題，邀請了多位香港小姐向現場嘉賓及觀眾完美演繹一系列閃爍瑰麗的鑽石首飾，藉以吸引中產人士對品牌的關注。

有見此客戶群追求設計時尚並適合日常佩戴的珠寶首飾，集團除了加強宣傳「愛很美」鑽飾系列、以林峯先生為代言人的「愛恆久」情侶系列，更推出以國內新生代人氣偶像喬欣為代言人的「Dear Q」系列，客人可以自由搭配串飾，滿足個性化追求。而全球獨家的「Goldstyle」系列，以精湛的製金工藝倍增足金的硬度，融合了設計師別出心裁的創意，打造出效果媲美K金款式的足金首飾，吸納富品味及潮流觸覺的中產顧客群。

隨著中產家庭飼養寵物的情況越來越普遍，投放在寵物方面的開支日益增加，加上內地中產群體壯大，有望將寵物相關的「萌經濟」推向一個全新高度。集團與愛護動物協會攜手舉辦「六福珠寶狗明星代言人大賽」，推出勝出狗隻造型的慈善飾品，深受愛狗人士歡迎。

現今都市人追求健康生活文化，而馬拉松正是深受中產階層熱愛的運動之一，因此，本集團透過贊助香港、北京、上海及武漢馬拉松鑲足金及鑽石獎牌，向超過118,600位完賽跑手致敬。今年繼續與智能手機運動應用程式咕咚(Codoon)合作進行推廣，提升品牌的認知度，抓緊中產市場帶來的商機。



# BRANDING

## 品牌策略

### WEDDING MARKET

According to the statistics released by the Ministry of Civil Affairs of the People's Republic of China, there have been over 10 million pairs of newlyweds per year in the past 5 years. In order to seize this valuable business opportunity of the wedding market, the Group has participated in wedding expos in Hong Kong and Mainland China, and held large-scale wedding shows with high-end hotels and other wedding related partners. Besides, the Group launched a wide range of Chinese and western wedding products. In the traditional Chinese culture, people like to purchase gold jewellery for gifts and wear. Accordingly, the Group introduced the "Beloved" Collection of gold wedding jewellery, which integrates the traditional Chinese wedding culture into trendy gold jewellery design. Nowadays, diamond jewellery, a symbol of promise of eternity, is also a popular choice among wedding couples. To cater for this trend, the Group has launched the Wedding Collection of diamond jewellery, and the Platinum Bridal Collection in cooperation with Platinum Guild International. Moreover, as nowadays young people prefer unique wedding jewellery, the Group offers a series of uniquely designed engagement rings and wedding rings featuring the concept of "create your very own rings" for couples to select their favourite pieces and create their rings of their choice. We also have a wide array of wedding rings with complete range of sizes and complimentary engraving services for wedding couples at our shops, aiming to increase our share in the wedding market by leveraging our diversified wedding products and caring services.

### KIDS MARKET

In response to the implementation of the two-child policy in Mainland China, the Group has introduced a variety of kids' products, including the "Hugging Family" Collection and the Rilakkuma™ Collection which have been well received by both adults and kids. To boost sales strategically, the Group launched an array of jewellery accessories featuring the adorable family members and Rilakkuma, and the baby gift sets that came with the accessories invoking blessings for peace, safety and health as well as the exquisitely designed gift boxes, making them the best choice for gifts or personal use.

### 婚嫁市場

根據中華人民共和國民政部發表的統計數據顯示，過去5年，每年有超過1,000萬對新人結婚，為把握龐大婚嫁市場的寶貴商機，本集團除參與香港及國內婚慶博覽會、與高級酒店等跟婚嫁有關之合作夥伴舉行大型婚禮展外，更推出多款中西式婚嫁產品。中國人傳統多喜愛購買黃金首飾作送禮及佩戴之用，本集團精心打造的「喜愛」結婚金飾系列，將傳統婚慶文化完美融入於時尚黃金首飾當中。隨著潮流轉變，現今新人亦喜愛選購鑽石首飾作結婚之用，取其象徵恆久承諾的意思，因此本集團亦推出婚嫁鑽石系列，並與國際鉑金協會攜手推出的Pt「純•結」婚嫁系列。另外，鑑於時下年輕人喜歡獨一無二的婚嫁首飾，所以集團以「你想配」的概念推出一系列設計獨特的求婚戒和對戒，可以讓新人按個人需要自由組合，配搭出自己喜愛的首飾組合。店舖更備有多款尺碼齊全的結婚對戒供新人選擇，並附有免費即時刻字等增值服務，以多元化的婚嫁產品及貼心的服務去擴大婚嫁市場的份額。

### 孩童市場

配合於中國內地推行的二孩政策，本集團推出不同的孩童產品，如「抱抱家庭」系列及深受大人小朋友歡迎的Rilakkuma™「輕鬆小熊」系列。為策略性地提高銷售，本集團以一眾可愛的家庭成員以及輕鬆小熊造型設計出多款首飾產品，並推出多款寶寶禮盒套裝，把寓意平安、健康的飾品配以設計精緻的禮盒，作為饋贈或自用的最佳選擇。



# BRANDING

## 品牌策略

### BRANDING ACTIVITIES

To increase brand awareness more strategically and secure our market share in Hong Kong and Mainland China, the Group continued to strengthen the connection between love and beauty in line with our branding theme of “Love is Beauty”, and sponsored the diamond crown and precious jewellery pieces for the “Miss Hong Kong Pageant” for twenty consecutive years.

Furthermore, the Group also capitalized on different promotional channels, such as public relations activities, advertising and various kinds of sponsorships, to enhance our brand awareness. The Group also captured the rapid growth of online marketing by placing advertisements on major social media platforms, portals, video platforms and search engines, and promoted our products via live broadcast platforms, influential we-media accounts, Internet celebrities and other popular new media platforms. The Group carried out themed promotions in response to various festivals. To tie in with the star design concept of the new “Love Forever” Collection, we invited our endorser Mr. Lam-Fung to show up as a “Galaxy Knight” at the “Love Forever Fantastic Star Journey” new product launch press conference on the Double Seventh Festival last year, and remarkably increased the brand awareness via the pop-up store. Besides, we gave out diamond charms at the “Dear Q” Collection roadshow on Valentine’s Day, successfully attracting customers and boosting sales.

Riding on the wave of e-sports and animation booms in recent years, the Group has rolled out marketing campaigns jointly with the mobile games “Honour of Kings”, “Audition” and the online game “Tianxia III”, with a view to strengthening our penetration into the millennial generation as their purchasing power is trending upwards. The 2017 “King Pro League” recorded a total of 6.2 billion views on its spring and autumn seasons. Our brand was designated as the official partner for the champion ring of the two seasons. We seized the opportunity to introduce the “Heart of Kings” Collection, and joined hands with fashion media to invite singer Mr. Hu Xia, who participated in the programme “Gather! Kings!”, and QGhappy, champion team of the “King Pro League” to wear and showcase the products of this collection. We also organised the “King Pro League” fall season roadshows to distribute gold coins on-site, which attracted a large number of e-sports enthusiasts, thus greatly enhancing our brand’s penetration into the market of younger generation.



### 品牌推廣

為能更有策略地提升品牌知名度，鞏固香港及中國內地的市場佔有率，本集團繼續以「愛很美」為品牌推廣主題，緊扣愛與美的不解之緣，更連續二十年贊助「香港小姐競選」的金鑽后冠及名貴珠寶首飾。

此外，本集團亦透過各種宣傳渠道，如公關活動、廣告及各類型的贊助等，增加品牌曝光率。更抓緊網上推廣快速增長的趨勢，於各大社交平台、門戶網絡、視頻平台及搜尋網站投放廣告，並利用當下流行的直播、自媒體大號、網絡紅人等新媒體平台宣傳。集團配合不同節日，舉辦主題宣傳活動，去年七夕的「Love Forever 星空幻變之旅」新品發佈會，配合「愛恆久」系列新品的星際設計理念，邀得代言人林峯以「銀河騎士」現身，以快閃店的形式迅速提升品牌知名度。而「Dear Q」系列巡展，延伸至情人節路演派發系列鑽石串飾，成功吸引消費者關注，帶動銷售。

乘著近年的電競、動漫熱潮，為加強滲透購買力日漸成熟的千禧世代，集團與手機遊戲《王者榮耀》、《勁舞團》及網絡遊戲《天下3》合作推廣。其中2017「KPL王者榮耀職業聯賽」春秋兩個賽季共錄得62億總播放量，品牌成為兩季冠軍指環之指定合作夥伴，並乘勢推出王者之心系列產品，聯手時尚媒體，由參與《集結吧!王者》的歌手胡夏及聯賽冠軍戰隊QGhappy佩戴展示，更舉辦「KPL王者榮耀職業聯賽」秋季賽文化巡展活動，即場派發足金壓歲錢，吸引大批電競文化愛好者到場，大大提升品牌於年輕市場的滲透率。



# BRANDING

## 品牌策略

### PRODUCT DESIGN

Producing the finest products with exquisite craftsmanship and stylish designs is one of the core competencies of the Group. To enhance innovation capabilities and broaden design team's horizon, we arrange overseas trips for the team from time to time to explore and apply different design concepts to jewellery. Our outstanding design team has actively participated in various local and international jewellery design competitions, and won over 190 awards up to now, further raising Lukfook's brand image.

During the Year under review, the Group's design pieces "Pegasus", "Follow the Heart" and "Tattoos" won awards in "The Fashionable 18K Group" at the "Chuk Kam Jewellery Design Competition 2018", while the design piece "WiFi Times" won the award in the "Open Group". In addition, our design piece "Linkup Fusion" received the "Best of Show Award (Open Group)" in "The 19th Hong Kong Jewellery Design Competition" under the theme of "The Vibrant Hong Kong".

### BRANDING AWARDS

During the Year under review, Lukfook's continuous efforts in brand building have been recognised with the following awards and accolades from the industry and market, which included:

- "Retail Asia-Pacific Top 500 Awards" for six consecutive years and "Top 10 Retailers in the Hong Kong Market" and the highest honour "Asia-Pacific Best of the Best Retailers" awards
- "Hong Kong Star Brand Award – Enterprise" for six consecutive years

### 產品設計

製造優質精湛、設計新穎時尚的產品為本集團其中一項核心競爭力。為持續提升創新能力及擴闊設計團隊的視野，本集團不時安排團隊外出勘察，將不同設計概念融合於珠寶創意上。我們傑出的設計團隊亦積極參與多個本地及國際珠寶設計比賽，至今共獲得逾190個獎項，進一步提升六福的品牌形象。

於回顧年度內，集團設計作品「天馬奔騰」、「隨心•隨性」及「刺青」於「足金首飾設計比賽2018」分別榮獲「時尚K金組」的獎項，而「W時代」則榮獲「公開組」獎項。另有設計作品「緊扣•融和」贏得以「香江情懷」為設計主題的「第19屆香港珠寶設計比賽」中的「公開組大獎」。

### 品牌殊榮

於回顧年度內，六福在品牌建設上的持續努力，獲得業界及市場認同並贏得以下獎項及嘉許，包括：

- 連續六年入選「亞太區最佳零售商500強」，並獲頒發「十大零售商—香港區」，以及最高榮譽的「亞太區最佳零售商」兩項殊榮
- 連續六年榮獲「香港星級品牌—企業獎」



# BRANDING

## 品牌策略

### QUALITY ASSURANCE

The Group puts emphasis on quality control and authentication to enhance consumers' confidence, and is meticulous from procurement to authentication. In 1996, China Gems Laboratory Limited ("CGL"), a wholly-owned subsidiary of the Group, was established for the purpose of providing services including authentication and grading of diamonds, authentication of jadeite jade and coloured gemstones, and quality assessment for jewellery. The laboratory is operated by a group of experienced and certified gemologists specialising in authentication of gemstones and jadeite jade.

In addition, the Group set up Victoria Gemological Institute Limited principally engaged in jewellery authentication and professional training. With branch offices in Hong Kong and Mainland China, the institute provides services for the jewellery sector and customers. The institute has passed the accreditation of the Laboratory Accreditation Bureau (L-A-B) of the United States, and is authorised to issue internationally recognised reports that conform to ISO/IEC 17025 in diamond grading and fei cui (jadeite jade) testing.

To further boost consumers' confidence, the Group cooperated with The International Institute of Diamond Grading and Research (IIDGR) to provide an additional report for any Hearts & Arrows diamond sold at our shops in Hong Kong and Macau, so as to give customers a more comprehensive understanding of the diamond products purchased.

### 質量保證

本集團十分注重品質監控及鑑定，務求為顧客帶來多一份信心保證，由採購至鑑定均一絲不苟，更於1996年成立全資附屬公司—中華珠寶鑑定中心有限公司（「中華珠寶鑑定中心」），提供鑽石鑑定、評級、翡翠及有色寶石鑑定及珠寶質量評估等服務。該中心由一群專門從事寶石及翡翠鑑定的資深認可寶石鑑定師營運。

除此之外，本集團設立維多利亞珠寶學院，業務主要是珠寶鑑定及專業培訓，並在香港及中國設立鑑定中心分站，為珠寶業界和大眾消費者提供服務。學院已通過美國試驗所認可局Laboratory Accreditation Bureau (L-A-B)的認可，可簽發國際承認的ISO/IEC 17025鑽石評級報告及翡翠（硬玉質翡翠）檢測報告。

為了給顧客帶來多一份信心保證，集團與國際鑽石評級及研究所The International Institute of Diamond Grading and Research (IIDGR)合作，為港澳區分店的八心八箭鑽石提供額外一份報告，讓顧客對其所購的鑽石產品有更深入及全面的認識。



# BRANDING

## 品牌策略

### EXCELLENT SERVICE

Lukfook's cultivation of a warm-hearted brand image would not be successful without a commitment to service excellence. Adhering to the motto of "Exquisite Craftsmanship, Quality Services and Customer Orientation", we act in the customers' best interests in our operational management. In line with the branding theme of "Love is Beauty", the Group has introduced the "Delivering the Beauty of Love with Six Heartfelt Services" excellent customer service programme to fulfil customers' needs with a caring heart and offer quality, sincere services to customers with a view to relaying the culture of Six Heartfelt Services to each customer all over the world.

### SHOPPING EXPERIENCE

To tie in with our fashionable and chic brand image, the Group has introduced a brand-new shop design. Soft champagne gold tone is applied to create a romantic ambience, and glass elements are widely used at shops to create a more spacious feeling and impressive displays, so as to make customers feel at home.

The shops introduce the innovative space design to create a corridor-style shopping area where customers can stroll to appreciate and select jewellery. The shops also provide an independent area where customers can enjoy one-to-one service and tailored advice offered by our staff. Besides, the Group has established the Member Zone at shops for our privileged members to enjoy special offers, leisure space and caring services, aiming to deliver unparalleled shopping experience to customers.

### 優質服務

為能呈現六福殷切親和的品牌形象，本集團對追求卓越服務的承諾及堅持從不怠慢，本著「匠心獨運、服務為本、以客為先」的精神，在經營理念上以顧客權益為首要，為貫徹「愛很美」的品牌推廣主題，推出「六心傳為您因為愛很美」卓越顧客服務計劃，用「心」瞭解顧客需要，時刻為顧客提供優質摯誠的服務，矢志把六心服務文化傳至世界各地每一位顧客。

### 購物體驗

為了配合時尚、潮流的品牌形象，集團推出全新的店舖設計，以柔和的香檳金色調營造浪漫氛圍，大幅採用玻璃元素，提升空間感，增強展示效果，讓每位客人都有恍如在家購物的感覺。

店舖以新穎的空間設計營造長廊式購物區域，客人可以踱步觀賞、選購飾品，並設有獨立1對1區域，顧客可在此尊享職員為其提供度身訂造的產品推介。更設有會員「優」閒專區，使尊貴會員享受特別購物優惠、休閒空間以及貼心服務，務求為顧客帶來非凡的購物體驗。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

This is the second environmental, social and governance (“ESG”) report prepared by Luk Fook Holdings (International) Limited (hereinafter referred to as “We”, “Lukfook”, the “Company”) and its subsidiaries (the “Group”), meeting the “comply or explain” provisions of appendix 27 of the rules governing the listing of securities, Hong Kong Exchanges and Clearing Limited (“HKEx”). This report presents our sustainability performance in the financial year 2018 (“FY2018”) which is from 1 April 2017 to 31 March 2018 and has been reviewed and approved by the board of directors. It covers the operations of offices, factories, showrooms and self-operated shops across Hong Kong, Macau and Mainland China.

With cumulative brand awareness established over the years, we seize the opportunities to consolidate our leading position in the jewellery retail market. We understand our responsibility is not limited to providing quality products and services to customers. Therefore, we are very pleased to publish the ESG report which provides information on environmental and social issues that are relevant to the Group and details our efforts in sustainable development.

We would like to hear your feedback on our ESG report. Please feel free to post to Luk Fook Jewellery Centre, 239 Temple Street, Jordan, Kowloon, Hong Kong with attention to Corporate Communications Department or email us at [ir@lukfook.com](mailto:ir@lukfook.com).

此為六福集團（國際）有限公司（下文稱為「我們」、「六福」、「本公司」）及其附屬公司（「本集團」）編製的第二份環境、社會及管治（「環境、社會及管治」）報告，符合香港交易及結算所有有限公司（「香港交易所」）證券上市規則附錄27所載之「不遵守就解釋」條文。本報告匯報我們於2017年4月1日至2018年3月31日止2018財政年度（「2018財年」）的可持續發展表現，涵蓋於香港、澳門及中國內地辦事處、廠房、展廳及自營店的業務營運，並已經董事會審閱及批准。

我們憑著多年來努力建立的品牌知名度，抓緊發展機遇，鞏固我們於珠寶零售市場的領導地位。我們深知，我們的責任遠不止為顧客提供優質產品及服務。因此，我們欣然刊發環境、社會及管治報告，提供有關本集團的環境及社會事宜的資料及詳述我們於可持續發展方面作出的努力。

我們誠心聆聽閣下對環境、社會及管治報告的意見，請郵寄至香港九龍佐敦廟街239號六福珠寶中心企業傳訊部或電郵至 [ir@lukfook.com](mailto:ir@lukfook.com)。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

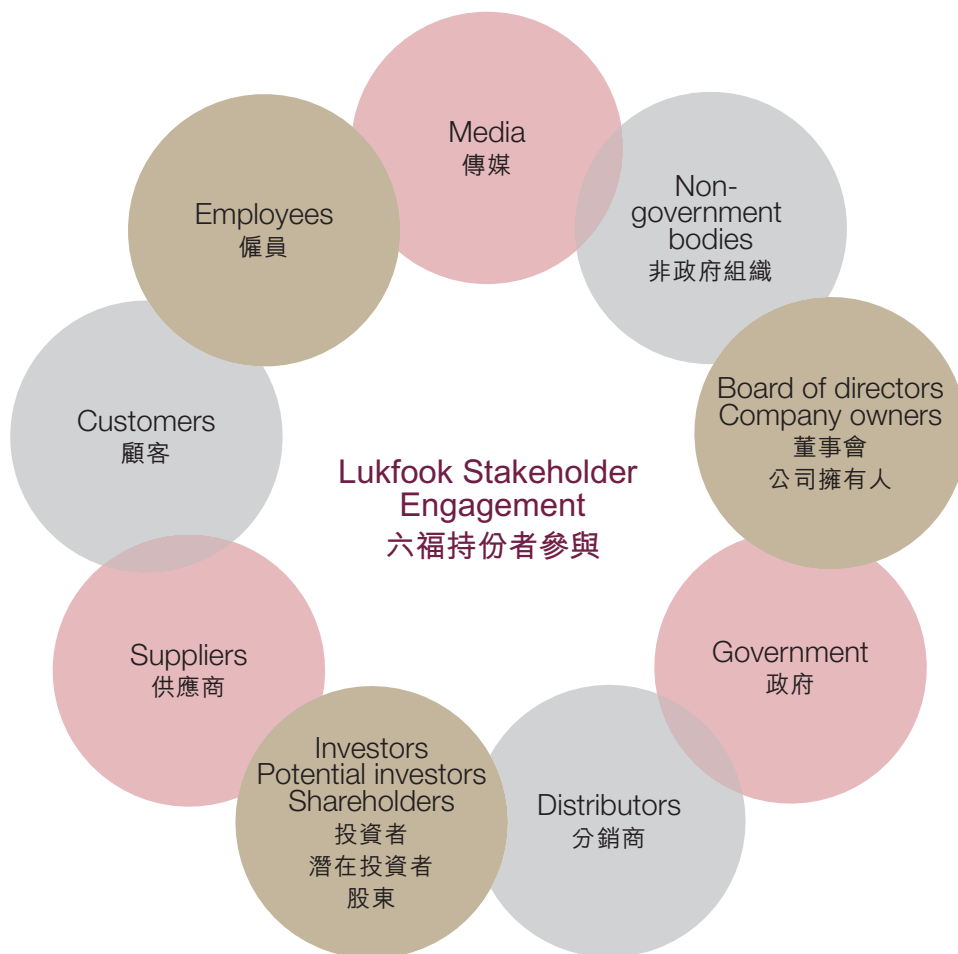
We believe that the voices of our stakeholders are valuable to our business and sustainable development. In order to understand the concerns of our key stakeholders and to identify the material topics of the Group, a stakeholder engagement activity was conducted in 2017 via online questionnaire by a third party. The questionnaire acted as a tool for us to communicate with our stakeholders and obtain their opinions. A materiality assessment was then conducted to provide us insights into the formulation of our ESG reporting and upcoming corporate social responsibility (“CSR”) strategies.

During the materiality process, we engaged both internal and external stakeholders from Hong Kong, Macau and Mainland China to rate on 20 ESG topics.

### 持份者參與及重要性評估

我們深信，持份者的意見對促進業務成功及可持續發展至關重要。為了解主要持份者所關注事宜，於2017年，我們委聘第三方進行在線問卷調查，藉此展開持份者參與活動，以識別本集團的重大議題。我們透過問卷調查與持份者進行溝通並了解他們的相關看法，從而進行重要性評估，這有助編製環境、社會及管治報告及制定未來企業社會責任（「企業社會責任」）策略。

於重要性評估過程中，我們邀請來自香港、澳門及中國內地的內部及外部持份者，就20項環境、社會及管治議題進行評分。

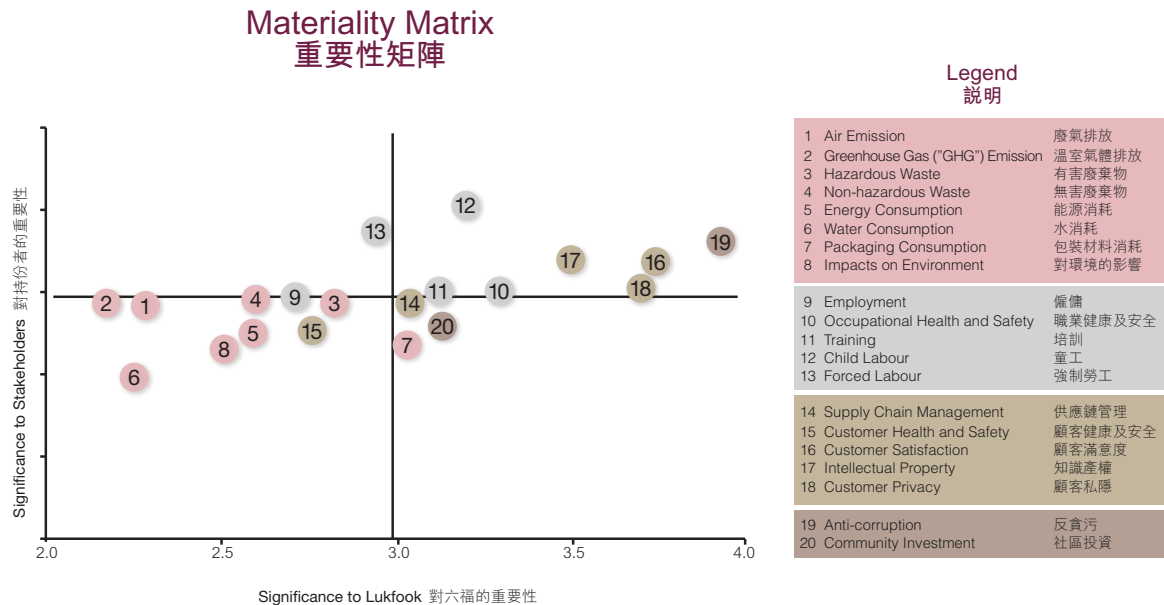


# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

These ESG topics were generalised from the key performance indicators of the ESG reporting guide. Their valuable feedback helps us identify the priority of material topics as shown below:

該等環境、社會及管治議題歸納自環境、社會及管治報告指引的關鍵績效指標。持份者的寶貴意見有助我們對下列重大議題進行排序：



“Significance to Stakeholders” are shown on the vertical axis of the materiality matrix, while “Significance to Lukfook” are shown on the horizontal axis. Those topics considered to be of greatest importance are shown in the top right hand quadrant of the graph.

重要性矩陣的豎軸為「對持份者的重要性」，橫軸則為「對六福的重要性」，圖中右上象限所示乃被視為最重要的議題。

Based on the above analysis, we prioritize 7 topics which are the most material to us: 19. Anti-corruption, 16. Customer Satisfaction, 18. Customer Privacy, 17. Intellectual Property, 10. Occupational Health and Safety, 12. Child Labour and 11. Training.

根據上述分析，我們就對我們而言最為重大的7項議題作出排序：19.反貪污；16.顧客滿意度；18.顧客私隱；17.知識產權；10.職業健康及安全；12.童工及11.培訓。

The result is affirmed by the senior management of the Group and is considered significant to the sustainable development of Lukfook. With the result in mind, we will continue to improve its ESG performance and work on the direction to sustainability to respond to the expectations of our stakeholders.

本集團高級管理層確認，有關結果對六福的可持續發展至關重要。有見及此，我們將進一步提升環境、社會及管治表現，推進企業可持續發展，竭力達致持份者預期。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### STAKEHOLDERS' VOICE

Our CSR initiatives were commended by our stakeholders, including awards and sponsorships in large-scale events that could build up a positive corporate image and reputation.

Despite environmental issues not being rated as material to the Group in the assessment, many of our stakeholders paid high attention to environmental issues. As our operation is mainly confined to offices, retail shops and processing plants, stakeholders showed their concern about wastewater treatment from the processing plant, and thought that environmental protection was everyone's responsibility in the community. Preserving the environment was vital to good health and state of mind to each individual, which could eventually benefit the whole society including Lukfook. Our stakeholders proposed that the Group could consider paperless operation, workplace indoor greening, energy efficiency and even environmentally friendly decoration materials in shops.

Our staff reflected that they were aware of the community programme such as: marathons and voluntary services. They supported red packet and mooncake box recycling. Many also said that they hoped to receive more training on product knowledge and sales technique. Staff outside of Hong Kong hoped that they could receive training certificates as recognition. In addition, our staff also indicated that the Group could further enhance the two-way communication channels for conveying their suggestions more effectively.

### 持份者的意見

我們的企業社會責任活動贏得持份者的讚譽，包括獎項及為大型活動提供贊助，有助樹立正面的企業形象及聲譽。

儘管在重要性評估中，環境議題未被列為對本集團重大事宜，多數持份者十分注重環境議題。由於我們的營運主要限於辦公室、零售店及加工廠，持份者對加工廠污水處理問題表示關注，並認為保護環境人人有責。保護環境對每個人的身心健康至為重要，最終令整個社會包括六福受惠。持份者建議本集團考慮實施無紙化辦公、工作場所室內綠化、節約能源及於商舖採用環保裝修材料。

員工反映他們知曉社區活動，諸如馬拉松比賽及義工服務，並支持利是封及月餅盒回收活動。很多員工表示希望加強產品知識及銷售技巧培訓，而香港境外員工希望獲頒培訓認可證書。此外，員工亦表示本集團應加強雙向溝通渠道，更有效地傳達員工建議。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### MATERIALITY ANALYSIS TABLE

The table below shows the material issues to our business and their impact within and outside of Lukfook.

### 重要性分析一覽表

下表列載對本集團業務重大的事宜以及其對六福內部及以外的影響。

	Level of Materiality 重要程度	Within Lukfook 六福內部	Outside Lukfook 六福以外
<b>Environmental 環境</b>			
Air Emission 廢氣排放	Low 低	x	✓
GHG Emission 溫室氣體排放	Low 低	x	✓
Hazardous Waste 有害廢棄物	Low 低	x	✓
Non-hazardous Waste 無害廢棄物	Low 低	x	✓
Energy Consumption 能源消耗	Low 低	x	✓
Water Consumption 水消耗	Low 低	x	x
Packaging Consumption 包裝材料消耗	Medium 中	✓	x
Impacts on Environment 對環境的影響	Low 低	x	✓
<b>Social 社會</b>			
Employment 僱傭	Low 低	x	✓
Occupational Health and Safety 職業健康及安全	High 高	✓	✓
Training 培訓	High 高	✓	✓
Child Labour 童工	High 高	✓	✓
Forced Labour 強制勞工	Medium 中	x	✓
Supply Chain Management 供應鏈管理	Medium 中	x	✓
Customer Health and Safety 顧客健康及安全	Low 低	x	✓
Customer Satisfaction 顧客滿意度	High 高	✓	✓
Intellectual Property 知識產權	High 高	✓	✓
Customer Privacy 顧客私隱	High 高	✓	✓
Anti-corruption 反貪污	High 高	✓	✓
Community Investment 社區投資	Medium 中	✓	✓

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### TO CUSTOMERS: SIX HEARTFELT SERVICES

Following the motto of “Exquisite Craftsmanship, Quality Services and Customer Orientation”, we are committed to maintaining the high standard in daily operation, and remaining meticulous from supply chain management, quality assurance, to product and service responsibility.

#### Supply Chain Management Selection Process

A well-established procurement procedure and systematic process is in place that all the new potential suppliers or subcontractors have to be evaluated before they are qualified as our on-list approved suppliers and subcontractors. In addition, the Group has established strict tendering guidelines. All approved suppliers and subcontractors have to fulfil the Group’s internal approval processes and enter into the Supplier Agreement to ensure that products and services provided are up-to-standard. Ongoing and regular inspections and assessments are conducted as regulatory monitoring.

Apart from quality and price, CSR performance is also an important factor to be considered during the selection process in order to manage the environmental and social risks of the supply chain. Guideline for environmental procurement stipulates that 4R (reduce, reuse, recycle and renew) method must be applied to the whole product life cycle. Under the same conditions, we give preference to non-allergenic, energy efficient and durable materials during the selection process.

#### Responsible Sourcing

All our diamond suppliers are required to fulfil the Kimberley Process Certificate Scheme which ensures that the rough diamonds supplied are not “conflict diamonds”. To ensure that the sources of gold raw materials are legal, we select suppliers with integrity which are recognised within the industry, such as member of The Chinese Gold and Silver Exchange Society and Shanghai Gold Exchange.

### 對顧客：六心服務

本著「匠心獨運、服務為本、以客為先」的精神，我們致力在日常營運方面維持高水平管理，從供應鏈管理、質量保證以至產品及服務責任均一絲不苟。

#### 供應鏈管理 甄選程序

我們建立完善的採購程序及系統化流程，規定任何潛在的新供應商或分包商經評估後方可成為本集團批准的合資格供應商及分包商。此外，本集團制定嚴格的招標指引。所有認可供應商及分包商須遵守本集團的內部審批程序，並簽訂《供應商協議》以確保所提供的產品及服務符合標準。我們會定期進行檢測及評估以作監管。

為了管理供應鏈的環保及社會風險，於甄選供應商的過程中，除了質量和價格外，企業社會責任表現亦是重要考慮因素之一。環保採購指引規定，整個產品使用年期內應貫徹「減少使用、重複使用、循環再造及更新使用」的4R原則。在同等條件下，我們會在甄選過程中優先選用非過敏性、節能及耐用的材料。

#### 負責任採購

所有鑽石供應商均須遵守金伯利流程認證計劃，確保所供應的鑽石毛坯並非「衝突鑽石」。為確保黃金原材料來源合法，我們甄選獲業界認可的誠信供應商，如金銀業貿易場及上海黃金交易所會員。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Business Ethics

The principles of integrity, fairness and justice are always the foundation of operation. The Group obtained formal management policies to prevent bribery, extortion, fraud and money laundering. All of our suppliers and subcontractors are required to sign the corruption prevention policy in accordance with the guidelines laid down by the Hong Kong Independent Commission Against Corruption (“ICAC”) which sets out relevant code of integrity, mechanisms for declaration of interest and whistle-blowing to prevent and curb conflict of interests and corruption issues.

A strict approval system is in place for transactions monitoring and there are different kinds of internal control to ensure the compliance by all stakeholders. Apart from employees, we also expect that all our business partners including customers adhere to the policy. During FY2018, we did not have any concluded legal cases regarding corrupt practices and no non-compliance case relating to bribery, extortion, fraud and money laundering that have significant impact on the Group had been identified.

### Quality Control and Assurance

The Group exercises tight quality control and is meticulous from raw materials procurement, production to sales and after-sales services.

For our procurement practice, to ensure a reliable supply of quality diamonds and enhance customer confidence, the Group is a sightholder of De Beers, the world’s largest diamond producer. At the same time, our diamond passed the “Natural Diamond Quality Assurance” Mark scheme accredited by the Diamond Federation of Hong Kong, which assures that our diamond products sold are natural diamonds.

### 商業道德

廉潔、公平及公正的原則為商業營運的基石。本集團已制定正規管理政策，防止賄賂、勒索、欺詐及洗黑錢活動。所有供應商及分包商均須根據香港廉政公署（「廉政公署」）頒佈的指引簽署《廉潔交易政策》，當中列明相關廉潔守則、利益申報及舉報機制，防範及遏止任何利益衝突及貪污的情況。

我們採取嚴謹的審批制度，監管交易項目，並實施多項內部監控措施，確保所有持份者嚴格遵守。除僱員外，我們亦期望包括顧客在內的所有業務合作夥伴遵守有關政策。於2018財年，並無任何已審結的貪污訴訟案件，亦無有關賄賂、勒索、欺詐及洗黑錢而對本集團造成重大影響的違規情況。

### 質量控制及保證

本集團實施嚴格的質量控制，從原材料採購、生產到銷售以至售後服務均一絲不苟。

採購方面，為確保優質鑽石供應穩定及加強顧客信心，本集團為全球最大鑽石供應商De Beers的鑽石毛胚特約配售商。同時，我們的鑽石成功通過由香港鑽石總會推行的「天然鑽石品質保證」標誌計劃，保證我們所銷售的鑽石產品皆為天然鑽石。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

For our production process, the Group wholly owns a large-scale jewellery processing plant in Nansha, Guangzhou, which enables the Group to offer stable quality supply and carry out quality control effectively. The production plant will also help the Group to cope with its growing distribution network and provide stable jewellery supply to its jewellery shops. Our jewellery processing plant is warranted on ISO 9001:2015 quality management system and ISO 14001:2004 environmental management system by an external certification body.

In terms of sales services, a “Six Heartfelt Services” ambassador was nominated in every retail shop to execute the spirit thoroughly. “Six Heartfelt Service Voices” has been implemented as an enhancement of the service programme. Video clips and service standard are available on the intranet so our staff can review anytime. The Group have been recognised with a wide array of awards for management excellence and high-quality products and service. These include:

- “Hong Kong Service Awards – Quality Living Category (Jewellery and Gold)” for eleven consecutive years by “East Week Magazine”;
- “Consumer Caring Company” by GS1 Hong Kong for six consecutive years; and
- “Class A Certified Shop” (Retail store at Rua de S. Domingos, Macau) by the Macao SAR Government Consumer Council.
- 連續十一年榮獲《東周刊》頒發「香港服務大獎－優越生活組別（珠寶金行）」；
- 連續六年獲香港貨品編碼協會評選為「貼心企業」；及
- 獲澳門特別行政區政府消費者委員會評選為「A級（特優）誠信店」（位於澳門板樟堂街的零售店）

Concerning our after-sales services, we have a systematic process for handling recycled products and quality issues. Recycled products would be passed to our laboratories after preliminary identification from retail shops for further verification, test report would be issued if necessary. Quality issues would be examined and followed up by relevant department.

生產方面，本集團全資擁有一間位於廣州市南沙區的大型珠寶加工廠，提供穩定優質的貨源並有效控制產品質量。憑藉該生產工廠，本集團亦能夠應付不斷擴大的分銷網絡，為其珠寶商舖提供穩定的珠寶產品供應。我們的珠寶加工廠獲外部認證機構授予ISO 9001:2015品質管理系統及ISO 14001:2004環境管理系統認證。

銷售服務方面，每間零售店均設有「六心服務」大使，以貫徹執行有關服務宗旨，並組織「六心服務之聲」活動，以提升服務質素。員工可隨時透過內聯網觀看有關視頻及了解服務標準。本集團的卓越管理及優質產品與服務屢獲殊榮，包括：

售後服務方面，我們設立處理產品回收及質量問題的系統化流程。回收產品經零售店初步檢測後將移交鑑定中心進一步檢驗，並於有需要的情況下提供檢測報告。質量問題將由相關部門檢查及跟進。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Product and Service Responsibility

#### Intellectual Properties

Intellectual properties committees were set up in Hong Kong and Mainland China to handle tasks in respect of intellectual properties, including trademark registration, design patent and combating of infringement. The Group also actively monitors any infringement by free-riding brands across the country to safeguard customers from losses caused by misleading brand names.

#### Customer Privacy

The Group endeavours to respect and safeguard the confidentiality of customer privacy, and to strictly observe the requirements of the Personal Data (Privacy) Ordinance (Cap. 486) of the Hong Kong Special Administrative Region (HKSAR). We have formulated the policy to set out how the Group collects, uses, discloses, and maintains customers' personal data. We have implemented reasonable measures to protect these data in terms of monitoring facilities, electronic system and staff management.

#### Advertisement and Labelling on Product and Service

We have a team of experts to take care of the advertisement and labelling issues to ensure that only accurate product information is provided. Our legal team and legal advisor interact actively with relevant governmental departments to safeguard the compliance on Code of Advertising Practice in overseas and Advertisements Law of the People's Republic of China, Provisions on the administration of advertising language in Mainland China, as well as other relevant laws and regulations. In Hong Kong, appropriate training is provided to our frontline staff with monitoring measures to govern the compliance of Trade Descriptions Ordinance (Cap. 362).

### 產品及服務責任

#### 知識產權

本集團於香港及中國內地均設有專責小組處理知識產權工作，包括申請註冊商標、外觀設計專利和打擊侵權等，並積極跟進全國各地的傍名品牌的侵權情況，竭力避免顧客被誤導而蒙受損失。

#### 顧客私隱

本集團致力尊重及保護顧客私隱，並嚴格遵守香港特別行政區（「香港特別行政區」）第486章《個人資料（私隱）條例》的規定。本集團制定該政策以列明收集、使用、披露及存置顧客個人資料的規定。我們已於監控設施、電子系統及員工管理方面採取合理措施保護該等資料安全。

#### 產品與服務的廣告及標籤

我們擁有一支專家團隊，專責廣告及標籤事宜，確保提供準確產品資訊。我們的法務團隊及法律顧問積極與相關政府部門溝通，保障於海外遵守《廣告行為守則》及於中國內地遵守《中華人民共和國廣告法》、《廣告語言文字管理暫行規定》等相關法律及規例。在香港，我們為前線員工提供適當培訓，並實施監控措施，確保遵守第362章《商品說明條例》。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Customer Satisfaction

Adhering to “Six Heartfelt Services” motto, it is our core values to maintain high quality standards and to fulfil customers’ requirements. However, complaints are still received in some cases, which we see as a driving force for our growth. Procedures regarding customer complaints handling and product returns are established to respond to our customers in a timely manner and as an input of continual improvement. During FY2018, we confirm that there was no product recall due to safety and health reasons.

As for striving for excellence, a customer satisfaction survey has been carried out to collect feedback and as a channel to keep abreast of market trend. Quarterly mystery shopper assessments were conducted by an independent agency to assess Lukfook’s quality of products and services.

During FY2018, we confirmed that no non-compliance case relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and method of redress that have significant impact on the Group had been identified.

### 顧客滿意度

秉持「六心服務」的精神，我們的核心價值觀為維持高質量水平及滿足顧客要求。然而，我們偶爾接到顧客投訴，這被視為促進業務發展的動力。我們制定處理顧客投訴及產品回收的程序，及時對顧客作出回應，從而推動持續改善。於2018財年，我們確認並無產品因安全及健康原因而回收。

本集團力求精益求精，並進行顧客滿意度問卷調查，藉此收集顧客反饋意見，以緊貼市場潮流走勢。本集團委聘獨立機構進行季度性神秘顧客服務調查，以評估六福的產品及服務質素。

於2018財年，我們確認並無在提供的產品及服務以及補救方法方面存在有關健康及安全、廣告、標籤及私隱事宜而對本集團造成重大影響的違規情況。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### TO PUBLIC: LOVE IS BEAUTY

In response to the commitment towards CSR, continually endeavours to contribute to the society by taking care of the Earth and making use of our expertise in community engagement is our strategy to sustainability.

### Environmental Protection

As a luxury manufacturer, we crave for different resources extracted from the planet and the community in which we serve. It is, therefore, our responsibility to protect the environment by reducing the impacts within our operations – from factories, retail stores to offices. During FY2018, we confirmed that no non-compliance case relating to air and GHG emissions, discharge into water and land, and generation of hazardous waste and non-hazardous waste that have significant impact on the Group had been identified.

### Factory

Certified with the international ISO 14001:2004 standard, an environmental management system has been developed and implemented in our jewellery processing plants. Our mission is to minimise the pollution to the environment, make continuous improvement, and comply with relevant environmental laws and regulations. To achieve so, we have identified the opportunities to reduce air emission, wastewater discharge, water use, waste generation and disposal, and energy consumption by analysing the environmental risks within our operations, and conducted regular monitoring to ensure the issues were well managed.

### 對大眾：愛很美

秉持企業社會責任精神，持續關愛保護地球，發揮所長建設社區，致力回饋社會，乃我們達致可持續發展的策略。

### 環境保護

作為奢侈品製造商，我們極需從地球及社群中攫取各類資源。因此，我們肩負保護環境的重責，從工廠、零售店到辦公室，減少每個營運環節的影響。於2018財年，我們確認並無有關廢氣及溫室氣體排放、向水及土地排污以及產生有害及無害廢棄物而對本集團造成重大影響的違規情況。

### 工廠

我們的珠寶加工廠設立及實施環境管理系統，並獲得國際ISO 14001: 2004認證。我們以減少環境污染、持續改善環境及遵守相關環保法律及規例為己任。為此，我們分析營運中的環境風險，藉此減少廢氣排放、污水排放、用水、廢棄物產生及處理以及能耗，並定期監控以確保有關問題在可控範圍。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

While air emissions are inevitably generated as part of the manufacturing process, we place emphasis on limiting the emissions from our operations and complying with relevant laws and regulations. To achieve this, we have implemented our emission control guidelines for cleaner production. For instance, dust filtering system, filtering system with activated carbon absorbent and exhaust scrubber system were installed to treat air pollutants – mainly fugitive dust emissions and volatile organic compounds – meeting the legal emission standard before releasing to the atmosphere. We have also upgraded to laser welding machines which can not only effectively reduce the air emissions but also protect our workers' health.

We produce a wide range of waste across the operations; therefore, we have established comprehensive procedures to manage waste – no matter whether they are recyclable, non-recyclable or hazardous. Hazardous waste such as waste solvents and lubricants generally requires more efforts and clear guidance is provided for our workers to follow including waste segregation, labelling, storage and transportation. All the hazardous waste are collected by licensed contractors for treatment. To promote waste reduction and recycling practices, we encourage our employees to recycle the recyclable materials and reuse useful parts of the waste such as jewellery pieces and packaging as much as we can, helping to divert the waste from landfills.

Water and energy are used in many of the manufacturing processes. For water, we place emphasis on not only reducing the consumption through installing water-saving faucets, but also exploring ways to optimise its use through reclaiming wastewater for different purposes such as greening or toilet flushing. For energy consumption, various initiatives are implemented such as replacing lighting with energy efficient LEDs and T8 light bulbs. Maintenance is also regularly carried out to ensure the equipment is in good condition to conserve resources.

### Retail Store

Having more than 1,500 stores in different cities around the globe, we realise that we have a great responsibility and opportunity to make positive impacts to the environment by making more efforts.

External lighting is used in many ways such as decoration, advertisement or promotion, and even after midnight when the stores are closed. As such, we continue to support the “Charter on External Lighting” initiated by the Hong Kong Environment Bureau, reducing not only the electricity costs but also lowering the energy use during off-hours. During FY2018, we were rewarded with “Gold Award” in the “Charter on External Lighting Award Scheme” by the Environment Bureau of the HKSAR in recognition of our contribution to reduce energy consumption and the reduction of nuisance from lighting.

生產過程產生廢氣排放實難避免，我們著重限制營運產生的排放物，並嚴格遵守相關法律及規例。為此，我們制定排放控制指引，實現清潔生產。舉例來說，安裝濾塵系統、裝有活性炭吸附劑的過濾系統及廢氣洗滌器系統以處理空氣污染物，主要為揚塵排放物及揮發性有機物，在排入大氣前達到法定排放標準。設備方面亦升級至激光焊機，不僅有效減少廢氣排放，同時亦保障工人健康。

業務營運產生各類廢棄物。因此，我們設立全面的廢棄物管理程序，涵括可循環再用、不可循環再用或有害廢棄物。廢溶劑及潤滑劑等有害廢物通常須更加謹慎處理，工人在廢棄物的分類、標識、儲存及運輸方面均須遵守明確指引。有害廢物由持有許可證的承包商收集處理。為促進減廢及循環再用，我們鼓勵員工盡量將可循環再用材料循環再用及重複使用珠寶飾件及包裝材料等廢物的可用部分，有助減少堆填區的廢棄量。

生產過程多個環節均涉及用水及能源消耗。用水方面，我們不僅注重透過安裝節約水龍頭降低水耗，同時透過回收廢水用於綠化或沖廁等各種用途，探索多方途徑提升用水效益。能源消耗方面，我們實施多項措施，包括改用高效能LED及T8照明燈具，並定期進行保養維護，確保設備運作良好以節約資源。

### 零售店

本集團旗下有1,500多間店舖，遍佈世界各地城市。我們意識到在肩負環保重任的同時，亦能為環境帶來正面影響。

戶外燈光可作裝飾、廣告或宣傳等多種用途，且於午夜商舖關店後仍舊亮著。由此，我們繼續支持香港環境局發起的《戶外燈光約章》，在節省用電成本的同時，亦降低非營業時間段能源消耗。於2018財年，香港特別行政區環境局向我們頒發「戶外燈光約章獎勵計劃」中的「金獎」，表彰我們於降低能源消耗及減少光滋擾方面的貢獻。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Office

Office operations, in general, do not pose significant impact on the environment. Still, it is of high importance to encourage green practices in the office and reduce our footprints by focusing on the use of water, electricity and paper.

### 辦公室

辦公室營運一般不會對環境造成重大影響。不過，鼓勵綠色辦公，節約水、電力及紙張，減少對環境影響，仍然至關重要。

Water 水	<ul style="list-style-type: none"> <li>We make sure there is no leakage of taps to conserve water. 確保沒有水龍頭漏水的情況，節約用水。</li> </ul>
Electricity 電力	<ul style="list-style-type: none"> <li>We encourage switching off the equipment such as computers when they are not in use. 鼓勵於非使用時關閉電腦等設備。</li> </ul>
Paper 紙張	<ul style="list-style-type: none"> <li>We encourage using electronic communication over paper. 鼓勵使用電子通訊取代紙質文件。</li> <li>We encourage wise use of toilet paper. 鼓勵善用廁紙。</li> <li>We opt for recycled paper for everyday printing. 選擇日常印刷採用再造紙。</li> <li>We encourage using double-sided printing instead of single-sided printing. 鼓勵雙面印刷而非單面印刷。</li> </ul>

With our great efforts, our environmental performance was recognised by several organisations in FY2018. For instance, we won the “EcoPartner” and “5 Years+ EcoPioneer Companies” in the “2016 BOCHK Corporate Environmental Leadership Awards” organised by the Federation of Hong Kong Industries and Bank of China (Hong Kong), recognising our efforts in combatting pollution and climate change. We were also awarded the “Hong Kong – Guangdong Cleaner Production Partners (Manufacturing)” in recognition of our dedication in both Hong Kong and China’s environmental protection.

於2018財年，本集團在環保工作上的不斷努力獲得多個機構嘉許。舉例來說，本集團榮獲由香港工業總會及中國銀行（香港）頒發「2016中銀香港企業環保領先大獎」之「環保傑出伙伴」及「5年+參與環保先驅獎章」，表彰本集團於治理污染及氣候變化方面的努力。本集團亦獲頒發「粵港清潔生產伙伴（製造業）」標誌，肯定本集團對中港兩地環保工作的貢獻。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Environmental Performance

Our environmental performance related to our business operation in offices, factories, showrooms and self-operated shops across Hong Kong, Macau and Mainland China during FY2018 is indicated in the table below:

### 環保表現

於2018財年，我們與香港、澳門及中國內地辦事處、廠房、展廳及自營店的業務營運有關的環保表現列示於下表：

Types of Resources Consumption 資源使用類型		Unit 單位	FY2018 2018財年
Electricity	電力	kWh 千瓦時	16,908,633.76
Mobile Fuels	汽車燃料		
– Diesel	– 柴油	Litre 公升	90,395.07
– Unleaded petrol	– 無鉛汽油	Litre 公升	64,692.32
Stationary Fuel <sup>Note 1</sup>	固定燃料 <sup>附註1</sup>		
– Natural gas	– 天然氣	m <sup>3</sup> 立方米	343,611.00
Water	水	m <sup>3</sup> 立方米	209,798.00
Refrigerant <sup>Note 2</sup>	製冷劑 <sup>附註2</sup>	kg 千克	10.00
Paper	紙張	kg 千克	69,246.02
Packaging Materials	包裝材料	Tonne 噸	171.02
Wastewater Discharge <sup>Note 3</sup>	污水排放 <sup>附註3</sup>	m <sup>3</sup> 立方米	171,385.00
Type of Waste Generation	廢物產生類型		
– Non-hazardous waste <sup>Note 4</sup>	– 無害廢棄物 <sup>附註4</sup>	Tonne 噸	45.32
– Hazardous waste <sup>Note 5</sup>	– 有害廢棄物 <sup>附註5</sup>	Tonne 噸	5.48
Types of Greenhouse Gas Emissions	溫室氣體排放類型		
– Direct Emission (Scope 1)	– 直接排放 (範圍1)	tCO <sub>2</sub> e 噸二氧化碳當量	1,062.68
– Indirect Emission (Scope 2)	– 間接排放 (範圍2)	tCO <sub>2</sub> e 噸二氧化碳當量	12,708.57
Total	總計	tCO <sub>2</sub> e 噸二氧化碳當量	13,771.25
Direct Energy Intensity	直接能源密度		
– Mobile Fuels	– 汽車燃料	Litre/turnover (HKD'000) <sup>Note 6</sup> 公升/營業額 (千港元) <sup>附註6</sup>	0.016
– Stationary Fuel	– 固定燃料	m <sup>3</sup> /turnover (HKD'000) 立方米/營業額 (千港元)	0.035
Indirect Energy Intensity	間接能源密度	kWh/turnover (HKD'000) 千瓦時/營業額 (千港元)	1.70
Water Intensity	水密度	m <sup>3</sup> /turnover (HKD'000) 立方米/營業額 (千港元)	0.021
Wastewater Intensity	污水密度	m <sup>3</sup> /turnover (HKD'000) 立方米/營業額 (千港元)	0.017
Packaging Materials Intensity	包裝材料密度	Tonne/turnover (HKD'000) 噸/營業額 (千港元)	0.000017
Hazardous Waste Intensity	有害廢棄物密度	Tonne/turnover (HKD'000) 噸/營業額 (千港元)	0.00000055
Non-hazardous Waste Intensity	無害廢棄物密度	Tonne/turnover (HKD'000) 噸/營業額 (千港元)	0.0000047
Carbon Intensity	碳密度		
– Direct Emission (Scope 1)	– 直接排放 (範圍1)	tCO <sub>2</sub> e/turnover (HKD'000) 噸二氧化碳當量/營業額 (千港元)	0.00011
– Indirect Emission (Scope 2)	– 間接排放 (範圍2)	tCO <sub>2</sub> e/turnover (HKD'000) 噸二氧化碳當量/營業額 (千港元)	0.0013

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Note 1: Natural gas was consumed at our administration building, staff kitchen, dormitory and moulding equipment in our jewellery processing plants only.

附註1：天然氣僅於我們珠寶加工廠的行政大樓、員工餐廳、宿舍及廠房設備使用。

Note 2: Refrigerant was consumed in our jewellery processing plants only.

