



創輝珠寶集團控股有限公司
Chong Fai Jewellery Group Holdings Company Limited

(Formerly known as 前稱 Dominate Group Holdings Company Limited)

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號 : 8537

2019/20
年報 ANNUAL REPORT

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

香港聯合交易所有限公司(「聯交所」) GEM 的特色

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Main Board. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of Chong Fai Jewellery Group Holdings Company Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

GEM 乃為較其他於主板上市的公司帶有更高投資風險的中小型公司提供一個上市的市場。有意投資者應了解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。

考慮到 **GEM** 上市公司一般為中小型公司，在 **GEM** 買賣的證券可能會較於主板買賣的證券承受較大的市場波動風險，同時無法保證在 **GEM** 買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及香港聯合交易所有限公司(「聯交所」)對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並表明概不就本報告全部或任何部分內容而產生或因依賴該等內容而引致的任何損失承擔任何責任。

本報告乃根據聯交所 GEM 證券上市規則(「**GEM 上市規則**」)而提供有關創輝珠寶集團控股有限公司(「**本公司**」，連同其附屬公司，統稱為「**本集團**」)的資料，本公司的董事(「**董事**」)願就本報告所載資料共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在所有重大方面均屬真實完整，並無誤導或欺詐成份，及並無遺漏其他事項，致使本報告中任何陳述或本報告有所誤導。

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Fu Chun Keung (*Chairman and Chief Executive Officer*)
Ms. Cheung Lai Yuk
Ms. Fu Wan Ling

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick
Mr. Chan Chi Ming Tony

AUDIT COMMITTEE

Mr. Chan Chi Ming Tony (*Chairman*)
Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick

REMUNERATION COMMITTEE

Mr. Chan Chi Ming Tony (*Chairman*)
Mr. Fu Chun Keung
Mr. Wong Wing Keung Meyrick

NOMINATION COMMITTEE

Mr. Fu Chun Keung (*Chairman*)
Mr. Chan Cheong Tat
Mr. Wong Wing Keung Meyrick

COMPANY SECRETARY

Ms. So Shuk Yi Betty (*ACIS, ACS*)

COMPLIANCE OFFICER

Ms. Cheung Lai Yuk

AUTHORISED REPRESENTATIVES

Mr. Fu Chun Keung
Ms. So Shuk Yi Betty

執行董事

傅鎮強先生(*主席兼行政總裁*)
張麗玉女士
傅雲玲女士

獨立非執行董事

陳昌達先生
王泳強先生
陳子明先生

審核委員會

陳子明先生(*主席*)
陳昌達先生
王泳強先生

薪酬委員會

陳子明先生(*主席*)
傅鎮強先生
王泳強先生

提名委員會

傅鎮強先生(*主席*)
陳昌達先生
王泳強先生

公司秘書

蘇淑儀女士(*ACIS, ACS*)

合規主任

張麗玉女士

授權代表

傅鎮強先生
蘇淑儀女士

CORPORATE INFORMATION

公司資料

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As to Cayman Islands Law
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核數師

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香港特區
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合規顧問

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香港中環
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主要往來銀行

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皇后大道中1號
滙豐總行大廈

南洋商業銀行有限公司
香港
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CORPORATE INFORMATION

公司資料

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HONG KONG BRANCH SHARE REGISTRAR

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REGISTERED OFFICE

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COMPANY'S WEBSITE

www.chongfaiholdings.com

STOCK CODE

8537

開曼群島股份登記及過戶總處

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本公司網站

www.chongfaiholdings.com

股份代號

8537

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of Chong Fai Jewellery Group Holdings Company Limited (formerly known as Dominate Group Holdings Company Limited) (the “**Company**”, together with its subsidiaries, the “**Group**”), I hereby present the Group's annual report for the year ended 31 March 2020.

The Group is a vertically integrated jeweller based in Hong Kong and is primarily engaged in the retail of its own products through its network of seven retail stores under the brand name of “Chong Fai Jewellery (創輝珠寶)” strategically located in Kowloon and the New Territories.

The Group's principal products are mass jewellery products including gem-set jewellery and pure gold products, which are produced in-house at its production facility in Shenzhen, Guangdong Province, the People's Republic of China (the “**PRC**”). The Group also engages in the wholesale of its jewellery products to other jewellery retailers, and the trading of recycled gold products from the general public to certain customers.

Looking forward, the Group will adopt its strategy to expand the Group's jewellery design collection in line with customer needs and preferences and market trends and expand its retail presence to capture the market opportunities. We intend to execute our development plan carefully and prudently for the purpose of bringing a desirable return to the Shareholders and facilitating the long-term growth of the business of the Group.

Fu Chun Keung

Chairman and Chief Executive Officer

Hong Kong, 19 June 2020

各位股東：

代表創輝珠寶集團控股有限公司(前稱為 Dominate Group Holdings Company Limited) (「**本公司**」，連同其附屬公司，統稱為「**本集團**」)，謹此提呈本集團截至2020年3月31日止年度的年度報告。

本集團是建基於香港的垂直整合珠寶商，主要從事透過由七間位於九龍及新界策略地點的「創輝珠寶」品牌零售店所組成的網絡，零售其自家產品。

本集團的主要產品是主流珠寶產品，包括寶石鑲嵌珠寶及純金產品，該等產品在中華人民共和國(「**中國**」)廣東省深圳市的生產設施自行生產。本集團亦從事向其他珠寶零售商批發其珠寶產品，並從事從公眾到若干客戶的回收黃金產品貿易。

展望未來，本集團將採取策略以擴大本集團的珠寶設計系列，以迎合客戶需求及喜好以及市場趨勢，同時亦會擴充其零售據點，把握各種市場機遇。我們透過審慎周詳的方式去執行我們的發展計劃，從而為股東帶來豐厚回報，並促進本集團業務的長期發展。

傅鎮強

主席兼行政總裁

香港，2020年6月19日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CHANGE OF COMPANY NAME

Subsequent to (i) the passing of the special resolution at the extraordinary general meeting of the Company held on 16 December 2019; (ii) the issuance of the Certificate of Incorporation on Change of Name by the Registrar of Companies in the Cayman Islands, the change of the official registered English name of the Company from “Dominate Group Holdings Company Limited” to “Chong Fai Jewellery Group Holdings Company Limited” and the adoption of “創輝珠寶集團控股有限公司” as its dual foreign name in Chinese have become effective from 9 January 2020. With effect from 9:00 a.m. on 18 March 2020, the English stock short name of the Company for trading in the shares of the Company on the Stock Exchange has changed from “DOMINATE GP” to “CHONG FAI JEWEL” and “創輝珠寶” has been adopted as the Chinese stock short name of the Company. The website of the Company has also changed from www.dghcl.com to www.chongfaiholdings.com with effect from 18 March 2020.

BUSINESS OVERVIEW

The Group is a vertically integrated jeweller based in Hong Kong and is primarily engaged in the retail of its own products through its network of seven retail stores under the brand name of “Chong Fai Jewellery (創輝珠寶)” strategically located in Kowloon and the New Territories. Being vertically integrated, the Group possesses the means to control the diversity, quality and pricing of its own jewellery designs produced in-house at its production facility in Shenzhen, Guangdong Province, the PRC.

The Group’s principal products are jewellery products, including gem-set jewellery and pure gold products. The Group also engages in the wholesale of its jewellery products to other jewellery retailers, and the trading of recycled gold products from the general public to certain customers.

更改公司名稱

於(i)於2019年12月16日舉行的本公司股東特別大會上通過的特別決議案；(ii)就由開曼群島公司註冊處處長發出更改名稱註冊證書後，本公司的正式註冊英文名稱由「Dominate Group Holdings Company Limited」變更為「創輝珠寶集團控股有限公司」為其雙重外文的中文名稱，並於2020年1月9日生效。自2020年3月18日上午九時起，本公司股份於聯交所買賣的英文股份簡稱將由「DOMINATE GP」更改為「CHONG FAI JEWEL」，並將採納「創輝珠寶」作為中文股份簡稱。本公司的網站亦由www.dghcl.com變更為www.chongfaiholdings.com，自2020年3月18日生效。

業務概覽

本集團是建基於香港的垂直整合珠寶商，主要從事透過由7間位於九龍及新界策略地點的「創輝珠寶」品牌零售店所組成的網絡，零售其自家產品。垂直整合的結構使本集團有辦法控制其在中國廣東省深圳市的生產設施自行創作的自家珠寶設計的多樣化、品質及定價。

本集團的主要產品是珠寶產品，包括寶石鑲嵌珠寶及純金產品。本集團亦從事向其他珠寶零售商批發其珠寶產品，並從事從公眾到若干客戶的回收黃金產品貿易。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by HK\$55.7 million, or 31.7%, from HK\$175.6 million for the year ended 31 March 2019 to HK\$119.9 million for the year ended 31 March 2020. The decrease in revenue was mainly caused by the revenue decrease from (i) diamond, karat gold, jade, pearl, platinum jewellery products (the “**Gem-set Jewellery Products**”) by HK\$42.4 million; and (ii) pure gold products by HK\$17.1 million.

Revenue by Products

(a) Gem-set Jewellery Products

For the year ended 31 March 2020, the Group's revenue from Gem-set Jewellery Products decreased by HK\$42.4 million, or 40.1%, as compared to that for the year ended 31 March 2019. Such decrease was mainly attributable to the combined effect of (i) the outbreak of the novel coronavirus (“**COVID-19**”) pandemic, and (ii) the weak market performance brought by global and local economic and social uncertainties.

(b) Pure gold products

For the year ended 31 March 2020, the Group's revenue from pure gold products decreased by HK\$17.1 million, or 31.5%, as compared to that for the year ended 31 March 2019. The decrease was mainly attributable to the combined effect of (i) the COVID-19 outbreak, and (ii) the weak market performance brought by the global and local economic and social uncertainties.

(c) Trading of recycled gold products

For the year ended 31 March 2020, the Group's revenue from trading of recycled gold products increased by HK\$3.8 million, or 24.2%, as compared to that for the year ended 31 March 2019. The increase was mainly attributable to the rise of global pure gold prices during the year ended 31 March 2020.

財務審視

收益

本集團的收益由截至2019年3月31日止年度的175.6百萬港元減少55.7百萬港元或31.7%至截至2020年3月31日止年度的119.9百萬港元。收益減少主要由於(i)鑽石、K金、翡翠、珍珠、鉑金珠寶產品(「**寶石鑲嵌珠寶產品**」)收益減少42.4百萬港元；及(ii)純金產品減少17.1百萬港元。

按產品劃分的收益

(a) 寶石鑲嵌珠寶產品

截至2020年3月31日止年度，本集團來自寶石鑲嵌珠寶產品之收益較截至2019年3月31日止年度減少42.4百萬港元或40.1%。有關減幅主要由於(i)新型冠狀病毒(「**2019冠狀病毒病**」)疫情爆發；及(ii)全球及本地經濟及社會不確定因素所帶來的疲弱市場表現的綜合影響。

(b) 純金產品

截至2020年3月31日止年度，本集團來自純金產品的收益較截至2019年3月31日止年度減少17.1百萬港元或31.5%。有關減幅主要由於(i) 2019冠狀病毒病爆發；及(ii)全球及本地經濟及社會不確定因素所帶來的疲弱市場表現的綜合影響。

(c) 回收黃金產品貿易

截至2020年3月31日止年度，本集團來自回收黃金產品貿易的收益較截至2019年3月31日止年度增加3.8百萬港元或24.2%。有關增幅主要由於截至2020年3月31日止年度全球純金價格上漲。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Revenue by Business (sales channels)

(a) Retail

For the year ended 31 March 2020, the Group's revenue from retail channel decreased by HK\$40.4 million, or 34.1%, as compared to that for the year ended 31 March 2019. The decrease was mainly attributable to a decrease of the Group's retail revenue of Gem-set Jewellery Products and pure gold products by HK\$26.0 million or 37.8% and HK\$14.4 million or 28.8%, respectively, for the year ended 31 March 2020 as compared to that for the year ended 31 March 2019.

(b) Wholesale

For the year ended 31 March 2020, the Group's revenue from wholesale channel decreased by HK\$19.1 million, or 46.2%, as compared to that for the year ended 31 March 2019. The decrease was mainly attributable to a decrease of the Group's wholesale revenue of Gem-set Jewellery Products and pure gold products by HK\$16.2 million or 43.8% and HK\$2.9 million or 67.2%, respectively, for the year ended 31 March 2020 as compared to that for the year ended 31 March 2019.

(c) Trading of recycled gold products

For the year ended 31 March 2020, the Group's revenue from trading of recycled gold products increased by HK\$3.8 million, or 24.2%, as compared to that for the year ended 31 March 2019.

Cost of goods sold

The Group's cost of goods sold decreased by approximately HK\$41.2 million, or 34.3%, from HK\$120.2 million for the year ended 31 March 2019 to HK\$79.0 million for the year ended 31 March 2020. The decrease in cost of goods sold was mainly caused by (i) the decrease in the cost of Gem-set Jewellery Products of approximately HK\$32.9 million; (ii) the decrease in the cost of pure gold products of approximately HK\$10.7 million; (iii) the increase in cost of trading of recycled gold products by approximately HK\$3.4 million, and (iv) the decrease in factory overheads include costs incurred for the Group's production process by approximately HK\$1.0 million. The decrease in costs of Gem-set Jewellery Products was mainly caused by the decrease in units of goods sold.

按業務劃分的收益(銷售渠道)

(a) 零售

截至2020年3月31日止年度，本集團來自零售渠道的收益較截至2019年3月31日止年度減少40.4百萬港元或34.1%。有關減幅主要由於截至2020年3月31日止年度來自本集團寶石鑲嵌珠寶產品及純金產品之零售收益較截至2019年3月31日止年度分別減少26.0百萬港元或37.8%及14.4百萬港元或28.8%。

(b) 批發

截至2020年3月31日止年度，本集團來自批發渠道的收益較截至2019年3月31日止年度減少19.1百萬港元或46.2%。有關減幅主要由於本集團寶石鑲嵌珠寶產品及純金產品截至2020年3月31日止年度的批發收益較截至2019年3月31日止年度分別減少16.2百萬港元或43.8%及2.9百萬港元或67.2%。

(c) 回收黃金產品貿易

截至2020年3月31日止年度，本集團來自回收黃金產品貿易的收益較截至2019年3月31日止年度的收益增加3.8百萬港元或24.2%。

已售商品成本

本集團已售商品成本由截至2019年3月31日止年度的120.2百萬港元減少約41.2百萬港元或34.3%至截至2020年3月31日止年度的79.0百萬港元。已售商品成本減少主要由於(i)寶石鑲嵌珠寶產品成本減少約32.9百萬港元；(ii)純金產品成本減少約10.7百萬港元；(iii)回收黃金產品貿易成本增加約3.4百萬港元；及(iv)工廠經常性開支(包括本集團生產過程所產生之成本)減少約1.0百萬港元。寶石鑲嵌珠寶產品成本減少主要由於已售商品數量減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Overall Gross Profit and Gross Profit Margin

The Group's gross profit decreased by HK\$14.5 million, or 26.2%, from HK\$55.3 million for the year ended 31 March 2019 to HK\$40.9 million for the year ended 31 March 2020. The Group's gross profit margin increased from 31.5% for the year ended 31 March 2019 to approximately 34.1% for the year ended 31 March 2020 as the gross profit margins of Gem-set Jewellery Products and pure gold products increased during the current year. The Group's increase in gross profit margin was mainly caused by:

- (a) Gem-set Jewellery Products: The gross profit margin of Gem-set Jewellery Products increased from 39.3% for the year ended 31 March 2019 to 46.4% for the year ended 31 March 2020 because less discounts were offered to the Group's customers during the year ended 31 March 2020 as compared to that during the year ended 31 March 2019. There was decrease in diamond costs for products with lower unit costs leading to lower cost of sales and increase in average selling price which leading to overall increase in gross margin for the current year compared to the prior year.
- (b) Pure gold products: The Group's gross profit margin of pure gold products increased from 24.4% for the year ended 31 March 2019 to 28.6% for the year ended 31 March 2020. The increase in the Group's gross profit margin was mainly due to the overall trend in gold price movements during the year ended 31 March 2020 compared with the same period in 2019, as the Group's selling price of gold is referenced to the market price of gold at the time of transaction. During the year ended 31 March 2020, the average price of gold went up while the average cost remained stable as compared to the same period in 2019.

整體毛利及毛利率

本集團的毛利由截至2019年3月31日止年度的55.3百萬港元減少14.5百萬港元或26.2%至截至2020年3月31日止年度的40.9百萬港元。本集團的毛利率由截至2019年3月31日止年度的31.5%增加至截至2020年3月31日止年度約34.1%，原因是寶石鑲嵌珠寶產品和純金產品於本年度的毛利率增加。本集團的毛利率增加主要由於以下各項所致：

- (a) 寶石鑲嵌珠寶產品：寶石鑲嵌珠寶毛利率由截至2019年3月31日止年度的39.3%增加至截至2020年3月31日止年度的46.4%，此乃由於截至2020年3月31日止年度內向本集團的客戶提供的折扣較截至2019年3月31日止年度為少。單位成本較低的產品的鑽石成本降低導致較低的銷售成本及平均售價的增加，從而引起本年度毛利率較上年出現整體增加。
- (b) 純金產品：本集團的純金產品毛利率由截至2019年3月31日止年度的24.4%增加至截至2020年3月31日止年度的28.6%。本集團毛利率的增加主要由於截至2020年3月31日止年度較2019年同期而言的黃金價格變動的整體趨勢，此乃由於本集團黃金的銷售價乃參考交易發生時黃金的市場價格。截至2020年3月31日止年度，與2019年同期相比，黃金的平均價格上升，而平均成本則維持穩定。

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Other income

Other income for the year ended 31 March 2020 amounted to HK\$1,326,000 (2019: HK\$458,000), representing an increase of approximately HK\$868,000 as compared with last year. The increase in other income was mainly due to (i) the increase in bank interest income from approximately HK\$140,000 during the year ended 31 March 2019 to approximately HK\$559,000 during the year ended 31 March 2020, and (ii) there are new other income, dividend income from financial assets at fair value through profit or loss ("FVTPL") in the amount of approximately HK\$338,000 and Government grant in the amount of approximately HK\$184,000 incurred during the year ended 31 March 2020.

Other gains or losses

Other gains or losses for the year ended 31 March 2020 amounted to gains of HK\$0.3 million (2019: gains of HK\$1.1 million), representing an decrease of HK\$0.8 million as compared with last year. The decrease was mainly due to the revaluation of gold loans decrease by approximately HK\$1.1 million.

Finance costs

Finance costs for the year ended 31 March 2020 amounted to HK\$1.5 million (2019: HK\$1.4 million).

Selling and distribution costs

Selling and distribution costs for the year ended 31 March 2020 amounted to HK\$30.7 million (2019: HK\$28.7 million), representing an increase of HK\$2.0 million or 6.8% as compared with last year. The increase was mainly due to the increase in marketing and promotion expense during the year.

General and administrative expenses

General and administrative expenses for the year ended 31 March 2020 amounted to HK\$17.1 million (2019: HK\$12.8 million), representing an increase of HK\$4.3 million or 33.3% as compared with last year. The increase was mainly due to the increase in legal and professional fees after the listing of the Company on GEM and other expenses during the year ended 31 March 2020.

Listing expenses

There were no listing expenses incurred during the year ended 31 March 2020 (2019: HK\$10.1 million).

其他收入

截至2020年3月31日止年度，其他收入為1,326,000港元(2019年：458,000港元)，較上年增加約868,000港元。其他收入的增加主要由於(i)銀行利息收入由截至2019年3月31日止年度內約140,000港元增加至截至2020年3月31日止年度約559,000港元；及(ii)截至2020年3月31日止年度產生的新其他收入、按公平值計入損益的金融資產的股息收入約338,000港元及政府補助約184,000港元。

其他收益及虧損

截至2020年3月31日止年度的其他收益或虧損為收益0.3百萬港元(2019年：收益1.1百萬港元)，較去年減少0.8百萬港元。有關減幅主要由於黃金貸款重估減少約1.1百萬港元。

財務成本

截至2020年3月31日止年度的財務成本為1,500,000港元(2019年：1,400,000港元)。

銷售及分銷成本

截至2020年3月31日止年度的銷售及分銷成本為30.7百萬港元(2019年：28.7百萬港元)，較去年增加2.0百萬港元或6.8%。有關增幅主要由於年內市場營銷及推廣開支增加。

一般及行政開支

截至2020年3月31日止年度的一般及行政開支為17.1百萬港元(2019年：12.8百萬港元)，較去年增加4.3百萬港元或33.3%。有關增幅主要由於截至2020年3月31日止年度本公司於GEM上市後產生的法律及專業費用以及其他費用增加。

上市開支

截至2020年3月31日止年度，本集團並無產生上市開支(2019年：10.1百萬港元)。

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Taxation

Income tax credit for the year ended 31 March 2020 amounted to approximately HK\$1.4 million (2019: income tax expense HK\$1.7 million), representing an increase of income tax credit approximately HK\$3.1 million as compared with last year. The increase primarily due to the decrease in profit before taxation in Hong Kong. The particulars of the Group's taxation are set out in note 12 to the consolidated financial statements.

Dividend

The Board does not recommend the payment of any dividend for the year ended 31 March 2020.

LIQUIDITY AND FINANCIAL RESOURCES AND TREASURY POLICY

Liquidity and Financial Resources

At 31 March 2020, total assets of the Group amounted to HK\$137.3 million (2019: HK\$157.5 million), which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of HK\$55.7 million (2019: HK\$69.7 million) and HK\$81.6 million (2019: HK\$87.8 million), respectively.

The total interest-bearing borrowings of the Group as at 31 March 2020 amounted to HK\$25.6 million (2019: HK\$41.4 million), and current ratio as at 31 March 2020 was 2.3 times (2019: 2.2 times) mainly due to the increase in cash and cash equivalents attributable to the unutilised proceeds received from the Listing.

Gearing Ratio

The Group's gearing ratio, which is calculated by dividing total debts (total debts are defined to include payables incurred not in the ordinary course of business) by total equity as at the end of each of the financial year, dropped from 47.1% as at 31 March 2019 to 31.4% as at 31 March 2020, primarily due to the decrease in the level of total debts.

The Group has no available unutilised bank loan facilities (2019: HK\$8.0 million).

The Directors are of the view that as at the date hereof, the Group's financial resources are sufficient to support its business and operations.

稅項

截至2020年3月31日止年度的所得稅抵免約為1.4百萬港元(2019年：所得稅開支1.7百萬港元)，較去年增加所得稅抵免約3.1百萬港元。有關增幅主要由於在香港的除稅前溢利減少。本集團稅項詳情載於綜合財務報表附註12。

股息

董事會不建議就截至2020年3月31日止年度派付任何股息。

流動資金及財務資源及庫務政策

流動資金及財務資源

於2020年3月31日，本集團的資產總值為137.3百萬港元(2019年：157.5百萬港元)，此乃由負債總額及股東權益(包括股本及儲備)分別為55.7百萬港元(2019年：69.7百萬港元)及81.6百萬港元(2019年：87.8百萬港元)撥付。

於2020年3月31日，本集團的計息借款總額為25.6百萬港元(2019年：41.4百萬港元)，而於2020年3月31日的流動比率為2.3倍(2019年：2.2倍)，主要由於歸屬於自上市所收取的未動用所得款項的現金及現金等價物增加。

資產負債比率

本集團的資產負債比率(按各財政年度末債務總額(債務總額是指並非於日常業務過程產生的應付款項)除以權益總額計算)由2019年3月31日的47.1%減少至2020年3月31日的31.4%，主要由於債務總額水平下降。

本集團並無可用未使用銀行貸款融資(2019年：8.0百萬港元)。

董事認為，於本報告日期，本集團的財務資源足以支持其業務及營運。

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Treasury Policy

The Group adopts a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position throughout the reporting period. The management of the Group regularly reviews the recoverable amount of trade receivables by performing ongoing credit assessments and monitoring prompt recovery and if necessary to make adequate impairment losses for irrecoverable amounts. In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally deposited with leading licensed banks in Hong Kong and denominated in Hong Kong dollars.

Capital Structure

The Company's shares were successfully listed on GEM on 27 March 2019. There has been no change in the Company's capital structure since 27 March 2019 to the date of this annual report. The capital structure of the Group comprises of issued share capital and reserves. The Directors review the Group's capital structure regularly.

At 31 March 2020, the Company's issued share capital was HK\$7,500,000 and the number of its issued ordinary shares was 750,000,000.

Pledge of Assets

The pledged bank deposit of HK\$2.2 million carries fixed interest rate of 1.55% per annum as at 31 March 2019. As at 31 March 2020, the Group did not have any pledge of assets.

Future Plans for Material Investments or Capital Assets

Save as disclosed in the Prospectus and this annual report, the Group did not have any other plans for material investment and capital assets as at 31 March 2020.

Foreign Currency Exposure

The Group is mainly exposed to the foreign currency risk of US\$ and RMB. Under the pegged exchange rate system, the financial impact on exchange difference between HK\$ and US\$ will be immaterial as most US\$ denominated monetary assets and liabilities are held by group entities having HK\$ as their functional currency.

庫務政策

本集團已就其庫務政策採納審慎的財務管理策略，因此於整個報告期內維持穩健的流動資金狀況。本集團管理層透過持續進行信貸評估及監督款項及時收回，並在必要時就不可收回的金額作出充足的減值虧損，定期檢討貿易應收款項的可收回金額。為更有效控制成本及盡量降低資金成本，本集團的財資活動乃中央統籌，而現金一般存放於香港主要持牌銀行，以港元計值。

資本架構

本公司的股份於2019年3月27日成功在GEM上市。本公司的資本架構自2019年3月27日至本年報日期並無變動。本集團的資本架構包括已發行股本及儲備。董事定期檢討本集團的資本架構。

於2020年3月31日，本公司的已發行股本為7,500,000港元，而其已發行普通股數目為750,000,000股。

資產抵押

於2019年3月31日，已抵押銀行存款2.2百萬港元按固定利率每年1.55%計息。於2020年3月31日，本集團並無任何資產抵押。

有關重大投資或資本資產的未來計劃

除招股章程及本年報所披露者外，於2020年3月31日，本集團並無有關重大投資及資本資產的任何其他計劃。

外幣風險

本集團主要面對美元及人民幣的外幣風險。根據聯繫匯率制度，有關港元與美元匯兌差額的財務影響並不重大，此乃由於大部分以美元計值的貨幣資產及負債由以港元作為功能貨幣的集團實體持有。

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During the year ended 31 March 2020, the Group did not have any hedging arrangements. The Group currently does not have a foreign currency hedging policy. However, the management of the Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should the need arises. The management of the Group considers the exposure to the foreign exchange risk fluctuation for the Group is not material.

Capital Commitments

At 31 March 2020, the Group did not have any capital commitments (2019: nil).

Contingent Liabilities

The Group and the Company had no material contingent liabilities as at the end of the current and last years.

Employees and Remuneration Policies

At 31 March 2020, the Group employed 101 (2019: 101) staff (including Executive Directors). We determine the employees' remuneration based on factors such as qualification, duty, contributions and years of experience. At 31 March 2020, the Group had no significant obligation apart from the defined contributions schemes and there is no forfeited contribution arose upon employees leaving the retirement benefit scheme and which were available to reduce contributions payable. In addition, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND CAPITAL ASSETS

Other than disclosed in this annual report, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries and capital assets during the year ended 31 March 2020.

截至2020年3月31日止年度，本集團並無任何對沖安排。本集團現時並無外幣對沖政策。然而，本集團管理層透過密切監察外幣匯率的變動，並於有需要時考慮就重大外幣風險進行對沖，以管理其外幣風險。本集團管理層認為，本集團所面對的外匯風險波動並不重大。

資本承擔

於2020年3月31日，本集團並無任何資本承擔（2019年：無）。

或然負債

於本年度及上年度末，本集團與本公司並無任何重大或然負債。

僱員及薪酬政策

於2020年3月31日，本集團聘有101名（2019年：101名）員工（包括執行董事）。我們根據資格、職務、貢獻及年資等因素釐定僱員薪酬。於2020年3月31日，除定額供款計劃外，本集團並無任何重大責任，且亦無因僱員退出退休福利計劃而產生及可用以減少應付供款的沒收供款。此外，本集團為其僱員提供全面的培訓計劃或資助僱員參與多種工作相關培訓課程。

重大投資、重大收購及出售附屬公司及資本資產

除本年報披露外，截至2020年3月31日止年度，本集團並無任何重大投資、重大收購及出售附屬公司及資本資產。

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COMPARISON OF BUSINESS PLAN WITH ACTUAL BUSINESS PROGRESS

The following is a comparison of the Group's business plan as set out in the Prospectus and the change in use of proceeds in announcement of the Company dated 25 March 2020 (the "Announcement") with actual business progress up to 31 March 2020. As the Company's shares were only listed on GEM on 27 March 2019 ("Listing Date")

USE OF PROCEEDS

The net proceeds received by the Group from the Listing after deducting the relevant one-off and non-recurring listing expenses amounted to approximately HK\$24.5 million (based on the public offering price of HK\$0.3 per share). The following sets forth a summary of the revised allocation of the net proceeds and its utilisation as at 31 March 2020, as compared to that envisaged in the Prospectus and the change in use of the net proceeds as stated in the Company's announcement dated 25 March 2020. All the unutilised remaining balance have been placed in licensed banks in Hong Kong, and shall be utilised within the next 2 years according to the intended purpose as set out in the table below.

比較業務計劃與實際業務進度

以下為招股章程所載本集團的業務計劃、本公司日期為2020年3月25日的公告(「公告」)的更改所得款項用途與直至2020年3月31日的實際業務進度的比較。於2019年3月27日(「上市日期」)，本公司的股份僅於GEM上市。

所得款項用途

經扣除相關一次性及非經常性上市開支後，本集團自上市取得的所得款項淨額約為24.5百萬港元(根據公開發售價每股0.3港元計算)。下表載列與招股章程所預計相比，並誠如本公司日期為2020年3月25日的公告中所述已變更所得款項淨額的用途，於2020年3月31日的所得款項淨額經修訂分配及其動用情況概要。所有未動用餘下結餘已獲存置於香港持牌銀行，並根據下表所載擬定用途於未來兩年內獲動用。

Business strategies	業務策略	Original allocation of Net Proceeds (approximately)	Utilised Net Proceeds 25 March 2020 (approximately)	Revised allocation of Unutilised Net Proceeds (approximately)	Unutilised
					Net Proceeds from 25 March 2020 to 31 March 2020 (approximately)
			於2020年3月25日		至2020年3月31日
		所得款項淨額的原定分配(概約)	已動用的所得款項淨額(概約)	未動用的所得款項淨額的經修訂分配(概約)	未動用的所得款項淨額(概約)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Expand the Group's retail presence	擴大本集團的零售網絡	22,100	—	1,000	1,000
Enhance the Group's brand recognition	提升本集團的品牌知名度	1,200	600	600	600
For the Group's working capital and other general corporate purposes	用作本集團的營運資金及其他一般企業用途	1,200	100	6,100	6,100
Invest in blue-chip stocks, investment-grade bonds and debentures	投資藍籌股及投資債券	—	—	16,100	16,100
		24,500	700	23,800	23,800

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PRINCIPAL RISKS AND UNCERTAINTIES

There are certain risks and uncertainties involved in the Group's current operations, some of which are beyond the Group's control. The most significant risks relating to the business such as (i) price fluctuation of jewellery raw materials of the Group's jewellery products could materially and adversely affect its business; (ii) the Group may not be able to renew the leases of its retail stores which may affect its business and operation when the relevant leases expire or terminate ; (iii) the Group may not be able to sustain its profitability; (iv) the Group has high gearing ratio that may expose it to liquidity risk; and (v) challenges or continued downturn in economic conditions may affect the demand for the products which could adversely affect the Group's sales or growth.

OUTLOOK

Looking forward, the Group will seek to expand the Group's jewellery design collection in line with customer needs, preferences and market trends and expand its retail presence to capture a wider range of market opportunities. We are exploring the possibility of extending our marketing campaign to social media in the hope that it will bring a desirable return to the shareholders and sustain a long-term growth of the Group.

主要風險及不確定因素

本集團當前的營運涉及若干風險及不確定因素，其中部分因素超出本集團的控制範圍。有關業務的最重大風險包括(i)本集團珠寶產品的珠寶原材料價格波動，可能對其業務產生重大不利影響；(ii)本集團未必能夠重續零售店租約，在相關租約屆滿或終止時，可能對其業務及營運造成影響；(iii)本集團未必能夠持續其盈利能力；(iv)本集團的高資產負債比率可能使其面臨流動資金風險；及(v)經濟狀況出現挑戰或持續下滑或影響本集團產品的需求，這可能對本集團的銷售或增長造成不利影響。

前景

展望未來，本集團將致力擴大本集團的珠寶設計系列，以迎合客戶需求、喜好及市場趨勢，同時亦會擴充其零售據點，把握各種市場機遇。我們正探討將市場推廣活動拓展至社交媒體的可能性，以為股東帶來豐厚回報，並維持本集團的長遠發展。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

EXECUTIVE DIRECTORS

Mr. Fu Chun Keung (“Mr. Fu”)

Mr. Fu, aged 52, was appointed as the chairman, the chief executive officer and an executive Director of the Company in January 2018. Mr. Fu is the major founder of the Group which was established in 1997, and now responsible for supervising overall management and strategy planning of the Group as well as its daily operation and management.

Mr. Fu is the spouse of Ms. Cheung Lai Yuk, an executive Director, and the younger brother of Ms. Fu Wan Ling, an executive Director.

Ms. Cheung Lai Yuk (“Ms. Cheung”)

Ms. Cheung, aged 47, was appointed as an executive Director in March 2018. Ms. Cheung is the head of the Group’s procurement department, and is responsible for formulating corporate and business strategies.

Ms. Cheung has over 20 years’ experience in the jewellery industry and joined the Group since 1999. Ms. Cheung was awarded by the GIA a certificate for completing the requirements of the program in Diamond Essentials in November 2014, and a certificate for completing the requirements of the program in Diamonds and Diamond Grading as well as a diploma certificate for completing the diploma program in Graduate Diamonds respectively in January 2015.

Ms. Cheung is the spouse of Mr. Fu and a sister-in-law of Ms. Fu Wan Ling, an executive Director.

Ms. Fu Wan Ling (“Ms. Fu”)

Ms. Fu, aged 59, was appointed as an executive Director in March 2018.

Ms. Fu is responsible for formulating the overall strategy, supervising the administration and overseeing the inventory of the Group.

Ms. Fu has over 20 years of experience in the jewellery industry and joined the Group since August 1997.

Ms. Fu is the elder sister of Mr. Fu and the sister-in-law of Ms. Cheung.

執行董事

傅鎮強先生(「傅先生」)

傅先生，52歲，於2018年1月被委任為本公司主席、行政總裁兼執行董事。傅先生於1997年成立本集團，是本集團的主要創辦人，目前負責監督本集團整體管理及策略規劃以及日常營運及管理。

傅先生為執行董事張麗玉女士的配偶及執行董事傅雲玲女士的弟弟。

張麗玉女士(「張女士」)

張女士，47歲，於2018年3月受委為執行董事。張女士乃本集團採購部主管，負責制定我們的企業及業務策略。

張女士擁有逾20年珠寶行業經驗，自1999年起加入本集團。張女士於2014年11月獲美國寶石學院發出鑽石入門結業證書，以及於2015年1月分別獲發鑽石及鑽石分級課程結業證書以及鑽石畢業文憑。

張女士為傅先生的配偶及執行董事傅雲玲女士的弟婦。

傅雲玲女士(「傅女士」)

傅女士，59歲，於2018年3月受委任為執行董事。

傅女士負責制定本集團整體策略、督導本集團行政及監督存貨。

傅女士擁有逾20年珠寶行業經驗，自1997年8月起加入本集團。

傅女士為傅先生的姊姊及張女士的大姑。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Cheong Tat (“Mr. Chan”)

Mr. Chan, aged 70, is an independent non-executive Director since September 2018. Mr. Chan is responsible for supervising and providing independent judgment to the Board.

Mr. Chan has over 32 years of working experience in the Inland Revenue Department. He was an assistant commissioner responsible for tax compliance before he retired in 2005.

Mr. Chan is the sole director of a tax consultancy company, C T Tax Consultants Limited since 2006. Further, Mr. Chan is an independent non-executive director of Guangdong Tannery Limited (stock code: 1058) since 2006; an independent non-executive director of Medicskin Holdings Limited (stock code: 8307) since 2014; and an independent non-executive director of Hyfusin Group Holdings Limited (stock code: 8512) since 2018, an independent non-executive director of Accel Group Holdings Limited (stock code: 1283), since February 2020, an independent non-executive director of Ye Xing Group Holdings Limited (stock code: 1941) since February 2020, and a non-executive director of Alpha Financial Group Limited since September 2019. He was also an independent non-executive director of Man Sang International Limited (stock code: 938) from 2015 to 2016.

Mr. Chan graduated from Central Queensland University of Australia with a master degree in financial management in 1995. He has also been an associate of The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) (U.K.) since 1974 and The Hong Kong Institute of Chartered Secretaries since 1994. Mr. Chan is a fellow member of the Hong Kong Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants) since 1986; a fellow member of the Association of Chartered Certified Accountants since 1983; and a fellow member of the Australian Society of Certified Practising Accountants since 1990.

獨立非執行董事

陳昌達先生(「陳昌達先生」)

陳昌達先生，70歲，自2018年9月起為獨立非執行董事。陳昌達先生負責監督董事會及向董事會提供獨立判斷意見。

陳昌達先生擁有逾32年在稅務局工作經驗。彼於2005年退休前為助理局長，負責稅務合規工作。

自2006年以來，陳昌達先生一直為一家稅務顧問公司(昌達稅務顧問有限公司)的唯一董事。此外，陳昌達先生自2006年起一直為粵海制革有限公司(股份代號：1058)的獨立非執行董事，自2014年以來一直擔任密迪斯肌控股有限公司(股份代號：8307)的獨立非執行董事，且自2018年起一直為凱富善集團控股有限公司(股份代號：8512)的獨立非執行董事。自2020年2月起一直為高陞集團控股有限公司(股份代號：1283)的獨立非執行董事，自2020年2月起為燁星集團控股有限公司(股份代號：1941)的獨立非執行董事，及自2019年9月起擔任首盛資本集團有限公司之非執行董事。彼自2015年至2016年亦曾任民生國際有限公司(股份代號：938)獨立非執行董事。

陳昌達先生於1995年畢業於澳洲中央昆士蘭大學，取得財務管理學碩士學位。彼亦自1974年起為英國特許公司治理公會(前稱英國特許秘書及行政人員公會)會士，並自1994年起為香港特許秘書公會會士。陳昌達先生亦自1986年起為香港會計師公會資深會員、自1983年起為特許公認會計師公會資深會員及自1990年起為澳洲會計師公會資深會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

Mr. Chan Chi Ming, Tony (“Mr. Tony Chan”)

Mr. Tony Chan, aged 52, is an independent non-executive Director since September 2018. Mr. Tony Chan is responsible for supervising and providing independent judgment to the Board.

Mr. Tony Chan possesses over 20 years of experience in the field of business advisory, accounting and auditing.

Mr. Tony Chan obtained a bachelor's degree in Commerce (major in Accounting) from the Australian National University in 1990. He is a member of the Hong Kong Institute of Certified Public Accountants since 2012 and a member of the CPA Australia (formerly known as Australian Society of Certified Practising Accountants) since 1993.

Currently, Mr. Tony Chan is an independent non-executive director of Theme International Holdings Limited (stock code: 990) since 2015. Mr. Tony Chan was as a non-executive director of Good Fellow Healthcare Holdings Limited (stock code: 8143) from 2016 to 2018 and re-designated as an executive director in 2018 and resigned from the position in 2019. Mr. Tony Chan also served as an executive director of Wan Kei Group Holdings Limited (stock code: 1718) from 2016 to 2018.

Mr. Wong Wing Keung Meyrick (“Mr. Wong”)

Mr. Wong, aged 62, is an independent non-executive Director since September 2018. Mr. Wong is responsible for supervising and providing independent judgment to the Board.

Mr. Wong is currently practising as a barrister-at-law in Hong Kong.

Mr. Wong obtained his Bachelor of Laws from The University of London in 1987. Mr. Wong was called to the degree of utter barrister of the Honourable Society of Gray's Inn in 1989 and obtained Master of Laws in international economic law in The Chinese University of Hong Kong in 2009 and Postgraduate Diploma in Corporate Governance and Directorship jointly issued by Hong Kong Baptist University and The Hong Kong Institute of Directors in 2011. Mr. Wong obtained a degree in Master of Science in Corporate Governance and Directorship (Distinction) issued by Hong Kong Baptist University in 2011. Mr. Wong is also a Chartered Engineer, a member of Institute of Energy, Institution of Mechanical Engineers and Institution of Engineering and Technology.

陳子明先生(「陳子明先生」)

陳子明先生，52歲，自2018年9月起為獨立非執行董事。陳子明先生負責監督董事會及向董事會提供獨立判斷意見。

陳子明先生於業務顧問、會計及審計領域擁有逾20年經驗。

陳子明先生於1990年取得澳洲國立大學商學士學位(主修會計)。彼分別自2012年及1993年起為香港會計師公會會員及澳洲會計師公會(前稱澳洲執業會計師公會)會員。

現時，陳子明先生自2015年起為榮暉國際集團有限公司(股份代號：990)獨立非執行董事。自2016年至2018年，陳子明先生曾擔任金威醫療集團有限公司(股份代號：8143)的非執行董事，並於2018年調任為執行董事，後於2019年辭任。自2016年至2018年，陳子明先生亦擔任宏基集團控股有限公司(股份代號：1718)的執行董事。

王泳強先生(「王先生」)

王先生，62歲，自2018年9月起為獨立非執行董事。王先生負責監督董事會及向董事會提供獨立判斷意見。

王先生現時正在香港從事訟務律師工作。

於1987年，王先生取得倫敦大學法律學士學位。王先生於1989年獲英國倫敦格雷榮譽協會(Honourable Society of Gray's Inn)授予外席律師學位，亦於2009年取得香港中文大學國際經濟法法律碩士學位，後於2011年獲香港浸會大學與香港董事學會聯合頒發的公司管治與董事研究生文憑。王先生於2011年獲得香港浸會大學頒發公司管治與董事理學碩士學位(成績優異)。彼亦為特許工程師，並為能源學會、機械工程師學會及工程及科技學會會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

SENIOR MANAGEMENT

Mr. Yung Kam Keung (“Mr. Yung”)

Head of Wholesales and Retail Department

Mr. Yung, aged 52, is the head of the Group’s wholesales and retail department. Mr. Yung is responsible for overseeing the wholesaling and retailing functions of the Group. Mr. Yung joined the Group in 2012.