附註2：製冷劑僅於我們珠寶加工廠中使用。

Note 3: The figure represented the amount of wastewater discharged from our jewellery processing plants only. Wastewater generated from our retail stores and offices in Hong Kong, Macau and Mainland China was properly connected and discharged to the communal sewer drainage system.

附註3：該數據僅代表我們珠寶加工廠的污水排放量。我們於香港、澳門及中國內地零售店及辦事處所產生的污水已妥善接入並排放至公用污水渠系統。

Note 4: The figure represented the amount of non-hazardous waste generated from our jewellery processing plants only. The non-hazardous waste generated from our self-operated shops and offices in Hong Kong, Macau and Mainland China was handled by the property management company.

附註4：該數據僅代表我們珠寶加工廠產生的無害廢棄物數量。我們於香港、澳門及中國內地自營店及辦事處所產生的無害廢棄物由物業管理公司進行處理。

Note 5: The figure represented the amount of hazardous waste generated from our jewellery processing plants only. No hazardous waste was generated from our self-operated shops and offices in Hong Kong, Macau and Mainland China.

附註5：該數據僅代表我們珠寶加工廠所產生的有害廢棄物數量。我們於香港、澳門及中國內地自營店及辦事處並無產生有害廢棄物。

Note 6: This turnover included the self-operated shops in Hong Kong, Macau and Mainland China only.

附註6：該營業額僅包括於香港、澳門及中國內地的自營店。

Since this is the first year where environmental key performance indicator (KPI) data is reported, the above collected data is benchmarked as the baseline. Through continuous collection of further environmental KPI data, and the analysis and comparison with the data of the baseline year in forthcoming year, we will review and make continuous improvement on our environmental performance and existing management approaches.

由於這是第一年呈報環境關鍵績效指標（「關鍵績效指標」）數據，故上文所收集的數據被納為參考基準。來年，通過持續收集進一步環境關鍵績效指標數據，並對比分析基準年度的數據，我們將就環保表現及現有管理方法作出檢討並不斷加以改進。

### Corporate Citizen

It is always our top priority to fulfil our corporate citizenship and strive to create long-term values for the communities in which we operate. As a socially responsible corporation, we are actively participating in community investment programmes through donation and volunteering in four main areas: protecting the environment, caring for community wellness and health, supporting local arts and culture, and empowering the youth. In addition, our Lukfook Volunteer Team has been established not only to build cohesion and a sense of belonging in the Group, but also to raise employee awareness by encouraging them to participate in voluntary activities and make contribution to the communities.

### 企業公民

我們向來重視履行企業公民責任，致力為經營業務所在社區創造長遠價值。作為一家肩負社會責任的企業，我們積極投身社區投資項目，參與四個主要方面的捐款及義工活動，包括保護環境、關懷社區公益及健康、支持當地藝術及文化以及扶助青年人才。此外，我們成立六福義工隊，不僅旨在打造集團凝聚力及歸屬感，同時透過鼓勵僱員參與義工活動提高僱員意識，為社區作出貢獻。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

In FY2018, we supported a wide range of charitable activities and some of them are highlighted as below:

### Environmental Conservation

Climate change is a big challenge that needs to be tackled. During the Year under review, we partnered with the non-governmental organisations (“NGOs”), which include The Conservancy Association, Greeners Action and Green Power, to promote “bring your own shopping bag” at our retail stores and improve local waste reduction issue. All the levy we received on plastic shopping bags was donated to the abovementioned charity groups. At the same time, we have carried out a number of programmes at the Group, such as the used red packets recycling, to raise employees’ environmental awareness.

### Community Wellness and Health

Making positive impacts to the community is important to us. During FY2018, we uphold the spirit of giving back to the society by playing a part in a series of activities. Our volunteer team has been supporting Food Angel by preparing hot meal boxes in the kitchen to provide food assistance to the people in need. We also visited the Chan Hing Social Service Centre and celebrated the Mid-autumn festival with the elderly there, and shared our love and festival joy along with mooncakes and fruits.

The Group took part in the “Walks for Millions” held by The Community Chest of Hong Kong once again, and encouraged the participation of employees and their families to help the needy in our community.

In FY2018, the Group once again donated HK\$1,000,000 to support the development of medical and community services provided by Tung Wah Group of Hospitals.

In Mainland China, we sponsored “Free Lunch for Children” organised by China Social Welfare Foundation for four consecutive years, offering nutritious free meals for the underprivileged school children.

### Arts and Culture

We believe that arts and culture are intangibly precious in our communities. We supported various events such as traditional Bak Mei martial arts, Cantonese opera and Bun Carnival for the artistic and cultural development in Hong Kong.



於2018財年，我們支持多項慈善活動，概括如下：

### 環境保護

氣候變化問題已經迫在眉睫。於回顧年度內，我們與長春社、綠領行動及綠色力量等非政府組織（「非政府組織」）攜手，在旗下零售店推廣「自備購物袋」，致力改善當地減廢問題。就塑料購物袋收取的所有收費均捐贈予上述慈善團體。同時，我們在集團內發起多項活動，包括利用封回收再用，提升員工的環保意識。

### 社區公益及健康

我們注重回饋社區。於2018財年，我們積極參與多項活動，實踐「取之於民，還之於民」的信念。我們的義工隊熱心響應惜食堂號召，參與廚房義工活動，協助準備熱飯餐，讓有需要人士獲得食物援助。我們亦探訪陳慶社會服務中心，值中秋佳節之際為長者送上月餅及水果，一起歡度愉快時光。

本集團再次參與香港公益金舉辦的「百萬行」活動，並鼓勵員工及其家人積極參與，為社區貧困人士伸出援助之手。

於2018財年，本集團再度捐助1,000,000港元，支持東華三院開展醫療社區服務。

中國內地方面，我們連續四年贊助中國社會福利基金會發起的「免費午餐」活動，為貧困學童提供免費營養午餐。

### 藝術及文化

我們深信，藝術及文化為社區建設的無形瑰寶。我們贊助多項活動，包括傳統白眉拳術、粵劇及包山嘉年華，以促進香港藝術及文化發展。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Youth Empowerment

To empower the young people, we have been partnering with different organisations to nurture our future leaders in pursuit of their personal development. For instance, we provided sponsorship on the Vocational Training Council (“VTC”) Design Education Fund to foster excellence in creativity, design and innovation amongst young people and to enrich their exposure to international cultures. We also sponsored the VTC Outstanding Industrial Attachment Scholarships 2018 to reward students with outstanding performance in their industrial attachment programmes. Furthermore, we provided support for the talented young chess players in the Hong Kong Youth Chinese Chess Competition 2017.

### 扶助青年人才

為扶助青年人才，我們與多個組織共同攜手，扶持青年追求個人發展，培養未來領袖人物。例如，我們向職業訓練局（「職訓局」）設計教育基金提供贊助，以培養青年人才的卓越創造力、設計及創新能力，同時為彼等提供更多國際文化交流機會。我們亦為職訓局2018年優秀企業實習獎學金提供贊助，以獎勵在企業實習項目中表現出色的學生。此外，我們為2017年全港青年象棋比賽優秀年輕選手提供資助。

The Group attained a number of awards as recognitions of its continued efforts in fulfilling CSR. Below are some of the highlights:

本集團屢獲殊榮及嘉許，肯定了我們在履行企業社會責任工作上的長期努力。概括如下：

- Recognised at “The 8th Hong Kong Corporate Citizenship Program” – Enterprise Category
- Received the “Ordering Oxfam Rice (Organization Category)” Bronze Award in the “Oxfam Rice Event 2017”
- Named a “5 Years Plus Caring Company” by the Hong Kong Council of Social Service.
- 獲「第八屆香港企業公民嘉許計劃」—企業組別認可
- 於「樂施米義賣大行動2017」中榮獲「集體訂米（機構組）籌款獎」季军
- 獲香港社會服務聯會頒發5年Plus「商界展關懷」標誌。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### TO EMPLOYEES: LUKFOOK FAMILY

We strive to promote a caring culture and create a friendly and harmonious working atmosphere to extend the concept of “love” to our employees. We treat employees as our family members and care for their physical and mental well-being in order to enhance their sense of belonging and foster a corporate culture of the Lukfook Family.

### Labour Standard

The Group has zero tolerance towards child labour or forced labour and strictly follows major human rights declaration. We have procedures, which were established in accordance with relevant national and local laws, regulations and international standard, to ensure that our recruitment process as well as daily operation were in line with the standard. During FY2018, we did not identify any issue with child labour and forced or compulsory labour, indicating positive results from our efforts in practice.

### Equal Opportunity Employer

We are an equal opportunity employer committed to fair and impartial treatment of all our staff. As an equal opportunity employer, diversity in the workplace and in our recruiting practices is crucial for us. We do not tolerate any discrimination based on race, religion, disability, family status, sex, marital status, age, national origin, or other considerations deemed inappropriate by local laws.

Remuneration packages are based on job responsibilities, performance and contributions to business results as well as the employees’ professional and managerial competency. Staff undergo annual appraisals and are rewarded appropriately according to their performance and contributions to the Group’s development, as outlined in our staff handbook.

### 對員工：六福大家庭

我們積極推廣關愛文化，締造友愛和諧的工作氣氛，將「愛」的概念延伸至員工層面。我們視員工如家庭成員一樣，關顧他們的身心健康，以增強員工歸屬感，締造六福大家庭的企業文化。

### 勞工準則

本集團對童工或強制勞工採取零容忍態度，同時嚴格遵守主要人權宣言。我們根據相關國家及地方法律、規例及國際準則設立相關程序，確保招聘流程及日常營運符合相關準則。於2018財年並無有關童工及強制或強迫勞工事件的報告，顯示我們的相關舉措成效正面。

### 平等機會僱主

本集團為平等機會僱主，致力為全體員工提供公平公正待遇。作為公平機會僱主，我們在公司及招聘方面秉持多元化策略，杜絕任何種族、宗教、殘疾、家庭崗位、性別、婚姻狀況、年齡、國籍或地方法律認為不當的其他考慮因素方面的歧視。

薪酬待遇乃基於員工職責、表現及業績貢獻以及個人專業及管理能力的而定。誠如僱員手冊所載，每年均會對員工作出評估，並根據個人表現及對集團發展的貢獻給予合理回報。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Employment Standard

Staff handbooks are distributed to all new staff members when they join the Group to ensure that they understand their rights and obligations. In addition to hard copy, the content of staff handbook is also available on the intranet for staff access.

The Group provides staff with competitive remuneration and benefits, including paid leave, paternity leave, maternity leave and marriage leave, medical insurance and retirement plans, staff discount as well as performance-based incentives and bonuses. Meal allowance, monetary bonuses and other merit payments are provided to retail staff. Remuneration policies are reviewed and approved by the management regularly to ensure fair rewards and compensation for employees. Remuneration packages are structured to be comparable to the market while bonuses and other merit payments are linked to the performances of the Group and the employees.

We were honoured as “Good MPF Employer Award 2016-17”, and were presented the “e-Contribution Award” and “Support for MPF Management Award” by the Mandatory Provident Fund (“MPF”) Schemes Authority to acknowledge our efforts for placing a high value on our employees’ retirement needs.

### Anti-corruption

Appropriate measures were set up to maintain the integrity of our staff all the time. All newly employed staff are required to sign the corruption prevention undertaking and comply with the code of conduct and discipline as set out in our staff handbook and relevant ordinances with respect to prevention of acceptance of advantages between suppliers and staff. In addition, refreshing training held by the ICAC was arranged regularly for new and existing staff to reaffirm the importance of integrity.

### Grievance Mechanism

Grievance mechanism was established for the Group to enhance the competitiveness and management policies. Grievance and suggestions can be directly delivered to the Group via email, telephone or face-to-face interview. Whistle-blowing channel is addressed in staff handbook; grievances raised would be treated confidentially to protect the whistle-blower.

### 僱傭標準

新員工入職時均獲發僱員手冊，以確保彼等了解其權利及責任。除印刷版本外，僱員手冊內容亦已上載我們的內聯網供員工參閱。

本集團為員工提供具競爭力的薪酬及福利，包括有薪假期、侍產假、產假及婚假、醫療保險及退休計劃、員工折扣以及表現掛鈎獎勵及花紅。零售員工還享有餐補、獎金及其他獎賞。管理層會定期審閱及審批薪酬政策，確保為員工提供公平回報及報酬。薪酬待遇乃經考慮相近市場水平後釐定，而花紅及其他獎賞則與本集團及僱員表現掛鈎。

本集團榮獲「2016-17年度『積金好僱主』」，並獲強制性公積金（「強積金」）計劃管理局頒發「積金供款電子化獎」及「推動積金管理獎」，以表彰本集團在高度重視僱員退休需求方面所作的努力。

### 反貪污

本集團制定適當措施，保證員工始終廉潔奉公。所有新入職員工須簽署廉潔承諾書，並須遵守僱員手冊內列明的員工品行紀律守則，以及有關防止供應商與員工之間收受利益的相關條例。還定期安排新晉及現有員工參與廉政公署舉辦的複訓，重申廉潔奉公的重要性。

### 申訴機制

本集團設立申訴機制，旨在加強競爭力及管理制。僱員可透過電郵、電話或面談直接向本集團提出申訴及建議。舉報渠道已載列於僱員手冊；為保護舉報人員，將對申訴進行保密。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Work-life Balance

We offer different kinds of leisure and sports activities such as: yoga class, Japanese class, charitable mah-jong competition and marathon to energise the working atmosphere as well as achieve a work-life balance. We have achieved the “Happiness-at-work” Label jointly organised by the Promoting Happiness Index Foundation and the Hong Kong Productivity Council for four consecutive years.

### Development and Training

The Group encourages continuous learning in our employees and puts emphasis on their holistic development; we highly regard nurturing talents as one for our key strategies. The Group has established a comprehensive training system and assessment criteria from theory, sales technique, and product knowledge to personal character. For director and management level staff, continuous professional training is provided on topics such as: leadership, corporate governance and updated laws and regulations. Internal, external and electronic learning are provided for employees in different departments to sharpen their skills and competencies. Orientation and on-the-job training is provided for new joiners. Apart from the Hong Kong head office and the online training platform, four regional training centres are established in Beijing, Shanghai, Guangzhou and Wuhan, respectively, for providing internal training programmes. Subsidies are provided to eligible employees for studying industry related programmes.

The Group has co-organised training programmes with external organisations, for instance: jade product knowledge training course with the Hong Kong Institute of Gemmology; China GTC diamond and jade inspector certificate with Guangdong Province Jewellery and precious metals testing centre.

As the fruits of the Group's tireless efforts in offering good training opportunities to enhance the professionalism of our staff to provide every customer with sincere service and superior shopping experience, a Group's staff won the Bronze Award in “Outstanding Quality Tourism Services (QTS) Merchant Service Staff Award 2017” (Jewellery & Watches Category) organised by the Hong Kong Tourism Board, in recognition of his outstanding performance in customer service. With the representative from the Group being ranked as award winner after rounds of keen competitions, it fully affirmed the Group's efforts in enhancing service quality. The Group has been accredited in the “QTS Scheme” for sixteen consecutive years and also received “15-year QTS Merchant Recognition” in 2016, affirming wide recognition of the Group's outstanding achievements in product quality and customer service.

### 工作與生活的平衡

我們組辦各種休閒及體育活動，例如瑜伽課程、日語課程、慈善麻將比賽及馬拉松，激勵工作氛圍之餘，亦達致工作與生活的平衡。我們連續四年榮獲香港提升快樂指數基金及香港生產力促進局聯合頒發的「開心工作間」標誌。

### 發展及培訓

本集團鼓勵僱員持續進修，並注重員工全方位發展。我們高度重視人才培養，將其視為主要策略之一。本集團從理論、銷售技巧、產品知識以至個人性格，建立全面的培訓系統及評估標準。本集團為董事及管理層人員提供有關領導能力、企業管治以及法律及規例最新動態等的持續專業培訓，並為各個部門的員工提供內部、外部及電子學習機會，藉此增強其專業技巧及能力。本集團還為新晉人員提供入職及在職培訓。除香港總辦事處及網上學習平台外，分別在北京、上海、廣州及武漢四個地區設立分區培訓中心，為僱員提供內部培訓課程。我們還為報讀行業相關課程的合資格僱員提供課程贊助。

本集團還與外部機構合作舉辦培訓課程，例如與香港珠寶學院合辦翡翠產品知識培訓課程；與廣東省珠寶及貴金屬檢測中心聯合頒發的中國GTC鑽石及翡翠檢測師證書。

本集團一直致力提供培訓良機，提升員工的專業水平，務求以殷切誠摯的服務，為每位顧客帶來卓越的購物體驗。源於本集團的不懈努力，本集團員工於香港旅遊發展局主辦的「傑出優質商戶員工服務獎2017」榮獲珠寶及鐘錶組別銅獎，以表彰其在客戶服務方面的卓越表現。經過多輪激烈競爭，本集團代表脫穎而出，勇奪殊榮，充分肯定了本集團就提高服務質素所作出的努力。本集團連續十六年獲得「優質旅遊服務」計劃認可，更於2016年榮獲「15年資深優質商戶嘉許」，足證集團在產品質量及客戶服務方面的卓越成就獲得業界的廣泛認可。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Qualifications Framework

The Group actively supported the “Qualifications Framework (QF)” held by the Education Bureau of Hong Kong Special Administrative Region by encouraging and sponsoring employees to participate in professional training. Our training department registered the “Certificate Programme in Quality Customer Service and Jewellery Knowledge (QF Level 2)” and “Certificate Programme in Advanced Jewellery Knowledge (QF Level 3)” so that employees can be qualified and benchmarked through this hierarchy.

### Outreach Training

Outreach training was the highlight of this year. The training combined adventure activities, experiential learning with group and individual counselling to enhance the self-belief of staff. Managerial staff in Hong Kong and Mainland China were invited to join. Positive feedback was provided by our managers that they could improve their leadership and communication skills after the training, mutual trust and tacit understanding were also built. To conclude, this is an effective tool for us to build an outstanding team.

The Group has obtained “Manpower Developer” by the Employees Retraining Board in 2017 for the outstanding performance in fostering new talents in the jewellery industry.

### Occupational Health and Safety

Lukfook believes that occupational health and safety is not only one of our core principles, but also our commitment to every employee. Safety and health management are incorporated into our operation by complying with relevant safety regulations and standards. During FY2018, we confirmed that non-compliance case relating to providing safe working environment and protecting employees from occupational hazards, and the number and ratio of work fatality for the Group were both zero.

### 資歷架構

本集團積極支持香港特別行政區教育局推出的「資歷架構」，鼓勵及資助員工參加專業培訓。我們的培訓部門註冊資歷架構二級的「優質服務與珠寶知識證書課程」及資歷架構第三級的「進階珠寶知識證書課程」，僱員可透過該架構獲取認可資格及按標準評定能力。

### 戶外拓展訓練

今年重點推行戶外拓展訓練。有關培訓將探險活動、體驗式學習與小組及個人輔導相結合，藉此提升員工自信。香港及中國內地管理人員受邀參加有關培訓。經理級人員對此反應正面，有關培訓有助提升領導能力及溝通技巧，並有助建立互信及默契。總括而言，這是建立出色團隊的有效方法。

基於在珠寶行業培養新人才方面的突出表現，本集團於2017年榮獲僱員再培訓局頒發的「人才企業」殊榮。

### 職業健康及安全

六福深信，職業健康及安全不僅為集團的核心原則之一，亦是我們對每一位僱員的承諾。本集團遵守相關安全條例及準則，將安全及健康管理融入營運的每個方面。於2018財年，本集團確認，有關提供安全工作環境及保障僱員避免職業性危害的違規個案以及員工因工作關係而死亡的人數及比率均為零。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Office and Retail Store

The Group endeavours to provide a comfortable and safe working environment. Our occupational health and safety code, for example, on electricity, manual handling and working with display screen equipment, is regularly reviewed and updated on our intranet to enhance the awareness of staff and prevent accidents from happening.

### Factory

Risk assessment on occupational hazards and disease was conducted for our factories in Mainland China by an external competent organisation to ensure that all workplace hazards were identified and under monitoring. An occupational hygiene management system was established so that relevant measures such as: occupational health check for related employees, regular health and safety inspections in workplace, personal protective equipment and training were executed to ensure the physical well-being of our employees.

### 辦公室及零售店

本集團致力提供舒適及安全的工作環境，並定期檢討及在內聯網更新有關電力、人手操作及使用顯示屏幕設備工作等的職業健康及安全守則，以提高員工安全意識及避免發生安全事故。

### 工廠

本集團委聘外部具備資質的機構，對位於中國內地的工廠進行職業危害及疾病風險評估，確保發現所有工作場所隱患並予以監控。本集團設立職業衛生管理系統，藉此實施相關措施，譬如相關僱員的職業健康檢查、工作場所定期健康及安全檢查、個人保護設備及培訓，以確保僱員的身體健康。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### HKEX ESG REPORTING GUIDE INDEX

### 香港交易所環境、社會及管治報告指引索引

HKEx ESG Reporting Guide General Disclosures 香港交易所環境、社會及管治報告指引的一般披露	Policy/Procedure 政策 / 程序	Reference Section 參考章節
<b>A. Environment</b> <b>A. 環境</b>		
A1 Emissions A1 排放物	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous waste and non-hazardous waste 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Air Emission Management Guideline 廢氣排放管理指引 Solid Waste Management Guideline 固體廢物管理指引 Wastewater Emission Management Guideline 污水排放管理指引
A2 Use of Resources A2 資源使用	Policies on efficient use of resources including energy, water and other raw materials 有效使用資源（包括能源、水及其他原材料）的政策	Green Office Guideline 綠色辦公指引 Environmental Procurement Guideline 環保採購工作指引 Office and Workshop General Operation Guideline 辦公室及工場一般運作指引 Green practices on the use of resource are implemented. We are in the process of setting up the environmental policies in retail stores 有關資源使用的環保措施已經實施。我們現正制定零售店的環保政策
A3 The Environment and Natural Resources A3 環境及天然資源	Policies on minimizing the issuer's significant impact on the environment and natural resources 減低發行人對環境及天然資源造成重大影響的政策	The Group's operations do not have significant impact on the environment and natural resources 本集團營運對環境及天然資源並無造成重大影響
		To Public: Love is Beauty – Environmental Protection 對大眾：愛很美 — 環境保護
		To Public: Love is Beauty – Environmental Protection 對大眾：愛很美 — 環境保護
		Not Applicable 不適用



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### HKEX ESG REPORTING GUIDE INDEX

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HKEx ESG Reporting Guide General Disclosures 香港交易所環境、社會及管治報告指引的一般披露	Policy/Procedure 政策／程序	Reference Section 參考章節	
<b>B. Social B. 社會</b>			
<p>B1 Employment B1 僱傭</p>	<p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料</p>	<p>Staff Handbook 僱員手冊</p>	<p>To Employees: Lukfook Family – Employment Standard, Work-life Balance, Equal Opportunity Employer 對員工：六福大家庭 — 僱傭標準、工作與生活的平衡、平等機會僱主</p>
<p>B2 Health and Safety B2 健康與安全</p>	<p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料</p>	<p>Occupational Health and Safety Guideline for Office and Retail Store 辦公室及零售店的職業健康及安全指引</p>	<p>To Employees: Lukfook Family – Occupational Health and Safety 對員工：六福大家庭 — 職業健康及安全</p>
<p>B3 Development and Training B3 發展及培訓</p>	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動</p>	<p>Training KPI 培訓關鍵績效指標</p>	<p>To Employees: Lukfook Family – Development and Training 對員工：六福大家庭 — 發展及培訓</p>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### HKEX ESG REPORTING GUIDE INDEX

### 香港交易所環境、社會及管治報告指引索引

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<p>B4 Labour Standard B4 勞工準則</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour</p> <p>有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料</p>	<p>Staff Handbook 僱員手冊</p>	<p>To Employees: Lukfook Family – Labour Standard 對員工：六福大家庭 — 勞工準則</p>
<p>B5 Supply Chain Management B5 供應鏈管理</p> <p>Policies on managing environmental and social risks of supply chain 管理供應鏈的環境及社會風險政策</p>	<p>Corruption Prevention Policy 廉潔交易政策 Engineering and Operation of Goods Approval Process 工程及營運物品審批流程 Financial Authorization and Signing Approval Procedure 財務授權及合同簽訂之審批規定</p>	<p>To Customers: Six Heartfelt Services – Supply Chain Management 對顧客：六心服務 — 供應鏈管理</p>
<p>B6 Product Responsibility B6 產品責任</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress</p> <p>有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料</p>	<p>Customer Complaint Handling Procedure 顧客投訴處理程序</p>	<p>To Customers: Six Heartfelt Services – Product and Service Responsibility 對顧客：六心服務 — 產品及服務責任</p>
<p>B7 Anti-corruption B7 反貪污</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering</p> <p>有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料</p>	<p>Staff Handbook 僱員手冊 Corruption Prevention Policy 廉潔交易政策</p>	<p>To Employees: Lukfook Family – Anti-corruption, Grievance Mechanism 對員工：六福大家庭 — 反貪污、申訴機制</p>
<p>B8 Community Investment B8 社區投資</p> <p>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration communities' interests</p> <p>有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策</p>	<p>We are in the process of setting up the community investment policies 我們現正制定社區投資政策</p>	<p>To Public: Love is Beauty – Corporate Citizen 對大眾：愛很美 — 企業公民</p>

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMPOSITION OF THE BOARD AND BOARD COMMITTEES 董事會及董事委員會的架構

#### Board of Directors 董事會

Mr. WONG Wai Sheung\* (Chairman & Chief Executive)  
黃偉常先生\* (主席兼行政總裁)

Mr. TSE Moon Chuen\* (Deputy Chairman)  
謝滿全先生\* (副主席)

Ms. WONG Hau Yeung\*  
王巧陽女士\*

Ms. WONG Lan Sze, Nancy\*  
黃蘭詩女士\*

Ms. CHUNG Vai Ping\*  
鍾惠冰女士\*

Dr. CHAN So Kuen\*  
陳素娟博士\*

Mr. WONG Ho Lung, Danny# (Deputy Chairman)  
黃浩龍先生# (副主席)

Ms. YEUNG Po Ling, Pauline#  
楊寶玲女士#

Mr. HUI Chiu Chung, JP#  
許照中太平紳士#

Mr. LI Hon Hung, BBS, MH, JP#  
李漢雄BBS·MH太平紳士#

Mr. TAI Kwok Leung, Alexander<sup>△</sup>  
戴國良先生<sup>△</sup>

Mr. IP Shu Kwan, Stephen, GBS, JP<sup>△</sup>  
葉澍堃GBS太平紳士<sup>△</sup>

Mr. MAK Wing Sum, Alvin<sup>△</sup>  
麥永森先生<sup>△</sup>

Ms. WONG Yu Pok, Marina, JP<sup>△</sup>  
黃汝璞太平紳士<sup>△</sup>

Mr. HUI King Wai<sup>△</sup>  
許競威先生<sup>△</sup>

#### Audit Committee 審核委員會

Mr. TAI Kwok Leung, Alexander<sup>△</sup> (Chairman)  
戴國良先生<sup>△</sup> (主席)

Mr. IP Shu Kwan, Stephen, GBS, JP<sup>△</sup>  
葉澍堃GBS太平紳士<sup>△</sup>

Mr. MAK Wing Sum, Alvin<sup>△</sup>  
麥永森先生<sup>△</sup>

Ms. WONG Yu Pok, Marina, JP<sup>△</sup>  
黃汝璞太平紳士<sup>△</sup>

Mr. HUI King Wai<sup>△</sup>  
許競威先生<sup>△</sup>

#### Nomination Committee 提名委員會

Mr. MAK Wing Sum, Alvin<sup>△</sup> (Chairman)  
麥永森先生<sup>△</sup> (主席)

Mr. WONG Wai Sheung\*  
黃偉常先生\*

Mr. TSE Moon Chuen\*  
謝滿全先生\*

Mr. TAI Kwok Leung, Alexander<sup>△</sup>  
戴國良先生<sup>△</sup>

Mr. IP Shu Kwan, Stephen, GBS, JP<sup>△</sup>  
葉澍堃GBS太平紳士<sup>△</sup>

Ms. WONG Yu Pok, Marina, JP<sup>△</sup>  
黃汝璞太平紳士<sup>△</sup>

Mr. HUI King Wai<sup>△</sup>  
許競威先生<sup>△</sup>

#### Remuneration Committee 薪酬委員會

Mr. IP Shu Kwan, Stephen, GBS, JP<sup>△</sup> (Chairman)  
葉澍堃GBS太平紳士<sup>△</sup> (主席)

Mr. WONG Wai Sheung\*  
黃偉常先生\*

Ms. WONG Hau Yeung\*  
王巧陽女士\*

Mr. TAI Kwok Leung, Alexander<sup>△</sup>  
戴國良先生<sup>△</sup>

Mr. MAK Wing Sum, Alvin<sup>△</sup>  
麥永森先生<sup>△</sup>

Ms. WONG Yu Pok, Marina, JP<sup>△</sup>  
黃汝璞太平紳士<sup>△</sup>

Mr. HUI King Wai<sup>△</sup>  
許競威先生<sup>△</sup>

\* Executive Director 執行董事

# Non-executive Director 非執行董事

△ Independent Non-executive Director 獨立非執行董事

# CORPORATE GOVERNANCE REPORT

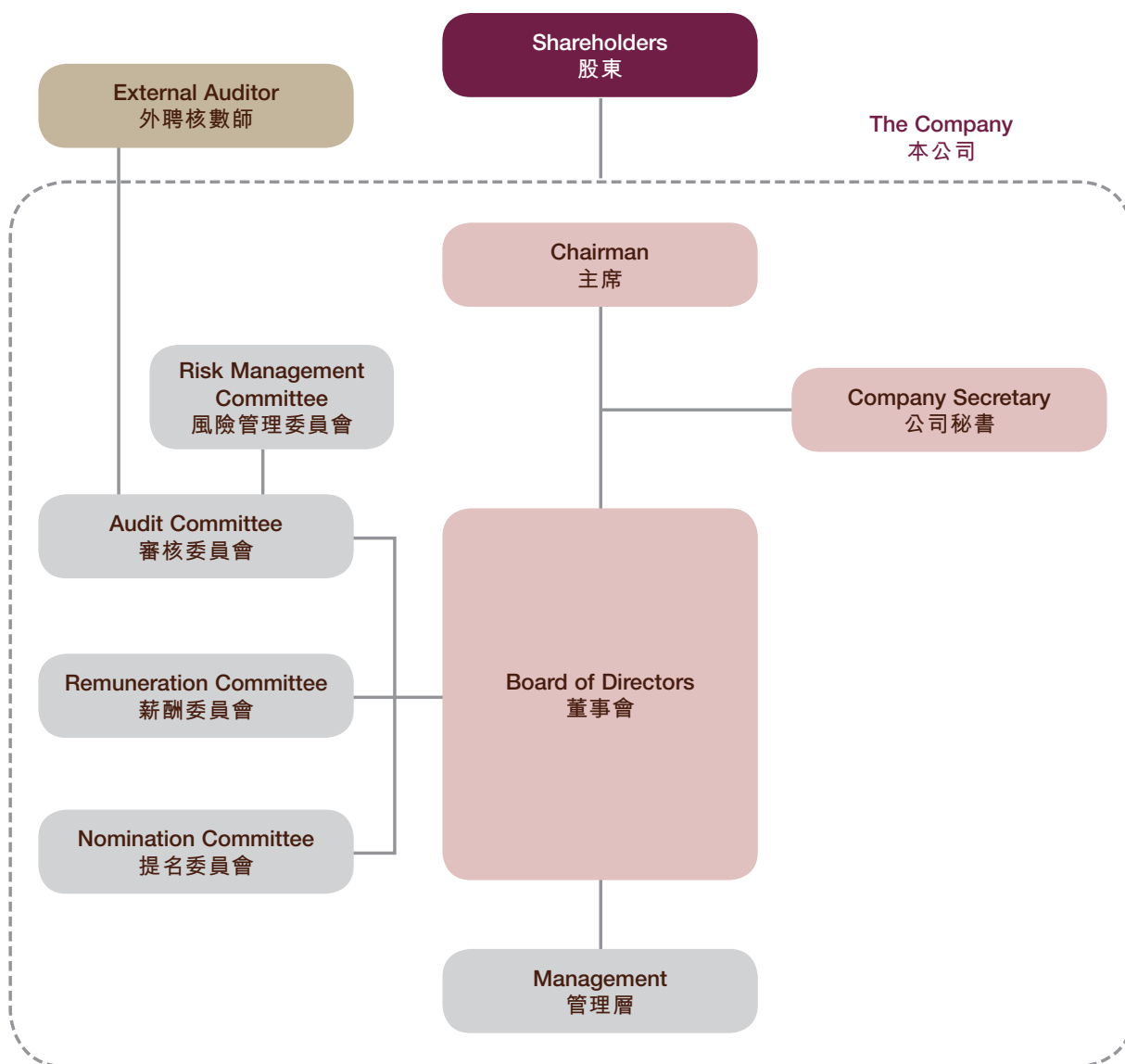
## 企業管治報告

The board of directors (the “Board”) of Luk Fook Holdings (International) Limited (the “Company”, together with its subsidiaries, the “Group”) recognises that sound and effective corporate governance practices and procedures, with an emphasis on integrity, transparency, accountability and independence, are essential to enhance the shareholders’ value and safeguard the shareholders’ interest. The Company is committed to maintaining a good corporate governance standard and endeavours to ensure that its businesses are conducted in accordance with all applicable rules and regulations.

六福集團（國際）有限公司（「本公司」，連同其附屬公司，統稱「本集團」）董事會（「董事會」）深明，在強調完整性、透明度、問責性及獨立性之情況下，穩健及有效之企業管治常規及程序對提升股東價值及保障股東權益極為重要。本公司承諾維持良好企業管治標準，並致力確保按照所有適用規則及規例進行業務。

### CORPORATE GOVERNANCE FRAMEWORK

### 企業管治架構



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Corporate Governance Code and Corporate Governance Report (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) through the year ended 31 March 2018, except for the following deviation:

**Code Provision A.2.1** provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual, so that there is a clear division of responsibilities for the management of the Board and the day-to-day management of the Group’s business to ensure a balance of power and authority.

In view of the increasing trend of business deriving from the Mainland China market, it is believed that Mr. WONG Wai Sheung being the Chairman and Chief Executive of the Company will further enhance the business development of the Group in the Mainland China market due to the norms in the Mainland China market on “status parity” when future business negotiations are conducted in Mainland China. Besides, members of the Board also include qualified professionals and other prominent and experienced individuals from our community. The Board considers that the existing Board composition, with the support of Board Committees and two Deputy Chairmen, can ensure a balance of power and authority. The Board will nevertheless review this structure from time to time and will consider the segregation of the two roles at the appropriate time.

Save as disclosed above, none of the directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the year ended 31 March 2018, in compliance with the Code.

### 企業管治常規

於截至2018年3月31日止年度，本公司已採用香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之《企業管治守則》及《企業管治報告》（「守則」）的原則，並已遵守所有守則條文及建議最佳常規（如適用），惟下列偏離者除外：

**守則條文第A.2.1條**規定主席與行政總裁的角色應有區分，並不應由一人同時兼任，使董事會管理與本集團日常業務管理之職責清楚劃分，以確保權力和授權之平衡。

由於中國內地市場帶動業務增長及基於中國內地市場對「對等階級」之觀念，黃偉常先生作為本公司主席兼行政總裁，可望於未來在中國內地進行商務磋商時，進一步提升本集團在中國內地市場的業務發展。此外，董事會成員亦包括合資格專業人士及社會上其他顯赫、富經驗之個別人士。董事會認為，於董事會轄下委員會及兩名副主席之協助下，現有董事會之組成可確保權力和授權之平衡。儘管如此，董事會將不時檢討此架構，並於適當時候，考慮將兩職分開。

除上文披露者外，董事概不知悉有任何資料可合理顯示本公司現時或於截至2018年3月31日止年度任何時間曾經違反守則。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DIRECTORS' SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as a code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, it is confirmed that all directors have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions during the year ended 31 March 2018.

### BOARD OF DIRECTORS

#### (i) Board Composition

The Board currently comprises six executive directors, four non-executive directors and five independent non-executive directors. They include persons with a wealth of practical experiences in the jewellery industry, accountancy profession, general trading, securities industry, banking industry and legal profession. There is a balance of skills and experiences appropriate for the requirements of the Company's business. The composition of our Board complies with Rules 3.10(1) and (2) and 3.10A of the Listing Rules. The current composition of the Board is set out as follows:

#### Executive Directors

Mr. WONG Wai Sheung (*Chairman & Chief Executive*)  
Mr. TSE Moon Chuen (*Deputy Chairman*)  
Ms. WONG Hau Yeung  
Ms. WONG Lan Sze, Nancy  
Ms. CHUNG Vai Ping  
Dr. CHAN So Kuen

#### Non-executive Directors

Mr. WONG Ho Lung, Danny (*Deputy Chairman*)  
Ms. YEUNG Po Ling, Pauline  
Mr. HUI Chiu Chung, JP  
Mr. LI Hon Hung, BBS, MH, JP

#### Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander  
Mr. IP Shu Kwan, Stephen, GBS, JP  
Mr. MAK Wing Sum, Alvin  
Ms. WONG Yu Pok, Marina, JP  
Mr. HUI King Wai

The biographical details of the directors are set out in the section of "Biographical Details of Directors and Senior Management" on pages 90 to 101 of this Annual Report.

### 董事進行證券交易

本公司已採納上市規則附錄10所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)，作為董事進行證券交易之操守準則。經向全體董事作出具體查詢後，彼等確認，全體董事於截至2018年3月31日止年度一直遵守標準守則所載規定準則及有關董事進行證券交易之操守準則。

### 董事會

#### (i) 董事會成員

董事會現時由六名執行董事、四名非執行董事及五名獨立非執行董事組成，當中包括於珠寶行業、會計專業、一般貿易、證券行業、銀行業及法律專業具廣泛實務經驗之人士，亦具備符合本公司業務所需之均衡技能及經驗。董事會之組成符合上市規則第3.10(1)及(2)條及第3.10A條。現時董事會成員載列如下：

#### 執行董事

黃偉常先生 (*主席兼行政總裁*)  
謝滿全先生 (*副主席*)  
王巧陽女士  
黃蘭詩女士  
鍾惠冰女士  
陳素娟博士

#### 非執行董事

黃浩龍先生 (*副主席*)  
楊寶玲女士  
許照中太平紳士  
李漢雄BBS, MH太平紳士

#### 獨立非執行董事

戴國良先生  
葉樹堃GBS太平紳士  
麥永森先生  
黃汝璞太平紳士  
許競威先生

董事履歷詳情載於本年報第90頁至第101頁「董事及高層管理人員之履歷詳情」一節。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS (Continued)

#### (ii) Attendance Records at the Board, Committees and General Meetings

The attendance records of the individual directors at the Board, Audit Committee, Nomination Committee, Remuneration Committee and general meetings for the year ended 31 March 2018 are set out as follows:

### 董事會(續)

#### (ii) 董事會會議、委員會會議及股東大會之出席記錄

個別董事於截至2018年3月31日止年度舉行之董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議及股東大會之出席記錄載列如下：

Directors	董事	No. of Meetings Attended/Held				Annual General Meeting
		Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	
<b>Executive Directors</b>		<b>執行董事</b>				
Mr. WONG Wai Sheung ( <i>Chairman &amp; Chief Executive</i> ) (Note 1)	黃偉常先生(主席兼行政總裁)(附註1)	4/4	N/A 不適用	1/1	2/2	1/1
Mr. TSE Moon Chuen ( <i>Deputy Chairman</i> ) (Note 2)	謝滿全先生(副主席)(附註2)	4/4	N/A 不適用	1/1	N/A 不適用	1/1
Ms. WONG Hau Yeung	王巧陽女士	4/4	N/A 不適用	N/A 不適用	2/2	1/1
Ms. WONG Lan Sze, Nancy	黃蘭詩女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. CHUNG Vai Ping	鍾惠冰女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Dr. CHAN So Kuen	陳素娟博士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<b>Non-executive Directors</b>		<b>非執行董事</b>				
Mr. WONG Ho Lung, Danny ( <i>Deputy Chairman</i> ) (Note 3)	黃浩龍先生(副主席)(附註3)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. YEUNG Po Ling, Pauline	楊寶玲女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. HUI Chiu Chung, JP	許照中太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. LI Hon Hung, BBS, MH, JP	李漢雄BBS·MH太平紳士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	0/1
<b>Independent Non-executive Directors</b>		<b>獨立非執行董事</b>				
Mr. TAI Kwok Leung, Alexander	戴國良先生	4/4	2/2	1/1	2/2	1/1
Mr. IP Shu Kwan, Stephen, GBS, JP	葉澍堃GBS太平紳士	4/4	2/2	1/1	2/2	1/1
Mr. MAK Wing Sum, Alvin	麥永森先生	4/4	2/2	1/1	2/2	1/1
Ms. WONG Yu Pok, Marina, JP	黃汝璞太平紳士	3/4	1/2	0/1	1/2	1/1
Mr. HUI King Wai	許競威先生	4/4	2/2	1/1	2/2	1/1

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS (Continued)

#### (ii) Attendance Records at the Board, Committees and General Meetings (Continued)

Notes:

1. Mr. WONG Wai Sheung was re-elected as the Chairman of the Company with effect from 28 August 2017.
2. Mr. TSE Moon Chuen was re-elected as the Deputy Chairman of the Company with effect from 28 August 2017.
3. Mr. WONG Ho Lung, Danny was re-elected as the Deputy Chairman of the Company with effect from 28 August 2017.

#### (iii) Board Responsibilities and Delegation

The Board's role is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enables risks to be assessed and managed. The Board controls the business but delegates day-to-day responsibilities to the executive management. The Board sets the Company's strategic aims, values and standards and ensures that its obligations to its shareholders and others are understood and met.

The Company has a formal schedule of matters specifically reserved to the Board for its decision. The Board gives clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the Company.

### 董事會 (續)

#### (ii) 董事會會議、委員會會議及股東大會之出席記錄 (續)

附註：

1. 黃偉常先生自2017年8月28日起獲重選為本公司主席。
2. 謝滿全先生自2017年8月28日起獲重選為本公司副主席。
3. 黃浩龍先生自2017年8月28日起獲重選為本公司副主席。

#### (iii) 董事會責任及權力的轉授

董事會之職責為以企業精神，肩負領導本公司之角色，於審慎有效之企業架構內評估及管理風險。董事會監控業務，而日常業務運作則交由執行管理層負責。董事會制訂本公司之策略目標、價值及標準，確保其成員瞭解及履行對股東及他人之責任。

本公司已正式表列指定留待董事會決定之事宜。董事會已就須董事會批准方可代表本公司作出決定之事宜，向管理層發出清楚指示。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS (Continued)

#### (iii) Board Responsibilities and Delegation (Continued)

All the directors of the Company have full and timely access to all relevant information and have access to the advice and services of the company secretary of the Company, with a view to ensuring that all proper Board procedures, applicable rules and regulations are followed. All the directors including the independent non-executive directors may seek independent professional advice in appropriate circumstances at the Company's expense in carrying out their functions, upon making request to the Board.

The Company has arranged appropriate liability insurance to indemnify the directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed regularly.

#### (iv) Independence of the Independent Non-executive Directors

The Company confirms that the Board has received from each of the independent non-executive directors, namely, Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai, an annual confirmation of his or her independence pursuant to Rule 3.13 of the Listing Rules, and, having taken into account the factors as set out in Rule 3.13 of the Listing Rules in assessing the independence of independent non-executive directors, the Company considers that all independent non-executive directors are independent.

Mr. TAI Kwok Leung, Alexander has been serving as an independent non-executive director of the Company for more than 9 years. His re-appointment was subject to the shareholders' approval. The Nomination Committee considered that this long service did not interfere with his exercise of independent judgment in carrying out the duties and responsibilities of an independent non-executive director to maintain an independent view of the Group's affairs, in particular when his past performance was taken into account. The Nomination Committee regarded him as independent and believed he would continue to contribute effectively to the Board because of his familiarity with the Group's businesses and affairs, and in this spirit he was recommended to the Board for approval. The Board concurred with the opinion of the Nomination Committee and recommended the reappointment of Mr. TAI Kwok Leung, Alexander at the AGM held on 28 August 2017. The shareholders approved the re-appointment at the AGM.

### 董事會(續)

#### (iii) 董事會責任及權力的轉授(續)

本公司全體董事均可全面及適時查閱所有相關資料及獲取本公司公司秘書之意見及服務，務求確保已依循所有恰當之董事會程序以及遵守所有適用規則及規例。全體董事(包括獨立非執行董事)於履行職務時，可於向董事會提出要求後，在適當情況下尋求獨立專業意見，有關開支由本公司承擔。

本公司已為董事安排適當責任保險，以保障彼等因企業活動所產生之責任賠償，並定期檢討保險之保障範圍。

#### (iv) 獨立非執行董事之獨立性

本公司確認董事會已接獲各獨立非執行董事，即戴國良先生、葉樹堃先生、麥永森先生、黃汝璞女士及許競威先生根據上市規則第3.13條作出有關其獨立身份之年度確認，且經參考根據上市規則第3.13條有關評估獨立非執行董事獨立性的因素後，認為各獨立非執行董事具獨立身份。

戴國良先生已擔任本公司獨立非執行董事超過9年。戴國良先生之續聘須經股東批准。提名委員會認為(特別是當經考慮戴國良先生之過往表現後)，有關長期服務不會影響戴國良先生履行獨立非執行董事的職責時作出獨立判斷，以繼續就本集團事務發表獨立意見。提名委員會認為戴國良先生仍屬獨立人士，而他對本集團業務及事務之深刻了解，相信可以繼續為董事會作出重大貢獻，故建議董事會批准續聘戴國良先生。董事會同意提名委員會之意見，並於2017年8月28日舉行之股東週年大會上建議續聘戴國良先生。股東於股東週年大會上批准有關續聘事宜。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS (Continued)

#### (iv) Independence of the Independent Non-executive Directors (Continued)

Throughout the year ended 31 March 2018 and up to the date of this Annual Report, the Board had at all times met the requirements under Rule 3.10 of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise.

#### (v) Directors' Relationship

Save as disclosed in this Annual Report, there is no financial, business, family or other material or connected relationship between members of the Board.

#### (vi) Re-election of Directors

All directors are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Bye-laws.

#### (vii) Directors' Ongoing Development

All directors have the opportunities to receive professional training programmes arranged by the Company during their terms of appointment covering the topics of corporate governance, updates on the Listing Rules and other regulatory developments at the expense of the Company. Directors were encouraged by the Company to participate in the relevant continuous professional training to develop and refresh their knowledge and skills. The Company has also arranged for consultants to provide training programmes. The average training hours that the directors received were not less than 10 hours.

### 董事會 (續)

#### (iv) 獨立非執行董事之獨立性 (續)

於截至2018年3月31日止年度內及截至本年報日期，董事會於任何時間均符合上市規則第3.10條有關委任最少三名獨立非執行董事之規定，當中最少一名須具備適當專業資格或具備會計或相關財務管理專長。

#### (v) 董事關係

除本年報披露者外，董事會成員之間不存在任何包括財務、業務、家屬或其他重大或關連的關係。

#### (vi) 重選董事

全體董事須根據本公司之公司細則，於本公司股東週年大會上輪值告退及重選連任。

#### (vii) 董事的持續發展

所有董事在任期內均有機會獲得本公司為其安排的專業培訓，內容包括企業管治、上市規則之更新及其他監管發展情況，相關費用由本公司承擔。本公司鼓勵董事參與相關持續專業培訓以發展及更新彼等之知識及技能，還專門聘請顧問為董事提供培訓。董事平均培訓時間不少於10個小時。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS (Continued)

#### (vii) Directors' Ongoing Development (Continued)

During the year ended 31 March 2018, the Company arranged a seminar covering updates on Accounting Standards and Cybersecurity. Directors' training records during the Year under review are summarised as follows:

### 董事會(續)

#### (vii) 董事的持續發展(續)

截至2018年3月31日止年度，本公司曾舉行一次研討會，內容關於會計準則的更新和網絡安全。於回顧年度內，董事的培訓記錄概述如下：

#### Training on regulatory development, directors profession or duties, or other relevant topics 有關監管發展、董事專業或職責或 其他相關議題的培訓

Directors	董事	
<b>Executive Directors</b>	<b>執行董事</b>	
Mr. WONG Wai Sheung (Chairman & Chief Executive)	黃偉常先生 (主席兼行政總裁)	✓
Mr. TSE Moon Chuen (Deputy Chairman)	謝滿全先生 (副主席)	✓
Ms. WONG Hau Yeung	王巧陽女士	✓
Ms. WONG Lan Sze, Nancy	黃蘭詩女士	✓
Ms. CHUNG Vai Ping	鍾惠冰女士	✓
Dr. CHAN So Kuen	陳素娟博士	✓
<b>Non-executive Directors</b>	<b>非執行董事</b>	
Mr. WONG Ho Lung, Danny (Deputy Chairman)	黃浩龍先生 (副主席)	✓
Ms. YEUNG Po Ling, Pauline	楊寶玲女士	✓
Mr. HUI Chiu Chung, JP	許照中太平紳士	✓
Mr. LI Hon Hung, BBS, MH, JP	李漢雄BBS·MH太平紳士	✓
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>	
Mr. TAI Kwok Leung, Alexander	戴國良先生	✓
Mr. IP Shu Kwan, Stephen, GBS, JP	葉澍堃GBS太平紳士	✓
Mr. MAK Wing Sum, Alvin	麥永森先生	✓
Ms. WONG Yu Pok, Marina, JP	黃汝璞太平紳士	✓
Mr. HUI King Wai	許競威先生	✓

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE

The Chairman leads the Board in the determination of strategies and in the achievement of objectives and ensures that all directors are properly briefed on issues arising at the Board meetings and receive adequate, complete and reliable information. The Chief Executive is delegated with the authority and responsible for running the Company's business, implementing the Company's strategies in achieving business objectives. Both the Chairman and the Chief Executive positions are currently held by Mr. WONG Wai Sheung, an executive director. The Board believes that the current governance structure, with a combined Chairman and Chief Executive and a vast majority of non-executive directors, provides an effective balance of power and authority for the management of the Company in the best interest of the Company at the present stage.

### NON-EXECUTIVE DIRECTORS

All the non-executive directors are appointed for a term of two years, and the appointments are renewable from time to time, subject to retirement by rotation at annual general meetings.

### BOARD COMMITTEES

The Board has established three Board committees, including the Audit Committee, Nomination Committee and Remuneration Committee, for overseeing the respective aspects of the Group's affairs.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice at the Company's expense in appropriate circumstances.

### 主席及行政總裁

主席領導董事會制定策略及達成目標，並確保全體董事對董事會會議上的事項獲適當的簡介，並及時獲得足夠、完整及可靠的資料。行政總裁獲授權力，負責本公司業務營運、推行本公司之策略，以實踐業務目標。主席及行政總裁兩者的職務現時均由執行董事黃偉常先生出任。董事會相信，以現時的管治架構而言（由一人兼任主席及行政總裁，以及大部分均為非執行董事）足以有效使本公司管理層達致均衡權責，符合本公司現時的最佳利益。

### 非執行董事

所有非執行董事之任期為兩年，而其任期可不時重續，惟須於股東週年大會上輪值告退。

### 董事委員會

董事會轄下設有三個委員會，包括審核委員會、提名委員會及薪酬委員會，以監督本集團事務之各有關範疇。

董事會轄下委員會均獲提供充裕資源以履行其職責，並可於提出合理要求後，在適當情況下尋求獨立專業意見，費用由本公司承擔。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (Continued)

#### (i) Audit Committee

The Audit Committee was established on 1 February 1999 with written terms of reference accessible on the websites of the Company and the Stock Exchange. The Audit Committee is chaired by Mr. TAI Kwok Leung, Alexander, with four other members namely Mr. IP Shu Kwan, Stephen, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai. All Committee members are independent non-executive directors, a higher majority than that required by the Listing Rules. In compliance with Rule 3.10(2) of the Listing Rules, majority of the members possess appropriate professional qualifications or accounting or related financial management expertise.

During the Year under review, the Audit Committee held two meetings to discuss and review, inter alia, the interim and annual financial statements, the submission and publication of the interim and annual reports, the disclosures in the Corporate Governance Report, the corporate governance and compliance status of the Code and the internal audit plan and functions of the Group.

The Company believes that a clear appreciation of the separate roles of the management, the external auditors and Audit Committee members is crucial to the effective functioning of an audit committee. The Board is responsible for selecting appropriate accounting policies and the preparation of the financial statements. The external auditors are responsible for auditing and attesting to the Group's financial statements and evaluating the Group's system of internal controls, to the extent that they consider necessary to support their audit report. The Audit Committee is responsible for overseeing the entire process.

### 董事委員會 (續)

#### (i) 審核委員會

本公司於1999年2月1日成立審核委員會，其書面職權範圍載於本公司及聯交所網頁。審核委員會之主席為戴國良先生，其他四名成員為葉澍堃先生、麥永森先生、黃汝璞女士及許競威先生。該委員會全部成員為獨立非執行董事，超過上市規則有關大部分成員須為獨立非執行董事的規定。遵照上市規則第3.10(2)條，大部分成員具備合適專業資格或具備會計或相關財務管理專長。

於回顧年度內，審核委員會曾舉行二次會議，以討論及審閱（其中包括）中期及年度財務報表、提交及刊發中期及年度報告、企業管治報告之披露事項、企業管治及守則合規狀況，以及本集團之內部審核計劃及職能。

本公司相信，管理層、外聘核數師及審核委員會成員應各自具有清晰的職份，使審核委員會能有效地運作。董事會負責選定適當的會計政策及編製財務報表。外聘核數師負責審核及核證本集團的財務報表及在配合審核報告的範圍內評估本集團的內部監控系統。審核委員會負責監督整個過程。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (Continued)

#### (i) Audit Committee (Continued)

The major functions and duties of the Audit Committee mainly include:

- reviewing the Group's interim and annual financial statements and the interim and annual reports before submission to the Board for approval;
- reviewing the financial reporting obligations and considering any matters raised by the Group's staff responsible for the accounting and financial reporting function, compliance officer or external auditor;
- reviewing and monitoring the independence and objectivity of the external auditor, and the effectiveness of the audit process in accordance with applicable standards;
- approving the remuneration and terms of engagement of external auditor and making recommendations on the appointment, re-appointment or removal of external auditor;
- reviewing the internal audit programme and ensuring that the internal audit function is adequately resourced and effective, and considering any major findings of internal control matters;
- reviewing the financial control, internal control and risk management systems of the Group and ensuring that the management has discharged its duty to have effective risk management and internal control systems, in particular, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions; and
- reviewing the Company's policies and practices on corporate governance and the Company's compliance with legal and regulatory requirements.

As at 31 March 2018, the arrangements for employees and stakeholders of the Group to raise concerns about possible improprieties in financial reporting, risk management, internal control or other matters and the whistleblowing procedures are in place.

### 董事委員會 (續)

#### (i) 審核委員會 (續)

審核委員會之主要職能及職責主要包括：

- 於提交董事會批准前審閱本集團中期及全年財務報表以及中期及年度報告；
- 檢討財務申報責任，並考慮任何由本集團屬下會計及財務匯報職員、監察主任或外聘核數師提出之事宜；
- 按適用的標準檢討及監察外聘核數師是否獨立客觀，以及核數程序是否有效；
- 批准外聘核數師之薪酬及聘用條款，並就委任、重新委任或罷免外聘核數師提供建議；
- 檢討內部審核計劃及確保內部審核職能具有足夠資源及有效地運作，並考慮內部監控事宜之任何主要調查結果；
- 檢討本集團之財務監控、內部監控及風險管理制度，並確保管理層已履行職責建立有效之風險管理及內部監控制度，尤其是有關本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否充足；及
- 檢討本公司之企業管治政策及常規，以及本公司遵守法律及監管規定之情況。

於2018年3月31日，本公司已設有制度讓本集團僱員及權益人可就關於財務匯報、風險管理、內部監控或其他方面可能發生的不當事宜提出關注及舉報程序。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (Continued)

#### (ii) Nomination Committee

The Nomination Committee was established on 1 April 2012 with written terms of reference accessible on the websites of the Company and the Stock Exchange. The Nomination Committee is chaired by Mr. MAK Wing Sum, Alvin, being an independent non-executive director, with six other members namely Mr. WONG Wai Sheung, Mr. TSE Moon Chuen, Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai, with majority of whom being the independent non-executive directors. The Chairman of this Committee is an independent non-executive director and five out of seven Committee members are independent non-executive directors, a higher majority than that required by the Code.

During the Year under review, the Nomination Committee held one meeting to assess the independence of the independent non-executive directors, review and make recommendation to the Board on the structure, size and composition of the Board, and to review the retirement and rotation plan of the directors.

### 董事委員會 (續)

#### (ii) 提名委員會

本公司於2012年4月1日成立提名委員會，其書面職權範圍載於本公司及聯交所網頁。提名委員會之主席為獨立非執行董事麥永森先生，其他六名成員為黃偉常先生、謝滿全先生、戴國良先生、葉澍堃先生、黃汝璞女士及許競威先生，大部分成員為獨立非執行董事。該委員會主席為獨立非執行董事及該委員會七分之五的成員為獨立非執行董事，超過守則有關大部分成員須為獨立非執行董事的規定。

於回顧年度內，提名委員會曾舉行一次會議，以評估獨立非執行董事之獨立性、審閱及向董事會建議董事會之架構、人數及組成，以及審閱董事輪值告退計劃。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (Continued)

#### (ii) Nomination Committee (Continued)

The principal role and responsibilities of the Nomination Committee mainly include giving full consideration to succession planning for directors and senior management, identifying individuals suitably qualified to become Board members and assessing the independence of the independent non-executive directors. In order to achieve a balanced and appropriately qualified Board, the Nomination Committee is also responsible for reviewing the structure, size and composition, including the skills, knowledge, diversity and experience, of the Board, and advising the Board as to any changes that may be required. The Nomination Committee has the authority given by the Board to seek external professional advice in the selection and recommendation for directorship, if necessary, to fulfil the requirements for professional knowledge and industry experience of any proposed candidates.

The Company recognises and embraces the benefits of having a diverse Board, and sees diversity at Board level as an essential element in maintaining a competitive advantage. As such, the Company continued to adopt board diversity policy during the Year under review. In achieving a truly diverse Board, candidates with different talents, skills, knowledge, length of service and professional experience, cultural and educational background, age, gender and other qualities may be selected as members of the Board. Selection of candidates is based on a range of diversity criteria. The ultimate decision is based on merit and contribution which would be brought by the candidates to the Board if he/she was selected as a director. The Nomination Committee is of the view that the current composition of the Board has achieved the objectives set out in the above board diversity policy.

### 董事委員會 (續)

#### (ii) 提名委員會 (續)

提名委員會之主要角色及職責主要包括對董事及高級管理人員之繼任計劃作出全面考慮、物色具備合適資格可擔任董事的人士，並評估獨立非執行董事之獨立性。為令董事會資歷平衡及恰宜，提名委員會亦須負責檢討董事會之架構、人數及組成（包括技能、知識、多元化及經驗方面），並就任何需作出的變動向董事會提出建議。董事會已授權提名委員會，於必要時可就挑選及推薦董事人選之事宜尋求外部專業意見，以符合有關任何建議人選之專業知識及業界經驗之要求。

本公司認同和接納擁有一個多元化董事會的裨益，並認為董事會層面的多元化是保持競爭優勢的必要元素。因此，本公司於回顧年度內繼續採納董事會成員多元化政策，為達致真正的董事會成員多元化，具備不同才能、技能、知識、服務任期及專業經驗、文化及學術背景、年齡、性別及其他資格的董事候選人可獲選為董事會成員。甄選董事會人選將按一系列多元化範疇為基準。最終乃按照假設候選人獲選為董事，其將為董事會帶來的優勢及貢獻而作出決定。提名委員會認為現時的董事會之組成已達致上述董事會多元化政策所載之目標。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (Continued)

#### (iii) Remuneration Committee

The Remuneration Committee was established on 7 April 2005 with written terms of reference posted on the websites of the Company and the Stock Exchange. The Remuneration Committee is chaired by Mr. IP Shu Kwan, Stephen, being an independent non-executive director, with six other members namely, Mr. WONG Wai Sheung, Ms. WONG Hau Yeung, Mr. TAI Kwok Leung, Alexander, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina and Mr. HUI King Wai, with majority of whom being the independent non-executive directors. The Chairman of this Committee is an independent non-executive director and five out of seven Committee members are independent non-executive directors, a higher majority than that required by the Listing Rules.

The principal role and responsibilities of the Remuneration Committee mainly include making recommendations to the Board on the Company's policy, structure and packages for all remuneration of directors and senior management; reviewing and approving performance-based remuneration and the terms of service contracts of the directors and senior management, reviewing and approving the compensation payable in connection with any loss or termination of office or appointment of directors and senior management, overseeing any major changes in employee benefits structures throughout the Company or the Group; and reviewing the on-going appropriateness of the remuneration policy. No director or member of the senior management determined his/her own remuneration package.

The Remuneration Committee held two meetings during the Year under review to review the remuneration policies and recommend for the Board approval of the annual salary increments for the calendar year 2018, the discretionary year-end bonus for 2017 and the performance bonus for all non-sales employees working at the Head Office.

Details of directors' emoluments, five highest paid individuals and the remuneration of the members of the senior management by band during the Year under review are set out in Note 15 to the financial statements on pages 190 to 194 of this Annual Report.

### 董事委員會 (續)

#### (iii) 薪酬委員會

本公司於2005年4月7日成立薪酬委員會，其書面職權範圍載於本公司及聯交所網頁。薪酬委員會之主席為獨立非執行董事葉澍堃先生，其他六名成員為黃偉常先生、王巧陽女士、戴國良先生、麥永森先生、黃汝璞女士及許競威先生，大部分成員為獨立非執行董事。該委員會主席為獨立非執行董事及該委員會七分之五的成員為獨立非執行董事，超過上市規則有關大部分成員須為獨立非執行董事的規定。

薪酬委員會之主要角色及職責主要包括就本公司全體董事及高級管理人員之薪酬政策、結構及組合向董事會作出建議、檢討及審批與績效表現掛鉤之薪酬及董事及高級管理人員服務合約條款、檢討及審核與離職或終止受聘或委任董事及高級管理人員有關之應付補償、監管本公司或本集團僱員福利結構之任何重大變動；以及持續檢討薪酬政策是否合適。董事或高級管理人員概無釐定彼等本身薪酬待遇。

於回顧年度內，薪酬委員會先後舉行二次會議以檢討薪酬政策，及向董事會建議審批2018曆年之年度薪金加幅、2017年年終酌情花紅及總辦事處所有非銷售僱員之獎勵花紅。

於回顧年度內，董事酬金、五名最高薪酬人士及高級管理人員之薪酬範圍之詳情載於本年報第190至194頁之財務報表附註15。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (Continued)

#### Board Diversity

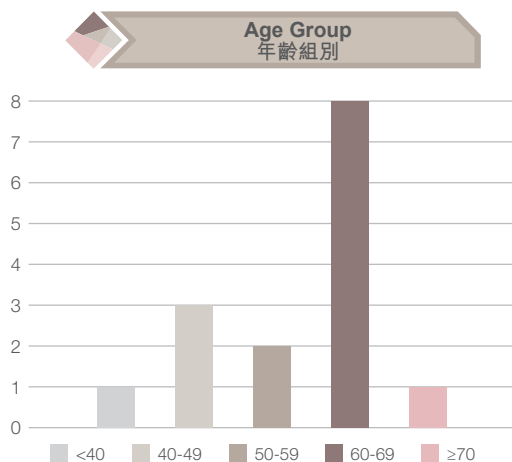
The Board is composed of members from a diverse background. The Company excels in gender equality as female Directors account for two-fifth of the whole Board. The chief financial officer, an executive director and three independent non-executive directors are qualified accountants. There is also an independent non-executive director who is a qualified solicitor. The Chairman of the Remuneration Committee was the Secretary for Economic Development and Labour of the Government of the Hong Kong Special Administrative Region. Seven Directors have experience sitting on the boards of other companies listed on the Stock Exchange of Hong Kong. The Directors have extensive experiences in the retail jewellery business, finance and accounting, taxation, business strategy, securities and investment, public relations, communications and marketing, branding, and exposure or experience in various countries including China, etc. They are members, or committee or panel members of various industry bodies, public service or government bodies or charities. The Directors bring a wealth of diverse experience to the Board, which is conducive to the growth of the Company over the years.

### 董事委員會 (續)

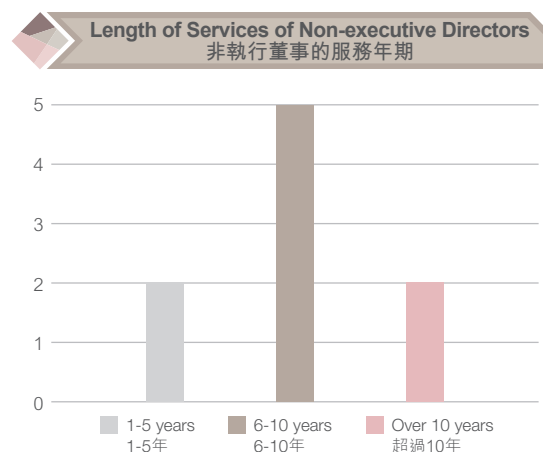
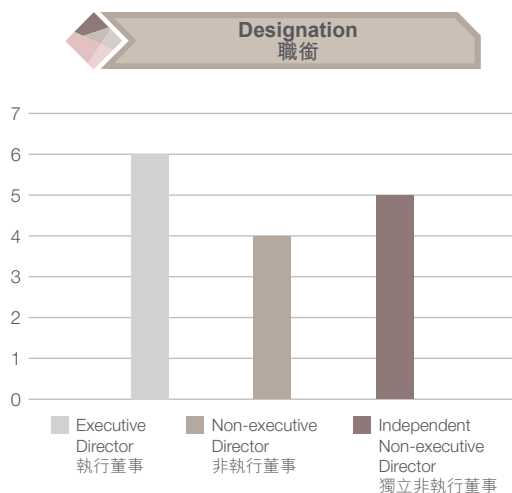
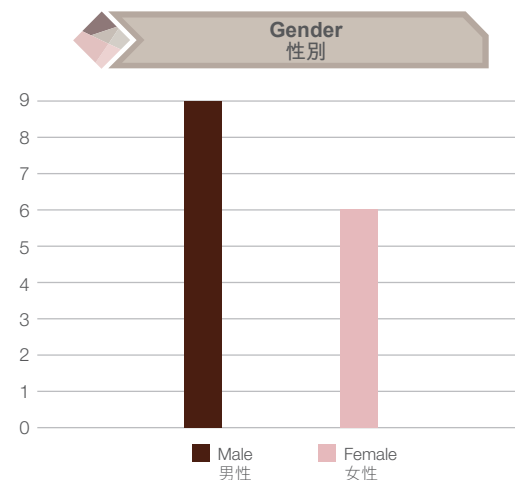
#### 董事會成員多元化

董事會由來自多元化背景的成員組成。女性董事佔董事會全體成員的五分之二，顯示本公司在性別平等方面表現優越。我們的首席財務總監、一名執行董事及三名獨立非執行董事為合資格會計師。另有一名獨立非執行董事為合資格律師。薪酬委員會主席曾為香港特別行政區政府經濟發展及勞工局局長。七名董事具備於香港聯交所上市的其他公司擔任董事會成員的經驗。董事擁有珠寶零售業務、金融及會計、稅務、業務策略、證券及投資、公關工作、通訊及市場推廣、品牌策略的豐富經驗，及在包括中國等多個國家任職的經驗。彼等為多個行業機構、公共服務或政府機構或慈善機構的成員、委員會或小組成員。董事為董事會帶來各種多元化經驗，有利本公司多年來的增長。

#### Areas of Diversity



#### 多元化之範疇



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### AUDITOR'S REMUNERATION

Analysis of remuneration in respect of audit and non-audit services provided by the external auditor, PricewaterhouseCoopers, Certified Public Accountants, were as follows:

		2018 HK\$'000 千港元
Audit services	審計服務	5,487
Non-audit services	非審計服務	
– Review service	– 審閱服務	560
– Tax related service	– 稅務相關服務	1,141
Total	總計	7,188

The responsibilities of the external auditor with respect to financial reporting are stated in the Independent Auditor's Report.

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledged their responsibility for preparing the financial statements of each financial period, which give a true and fair view of the state of affairs of the Group as at the end of the financial period and of the result and cash flows of the Group for the year. In the Company's interim and annual reports which are issued within the time limits stipulated by the Listing Rules, the Board presents a balanced, clear and comprehensive assessment of the Company's performance, position and prospects. The published financial statements adopt, and consistently apply, suitable accounting policies complying with Hong Kong Financial Reporting Standards.

The Board ensures that the Company maintains sound and effective internal control to safeguard the shareholders' interest and the Company's assets. The Audit Committee, with the assistance of the Internal Audit Team, regularly reviews the effectiveness of the Company's internal control system. The Head of the Internal Audit Team directly reports to the Audit Committee.

The Board establishes monitoring and procedural guidelines for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the Company's external auditors. The Audit Committee established by the Company pursuant to the Listing Rules has clear terms of reference.

### 核數師酬金

有關外聘核數師羅兵咸永道會計師事務所（執業會計師）提供審計及非審計服務之酬金分析如下：

外聘核數師於財務報告方面之職責，載於獨立核數師報告內。

### 董事對財務報表承擔之責任

董事深明彼等有責任編製各財政期間之財務報表，以真實公平反映本集團於財政期間結束時之狀況，以及本集團於該年度之業績及現金流量。於本公司在上市規則所規定時限內刊發之中期報告及年報內，董事會對本公司之表現、狀況及前景作出持平、清晰及全面之評估。所刊發財務報表採納及貫徹應用符合香港財務報告準則之會計政策。

董事會確保本公司維持健全及有效率之內部監控，以保障股東之權益及本公司之資產。審核委員會在內部審核小組之協助下，定期檢討本公司內部監控制度之成效。內部審核小組主管直接向審核委員會報告。

董事會就如何應用財務報告及內部監控原則以及與本公司之外聘核數師維持適當關係，制定監管及程序指引。本公司根據上市規則成立之審核委員會具清晰職權範圍。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE FUNCTION

In order to achieve enhanced corporate governance of the Company, the Board has undertaken and delegated to the Audit Committee to constantly review the Company's policies and practices on corporate governance, the training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the code of conduct and compliance manual applicable to employees and the directors, and the Company's compliance with the Code and disclosure in this Corporate Governance Report. During the Year under review, the Audit Committee performed the duties relating to corporate governance matters as aforementioned.

### COMPANY SECRETARY

During the Year under review, the company secretary undertook over 15 hours of professional training to update the skills and knowledge, which exceeded the requirements of the Listing Rules.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the Company's systems of risk management and internal control and for reviewing their effectiveness annually through the Audit Committee.

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

The Audit Committee has received the risk management and internal control evaluation reports submitted by the Internal Audit Team. The reports summarised information relating to the work carried out in the following areas:

- the results of selective testing of internal control procedures, assets, and financial records of the Company;
- a general evaluation of risk management and internal control systems installed by the Company; and
- an outline of major control issues, if any, noticed during the Year under review.

### 企業管治職能

為達致加強本公司之企業管治，董事會已承擔並授予審核委員會權力定期檢討本公司之企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司在遵守法律及監管規定方面之政策及常規、適用於僱員及董事之操守守則及合規手冊以及本公司遵守守則之情況及在本企業管治報告內之披露。於回顧年度內，審核委員會已履行上述有關企業管治事宜之職責。

### 公司秘書

於回顧年度內，公司秘書共接受超過15個小時的專業培訓，以更新其技能及知識，超過上市規則規定。

### 風險管理及內部監控

董事會負責本公司風險管理及內部監控制度，並透過審核委員會每年檢討其成效。

風險管理及內部監控制度旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

審核委員會已接獲內部審核小組呈交之風險管理及內部監控評估報告。該等報告概述下列工作之詳情：

- 對本公司內部監控程序、資產及財務記錄之抽樣調查結果；
- 本公司所採納風險管理及內部監控制度之一般評估；及
- 列出回顧年度內注意到之任何重大監控問題（如有）。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

#### (Continued)

The Audit Committee has reviewed the reports and discussed with the management.

The Audit Committee recognised that an evaluation of the risk management system and an examination of the internal control system have been adequately executed by the Internal Audit Team during the Year under review. The Audit Committee acknowledged that the management has been progressively implementing adequate and effective risk management and internal control systems in order to ensure the effective functioning of the Company's operations.

#### Risk Management Committee

As our commitment to establishing and improving the risk management system, ensuring timely identification and management of risks for the achievement of corporate objectives, the Risk Management Committee was set up in 2016, comprising the Chairman and Chief Executive, four executive Directors (including Mr. TSE Moon Chuen, Ms. WONG Hau Yeung, Ms. WONG Lan Sze, Nancy and Dr. CHAN So Kuen) and a senior executive of the Group. The duties of the Risk Management Committee include, but are not limited to: (i) review the Company's compliance with the Code as set out in Appendix 14 of the Listing Rules regarding risk management requirements; (ii) coordinate staff training, including risk management principles, assessment methodology and its implementation; and (iii) assign personnel to support departments to perform risk assessment for newly established business or projects, if necessary. This committee reports directly to the Audit Committee.

### 風險管理及內部監控 (續)

審核委員會已審閱該等報告，並與管理層進行討論。

審核委員會確認，於回顧年度內，內部審核小組已充分進行對風險管理制度的評估及對內部監控制度的檢測。審核委員會確認，管理層積極採納完善之風險管理及內部監控制度，以確保本公司能有效運作。

#### 風險管理委員會

本集團於2016年設立風險管理委員會，此委員會由本集團主席兼行政總裁、四名執行董事（包括：謝滿全先生、王巧陽女士、黃蘭詩女士和陳素娟博士）及一名高級行政人員組成，目標是為集團建立及改良風險管理系統，並確保及時識別及管理風險，以達致企業目標。風險管理委員會負責（包括但不限於）：(i) 檢討本公司遵守上市規則附錄14所載之守則中有關風險管理的規定；(ii) 統籌員工培訓，包括風險管理的原則及評估方式，以及如何有效實施風險管理；及(iii) 於需要時，委派人員協助各部門就新設業務或項目進行風險評估。此委員會直接向審核委員會匯報。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

#### Risk Management Framework

The Company's risk management framework provides a systematic and disciplined approach to risk management process, which is embedded in the system of internal controls as an integral part of corporate governance. The risk management framework helps sustain business success, creates value for stakeholders and supports the Board in discharging its corporate governance responsibilities by proactively identifying, addressing and managing key risks within the Group. The risk management framework is aligned with the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") integrated framework for effective internal controls, which comprises 17 principles under 5 components, including Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities. Departments & Management as risk owners take direct risk management responsibilities and reports to the Risk Management Committee.

A summary of the risk management framework of the Company is shown as below:

### 風險管理及內部監控(續)

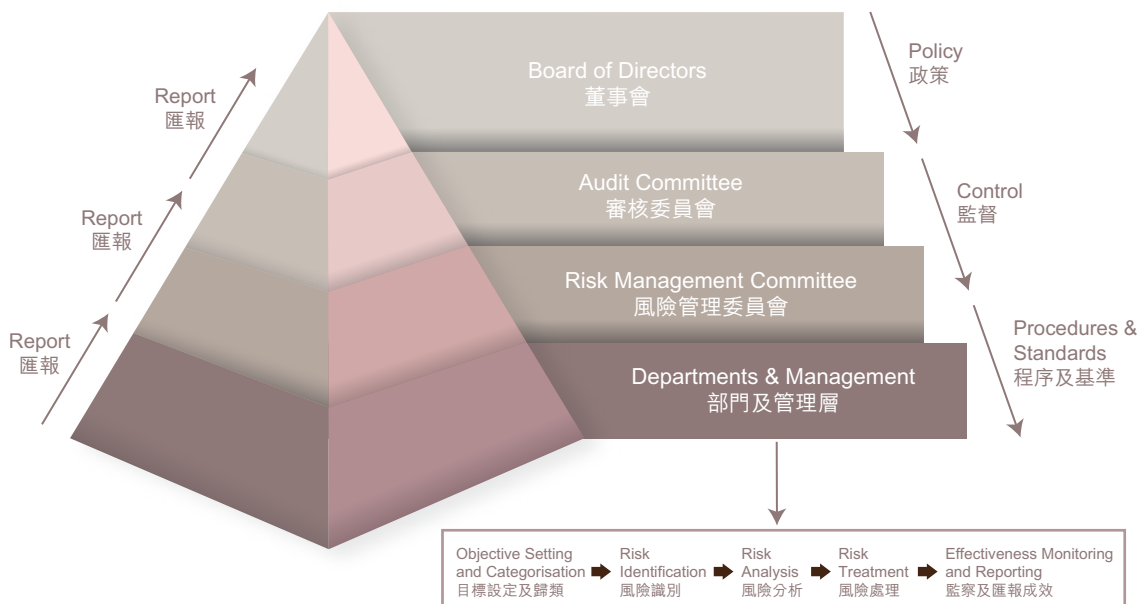
#### 風險管理架構

本公司的風險管理架構為風險管理程序提供系統化及規範化的方法，而有關程序內嵌於內部監控制度，是企業管治中不可或缺的重要一環。透過風險管理架構前瞻性地識別、應對及管理本集團內主要風險來保持業務成功，為持份者創造價值及支援董事會履行其企業管治責任。風險管理架構符合Committee of Sponsoring Organisations of the Treadway Commission (「COSO」)的綜合框架，以達致有效的內部監控，該綜合框架由5個部份分17項原則組成，5個部份包括控制環境、風險評估、控制活動、訊息與溝通及監控活動。部門及管理層作為風險負責人須直接承擔風險管理責任並向風險管理委員會匯報。

本公司的風險管理架構簡介如下列所示：

### Risk Management Framework

#### 風險管理架構



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

#### Risk Management Framework (Continued)

##### Board of Directors

- Setting the basic tone and culture of risk management across the Group;
- Approving the criteria of risk assessment;
- Approving major decisions affecting the Group's risk profile or exposure;
- Approving changes to key elements of the risk management procedures;
- Approving the Group's risk management policy; and
- Monitoring significant risks

##### Audit Committee

- Reviewing the risk management and internal control systems of the Group; and
- Ensuring that effective systems of risk management and internal control are established by the management

##### Risk Management Committee

- Recommending the Group's risk tolerant level and criteria;
- Approving standard risk management templates including forms and tools;
- Approving risk registers;
- Reviewing the Group's compliance with the Code as set out in Appendix 14 of the Listing Rules regarding risk management requirements;
- Appointing risk owners;
- Appointing staff to support departments to conduct risk assessments on new ventures and activities;
- Conducting review on procedures and policies of risk management;
- Reporting, if any, significant risks to Audit Committee in a timely manner; and
- Coordinating staff training

### 風險管理及內部監控(續)

#### 風險管理架構(續)

##### 董事會

- 建立集團風險管理制度的基調及文化;
- 審批風險評估準則;
- 審批對集團風險狀況及曝光有重大影響的決策;
- 審批風險管理流程上關鍵部份的改變;
- 審批集團風險管理政策; 及
- 監察重大風險

##### 審核委員會

- 檢討本集團的風險管理及內部監控系統; 及
- 確保管理層已履行職責建立有效的風險管理及內部監控系統

##### 風險管理委員會

- 建議本集團的風險容忍度及風險評估準則;
- 審批用作風險管理的標準化範本, 包括表格及工具;
- 審批風險登記冊;
- 檢討集團遵守上市規則附錄14所載之守則中有關風險管理的規定;
- 委任風險負責人;
- 委派人員協助各部門就新設業務及項目進行風險評估;
- 檢討風險管理流程及政策;
- 及時向審核委員會匯報重大風險(如有); 及
- 統籌員工培訓

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

#### Risk Management Framework (Continued)

##### Departments & Management

Departments and management are responsible for the identification and assessment of risks within their areas of responsibility:

##### *Objective Setting and Categorisation*

- Strategies;
- Operation;
- Financial reporting; and
- Compliance

##### *Risk Identification*

- The Group provides examples of risk factors; and
- Risks should be relevant to strategies and objectives

##### *Risk Analysis*

- Considering existing control measures;
- Using a consistent scoring criteria; and
- Assessing the residual risks

##### *Risk Treatment*

- Choosing a risk treatment strategy;
- Establishing a treatment plan; and
- Appointing risk owners

##### *Effectiveness Monitoring and Reporting*

- Monitoring and reporting risks periodically; and
- Setting up an emergent risk reporting mechanism

### 風險管理及內部監控(續)

#### 風險管理架構(續)

##### 部門及管理層

部門及管理層負責其管轄範圍內的風險識別及評估：

##### *目標設立及歸類*

- 策略；
- 營運；
- 財務匯報；及
- 合規

##### *風險識別*

- 集團提供風險考慮因素範例；及
- 風險須與策略及目標有關聯

##### *風險分析*

- 考慮現有監控措施；
- 採用統一風險評分準則；及
- 評估剩餘風險

##### *風險處理*

- 選擇風險應對策略；
- 訂立應對計劃；及
- 委任風險負責人

##### *監察及匯報成效*

- 定期監察及匯報風險；及
- 設立突發風險匯報制度



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

#### Review Processes of the Effectiveness of the Risk Management and Internal Control Systems

The management and the Risk Management Committee review the effectiveness of the risk management and internal control systems. The Internal Audit Team also conducts independent audit of the effectiveness of these systems. Separate reports are submitted to the Audit Committee for its review and appraisal. A final report will be submitted to the Board for accessing the effectiveness of the systems.

If any material internal control defects are found, the Audit Committee will discuss them with the management. The Internal Audit Team will follow up and/or re-classified as “severe” risk in the risk management system for further formulating measures to resolve or prevent such defects.

### INTERNAL AUDIT

The internal audit is an independent function undertaken by the Internal Audit Team reporting administratively to the Company’s management and reporting functionally to the Audit Committee. The Internal Audit Team is authorised to obtain all information necessary to accomplish internal audit work.

The Board has conducted an annual review to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting, internal audit and financial reporting functions.

A risk-based audit approach has been adopted by the Internal Audit Team. Internal control reviews are conducted regularly to closely monitor business or operation changes. Regular audit tests are carried out to ensure key controls are in operation. The Internal Audit Team also conducts other projects and investigating work as required.

### 風險管理及內部監控 (續)

#### 風險管理及內部監控系統有效性檢討程序

管理層及風險管理委員會檢討風險管理及內部監控系統的有效性。內部審核小組亦獨立評審該系統的有效性。個別報告會提交審核委員會以供其審閱及評估。最終之報告將交予董事會評定該系統之有效性。

如發現任何嚴重的內部監控缺失，審核委員會將與管理層對其進行討論而內部審核小組將會跟進及／或於風險管理系統內再分類為「嚴重」風險以進一步制定措施解決或避免該缺失。

### 內部審核

內部審核為內部審核小組負責的獨立工作，並分別向本公司管理層及審核委員會作出行政及功能匯報。內部審核小組獲授權取得一切所需資料，以完成內部審核工作。

董事會已作年度檢討以確保本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算均屬足夠。

內部審核小組採用風險主導審核方針，定期檢討內部監控，密切監察業務或營運變動，定期進行審核測試，以確保主要監控正常運作。內部審核小組亦視乎需要進行其他項目及調查工作。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INTERNAL AUDIT (Continued)

Any significant internal audit findings are discussed with respective department heads to have actions agreed and subsequently followed up, in order to ensure that satisfactory control is maintained.

In each semi-annual work plan, manning levels of the Internal Audit Team are agreed with the Audit Committee. A summary of the internal audit activities and audit results are also submitted to the Audit Committee twice a year.

### SHAREHOLDERS' RIGHTS

#### Procedures for shareholders to convene a Special General Meeting ("SGM")

Pursuant to Section 74 of the Bermuda Companies Act 1981, shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right to submit a written requisition requiring an SGM to be called by the Board. The written requisition (i) must state the purposes of the SGM; and (ii) must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form, each signed by one or more requisitionists.

If the Board does not within 21 days from the date of the deposit of the requisition proceed duly to convene an SGM, the requisitionists or any of them representing more than one-half of the total voting rights of all of them may convene an SGM, but any SGM so convened shall not be held after expiration of three months from the said date of deposit of the requisition. An SGM convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in any SGM to be convened by the Board.

### 內部審核 (續)

任何重大內部審核結果均與各有關部門主管予以討論，議定行動並作出跟進，以確保維持滿意的監控。

於各半年工作計劃內，內部審核小組與審核委員會議定其人員配備水平，並每年兩次向審核委員會提交內部審核活動概要及審核結果。

### 股東權利

#### 股東召開股東特別大會（「股東特別大會」）之程序

根據百慕達《1981年公司法》第74條，於遞呈請求董事會召開股東特別大會的書面請求日期持有本公司已繳足股本不少於十分之一，並可於本公司股東大會上投票之一名或多名股東將有權遞交書面請求，以請求董事會召開股東特別大會。書面請求(i)須列明股東特別大會的目的；及(ii)須由呈請人簽署並送交本公司之註冊辦事處，並可由數份同樣格式的文件組成，而每份由一名或多名呈請人簽署。

倘董事會在請求書遞呈日期起計21日內未有召開股東特別大會，則該等呈請人或佔全體呈請人總投票權一半以上之任何呈請人，可自行召開股東特別大會，惟任何如此召開之股東特別大會不得在上述請求書遞呈日期起計三個月屆滿後舉行。由呈請人召開之股東特別大會須盡可能以接近由董事會召開任何股東特別大會之方式召開。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### SHAREHOLDERS' RIGHTS (Continued)

#### Procedures for putting forward proposals at a general meeting

Pursuant to Sections 79 and 80 of the Bermuda Companies Act 1981, either any number of shareholders representing not less than one-twentieth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, or not less than 100 shareholders, can request the Company in writing to (i) give to shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (ii) circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition signed by all the requisitionists must be deposited at the registered office of the Company (contact details are disclosed in the section headed "Corporate Information") with a sum reasonably sufficient to meet the Company's relevant expenses and not less than six weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one week before the meeting in case of any other requisition.

The procedures for shareholders of the Company to propose for election as a director have been posted on the website of the Company.

### 股東權利 (續)

#### 於股東大會上提呈動議之程序

根據百慕達《1981年公司法》第79及80條，持有有權於本公司股東大會投票之本公司繳足股本不少於二十分之一之任何數目股東，或不少於100名股東，可向本公司提交書面要求：(i)向有權接收下一屆股東週年大會通告之股東發出通知，以告知任何可能於該大會上正式動議及擬於會上動議之決議案；及(ii)向有權獲發送任何股東大會通告之股東傳閱不超過1,000字之任何陳述書，以告知於該大會上任何提呈之決議案所述事宜或將處理之事項。

由所有呈請人簽署之呈請須送交本公司註冊辦事處（詳細聯絡資料於「企業資料」一節中披露），並須在（倘為須發送決議案通知之呈請）大會舉行前至少六星期或（倘為任何其他呈請）大會舉行前至少一星期遞交及須支付足以合理彌補本公司相關開支之款項。

本公司股東提名候選董事之程序已刊登於本公司網站。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Board maintains an ongoing dialogue with shareholders and in particular, endeavours to provide transparency and uses the annual general meetings and investors' conferences, to communicate with shareholders and invites their participation in certain marketing events. Besides, the Company's official website serves as a handy communication channel for the shareholders. Press releases and announcements about the Company's business affairs are made from time to time.

The Company informs shareholders of the procedure for voting by poll in the circular to shareholders, and ensures compliance with the requirements regarding voting by poll contained in the Listing Rules and the Company's Bye-laws.

Specific enquiries by shareholders requiring the Board's attention can be sent in writing to the company secretary at the Company's business address in Hong Kong at Luk Fook Jewellery Centre, No. 239 Temple Street, Jordan, Kowloon, Hong Kong. Shareholders may also make proposals at the general meetings.

There was no significant change in the Company's constitutional documents during the Year under review.

### 投資者關係及與股東之溝通

董事會與股東保持溝通，尤其致力提高透明度，並透過股東週年大會及投資者會議與股東溝通及邀請彼等參與若干市場推廣活動。此外，本公司之官方網站亦為與股東溝通之便利渠道。本公司亦不時就本公司之業務發表新聞稿及公告。

本公司於股東通函內知會股東按股數投票方式表決之程序，並確保符合上市規則及本公司之公司細則所載有關按股數投票方式表決之規定。

股東如欲向董事會作出特定查詢，可以書面形式致函公司秘書，寄往本公司的香港營業地址——香港九龍佐敦廟街239號六福珠寶中心。另外，股東可在股東大會提出建議。

本公司的組織章程文件於回顧年度內並沒有重大變動。

# REPORT OF THE DIRECTORS

## 董事會報告

The directors submit their report together with the audited financial statements for the year ended 31 March 2018 (“the Year under review”).

### PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

The principal activity of Luk Fook Holdings (International) Limited (the “Company”) is investment holding. The subsidiaries are principally engaged in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery and gem-set jewellery products.

An analysis of the performance of the Company and its subsidiaries (collectively referred to as the “Group”) for the year by operating segment is set out in Note 6 to the financial statements.

### BUSINESS REVIEW

A fair review of the business of the Group and a discussion and analysis of the Group’s performance during the Year under review, the material factors underlying its results and financial position and material attributable factors of the development and likely future developments of the Group’s business, are provided throughout this Annual Report, particularly in the following separate sections:

- (a) Review of the Group’s business – “Chairman’s Statement” on pages 3 to 6 and “Management Discussion and Analysis” on pages 7 to 22;
- (b) The principal risks and uncertainties the Group is facing – “Report of the Directors” on pages 81 to 110;
- (c) Future development in the Group’s business – “Chairman’s Statement” on pages 3 to 6 and “Management Discussion and Analysis” on pages 7 to 22;
- (d) Analysis using financial key performance indicators – “Financial Highlights” on page 1 and “Management Discussion and Analysis” on pages 7 to 22;
- (e) Information about the Group’s Environmental, Social and Governance (“ESG”) policies and performance – ESG Report on pages 30 to 54 and “Report of the Directors” on pages 81 to 110;

董事謹提呈彼等之董事會報告連同截至2018年3月31日止年度(「回顧年度」)的經審核財務報表。

### 主要業務及業務分部之分析

六福集團(國際)有限公司(「本公司」)主要業務為投資控股,其附屬公司主要從事各類黃鉑金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。

本公司及其附屬公司(統稱「本集團」)按營運分部劃分之年內業績分析載於財務報表附註6。

### 業務回顧

有關本集團業務的中肯審視、本集團於回顧年度的表現、其業績及財務狀況的重要因素,及對本集團的業務發展及日後發展的重要因素的探討及分析,已於本年報不同部份披露,於以下個別章節尤其詳盡:

- (a) 本集團業務回顧—第3至6頁的「主席報告」及第7至22頁的「管理層討論及分析」;
- (b) 本集團正面對的主要風險及不明朗因素—第81至110頁的「董事會報告」;
- (c) 本集團日後的業務發展—第3至6頁的「主席報告」及第7至22頁的「管理層討論及分析」;
- (d) 運用財務關鍵績效指標進行的分析—第1頁的「財務摘要」及第7至22頁的「管理層討論及分析」;
- (e) 有關本集團環境、社會及管治政策及表現的資料—第30至54頁的環境、社會及管治報告和第81至110頁的「董事會報告」;

# REPORT OF THE DIRECTORS

## 董事會報告

### BUSINESS REVIEW (Continued)

- (f) Discussion on the Group's compliance with the relevant laws and regulations — “Corporate Governance Report” on pages 55 to 80 and “Report of the Directors” on pages 81 to 110; and
- (g) An account of the Group's key relationships with its employees, customers and suppliers and others – “ESG Report” on pages 30 to 54 and “Report of the Directors” on pages 81 to 110.

### Principal Risks and Uncertainties

The Board is ultimately responsible for ensuring that the risk management practices of the Group are sufficient to mitigate the risks present in our businesses and operations as efficiently and effectively as possible. The Board delegates some of such responsibilities to various departments.

The Group's financial position, operations, business and prospects may be affected by the following identified risks and uncertainties. The Group adopts risk management policies, measures and monitoring systems to pre-empt and contain exposures associated with the identified risks.

#### Economic Risks

##### *Global Economic Condition*

Possible economic slowdown or prolonged downturn of the global or Mainland China's economy may affect the retail market sentiment as a whole.

##### *Tourist Destinations*

The increase in popularity of other tourist destinations weakens the spending of Mainland tourists in Hong Kong and Macau.

#### Operational Risks

##### *Rent*

As a retailer, rent accounts for a considerable portion of the Group's expenses. Rental increment on retail shops directly affects the profit of the Group. The Group strikes a good balance between shop expansion and profit increment. The Group strives to lower rent via negotiations with landlords, close branches with low profitability and search for suitable locations in other areas, for new shops.

### 業務回顧 (續)

- (f) 討論本集團對有關法律及規例的遵守情況—第55至80頁的「企業管治報告」及第81至110頁的「董事會報告」；及
- (g) 敘述本集團與其僱員、客戶、供應商及其他人士的重要關係—第30至54頁的「環境、社會及管治報告」及第81至110頁的「董事會報告」。

### 主要風險及不明朗因素

董事會最終負責確保本集團的風險管理常規能充份而有效地減低業務及營運中的風險。董事會將部份職責委派予各個部門。

本集團的財務狀況、營運、業務及前景會受以下已識別風險及不確定因素影響。本集團採用風險管理政策、措施及監控系統，防範及控制所面臨的相應已識別風險。

#### 經濟風險

##### *全球經濟狀況*

如全球或中國內地經濟放緩或持續低迷可能影響整體零售市場氣氛。

##### *旅遊目的地*

其他旅遊目的地興起，削弱內地旅客於香港及澳門的消費意欲。

#### 經營風險

##### *租金*

作為零售商，租金佔本集團的開支比重不少，零售商舖的租金上升直接影響集團之盈利。我們在店舖擴張與增加盈利之間取得一個良好平衡。本集團積極透過與業主商討減租、關閉盈利能力較低的店舖，並於其他地段尋求合適位置開設新店。

# REPORT OF THE DIRECTORS

## 董事會報告

### **BUSINESS REVIEW (Continued)**

#### **Operational Risks (Continued)**

##### **Prices of Raw Materials**

Fluctuations in prices of raw materials may adversely affect our profitability. We strive to improve our purchasing procedures in order to maintain reasonable raw materials costs. On the other hand, the Group has a gold hedging ratio of around 20% which mitigate the impact on the profit due to the drop in gold prices.

##### **Fierce Competition**

There is strong competition from national and local competitors in jewellery and watch industry. The Group has formulated a set of branding strategies to increase brand image and awareness. Details of such strategies are set out in "Branding" on pages 23 to 29.

##### **Inventory Turnover**

Owing to the impact of volatile macroeconomic environment in Asia especially Mainland China, our inventory turnover bears the risk of slowing down.

##### **Management of Licensed Shops**

Licensed shops play an important role in raising the brand awareness of the Group. Maintaining a good brand image and reputation is a win-win situation for both the Group and the licensed shops. Therefore, the Group uses best endeavours to ensure their consistency with the Group's image and operation standard. We maintain a close working relationship with our licensed shops as well as provide one-stop support to them, such as shop-opening training, the provision of operation manuals and regular operation review meetings.

We also closely monitored the licensed shops through a stringent control system which consists of 6 areas of control, including Operational Control; Product Quality Control; Distribution Network Control; Pricing Control; Brand Image Control; and Service Quality Control. Details of such system are set out on page 84.

### **業務回顧 (續)**

#### **經營風險 (續)**

##### **原材料價格**

原材料價格的波動對我們的盈利能力或有不良影響。我們致力改善採購程序，務求將原材料成本維持在合理水平。另一方面，本集團的黃金對沖比率為約20%，以減少金價下跌對盈利的衝擊。

##### **劇烈競爭**

全國及當地珠寶及鐘錶行業的競爭對手眾多，競爭十分劇烈。本集團制定了一連串的品牌策略以提升品牌形象及知名度。有關策略詳情可參考第23至29頁的「品牌策略」。

##### **存貨周轉**

受到亞洲尤其是中國內地宏觀經濟波動影響，我們的存貨周轉有放慢的風險。

##### **品牌店管理**

品牌店對於提升本集團品牌知名度扮演一個重要的角色。維持一個良好品牌形象及聲譽對本集團及品牌店是一個雙贏局面。因此，本集團以最大努力確保品牌店的營運符合本集團形象及營運準則。我們與品牌店維持緊密合作關係並向其提供一站式支援，例如開店培訓、營運指引和定期營運檢討會議。

我們還採用一個嚴格的監管系統密切監控品牌店，該系統由6個監控領域組成，包括營運監管、貨品品質監管、零售網絡監管、價格監管、品牌形象監管和服務質量監管。有關系統詳情可參考第84頁。

# REPORT OF THE DIRECTORS

## 董事會報告

### Control System on Licensed Shops 品牌店監管系統

#### Operational Control 營運監管

- Whistle-blowing System and Reward Scheme  
舉報系統及獎勵計劃
- Sales and Inventory System Access  
銷售及存貨系統登入
- DVR System  
錄像系統
- Operational Compliance Audit Team  
營運合規性審查小組
- Annual Contract Renewal Basis  
每年續約機制
- Cash On Delivery Basis  
貨到付款機制

#### Product Quality Control 貨品品質監管

- 100% diamond products in Mainland market offered by Lukfook  
內地市場鑽石產品100%由六福提供
- Authorized suppliers on other products  
其他產品由指定供應商供應
- Certificate issued by NGTC/GTC for quality assurance  
國檢/省檢證書作為質量保證
- Sightholder of De Beers – steady quality rough diamond supply  
De Beers特約配售商 – 穩定優質石胚之供應

#### Distribution Network Control 零售網路監管

- Prior approval on retail locations  
預先批核零售點位置

#### Pricing Control 價格監管

- Standardised retail price for products through centralised labeling process  
透過統一標籤流程，以劃一產品零售價
- Centralised control on discount policy  
中央控制折扣政策

#### Brand Image Control 品牌形象監管

- Authorised renovation contractors  
指定裝修承包商
- Prior approval on all advertising & promotion  
預先審批所有廣告和宣傳
- Standardised operational materials (e.g. uniform, packaging) in all shops  
所有店舖統一營運物資(例如:制服、包裝)

#### Service Quality Control 服務品質監管

- Mystery Shopper System on service quality control  
神秘顧客計劃以監管服務品質
- Centralised Staff Training  
統一員工培訓
  - Regional training centres 區域培訓中心
  - E-Learning programmes 網上學習課程
  - On-site training 實地培訓



# REPORT OF THE DIRECTORS

## 董事會報告

### BUSINESS REVIEW (Continued)

#### Regulatory Risks

##### *Change in Laws and Regulations*

The changes in laws and regulations such as the Competition Ordinance (Cap. 619 of the Laws of Hong Kong) and the adjustment to the policy of Individual Visit Scheme could adversely affect our businesses. Our management keeps a close eye on the change in such laws and regulations and adjusts the Group's operating strategies accordingly, in order to maintain the Group's market competitiveness.

##### *Intellectual Property*

We recognise the importance of building a good reputation and protecting our intellectual property. Any unauthorised use of our trademarks in counterfeit products could harm our brand image and reputation, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In view of this, the Group's legal department has set up committees in both Hong Kong and Nansha of Mainland China to handle tasks in respect of intellectual properties (such as trademarks, design patents and fighting against infringement).

The Group has successfully registered the "Lukfook" trademark in the regions where Lukfook has a presence (such as Hong Kong, Macau, Mainland China, Singapore, Korea, Malaysia, Cambodia, the United States, Canada and Australia). Our legal department has reached a consensus with our product development department, marketing department and design department that any new product, collection, display prop and fitting out design should be forwarded as soon as practicable to the legal department for applying for design patent/copyright in Mainland China, Hong Kong and Macau so as to ensure the maximum protection for the Group.

The Group's legal department and business department constantly monitor any infringement by free-riding brands across Mainland China, and cooperate with the law enforcement agencies to fight against infringement. The Group always encourages colleagues to monitor any infringement during their business trips and report the infringement to the legal department, and endeavours to fight against infringement of the Group's intellectual properties.

#### Financial Risks

Details of financial risks are set out in Note 4 to the consolidated financial statements.

### 業務回顧 (續)

#### 監管風險

##### *法律及規例之變動*

法律及規例之變動，例如競爭條例（香港法例第619章）和個人遊政策之調整可能對我們的業務造成不利的影響。我們的管理層一直密切留意有關法律及規例之變動及隨之調整營運策略，以維持本集團在市場上的競爭力。

##### *知識產權*

我們深明建立良好聲譽及保護知識產權的重要性。若我們的商標品牌被盜用於偽冒產品，可能會損害我們的品牌形象與聲譽，從而對我們的業務、財務狀況、經營業績及前景造成重大不利影響。

有見及此，本集團法務部於香港及中國內地南沙均設有小組負責處理知識產權工作（如商標、外觀設計專利、打擊侵權等）。

本集團於設有六福分店的地區（如香港、澳門、中國內地、新加坡、韓國、馬來西亞、柬埔寨、美國、加拿大及澳洲等地）均已成功註冊「六福」商標；而法務部與產品拓展部、市場推廣部及設計等部門已有共識：當本集團有新產品、系列、陳列道具及裝修設計，須盡快轉交法務部安排主力於中港澳申請外觀設計專利／版權，為本集團爭取最大保障。

本集團法務部與業務部有恆常跟進外間傍名品牌於中國內地各地的侵權情況，並與執法機關配合打擊侵權工作；本集團亦時刻鼓勵各部門同事於出差期間多加留意及向法務部舉報任何侵權情況，盡力打擊一切侵犯本集團知識產權的行為。

#### 財務風險

財務風險詳情載於綜合財務報表附註4。

# REPORT OF THE DIRECTORS

## 董事會報告

### **BUSINESS REVIEW (Continued)**

#### **Compliance with Laws and Regulations**

The Group recognises the importance of compliance with regulatory requirements and the non-compliance with such requirements could lead to the risk of termination of operating licences. The Group has been allocating systems and human resources to ensure ongoing compliance with rules and regulations and to maintain cordial working relationships with regulators effectively through effective communications. During the Year under review, as far as the Group is aware, it has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

#### **Environmental Policies and Performance**

The Group places great importance on environmental protection and endeavours to promote sustainable development. It incorporates relevant environmental strategies in every aspect of its business, and implements initiatives in areas such as energy saving and waste management in manufacturing, administration and daily retail operations to mitigate the impact on the environment.

#### **Relationships with Key Stakeholders**

The Group recognises that employees, customers and suppliers are keys to its sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality services to its customers and enhancing cooperation with its business partners. The Group provides a fair and safe work environment, promotes staff diversity, provides competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also puts ongoing efforts to provide adequate training and resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and facilitate their self-fulfillment in their positions.

### **業務回顧 (續)**

#### **法律及規例的遵守**

本集團確認符合法規要求的重要性，不符合該等要求可導致終止經營許可證的風險。本集團已分配系統及人力資源，確保持續符合規則及規例，並通過有效溝通與監管部門保持良好工作關係。於回顧年度內，據本集團所知，其已於各重大方面遵循對本集團之業務及營運構成重大影響的有關法律及規例。

#### **環境政策及表現**

本集團非常重視環境保護，並致力推動可持續發展。本集團將相關環保策略融入其業務的各個方面，將節能及廢物管理等措施應用於生產、行政及日常零售業務中，以減低對環境的影響。

#### **與主要持份者的關係**

本集團深明僱員、客戶及供應商均為其可持續發展之關鍵因素。本集團致力建立與僱員之緊密關切關係、為客戶提供優質服務，並加強與業務夥伴合作。本集團提供公平而安全之工作環境、提倡員工多元化、根據彼等之長處及表現提供具競爭力的薪金及福利以及職業發展機會。本集團亦持續致力為僱員提供充足培訓及資源，以使彼等可緊貼市場及行業的最新發展，與此同時改善其於職位上的表現及幫助其實現自我價值。

# REPORT OF THE DIRECTORS

## 董事會報告

### BUSINESS REVIEW (Continued)

#### Relationships with Key Stakeholders (Continued)

The Group understands the importance of maintaining good relationship with customers and providing products which satisfy their needs and requirements. The Group enhances the relationship by continuous interaction with customers to gain insight into the changing market demand for different products so that the Group can respond proactively. The Group has also established procedures in handling customers' feedbacks and complaints to ensure that customers' opinions are dealt with in prompt and timely manner.

The Group maintains stable business relationship with its suppliers and service providers. In order to have a better and close monitoring of suppliers' performance, the Group's management regularly conducts performance reviews targeting the Group's major suppliers and service providers, and communicates with them for rectification and improvements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the Year under review are set out in the consolidated income statement on page 120.

The directors have declared an interim dividend of HK\$0.35 per ordinary share and a special dividend of HK\$0.20 per ordinary share, totalling HK\$0.55 per ordinary share. A total of HK\$322,909,000 was paid on 27 December 2017.

The directors proposed a final dividend of HK\$0.55 per ordinary share for the year ended 31 March 2018 (2017: HK\$0.55 per share) to shareholders whose names appear on the register of members of the Company on 21 August 2018. Taking into account of the interim and special dividends paid, the total dividend for the year would amount to HK\$1.10 per ordinary share, totalling HK\$645,818,000 for the year (2017: HK\$1.10 per ordinary share, totalling HK\$645,818,000). Subject to the approval of the shareholders at the forthcoming annual general meeting ("AGM") of the Company to be held on 15 August 2018, the final dividend will be paid on or around 30 August 2018.