Mr. Yung possesses over 20 years of experience in the jewellery industry.

高級管理層

翁錦強先生(「翁先生」)

批發及零售部主管

翁先生，52歲，為本集團批發及零售部主管。翁先生負責監察本集團批發及零售工作。彼於2012年加入本集團。

翁先生擁有逾20年珠寶行業經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the Corporate Governance Report of the Company for the year ended 31 March 2020.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining the highest standards of corporate governance consistent with the needs and requirements of the business and its shareholders, and consistent with the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”). The Group has considered the CG Code and has put in place corporate governance practices to meet the code provisions. Since the listing of the shares of the Company on GEM, the Company has adopted and complied with, where applicable, the CG Code during the year ended 31 March 2020 up to the date of this Annual Report, except for code provision A.2.1. Please refer to the paragraph headed “Chairman and Chief Executive Officer” below.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 stipulates that the role of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Fu Chun Keung, the major founder of the Group, is chairman of the Board and the chief executive officer. With extensive experience in the jewelry industry, Mr. Fu is responsible for the overall management, decision-making and strategy planning of the Group and is instrumental to the Group’s growth and business expansion. Since Mr. Fu is the key person for the Group’s development and he will not undermine the Group’s interests in any way under any circumstances, the Board considers that vesting the roles of chairman and chief executive officer in Mr. Fu, is in the best interest of the Group and beneficial to the management of the Group. In addition, the senior management and the Board, which comprise of experienced individuals, could effectively check and balance the power and authority of Mr. Fu. Therefore, the Board considers that deviation from CG provision A.2.1 is appropriate in such circumstances.

董事會欣然提呈本公司截至2020年3月31日止年度的企業管治報告。

企業管治常規

本公司致力達致並維持最高企業管治水平，以期切合業務及其股東的需求及要求，並符合香港聯合交易所有限公司GEM證券上市規則（「GEM上市規則」）附錄十五所載的企業管治守則（「企業管治守則」）的守則條文。本集團已考慮企業管治守則並設有企業管治常規，以遵守守則條文。自本公司股份於GEM上市以來，本公司截至2020年3月31日止年度至本年報日期已採納及遵守（視乎情況而定）企業管治守則，除守則條文第A.2.1條外。請參閱下文「主席及行政總裁」一段。

主席及行政總裁

守則條文第A.2.1條訂明，主席與行政總裁的職務應有區分，不應由一人同時兼任。

本集團的主要創辦人傅鎮強先生為董事會主席兼行政總裁。憑藉傅先生對珠寶行業的豐富經驗，彼負責本集團的整體管理、決策及戰略規劃，且對本集團的增長及業務擴張貢獻良多。由於傅先生為本集團發展的關鍵，且彼於任何情況下將不會以任何方式損害本集團的利益，故董事會認為將主席及行政總裁的職務授予傅先生符合本集團的最佳利益，並對本集團的管理有利。此外，由經驗豐富的個人組成的高級管理層及董事會可有效監察及制衡傅先生的權力及職權。因此，董事會認為於該等情況下偏離企業管治守則條文第A.2.1條乃屬恰當。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The Board is responsible for the leadership and internal control of the Company. It oversees the Group's businesses, lays down strategies and monitors the Group's operational and financial performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board has general powers to manage and conduct the Company's business. The day-to-day operations and management are delegated by the Board to the senior management of the Company, who will implement the strategy and direction as laid down by the Board.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

Composition of the Board of Directors

The Board currently comprises six members as follows:

Executive Directors

Mr. Fu Chun Keung (*Chairman and Chief Executive Officer*)

Ms. Cheung Lai Yuk

Ms. Fu Wan Ling

Independent non-executive Directors

Mr. Chan Cheong Tat

Mr. Wong Wing Keung Meyrick

Mr. Chan Chi Ming Tony

The biographies of the Directors are set out on pages 16 to 19 of this annual report.

Appointment and Re-election of Directors

Each of the executive Directors has entered into a service contract with the Company and each of independent non-executive Directors has signed a letter of appointment with the Company for a term of three years since 27 March 2019 (the "**Listing Date**") and is subject to retirement by rotation at an annual general meeting at least once every three years.

These service contracts and letters of appointment are subject to termination in accordance with their respective terms. The term of the service contracts and the letters of appointment may be renewed in accordance with the articles of association of the Company (the "**Articles**"), the Listing Rules and other applicable laws.

董事會

董事會負責本公司的領導及內部控制。董事會監察本集團的業務、制定戰略，並監察本集團經營及財務表現，且共同負責透過指導及監督本公司事務，促進本公司的成功。董事會擁有管理及進行本公司業務的一般權力。董事會將日常經營及管理授權予本公司高級管理層負責，而管理層將執行董事會所制定的戰略及指示。

全體董事均可全面及適時取閱本公司所有資料，並可在適當情況下應要求徵詢獨立專業意見，以向本公司履行其職責，費用由本公司承擔。

董事須向本公司披露其所任其他職務的詳情。

董事會的組成

董事會目前由下列6名成員組成：

執行董事

傅鎮強先生(主席兼行政總裁)

張麗玉女士

傅雲玲女士

獨立非執行董事

陳昌達先生

王泳強先生

陳子明先生

董事的履歷載於本年報第16頁至第19頁。

委任及重選董事

各執行董事已與本公司訂立服務合約，而各獨立非執行董事已與本公司簽訂委任任函，任期自2019年3月27日(「上市日期」)起計為期三年，並須最少每3年最少於股東週年大會上輪席告退一次。

該等服務合約及委任函可根據彼等各自的條款予以終止。服務合約及委任函的年期可根據本公司的組織章程細則(「細則」)、上市規則及其他適用法例重續。

CORPORATE GOVERNANCE REPORT

企業管治報告

At all times during the year ended, the independent non-executive Directors represent more than one-third of the Board. Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years which shall continue thereafter unless and until terminated by not less than three months' notice in writing served by either party on the other.

During the year ended 31 March 2020 and up to the date of this annual report, the Board at all times complied with Rule 5.05A of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors, representing more than one-third of the Board, of whom Mr. Chan Chi Ming Tony is the Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received a written confirmation of independence from each of the independent non-executive Directors pursuant to Rule 5.09 of the GEM Listing Rules, and considers them to be independent.

The Directors have access to the services of the company secretary of the Company to ensure that the Board procedures are followed. The company secretary of the Company is Ms. So Shuk Yi Betty ("Ms So").

Continuous Professional Development of Directors and Company Secretary

In compliance with Rule 5.15 of the GEM Listing Rules, Ms. So has undertaken no less than 15 hours of relevant professional training during the year ended 31 March 2020. Ms. So is the vice president of SWCS Corporate Services Group (Hong Kong) Limited. Ms. So has the necessary qualifications and experience as required under Rule 5.14 of the GEM Listing Rules. The primary contact person of Ms. So is Mr. Wai Kiu Hon, the finance director of the Company.

All Directors attended various trainings during the year ended 31 March 2020, including trainings regarding the updating of the GEM Listing Rules, the responsibilities and continuous obligations of Directors and the Environmental, Social and Governance Reporting Guide. The Company had arranged suitable trainings for all Directors in order to develop and refresh their knowledge and skills as part of their continuous professional development.

於本年度內任何時候，獨立非執行董事佔董事會多於三分之一。各執行董事已與本公司訂立服務協議，初步任期為三年，並將於其後繼續生效，除非及直至任何一方向對方發出不少於3個月的書面通知予以終止為止。

於截至2020年3月31日止年度及直至本年報日期，董事會一直遵守GEM上市規則第5.05A條有關委任最少3名獨立非執行董事(佔董事會多於三分之一)的規定，其中陳子明先生具備合適的專業資格或會計或相關財務管理專業知識。

本公司已根據GEM上市規則第5.09條向各獨立非執行董事收取獨立性書面確認，並認為彼等屬獨立人士。

董事可獲得本公司的公司秘書的服務，以確保遵循董事會程序。本公司的公司秘書為蘇淑儀女士(「蘇女士」)。

董事及公司秘書的持續專業發展

根據GEM上市規則第5.15條，蘇女士於截至2020年3月31日止年度內已接受不少於15小時的相關專業培訓。蘇女士為方圓企業服務集團(香港)有限公司的總裁。蘇女士具備GEM上市規則第5.14條所規定的必要資格及經驗。蘇女士的主要聯絡人為本公司財務總監衛翹翰先生。

於截至2020年3月31日止年度內，全體董事均參與多項培訓，包括關於GEM上市規則修訂、董事責任及持續義務及《環境、社會及管治報告指引》等培訓。本公司已為全體董事安排合適的培訓，旨在作為彼等持續專業發展的一部分及更新其知識及技能。

CORPORATE GOVERNANCE REPORT

企業管治報告

Training record of each Director received for the year ended 31 March 2020 is summarised below:

截至2020年3月31日止年度每名董事所接受培訓的記錄概列如下：

Name of Directors

董事姓名

Mr. Fu Chun Keung	傅鎮強先生
Ms. Cheung Lai Yuk	張麗玉女士
Ms. Fu Wan Ling	傅雲玲女士
Mr. Chan Cheong Tat	陳昌達先生
Mr. Chan Chi Ming, Tony	陳子明先生
Mr. Wong Wing Keung Meyrick	王泳強先生

**Attending seminars/
reading materials
relevant to the
director's duties**
出席研討會／閱讀
有關董事職責之材料

✓
✓
✓
✓
✓
✓

The Company is committed to continuously reviewing and improving its internal systems, including those in relation to internal supervision and control, and risk management.

本公司將持續對本公司的內部系統(包括有關內部監督、控制及風險管理的系統)進行檢討和改善。

Indemnity of the Directors

The Company has arranged appropriate Directors' and Officers' Liability Insurance for its Directors and officers covering the legal action against the Directors and officers.

董事彌償保證

本公司已為其董事及高級職員安排投購合適的董事及高級職員責任保險，當中涵蓋針對董事及高級職員的法律訴訟。

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the year ended 31 March 2020 to the date of this annual report, the Company complied with Rules 5.05(1), 5.05(2) and 5.05A of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate qualifications or accounting or related financial expertise.

獨立非執行董事

截至2020年3月31日年度至本年報日期內，本公司已遵守GEM上市規則第5.05(1)條、第5.05(2)條及第5.05A條，內容分別有關委任最少三名獨立非執行董事(佔董事會三分之一，且其中一名須具合適資格或會計或相關財務管理專業知識)。

The independent non-executive Directors also serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. The Board considers that each independent non-executive Director is independent in character and judgment and that they all meet the specific independence criteria as required by the GEM Listing Rules. The independent non-executive Directors are explicitly identified in all corporate communications of the Company.

獨立非執行董事的重要職能亦為確保企業管治架構行之有效，並監察其基礎。董事會認為，獨立非執行董事具獨立性格及判斷力，且全部符合GEM上市規則所規定的指定獨立標準。於本公司的所有公司通訊中，獨立非執行董事已獲明確識別。

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BOARD MEETINGS AND PROCEDURES

Board members were provided with complete, adequate and timely information to allow them to fulfill their duties properly. In compliance with code provision A.1.2 of the CG Code, at least 14 days' notice has been given for a regular Board meeting to give all Directors an opportunity to attend. Notice, agenda and board papers of regular Board meetings are sent to all Directors within reasonable time and at least 3 days prior to the meetings. Directors are free to contribute and share their views at meetings and major decisions will only be taken after deliberation at Board meetings. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of meeting and will abstain from voting on the relevant resolutions. Full minutes are prepared after the meetings and the draft minutes are sent to all Directors for their comments before the final version of which are endorsed in the subsequent Board meeting.

Details of the attendance of the Board meetings, Audit Committee meetings, Remuneration Committee meetings, Nomination Committee meetings and general meetings of the Company held during the year ended 31 March 2020 are summarized as follows:

董事會會議及程序

董事會成員獲提供完整、合適及及時的資料以令彼等妥善履行職責。為遵守企業管治守則守則條文A.1.2，就定期董事會會議而言，須至少提前14天發出通知以給予全體董事出席的機會。定期董事會會議的通知、議程及會議文件須於合理時間內且於會議前至少3天寄發予全體董事。董事可於會議上自由發表及分享其意見，而重大決定僅於董事會會議上審議後方可作出。董事可於會議上自由發表及分享其意見，而重大決定僅於董事會會議上審議後方可作出。於建議交易或討論事宜中存在利益衝突或重大利益的董事不得計入會議法定人數內，並須於相關決議案投票權。會議後須撰寫完整會議紀錄，初稿須交全體董事給予意見，定稿須於下一次董事會會議通過。

有關於截至2020年3月31日止年度內舉行的本公司董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議及股東大會的詳情概述如下：

		Board meeting 董事會會議	Audit Committee meeting 審核委員會會議	Remuneration Committee meeting 薪酬委員會會議	Nomination Committee meeting 提名委員會會議	General meeting 股東大會
Executive Directors	執行董事					
Mr. Fu Chun Keung	傅鎮強先生	7/7	4/4	2/2	1/1	1/1
Ms. Cheung Lai Yuk	張麗玉女士	7/7	4/4	2/2	1/1	1/1
Ms. Fu Wan Ling	傅雲玲女士	7/7	4/4	2/2	1/1	1/1
Independent Non-executive Directors	獨立非執行董事					
Mr. Chan Cheong Tat	陳昌達先生	7/7	4/4	2/2	1/1	1/1
Mr. Wong Wing Keung Meyrick	王泳強先生	7/7	4/4	2/2	1/1	1/1
Mr. Chan Chi Ming Tony	陳子明先生	7/7	4/4	2/2	1/1	1/1

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BOARD COMMITTEES

The Company has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. All Board committees are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference for each of the Audit Committee, Remuneration Committee and Nomination Committee have been published on the websites of GEM (www.hkgem.com) and the Company (www.chongfaiholdings.com). Each committee deals with matters in accordance with its terms of reference so that they could perform their functions properly, including but not limited to reporting back to the Board on their decisions or recommendations. All committees are provided with sufficient resources to perform their duties and have access to independent professional advice at the Company's expense if so reasonably required. The list of the chairman, members and duties of each of the committees are as follows:

Audit Committee

The Audit Committee comprises three Independent non-executive Directors. The Board is satisfied that the current mix of experience of the committee members facilitates an effective functioning of their roles. The members of the Audit Committee are:

Mr. Chan Chi Ming Tony (*chairman*)

Mr. Chan Cheong Tat

Mr. Wong Wing Keung Meyrick

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code.

The primary duties of the Audit Committee are to review, and provide an independent view of the effectiveness of the financial reporting process, the risk management and internal control systems of the Group, oversee the audit process, scope of audit and appointment of external auditors and perform other duties and responsibilities as assigned by the Board.

Pursuant to the terms of reference of the Audit Committee, the Audit Committee shall hold at least two meetings a year. The Audit Committee held four meetings during the year ended 31 March 2020 to review and approve the Group's quarterly, interim and annual reports before submission to the Board for approval.

董事委員會

本公司已成立3個董事委員會，即審核委員會、薪酬委員會及提名委員會。所有董事委員會獲成立後具特定書面職權範圍，當中清楚列明其職權及職責。審核委員會、薪酬委員會及提名委員會各自的職權範圍已刊登於GEM網站(www.hkgem.com)及本公司網站(www.chongfaiholdings.com)。各委員會均按其職權範圍處理事宜以便妥善行使其職能，包括但不限於向董事會匯報其決策或推薦意見。所有委員會獲提供足夠資源以履行其職責，並可在合理需要時取得獨立專業意見，費用由本公司承擔。各委員會的主席及成員名單以及職責如下：

審核委員會

審核委員會由3名獨立非執行董事組成。董事會信納，委員會成員現有的不同經驗有助彼等有效履行其職能。審核委員會的成員為：

陳子明先生(主席)

陳昌達先生

王泳強先生

審核委員會的職權範圍不比企業管治守則所載者寬鬆。

審核委員會的主要職責為檢討及監督本集團的財務報告流程、風險管理及內部控制系統並就有關事項的有效性提供獨立意見、監察審計流程、審計範圍及委任外聘核數師，以及履行董事會指派的其他職責及責任。

根據審核委員會的職權範圍，每年應舉行至少2次審核委員會會議。截至2020年3月31日止年度內，於向董事會提交報告前，已舉行4次審核委員會會議以審閱及批准本集團的季度、中期及年度報告。

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Remuneration Committee

The Remuneration Committee comprises three Directors, two of whom are Independent non-executive Directors.

Mr. Chan Chi Ming Tony (*chairman*)

Mr. Fu Chun Keung

Mr. Wong Wing Keung Meyrick

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code.

The primary duties of the Remuneration Committee are to establish and review the policy and structure of the remuneration for the Directors and senior management and make recommendations to the Board on remuneration packages of executive Directors and senior management.

The Remuneration Committee shall meet not less than once every year. The Remuneration Committee has held two meetings during the year ended 31 March 2020. Meetings of the Remuneration Committee were held on 20 June 2019 and 31 March 2020 to review the policy and structure of the remuneration for the Directors and senior management and make recommendations to the Board on the remuneration packages of executive Directors and the senior management.

Nomination Committee

The Nomination Committee comprises three Directors, two of whom are independent non-executive Directors and one is executive Director.

Mr. Fu Chun Keung (*chairman*)

Mr. Chan Cheong Tat

Mr. Wong Wing Keung Meyrick

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code.

The Nomination Committee is responsible for reviewing and assessing the composition of the Board and the independence of the independent non-executive Directors and making recommendations to the Board on appointment and removal of Directors. In recommending candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board in accordance with the board diversity policy adopted by the Company. Diversity of the Board will be considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a Director.

薪酬委員會

薪酬委員會由3名董事組成，其中2名為獨立非執行董事。

陳子明先生(*主席*)

傅鎮強先生

王泳強先生

薪酬委員會的職權範圍不比企業管治守則所載者寬鬆。

薪酬委員會的主要職責為設立並檢討董事及高級管理層薪酬的政策及架構，就執行董事及高級管理層的薪酬待遇並向董事會作出推薦建議。

薪酬委員會每年將會面至少一次。截至2020年3月31日止年度內，曾舉行兩次薪酬委員會會議。薪酬委員會會議於2019年6月20日及2020年3月31日舉行。以檢討董事及高級管理層薪酬的政策及架構，並就執行董事及高級管理層的薪酬待遇向董事會作出推薦建議。

提名委員會

提名委員會由3名董事組成，其中2名為獨立非執行董事及1名為執行董事。

傅鎮強先生(*主席*)

陳昌達先生

王泳強先生

提名委員會的職權範圍不比企業管治守則所載者寬鬆。

提名委員會負責檢討及評估董事會的組成及獨立非執行董事的獨立性，以及就委任及罷免董事向董事會提供推薦建議。於推薦人選以委任加入董事會時，提名委員會將根據本公司所採納的董事會成員多元化政策按客觀條件考慮人選，並適度顧及董事會成員多元化的裨益。董事會成員多元化將從多個方面進行考慮，包括但不限於性別、年齡、文化及教育背景、行業經驗、技術及專業技能及／或資格、知識、服務年期及擔任董事的時間。

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The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee has held one meeting during the year ended 31 March 2020. A meeting of the Nomination Committee was held on 20 June 2019 to review composition of the Board and assess the independence of independent non-executive Directors; and to adopt a nomination policy and the Board Diversity Policy.

Nomination Policy

According to the Nomination Policy, in evaluating and selecting any candidate for directorship, the Nomination Committee would consider the criteria, including, among other things, character and integrity, qualifications (cultural and educational background, professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy), any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and diversity, and willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s).

The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship with a ranking of the candidates (if applicable) by order of preference based on the needs of the Company and reference check of each candidate.

Board Diversity Policy

In designing the Board's composition, the Nomination Committee has considered Board diversity from a number of aspects, including but not limited to gender, race, language, cultural background, educational background, industry experience and professional experience. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

本公司亦將計及與其本身業務模式及不時的具體需求有關的因素。最終決定將以用人唯才為原則，並考慮所挑選的人選將對董事會作出的貢獻。

截至2020年3月31日止年度內，曾舉行一次提名委員會會議。提名委員會曾於2019年6月20日舉行一次會議，以檢討董事會的組成及評估獨立非執行董事的獨立性；及採納提名政策及董事會成員多元化政策。

提名政策

根據提名政策，於評估及挑選任何董事候選人時，提名委員會將考慮的標準包括(其中包括)品格及誠信、資格(文化及教育背景、專業資格、技能、知識及經驗，以及董事會成員多元化政策項下的多元化因素)、候選人的專業資格、技能、經驗、獨立性及多元化方面可為董事會帶來的任何潛在貢獻；以及是否願意及是否能夠投放足夠時間履行董事會及／或董事委員會成員的職責。

提名委員會及／或董事會應在收到委任新董事的建議及候選人的履歷資料(或相關詳情)後，根據上述標準評估該候選人，以確定該候選人是否合資格擔任董事職務。提名委員會隨後應建議董事會根據本公司的需要及各候選人的資歷審查，按照候選人的優先次序委任合適人選擔任董事(如適用)。

董事會成員多元化政策

於設計董事會的組成時，提名委員會從多個方面考慮董事會成員多元化，包括但不限於性別、種族、語言、文化背景、教育背景、行業經驗及專業經驗。所有董事會的委任將根據任人唯賢的原則，在充分考慮到董事會成員多元化的裨益後，根據客觀標準考慮候選人。

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We believe the Board has a well-balance of cultural background, educational background, industry experience and professional experience where members of the Board have diversified branch of learning and working experience in different countries and regions.

CORPORATE GOVERNANCE FUNCTIONS

According to code provision D.3.1 of the CG Code, the Board is responsible for performing the duties relating to corporate governance functions. The Board has the following responsibilities in performing the corporate governance duties of the Company as follows: (i) developing and reviewing the Group's policies and practices on corporate governance and making recommendations; (ii) reviewing and monitoring the training and continuous professional development of the Directors and senior management of the Group; (iii) reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and (v) reviewing the Group's compliance with the CG Code and disclose in the corporate governance report.

DIRECTORS' SECURITIES TRANSACTION

The Company has adopted the required standard of dealings (the "Required Standard of Dealing") as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all the Directors, each of them have confirmed that they have complied with the Required Standard of Dealings during the year ended 31 March 2020. No incident of non-compliance was noted by the Company during such period.

EXTERNAL AUDITOR

During the year ended 31 March 2020, the fees paid/payable to the external auditor in respect of audit is approximately HK\$500,000.

我們相信，董事會在文化背景、教育背景、行業經驗及專業經驗方面具有良好的平衡，董事會成員在不同國家及地區擁有多元化的學習及工作經驗。

企業管治職能

根據企業管治守則則條文第D.3.1條，董事會負責履行有關企業管治職能的職責。董事會於履行本公司企業管治職責時有以下責任：(i)制定及審閱本集團有關企業管治的政策及常規，並提供推薦意見；(ii)審閱及監察董事及本集團高級管理層的培訓及持續專業發展；(iii)審閱及監察本集團有關遵守法律及監管規定的政策及常規；(iv)制定、審閱及監察適用於僱員及董事的行為守則及合規守則(如有)；及(v)審閱本集團遵守企業管治守則的情況，並於企業管治報告內披露。

董事證券交易

本公司已採納GEM上市規則第5.48條至5.67條所載的交易規定標準(「交易規定標準」)作為董事買賣本公司證券的操守守則。向全體董事作出特定查詢後，各董事均已確認彼等於截至2020年3月31日止年度內一直遵守交易規定標準。於上述期間，本公司概無發現任何不合規事件。

外聘核數師

於截至2020年3月31日止年度，就審計的事項已付／應付予外聘核數師的費用約為500,000港元。

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DIRECTORS RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for overseeing the preparation of the consolidated financial statements which give a true and fair view of the state of affairs of the Group and of the results and cash flow during the reporting period. A statement from the auditor about its reporting responsibilities on the consolidated financial statements is set out on pages 96 to 99 of this annual report. In preparing the consolidated financial statements for the year ended 31 March 2020, the Directors of the Company have selected suitable accounting policies and applied them consistently, made judgments and estimated that are prudent, fair and reasonable and prepared the financial statements on a going concern basis.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board acknowledges its responsibility for the effectiveness of the Group's internal control and risk management systems. Such internal control and risk management systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board with the supported of the Audit Committee as well as the management, had conducted a review on the effectiveness of the Group's internal control and risk management systems during the year ended 31 March 2020 which covered financial, operational, compliance procedural and risk management functions and had considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function.

In light of the size and scale of the Group's business, the Group does not have an internal audit function as the Board has reviewed the effectiveness of the internal control system of the Group and is currently of the view that there is no immediate need to set up an internal audit function within the Group. The Board will continue to review and consider to establish such department as and when it thinks necessary.

董事有關財務報表的責任

本公司董事負責監督綜合財務報表的編製工作，以真實公平地反映本集團的狀況以及報告期的業績及現金流量。核數師就其對綜合財務報表申報責任的聲明載於本年報第96頁至第99頁。於編製截至2020年3月31日止年度的綜合財務報表時，本公司董事已選擇合適的會計政策並貫徹應用；作出審慎、公平及合理的判斷及估計；並按持續基準編製財務報表。

董事並不知悉任何可能會嚴重影響本集團持續經營能力的重大不確定事件或情況。

內部控制及風險管理

董事會知悉其維持本集團內部控制及風險管理系統有效性的責任。該內部控制及風險管理系統旨在管理而非消除未能實現業務目標的風險，並僅可就避免重大錯誤陳述或損失提供合理但並非絕對的保證。

於截至2020年3月31日止年度，董事會已在審核委員會及管理層的支持下對本集團內部控制及風險管理系統的有效性進行檢討，其涵蓋財務、營運、合規程序及風險管理職能等範疇，並已考慮本集團會計及財務報告職能方面的資源、員工資歷及經驗、培訓課程及預算是否充足。

鑑於本集團業務的規模及範圍，由於董事會對本集團內部控制系統的有效性進行審閱，且認為目前並無在本集團內設立內部審核職能的即時需要，故本集團並無設立內部審核職能。董事會將繼續檢討並於有需要時考慮設立該部門。

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The Group believes that good corporate governance practices are very important for maintaining and promoting investor confidence and for the sustainable growth of the Group. The Group has therefore made continued efforts to uplift its quality of corporate governance. It has established an effective system of internal controls and adopted a series of measures to ensure its safety and effectiveness. As a result, the Group is able to safeguard its assets and protect the interests of the Shareholders. The Board is of the view that the systems of internal control and risk management are effective and there are no irregularities, improprieties, fraud or other deficiencies that suggest material deficiency in the effectiveness of the Group's internal control system.

Internal Control System

The Company has maintained an internal control system and its implementation has been considered by the Audit Committee and the Board as effective. Meanwhile, the Group strives for continual improvement through efforts to enhance controls by providing ongoing employee training and development, talent retention, and other measures. The Group follows a disciplined and balanced compensation framework with strong internal governance and independent Board oversight. The impact of risk and control issues are carefully considered in the Group's performance evaluation and incentive compensation processes.

The Group's internal control system and procedures are designed to meet its specific business needs and to minimise its risk exposure. The Group has adopted different internal guidelines, along with written policies and procedures to monitor and lessen the impact of risks which are relevant to the Group's business and control the Group's daily business operations. In order to ensure sound implementation of the Group's risk management and internal control systems, the Group has also adopted various on-going measures as set out below:

- the Group has engaged an internal control adviser to perform an internal control review on the Group and has adopted a revised operations and procedures manual which has included recommendations from the internal control adviser;
- the Group has improved its existing internal control framework by adopting a set of internal control manual and policies, which cover corporate governance, risk management, operations and legal matters;

本集團相信良好的企業管治常規對於維持及促進投資者信心及本集團可持續發展而言攸關重要。因此，本集團一直致力於提升企業管治質素，建立有效內部控制系統，採取一系列措施保證該系統健全及有效，從而得以確保本集團資產安全及保障股東的利益。董事會認為內部控制及風險管理系統行之有效，且本集團的內部控制系統並無違規、不當、欺詐或其他不足顯示本集團內部控制系統的效能出現重大缺陷。

內部控制系統

本公司已維持內部控制系統，且其實施已獲審核委員會及董事會視為有效。同時，本集團致力透過努力加強控制、提供持續僱員培訓及發展、挽留人才及其他措施作出持續改進。本集團憑藉強大內部管治及獨立董事會監督遵循嚴格及平衡的薪酬框架。本集團在進行表現評估及激勵薪酬程序時會仔細考慮風險及控制問題的影響。

本集團的內部控制系統及程序旨在滿足其特定業務需求並將風險減至最低。本集團已採納不同的內部指引(連同書面政策及程序)，以監察及減輕與本集團業務有關的風險的影響，並控制本集團日常業務營運。為確保本集團風險管理及內部控制系統能夠穩妥執行，本集團亦採取了以下各項持續措施：

- 本集團已委聘一名內部控制顧問，以進行本集團的內部控制檢討並採納經修訂業務及程序手冊，其中包括內部控制顧問的建議；
- 本集團已透過採納一套內部控制手冊及政策改善其現有內部控制架構，其涵蓋企業管治、風險管理、業務經營及法律事宜；

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- the Group will assess and monitor the implementation of its internal control manual and policies by the relevant departments and companies in the Group through regular audits and inspections; and
- the Group will provide internal training to staff as appropriate in order to enable them to follow the internal control procedures.

With reference to the internal control manual and policies of the Group, the risk management and internal control systems are reviewed and assessed on an on-going basis by the Board with the support of the Audit Committee and the management and will be further reviewed and assessed at least once each year by the Board. These systems were considered effective and adequate.

The Group will continuously monitor and improve the Group's management procedures to ensure that effective operation of those internal controls are in line with the growth of the Group's business and good corporate governance practice.

Finance Director is responsible for overseeing the Company's internal control measures in relation to anti-money laundering and cash management.

INFORMATION TECHNOLOGY

The Group has one main IT platform that supports its business operations, namely POS system. The IT platform was developed by an independent third party contractors to suit the Group's requirements and it is continually refined and upgraded to meet the Group's business needs.

The Group's POS system records sales and inventory movements as it is linked to every retail store. The Group's management is able to manage effectively the retail stores through the POS system which provides them with the performance of each retail store and its inventory status. With the ability of the Group's POS system to track the inventory movements in each retail store, the Directors are in a better position to assess what type of products are more popular in each retail store, which in turn enables the Group to respond more swiftly to market demands.

- 本集團將透過定期審核及檢查以評估及監控本集團相關部門及公司對其內部控制手冊及政策的實施情況；及

- 本集團將向員工提供內部培訓(倘適用)，致令其能夠遵守內部控制程序。

經參考本集團的內部控制手冊及政策，董事會於審核委員會及管理層的支持下，持續檢討及評估風險管理及內部控制系統，而董事會每年會進一步檢討及評估一次。該等系統被認為屬行之有效及充分。

本集團將持續監察及改善本集團的管理程序，以確保該等內部控制的有效運作符合本集團業務增長及良好企業管治常規。

財務總監負責監察本公司有關反洗黑錢及現金管理的內部控制措施。

資訊科技

本集團設有一個支援其經營業務的主要資訊科技平台，即POS系統。為配合本集團的需要，資訊科技平台由獨立第三方承包商開發，並會持續改善及升級以符合本集團的業務需求。

本集團的POS系統連接每間零售店，並記錄本集團的銷售及庫存變動。本集團的管理層能通過POS系統有效管理零售店，從而為其提供每間零售店的表現及庫存狀況。本集團POS系統追蹤各零售店存貨變動的能力，讓董事更了解每間零售店受歡迎產品的類別，從而令本集團得以更迅速回應市場需求。

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As detailed in the Company's announcement dated 2 April 2019, the Group discovered an unauthorised access to its IT system and its POS system, while certain financial records and data have been lost as a result of the unauthorised access (the "Issue"). The Group has commenced a thorough investigation regarding the Issue and has conducted a comprehensive check on its IT system. Upon completion of such investigation, the Group has implemented appropriate upgrades of its IT system to defend against any further unauthorised access or attacks. The Group will continue to strengthen the security of its IT system from time to time.

DIVIDEND POLICY

The dividend policy of the Company is set out as follows:

Payment of dividends by the Company is also subject to any restrictions under the Companies Law of Cayman Islands and the memorandum and articles of association of the Company. The Board will review the dividend policy as appropriate from time to time. The declaration and payment of dividends shall be determined at the sole discretion of the Board. The Board shall also take into account the following factors when considering whether to propose dividends and determining the dividend amount:

1. the Group's actual and expected financial performance;
2. retained earnings and distributable reserves of the Company and each of the members of the Group;
3. the Group's working capital requirements, capital expenditure requirements and future expansion plans;
4. the Group's liquidity position;
5. contractual restrictions on the payment of dividends by the Company to the Shareholders or by the Company's subsidiaries to the Company;
6. taxation considerations;
7. general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
8. other factors that the Board deems relevant.

誠如本公司日期為2019年4月2日的公告所述，本集團發現有未經授權進入其資訊科技系統及其POS系統，而若干金融記錄及數據因未經授權進入而遺失(「該事件」)。本集團仔細調查該事件並對資訊科技系統進行全面檢查。於有關調查完成後，本集團對其資訊科技系統實施適當升級，從而防止任何其他未經授權進入或攻擊。本集團將繼續不時加強其資訊科技系統的安全。

股息政策

本公司股息政策載列如下：

本公司股息的支付亦受開曼群島公司法及本公司組織章程大綱及細則所限制。董事會將不時適當地檢討股息政策。宣派及派付股息將由董事會全權酌情釐定。於考慮是否建議派付股息及釐定股息金額時，董事會亦應考慮下列因素：

1. 本集團的實際及預期財務表現；
2. 本公司及本集團各成員公司的保留盈利及可分派儲備；
3. 本集團的營運資金要求、資本開支要求及未來擴展計劃；
4. 本集團的流動資金狀況；
5. 對本公司向股東或本公司的附屬公司向本公司支付股息方面的合約限制；
6. 稅務考慮；
7. 一般經濟條件、本集團業務的業務周期及可能對本集團的業務或財務表現及狀況造成影響的其他內部或外部因素；及
8. 董事會認為相關的其他因素。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS AND INVESTORS' RELATIONS

The Company was incorporated in the Cayman Islands. Pursuant to the Articles, general meetings shall also be convened on the written requisition of any one or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. Such meeting should be held within two months after the deposit of such requisition.

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Under Article 12.3 of the Articles, any one or more Shareholders 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 may at all times have the right, by a written requisition to the Board or the company secretary of the Company, to require the convening of an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. If, within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

The Board is not aware of any provisions allowing the shareholders of the Company to put forward proposals at general meetings of the Company under the Articles and the Companies Law of the Cayman Islands. Shareholders who wish to put forward proposals at general meetings may refer to the preceding paragraph to make a written requisition to require the convening of an extraordinary general meeting of the Company.

股東及投資者的關係

本公司於開曼群島註冊成立。根據細則，本公司任何一名或以上股東向本公司香港主要辦事處（倘本公司不再設置該主要辦事處，則為註冊辦事處）發出書面要求後亦可召開股東大會，有關書面提請須列明大會事項並由提請人簽署，惟於提請要求當日持有不少於本公司繳足股本（賦有權利在本公司股東大會投票）十分之一。有關大會應於該要求送達後兩個月內舉行。

為保障股東權益及權利，於股東大會上，各項重大獨立議題（包括選舉個別董事）均以個別決議案作出提呈。所有於股東大會上提呈的決議案將根據GEM上市規則以按股數投票方式進行表決，投票結果將於各股東大會後刊載於本公司及聯交所網站。

根據細則第12.3條，一名或多名於提呈請求當日持有不少於有權於本公司股東大會上投票的繳足股本十分之一的股東，於任何時候均有權以書面請求形式向董事會或本公司的公司秘書提呈請求，以要求董事會就該請求書所指定的任何事務交易召開股東特別大會。倘於有關提呈後21日內，董事會未有召開該大會，則提呈請求人士可以相同方式召開大會，而本公司須向遞呈請求人士償付所有由提呈請求人士因董事會未能召開大會而產生的所有合理開支。

董事會並不知悉細則及開曼群島公司法項下任何條文允許本公司股東於本公司的股東大會上提呈建議。股東擬於本公司股東大會上提呈建議，可參照前段所述提呈請求書以要求召開本公司股東特別大會。

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Detailed procedures for Shareholders to propose a person for election as a director of the Company are published on the Company's website.

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company as follows:

Address: No. 6-13, Faerie Court, 80 Ko Shan Road, Hung Hom, Kowloon, Hong Kong

Attention: Company Secretary

The Company will not normally deal with verbal or anonymous enquiries.

有關股東提名本公司候選董事的詳細程序已刊載於本公司網站。

如欲向董事會作出任何查詢，股東可將書面查詢發送至本公司，地址如下：

地址：香港九龍紅磡高山道80號富怡閣6-13號

聯絡人：公司秘書

本公司一般將不會處理口頭或匿名查詢。

CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2020, there have been no significant changes to the constitutional documents of the Company.

章程文件

截至2020年3月31日止年度內，本公司章程文件並無任何重大變動。

COMPANY SECRETARY

Ms. So Shuk Yi Betty is the company secretary of the Company. She has complied with Rule 5.15 of GEM Listing Rules by taking no less than 15 hours of relevant professional training to update her skills and knowledge.

公司秘書

蘇淑儀女士為本公司的公司秘書。通過參與不少於15個小時的相關職業培訓以提升其技能及知識，彼已符合GEM上市規則第5.15條的規定。

REPORT OF DIRECTORS

董事會報告

The Directors are pleased to present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 March 2020.

CORPORATE REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 11 January 2018. Pursuant to a reorganisation in preparation for the Listing, the Company became the holding company of the Group. Details of the reorganisation are set out in the Prospectus. The Company's shares were listed on the GEM on 27 March 2019 by way of share offer.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the Group is principally engaged in the retail of its own products through its network of seven retail stores under the brand name of "Chong Fai Jewellery (創輝珠寶)" strategically located in Kowloon and the New Territories. The Group also engages in the wholesale of its jewellery products to other jewellery retailers, and the trading of recycled gold products from the general public to customers who purchase recycled gold products from the Group.

Details of the principal activities of the principal subsidiaries are set out in note 33 to the consolidated financial statements.

RESULTS OF OPERATIONS

The financial results of the Group for 2019/20 are set out on pages 100 to 191 of this annual report.

FINANCIAL SUMMARY

A summary of the results, and assets and liabilities of the Group announced in the past 4 years are set out on page 192 of this annual report.

董事欣然提呈其年度報告連同截至2020年3月31日止年度的經審核綜合財務報表。

公司重組

本公司於2018年1月11日在開曼群島註冊成立為獲豁免有限公司。根據為籌備上市而進行的重組，本公司已成為本集團的控股公司。有關重組的詳情載於招股章程。本公司的股份透過股份發售於2019年3月27日於GEM上市。

主要業務

本公司為投資控股公司，而本集團主要透過「創輝珠寶」品牌名下7間零售店(策略上位處九龍及新界)的網絡從事自家產品零售。本集團亦從事向其他珠寶零售商供貨的珠寶產品批發及向客戶(從本集團購入回收黃金產品)買賣來自公眾的回收黃金產品。

主要附屬公司的主要業務詳情載於綜合財務報表附註33。

經營業績

本集團2019/20年度的財務業績載於本年報第100至191頁。

財務概要

本集團於過往4年所公佈的業績、資產及負債的概要載於本年報第192頁。

REPORT OF DIRECTORS

董事會報告

BUSINESS REVIEW

Overview

The fair review of the Group's business is detailed in the Management Discussion and Analysis on pages 6 to 15 of this annual report. The discussion constitutes a part of this Directors' Report.

Principal Risks and Uncertainties

The principal risks faced by the Group are set out in page 15 of this annual report. As it is a non-exhaustive list, there may be other risks and uncertainties further to the disclosure. Besides, this annual report does not constitute a recommendation or an advice for anyone to invest in the securities of the Company. Investors are advised to make their own judgement or consult professionals before making any investment in the securities of the Company.

Important Events

The Board has not identified any important events affecting the Group that have occurred since the end of this financial year.

Key Performance Indicators

The key performance indicators are detailed in the financial review set out in the Management Discussion and Analysis on pages 6 to 15 of this annual report. This discussion constitutes a part of this Report of Directors.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2020 are set out in the consolidated statement of profit or loss and other comprehensive income of this annual report.

No final dividend has been paid or proposed by the Company during the year ended 31 March 2020, nor has any dividend been proposed since the end of the reporting period (2019: nil).