### 業務回顧 (續)

#### 與主要持份者的關係 (續)

本集團明白與客戶保持良好關係及提供能滿足其需要及要求之產品的重要性。本集團透過與客戶持續互動促進關係，以了解各種產品不斷變化之市場需求，從而主動作出回應。本集團亦已設立程序處理客戶反饋及投訴，確保客戶意見可妥為及時處理。

本集團與供應商及服務供應商保持穩健的業務夥伴關係。為了更有效及密切監察供應商表現，本集團管理層定期就本集團主要供應商及服務供應商之表現進行檢討，並與彼等溝通以期作出糾正及改善。

### 業績及分派

本集團回顧年度之業績載於第120頁之綜合損益表內。

董事已宣派中期股息每股普通股0.35港元及特別股息每股普通股0.20港元，合共每股普通股0.55港元。於2017年12月27日合共派息322,909,000港元。

董事建議就截至2018年3月31日止年度向於2018年8月21日名列本公司股東名冊之股東派付末期股息每股普通股0.55港元（2017年：每股0.55港元），連同已派付的中期及特別股息，本年度股息合共為每股普通股1.10港元，年度股息總額為645,818,000港元（2017年：每股普通股1.10港元，總額為645,818,000港元）。待股東於2018年8月15日舉行之本公司應屆股東週年大會（「股東週年大會」）上批准後，末期股息將於2018年8月30日或前後支付。

# REPORT OF THE DIRECTORS

## 董事會報告

### DONATIONS

Donations made by the Group during the Year under review amounted to approximately HK\$1,303,000 (2017: HK\$1,805,000).

### SHARES ISSUED

Details of the shares issued by the Company during the Year under review are set out in Note 28 to the financial statements.

### EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Year under review or subsisted at the end of the year.

### DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2018, calculated under the Companies Act of Bermuda, amounted to HK\$1,049,558,000 (2017: HK\$998,771,000).

### FIVE-YEAR FINANCIAL SUMMARY

The results, assets and liabilities of the Group for each of the last five financial years ended 31 March are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元
<b>Results</b>	<b>業績</b>					
Revenue	收入	14,578,409	12,807,277	14,031,302	15,922,708	19,214,930
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	1,369,393	1,016,838	958,692	1,614,805	1,864,928
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Total assets	總資產	12,214,878	10,679,250	10,629,499	11,511,237	9,586,156
Total liabilities	總負債	2,135,141	1,699,310	1,860,580	2,910,730	1,887,001
Shareholders' funds	股東資金	10,034,769	8,873,350	8,673,796	8,536,363	7,640,769

### PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year under review.

### 捐款

本集團於回顧年度內作出之捐款約1,303,000港元(2017年:1,805,000港元)。

### 已發行股份

本公司於回顧年度內發行股份之詳情載於財務報表附註28。

### 股票掛鈎協議

於回顧年度內或年度結束時,本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份,或規定本公司訂立任何協議將會或可導致本公司發行股份。

### 可供分派儲備

根據百慕達公司法計算,本公司於2018年3月31日之可供分派儲備為1,049,558,000港元(2017年:998,771,000港元)。

### 五年財務摘要

本集團截至3月31日止對上五個財政年度各年之業績、資產及負債如下:

### 購入、出售或贖回證券

本公司及其附屬公司於回顧年度內均無購回、出售或贖回任何本公司之上市證券。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS

The directors who held office during the year ended 31 March 2018 and up to the date of this Annual Report are as follows:

#### Executive Directors

Mr. WONG Wai Sheung (*Chairman & Chief Executive*)  
Mr. TSE Moon Chuen (*Deputy Chairman*)  
Ms. WONG Hau Yeung  
Ms. WONG Lan Sze, Nancy  
Ms. CHUNG Vai Ping  
Dr. CHAN So Kuen

#### Non-executive Directors

Mr. WONG Ho Lung, Danny (*Deputy Chairman*)  
Ms. YEUNG Po Ling, Pauline  
Mr. HUI Chiu Chung, JP  
Mr. LI Hon Hung, BBS, MH, JP

#### Independent Non-executive Directors

Mr. TAI Kwok Leung, Alexander  
Mr. IP Shu Kwan, Stephen, GBS, JP  
Mr. MAK Wing Sum, Alvin  
Ms. WONG Yu Pok, Marina, JP  
Mr. HUI King Wai

Pursuant to Bye-law 99 of the Bye-laws, one-third of the directors shall retire from office by rotation at each AGM of the Company. Accordingly, Ms. WONG Lan Sze, Nancy, Ms. CHUNG Vai Ping, Ms. YEUNG Po Ling, Pauline, Mr. HUI Chiu Chung and Mr. IP Shu Kwan, Stephen, shall retire from office by rotation at the AGM. All the retiring directors, being eligible, will offer themselves for re-election at the AGM. Details of the proposed directors to be re-elected are set out in the circular sent together with this Annual Report.

### 董事

截至2018年3月31日止年度內及直至本年報日期在任之董事如下：

#### 執行董事

黃偉常先生 (*主席兼行政總裁*)  
謝滿全先生 (*副主席*)  
王巧陽女士  
黃蘭詩女士  
鍾惠冰女士  
陳素娟博士

#### 非執行董事

黃浩龍先生 (*副主席*)  
楊寶玲女士  
許照中太平紳士  
李漢雄BBS·MH太平紳士

#### 獨立非執行董事

戴國良先生  
葉澍堃GBS太平紳士  
麥永森先生  
黃汝璞太平紳士  
許競威先生

根據公司細則第99條，三分之一之董事須於本公司每屆股東週年大會輪值告退。據此，黃蘭詩女士、鍾惠冰女士、楊寶玲女士、許照中先生及葉澍堃先生將於股東週年大會上輪值告退。所有退任董事均符合資格，並願意於股東週年大會上膺選連任。有關擬重選董事之資料載於隨本年報寄發之通函內。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

#### Executive Directors

**Mr. WONG Wai Sheung**, aged 67, is the founder, Chairman, Chief Executive and Executive Director of the Group. He is also a member of the Remuneration Committee and Nomination Committee. Mr. WONG has over 51 years of experience in the jewellery industry and is responsible for the overall strategic planning and management of the Group. He is the Honorary Life President of The Kowloon Gold Silver and Jewel Merchant's Staff Association, the Honorary Permanent Chairman of Hong Kong Jade Association, the Chairman of Supervisory Committee of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, the Honorary Chairman of Macau Goldsmith's Guild, the Honorary Chairman of the First General Committee and Vice President of Guangdong Golden Jewelry and Jade Industry's Association, the Honorary Vice President of the Gems & Jewelry Trade Association of China, the Honorary Chairman of the Hong Kong Small and Medium Enterprises Association, the Honorary Chairman of Hong Kong Gemstone Manufacturers' Association, Founding Member and Vice President of Shenzhen Gold & Silver Jewelry Creative Industry Association, Honorary Consultant of H.K. Gold & Silver Ornament Workers & Merchants General Union and the Consultant of the 6th Term General Committee of Hong Kong Brand Development Council. Mr. WONG is the father of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Company and Ms. WONG Lan Sze, Nancy, Executive Director and Deputy Business Director of the Company.

### 董事及高層管理人員之履歷詳情

#### 執行董事

**黃偉常先生**，67歲，為本集團創辦人、主席、行政總裁兼執行董事。彼亦為薪酬委員會和提名委員會之成員。黃先生於珠寶業擁有超過51年經驗，負責本集團的整體企業策劃及管理。彼現為九龍首飾業文員會永遠榮譽會長、香港玉器商會永遠名譽會長、九龍珠石玉器金銀首飾業商會監事長、澳門金業同業公會名譽會長、廣東省金銀珠寶玉器業廠商會首屆名譽會長兼副主席、中國珠寶玉石首飾行業協會理事會榮譽副會長、香港中小型企業聯合會名譽會長、香港寶石廠商會榮譽會長、深圳市金銀珠寶創意產業協會創會會員兼副會長、香港金銀首飾工商總會名譽顧問及香港品牌發展局第六屆理事會顧問。黃先生為本公司副主席兼非執行董事黃浩龍先生及本公司執行董事兼業務副總監黃蘭詩女士之父親。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Executive Directors (Continued)

**Mr. TSE Moon Chuen**, aged 67, is the co-founder of the Group. Presently, he is the Deputy Chairman, Executive Director and Deputy General Manager of the Group. He is also a member of the Nomination Committee. Mr. TSE has over 45 years of experience in jewellery retailing business and is responsible for the merchandising and production functions of the Group. Mr. TSE is an Executive Committee Member of the Diamond Federation of Hong Kong, China Ltd., a Vice President of The Chinese Gold & Silver Exchange Society, the Vice Chairman of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, a Life Honorary Chairman of Hong Kong Tsuen Wan Industries and Commerce Association Limited, the President of The Tsuen Wan Festival Lightings Organizing Committee, a Member of the Kwun Tong District Junior Police Call (JPC) Honorary President Council, a Vice Chairman of Macau Goldsmith's Guild, a Director of Hong Kong, Guangzhou, Foshan and Zhaoqing Friendship Association, an Honorary President of Tsuen Wan Committee for Celebration of Reunification of Hong Kong with China, an Honorary President of Tsuen Wan Preparatory Community of National Day, a Vice President of Zhaoqing Overseas Friendship Association, an Honorary Consultant of Shatin Friends Society, an Executive Committee Member and Vice Director of Finance of Hong Kong Jewellers' & Goldsmiths' Association, a Vice Chairperson of Tsuen Wan District Fire Safety Ambassador Honorary Presidents' Association, an Honorary President of H.K. Gold & Silver Ornament Workers & Merchants General Union, an Honorary President of The Residents Association of Tsuen Wan Hoi Bun District, an Honorary President of Hong Kong New Territories District Adviser Alumni Association, a 12th Term Executive Director of Guangzhou Panyu Jewelry Manufacturers Association, an Honorary Consultant of Hong Kong Precious Metals Traders Association Limited, an Honorary Consultant of Tsuen Wan Kwai Ching District Woman's Association, a Vice President of Tsuen Wan District People Joint Celebration Committee and an Honorary President of The Federation of Tsuen Wan District Sports & Recreation Association. Moreover, Mr. TSE was awarded the "Chief Executive's Commendation for Community Service" by the Government of the Hong Kong SAR.

### 董事及高層管理人員之履歷詳情 (續)

#### 執行董事 (續)

**謝滿全先生**，67歲，為本集團之共同創辦人，現職本集團之副主席、執行董事兼副總經理。彼亦為提名委員會成員之一。謝先生具備逾45年珠寶零售業經驗，負責本集團之採購及生產事宜。彼現為香港鑽石總會有限公司常務委員、金銀業貿易場理監事會副理事長、九龍珠石玉器金銀首飾業商會副理事長、香港荃灣工商業聯合會永遠會長、荃灣區節日燈飾籌備委員會會長、觀塘區少年警訊名譽會長會委員、澳門金業同業公會副理事長、香港廣佛肇聯誼總會會董、荃灣各界慶祝回歸委員會名譽會長、荃灣各界慶祝國慶籌委會名譽會長、肇慶海外聯誼會副會長、沙田之友社名譽顧問、香港珠石玉器金銀首飾業商會理事兼副財務主任、荃灣區消防安全大使名譽會長會副主席、香港金銀首飾工商總會名譽會長、荃灣海濱海灣居民協會榮譽會長、香港新界地區事務顧問協會名譽會長、廣州市番禺區珠寶廠商會第十二屆理事會常務理事、香港貴金屬同業協會名譽顧問、荃灣葵青區婦女會名譽顧問、荃灣區各界人士聯合慶賀大會副會長及荃灣區體育康樂聯會名譽會長。此外，謝先生獲香港特別行政區政府頒授「行政長官社區服務獎狀」。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Executive Directors (Continued)

**Ms. WONG Hau Yeung**, aged 45, is the Executive Director and Deputy General Manager of the Group and a member of the Remuneration Committee. She is also a Director of China Gold Silver Group Company Limited (“CGS”), an associate of the Company which conducts jewellery retail and franchise business under the brand name of “3D-GOLD” in Hong Kong, Macau and Mainland China. Ms. WONG initially joined the Group in 1994 and served various departments for about 7 years until 2002. She rejoined the Group in 2004. Currently, she is responsible for the Group’s operations and development of the retail and licensing businesses. In addition, she is also responsible for the human resources, administration and training functions of the Group. She holds a Master’s Degree in Business Administration from University of Southern Queensland. Ms. WONG is a Member of Guangzhou Panyu District Committee of the Chinese People’s Political Consultative Conference, a Standing Director of Gemmological Association of Fujian, a Member and Convenor of The Recognition of Prior Learning Subcommittee under The Jewellery Industry Training Advisory Committee, the Honorary Life President of Hong Kong Pun Yue Industrial and Commercial Fellowship Association, the 6th Term Standing Director of Guangzhou Panyu Overseas Friendship Association, the 1st Term Committee Member of Hong Kong Federation of Guangzhou Associations Women’s Committee, the 4th Term Director of Guangzhou Panyu Overseas Exchange Association and the Chairman of Panyu Hong Kong Charity Fund Limited. She has over 24 years of experience in the jewellery industry.

### 董事及高層管理人員之履歷詳情 (續)

#### 執行董事 (續)

**王巧陽女士**，45歲，為本集團之執行董事兼副總經理及薪酬委員會成員之一。彼亦為中國金銀集團有限公司（「中國金銀」）（本公司之聯營公司，以「金至尊」品牌在香港、澳門及中國內地從事珠寶首飾零售及特許經營之業務）之董事。王女士於1994年首次加入本集團，至2002年期間曾於本集團多個部門任職達7年，彼其後於2004年再次加入本集團，現負責本集團之零售與品牌業務之營運及拓展。此外，彼亦負責本集團人力資源、行政及培訓的工作。彼持有澳洲南昆士蘭大學工商管理碩士學位。王女士為中國人民政治協商會議廣州市番禺區委員會委員、福建省寶玉石協會常務理事、珠寶行業培訓諮詢委員會委員兼過往資歷認可專責小組召集人、香港番禺工商聯誼會永遠名譽會長、廣州市番禺海外聯誼會第六屆理事會常務理事、香港廣州社團總會婦女委員會第一屆常務委員、廣州市番禺區海外交流協會第四屆理事會理事及香港慈善基金會主席。彼具備超過24年珠寶業經驗。



# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Executive Directors (Continued)

**Ms. WONG Lan Sze, Nancy**, aged 37, is the Executive Director and Deputy Business Director of the Group. She joined the Group in 2006 and assists in formulating and implementing the Group's overall business strategies. She is also responsible for the Group's corporate branding, marketing, corporate communications, product design functions and e-commerce operations. Ms. WONG holds a Bachelor's Degree in Commerce from the University of Toronto, Canada and a Master's Degree of Science in China Business Studies from The Hong Kong Polytechnic University. She is also a Certified Public Accountant of the United States of America. Prior to joining the Group, Ms. WONG worked for an international professional accounting firm in Hong Kong, where she performed auditing and accounting assignments for a variety of business organizations including listed companies. She received the GIA Diamond Graduate title in 2007. She is a Co-opted Member of the Marketing Activities Committee of the Quality Tourism Services Association, a Member of Jewellery Advisory Committee of the Hong Kong Trade Development Council and a Member of Young Diamantaire Group of Diamond Federation of Hong Kong. Ms. WONG is the daughter of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive and Executive Director and the sister of Mr. WONG Ho Lung, Danny, Deputy Chairman and Non-executive Director of the Company.

**Ms. CHUNG Vai Ping**, aged 48, is the Executive Director and Deputy Product Development Director of the Group. She has over 30 years of experience in the jewellery industry. She joined the Group in 1990 and is responsible for the product development function of the Group. Ms. CHUNG frequently visits jewellery exhibitions worldwide for product exploration and sourcing the finest jewellery and jewellery parts for the Group. In 2001, Ms. CHUNG won the Best of Show Award for her design "Flashing" in the 2nd Hong Kong Jewellery Design Competition. She received the GIA Diamonds Graduate title in 2004. Ms. CHUNG is an Executive Committee Member and Vice Director of General Affairs of Hong Kong Jewellers' & Goldsmiths' Association, a Director of the 5th Congress of Gemmological Association of Fujian, a Director & Vice Director of Public Relations of The Kowloon Gold Silver And Jewel Merchants' Staff Association and a Fellow of the Professional Validation Centre of Hong Kong Business Sector Limited.

### 董事及高層管理人員之履歷詳情 (續)

#### 執行董事 (續)

**黃蘭詩女士**，37歲，為本集團執行董事兼業務副總監。彼於2006年加入本集團，協助規劃及實施本集團之整體業務策略，彼亦負責本集團之品牌管理、市場推廣、企業傳訊、產品設計事宜，以及電子商務營運。黃女士畢業於加拿大多倫多大學，獲頒商學士學位，並持有香港理工大學中國商貿管理理學碩士學位。彼亦為美國註冊執業會計師。加入本集團前，黃女士曾於本港一間國際專業會計師行工作，為包括上市公司的不同商業機構執行核數及會計工作。彼亦於2007年獲取GIA Diamond Graduate銜頭。彼為優質旅遊服務協會推廣活動委員會之增選委員、香港貿易發展局珠寶業諮詢委員會委員及香港鑽石總會鑽石商青年小組會員。黃女士為本集團主席、行政總裁及執行董事黃偉常先生之女兒，亦為本公司副主席兼非執行董事黃浩龍先生之胞妹。

**鍾惠冰女士**，48歲，為本集團之執行董事兼產品拓展副總監。彼於1990年起加入本集團，於珠寶業擁有超過30年經驗，主要負責本集團產品拓展事宜。鍾女士經常到世界各地的珠寶展覽進行考察，為本集團搜羅優質的珠寶首飾及原材料。於2001年，鍾女士所設計的作品「煙花」贏取第二屆香港珠寶設計比賽大獎。彼於2004年獲取GIA Diamonds Graduate銜頭。鍾女士為香港珠石玉器金銀首飾業商會之理事兼副會務主任、福建省寶玉石協會第五屆理事會理事、九龍首飾業文員會之理事兼副交際主任及香港商業專業評審中心有限公司之院士。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Executive Directors (Continued)

**Dr. CHAN So Kuen**, aged 58, has been appointed as the Chief Financial Officer and Company Secretary of the Group since September 2012 and an Executive Director of the Group since 21 August 2015. Dr. CHAN graduated from The Hong Kong Polytechnic University and Oklahoma City University (the United States of America), with a Doctorate Degree and a Master's Degree in Business Administration, respectively. She is also a Fellow Member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Dr. CHAN had been the Director of Finance & Company Secretary and the Deputy Chairman of the Board of Directors & Chief Executive Officer of Bossini International Holdings Limited (Stock Code: 0592) for approximately 3 and 4 years respectively during the period from 2003 to 2010. Dr. CHAN has substantial financial and management experiences in vast varieties of businesses for more than 32 years. Dr. CHAN is currently responsible for the overall financial management, corporate finance, information technology, investor relations and company secretarial matters of the Group.

#### Non-executive Directors

**Mr. WONG Ho Lung, Danny**, aged 41, is the Deputy Chairman and Non-executive Director of the Group. He is also the Chief Executive Officer and Director of CGS. He joined the Group as an Operations Manager in 2002. Mr. Danny WONG is an active participant in the community and is currently a Member of Sihui Municipal Committee of the Chinese People's Political Consultative Conference, a Permanent President of Sze Wui and Kwong Ning Clansman's Association (Hong Kong) Limited, the President of Sihui Dasha Town Clansman's Association (Hong Kong), an Executive Committee Member of Diamond Federation of Hong Kong, China Limited, a Supervisory Committee Member of Hong Kong Jewellers' & Goldsmiths' Association, a Supervisory Committee Member of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association, a Member of Lions Club of Sham Shui Po Hong Kong and a Member of The Association of the Hong Kong Members of Guangdong's Chinese People's Political Consultative Conference Committees Limited. In December 2008, Mr. Danny WONG received the GIA Diamond Graduate title. He is the son of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive and Executive Director and the elder brother of Ms. WONG Lan Sze, Nancy, an Executive Director and Deputy Business Director of the Company.

### 董事及高層管理人員之履歷詳情 (續)

#### 執行董事 (續)

**陳素娟博士**，58歲，於2012年9月起獲委任為本集團之首席財務總監及公司秘書，並於2015年8月21日起獲委任為本集團之執行董事。陳博士畢業於香港理工大學及美國奧克拉荷馬城大學，分別持有工商管理博士及碩士學位。彼亦為英國特許公認會計師公會及香港會計師公會之資深會員。陳博士曾在2003年至2010年期間，於堡獅龍國際集團有限公司（股份代號：0592）擔任財務董事兼公司秘書及董事局副主席兼行政總裁分別約3年及4年。陳博士於多類型業務已積累逾32年之豐富財務及管理經驗。目前，陳博士負責本集團之整體財務管理、企業財務、資訊科技、投資者關係及公司秘書工作。

#### 非執行董事

**黃浩龍先生**，41歲，為本集團之副主席兼非執行董事。彼亦為中國金銀之行政總裁兼董事。彼於2002年加入本集團為營運經理。黃浩龍先生積極參與社區活動，彼現時為中國人民政治協商會議四會市委員會委員、香港會寧同鄉會有限公司永遠會長、香港四會大沙同鄉會會長、香港鑽石總會常務委員、香港珠石玉器金銀首飾業商會監事、九龍珠石玉器金銀首飾業商會監事、香港深水埗獅子會會員及香港廣東各級政協委員聯誼會有限公司會員。於2008年12月，黃浩龍先生亦獲GIA Diamond Graduate銜頭。彼為本集團主席、行政總裁兼執行董事黃偉常先生之兒子，亦為本公司執行董事兼業務副總監黃蘭詩女士之胞兄。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Non-executive Directors (Continued)

**Ms. YEUNG Po Ling, Pauline**, aged 51, is the co-founder of the Group. Ms. YEUNG has over 30 years of experience in public relations. Ms. YEUNG was the winner of Miss Hong Kong and Miss International of Goodwill in 1987, and also the 4th Runner-up of Miss Universe and Queen of Asia in 1988. Ms. YEUNG was the President of the Wai Yin Association for the year 1995-1996. She received the GIA Diamonds Graduate title in 2005.

**Mr. HUI Chiu Chung, JP**, aged 71, joined the Group in 1997. He was re-designated from an Independent Non-executive Director to a Non-executive Director of the Company on 1 October 2011, owing to changes in factors concerning his independence. Mr. HUI has 47 years of experience in the securities and investment industry. Mr. HUI had for years been serving as a Council Member and Vice Chairman of The Stock Exchange of Hong Kong Limited, a member of the Advisory Committee of the Hong Kong Securities and Futures Commission, a Director of the Hong Kong Securities Clearing Company Limited, a member of the Listing Committee of the Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeal Tribunal, a member of Standing Committee on Company Law Reform, a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission and also an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A. Mr. HUI was appointed by the Government of the HKSAR as a Justice of the Peace in 2004 and was also a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference from 2006 to 2017. He had also been a member of Government "Appointees" (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. HUI also serves as Independent Non-executive Director of Zhuhai Holdings Investment Group Limited (Stock Code: 0908), Lifestyle International Holdings Limited (Stock Code: 1212), Gemdale Properties and Investment Corporation Limited (Stock Code: 0535), China South City Holdings Limited (Stock Code: 1668), SINOPEC Engineering (Group) Co., Ltd. (Stock Code: 2386), Agile Property Holdings Limited (Stock Code: 3383) and FSE Engineering Holdings Limited (Stock Code: 0331) whose shares are listed on The Stock Exchange of Hong Kong Limited. He was an Independent Non-executive Director of Asia Allied Infrastructure Holdings Limited (Stock Code: 0711) and Hong Kong Exchange and Clearing Limited (Stock Code: 0388) until his resignation effective from 1 February 2015 and his retirement effective from 29 April 2015 respectively.

### 董事及高層管理人員之履歷詳情 (續)

#### 非執行董事 (續)

**楊寶玲女士**，51歲，為本集團之共同創辦人。楊女士具備逾30年公關工作經驗。楊女士為1987年度香港小姐冠軍及國際親善大使，亦是1988年環球小姐第五名兼亞洲皇后。楊女士曾任1995-1996年度慧妍雅集主席。彼於2005年獲取GIA Diamonds Graduate銜頭。

**許照中太平紳士**，現年71歲，於1997年加入本集團。由於可影響許先生獨立性之因素有所改變，他已於2011年10月1日由獨立非執行董事重新委任為非執行董事。許先生具備47年之證券及投資經驗，多年來曾出任香港聯合交易所有限公司理事會理事及副主席、香港證券及期貨事務監察委員會諮詢委員會委員、香港中央結算有限公司董事、香港交易及結算所有限公司上市委員會委員、證券及期貨事務上訴審裁處委員、公司法改革常務委員會委員、香港證券及期貨事務監察委員會房地產投資信託基金委員會委員及香港會計師公會調查小組A組委員等。許先生於2004年獲香港特別行政區政府頒授太平紳士榮銜，並自2006年至2017年擔任中國珠海市人民政治協商會議政協委員。彼亦曾任香港旅遊業議會上訴委員會獨立委員。許先生亦為股份於香港聯合交易所有限公司上市之珠海控股投資集團有限公司（股份代號：0908）、利福國際集團有限公司（股份代號：1212）、金地商置集團有限公司（股份代號：0535）、華南城控股有限公司（股份代號：1668）、中石化煉化工程（集團）股份有限公司（股份代號：2386）、雅居樂地產控股有限公司（股份代號：3383）及豐盛機電控股有限公司（股份代號：0331）之獨立非執行董事。彼曾為亞洲聯合基建控股有限公司（股份代號：0711）及香港交易及結算所有限公司（股份代號：0388）之獨立非執行董事，分別至2015年2月1日辭任及2015年4月29日任滿為止。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Non-executive Directors (Continued)

**Mr. LI Hon Hung, BBS, MH, JP**, aged 61, has been appointed as a Non-executive Director of the Company since 1 October 2011. Mr. LI holds a Diploma of Architectural Design from Humber College of Toronto, Canada in 1981 and a Bachelor's of Architecture from New York Institute of Technology in 1984. Mr. LI was awarded the Certificate of Registration Authorized Person (List of Architects) in 1989 and the Certificate of Registered Inspector in 2012, by the Government of the HKSAR respectively. In professional qualification aspect, Mr. LI is a Fellow of Hong Kong Institute of Architects and a Member of Architect Registration Board. He also got the PRC Class 1 Registered Architect Qualification. Mr. LI has extensive architecture experience and is a Director of Li & Siu Associates Ltd. and A. Li & Associates Architects Ltd. In addition, he is a Director of Keen Mind Kindergarten. Mr. LI was appointed as a District Council Member of Sham Shui Po District from 2000 to 2007 and awarded the Chief Executive's Commendation For Community Service and Medal of Honor. He was also appointed by the Government of the HKSAR a Justice of the Peace in 2008 and was awarded a Bronze Bauhinia Star (BBS) in 2017. Mr. LI has been appointed to various positions over the years including: Chairman of Sham Shui Po District Office (East Liaison Team), Chairman of Sham Shui Po District Fire Safety Committee, Chairman of Sham Shui Po Council for the Promotion of Cultural and Recreation Service Limited, Chairman of Sham Shui Po District Fight Crime Committee, Honorary President of Sham Shui Po District Junior Police Call, Honorary President of Kowloon City District Junior Police Call, Honorary President of Yau Tsim District Junior Police Call, Chairman of Yau Yat Chuen Residents Association Ltd., President of Police Dragon Boat Club and Chartered President of Lions Club of Sham Shui Po Hong Kong. Mr. LI is also an Independent Non-executive Director of Sheung Yue Group Holdings Limited (Stock Code: 1633) which is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

### 董事及高層管理人員之履歷詳情 (續)

#### 非執行董事 (續)

**李漢雄 BBS, MH 太平紳士**，61歲，於2011年10月1日起獲委任為本公司之非執行董事。李先生於1981年持有加拿大多倫多Humber College頒授之理工建築系文憑，及於1984年持有美國紐約理工大學頒授之建築系學士學位。李先生分別於1989年獲得香港特別行政區認可人士（建築師）證書及於2012年獲得香港特別行政區註冊檢驗人員證書。在專業資格方面，李先生為香港建築師學會資深會員，以及香港建築師註冊管理局之會員。彼亦取得中國一級註冊建築師資格，李先生擁有豐富之建築經驗，亦為李邵建築師樓有限公司及李漢雄建築師樓有限公司之董事。另外，彼為劍鳴幼稚園暨幼兒園之董事。李先生於2000年至2007年間擔任深水埗區議會政府委任區議員，並獲頒授行政長官社區服務獎狀及榮譽勳章，彼更分別於2008年及2017年獲香港特別行政區政府頒授太平紳士榮銜及銅紫荊星章(BBS)。過往多年來李先生曾擔任多項公職，當中包括：深水埗東分區委員會主席、深水埗防火委員會主席、深水埗區文娛康樂促進會主席、深水埗區撲滅罪行委員會主席、深水埗區少年警訊名譽會長、九龍城區少年警訊名譽會長、油尖區少年警訊名譽會長、又一村居民聯會主席、香港警察龍舟會會長及深水埗獅子會創會會長。李先生現時亦為香港聯合交易所有限公司主板上市的上諭集團控股有限公司（股份代號：1633）之獨立非執行董事。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Independent Non-executive Directors

**Mr. TAI Kwok Leung, Alexander**, aged 60, has been an Independent Non-executive Director of the Company since 24 July 2008 and is the Chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee of the Company. Mr. TAI graduated from Victoria University of Wellington in New Zealand with a degree in Bachelor of Commerce and Administration in 1982 and became an associate member of the Hong Kong Institute of Certified Public Accountants in 1983. Mr. TAI has extensive accountancy, corporate finance and investment experience in Hong Kong and overseas. Mr. TAI is a partner of VMS Securities Limited, a licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities. Mr. TAI is an Independent Non-executive Director of Anhui Conch Cement Company Limited (Stock Code: 0914), Jiayuan International Group Limited (Stock Code: 2768) and G & M Holdings Limited (Stock Code: 6038) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. He is also a current member of the Shandong Committee of the Chinese People's Political Consultative Conference.

### 董事及高層管理人員之履歷詳情 (續)

#### 獨立非執行董事

**戴國良先生**，60歲，由2008年7月24日起為本公司之獨立非執行董事，彼為本公司審核委員會之主席及提名委員會與薪酬委員會之成員。戴先生於1982年在紐西蘭威靈頓Victoria University畢業，獲取商業及行政學士學位，並於1983年成為香港會計師公會會員。戴先生在香港及海外擁有豐富之會計、企業融資及投資經驗。戴先生為鼎珮證券有限公司之合夥人，該公司為根據證券及期貨條例可從事第1類（證券交易）、第4類（就證券提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動之持牌法團。戴先生現為於香港聯合交易所有限公司主板上市的安徽海螺水泥股份有限公司（股份代號：0914）、佳源國際控股有限公司（股份代號：2768）及信越控股有限公司（股份代號：6038）之獨立非執行董事。戴先生現亦為中國人民政治協商會議山東省委員會委員。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Independent Non-executive Directors (Continued)

**Mr. IP Shu Kwan, Stephen, GBS, JP**, aged 66, has been an Independent Non-executive Director of the Company since 1 October 2011 and is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. Mr. IP graduated from The University of Hong Kong with a degree of Social Sciences in 1973. He subsequently pursued further studies in Oxford University and Harvard Business School. Mr. IP joined the Hong Kong Government in November 1973 as an Administrative Officer and had served various government departments. Mr. IP was promoted to the rank of Director of Bureau in April 1997. He worked in the Government of the Hong Kong Special Administrative Region (the "Government of the HKSAR") as a Principal Official from July 1997 to June 2007. Senior positions held by Mr. IP in the past included Commissioner of Insurance, Commissioner for Labour, Secretary for Economic Services and Secretary for Financial Services. Mr. IP took up the position of Secretary for Economic Development and Labour on 1 July 2002. His portfolio in respect of economic development covered air and sea transport, logistics development, tourism, energy, postal services, meteorological services, competition and consumer protection. He was also responsible for labour policies including matters relating to employment services, labour relations and employees' rights. In his capacity as Secretary for Economic Development and Labour, Mr. IP was a member of the Hong Kong Airport Authority Board, the Mandatory Provident Fund Authority Board, the Hong Kong International Theme Parks Company Board as well as the Chairman of the Logistics Development Council, Port Development Board, Maritime Industry Council and Aviation Development Advisory Committee. Mr. IP retired from the Government of the HKSAR in July 2007. Mr. IP received the Gold Bauhinia Star award from the Government of the HKSAR in 2001, and is an unofficial Justice of the Peace. Mr. IP is also an Independent Non-executive Director of China Resources Cement Holdings Limited (Stock Code: 1313), Lai Sun Development Company Limited (Stock Code: 0488), Kingboard Laminates Holdings Limited (Stock Code: 1888) and Nameson Holdings Limited (Stock Code: 1982) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

### 董事及高層管理人員之履歷詳情 (續)

#### 獨立非執行董事 (續)

**葉澍堃 GBS 太平紳士**，66歲，由2011年10月1日起為本公司之獨立非執行董事，彼為本公司薪酬委員會之主席及審核委員會與提名委員會之成員。葉先生於1973年於香港大學社會科學系畢業，其後曾赴牛津大學及哈佛商學院深造。葉先生於1973年11月加入香港政府政務主任職級，亦曾服務多個政府部門。葉先生於1997年4月升任局長級。彼由1997年7月至2007年6月出任香港特別行政區政府（「香港特別行政區政府」）主要官員。葉先生曾經出任的高層職位包括保險業監理專員、勞工處處長、經濟局局長及財經事務局局長。葉先生自2002年7月1日起出任經濟發展及勞工局局長。在經濟發展方面，葉先生的職責範疇包括海空交通、物流發展、旅遊、能源、郵政服務、氣象服務、競爭及保障消費者權益。葉先生亦負責勞工政策，處理的事宜包括就業服務、勞資關係和僱員權益。葉先生過去以經濟發展及勞工局局長身份出任香港機場管理局、強制性公積金計劃管理局及香港國際主題樂園公司董事局成員，及物流發展局、港口發展局、航運發展局及航空發展諮詢委員會主席。葉先生於2007年7月退休離開香港特別行政區政府。葉先生於2001年獲香港特別行政區政府頒發金紫荊星章，及現時為非官守太平紳士。葉先生現時亦為於香港聯合交易所有限公司主板上市的華潤水泥控股有限公司（股份代號：1313）、麗新發展有限公司（股份代號：0488）、建滔積層板控股有限公司（股份代號：1888）及南旋控股有限公司（股份代號：1982）之獨立非執行董事。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Independent Non-executive Directors (Continued)

**Mr. MAK Wing Sum, Alvin**, aged 65, has been an Independent Non-executive Director of the Company since 31 December 2012 and is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. Mr. MAK graduated from the University of Toronto with a Bachelor of Commerce degree in 1976. He is a member of the Canadian Institute of Chartered Accountants and the Hong Kong Institute of Certified Public Accountants. After working in Citibank for over 26 years, Mr. MAK retired on 1 May 2012. He last served as the Head of Markets and Banking for Citibank Hong Kong, being the country business manager for corporate and investment banking business. Mr. MAK had also held various other senior positions in Citibank including Head of Global Banking responsible for managing all the coverage bankers. Prior to that, he also managed the bank's Hong Kong corporate finance business, regional asset management business and was the Chief Financial Officer of North Asia. Before joining Citibank in 1985, Mr. MAK was an audit group manager at Coopers & Lybrand (now known as PricewaterhouseCoopers). He worked for Coopers & Lybrand for 8 years, 5 of which was in Toronto, Canada.

Mr. MAK is an Independent Non-executive Director of I.T Limited (Stock Code: 0999), Lai Fung Holdings Limited (Stock Code: 1125), Hong Kong Television Network Limited (Stock Code: 1137), Goldpac Group Limited (Stock Code: 3315) and Crystal International Group Limited (Stock Code: 2232) which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Mr. MAK was admitted as a member of Hong Kong Housing Society in May 2015 and is currently a member of its Remuneration Committee, Audit Committee and Special Committee on Investment.

### 董事及高層管理人員之履歷詳情 (續)

#### 獨立非執行董事 (續)

**麥永森先生**，65歲，由2012年12月31日起為本公司之獨立非執行董事，彼為本公司提名委員會之主席及審核委員會與薪酬委員會之成員。麥先生於1976年在多倫多大學畢業，獲取商業學士學位。彼為加拿大特許會計師公會會員及香港會計師公會會員。麥先生於花旗銀行任職逾26年後，於2012年5月1日退休。離任前彼為花旗銀行香港區資本市場及企業銀行業務總裁，主管香港企業和投資銀行業務。麥先生在任職花旗銀行期間亦曾擔任過多項其他高級職務，包括環球銀行香港主管，專責管理所有顧客關係經理。在此之前，彼亦曾管理該銀行香港區企業融資業務、區域資產管理業務，並曾為北亞地區財務總裁。麥先生於1985年加入花旗銀行前，於永道會計師事務所（現為羅兵咸永道會計師事務所）任審計組經理。彼於永道會計師事務所工作了8年，其中5年於加拿大多倫多工作。

麥先生現為於香港聯合交易所有限公司主板上市的I.T Limited（股份代號：0999）、麗豐控股有限公司（股份代號：1125）、香港電視網絡有限公司（股份代號：1137）、金邦達寶嘉控股有限公司（股份代號：3315）及晶苑國際集團有限公司（股份代號：2232）之獨立非執行董事。彼亦於2015年5月獲委任為香港房屋協會的成員，現亦為其薪酬委員會、審核委員會和投資特別委員會之成員。

# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Independent Non-executive Directors (Continued)

**Ms. WONG Yu Pok, Marina, JP**, aged 69, is an Independent Non-executive Director, a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Ms. WONG joined the Company on 20 August 2013. Ms. WONG had been with PricewaterhouseCoopers for over 36 years specializing in the Mainland China tax and business advisory services. Since 1978, she was responsible for the development of the firm's business in the Mainland China. Ms. WONG joined Tricor Services Limited as a director from 2004 to 2006 after her retirement as a partner from PricewaterhouseCoopers in 2004. Ms. WONG is currently a member of the Dental Council of Hong Kong. She is also a Fellow Member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Ms. WONG is also an Independent Non-executive Director of Hong Kong Ferry (Holdings) Company Limited (Stock Code: 0050), Kerry Properties Limited (Stock Code: 0683) and Kerry Logistics Network Limited (Stock Code: 0636), which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

**Mr. HUI King Wai**, aged 68, was appointed as an Independent Non-executive Director and a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company with effect from 21 August 2015. He is a solicitor practising in Hong Kong. Mr. HUI is currently an Of Counsel of Locke Lord LLP. Mr. HUI was admitted the solicitor practising of the Supreme Court of England and Wales and of the Supreme Court of Hong Kong in 1981 and 1982 respectively. Mr. HUI was a Non-executive Director of the Group during the period from 1999 to 2013.

### 董事及高層管理人員之履歷詳情 (續)

#### 獨立非執行董事 (續)

**黃汝璞太平紳士**，69歲，為本公司獨立非執行董事，以及審核委員會、提名委員會及薪酬委員會之成員。黃女士於2013年8月20日加入本公司。黃女士在羅兵咸永道會計師事務所工作逾36年，對中國內地稅務及商業諮詢服務尤其熟悉。黃女士自1978年起負責事務所於中國內地之業務發展。黃女士自2004年退任羅兵咸永道會計師事務所合夥人一職後，於2004年至2006年出任卓佳專業商務有限公司之董事。黃女士現為香港牙醫管理委員會委員。彼亦為香港會計師公會及特許公認會計師公會資深會員。

黃女士亦為於香港聯合交易所有限公司主板上市之香港小輪(集團)有限公司(股份代號: 0050)、嘉里建設有限公司(股份代號: 0683)及嘉里物流聯網有限公司(股份代號: 0636)之獨立非執行董事。

**許競威先生**，68歲，獲委任為本公司獨立非執行董事、審核委員會、提名委員會及薪酬委員會成員，自2015年8月21日生效。彼為香港執業律師。許先生現為洛克律師事務所之顧問律師。許先生分別於1981年及1982年獲英格蘭及威爾斯最高法院以及香港最高法院認可為執業律師。許先生於1999年至2013年期間擔任本集團之非執行董事。



# REPORT OF THE DIRECTORS

## 董事會報告

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### Senior Management

**Mr. WONG Wai Tong**, aged 57, is the Business Director of the Group. He initially joined the Group in 1998 and served various departments for over 10 years until 2013. Mr. WONG rejoined the Group in 2014. He has over 41 years of manufacturing and purchasing experience in jewellery and gold industry. Mr. WONG is responsible for the Group's merchandising and assembly functions of diamonds and gemstones. He holds the titles of a Diamond Grader of National Gemstone Testing Center and a Certified Diamond Grader of HRD Antwerp Institute of Gemmology. He is the 2nd Term Member of the Guangzhou Nansha District Municipal Committee of the Chinese People's Political Consultative Conference, the Vice Chairman of Hong Kong Guangzhou Nansha Association, the 6th Term Executive Director of Guangzhou Overseas Friendship Association, the Chairman of the Supervisory Committee of Guangzhou Panyu Jewelry Manufacturers Association, the 4th Term Executive Director of Guangzhou Panyu Overseas Friendship Association, the 3rd Term Director of Guangzhou Panyu District Overseas Exchange Association, a Director of Guangzhou Diamond Exchange, the 12th Term Director of Guangzhou Panyu District Chamber of Commerce (Chamber) and the 3rd Term Director of Guangzhou Nansha District Chamber of Commerce (Chamber). Mr. WONG is the brother of Mr. WONG Wai Sheung, the Group's Chairman, Chief Executive and Executive Director.

**Ms. WONG So Kuen**, aged 56, is the Deputy Financial Controller of the Group. Ms. WONG joined the Group in 1997. She is mainly responsible for accounting, finance and tax planning matters of the Group. Ms. WONG often travels to Mainland China in search of information on national tax policies and privileges in order to develop relevant tax plans for the Group. She has over 32 years of experience in financial and accounting for commercial firms.

### 董事及高層管理人員之履歷詳情 (續)

#### 高級管理層

**黃偉棠先生**，57歲，為本集團之業務總監。彼於1998年首次加入本集團，至2013年期間曾於多個部門任職達10多年。黃先生其後於2014年再次加入本集團。彼具備逾41年珠寶黃金製造及採購經驗。黃先生現負責本集團鑽石與寶石之採購及鑲嵌事宜。彼持有國家珠寶玉石質量監督檢驗中心鑽石分級師及HRD Antwerp Institute of Gemmology之Certified Diamond Grader銜頭。彼亦是中國人民政治協商會議廣州市南沙區委員會第二屆委員、香港廣州南沙聯誼會副會長、廣州市海外聯誼會第六屆理事會常務理事、廣州市番禺區珠寶廠商會監事長、廣州市番禺區海外聯誼會第四屆理事會常務理事、廣州市番禺區海外交流協會第三屆理事會理事、廣州鑽石交易中心董事、廣州市番禺區工商業聯合會（總商會）第十二屆執委會理事及廣州市南沙區工商業聯合會（總商會）第三屆執委會理事。黃先生為本集團主席、行政總裁兼執行董事黃偉常先生之胞弟。

**黃蘇娟女士**，56歲，為本集團之財務副總監。黃女士於1997年加入本集團。彼主要負責本集團會計、財務及稅務策劃事宜。黃女士經常到中國內地考察，為本集團搜尋國家稅務政策及優惠條款，以制定有關稅務計劃。彼具備逾32年之商業機構財務及會計經驗。

# REPORT OF THE DIRECTORS

## 董事會報告

### RETIREMENT SCHEME

Details of the retirement scheme operated by the Group are set out in Note 14 to the financial statements.

### DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the AGM have service contracts with the Company or any of its subsidiaries which are not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The fees and other emoluments of directors are determined by reference to industry norm and market conditions, with discretionary bonus on performance awarded to executive directors.

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

Save as disclosed in Note 37 to the financial statements, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company, its subsidiaries or its holding company was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Year under review.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the Year under review.

### 退休計劃

本集團推行之退休計劃詳情載於財務報表附註14。

### 董事服務合約

擬於股東週年大會上重選連任之董事概無與本公司或其任何附屬公司訂立本集團不可於一年內終止而毋須作出賠償（法定補償除外）之服務合約。

董事袍金及其他酬金乃參考行業慣例及市況釐定，執行董事另可按表現獲發酌情花紅。

### 董事於重要交易、安排或合約之重大權益

除財務報表附註37披露者外，於年結日或回顧年度內任何時間內，本公司、其附屬公司或其控股公司概無簽訂任何其他與本集團業務有關而本公司董事直接或間接擁有重大權益之重要交易、安排或合約。

### 管理合約

於回顧年度內，本集團概無訂立或訂有任何與本集團整體或任何主要部分業務有關之管理及行政合約。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 March 2018, save as disclosed below, none of the directors and chief executive of the Company had interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (a) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (b) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), to be notified to the Company and the Stock Exchange:

### Long positions in shares and underlying shares of the Company:

### 董事及最高行政人員於證券之權益及淡倉

於2018年3月31日，除下文披露者外，本公司董事及最高行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中，擁有(a)根據證券及期貨條例第352條規定須記錄於該條所述登記冊；或(b)根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄10所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所之權益及淡倉：

### 本公司股份及相關股份之好倉：

Name of Director 董事姓名	Number of Ordinary Shares 普通股數目				Total Interest 權益總額	% of Shares 佔股份百分比
	Beneficiary Owner 實益擁有人	Spouse 配偶	Controlled Corporation 受控制法團	Beneficial of Trust 信託受益人		
Mr. WONG Wai Sheung 黃偉常先生	5,166,561	454,000 note (a) 附註(a)	240,868,176 note (b) 附註(b)	1,511,050 note (d) 附註(d)	247,999,787 (L)	42.24%
Mr. TSE Moon Chuen 謝滿全先生	433,344		240,868,176 note (c) 附註(c)		241,301,520 (L)	41.10%
Ms. WONG Hau Yeung 王巧陽女士	10,000				10,000 (L)	0.00%
Ms. WONG Lan Sze, Nancy 黃蘭詩女士	485,000			1,511,050 note (d) 附註(d)	1,996,050 (L)	0.34%
Ms. CHUNG Vai Ping 鍾惠冰女士	267,865				267,865 (L)	0.05%
Dr. CHAN So Kuen 陳素娟博士	80,000	5,000 note (e) 附註(e)			85,000 (L)	0.01%
Mr. WONG Ho Lung, Danny 黃浩龍先生	360,000			1,511,050 note (d) 附註(d)	1,871,050 (L)	0.32%
Mr. LI Hon Hung 李漢雄先生	837,437				837,437 (L)	0.14%

(L) Long position 好倉

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES (Continued)

#### Long positions in shares and underlying shares of the Company: (Continued)

Note (a)

Mr. WONG Wai Sheung's spouse, Ms. LUK Chui Yee, held 454,000 shares of the Company.

Note (b)

Mr. WONG Wai Sheung was a discretionary beneficiary of the WONG's Family Trust (the "Trust"). The Trust was the beneficial owner of the entire issued share capital of Kwai Kee Cheung Jewellery & Goldsmith Company Limited which controlled over one-third of the voting power of Luk Fook (Control) Limited. Accordingly, Mr. WONG Wai Sheung, together with others, collectively controlled (directly or indirectly) over one-half of the voting power of Luk Fook (Control) Limited and was deemed to be interested in 234,185,672 shares held by Luk Fook (Control) Limited in the Company.

In addition, the directors of Dragon King Investment Ltd. are accustomed to act in accordance with the directions of Mr. WONG Wai Sheung and the others, and thus Mr. WONG Wai Sheung was deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd. in the Company. Mr. WONG Wai Sheung, together with others, collectively controlled (directly or indirectly) over 30% of the voting power of Dragon King Investment Ltd..

Note (c)

Mr. TSE Moon Chuen, together with others, collectively controlled (directly or indirectly) over one-half of the voting power of Luk Fook (Control) Limited. Accordingly, Mr. TSE Moon Chuen was deemed to be interested in 234,185,672 shares held by Luk Fook (Control) Limited in the Company.

In addition, the directors of Dragon King Investment Ltd. are accustomed to act in accordance with the directions of Mr. TSE Moon Chuen and the others, and thus Mr. TSE Moon Chuen was deemed to be interested in 6,682,504 shares held by Dragon King Investment Ltd. in the Company. Mr. TSE Moon Chuen, together with others, collectively controlled (directly or indirectly) over 30% of the voting power of Dragon King Investment Ltd..

Note (d)

Mr. WONG Wai Sheung, Ms. LUK Chui Yee, Ms. WONG Lan Sze, Nancy and Mr. WONG Ho Lung, Danny, were discretionary beneficiaries of the Trust. The Trust was the beneficial owner of the entire issued share capital of Kwai Kee Cheung Jewellery & Goldsmith Company Limited which in turn was the beneficial owner of 1,511,050 shares of the Company.

Note (e)

Dr. CHAN So Kuen's spouse, Mr. LO Kwing Chi, held 5,000 shares of the Company.

### 董事及最高行政人員於證券之權益及淡倉(續)

#### 本公司股份及相關股份之好倉：(續)

附註(a)

黃偉常先生之配偶陸翠兒女士持有454,000股本公司股份。

附註(b)

黃偉常先生為黃氏家族信託(「信託」)之全權受益人。該信託為桂記祥珠寶金行有限公司全部已發行股本之實益擁有人，控制六福(控股)有限公司超過三分之一投票權。因此，黃偉常先生連同其他人士共同(直接或間接地)控制六福(控股)有限公司超過一半投票權，並被視為於六福(控股)有限公司持有之234,185,672股本公司股份中擁有權益。

此外，龍寶投資有限公司的董事慣於根據黃偉常先生及其他人士的指令行事，因此黃偉常先生被視為於龍寶投資有限公司持有的6,682,504股本公司股份中擁有權益。黃偉常先生連同其他人士共同(直接或間接地)控制龍寶投資有限公司超過30%投票權。

附註(c)

謝滿全先生連同其他人士共同(直接或間接地)控制六福(控股)有限公司超過一半投票權。因此，謝滿全先生被視為於六福(控股)有限公司持有之234,185,672股本公司股份中擁有權益。

此外，龍寶投資有限公司的董事慣於根據謝滿全先生及其他人士的指令行事，因此謝滿全先生被視為於龍寶投資有限公司持有的6,682,504股本公司股份中擁有權益。謝滿全先生連同其他人士共同(直接或間接地)控制龍寶投資有限公司超過30%投票權。

附註(d)

黃偉常先生、陸翠兒女士、黃蘭詩女士及黃浩龍先生為信託之全權受益人。該信託為桂記祥珠寶金行有限公司全部已發行股本之實益擁有人，而該公司則為1,511,050股本公司股份之實益擁有人。

附註(e)

陳素娟博士之配偶盧炯志先生持有5,000股本公司股份。

# REPORT OF THE DIRECTORS

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to the directors and chief executive of the Company, as at 31 March 2018, save as disclosed below, no person, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### 主要股東於股份及相關股份之權益

於2018年3月31日，除下文披露者外，據本公司董事及最高行政人員所悉，概無其他非本公司董事或最高行政人員之人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露之權益或淡倉。

Name of Shareholder 股東姓名／名稱	Number of Shares 股份數目	Capacity 身份	Total Interest 權益總額	% of Shares 佔股份百分比
Mr. CHAN Wai 陳偉先生	3,799,022 (L)	Beneficial Owner 實益擁有人	244,667,198 (L)	41.67%
	240,868,176 (L) (note (a)) (附註(a))	Controlled Corporation 受控制法團		
Mr. LEE Shu Kuan (Deceased on 14 July 2011) 李樹坤先生 (於2011年7月14日辭世)	6,370,229 (L)	Beneficial Owner 實益擁有人	249,825,029 (L)	42.55%
	243,454,800 (L) (notes (a), (b) and (c)) (附註(a)、(b) 及(c))	Controlled Corporation 受控制法團		
Luk Fook (Control) Limited 六福(控股)有限公司	234,185,672 (L)	Beneficial Owner 實益擁有人	234,185,672 (L)	39.89%
Silchester International Investors LLP	64,878,600 (L)	Investment Manager 投資經理	64,878,600 (L)	11.05%
Silchester International Investors International Value Equity Trust	29,486,600 (L)	Investment Manager 投資經理	29,486,600 (L)	5.02%

(L) Long position 好倉

# REPORT OF THE DIRECTORS

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Note (a)

Mr. CHAN Wai and the administrator of Mr. LEE Shu Kuan, together with others, collectively controlled (directly or indirectly) over one-half of the voting power of Luk Fook (Control) Limited and were deemed to be interested in 234,185,672 shares held by Luk Fook (Control) Limited in the Company.

In addition, the directors of Dragon King Investment Ltd. are accustomed to act in accordance with the directions of Mr. CHAN Wai, the administrator of Mr. Lee Shu Kwan and the others, and thus Mr. CHAN Wai, the administrator of Mr. Lee Shu Kwan and the others were deemed to be interested in the 6,682,504 shares held by Dragon King Investment Ltd. in the Company. Mr. CHAN Wai and the administrator of Mr. LEE Shu Kuan, together with others, collectively controlled (directly or indirectly) over 30% of the voting power of Dragon King Investment Ltd..

Note (b)

The administrator of Mr. LEE Shu Kuan held 33.3% of the entire issued share capital of Wah Hang Kimon Investments Limited which in turn held 630,624 shares of the Company.

Note (c)

The administrator of Mr. LEE Shu Kuan held 51% of the entire issued share capital of Wah Hang Kimon Holdings Limited which in turn held 1,956,000 shares of the Company.

### CONNECTED TRANSACTIONS

The related party transactions entered into by the Group during the Year under review as disclosed in Note 37 to the financial statements do not constitute connected transactions under the Listing Rules.

### DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year under review was the Company, its subsidiaries, its associated companies, its fellow subsidiaries, or its parent company or its other associated corporation a party to any arrangement to enable the directors and the chief executive of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its specified undertakings or other associated corporations.

### 主要股東於股份及相關股份之權益 (續)

附註(a)

陳偉先生及李樹坤先生的遺產管理人，連同其他人士共同（直接或間接地）控制六福（控股）有限公司超過一半投票權，且被視為於六福（控股）有限公司持有的234,185,672股本公司股份中擁有權益。

此外，龍寶投資有限公司的董事慣於根據陳偉先生、李樹坤先生的遺產管理人及其他人士的指令行事，因此陳偉先生、李樹坤先生的遺產管理人及其他人士被視為於龍寶投資有限公司持有的6,682,504股本公司股份中擁有權益。陳偉先生及李樹坤先生的遺產管理人，連同其他人士共同（直接或間接地）控制龍寶投資有限公司超過30%投票權。

附註(b)

李樹坤先生的遺產管理人持有華亨錦安投資有限公司全部已發行股本的33.3%，而華亨錦安投資有限公司則持有630,624股本公司股份。

附註(c)

李樹坤先生的遺產管理人持有華亨錦安控股有限公司全部已發行股本的51%，而華亨錦安控股有限公司則持有1,956,000股本公司股份。

### 關連交易

財務報表附註37所披露本集團於回顧年度內訂立之關連人士之交易，並不構成上市規則項下之關連交易。

### 董事藉收購股份或債券權利獲取之利益

於回顧年度內任何時間，本公司、其附屬公司、其聯營公司、同系附屬公司或母公司，或其他有聯繫法團概無成為某些安排的其中一方，致使本公司的董事及行政總裁（包括其配偶及18歲以下子女）能持有本公司或其指明企業或其他有聯繫法團之股份、相關股份或債權證的權益或淡倉。

# REPORT OF THE DIRECTORS

## 董事會報告

### DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 31 March 2018, the aggregate amount of financial assistance to an affiliated company and its wholly-owned subsidiaries by the Group exceeded 8% of the assets ratios as defined in Rule 14.07(1) of the Listing Rules. Details of advances (including guarantee given by the Group) which were non-trading in nature, made by the Group to the affiliated company and its wholly-owned subsidiaries were as follows:

### 根據上市規則第13.22條作出之披露

於2018年3月31日，本集團向一家聯屬公司及其全資附屬公司提供之財務資助總額超過上市規則第14.07(1)條所界定的資產比率之8%。本集團向該聯屬公司及其全資附屬公司提供之非貿易性墊款（包括本集團提供之擔保）之詳情如下：

Name of Company	Relationship with the Group	Advances	Corporate Guarantee	Extent of Corporate Guarantee Utilised
公司名稱	與本集團之關係	墊款 HK\$'000 千港元	公司擔保 HK\$'000 千港元	已使用公司擔保額 HK\$'000 千港元

3D-GOLD Jewellery (HK) Limited 金至尊珠寶(香港)有限公司	Associated company 聯營公司	–	775,000	767,000
3D-GOLD Enterprises Development (Shenzhen) Company Limited 金至尊實業發展(深圳)有限公司	Associated company 聯營公司	–	123,630	–
China Gold Silver Group Company Limited 中國金銀集團有限公司	Associated company 聯營公司	143,190	–	–

Pursuant to Rule 13.22 of the Listing Rules, a pro-forma combined balance sheet of these affiliated companies with financial assistance from the Group and the Group's attributable interest in these affiliated companies as at 31 March 2018 (the latest practical date) are presented as follows:

根據上市規則第13.22條，該等獲得本集團財務資助之聯屬公司之備考合併資產負債表及本集團於2018年3月31日（最後可行日期）應佔該等聯屬公司之權益載述如下：

Interest held	所持權益	Pro-forma combined balance sheet 備考合併 資產負債表 HK\$'000 千港元	Group's attributable interest 本集團 應佔權益 50% HK\$'000 千港元
Non-current assets	非流動資產	579,414	289,707
Current assets	流動資產	2,430,861	1,215,431
Current liabilities	流動負債	(1,865,827)	(932,914)
Loans from shareholders	股東貸款	(286,380)	(143,190)
Net assets	淨資產	858,068	429,034

# REPORT OF THE DIRECTORS

## 董事會報告

### PERMITTED INDEMNITY PROVISIONS

During the Year under review and up to the date of this report, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefit of the Directors (including former Directors) of the Company or its associated companies. The permitted indemnity provisions are provided for in the Company's Articles of Association and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against such Directors.

### MAJOR CUSTOMERS

During the Year under review, the percentages of sales for the year attributable to the Group's major customers are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
The largest customer	最大客戶	2.9%	3.0%
Five largest customers combined	五名最大客戶合計	5.6%	5.5%

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had interest in the major customers noted above.

### MAJOR SUPPLIERS

The percentages of purchases for the Year under review attributable to the Group's major suppliers are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
The largest supplier	最大供應商	23.9%	33.3%
Five largest suppliers combined	五名最大供應商合計	67.5%	64.0%

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had interest in the major suppliers noted above.

### BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

Particulars of bank loans, overdrafts and other borrowings of the Group as at 31 March 2018 are set out in Notes 32 and 33 to the financial statements.

### 獲准許彌償條文

於回顧年度內及截至本報告日期為止，本公司按有關法規的允許，備有以本公司或其有聯繫公司董事（包括前董事）為受益人的彌償條文。獲准許彌償條文的規定載於本公司組織章程細則，以及於本集團為董事及高級行政人員購買的責任保險內，有關保險就董事的責任和其可能面對法律訴訟而產生相關費用而作出賠償。

### 主要客戶

於回顧年度內，本集團主要客戶所佔年內銷售額之百分比如下：

各董事、彼等之聯繫人士或據董事所知擁有本公司5%以上股本之任何股東，概無擁有上述主要客戶之權益。

### 主要供應商

於回顧年度內，本集團主要供應商所佔購貨額之百分比如下：

各董事、彼等之聯繫人士或據董事所知擁有本公司5%以上股本之任何股東，概無擁有上述主要供應商之權益。

### 銀行貸款、透支及其他借貸

本集團於2018年3月31日之銀行貸款、透支及其他借貸詳情載於財務報表附註32及33。



# REPORT OF THE DIRECTORS

## 董事會報告

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws of Bermuda.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company for the AGM will be closed from 10 August 2018 to 15 August 2018, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance at the AGM to be held on 15 August 2018, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 9 August 2018.

The register of members of the Company for the final dividend will also be closed on 21 August 2018 and no transfer of shares will be registered on that day. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 20 August 2018.

### EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence. The emoluments of the directors are reviewed and determined by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. No director, or any of his or her associates involved in deciding his or her own remuneration.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Company had 10.4% interest in Hong Kong Resources Holdings Co. Ltd. ("HKRH") as at 31 March 2018. HKRH is listed on the Main Board of the Stock Exchange.

As at 31 March 2018, Ms. WONG Hau Yeung and Mr. WONG Ho Lung, Danny who were directors of the Company, were also directors of China Gold Silver Group Company Limited, a subsidiary of HKRH. Mr. WONG Wai Sheung and Mr. TSE Moon Chuen who were directors of the Company held certain shares in HKRH, were also considered as having an interest in HKRH under Rule 8.10(2) of the Listing Rules.

### 優先購買權

本公司之公司細則並無載列有關優先購買權之規定，惟百慕達法例對該等權利並無限制。

### 暫停辦理股份過戶登記

就股東週年大會而言，本公司將於2018年8月10日至2018年8月15日（首尾兩天包括在內）暫停辦理股份過戶登記手續。為符合資格出席將於2018年8月15日舉行之股東週年大會，所有過戶文件連同有關股票最遲須於2018年8月9日下午4時30分前送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

就末期股息而言，本公司亦將於2018年8月21日暫停辦理股份過戶登記手續。為符合資格享有末期股息，所有過戶文件連同有關股票最遲須於2018年8月20日下午4時30分前送達本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

### 薪酬政策

本集團僱員之薪酬政策乃基於僱員之表現、資歷及能力。董事之薪酬由薪酬委員會經參考本公司之營運業績、個別僱員表現及可資比較市場數據而檢討及釐定。概無任何董事或其任何聯繫人士參與釐定其本身之薪酬。

### 董事在競爭業務中之權益

於2018年3月31日，本公司於香港資源控股有限公司（「香港資源控股」）中擁有10.4%的權益。香港資源控股於聯交所主板上市。

於2018年3月31日，本公司董事王巧陽女士及黃浩龍先生亦為香港資源控股附屬公司中國金銀集團有限公司的董事。本公司董事黃偉常先生及謝滿全先生均持有香港資源控股的若干股份，故根據上市規則第8.10(2)條彼等亦被視為於香港資源控股佔有權益。

# REPORT OF THE DIRECTORS

## 董事會報告

### DIRECTORS' INTERESTS IN COMPETING BUSINESS (Continued)

The retail and franchising operations for selling gold and jewellery products carried on by HKRH and its subsidiaries ("HKRH Group") constitute competing businesses of the Group. As the Company and HKRH were separate listed entities and run by separate and independent management teams, the directors of the Company believed that the Company was capable of carrying on its business independently of the HKRH Group.

For safeguarding the interests of the Group, the independent non-executive directors and the Audit Committee of the Company would on a regular basis review the business and operational results of the Group to ensure, inter alia, that the Group's development of retail, wholesale and licensing operations for selling gold and jewellery products are and continue to be run on the basis that they are independent of, and at arm's length from, the business of the HKRH Group.

Save as disclosed as aforesaid and in this report, none of the directors of the Company and their respective associates (as defined in the Listing Rules) had an interest in any business which competed or might compete with the business in which the Group is engaged.

### TAX RELIEF AND EXEMPTION

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

### SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of its directors as at the date of this Annual Report, the public float of shares in the Company has remained above the minimum percentage required by the Stock Exchange throughout the year.

### AUDITOR

The financial statements of the Group for the Year under review have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment.

By order of the Board,  
**WONG Wai Sheung**  
Chairman & Chief Executive

Hong Kong, 27 June 2018

### 董事在競爭業務中之權益(續)

香港資源控股及其附屬公司(「香港資源控股集團」)從事銷售黃金及珠寶首飾產品的零售及特許權業務構成本集團的競爭業務。由於本公司及香港資源控股為獨立上市實體且由不同的獨立管理團隊運營，故本公司董事認為本公司有能力與香港資源控股集團各不相涉的情況下獨立經營其業務。

為保障本集團的權益，本公司獨立非執行董事及審核委員會會定期檢討本集團的業務及營運業績，以確保(其中包括)本集團黃金及珠寶首飾產品的零售、批發及品牌業務發展是及持續與香港資源控股集團之間在公平原則下獨立經營。

除上文及本報告所披露者外，概無本公司董事及彼等各自聯繫人士(定義見上市規則)於與本集團所從事的業務構成競爭或可能構成競爭的任何業務中擁有權益。

### 稅務寬減及豁免

本公司概不知悉有任何因股東持有本公司證券而向彼等提供之稅務寬減及豁免。

### 充裕公眾持股量

根據本公司獲得之公開資料及據董事所知，於本年報日期，本公司股份之公眾持股量全年維持於聯交所規定的最低百分比以上。

### 核數師

本集團有關回顧年度之財務報表已由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟合資格並表示願意應聘連任。

承董事會命  
主席兼行政總裁  
**黃偉常**

香港，2018年6月27日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



羅兵咸永道

### TO THE SHAREHOLDERS OF LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

(incorporated in Bermuda with limited liability)

#### OPINION

##### What we have audited

The consolidated financial statements of Luk Fook Holdings (International) Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 120 to 228, which comprise:

- the consolidated balance sheet as at 31 March 2018;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

### 致六福集團(國際)有限公司股東

(於百慕達註冊成立之有限公司)

#### 意見

##### 我們已審計的內容

六福集團(國際)有限公司(「貴公司」)及其附屬公司(「貴集團」)列載於第120至228頁的綜合財務報表,包括:

- 於2018年3月31日的綜合資產負債表;
- 截至該日止年度的綜合損益表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括主要會計政策概要。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKASs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

### Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

### KEY AUDIT MATTERS

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

### 我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則（「香港財務報告準則」）真實而公平地反映 貴集團於2018年3月31日的綜合財務狀況，及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港《公司條例》的披露規定妥為擬備。

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

### 獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》（「守則」），我們獨立於 貴集團，並已履行守則中的其他專業道德責任。

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

Key audit matter identified in our audit relates to existence and valuation of inventories.

#### Key Audit Matter

##### 關鍵審計事項

##### *Existence and valuation of inventories*

存貨之存在性及其價值

Refer to note 3.10, 5(a) and 24 to the consolidated financial statements.

請參閱綜合財務報表附註3.10、5(a)及24。

The carrying value of inventories of the Group is HK\$7,992 million as at 31 March 2018. The Group's inventories mainly comprised of gold, platinum and gem-set jewellery products in the stores, manufacturing facilities and distribution centres. Valuation of inventories is at lower of cost and net realisable value. Significant portion of inventory cost includes cost of precious metals and gems which are subject to the risk of changes in market value. The assessment of net realisable value of inventories is based on estimates and judgements by management in respect of, amongst others, the economic condition, forecast sales performance, marketability of products and the forecast market price of precious metals and gems used to make the jewellery products. Furthermore, there is a higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory item.

於2018年3月31日，貴集團存貨的賬面值為7,992,000,000港元。貴集團存貨主要包括店舖、生產設施及分銷中心的黃金、鉑金及珠寶首飾產品。存貨乃按成本值及可變現淨值兩者之較低者估值。存貨成本絕大部分為貴金屬及珠寶成本，而該等成本承受市值變動風險。存貨的可變現淨值按管理層就（其中包括）經濟狀況、預期銷售表現、產品的適銷性以及製造珠寶首飾產品所用貴金屬及珠寶的預期市價的估計及判斷進行評估。此外，個別存貨的內在價值高昂兼具便攜性質，令其存在較高的遭偷盜風險。

### 關鍵審計事項 (續)

我們在審計中識別的關鍵審計事項為存貨之存在性及其價值。

#### How our audit addressed the Key Audit Matter

##### 我們的審計如何處理關鍵審計事項

Our audit procedures to test the physical existence of inventories mainly consist of evaluating and testing the relevant internal control procedures, in particular, we:

對存貨進行實物檢測時，我們的審計程序主要包括評估及測試有關的內部控制程序，尤其是我們：

- (i) attended a selection of daily cycle physical counts in stores throughout the year to observe the daily count procedures performed in retail outlets;  
全年有選擇性地參加店舖的每日實物盤點過程，以觀察零售店的每日盤點程序；
- (ii) inspected the respective daily physical cycle counts reports for reconciliation of daily ending inventories to the record in the inventory system;  
查閱有關的每日實物盤點過程報告，以將每日營業結束時存貨與存貨系統記錄進行對賬；
- (iii) inspected the in-house and external gemological appraisal or laboratory reports on the authenticity of gold, platinum and gem-set jewellery products.  
檢查內部及外聘第三方有關黃金、鉑金及珠寶首飾產品鑑定的珠寶評估或實驗報告。

Furthermore, we attended the annual physical inventory counts at year end date and performed “two-way” sample count procedures in a selected sample of stores, manufacturing facilities and distribution centres of the Group. We compared our sample count results with the counts performed by the Group and the records in the inventory system.

此外，我們還參加年結日的每年存貨實物盤點，並對貴集團店舖、生產設施及分銷中心抽樣執行「雙向」樣品點算程序。我們已將抽樣點算的結果與貴集團進行的點算及存貨系統的記錄作對比。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Key Audit Matter

##### 關鍵審計事項

The above, in combination with the inventories contributing to a significant portion of total assets of the Group, made us conclude that existence and valuation of inventories as a key audit matter of our audit.

由於以上所述，加之存貨構成 貴集團總資產的重大部分，因此，我們將存貨之存在性及其價值列作我們審計時的關鍵審計事項。

### 關鍵審計事項 (續)

#### How our audit addressed the Key Audit Matter

##### 我們的審計如何處理關鍵審計事項

We also selected samples of gem-set jewellery, comprising items of different nature, aging profiles and price for gemmological appraisal carried out by independent gemmologist engaged by the Group to verify their authenticity and assess their conditions and valuations. We have evaluated the competence, capabilities and objectivity of the gemmologist and obtained an understanding of the scope of work and the terms of engagement.

我們亦甄選部份珠寶首飾樣品（所選項目涵蓋不同的類別、貨齡及價格），由 貴集團委聘的獨立寶石專家進行珠寶評估，以核實其真實性及評估其狀況及估值。我們已對寶石專家的才能、能力及客觀性作出評估，並瞭解工作範圍及委聘條款。

In evaluating management's assessment of net realisable value and provision of inventories, we: 在評估管理層對存貨可變現淨值及撥備所作評估的過程中，我們：

- (i) compared the net realisable values of gold and platinum inventories calculated based on the current market price of precious metals with their purchase or production costs;
- (ii) 將按貴金屬當前市價計算的黃金及鉑金存貨可變現淨值與其購買或生產成本進行比較；

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS (Continued)

#### Key Audit Matter

#### 關鍵審計事項

### 關鍵審計事項 (續)

#### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

- (ii) obtained an understanding of management's processes for the identification of slow moving gem-set jewellery products and assessed the basis adopted by management for determining the inventory provision with reference to, amongst others, the market price movement of the materials, the aging profile and the historical sales pattern and the subsequent selling prices of these products.
- (ii) 瞭解管理層有關滯銷珠寶首飾產品的識別程序，並參考（其中包括）該等產品的材料市價變動、貨齡及以往銷售模式以及之後售價，對管理層採用的存貨撥備釐定基準加以評估。
- (iii) compared the results of independent gemmological appraisal report of selected samples above to the cost of gem-set jewellery in evaluating the sufficiency of inventory provision made by management.
- (iii) 於評估管理層所作存貨撥備是否充足時，已將上文所述選定樣本的獨立珠寶評定報告結果與珠寶成本進行比較。

Based on the procedures performed, we found that the physical existence of inventories, as well as the estimates and judgement made by management in respect of the net realisable value of inventories, are supportable by the available evidence.

基於執行的程序，我們發現存貨的實物存在性以及管理層就存貨可變現淨值作出的估計及判斷有可得的證據支持。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

### 其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載全部資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，並在此過程中考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為有關其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事及審核委員會就綜合財務報表承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們按照百慕達1981年《公司法》第90條僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響該等綜合財務報表使用者依賴該等綜合財務報表所作出的經濟決定，則有關錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容（包括披露），以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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

我們與審核委員會溝通了計劃的審計範圍、時間安排及重大審計發現等事宜，包括我們在審計中識別出內部控制的任何重大缺陷。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

The engagement partner on the audit resulting in this independent auditor's report is Yuen Kwok Kin Andrew.

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

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律及規例不允許公開披露有關事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是袁國健。

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 27 June 2018

**羅兵咸永道會計師事務所**  
執業會計師

香港，2018年6月27日

# CONSOLIDATED INCOME STATEMENT

## 綜合損益表

For the year ended 31 March 2018  
截至2018年3月31日止年度

		Note	2018	2017
		附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收入	6	<b>14,578,409</b>	12,807,277
Cost of sales	銷售成本	8	<b>(10,837,032)</b>	(9,530,216)
Gross profit	毛利		<b>3,741,377</b>	3,277,061
Other income	其他收入	7	<b>183,364</b>	175,594
Selling and distribution costs	銷售及分銷費用		<b>(2,150,937)</b>	(1,994,310)
Administrative expenses	行政費用		<b>(166,581)</b>	(155,253)
Other gains/(losses), net	其他收益/(虧損), 淨額	9	<b>13,583</b>	(13,775)
Operating profit	經營溢利	8	<b>1,620,806</b>	1,289,317
Finance income	財務收入		<b>28,922</b>	23,982
Finance costs	財務費用		<b>(6,392)</b>	(9,011)
Finance income, net	財務收入, 淨額	10	<b>22,530</b>	14,971
Share of results of associates	應佔聯營公司業績	19	<b>(29,897)</b>	(54,273)
Profit before income tax	除所得稅前溢利		<b>1,613,439</b>	1,250,015
Income tax expenses	所得稅開支	11	<b>(243,125)</b>	(223,047)
Profit for the year	年內溢利		<b>1,370,314</b>	1,026,968
Profit attributable to:	應佔溢利:			
Equity holders of the Company	本公司權益持有人		<b>1,369,393</b>	1,016,838
Non-controlling interests	非控股權益		<b>921</b>	10,130
			<b>1,370,314</b>	1,026,968
Earnings per share for profit attributable to equity holders of the Company during the year	年內本公司權益持有人應佔溢利之每股盈利	12		
Basic	基本		<b>HK\$2.33港元</b>	HK\$1.73港元
Diluted	攤薄	12	<b>HK\$2.33港元</b>	HK\$1.73港元

The notes on pages 127 to 228 are an integral part of these consolidated financial statements.

第127至228頁的附註為此等綜合財務報表的一部分。

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收入報表

For the year ended 31 March 2018  
截至2018年3月31日止年度

		Note 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Profit for the year	年內溢利		<b>1,370,314</b>	1,026,968
Other comprehensive income:	其他全面收入：			
<i>Items that will not be reclassified to profit or loss</i>	<i>其後不會重新分類至損益的項目</i>			
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	31	<b>16,646</b>	1,349
<i>Items that may be reclassified to profit or loss</i>	<i>其後可能會重新分類至損益的項目</i>			
Currency translation differences:	匯兌差額：			
– Group	– 本集團		<b>396,943</b>	(158,405)
– Associates	– 聯營公司		<b>12,478</b>	(15,246)
Revaluation of available-for-sale financial assets	可供出售金融資產的價值變動	22	<b>(1,615)</b>	(1,077)
Other comprehensive income for the year	年內其他全面收入		<b>424,452</b>	(173,379)
Total comprehensive income for the year	年內全面總收入		<b>1,794,766</b>	853,589
Attributable to:	下列人士應佔：			
– Equity holders of the Company	– 本公司權益持有人		<b>1,789,668</b>	845,372
– Non-controlling interests	– 非控股權益		<b>5,098</b>	8,217
			<b>1,794,766</b>	853,589

The notes on pages 127 to 228 are an integral part of these consolidated financial statements.

第127至228頁的附註為此等綜合財務報表的一部分。

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 31 March 2018  
於2018年3月31日

		As at 31 March 於3月31日	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	16	547,659
Land use rights	土地使用權	17	273,019
Investment properties	投資物業	18	35,810
Interests in associates	於聯營公司之權益	19	67,593
Loan to an associate	貸款予一家聯營公司	20	94,927
Derivative financial instrument	衍生金融工具	21	50,782
Available-for-sale financial assets	可供出售金融資產	22	6,075
Trading licence	交易執照		1,080
Rental deposits and prepayment	租金按金及預付賬項	23	212,167
Deferred income tax assets	遞延所得稅資產	30	47,114
			564,270
			247,781
			35,020
			85,012
			90,830
			48,979
			7,690
			1,080
			121,204
			45,954
			<b>1,336,226</b>
			1,247,820
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	24	7,991,727
Trade receivables	貿易應收賬項	25	359,796
Deposits, prepayments and other receivables	按金、預付賬項及其他應收賬項	23	364,765
Derivative financial instrument	衍生金融工具	21	-
Amount due from an associate	應收一家聯營公司賬項	19	13,173
Loan to an associate	貸款予一家聯營公司	20	43,190
Income tax recoverable	可收回所得稅		8,134
Cash and bank balances	現金及銀行結餘	26	2,097,867
			6,972,770
			217,258
			323,323
			9
			33,340
			20,000
			2,956
			1,861,774
			<b>10,878,652</b>
			9,431,430
<b>Total assets</b>	<b>總資產</b>		<b>12,214,878</b>
			10,679,250
<b>EQUITY</b>	<b>權益</b>		
<b>Capital and reserves attributable to the equity holders of the Company</b>	<b>本公司權益持有人應佔資本及儲備</b>		
Share capital	股本	28(a)	58,710
Share premium	股份溢價	28(b)	2,494,040
Reserves	儲備	29	7,482,019
			58,710
			2,494,040
			6,320,600
			<b>10,034,769</b>
Non-controlling interests	非控股權益		8,873,350
Total equity	權益總額		<b>10,079,737</b>
			106,590
			8,979,940

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 31 March 2018  
於2018年3月31日

		As at 31 March 於3月31日	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
<b>LIABILITIES</b>	<b>負債</b>		
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Deferred income tax liabilities	30	100,714	81,670
Employee benefit obligations	31	8,237	23,754
		<b>108,951</b>	105,424
<b>Current liabilities</b>	<b>流動負債</b>		
Trade payables, other payables and accruals	27	1,125,453	1,004,664
Amount due to an associate	19	3,555	1,995
Bank borrowings	32	415,000	-
Gold loans	33	311,283	437,151
Current income tax liabilities		170,899	150,076
		<b>2,026,190</b>	1,593,886
<b>Total liabilities</b>	<b>總負債</b>	<b>2,135,141</b>	1,699,310
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>12,214,878</b>	10,679,250

The consolidated financial statements were approved by the Board of Directors on 27 June 2018 and were signed on its behalf.

綜合財務報表乃由董事會於2018年6月27日批准並經由下列董事代表簽署。

**Wong Wai Sheung**  
**黃偉常**  
Director  
董事

**Chan So Kuen**  
**陳素娟**  
Director  
董事

The notes on pages 127 to 228 are an integral part of these consolidated financial statements.

第127至228頁的附註為此等綜合財務報表的一部分。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2018  
截至2018年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔					
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元 (Note 29) (附註 29)	Subtotal 小計 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
<b>For the year ended</b>	<b>截至2017年</b>						
<b>31 March 2017</b>	<b>3月31日止年度</b>						
At 1 April 2016	於2016年4月1日	58,710	2,494,040	6,121,046	8,673,796	95,123	8,768,919
<b>Comprehensive income</b>	<b>全面收入</b>						
Profit for the year	年內溢利	-	-	1,016,838	1,016,838	10,130	1,026,968
<b>Other comprehensive income</b>	<b>其他全面收入</b>						
Remeasurements of employee benefit obligations	僱員福利責任的 重新計量	-	-	1,349	1,349	-	1,349
Currency translation differences	匯兌差額	-	-	(171,738)	(171,738)	(1,913)	(173,651)
Revaluation of available-for-sale financial assets	可供出售金融資產的 價值變動	-	-	(1,077)	(1,077)	-	(1,077)
<b>Total other comprehensive income</b>	<b>其他全面總收入</b>	-	-	(171,466)	(171,466)	(1,913)	(173,379)
<b>Total comprehensive income</b>	<b>全面總收入</b>	-	-	845,372	845,372	8,217	853,589
<b>Transactions with owners</b>	<b>與擁有人之交易</b>						
Dividends paid	已付股息	-	-	(645,818)	(645,818)	-	(645,818)
Capital injection from non-controlling interest of a subsidiary	附屬公司非控股權益注資	-	-	-	-	3,250	3,250
At 31 March 2017	於2017年3月31日	58,710	2,494,040	6,320,600	8,873,350	106,590	8,979,940



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2018  
截至2018年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔				Non-	Total
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元 (Note 29) (附註 29)	Subtotal 小計 HK\$'000 千港元	controlling interests 非控股權益 HK\$'000 千港元	equity 權益總額 HK\$'000 千港元
<b>For the year ended</b>	<b>截至2018年</b>						
<b>31 March 2018</b>	<b>3月31日止年度</b>						
At 1 April 2017	於2017年4月1日	58,710	2,494,040	6,320,600	8,873,350	106,590	8,979,940
<b>Comprehensive income</b>	<b>全面收入</b>						
Profit for the year	年內溢利	-	-	1,369,393	1,369,393	921	1,370,314
<b>Other comprehensive income</b>	<b>其他全面收入</b>						
Remeasurements of employee benefit obligations	僱員福利責任的重新計量	-	-	16,646	16,646	-	16,646
Currency translation differences	匯兌差額	-	-	405,244	405,244	4,177	409,421
Revaluation of available-for-sale financial assets	可供出售金融資產的價值變動	-	-	(1,615)	(1,615)	-	(1,615)
<b>Total other comprehensive income</b>	<b>其他全面總收入</b>	-	-	420,275	420,275	4,177	424,452
<b>Total comprehensive income</b>	<b>全面總收入</b>	-	-	1,789,668	1,789,668	5,098	1,794,766
<b>Transactions with owners</b>	<b>與擁有人之交易</b>						
Dividends paid	已付股息	-	-	(645,818)	(645,818)	-	(645,818)
Acquisition of additional equity interest in a subsidiary from a non-controlling interest	自非控股權益收購附屬公司的額外股本權益	-	-	17,569	17,569	(66,720)	(49,151)
At 31 March 2018	於2018年3月31日	58,710	2,494,040	7,482,019	10,034,769	44,968	10,079,737

The notes on pages 127 to 228 are an integral part of these consolidated financial statements.

第127至228頁的附註為此等綜合財務報表的一部分。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2018  
截至2018年3月31日止年度

		Note	2018 HK\$'000 千港元	2017 HK\$'000 千港元
		附註		
Cash flows from operating activities	營運活動之現金流量			
Net cash generated from operations	營運產生之現金淨額	34	<b>679,433</b>	934,926
Hong Kong profits tax paid	已付香港利得稅		<b>(62,573)</b>	(61,580)
Overseas income taxes paid	已付海外所得稅		<b>(147,023)</b>	(152,982)
Net cash generated from operating activities	營運活動產生之現金淨額		<b>469,837</b>	720,364
Cash flows from investing activities	投資活動之現金流量			
Purchases of property, plant and equipment	購置物業、廠房及設備	16	<b>(81,160)</b>	(94,778)
Prepayment for purchase of property, plant and equipment, and land use rights	購置物業、廠房及設備以及土地使用權之預付款項		<b>(131,543)</b>	(10,016)
Purchases of land use right	購置土地使用權	17	–	(51,704)
Purchases of investment properties	購置投資物業	18	–	(11,735)
Decrease/(increase) in short-term bank deposits, with maturities over 3 months	到期日超過三個月的短期銀行存款減少／(增加)		<b>134,760</b>	(261,978)
Interest received	已收利息		<b>19,624</b>	18,507
Capital injection from non-controlling interests of subsidiaries	附屬公司非控股權益注資		–	3,250
Loan advanced to an associate	墊付予聯營公司的貸款		<b>(23,190)</b>	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		<b>787</b>	–
Net cash used in investing activities	投資活動所用之現金淨額		<b>(80,722)</b>	(408,454)
Cash flows from financing activities	融資活動之現金流量			
Proceeds from bank borrowings	銀行貸款所得款項		<b>738,000</b>	–
Proceeds from gold loans with cash settlement	以現金結算的黃金借貸所得款項		<b>140,448</b>	–
Repayment of bank borrowings	償還銀行貸款		<b>(323,000)</b>	(400,000)
Repayment of gold loans	償還黃金借貸		–	(76,541)
Interest on bank borrowings and gold loans	銀行貸款及黃金借貸利息		<b>(6,392)</b>	(9,011)
Dividends paid	已付股息		<b>(645,818)</b>	(645,818)
Acquisition of non-controlling interests of a subsidiary	收購附屬公司的非控股權益	29(iii)	<b>(49,151)</b>	–
Net cash used in financing activities	融資活動所用之現金淨額		<b>(145,913)</b>	(1,131,370)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加／(減少)淨額		<b>243,202</b>	(819,460)
Cash and cash equivalents at 1 April	於4月1日之現金及現金等價物		<b>1,529,206</b>	2,361,595
Exchange differences	匯兌差額		<b>127,651</b>	(12,929)
Cash and cash equivalents at 31 March	於3月31日之現金及現金等價物	26	<b>1,900,059</b>	1,529,206

The notes on pages 127 to 228 are an integral part of these consolidated financial statements.

第127至228頁的附註為此等綜合財務報表的一部分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 1 GENERAL INFORMATION

Luk Fook Holdings (International) Limited (the “Company”) was incorporated in Bermuda on 3 September 1996 as a company with limited liability under the Companies Act of Bermuda. The address of its registered office is Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

The Company and its subsidiaries (together, the “Group”) are principally engaged in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery, and gem-set jewellery products.

The Company’s shares were listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 May 1997.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated, and have been approved for issue by the board of directors on 27 June 2018.

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the period presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and the disclosure requirement of Hong Kong Companies Ordinance Cap.622. The consolidated financial statements have been prepared under the historical cost convention except that certain financial assets, gold loan, and financial liabilities are carried at fair value, as explained in Note 4.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

### 1 一般資料

六福集團（國際）有限公司（「本公司」）於1996年9月3日在百慕達根據百慕達公司法註冊成立為有限公司，其註冊辦事處地址為Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda。

本公司及其附屬公司（統稱「本集團」）主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。

本公司股份於1997年5月6日在香港聯合交易所有限公司（「聯交所」）主板上市。

除另有說明者外，此等綜合財務報表均以港元（「港元」）呈列，並已於2018年6月27日獲董事會批准刊發。

### 2 編製基準及主要會計政策概要

編製此等綜合財務報表時所應用之主要會計政策載於下文。除另有說明者外，此等政策已於所有呈報期間貫徹應用。

#### 2.1 編製基準

本公司之綜合財務報表乃根據香港財務報告準則（「香港財務報告準則」）及香港公司條例第622章之披露規定編製。除若干金融資產、黃金借貸及金融負債按公允值列賬（如附註4所解釋）外，綜合財務報表按歷史成本慣例編製。

編製與香港財務報告準則貫徹一致之財務報表需要使用若干關鍵會計估算，同時亦需要管理層在應用本集團會計政策時作出判斷。涉及高度判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在附註5中披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(a) New amendments to existing standards that are effective for the first time for the financial year beginning 1 April 2017 and are relevant to the Group's operations:

- Amendment to HKAS 7, "Disclosure initiative". This amendment requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.
- Amendment to HKAS 12, "Recognition of deferred tax assets for unrealised losses". This amendment clarifies how to account for deferred tax assets related to debt instruments measured at fair value.
- Amendment from annual improvements to HKFRSs 2014-2016 Cycle, on HKFRS 12, "Disclosure of interests in other entities".

Except for the amendments to HKAS 7 which results in additional disclosure of changes in liabilities arising from financing activities, the adoption of the above amendments to standards did not have material impact on the consolidated financial statements or results in any significant changes to the Group's significant accounting policies.

### 2 編製基準及主要會計政策概要 (續)

#### 2.1 編製基準 (續)

(a) 於2017年4月1日開始之財政年度內首次生效並與本集團經營有關之新訂現有準則之修訂本：

- 香港會計準則第7號(修訂本)「披露計劃」。該修訂本要求實體提供披露資料，使財務報表使用者能夠評估融資活動產生之負債變動，包括現金流量產生之變動及非現金變動。
- 香港會計準則第12號(修訂本)「對未實現損失確認遞延稅項資產」。該修訂本澄清如何就與按公允值計量之債務工具相關之遞延稅項資產入賬。
- 香港財務報告準則2014年至2016年週期有關香港財務報告準則第12號「於其他實體權益之披露」之年度改進(修訂本)。

除香港會計準則第7號(修訂本)導致對融資活動所產生的負債變動作出額外披露外，採納上述準則之修訂本並不會對綜合財務報表造成重大影響，或導致本集團重大會計政策發生任何重大變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows:

Amendments to HKAS 40	Transfers of investment property <sup>(1)</sup>
Amendments to HKFRSs	Annual improvements 2014-2016 cycle <sup>(1)</sup>
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions <sup>(1)</sup>
Amendments to HKFRS 4	Applying HKFRS 9 "Financial instruments" with HKFRS 4 "Insurance contracts" <sup>(1)</sup>
HKFRS 9	Financial instruments <sup>(1)</sup>
HKFRS 15	Revenue from contracts with customers <sup>(1)</sup>
Amendments to HKFRS 15	Clarifications to HKFRS 15 <sup>(1)</sup>

### 2 編製基準及主要會計政策概要 (續)

#### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：

香港會計準則第40號 (修訂本)	轉讓投資物業 <sup>(1)</sup>
香港財務報告準則 (修訂本)	2014年至2016年週期之年度改進 <sup>(1)</sup>
香港財務報告準則第2號 (修訂本)	以股份為基礎之支付交易之分類及計量 <sup>(1)</sup>
香港財務報告準則第4號 (修訂本)	應用香港財務報告準則第9號「金融工具」一併採用香港財務報告準則第4號「保險合約」 <sup>(1)</sup>
香港財務報告準則第9號	金融工具 <sup>(1)</sup>
香港財務報告準則第15號	與客戶之間之合約產生之收入 <sup>(1)</sup>
香港財務報告準則第15號 (修訂本)	香港財務報告準則第15號之澄清 <sup>(1)</sup>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

HK (IFRIC) 22	Foreign currency transactions and advance consideration <sup>(1)</sup>
Amendments to HKAS 28	Long-term interests in an associate or joint ventures <sup>(2)</sup>
Amendments to HKFRSs	Annual improvements 2015-2017 cycle <sup>(2)</sup>
HKFRS 9 (Amendment)	Prepayment features with negative compensation <sup>(2)</sup>
HKFRS 16	Leases <sup>(2)</sup>
HK (IFRIC) 23	Uncertainty over income tax treatments <sup>(2)</sup>
HKFRS 17	Insurance contracts <sup>(3)</sup>
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture <sup>(4)</sup>

<sup>(1)</sup> Effective for annual period beginning on or after 1 January 2018

<sup>(2)</sup> Effective for annual period beginning on or after 1 January 2019

<sup>(3)</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>(4)</sup> To be announced by HKICPA

### 2 編製基準及主要會計政策概要 (續)

#### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

香港(國際財務報告詮釋委員會)第22號	外幣交易和預付／預收對價 <sup>(1)</sup>
香港會計準則第28號(修訂本)	在聯營公司或合營企業之長期權益 <sup>(2)</sup>
香港財務報告準則(修訂本)	2015年至2017年週期之年度改進 <sup>(2)</sup>
香港財務報告準則第9號(修訂本)	具負補償之預付款項特點 <sup>(2)</sup>
香港財務報告準則第16號	租賃 <sup>(2)</sup>
香港(國際財務報告詮釋委員會)第23號	所得稅處理之不確定性 <sup>(2)</sup>
香港財務報告準則第17號	保險合約 <sup>(3)</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營或合營企業之間之資產出售或注資 <sup>(4)</sup>

<sup>(1)</sup> 於2018年1月1日或之後開始之年度期間生效

<sup>(2)</sup> 於2019年1月1日或之後開始之年度期間生效

<sup>(3)</sup> 於2021年1月1日或之後開始之年度期間生效

<sup>(4)</sup> 待香港會計師公會公佈

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 April 2018 and have not been early adopted in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except those new standards set out below:

#### (i) HKFRS 9 “Financial instruments”

##### *Nature of change*

HKFRS 9 “Financial instruments” addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

##### *Impact*

The equity investment that is currently classified as available-for-sale will satisfy the conditions for classification as fair value through other comprehensive income (“FVOCI”) and the debt instruments currently classified as loans and receivables meet the conditions for classification at amortised cost under HKFRS 9. For the derivative financial instruments, it will also be classified at fair value through profit or loss (“FVTPL”). Hence, there will be no significant change to the accounting for these assets. Accordingly, the Group does not expect the new guidance to affect the classification and measurement of these financial assets. However, gains or losses realised on the sale of financial assets classified at FVOCI will no longer be transferred to profit or loss, but instead reclassified below the line from the FVOCI reserve to retained earnings.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

多項新訂準則及準則之修訂本及詮釋於2018年4月1日之後開始之年度期間生效，但並未於編製該等綜合財務報表時提前應用。該等準則、修訂本及詮釋預期不會對本集團之綜合財務報表造成重大影響，惟以下所載新訂準則除外：

#### (i) 香港財務報告準則第9號「金融工具」

##### *變動性質*

香港財務報告準則第9號「金融工具」闡述金融資產及金融負債之分類、計量及終止確認，引入對沖會計新規則及金融資產之新減值模型。

##### *影響*

根據香港財務報告準則第9號，目前歸類為可供出售之股權投資將符合歸類為按公允值計入其他全面收益（「按公允值計入其他全面收益」）之條件，及目前歸類為貸款及應收賬項之債務工具符合歸類為按攤銷成本之條件。就衍生金融工具而言，其亦將歸類為按公允值計入損益（「按公允值計入損益」），故該等資產之會計處理將無重大變動。因此，本集團預期新指引不會影響該等金融資產之分類及計量。然而，出售分類為按公允值計入其他全面收益之金融資產所獲收益或虧損將不會轉入損益，而是將線下項目自按公允值計入其他全面收益儲備重新分類至保留盈利。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

(i) **HKFRS 9 “Financial instruments” (Continued)**

*Impact (Continued)*

There will be no significant impact on the Group's accounting for its financial liabilities. Gold loans which involved cash settlement will be qualified for designation at fair value through profit or loss (“FVTPL”) under HKFRS 9. Thus, there will be no significant change in the classification of these financial liabilities. However, under HKFRS 9, the fair value changes of these financial liabilities designated at FVTPL that is attributable to changes on own credit risk will be recognised in other comprehensive income. Based on management assessment undertaken to date, the change in fair values attributed to change in credit risk is not expected to be material and the Group does not expect any significant changes in measurement of these financial liabilities.

The new impairment model requires the recognition of impairment provisions based on expected credit losses (“ECL”) rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under HKFRS 15, “Revenue from Contracts with Customers”, lease receivables, loan commitments and certain financial guarantee contracts. Based on the assessments undertaken to date, the Group does not expect significant increase or decrease in the loss allowance for trade debtors.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

(i) **香港財務報告準則第9號「金融工具」(續)**

*影響 (續)*

本集團金融負債之會計處理將不受重大影響。根據香港財務報告準則第9號，涉及現金結算之黃金借貸將符合資格指定為按公允值計入損益（「按公允值計入損益」）。因此，該等金融負債之分類將不會發生重大變動。然而，根據香港財務報告準則第9號，該等指定按公允值計入損益之金融負債公允值發生變動乃由於自身信貸風險之變動，將於其他全面收益確認。根據管理層迄今進行的評估，預期信貸風險變動引致的公允值變動並不重大，本集團預期該等金融負債之計量並不會出現任何重大變動。

新減值模型要求按預期信貸虧損（「預期信貸虧損」）確認減值撥備，而非僅產生之信貸虧損（根據香港會計準則第39號）。其適用於按攤銷成本分類之金融資產、按公允值計入其他全面收益之債務工具、香港財務報告準則第15號「與客戶之間之合約產生之收入」項下之合約資產、應收租賃款、貸款承擔及若干財務擔保合約。根據迄今為止進行之評估，本集團預期應收賬款虧損撥備將不會出現重大增加或減少。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

#### (i) HKFRS 9 "Financial instruments" (Continued)

##### *Impact (Continued)*

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

##### *Date of adoption by the Group*

HKFRS 9 is mandatory for financial years starting on or after 1 January 2018. The new standard is not expected to be applied by the Group until the financial year ending 31 March 2019.

#### (ii) HKFRS 15 "Revenue from contracts with customers"

##### *Nature of change*

The HKICPA has issued a new standard for the recognition of revenue. This will replace HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts and the related literature. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

#### (i) 香港財務報告準則第9號「金融工具」(續)

##### *影響 (續)*

新準則亦引入延伸之披露規定及呈報改變。預期將改變本集團有關其金融工具之披露性質及範圍，尤其是在新訂準則採納之年度內。

##### *本集團採納日期*

香港財務報告準則第9號須於2018年1月1日或之後開始之財政年度強制生效。本集團預期於截至2019年3月31日止財政年度應用新訂準則。

#### (ii) 香港財務報告準則第15號「與客戶之間之合約產生之收入」

##### *變動性質*

香港會計師公會已頒佈收入確認之新訂準則。該準則將取代香港會計準則第18號(涵蓋貨品及服務合約)及香港會計準則第11號(涵蓋建築合約及相關文獻)。新訂準則乃基於貨品或服務控制權轉移至客戶時確認收入之原則。該準則允許在採納時採用全面追溯法或經修訂追溯法。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

#### (ii) HKFRS 15 "Revenue from contracts with customers" (Continued)

##### *Impact*

When applying HKFRS 15, revenue shall be recognised by applying following steps:

- identify the contract with customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contracts;
- recognise revenue when (or as) the entity satisfies a performance obligation.

The Group are principally engaged in the sourcing, designing, wholesaling, trademark licensing and retailing of a variety of gold and platinum jewellery, and gem-set jewellery products.

### 2 編製基準及主要會計政策概要 (續)

#### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

#### (ii) 香港財務報告準則第15號「與客戶之間之合約產生之收入」(續)

##### *影響*

於應用香港財務報告準則第15號時，收入將按以下步驟確認：

- 識別與客戶所訂立的合約；
- 識別合約的履約責任；
- 釐定交易價格；
- 分配交易價格至合約的履約責任；
- 於(或隨著)實體達成履約責任時確認收益。

本集團主要從事各類黃白金首飾及珠寶首飾產品之採購、設計、批發、商標授權及零售業務。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

(b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

#### (ii) HKFRS 15 "Revenue from contracts with customers" (Continued)

##### *Impact (Continued)*

Management has assessed the effects of applying the new standard on the Group's consolidated financial statements and, based on the assessment undertaken to date, management has identified the following areas that are likely to be affected by the adoption of HKFRS 15:

- Rights of return – HKFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligation. At this stage, the Group's estimates that the financial impact of applying new HKFRS 15 is not expected to be material.
- Customer loyalty program – The Group has set up a customer loyalty program and customers could earn reward points via their purchases. Under the program, customers could utilise these reward points to redeem gifts and coupons over a specific period. In applying HKFRS 15, a portion of the transaction price shall be deferred and be recognised only when the customers redeem their points or due to the expiration of these reward points. Currently, the Group recognise its obligation based on the estimated future costs for the redemption of reward points. The Group does not expect the financial impact of implementing the new HKFRS 15 to be material.

### 2 編製基準及主要會計政策概要 (續)

#### 2.1 編製基準 (續)

(b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

#### (ii) 香港財務報告準則第15號「與客戶之間之合約產生之收入」(續)

##### *影響 (續)*

管理層已評估應用新訂準則對本集團綜合財務報表的影響，及根據迄今進行的評估，管理層已識別採納香港財務報告準則第15號可能對以下範疇造成影響：

- 退貨權—香港財務報告準則第15號要求在資產負債表內獨立呈報從客戶收回貨品的權利和退款責任。於現階段，本集團估計應用新訂香港財務報告準則第15號預期不會產生重大財務影響。
- 客戶忠誠度計劃—本集團已設立客戶忠誠度計劃及客戶可透過購物賺取獎勵積分。根據計劃，客戶可於特定期間使用該等獎勵積分兌換禮物及代金券。根據香港財務報表準則第15號，部分交易價格須作遞延處理，且僅於客戶進行積分兌換或有關獎勵積分到期時方予確認。目前，本集團根據兌換獎勵積分的估計未來成本確認其責任。本集團預期應用新訂香港財務報告準則第15號的財務影響並不重大。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

#### (ii) HKFRS 15 "Revenue from contracts with customers" (Continued)

##### *Date of adoption by the Group*

HKFRS 15 is mandatory for financial years starting on or after 1 January 2018. The new standard is not expected to be applied by the Group until the financial year ending 31 March 2019.

The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption (if any) will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

### 2 編製基準及主要會計政策概要 (續)

#### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

#### (ii) 香港財務報告準則第15號「與客戶之間之合約產生之收入」(續)

##### *本集團採納日期*

香港財務報告準則第15號須於2018年1月1日或之後開始之財政年度強制生效。本集團預期於截至2019年3月31日止財政年度應用新訂準則。

本集團擬於採納該準則時採用修訂追溯法，即表示採納的累積影響(如有)將於2018年4月1日於保留盈利確認且有關比較將不予重列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

## 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

- (b) Certain new standards and amendments to existing standards relevant to the Group have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2018 or later periods, which the Group has not early adopted, are as follows: (Continued)

#### (iii) HKFRS 16 "Leases"

##### *Nature of change*

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

##### *Impact*

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$961,297,000 (Note 35(b)). However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

##### *Date of adoption by the Group*

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

## 2 編製基準及主要會計政策概要 (續)

### 2.1 編製基準 (續)

- (b) 本集團必須於2018年4月1日或之後開始之會計期間或往後期間採用之若干與本集團相關之新訂準則及現有準則之修訂經已頒佈，惟本集團並未提早採納該等準則，該等準則如下：(續)

#### (iii) 香港財務報告準則第16號「租賃」

##### *變動性質*

香港財務報告準則第16號於2016年1月頒佈。其將導致近乎所有租賃於資產負債表中確認，蓋因經營租賃與融資租賃之間之區別被移除。根據新訂準則，一項資產（使用租賃項目之權利）及支付租金之金融負債均獲確認。唯一例外情況為短期及低價值租賃。有關出租人之會計處理將無重大變動。

##### *影響*

該準則將主要影響本集團經營租賃之會計處理。於報告日期，本集團之不可撤銷經營租賃承擔為961,297,000港元（附註35(b)）。然而，本集團尚未能確定該等承擔將導致資產及負債就未來付款確認之程度，以及將如何影響本集團之溢利及現金流量分類。

##### *本集團採納日期*

新訂準則須於2019年1月1日或之後開始之財政年度強制生效。在現階段，本集團無意於其生效日期前採納該準則。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 3.1 Principles of consolidation and equity accounting

##### (a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- (i) fair values of the assets transferred
- (ii) liabilities incurred to the former owners of the acquired business
- (iii) equity interests issued by the Group
- (iv) fair value of any asset or liability resulting from a contingent consideration arrangement, and
- (v) fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

### 3 主要會計政策概要

編製此等綜合財務報表時所應用之主要會計政策載於下文。除另有說明者外，此等政策已於所有呈報年度貫徹應用。

#### 3.1 合併原則及權益會計處理

##### (a) 業務合併

本集團採用購買會計法將所有業務合併入賬，不論是否已購買權益工具或其他資產。購買一間附屬公司轉讓的代價包括：

- (i) 所轉讓資產的公允值
- (ii) 被收購業務之前擁有人所產生負債
- (iii) 本集團已發行股本權益
- (iv) 或有代價安排所產生任何資產或負債的公允值，及
- (v) 附屬公司任何先前存在的股本權益的公允值。

在業務合併中所購買的可識別資產以及所承擔的負債及或有負債，初步以其於購買日期的公允值計量（少數例外情況除外）。本集團以逐項購買基準，按公允值或按非控股權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

購買相關成本於產生時支銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.1 Principles of consolidation and equity accounting (Continued)

##### (a) Business combinations (Continued)

The excess of the:

- (i) consideration transferred,
- (ii) amount of any non-controlling interest in the acquired entity, and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in consolidated income statement as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in consolidated income statement.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in consolidated income statement.