業務審視

概覽

有關本集團業務中肯審視詳載於本年報第6至第15頁的管理層討論及分析中。該討論構成本董事會報告的一部分。

主要風險及不確定因素

本集團所面對的主要風險載於本年報第15頁。由於未能盡錄所有因素，除所披露者外，亦可能存在其他風險及不確定因素。此外，本年報概不對任何人士就構成有關投資本公司證券所作出的任何建議或意見。投資者在投資本公司證券前，應自行判斷或諮詢專業人士的意見。

重要事項

董事會並無發現自本財政年度結束起發生對本集團構成影響的任何重要事項。

關鍵績效指標

關鍵績效指標詳載於本年報第6至第15頁管理層討論及分析中的財務審視。該討論構成本董事會報告的一部分。

業績及股息

本集團截至2020年3月31日止年度的業績載於本年報綜合損益及其他全面收益表內。

本公司於截至2020年3月31日止年度內尚未派付或擬派任何末期股息，自報告期末亦未擬派任何股息(2019年：無)。

REPORT OF DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2020, the five largest customers accounted for approximately 24% of the Group's total revenue. The five largest suppliers accounted for approximately 64% of the Group's total purchases. In addition, the largest customer accounted for approximately 16% of the Group's total revenue while the largest supplier accounted for approximately 30% of the Group's total purchases. None of the Directors, their associates or any Shareholders (which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 March 2020, there were no material and significant dispute between the Group and its employees, customers and suppliers.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 33 to the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial performance of the Group for the year ended 31 March 2020 and the consolidated financial position of the Group as at 31 March 2020 are set out in the consolidated financial statements on pages 100 and 191 respectively.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the share capital and share options of the Company are set out in notes 25 and 26 to the consolidated financial statements respectively.

PRE-EMPTIVE RIGHTS

There is no provision regarding pre-emptive right under the Articles of Association of the Company and the Cayman Islands law, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

主要客戶及供應商

截至2020年3月31日止年度，五大客戶佔本集團收益總額約24%。5大供應商佔本集團購買總額約64%。此外，最大客戶佔本集團收益總額約16%，而最大供應商佔本集團購買總額約30%。概無董事、彼等的聯繫人或任何股東（據董事所知擁有本公司已發行股本超過5%）於本集團五大客戶及供應商中擁有任何權益。

與僱員、客戶及供應商的關係

本集團深明與僱員、客戶及供應商維持良好關係對實現其短期及長期業務目標的重要性。截至2020年3月31日止年度，本集團與其僱員、客戶及供應商之間並無重大及主要爭議。

附屬公司

有關本公司主要附屬公司的詳情載於綜合財務報表附註33。

綜合財務報表

本集團截至2020年3月31日止年度的綜合財務表現及本集團於2020年3月31日的綜合財務狀況分別載於綜合財務報表第100及191頁。

股本及購股權

有關本公司股本及購股權變動的詳情分別載於綜合財務報表附註25及26。

優先購買權

本公司的組織章程細則或開曼群島法律均無載列有關優先購買權的條文，規定本公司須按比例向現有股東發售新股份。

REPORT OF DIRECTORS

董事會報告

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the year ended 31 March 2020.

RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 103 and in note 34 to the consolidated financial statements, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2020, the Company had distributable reserve of approximately HK\$17,163,000, calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Such amount includes share premium which may be distributable provided that immediately following the date on which the dividend is proposed, the Company will be in a position to pay off its debts or when they fall due in the ordinary course of business.

During the year ended 31 March 2020, the Company and its subsidiaries made charitable donations of approximately HK\$5,000.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

DIRECTORS

The members of the Board during the year ended 31 March 2020 and up to the date of this annual report are:

Executive Directors

Mr. Fu Chun Keung (*Chairman and Chief Executive Officer*)

Ms. Cheung Lai Yuk

Ms. Fu Wan Ling

購買、出售或贖回上市證券

截至2020年3月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何股份。

儲備

本集團及本公司年內的儲備變動詳情分別載於綜合財務報表第103頁綜合權益變動表及附註34。

可分派儲備

於2020年3月31日，根據開曼群島法例第22章公司法(1961年第三號法例，經綜合及修訂)計算，本公司之可分派儲備約為17,163,000港元。有關款項包括於緊隨建議派發股息當日可供分派的股份溢價。本公司將有能力在日常業務過程中償還其到期的債務時，方可作出分派。

截至二零二零年三月三十一日止年度，本公司及其附屬公司作出慈善捐款約5,000港元。

物業、廠房及設備

有關本集團物業、廠房及設備的變動詳情載於綜合財務報表附註14。

董事

截至2020年3月31日年度及直至本年報日期，董事會成員如下：

執行董事

傅鎮強先生(*主席兼行政總裁*)

張麗玉女士

傅雲玲女士

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Independent non-executive Directors

Mr. Chan Cheong Tat

Mr. Wong Wing Keung Meyrick

Mr. Chan Chi Ming Tony

The biographical details of the Directors and senior management are set out under the section headed “Biographical Details of Directors and Senior Management” of this annual report.

In accordance with article 16.19 of the Articles, at every annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Accordingly, Ms. Fu Wan Ling and Mr. Chan Cheong Tat will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS’ SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date, which shall continue thereafter unless and until terminated by not less than three months’ notice in writing served by either party on the other.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing from the Listing Date, which shall continue thereafter unless and until terminated by not less than three months’ notice in writing served by either party on the other. Save as disclosed above, none of the Directors, including those to be re-elected at the forthcoming AGM has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

獨立非執行董事

陳昌達先生

王泳強先生

陳子明先生

董事及高級管理層的履歷詳情載於本年報「董事及高級管理層履歷詳情」一節。

根據細則第 16.19 條，於本公司每年的股東週年大會上，三分之一的在任董事（倘若董事數目並非三或三的倍數，則以最接近但不少於三分之一的董事人數為準）須輪席告退，惟每名董事（包括按特定任期獲委任的董事）均須最少每三年輪席告退一次。因此，傅雲玲女士及陳昌達先生將在應屆股東週年大會上退任並符合資格願意重選連任。

董事服務合約及委任函件

各執行董事已與本公司訂立服務協議，初步年期為自上市日期起計為期三年，惟於屆滿後仍然生效，除非及直至任何一方發出不少於三個月的書面通知予以終止。

各獨立非執行董事已與本公司訂立委任函件，自上市日期起計為期三年，惟於屆滿後仍然生效，除非及直至任何一方發出不少於三個月書面通知予以終止。除上文所披露者外，概無董事（包括將於應屆股東週年大會上重選連任的董事）與本公司訂立任何不可於一年內終止而毋須支付賠償（法定賠償除外）的服務合約。

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DIRECTORS' MATERIAL INTEREST IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS

There was no transactions, arrangement or contract of significance connected to the business of the Group to which the Company, its subsidiaries, or its holding company or any of its fellow subsidiaries was a party and in which any Director and the Director's connected party had a direct or indirect material interest, subsisting at the end of the year or at any time during that year.

PERMITTED INDEMNITY PROVISION

During the year ended 31 March 2020, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefits of the Directors. The permitted indemnity provisions are provided for in the Company's Articles of Association in respect of potential losses and liability associated with legal proceedings that may be brought against such Directors and the payment of any sum primarily due from the Company that may be liable by the Directors.

The Company has maintained appropriate directors and officers liability insurance and such permitted indemnity provision for the benefit of the Directors is currently in force.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or exited during the year.

REMUNERATION OF DIRECTORS

In compliance with the CG Code as set out in Appendix 15 of the GEM Listing Rules, the Company has established a Remuneration Committee to make recommendations to the Board on the Company's policy and structure for all the Directors' remuneration. The Directors' remuneration is determined by the Board with reference to the Directors' duties and responsibilities, the recommendation of the Remuneration Committee and the performance and results of the Group. Details of the remuneration of the Directors are set out in note 11 to the consolidated financial statements of this annual report.

董事於交易、安排及合約的重大權益

本公司、其附屬公司、或其控股公司或其任何同系附屬公司概無訂立任何於年終或於年內任何時間仍然有效並與本集團業務有關，且由董事及董事關連方直接或間接擁有重大權益的重大交易、安排或合約。

獲准許彌償條文

截至2020年3月31日年度，本公司按有關法規的允許，備有以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的組織章程細則，就該等董事因可能面對法律訴訟而產生的潛在損失及責任以及該等董事可能承擔主要因本公司引致的任何金額的付款作出彌償。

本公司已維持合適的董事及高級職員責任保險，而惠及董事的相關獲許彌償保證條文現正生效。

管理合約

年內並無訂立或存在有關本公司的全部或任何重大部分業務的管理及行政合約。

董事的薪酬

為遵守GEM上市規則附錄十五所載的企業管治守則，本公司已設立薪酬委員會就本公司全體董事的薪酬政策及架構向董事會提出建議。董事薪酬乃由董事會經參照董事職務及職責、薪酬委員會的推薦意見以及本集團的表現及業績而釐定。有關董事薪酬的詳情載於本年報綜合財務報表附註11。

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CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules from each of the Independent non-executive Directors and considers that all the Independent non-executive Directors namely Mr. Chan Cheong Tat, Mr. Wong Wing Keung Meyrick and Mr. Chan Chi Ming Tony to be independent.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31 March 2020, interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (the "SFO")) which were notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in shares and underlying shares of the Company

Name 姓名	Capacity 身份	Number of Shares ¹ 股份數目 ¹	Percentage of shareholding 股權比例
Mr. Fu ² 傅先生 ²	Interest in controlled corporation 受控法團權益	562,500,000	75%
Ms. Fu ² 傅女士 ²	Interest in controlled corporation 受控法團權益	562,500,000	75%
Ms. Cheung ^{2,3} 張女士 ^{2,3}	Interest in controlled corporation, interest of spouse 受控法團權益、配偶權益	562,500,000	75%

獨立非執行董事的獨立身份確認

本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條就其獨立身份發出的年度確認書，並認為全體獨立非執行董事(即陳昌達先生、王泳強先生及陳子明先生)均為獨立人士。

董事於本公司及任何相聯法團的股份、相關股份及債權證的權益及淡倉

於2020年3月31日，董事於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須登記於由本公司存置的登記冊的權益或淡倉，或根據GEM上市規則第5.46條至第5.67條須知會本公司及聯交所的權益及淡倉如下：

於本公司股份及相關股份的好倉

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Notes:

1. All interests stated are long positions.
2. Mr. Fu, Ms. Fu and Ms. Cheung collectively are interested in the entire issued share capital of Mythe Group Holdings Company Limited ("MGH Limited") and they are therefore deemed to be interested in the Shares held by MGH Limited by virtue of the SFO.
3. Ms. Cheung is the spouse of Mr. Fu and she is therefore deemed to be interested in the Shares held by Mr. Fu by virtue of the SFO.

Save as disclosed herein, neither the Directors nor any of their associates had any interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations as at 31 March 2020 as defined in Section 352 of the SFO. In addition, at no time during the year had the Directors and chief executive of the Company (including their spouses and children under 18 years of age) any interest in, or been granted, or exercised any rights to subscribe for shares (or warrants or debentures, if applicable) of the Company and its associated corporations (within the meaning of the SFO). Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

At 31 March 2020, the interests or short positions of person in the shares and underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

附註：

1. 列示的所有權益均為好倉。
2. 傅先生、傅女士及張女士共同擁有 Mythe Group Holdings Company Limited ("MGH Limited") 全部已發行股本權益，因此，根據證券及期貨條例，彼等被視為於 MGH Limited 持有的股份中擁有權益。
3. 張女士為傅先生的配偶，因此，根據證券及期貨條例，彼被視為於傅先生持有的股份中擁有權益。

除本年報所披露者外，於2020年3月31日，概無董事或其任何聯繫人於本公司或其任何相聯法團的股份、相關股份及債權證中擁有任何權益或淡倉(定義見證券及期貨條例第352條)。此外，於年內任何時間，董事及本公司最高行政人員(包括彼等的配偶及18歲以下子女)概無於可認購本公司及其相聯法團(定義見證券及期貨條例)股份(或認股權證或債券(如適用))的權利中擁有任何權益，或獲授或已行使任何有關權利。除上文所披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使董事透過收購本公司或任何其他法人團體的股份或債券而獲得利益。

主要股東於本公司股份及相關股份中的權益及淡倉

於2020年3月31日，將於本公司股份及相關股份及債權證中擁有根據證券及期貨條例第XV部第2及3分部的條文向本公司披露的權益或淡倉，或直接或間接擁有附帶權利可於所有情況下在本集團任何其他成員公司的股東大會投票的任何類別股本面值5%或以上權益的人士，或其權益或淡倉已記入本公司根據證券及期貨條例第336條須存置的登記冊的任何其他主要股東如下：

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Long positions in shares and underlying shares of the Company

Name 名稱	Capacity 身份	Number of Shares ¹ 股份數目 ¹	Percentage of shareholding 股權比例
MGH Limited ²	Beneficial Interest 實益權益	562,500,000	75%

Notes:

- All interests stated are long positions.
- The entire issued share capital of MGH Limited is legally and beneficially owned by Mr. Fu, Ms. Fu and Ms. Cheung who are deemed to be interested in the Shares held by MGH Limited by virtue of the SFO.

Save as disclosed above, as at 31 March 2020, the Directors were not aware of any other person (other than the Directors and chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial Shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme as set out below, no equity-linked agreement was entered into by the Group, or existed during the year ended 31 March 2020.

於本公司股份及相關股份的好倉

Number of Shares ¹ 股份數目 ¹	Percentage of shareholding 股權比例
562,500,000	75%

附註：

- 列示的所有權益均為好倉。
- MGH Limited全部已發行股本由傅先生、傅女士及張女士合法實益擁有，因此，根據證券及期貨條例，彼等被視為於MGH Limited持有的股份中擁有權益。

除上文所披露者外，於2020年3月31日，董事並不知悉於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的權益或淡倉的任何其他人士（本公司董事及最高行政人員除外），或直接或間接擁有附帶權利可於所有情況下在本集團任何其他成員公司的股東大會投票的任何類別股本面值5%或以上權益的人士，或其權益或淡倉已記入本公司根據證券及期貨條例第336條須存置的登記冊的任何其他主要股東。

股權掛鈎協議

除下文所載購股權計劃外，本集團並無訂立任何股權掛鈎協議，協議截至2020年3月31日止年度內亦不存在。

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SHARE OPTION SCHEME

A share option scheme was adopted by the written resolutions of the sole Shareholder passed on 6 March 2019 (the "**Share Option Scheme**"). The terms of the Share Option Scheme are in compliance with the provisions of Chapter 23 of the GEM Listing Rules.

Since the date of adoption of the Share Option Scheme to the 31 March 2020, no share option was granted, exercised, outstanding, cancelled or lapsed under the Share Option Scheme.

Summary of the principal terms of the Share Option Scheme are as follow:

(a) Purpose of the Share Option Scheme

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

- (i) motivating the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and
- (ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long term growth of the Group.

(b) Participant of the Share Option Scheme

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

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries;

購股權計劃

購股權計劃乃根據唯一股東於2019年3月6日通過的書面決議案而採納(「**購股權計劃**」)。購股權計劃的條款符合GEM上市規則第23章的規定。

自購股權計劃採納日期起至2020年3月31日，概無購股權根據購股權計劃已獲授出、行使、尚未行使、註銷或失效。

以下為購股權計劃的主要條款概要：

(a) 購股權計劃的目的

購股權計劃為一項股份獎勵計劃，乃為嘉許及肯定合資格參與者(定義見下文(b)段)對本集團所作出或可能作出的貢獻而設立。購股權計劃將為合資格參與者提供於本公司持有個人權益的機會，旨在達到下列目的：

- (i) 激勵合資格參與者為本集團的利益而提升工作表現及效率；及
- (ii) 吸引並挽留或以其他方式維持與合資格參與者的持續業務關係，合資格參與者的貢獻有利於或將有利於本集團長期發展。

(b) 購股權計劃參與者

董事會可酌情按下文(c)段釐定的行使價向以下人士(「**合資格參與者**」)提出授予購股權以認購董事會可能釐定的新股份數目：

- (i) 本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員；
- (ii) 本公司或其任何附屬公司的任何董事(包括非執行董事及獨立非執行董事)；

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- (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and
- (iv) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:
 - (a) contribution to the development and performance of the Group;
 - (b) quality of work performed for the Group;
 - (c) initiative and commitment in performing his/her duties; and
 - (d) length of service or contribution to the Group.

(c) Price of Shares

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

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

(d) Grant of options and acceptance of offers

An offer for the grant of options must be accepted within twenty-one days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.

(e) Maximum number of Shares of the Company available for issue

The total number of Shares available for issue under the Share Option Scheme is 75,000,000 Shares, represent 10% of the Shares in issue as at the date of this annual report.

- (iii) 本公司或其任何附屬公司的任何諮詢人、顧問、供應商、客戶及代理；及
- (iv) 董事會全權認為將會或已對本集團作出貢獻的其他人士，評估標準為：
 - (a) 對本集團的發展及表現的貢獻；
 - (b) 為本集團開展工作的質素；
 - (c) 履行職責的主動性及承擔；及
 - (d) 於本集團的服務年限或所作貢獻。

(c) 股份價格

根據購股權計劃授出的任何特定購股權所涉股份的認購價，須為董事會全權酌情釐定的價格，惟此價格將不得低於以下最高者：

- (i) 於授出日期(須為聯交所開市辦理證券交易業務的日子)聯交所每日報價表所報股份的收市價；
- (ii) 於緊接授出日期前五個營業日，聯交所每日報價表所報股份的平均收市價；及
- (iii) 股份面值。

(d) 授出購股權及接納要約

授出購股權的要約限於作出有關要約日期(包括當日)起21日內接納。購股權承授人須於接納要約時就獲授的購股權向本公司支付1港元。

(e) 本公司可供發行股份數目上限

於購股權計劃項下可供發行之股份總數為75,000,000股，佔於本年報日期已發行股份之10%。

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(f) Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue.

(g) Time of exercise of option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

(h) Remaining life of the Share Option Scheme

The Share Option Scheme will remain in force for a period of ten years commencing on 6 March 2019, subject to early termination provisions contained in the Share Option Scheme.

(f) 各參與者的配額上限

截至授出日期止任何 12 個月期間內，因根據購股權計劃或本公司任何其他購股權計劃向任何參與者授出的購股權（包括已行使及尚未行使的購股權）獲行使而發行及將予發行的股份總數，不得超過已發行股份的 1%。

(g) 行使購股權的時限

承授人可於董事會可能釐定的期間，隨時根據購股權計劃的條款行使購股權，惟有關期間不得超過授出日期起計十年，並受有關提前終止條文所規限。

(h) 購股權計劃剩餘年限

購股權計劃將於 2019 年 3 月 6 日起計十年期間內一直有效，惟須受購股權計劃所載提前終止條文所規限。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, there is sufficient public float of not less than 25% of the Company's issued share as required under the GEM Listing Rules.

充足公眾持股量

根據本公司所得公開資料及據董事所知，本公司已發行股份的充足公眾持股量為 GEM 上市規則所規定的不少於 25%。

CHANGE OF COMPLIANCE ADVISER

The Company and Grand Moore Capital Limited have mutually agreed to terminate the compliance adviser agreement dated 27 March 2018 and the supplemental deed dated 2 May 2019 with effect from 1 January 2020 due to the consideration of fee levels. Ample Capital Limited ("**Ample Capital**") has been appointed as the replacement compliance adviser to the Company pursuant to Rule 6A.27 of the GEM Listing Rules with effect from 1 January 2020. For further details, please refer to the announcement of the Company dated 31 December 2019.

更改合規顧問

本公司與中毅資本有限公司雙方同意終止日期為 2018 年 3 月 27 日的合規顧問協議及日期為 2019 年 5 月 2 日的補充契據，自 2020 年 1 月 1 日起生效，此乃由於考慮到費用水平。豐盛融資有限公司（「**豐盛融資**」）已根據 GEM 上市規則第 6A.27 條獲委任為本公司的替代合規顧問，自 2020 年 1 月 1 日起生效。欲知更多詳情，請參閱本公司日期為 2019 年 12 月 31 日的公告。

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董事會報告

INTERESTS OF THE COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Ample Capital Limited (“**Ample Capital**”) to be the compliance adviser. As informed by Ample Capital, neither Ample Capital nor any of its directors or employees or associates, has or may have, any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities), which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules, except for the compliance adviser agreement entered into between the Company and Ample Capital dated 1 January 2020.

RELATED PARTY TRANSACTIONS

The related party transactions which were undertaken in the normal course of business are set out in note 30 to the consolidated financial statements. For those related party transactions that constitutes connected transactions or continuing connected transactions (as the case may be) under the GEM Listing Rules, these transactions are exempt from reporting, annual review, announcement and independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

Save as disclosed above, there were no other connected transactions or continuing connected transactions with related parties which are required to be disclosed in this annual report in accordance with the requirements of Chapter 20 of the GEM Listing Rules.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 March 2020, none of the Directors or their respective close associates (as defined under the GEM Listing Rules) had any business or interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

合規顧問的利益

根據GEM上市規則第6A.19條，本公司已委任豐盛融資有限公司(「**豐盛融資**」)為合規顧問。誠如豐盛融資所告知，豐盛融資或其任何董事或僱員或聯繫人概無於本公司或本集團任何成員公司股本中擁有或可能擁有根據GEM上市規則第6A.32條須知會本公司的任何權益(包括可認購有關證券的購股權或權利)，惟本公司與豐盛融資訂立的日期為2020年1月1日的合規顧問協議除外。

關聯方交易

於日常業務過程中進行的關聯方交易交易載於綜合財務報表附註30。就構成GEM上市規則項下關連交易或持續關連交易的關聯方交易交易(視情況而定)而言，該等交易獲豁免遵守GEM上市規則第20章項下之報告、年度審閱、公佈及獨立股東批准規定。

除上文所披露者外，概無與關聯方進行其他關連交易或持續關連交易須根據GEM上市規則第20章規定於本年報披露。

董事於競爭業務的權益

截至2020年3月31日年度，概無董事或彼等各自的緊密聯繫人(定義見GEM上市規則)擁有任何與本集團業務直接或間接存在競爭或可能存在競爭的業務或於該等業務中擁有任何權益。

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NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

In order to protect the Group's interest in its business activities, on 6 March 2019, each of Mr. Fu, Ms. Cheung, Ms. Fu and MGH Limited, the controlling shareholders of the Company (the "**Controlling Shareholders**") as covenantors executed the deed of non-competition in favour of the Company (the "**Deed of Non-Competition**").

In accordance with the Deed of Non-Competition, the Controlling Shareholders jointly and severally agreed, whether as principal or agent and whether undertaken directly or indirectly (including through any close associate, subsidiary, partnership, joint venture or other contractual arrangement of theirs), not to do the following from the Listing Date and ending on the occurrence of the earlier of (i) the date on which the shares of the Company cease to be listed on GEM of the Stock Exchange; or (ii) the date of which (a) the Controlling Shareholders, individually or collectively cease to own, directly or indirectly, 30% or more of the then issued share capital of the Company and (b) the Controlling Shareholders, cease to control the composition of a majority of the Board:

- (a) directly or indirectly, either on their own account, in conjunction with, on behalf of, or through any person, firm or company, among other things, in any form carry on, participate or be interested, engage or otherwise be involved in or acquire or hold shares or interests in (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) or assist or support a third party to engage in or participate in the current and potential business engaged or to be engaged by the Group referred to in the Prospectus including but not limited to design, production, retail and wholesale of jewellery products (the "**Restricted Business**") and where they become aware of such engagement of the Restricted Business they shall notify the Company forthwith;

控股股東的不競爭承諾

為保障本集團於其業務活動的權益，於2019年3月6日，本公司控股股東（「**控股股東**」）傅先生、張女士、傅女士及MGH Limited作為契諾人，各自簽立以本公司為受益人的不競爭契據（「**不競爭契據**」）。

根據不競爭契據，控股股東共同及個別地同意（無論作為主事人或代理人及無論直接或間接地承諾（包括通過彼等任何緊密聯繫人、附屬公司、合夥、合營企業或其他合約安排）），於上市日期至(i)本公司股份不再於聯交所GEM上市之日；或(ii)(a)控股股東單獨或共同不再直接或間接擁有本公司當時已發行股本30%或以上及(b)控股股東不再控制董事會大多數的組成之日，不會作出以下行為：

- (a) 自行或連同或代表或透過任何人士、商號或公司直接或間接（其中包括）以任何方式進行、參與或於其中擁有權益、從事或以其他方式參與（不論是否以股東、合夥人、代理人或其他身份及不論有否獲得溢利、報酬或其他利益）本集團從事或擬從事的現有及潛在業務，或收購或持有本集團從事或擬從事的現有及潛在業務的股份或權益，或協助或支持第三方從事或參與本集團從事或擬從事的現有及潛在業務，有關業務包括但不限於設計、生產、零售及批發珠寶產品（「**受限制業務**」），並須在得知彼等從事受限制業務後即時通知本公司；

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- (b) solicit or procure any of the suppliers and/or the customers of the Group from time to time to terminate their business relationships or otherwise reduce the amount of business with the Group;
- (c) solicit or procure any of the Directors, senior management or other employees of the Group from time to time to resign or otherwise cease providing services to the Group; and/or
- (d) unless with the prior written consent of the Company, disclose any confidential information of the Group to any other third parties.

The Company has received a confirmation from the Controlling Shareholders on their compliance with the Deed of Non-Competition during for the year ended 31 March 2020.

Details of the undertaking has been set out in the section headed "Relationship with our Controlling Shareholders" of the Prospectus.

BANK BORROWING

Particulars of bank borrowing of the Group as at 31 March 2020 are set out in note 24 to the consolidated financial statements.

CONTRIBUTIONS TO THE RETIREMENT BENEFITS SCHEME

Details of contributions to the retirement benefits schemes of the Group are set out in notes 9 and 29 to the consolidated financial statements.

- (b) 不時招攬本集團任何供應商及／或客戶或促使彼等終止與本集團的業務關係或以其他方式減少與本集團的業務量；
- (c) 不時招攬本集團任何董事、高級管理層或其他僱員或促使彼等辭任或以其他方式不再為本集團提供服務；及／或
- (d) 向任何其他第三方披露本集團任何機密資料，惟經本公司事先同意者除外。

本公司已收到控股股東截至2020年3月31日止年度遵守不競爭契據的確認。

有關承諾的詳情載於招股章程「與控股股東的關係」一節。

銀行借款

本集團於2020年3月31日的銀行借款細節載於綜合財務報表附註24。

退休福利計劃供款

本集團退休福利計劃供款詳情載於綜合財務報表附註9及29。

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USE OF PROCEEDS

The shares of the Company were listed on the Stock Exchange on 27 March 2019 and the net proceeds raised from the issue of new shares of the Company, after deduction of the professional fees, underwriting commissions and other fees payable by the Company in connection with the listing, were estimated to be HK\$24.5 million.

For details, please refer to the paragraph headed "Use of Proceeds" in the "Management Discussion and Analysis" section of this annual report.

AUDIT COMMITTEE

The Company established an audit committee with terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee include the review and supervision of the financial reporting process, the internal monitoring system and risk management system of the Group. As at the date of this annual report, the audit committee has three members comprising Mr. Chan Cheong Tat, Mr. Wong Wing Keung Meyrick and Mr. Chan Chi Ming Tony (chairman), the three independent non-executive Directors.

CORPORATE GOVERNANCE CODE

In the opinion of the Directors, except for the deviation from provision A.2.1 of the CG Code, the Group has no material deviation from the CG Code as set forth in Appendix 15 to the GEM Listing Rules throughout the accounting period covered by this annual report. Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Fu is both the Chairman and the Chief Executive Officer of the Company. In view that Mr. Fu has been assuming day-to-day responsibilities in operating and managing the Group, the Board believes that with the support of Mr. Fu's extensive experience and knowledge in the business of the Group, vesting the roles of both Chairman and Chief Executive Officer of the Company in Mr. Fu strengthens the solid and consistent leadership and thereby allows for efficient business planning and decision which is in the best interest to the Group.

所得款項用途

本公司股份於2019年3月27日於聯交所上市，自發行本公司新股份而籌集的所得款項淨額(經扣除有關上市之專業費用、包銷佣金及本公司應付的其他費用)估計為24.5百萬港元。

欲知詳情，請參閱本年報「管理層討論及分析」一節內「所得款項用途」一段。

審核委員會

本公司已成立審核委員會，並遵照GEM上市規則第5.28至第5.33條列明書面職權範圍。審核委員會的主要職責包括檢討及監督本集團的財務匯報程序、內部控制系統及風險管理系統。於本年報日期，審核委員會設有3名成員，包括3名獨立非執行董事陳昌達先生、王泳強先生及陳子明先生(主席)。

企業管治守則

董事認為，於最後實際可行日期，除偏離企業管治守則條文第A.2.1條外，於本年報所涵蓋的整個會計期間，本集團並無重大偏離GEM上市規則附錄十五所載的企業管治守則。企業管治守則條文第A.2.1條訂明，主席與行政總裁的角色應有區分，不應由一人同時兼任。傅先生為本公司主席兼行政總裁。有鑒於傅先生一直承擔本集團日常營運及管理的職責，董事會認為，憑藉傅先生對本集團業務的豐富經驗及知識，傅先生同時授任本公司主席及行政總裁職位，可為本公司提供更穩固及一致的領導，從而作出更有效業務規劃及決策，乃符合本集團最佳利益。

REPORT OF DIRECTORS

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The Directors consider that the deviation from provision A.2.1 of the CG Code is appropriate in such circumstances. Notwithstanding the above, the Board is of the view that this management structure is effective for the Group's operations, and sufficient checks and balances are in place.

The Directors are committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders as a whole. The principal corporate governance practices adopted by the Company is set out in the section headed "Corporate Governance Report" of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to enhancing environmental protection to minimize the impact of its activities on the environment. It is the policy of the Group to promote clean operation and strives to making the most efficient use of resources in its operations, and minimizing wastes and emission. Details are set out in Environmental, Social and Governance Report on pages 53 to 91 of this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year ended 31 March 2020, the Group's operations are mainly carried out by the subsidiaries of the Company in Hong Kong and the PRC. The Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. There was no material breach of or non-compliance with the applicable laws and regulations committed by the Group.

EVENTS AFTER THE REPORTING DATE

The outbreak of the 2019 Novel Coronavirus ("COVID-19") and the subsequent quarantine measures and travel restrictions imposed in worldwide countries in 2020 may have impact on the Group's sales in the jewellery business. As at the date of issuance of this annual result announcement, the directors of the Company are still assessing the impact that the COVID-19 will have on the Group's operations.

董事認為，在上述情況下，偏離企業管治守則條文第A.2.1條乃為適宜。儘管出現上文所述情況，董事會認為，此管理架構對本集團營業有效，且已實施充足制衡措施。

董事致力於實現高水準的企業管治，以保障股東整體的利益。本公司所採納的主要企業管治實踐載於本年報「企業管治報告」一節。

環境政策及表現

本集團致力於加強環境保護，將其營運對環境所產生的影響減至最低。為此，本集團現正推動清潔營運方式，致力在營運中善用資源，盡量減少廢物及排放。詳情載於本年報第53至91頁的環境、社會及管治報告內。

遵守相關法律及法規

截至2020年3月31日止年度，本集團的營運主要由本公司於香港及中國的附屬公司執行。本集團已於所有重大方面遵守對本集團業務及營運有重大影響的相關法律及法規。本集團並無作出嚴重違反或不遵守適用法律及法規的行動。

報告日期後的事項

2019新型冠狀病毒（「2019冠狀病毒病」）的爆發以及於2020年於世界各國實施的後續隔離措施及旅行限制或對本集團的珠寶銷售業務造成影響。於全年業績公告刊發日期，本公司董事仍正評估2019冠狀病毒病將對本集團的經營造成的影響。

REPORT OF DIRECTORS

董事會報告

AUDITOR

Deloitte Touche Tohmatsu resigned as auditor of the Company on 4 February 2020. On 4 February 2020, the Company appointed Grant Thornton Hong Kong Limited. The consolidated financial statements for the year ended 31 March 2020 have been audited by Grant Thornton Hong Kong Limited, who will retire at the forthcoming Annual General Meeting (the “AGM”) and offer themselves for re-appointment. A resolution will be proposed at the forthcoming AGM of the Company to re-appoint Grant Thornton Hong Kong Limited as the auditor of the Company.

By order of the Board

Chong Fai Jewellery Group Holdings Company Limited

Fu Chun Keung

Chairman

Hong Kong, 19 June 2020

核數師

德勤•關黃陳方會計師行已於2020年2月4日辭任本公司的核數師。於2020年2月4日，本公司已委聘致同(香港)會計師事務所有限公司。截至2020年3月31日止年度的綜合財務報表已經由致同(香港)會計師事務所有限公司審核，該公司將於應屆股東週年大會(「股東週年大會」)退任並重獲委任。一項決議案將於本公司應屆股東週年大會獲提呈以委任致同(香港)會計師事務所有限公司為本公司核數師。

承董事會命

創輝珠寶集團控股有限公司

傅鎮強

主席

香港，2020年6月19日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

Chong Fai Jewellery Group Holdings Company Limited (formerly known as Dominate Group Holdings Company Limited) (the “**Company**”, together with its subsidiaries, the “**Group**” or “**we**”) is a vertically integrated jeweller based in Hong Kong. The Group is primarily engaged in the retail of its own products through its network of seven retail stores under the brand name of “Chong Fai Jewellery (創輝珠寶)” strategically located in Kowloon and the New Territories. Being vertically integrated, the Group possesses the means to control the diversity, quality and pricing of its own jewellery designs produced in-house at its production facility in Shenzhen, Guangdong Province, the People’s Republic of China (the “**PRC**”). The Group’s principal products are jewellery products, including gem-set jewellery and pure gold products.

This is the Group’s second Environmental, Social and Governance Report (the “**ESG Report**”) summarises the environmental, social and governance (“**ESG**”) initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development.

The Group adheres to the management policies of sustainable ESG development. We are also committed to handling the Group’s ESG affairs effectively and responsibly, which is integrated as one of the core components of our business strategy as we believe this is the key to our continuous success in the future.

The ESG Governance Structure

The Group has established the ESG Taskforce (the “**Taskforce**”). The Taskforce comprises core members from different departments and is responsible for collecting relevant information on our ESG aspects for preparing the ESG Report. The Taskforce reports to the Board of Directors (the “**Board**”), assists in identifying and evaluating the Group’s ESG risks and the effectiveness of the internal control mechanisms. The Taskforce also examines and evaluates our performances in different aspects such as environment, health and safety, labour standards and product responsibilities in the ESG aspects. The Board sets up a general direction for the Group’s ESG strategies, ensuring the effectiveness in the control of its risks and internal control mechanisms.

序言和環境、社會及管治方針

創輝珠寶集團控股有限公司(前稱Dominate Group Holdings Company Limited)(「**本公司**」), 連同其附屬公司(「**本集團**」或「**我們**」)是位於香港的垂直整合優質珠寶供應商。本集團主要透過由七間位於九龍及新界策略地點的「創輝珠寶」品牌零售店所組成的零售網絡, 銷售其自家產品。垂直整合的結構, 使本集團有辦法控制其在中華人民共和國(「**中國**」)廣東省深圳市的自設生產設施所製造的珠寶設計多樣化、品質及定價。本集團主要產品為珠寶產品, 包括寶石鑲嵌珠寶及純金產品。

這是本集團第二份環境、社會及管治報告(「**本報告**」)總結本集團在環境、社會及管治(「**環境、社會及管治**」)上的倡議、計劃及績效, 並展示其在可持續發展方面的承諾。

本集團秉承可持續發展的環境、社會及管治的管理方針, 承諾有效及負責任地處理本集團的環境、社會及管治事務, 並以此作為我們商業戰略的一個核心部分, 因為我們相信這是讓我們在未來繼續取得成功的關鍵。

環境、社會及管治治理結構

本集團成立了環境、社會及管治工作小組(「**工作小組**」)。工作小組由本集團不同部門的核心成員組成, 負責搜集我們在環境、社會及管治方面的相關資料及資料以編製本報告。工作小組會定期向董事會(「**董事會**」)彙報, 協助辨識和評估本集團的環境、社會及管治風險以及評估本集團內部控制機制的有效性。工作小組亦會檢查和評估我們在環境、社會及管治範疇內環境、安全生產、勞工標準、產品責任等不同方面的表現。董事會則會設定本集團環境、社會及管治戰略上的大方向, 並確保其風險控制及內部控制機制的有效性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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SCOPE OF REPORTING

Unless specified otherwise, the ESG Report covers the Group's operating segments, including seven retail stores under the brand name of "Chong Fai Jewellery" which are strategically located in Kowloon and the New Territories in Hong Kong, office located in Hung Hum and the production facility in Shenzhen. The ESG Report covers the Group's policies, compliance issues as well as key performance indicators ("KPI") in two subject areas, namely, environmental and social of the above segments under the Group's operation from 1 April 2019 to 31 March 2020. We will continue to expand the scope of disclosure in the future as the Group's data collection system and sustainable development work further develop.

REPORTING FRAMEWORK

The ESG Report has been prepared in compliance with all applicable provisions set out in the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") contained in Appendix 20 to the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited.

For the Group's corporate governance practices, please refer to pages 20 to pages 34 for the section "Corporate Governance Report" contained in the Group's 2019/20 Annual Report.

REPORTING PERIOD

The ESG Report describes the ESG activities, challenges and measures taken by the Group during the year ended 31 March 2020.

報告範圍

除了特別列明以外，本報告的報告範圍涵蓋本集團的營運分部，包括七間位於香港九龍及新界策略地點上以「創輝珠寶」品牌零售店、位於紅磡的辦公室及深圳市的生產設施。本報告涵蓋於2019年4月1日至2020年3月31日期間以上在本集團營運下的分部在環境及社會兩個主要範疇之政策及合規事宜以及關鍵績效指標（「**關鍵績效指標**」）。待本集團之資料收集系統更趨成熟，以及可持續發展工作深化之後，我們將於未來繼續擴大披露範圍。

報告框架

本報告依照香港聯合交易所有限公司GEM證券上市規則附錄二十環境、社會及管治報告指引（「**環境、社會及管治報告指引**」）所編製編寫。

有關本集團的企業管治常規，刊載於本集團2019/20年報第20至34頁的企業管治報告內。

報告期間

本報告詳述本集團於截至2020年3月31日止年度取得的環境、社會及管治方面的活動、挑戰和採取的措施。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their views related to its business and ESG issues. In order to understand and address stakeholders' concerns, we communicate with our key stakeholders, including but not limited to shareholders and investors, customers and business partners, employees, suppliers, regulatory bodies and government authorities, and media and the public through different channels such as conferences and electronic platforms. In formulating operational strategies and ESG measures, the Group takes into account stakeholders' expectations and strives to improve our performance through mutual cooperation to create greater value for society.

持份者參與

本集團重視持份者及其對本集團業務及環境、社會及管治事宜的意見。為瞭解及回應持份者關注事項，本集團與主要持份者(包括但不限於股東及投資者、客戶及商業夥伴、員工、供應商、監管及政府機構，及媒體與公眾等)以不同渠道溝通，例如會議、電子平台等。在制訂營運策略及環境、社會及管治措施時，本集團會考慮持份者的期望，透過彼此合作使本集團不斷改善其表現，為社會締造更大價值。

Stakeholders 持份者	Expectations and Concerns 期望及關注	Communication Channels 溝通渠道
Shareholders and investors 股東及投資者	<ul style="list-style-type: none"> Return on investment 投資回報 Corporate governance 企業管治 Business compliance 業務合規性 	<ul style="list-style-type: none"> General meeting and other shareholder meetings 週年大會及其他股東大會 Financial reports 財務報告 Announcements and circulars 公告及通函 Website 網站
Customers and business partners 客戶及商業夥伴	<ul style="list-style-type: none"> High quality products and services 高品質的產品和服務 Protect the rights of customers 保障客戶權益 	<ul style="list-style-type: none"> Customer satisfaction survey 客戶滿意度調查 Customer service team 客戶服務團隊 Customer support hotline and email 客戶熱線和電子郵件
Employees 員工	<ul style="list-style-type: none"> Employees' compensation and benefits 員工的薪酬和福利 Career development 職業發展 Health and safety working environment 健康安全的工作環境 	<ul style="list-style-type: none"> Trainings, seminars and briefing sessions 培訓、研討會和簡報會 Regular performance reviews 定期績效評估

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Stakeholders 持份者	Expectations and Concerns 期望及關注	Communication Channels 溝通渠道
Suppliers 供應商	<ul style="list-style-type: none"> Fair and open procurement 公平及公開的採購 Sustainable sourcing 可持續性採購 	<ul style="list-style-type: none"> Supplier management meetings and events 供應商管理會議和活動 Supplier audit 供應商審核 Procurement manager 採購經理
Regulatory bodies and government authorities 監管機構及政府機構	<ul style="list-style-type: none"> Compliance with laws and regulations 遵守法律法規 Support economic development 支持經濟發展 	<ul style="list-style-type: none"> Compliance manager 合規經理 On-site inspections 現場檢查 Project manager of regulatory bodies 監管機構項目經理
Media and the public 媒體與公眾	<ul style="list-style-type: none"> Involvement in communities 社區參與 Business compliance 業務合規性 Environmental protection awareness 環保意識 	<ul style="list-style-type: none"> Community activities and partner programs 社區活動和合作夥伴計劃 Media 媒體 ESG reports 環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

MATERIALITY ASSESSMENT

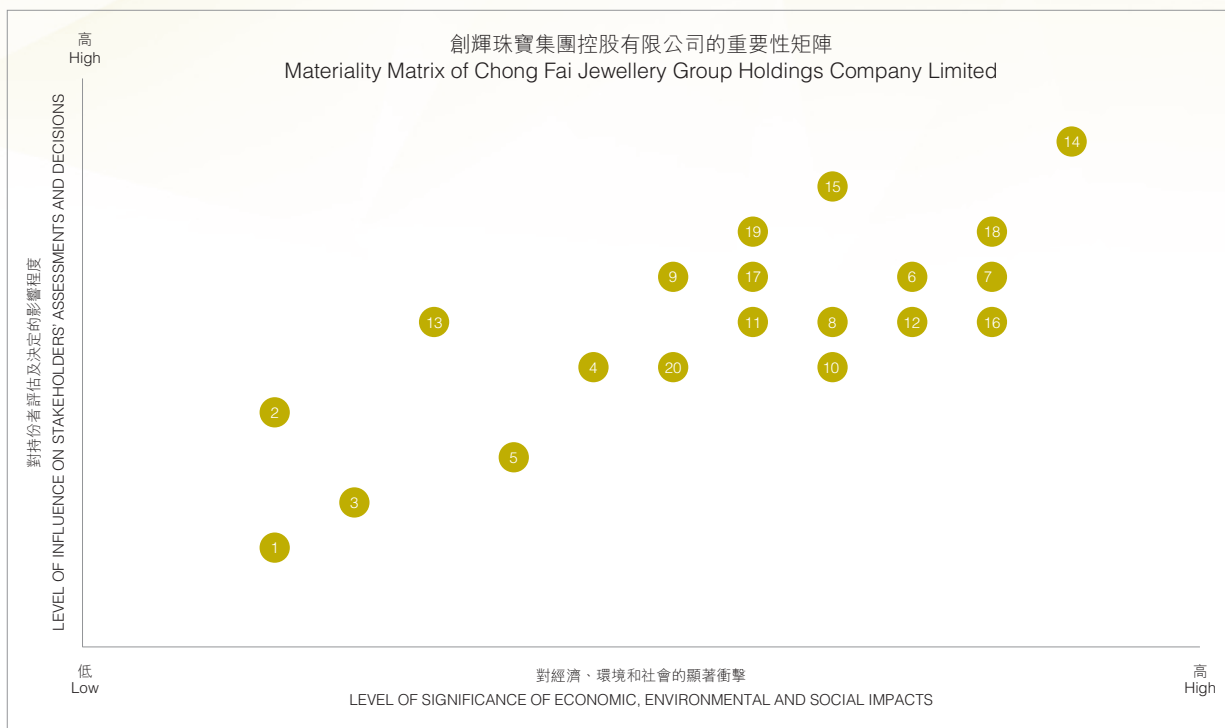
The management and staff of the Group's respective major operations have participated in the preparation of the ESG Report to assist the Group in reviewing our operations and identifying relevant ESG issues and assess the importance of related matters to our businesses and stakeholders. Based on the assessed significant ESG issues, a data collection questionnaire was prepared to collect information from relevant departments and business units of the Group.

The following is a matrix showing the Group's material ESG topics in the ESG Report:

重要範疇評估

本集團各主要職能的管理層與員工均有參與編製本報告，以協助本集團檢討其運作情況及鑒別相關環境、社會及管治事宜，並評估相關事宜對本集團的業務以及各持份者的重要性。根據經評估的環境、社會及管治重要事項，編製問卷，向本集團相關部門及業務單位收集資料。

以下為本報告所載屬本集團重要環境、社會及管治議題矩陣：



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

MATERIAL ESG TOPICS

環境、社會及管治議題重要議題

1. Emission management 排放物管理	2. Waste management 廢棄物管理
3. Water management 水資源管理	4. Energy management 能源管理
5. Use of packaging materials 包裝材料使用	6. Working environment 工作環境
7. Remuneration and benefits 薪酬與福利	8. Recruitment, promotion and dismissal 招聘、晉升及解聘
9. Equal opportunities 平等機會	10. Internal health and safety management 內部健康及安全管理
11. Safety production 安全生產	12. Training management 培訓管理
13. Supply chain management 供應鏈管理	14. Quality assurance 質量保證
15. Protection of intellectual property ("IP") Rights 知識產權(「知識產權」)保護	16. Customer services 客戶服務
17. Advertising and labelling 廣告與標籤	18. Protection of privacy 私隱保護
19. Anti-corruption 反貪污	20. Corporate social responsibility 企業社會責任

The Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

本集團確認已就環境、社會及管治事宜設立合適及有效的管理政策及內部監控系統，並確認所披露內容符合環境、社會及管治報告指引的要求。

CONTACT US

The Group welcomes stakeholders to provide their opinions and suggestions. You can provide valuable advice in respect of the ESG Report or our performances in sustainable development by email: info@chongfaijewellery.com.

與我們聯絡

本集團歡迎持份者提供意見及建議。閣下可就本報告或其在可持續發展方面的表現提供寶貴意見，並電郵至 info@chongfaijewellery.com。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A. ENVIRONMENTAL

A1. Emissions

The Group adheres to the strategy of sustainable development in its operations. With the aim to reduce energy consumption and greenhouse gas (“GHG”) emissions, the Group has always been exploring protection operating models of less impact to the environment, recognising the importance of environmental management, and striving to protect the environment in order to fulfil the Group’s commitment to social responsibility.

The Group’s 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 exhaust gas emissions, wastewater discharge, water use, waste generation and disposal, as well as energy consumption by analysing the environmental risks within our operations, and conducted regular monitoring to ensure the issues were well managed.

The Group closely follows the latest national and regional environmental protection laws and regulations, thereby focusing on strengthening environmental protection measures to comply with related local laws and regulations and fully implement environmental policies. The Group complies with applicable laws and regulations, including “Environmental Protection Law of the PRC”, “Law of the PRC on Environmental Impact Assessment”, “Administrative Regulations on the Environmental Protection of Construction Projects”, “Category-based Administration Catalogue for Environmental Impact Assessment of Construction Projects”, “Law of the PRC on the Prevention and Control of Atmospheric Pollution”, “Water Pollution Prevention and Control Law of the PRC”, “Law of PRC on the Prevention and Control of Environmental Noise Pollution”, “Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste”, “Work Safety Law of the PRC”, “Regulations on Administration of Precursor Chemicals” and Hong Kong’s “Waste Disposal Ordinance” etc.

A. 環境

A1. 排放物

本集團遵循營運中的可持續發展戰略。為了減少能源消耗和溫室氣體（「溫室氣體」）排放，本集團一直在探索對環境影響較小的保護營運模式，認識到環境管理的重要性，並致力保護環境，以履行本集團對社會責任的承諾。

本集團的使命是盡量減少對環境的污染，持續改進，並遵守相關的環境法律法規。為實現這一目標，我們通過分析運營中的環境風險，分辨出減少廢氣排放、廢水排放、用水、廢物產生和處置以及能源消耗的機會，並定期進行監測以確保問題得到妥善管理。

本集團嚴格遵循最新的國家和地區環境保護法律法規，重點加強環境保護措施，遵守當地相關法律法規，全面實施環境政策。本集團遵守適用法律法規，包括《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《建設項目環境保護管理條例》、《建設項目環境影響評價分類管理名錄》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國安全生產法》、《易制毒化學品管理條例》和香港的《廢物處置條例》等。

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For the year ended 31 March 2020, the Group did not have any violation of relevant local environmental laws and regulations in relation to exhaust gas and GHG emissions, water and land discharge, and the generation of hazardous and non-hazardous wastes that have a significant impact on the Group.

Emission Management

Exhaust Gas Emissions

The Group has generated limited amount of exhaust gas emissions in its production facility. To mitigate the exhaust gas emissions, the Group has engaged independent qualified inspector to monitor and test the water, air, soil, and other environmental conditions of its production facility. It has also implemented its emission control guidelines for cleaner production, for example, dust filtering system, filtering system with activated carbon absorbent and exhaust scrubber system were installed to treat air pollutants which were mainly the fugitive dust emissions and volatile organic compounds, and met the legal emission standard before releasing to the atmosphere. The installed systems, not only, effectively reduce the exhaust gas emissions, but also protect its workers' health.

GHG Emissions

The major sources of the Group's GHG emissions are direct GHG emissions (Scope 1) from combustion of petrol for transportation and energy indirect GHG emissions (Scope 2) from purchased electricity.

The Group actively adopts electricity conservation and energy saving measures to reduce GHG emissions, including:

- Adopts environmental conservation and energy saving measures. Relevant measures are described under "Energy Management" in Aspect A2;
- Conducts monthly vehicle maintenance to reduce fuel consumption effectively, thereby reducing carbon and exhaust gas emissions;

於截至2020年3月31日止年度，本集團並無任何違反對本集團有重大影響的有關廢氣及溫室氣體排放、水及土地排放及有害及無害廢物產生的相關地方環境法律及法規的規定。

排放物管理

廢氣排放

本集團在生產設施的廢氣排放量有限。為減低廢氣排放量，本集團已聘請獨立合格檢驗員監察及測試生產設施的水、空氣、土壤及其他環境條件。本集團亦實行排放控制指引，以實現清潔生產，例如安裝濾塵系統、裝有活性碳吸附劑的過濾系統及廢氣淨化系統以處理主要為揚塵排放物及揮發性有機物的空氣污染物，並在排入大氣前達到法定排放標準。這些設備不僅有效減少廢氣排放，同時亦保障工人健康。

溫室氣體排放

本集團的主要溫室氣體排放來源於交通運輸所消耗的汽油造成的直接溫室氣體排放(範圍1)和外購電力造成的能源間接溫室氣體排放(範圍2)。

本集團積極採取節電和節能措施，以減少溫室氣體排放，包括：

- 採取環保節能措施，相關措施將在層面A2中「能源管理」一節中說明；
- 每月進行車輛維護，以有效地降低燃油消耗，從而減少碳排放和廢氣排放；

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- Conducts annual inspections to ensure the compliance with national emission standards; and
- Reduces the number of business trips through utilising electronic communication such as video conferences and WeChat meetings.

The employee's awareness of reducing GHG emissions has been increased through these GHG mitigation measures.

For the year ended 31 March 2020, the Group's total GHG emissions¹ was approximately 181.96 tCO₂e, and its intensity² was approximately 1.80 tCO₂e per employee.³ The Group's direct GHG emissions (Scope 1) from petrol consumption of vehicles was approximately 10.33 tCO₂e, and the energy indirect GHG emissions (Scope 2) from purchased electricity was approximately 171.63 tCO₂e.

Notes:

1. GHG emission data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report — Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange of Hong Kong Limited, the latest released emission factors of China's regional power grid basis and CLP Power Limited, "Global Warming Potential Values" from IPCC Fifth Assessment Report (AR5).
2. As at 31 March 2020, the Group had 101 full-time employees in total which includes the office, retail shops and production facility. The data is also used for calculating other intensity data.
3. For the year ended 31 March 2019, the Group's total GHG emissions was approximately 164.05 tCO₂e per employee, and its intensity was approximately 1.63 tCO₂e per employee.

- 進行年度檢查，以確保符合國家排放標準；及
- 通過視頻會議和微信會議等電子通訊減少商務旅行次數。

通過這些溫室氣體減緩措施，員工減少溫室氣體排放的意識得以提升。

於截至2020年3月31日止年度，本集團的溫室氣體排放¹總量為約181.96噸二氧化碳當量，而其密度²為每僱員約1.80噸二氧化碳當量。³本集團由汽車所消耗汽油造成的直接溫室氣體排放(範圍1)為約10.33噸二氧化碳當量，而由外購電力造成的能源間接溫室氣體排放(範圍2)為約171.63噸二氧化碳當量。

備註：

1. 溫室氣體排放資料乃按二氧化碳當量呈列，並參照包括但不限於世界資源研究所及世界可持續發展工商理事會刊發的《溫室氣體盤查議定書：企業會計與報告標準》、香港交易所發佈的《如何準備環境、社會及管治報告 — 附錄二：環境關鍵績效指標彙報指引》、最新發佈的中國區域電網基線和中華電力有限公司排放因數及政府間氣候變化專門委員會發佈的《第五次評估報告》的全球升溫潛能值。
2. 於截至2020年3月31日，本集團全職員工總數為101人，包括辦公室、零售商店和生產設施。此數據亦會用作計算其他密度數據。
3. 於截至2019年3月31日止年度，本集團的溫室氣體排放總量為約164.05噸二氧化碳當量，而其密度為每僱員約1.63噸二氧化碳當量。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Waste Management

Hazardous Waste Handling Method

Production facility

The Group produces a wide range of wastes across the operations; therefore, it has established comprehensive procedures to manage wastes – no matter whether they are recyclable, non-recyclable or hazardous. Hazardous wastes such as flammable materials (such as waste cloth, waste gloves, waste cotton swabs and waste cotton yarn) and corrosive wastes (such as container, hydrochloric acid, electroplating rinse-wastewater) are generally required more efforts and clear guidance provided for the workers to follow including wastes segregation, labelling, storage and transportation. The Group has established guidelines in governing the management and disposal of hazardous wastes, all the hazardous wastes are collected by licensed contractors for treatment, and complied with “The Measures for the Administration of Permit for Operation of Dangerous Wastes”. The Group purchases any precursor chemical should report the type and quantity in demand, prior to the purchase, to the public security authority of the local people’s government at the county level in compliance with the “Administrative Regulations on Precursor Chemicals”. To promote waste reduction and recycling practices, the Group encourages its employees to recycle the recyclable materials and reuse useful parts of the waste such as jewellery pieces and packaging to divert the waste from landfills.

For the year ended 31 March 2020, the Group’s production of related products has decreased, leading to the amount of hazardous wastes generated was regarded as immaterial.

廢棄物管理

有害廢棄物處理方法

生產設施

本集團在營運中產生各種廢物；因此，其建立了全面的程序以管理廢物 — 無論是可回收廢物、不可回收廢物或是有害廢棄物。有害廢棄物如易燃物品(如廢布、廢棄手套、廢棉花棒和廢棉紗)和腐蝕性廢物(如容器、鹽酸、電鍍廢水)通常需要更多的精力和為工人提供包括廢物分類、標籤、儲存和運輸的明確指導。本集團已制定了危險廢物管理和處置的指導方針，所有有害廢棄物均由持有許可證的承包商收集處理，並符合《危險廢物經營授權管理辦法》。根據《易制毒化學品管理條例》，本集團購買易制毒化學品時，應當在購買前將所需購買的品種、數量，向所在地的縣級人民政府公安機關備案。為促進減廢及循環再用，本集團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。

於截至2020年3月31日止年度，本集團相關產品的產量下降，導致產生的有害廢棄物數量被視為不重要。

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Non-hazardous Waste Handling Method

The Group adheres to the waste management principles and strives to properly manage and dispose all wastes produced in its business activities. The waste management practice has been complied with related environmental protection laws and regulations. The non-hazardous wastes generated by the Group's business activities mainly consist of paper, ink cartridges and waste battery. After collection and sorting by the Group, such wastes will eventually be collected and processed by general waste service providers. Recyclables (such as paper and ink cartridges) will be recycled.

The Group regularly monitors the consumption of paper, ink cartridge and battery, and implements various reduction measures. The Group emphasises the waste management principle of "Reduce, Reuse and Recycle" to encourage employees to sort waste at source and recycle to achieve the objectives in waste reduction in its operations. The Group maintains a high standard in waste reduction, educates employees about the importance of sustainable development and provides relevant supports in order to enhance their skills and knowledge in sustainability.

The Group has implemented measures to handle such non-hazardous wastes and launched different reduction initiatives, including but not limited to:

- Educated all employees on reducing the use of disposable items such as plastic tableware;
- Purchased microwaves in offices to encourage employees to take lunch boxes by themselves instead of ordering takeaway food, which could largely reduce the waste of food packages;
- Advocated the reusing of office stationeries; and
- Provided glass cups to clients and guests instead of disposable ones.

無害廢棄物處理方法

本集團遵循廢物管理原則，致力妥善管理及處置其業務活動產生的所有廢物。廢物管理方法已遵守相關的環境保護法律法規。本集團業務活動產生的無害廢棄物主要包括紙張、墨盒和廢電池。在本集團收集和分類後，這些廢物最終將由一般廢物服務供應商收集和處理。可回收物(如紙張和墨盒)將被回收利用。

本集團定期監察紙張、墨盒和電池的消耗情況，並實施各項減少措施。本集團注重「減少使用、物盡其用和循環再造」的廢物管理原則，鼓勵員工從源頭分類廢物及循環再造，以達致減少其營運中廢物生產的目標。本集團在減少廢物方面保持高標準，教育員工可持續發展的重要性，並提供相關支持，以提高他們在可持續發展方面的技能和知識。

本集團已採取不同措施以處理此類無害廢棄物，並推行了不同的減排措施，包括但不限於：

- 教育所有員工減少塑料餐具等一次性用品的使用；
- 在辦公室購買微波爐，鼓勵員工自己攜帶飯盒，而非訂購外賣食品，這可以大幅減少食品包裝的浪費；
- 提倡重複使用辦公室文具；及
- 為客戶和客人提供玻璃杯，而不是一次性使用杯。

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Paper Management

Office

One of the main natural resources consumed by the Group is paper from its office printing machines. To minimise the use of paper, the Group has put great efforts into the implementation of following initiatives:

- Chosen suppliers with more environmentally friendly paper source, so as to indirectly reduce the amount of tree losses while consuming the same amount of paper;
- Promoted paperless office, and disseminate information by electronic means (i.e. via email or e-bulletin boards) as much as possible;
- Set duplex printing as the default mode for most network printers when printouts are needed;
- Disseminated the idea of "Think before print" by using posters and stickers in offices to remind the staff of avoiding unnecessary printings;
- Reconsidered boxes and trays as containers beside photocopier to collect single-sided paper for reuse and recycling;
- Used the back of old single-sided documents for printing or as draft paper;
- Recycled used stationery whenever possible; and
- Used as less as paper whenever possible.

Retail shops

The Group's retail shops has also consumed paper, which are mainly the sales receipt notes. To minimise the use of paper, the Group has put great efforts into the implementation of following measures:

- Tried to minimise printing excessive sales receipts notes whenever possible;
- Effectively distributed the sales receipts notes to each retail shops according to their sales performance; and

紙張管理

辦公室

本集團主要自然資源消耗之一是辦公室印刷機用紙。為盡量減少紙張的使用，本集團已大力推行以下措施：

- 選擇更環保的紙張來源供應商，以便在消耗相同數量紙張的同時間接減少樹木損失量；
- 推廣無紙化辦公室，並儘可能通過電子方式(如通過電子郵件或電子公告板)傳播信息；
- 當需要打印時，將雙面打印設置為大多數網絡打印機的默認模式；
- 通過在辦公室使用海報和貼紙傳播「影印前先思考」的想法，提醒員工避免不必要的影印；
- 重新考慮箱子和托盤作為複印機旁邊的容器，收集單面紙張，以便再利用和回收；
- 使用舊的單面文檔背面進行打印或作為草稿紙；
- 儘可能使用回收的舊文具；及
- 儘可能少用紙。

零售商店

本集團的零售店亦會消耗紙張，主要是購買銷售收據票據。為盡量減少紙張的使用，本集團已大力推行以下措施：

- 嘗試在客戶購買時盡量減少編印銷售收據票據；
- 根據每間零售店的業績，有效分配銷售收據票據的數量；及

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- Used as less as sales receipts notes whenever possible.

Through the above non-hazardous waste reduction measures, the employee's awareness in waste reduction has been enhanced. For the year ended 31 March 2020, the Group's total non-hazardous waste amount was approximately 3.39 tonnes, its intensity was approximately 0.03 tonnes per employee; in which approximately 0.44 tonnes were paper, approximately 2.67 tonnes were ink cartridge and approximately 0.28 tonnes were waste batteries.⁴

Note:

4. For the year ended 31 March 2019, the Group's total non-hazardous waste were approximately 0.49 tonnes of paper, approximately 40 pieces of ink cartridge and approximately 0.40 tonnes of waste battery.

Wastewater

The Group's major use of water occurs at its production facility in the course of jewellery processing. The wastewater may contain acids, alkali, various chemicals and heavy metals. At the production facility in Shenzhen, there is an onsite facility for neutralization, deionization and sedimentation of the wastewater. The treated water is certified safe to discharge into the municipal network, and the slag is properly handled by licensed operators. The Group's operation complies with the laws and regulations, including but not limited to "Water Pollution Control Ordinance" of Hong Kong, "the Law of PRC on Prevention and Control of Water Pollution".

Since the office and retail shops' wastewater discharged by the Group will be disposed through the municipal sewage pipe network to the regional water purification plant, its water consumption amount is considered as the amount of sewage discharged. The data on the discharge of sewage will be described in the section "Water Management" in Aspect A2.

- 盡可能減少使用銷售收據票據。

通過上述各項無害廢棄物減緩措施，員工減少廢棄物生產的意識得以提升。於截至2020年3月31日止年度，本集團的無害廢棄物總量為約3.39噸，而其密度為每僱員約0.03噸；當中分別為紙張約0.44噸、墨盒約2.67噸及廢電池約0.28噸。⁴

備註：

4. 於截至2019年3月31日止年度，本集團的無害廢棄物分別為紙張約0.49噸、墨盒約40個及廢電池約0.40噸。

廢水

本集團主要用水來自於生產設施的珠寶加工。廢水可能含有酸、鹼、各種化學物質和重金屬。深圳的生產設施設有現場設施，用於中和、去離子化和沉澱廢水。處理後廢水經認證為安全後可排放到市政網絡中，並且由許可的操作員可妥善處理廢渣。本集團的業務符合法律法規，包括但不限於香港的《水污染管制條例》和《中華人民共和國水污染防治法》。

由於本集團排放的辦公室和零售店的廢水將通過政府污水管網輸送到區域淨水廠，其耗水量被視為廢水的排放量。關於廢水排放的數據將在層面A2「水資源管理」一節中描述。

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A2. Use of Resources

The Group upholds and promotes the principle of effective use of resources so as to monitor the potential environmental impacts in our business operations. Through the 3Rs principles, namely, “reduce, reuse and recycle”, we promote green office and operation environment, and minimise the environmental impacts of the Group.

As mentioned in Aspect A1, the Group has set out related environmental management policies and procedures on resource usages such as water, electricity and petrol. Monthly usage statistics are used for focused management of the main energy consumption equipment and regulation of equipment operation for effective resource usage.

Energy Management

The major energy consumption of the Group in daily operation are electricity consumption in the operation and petrol consumption via transportation.

The Group has formulated rules and regulations to achieve the goal of electricity saving and efficient consumption. The relevant specific measures are as follows:

- Selects energy-efficient equipment and electrical appliances for production facility, office and shops electricity use;
- Forbids the use of large-power electrical appliances such as heaters, kettles, refrigerators, etc., to avoid electricity overload. Employees should turn off all electrical appliances that come with them when they leave office;
- Turns off all unnecessary lights, air conditioners, computers and other office equipment in office areas, conference rooms and corridors when they are not in use to avoid waste of electricity;
- Standardises office, production facility and even retail shop lighting (when feasible) with energy saving lights and LED lights;

A2. 資源使用

本集團堅持並推行有效使用資源的原則以監控業務運營中的潛在環境影響。通過3Rs原則，即「減少使用、物盡其用和循環再造」，我們促進綠色辦公和營運環境，並盡量減少本集團對環境的影響。

如層面A1一節所述，本集團已制定水、電力及汽油等資源使用的相關環境管理政策及程序。每月使用統計數據採用於對主要能源消耗設備的重點管理和有效資源使用的設備操作管制。

能源管理

本集團日常運營的主要能源消耗為運營中的電力消耗以及運輸的汽油消耗。

本集團制定了規章制度，以實現節電和高效消費的目標。相關具體措施如下：

- 於生產設施、辦公室和商店選擇使用節能設備和電器；
- 禁止使用加熱器，水壺，冰箱等大功率電器，以避免電力負荷過重。員工離開辦公室時應關掉所啟用的電器；
- 關掉於辦公區域、會議室及走廊內的不必要的燈、空調、電腦及辦公設備，以免浪費電力；
- 規定辦公室、廠房以至店鋪照明(如適用)一律使用節能燈及LED燈；

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- Maintains indoor temperature at an optimal, comfortable level to conserve energy;
 - Switches off shop lightings by 11 p.m. as a commitment to the “Charter on External Lighting” organised by the Hong Kong Government;
 - Regulates the use of air conditioners strictly to prevent waste of electricity;
 - Turns off computers (host and monitor) when employees go out for a long time, and switch computers to standby or sleep mode when employees go out for lunch; and
 - Enhances the maintenance and overhaul of equipment, maintain the best condition of all electronic equipment for effective use of electricity.
- 維持室內溫度在最佳及最舒適的水平，從而節約能源；
 - 於晚上11時關掉店鋪的照明裝置，作為香港政府籌劃的《戶外燈光約章》的參與者的承諾；
 - 嚴格規範空調使用，避免電力浪費；
 - 於員工長時間外出時需關閉電腦(主機和顯示器)，在員工外出午餐時將電腦切換到待機或睡眠狀態；及
 - 加強設備的維護和檢修，確保所有電子設備處於最佳狀態，以有效地利用電力。

As a result, the employee's awareness was increased by implementing these electricity and energy mitigation measures.

For the year ended 31 March 2020, the total energy consumption of the Group was approximately 371,918.43 kWh and its intensity was approximately 3,682.36 kWh per employee.⁵ Petrol consumption from vehicles was equivalent to approximately 37,622.43 kWh⁶, and electricity consumption was approximately 334,296.00 kWh.

Notes:

5. For the year ended 31 March 2019, the Group's total energy consumption was approximately 316,864.34 kWh, and its intensity was approximately 3,137.27 kWh per employee.
6. For the year ended 31 March 2020, the Group's petrol consumption was approximately 3,882.06 litres.

因此，通過上述節能措施，員工的節電節能意識得以提升。

於截至2020年3月31日止年度，本集團的能源消耗總量為約371,918.43千瓦時，而其密度為每僱員約3,682.36千瓦時。⁵汽車的汽油消耗量約為37,622.43千瓦時⁶，而電力消耗量約為334,296.00千瓦時。

備註：

5. 於截至2019年3月31日止年度，本集團的能源消耗總量為約316,864.34千瓦時，而其密度為每僱員約3,137.27千瓦時。
6. 於截至2020年3月31日止年度，本集團的汽油消耗量為約3,882.06升。

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Water Management

The Group's major water consumption is from the production facility, office and retail shops' fresh-water consumption. The Group encourages all employees and customers to develop the habit of conscious water conservation. The Group has been enhancing its water conservation promotion. Environmental messages are posted on pantry and washrooms to remind employees to save water. The employees' water conservation awareness has been increased with the above water-saving measures.

Due to the Group's business nature and its operations are mainly in the cities, while the mining and alchemy processes are performed by subcontracted organisations, the procurement of suitable water sources is not relevant to the Group.

For the year ended 31 March 2020, the total water consumption of the Group was approximately 1,554.84 cubic meters, and its intensity was approximately 15.39 cubic meters per employee.⁷

Note:

7. For the year ended 31 March 2019, the Group's total water consumption was approximately 1,602.35 cubic meters, and its intensity was approximately 15.86 cubic meters per employee.

Use of Packaging Materials

Since the Group has retail business, it uses packaging materials including paper box, paper bag and jewellery pouch. The Group is actively promoting the packaging reduction measures, including:

- Tried to minimise excessive packaging when customers make a purchase;
- Encouraged the use of reusable shopping bags and offered customers an incentive for using a reusable shopping bag instead of plastic or paper; and
- Promoted buy-back programs or upcycling programs to encourage new sales with a trade-in of old gold that can be recycled and reused.

水資源管理

本集團的主要水源消耗來自生產設施、辦公室和零售商店的自來水消耗。本集團鼓勵所有員工及客戶養成自覺的節水習慣。本集團一直在加強節水宣傳。環境保護信息張貼在餐具室和洗手間，以提醒員工節約用水。通過上述節水措施，提高了員工的節水意識。

由於本集團的業務性質及其營運主要在城市，而採礦及煉金工藝由分包商負責，因此採購合適的水源與本集團無關。

於截至2020年3月31日止年度，本集團的總耗水量為約1,554.84立方米，而其密度為每僱員約15.39立方米。⁷

備註：

7. 於截至2019年3月31日止年度，本集團的總耗水量為約1,602.35立方米，而其密度為每僱員約15.86立方米。

包裝材料使用

由於本集團擁有零售業務，因此會使用包裝物料，包括紙盒，紙袋及珠寶袋。本集團積極推行減少包裝措施，包括：

- 嘗試在客戶購買時盡量減少過度包裝；
- 鼓勵使用可重複使用的購物袋，並鼓勵客戶使用可重複使用的購物袋代替塑料或紙張；及
- 推廣回購計劃或升級回收計劃，通過舊金交易來鼓勵新的銷售，可以回收和再利用。

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For the year ended 31 March 2020, the Group consumed approximately 0.40 tonnes of packaging materials, which is approximate 0.004 tonnes per employee. There were no paper boxes being consumed, the consumption packaging materials consisted of approximately 0.22 tonnes of paper bags and approximately 0.18 tonnes of pouch bags.⁸

Notes:

8. For the year ended 31 March 2019, the Group's packaging material consumption were approximately 10,780.00 boxes of paper boxes, approximately 5,000.00 pieces of paper bags and approximately 5,190.00 pieces of pouch bags.

A3. The Environment and Natural Resources

The Group's operations generate limited impact on its environment due to its business nature. The Group still pursues the best practice for environmental protection. In addition to complying with related environmental laws and regulations and international standards for proper natural environment preservation, it has integrated the concept of environmental protection and natural resource conservation into its internal management and daily operations in order to achieve the aim of environmental sustainability.

Working Environment

The Group strives to provide employees with a comfortable working environment to enhance working efficiency. The Group maintains production facility, office and retail shops discipline and environmental hygiene, and ensures personal area and common areas are neat and tidy. Employees monitor the conditions of the community and workplace from time to time, set up emergency plans in advance for risk mitigation, adopt preventive and control measures for problem and risk identification, and deal with the identified problems and potential risks in time to maintain a sound working environment.

於截至2020年3月31日止年度，本集團共消耗包裝材料約0.40噸，平均每僱員約0.004噸。當中並沒有消耗紙盒作為包裝材料，所消耗的包裝材料包括紙袋約0.22噸及珠寶袋約0.18噸。⁸

備註：

8. 於截至2019年3月31日止年度，本集團所消耗的包裝材料為紙盒約10,780.00盒，紙袋約5,000.00個及珠寶袋約5,190.00個。

A3. 環境及天然資源

由於其業務性質，本集團的營運對環境的影響有限。本集團仍追求保護環境的最佳做法。除了遵守相關的環境法律法規和適當的自然環境保護的國際標準外，還將環境保護和自然資源保護的概念納入其內部管理和日常營運，以實現環境可持續性的目標。

工作環境

本集團致力為員工提供舒適的工作環境，以提升工作效率。本集團維持生產設施、辦公室和商店紀律和環境衛生，並確保個人區域和公共區域整潔。員工不時監測社區和工作場所的狀況，提前製定應急預案以減輕風險，採取預防和控制措施進行問題和風險識別，及時處理已發現的問題和潛在風險以維持良好的工作環境。

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On the other hand, the Group regularly monitors and measures indoor air quality of the workplace. It maintains indoor air quality and filters pollutants and dust via air purification equipment and regular cleansing of the air conditioning system.

B. SOCIAL

B1. Employment

Employees are the greatest and most valuable asset of the Group and its core competitive advantage. Therefore, its success highly depends on the ability to attract, cultivate and retain employees. The Group adheres to a people-oriented approach, standardises labour employment management to respect and protect the legitimate interests of every employee. At the same time, the Group strives to ensure its employees' occupational health and safety for protecting labour rights, stimulating employee's enthusiasm, initiatives and creativity to build a harmonious staff relationship.

The Group actively complies with labour laws and regulations, including but not limited to, the "Labour Law of the PRC", "Labour Contract Law of the PRC", "Regulations on the Implementation of the Labour Contract Law of the PRC", "Social Insurance Law of the PRC", "Interim Regulations on Levying Social Insurance Premiums", "Provisional Measures on Maternity Insurance of Enterprise Employees", "Regulation on Unemployment Insurance", "Regulation on Work-Related Injury Insurances" and Hong Kong's "Employment Ordinance". The Group has accordingly formulated a series of related personnel management policy to guide employees to actively integrate personal pursuits into the long-term of the Group.

For the year ended 31 March 2020, the Group did not aware of any material non-compliance of laws and regulations in respect of employment related issues including but not limited to recruitment and dismissal, remuneration and promotion, working hours, rest periods, equal opportunity, anti-discrimination and benefits and welfares.

另一方面，本集團定期監察及測量工作場所的室內空氣質素。為保持室內空氣質量，本集團通過空氣淨化設備過濾污染物和灰塵，並定期清潔空調系統。

B. 社會

B1. 僱傭

員工是本集團最大及最具價值的資產和競爭優勢的核心，故而本集團的成功十分依賴於吸引、培養及留住員工的能力。本集團堅持以人為本的原則，規範勞動僱傭管理以尊重和保障每一位員工的合法權益。與此同時，本集團積極保障員工職業健康安全，以保護員工權益，同時激發員工積極性、能動性和創造力，以構建和諧的勞動關係。

本集團積極遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國勞動合同法實施條例》、《中華人民共和國社會保險法》、《社會保險費徵繳暫行條例》、《企業職工生育保險試行辦法》、《失業保險條例》、《工傷保險條例》和香港的《僱傭條例》等勞工法律法規。本集團據此制定了一系列相關人事管理政策，引導員工積極將個人追求融入到本集團長遠發展之中。

於截至2020年3月31日止年度，本集團並未發現任何違反有關僱傭的法例和法規的重大事宜，包括但不限於招聘及解僱、薪酬及晉升、工作時數、假期、平等機會、反歧視以及其他待遇及福利。

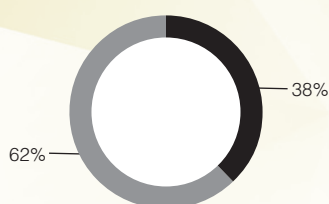
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

As at 31 March 2020, the Group had 101 full-time employees in total, the following shows the details of the Group's human resources information:

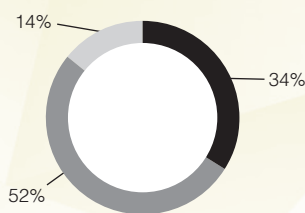
截至2020年3月31日，本集團共有101名全職僱員，以下為本集團的人力資源相關資料：

按性別劃分員工人數
Employee distribution by gender



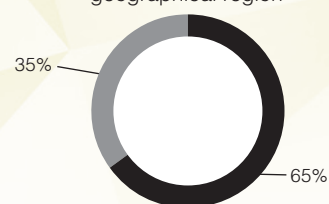
■ 男性 Male
■ 女性 Female

按年齡劃分員工人數
Employee distribution by age group



■ 30歲以下 Below 30 years old
■ 30-50歲 30-50 years old
■ 51或以上 51 years old or above

按地區劃分員工人數
Employee distribution by geographical region



■ 香港 Hong Kong
■ 中國 The PRC

Remuneration and Benefits

The Group has established a fair, reasonable and competitive remuneration system, and paid employees based on the principles of fairness, competitiveness, motivation, reasonableness and legitimacy. The remuneration package of employees includes salary, bonuses, allowances and commission. Salespersons are entitled to guaranteed commission based on retail sales amount, and will also be entitled to further commissions subject to whether they can meet the sales target laid out by the Group. Generally, employee salaries are determined based on the employees' qualification, experience, position and seniority. The Group believes that its remuneration package is competitive in the market.

The Group has signed and executed the labour contracts with employees in accordance with the "Labour Contract Law of the PRC", and Hong Kong's "Employment Ordinance". The signing rate of labour contracts is 100%. In accordance with the law and ordinance, the Group pays "five social insurance and one housing fund" for its employees, namely, endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing provident fund, to ensure employees are covered by social insurance.

薪酬與福利

本集團建立了一套公平、合理且有競爭力的薪酬體系，基於公平、競爭、激勵、合理及合法原則，為員工發放薪酬。本集團員工薪酬由基本工資、獎金、崗位補貼和佣金等組成。銷售人員有權根據其零售額獲得保證佣金，並有權根據能否達到本集團制定的銷售目標以獲得更多的佣金。一般而言，員工工資根據其資歷、經驗和職位確定。本集團相信其薪酬待遇在市場上具競爭力。

本集團按照《中華人民共和國勞動合同法》及香港的《僱傭條例》依法與員工簽訂並履行勞動合同，勞動合同簽約率為100%。本集團依法為員工繳納「五險一金」，即養老保險、醫療保險、失業保險、工傷保險、生育保險以及住房公積金，保障員工享受社會保險待遇。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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The Group earnestly safeguards the legitimate interests of labour in accordance with the requirement of the national and local laws and regulations of the “Labour Law of the PRC”. The Group respects the rights of employees to rest and leave and the Group believes that sufficient rest is good for employees to work efficiently and so as to increase productivity. The Staff Regulations has issued to the employees to regulate the procedure applying annual leave. The Group has also followed the “Regulation on Paid Annual Leave for Employees” and other relevant regulations, regarding the policies about working hours, working overtimes and wages, and paid annual leave. The Group puts emphasis on the employees' rights of rest periods and holidays.

Recruitment, Promotion and Dismissal

The Group has continuously established and improved its recruitment system. In the recruitment process, the Group has standardised the hiring procedures and recruitment principles, adhering to the hiring principles of morality, knowledge, ability, experience and physique applicable to the job positions. In such ways to continuously attract talents by upholding principles of justice, fairness and openness.

The Group has implemented a fair and open assessment system to evaluate employees' working performance and internal assessment results. The results would be the basis for employee promotion. The Group also creates opportunities for their promotion and development as well as explore their potential at work.

The Group specifies the basis and procedures for staff promotion, transfer and demotion management, and regulations for departure process to protect the interests of both employees and the Group and reduce the conflicts in between.

本集團按照《中華人民共和國勞動法》等國家和地方法律法規的要求切實保障勞動者合法權益，尊重員工的休息和休假的權利，本集團亦相信充足的休息有助提升員工工作效率，從而提升生產力。《員工守則》已對員工發出以規範申請年假的程序。本集團亦遵循有關工時、加班、工資及帶薪年假的政策，包括《職工帶薪年休假條例》及其他相關規定，本集團重視僱員休息及假期的權利。

招聘、晉升及解聘

本集團不斷建立和完善人才招聘選拔制度。在招聘過程中規範錄用流程和招聘原則，堅持品德優秀、學識、能力、經驗和體格適合於所任崗位的聘任原則，堅持公正、公平及公開原則，從而不斷吸引和招攬優秀人才。

本集團已經落實了一套公平公開的考核制度以評估員工工作表現及內部考核結果。這些結果將會作為職位晉升的根據。本集團為員工提供晉升及發展的機會，以發掘其工作潛能。

本集團明確人員晉升、調動和降級管理的依據及流程，規範離職流程，以保護員工和本公司雙方的利益，並減少勞資雙方之間的糾紛。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Equal Opportunities

The Group strictly complies with national and local standards by adopting a fair, equitable and open requirement process and develop relevant system files to eliminate discrimination in the recruitment processes. Employees face no discrimination regardless of race, sex, colour, age, family background, ethnic tradition, religion, physical fitness and nationality and thus allowing them to enjoy fair treatment in every aspect including recruitment, remuneration, training and promotion.

B2. Health and Safety

The Group highly recognises the importance of health and safety of the employees. The Group commits to provide employees with a healthy, safe and comfortable working environment and strives to eliminate potential health and safety hazards at the workplace. The Group strictly enforces relevant laws and regulations such as the “Labour Law of the PRC”, “Law of the PRC on the Prevention and Treatment of Occupational Diseases”, “Measures for Declaration of Project with Occupational Hazards of the PRC”, “Work Safety Law of the PRC” and “Fire Protection Law of the PRC”, “Occupational Safety and Health Ordinance” in Hong Kong, etc.

For the year ended 31 March 2020, the Group did not aware of any accidents that resulted in death or significant physical injury and no claims or compensation were paid to its employees due to such events. No material non-compliance of laws and regulations relevant to health and safety of employees were found.

平等機會

本集團嚴格遵守國家及地方政府各項法規，採取公平、公正及公開的招聘流程，制定了相關制度文件以杜絕招聘過程中的歧視現象，不因種族、性別、膚色、年齡、家庭背景、民族傳統、宗教、身體素質和國籍等因素歧視任何一位員工，讓員工在招聘、薪酬、培訓和晉升等各個階段享受公平待遇。

B2. 健康與安全

本集團高度重視員工的健康與安全，致力於為員工提供健康、安全和舒適的工作環境，努力消除潛在工作場所健康及安全危害。本集團嚴格執行《中華人民共和國勞動法》、《中華人民共和國職業病防治法》、《職業病危害項目申報辦法》、《中華人民共和國安全生產法》、《中華人民共和國消防法》及香港的《職業安全及健康條例》等相關法律法規。

於截至2020年3月31日止年度，本集團並未錄得任何導致死亡或嚴重肢體受傷的意外事件，並無因該等事件而向其僱員支付索償或補償，以及並未發現任何違反僱員健康與安全相關的法律法規的重大事宜。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Internal Health and Safety Management

The Group maintains an internal audit and inspection system to ensure the health and safety of customers and employees during its operation in compliance with “Measures for Declaration of Project with Occupational Hazards of the PRC”. The review processes are designed to ensure the workplace is under constant monitoring, so as to identify and correct the deficiencies that do not meet the standards. The Group regularly inspects and reviews the safety issues of production facility, offices and retail shops and actively encourages employees to report health and safety incidents and risks.

On the other hand, the Group provides staff with health and safety notifications to provide related information and increase their awareness. The Group also arranges body checks for employees, particularly pay attention to those who have abnormal examination result and provide treatment advice.

Safety Production

The safety issue is highly concerned by the Group. The Group has also cooperated with independent consulting firm to ensure the production safety by establishing GB/T 33000-2016 “Guideline of China Occupational Safety and Health Management System”, and AQ/T9006-2010 “Basic Norms for Work Safety Standardization of enterprises” which in compliance with “Work Safety Law of the PRC”. The mishandling of machinery in the jewellery production may cause injuries. To safeguard the workers, inspection on production facilities would take place on regular basis to prevent the safety hazard. The inspection includes the proper usage of safety equipment aligning with safety production procedures, and the cleanliness of the production facility. Any hidden safety danger would be immediately treated by the technical staff to protect the personal safety of the workers.