### 3 主要會計政策概要 (續)

#### 3.1 合併原則及權益會計處理 (續)

##### (a) 業務合併 (續)

以下各項：

- (i) 所轉讓代價，
- (ii) 被收購實體的任何非控股權益金額，及
- (iii) 於被收購實體先前的任何股本權益於收購日期的公允值

超出所收購可識別資產淨值的公允值時，其差額以商譽列賬。倘該等款項低於所收購業務的可識別資產淨值的公允值，則差額將直接於綜合損益表確認為議價購買。

或有代價分類為權益或金融負債。分類為金融負債的金額其後將重新按公允值計量，且公允值變動於綜合損益表確認。

倘業務合併分階段進行，則收購方先前持有的被收購方股本權益於收購日期的賬面值於收購日期重新按公允值計量。任何因該類重新計量產生的收益或虧損於綜合損益表確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.1 Principles of consolidation and equity accounting (Continued)

##### (b) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

##### (c) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (d) below), after initially being recognised at cost.

### 3 主要會計政策概要 (續)

#### 3.1 合併原則及權益會計處理 (續)

##### (b) 附屬公司

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團自參與實體業務而承擔取得其可變回報的風險或享有可變回報的權利，並有能力透過其對實體活動的主導權影響該等回報時，則本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面合併入賬，並於終止控制權當日起不再合併入賬。

集團公司間交易、結存及未變現收益均會對銷。未變現虧損亦會對銷，除非該交易顯示已轉讓資產減值的證據。附屬公司的會計政策已在需要時作出調整，以確保與本集團所採納會計政策一致。

附屬公司業績及權益中的非控股權益分別於綜合損益表、綜合全面收入報表、綜合權益變動表及綜合資產負債表中單獨呈列。

##### (c) 聯營公司

聯營公司指本集團對其有重大影響但無控制權或共同控制權的所有實體，一般本集團擁有其20%至50%投票權。於聯營公司的投資初始按成本確認後以權益會計法入賬(見下文(d))。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.1 Principles of consolidation and equity accounting (Continued)

##### (c) Associates (Continued)

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 3.9.

### 3 主要會計政策概要 (續)

#### 3.1 合併原則及權益會計處理 (續)

##### (c) 聯營公司 (續)

當本集團分佔權益會計投資的虧損相等於或超過在該實體的權益 (包括任何其他無抵押長期應收款), 則本集團不確認進一步虧損, 除非其已產生義務或已代其他實體付款。

本集團與其聯營公司及合營企業之間的未變現交易利益按本集團在該等實體的權益予以對消。未變現虧損亦予以對消, 除非交易提供證據證明所轉讓的資產出現減值。權益入賬被投資者的會計政策已按需要作出改動, 以確保與本集團所採納者相符。

權益入賬投資的賬面值根據附註3.9所述的政策進行減值測試。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.1 Principles of consolidation and equity accounting (Continued)

##### (d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in consolidated income statement. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to consolidated income statement or transferred to another category of equity as specified/permitted by applicable HKFRS.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to consolidated income statement where appropriate.

### 3 主要會計政策概要(續)

#### 3.1 合併原則及權益會計處理(續)

##### (d) 擁有權權益變動

本集團將不會引致失去控制權的非控股權益交易視為與本集團權益持有人進行的交易。擁有權權益變動導致控股權益與非控股權益賬面值之間的調整以反映彼等於附屬公司的相對權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

當本集團因失去控制權、共同控制權或重大影響力而不再將投資綜合入賬或終止投資的權益賬目，其於有關實體之任何保留權益按其公允值重新計量，而賬面值變動於綜合損益表確認。就其後入賬列作聯營公司、合營企業或金融資產之保留權益而言，該公允值為初始賬面值。此外，先前於其他全面收入確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這意味著先前在其他全面收入確認之金額將根據適用香港財務報告準則所訂明／准許重新分類至綜合損益表或轉撥至另一類別權益。

當於合營企業或聯營公司的擁有權權益減少，而共同控制權或重大影響獲保留，則先前於其他全面收入內確認的金額僅有一定比例部分重新分類至綜合損益表（如適用）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

#### 3.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified collectively as the executive directors and senior management who make strategic decisions.

#### 3.4 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and Group's presentation currency.

### 3 主要會計政策概要 (續)

#### 3.2 獨立財務報表

附屬公司投資按成本扣除減值列賬。成本包括投資直接應佔成本。附屬公司的業績由本公司按已收及應收股息入賬。

於接獲該等投資的股息後，如股息超過宣派股息期內附屬公司的總全面收益，或如在獨立財務報表的投資賬面值超過綜合財務報表中被投資公司淨資產（包括商譽）的賬面值，則必須對附屬公司投資作減值測試。

#### 3.3 分部呈報

經營分部按與向最高營運決策者作內部呈報一致之方式呈報。最高營運決策者（負責分配資源及評核經營分部之表現）被認定為共同負責作出策略決定之執行董事與高級管理人員。

#### 3.4 外幣換算

##### (a) 功能貨幣及列賬貨幣

本集團旗下各實體之財務報表所列項目均採用有關實體經營所在主要經濟環境之通用貨幣（「功能貨幣」）計量。綜合財務報表以港元列賬，港元為本公司之功能貨幣及本集團之列賬貨幣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.4 Foreign currency translation (Continued)

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised within 'Other gains/(losses), net' in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement within 'Finance income, net'. All other foreign exchange gains and losses are presented in consolidated income statement within 'Other gains/(losses) – net'.

##### (c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

### 3 主要會計政策概要 (續)

#### 3.4 外幣換算 (續)

##### (b) 交易及結餘

外幣交易按進行交易當日或項目重新計量日適用之匯率換算為功能貨幣。因結算有關交易及按年結日匯率換算以外幣列值之貨幣資產及負債所產生之匯兌損益，於綜合損益表「其他收益／（虧損），淨額」內確認。

與貸款有關的匯兌盈虧在綜合損益表內之「財務收入，淨額」內呈列。所有其他匯兌盈虧在綜合損益表「其他收益／（虧損），淨額」中呈列。

##### (c) 集團公司

所有集團實體（概無實體採用高通脹經濟體系之貨幣）之功能貨幣倘有別於列賬貨幣，其業績及財務狀況須按以下方式換算為列賬貨幣：

- (i) 各資產負債表所列資產及負債按其結算日之收市匯率換算；
- (ii) 各損益表所列收支按平均匯率換算（除非此平均匯率不足以合理概括交易日期適用匯率之累計影響，在此情況下，收支按交易日期之匯率換算）；及
- (iii) 所有因而產生之匯兌差額在其他全面收入中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.4 Foreign currency translation (Continued)

##### (c) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to consolidated income statement.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in consolidated income statement. For all other partial disposals (that is, reductions in the Group's ownership interests in associates that do not result in the Group losing significant influence) the proportionate share of the accumulated exchange difference is reclassified to consolidated income statement.

#### 3.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

### 3 主要會計政策概要 (續)

#### 3.4 外幣換算 (續)

##### (c) 集團公司 (續)

因收購海外實體所產生的商譽及公允值調整，乃視作該海外實體的資產及負債處理，並按收市匯率折算。因而產生的匯兌差額於其他全面收入確認。

於出售海外業務（即出售本集團於海外業務的全部權益，涉及失去對包含海外業務的附屬公司的控制權的出售或涉及失去對包含海外業務的聯營公司的重大影響力的出售）時，就本公司擁有人應佔該業務於權益內累計的所有匯兌差額會重新分類至綜合損益表。

如部分出售附屬公司並未導致本集團失去對包含海外業務的該附屬公司的控制權，則按比例將累計匯兌差額重新歸屬為非控股權益，而並不於綜合損益表內確認。對於所有其他部分出售（即減持本集團於聯營公司的擁有權權益並無造成本集團失去重大影響力），會按比例將累計匯兌差異重新分類至綜合損益表。

#### 3.5 物業、廠房及設備

物業、廠房及設備乃按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔之開支。

僅於與項目相關之日後經濟利益可能流入本集團，且該項目之成本能夠可靠計量時，其後成本方會計入該項資產之賬面值或確認為一項獨立資產（視適用情況而定）。重置部分之賬面值會終止確認。所有其他維修及保養會於其產生之財務期間內在綜合損益表支銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Leasehold land interests classified as finance lease and other property, plant and equipment commence amortisation/depreciation from the time when the assets becomes available for their intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold land interests classified as finance leases	Shorter of remaining lease term of 16-51 years or useful life
Buildings	50 years or over the unexpired lease period of leasehold land, whichever is shorter
Leasehold improvements	5 years or over the unexpired lease period, whichever is shorter
Furniture and fixtures and computer equipment	5 years
Plant and machinery	5 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 3.9).

Gains and losses on disposals are determined by comparing net proceeds with carrying amount of the relevant assets and are included in the consolidated income statement.

### 3 主要會計政策概要 (續)

#### 3.5 物業、廠房及設備 (續)

分類為融資租賃之租賃土地權益及其他物業、廠房及設備自資產可作其擬定用途時開始攤銷／折舊。分類為融資租賃之租賃土地之攤銷及其他資產之折舊採用以下估計可使用年期將成本按直線法分攤至剩餘價值計算：

分類為融資租賃之租賃土地權益	剩餘租期16至51年或使用年期的較短者
樓宇	50年或按租賃土地租約尚餘期間 (以較短者為準)
租賃物業裝修	5年或按租約尚餘期間 (以較短者為準)
傢俬、裝置及電腦設備	5年
機器及設備	5年
汽車	5年

資產之剩餘價值及可使用年期在各結算日檢討，並在適當時調整。

倘資產之賬面值高於其估計可收回金額，則該項資產之賬面值會即時撇減至其可收回金額 (附註3.9)。

出售盈虧透過將所得款項淨額與有關資產之賬面值比較釐定並計入綜合損益表。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.6 Land use rights

Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, (if any). Cost represents consideration paid for the rights to use the land on which various plants and buildings are generally situated for a period from 19 to 50 years. Amortisation of land use rights is calculated on a straight-line basis over the period of the lease.

#### 3.7 Investment properties

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and is not occupied by the Group.

Investment property is measured at cost, including related transaction costs, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided using the straight-line method to write off the cost of the investment properties over their estimated useful lives of 30 to 50 years. Where the carrying amount of an investment property is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

### 3 主要會計政策概要 (續)

#### 3.6 土地使用權

土地使用權按成本值減累計攤銷及累計減值虧損(如有)列賬。成本指就使用通常建有多幢廠房及樓宇之土地之權利(為期19至50年)支付之代價。土地使用權攤銷按租賃年期以直線法計算。

#### 3.7 投資物業

投資物業主要由租賃土地及樓宇所組成,為獲得長期租金收益或資本升值或兩者兼備而持有,且並非由本集團佔用。

投資物業按成本值(包括相關交易費用)扣除累計折舊及累計減值虧損(如有)列賬。

折舊採用為期30至50年之估計可使用年期按直線法撇銷投資物業之成本。倘投資物業賬面值高於其估計可收回金額,則即時撇減至其可收回金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.7 Investment properties (Continued)

Subsequent expenditure is charged to the asset's carrying amount only when it is probably that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. At the date of reclassification, its cost and accumulated depreciation are transferred to property, plant and equipment and become its cost and accumulated depreciation for accounting purposes. If an owner-occupied property becomes an investment property because its use has changed, it is reclassified as investment property. At the date of reclassification, its cost and accumulated depreciation are transferred to investment property and become its cost and accumulated depreciation for accounting purposes.

#### 3.8 Trading licence

Trading licence with indefinite useful life represents a membership in Chinese Gold and Silver Exchange Society and is carried at cost less accumulated impairment losses, if any.

### 3 主要會計政策概要 (續)

#### 3.7 投資物業 (續)

僅在有關項目之未來經濟收益有可能流向本集團，而該項目成本能夠可靠計量時，方會自資產賬面值扣除其後開支。所有其他維修及保養成本於產生之財政期間在綜合損益表支銷。

倘投資物業由業主自用，則重新分類為物業、廠房及設備。於重新分類當日，其成本與累計折舊乃轉撥至物業、廠房及設備，並按照會計處理成為其成本與累計折舊。倘業主自用物業因改變用途而成為投資物業，則重新分類為投資物業。於重新分類當日，其成本及累計折舊乃轉撥至投資物業，並按照會計處理成為其成本與累計折舊。

#### 3.8 交易執照

並無特定可使用年期之交易執照（即金銀業貿易場會籍）按成本值減累計減值虧損（如有）列賬。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### 3.10 Inventories

Inventories, comprise raw materials and finished goods, are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. The cost of finished goods comprises raw materials, direct labour and other direct costs. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### 3.11 Financial assets

##### 3.11.1 Classification

The Group classifies its financial assets in the following categories, loans and receivables, financial asset at fair value through profit or loss and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of the Group's financial assets at initial recognition.

### 3 主要會計政策概要 (續)

#### 3.9 非金融資產之減值

沒有確定可使用年期之無形資產或未達到可使用狀態之無形資產毋須攤銷，並每年進行減值檢測。須作攤銷之資產乃於發生任何事件或環境變化顯示其賬面值可能不能收回時作減值檢討。倘資產之賬面值超過其可收回金額，會就其差額確認減值虧損。資產之可收回金額為其公允值減出售成本與其可使用價值中較高者。就評估減值而言，資產乃按最低水平之可獨立識別現金流量（現金產生單位）予以分類。出現減值之非金融資產（商譽除外）將於每個報告日期審閱是否有撥回減值之可能。

#### 3.10 存貨

存貨（包括原材料及製成品）乃按成本值與可變現淨值兩者之較低者列賬。成本採用先入先出法釐定。製成品成本包括原材料、直接勞工成本及其他直接成本，惟不包括貸款成本。可變現淨值乃按於日常業務過程中之估計售價減適用之可變銷售費用。

#### 3.11 金融資產

##### 3.11.1 分類

本集團將其金融資產分為以下類別：貸款及應收賬項、按公允值計入損益之金融資產及可供出售金融資產。類別乃視乎所收購金融資產之目的而定。管理層於本集團初步確認金融資產時釐定類別。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.11 Financial assets (Continued)

##### 3.11.1 Classification (Continued)

(a) *Financial assets at fair value through profit or loss*

The Group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, ie are held for trading. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. The Group has not elected to designate any financial assets at fair value through profit or loss.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'Loan to an associate', 'Trade other receivables', 'Cash and bank balances', 'Deposits and other receivables' and 'Amount due from an associate' in the consolidated balance sheet.

(c) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

### 3 主要會計政策概要(續)

#### 3.11 金融資產(續)

##### 3.11.1 分類(續)

(a) *按公允值計入損益之金融資產*

倘收購金融資產的主要目的為於短期內出售(即持作買賣),則本集團將該等金融資產分類為按公允值計入損益。倘該等金融資產預期於報告期末後12個月內出售,則按流動資產呈列,否則列作非流動資產。本集團並無選擇指定任何按公允值計入損益之金融資產。

(b) *貸款及應收賬項*

貸款及應收賬項乃具有固定或可釐定付款額而並無在活躍市場報價之非衍生金融資產。其被列入流動資產,惟倘其到期日於報告期間結算日後逾12個月,則被分類為非流動資產。本集團之貸款及應收賬項包括於綜合資產負債表中之「貸款予一家聯營公司」、「貿易及其他應收賬項」、「現金及銀行結餘」、「按金及其他應收款項」及「應收一家聯營公司賬項」。

(c) *可供出售金融資產*

可供出售金融資產為非衍生項目,無論是否劃分為此類別。除非投資到期或管理層計劃於報告期末起計12個月內出售有關投資,否則可供出售金融資產將計入非流動資產內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.11 Financial assets (Continued)

##### 3.11.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss and available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the consolidated income statement within ‘other gains/(losses), net’ in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of ‘Other income’ when the Group’s right to receive payments is established.

Changes in the fair value of monetary and nonmonetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as ‘Other gains/(losses), net’.

### 3 主要會計政策概要 (續)

#### 3.11 金融資產 (續)

##### 3.11.2 確認及計量

金融資產之定期買賣乃於本集團承諾買賣該資產之日(即交易日)確認。投資乃初步按公允值加並無按公允值計入損益之所有金融資產之交易成本確認。本集團於收取來自投資之現金流量之權利屆滿或已被轉讓,且本集團已轉讓擁有權之絕大部分風險及回報時終止確認金融資產。按公允值計入損益之金融資產及可供出售金融資產於其後按公允值列賬。貸款及應收賬項其後採用實際利率法按攤銷成本列賬。

因「按公允值計入損益之金融資產」類別之公允值變動而產生之盈虧,乃於產生之期間在綜合損益表之「其他收益/(虧損),淨額」內呈列。來自按公允值計入損益之金融資產之股息收入,於確立本集團收取付款權利時在綜合損益表內確認為「其他收入」一部分。

分類為可供出售的貨幣及非貨幣證券的公允值變動於其他全面收入確認。

當分類為可供出售的證券已出售或減值時,於權益確認的累計公允值調整計入綜合損益表「其他收益/(虧損),淨額」項下。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.11 Financial assets (Continued)

##### 3.11.2 Recognition and measurement (Continued)

Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement as part of “other income”. Dividends on available-for-sale equity instruments are recognised in the consolidated income statement as part of ‘Other income’ when the Group’s right to receive payments is established.

#### 3.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

#### 3.13 Impairment of financial assets

##### (a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

### 3 主要會計政策概要 (續)

#### 3.11 金融資產 (續)

##### 3.11.2 確認及計量 (續)

按實際利率法計算的可供出售證券的利息於綜合損益表確認為「其他收入」一部分。可供出售股本工具的股息，於確立本集團收取付款權利時於綜合損益表確認為「其他收入」一部分。

#### 3.12 抵銷金融工具

當具有抵銷已確認金額之合法強制執行權，且擬按淨額基準結算或同時變現資產和結算負債時，金融資產與負債會互相抵銷，並在資產負債表報告其淨額。此項合法強制執行權利不得以未來事項作為條件，且必須可於正常業務過程中及本公司或對手方違約、無力償還或破產時強制執行。

#### 3.13 金融資產減值

##### (a) 按攤銷成本列賬的資產

本集團於各報告期間結算日對個別或一組金融資產是否存在減值之客觀證據進行評估。僅當有客觀減值證據表明資產在初始確認後因發生一項或多項事件（「虧損事件」），且能可靠估計該（等）虧損事件對該項金融資產或該組金融資產之估計未來現金流產生之影響，則該項或該組金融資產被認為已發生減值並出現減值虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.13 Impairment of financial assets (Continued)

##### (a) Assets carried at amortised cost (Continued)

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

### 3 主要會計政策概要 (續)

#### 3.13 金融資產減值 (續)

##### (a) 按攤銷成本列賬的資產 (續)

減值證據包括債務人或一組債務人遇到重大財政困難；違約或拖欠利息或本金還款；可能破產或進行其他財務重組；及觀察資料顯示估計未來現金流量出現可量度之減幅，如欠款數目變更或出現與違約相關的經濟狀況。

就貸款及應收賬項類別而言，虧損金額將按照該資產賬面值與該金融資產按原實際利率貼現後之估計未來現金流（不包括尚未發生之未來信用虧損）之現值之間的差額計量。該資產之賬面值會減少，而虧損金額於綜合損益表內確認。倘一項貸款或持至到期投資按浮動息率計算，計量任何減值虧損之貼現率為根據合約釐定之現行實際利率。

倘有實際需要，本集團可採用觀察所得市價按工具之公允值計量減值。

倘於往後期間，減值虧損金額減少，且該等減少可客觀認為與確認減值後發生之事件有關（例如債務人信貸評級改善），則過往已確認減值虧損將予撥回並於綜合損益表內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.13 Impairment of financial assets (Continued)

##### (b) Assets classified as available for sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to in (a) above. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in consolidated income statement – is removed from equity and recognised in consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in consolidated income statement, the impairment loss is reversed through the consolidated income statement.

### 3 主要會計政策概要 (續)

#### 3.13 金融資產減值 (續)

##### (b) 分類為可供出售的資產

本集團於各報告期末評估一項金融資產或一組金融資產是否有減值的客觀證據。對於債務證券，本集團利用上文(a)所述的條件。如屬分類為可供出售的股本投資，證券公允值大幅或持續下跌至低於其成本亦為資產減值的證據。如可供出售金融資產有任何該等減值證據，累計虧損（即收購成本與現時公允值之差額減去該金融資產先前於綜合損益表內確認的任何減值虧損）自權益刪除並於綜合損益表內確認。於綜合損益表確認的股本工具減值虧損並無於綜合損益表撥回。倘於其後期間分類為可供出售的債務工具的公允值增加，而增加可客觀地與減值虧損於綜合損益表確認後發生的事件相關，則於綜合損益表撥回減值虧損。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.14 Derivative financial instruments which do not qualify for hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair values. The method of recognising the resulting gains or losses depends on whether the derivative is designated and qualified as a hedging instrument, and if so, the nature of the item being hedged. Since the derivative financial instruments entered into by the Group do not qualify for hedge accounting, changes in fair value of any derivative financial instruments are recognised immediately in the consolidated income statement.

#### 3.15 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

#### 3.16 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

### 3 主要會計政策概要 (續)

#### 3.14 不符合資格作對沖會計處理之衍生金融工具

衍生工具初步按衍生工具合約訂立日期之公允值確認，其後按其公允值重新計量。確認所產生盈虧之方法取決於該衍生工具是否指定並符合資格作對沖工具，如指定為對沖工具，則取決於其所對沖項目之性質。由於本集團之衍生金融工具並不符合資格作對沖會計處理，故任何衍生金融工具之公允值變動須即時於綜合損益表確認。

#### 3.15 貿易及其他應收賬項

貿易應收賬項為於正常業務過程中售出商品或提供服務之客戶結欠金額。如果貿易及其他應收賬項預計於一年或少於一年（或在業務正常經營週期內的更長時間）內收回，則被分類為流動資產。否則，在非流動資產中呈列。

貿易及其他應收賬項初步以公允值確認，其後利用實際利率法按攤銷成本扣除任何減值撥備計量。

#### 3.16 現金及現金等價物

於綜合現金流量表中，現金及現金等價物包括手頭現金、銀行通知存款、原定於三個月或以內到期之其他短期高流通量投資。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.17 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 3.18 Borrowings

Borrowings are carried initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

### 3 主要會計政策概要 (續)

#### 3.17 貿易及其他應付賬項

貿易應付賬項是於日常業務過程中從供應商購買商品或接受服務產生之付款責任。倘貿易及其他應付賬項將在一年或一年內(若更長則在業務正常經營週期內)支付,則歸類為流動負債。否則,在非流動負債中呈列。

貿易及其他應付賬項按公允值初步確認,其後以實際利率法按攤銷成本計量。

#### 3.18 貸款

貸款初步按公允值(扣除所產生交易成本)確認,其後按攤銷成本列賬;所得款項(扣除交易成本)與贖回價值兩者間之任何差額,會以實際利率法於貸款期間內在綜合損益表中確認。

為建立貸款融資所支付的費用,當部分或所有融資很可能將被提取時確認為貸款的交易成本。於此情況下,該費用在提取貸款融資前予以遞延。倘無證據表明部分或所有融資很可能將被提取,則該費用將作為流動性服務的預付款項資本化,並在融資相關之期限內攤銷。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.18 Borrowings (Continued)

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated income statement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### 3.19 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

##### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 3 主要會計政策概要 (續)

#### 3.18 貸款 (續)

當合約中規定的責任解除、取消或屆滿時，貸款將從綜合資產負債表中剔除。已消除或轉讓予另一方的金融負債的賬面值與已支付代價（包括已轉讓的任何非現金資產或已承擔的負債）之間的差額，在綜合損益表中確認。

除非本集團有無條件權利可將負債結清時間延遲至報告期結算日後最少12個月，否則貸款須分類為流動負債。

#### 3.19 即期及遞延所得稅

期內稅項開支包括即期及遞延稅項。稅項於綜合損益表確認，惟倘稅項與於其他全面收入確認或直接於權益確認之項目有關者除外。在該情況下，稅項亦會分別於其他全面收入或直接於權益內確認。

##### (a) 即期所得稅

即期所得稅開支乃按結算日在本公司之附屬公司及聯營公司經營及產生應課稅收入之國家已實行或大致已實行之稅法計算。管理層定期評估就適用稅項法規有待詮釋之情況之稅項申報所採取措施，並在適當情況下按預期將支付予稅務機構之款項為基準計提撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.19 Current and deferred income tax (Continued)

##### (b) Deferred income tax

###### *Inside basis differences*

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

###### *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

### 3 主要會計政策概要 (續)

#### 3.19 即期及遞延所得稅 (續)

##### (b) 遞延所得稅

###### *內在基準差異*

遞延所得稅採用負債法就資產與負債之稅基與在綜合財務報表之賬面值兩者之暫時差額確認。然而，倘遞延所得稅乃源自進行交易（不包括業務合併）時不影響會計或應課稅溢利或虧損之資產或負債之初步確認，則不會計算遞延所得稅。遞延所得稅以結算日頒佈或實質上頒佈之稅率（及法例）釐定，且該等稅率預期將於相關遞延所得稅資產變現或遞延所得稅負債結算時應用。

遞延所得稅資產僅在可能有未來應課稅溢利可動用以抵銷暫時差額之情況下確認。

###### *外在基準差異*

按於附屬公司及聯營公司之投資產生之應課稅暫時差額計提遞延所得稅負債，惟本集團能控制暫時差額撥回之時間及於可見未來暫時差額可能不會撥回的遞延所得稅負債則除外。本集團通常無法控制聯營公司暫時差額之撥回，僅於有適當協議使本集團有能力控制撥回暫時差額時不予確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.19 Current and deferred income tax (Continued)

##### (b) Deferred income tax (Continued)

###### *Outside basis differences (Continued)*

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

###### *Offsetting*

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### 3.20 Employee benefits

##### (a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

##### (b) Profit sharing and bonus plans

Provisions for profit sharing and bonus plans are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

### 3 主要會計政策概要 (續)

#### 3.19 即期及遞延所得稅 (續)

##### (b) 遞延所得稅 (續)

###### *外在基準差異 (續)*

遞延所得稅資產就於附屬公司及聯營公司投資產生之可扣減暫時差額予以確認，惟暫時差額可能將於日後撥回，且除可動用暫時差額外尚有足夠應課稅溢利可使用。

###### *抵銷*

當具有將即期稅項資產與即期稅項負債抵銷之合法強制執行權，以及當遞延所得稅資產及負債與同一稅務機關就該應課稅實體或不同應課稅實體徵收之所得稅有關，且擬按淨額基準結算時，遞延所得稅資產與負債將會抵銷。

#### 3.20 僱員福利

##### (a) 僱員休假權利

僱員享有年假之權利於此等權利產生時確認。本集團就截至結算日止僱員提供服務產生之年假之估計負債作出撥備。

僱員享有病假及分娩假期之權利於僱員休假時方予確認。

##### (b) 溢利分享及花紅計劃

當本集團因僱員提供服務而產生現有法定或推定責任，而責任金額能可靠估算時，則確認溢利分享及花紅計劃之撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.20 Employee benefits (Continued)

##### (c) Pension obligations

###### *Hong Kong*

The Group operates a defined contribution Mandatory Provident Fund Scheme (the “MPF Scheme”) which is registered under the Mandatory Provident Fund Schemes Ordinance in Hong Kong. The assets of the MPF Scheme are held in a separately administered fund. The MPF Scheme is generally funded by payments from employees and by the Group.

The Group’s contributions to the MPF Scheme are expensed as incurred and are reduced by the employer’s voluntary contribution forfeited from the MPF Scheme by those employees who leave the scheme prior to vesting fully in the contributions.

###### *Mainland China*

As stipulated by rules and regulations in Mainland China, the Group contributes to state-sponsored retirement schemes for its relevant employees in Mainland China. The state-sponsored retirement schemes are responsible for the entire post-retirement benefit obligations payable to the retired employees.

The Group’s contributions to the state-sponsored retirement schemes are expensed as incurred and are fully and immediately vested in the employees.

### 3 主要會計政策概要 (續)

#### 3.20 僱員福利 (續)

##### (c) 退休金責任

###### *香港*

本集團推行一項定額供款強制性公積金退休計劃(「強積金計劃」)，計劃已根據香港強制性公積金計劃條例註冊。強積金計劃之資產乃以獨立管理之基金持有。強積金計劃之資金一般由僱員及本集團撥付。

本集團向強積金計劃作出之供款於產生時支銷，並可以自供款全數撥歸前退出計劃之僱員沒收之強積金計劃僱主自願性供款扣減。

###### *中國內地*

根據中國內地規則及規例，本集團為其有關中國內地僱員向國家資助之退休計劃供款。該等國家資助退休計劃須負責履行向退休僱員支付全部退休後福利之責任。

本集團向國家資助之退休計劃供款於產生時支銷，並即時全數歸屬僱員。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.20 Employee benefits (Continued)

##### (d) Defined benefit obligation – long service payment

The Group's net obligation in respect of lump sum long service amounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method by a qualified actuary, discounted to its present value, and the fair value of any related plan assets is deducted. The discount rate is the yield at balance sheet date on Exchange Fund Notes that have maturity dates approximating the terms of the Group's obligations. All remeasurement gains/losses of defined benefit plans are recognised immediately in other comprehensive income in the period in which they occur. Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested.

### 3 主要會計政策概要 (續)

#### 3.20 僱員福利 (續)

##### (d) 界定福利責任—長期服務金

本集團就根據香港僱傭條例在若干情況下於僱員終止受僱時支付一筆過長期服務金之責任為有關僱員於本期間及過往期間以所提供服務賺取之未來福利。該責任乃由合資格精算師利用預算單位信貸法計算並貼現至其現值，而任何相關計劃資產之公允值則予以扣減。貼現率為與本集團付款責任年期相若之外匯基金債券於結算日之息率。界定福利計劃之所有重新計量的收益／虧損均於產生期間內即時於其他全面收入確認。過往服務成本於福利歸屬前以直線法按平均期間確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.21 Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, sales returns and discounts, after eliminated sales within the Group.

##### (a) Sales of goods – wholesale

Sales of goods are recognised when a group entity has delivered products to the customers, retains neither continuing managerial involvement to the degree usually associates with ownership nor control over the goods sold, and there is no unfulfilled obligation that could affect the acceptance of the products. Delivery does not occur until the products have been delivered to the specified location, the risks of obsolescence and loss have been transferred to the customers, and either the customers has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

##### (b) Sales of goods – retail

Sales of goods are recognised when a group entity sells a product to the customer. Retail sales are usually in cash or by credit card. It is the Group's policy to sell its jewellery products to the end customers with a right of return within one year at a certain discount on the original selling price. Accumulated experience is used to estimate and provide for such returns at the time of sale.

### 3 主要會計政策概要 (續)

#### 3.21 收益及收入確認

收益指本集團於日常業務中出售貨物及服務而實收或應收代價之公允價值。收益扣除增值稅、退貨及折扣，並對銷本集團內部之銷售後列賬。

##### (a) 銷售貨品 – 批發

當集團實體已將貨品交付客戶，並無涉及通常與擁有權相關聯的持續管理，亦無保留對已銷售貨品的控制權，且並無未履行責任可能影響對產品的接收時，貨品銷售即確認入賬。當產品已付運至指定地點，廢棄及損失風險已轉讓予客戶，而客戶已根據銷售合約接收產品、接收條款已作廢，或本集團有客觀證據顯示所有接收條款已經履行後，方始計作已交付貨品。

##### (b) 銷售貨品 – 零售

銷售貨品於集團實體向客戶銷售貨物時確認。零售銷售通常以現金或信用卡結算。本集團的政策是向最終客戶銷售珠寶產品時附有一年可按原來售價之若干折讓退貨之權利。於銷售時估計該等退貨並作出撥備全憑過往累積之經驗。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.21 Revenue and income recognition (Continued)

##### (c) Royalty and service income

Royalty and service income in respect of the use of the Group's trademarks is recognised on an accrual basis in accordance with the substance of the relevant agreements.

##### (d) Consultancy fee income

Consultancy fee income in respect of technical support and consultancy services are recognised in the period the services are provided.

##### (e) Interest income from bank deposits

Interest income from bank deposits is recognised on a time proportion basis using the effective interest method.

##### (f) Rental income

Rental income is recognised on a straight-line basis over the lease period.

##### (g) Commission income

Commission income is recognised in the period when the referral services are provided.

#### 3.22 Operating leases (as a lessee)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease. When a component of the lease payment which is not fixed but is based on future amount of a factor, other than with the passage of time, such as percentage of sales or concessionaire fees, the amount is recognised as expenses as it arises.

### 3 主要會計政策概要 (續)

#### 3.21 收益及收入確認 (續)

##### (c) 品牌及服務費收入

有關使用本集團商標的品牌及服務費收入根據相關協議的具體條款按應計基準確認。

##### (d) 顧問費收入

有關提供技術支援及顧問服務之顧問費收入，於提供服務之期間確認。

##### (e) 銀行存款利息收入

銀行存款利息收入使用實際利率法按時間比例基準確認。

##### (f) 租金收入

租金收入於租期內以直線法確認。

##### (g) 佣金收入

佣金收入於提供轉介服務期間予以確認。

#### 3.22 經營租賃 (作為承租人)

經營租賃指擁有權之絕大部分風險及回報仍屬出租人所有之租賃。根據經營租賃支付之租金 (扣除出租人所給予之任何優惠後) 以直線法按租期自綜合損益表扣除。倘租賃款項其中某部分並非固定而是按某項因素 (時間流逝除外) (如銷售額百分比或特許經營費) 之未來款項計算，則該款項將於產生時確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

### 4 FINANCIAL RISK MANAGEMENT

#### (a) Financial risk factors

The Group's activities expose it to a variety of financial risks, including foreign exchange risk, cash flow and fair value interest rate risks, commodity price risk, credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to manage certain risk exposures. The use of financial derivatives to hedge certain risk exposures is governed by the Board of Directors of the Company.

#### (i) Foreign exchange risk

The Group mainly operates in Hong Kong with most of the transactions settled in HK\$. The Group also has retail and wholesale operations in Mainland China, Macau, Canada, the United States, Australia, Malaysia and Singapore. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk from various currency exposures, primarily with respect to Renminbi ("RMB") and US dollar ("US\$"). Certain assets of the Group are denominated in US dollar but the foreign exchange risk is considered not significant as Hong Kong dollar exchange rate is pegged to US dollar.

### 3 主要會計政策概要 (續)

#### 3.23 股息分派

向本公司股東分派之股息，在股息獲本公司股東或董事（視適用情況而定）批准之期間內，於本集團財務報表確認為負債。

### 4 財務風險管理

#### (a) 財務風險因素

本集團業務承受各種財務風險，包括外匯風險、現金流量及公允值利率風險、商品價格風險、信貸風險及流動資金風險。

本集團的整體風險管理計劃專注於金融市場難以預測之特性，並尋求盡量減低對本集團財務表現之潛在不利影響。本集團利用衍生金融工具管理若干風險。使用金融衍生工具對沖若干風險受本公司董事會規管。

#### (i) 外匯風險

本集團主要於香港經營業務，且大部分交易以港元結算。本集團在中國內地、澳門、加拿大、美國、澳大利亞、馬來西亞及新加坡亦有零售及批發業務。外匯風險來自以非實體功能貨幣的貨幣計值之未來商業交易或已確認資產或負債。本集團面對多種貨幣的外匯風險，主要與人民幣（「人民幣」）及美元（「美元」）有關。本集團若干資產乃以美元計值，而其外匯風險被視為不重大，蓋因港元匯率與美元掛鉤。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (i) Foreign exchange risk (Continued)

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures. The Group also use foreign exchange derivative contracts to manage their foreign exchange risk arising from future commercial transactions and recognised asset or liabilities denominated in a currency that is not the group companies' functional currency, primarily with respect to RMB, if necessary.

The Group's assets and liabilities, and transactions arising from its operations primarily do not expose the Group to material foreign exchange risk. The Group's assets and liabilities are primarily denominated in the respective group companies' functional currency.

At 31 March 2018, if RMB had strengthened/weakened by 5% against HK\$, with all other variables held constant, post-tax profit would have been approximately HK\$19,237,000 (2017: HK\$315,000) higher/lower respectively, mainly arised from the translation of net receivable balances.

##### (ii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets except for the convertible bonds subscribed and loans to an associate which were issued at fixed rates and interest free respectively, and expose the Group to fair value interest rate risk. The Group's interest rate risk also arises from gold loans and bank borrowings. Gold loans at fixed rates expose the Group to fair value interest-rate risk. Bank borrowings at variables interest rates exposes the Group to cash flow interest-rate risk. The Group does not enter into derivatives to address these risks.

### 4 財務風險管理 (續)

#### (a) 財務風險因素 (續)

##### (i) 外匯風險 (續)

本集團透過定期檢討本集團的外匯風險淨額管理其外匯風險。本集團亦根據需要使用外匯衍生合約管理其來自以集團公司功能貨幣之外的貨幣 (主要為人民幣) 計值之未來商業交易和已確認資產或負債的外匯風險。

本集團的資產及負債，以及其經營業務產生的交易並無導致本集團承受重大外匯風險。本集團的資產及負債主要以有關集團公司的功能貨幣計值。

於2018年3月31日，倘人民幣兌港元增值／貶值5%，而所有其他參數保持不變，除稅後溢利將相應增加／減少約19,237,000港元 (2017年：315,000港元)，乃主要由換算應收款項餘額淨額所產生。

##### (ii) 現金流量及公允值利率風險

本集團的收入及經營現金流量大致上不受市場利率變動影響，蓋因除了已認購的可換股債券及向聯營公司發放分別為定息及免息之貸款會令本集團承受公允值利率風險外，本集團並無重大計息資產。本集團的利率風險亦來自黃金借貸及銀行貸款。定息黃金借貸令本集團承受公允值利率風險。浮息銀行貸款令本集團承受現金流量利率風險。本集團並無訂立衍生工具以應付該等風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (ii) Cash flow and fair value interest rate risk (Continued)

At 31 March 2018, if interest rates on borrowings had increased/decreased by 25 basis points with all other variables held constant, the impact on post-tax profit for the year would not be significant, thus management considers the cash flow interest-rate risk related to borrowings would not be significant also.

##### (iii) Commodity price risk

The Group mainly engaged in the sales of gold ornaments. The gold markets are influenced by global as well as regional supply and demand conditions. A significant decline in the prices of gold could adversely affect the Group's financial performance. The Group manages commodity price risks mainly by hedging gold price fluctuations through certain derivative financial instrument-trading of gold contracts, gold loans contracts, gold future contracts and gold forward contracts. Should the gold price go up, the Group would charge a loss representing the increase in gold price compared to the contract price, and largely net against the increase in turnover of gold products as a result of gold price increase.

The gold contracts are settled on daily basis and the differences between the contract price and market price are immediately recognised in the consolidated income statement. As at 31 March 2018, the notional value of the outstanding gold contracts amounted to HK\$181,186,000 (2017: HK\$168,192,000).

### 4 財務風險管理 (續)

#### (a) 財務風險因素 (續)

##### (ii) 現金流量及公允值利率風險 (續)

於2018年3月31日，倘貸款利率上升/下降25個基點，而所有其他參數保持不變，則年內除稅後溢利不會受到重大影響，因此管理層認為貸款之現金流量利率風險亦屬不重大。

##### (iii) 商品價格風險

本集團主要從事黃金首飾銷售之業務。黃金市場受全球以及地區供求狀況影響。黃金價格大幅下跌可能對本集團之財務表現造成不利影響。本集團主要透過使用若干黃金買賣合約衍生金融工具、黃金借貸合約、黃金期貨合約及黃金遠期合約對沖黃金價格波動以管理商品價格風險。倘黃金價格上升，本集團將列支之虧損相當於黃金價格相較合約價之升幅，其中大部分為因黃金價格上升導致的黃金產品營業額增加所抵銷。

黃金合約按日結算。合約價及市場價格之差額乃即時於綜合損益表內確認。於2018年3月31日，未平倉黃金合約之名義價值為181,186,000港元 (2017年：168,192,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iii) Commodity price risk (Continued)

The gold loans (Note 33) are settled at maturity which usually mature in 1 to 6 months from date of inception and the fair value changes are immediately recognised in the consolidated income statement. As at 31 March 2018, gold loan contracts of 510 kilograms (2017: 1,410 kilograms) amounted to HK\$170,591,000 (2017: HK\$437,151,000) are outstanding and involved physical settlement. As at 31 March 2018, the notional value of the outstanding gold loan contract amounting to HK\$140,692,000 (2017: Nil) involved cash settlement.

The gold future and gold forward contracts are settled at maturity which usually mature in 1 to 2 months from date of inception and the fair value changes are immediately recognised in the consolidated income statement. As at 31 March 2018, all the gold future contracts and gold forward contracts are settled.

As at 31 March 2018, if the market price of gold had increased or decreased by 5%, post-tax profit for the year ended 31 March 2018, due to changes in fair values of gold contracts, would have been approximately HK\$7,565,000 (2017: HK\$7,022,000) lower or higher respectively.

As at 31 March 2018, if the market price of gold had increased or decreased by 5%, post-tax profit for the year ended 31 March 2018, due to changes in fair values of gold loans, would have been approximately HK\$13,125,000 (2017: HK\$18,578,000), lower or higher respectively.

### 4 財務風險管理 (續)

#### (a) 財務風險因素 (續)

##### (iii) 商品價格風險 (續)

黃金借貸 (附註33) 在到期 (通常為開始日期後一至六個月到期) 時結算, 公允值變動即時於綜合損益表中確認。於2018年3月31日, 價值170,591,000港元 (2017年: 437,151,000港元) 之510千克 (2017年: 1,410千克) 黃金借貸合約屬未平倉且涉及實物交割。於2018年3月31日, 尚未平倉黃金借貸合約之名義價值為140,692,000港元 (2017年: 無), 涉及現金交割。

黃金期貨及黃金遠期合約在到期 (通常為開始日期後一至兩個月到期) 時結算, 公允值變動即時於綜合損益表中確認。於2018年3月31日, 所有的黃金期貨及黃金遠期合約均已結清。

於2018年3月31日, 倘黃金之市場價格上升或下跌5%, 則因黃金合約之公允值變動導致截至2018年3月31日止年度之除稅後溢利分別減少或增加約7,565,000港元 (2017年: 7,022,000港元)。

於2018年3月31日, 倘黃金之市場價格上升或下跌5%, 則因黃金借貸之公允值變動導致截至2018年3月31日止年度之除稅後溢利分別減少或增加約13,125,000港元 (2017年: 18,578,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iv) Credit risk

The Group has no significant concentrations of credit risk. The carrying amounts of loans to an associate, amount due from an associate, trade and other receivables, deposits and bank balances included in the consolidated balance sheet and the principal amount of the subscribed convertible bond represent the Group's maximum exposure to credit risk in relation to its financial assets and contingent liabilities.

The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's concessionaire sales through department stores are generally collectible within 30 days from the invoice date while credit sales are generally on credit terms within 90 days. Normally the Group does not require collaterals from trade debtors. The existing debtors have no significant defaults in the past. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables, if any, has been made.

The Group does not have a significant concentration of credit risk with exposure spread over a number of counterparties.

The deposits, trade and other receivables, subscribed convertible bond, amount due from an associate and loans to an associate are from counterparties with good credit history. There is no history of defaults from these counterparties.

### 4 財務風險管理 (續)

#### (a) 財務風險因素 (續)

##### (iv) 信貸風險

本集團並無任何重大集中信貸風險之情況。記入綜合資產負債表內之貸款予一家聯營公司、應收一家聯營公司賬項、貿易及其他應收賬項、按金及銀行結餘之賬面值及已認購之可換股債券的本金額為本集團就金融資產及或然負債面對之最高信貸風險。

本集團有既定政策確保向信貸記錄良好之客戶以信貸形式銷售產品，且本集團對客戶進行定期信用評估。本集團於百貨商場之特許銷售一般可於發票日起30日內收到貨款，而信貸銷售之信貸期一般為90日之內。本集團通常不要求貿易債務人提供擔保。現有債務人過去並無重大拖欠記錄。本集團貿易及其他應收賬項之過往收款經驗屬於記錄撥備幅度內，故董事認為，已就不可收回之應收賬項（如有）作出足夠撥備。

本集團並無重大集中信貸風險，其風險分散於多個對手方。

按金、貿易及其他應收賬項、已認購之可換股債券、應收一家聯營公司賬項及貸款予一家聯營公司乃來自歷來信譽良好之對手方。此等對手方過往並無拖欠記錄。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iv) Credit risk (Continued)

As at 31 March 2018 and 2017, substantially all the bank balances as detailed in Note 26 are held in major financial institutions located in Hong Kong and Mainland China, which management believes are of high credit quality. The Group has a policy to limit the amount of credit exposure to any financial institution and management does not expect any losses arising from non-performance by these counterparties.

##### (v) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities.

The Group's primary cash requirements have been for additions of and upgrades on property, plant and equipment, payment on debts, purchases and operating expenses. The Group finances its working capital requirements through a combination of internal resources and bank borrowings, as necessary.

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure it maintains sufficient cash and bank balances and has available funding through adequate amount of committed credit facilities to meet its working capital requirements.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows based on the earliest date on which the Group can be required to pay. In the opinion of directors of the Company, the fair values of financial guarantees are not significant at initial recognition as the directors consider the possibilities of default by the associate is remote.

### 4 財務風險管理 (續)

#### (a) 財務風險因素 (續)

##### (iv) 信貸風險 (續)

誠如附註26所詳述，於2018年及2017年3月31日之絕大部分銀行結餘由位於香港及中國內地的大型金融機構持有，管理層認為該等金融機構的信貸質量優良。本集團採取政策限制對任何金融機構的信貸風險，且管理層預期不會出現任何因此等金融機構不履約而產生的虧損。

##### (v) 流動資金風險

審慎之流動資金風險管理指維持充足現金及銀行結餘，以及透過充裕之已承諾信貸融資以維持可供動用資金。

本集團之基本現金需求為添置及提升物業、廠房及設備，償還債務以及購貨及經營開支。本集團透過結合內部資源及銀行貸款（如需要）撥付其營運資金需求。

本集團之政策為定期監控目前及預期流動資金需求，以確保維持足夠之現金及銀行結餘及透過足夠之已承諾信貸融資取得備用資金，以應付其營運資金需要。

下表將本集團金融負債根據於結算日至合約到期日期間之餘下到期日進行分析，分至有關到期日組別。表內披露之款項乃根據本集團可能被要求付款之最早日期計算之合約未貼現現金流量。本公司董事認為，財務擔保之公允值於初步確認時並不重大，乃因董事認為聯營公司拖欠付款的可能性不大。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (v) Liquidity risk (Continued)

Maturity Analysis – Undiscounted cash outflows

		Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
		一年內	超過一年 但少於兩年	超過兩年 但少於五年	未貼現現金 流出量總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>As at 31 March 2018</b>	<b>於2018年3月31日</b>				
Trade payables and other payables	貿易應付賬項及 其他應付賬項	888,927	-	-	888,927
Amount due to an associate	應付一家聯營公司賬項	3,555	-	-	3,555
Gold loans with cash settlement	現金交割黃金借貸	141,029	-	-	141,029
Bank borrowings	銀行貸款	415,626	-	-	415,626
		<b>1,449,137</b>	<b>-</b>	<b>-</b>	<b>1,449,137</b>
Financial guarantee contracts (Note)	財務擔保合約(附註)	898,630	-	-	898,630
<b>As at 31 March 2017</b>	<b>於2017年3月31日</b>				
Trade payables and other payables	貿易應付賬項及 其他應付賬項	811,958	-	-	811,958
Amount due to an associate	應付一家聯營公司賬項	1,995	-	-	1,995
		<b>813,953</b>	<b>-</b>	<b>-</b>	<b>813,953</b>
Financial guarantee contracts (Note)	財務擔保合約(附註)	764,044	-	-	764,044

Note:

The amount included in the above financial guarantee contracts represent the outstanding financial guarantee issued to several banks in respect of bank facilities granted to an associate of the Group as disclosed in Note 36 to the consolidated financial statements.

### 4 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (v) 流動資金風險(續)

到期日分析 — 未貼現現金流出量

	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash outflows
	一年內	超過一年 但少於兩年	超過兩年 但少於五年	未貼現現金 流出量總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元

<b>As at 31 March 2018</b>	<b>於2018年3月31日</b>			
Trade payables and other payables	貿易應付賬項及 其他應付賬項	888,927	-	-
Amount due to an associate	應付一家聯營公司賬項	3,555	-	-
Gold loans with cash settlement	現金交割黃金借貸	141,029	-	-
Bank borrowings	銀行貸款	415,626	-	-
		<b>1,449,137</b>	<b>-</b>	<b>-</b>
Financial guarantee contracts (Note)	財務擔保合約(附註)	898,630	-	-

<b>As at 31 March 2017</b>	<b>於2017年3月31日</b>			
Trade payables and other payables	貿易應付賬項及 其他應付賬項	811,958	-	-
Amount due to an associate	應付一家聯營公司賬項	1,995	-	-
		<b>813,953</b>	<b>-</b>	<b>-</b>
Financial guarantee contracts (Note)	財務擔保合約(附註)	764,044	-	-

附註：

誠如綜合財務報表附註36所披露，上述財務擔保合約中的款項乃就授予本集團聯營公司的銀行融資向若干銀行發行的未償還財務擔保。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Fair value estimation

The carrying amounts of the Group's financial assets, including cash and bank balances, trade receivables, other receivables, deposits, amount due from an associate and loan to an associate and the Group's financial liabilities, including trade and other payables, amount due to an associate, gold loans and bank borrowings approximate their fair values due to their maturities.

The fair values of financial instruments traded in active markets (such as gold loans) are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair values of financial assets and liabilities not traded in active markets are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 4 財務風險管理 (續)

#### (b) 公允值估計

本集團金融資產(包括現金及銀行結餘、貿易應收賬項、其他應收賬項、按金、應收一家聯營公司賬項及貸款予一家聯營公司)以及本集團金融負債(包括貿易及其他應付賬項、應付一家聯營公司賬款、黃金借貸及銀行貸款)因各自的期限,其賬面值與公允值相若。

於活躍市場買賣的金融工具(如黃金借貸)的公允值,按於結算日的市場報價計算。就本集團所持金融資產採用的市場報價為當前買入價。

未於活躍市場買賣的金融資產及負債之公允值乃按本集團就類似金融工具可獲得之現時市場利率貼現未來合約現金流量而估計。

下表為採用估值法對按公允值列賬的金融工具的分析。已界定的不同級別如下:

- 同類資產或負債在活躍市場上的報價(未經調整)(第一級)。
- 除第一級所包括的報價外,資產或負債的可直接(即價格)或間接(即從價格得出)觀察所得輸入值(第二級)。
- 並非根據可觀察市場數據釐定的資產或負債輸入值(即不可觀察輸入值)(第三級)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Fair value estimation (Continued)

The following table present the Group's financial assets and financial liabilities that are measured at fair values at 31 March 2018.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>As at 31 March 2018</b>	<b>於2018年3月31日</b>				
Assets	資產				
- Derivative financial instruments	- 衍生金融工具				
- Convertible bond	- 可換股債券	-	50,782	-	50,782
- Available-for-sale financial assets	- 可供出售金融資產	6,075	-	-	6,075
Total assets	總資產	6,075	50,782	-	56,857
Liabilities	負債				
- Gold loans with cash settlement	- 現金交割黃金借貸	140,692	-	-	140,692

The following table present the Group's liabilities that are measured at fair values at 31 March 2018.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Liabilities	負債				
- Gold loans with physical settlement	- 實物交割黃金借貸	170,591	-	-	170,591

### 4 財務風險管理 (續)

#### (b) 公允值估計 (續)

下表呈列本集團於2018年3月31日按公允值計量的金融資產及金融負債。

下表呈列本集團於2018年3月31日按公允值計量的負債。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Fair value estimation (Continued)

The following table present the Group's financial assets that are measured at fair values at 31 March 2017.

		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 31 March 2017	於2017年3月31日				
Assets	資產				
- Derivative financial instruments	- 衍生金融工具				
- CGS Share Option	- 中國金銀購股權	-	-	9	9
- Convertible bond	- 可換股債券	-	48,979	-	48,979
- Available-for-sale financial assets	- 可供出售金融資產	7,690	-	-	7,690
Total assets	總資產	7,690	48,979	9	56,678

The following table present the Group's liabilities that are measured at fair values at 31 March 2017.

		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Liabilities	負債				
- Gold loans with physical settlement	- 實物交割黃金借貸	437,151	-	-	437,151

The Group's policy is to recognise transfer into and transfer out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfer between levels 1, 2 and 3 during the years ended 31 March 2017 and 2018.

### 4 財務風險管理 (續)

#### (b) 公允值估計 (續)

下表呈列本集團於2017年3月31日按公允值計量的金融資產。

下表呈列本集團於2017年3月31日按公允值計量的負債。

本集團的政策是於導致轉撥之事件發生或情況改變之日確認有關公允值層次轉入和轉出。

截至2017年及2018年3月31日止年度內，第一、第二級與第三級之間並無任何轉撥。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, issue of new shares or obtain new bank borrowings.

The Group also monitors capital on the basis of gearing ratio. The gearing ratio is calculated as net (cash)/debt divided by total capital. Net (cash)/debt is calculated as total borrowings (including bank borrowings and gold loans) less cash and bank balances. Total capital is calculated as "equity", as shown in the consolidated balance sheet, plus net (cash)/debt.