內部健康及安全管理

本集團維持內部審核及檢測系統，確保客戶及僱員在營運期間的健康及安全，以符合《中華人民共和國職業病危害項目申報辦法》。審查過程旨在確保不斷監測工作場所，以便識別和糾正不符合標準的缺陷。本集團定期檢查及檢討生產設施，辦公室及商店的安全問題，並積極鼓勵員工報告健康及安全事故及風險。

另一方面，本集團會向員工提供健康和安全管理通知，以提供相關信息並提高他們的意識。本集團亦為員工安排身體檢查，特別注意檢查結果異常的人士，並提供治療意見。

安全生產

安全問題受到本集團的高度關注。本集團亦與獨立諮詢公司合作，通過建立GB/T 33000-2016《職業安全生產標準化基本規範》和AQ/T9006-2010《企業安全生產標準化基本規範》等符合《中華人民共和國安全生產法》的法例，保證生產安全。在珠寶生產中對機器的錯誤操作可能會導致意外的發生，為了保護工人，將定期對生產設施進行檢查，以防止安全隱患。檢查包括正確使用安全設備，遵守安全生產程序，生產設施清潔等。任何隱患都將由技術人員立即處理，以保護工人的人身安全。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Fire Safety

The Group has also formulated fire safety system in accordance with the “Fire Protection Law of the PRC” and “Provisions on the Supervision and Administration of Fire Protection of Construction Projects”. To raise employees’ fire prevention awareness, fire drills are conducted regularly and staff are instructed to the correct use of fire extinguishers and the Group’s fire evacuation plans are improved. In response to emergencies, different places of the Group’s workplaces are also equipped and clearly located with first aid kits and fire extinguishers.

Other Health and Safety Measures

With the outbreak of the 2019 Novel Coronavirus (“COVID-19”), the Group is highly aware of its potential health and safety impacts on employees. The Group has strengthened its operating environmental hygiene to ensure a healthy and safe working environment. We have also taken precautionary measures, such as performing temperature checks before entering retail stores, offices and production facilities, and ensuring that adequate disinfection supplies such as masks and hand sanitiser are provided in our operations. In addition, the production facility in Shenzhen has followed the instructions of the government to resume work gradually and implemented flexible working arrangements.

B3. Development and Training

The Group aims to build a strong sense of community and a positive environment for its employees to enhance employee loyalty and work dedication. The Group believes that its ability to recruit and retain experienced and skilled labour is key to growth and development. The Group provides employee orientation to its new employees to explain the Group’s internal rules and to enhance employees’ safety awareness. The Group also provides various types of employee training regularly.

消防安全

本集團還根據《中華人民共和國消防法》和《建設工程消防監督管理規定》制定了消防安全制度。為提高員工的防火意識，本集團定期進行消防演習，指示員工正確使用滅火器，並改善我們的防火疏散計劃。為了應對緊急情況，工作場所的不同地方也配備了急救箱和滅火器。

其他健康與安全措施

隨著2019新型冠狀病毒（「**2019冠狀病毒病**」）疫情爆發，本集團高度意識到其為員工帶來的潛在健康和安全的影響。本集團已加強營運環境衛生，以確保健康及安全的工作環境。我們亦採取了預防措施，例如在進入零售店、辦公室和生產設施之前進行體溫檢查，並確保在我們的運營中提供足夠的消毒用品，例如口罩和洗手液。此外，於深圳的生產設施亦遵循政府指引延遲復工及實行彈性工作安排。

B3. 發展及培訓

本集團旨在為員工建立牢固的社區意識和積極的環境，以提升員工忠誠度和工作奉獻精神。本集團相信其招聘、挽留具豐富經驗及熟練員工的能力是增長及發展的關鍵。本集團為其新員工提供員工入職培訓，以解釋本集團的內部規則及提升員工的安全意識。本集團亦定期提供各類員工培訓。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Training Management

The management formulates the Group's annual training proposal and conducts regular reviews on the effectiveness of the training courses to improve the quality of the training system. The Group provides relevant on-the-job training for each employee to facilitate their business abilities. For examples, the salespersons in the retail shops would be trained with the sales skills and etiquette with facing the customers; the workers in the production facility would be trained with the advanced skills. Through various trainings, employees are able to strengthen related professional knowledge, professions and management skills. It benefits the Group by enhancing employees' professional skills and attracting more talents. The Group also provides subsidies, remuneration and promotion incentives to encourage employees to participate in external training courses.

For the year ended 31 March 2020, all employees of the Group have attended trainings. The average training hours for male and female were approximately 14 hours and 15 hours respectively, in which employees with managerial grade or above attained approximately 12 hours of trainings on average, while employees with managerial grade or below attained approximately 15 hours of trainings on average.

The Group also recognises the importance of occupational safety training to ensure employees' personal safety. The relevant policies have been described in details in Aspect B2 "Health and Safety".

B4. Labour Standards

Prevention of Child and Forced Labour

The Group complies with the "Labour Law of the PRC", "Provisions on the Prohibition of Using Child Labour" of PRC, and Hong Kong's "Employment Ordinance".

For the year ended 31 March 2020, the Group was not aware of any material non-compliance with any laws and regulations in relation to the prevention of child or forced labour.

培訓管理

管理層制定本集團的年度培訓計劃，並定期檢討培訓課程的成效，以改善培訓制度的質素。本集團為每位員工提供相關的在職培訓以提升他們的業務能力。例如零售商店的銷售人員將接受應對客戶的銷售技巧和禮儀培訓；生產設施中的工人將接受高級技能培訓。通過各種培訓，員工能夠加強相關的專業知識，專業和管理技能，並能吸引更多人才，從而能使本集團受益。本集團亦提供補貼、薪酬及晉升獎勵，以鼓勵員工參與外部培訓課程。

於截至2020年3月31日止年度，所有員工均出席本集團的培訓。男性和女性僱員完成受訓的平均時數分別為14小時和15小時，當中經理級或以上員工完成受訓的平均時數約為12小時，而經理級以下員工完成受訓的平均時數約為15小時。

本集團亦明白到職業安全培訓對確保員工人身安全的重要性。相關政策已於層面B2「健康與安全」中詳細描述。

B4. 勞工準則

防止童工及強制勞工

本集團已遵守《中華人民共和國勞動法》、《人民共和國禁止使用童工規定》及香港的《僱傭條例》。

於截至2020年3月31日止年度，本集團並未發現任何違反防止童工或強制勞工相關的法律法規的重大事宜。

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The Group strictly prohibits the use of any child and forced labour in the PRC and Hong Kong operations. The Group demands all new employees to provide true and accurate personal information when they join the Group. The recruitment staff will stringently verify their information, including body check results, academic certificates, identity card and hometown information. Regular reviews and checking are conducted to guard against child or forced labour in the operations. The Group also avoids using the supplies and services of those suppliers and contractors with records of using child or forced labour. Furthermore, employees work overtime on a voluntary basis, and the Group promises not to force employees to work overtime to prevent any breach of labour standards. The Group also prohibits any punishments, management methods and behaviours involving verbal abuse, physical punishment, physical abuse, oppression, sexual harassment, etc. against its employees for any reason.

B5. Supply Chain Management

The Group highly values the importance of potential environmental and social risks management in its supply chain. For the effective monitoring of procurement procedures and cost control, increasing management transparency in procurement, the Group has established a stringent and standardised procurement system and a systematic selection process for suppliers. For the year ended 31 March 2020, the Group had approximately 20 suppliers, all of them were from the PRC.

本集團嚴格禁止中國及香港業務使用任何兒童及強制勞工。本集團要求所有新員工在加入本集團時提供真實準確的個人資料。招聘人員會嚴格核實其資料，包括身體檢查結果、學歷證明、身份證及家鄉資訊。審查會定期進行，以防止童工或強制勞工。本集團亦會避免使用有已知悉使用童工或強制勞工記錄的供應商和承包商的行政用品和服務。此外，員工加班遵循自願原則，本集團承諾不會強迫員工超時工作，以防止違反勞工標準。本集團還禁止因任何原因對其員工進行任何涉及辱罵、體罰、身體虐待、壓迫、性騷擾等的懲罰、管理方法和行為。

B5. 供應鏈管理

本集團高度重視潛在環境和社會風險管理在其供應鏈中的重要性。為有效監控採購程序和成本控制，提高採購管理的透明度，本集團建立了嚴格而規範的採購系統和系統化的供應商選擇流程。於截至2020年3月31日止年度，本集團共有約20個供應商，所有供應商均來自中國。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Supply Chain Management

The Group expects suppliers to fulfil the standards in terms of environment, society and corporate governance, commercial ethics and quality. The Group selects suppliers that create positive influences on environmental and social matters, the scopes of which mainly includes operational compliance, employees' safety and health, social responsibility, business ethics and environmental protection. Since the Group does not enter into long-term contracts with suppliers, it can switch the suppliers flexibly. The Group will terminate cooperation at instant with those suppliers who may cause severe contamination or seriously social harms or have caused material environmental or social incidents. With the above assessment processes, the Group can minimise potential environmental and social risks of supply chain.

Fair and Open Procurement

The Group's procurement procedures strictly abide by the "Bidding Law of the PRC" and related regulations. The Group makes procurement on an open, fair and impartial basis without any discrimination against any particular supplier nor corruption and bribery. The Group sources the raw materials of diamonds, gemstones and precious metals from suppliers at stable and competitive market prices. The Group believes it does not rely on any single supplier for sourcing any raw material to material extent. In addition, the Group forbids employees and any parties who are related to the relevant supplier to take part in the subject procurement. The Group stresses the integrity of its suppliers, it only selects those with good business track records and no material non-compliances or unethical behaviours.

供應鏈管理

本集團期望供應商符合環境、社會及管治、商業道德及質量的標準。本集團選擇對環境和社會事務產生正面影響的供應商，其範圍主要包括營運合規、員工安全和健康、社會責任、商業道德和環境保護。由於本集團沒有與供應商簽訂長期合約，因此可以靈活轉換供應商。本集團將立即終止與可能造成嚴重污染或嚴重社會危害或造成重大環境或社會事故的供應商的合作。通過上述評估流程，本集團可以最大限度地降低供應鏈的潛在環境和社會風險。

公平及公開採購

本集團的採購程序嚴格遵守《中華人民共和國招標投標法》及相關規定。本集團在公開、公平和公正的基礎上進行採購，針對任何特定供應商，也不存在貪污和賄賂。本集團以穩定及具競爭力的市場價格從供應商採購鑽石、寶石及貴金屬的原材料。本集團均不在重大程度上依賴任何單一供應商供應任何原材料。另外，本集團亦禁止與供應商相關的員工或任何團體參與主要採購。本集團強調其供應商的誠信，只選擇那些具有良好業務記錄且沒有重大不合規或不道德行為的供應商。

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B6. Product Responsibility

The Group actively safeguards the quality of the products with its internal control process. The Group also maintains on-going communication with the customers to ensure understanding and satisfaction of their demands and expectations, and to improve its service quality by learning their satisfactory rates. The Group earnestly complies with laws and regulations in relation to consumers' rights such as the "General Principles of the Civil Law of the PRC", "Product Quality Law of the PRC", "Law of the PRC on Protection of Consumer Rights and Interests", "Tort Law of the PRC", "Law of PRC on Imported and Exported Commodity Inspection", "Advertising Law of the PRC", "Patent Law of the PRC", and Hong Kong's "Personal Data (Privacy) Ordinance" and "Trade Descriptions Ordinance".

For the year ended 31 March 2020, the Group was not aware of any material non-compliance with any laws and regulations in relation to privacy issues and compensation regarding health and safety, advertisement and labelling on products and service provided. For the year ended 31 March 2020, the Group was not aware of any products sold or shipped subject to recalls for safety and health reasons, nor receiving material complaints related to products and service.

Quality Assurance

The quality of the jewellery is one of the key factors that customers highly concern. The Group has a quality monitoring requirement and quality control inspection before the delivery of the products. The Group has set up a centralized Quality Control Team, which is responsible for monitoring the entire production process. The Group performs quality control in each stage, ensuring the products are with satisfactory quality. We would have overall inspection in the last stage to ensure the product is made according to the specification stated. The Group would also conduct random sample checking by the experienced professionals on the finished jewellery products to ensure that it is up to standard.

B6. 產品責任

本集團積極地通過內部控制流程保障產品質量。本集團亦與客戶保持持續溝通，以確保了解及滿足他們的需求和期望，並通過理解他們的滿意率來改善我們的服務質素。本集團懇切地遵守《中華人民共和國民法通則》、《中華人民共和國產品質量法》、《中華人民共和國消費者權益保護法》、《中華人民共和國侵權責任法》、《中華人民共和國海關報關單位註冊登記管理規定》、《中華人民共和國廣告法》、《中華人民共和國廣告專利》以及香港的《個人資料(私隱)條例》及《商品說明條例》等有關消費者權利的法律法規。

於截至2020年3月31日止年度，本集團並未發現任何關於私隱問題及健康和安全的賠償、違反廣告和產品標籤及服務相關的法律法規的重大事宜。於截至2020年3月31日止年度，本集團並未知悉有任何已售或已運送產品因安全與健康理由而須回收，亦沒有接獲關於產品及服務的重大投訴。

質量保證

珠寶的質量是客戶高度關注的關鍵因素之一。本集團在交付產品前均有質量監控要求和質量控制檢驗。本集團已成立一個集中的質量控制團隊負責監控整個生產過程。本集團在每個階段執行質量控制，以確保產品具有令人滿意的質量。並將在最後階段進行全面檢查，以確保產品按照規定的規格製造。本集團亦會由經驗豐富的專業人士對成品珠寶產品進行隨機抽樣檢查，以確保其符合標準。

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The quality of products is reliable and has been ensured by different organisations. Hong Kong Jewellers' and Goldsmiths' Association and The Kowloon Pearls, Precious stones, Jade, Gold and Silver Ornament Merchants Association have recognised the quality of our gold products with the "Quality Gold Mark". Besides, the Group is also recognized by the Quality Tourism Services ("QTS") Scheme of Hong Kong Tourism Board, as the reliable retail store in Hong Kong. The products are highly qualified to ensure customers would not receive products that are substandard to safeguard the consumers' right.

Protection of IP Rights

The Group focuses on pioneer innovation in its own jewellery design. The Group has sufficient and all-rounded management system for IP. The Group continuously strengthens the management of trademark, domain right, designs and trade secrets in the product development processes. The external graphic designers, who outsourced for certain product development stages, would be required to sign an agreement to acknowledge that the designs produced during the engagement are the IP of the Group. For new employees, the Group focuses on training their awareness of conserving trade secrets. The IP, which mainly related to the trademark and designs, are well protected by the Group and it values the intellectual properties as the important assets of the Group.

Customer Services

The Group would provide after-sales service like resizing of rings and complimentary cleaning services to maintain a good relationship with customers. The Group reviews all complaints from customers, suppliers and partners in accordance with internal procedures and guidelines, and appropriate follow-up measures will be taken. If applicable, the Group will conduct relevant investigations and generate case reports and correcting action plans to resolve complaints and make improvements accordingly. The Group believes that complaints are good opportunities to get feedback from the community and customers, so as to assure the necessity of improving the services and policies.

產品質量可靠並得到不同組織的保證。香港珠石玉器金銀首飾業商會以及九龍珠石玉器金銀首飾業商會認可我們的黃金產品質量頒發「優質足金標誌」。此外，本集團亦獲香港旅遊發展局優質旅遊服務（「**優質旅遊服務**」）計劃的認可，被認為為香港可靠的零售商店。這些產品被高度認可以確保客戶不會收到不合格的產品來保護消費者的權利。

知識產權保護

本集團專注於自身珠寶設計的先鋒創新。本集團擁有足夠使用及全面的知識產權管理系統。本集團在產品開發過程中不斷加強對商標、域名權、設計和商業秘密的管理。在某些產品開發階段外判的圖形設計師將被要求簽署協議，以確認參與期間產生的設計是屬於本集團的知識產權。對於新員工，本集團專注於培養他們保護商業秘密的意識。本集團對主要是商標和外觀設計的知識產權實施良好保護，並將知識產權視為本集團的重要資產。

客戶服務

本集團提供售後服務，如修改戒指尺寸及免費清潔服務，以維持與客戶的良好關係。本集團根據內部程序及指引檢討客戶、供應商及合作夥伴的所有投訴，並將採取適當的後續措施。如適用，本集團將進行相關調查並生成案例報告及糾正行動計劃以解決投訴並相應地進行改進。本集團相信投訴是獲得社區和客戶反饋的好機會，以確保改善服務和政策的必要性。

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Advertising and Labelling

The Group has adopted a multi-channel advertising strategy to promote the brand and improve the brand image. The Group takes care of the advertisement and labelling issues to ensure that only accurate products' information would be published. Any misleading message is prohibited for publishing after the strict monitoring of the teams of professionals.

Protection of Privacy

The Group recognises the protection of customers' and partners' privacy is the key for success. Therefore, protecting and maintaining customers' privacy always remain in the first priority of the Group. Security measures have established to provide adequate protection and encryption for all data and information upon operation. At the same time, the Group has implemented policies and procedures to the collection and use of personal data.

B7. Anti-corruption

The Group believes that a clean corporate culture is the key to its continuous success. Therefore, the Group stressed on anti-corruption work and system building, devoted in creating a clean and transparent corporate culture. It has already developed adequate codes to ensure all employees (including directors) adhered to the highest standards of business, professional and ethical practices. The Group strictly complies with the requirements under laws and regulations such as the "Company Law of the PRC", "The Tendering and Bidding Law of the PRC", "Interim Provisions on Banning Commercial Bribery", and Hong Kong's "Prevention of Bribery Ordinance".

The Group's major operation formulated such policies on the control and prevention of bribery, extortion, fraud and money laundering between shareholders and related parties in each business operation and trade activity.

廣告與標籤

本集團已採取多渠道廣告策略，以推廣品牌及提升品牌形象。本集團謹慎留意廣告及標籤事宜，以確保只發布準確的產品資料。在專業人員團隊的嚴格監控下，任何誤導性信息也不會被發佈。

私隱保護

本集團認為保護客戶及合作夥伴的私隱是成功的關鍵。因此，保護和維護客戶私隱始終是本集團的首要任務。私隱保護措施已被建立以便在營運時為所有數據和信息提供充分的保護和加密。與此同時，本集團實施嚴格的政策來收集和使用個人數據。

B7. 反貪污

本集團相信廉潔的企業文化是本公司持續成功的關鍵，因此極為重視反腐倡廉的工作及制度建設，致力於建設廉潔公開透明的企業文化。本集團已經制定了適當的法規，以確保所有員工(包括董事會)遵守商業、專業和道德實踐的最高標準。本集團嚴格遵守《中華人民共和國公司法》、《中華人民共和國招標投標法》、《關於禁止商業賄賂行為的暫行規定》及香港的《防止賄賂條例》等法律法規的規定。

本集團的主要業務制定了在每項業務經營活動中控制和防止股東與關聯團體之間的賄賂、勒索、欺詐和洗黑錢的政策。

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For the year ended 31 March 2020, the Group did not aware of any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering.

Anti-corruption

The Group has an anti-bribery function, which is responsible for developing the overall framework of anti-bribery, fraud and corruption policies and procedures. It also guides and monitors the implementation of such policies and procedures in different aspects of the Group's operation. Each of the Group's subsidiaries will immediately report any suspected bribery, fraud and corruption to the person in charge of the Group's internal control. The internal control advisor was engaged to perform internal control review on the Group and determine the appropriate course of actions if necessary.

The Group fully complies with relevant anti-money laundering laws. The Group minimises the risk of establishing relationships with individuals or organisations involved in money laundering or terrorist activities through "understanding customers" and assessment procedures.

B8. Community Investment

The Group believes in shouldering the responsibility of contributing society. As a responsible corporate citizen, the Group has fulfilled our social responsibilities by being committed to supporting various charitable and community activities. The Group hopes to foster employees' sense of social responsibility, thus encouraging them to participate in charitable activities during their work and spare time to make greater contributions to the community. The Group has also encouraged its employees to participate in environmental and charitable activities, make donations to assist underprivileged students and engage in social services. The Group believes that the participation in activities that repay society can increase its employees' civic awareness and establish their correct values.

於截至2020年3月31日止年度，本集團並未發現任何違反有關防止賄賂、勒索、欺詐及洗黑錢的法律法規的重大事宜。

反貪污

本集團具有反賄賂職責，負責制定反賄賂、欺詐和貪污政策和程序的總體框架。本集團還在營運的不同方面指導和監督此類政策和程序的實施。本集團旗下的子公司將立即向本集團內部控制負責人報告任何涉嫌賄賂、欺詐和貪污行為。內部控制顧問參與對本集團進行內部控制審查，並在必要時確定適當的行動方案。

本集團完全遵守反洗黑錢的相關法例。本集團通過了解客戶和評估程序，把參與洗黑錢或恐怖活動的個人或組織建立關係的風險最少化。

B8. 社區投資

本集團相信在經濟發展的同時也應肩負回報社會的責任。作為企業公民的社會責任，本集團支持並積極參與公益慈善活動。本集團希望培養員工的社會責任感，因此一直鼓勵員工於工作期間及私人時間參與社會公益活動，為社會作更大貢獻，亦一直安排員工參與環保公益、捐資助學和社會服務等活動。我們相信，借著親身參與回饋社會的活動可以令員工的公民意識得以提升，以樹立正確的價值觀。

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Corporate Social Responsibility

The Group has also joined different chambers of commerce to support the charity activities. The Group has become the members of Kowloon Chamber of Commerce and New Territory Chamber of Commerce and has supported many of the charity activities to repay the community. Besides, the Group has also donated to the Youth Outreach's "YO! Let's Walk the Road" to support the service provided by the Youth Outreach on rescuing the teenagers who are in needs. The Group will seek opportunities to identify more suitable projects and contribute to the community and environment to bring positive progress to society.

企業社會責任

本集團還加入了不同的商會，以支持慈善活動。本集團已成為九龍總商會及新界總商會的會員，支持慈善活動以回報社區。此外，本集團亦向協青社的「協青慈善行」捐款，以支持青年外展提供的服務，拯救有需要的青少年。本集團將尋求機會，尋找更多合適的項目，為社區和環境作出貢獻，積極促進社會發展。

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THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

香港聯合交易所有限公司的《環境、社會及管治報告指引》內容索引表

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect A1: Emissions 層面 A1：排放物		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Emissions 排放物
KPI A1.1 (“comply or explain”) 關鍵績效指標 A1.1 (「不遵守就解釋」)	The types of emissions and respective emissions data. 排放物種類及相關排放資料。	Emissions — Emission Management, Waste Management 排放物 — 排放物管理、廢棄物管理
KPI A1.2 (“comply or explain”) 關鍵績效指標 A1.2 (「不遵守就解釋」)	GHG emissions in total (in tonnes) and intensity. 溫室氣體總排放量(以噸計算)及密度。	Emissions — Emission Management 排放物 — 排放物管理
KPI A1.3 (“comply or explain”) 關鍵績效指標 A1.3 (「不遵守就解釋」)	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量(以噸計算)及密度。	Emission — Waste Management (not applicable — explained) 排放物 — 廢棄物管理(不適用 — 已解釋)
KPI A1.4 (“comply or explain”) 關鍵績效指標 A1.4 (「不遵守就解釋」)	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量(以噸計算)及密度。	Emissions — Waste Management 排放物 — 廢棄物管理
KPI A1.5 (“comply or explain”) 關鍵績效指標 A1.5 (「不遵守就解釋」)	Description of reduction initiatives and results achieved. 描述減低排放量的措施及所得成果。	Emissions — Emission Management, Waste Management 排放物 — 排放物管理、廢棄物管理
KPI A1.6 (“comply or explain”) 關鍵績效指標 A1.6 (「不遵守就解釋」)	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Emissions — Waste Management 排放物 — 廢棄物管理

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Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect A2: Use of Resources 層面 A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Use of Resources 資源使用
KPI A2.1 ("comply or explain") 關鍵績效指標 A2.1 (「不遵守就解釋」)	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	Use of Resources — Energy Management 資源使用 — 能源管理
KPI A2.2 ("comply or explain") 關鍵績效指標 A2.2 (「不遵守就解釋」)	Water consumption in total and intensity. 總耗水量及密度。	Use of Resources — Water Management 資源使用 — 水資源管理
KPI A2.3 ("comply or explain") 關鍵績效指標 A2.3 (「不遵守就解釋」)	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計畫及所得成果。	Use of Resources — Energy Management 資源使用 — 能源管理
KPI A2.4 ("comply or explain") 關鍵績效指標 A2.4 (「不遵守就解釋」)	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計畫及所得成果。	Use of Resources — Water Management 資源使用 — 水資源管理
KPI A2.5 ("comply or explain") 關鍵績效指標 A2.5 (「不遵守就解釋」)	Total packaging material used for finished products (in tonnes) and with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及每生產單位占量。	Use of Resources — Use of Packaging Materials 資源使用 — 包裝材料使用

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Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect A3: The Environment and Natural Resources 層面 A3：環境及天然資源		
General Disclosure 一般披露	Policies on 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 Environment and Natural Resources 環境及天然資源
KPI A3.1 ("comply or explain") 關鍵績效指標 A3.1 (「不遵守就解釋」)	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	The Environment and Natural Resources — Working Environment 環境及天然資源 — 工作環境
Aspect B1: Employment 層面 B1：僱傭		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、多元化、平等機會、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。	Employment 僱傭
KPI B1.1 ("recommended disclosure") 關鍵績效指標 B1.1 (「建議披露」)	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	Employment 僱傭

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B2: Health and Safety 層面 B2：健康與安全		
General Disclosure 一般披露	Information on: (a) the policies; and (b) Anti-corruption 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。	Health and Safety 健康與安全
KPI B2.1 ("recommended disclosure") 關鍵績效指標 B2.1 (「建議披露」)	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	Health and Safety 健康與安全
KPI B2.2 ("recommended disclosure") 關鍵績效指標 B2.2 (「建議披露」)	Lost days due to work injury. 因工傷損失工作日數。	Health and Safety 健康與安全
KPI B2.3 ("recommended disclosure") 關鍵績效指標 B2.3 (「建議披露」)	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Health and Safety 健康與安全

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Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B3: Development and Training 層面 B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Development and Training 發展與培訓
KPI B3.1 ("recommended disclosure") 關鍵績效指標 B3.1 (「建議披露」)	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	Development and Training 發展與培訓
KPI B3.2 ("recommended disclosure") 關鍵績效指標 B3.2 (「建議披露」)	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Development and Training 發展與培訓
Aspect B4: Labour Standards 層面 B4：勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 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。	Labour Standards 勞工準則
KPI B4.1 ("recommended disclosure") 關鍵績效指標 B4.1 (「建議披露」)	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	Labour Standards 勞工準則
KPI B4.2 ("recommended disclosure") 關鍵績效指標 B4.2 (「建議披露」)	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Labour Standards 勞工準則

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Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
KPI B5.1 ("recommended disclosure") 關鍵績效指標 B5.1 (「建議披露」)	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Supply Chain Management 供應鏈管理
KPI B5.2 ("recommended disclosure") 關鍵績效指標 B5.2 (「建議披露」)	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	Supply Chain Management 供應鏈管理

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Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B6: Product Responsibility 層面 B6：產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任
KPI B6.1 ("recommended disclosure") 關鍵績效指標 B6.1 (「建議披露」)	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	Product Responsibility 產品責任
KPI B6.2 ("recommended disclosure") 關鍵績效指標 B6.2 (「建議披露」)	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Product Responsibility 產品責任
KPI B6.3 ("recommended disclosure") 關鍵績效指標 B6.3 (「建議披露」)	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Product Responsibility 產品責任
KPI B6.4 ("recommended disclosure") 關鍵績效指標 B6.4 (「建議披露」)	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	Product Responsibility 產品責任
KPI B6.5 ("recommended disclosure") 關鍵績效指標 B6.5 (「建議披露」)	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Product Responsibility 產品責任

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Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
Aspect B7: Anti-corruption 層面 B7：反貪污		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Anti-corruption 反貪污
KPI B7.1 ("recommended disclosure") 關鍵績效指標 B7.1 (「建議披露」)	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Anti-corruption 反貪污
KPI B7.2 ("recommended disclosure") 關鍵績效指標 B7.2 (「建議披露」)	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Anti-corruption 反貪污
Aspect B8: Community Investment 層面 B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Grant Thornton
致同

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHONG FAI JEWELLERY GROUP HOLDINGS COMPANY LIMITED

(Formerly known as Dominate Group Holdings Company Limited)
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Chong Fai Jewellery Group Holdings Company Limited (formerly known as Dominate Group Holdings Company Limited) (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 100 to 191, which comprise the consolidated statement of financial position as at 31 March 2020 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

獨立核數師報告

致創輝珠寶集團控股有限公司

(前稱 Dominate Group Holdings Company Limited)

(於開曼群島註冊成立的有限公司)

全體股東

意見

吾等已審計載於第100至191頁創輝珠寶集團控股有限公司(前稱 Dominate Group Holdings Company Limited)(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於2020年3月31日的綜合財務狀況報表及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映了貴集團於2020年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例妥為擬備。

INDEPENDENT AUDITOR'S REPORT

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BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Key audit matter

關鍵審計事項

Valuation of inventories

We identified valuation of inventories as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the judgements associated with determining the amount of allowances on inventories.

吾等將存貨估值識別為一項關鍵審計事項，原因為結餘對綜合財務報表整體連同有關釐定存貨撥備金額的判斷的重要性。

意見的基礎

吾等已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審計。吾等在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則（「守則」），吾等獨立於貴集團，並已履行守則中的其他專業道德責任。吾等相信，吾等所獲得的審計憑證能充分及適當地為吾等的審計意見提供基礎。

關鍵審計事項

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

How the matter was addressed in our audit

吾等的審計如何處理有關事項

存貨估值

Our procedures in relation to the valuation of inventories included:

吾等有關存貨估值的程序包括：

- understanding the Group’s internal controls over valuation of inventories;
了解 貴集團內部控制存貨估值；
- understanding how management identifies slow-moving inventories and the amount of allowances required, and management’s process in monitoring the quality of the work of the independent professional gemmologist appointed;

了解管理層如何識別滯銷存貨及撥備所需金額，以及管理層監控獲委任獨立專業寶石鑑定師工作質素的程序；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審計事項

Valuation of inventories

As disclosed in Note 4 to the consolidated financial statements, in estimating the amount of allowances on inventories, it is the Group's policy to review the net realisable values of inventories periodically with reference to current market condition and the historical experience in selling goods of similar nature. The Group's management reviewed, on a regular basis, the suitability of its inventory allowance policy and has applied the policy consistently. The Group's management also reviewed, on a regular basis, the inventory age listing to identify any slow-moving inventories and estimated the amount of allowances primarily based on the pricing policy and strategies and the historical experience in selling goods of similar nature. The Group also engaged an independent professional gemologist to perform valuation and assess the conditions of certain items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation.

誠如綜合財務報表附註4所披露，就估計存貨撥備而言，貴集團的政策為參照現時市況及銷售性質相似的貨品的過往經驗以定期檢討存貨可變現淨值。貴集團管理層定期檢討其存貨撥備政策的合適性，並已經一致應用有關政策。貴集團管理層亦定期檢閱貨齡清單，判別任何滯銷存貨，並主要按定價政策及策略以及過往銷售性質相似貨品的經驗估計撥備金額。此外，貴集團亦委聘獨立專業珠寶鑑定師以進行估值，並參照國際鑽石價格、其專業知識及現時市況，對珠寶鑲嵌首飾的寶石測試進行估值以評核若干存貨的狀況。

At 31 March 2020, the carrying amount of inventories was HK\$61,526,000 (net of allowance for inventories of HK\$2,090,000).

於2020年3月31日，存貨的賬面值為61,526,000港元(扣除存貨撥備2,090,000港元)。

How the matter was addressed in our audit

吾等的審計如何處理有關事項

存貨估值

- assessing the appropriateness of allowances on inventories made by the management and the accuracy of the net realisable values by comparing the subsequent selling prices of similar products less estimated completion and disposal cost to be incurred, to their carrying amounts on a sample basis;

評估管理層所作存貨撥備的合適性，並透過將其後類似產品的銷售價格減估計完成及將產生的出售成本與其賬面值作出比較，抽樣評估可變現淨值的準確性；

- evaluating the competence, capabilities and objectivity of the independent professional gemologist and obtaining an understanding of the scope of work and their terms of engagement;

評價獨立專業寶石鑑定師的資歷、能力及客觀性，並了解其工作範疇及彼等的委聘條款；

- evaluating the appropriateness of the valuation prepared by the independent professional gemologist with reference to international diamond price references for selected gem-set jewellery products and market research reports on jewellery industry, on a sample basis;

抽樣評價經獨立專業寶石鑑定師參考選定寶石鑲嵌珠寶產品的國際鑽石價格及寶石行業的市場研究報告所編製的估值的合適性；

- attending the annual physical inventory count at year end date with assistance of an independent professional gemologist engaged by us to compare the net realisable values of certain jewellery items held by the Group with their cost;

在由我們委聘的獨立專業寶石學家的協助下，於年結日參與年度實物存貨盤點，從而將本集團持有的若干珠寶首飾的可變現淨值與成本相比較。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審計事項

Valuation of inventories

How our audit addressed the key audit matter

吾等的審計如何處理有關事項

存貨估值

- checking the accuracy of the inventory age listing, on a sample basis, by tracing to the invoices and delivery documents;

透過追查發票及交付文件，抽樣檢查存貨賬齡的準確性；

- assessing the reasonableness of the allowances on identified slow-moving non-diamond gem-set jewellery products by checking the aging profile, historical sales pattern and the subsequent sales of these inventories;

透過檢查逾期日數、過往銷售模式及其後該等存貨的銷售，評估已判別為滯銷的非鑽石寶石鑲嵌珠寶產品；

- evaluating the historical accuracy of allowances on inventories assessed by the management by comparing the actual loss to historical allowances recognised

評價由管理層透過比較實際虧損與已確認過往撥備，以評估存貨撥備的歷史準確性。

- checking the accuracy of the inventory age listing, on a sample basis, by tracing to the invoices and delivery documents;

透過追查發票及交付文件，抽樣檢查存貨賬齡的準確性；

- assessing the reasonableness of the allowances on identified slow-moving non-diamond gem-set jewellery products by checking the aging profile, historical sales pattern and the subsequent sales of these inventories; and

透過檢查逾期日數、過往銷售模式及其後該等存貨的銷售，評估已判別為滯銷的非鑽石寶石鑲嵌珠寶產品；及

- evaluating the historical accuracy of allowances on inventories assessed by the management by comparing the actual loss to historical allowances recognised

評價由管理層透過比較實際虧損與已確認過往撥備，以評估存貨撥備的歷史準確性。

INDEPENDENT AUDITOR'S REPORT

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OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all the information included in the 2019/2020 annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS 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 directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事需對其他資料負責。其他資料包括列載於2019/2020年年報內的全部資料，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的鑒證結論。

結合吾等對綜合財務報表的審計，吾等的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或吾等在審計過程中所了解的情況存在重大抵觸或者似乎另外存在重大錯誤陳述的情況。基於吾等已執行的工作，如果吾等認為其他資料存在重大錯誤陳述，吾等需要報告該事實。在這方面，吾等沒有任何報告。

董事就綜合財務報表須承擔的責任

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

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

獲審核委員會協助的董事負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

吾等的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照吾等所協定的委聘條款僅向全體股東出具包括吾等意見的核數師報告，除此以外，吾等的報告不可用作其他用途。吾等並不就本報告之內容對任何其他人士負上或承擔責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述被視作重大。

在根據香港審計準則進行審計的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。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.
- 就董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果吾等結論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，或假若有關披露不足，則吾等應當修改意見。吾等的結論是基於核數師報告日期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公平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，以對綜合財務報表發表意見。吾等負責 貴集團審計的方向、監督和執行。吾等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.

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.

除其他事項外，吾等與審核委員會溝通了預設的審計範圍、時間、重大審計發現等，包括吾等在審計中識別出內部控制的任何重大缺陷。

吾等還向審核委員會提交聲明，說明吾等已符合有關獨立性的相關專業道德要求，並與彼等交流有可能合理地被認為會影響吾等獨立性的所有關係和其他事項以及(倘適用)相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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.

從與審核委員會溝通的事項中，吾等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。吾等在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，吾等決定不應在報告中溝通該事項。

Grant Thornton Hong Kong Limited

Certified Public Accountants

Level 12

28 Hennessy Road

Wanchai

Hong Kong

19 June 2020

Ng Ka Kong

Practising Certificate No.: P06919

致同(香港)會計師事務所有限公司

執業會計師

香港

灣仔

軒尼詩道28號

12樓

2020年6月19日

吳嘉江

執業證書編號：P06919

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2020 截至2020年3月31日止年度

			2020 2020年	2019 2019年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	5	119,869	175,589
Cost of goods sold	已售商品成本		(79,005)	(120,248)
Gross profit	毛利		40,864	55,341
Other income	其他收入	6	1,326	458
Other gains or losses	其他收益及虧損	7	255	1,125
Selling and distribution costs	銷售及分銷成本		(30,693)	(28,726)
General and administrative expenses	一般及行政開支		(17,115)	(12,843)
Listing expenses	上市開支		—	(10,082)
Finance costs	財務成本	8	(1,491)	(1,365)
(Loss)/Profit before tax	除稅前(虧損)/溢利	9	(6,854)	3,908
Income tax credit/(expense)	所得稅抵免/(開支)	12	1,370	(1,685)
(Loss)/Profit for the year	年內(虧損)/溢利		(5,484)	2,223
Other comprehensive expense for the year	年內其他全面開支			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>			
Exchange differences arising on translation of a foreign operation	換算外國業務生產的匯兌差額		(690)	(1,569)
Other comprehensive expense for the year, net of income tax	年內其他全面開支(除所得稅後)		(690)	(1,569)
Total comprehensive (expense)/income for the year	年內全面開支/收入總額		(6,174)	654
(Loss)/Earnings per share	每股(虧損)/盈利	10		
Basic (HK cents)	基本(港仙)		(0.73)	0.39

The Group has initially applied HKFRS 16 at 1 April 2019, using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 2.

The notes on pages 106 to 191 are an integral part of these consolidated financial statements.

本集團使用經修改追溯法於2019年4月1日首次應用香港財務報告準則第16號。根據此方式，比較資料未經重列，請見附註2。

第106至191頁的附註為該等綜合財務報表的組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2020 於2020年3月31日

			2020	2019
			2020 年	2019 年
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	15,443	540
Financial asset at fair value through profit or loss ("FVTPL")	按公平值計入損益的金融資產	15	5,195	—
Deferred tax assets	遞延稅項資產	16	2,701	1,491
Rental deposits	租金按金	18	2,886	2,057
			26,225	4,088
Current assets	流動資產			
Inventories	存貨	17	61,526	63,991
Trade and other receivables	貿易及其他應收款項	18	5,918	10,978
Tax recoverable	可收回稅項		237	241
Pledged bank deposit	已抵押銀行存款	19	—	2,200
Bank balances and cash	銀行結餘及現金	19	43,429	75,973
			111,110	153,383
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	20	8,394	20,809
Contract liabilities	合約負債	21	6,074	5,775
Refund liabilities	退款負債	22	477	651
Lease liabilities	租賃負債	23	8,189	—
Tax payable	應付稅項		—	1,080
Bank borrowings	銀行借款	24	25,621	41,377
			48,755	69,692
Net current assets	流動資產淨值		62,355	83,691
Total assets less current liabilities	資產總值減流動負債		88,580	87,779
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	23	6,975	—
Net assets	資產淨值		81,605	87,779

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2020 於 2020年3月31日

			2020 2020年	2019 2019年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	25	7,500	7,500
Reserves	儲備		74,105	80,279
Total equity	權益總額		81,605	87,779

The Group has initially applied HKFRS 16 at 1 April 2019, using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 2.

The notes on pages 106 to 191 are an integral part of these consolidated financial statements.

The financial statements on pages 100 to 191 were approved and authorised for issue by the Board of Directors on 19 June 2020 and are signed on its behalf by:

本集團已於2019年4月1日採用經修訂追溯法初步應用香港財務報告準則第16號。根據此方法，比較資料未經重列。請參閱附註2。

載於第106至191頁的附註為該等綜合財務報表的不可或缺之一部分。

第100至191頁的財務報表於2020年6月19日經董事會批准及授權發佈，並由下列董事代表簽署：

Fu Chun Keung

傅鎮強

DIRECTOR

董事

Cheung Lai Yuk

張麗玉

DIRECTOR

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Share capital	Share premium	Other reserve	Exchange reserve	Retained profits	Sub-total	Non-controlling interests	Total
		股本	股份溢價	其他儲備	匯兌儲備	保留溢利	小計	非控股權益	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 a)					
				(附註a)					
At 1 April 2018	於2018年4月1日	20,030	—	—	1,090	31,404	52,524	859	53,383
Profit for the year	年內溢利	—	—	—	—	2,223	2,223	—	2,223
Exchange differences arising from translation of a foreign operation	換算外國業務產生的匯兌差額	—	—	—	(1,569)	—	(1,569)	—	(1,569)
Total comprehensive (expense)/ income for the year	年內全面(開支)/收入總額	—	—	—	(1,569)	2,223	654	—	654
Dividend declared (Note 13)	宣派股息(附註13)	—	—	—	—	(9,000)	(9,000)	—	(9,000)
Effect of group reorganisation (Note a)	集團重組的影響(附註a)	(20,030)	—	20,489	—	400	859	(859)	—
Capitalisation issue (Note 25(a))	資本化發行(附註25(a))	5,625	(5,625)	—	—	—	—	—	—
Issue of shares upon listing (Note 25(b))	上市後股份發行(附註25(b))	1,875	54,375	—	—	—	56,250	—	56,250
Expenses incurred in connection with the issue of shares upon listing (Note 25(b))	有關於上市後股份發行所產生的開支(附註25(b))	—	(13,508)	—	—	—	(13,508)	—	(13,508)
At 31 March 2019	於2019年3月31日	7,500	35,242	20,489	(479)	25,027	87,779	—	87,779
Loss for the year	年內虧損	—	—	—	—	(5,484)	(5,484)	—	(5,484)
Exchange differences arising from translation of a foreign operation	換算外國業務產生的匯兌差額	—	—	—	(690)	—	(690)	—	(690)
Total comprehensive expense for the year	年內全面開支總額	—	—	—	(690)	(5,484)	(6,174)	—	(6,174)
At 31 March 2020	於2020年3月31日	7,500	35,242	20,489	(1,169)	19,543	81,605	—	81,605

Notes:

- (a) Other reserve represents the difference between paid-in capital and issued share capital of the Company arising from group reorganisation.
- (b) The Group has initially applied HKFRS 16 at 1 April 2019, using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 2.