The table below analyses the Group's capital structure as at 31 March 2018:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Bank borrowings (Note 32)	銀行貸款(附註32)	415,000	-
Gold loans (Note 33)	黃金借貸(附註33)	311,283	437,151
Less: Cash and bank balances (Note 26)	減: 現金及銀行結餘 (附註26)	(2,097,867)	(1,861,774)
Net cash	淨現金	(1,371,584)	(1,424,623)
Total equity	權益總額	10,079,737	8,979,940
Total capital	總資本	8,708,153	7,555,317
Gearing ratio	負債資產比率	N/A不適用	N/A不適用

### 4 財務風險管理(續)

#### (c) 資本風險管理

本集團管理資本的目標為保障本集團持續運作的能力，從而為股東提供回報、為其他利益相關者提供利益以及保持理想的資本架構以減低資本成本。

本集團管理資本架構，並因應經濟環境的變動作出調整。為保持或調整資本架構，本集團可調整支付予股東的股息、發行新股或獲得新的銀行貸款。

本集團亦以負債資產比率監察其資本。負債資產比率是以淨(現金)/債項除以總資本計算。淨(現金)/債項是以貸款總額(包括銀行貸款及黃金借貸)減現金及銀行結餘計算得出。總資本乃以「權益」(如綜合資產負債表所示)加淨(現金)/債項計算得出。

本集團於2018年3月31日之資本架構分析如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 4 FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Capital risk management (Continued)

As at 31 March 2018, the Group maintained a net cash position of HK\$1,371,584,000 (2017: HK\$1,424,623,000).

The Group's strategy is to maintain a solid capital base to support the operations and development of its business in the long term.

### 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

#### (a) Inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

### 4 財務風險管理 (續)

#### (c) 資本風險管理 (續)

於2018年3月31日，本集團維持1,371,584,000港元（2017年：1,424,623,000港元）的淨現金狀態。

本集團的策略為維持穩定的資本基礎，以為其營運及業務發展提供長期支持。

### 5 關鍵會計估計及判斷

在編製財務報表時所採用之估計及判斷，乃按過往經驗及其他因素（包括根據不同情況對未來事件作出之合理預計）不斷作出評估。所得會計估算按其定義，甚少會與相關實際結果相等。下文討論有重大風險導致下一財政年度資產及負債之賬面值須作出重大調整之估計及假設。

#### (a) 存貨

存貨的可變現淨值為日常業務中的估計售價扣除估計完工成本及銷售開支後的數額。此等估計乃根據現時市況及生產與出售類似性質產品的過往經驗而作出，並可因顧客喜好的轉變及競爭對手應對嚴峻的行業週期所作的行動而有重大差異。管理層於各結算日重新評估此等估計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (b) Impairment of investments in associates and non-financial assets

Investments in associates and non-financial assets including property, plant and equipment and land use rights, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of asset can be supported by its recoverable amount, being the higher of fair value less costs to sell and the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's reported financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated income statement.

### 5 關鍵會計估計及判斷(續)

#### (b) 於聯營公司之投資及非金融資產的減值

倘出現事件或情況變動顯示於聯營公司之投資及非金融資產(包括物業、廠房及設備及土地使用權)賬面值可能無法收回,則須檢討減值。可收回數額乃根據使用值計算或按公允值減出售成本而釐定。此等計算須運用判斷及估計。

釐定資產減值須運用管理層判斷,尤其為評估:(i)是否已出現顯示有關資產值可能無法收回的事件;(ii)其可收回數額(即公允值減出售成本後的數額及估計繼續在業務中使用資產所帶來的未來現金流量現值淨額兩者的較高者)可否支持資產賬面值;及(iii)現金流量預測所用的適當主要假設,包括此等現金流量預測是否以適當利率貼現。管理層所挑選用作評估減值的假設(包括貼現率或現金流量預測所用的增長率假設)若有變動,可能會對減值檢測所用現值淨額帶來重大影響,從而影響本集團所呈報的財務狀況及經營業績。倘預計表現及有關未來現金流量預測出現重大不利變動,則可能須在綜合損益表中扣除減值開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (c) Current and deferred income taxes

The Group is subject to income taxes in Hong Kong, Mainland China and other jurisdictions. Judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such as differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. Deferred income tax liabilities relating to undistributed profit of those subsidiaries in Mainland China are recognised based on the undistributed profit of those subsidiaries in Mainland China generated since 1 January 2008 which is expected to be distributed in the foreseeable future. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and liabilities and taxation charges in the period in which such estimate is changed.

### 5 關鍵會計估計及判斷 (續)

#### (c) 即期及遞延所得稅

本集團須繳納香港、中國內地及其他司法權區的所得稅。釐定各司法權區的所得稅撥備時，需作出判斷。在日常業務中有若干未能確定最終稅項的交易及計算。倘此等事宜的最終稅務結果有別於最初記錄的數額，則有關差額會影響釐定有關數額期間的所得稅及遞延所得稅撥備。

與若干暫時差異及稅項虧損有關之遞延所得稅資產，按管理層認為未來有可能出現應課稅溢利可用作抵銷該等暫時差異或稅項虧損而確認。與中國內地附屬公司之未分派溢利有關之遞延所得稅負債乃按自2008年1月1日起中國內地附屬公司所產生並預期將於可見將來分派之未分派溢利確認。當預期之金額與原定估計有差異時，則該差異將會於估計發生變動之期間內，影響遞延所得稅資產及負債與稅項開支之確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6 SEGMENT INFORMATION

The chief operating decision-makers (“CODM”) have been identified as the executive directors and senior management collectively. The CODM review the Group’s internal reporting in order to assess performance and allocate resources. The operating segments are reported in accordance with the internal reporting reviewed by the CODM.

CODM consider the business by nature of business activities and assess the performance of the following operating segments:

- i. Retailing – Hong Kong, Macau and overseas
- ii. Retailing – Mainland China
- iii. Wholesaling – Hong Kong
- iv. Wholesaling – Mainland China
- v. Licensing

CODM assess the performance of the operating segments based on segment results. Finance income and costs, corporate income and expenses and share of results of associates are not included in the results for each operating segment that is reviewed by the CODM. Other information provided to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Assets of reportable segments exclude interests in associates, certain land and buildings, investment properties, deferred income tax assets and corporate assets, all of which are managed on a central basis. Liabilities of reportable segments exclude deferred income tax liabilities, current income tax liabilities, bank borrowings, gold loans and corporate liabilities, all of which are managed on a central basis.

Sales to external customers are stated after elimination of inter-segment sales. Sales between segments are carried out at mutually agreed terms. The revenue from external parties, assets and liabilities, reported to the CODM is measured in a manner consistent with that in the consolidated income statement and balance sheet.

### 6 分部資料

執行董事及高級管理層共同獲指定為最高營運決策者（「最高營運決策者」）。最高營運決策者通過審閱本集團之內部報告評估業績表現及分配資源。本集團根據最高營運決策者審閱之內部報告匯報經營分部。

最高營運決策者按業務活動性質研究業務發展及評估下列各經營分部之表現，即：

- i. 零售－香港、澳門及海外
- ii. 零售－中國內地
- iii. 批發－香港
- iv. 批發－中國內地
- v. 品牌業務

最高營運決策者根據分部業績評估經營分部表現。最高營運決策者審閱之各經營分部業績並未包括財務收入及費用、公司收入及開支以及應佔聯營公司業績。向最高營運決策者提供之其他資料所採用計量方法與綜合財務報表一致。

可呈報分部資產不包括於聯營公司之權益、若干土地及樓宇、投資物業、遞延所得稅資產以及公司資產，全部均為集中管理。可呈報分部負債不包括遞延所得稅負債、當期所得稅負債、銀行貸款、黃金借貸及公司負債，全部均為集中管理。

對外客戶銷售已抵銷分部間銷售。分部間銷售按相互協定條款進行。向最高營運決策者所呈報之外來客戶收入以及資產與負債所採納計量方法與綜合損益表及資產負債表一致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6 SEGMENT INFORMATION (Continued)

### 6 分部資料 (續)

Year ended 31 March 2018  
截至2018年3月31日止年度

		Retailing –		Wholesaling –		Licensing	Inter-segment elimination	Reportable Total
		Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Mainland China 零售 – 中國內地	Hong Kong Wholesaling – 批發 – 香港	Mainland China 批發 – 中國內地			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Revenue</b>	<b>收入</b>							
Sales to external customers	對外客戶銷售	8,771,979	2,223,114	65,050	2,223,920	-	-	13,284,063
Sales of scrap gold and platinum	銷售黃金及鉑金廢料	-	-	641,144	-	-	-	641,144
		8,771,979	2,223,114	706,194	2,223,920	-	-	13,925,207
Inter-segment sales	分部間銷售	133,162	262	2,429,032	476,822	-	(3,039,278)	-
Sales of merchandises	銷售商品	8,905,141	2,223,376	3,135,226	2,700,742	-	(3,039,278)	13,925,207
Royalty and service income	品牌及服務費收入	-	-	-	-	591,951	-	591,951
Consultancy fee income	顧問費收入	-	-	-	-	61,251	-	61,251
Total	總計	8,905,141	2,223,376	3,135,226	2,700,742	653,202	(3,039,278)	14,578,409
<b>Results of reportable segments</b>	<b>可呈報分部業績</b>	697,739	159,353	160,148	222,460	440,915	-	1,680,615
A reconciliation of results of reportable segments to profit for the year is as follows:	可呈報分部業績與年內溢利對賬如下:							
<b>Results of reportable segments</b>	<b>可呈報分部業績</b>							1,680,615
Unallocated income	未分配收入							53,707
Unallocated expenses	未分配開支							(113,516)
<b>Operating profit</b>	<b>經營溢利</b>							1,620,806
Finance income	財務收入							28,922
Finance costs	財務費用							(6,392)
Share of results of associates	應佔聯營公司業績							(29,897)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>							1,613,439
Income tax expenses	所得稅開支							(243,125)
<b>Profit for the year</b>	<b>年內溢利</b>							1,370,314
Non-controlling interests	非控股權益							(921)
<b>Profit attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔溢利</b>							1,369,393

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6 SEGMENT INFORMATION (Continued)

### 6 分部資料 (續)

		Year ended 31 March 2018 截至2018年3月31日止年度						
		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland China 中國內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland China 中國內地	Licensing 品牌業務	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(52,906)	(23,060)	(4,170)	(11,281)	(5,790)	(19,849)	(117,056)
Amortisation of land use rights	土地使用權攤銷	-	-	-	(435)	(8,923)	(319)	(9,677)
Depreciation of investment properties	投資物業折舊	-	-	-	-	-	(1,177)	(1,177)
Additions of non-current assets	非流動資產添置	39,094	29,112	842	4,172	4,050	135,433	212,703

		As at 31 March 2018 於2018年3月31日						
		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland China 中國內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland China 中國內地	Licensing 品牌業務	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分部資產	5,050,651	1,963,530	766,839	2,976,945	485,622		11,243,587
Interests in associates	於聯營公司之權益						67,593	67,593
Land and buildings	土地及樓宇						267,844	267,844
Investment properties	投資物業						35,810	35,810
Deferred income tax assets	遞延所得稅資產						47,114	47,114
Income tax recoverable	可收回所得稅						8,134	8,134
Other unallocated assets	其他未分配資產						544,796	544,796
<b>Total assets</b>	<b>總資產</b>							<b>12,214,878</b>
Segment liabilities	分部負債	(247,842)	(46,198)	(180,403)	(196,307)	(381,331)		(1,052,081)
Deferred income tax liabilities	遞延所得稅負債						(100,714)	(100,714)
Current income tax liabilities	即期所得稅負債						(170,899)	(170,899)
Bank borrowings	銀行貸款						(415,000)	(415,000)
Gold loans	黃金借貸						(311,283)	(311,283)
Other unallocated liabilities	其他未分配負債						(85,164)	(85,164)
<b>Total liabilities</b>	<b>總負債</b>							<b>(2,135,141)</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6 SEGMENT INFORMATION (Continued)

### 6 分部資料 (續)

Year ended 31 March 2017

截至2017年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland China 零售 – 中國內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland China 批發 – 中國內地	Licensing	Inter-segment elimination 分部間對銷	Reportable segments Total 可呈報 分部總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Revenue</b>	<b>收入</b>							
Sales to external customers	對外客戶銷售	7,959,286	1,659,391	117,712	1,958,559	-	-	11,694,948
Sales of scrap gold and platinum	銷售黃金及鉑金廢料	-	-	596,188	-	-	-	596,188
		7,959,286	1,659,391	713,900	1,958,559	-	-	12,291,136
Inter-segment sales	分部間銷售	196,922	81,502	2,011,307	432,471	-	(2,722,202)	-
Sales of merchandises	銷售商品	8,156,208	1,740,893	2,725,207	2,391,030	-	(2,722,202)	12,291,136
Royalty and service income	品牌及服務費收入	-	-	-	-	502,332	-	502,332
Consultancy fee income	顧問費收入	-	-	-	-	13,809	-	13,809
Total	總計	8,156,208	1,740,893	2,725,207	2,391,030	516,141	(2,722,202)	12,807,277
<b>Results of reportable segments</b>	<b>可呈報分部業績</b>	512,408	177,613	135,229	303,662	290,384	-	1,419,296

A reconciliation of results of reportable segments to profit for the year is as follows:

可呈報分部業績與年內溢利對賬如下：

<b>Results of reportable segments</b>	<b>可呈報分部業績</b>	1,419,296
Unallocated income	未分配收入	69,002
Unallocated expenses	未分配開支	(198,981)
<b>Operating profit</b>	<b>經營溢利</b>	1,289,317
Finance income	財務收入	23,982
Finance costs	財務費用	(9,011)
Share of results of associates	應佔聯營公司業績	(54,273)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>	1,250,015
Income tax expenses	所得稅開支	(223,047)
<b>Profit for the year</b>	<b>年內溢利</b>	1,026,968
Non-controlling interests	非控股權益	(10,130)
<b>Profit attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔溢利</b>	1,016,838

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6 SEGMENT INFORMATION (Continued)

### 6 分部資料 (續)

Year ended 31 March 2017

截至2017年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland China 零售 – 中國內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland China 批發 – 中國內地	Licensing 品牌業務	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(54,054)	(17,102)	(4,261)	(11,245)	(7,112)	(28,481)	(122,255)
Amortisation of land use rights	土地使用權攤銷	-	-	-	(423)	(7,562)	(310)	(8,295)
Depreciation of investment properties	投資物業折舊	-	-	-	-	-	(942)	(942)
Additions of non-current assets	非流動資產添置	43,617	26,562	369	6,568	2,896	88,221	168,233

Year ended 31 March 2017

截至2017年3月31日止年度

		Retailing – Hong Kong, Macau and overseas 零售 – 香港、 澳門及海外	Retailing – Mainland China 零售 – 中國內地	Wholesaling – Hong Kong 批發 – 香港	Wholesaling – Mainland China 批發 – 中國內地	Licensing 品牌業務	Unallocated 未分配	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分部資產	4,621,864	1,587,734	682,328	2,151,384	430,868		9,474,178
Interests in associates	於聯營公司之權益						85,012	85,012
Land and buildings	土地及樓宇						325,306	325,306
Investment properties	投資物業						35,020	35,020
Deferred income tax assets	遞延所得稅資產						45,954	45,954
Income tax recoverable	可收回所得稅						2,956	2,956
Other unallocated assets	其他未分配資產						710,824	710,824
<b>Total assets</b>	<b>總資產</b>							10,679,250
Segment liabilities	分部負債	(247,615)	(37,506)	(159,874)	(179,064)	(295,745)		(919,804)
Deferred income tax liabilities	遞延所得稅負債						(81,670)	(81,670)
Current income tax liabilities	即期所得稅負債						(150,076)	(150,076)
Gold loans	黃金借貸						(437,151)	(437,151)
Other unallocated liabilities	其他未分配負債						(110,609)	(110,609)
<b>Total liabilities</b>	<b>總負債</b>							(1,699,310)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 6 SEGMENT INFORMATION (Continued)

The Group's revenues are mainly derived from Hong Kong customers, Mainland China visitors to Hong Kong and Macau and Mainland China customers. An analysis of the Group's revenue by location in which the transaction took place is as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Revenue	收入		
Hong Kong	香港	<b>7,407,584</b>	6,940,960
Mainland China	中國內地	<b>5,063,673</b>	4,134,091
Macau and overseas	澳門及海外	<b>2,107,152</b>	1,732,226
		<b>14,578,409</b>	12,807,277

An analysis of the Group's non-current assets (other than deferred income tax assets, available-for-sale financial assets, derivative financial instrument, rental deposits, interests in associates and loan to an associate) by location of assets is as follows:

		2018				2017			
		Hong Kong	Mainland China	Macau and overseas	Total	Hong Kong	Mainland China	Macau and overseas	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Property, plant and equipment	物業、廠房及設備	312,421	214,020	21,218	547,659	337,835	199,791	26,644	564,270
Land use rights	土地使用權	-	273,019	-	273,019	-	247,781	-	247,781
Investment properties	投資物業	15,963	19,847	-	35,810	16,399	18,621	-	35,020
Prepayments for purchase of property, plant and equipment, and land use rights	購買物業、廠房及設備以及土地使用權之預付賬項	131,543	2,966	-	134,509	-	12,694	-	12,694
Trading licence	交易執照	1,080	-	-	1,080	1,080	-	-	1,080
		<b>461,007</b>	<b>509,852</b>	<b>21,218</b>	<b>992,077</b>	<b>355,314</b>	<b>478,887</b>	<b>26,644</b>	<b>860,845</b>

### 6 分部資料 (續)

本集團之收入主要來自香港之客戶、於香港及澳門之中國內地旅客及中國內地之客戶。按交易進行之地點劃分之本集團收入分析如下：

按資產所在地劃分之本集團非流動資產 (不包括遞延所得稅資產、可供出售金融資產、衍生金融工具、租金按金、於聯營公司之權益及貸款予一家聯營公司) 分析如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 7 OTHER INCOME

### 7 其他收入

		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
Government subsidies	政府補貼		
– Value-added tax refund (Note i)	– 增值稅退款 (附註i)	<b>121,782</b>	105,157
– Other subsidies (Note ii)	– 其他補貼 (附註ii)	<b>34,634</b>	35,370
Rental income	租金收入	<b>4,974</b>	4,762
Others	其他	<b>21,974</b>	30,305
		<b>183,364</b>	175,594

Notes:

- (i) This represents refund from the tax authority in Mainland China. The amount of refund is based on 13% of the cost of the imported diamonds. The Group is entitled to the refund as it is a member of the Shanghai Diamond Exchange and the diamonds are imported through the Shanghai Diamond Exchange.
- (ii) This represents subsidies from a municipal government in Mainland China.

附註：

- (i) 此為來自中國內地稅務機關之退款。退款金額按進口鑽石成本之13%計算。由於本集團為上海鑽石交易所之成員，而鑽石亦透過上海鑽石交易所進口，故本集團有權獲退款。
- (ii) 此為中國內地市政府發放之補貼。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 8 OPERATING PROFIT

The operating profit is stated after charging the following:

### 8 經營溢利

經營溢利扣除下列項目後列賬：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cost of sales (Note (i) & (ii))	銷售成本 (附註(i)及(ii))		
– cost of inventories sold	– 已售存貨成本	10,637,774	9,322,365
– cost of licensing business	– 品牌業務成本	199,258	207,851
		<b>10,837,032</b>	9,530,216
Staff costs (including the directors' emoluments) (Note (ii))	員工成本 (包括董事酬金) (附註(ii))	864,985	737,794
Operating lease	經營租賃		
– minimum lease payments	– 最低租賃付款	626,939	645,875
– contingent rents	– 或然租金	196,778	148,980
Commission expenses to credit card companies	支付信用卡公司之佣金開支	100,665	95,300
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊 (附註16)	117,056	122,255
Depreciation of investment properties (Note 18)	投資物業折舊 (附註18)	1,177	942
Amortisation of land use rights (Note 17)	土地使用權攤銷 (附註17)	9,677	8,295
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	1,783	1,966
Auditor's remuneration	核數師酬金		
– Audit services	– 審核服務	5,487	5,353
– Non-audit services	– 非審核服務	1,701	926

Notes

附註

(i) Staff costs (including directors' emoluments) of HK\$317,483,000 (2017: HK\$284,915,000) are included in cost of sales.

(i) 員工成本 (包括董事酬金) 317,483,000港元 (2017年: 284,915,000港元) 計入銷售成本。

(ii) Breakdown of total staff costs are as follows:

(ii) 員工成本總額分析如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Basic salaries, wages, bonus and allowance	基本薪金、薪資、花紅及津貼	1,105,076	955,930
Pension costs – defined contribution plans (Note 14)	退休金成本 – 定額供款計劃 (附註14)	76,159	65,543
Long service payment (Note 31)	長期服務金 (附註31)	1,233	1,236
		<b>1,182,468</b>	1,022,709

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 9 OTHER GAINS/(LOSSES), NET

### 9 其他收益／（虧損），淨額

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Net realised (losses)/gains on derivative financial instruments (Note)	衍生金融工具之已變現（虧損）／收益淨額（附註）	(29,551)	899
Realised fair value losses on China Gold Silver Group Limited share option	中國金銀集團有限公司購股權之已變現公允價值虧損	(9)	-
Fair value gains on convertible bond (Note 21)	可換股債券之公允價值收益（附註21）	1,803	2,844
Net realised gains/(losses) on gold loans	黃金借貸之已變現收益／（虧損）淨額	1,981	(14,815)
Net unrealised gains/(losses) on gold loans (Note 33)	黃金借貸之未變現收益／（虧損）淨額（附註33）	2,020	(9,716)
Net exchange gains	匯兌收益淨額	37,339	7,013
		<b>13,583</b>	<b>(13,775)</b>

Notes:

Derivative financial instruments mainly represent the gold contracts, gold future contracts and gold forward contracts. These derivative financial instruments are not qualified for hedge accounting.

附註：

衍生金融工具主要為黃金合約、黃金期貨合約及黃金遠期合約。該等衍生金融工具不符合對沖會計資格。

### 10 FINANCE INCOME, NET

### 10 財務收入，淨額

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Finance income:	財務收入：		
– Bank interest income	– 銀行利息收入	22,323	17,951
– Effective interest income on the non-current loan to an associate	– 給予一家聯營公司的非流動貸款之利息收入	4,097	3,919
– Interest income on the convertible bond	– 可換股債券之利息收入	1,712	1,712
– Interest income on the loan to an associate	– 貸款予一家聯營公司之利息收入	790	400
		<b>28,922</b>	<b>23,982</b>
Finance costs:	財務成本：		
– Interest expenses on bank borrowings	– 銀行貸款之利息開支	(2,485)	(803)
– Interest expenses on gold loans	– 黃金借貸之利息開支	(3,907)	(8,208)
		<b>(6,392)</b>	<b>(9,011)</b>
<b>Finance income, net</b>	<b>財務收入，淨額</b>	<b>22,530</b>	<b>14,971</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 11 INCOME TAX EXPENSES

Hong Kong profits tax has been provided for at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

### 11 所得稅開支

香港利得稅乃按照本年度估計應課稅溢利按稅率16.5% (2017年: 16.5%) 計提撥備。海外溢利之稅項乃就本年度估計應課稅溢利按本集團業務所在國家當時稅率計算。

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Current taxation:	即期稅項：		
– Hong Kong profits tax	– 香港利得稅	88,296	80,047
– Overseas taxation	– 海外稅項	174,379	149,710
– (Over)/under-provision in prior years	– 過往年度撥備 (過度) / 不足	(37,434)	696
Deferred income tax (Note 30)	遞延所得稅 (附註30)	17,884	(7,406)
		<b>243,125</b>	223,047

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the profits of the consolidated entities as follows:

本集團除所得稅前溢利之稅項與使用適用於合併實體溢利的加權平均稅率計算之理論稅項差異如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,613,439	1,250,015
Add: Share of results of associates	加：應佔聯營公司業績	29,897	54,273
		<b>1,643,336</b>	1,304,288
Tax calculated at domestic tax rates applicable to profits in the respective jurisdictions	按適用於各司法權區溢利的當地稅率計算之稅項	261,473	210,136
Income not subject to taxation	毋須課稅之收入	(5,639)	(10,698)
Expenses not deductible for taxation purposes	不可扣稅之支出	3,539	3,684
(Over)/under-provision in prior years	過往年度撥備 (過度) / 不足	(37,434)	696
Tax losses of which no deferred tax asset is recognised	未確認遞延稅項資產之稅項虧損	1,681	6,592
Utilisation of previously unrecognised tax losses	動用以往未確認稅項虧損	(1,521)	(248)
Withholding tax on undistributed profit of those subsidiaries in Mainland China (Note 30)	中國內地附屬公司未分派溢利之預扣稅 (附註30)	21,026	12,885
		<b>243,125</b>	223,047

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 12 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company of HK\$1,369,393,000 (2017: HK\$1,016,838,000) and the weighted average number of 587,107,850 (2017: 587,107,850) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 31 March 2018 and 2017 is the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding during the years.

### 12 每股盈利

每股基本盈利乃根據本公司權益持有人應佔本集團溢利1,369,393,000港元(2017年:1,016,838,000港元)及年內已發行普通股之加權平均數587,107,850股(2017年:587,107,850股)計算。

由於年內並無已發行具潛在攤薄效應的普通股，故截至2018年及2017年3月31日止年度之每股攤薄盈利與每股基本盈利相同。

### 13 DIVIDENDS

### 13 股息

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
2017/18 interim dividend, paid, of HK\$0.35 (2016/17 interim dividend: HK\$0.29) per ordinary share	已派2017/18年度中期股息每股普通股0.35港元(2016/17年度中期股息:0.29港元)	205,488	170,261
2017/18 special dividend, paid, of HK\$0.20 (2016/17 special dividend: HK\$0.26) per ordinary share	已派2017/18年度特別股息每股普通股0.20港元(2016/17年度特別股息:0.26港元)	117,421	152,648
		<b>322,909</b>	322,909
2017/18 final dividend, proposed, of HK\$0.55 (2016/17 final dividend: HK\$0.40) per ordinary share (Note)	擬派2017/18年度末期股息每股普通股0.55港元(2016/17年度末期股息:0.40港元)(附註)	322,909	234,843
2016/17 special dividend, proposed, of HK\$0.15 per ordinary share	擬派2016/17年度特別股息每股普通股0.15港元	-	88,066
		<b>322,909</b>	322,909

Note:

At a meeting held on 27 June 2018, the directors recommended the payment of a final dividend of HK\$0.55 per ordinary share. Such dividend is to be approved by the shareholders at the Annual General Meeting of the Company on 15 August 2018. This proposed dividend is not reflected as dividends payable in these consolidated financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 March 2019.

附註:

於2018年6月27日舉行之會議上，董事建議派付末期股息每股普通股0.55港元。有關股息須待股東在本公司於2018年8月15日舉行之股東週年大會批准。此擬派股息並無在此等綜合財務報表中列作應付股息，惟將反映為截至2019年3月31日止年度之保留盈利分配。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 14 RETIREMENT BENEFIT COSTS

### 14 退休福利成本

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Net contributions to pension plans charged to the consolidated income statement	<b>76,159</b>	65,543

The expense is recognised in the following line items in the consolidated income statement:

有關開支乃於綜合損益表之以下項目確認：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cost of sales	<b>26,890</b>	23,896
Selling and distribution costs	<b>45,680</b>	38,340
Administrative expenses	<b>3,589</b>	3,307
	<b>76,159</b>	65,543

The Group's net contributions to pension plans are mainly for employees in Hong Kong and Mainland China. Summary of the pension plans are as follows:

本集團之退休金計劃供款淨額主要為香港及中國內地他僱員而設。退休金計劃概述如下：

- (i) The Group contributes to an MPF Scheme for its employees in Hong Kong, under which the Group and each employee each makes monthly contribution to the scheme at 5% of the qualifying earnings of the employee, subject to a maximum of HK\$1,500 (2017: HK\$1,500) per month.
- (ii) The Group's subsidiaries in Mainland China also contributes to retirement plans for their employees in Mainland China at a percentage of their salaries in compliance with the requirements of the respective municipal governments in Mainland China. The municipal governments undertake to assume the retirement benefit obligation of all existing and future retired employees of the Group in Mainland China.

- (i) 本集團為其香港僱員設立強制性公積金計劃，據此本集團及各僱員均須按僱員之合資格入息5%作每月供款，惟每月供款額上限為1,500港元（2017年：1,500港元）。
- (ii) 本集團於中國內地之附屬公司亦有遵守相關中國內地市政府之規定為其於中國內地的僱員作出為其薪金一定百分比之退休計劃供款。市政府保證承擔本集團所有現有及未來於中國內地僱員之退休福利責任。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT

#### (a) Directors' and Chief Executive's emoluments

The aggregate amounts of emoluments payable to the directors and chief executive of the Company during the year were as follows:

### 15 董事及高級管理人員福利及權益

#### (a) 董事及行政總裁酬金

年內應付本公司董事及行政總裁之酬金總額如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Fees	袍金	2,170	2,170
Salaries	薪金	62,585	61,905
Performance and discretionary bonuses	按表現酌情發放之花紅	31,204	23,446
Contributions to pension plan	退休金計劃供款	492	477
Total directors' emoluments, payable and expensed in the consolidated financial statements	應付及已於綜合財務報表支銷之董事酬金總額	96,451	87,998

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### (a) Directors' and Chief Executive's emoluments (Continued)

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:

For the year ended 31 March 2018

Name of director and chief executive	董事及行政總裁姓名	Fees	Salary	Performance and discretionary bonuses	Housing allowance	Estimated money values of other benefits	Employer's contribution to a retirement benefit scheme	Total emoluments
		袍金	薪金	按表現酌情發放之花紅	住房津貼	其他福利之估計貨幣價值	僱主向退休福利計劃供款	酬金總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
WONG Wai Sheung (Note 1)	黃偉常 (附註1)	55	54,867	15,307	-	-	178	70,407
TSE Moon Chuen	謝滿全	55	1,447	2,826	-	-	61	4,389
WONG Hau Yeung	王巧陽	55	967	5,652	-	-	41	6,715
WONG Lan Sze, Nancy	黃蘭詩	55	695	4,711	-	-	29	5,490
CHUNG Vai Ping	鍾惠冰	55	684	353	-	-	29	1,121
CHAN So Kuen	陳素娟	55	3,685	2,355	-	-	154	6,249
WONG Ho Lung, Danny	黃浩龍	110	60	-	-	-	-	170
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	-	-	170
WONG Yu Pok, Marina <sup>#</sup>	黃汝瑛 <sup>#</sup>	250	-	-	-	-	-	250
TAI Kwok Leung, Alexander <sup>#</sup>	戴國良 <sup>#</sup>	300	-	-	-	-	-	300
IP Shu Kwan, Stephen <sup>#</sup>	葉樹堃 <sup>#</sup>	300	-	-	-	-	-	300
MAK Wing Sum, Alvin <sup>#</sup>	麥永森 <sup>#</sup>	300	-	-	-	-	-	300
HUI King Wai <sup>#</sup>	許競威 <sup>#</sup>	250	-	-	-	-	-	250
		2,170	62,585	31,204	-	-	492	96,451

### 15 董事及高級管理人員福利及權益 (續)

#### (a) 董事及行政總裁酬金 (續)

就相關人士擔任本公司或其附屬公司董事已付或應收酬金：

截至2018年3月31日止年度

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### (a) Directors' and Chief Executive's emoluments (Continued)

For the year ended 31 March 2017

Name of director and chief executive	董事及行政總裁姓名	Fees 袍金 HK\$'000 千港元	Salary 薪金 HK\$'000 千港元	Performance and discretionary bonuses 按表現酌情發放之花紅 HK\$'000 千港元	Housing allowance 住房津貼 HK\$'000 千港元	Estimated money values of other benefits 其他福利之估計貨幣價值 HK\$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主向退休福利計劃供款 HK\$'000 千港元	Total emoluments 酬金總額 HK\$'000 千港元
WONG Wai Sheung (Note i)	黃偉常 (附註i)	55	54,609	11,289	-	-	172	66,125
TSE Moon Chuen	謝滿全	55	1,367	2,084	-	-	59	3,565
WONG Hau Yeung	王巧陽	55	903	4,168	-	-	39	5,165
WONG Lan Sze, Nancy	黃蘭詩	55	648	3,473	-	-	28	4,204
CHUNG Vai Ping	鍾惠冰	55	651	695	-	-	28	1,429
CHAN So Kuen	陳素娟	55	3,487	1,737	-	-	151	5,430
WONG Ho Lung, Danny	黃浩龍	110	60	-	-	-	-	170
YEUNG Po Ling, Pauline	楊寶玲	110	60	-	-	-	-	170
HUI Chiu Chung	許照中	110	60	-	-	-	-	170
LI Hon Hung	李漢雄	110	60	-	-	-	-	170
WONG Yu Pok, Marina <sup>#</sup>	黃汝瑛 <sup>#</sup>	250	-	-	-	-	-	250
TAI Kwok Leung, Alexander <sup>#</sup>	戴國良 <sup>#</sup>	300	-	-	-	-	-	300
IP Shu Kwan, Stephen <sup>#</sup>	葉澍堃 <sup>#</sup>	300	-	-	-	-	-	300
MAK Wing Sum, Alvin <sup>#</sup>	麥永森 <sup>#</sup>	300	-	-	-	-	-	300
HUI King Wai <sup>#</sup>	許競威 <sup>#</sup>	250	-	-	-	-	-	250
		2,170	61,905	23,446	-	-	477	87,998

<sup>#</sup> Independent non-executive directors

Notes:

(i) Mr. Wong Wai Sheung is also the chief executive of the Company.

No directors waived their emoluments in respect of the years ended 31 March 2017 and 2018.

No directors received or will receive remuneration in respect of accepting office as a director. No directors received or will receive other emoluments in respect of director's other services in connection with the management of the affairs of the Company, or its subsidiary undertaking.

### 15 董事及高級管理人員福利及權益 (續)

#### (a) 董事及行政總裁酬金 (續)

截至2017年3月31日止年度

<sup>#</sup> 獨立非執行董事

附註:

(i) 黃偉常先生亦為本公司之行政總裁。

截至2017年及2018年3月31日止年度，並無董事放棄其酬金。

概無董事就接納董事職務已收或將收取酬金。概無董事就有關管理本公司或其附屬公司事務的其他董事服務已收或將收取其他酬金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### (a) Directors' and Chief Executive's emoluments (Continued)

		Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertakings 就作為本公司或其附屬公司董事之服務已付董事或董事應收酬金總額 HK\$'000 千港元	Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertakings 就有關管理本公司或其附屬公司事務之董事其他服務已付或應收之酬金總額 HK\$'000 千港元	Total 總額 HK\$'000 千港元
For the year ended 31 March 2018	截至2018年3月31日止年度	2,170	94,281	96,451
For the year ended 31 March 2017	截至2017年3月31日止年度	2,170	85,828	87,998

#### (b) Directors' retirement benefits

Except for the employer's contribution to a retirement benefit scheme as disclosed in (a), no other retirement benefits were paid to the directors of the Company during the year ended 31 March 2018 in respect of their services as directors of the Company and its subsidiaries (2017: same).

#### (c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the years ended 31 March 2018 (2017: same).

#### (d) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2018, the Company did not pay any consideration to any third parties for making available the services of themselves as directors of the Company (2017: same).

### 15 董事及高級管理人員福利及權益 (續)

#### (a) 董事及行政總裁酬金 (續)

	Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertakings 就有關管理本公司或其附屬公司事務之董事其他服務已付或應收之酬金總額 HK\$'000 千港元	Total 總額 HK\$'000 千港元
For the year ended 31 March 2018	94,281	96,451
For the year ended 31 March 2017	85,828	87,998

#### (b) 董事之退休福利

除(a)項所披露之退休福利計劃僱主供款外，截至2018年3月31日止年度，並無向本公司之董事就其擔任本公司及其附屬公司董事所提供之服務支付其他退休福利(2017年：相同)。

#### (c) 董事之離職福利

於截至2018年3月31日止年度，概無董事經已或將要收取任何離職福利(2017年：相同)。

#### (d) 就提供董事服務向第三方支付代價

於截至2018年3月31日止年度，本公司並無向任何第三方就彼等為本公司提供董事服務支付任何代價(2017年：相同)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 15 BENEFITS AND INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

#### (e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans and other dealing arrangements were entered into by the Company or its subsidiary undertaking in favour of the directors of the Company, a controlled body corporate or a connected entity of such directors at any time during the year (2017: same).

#### (f) Directors' material interests in transactions, arrangements or contracts

Save for transactions disclosed elsewhere in the notes to these consolidated financial statements, no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 March 2018 (2017: same).

#### (g) Five highest paid individuals

Among the five highest paid individuals, all (2017: all) of them are directors of the Company and the details of their remuneration are disclosed in the preceding paragraph.

#### (h) Senior management's emoluments

The emoluments fall within the following bands:

		2018	2017
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	-	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	1	-
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	-	1
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	1	-
		2	2

Senior management represents senior management staff who are non-directors.

### 15 董事及高級管理人員福利及權益 (續)

#### (e) 有關以董事、該等董事之受控法團及關連實體為受益人之貸款、類似貸款及其他買賣之資料

於本年度任何時間，本公司或其附屬公司並無訂立以本公司董事、該等董事之受控法團或關連實體為受益人之貸款、類似貸款及其他買賣安排 (2017年：相同)。

#### (f) 董事於交易、安排或合約之重大權益

除該等綜合財務報表附註其他部分所披露之交易外，本公司並無就本集團業務訂立本公司董事於其中有重大直接或間接權益且於截至2018年3月31日止年度結束時或年內任何時間有效之其他重大交易、安排及合約 (2017年：相同)。

#### (g) 五名最高薪酬人士

五名最高薪酬人士當中，全部 (2017年：全部) 為本公司董事，彼等之酬金詳情已於上段披露。

#### (h) 高級管理人員酬金

彼等之酬金介乎下列組別：

高級管理層指非董事之高級管理人員。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 16 PROPERTY, PLANT AND EQUIPMENT

### 16 物業、廠房及設備

		Land and buildings	Leasehold improvements	Furniture and fixtures and computer equipment	Plant and machinery	Motor vehicles	Total
		土地及樓宇	租賃物業 裝修	傢俬、裝置及 電腦設備	廠房及機器	汽車	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
<b>At 1 April 2016</b>	<b>於2016年4月1日</b>						
Cost	成本	479,914	474,820	178,959	55,972	24,689	1,214,354
Accumulated depreciation	累計折舊	(69,073)	(350,370)	(130,623)	(40,076)	(20,334)	(610,476)
Net book value	賬面淨值	410,841	124,450	48,336	15,896	4,355	603,878
<b>Year ended 31 March 2017</b>	<b>截至2017年3月31日止年度</b>						
Opening net book value	年初賬面淨值	410,841	124,450	48,336	15,896	4,355	603,878
Exchange differences	匯兌差額	(6,868)	(1,416)	(1,095)	(628)	(158)	(10,165)
Additions	添置	-	60,142	29,813	4,823	-	94,778
Disposals	出售	-	(1,248)	(646)	(72)	-	(1,966)
Depreciation charge	折舊支出	(11,206)	(78,896)	(24,361)	(6,178)	(1,614)	(122,255)
Closing net book value	年末賬面淨值	392,767	103,032	52,047	13,841	2,583	564,270
<b>At 31 March 2017</b>	<b>於2017年3月31日</b>						
Cost	成本	474,596	498,825	189,784	48,217	23,867	1,235,289
Accumulated depreciation	累計折舊	(81,829)	(395,793)	(137,737)	(34,376)	(21,284)	(671,019)
Net book value	賬面淨值	392,767	103,032	52,047	13,841	2,583	564,270
<b>Year ended 31 March 2018</b>	<b>截至2018年3月31日止年度</b>						
Opening net book value	年初賬面淨值	392,767	103,032	52,047	13,841	2,583	564,270
Exchange differences	匯兌差額	13,179	2,270	2,612	1,015	155	19,231
Additions	添置	2,624	45,670	31,360	3,647	483	83,784
Disposals	出售	-	(1,425)	(545)	(455)	(145)	(2,570)
Depreciation charge	折舊支出	(11,369)	(73,478)	(24,837)	(6,027)	(1,345)	(117,056)
Closing net book value	年末賬面淨值	397,201	76,069	60,637	12,021	1,731	547,659
<b>At 31 March 2018</b>	<b>於2018年3月31日</b>						
Cost	成本	493,474	508,451	225,154	54,520	25,407	1,307,006
Accumulated depreciation	累計折舊	(96,273)	(432,382)	(164,517)	(42,499)	(23,676)	(759,347)
Net book value	賬面淨值	397,201	76,069	60,637	12,021	1,731	547,659

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 17 LAND USE RIGHTS

### 17 土地使用權

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
<b>Year ended 31 March</b>	<b>截至3月31日止年度</b>		
Opening net book value	年初賬面淨值	247,781	215,245
Addition	添置	8,809	51,704
Amortisation charge	攤銷費用	(9,677)	(8,295)
Exchange differences	匯兌差額	26,106	(10,873)
Closing net book value	年末賬面淨值	273,019	247,781
<b>At 31 March</b>	<b>於3月31日</b>		
Cost	成本	327,619	287,873
Accumulated amortisation	累計攤銷	(54,600)	(40,092)
		273,019	247,781

### 18 INVESTMENT PROPERTIES

### 18 投資物業

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
<b>Year ended 31 March</b>	<b>截至3月31日止年度</b>		
Opening net book value	年初賬面淨值	35,020	24,617
Addition	添置	-	11,735
Depreciation	折舊	(1,177)	(942)
Exchange differences	匯兌差額	1,967	(390)
Closing net book value	年末賬面淨值	35,810	35,020
<b>At 31 March</b>	<b>於3月31日</b>		
Cost	成本	42,661	40,446
Accumulated depreciation	累計折舊	(6,851)	(5,426)
		35,810	35,020
<b>At valuation (Note)</b>	<b>估值 (附註)</b>	101,401	99,028

Note:

The valuation of the investment properties was determined by an independent valuer BMI Appraisals Limited at open market values (2017: BMI Appraisals Limited).

附註：

投資物業之估值乃由獨立估值師中和邦盟評估有限公司按公開市值釐定(2017年：中和邦盟評估有限公司)。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 18 INVESTMENT PROPERTIES (Continued)

Future aggregate minimum lease receipts under non-cancellable operating leases are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Not later than one year	一年內	10,006	7,344
Later than one year and not later than five years	一年後但不超過五年	5,544	9,412
		<b>15,550</b>	16,756

### 18 投資物業 (續)

根據不可撤銷之經營租賃而於未來收取之最低租金總額如下：

### 19 INTERESTS IN ASSOCIATES

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
As at 1 April	於4月1日	85,012	154,531
Share of results of associates for the year	年內應佔聯營公司業績	(29,897)	(54,273)
Share of reserve movement of associates for the year	年內應佔聯營公司儲備變動	12,478	(15,246)
As at 31 March	於3月31日	67,593	85,012
Amount due from an associate (Note i)	應收一家聯營公司賬項 (附註i)	13,173	33,340
Amount due to an associate (Note i)	應付一家聯營公司賬項 (附註i)	(3,555)	(1,995)

### 19 於聯營公司之權益

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 19 INTERESTS IN ASSOCIATES (Continued)

Particulars of the associates of the Group as at 31 March 2018 are as follows:

Name 名稱	Place of incorporation 註冊成立地點	Particulars of issued share capital 已發行股本詳情	% of attributable interests held indirectly 間接持有應佔權益百分比		Principal activities 主要業務
			2018	2017	
Luk Fook Diamond Company Limited# 六福鑽石有限公司#	Hong Kong 香港	HK\$6,120,000 6,120,000港元	50%	50%	Manufacturing and wholesale of diamond products 鑽石產品製造及批發
China Gold Silver Group Company Limited ("CGS")* 中國金銀集團有限公司 (「中國金銀」)*	The British Virgin Islands ("BVI") 英屬維爾京群島	USD3,334 3,334美元	50%	50%	Retailing and franchising operations of gold and jewellery products in Hong Kong, Macau and Mainland China 在香港、澳門及中國內地 從事黃金及珠寶首飾 產品之零售及特許經 營業務

\* Pursuant to the shareholder's agreement, this associate is controlled by a third party, who holds the casting vote in the directors' meetings.

\* The financial statements of this company are audited by firm other than PricewaterhouseCoopers. The financial year of this associate is not conterminous with that of the Group and the financial statements used for equity accounting are for the 12 months period ended 31 December 2017. This associate uses 30 June as its financial year to conform with its holding company's reporting date. Pursuant to the shareholders' agreement, the company is controlled by its holding company, which holds the casting vote in the directors' meetings.

Notes:

- (i) Amount due from an associate of HK\$13,173,000 (2017: HK\$33,340,000) is trade in nature. Amount due from/(to) associates are denominated in HK\$ and are unsecured, interest-free and repayable on demand.
- (ii) The Group's associates did not have any significant capital commitments as at 31 March 2018 and 2017.

### 19 於聯營公司之權益 (續)

於2018年3月31日本集團聯營公司之詳情如下：

\* 根據股東協議，該聯營公司由於董事會會議可投決定票之第三方控制。

\* 該公司之財務報表由羅兵咸永道會計師事務所之外的其他事務所審核。該聯營公司之財政年度與本集團不同，其財務報表乃採用權益會計法，涵蓋截至2017年12月31日止12個月期間。該聯營公司採用6月30日作為其財政年度年結日，以與其控股公司的報告日期一致。根據股東協議，該公司由其控股公司控制，該控股公司於董事會會議可投決定票。

附註：

- (i) 應收一家聯營公司賬項13,173,000港元(2017年：33,340,000港元)為貿易性質。應收/(應付)聯營公司賬項以港元計值、無抵押、免息及須應要求償還。
- (ii) 本集團的聯營公司於2018年及2017年3月31日並無任何重大資本承擔。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 20 LOANS TO AN ASSOCIATE

### 20 貸款予一家聯營公司

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
<b>Non-current portion</b>	<b>非流動部分</b>		
Loan to an associate (Note i)	貸款予一家聯營公司(附註i)	94,927	90,830
<b>Current portion</b>	<b>流動部分</b>		
Loan to an associate (Note ii)	貸款予一家聯營公司(附註ii)	43,190	20,000
		<b>138,117</b>	<b>110,830</b>

Notes:

- (i) In connection with the acquisition of CGS on 6 June 2014, the Group and Hong Kong Resources Holdings Limited ("HKRH") each agreed to provide funding of HK\$100,000,000 to CGS by way of shareholder loan for general working capital and business expansion purpose.

The shareholder loan is unsecured, interest-free and not to be repaid within one year after the end of the reporting period. The carrying amount is denominated in HK\$.

The difference between the nominal value of the loan and its fair value of HK\$80,207,000 at the time of acquisition amounting to HK\$19,793,000 is regarded as part of the cost of the investment in CGS.

- (ii) The Group and HKRH each agreed to provide two short-term shareholder loans of HK\$43,190,000 in total (2017: HK\$20,000,000) to CGS. The short-term shareholder loans are interest bearing at 2% per annum and with maturity within one year.

附註：

- (i) 就於2014年6月6日收購中國金銀·本集團及香港資源控股有限公司(「香港資源控股」)均同意透過一筆股東貸款·向中國金銀提供100,000,000港元資金·作為一般營運資金及業務擴充。

股東貸款乃無抵押·免息·且毋須於報告期結束後一年內償還。賬面值乃以港元計值。

貸款之面值與其於收購時的公允值80,207,000港元之差額19,793,000港元·被視為中國金銀投資成本之一部分。

- (ii) 本集團及香港資源控股各自同意向中國金銀提供兩筆合共43,190,000港元(2017年：20,000,000港元)的短期股東貸款。短期股東貸款按2%之年利率計息·並於一年內到期。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 21 DERIVATIVE FINANCIAL INSTRUMENTS

### 21 衍生金融工具

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
<b>Non-current portion</b>	<b>非流動部分</b>		
Convertible bond (Note)	可換股債券 (附註)	50,782	48,979
<b>Current portion</b>	<b>流動部分</b>		
CGS Share Option	中國金銀購股權	-	9
		<b>50,782</b>	<b>48,988</b>

Note:

On 6 June 2014, the Group subscribed a convertible bond of HKRH of HK\$57,080,000 with 3% interest rate per annum and 5 years of maturity from the date of issuance. The conversion period commences on the 2nd anniversary of the issue date and expires on the date which is three days before its maturity.

The convertible bond comprises a loan receivable component and option component which together have been designated as derivative financial instrument by the Group. The convertible bond was initially recognised at HK\$57,080,000 and subsequently revalued to HK\$50,782,000 at 31 March 2018 (2017: HK\$48,979,000). The fair value as at year end was valued by an independent valuer using a Trinomial Tree model with the following key assumptions:

附註:

於2014年6月6日，本集團認購香港資源控股可換股債券57,080,000港元，年利率3%，由發行日期起計5年內到期。換股期於發行日期後兩週年開始至到期日前3天屆滿。

可換股債券包括應收貸款及購股權，由本集團指定為衍生金融工具。可換股債券按57,080,000港元進行初步確認，其後於2018年3月31日重估為50,782,000港元（2017年：48,979,000港元）。年末公允價值由獨立估值師採用三叉樹模型及以下關鍵假設進行估算：

		As at 31 March 於3月31日	
		2018	2017
Share price of HKRH	香港資源控股股份價格	HK\$0.08港元	HK\$0.10港元
Exercise price	行使價	HK\$0.178港元	HK\$0.18港元
Dividend yield	股息利率	0%	0%
Effective interest rate	實際利率	15.18%	15.31%
Volatility	波幅	39.14%	41.14%
Risk free rate	無風險率	1.22%	0.91%

The fair value gain of HK\$1,803,000 (2017: HK\$2,844,000) was included under "Other gains/(losses), net" in the consolidated income statement for the year ended 31 March 2018.

公允價值收益1,803,000港元（2017年：2,844,000港元）計入截至2018年3月31日止年度之綜合損益表之「其他收益／（虧損），淨額」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 22 AVAILABLE-FOR-SALE FINANCIAL ASSETS 22 可供出售金融資產

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
<b>At 1 April</b>	<b>於4月1日</b>	<b>7,690</b>	8,767
Net loss transfer to equity (Note 29)	轉撥至權益之淨虧損 (附註29)	<b>(1,615)</b>	(1,077)
<b>At 31 March</b>	<b>於3月31日</b>	<b>6,075</b>	7,690

Available-for-sale financial assets represent common shares issued by a company listed on The Stock Exchange of Hong Kong Limited. The available-for-sale financial assets are denominated in HK\$ and stated at fair values.

可供出售金融資產指一家於香港聯合交易所有限公司上市之公司發行之普通股。可供出售金融資產以港元計值及按公允值呈列。

### 23 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
<b>Non-current</b>	<b>非即期</b>		
Rental deposits	租金按金	<b>77,658</b>	108,510
Prepayment (Note)	預付賬項 (附註)	<b>134,509</b>	12,694
		<b>212,167</b>	121,204
<b>Current</b>	<b>即期</b>		
Rental deposits	租金按金	<b>85,456</b>	70,221
Value-added tax recoverable	可收回增值稅	<b>148,768</b>	154,184
Prepayments	預付賬項	<b>64,720</b>	50,495
Interest receivables	應收利息	<b>7,023</b>	2,613
Other receivables	其他應收賬項	<b>27,944</b>	19,419
Other deposits	其他按金	<b>30,854</b>	26,391
		<b>364,765</b>	323,323
		<b>576,932</b>	444,527

Note:

As at 31 March 2018, amount of HK\$131,543,000 included in non-current prepayment represents the prepayment paid for the acquisition of several commercial properties located in Hong Kong with an aggregate consideration of approximately HK\$560.7 million. The acquisition is completed in April 2018.

附註:

於2018年3月31日，非流動預付賬項中131,543,000港元乃有關按總代價約560,700,000港元收購位於香港的若干商業物業所支付的預付賬項。該收購事項已於2018年4月完成。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 23 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

The carrying amounts of the deposits, prepayments and other receivables approximate their fair values and are denominated in the following currencies:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
HK\$	港元	295,853	168,543
RMB	人民幣	231,496	213,429
MOP	澳門元	42,521	52,263
Other currencies	其他貨幣	7,062	10,292
		<b>576,932</b>	444,527

The credit quality of deposits and other receivables has been assessed by reference to historical information about the counterparty default rates. The existing counterparties have not defaulted in the past. At 31 March 2018, no deposits and other receivables were considered impaired (2017: Nil). The Group does not hold any collateral for its deposits and other receivables.

### 24 INVENTORIES

The inventories net of provision are as follow:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Finished goods	製成品	7,855,443	6,916,477
Raw materials	原材料	136,284	56,293
		<b>7,991,727</b>	6,972,770

At 31 March 2018, inventories carried at net realisable value amounted to approximately HK\$92,055,000 (2017: HK\$47,290,000). As at 31 March 2018, the Group recognised inventory provision of HK\$9,206,000 (2017: HK\$4,729,000). During the year ended 31 March 2018, provision of inventories amounted to HK\$4,477,000 (2017: HK\$266,900) was recognised as an expense and included in 'cost of sales' in consolidated income statements.