The notes on pages 106 to 191 are an integral part of these consolidated financial statements.

附註：

- (a) 其他儲備指集團重組產生之本公司實收股本與已發行股本之間之差異。
- (b) 本集團已於2019年4月1日採用經修訂追溯法初步應用香港財務報告準則第16號。根據此方法，比較資料未經重列。請參閱附註2。

載於第106至191頁的附註為該等綜合財務報表的不可或缺之一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Cash flows from operating activities	經營活動所產生的現金流		
(Loss)/Profit before tax	除稅前(虧損)/溢利	(6,854)	3,908
Adjustments for:	經調整：		
Depreciation on property, plant and equipment	物業、廠房及設備折舊	7,876	577
Loss on written-off of property, plant and equipment	撇銷物業、廠房及設備的虧損	1	—
Write down/(reversal) of inventories to net realisable value, net	將存貨撇減/(撥回)至可變現淨值	641	(1,316)
Impairment loss for trade receivables	貿易應收款項減值虧損	35	64
Fair value gain on financial assets at FVTPL, unrealised	按公平值計入損益的金融資產的公平值收益(未變現)	(195)	—
Fair value gain on gold loans at FVTPL, realised	按公平值計入損益的黃金貸款的公平值收益(已變現)	—	(1,070)
Interest expenses	利息開支	1,491	1,365
Interest and dividend income	利息及股息收入	(897)	(140)
Unrealised foreign exchange realignment	未變現匯率調整	(990)	(1,712)
Operating cash flows before working capital changes	營運資金變動前經營現金流	1,108	1,676
Decrease in inventories	存貨減少	1,824	10,430
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	4,196	(670)
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)/增加	(10,062)	2,578
Increase/(decrease) in contract liabilities	合約負債增加/(減少)	299	(45)
(Decrease)/increase in refund liabilities	退款負債(減少)/增加	(174)	371
Cash (used in)/generated from operations	營運(所用)/產生的現金	(2,809)	14,340
Hong Kong Profits Tax paid	已付香港利得稅	(916)	(1,075)
PRC Enterprise Income Tax paid	已付中國企業所得稅	—	(32)
Net cash (used in)/generated from operating activities	經營活動(所用)/產生的現金淨額	(3,725)	13,233

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Cash flows from investing activities		投資活動現金流量	
Purchase of property, plant and equipment	購買物業、廠房及設備	(1,023)	(67)
Purchase of financial assets at FVTPL	購買按公平值計入損益的金融資產	(5,000)	—
Withdrawal of/(Placement of) pledged bank deposit	提取/(存放)已抵押銀行存款	2,200	(2,200)
Repayment from related companies	關聯公司還款	—	3,240
Interest and dividend received	已收利息及股息	897	140
Net cash (used in)/generated from investing activities	投資活動(所用)/產生的現金淨額	(2,926)	1,113
Cash flows from financing activities		融資活動現金流量	
Proceeds from issue of shares	股份發行所得款項	—	56,250
Issue costs paid	已付發行成本	(2,045)	(9,889)
Proceeds from bank loans	銀行貸款所得款項	—	15,500
Repayments of bank loans	償還銀行貸款	(15,756)	(10,177)
Repayment of gold loans at FVTPL	償還按公平值計入損益的黃金貸款	—	(12,193)
Repayment to a non-controlling interest	償還一項非控股權益款項	—	(601)
Payment of lease liabilities	租賃負債的付款	(6,594)	—
Interests paid	已付利息	(1,491)	(1,365)
Dividend paid	已付股息	—	(333)
Net cash (used in)/generated from financing activities	融資活動(所用)所產生現金淨額	(25,886)	37,192
Net (decrease)/increase in cash and cash equivalents		現金及現金等價物(減少)/增加淨額	
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	75,973	24,463
Effect of foreign exchange rate changes	外匯匯率變動影響	(7)	(28)
Cash and cash equivalents at end of the year	年末現金及現金等價物	43,429	75,973

The Group has initially applied HKFRS 16 at 1 April 2019, using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 2.

The notes on pages 106 to 191 are an integral part of these consolidated financial statements.

本集團已於2019年四月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料未經重列。請見附注2。

第106頁至191頁所載的附注為該等綜合財務報表的組成部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

1. GENERAL

Chong Fai Jewellery Group Holdings Company Limited (formerly known as Dominate Group Holdings Company Limited) (the “Company”) is a public limited company incorporated in the Cayman Islands on 11 January 2018 and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business of the Company is at No. 6-13 Faerie Court, 80 Ko Shan Road, Hunghom, Kowloon, Hong Kong.

The immediate holding company and ultimate holding company of the Company is Mythe Group Holdings Company Limited which was incorporated in the British Virgin Islands (the “BVI”). Its ultimate controlling party is Mr. Fu Chun Keung (“Mr. Fu”).

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) include the production, retail and wholesale of jewellery products and the trading of recycled gold products. The principal activities of its principal subsidiaries are set out in Note 33.

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

1. 一般資料

創輝珠寶集團控股有限公司(前稱為 Dominate Group Holdings Company Limited(「本公司」))於2018年1月11日於開曼群島註冊成立為公眾有限公司。其股份於香港聯合交易所有限公司(「聯交所」)GEM上市。本公司註冊辦事處之地址為PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，以及本公司主要營業地點之地址為香港九龍紅磡高山道80號富怡閣6-13號。

本公司直接控股公司及最終控股公司為於英屬處女群島(「英屬處女群島」)註冊成立的Mythe Group Holdings Company Limited。其最終控制方為傅鎮強先生(「傅先生」)。

本公司為投資控股公司。本公司及其附屬公司(「本集團」)包括生產、零售及批發珠寶產品及買賣回收黃金產品。主要附屬公司的主要活動載於附註33。

綜合財務報表以港元(「港元」)呈列，與本公司功能貨幣相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2019

In the current year, the Group has applied for the first time the following new and amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2019:

HKFRS 16	Leases
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments

Other than as noted below, the adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

HKFRS 16 “Leases”

HKFRS 16 “Leases” replaces HKAS 17 “Leases” along with three Interpretations, HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease”, HK(SIC)-Int15 “Operating Leases-Incentives” and HK(SIC)-Int27 “Evaluating the Substance of Transactions Involving the Legal Form of a Lease”. HKFRS 16 has been applied using the modified retrospective approach, with the cumulative effect of adopting HKFRS 16 being recognised in equity as an adjustment to the opening balance of retained profits for the current period. Prior periods have not been restated.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於2019年4月1日或之後開始的年度期間生效的新訂及經修訂香港財務報告準則

於本年度，本集團首次應用香港會計師公會所頒佈與編製本集團業務營運息息相關並就於2019年4月1日開始的年度期間的綜合財務報表生效的下列新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃
香港財務報告準則第9號的修訂	具負補償特性的提早還款
香港會計準則第19號的修訂	計劃修訂、縮減或結清
香港會計準則第28號的修訂	於聯營公司及合營公司的長期權益
香港財務報告準則的修訂	香港財務報告準則2015年至2017年週期的年度改進
香港(國際財務報告詮釋委員會) — 詮釋第23號	所得稅處理的不確定性

除下文所述者外，採納新訂及經修訂香港財務報告準則對本期間及過往期間的業績及財務狀況的編製及呈列方式並無重大影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號「租賃」取代香港會計準則第17號「租賃」連同三項詮釋(香港(國際財務報告詮釋委員會) — 詮釋第4號「釐定安排是否包含租賃」、香港(準則詮釋委員會) — 詮釋第15號「經營租賃 — 優惠」及香港(準則詮釋委員會) — 詮釋第27號「評估涉及法律形式租賃的交易的內容」)。香港財務報告準則第16號已使用經修訂追溯法應用，採納香港財務報告準則第16號的累計影響已於權益確認為本期間保留溢利的期初結餘的調整。過往期間未經重列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2019 — *continued*

HKFRS 16 “Leases” — *continued*

For contracts in place at the date of initial application, the Group has elected to apply the definition of a lease from HKAS 17 and HK(IFRIC)-Int 4 and has not applied HKFRS 16 to arrangements that were previously not identified as lease under HKAS 17 and HK(IFRIC)-Int 4.

As a Lessee

The Group has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of HKFRS 16, being 1 April 2019. At this date, the Group has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Group has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of HKFRS 16.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months, the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

On transition to HKFRS 16, the Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The weighted average incremental borrowing rate applied to lease liabilities recognised under HKFRS 16 was 3.13%.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) — *續*

於2019年4月1日或之後開始的年度期間生效的新訂及經修訂香港財務報告準則 — *續*

香港財務報告準則第16號「租賃」 — *續*

就於首次應用日期已存續的合約，本集團選擇應用香港會計準則第17號及香港(國際財務報告詮釋委員會) — 詮釋第4號項下的租賃定義，且對先前並未根據香港會計準則第17號及香港(國際財務報告詮釋委員會) — 詮釋第4號定義為租賃的安排並無應用香港財務報告準則第16號。

作為承租人

就於香港財務報告準則第16號首次應用日期(即2019年4月1日)已存續的經營租賃，本集團選擇於計量使用權資產時不計初始直接成本。於當日，本集團亦選擇按相等於租賃負債的金額(就於過渡日期存在的任何預付或應計租金予以調整)計量使用權資產。

本集團根據其於緊接首次應用香港財務報告準則第16號日期前所作有關租賃是否繁重的過往評估，而非於首次應用日期對使用權資產進行減值審視。

於過渡時，就先前入賬為餘下租期少於12個月的經營租賃的租賃而言，本集團已應用選擇性豁免不確認使用權資產，惟租賃開支按直線法以餘下租賃年期入賬。

於過渡至香港財務報告準則第16號時，本集團對具有合理相似特徵的租賃組合採用單一折現率。根據香港財務報告準則第16號確認的租賃負債適用的加權平均遞增借款率為3.13%。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2019 — *continued*

HKFRS 16 “Leases” — *continued*

As a Lessee — continued

The following is a reconciliation of total operating lease commitments at 31 March 2019 to the lease liabilities recognised at 1 April 2019:

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) — 續

於2019年4月1日或之後開始的年度期間生效的新訂及經修訂香港財務報告準則 — 續

香港財務報告準則第16號「租賃」 — 續

作為承租人 — 續

以下為於2019年3月31日的經營租賃承擔總額與於2019年4月1日確認的租賃負債的對賬：

		HK\$'000 千港元
Total operating lease commitments disclosed at 31 March 2019	於2019年3月31日披露的經營租賃承擔總額	21,488
Recognition exemption — Leases with remaining lease term of 12 months or less	確認豁免：餘下租期為12個月或以下的租賃	(4,042)
Operating leases liabilities before discounting	於貼現前的經營租賃負債	17,446
Discounting using incremental borrowing rate as at 1 April 2019	使用2019年4月1日的增量借貸利率貼現	(784)
Total lease liabilities recognised under HKFRS 16 at 1 April 2019	於2019年4月1日根據香港財務報告準則第16號確認的租賃負債總額	16,662
Classified as:	分類為：	
Current lease liabilities	流動租賃負債	10,712
Non-current lease liabilities	非流動租賃負債	5,950
		16,662

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2019 — continued

Total impact arising from transition to HKFRS 16

The following table summarises the impact of transition to HKFRS 16 on the Group's consolidated statement of financial position at 1 April 2019:

Increase in right-of-use assets presented in property, plant and equipment	呈列於物業、廠房及設備的使用權資產的增加	16,662
Increase in lease liabilities	租賃負債的增加	16,662

Issue but not yet effective HKFRSs

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) — 續

於2019年4月1日或之後開始的年度期間生效的新訂及經修訂香港財務報告準則 — 續

過渡至香港財務報告準則第16號產生的影響總額

下表概述過渡至香港財務報告準則第16號對本集團於2019年4月1日的綜合財務狀況表的影響：

HK\$'000
千港元

已頒佈但尚未生效之香港財務報告準則

於此等綜合財務報表之授權日期，若干新訂及經修訂香港財務報告準則已獲公佈但尚未生效，且尚未由本集團提前採納。

香港財務報告準則第17號	保險合約 ²
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營公司之間的資產出售或注資 ³
香港財務報告準則第3號的修訂	業務的定義 ⁴
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號的修訂	利率基準改革 ¹
香港財務報告準則第16號的修訂	與2019冠狀病毒病有關的租金寬減 ⁵
香港會計準則第1號及香港會計準則第8號的修訂	重大的定義 ¹

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

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

Issue but not yet effective HKFRSs — *continued*

- ¹ Effective for annual periods beginning on or after 1 January 2020
- ² Effective for annual periods beginning on or after 1 January 2021
- ³ Effective date not yet determined
- ⁴ Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- ⁵ Effective for annual periods beginning on or after 1 June 2020

The directors anticipate that all of the pronouncements will be adopted in the Group’s accounting policy for the first period beginning on or after the effective date of the pronouncement. The application of all new, amendments to HKFRSs and new interpretation will have no material impact on the consolidated financial statements in the foreseeable future.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation and presentation

These annual consolidated financial statements have been prepared in accordance with HKFRSs which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the accounting principles generally accepted in Hong Kong.

The financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“Listing Rules”).

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) — 續

已頒佈但尚未生效之香港財務報告準則 — 續

- ¹ 於2020年1月1日或之後開始的年度期間生效
- ² 於2021年1月1日或之後開始的年度期間生效
- ³ 生效日期尚未釐定
- ⁴ 業務合併及資產收購於2020年1月1日或之後開始的首個年度期間開始當日或之後的收購日期生效
- ⁵ 於2020年6月1日或之後開始的年度期間生效

董事預期所有準則將於該等準則生效日期或之後開始的首個期間應用於本集團的會計政策。應用所有新訂及經修訂香港財務報告準則以及新詮釋將不會於可預見未來對綜合財務報表造成任何重大影響。

3. 主要會計政策

3.1 編製及呈列基準

該等年度綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(該統稱包括所有適用的個別香港財務報告準則、香港會計準則及詮釋)及香港公認會計準則編製。

財務報表亦符合香港公司條例的適用披露規定，並包括香港聯合交易所有限公司GEM證券上市規則(「上市規則」)的適用披露規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.1 Basis of preparation and presentation — *continued*

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss that are measured at fair values at the end of the reporting period. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. 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 4.

In preparation of initial listing of the Company on GEM of the Stock Exchange, the companies now comprising the Group underwent the group reorganisation as detailed in the Prospectus of the Company. The Company became the holding company of the companies now comprising the Group on 12 April 2018. The Company and its subsidiaries have been under common control of Mr. Fu throughout the year ended 31 March 2019, or since their respective dates of incorporations, where there is a shorter period. Accordingly, the consolidated financial statements have been prepared on the basis as if the Company had always been the holding company of the Group. Therefore, the group reorganisation is considered as a business combination under common control and accounted for under merger accounting.

The consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the companies now comprising the Group for the year have been prepared as if the Company had always been the holding company of the Group and the current group structure has been in existence throughout the year ended 31 March 2019, or since their respective dates of the incorporation.

3. 主要會計政策 — 續

3.1 編製及呈列基準 — 續

綜合財務報表乃按歷史成本基準編製，惟按公平值計入損益的金融資產則按報告期末的公平值計量。計量基準於下文會計政策內詳述。

謹請注意，編製綜合財務報表時曾採用會計估計及假設。儘管該等估計乃基於管理層對當前事件及行動的最佳理解及判斷而作出，惟實際結果最終可能有別於該等估計。涉及高度判斷或極為複雜的範疇，或有關假設及估計對綜合財務報表有重大影響的範疇於附註4內披露。

為籌備本公司於聯交所GEM首次上市，現時組成本集團各公司進行了集團重組有關重組的詳盡論述載於本公司的招股章程。本公司於2018年4月12日成為現時組成本集團各公司的控股公司。於截至2019年3月31日止整個年度或自本公司及其附屬公司各自註冊成立日期(以較短者為準)以來，本公司及其附屬公司一直由傅先生共同控制。因此，編製綜合財務報表時乃按猶如本公司一直為本集團控股公司的基準進行。因此，集團重組被視為共同控制項下的業務合併。

當前構成本集團的有關公司的本年度綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表已獲編製，猶如於截至2019年3月31日止年度，或該等公司各自的註冊成立日期起，本公司始終為本集團的控股公司且現有集團架構始終存在。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the entities comprising the Group. Control is achieved when the Company:

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

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

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

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

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

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

3. 主要會計政策 — 續

3.2 綜合基準

綜合財務報表包括組成本集團的實體的財務報表。本公司在下列情況下取得控制權：

- 具有對投資對象的權力；
- 因參與投資對象業務而承擔可變回報的風險或享有可變回報的權利；及
- 能夠使用其權力以影響其回報。

倘事實及情況顯示上文所列控制權的三項元素的一項或多項有變，則本集團重新評估其是否控制投資對象。

附屬公司於本集團取得該附屬公司的控制權時綜合入賬，並於本集團喪失該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日止，於年內收購或出售的附屬公司收支均計入綜合損益及其他全面收益表。

損益及各其他全面收入項目乃歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

如有需要，附屬公司的財務報表將予調整，使其會計政策與本集團的會計政策一致。

所有集團內公司間資產及負債、權益、收入、開支以及本集團各成員公司間交易的現金流量於綜合入賬時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.2 Basis of consolidation — *continued*

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

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss. Cost also includes direct attributable costs of investment.

The results of subsidiaries are accounted for by the Group on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Group's profit or loss.

3.3 Merger accounting for business combination involving entities under common control

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

The net assets of the combining entities or businesses are combined using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

3. 主要會計政策 — 續

3.2 綜合基準 — 續

於附屬公司的非控股權益與本集團其中的股本分開列賬，為賦予其持有人權利於清盤時按比例分佔相關附屬公司資產淨值的當前所有權權益。

於本公司財務狀況表內，附屬公司乃按成本減任何減值虧損列賬。成本亦包括投資直接應佔成本。

附屬公司的業績由本集團按報告日期的已收及應收股息入賬。所有股息(不論從投資對象收購前或收購後的溢利中獲取)均於本集團的損益內確認。

3.3 涉及共同控制實體的業務合併的合併會計

當共同控制合併發生時，綜合財務報表載有合併實體或業務的財務報表項目，猶如合併實體或業務在首次處於控制方的控制下當日已經合併。

從控制方的角度，合併實體或業務的資產淨值使用現有賬面值合併。在控制方權益持續情況下，於共同控制合併時產生的商譽或收購方應佔被收購方可識別資產、負債及或然負債的公平值淨值超過於共同控制合併時的收購成本金額不予確認。

綜合損益及其他全面收益表包括由最早呈列日期或合併實體或業務首次受共同控制的日期(以較短者為準，而不論共同控制合併的日期)起各合併實體或業務的業績。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.4 Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, as recognised in profit or loss in the period in which they arise.

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

3.5 Revenue recognition

Revenue arises mainly from the sales of jewellery products.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price

3. 主要會計政策 — 續

3.4 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）結算的交易乃按交易當日的現行匯率確認。於報告期末，以外幣列值的貨幣項目會按該日的現行匯率重新換算。按外幣歷史成本計量的非貨幣項目則毋須重新換算。

因結算貨幣項目及重新換算貨幣項目而產生的匯兌差額均於產生期間於損益內確認。

為呈列綜合財務報表，本集團外國業務的資產及負債按各報告期末的現行匯率換算為本集團的呈列貨幣（即港元）。收入及開支項目則按年內平均匯率換算，除非匯率於期內大幅波動，在此情況下，則採用交易當日的現行匯率。所產生的匯兌差額（如有）於其他全面收益內確認，並於匯兌儲備項下權益內累計。該等於股本中累積的匯兌差額於出售外國業務期間分類至損益。

3.5 收益確認

收益主要來自銷售珠寶產品。

為釐定是否確認收益，本集團遵循五個步驟程序：

1. 確立與客戶訂立的合約
2. 確立履約責任
3. 釐定交易價格

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.5 Revenue recognition — *continued*

4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

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

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

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

Further details of the Group's revenue and other income recognition policies are as follows:

3. 主要會計政策 — 續

3.5 收益確認 — 續

4. 將交易價格分配至履約責任
5. 當/於實體完成履約責任時確認收益

在所有情況下，合約的總交易價格乃按履約責任的相對獨立售價分配至各項履約責任。合約的交易價格不包括代表第三方收取的任何金額。

當(或於)本集團透過向其客戶轉移約定商品或服務完成履約責任時，收益會於某一時點或於一段時間內確認。

倘符合下列其中一項標準，控制權隨時間轉移，而收入確認會按隨時間已完成相關履約責任的進度進行：

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

否則，收入會在客戶獲得可區分的貨品或服務的控制權時在某一時點確認。

有關本集團收益及其他收入確認政策的更多詳情載列如下：

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.5 Revenue recognition — *continued*

Sales of jewellery products

Revenue is recognised at a point in time when the jewellery products are delivered to the customers and the respective controls have been passed.

Provision of jewelcrafting services

The revenue is recognised at a point in time when the jewelcrafting services are rendered.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using the expected value method.

Refund liabilities

The Group would estimate the sales return at the time of sale at a portfolio level (expected value method) based on its historical experience and recognises a refund liability if the Group expects to refund some or all of the consideration received from customers.

Contract liabilities

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

3.6 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate.

Government grants relating to income is presented in gross under other income in the consolidated statement of profit or loss and other comprehensive income.

3. 主要會計政策 — 續

3.5 收益確認 — 續

銷售珠寶產品

在將珠寶產品交付予客戶及相關控制權已轉移之時確認收益。

提供珠寶加工服務

收益會在提供珠寶加工服務時在某一時點確認。

可變代價

對於包含可變代價的合約，本集團使用預期價值法進行估計。

退款負債

當按組合層面銷售時，本集團會基於其過往經驗估計銷售退貨(預期價值法)；倘本集團預期將退回部分或全部自客戶獲取的代價，則會確認退款負債。

合約負債

合約負債指本集團因已自客戶收取代價(或代價到期應收)，而須轉讓貨品或服務予本集團客戶的義務。

3.6 政府補助

當可合理保證政府給予的補助將可收取及本集團將遵守所有附帶條件時，政府補助會按公平值確認。政府補助會遞延入賬，並於將政府補助與其擬補償成本配對的所需期間於損益內遞延及確認。

與成本有關的政府補助於綜合損益及其他全面收益表內其他收入項下以總額列示。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.7 Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any. The cost of right-of-use assets are determined in accordance with note 3.15.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Upon the application of HKFRS 16, accounting policy for depreciation of right-of-use assets is set out in note 3.16.

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

3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 主要會計政策 — 續

3.7 物業、廠房及設備

物業、廠房及設備乃按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表列示。使用權資產的成本乃根據附註3.15釐定。

折舊於估計可使用年期以直線法確認以撇銷物業、廠房及設備項目的成本再減其剩餘價值。

估計可使用年期、剩餘價值及折舊方法於各報告期末進行檢討，而任何估計變動的影響按前瞻基準入賬。應用香港財務報告準則第16號後，有關使用權資產折舊的會計政策載於附註3.16。

物業、廠房及設備項目乃於出售或預期繼續使用該資產將不會產生任何未來經濟利益時終止確認。處置或報廢一項物業、廠房及設備項目產生的任何收益或虧損，應按出售所得款項與該資產賬面金額之間的差額予以釐定，並於損益中確認。

3.8 借款成本

因收購、興建或生產合資格資產(即需相當長時間方可用作擬定用途或出售的資產)而直接產生的借款成本會撥入該等資產的成本，直至資產大致上可用作擬定用途或出售為止。

所有其他借款成本於產生期間於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.9 Inventories

Inventories are stated at the lower of cost and net realisable values. Cost is determined using weighted average method for gold jewellery products and specific identification basis for other jewellery products. Net realisable values represent the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.10 Provisions

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

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. 主要會計政策 — 續

3.9 存貨

存貨按成本與可變現淨值兩者中的較低者列賬。就黃金珠寶產品而言，成本按加權平均法釐定，而就其他珠寶產品而言，成本按特定識別基準釐定。可變現淨值指存貨估計售價減估計完成所需全部成本以及銷售所需成本。

3.10 撥備

倘本集團因過往事項致使現時負有責任(法律或推定責任)，並很可能須結付該責任，且能就該數額作出可靠估計時，須確認撥備。

確認為撥備的金額為報告期末對履行現時責任所需代價的最佳估計，並經計及該項責任所附帶的風險及不確定因素計量。當使用估計現金流量計算撥備以結清現時責任，則其賬面值為該等現金流量的現值(當金錢時間值影響為重大)。本集團於各報告日期檢討所有撥備並作出調整，以反映當前最佳估計。

當要求部分或全部經濟利益以結清預期將會由第三方收回的撥備，倘大致確定將可獲償付及應收賬款金額可作可靠計量，則將應收賬款確認為資產。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.11 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of its risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets

Classification and initial measurement of financial assets

Except for those receivables that do not contain a significant financing component and are measured at the transaction price in accordance with HKFRS 15, all financial assets are initially measured at fair value, in case of a financial asset not at FVTPL, plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the consolidated statement of profit or loss and other comprehensive income.

Financial assets are classified into amortised cost or FVTPL.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, other income or other gains and losses.

3. 主要會計政策 — 續

3.11 金融工具

確認及終止確認

金融資產及金融負債於本集團成為金融工具合約條文的訂約方時確認。

金融資產於自金融資產收取現金流量的合約權利屆滿時或金融資產及其絕大部分風險及回報經已轉讓時終止確認。金融負債則於其獲消除、解除、撤銷或屆滿時終止確認。

金融資產

金融資產的分類及初步計量

除不包含重大融資部分且根據香港財務報告準則第15號按交易價格計量的應收款項外，所有金融資產初步按公平值計量，倘並非按公平值計入損益的金融資產，則另加收購金融資產的直接應佔交易成本。按公平值計入損益的金融資產的交易成本於綜合損益及其他全面收益表內支銷。

金融資產可分類為按攤銷成本列賬或按公平值計入損益。

有關分類乃根據下列兩項準則釐定：

- 實體管理金融資產的業務模式；及
- 金融資產的合約現金流量特徵。

所有於損益內確認與金融資產有關的收入及開支乃於財務成本、其他收入或其他收益及虧損內呈列。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.11 Financial instruments — *continued*

Financial assets — *continued*

Subsequent measurement of financial assets

Debt investments

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in other income in profit or loss. Discounting is omitted where the effect of discounting is immaterial.

The Group's bank balances and cash, pledged bank deposits, rental deposits, trade and other receivables fall into this category of financial instruments.

3. 主要會計政策 — 續

3.11 金融工具 — 續

金融資產 — 續

金融資產的其後計量

債務投資

按攤銷成本列賬的金融資產

倘金融資產符合下列條件(且並非指定為按公平值計入損益)，則該等金融資產會按攤銷成本計量：

- 在以收取合約現金流量為目的而持有金融資產的業務模式下持有金融資產；及
- 金融資產的合約條款所產生的現金流量僅為支付本金及未償還本金的利息。

於初步確認後，該等資產使用實際利率法按攤銷成本計量。該等金融資產的利息收入將計入損益內的其他收入。倘貼現影響並不重大，則貼現可忽略不計。

本集團銀行結餘及現金、已抵押銀行存款、租金按金以及貿易及其他應收款項均屬於此類金融工具。

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3. SIGNIFICANT ACCOUNTING POLICIES — *continued*

3.11 Financial instruments — *continued*

Financial assets — *continued*

Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment, the Group elects to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income and accumulated in reserve in equity. Such elections are made on an instrument-by-instrument basis, but only be made if the investment meets the definition of equity from the issuer's perspective.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Dividends are included in the other income in profit or loss.

3. 主要會計政策 — 續

3.11 金融工具 — 續

金融資產 — 續

股本投資

股本證券投資分類為按公平值計入損益，除非股本投資並非持作買賣用途，且於初步確認投資時，本集團選擇指定投資為按公平值計入其他全面收益(不可劃轉)，以致公平值的其後變動於其他全面收益內確認，並於權益中儲備內累計。有關選擇乃按個別工具情況作出，惟僅在發行人認為投資符合權益定義的情況下方可作出。

當本集團確立收取股息的權利時，該等股本工具投資的股息會於損益內確認。股息將計入損益內其他收入。

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For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.11 Financial instruments — *continued*

Financial liabilities

Classification and measurement of financial liabilities

The Group's financial liabilities include bank borrowings, lease liabilities and trade and other payables.

Financial liabilities (other than lease liabilities) are initially measured at fair value, and, where applicable, adjusted for transaction costs.

Subsequently, financial liabilities (other than lease liabilities) are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs.

Accounting policies of lease liabilities are set out in Note 3.15.

Bank borrowings

Borrowings are recognised 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 profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Other financial liabilities

They are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 — 續

3.11 金融工具 — 續

金融負債

金融負債的分類及計量

本集團的金融負債包括銀行借款、租賃負債以及貿易及其他應付款項。

金融負債(租賃負債除外)初步按公平值計量，並(倘適用)就交易成本作出調整。

其後，金融負債(租賃負債除外)使用實際利率法按攤銷成本計量。

所有利息相關費用及(倘適用)於損益列賬的工具公平值變動均會計入財務成本。

租賃負債的會計政策載於附註3.15。

銀行借款

借款初步按公平值確認，並扣除所產生的交易成本。借款其後按攤銷成本列賬，而所得款項(扣除交易成本)與贖回價值之間的任何差額會於借款期間內使用實際利率法於損益內確認。

除非本集團有無條件權利將負債的結算延後至報告日期後最少十二個月，否則借款會分類為流動負債。

其他金融負債

其他金融負債初步按公平值確認，其後則使用實際利率法按攤銷成本計量。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.12 Impairment of financial assets

HKFRS 9's impairment requirements use more forward-looking information to recognise Expected credit losses ("ECL") – the "ECL model". Instruments within the scope included financial assets measured at amortised cost.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1") and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

"Stage 3" would cover financial assets that have objective evidence of impairment at the reporting date.

"12-month ECL" are recognised for the Stage 1 category while "lifetime ECL" are recognised for the Stage 2 category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

3. 主要會計政策 — 續

3.12 金融資產減值

香港財務報告準則第9號的減值規定採用更具前瞻性的資料確認預期信貸虧損(「預期信貸虧損」) — 「預期信貸虧損模式」。屬於該範疇內的工具包括按攤銷成本計量的金融資產。

於評估信貸風險及計量預期信貸虧損時，本集團會考慮更廣泛的資料，包括過往信貸虧損經歷、已就債務人的特定因素作出調整、一般經濟狀況以及評估報告日期當前狀況及對未來狀況的預測。

採用該項前瞻性方法時，須對下列各項作出區別：

- 自初步確認以來信貸質素並無重大惡化或信貸風險較低的金融工具(「第一階段」)及
- 自初步確認以來信貸質素已重大惡化且信貸風險不低的金融工具(「第二階段」)。

「第三階段」涵蓋於報告日期有客觀證據顯示出現減值的金融資產。

「12個月預期信貸虧損」於第一階段類別下確認，而「全期預期信貸虧損」則於第二階段類別下確認。

預期信貸虧損的計量乃按金融工具預計年內信貸虧損的概率加權估計釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.12 Impairment of financial assets — *continued*

Trade receivables

For trade receivables, the Group applies a simplified approach in calculating ECL and recognises a loss allowance based on lifetime ECL at each reporting date. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. The ECL on these assets are assessed individually for significant balances or collectively using a provision matrix with appropriate grouping based on shared credit risk characteristics by reference to past default experience and current past due exposure of the debtor.

To measure the ECL, trade receivables have been grouped on the basis below:

- Nature of financial instruments (i.e. the Group's trade receivables are assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Other financial assets measured at amortised cost

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

3. 主要會計政策 — 續

3.12 金融資產減值 — 續

貿易應收款項

就貿易應收款項而言，本集團採用簡化方法計算預期信貸虧損，並於各報告日期基於全期預期信貸虧損確認虧損撥備。考慮到金融資產年內任何時點可能出現違約事件，該等撥備乃合約現金流量的預期差額。根據共同信貸風險特徵並參考債務人的過往違約經歷及當前逾期風險，該等資產的預期信貸虧損乃就重大結餘進行個別評估，並採用具合適組別的撥備矩陣進行整體評估。

為計量預期信貸虧損，貿易應收款項已按下列基準進行分組：

- 金融工具的性質(即本集團的貿易應收款項分別作為單獨組別評估)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可用的外部信貸測評。

管理層定期檢討分組方法，確保各組別的組成項目仍然具有相似的信貸風險特徵。

按攤銷成本計量的其他金融資產

本集團以相等於12個月預期信貸虧損計量其他應收款項的虧損撥備，除非信貸風險自初步確認以來已大幅增加，本集團將確認全期預期信貸虧損。評估應否確認全期預期信貸虧損乃以自初步確認以來發生違約的風險可能性是否大幅增加為基準。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.12 Impairment of financial assets — *continued*

Other financial assets measured at amortised cost — *continued*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial assets at the reporting date with the risk of default occurring on the financial assets at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations. The Group considers a financial asset to have low credit risk when it has internal or external credit rating of "investment grade" as per globally understood definition.

3. 主要會計政策 — 續

3.12 金融資產減值 — 續

按攤銷成本計量的其他金融資產 — *續*

於評估信貸風險自初步確認以來是否已大幅增加時，本集團將於報告日期金融資產發生違約的風險與於初步確認日期金融資產發生違約的風險進行比較。於進行該評估時，本集團會考慮合理而且具理據的定量及定性資料，包括毋須作出過多成本或努力即可取得的歷史經驗及前瞻性資料。

特別是，當評估信貸風險是否已大幅增加時，以下資料將予以考慮：

- 金融工具的外部(如可取得)或內部信貸評級實際或預期出現大幅惡化；
- 信貸風險的外部市場指標出現大幅惡化，例如：信貸息差的大幅增加、債務人信貸違約掉期價格；
- 業務、財務或經濟狀況出現或預測會出現不利變動，預期大幅降低債務人償還債務的能力；
- 債務人營運業績實際或預期大幅惡化；及
- 債務人所處的法規、經濟或技術環境實際或預期出現重大不利變動，導致債務人償還債務的能力大幅降低。倘金融資產的內部或外部信貸評級為國際通用的「投資評級」，則本集團認為該金融資產信貸風險較低。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.12 Impairment of financial assets — *continued*

Other financial assets measured at amortised cost — continued

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

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

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

3. 主要會計政策 — 續

3.12 金融資產減值 — 續

按攤銷成本計量的其他金融資產 — 續

不論上述評估的結果為何，當合約付款逾期超過30天，本集團即假設信貸風險自初步確認以來已大幅增加，除非本集團有合理而具理據的資料證明則另當別論。

儘管上文所述，倘債務工具於各報告期末被釐定為具有低信貸風險，則本集團假定該債務工具的信貸風險自初步確認以來並無大幅增加。倘債務工具的違約風險較低、借款人有充分能力於近期履行其合約現金流量責任，而長遠而言經濟及業務狀況的不利變動未必會削弱借款人履行其合約現金流量責任的能力，則該債務工具會被釐定為具有低信貸風險。倘一項金融資產的內部或外部信貸評級為國際通用的「投資評級」，則本集團認為該金融資產的信貸風險較低。

就內部信貸風險管理而言，當對方違反財務契據；或內部編製的資料或從外部來源獲取的資料顯示債務人不大可能向其債權人(包括本集團)悉數還款(並無計及本集團持有的任何抵押品)時，本集團認為此等情況構成違約事件。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.12 Impairment of financial assets — *continued*

Other financial assets measured at amortised cost — *continued*

Detailed analysis of the ECL assessment of trade receivables and other financial assets measured at amortised cost are set out in Note 32.

3.13 Impairment on non-financial assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment (including right-of-use assets) and the company's investments in subsidiaries to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment (including right-of-use assets) and the Company's investments in subsidiaries are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策 — 續

3.12 金融資產減值 — 續

按攤銷成本計量的其他金融資產 — *續*

有關貿易應收款項及按攤銷成本計量的其他金融資產預期信貸虧損評估的詳盡分析載於附註32。

3.13 非金融資產減值

本集團於各報告期末審閱其物業、廠房及設備(包括使用權資產)及本公司於附屬公司的投資賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則估計相關資產的可收回金額，以釐定減值虧損(如有)程度。

倘無法估計個別資產的可收回金額，則物業、廠房及設備(包括使用權資產)及本公司於附屬公司的投資的可收回金額會獨立估計，而本集團會估計該資產所屬現金產生單位的可收回金額。此外，本集團評估是否有跡象顯示公司資產可能出現減值。倘存在有關跡象，當可確定合理一致的分配基準時，公司資產亦會分配至個別現金產生單位，否則公司資產將分配至可確定合理一致分配基準的最小現金產生單位組別。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.13 Impairment on non-financial assets — *continued*

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

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

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

3. 主要會計政策 — 續

3.13 非金融資產減值 — 續

可收回金額為公平值減出售成本與可使用價值兩者中的較高者。評估可使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映目前市場對貨幣時間值及資產特定風險（或現金產生單位）的評估，而當中並未對估計未來現金流量作出調整。

倘估計一項資產的可收回金額（或現金產生單位）低於其賬面值，則該資產的賬面值將調低至其可收回金額（或現金產生單位）。就未能按合理一致的基準分配至現金產生單位的公司資產或部分公司資產而言，本集團會比較一組現金產生單位的賬面值（包括已分配至該組現金產生單位的公司資產或部分公司資產的賬面值）與該組現金產生單位的可收回金額。減值虧損乃基於現金產生單位內各項資產的賬面值按比例分配至資產。資產賬面值不得減至低於其公平值減出售成本、其使用價值及零三者中的最高值。已另行分配至資產的減值虧損數額按比例分配至現金產生單位的其他資產。減值虧損即時於損益確認。

倘其後撥回減值虧損，則將資產的賬面值上調至其經修訂的估計可收回金額（或現金產生單位），惟經上調的賬面值不得超過假設該資產於過往年度並無確認減值虧損而原本應釐定的賬面值（或現金產生單位）。減值虧損撥回即時於損益內確認為收入。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.14 Taxation

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

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

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

3. 主要會計政策 — 續

3.14 稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表所呈列的「除稅前溢利」不同，因為其不包括其他年度的應課稅或可扣稅收入或開支項目，且不包括毋須課稅或不可扣稅的項目。本集團的即期稅項負債乃按報告期末已頒佈或實質上已頒佈的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債通常就所有應課稅暫時差額確認。倘可能有足夠應課稅溢利可供抵銷可動用的可扣稅暫時差額，則通常會就所有可扣稅暫時差額確認遞延稅項資產。倘暫時差額因商譽或因既不影響應課稅溢利亦不影響會計溢利的交易(業務合併除外)的其他資產及負債的初始確認而產生，則不會確認該等遞延稅項資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.14 Taxation — *continued*

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

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

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

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

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

3. 主要會計政策 — 續

3.14 稅項 — 續

遞延稅項負債按與於附屬公司投資相關的應課稅暫時差額確認，惟倘本集團可控制暫時差額撥回但暫時差額可能不會於可見將來撥回的情況除外。與該等投資相關的可扣減暫時差額產生的遞延稅項資產僅於可能有充足應課稅溢利以使用暫時差額利益且該等暫時差額預計在可見將來撥回的情況下方予確認。

遞延稅項資產的賬面值於各報告期末進行檢討，並於不可能有足夠應課稅溢利可收回全部或部分資產時調減該賬面值。

遞延稅項資產及負債根據各報告期末已頒佈或實質上已頒佈的稅率(及稅法)按預期償還負債或變現資產期間適用的稅率計量。

遞延稅項負債及資產的計量反映本集團於報告期末預計收回或清算資產及負債賬面值方式的稅務後果。

即期及遞延稅項於損益確認，惟與於其他全面收益或直接於權益確認的項目相關者除外，在有關情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.15 Leases

Definition of a lease and the Group as a lessee

Policy applicable from 1 April 2019

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an identified asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

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

3. 主要會計政策 — 續

3.15 租賃

租賃的定義及本集團作為承租人

自2019年4月1日起適用的政策

就於2019年4月1日或之後訂立的任何新合約而言，本集團會考慮合約是否屬租賃或包含租賃。租賃定義為「賦予於一段時間內使用已識別資產(相關資產)的權利以換取代價的一項合約或合約的一部分」。為應用該定義，本集團評估有關合約是否符合三個關鍵評估項，即：

- 合約中明示或資產可供本集團使用時暗示合約是否包括一項已識別資產；
- 經考慮其於合約界定範圍內的權利後，本集團是否有權於整個使用期間因使用已識別資產而獲得絕大部分經濟利益；及
- 本集團於整個使用期間是否有權指示已識別資產的使用。本集團會評估其於整個使用期間是否有權指示資產的「使用方式及用途」。

就包含租賃部分及一項或多項額外租賃或非租賃部分的合約而言，本集團將合約代價分配至各租賃部分及非租賃部分，並按該等部分的相對獨立價格為基準進行分配。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.15 Leases — *continued*

Definition of a lease and the Group as a lessee —
continued

Policy applicable from 1 April 2019 — continued

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the underlying asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any lease incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the Group is reasonably certain to obtain ownership at the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicator exists.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments based on an index or rate, and amounts expected to be payable under a residual value guarantee.

3. 主要會計政策 — 續

3.15 租賃 — 續

租賃的定義及本集團作為承租人 —
續

自2019年4月1日起適用的政策 —
續

作為承租人的租賃計量及確認

於租賃開始日期，本集團於綜合財務狀況表內確認使用權資產及租賃負債。使用權資產按成本計量，有關成本包括租賃負債的初步計量金額、本集團所產生的任何初始直接成本、於租賃結束時拆除及移除相關資產的任何估計成本以及於租賃開始日期前預付的任何租賃付款(扣除任何已收租賃優惠)。

本集團於租賃開始日期起至使用權資產的可使用年期結束或租期結束(以較早者為準)止期間按直線法對使用權資產進行折舊，除非本集團合理確定可於租期結束時獲得所有權則作別論。倘出現減值跡象，本集團亦會對使用權資產進行減值評估。

於開始日期，本集團按當日未支付租賃付款的現值計量租賃負債，並採用租賃隱含的利率進行貼現，或倘該利率不易確定，則採用本集團的增量借款利率進行貼現。

計量租賃負債時所包括的租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、基於某指數或利率而定的可變付款及根據剩餘價值擔保預期應付的金額。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.15 Leases — *continued*

Definition of a lease and the Group as a lessee —
continued

Policy applicable from 1 April 2019 — continued

Measurement and recognition of leases as a lessee —
continued

Subsequent to initial measurement, the liability will be reduced for lease payments made and increased for interest cost on the lease liability. It is remeasured to reflect any lease modification, or if there are changes in in-substance fixed payments. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

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

3. 主要會計政策 — 續

3.15 租賃 — 續

租賃的定義及本集團作為承租人 —
續

自2019年4月1日起適用的政策 —
續

作為承租人的租賃計量及確認 —
續

於初步計量後，負債將就已付租賃付款而減少及就租賃負債的利息成本而增加。本集團會重新計量負債以反映任何租賃修訂，或於實質固定付款出現變動時重新計量負債。並非基於某指數或利率而定的可變租賃付款乃於發生事件或情況觸發付款的期間內確認為開支。

就並非作為獨立租賃入賬的租賃修訂而言，本集團會透過於修訂生效日期使用經修訂貼現率貼現經修訂租賃付款，根據修訂後租賃的租期重新計量租賃負債。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.15 Leases — *continued*

Definition of a lease and the Group as a lessee —
continued

Policy applicable from 1 April 2019 — continued

Measurement and recognition of leases as a lessee —
continued

When the lease is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these leases are recognised as an expense in profit or loss on a straight-line basis over the lease term. Short-term leases are leases with a lease term of 12 month or less.

On the consolidated statement of financial position, right-of-use assets have been included in “property, plant and equipment”.

Policy applicable before 1 April 2019

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

3. 主要會計政策 — 續

3.15 租賃 — 續

租賃的定義及本集團作為承租人 —
續

自2019年4月1日起適用的政策 —
續

作為承租人的租賃計量及確認 —
續

當租賃獲重新計量時，相應調整會於使用權資產內反映，或倘使用權資產已減至零，則於損益內反映。

本集團已選擇使用可行權宜方法將短期租賃入賬。與該等租賃相關的付款會於租期內以直線法於損益內確認為開支，而非確認為使用權資產及租賃負債。短期租賃即租期為12個月或以下的租賃。

於綜合財務狀況表，使用權資產乃計入「物業、廠房及設備」。

於2019年4月1日前適用的政策

倘本集團釐定一項安排(由一項交易或一連串交易組成)賦予於協定期間內使用一項或多項特定資產以換取一筆或一連串付款，則該安排屬於或包含租賃。有關釐定乃基於該安排實質的評估而作出，而不論該安排是否以租賃的法律形式進行。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.15 Leases — *continued*

Definition of a lease and the Group as a lessee —
continued

Policy applicable before 1 April 2019 — continued

Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

Operating lease charges as the lessee

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to the profit or loss on a straight-line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

3.16 Retirement benefit costs

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

3. 主要會計政策 — 續

3.15 租賃 — 續

租賃的定義及本集團作為承租人 —
續

於2019年4月1日前適用的政策 —
續

本集團租賃資產的分類

倘租賃將所有權的絕大部分風險及回報轉移至本集團，則本集團以租賃持有的資產會分類為以融資租賃持有。倘租賃不會將所有權的絕大部分風險及回報轉移至本集團，則有關租賃會分類為經營租賃。

作為承租人的經營租賃費用

倘本集團有權使用以經營租賃持有的資產，則該等租賃項下作出的付款會於租期內以直線法自損益中扣除，除非有其他基準能更清楚反映可自租賃資產獲取利益的時間模式則作別論。已收租賃優惠會於損益內確認為淨租賃付款總額的組成部分。或然租金則於其產生的會計期間內自損益中扣除。

3.16 退休福利成本

政府管理退休福利計劃及強制性公積金計劃(獲定義為定額供款退休福利計劃)的供款於僱員因提供服務而有權享有供款時確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.17 Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

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

3.18 Share capital

Ordinary shares are classified as equity attributable to the equity holders. The amount of the share capital recognised is determined using the nominal value and any related transaction costs are deducted from the share premium.

3.19 Related parties

For the purposes of these consolidated financial statements, a party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

3. 主要會計政策 — 續

3.17 短期僱員福利

短期僱員福利於僱員提供服務時按預計將予支付福利的未貼現金額確認。所有短期僱員福利確認為開支，惟另一項香港財務報告準則要求或允許將有關福利納入資產成本則除外。

在扣除已經支付的任何金額後，對僱員應得的福利(例如工資及薪金)確認負債。

3.18 股本

普通股歸為權益持有人應佔權益。普通股的股本金額以面值確定，從股票溢價中扣除任何相關交易成本。

3.19 關聯方

就該等綜合財務報表而言，倘符合以下情況，以下人士會被視為與本集團有關聯：

- (a) 倘符合以下情況，即該人士或該人士的近親與本集團有關聯：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES —

continued

3.19 Related parties — *continued*

- (b) the party is an entity and if any of the following conditions applies:
- (i) the entity and the Group are members of the same group.
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) the entity and the Group are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group and the sponsoring employers are also related to the Group.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. 主要會計政策 — 續

3.19 關聯方 — 續

- (b) 倘符合下列任何條件，即該實體與本集團有關聯：
- (i) 該實體與本集團屬同一集團的成員公司。
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業)。
 - (iii) 該實體與本集團為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體則為該第三方實體的聯營公司。
 - (v) 該實體為本集團或與本集團有關聯的實體就僱員福利設立的離職後福利計劃，而資助僱主亦與本集團有關連。
 - (vi) 該實體受(a)項所識別人士控制或共同控制。
 - (vii) (a)(i)項所識別人士對該實體有重大影響力或屬該實體(或該實體的母公司)的主要管理層成員。
 - (viii) 該實體或其所屬集團的任何成員公司為本集團或本集團母公司提供主要管理人員服務。

一名人士的近親指彼等與該實體交易時預期可影響該人士或受該人士影響的家庭成員。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, are described below.

Valuation of inventories

Inventories are stated at the lower of cost and net realisable values. Net realisable values of inventories are based on estimated selling prices less any estimation costs to be incurred for completion and disposal. These estimates are based on the current market condition and the historical experience in selling goods of similar nature.

The Group's management reviewed, on a regular basis, the suitability of its inventory allowance policy and has applied the policy consistently. The Group's management also reviewed, on a regular basis, the inventory age listing to identify any slow-moving inventories and estimated the amount of allowances primarily based on the pricing policy and strategies and the historical experience in selling goods of similar nature. The Group also engaged an independent professional gemologist to perform valuation and assess the conditions of certain items based on gemstone testing for gem-set jewellery with reference to international diamond prices, its expertise and the current market situation.

4. 估計不確定性的主要來源

在應用附註3所述的本集團會計政策時，本公司董事須就無法從其他來源得悉的資產及負債的賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及被視為相關的其他因素作出。實際結果可能有別於該等估計。

該等估計及相關假設按持續基準檢討。對會計估計進行修訂時，如修訂僅影響進行修訂的期間，則修訂會計估計會在該期間確認，如修訂影響當期及未來期間，則在修訂期間及未來期間確認。

下述為報告期末有關未來主要假設及估計不確定性的其他主要來源，此等假設及來源均對資產賬面值造成須作出大幅調整的重大風險。

存貨估值

存貨按成本與可變現淨值兩者中的較低者列賬。存貨可變現淨值乃基於估計售價減完成及出售產生的任何估計成本。該等估計乃基於當前市況及銷售性質相若貨品的過往經驗進行。

本集團管理層定期檢討其存貨撥備政策的合適性，並已經一致採納有關政策。本集團管理層亦定期檢閱貨齡清單，判別任何滯銷存貨，並主要按定價政策及策略以及過往銷售類似性質貨品的經驗再估計撥備金額。此外，本集團亦委聘獨立專業珠寶鑑定師以進行估值，並參照國際鑽石價格、其專業知識及現時市況，對珠寶鑲嵌首飾的寶石測試進行估值以評核若干存貨的狀況。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

— continued

Valuation of inventories — continued

At 31 March 2020, the carrying amount of inventories is HK\$61,526,000 (net of allowance for inventories of HK\$2,090,000) (2019: HK\$63,991,000 (net of allowance for inventories of HK\$1,449,000)).

Estimation of impairment of trade and other receivables

The Group makes allowances on items subjects to ECL including trade and other receivables based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period as set out in note 3.12. As at 31 March 2020, the aggregate carrying amounts of trade and other receivables amounted to HK\$5,918,000 (net of ECL allowance of HK\$99,000) (2019: HK\$10,978,000 net of ECL allowance of HK\$64,000).

When the actual future cash flows are different from expected, such difference will impact the carrying amount of trade receivables and other items within the scope of ECL under HKFRS 9 and credit losses in the periods in which such estimate has been changed.

Estimation of fair value of financial asset at FVTPL

As at 31 March 2020, financial asset at FVTPL that are not traded in an active market including unlisted equity investments that was carried at fair value of HK\$5,195,000 (2019: Nil). The fair values are determined based on valuations performed by Ravia Global Appraisal Advisory Limited, an independent qualified professional valuer, details of which are set out in note 32. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group bases its assumptions on observable data as far as possible but this is not always available. In that case the Group uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

4. 估計不確定性的主要來源 — 續

存貨估值 — 續

於2020年3月31日，存貨的賬面值為61,526,000港元(扣除存貨撥備2,090,000港元)(2019年：63,991,000港元(扣除存貨撥備1,449,000港元))。

貿易及其他應收款項的減值估計

本集團基於有關違約風險及預期虧損率的假設就受限於預期信貸虧損的項目(包括貿易及其他應收款項)計提撥備。誠如附註3.12所載，本集團於作出該等假設及選擇計算減值的輸入數據時，會基於本集團的過往歷史、現行市況以及各報告期末的前瞻性估計作出判斷。於2020年3月31日，貿易及其他應收款項的賬面值合共為5,918,000港元(扣除預期信貸虧損撥備99,000港元)(2019年：10,978,000港元(扣除預期信貸虧損撥備64,000港元))。

倘實際未來現金流量有別於預期，有關差額將影響根據香港財務報告準則第9號屬預期信貸虧損範圍內的貿易應收款項及其他項目的賬面值以及估計發生變動期間的信貸虧損。

按公平值計入損益的金融資產的公平值估計

於2020年3月31日，並無在活躍市場上買賣按公平值計入損益的金融資產(包括非上市股本投資)按公平值5,195,000港元(2019年：無)列賬。公平值乃基於獨立合資格估值師瑞豐環球評估諮詢有限公司進行的估值釐定，有關詳情載於附註32。此涉及制定與市場參與者如何為工具定價相符的估計及假設。本集團盡可能根據可觀察數據作出假設，惟可觀察數據未必經常可得。在該情況下，本集團會使用當前可得的最佳資料作出假設。估計公平值可能與報告日期公平交易中可達到的實際價格有所不同。

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5. REVENUE AND SEGMENT INFORMATION

Revenue represents amounts received and receivable for the sales of jewellery products and net of discounts and returns during the year.

The executive directors of the Company, being the chief operating decision maker, regularly review revenue analysis by nature of business (including jewellery business and trading of recycled gold products), and by jewellery products (including gem-set jewellery products (representing diamond/karat gold/jade/pearl/platinum jewellery products) and gold jewellery products). The executive directors of the Company considered the operating activities of sales of these products as a single operating segment. The operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs, and is regularly reviewed by the executive directors of the Company. The executive directors of the Company review the overall results, assets and liabilities of the Group as a whole to make decisions about resources allocation. Accordingly, no analysis of this single operating segment is presented.

Entity-wide information

An analysis of the Group's revenue is as follows:

Jewellery business:	珠寶業務：
Retail operation of jewellery shops	珠寶店零售業務
Wholesales of jewellery products (Note)	珠寶產品批發(附註)
Trading of recycled gold products	回收黃金產品貿易
Total	總計

5. 收益及分部資料

收益指年內珠寶產品銷售以及扣除折扣及回佣的已收及應收金額。

本公司執行董事(即主要營運決策者)定期審閱按業務性質(包括珠寶業務及回收黃金產品貿易)及按珠寶產品(包括寶石鑲嵌珠寶產品(即鑽石/K金/翡翠/珍珠/鉑金珠寶產品)以及黃金珠寶產品)劃分的收益分析。本公司執行董事視該等產品銷售經營活動為單一經營分部。經營分部已按遵循香港財務報告準則的會計政策編製內部管理報告的基準識別,並由本公司執行董事定期審閱。本公司執行董事審閱本集團整體上的整體業績、資產及負債以作出有關資源分配的決定。因此,概無呈列該單一經營分部分析。

實體間資料

本集團收益分析如下：

	2020 2020年	2019 2019年
	HK\$'000 千港元	HK\$'000 千港元
Jewellery business:		
Retail operation of jewellery shops	78,221	118,608
Wholesales of jewellery products (Note)	22,230	41,351
	100,451	159,959
Trading of recycled gold products	19,418	15,630
Total	119,869	175,589

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5. REVENUE AND SEGMENT INFORMATION —

continued

Entity-wide information — *continued*

Note: Wholesales of jewellery products represent revenue from jewellery trading and provision of jewelcrafting services to the wholesalers.

Jewellery business by product:	按產品劃分珠寶業務：
— Gem-set jewellery products	— 寶石鑲嵌珠寶產品
— Gold jewellery products	— 黃金珠寶產品

Trading of recycled gold products	回收黃金產品貿易
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5. 收益及分部資料 — 續

實體間資料 — 續

附註： 珠寶產品批發收益指珠寶貿易及向批發商提供珠寶加工服務所產生的收益。

	2020 2020年	2019 2019年
	HK\$'000 千港元	HK\$'000 千港元
	63,313	105,766
	37,138	54,193
	100,451	159,959
	19,418	15,630
	119,869	175,589

The Group is engaged in the retail of its own products through its retail stores in Hong Kong. Wholesales of jewellery products represent sales to jewellery retailers with stores and provision of jewelcrafting services to the wholesalers. The Group also purchase recycled gold products from the general public for sale to gold product collectors and dealers for trading purpose.

Revenue from sales of jewellery products is recognised at a point in time when the jewellery products and recycled gold products are delivered to the customers and the respective controls have been passed. When the Group receives a deposit for jewellery order or contribution to customer reward scheme, this will give rise to contract liability at the start of a contract, until the revenue is recognised.

本集團透過其於香港的零售店從事其自有產品零售。珠寶產品批發指於店內向珠寶零售商銷售及向批發商提供珠寶加工服務。本集團亦向一般公眾購買回收黃金產品以向黃金產品收集商及交易商出售作貿易用途。

來自銷售珠寶的收益於珠寶產品及回收黃金產品已交付予客戶及相關控制權已轉交時確認。於本集團收取珠寶訂單按金或客戶獎勵計劃供款時，合約負債將於合約開始時上升，直至收益獲確認為止。

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5. REVENUE AND SEGMENT INFORMATION —

continued

Entity-wide information — *continued*

Revenue from provision of jewelcrafting services is recognised at a point in time when the jewelcrafting services are rendered.

No individual customer contributing revenue which accounted for more than 10% of the Group's total revenue during both years.

Under the Group's standard contract terms, customers have a right to exchange/refund within a year. The Group uses its accumulated historical experience to estimate the exchange/refund rate. A refund liability is recognised when the Group expects to refund some or all of the consideration received from customers. The Group's right to recover the product is recognised as right of return assets included in "Trade and other receivables" and a corresponding adjustment to cost of sales.

All sales contracts have an original expected duration of one year or less. As permitted under HKFRS 15, the transaction price allocated to the unsatisfied contracts is not disclosed.

All of the Group's revenue from external customers are generated in Hong Kong. An analysis of the Group's non-current assets other than financial instrument and deferred tax assets by their physical geographical location is as follows:

Non-current assets:	非流動資產：
Hong Kong	香港
People's Republic of China ("PRC")	中華人民共和國(「中國」)

5. 收益及分部資料 — 續

實體間資料 — 續

來自提供珠寶加工服務的收益會在提供珠寶加工服務時在某一時點確認。

於該兩個年度內，概無個別客戶為本集團收益總額貢獻收益逾10%。

根據本集團的標準合約條款，客戶有權於一年內退換／退款。本集團運用其過往累積的經驗估計退換／退款率。當本集團預期退還部分或全部客戶代價時，則會確認退款負債。本集團收回產品的權利確認為退貨權資產包括於「貿易及其他應收款項」，並相應調整已售商品成本。

所有銷售合約的原先預期時限為一年或以內。誠如根據香港財務報告準則第15號所批准，並無披露分配至未達成合約的交易價格。

本集團來自外部客戶的所有收益均產生自香港。本集團按其實際地理位置劃分的非流動資產(金融工具及遞延稅項資產除外)如下：

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
		15,440	534
		3	6
		15,443	540

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6. OTHER INCOME

6. 其他收入

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Bank interest income	銀行利息收入	559	140
Dividend income from financial assets at FVTPL	按公平值計入損益的金融資產 的股息收入	338	—
Government grant (Note)	政府補助(附註)	184	—
Sundry income	雜項收入	245	318
		1,326	458

Note:

Government grant was received from provincial government in the PRC. There were no unfulfilled conditions or contingencies relating to this grant and was recognised upon receipts.

附註：

從中國省級政府收取政府補助。並無相關該等補助而未達成條件或不確定因素於收取後獲確認。

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7. OTHER GAINS OR LOSSES

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Net foreign exchange gain	外匯收益淨額	60	55
Fair value gain on gold loans, realised	黃金貸款的公平值收益(已變現)	—	1,070
Fair value gain on financial asset at FVTPL, unrealised	按公平值計入損益的金融資產的公平值收益(未變現)	195	—
		255	1,125

7. 其他收益或虧損

8. FINANCE COSTS

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Interest on bank borrowings	銀行借款利息	950	1,133
Interest on gold loans	黃金貸款利息	—	232
Finance charges on lease liabilities	租賃負債的財務費用	541	—
		1,491	1,365

6. 財務成本

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9. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax has been arrived at after charging/
(crediting):

Lease charges:	租賃開支:
— Short term leases and leases with lease term shorter than 12 months as at initial application of HKFRS 16	— 短期租賃及在首次應用香港財務報告準則第16號時，租賃期少於12個月的租賃
— Rented premises held under operating leases	— 根據經營租賃持有的租賃物業
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備的折舊(附註14)
— Owned assets	— 自有資產
— Right-of-use assets	— 使用權資產
Total depreciation of property, plant and equipment	物業、廠房及設備的折舊總額
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備的折舊(附註14)
— Recognised as selling and distribution costs	— 確認為銷售及分銷成本
— Recognised as general and administrative expenses	— 確認為一般及行政開支
Total depreciation of property, plant and equipment	物業、廠房及設備的折舊總額
Directors' remuneration (Note 11)	董事酬金(附註11)
— fee	— 袍金
— salaries and other benefits	— 薪金及其他福利
— retirement benefit scheme contributions	— 退休福利計劃供款
Other staff's salaries and other benefits	其他員工薪金及其他福利
— Recognised as cost of goods sold	— 確認為已售商品成本
— Recognised as selling and distribution costs	— 確認為銷售及分銷成本
— Recognised as general and administrative expenses	— 確認為一般及行政開支
Other staff's retirement benefit scheme contributions	其他員工退休福利計劃供款
— Recognised as cost of goods sold	— 確認為已售商品成本
— Recognised as selling and distribution costs	— 確認為銷售及分銷成本
— Recognised as general and administrative expenses	— 確認為一般及行政開支
Total staff costs	員工成本總額
ECL allowance for trade receivables, net (Note a)	貿易應收款項的預期信貸虧損撥備淨額(附註a)
Auditor's remuneration	核數師酬金
Cost of inventories recognised as an expense	確認為開支的存貨成本
Write-down/(reversal of write-down) of inventories to net realisable value, net (Note b)	將存貨撇減至可變現淨值/(撇減撥回)(附註b)
Loss on written-off of property, plant and equipment	撇銷物業、廠房及設備之虧損

9. 除稅前(虧損)/溢利

除稅前(虧損)/溢利乃經扣除/(計入)下列各項後達致:

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
4,453	—
—	12,147
541	577
7,335	—
7,876	577
7,690	385
186	192
7,876	577
3,241	1,812
—	—
62	164
3,303	1,976
1,368	1,865
11,295	12,015
4,759	4,980
20	198
498	535
407	401
21,650	21,970
35	64
500	1,050
78,364	121,564
641	(1,316)
1	—

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9. (LOSS)/PROFIT BEFORE TAX — *continued*

Notes:

- (a) During the year ended 31 March 2020, the Group made ECL allowance of HK\$46,000 (2019: HK\$64,000) and reversal of credit loss of HK\$11,000 (2019: Nil) based on ECL.
- (b) During the year ended 31 March 2020, the Group recognised write-down inventories to net realisable of certain finished goods of HK\$796,000 (2019: HK\$768,000) and reversal of write-down inventories of HK\$155,000 (2019: HK\$2,084,000).

10. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the following data:

(Loss)/Earnings	(虧損)/盈利
(Loss)/Profit for the year	年內(虧損)/盈利

9. 除稅前(虧損)/溢利 — 續

附註：

- (a) 截至2020年3月31日止年度，本集團已根據預期信貸虧損作出預期信貸虧損撥備46,000港元(2019年：64,000港元)及信貸虧損撥回11,000港元(2019年：無)。
- (b) 截至2020年3月31日止年度，撇減存貨至若干製成品的可變現淨值796,000港元(2019年：768,000港元)及撥回撇減存貨155,000港元(2019年：2,084,000港元)已由本集團確認。

10. 每股(虧損)/盈利

每股基本(虧損)/盈利乃按下列數據計算：

		2020 2020	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
(Loss)/Earnings	(虧損)/盈利		
(Loss)/Profit for the year	年內(虧損)/盈利	(5,484)	2,223

		Number of shares 股份數目	
		2020 2020年	2019 2019年
		'000 千股	'000 千股
Numbers of shares	股份數目		
Weighted average number of shares	股份加權平均數	750,000	565,068

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11. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS — continued

(a) Directors' and the chief's executive's emoluments — continued

For the year ended 31 March 2020:		截至2020年3月31日止年度：	
Independent non-executive directors:	獨立非執行董事：		
Mr. Chan Cheong Tat	陳昌達先生	120	—
Mr. Wong Wing Keung Meyrick	王泳強先生	120	—
Mr. Chan Chi Ming Tony	陳子明先生	120	—
Sub-total	小計	360	—
Total	總計	3,241	—

11. 董事、最高行政人員及僱員薪酬 — 續

(a) 董事及最高行政人員薪酬 — 續

Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
費用	薪酬及其他福利	退休福利計劃供款	總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
120	—	—	120
120	—	—	120
120	—	—	120
360	—	—	360
3,241	—	62	3,303

For the year ended 31 March 2019:		截至2019年3月31日止年度：	
Executive directors:	執行董事：		
Mr. Fu (Chief Executive)	傅先生(行政總裁)	1,205	—
Ms. Fu Wan Ling	傅雲玲女士	292	—
Mrs. Fu (Note)	傅太太(附註)	309	—
Sub-total	小計	1,806	—

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11. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS — *continued*

(a) Directors' and the chief's executive's emoluments — *continued*

For the year ended 31 March 2019: 截至2019年3月31日止年度：

Independent non-executive directors: 獨立非執行董事：

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
		費用	薪酬及其他福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Mr. Chan Cheong Tat	陳昌達先生	2	—	—	2
Mr. Wong Wing Keung Meyrick	王泳強先生	2	—	—	2
Mr. Chan Chi Ming Tony	陳子明先生	2	—	—	2
Sub-total	小計	6	—	—	6
Total	總計	1,812	—	164	1,976

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company. No remuneration was paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office for both years. There is no arrangement under which a director has waived or agreed to waive any remuneration.

11. 董事、最高行政人員及僱員薪酬 — 續

(a) 董事及最高行政人員薪酬 — 續

	Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total
	費用	薪酬及其他福利	退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Mr. Chan Cheong Tat	2	—	—	2
Mr. Wong Wing Keung Meyrick	2	—	—	2
Mr. Chan Chi Ming Tony	2	—	—	2
Sub-total	6	—	—	6
Total	1,812	—	164	1,976

上文所示執行董事的薪酬與其為本公司及本集團的管理事務提供的服務有關。上文所示獨立非執行董事的薪酬與其為本公司提供的服務有關。於兩個年度，本集團並無向本公司董事支付薪酬作為吸引加入本集團或加入本集團時的獎勵或作為離職補償。概無有關董事放棄或同意放棄任何薪酬之安排。

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For the year ended 31 March 2020 截至2020年3月31日止年度

11. DIRECTORS', CHIEF EXECUTIVES AND EMPLOYEES' EMOLUMENTS — continued

(b) Five highest paid employees

The five highest paid employees of the Group include one (2019: one) director of the Company for the year ended 31 March 2020, details of emoluments are included above. The emoluments of the remaining four (2019: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

Employees	僱員
— salaries and allowances	— 薪金及補貼
— discretionary bonus	— 酌情花紅
— retirement benefit scheme contributions	— 退休福利計劃供款

The emoluments of these remaining four highest paid individuals in the Group for the year were within the following band:

Nil to HK\$1,000,000	零至1,000,000港元
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Certain employees of the Group are entitled to bonus payments which are determined based on a percentage of the profit before tax of the relevant subsidiaries during both years.

11. 董事、最高行政人員及僱員薪酬 — 續

(b) 五名最高薪酬僱員

於截至2020年3月31日止年度的五名最高薪酬僱員包括本公司的1名董事(2019年:1名),其薪酬詳情載於上文。其餘4名(2019年:4名)最高薪酬僱員(既非本公司董事亦非最高行政人員)的薪酬如下:

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
1,310	1,277
867	1,046
71	70
2,248	2,393

於本年度,本集團該等其餘4名最高薪酬個人的薪酬範圍如下:

2020 2020年	2019 2019年
No. of Employees 僱員數目	No. of Employees 僱員數目
4	4

本集團若干僱員可獲發放花紅,有關花紅金額按該兩個年度內相關附屬公司的除稅前溢利某個百分比釐定。

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12. TAXATION

12. 稅項

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
The tax (credit)/charge comprises:	稅項(抵免)/開支包括：		
Hong Kong Profits Tax	香港利得稅		
— Current year	— 當前年度	—	2,788
— Overprovision in prior years	— 過往年度超額撥備	(206)	(287)
		(206)	2,501
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)		
— Current year	— 當前年度	—	32
— Underprovision in prior years	— 過往年度撥備不足	46	—
		46	32
Deferred tax credit	遞延稅項抵免	(1,210)	(848)
Total income tax (credit)/expense	所得稅(抵免)/開支總額	(1,370)	1,685

No provision for Hong Kong Profits Tax has been provided as the Group incurred tax loss for the year ended 31 March 2020. The provision for Hong Kong Profits Tax for the year ended 31 March 2019 is calculated at 16.5% of the estimated assessable profits for the year as the directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying entities are taxed at 8.25%, and the profits above HK\$2 million are taxed at 16.5%.

Under the EIT Law of the PRC and Implementation Regulation of the EIT Law, the tax rate of the subsidiary in the PRC is 25% for the years ended 31 March 2020 and 2019.

並無就香港利得稅計提撥備，此乃由於本集團於截至2020年3月31日止年度產生稅項虧損。截至2019年3月31日止年度香港利得稅撥備乃按年內估計應課稅溢利的16.5%計算，本公司董事認為，實施利得稅兩級制所涉的金額對綜合財務報表而言微不足道。根據利得稅兩級制，合資格集團實體首2百萬港元溢利將按8.25%的稅率繳稅，而超過2百萬港元的溢利將按16.5%的稅率繳稅。

根據中國企業所得稅法以及企業所得稅法實施條例，截至2020年及2019年3月31日止年度中國附屬公司的稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 March 2020 截至2020年3月31日止年度

12. TAXATION — *continued*

The tax for the year can be reconciled to the (loss)/profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
(Loss)/Profit before tax	除稅前(虧損)/溢利	(6,854)	3,908
Tax charge at the applicable income tax rate at 16.5%	按適用所得稅稅率16.5%徵收的稅項	(1,131)	645
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	139	1,706
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(214)	(416)
Tax effect of tax losses not recognised	未獲確認稅項虧損的稅務影響	41	5
Tax effect of utilisation of tax loss previously not recognised	動用先前尚未確認稅項虧損的稅務影響	—	(9)
Effect of different tax rate applicable to a subsidiary operating in the other jurisdiction	於其他司法權區經營附屬公司適用的不同稅率影響	(5)	28
Overprovision in prior years	過往年度超額撥備	(160)	(287)
Others	其他	(40)	13
Tax (credit) charge for the year	年內稅項(抵免)開支	(1,370)	1,685

13. DIVIDENDS

During the year ended 31 March 2019, King Jewellery & J Company Limited and W-Rich Company Limited declared a special dividend to Mr. Fu, the controlling shareholder, in aggregate amount of HK\$9,000,000.

No dividend has been paid or declared by the Company during the year ended 31 March 2020, nor has any dividend been proposed since the end of the reporting period (2019: Nil).

12. 稅項 — 續

年內可按綜合損益及其他全面收益表與除稅前(虧損)/溢利對賬的稅項如下：

13. 股息

於截至2019年3月31日止年度，皇室珠寶及智達行向控股股東傅先生宣派特別股息合共9,000,000港元。

本公司於截至2020年3月31日止年度內尚未派付或擬派任何股息，自報告期末亦未擬派任何股息(2019年：無)。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Right-of-use assets 使用權資產 HK\$'000 千港元	Leasehold improvements 租賃物業 改良工程 HK\$'000 千港元	Furniture, fixtures and equipment 傢具、固定 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Machinery 機器 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本						
At 1 April 2018	於2018年4月1日	—	3,562	3,949	862	326	8,699
Additions	添置	—	6	28	25	8	67
Disposals	出售	—	—	(314)	—	—	(314)
Exchange adjustment	匯兌調整	—	—	—	—	(21)	(21)
At 31 March 2019	於2019年3月31日	—	3,568	3,663	887	313	8,431
Adjustment from the adoption of HKFRS 16 (Note 2)	採納香港財務報告準則 第16號之調整 (附註2)	16,662	—	—	—	—	16,662
Additions	添置	5,506	838	174	11	—	6,529
Written off	撇銷	—	(863)	(329)	—	—	(1,192)
Modification of lease term (Note)	修訂租賃期(附註) (Note)	(410)	—	—	—	—	(410)
Exchange adjustment	匯兌調整	—	—	—	—	(19)	(19)
At 31 March 2020	於2020年3月31日	21,758	3,543	3,508	898	294	30,001
Depreciation	折舊						
At 1 April 2018	於2018年4月1日	—	3,131	3,622	570	326	7,649
Provided for the year	年內撥備	—	346	107	122	2	577
Eliminated on disposal	出售時撇除	—	—	(314)	—	—	(314)
Exchange adjustment	匯兌調整	—	—	—	—	(21)	(21)
At 31 March 2019	於2019年3月31日	—	3,477	3,415	692	307	7,891
Provided for the year	年內撥備	7,335	306	110	123	2	7,876
Eliminated on written off	撇銷時撇除	—	(863)	(328)	—	—	(1,191)
Exchange adjustment	匯兌調整	—	—	—	—	(18)	(18)
At 31 March 2020	於2020年3月31日	7,335	2,920	3,197	815	291	14,558
Net book value	賬面淨值						
At 31 March 2020	於2020年3月31日	14,423	623	311	83	3	15,443
At 31 March 2019	於2019年3月31日	—	91	248	195	6	540

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14. PROPERTY, PLANT AND EQUIPMENT —

continued

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives as follows:

Leasehold improvements	Over the lease term or 25% per annum, whichever is the shorter
Right-of-use assets	Over the lease term
Furniture, fixtures and equipment	20%
Motor vehicles	30%
Machinery	20%

Note: During the year ended 31 March 2020, the Group received rent concessions for the retail shops. As the modification does not add the right to use one or more underlying assets, it is not accounted for as a separate lease. Accordingly, the Group remeasures the existing lease liabilities including the revised monthly rental using the discount rate at date of the modification. The difference between the carrying amount of the modified lease liability and the lease liability immediately before the modification of HK\$410,000 as an adjustment to the right-of-use assets.

15. FINANCIAL ASSETS AT FVTPL

As at 31 March 2020, the amount represents the unlisted equity investment in Fai Po Global SPC — Binjiang Flower City Property Development Fund SP (“the Fund”) of which the Group holds 2.62% equity interest.

The Fund is a sole proprietorship registered in the Cayman Islands on 16 May 2019 and is established primarily to focus on alternative real-estate related investment opportunities in the PRC. The Group is subjected to a lock up period of 3 years for holding the equity interest of the Fund. The fair value of the Group’s investments in the Fund has been measured as described in note 32.

14. 物業、廠房及設備 — 續

物業、廠房及設備的折舊乃使用直線法計算，按下述估計可使用年期分配其成本減其剩餘價值：

租賃物業改良工程	租期內或每年 25% (以較短者為準)
使用權資產	租期內
傢具、固定裝置及設備	20%
汽車	30%
機器	20%

*附註：*截至2020年3月31日止年度內，本集團就零售店取得租金寬減。由於變更沒有添加使用一個或多個有關資產的權利，故不將其作為單獨的租賃入賬。因此，本集團使用變更日期的折現率重新計量現有租賃負債(包括經修訂每月租金)。經變更的租賃負債與緊接變更前的租賃負債之間的差異410,000港元乃作為使用權資產的調整。

15. 按公平值計入損益的金融資產

於2020年3月31日，有關金額指於Fai Po Global SPC — Binjiang Flower City Property Development Fund SP的非上市權益投資(「資金」)。本集團持有資金股本權益的2.62%。

資金為於2019年5月16日於開曼群島註冊的獨資企業，其成立主要專注於中國的替代房地產有關投資機遇，本集團須遵守為期3年的禁售期，以持有資金的股本權益。本集團於資金的投資的公平值已獲計量，誠如附註32所述。

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16. DEFERRED TAX ASSETS

The movements in deferred tax assets during each of the reporting period are as follows:

		Provision for inventories	Impairment loss for trade receivables	Temporary difference on depreciation	Tax losses	Total
		存貨撥備	貿易應收 款項減值虧損	折舊的 暫時差額	稅項虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於2018年4月1日	233	—	410	—	643
Credit to profit or loss	於損益計入	6	—	27	815	848
At 31 March 2019	於2019年3月31日	239	—	437	815	1,491
Credit to profit or loss	於損益計入	106	16	(106)	1,194	1,210
At 31 March 2020	於2020年3月31日	345	16	331	2,009	2,701

At 31 March 2020, the Group has unused tax losses of HK\$12,840,000 (2019: HK\$5,357,000) available for offset against future profits. A deferred tax asset of HK\$2,009,000 (2019: HK\$815,000) has been recognised in respect of losses of HK\$12,176,000 (2019: HK\$4,943,000) as at 31 March 2020. No deferred tax asset has been recognised in relation to remaining tax losses of HK\$664,000 (2019: HK\$414,000) as at 31 March 2020 due to the unpredictability of future profit streams. The losses may be carried forward indefinitely.

16 遞延稅項資產

各報告期內的遞延稅項資產變動如下：

於2020年3月31日，本集團有未動用稅項虧損12,840,000港元(2019年：5,357,000港元)，可用於抵銷未來溢利。於2020年3月31日，已就虧損12,176,000港元(2019年：4,943,000港元)確認遞延稅項資產2,009,000港元(2019年：815,000港元)。於2020年3月31日並無就餘下稅項虧損664,000港元(2019年：414,000港元)確認遞延稅項資產，原因為未來溢利流無法預測。虧損可無限期結轉。

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17. INVENTORIES

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Raw materials	原材料	6,210	5,960
Work in progress	在製品	861	206
Finished goods	製成品	54,455	57,825
		61,526	63,991

At 31 March 2020, the carrying amount of inventories included provision of HK\$2,090,000 (2019: HK\$1,449,000), which determined with reference to the net realisable value of the inventory items. Additional provision of HK\$796,000 (2019: HK\$768,000) and reversal of HK\$155,000 (2019: HK\$2,084,000) upon realisation of sales was made during the year ended 31 March 2020.

17. 存貨

於2020年3月31日，存貨的賬面值包括撥備2,090,000港元(2019年：1,449,000港元)，其乃參考存貨項目的可變現淨值而釐定。截至2020年3月31日止年度內，於銷售變現後已作出額外撥備796,000港元(2019年：768,000港元)及撥回155,000港元(2019年：2,084,000港元)。

18. TRADE AND OTHER RECEIVABLES

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Trade receivables	貿易應收款項	4,070	7,461
Less: ECL allowance	減：預期信貸虧損撥備	(99)	(64)
Trade receivables, net	貿易應收款項(淨額)	3,971	7,397
Rental deposits	租賃按金		
— to related parties (Note 30a)	— 來自關連方(附註30a)	494	494
— to third parties	— 來自第三方	2,886	2,806
Prepayments, other deposits and other receivables	預付款項、其他按金及其他應收款項	1,213	1,853
Right of return assets	退回資產的權利	240	485
		8,804	13,035
Less: Non-current portion of rental deposits	減：租賃按金的非流動部分	(2,886)	(2,057)
		5,918	10,978

18. 貿易及其他應付款項

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18. TRADE AND OTHER RECEIVABLES — continued

The directors of the Group consider that the fair values of trade and other receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

The following is an aging analysis of the Group's trade receivables after impairment, presented based on the invoice date which approximates the respective revenue recognition date.

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
Over 90 days	超過90天

The Group's retail sales to customers are mainly made in cash or through credit card payments. The trade receivables arise from credit card sales are normally settled in one to two business day in arrears. For the remaining customers, the Group allows a credit period up to 90 days. A longer credit period may be granted to large or long-established customers with good payment history.

Before accepting any new customers, the Group will internally assess the potential customer's credit quality and defines credit limits by customers. Management closely monitors the credit quality and follow up actions will be taken if overdue debts are noted. Credit limits attributed to customers and credit term granted to customers are reviewed on a regular basis. Approximately 69% of the trade receivables as at 31 March 2020 (2019: 66%) are neither past due nor impaired and they were assessed to be of good credit rating by the Group.

18. 貿易及其他應付款項 — 續

本集團董事認為，預期將於一年內收回的貿易及其他應收款項的公平值與其賬面值並無重大差異，此乃由於該等結餘自開始時之償還期為短。

下文為根據發票日期(與各自收益確認日期相若)呈列按賬齡劃分的減值後本集團貿易應收款項分析。

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
718	2,724
1,474	1,452
553	1,696
1,226	1,525
3,971	7,397

本集團對客戶的零售銷售主要以現金或透過信用卡付款進行。信用卡銷售產生的貿易應收款項通常會遞延1至2個營業日結清。就餘下客戶而言，本集團允許信用期最高達90天。或會向具備良好付款記錄的大型或長期建立的客戶授出較長信用期。

於接受任何新客戶前，本集團將初步評估潛在客戶的信用質素並按客戶界定信用限額。管理層密切監督信用質素並將在留意到逾期債務時採取跟進行動。客戶享有的信用限額以及向客戶授出的信用條款會定期進行覆核。於2020年3月31日約69% (2019年：66%)的貿易應收款項既無逾期亦無減值，因此獲本集團評估為良好信貸級別。

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18. TRADE AND OTHER RECEIVABLES — *continued*

The movement in ECL allowance for trade receivables were as follows:

At beginning of the year	年初	64	—
ECL allowance recognised during the year	年內確認的預期信貸虧損撥備	46	64
ECL allowance reversed during the year	年內撥回的預期信貸虧損撥備	(11)	—
At end of the year	年末	99	64

As part of the Group's credit risk management, the Group makes reference to the historical repayment to assess the impairment for individual debtors with significant balances while the Group collectively assesses the impairment for its remaining customers using a provision matrix with appropriate groupings based on share credit risk characteristics of customers.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix as at 31 March 2020 and 2019 within lifetime ECL (not credit-impaired).