### 23 按金、預付賬項及其他應收賬項 (續)

按金、預付賬項及其他應收賬項之賬面值與其公允值相若，並以下列貨幣為單位：

按金及其他應收賬項之信貸質量乃透過參考有關對手方拖欠比率之過往資料進行評估。現有對手方過往並無拖欠記錄。於2018年3月31日，並無按金及其他應收賬項被視為已減值(2017年：無)。本集團並無就其按金及其他應收賬項持有任何抵押。

### 24 存貨

扣除撥備之存貨如下：

於2018年3月31日，按可變現淨值列賬之存貨約為92,055,000港元(2017年：47,290,000港元)。於2018年3月31日，本集團確認存貨撥備9,206,000港元(2017：4,729,000港元)。於截至2018年3月31日止年度，確認為開支之存貨撥備為4,477,000港元(2017年：266,900港元)，該等開支計入於綜合損益表「銷售成本」。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 25 TRADE RECEIVABLES

The Group's sales to retail customers comprised mainly cash sales and credit card sales. Concessionaire sales through department stores and sales to wholesale customers are generally on credit terms ranging from 0 to 90 days.

The ageing of trade receivables is as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
0 – 30 days	0至30日	244,820	143,542
31 – 60 days	31至60日	76,925	44,481
61 – 90 days	61至90日	20,170	20,371
91 – 120 days	91至120日	8,769	2,944
Over 120 days	超過120日	9,112	5,920
		<b>359,796</b>	217,258

The carrying amounts of trade receivables approximate their fair values and are denominated in the following currencies:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
HK\$	港元	67,452	19,425
RMB	人民幣	270,887	186,078
MOP	澳門元	19,088	9,638
Other currencies	其他貨幣	2,369	2,117
		<b>359,796</b>	217,258

The credit quality of trade receivables has been assessed by reference to historical default rate of the counterparty. The existing counterparties have not defaulted in the past. The Group does not hold any collateral for its trade receivables.

As at 31 March 2018, trade receivables of HK\$17,881,000 (2017: HK\$8,864,000) were past due but not considered impaired and all of which were aged over 90 days.

### 25 貿易應收賬項

本集團向零售客戶銷售主要包括現金銷售及信用卡銷售。百貨商場特許銷售及向批發客戶銷售之信貸期一般介乎0至90日。

貿易應收賬項之賬齡如下：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
0 – 30 days	244,820	143,542
31 – 60 days	76,925	44,481
61 – 90 days	20,170	20,371
91 – 120 days	8,769	2,944
Over 120 days	9,112	5,920
	<b>359,796</b>	217,258

貿易應收賬項之賬面值與其公允值相若，並以下列貨幣為單位：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
HK\$	67,452	19,425
RMB	270,887	186,078
MOP	19,088	9,638
Other currencies	2,369	2,117
	<b>359,796</b>	217,258

貿易應收賬項信貸質量乃透過參考對手方過往拖欠比率進行評估。現有對手方過往並無拖欠記錄。本集團並無就其貿易應收賬項持有任何抵押。

於2018年3月31日，已逾期但並無被視為減值且賬齡超過90日的貿易應收賬項達17,881,000港元（2017年：8,864,000港元）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 26 CASH AND BANK BALANCES

### 26 現金及銀行結餘

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Short-term bank deposits, with maturities less than 3 months	到期日少於三個月的短期銀行存款	707,164	195,300
Cash at bank and on hand	銀行存款及手頭現金	1,192,895	1,333,906
Cash and cash equivalents	現金及現金等價物	1,900,059	1,529,206
Short-term bank deposits, with maturities over 3 months	到期日超過三個月的短期銀行存款	197,808	332,568
Total cash and bank balances	現金及銀行結餘總額	2,097,867	1,861,774

As at 31 March 2018, the cash and bank balances denominated in RMB amounted to approximately HK\$1,442,671,000 (2017: HK\$1,070,366,000) are held by the Group's subsidiaries in Mainland China. The conversion of the RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

於2018年3月31日，以人民幣計值的現金及銀行結餘約1,442,671,000港元（2017年：1,070,366,000港元）乃由本集團於中國內地之附屬公司持有。將該等以人民幣計值的結餘換算為外幣須遵守中國政府所頒佈之外匯管制規則及規例。

### 27 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

### 27 貿易應付賬項、其他應付賬項及應計款項

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Trade payables	貿易應付賬項	380,134	381,575
Deposits from customers and licensees	來自客戶及特許商之訂金	389,348	318,647
Salaries and welfare payables	應付薪金及福利	193,894	160,004
Other payables	其他應付賬項	119,443	111,736
Accrued expenses	應計費用	42,634	32,702
		1,125,453	1,004,664



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 27 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS (Continued)

The ageing of trade payables is as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
0 – 30 days	0至30日	276,949	247,907
31 – 60 days	31至60日	79,244	120,730
61 – 90 days	61至90日	19,596	11,224
91 – 120 days	91至120日	4,345	1,417
Over 120 days	超過120日	–	297
		<b>380,134</b>	<b>381,575</b>

The carrying amounts of the trade payables, other payables and accruals approximate their fair values.

### 27 貿易應付賬項、其他應付賬項及應計款項 (續)

貿易應付賬項之賬齡如下：

貿易應付賬項、其他應付賬項及應計款項之賬面值與彼等之公允值相若。

### 28 SHARE CAPITAL AND SHARE PREMIUM (a) Share capital

		2018		2017	
		No. of shares 股份數目	HK\$'000 千港元	No. of shares 股份數目	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元 之普通股	800,000,000	80,000	800,000,000	80,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元 之普通股	587,107,850	58,710	587,107,850	58,710

#### (b) Share premium

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
At 31 March	於3月31日	<b>2,494,040</b>	2,494,040

### 28 股本及股份溢價 (a) 股本

#### (b) 股份溢價

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 29 RESERVES

### 29 儲備

		Capital reserve	Capital redemption reserve	Available- for-sale financial assets reserve	Exchange reserve	Statutory reserve	Other reserve	Retained earnings	Total
		資本儲備	資本贖回 儲備	金融資產儲備 可供出售	匯兌儲備	法定儲備	其他儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i)	(Note iv)			(Note ii)	(Note iii)		
		(附註i)	(附註iv)			(附註ii)	(附註iii)		
Representing:	指：								
Reserves	儲備								
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(3,257)	(43,017)	92,620	-	5,615,878	5,798,137
Proposed dividend	擬派股息	-	-	-	-	-	-	322,909	322,909
At 31 March 2016	於2016年3月31日	135,713	200	(3,257)	(43,017)	92,620	-	5,938,787	6,121,046
<b>For the year ended</b>	<b>截至2017年3月31日</b>								
<b>31 March 2017</b>	<b>止年度</b>								
At 1 April 2016	於2016年4月1日	135,713	200	(3,257)	(43,017)	92,620	-	5,938,787	6,121,046
<b>Comprehensive income</b>	<b>全面收入</b>								
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	-	1,016,838	1,016,838
<b>Other comprehensive income</b>	<b>其他全面收入</b>								
Currency translation differences	匯兌差額	-	-	-	(171,738)	-	-	-	(171,738)
Remeasurement of employee benefit obligations (Note 31(d))	僱員福利責任的重新計量(附註31(d))	-	-	-	-	-	-	1,349	1,349
Revaluation of available-for-sale financial assets (Note 22)	可供出售金融資產的價值變動(附註22)	-	-	(1,077)	-	-	-	-	(1,077)
<b>Total other comprehensive income</b>	<b>其他全面總收入</b>	-	-	(1,077)	(171,738)	-	-	1,018,187	845,372
<b>Transactions with owners</b>	<b>與擁有人之交易</b>								
2015/16 final dividend paid	已付2015/16年度末期股息	-	-	-	-	-	-	(199,617)	(199,617)
2015/16 special dividend paid	已付2015/16年度特別股息	-	-	-	-	-	-	(123,292)	(123,292)
2016/17 interim dividend paid	已付2016/17年度中期股息	-	-	-	-	-	-	(170,261)	(170,261)
2016/17 special dividend paid	已付2016/17年度特別股息	-	-	-	-	-	-	(152,648)	(152,648)
		-	-	-	-	-	-	(645,818)	(645,818)
At 31 March 2017	於2017年3月31日	135,713	200	(4,334)	(214,755)	92,620	-	6,311,156	6,320,600
Representing:	指：								
Reserves	儲備								
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(4,334)	(214,755)	92,620	-	5,988,247	5,997,691
Proposed dividend	擬派股息	-	-	-	-	-	-	322,909	322,909
At 31 March 2017	於2017年3月31日	135,713	200	(4,334)	(214,755)	92,620	-	6,311,156	6,320,600

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 29 RESERVES (Continued)

### 29 儲備(續)

		Capital reserve	Capital redemption reserve	Available- for-sale financial assets reserve	Exchange reserve	Statutory reserve	Other reserve	Retained earnings	Total
		資本儲備	資本贖回 儲備	可供出售 金融資產儲備	匯兌儲備	法定儲備	其他儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i)	(Note iv)			(Note ii)	(Note iii)		
		(附註i)	(附註iv)			(附註ii)	(附註iii)		
Representing:	指:								
Reserves	儲備								
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(4,334)	(214,755)	92,620	-	5,988,247	5,997,691
Proposed dividend	擬派股息	-	-	-	-	-	-	322,909	322,909
At 31 March 2017	於2017年3月31日	135,713	200	(4,334)	(214,755)	92,620	-	6,311,156	6,320,600
<b>For the year ended</b>	<b>截至2018年</b>								
<b>31 March 2018</b>	<b>3月31日止年度</b>								
At 1 April 2017	於2017年4月1日	135,713	200	(4,334)	(214,755)	92,620	-	6,311,156	6,320,600
<b>Comprehensive income</b>	<b>全面收入</b>								
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	-	-	-	-	-	-	1,369,393	1,369,393
<b>Other comprehensive income</b>	<b>其他全面收入</b>								
Currency translation differences	匯兌差額	-	-	-	405,244	-	-	-	405,244
Remeasurement of employee benefit obligations (Note 31(d))	僱員福利責任的重新計量(附註31(d))	-	-	-	-	-	-	16,646	16,646
Revaluation of available-for-sale financial assets (Note 22)	可供出售金融資產的價值變動(附註22)	-	-	(1,615)	-	-	-	-	(1,615)
<b>Total other comprehensive income</b>	<b>其他全面總收入</b>	-	-	(1,615)	405,244	-	-	1,386,039	1,789,668
<b>Transactions with owners</b>	<b>與擁有人之交易</b>								
2016/17 final dividend paid (Note 13)	已付2016/17年度末期股息(附註13)	-	-	-	-	-	-	(234,843)	(234,843)
2016/17 special dividend paid	已付2016/17年度特別股息	-	-	-	-	-	-	(88,066)	(88,066)
2017/18 interim dividend paid	已付2017/18年度中期股息	-	-	-	-	-	-	(205,488)	(205,488)
2017/18 special dividend paid	已付2017/18年度特別股息	-	-	-	-	-	-	(117,421)	(117,421)
Acquisition of additional equity interest in a subsidiary from a non-controlling interest	自非控股權益收購附屬公司的額外股本權益	-	-	-	-	-	17,569	-	17,569
		-	-	-	-	-	17,569	(645,818)	(628,249)
At 31 March 2018	於2018年3月31日	135,713	200	(5,949)	190,489	92,620	17,569	7,051,377	7,482,019
Representing:	指:								
Reserves	儲備								
(excluded proposed dividend)	(不包括擬派股息)	135,713	200	(5,949)	190,489	92,620	17,569	6,728,468	7,159,110
Proposed dividend	擬派股息	-	-	-	-	-	-	322,909	322,909
At 31 March 2018	於2018年3月31日	135,713	200	(5,949)	190,489	92,620	17,569	7,051,377	7,482,019

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 29 RESERVES (Continued)

Notes:

- (i) The capital reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the Group's reorganisation in 1997.
- (ii) Statutory reserves are non-distributable and the transfers of these funds are determined by the Board of Directors of the relevant Mainland China subsidiaries in accordance with the relevant laws and regulations in Mainland China.
- (iii) Other reserve primarily arose from the acquisition of remaining 6.7% equity interest of a subsidiary, and represents any differences between the amount by which the non-controlling interest are adjusted (to reflect the changes in the interests in subsidiaries) and the fair value of the consideration paid.
- (iv) During the year ended 31 March 2016, the Company purchased 2,000,000 of its shares on Hong Kong Stock Exchange at a total consideration of HK\$29,143,000. All the repurchased shares were cancelled and the issued share capital of the Company was reduced by the nominal value of these shares accordingly. The premium paid on repurchase was charged against the share premium of the Company. An amount equivalent to the nominal value of the shares cancelled was transferred from retained earnings to the capital redemption reserve.

### 29 儲備(續)

附註:

- (i) 本集團之資本儲備指本集團於1997年重組時所收購附屬公司之股份面值與就收購發行本公司股份之面值兩者間之差額。
- (ii) 法定儲備乃不可分派，轉撥有關款項乃由相關中國內地附屬公司董事會根據中國內地相關法律及規例決定。
- (iii) 其他儲備主要來自收購一家附屬公司餘下6.7%股權，指非控股權益的調整金額（以反映於附屬公司之權益變動）與已付代價之公允值之差額。
- (iv) 截至2016年3月31日止年度，本公司以總代價29,143,000港元於香港聯交所購買其2,000,000股股份。所有購回股份均已註銷，而本公司的已發行股本已相應減少該等股份之賬面值。購回所支付的溢價乃自本公司的股份溢價扣除。與已註銷股份面值相等之金額已自保留盈利轉撥至資本贖回儲備。

### 30 DEFERRED INCOME TAX

Deferred income tax of the Group is provided for in respect of:

### 30 遞延所得稅

本集團遞延所得稅乃就下列各項作出撥備：

		Tax depreciation allowances and tax losses		Unrealised profit on closing inventories		Undistributed profit of those subsidiaries in Mainland China		Total	
		2018	2017	2018	2017	2018	2017	2018	2017
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April	於4月1日	1,723	127	39,238	30,270	(76,677)	(73,519)	(35,716)	(43,122)
Credited/(charged) to the consolidated income statement (Note 11)	綜合損益表計入/(扣除)(附註11)	1,784	1,596	(625)	8,968	(19,043)	(3,158)	(17,884)	7,406
At 31 March	於3月31日	3,507	1,723	38,613	39,238	(95,720)	(76,677)	(53,600)	(35,716)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 30 DEFERRED INCOME TAX (Continued)

Representing:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	47,114	45,954
Deferred income tax liabilities	遞延所得稅負債	(100,714)	(81,670)
At 31 March	於3月31日	(53,600)	(35,716)

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profit is probable. As at 31 March 2018, the Group had potential unrecognised deferred tax assets amounting to HK\$14,505,000 (2017: HK\$14,703,000) in respect of tax losses to be carried forward against future taxable income. Cumulative tax losses of HK\$43,187,000 (2017: HK\$40,396,000) can be carried forward indefinitely; cumulative tax losses of HK\$37,595,000 (2017: HK\$35,522,000) will expire (if not utilised) within the next three to five years.

### 31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT

Under the Hong Kong Employment Ordinance, the Group is obligated to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plan that are attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations. The long service payments are paid out from the Group's cash in hand when such payments are required.

The latest actuarial valuation as at 31 March 2017 and 31 March 2018 specifically designated for the Group's employees was completed by a qualified actuary, Towers Watson Hong Kong Limited, using projected unit credit method.

### 30 遞延所得稅 (續)

指：

遞延所得稅資產乃就結轉之稅項虧損確認，惟須有可能透過日後應課稅溢利將相關稅項利益變現。於2018年3月31日，本集團有潛在未確認遞延稅項資產共14,505,000港元（2017年：14,703,000港元），乃有關將予結轉以抵銷日後應課稅收入之稅項虧損。累計稅項虧損43,187,000港元（2017年：40,396,000港元）可無限期結轉；累計稅項虧損37,595,000港元（2017年：35,522,000港元）倘不動用，則將於未來三至五年內屆滿。

### 31 僱員福利責任－長期服務金

根據香港僱傭條例，本集團有責任於若干情況下，於已服務本集團最少五年之若干僱員終止受僱時向其支付一次性款項。應付款項乃視乎有關僱員之最後薪金及服務年數而定，並減去本集團退休計劃項下及本集團之供款應佔之累算權益。本集團並無撥出任何資產作為任何餘下責任之資金。於需要支付有關款項時，會自本集團之手頭現金撥款支付長期服務金。

合資格精算師韜睿惠悅香港有限公司以預計單位信貸法完成專為本集團僱員而編製之2017年3月31日及2018年3月31日最新精算評估。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT (Continued)

(a) The amount recognised in the consolidated balance sheet is as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Present value of defined benefit obligations	界定福利責任之現值	8,237	23,754

(b) Movements in the net liability recognised in the consolidated balance sheet are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
At 1 April	於4月1日	23,754	23,918
Expenses recognised in the consolidated income statement	於綜合損益表確認之開支	1,233	1,236
Remeasurements recognised in other comprehensive income	於其他全面收入 確認之重新計量	(16,646)	(1,349)
Benefits paid directly by employer	僱主直接支付之福利	(104)	(51)
At 31 March	於3月31日	8,237	23,754

(c) Expenses recognised in the consolidated income statement is as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Current service cost	即期服務費	775	750
Interest cost	利息成本	458	486
		1,233	1,236

### 31 僱員福利責任－長期服務金 (續)

(a) 於綜合資產負債表確認之款項如下：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Present value of defined benefit obligations	8,237	23,754

(b) 於綜合資產負債表確認之負債淨額變動如下：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
At 1 April	23,754	23,918
Expenses recognised in the consolidated income statement	1,233	1,236
Remeasurements recognised in other comprehensive income	(16,646)	(1,349)
Benefits paid directly by employer	(104)	(51)
At 31 March	8,237	23,754

(c) 於綜合損益表確認之開支如下：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Current service cost	775	750
Interest cost	458	486
	1,233	1,236

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 31 EMPLOYEE BENEFIT OBLIGATIONS – LONG SERVICE PAYMENT (Continued)

(d) Income recognised in the consolidated statement of comprehensive income is as follows:

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Remeasurements of employees benefit obligations 僱員福利責任的重新計量	<b>(16,646)</b>	(1,349)

(e) The principal actuarial assumptions used as at 31 March 2018 and 2017 (expressed as weighted average) are as follows:

	2018	2017
Discount rate 貼現率	<b>2.6%</b>	2%
Future salary increment 未來薪金增幅	<b>3%</b>	3%
Return of MPF balances 強積金結餘回報率	<b>3%</b>	3%

### 31 僱員福利責任－長期服務金 (續)

(d) 於綜合全面收入報表確認之收入如下：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Remeasurements of employees benefit obligations 僱員福利責任的重新計量	<b>(16,646)</b>	(1,349)

(e) 於2018年及2017年3月31日使用之主要精算假設(以加權平均呈列)如下：

	2018	2017
Discount rate 貼現率	<b>2.6%</b>	2%
Future salary increment 未來薪金增幅	<b>3%</b>	3%
Return of MPF balances 強積金結餘回報率	<b>3%</b>	3%

#### Impact on employee benefit obligations

#### 對僱員福利責任的影響

	Change in assumption 假設變動	Increase in assumption 假設增加	Decrease in assumption 假設減少
Discount rate 貼現率	0.25%	Decrease by 4.6% 減少4.6%	Increase by 4.9% 增加4.9%
Salary growth rate 薪金增長率	0.25%	Increase by 15.7% 增加15.7%	Decrease by 18.6% 減少18.6%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

以上敏感度分析乃根據假設變動，而所有其他假設維持不變達致。實際上，此情況不大可能發生，一些假設變動可能相關。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 32 BANK BORROWINGS

### 32 銀行貸款

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Short-term bank borrowings, unsecured	短期銀行貸款，無抵押	415,000	-

As at 31 March 2018, the bank borrowings were due for repayment within three months (2017: nil). Bank borrowings of HK\$415,000,000 (2017: nil) bore interest at floating rates. The interest rates of the bank borrowing ranged from 1.7% – 1.8% (2017: nil) per annum. The bank borrowings were denominated in HK\$.

於2018年3月31日，銀行貸款須於3個月內償還（2017年：無）。為數415,000,000港元（2017年：無）的銀行貸款按浮動利率計息。銀行貸款年利率為1.7%至1.8%（2017年：無）。銀行貸款以港元計值。

The carrying amount of the bank borrowings approximated their fair value, as the impact of discounting was not significant due to their short-term maturities.

因銀行貸款的期限較短，貼現影響不大，因此，銀行貸款之賬面值與其公允值相若。

### 33 GOLD LOANS

### 33 黃金借貸

Gold loans are measured at fair value at the end of each reporting period and the change in fair value is recognised in “Other gains/(losses), net” in the consolidated income statement.

黃金借貸乃於各報告期間結算日按公允值計量及公允值變動於綜合損益表「其他收益／（虧損），淨額」中確認。

As at 31 March 2018, gold loans of HK\$140,692,000 (2017: nil) represent borrowings from banks of which the repayment amounts are pledged with gold prices and HK\$170,591,000 (2017: HK\$437,151,000) represent borrowings of gold which involved physical settlement.

於2018年3月31日，黃金借貸140,692,000港元（2017年：無）為銀行貸款，還款金額以黃金價格抵押，及170,591,000港元（2017年：437,151,000港元）為涉及實物交割的黃金借貸。

As at 31 March 2018, the gold loans are interest bearing at 0.98% – 2.6% per annum (2017: 2.5%), with original maturity of 2 – 6 months (As at 31 March 2017: 1 – 6 months) from date of inception.

於2018年3月31日，黃金借貸按0.98%至2.6%（2017年：2.5%）之年利率計息，原到期日為自其開始日起計2至6個月（於2017年3月31日：1至6個月）。

The net unrealised gains on gold loans arising from change in fair value of HK\$2,020,000 (2017: net unrealised losses of HK\$9,716,000) has been recognised in “Other gains/(losses), net” in the consolidated income statement.

黃金借貸公允值變動所產生之未變現收益淨額為2,020,000港元（2017年：未變現虧損淨額9,716,000港元）乃於綜合損益表「其他收益／（虧損），淨額」中確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 34 CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of operating profit to cash generated from operations:

### 34 綜合現金流量表

(a) 經營溢利與經營產生之現金對賬：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	1,613,439	1,250,015
Amortisation of land use rights (Note 17)	土地使用權攤銷 (附註17)	9,677	8,295
Depreciation of property, plant and equipment (Note 16)	物業、廠房及設備折舊 (附註16)	117,056	122,255
Depreciation of investment properties (Note 18)	投資物業折舊 (附註18)	1,177	942
Loss on disposal of property, plant and equipment (Note 8)	出售物業、廠房及設備之虧損 (附註8)	1,783	1,966
Provision for long service payment (Note 31(b))	長期服務金撥備 (附註31(b))	1,233	1,236
Net realised (gains)/losses on gold loans (Note 9)	黃金借貸之已變現 (收益) / 虧損淨額 (附註9)	(1,981)	14,815
Net unrealised (gains)/losses on gold loans (Note 9)	黃金借貸之未變現 (收益) / 虧損淨額 (附註9)	(2,020)	9,716
Finance income (Note 10)	財務收入 (附註10)	(28,922)	(23,982)
Finance costs (Note 10)	財務費用 (附註10)	6,392	9,011
Fair value gains on convertible bond (Note 9)	可換股債券之公允值收益 (附註9)	(1,803)	(2,844)
Fair value losses on derivative financial instruments (Note 9)	衍生金融工具之公允值虧損 (附註9)	9	-
Share of results of associates (Note 19)	應佔聯營公司業績 (附註19)	29,897	54,273
Operating profit before working capital changes	營運資金變動前經營溢利	1,745,937	1,445,698
Increase in rental deposits	租金按金增加	(15,617)	(10,231)
Increase in inventories	存貨增加	(1,086,284)	(575,338)
Increase in trade receivables, deposits, prepayments and other receivables	貿易應收賬款、按金、預付款項及其他應收賬項增加	(54,307)	(82,237)
Decrease/(increase) in amount due from/to associates	應收 / 應付聯營公司款項減少 / (增加)	22,517	23,194
Increase in trade payables, other payables and accruals	貿易應付賬款、其他應付款項及應計款項增加	67,291	133,891
Decrease in employee benefit obligations (Note 31(b))	僱員福利責任減少 (附註31(b))	(104)	(51)
Net cash generated from operation	營運產生之現金淨額	679,433	934,926

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 34 CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (b) Significant non-cash transactions

As at the year ended 31 March 2018, the Group entered into gold loan contracts with physical settlement amounting to HK\$170,591,000 (2017: HK\$437,151,000). The repayment and borrowing of gold loans with physical settlement are included in the inventories in the consolidated statement of cash flows as non-cash transactions.

#### (c) Net debt reconciliation

Below sets out an analysis of net debt and movements in net debt for each periods presented:

		<b>2018</b>	2017
		<b>Total</b>	Total
		<b>總計</b>	總計
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
Gold loans with physical settlement (Note (b))	實物交割的黃金借貸 (附註(b))	<b>170,591</b>	437,151
Gold loans with cash settlement	現金交割的黃金借貸	<b>140,692</b>	-
Bank borrowings	銀行貸款	<b>415,000</b>	-
<b>Net debt</b>	<b>債務淨額</b>	<b>726,283</b>	437,151

Liabilities from financing activities:

融資活動產生的負債：

		<b>Gold loans with cash settlement</b>	<b>Bank borrowings</b>	<b>Total</b>
		<b>現金交割的黃金借貸</b>	<b>銀行貸款</b>	<b>總計</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>	<b>千港元</b>
<b>At 1st April 2017</b>	<b>於2017年4月1日</b>	-	-	-
Net cash inflows – financing activities	現金流入淨額 – 融資活動	140,448	415,000	555,448
Unrealised loss on gold loans	黃金借貸之未變現虧損	244	-	244
<b>At 31st March 2018</b>	<b>於2018年3月31日</b>	140,692	415,000	555,692

### 34 綜合現金流量表 (續)

#### (b) 重大非現金交易

截至2018年3月31日止年度，本集團訂立以實物交割的黃金借貸合約價值170,591,000港元(2017年：437,151,000港元)。實物交割黃金借貸的償還及貸款作為非現金交易計入綜合現金流量表中的存貨項下。

#### (c) 債務淨額對賬

下表載列債務淨額分析及各呈列期間債務淨額的變動：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 35 COMMITMENTS

#### (a) Capital commitments

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Contracted but not provided for:	已訂約但未作出撥備：		
– property, plant and equipment	– 物業、廠房及設備	481,712	6,692
– investment in an available-for-sale financial asset	– 投資一項可供出售金融資產	6,923	6,250
Total capital commitments contracted but not provided for	已訂約但未作出撥備之資本承擔總額	488,635	12,942

As at 31 March 2018 and 31 March 2017, there are no capital commitments which are authorised but not contracted for.

As at 31 March 2018, the capital commitment of HK\$476,604,000 included above represents the remaining consideration for the acquisition of several commercial properties in Hong Kong with total consideration of HK\$560,710,000. The consideration and related transaction costs paid up to 31 March 2018 are included in the non-current prepayment (Note 23).

#### (b) Commitments under operating leases

At 31 March 2018, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Not later than one year	一年內	563,598	582,736
Later than one year and not later than five years	一年後但不超過五年	397,699	596,527
Later than five years	超過五年	–	321
		961,297	1,179,584

The actual payments in respect of certain operating leases are calculated at the higher of the minimum commitments as noted above and the amounts determined based on a percentage of the sales of the related outlets.

### 35 承擔

#### (a) 資本承擔

於2018年3月31日及2017年3月31日，並無已授權但未訂約之資本承擔。

於2018年3月31日，以上所載之資本承擔476,604,000港元指按總代價560,710,000港元購買香港若干商業物業之剩餘代價。截至2018年3月31日已支付的代價及有關交易成本計入非流動預付款項（附註23）。

#### (b) 經營租賃承擔

於2018年3月31日，本集團就土地及樓宇根據不可撤銷之經營租賃而於未來支付之最低租賃付款總額如下：

若干經營租賃實際付款乃按上文所述最低承擔與根據相關店舖銷售額一定百分比所釐定金額之較高者計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 36 CONTINGENT LIABILITIES

As at 31 March 2018, the Group had an outstanding financial guarantee amounting to HK\$898,630,000 (2017: HK\$764,044,000) issued to several banks in respect of 50% of the aggregated amount of bank facilities granted to an associate. As at 31 March 2018, the bank facilities utilised by the associate is approximately HK\$1,534,000,000. In the opinion of directors of the Company, the fair values of these financial guarantees are not significant at initial recognition as the directors consider the possibilities of default by the associate is remote.

### 37 RELATED PARTY TRANSACTIONS

The major shareholder of the Company is Luk Fook (Control) Limited ("Luk Fook Control"), a company incorporated in the BVI, which directly owns 39.89% of the Company's shares. The remaining shares of the Company are widely held.

Mr. WONG Wai Sheung and his family including Mr. WONG Ho Lung, Danny and Miss WONG Lan Sze, Nancy are discretionary beneficiaries of the Wong's Family Trust (the "Trust"). The Trust is the beneficial owner of the entire issued share capital of Kwai Kee Cheung Jewellery & Goldsmith Company Limited which is the beneficial owner of 36.72% of issued shares of Luk Fook Control. The remaining shares of Luk Fook Control are held by various shareholders.

Mr. WONG Wai Sheung, Mr. WONG Ho Lung, Danny and Miss WONG Lan Sze, Nancy are directors of the Company.

- (a) The Group has entered into supplementary licensing and maintenance agreement with GS Tech Company Limited (92% owned by the Wong's Family Trust) for acquiring a license to use certain computer programmes and to receive maintenance services fees. For the year ended 31 March 2018, license fees of HK\$3,114,000 (2017: HK\$2,832,000) were capitalised in the consolidated balance sheet and maintenance services fees of HK\$4,542,000 (2017: HK\$4,025,000) were charged in the consolidated income statement, respectively.

### 36 或然負債

於2018年3月31日，本集團就授予一家聯營公司的銀行融資總額之50%向若干銀行發行的未償還財務擔保為898,630,000港元（2017年：764,044,000港元）。於2018年3月31日，聯營公司已動用銀行融資為約1,534,000,000港元。本公司董事認為該等財務擔保的公允值於初步確認時並不重大，乃因董事認為聯營公司拖欠付款的可能性不大。

### 37 關連人士之交易

本公司之主要股東為六福（控股）有限公司（「六福控股」），為於英屬維爾京群島註冊成立之公司，直接擁有本公司39.89%股份。本公司餘下股份分散持有。

黃偉常先生及其家屬（包括黃浩龍先生及黃蘭詩小姐）為黃氏家族信託（「信託」）之全權受益人。信託為桂記祥珠寶金行有限公司全部已發行股本之實益擁有人，桂記祥珠寶金行有限公司實益擁有六福控股36.72%已發行股份。六福控股餘下股份由多名股東持有。

黃偉常先生、黃浩龍先生及黃蘭詩小姐均為本公司董事。

- (a) 本集團已與金星資訊顧問有限公司（其92%權益由黃氏家族信託擁有）訂立特許及維修補充協議，以獲得若干電腦程式及收取維修服務費之特許權。截至2018年3月31日止年度，特許權費用3,114,000港元（2017年：2,832,000港元）於綜合資產負債表資本化及維修服務費4,542,000港元（2017年：4,025,000港元）已於綜合損益表內扣除。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 RELATED PARTY TRANSACTIONS (Continued)

(b) The Group has entered into a lease agreement of a premise with tenancy period of 36 months with New Merit Corporation Limited, an entity jointly controlled by Mr Wong Wai Sheung and other two independent third parties. As at 31 March 2018, rental deposits of HK\$2,550,000 (2017: HK\$2,550,000) were recognised in the consolidated balance sheet. For the year ended 31 March 2018, rental expenses of HK\$8,953,000 (2017: HK\$8,953,000) were recognised in the consolidated income statement. This transaction was carried out at terms mutually agreed between the respective parties.

#### (c) Transactions with associates

### 37 關連人士之交易 (續)

(b) 本集團與New Merit Corporation Limited (由黃偉常先生及另外兩名獨立第三方共同控制的實體)訂立一間物業的租賃協議，租期為36個月。於2018年3月31日，已於綜合資產負債表確認租賃按金2,550,000港元(2017年：2,550,000港元)。截至2018年3月31日止年度，已於綜合損益表確認租賃開支8,953,000港元(2017年：8,953,000港元)。該交易乃按相關訂約方互相協定的條款進行。

#### (c) 與聯營公司之交易

			2018	2017
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Sales of goods	銷售貨品	(i)	<b>35,756</b>	42,535
Subcontracting fee paid	已付分包費用	(i)	<b>20,904</b>	15,920
Rental income	租金收入	(i)	<b>3,497</b>	1,442
Management fee income	管理費收入	(i)	<b>755</b>	751
Purchase of goods	購貨	(i)	<b>11,436</b>	4,040
Licensing fee paid	已付品牌業務費用	(i)	<b>352</b>	341
Interest income on the loan to an associate	貸款予一家聯營公司之利息收入	10	<b>790</b>	400

Notes:

- (i) Sales of goods, subcontracting fee paid, rental income, purchases of goods, licensing fee paid and management fee income were charged at terms based on mutual agreements.
- (ii) As mentioned in Note 36, the Group had financial guarantee amounting to HK\$ 898,630,000 (2017: HK\$764,044,000) issued to several banks in respect of bank facilities granted to an associate.

附註：

- (i) 根據相互協議釐定之條款收取之銷售貨品、已付分包費用、租金收入、購貨、已付品牌業務費用及管理費收入。
- (ii) 誠如附註36所載，本集團就授予一家聯營公司的銀行融資向若干銀行發行的財務擔保為898,630,000港元(2017年：764,044,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 37 RELATED PARTY TRANSACTIONS (Continued) 37 關連人士之交易 (續)

#### (d) Year-end balances (d) 年終結餘

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Loan to an associate – non-current (Note 20)	貸款予一家聯營公司 – 非即期 (附註20)	94,927	90,830
Loan to an associate – current (Note 20)	貸款予一家聯營公司 – 即期 (附註20)	43,190	20,000
Amount due from an associate (Note 19(i))	應收一家聯營公司賬項 (附註19(i))	13,173	33,340
Amount due to an associate (Note 19(ii))	應付一家聯營公司賬項 (附註19(ii))	(3,555)	(1,995)

#### (e) Key management compensation

Key management includes directors (executive and non-executive) and senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

#### (e) 主要管理層酬金

主要管理層包括本集團董事(執行及非執行董事)及高級管理人員。就僱員服務已付或應付主要管理層之酬金如下:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Salaries, allowances and benefits-in-kinds	薪金、津貼及實物利益	64,437	63,643
Performance and discretionary bonuses	按表現酌情發放之花紅	35,443	26,572
Contributions to pension plan	退休金計劃供款	570	553
		100,450	90,768

### 38 EVENT AFTER THE REPORTING DATE

Subsequent to the year end, the Group entered into provisional sale and purchase agreement to acquire several properties in PRC with total consideration and related expenses amounting to approximately RMB299,000,000.

### 38 報告期後事項

年結日後，本集團訂立臨時買賣協議，以總代價及相關費用之價值約人民幣299,000,000元收購中國的若干物業。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 SUBSIDIARIES

At 31 March 2018, the Company had the following principal subsidiaries:

### 39 附屬公司

於2018年3月31日，本公司之主要附屬公司如下：

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
Luk Fook Investment (B.V.I.) Limited	The BVI 英屬維爾京群島	Investment holding 投資控股	HK\$2 2港元	100	-	-
China Gems Laboratory Limited 中華珠寶鑑定中心有限公司	Hong Kong 香港	Authentication of gemstones 寶石鑑定	HK\$2 2港元	-	100	-
Fancy Trend Investment Limited 嘉旋投資有限公司	Hong Kong 香港	Property holding 持有物業	HK\$12,100 12,100港元	-	100	-
Ice Collection (International) Limited 冰姿(國際)有限公司	Hong Kong 香港	Retailing of gold and jewellery products 珠寶金飾產品零售業務	HK\$100 100港元	-	100	-
Jewellworld.com Limited 珠寶世界(B.V.I.)有限公司	The BVI 英屬維爾京群島	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務	HK\$8,000,000 8,000,000港元	-	51	49
Jewellworld.com Limited 珠寶世界(香港)有限公司	Hong Kong 香港	Investment holding, and provision of software development and services relating to internet 投資控股、提供軟件開發及從事互聯網相關服務	HK\$100 100港元	-	51	49
Luk Fook Bullions Dealers Limited 六福金號有限公司	Hong Kong 香港	Gold bullion trading 買賣純金條	HK\$14,000,000 14,000,000港元	-	100	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 SUBSIDIARIES (Continued)

### 39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益 所持普通股 比例
				直接	間接	
Luk Fook Holdings Company Limited 六福集團有限公司	Hong Kong 香港	Provision of management services to group companies and wholesale distribution of gold and jewellery products 提供管理服務予集團公司及批發分銷黃金及珠寶產品	HK\$2 2港元	-	100	-
Luk Fook Jewellery & Goldsmith (Australia) Pty Limited	Australia 澳洲	Retailing of gold and jewellery products in Australia 於澳洲從事黃金及珠寶產品零售業務	AU\$100,000 100,000澳元	-	100	-
Luk Fook Jewellery & Goldsmith (HK) Company Limited 六福珠寶金行(香港)有限公司	Hong Kong 香港	Retailing of gold and jewellery products 黃金及珠寶產品零售業務	HK\$100 100港元	-	100	-
Luk Fook Jewellery & Goldsmith (Macao) Company Limited 六福珠寶金行(澳門)有限公司	Macau 澳門	Retailing of gold and jewellery products in Macau 於澳門從事黃金及珠寶產品零售業務	MOP1,000,000 1,000,000澳門元	-	100	-
Luk Fook Jewellery & Goldsmith (Canada) Limited	Canada 加拿大	Retailing of gold and jewellery products in Canada 於加拿大從事黃金及珠寶產品零售業務	CA\$100 100加拿大元	-	100	-
Luk Fook Jewellery & Goldsmith (Singapore) Pte. Limited	Singapore 新加坡	Retailing of gold and jewellery products in Singapore 於新加坡從事黃金及珠寶產品零售業務	S\$1,000,000 1,000,000新加坡元	-	100	-



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 SUBSIDIARIES (Continued)

### 39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests 非控股權益所持普通股比例
				Directly 直接	Indirectly 間接	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		
Luk Fook Jewellery & Goldsmith (USA) Company Limited	USA 美國	Retailing of gold and jewellery products in USA 於美國從事黃金及珠寶產品零售業務	USD100 100美元	-	100	-
Luk Fook 3D Management Company Limited 六福3D管理有限公司	The BVI 英屬維爾京群島	Investment holding 投資控股	HK\$1 1港元	-	100	-
Max Forum Development Limited 溢富發展有限公司	Hong Kong 香港	Property holding 持有物業	HK\$100 100港元	-	100	-
Maxigood Enterprises Limited (note 29(iii)) 萬利佳企業有限公司(附註29(iii))	Hong Kong 香港	Manufacturing and wholesale distribution of jewellery products 製造及批發分銷珠寶產品	HK\$3,000,000 3,000,000港元	-	100	-
廣州六福首飾有限公司+	Mainland China 中國內地	Manufacturing, wholesale, retailing of gold and jewellery products and provision of quality examination services in Mainland China 於中國內地從事製造、批發、零售黃金及珠寶產品以及提供質量鑑定服務	HK\$60,000,000 60,000,000港元	-	100	-
萬利佳(廣州)首飾有限公司+	Mainland China 中國內地	Manufacturing of jewellery products in Mainland China 於中國內地製造珠寶產品	HK\$8,000,000 8,000,000港元	-	100	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 SUBSIDIARIES (Continued)

### 39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
廣州利盈首飾有限公司+	Mainland China 中國內地	Property holding in Mainland China 於中國內地持有物業	HK\$35,000,000 35,000,000港元	-	100	-
六福鑽石(上海)有限公司+	Mainland China 中國內地	Wholesale of polished diamond in Mainland China 於中國內地批發經打磨之鑽石	USD200,000 200,000美元	-	100	-
六福珠寶(北京)有限公司+	Mainland China 中國內地	Retailing of gold and jewellery products in Beijing, Mainland China 於中國內地北京從事黃金及珠寶產品零售業務	HK\$29,750,000 29,750,000港元	-	100	-
廣州六福營銷策劃有限公司+	Mainland China 中國內地	Trademark licensing, brand building and promotion in Mainland China 於中國內地從事商標授權、創建及推廣品牌	HK\$2,000,000 2,000,000港元	-	100	-
六福珠寶營銷策劃(深圳)有限公司+	Mainland China 中國內地	Trademark licensing, brand building and promotion in Mainland China 於中國內地從事商標授權、創建及推廣品牌	HK\$8,000,000 8,000,000港元	-	100	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 SUBSIDIARIES (Continued)

### 39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
六福飾品設計(重慶)有限公司+	Mainland China 中國內地	Manufacturing, wholesale of gold and jewellery products in Mainland China 於中國內地從事製造及批發黃金及珠寶產品	HK\$50,000,000 50,000,000港元	-	100	-
六福珠寶首飾(重慶)有限公司+	Mainland China 中國內地	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務	HK\$50,000,000 50,000,000港元	-	100	-
六福營銷策劃(重慶)有限公司+	Mainland China 中國內地	Trademark licensing, brand building, promotion and provision of quality examination services in Mainland China 於中國內地從事商標授權、創建及推廣品牌以及提供質量鑑定服務	HK\$3,000,000 3,000,000港元	-	100	-
重慶六福世家珠寶加工有限公司+	Mainland China 中國內地	Manufacturing of gold products in Mainland China 於中國內地製造黃金產品	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶璐雲廊珠寶首飾有限公司+	Mainland China 中國內地	Wholesale of polished diamond and jewellery products in Mainland China 於中國內地批發經打磨鑽石及珠寶產品	RMB10,000,000 人民幣10,000,000元	-	100	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 SUBSIDIARIES (Continued)

### 39 附屬公司(續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
六福珠寶(廣州)有限公司+	Mainland China 中國內地	Manufacturing, wholesale of gold and jewellery products in Mainland China 於中國內地從事製造及批發黃金及珠寶產品	RMB10,500,000 人民幣10,500,000元	-	100	-
廣州六福世家珠寶有限公司	Mainland China 中國內地	Manufacturing of gold products in Mainland China 於中國內地製造黃金產品	RMB5,000,000 人民幣5,000,000元	-	51	49
重慶福華珠寶首飾有限公司	Mainland China 中國內地	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務	RMB50,000,000 人民幣50,000,000元	-	51	49
太原六福珠寶有限公司+	Mainland China 中國內地	Retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品零售業務	RMB5,000,000 人民幣5,000,000元	-	100	-
重慶六福電子商務有限公司+	Mainland China 中國內地	Electronic retailing of gold and jewellery products in Mainland China 於中國內地從事黃金及珠寶產品電子零售業務	RMB5,000,000 人民幣5,000,000元	-	100	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 39 SUBSIDIARIES (Continued)

### 39 附屬公司 (續)

Name	Place of incorporation/ establishment	Principal activities	Particulars of issued share capital/ registered capital	Proportion of ordinary shares held by the Company		Proportion of ordinary shares held by non-controlling interests
				Directly	Indirectly	
名稱	註冊成立/ 成立地點	主要業務	已發行股本/ 註冊資本詳情	本公司所持普通股比例		非控股權益所持普通股比例
				直接	間接	
Luk Fook Prestige (Malaysia) SDN. BHD.	Malaysia 馬來西亞	Retailing of gold and jewellery products in Malaysia 於馬來西亞從事黃金及珠寶產品零售業務	MYR2,000,000 2,000,000 馬來西亞令吉	-	100	-
Luk Fook Optical Company Limited 六福眼鏡有限公司	Hong Kong 香港	Retailing of optical products in Hong Kong 於香港從事眼鏡產品零售業務	HK\$15,000,000 15,000,000港元	-	78.3	21.7
Bright Billion Corporation Limited 億輝行有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-
Green Rich Corporation Limited 富翠有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-
Talent Up Corporation Limited 傑全有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-
Ultra Power Corporation Limited 越能有限公司	Hong Kong 香港	Property holding in Hong Kong 於香港持有物業	HK\$100 100港元	-	100	-

+ The subsidiaries are established as wholly foreign-owned enterprises in Mainland China.

+ 該等附屬公司為於中國內地成立之全外資企業。

Unless otherwise stated, all the above companies operate principally in Hong Kong.

除另有說明者外，上述所有公司均主要於香港經營業務。

The above list includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為，上表所列本公司附屬公司主要對本年度業績構成影響或構成本集團資產淨值之主要部分。董事認為，提供其他附屬公司之詳情會令資料過於冗長。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 40 BALANCE SHEET OF THE COMPANY

### 40 本公司之資產負債表

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Interests in subsidiaries	於附屬公司之權益	3,138,225	3,138,225
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from subsidiaries	應收附屬公司賬項	2,928,711	2,228,711
Cash and bank balances	現金及銀行結餘	5,165	133,372
		<b>2,933,876</b>	2,362,083
<b>Total assets</b>	<b>總資產</b>	<b>6,072,101</b>	5,500,308
<b>EQUITY</b>	<b>權益</b>		
<b>Capital and reserve attributable to the equity holders of the Company</b>	<b>本公司權益持有人應佔資本及儲備</b>		
Share capital	股本	58,710	58,710
Share premium	股份溢價	2,494,040	2,494,040
Reserves (Note a)	儲備(附註a)	1,049,758	998,971
		<b>3,602,508</b>	3,551,721
<b>LIABILITIES</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Accruals	應計款項	1,398	1,434
Amount due to subsidiaries	應付附屬公司款項	2,327,503	1,947,153
Gold loans	黃金借貸	140,692	-
		<b>2,469,593</b>	1,948,587
Total equity and liabilities	權益及負債總額	<b>6,072,101</b>	5,500,308

The balance sheet of the Company was approved by the Board of Directors on 27 June 2018 and was signed on its behalf.

本公司資產負債表乃由董事會於2018年6月27日批准並經由下列董事代表簽署。

**Wong Wai Sheung**  
黃偉常  
Director  
董事

**Chan So Kuen**  
陳素娟  
Director  
董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 40 BALANCE SHEET OF THE COMPANY

(Continued)

Note (a) Reserves movement of the Company

### 40 本公司之資產負債表(續)

附註(a) 本公司儲備變動

		Contributed surplus 實繳盈餘 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>For the year ended 31 March 2018</b>	<b>截至2018年 3月31日止年度</b>				
At 1 April 2017	於2017年4月1日	298,687	200	700,084	998,971
Profit for the year	年內溢利	-	-	696,605	696,605
2016/17 final dividend paid	已付2016/17年度 末期股息	-	-	(234,843)	(234,843)
2016/17 special dividend paid	已付2016/17年度 特別股息	-	-	(88,066)	(88,066)
2017/18 interim dividend paid	已付2017/18年度 中期股息	-	-	(205,488)	(205,488)
2017/18 special dividend paid	已付2017/18年度 特別股息	-	-	(117,421)	(117,421)
At 31 March 2018	於2018年3月31日	298,687	200	750,871	1,049,758
Representing:	指:				
Reserves (excluded proposed dividend)	儲備(不包括擬派 股息)	298,687	200	427,962	726,849
Proposed dividend	擬派股息	-	-	322,909	322,909
At 31 March 2018	於2018年3月31日	298,687	200	750,871	1,049,758
<b>For the year ended 31 March 2017</b>	<b>截至2017年 3月31日止年度</b>				
At 1 April 2016	於2016年4月1日	298,687	200	649,069	947,956
Profit for the year	年內溢利	-	-	696,833	696,833
2015/16 final dividend paid	已付2015/16年度 末期股息	-	-	(199,617)	(199,617)
2015/16 special dividend paid	已付2015/16年度 特別股息	-	-	(123,292)	(123,292)
2016/17 interim dividend paid	已付2016/17年度 中期股息	-	-	(170,261)	(170,261)
2016/17 special dividend paid	已付2016/17年度 特別股息	-	-	(152,648)	(152,648)
At 31 March 2017	於2017年3月31日	298,687	200	700,084	998,971
Representing:	指:				
Reserves (excluded proposed dividend)	儲備(不包括擬派 股息)	298,687	200	377,175	676,062
Proposed dividend	擬派股息	-	-	322,909	322,909
At 31 March 2017	於2017年3月31日	298,687	200	700,084	998,971

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

### 40 BALANCE SHEET OF THE COMPANY

#### (Continued)

Note (a) Reserves movement of the Company (Continued)

The contributed surplus of the Company represents the difference between the nominal value of the shares issued by the Company in exchange for all the issued ordinary shares of Luk Fook Investment (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired by the Company during the Group's reorganisation in 1997. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders, provided that the Company would, after the payment of dividends out of the contributed surplus, be able to pay its liabilities as they become due; or the realisable value of the Company's assets would thereby not be less than the aggregate of its liabilities, its issued share capital and its share premium. At the Group level, the contributed surplus is reclassified into its component of reserves of the underlying subsidiaries.

### 40 本公司之資產負債表(續)

附註(a) 本公司儲備變動(續)

本公司之實繳盈餘指本公司為交換Luk Fook Investment (B.V.I.) Limited全部已發行普通股而發行股份之面值與本公司於1997年本集團重組期間所收購相關附屬公司之資產淨值兩者之差額。根據百慕達《1981年公司法》(經修訂)，實繳盈餘可派發予股東，惟本公司自實繳盈餘派付股息後，須能於負債到期時支付債務；或本公司之資產可變現值據此不會少於其債務、其已發行股本及其股份溢價之總和。就本集團層面而言，此實繳盈餘重新分類為各相關附屬公司之儲備部分。





# CORPORATE INFORMATION

## 企業資料

### DIRECTORS

#### Executive Directors:

Mr. WONG Wai Sheung (*Chairman and Chief Executive*)  
Mr. TSE Moon Chuen (*Deputy Chairman*)  
Ms. WONG Hau Yeung  
Ms. WONG Lan Sze, Nancy  
Ms. CHUNG Vai Ping  
Dr. CHAN So Kuen

#### Non-executive Directors:

Mr. WONG Ho Lung, Danny (*Deputy Chairman*)  
Ms. YEUNG Po Ling, Pauline  
Mr. HUI Chiu Chung, JP  
Mr. LI Hon Hung, BBS, MH, JP

#### Independent Non-executive Directors:

Mr. TAI Kwok Leung, Alexander  
Mr. IP Shu Kwan, Stephen, GBS, JP  
Mr. MAK Wing Sum, Alvin  
Ms. WONG Yu Pok, Marina, JP  
Mr. HUI King Wai

### COMPANY SECRETARY

Dr. CHAN So Kuen

### LEGAL ADVISERS

Oldham, Li & Nie Lawyers  
Cleary Gottlieb Steen & Hamilton (Hong Kong)

### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants

### REGISTERED OFFICE

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Luk Fook Jewellery Centre  
No. 239 Temple Street, Jordan  
Kowloon, Hong Kong  
Tel: (852) 2308 1218  
Fax: (852) 2374 1696  
E-mail: group@lukfook.com  
Website: lukfook.com

### PRINCIPAL BANKERS

Hang Seng Bank Limited  
DBS Bank (Hong Kong) Limited  
Citibank, N.A. Hong Kong Branch  
The Hongkong and Shanghai Banking Corporation Limited  
MUFG Bank, Ltd.

### SHARE REGISTRAR

Estera Management (Bermuda) Limited

### SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited  
Rooms 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### 董事

#### 執行董事：

黃偉常先生 (*主席兼行政總裁*)  
謝滿全先生 (*副主席*)  
王巧陽女士  
黃蘭詩女士  
鍾惠冰女士  
陳素娟博士

#### 非執行董事：

黃浩龍先生 (*副主席*)  
楊寶玲女士  
許照中太平紳士  
李漢雄BBS·MH太平紳士

#### 獨立非執行董事：

戴國良先生  
葉澍堃GBS太平紳士  
麥永森先生  
黃汝璞太平紳士  
許競威先生

### 公司秘書

陳素娟博士

### 法律顧問

高李嚴律師行  
佳利(香港)律師事務所

### 核數師

羅兵咸永道會計師事務所  
執業會計師

### 註冊辦事處

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

### 總辦事處及主要營業地點

香港九龍  
佐敦廟街239號  
六福珠寶中心  
電話：(852) 2308 1218  
傳真：(852) 2374 1696  
電郵：group@lukfook.com  
網址：lukfook.com

### 主要往來銀行

恒生銀行有限公司  
星展銀行(香港)有限公司  
花旗銀行香港分行  
香港上海滙豐銀行有限公司  
三菱UFJ銀行

### 股份登記處

Estera Management (Bermuda) Limited

### 香港股份過戶登記處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心  
17樓1712-1716室



**六福集團(國際)有限公司**  
LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

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