18. 貿易及其他應付款項 — 續

貿易應收款項的預期信貸虧損撥備的變動如下：

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
64	—
46	64
(11)	—
99	64

作為本集團信貸風險管理的一部分，本集團參考還款記錄以評估具有重大餘額的個別債務人的減值，而本集團使用基於客戶的共同信貸風險特徵的適當分組的撥備矩陣對剩餘客戶減值作集體評估。

作為本集團信貸風險管理的一部分，本集團為其客戶應用內部信貸評級。下表提供有關貿易應收款項信貸風險的資料，該等資料乃根據2020年3月31日及2019年3月31日的存續期預期信貸虧損(並無信貸減值)的撥備矩陣評估。

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18. TRADE AND OTHER RECEIVABLES — continued

31 March 2020

		Gross carrying amount	Average loss rate	Loss allowance	Net carrying amount
		賬面總值	平均虧損率	虧損撥備	賬面淨值
		HK\$'000		HK\$'000	HK\$'000
		千港元		千港元	千港元
Low risk	低風險	805	1.3%	11	794
Medium risk	中等風險	3,265	2.7%	88	3,177
		4,070		99	3,971

31 March 2019

		Gross carrying amount	Average loss rate	Loss allowance	Net carrying amount
		賬面總值	平均虧損率	虧損撥備	賬面淨值
		HK\$'000		HK\$'000	HK\$'000
		千港元		千港元	千港元
Low risk	低風險	3,419	0.1%	3	3,416
Medium risk	中等風險	4,042	1.5%	61	3,981
		7,461		64	7,397

18. 貿易及其他應付款項 — 續

2020年3月31日

		Gross carrying amount	Average loss rate	Loss allowance	Net carrying amount
		賬面總值	平均虧損率	虧損撥備	賬面淨值
		HK\$'000		HK\$'000	HK\$'000
		千港元		千港元	千港元
Low risk	低風險	805	1.3%	11	794
Medium risk	中等風險	3,265	2.7%	88	3,177
		4,070		99	3,971

2019年3月31日

		Gross carrying amount	Average loss rate	Loss allowance	Net carrying amount
		賬面總值	平均虧損率	虧損撥備	賬面淨值
		HK\$'000		HK\$'000	HK\$'000
		千港元		千港元	千港元
Low risk	低風險	3,419	0.1%	3	3,416
Medium risk	中等風險	4,042	1.5%	61	3,981
		7,461		64	7,397

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

In addition, the directors of the Company considered that the presumption of default has occurred when the instrument is more than 90 days past due would be rebutted by considering the expected subsequent and historical repayment from the trade debtors.

估計虧損率乃根據債務人預期年期的過往可觀察違約率估計，並就毋須付出過多成本或努力即可得的前瞻性資料作出調整。管理層定期審查分組，以確保更新有關特定債務人的相關資料。

此外，本公司董事認為，經考慮來自貿易債務人的預期其後及歷史還款，工具逾期超過90天則發生違約的假設將被推翻。

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19. PLEDGED BANK DEPOSIT/BANK BALANCES AND CASH

Bank balances and cash include the following components:

Cash at bank and in hand	銀行存款及現金
Short-term bank deposits	短期銀行存款
Less: Pledged bank deposit	減：已抵押銀行存款
Bank balances and cash	銀行結餘及現金

Included in bank balances are the following amounts denominated in currencies other than the functional currencies of the respective group entities:

Renminbi ("RMB")	人民幣(「人民幣」)
United States dollar ("US\$")	美元(「美元」)

Bank balances carry interest at prevailing market rates of 0.01% per annum as at 31 March 2020 and 2019. The short-term bank deposit carries fixed interest rate ranging from 1.90% to 2.30% per annum as at 31 March 2020. The pledged bank deposit carries fixed interest rate of 1.55% per annum as at 31 March 2019. The pledged bank deposit was released upon settlement of relevant bank borrowing during the year ended 31 March 2020.

The directors of the Group considered that the fair value of the short-term bank deposits is not materially different from their carrying amount because of the short maturity period on their inception.

19. 已抵押銀行存款／銀行結餘及現金

銀行結餘及現金包括下列組成部分：

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
23,251	75,973
20,178	2,200
—	(2,200)
43,429	75,973

銀行結餘包括下列以有關集團實體功能貨幣以外的貨幣計值的款項：

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
37	7
36	75
73	82

銀行結餘按2020年及2019年3月31日的現行市場利率每年0.01%計息。短期銀行存款按2020年3月31日的固定利率每年介乎1.90%至2.30%計息。已抵押銀行存款按2019年3月31日的固定利率1.55%計利息。截至2020年3月31日止年度內，已抵押銀行存款將於償還相關銀行借款後解除。

本集團董事認為，短期銀行存款的公平值與彼等的賬面值並無重大不同，此乃由於自開始時的償還期為短。

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20. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
Accrued staff costs	應計員工成本
Listing expenses and issue costs payables	上市開支及發行成本應付款項
Other payables and accrued charges	其他應付款項及應計費用

20. 貿易及其他應付款項

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
4,104	6,406
1,157	1,465
—	8,024
3,133	4,914
8,394	20,809

The credit periods of trade payables is within 90 days except for two of the major suppliers are within 1 year. The following is an aged analysis of the Group's trade payables based on the invoice date at the end of each reporting period

貿易應付款項的信貸期為90日，惟兩名主要供應商的信貸期為1年內。以下為於各報告期末根據發票日期呈列本集團貿易應付款項的賬齡分析：

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
Over 90 days	超過90天

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
410	2,008
105	1,703
357	338
3,232	2,357
4,104	6,406

All amounts are short term and hence the carrying values of the Group's trade and other payables are considered to be a reasonable approximation of fair values.

所有金額均為短期，因此，本集團的貿易及其他應付款項的賬面值被認為是合理的公平值約數。

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20. TRADE AND OTHER PAYABLES — *continued*

Included in the Group's trade payables are the following amounts denominated in currency other than the functional currencies of the respective group entities.

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
US\$	美元	3,125	5,797

20. 貿易及其他應付款項 — 續

本集團的貿易應付款項包括下列以有關集團實體功能貨幣以外的貨幣計值的款項。

21. CONTRACT LIABILITIES

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Customer reward scheme (Note)	客戶獎勵計劃(附註)	5,849	5,503
Customer deposits	客戶存款	225	272
		6,074	5,775

Note: The Group launches a customer reward scheme in its retail stores in Hong Kong which requires the customers to make regular payments to the Group in return for redemption of the Group's products in the future.

At 31 March 2020 and 2019, the entire amount of contract liabilities are expected to be realised within one year at the end of the reporting period.

Contract liabilities outstanding at the beginning of the year amounting to HK\$4,364,000 (2019: HK\$4,507,000) have been recognised as revenue during the year ended 31 March 2020.

21. 合約負債

附註：本集團將於未來於其香港零售店推出一項客戶獎勵計劃。該計劃要求客戶向本集團定期付款以兌換本集團的產品。

於2020年及2019年3月31日，預期合約負債全部金額將於報告期結束後一年內變現。

年初尚未償還合約負債4,364,000港元(2019年：4,507,000港元)已於截至2020年3月31日止年度內獲確認為收益。

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22. REFUND LIABILITIES

Refund liabilities arising from right of return 退貨權所產生之退款負債

22. 退款負債

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
477	651

23. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities:

Total minimum lease payments:	最低租賃款項總額
Due within one year	於一年內到期
Due in the second to fifth years	於第二年至第五年到期
Future finance charges on leases liabilities	租賃負債的未來融資費用
Present value of leases liabilities	租賃負債的現值

23. 租賃負債

下表列示本集團租賃負債的剩餘合約到期日：

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
8,546	—
7,088	—
15,634	—
(470)	—
15,164	—

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23. LEASE LIABILITIES — continued

Present value of minimum lease payments:	最低租賃負債的現值：
Due within one year	於一年內到期
Due in the second to fifth years	於第二年至第五年到期
<i>Less:</i> Portion due within one year included under current liabilities	<i>減：</i> 列作流動負債於一年內到期之部分
Portion due after one year included under non-current liabilities	列作非流動負債於一年後到期之部分

Note:

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 March 2019 has not been restated. Details for transitions to HKFRS 16 are set out in note 2.

Leases are negotiated for terms of one to three years. Certain operating leases require the Group to pay either minimum guaranteed amounts or turnover rent that is based on prescribed rates of corresponding sales, whichever is the higher.

As at 31 March 2020, lease liabilities amounted to HK\$15,164,000 are effectively secured by the related underlying assets as the rights to the leased asset would be reverted to the lessor in the event of default by repayment by the Group. During the year ended 31 March 2020, the total cash outflows for the leases are HK\$11,588,000.

23. 租賃負債 — 續

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
8,189	—
6,975	—
15,164	—
(8,189)	—
6,975	—

附註：

本集團已使用經修訂追溯法首次應用香港財務報告準則第16號及調整於2019年4月1日的期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃之租賃有關的租賃負債。於2019年3月31日的比較資料不予重列。有關過渡至香港財務報告準則第16號的影響的詳情載於附註2。

租約按一至三年的期限商定。若干經營租賃要求本集團支付最低保證金額或按相應銷售指定比率計算的營業額租金(以較高者為準)。

於2020年3月31日，15,164,000港元的租賃負債由有關相關資產作抵押，此乃由於倘若本集團未能如期還款，租賃資產的權利將會復歸予出租人。截至2020年3月31日，租賃的總現金流出為11,588,000港元。

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23. LEASE LIABILITIES — *continued*

Details of the lease activities

As at 31 March 2020, the Group has entered into leases for retail shops.

Types of right-of-use assets	Financial statements items of right-of-use assets included in	Number of leases	Range of remaining lease term	Particulars
使用權資產的類型	納入財務報表的 使用權資產的項目	租賃的數目	餘下租賃期之 範圍	詳情
Retail shops	Property, plant and equipment	6	1 to 3 years	Some of the contracts contain additional variable lease payments depends on the turnover rent during the contract period.
零售店	物業、廠房及設備	6	1至3年	部分合約含有以合約期內銷售租金為依據的額外可變租賃付款。

There is no extension option or termination option on the leases.

23. 租賃負債 — 續

租賃活動的詳情

於2020年3月31日，本集團已就零售店訂立租賃。

租賃並無延期或終止的選擇權。

24. BANK BORROWINGS

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Secured bank loan	有抵押銀行貸款	—	2,048
Unsecured bank loans	無抵押銀行貸款	25,621	39,329
Total bank borrowings	銀行借款總額	25,621	41,377

24. 銀行借款

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24. BANK BORROWINGS — continued

The Group's bank loans are repayable as follows:

Bank loans are repayable (Note)	銀行貸款應在下列期限內償還(附註)
Within 1 year	1年內
After 1 year but within 2 years	1年後但2年內
After 2 years but within 5 years	2年後但5年內
After 5 years	5年後

Total bank loans 銀行貸款總額

Comprising:

Amounts due within one year shown under current liabilities and containing a repayment on demand clause

Amounts that are not repayable within one year from the end of the reporting period but containing a repayment on demand clause (shown under current liabilities)

包括：

列入流動負債且含有按
要求償還條款的一年內到期應付款項

毋須在報告期結束起一年內償還但含有按
要求償還條款的款項(列入流動負債)

Total bank loans

銀行貸款總額

Note: These amounts are based on the scheduled repayment dates set out in the bank loan agreements.

The Group's banking facility letter contains a clause which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

24. 銀行借款 — 續

本集團銀行貸款的應予償還情況如下：

2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
3,804	14,517
3,915	4,655
12,440	12,457
5,462	9,748
25,621	41,377
3,804	14,517
21,817	26,860
25,621	41,377

附註：該等款項以銀行貸款協議的約定還款日期為準。

本集團的銀行融資函件含有1項條款，使貸款人有權全權酌情隨時要求立即還款，不論本集團是否遵守契諾及履行約定還款責任。

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24. BANK BORROWINGS — *continued*

The exposure of the Group's bank loans are as follows:

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Fixed-rate borrowings	固定利率借款	—	2,048
Variable-rate borrowings	浮動利率借款	25,621	39,329
		25,621	41,377

All bank loans bear variable-rate ranging from Hong Kong Dollar Prime Rate minus 2.5% to Hong Kong Dollar Prime Rate minus 2% as at 31 March 2020 (2019: Hong Kong Dollar Prime Rate minus 2.5% to Hong Kong Dollar Prime Rate minus 2%).

The range of effective interest rates (which are also equal to contracted interest rates) per annum on the Group's bank loans as at 31 March 2020 and 2019, is as following:

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Effective interest rates:	實際利率：		
Fixed-rate borrowings	固定利率借款	—	5.84%
Variable-rate borrowings	浮動利率借款	2.500% to 3.125%	2.625% to 3.125%

All bank borrowings are denominated in HK\$.

24. 銀行借款 — 續

本集團銀行貸款風險如下：

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Fixed-rate borrowings	固定利率借款	—	2,048
Variable-rate borrowings	浮動利率借款	25,621	39,329
		25,621	41,377

以浮動利率計息的全部銀行貸款，利率區間為每年港元最優惠利率減2.5%至港元最優惠利率減2% (2019年：每年港元最優惠利率減2.5%至港元最優惠利率減2%)。

於2020年及2019年3月31日，本集團銀行貸款的每年實際利率區間(亦等於訂約利率)如下：

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Effective interest rates:	實際利率：		
Fixed-rate borrowings	固定利率借款	—	5.84%
Variable-rate borrowings	浮動利率借款	2.500% to 3.125%	2.625% to 3.125%

所有銀行借款均以港元計值。

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25. SHARE CAPITAL

Details of movements of authorised and issued capital of the Company are as follow:

25. 股本

本公司法定及已發行股本變動詳情如下：

		Number of shares 股份數目	Share capital 股本	
			HK\$ 港元	HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元普通股			
Authorised:	法定：			
At 1 April 2018	於2018年4月1日	38,000,000	380,000	380
Increase on 26 September 2018	於2018年9月26日增加	1,462,000,000	14,620,000	14,620
At 31 March 2019 and 2020	於2019年3月31日及2020年3月31日	1,500,000,000	15,000,000	15,000
Issued and fully paid:	已發行及繳足：			
At 1 April 2018	於2018年4月1日	1	—	—
Capitalisation Issue (Note a)	資本化發行(附註a)	562,499,999	5,625,000	5,625
Issue of shares upon listing (Note b)	於上市後發行股份(附註b)	187,500,000	1,875,000	1,875
At 31 March 2019 and 2020	於2019年3月31日及2020年3月31日	750,000,000	7,500,000	7,500

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25. SHARE CAPITAL — *continued*

Notes:

- (a) Pursuant to the written resolutions passed by the sole shareholder of the Company on 6 March 2019, upon completion of the public offer and placing, the Company was authorised to capitalise a sum of HK\$5,625,000 standing to the credit of the share premium account of the Company and applied such amount to pay up in full at par of 562,499,999 ordinary shares of the Company (the “Capitalisation Issue”).
- (b) In connection with the listing on 27 March 2019, the Company allotted and issued a total of 187,500,000 new shares at HK\$0.3 per share by way of public offer and placing. The proceeds of HK\$1,875,000 representing the nominal value of the new ordinary shares of the Company were credited to the Company's share capital. The remaining proceeds of HK\$54,375,000 before offsetting issuance costs of HK\$13,508,000 were credited to the Company's share premium.
- (c) Upon the completion of the group reorganisation on 12 April 2018, the Company became the holding company at the Group.

26. SHARE OPTION SCHEME

The Company's share option scheme (the “Share Option Scheme”) was adopted pursuant to a resolution passed on 6 March 2019. The purpose of the Share Option Scheme is to attract and retain or otherwise maintaining on-going business relationships with, and to provide incentive to eligible participant(s) including employees (full-time and part-time), executives or officers, directors, advisers, consultants, suppliers, customers, agent, and other persons approved by the board of directors, to optimise their performance and efficiency for the benefit of the Group.

The board of directors may, at its absolute discretion, offer to grant an option to eligible participant(s) to subscribe for the shares of the Company at an exercise price and subject to the other terms of the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other schemes of the Group must not in aggregate exceed 10% of the total number of shares in issue at the time dealings in the shares of the Company first commence on the Stock Exchange.

25. 股本 — 續

附註：

- (a) 根據本公司唯一股東於2019年3月6日通過的書面決議案，於公開發售及配售完成後，本公司獲授權資本化本公司股份溢價賬進賬金額合共5,625,000港元，並已應用有關款項按面值悉數支付本公司562,499,999股普通股（「資本化發行」）。
- (b) 就於2019年3月27日上市而言，本公司透過公開發售及配售配發及發行合共187,500,000股每股0.3港元的新股份。所得款項1,875,000港元（相當於本公司新普通股面值）計入本公司股本。餘下所得款項54,375,000港元（抵銷發行成本13,508,000港元前）計入本公司股份溢價。
- (c) 於本集團於2018年4月12日完成重組後，本公司已成為本集團的控股公司。

26. 購股權計劃

本公司的購股權計劃（「購股權計劃」）乃根據於2019年3月6日通過的決議案獲採納。購股權計劃旨在吸引並挽留或以其他方式維持與合資格參與者的持續業務關係，並激勵合資格參與者（包括全職及兼職僱員、高級管理層或高級人員、董事、諮詢人、顧問、供應商、客戶、代理及董事會批准的其他人士）為本集團的利益而提升工作表現及效率。

董事會可全權酌情向合資格參與者授出購股權，以在購股權計劃其他條款的規限下按行使價認購本公司股份。根據購股權計劃及本集團任何其他計劃將授出的所有購股權涉及的股份總數最高不得超過本公司股份首次在聯交所買賣時已發行股份總數的10%。

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26. SHARE OPTION SCHEME — *continued*

The Share Option Scheme will remain in force for a period of ten years from its adoption date.

No options were granted or exercised during the year ended 31 March 2020 and 2019 and no share options were outstanding as at 31 March 2020 and 2019.

27. LEASE COMMITMENTS

The reporting date, the lease commitments for short-term leases (2019: total future minimum lease payments payable by the Group under non-cancellable operating leases) are as follows:

Within one year	一年內
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)

At 31 March 2020, no lease commitments (2019: operating lease commitments of HK\$2,964,000) was provided to an entity controlled by a director of the Company.

26. 購股權計劃 — 續

購股權計劃自其採納日期起計十年期間將仍然有效。

截至2020年及2019年3月31日止年度並無授出或行使任何購股權，且於2020年及2019年3月31日並無任何購股權尚未行使。

27. 租賃承擔

於報告日期，短期租賃的租賃承擔(2019年：本集團根據不可撤銷經營租賃而應付的未來最低租賃款項總額)如下：

	2020 2020年	2019 2019年
	HK\$'000 千港元	HK\$'000 千港元
Within one year	314	10,169
In the second to fifth year inclusive	—	11,319
	314	21,488

於2020年3月31日，本公司董事控制的一間實體並無租賃承擔(2019年：經營租賃承擔2,964,000港元)獲撥備。

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28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

28. 融資活動產生的負債對賬

下表詳述本集團融資活動所產生的負債變動。融資活動所產生的負債是指現金流量已經或將會於本集團綜合現金流量表內分類為融資活動現金流量的負債。

		Interest payables 應付利息 HK\$'000 千港元	Accrued issue costs 應計發行利息 HK\$'000 千港元	Bank loans 銀行貸款 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 March and 1 April 2019	於2019年3月1日及 4月1日	—	2,045	41,377	—	43,422
Impact on initial application on HKFRS 16 (Note 2)	對首次應用香港財務報告 準則第16號的影響 (附註2)	—	—	—	16,662	16,662
At 1 April 2019, as restated	於2019年4月1日， 經重列	—	2,045	41,377	16,662	60,084
Cash-flows:	現金流：					
Interest expense paid	已付利息開支	(950)	—	—	(541)	(1,491)
Issue costs paid	已付發行成本	—	(2,045)	—	—	(2,045)
Repayments of bank loans	償還銀行貸款	—	—	(15,756)	—	(15,756)
Capital element of lease rentals paid	已付租賃租金的本金部分	—	—	—	(6,594)	(6,594)
Non-cash:	非現金：					
Entering into new leases	訂立新租賃	—	—	—	5,506	5,506
Modification of lease term	修改租賃期	—	—	—	(410)	(410)
Interest expenses recognised (Note 8)	已確認的利息開支 (附註8)	950	—	—	541	1,491
At 31 March 2020	於2020年3月31日	—	—	25,621	15,164	40,785

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28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES — *continued*

28. 融資活動產生的負債對賬 — 續

		Dividend payable	Interest payables	Accrued issue costs	Bank loans	Gold loans	Amount due to a related company	Total
				應計			應付一間	
		應付股息	應付利息	發行成本	銀行貸款	黃金貸款	公司款項	總計
		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
At 1 April 2018	於2018年4月1日	—	—	1,067	36,054	13,263	11,308	61,692
Cash-flows:	現金流:							
Interest expense paid	已付利息開支	—	(1,365)	—	—	—	—	(1,365)
Dividend paid	已付股息	(333)	—	—	—	—	—	(333)
Issue costs paid	已付發行成本	—	—	(9,889)	—	—	—	(9,889)
Proceeds from bank loan	銀行貸款所得款項	—	—	—	15,500	—	—	15,500
Repayments of bank loans/gold loans	償還銀行貸款/黃金貸款	—	—	—	(10,177)	(12,193)	—	(22,370)
Non-cash:	非現金:							
Issue costs accrued	應計發行成本	—	—	10,867	—	—	—	10,867
Interest expense recognised	已確認利息開支	—	1,365	—	—	—	—	1,365
Dividend declared	宣派股息	9,000	—	—	—	—	—	9,000
Settled with amounts due from related companies	以應收關連公司款項結算	(8,667)	—	—	—	—	—	(8,667)
Reclassification to amounts due from related companies	以應收關連公司款項重新分類	—	—	—	—	—	(11,308)	(11,308)
Gain on fair value changes of Gold Loans	黃金貸款公平值變動的收益	—	—	—	—	(1,070)	—	(1,070)
At 31 March 2019	於2019年3月31日	—	—	2,045	41,377	—	—	43,422

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29. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees but subject to a maximum amount of HK\$1,500 per month for each employee to the scheme.

The employees employed by the PRC subsidiary are members of the state-managed retirement benefits schemes operated by the PRC government. The PRC subsidiary is required to contribute a certain percentage of their payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the required contributions under the schemes.

Details of the retirement benefit schemes contributions for both years are set out in Note 9.

30. RELATED PARTY TRANSACTIONS

(a) Other than the transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the followings transaction with related companies during both years:

Rental expenses paid to related companies controlled by the executive director of the Company	向本公司執行董事控制的關聯公司支付的租金費用
---	------------------------

Included in trade and other receivables at 31 March 2020 were rental deposits paid to related companies controlled by the executive director of the Company of HK\$494,000 (2019: HK\$494,000).

29. 退休福利計劃

本集團為所有香港合資格僱員設立強制性公積金計劃。計劃的資產與本集團的資產分開處理，並由受託人管理的基金持有。本集團向該計劃作出的供款為有關薪金成本的5%，僱員須作等額供款，惟每名僱員每月向該計劃供款最高金額不超過1,500港元。

由中國附屬公司僱傭的僱員為中國政府營辦的國家管理退休福利計劃的成員。中國附屬公司須按其薪金的若干百分比向退休福利計劃作出供款以為福利提供資金。本集團對於該等退休福利計劃的唯一責任為根據計劃作出所需供款。

該兩個年度內退休福利計劃供款的詳情載於附註9。

30. 關聯方交易

(a) 除於綜合財務報表中其他部分另行披露的交易及結餘外，本集團於兩個年度內與關聯方具有下列交易：

year ended 31 March
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2020 2020年	2019 2019年
HK\$'000 千港元	HK\$'000 千港元
2,964	2,964

於2020年3月31日的貿易及其他應收款項為支付予本公司執行董事所控制的關聯公司之租金按金494,000港元(2019年：494,000港元)。

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30. RELATED PARTY TRANSACTIONS — *continued*

(b) Compensation of key management personnel

The remuneration of key management personnel during both years was as follows:

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Short-term employee benefits	短期僱員福利	4,477	2,986
Retirement benefit scheme contributions	退休福利計劃供款	98	200
		4,575	3,186

Key management personnel include directors of the Company and other senior management of the Group. The remuneration of key management personnel is determined by the management of the Company having regard to the performance of individuals and market trends.

30. 關聯方交易 — 續

(b) 主要管理層人員的薪酬

主要管理層人員於該兩個年度的薪酬如下：

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Short-term employee benefits	短期僱員福利	4,477	2,986
Retirement benefit scheme contributions	退休福利計劃供款	98	200
		4,575	3,186

主要管理層人員包括本公司的董事及本集團的其他高級管理層。主要管理層人員薪酬由本公司管理層參考個人表現及市場趨勢釐定。

31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of debts, which includes lease liabilities and bank borrowings as set out in Notes 23 and 24, respectively and equity attributable to owners of the Group, comprising share capital and reserves as disclosed in the consolidated financial statements.

The directors of the Company review the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through new share issues and raising or repayment of bank borrowings.

31. 資本風險管理

本集團管理其資本以確保本集團將能夠繼續持續經營，同時透過優化債務及權益結餘以盡量提高股東回報。本集團整體策略於該兩個年度內保持不變。

本集團資本架構包括債務(包括附註23及24分別所載租賃負債及銀行借款)及本集團擁有人應佔權益(包括綜合財務報表所披露的股本及儲備)。

本公司董事定期檢討資本架構。本集團考慮資本成本以及各類資本相關風險，並將會透過新股份發行以及籌措或償還銀行借款平衡其整體資本架構。

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32. FINANCIAL INSTRUMENTS

Categories of financial instruments

Financial assets

Financial assets at amortised cost

— Pledged bank deposits

— Bank balances and cash

— Trade and other receivables*

Financial asset at FVTPL

— Unlisted equity investment

金融資產

按攤銷成本計值的金融資產

— 已抵押銀行存款

— 銀行結餘及現金

— 貿易及其他應收款項*

按公平值計入損益的金融資產

— 非上市股本投資

32. 金融工具

金融工具分類

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Financial assets			
Financial assets at amortised cost			
— Pledged bank deposits	— 已抵押銀行存款	—	2,200
— Bank balances and cash	— 銀行結餘及現金	43,429	75,973
— Trade and other receivables*	— 貿易及其他應收款項*	7,707	11,077
Financial asset at FVTPL			
— Unlisted equity investment	— 非上市股本投資	5,195	—
		56,331	89,250
Financial liabilities			
Financial liabilities at amortised cost			
— Trade and other payables**	— 貿易及其他應收款項**	5,009	16,962
— Bank borrowings	— 銀行借款	25,621	41,377
— Lease liabilities	— 租賃負債	15,164	—
		45,794	58,339

* Prepayment and non-refundable deposits are excluded

** Accruals are excluded

Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, rental deposits, pledged bank deposits, bank balances and cash, trade and other payables, lease liabilities, and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (foreign currency risk and interest rate risk), credit risk and liquidity risk, and the policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

* 不包括預付款項及不可退還按金

** 不包括應計費用

財務風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、租賃押金、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項、租賃負債及銀行借款。該等金融工具的詳情披露於相關附註。與該等金融工具有關的風險包括市場風險(外匯風險及利率風險)、信貸風險及流動資金風險，而有關於如何減輕該等風險的政策載於下文。本公司董事管理及監控該等風險以確保及時有效地實施合適的措施。

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For the year ended 31 March 2020 截至2020年3月31日止年度

32. FINANCIAL INSTRUMENTS — *continued*

Financial risk management objectives and policies — *continued*

Market risk

Foreign currency risk

The Group has limited currency exposure as majority of the revenue were denominated in functional currency of the respective group entities. The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting dates are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Assets	資產		
US\$	美元	36	75
RMB	人民幣	37	7
Liabilities	負債		
US\$	美元	3,125	5,797

The Group is mainly exposed to the foreign currency risk of US\$ and RMB. Under the pegged exchange rate system, the financial impact on exchange difference between HK\$ and US\$ will be immaterial as most US\$ denominated monetary assets and liabilities are held by group entities having HK\$ as their functional currency, and therefore no sensitivity analysis has been prepared. No sensitivity analysis has been prepared for HK\$ against RMB as the amount involved is insignificant.

32. 金融工具 — 續

財務風險管理目標及政策 — 續

市場風險

外匯風險

由於大部分收益以有關集團實體的功能貨幣計值，因此本集團所面對的貨幣風險有限。於報告期末，本集團以外幣計值的貨幣資產及負債的賬面值如下：

本集團主要面臨美元及人民幣的外匯風險。根據匯率掛鈎制度，由於集團實體持有的大部分美元計值貨幣資產及負債以港元為其功能貨幣，港元與美元之間的匯率差額的財務影響將不重大，因此並無編製敏感度分析。因為所涉金額並不重大，故並無就港元兌人民幣編製敏感度分析。

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For the year ended 31 March 2020 截至2020年3月31日止年度

32. FINANCIAL INSTRUMENTS — *continued*

Financial risk management objectives and policies — *continued*

Market risk — *continued*

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and variable-rate bank borrowings (Note 24). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation on Hong Kong Dollar Prime Rate arising from the Group's Hong Kong dollar denominated bank borrowings. The Group currently does not have a policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative financial instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis points and 10 basis points increase or decrease in bank borrowings and bank balances respectively are used which represents management's assessment of the reasonably possible change in interest rates.

If interest rates on interest bearing borrowings and bank balances had been 100 basis points and 10 basis points respectively higher/lower and all of other variables were held constant, the profit for the year ended 31 March 2020 would be decreased/increased by HK\$171,000 (the profit for the year ended 31 March 2019 would be decreased/increased by HK\$267,000).

32. 金融工具 — 續

財務風險管理目標及政策 — 續

市場風險 — 續

利率風險

本集團面臨涉及浮動利率銀行結餘及浮動利率銀行借款的現金流利率風險(附註24)本集團的現金流利率風險主要集中於本集團港元計值的銀行借款所產生的港元最優惠利率的波動。本集團現時並無針對利率風險的現金流對沖政策。然而，管理層監察利率風險，並將在必要時考慮對沖重大利率風險。

敏感度分析

下文的敏感度分析乃按報告期末非衍生金融工具的利率風險釐定。分析乃假設於報告期末尚未清償的金融工具於整個年度尚未清償而編製。分別利用銀行借款及銀行結餘100個基點及10個基點的升幅或跌幅，此乃管理層對利率合理可能變動的評估。

倘計息借款及銀行結餘的利率分別增加／減少100個基點及10個基點而所有其他可變因素維持不變，截至2020年3月31日止年度的溢利將會減少／增加171,000港元(截至2019年3月31日止年度的溢利將減少／增加267,000港元)。

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For the year ended 31 March 2020 截至2020年3月31日止年度

32. FINANCIAL INSTRUMENTS — *continued*

Financial risk management objectives and policies — *continued*

Credit risk and impairment assessment

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of each reporting period in relation to each class of recognised financial assets is the carrying amount of those assets stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Given the Group's wholesale customers are widely spread over, management considers that the credit risk associated is low. In addition, the Group makes reference to the historical repayment to assess the impairment for individual debtors with significant balances while the Group collectively assesses the impairment for its remaining customers using a provision matrix with appropriate groupings based on share credit risk characteristics of customers are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

32. 金融工具 — 續

財務風險管理目標及政策 — 續

信貸風險及減值評估

倘於各個報告期末對手方未能履行彼等的責任，則本集團就各類已確認金融資產的最大信貸風險為該等載列於綜合財務狀況表內的資產的賬面值。為了盡量減低信貸風險，本集團管理層已授權一個團隊負責釐定信貸限額、信貸批核及其他監察程序，確保採取跟進行動以追討逾期債務。鑒於本集團的批發客戶遍佈廣泛，管理層認為有關信貸風險很低。此外，本集團參考還款記錄以評估具有重大餘額的個別債務人的減值，而本集團使用基於客戶的共同信貸風險特徵的適當分組的撥備矩陣對剩餘客戶減值作集體評估。就此，本公司董事認為可大幅減低本集團的信貸風險。

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For the year ended 31 March 2020 截至2020年3月31日止年度

32. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies — continued

Credit risk and impairment assessment — continued

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables	Financial assets other than trade receivables
內部信貸評級	說明	貿易應收款項	除貿易應收款項外的金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 訂約對手方具有低違約風險，且並無任何逾期款項	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	12m ECL 十二個月 預期信貸虧損
Medium risk 中等風險	Debtor frequently repays after due dates but usually settles after due date 債務人經常於到期日後還款，惟通常於到期日後還清	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	12m ECL 十二個月 預期信貸虧損
High risk 高風險	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 內部制定資料或外來資源顯示信貸風險自初始確認起大幅增加	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示資產為信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人處於嚴重財務困難，而本集團並不認為日後可收回款項	Amount is written off 撇銷款項	Amount is written off 撇銷款項

32. 金融工具 — 續

財務風險管理目標及政策 — 續

信貸風險及減值評估 — 續

本集團的內部信貸風險評級評估包括下列類別：

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32. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies —
continued

Credit risk and impairment assessment — continued

The table below details the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

2020	2020年	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amount
		附註	外部 信貸評級	內部 信貸評級	十二個月 或全期預期 信貸虧損	賬面總值 HK\$'000 千港元
Financial assets at amortised cost	按攤銷成本計值的 金融資產					
Trade receivables	貿易應收款項	18	N/A 不適用	Low risk 低風險	Lifetime ECL (simplified approach) 全期預期 信貸虧損 (簡化法)	805
				Medium risk 中等風險	Lifetime ECL (simplified approach) 全期預期 信貸虧損 (簡化法)	3,265
Other receivables	其他應收款項	18	N/A 不適用	Low risk 低風險	12m ECL 12個月預期 信貸虧損	3,736
Bank balances	銀行結餘	19	A- to AA+ A- 至 AA+	N/A 不適用	12m ECL 十二個月 預期信貸虧損	42,362

32. 金融工具 — 續

財務風險管理目標及政策 — 續

信貸風險及減值評估 — 續

下表詳列本集團金融資產的信貸風險(須進行預期信貸虧損評估)：

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32. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies —
continued

Credit risk and impairment assessment — continued

2019	2019年	Notes 附註	External credit rating 外部 信貸評級	Internal credit rating 內部 信貸評級	12m or lifetime ECL 十二個月 或全期預期 信貸虧損	Gross carrying amount 賬面總值 HK\$'000 千港元
Financial assets at amortised cost	按攤銷成本計值的 金融資產					
Trade receivables	貿易應收款項	18	N/A 不適用	Low risk 低風險	Lifetime ECL (simplified approach) 全期預期 信貸虧損 (簡化法)	3,419
				Medium risk 中等風險	Lifetime ECL (simplified approach) 全期預期 信貸虧損 (簡化法)	4,042
Other receivables	其他應收款項	18	N/A 不適用	Low risk 低風險	12m ECL 12個月預期 信貸虧損	3,680
Bank balances	銀行結餘	19	A-- to AA+ A-- to AA+	N/A 不適用	12m ECL 十二個月 預期信貸虧損	71,694
Pledged bank deposit	已抵押銀行存款	19	AA+ AA+	N/A 不適用	12m ECL 十二個月 預期信貸虧損	2,200

32. 金融工具 — 續

財務風險管理目標及政策 — 續

信貸風險及減值評估 — 續

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 March 2020 截至2020年3月31日止年度

32. FINANCIAL INSTRUMENTS — *continued*

Financial risk management objectives and policies — *continued*

Credit risk and impairment assessment — *continued*

The Group has no significant concentration of credit risk on trade and other receivables, with exposure spread over a number of counterparties.

The credit risk on other receivables is minimal as the risk of default is low after considering the factors as set out in note 3.12. No ECL have been recognised as a result of the total ECL of other receivables is considered as immaterial.

The Group assesses the expected losses on financial assets and considers the probability of default upon initial recognition of the respective asset and whether there has been a significant increase in credit risk on an ongoing basis.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition and considers available forward-looking information, including below indicators:

- internal credit rating based on historical information;
- actual or expected significant changes in the operating results of the debtors; and
- significant changes in the expected performance and behavior of the debtors, including changes in the payment status of debtors

The Group applies the simplified approach and assesses the lifetime ECL for trade receivables at the end of each reporting period to ensure that adequate impairment losses are made for significant increases in the likelihood or risk of a default occurring since initial recognition.

Relevant information with regard to the exposure of credit risk and expected credit losses for trade receivables as at 31 March 2020 and 2019 are set out in Note 18.

For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. Based on the historical default rate and repayment history, the directors of the Company considered the expected credit loss from pledged bank deposit and bank balances is insignificant.

32. 金融工具 — 續

財務風險管理目標及政策 — 續

信貸風險及減值評估 — 續

本集團於貿易及其他應收款項並無重大信貸風險集中現象，有關風險分佈於多名對手方。

其他應收款項的信貸風險甚低，此乃由於計及附註3.12所載因素後違約風險較低。經考慮因其他應收款項的預期信貸虧損總額並不重大，故概無預期信貸虧損已獲確認。

本集團評估金融資產的預期虧損並考慮初步確認各項資產時違約的可能性以及信貸風險有否持續大幅增加。

為評估信貸風險是否大幅增加，本集團比較報告日期資產發生違約的風險與初步確認日期的違約風險，其考慮可得的前瞻性資料，包括以下指標：

- 基於過往資料的內部信貸評級；
- 債務人經營業績的實際或預期重大變動；及
- 債務人預期表現及行為的重大變動，包括債務人付款情況的變動

本集團採用簡化方法，於各報告期末評估貿易應收款項的生命週期預期信貸損失，確保就自初步確認起出現違約的可能性或風險大幅增加計提足夠減值虧損撥備。

關於貿易應收款項於2020年及2019年3月31日的信貸風險及預期信貸損失的相關資料載於附註18。

就內部信貸風險管理而言，本集團使用逾期資料評估信貸風險自初步確認以來是否大幅增加。本公司董事認為，根據歷史違約率及還款記錄，已抵押銀行存款及銀行結餘的預期信貸虧損不屬重大。

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32. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies — continued

Liquidity risk

The management of the Group has built a liquidity risk management framework for managing the Group's short and medium-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities. At 31 March 2020, the Group has no available unutilised bank loan facilities (2019: HK\$8,000,000).

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The table includes both interest and principal cash flows.

32. 金融工具 — 續

財務風險管理目標及政策 — 續

流動資金風險

本集團管理層已建立流動資金風險管理框架，以管理本集團的中短期資金及流動資金管理需求。本集團透過取得銀行融資及持續監察預測及實際現金流量和其金融負債的到期概況，以管理流動資金風險。於2020年3月31日，本集團並無可動用的未動用銀行貸款融資(2019年：8,000,000港元)。

下表詳列本集團就其金融負債的尚餘合約期限。下表根據本集團可被要求還款的最早日期擬定，以反映財務負債的未貼現現金流量。具體而言，不論銀行行使其權利的概率，含有按要求償還條款的銀行貸款均被劃分為最早日期的時間範圍。下表同時包括利息及本金現金流量。

		Weighted average interest rate 加權平均利率	On demand or less than 1 year 須按要求或一年內償還	Over 1 year but within 5 years 超過1年但於5年內	Total undiscounted cash flow 未貼現現金流量總額	Carrying amount 賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial liabilities	金融負債					
At 31 March 2020	於2020年3月31日					
Trade and other payables	貿易及其他應付款項	—	5,009	—	5,009	5,009
Bank loans (Note)	銀行貸款(附註)	2.85	25,621	—	25,621	25,621
Lease liabilities	租賃負債	3.13	8,546	7,088	15,634	15,164
			39,176	7,088	46,264	45,794

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32. FINANCIAL INSTRUMENTS — continued

Financial risk management objectives and policies — continued

Liquidity risk — continued

	Weighted average interest rate	On demand or less than 1 year	Over 1 year but within 5 years	Total undiscounted cash flow	Carrying amount
	加權平均利率	須按要求或一年內償還	超過1年但於5年內	未貼現現金流量總額	賬面值
	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial liabilities	金融負債				
At 31 March 2019	於2019年3月31日				
Trade and other payables	貿易及其他應付款項	—	16,962	16,962	16,962
Bank loans (Note)	銀行貸款(附註)	3.07	41,377	41,377	41,377
			58,339	58,339	58,339

Note: Bank loans with a repayment on demand clause are included in the "on demand or less than 1 year" time band in the above maturity analysis. At 31 March 2020, the aggregate carrying amount of these bank loans amounted to HK\$25,621,000 (2019: HK\$41,377,000). Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements with the principal and interest cash outflows as follows:

Aggregate principal and interest cash outflows repayable:

	一年內
Within 1 year	一年內
After 1 year but within 2 years	一年後但兩年內
After 2 years but within 5 years	兩年後但五年內
After 5 years	五年後

32. 金融工具 — 續

財務風險管理目標及政策 — 續

流動資金風險 — 續

	Weighted average interest rate	On demand or less than 1 year	Over 1 year but within 5 years	Total undiscounted cash flow	Carrying amount
	加權平均利率	須按要求或一年內償還	超過1年但於5年內	未貼現現金流量總額	賬面值
	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial liabilities	金融負債				
At 31 March 2019	於2019年3月31日				
Trade and other payables	貿易及其他應付款項	—	16,962	16,962	16,962
Bank loans (Note)	銀行貸款(附註)	3.07	41,377	41,377	41,377
			58,339	58,339	58,339

附註：於以上到期日分析中，凡訂有須按要求還款條款的銀行貸款均計入「須按要求或一年內償還」的時間範圍內。於2020年3月31日，該等銀行貸款賬面總金額為25,621,000港元(2019年：41,377,000港元)。經計及本集團的財務狀況，本公司董事認為銀行不大可能會行使其酌情權要求即時還款。本公司董事相信，該等銀行貸款將按照貸款協議所載的預定還款日期償還，本金及利息現金流出如下：

應償還本金及利息現金流出總額：

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元
4,486	15,555
4,485	5,412
13,458	13,890
6,238	10,000
28,667	44,857

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32. FINANCIAL INSTRUMENTS — continued

Below is a summary of significant unobservable inputs to the valuation of financial instrument:

At 31 March 2020 於2020年3月31日	Valuation technique 估值技巧	Unobservable input 不可見輸入數據	Relationship of unobservable inputs to fair value 不可見輸入數據與公平值的關係
Unlisted equity investment 未上市股本投資	Market comparable companies 市場可資比較公司	Price-to-book ratio: 1:1.51 市賬率：1:1.51	An increase in the ratio will result in an increase in the fair value of the unlisted equity investment 比率增加將令未上市股本投資的公平值增加
		Discount of lack of marketability: 25% 市場流通性折讓： 25%	An increase in the discount will result in a decrease in the fair value of the unlisted equity investment 折讓增加將令未上市股本投資的公平值減少

The movement during the year in the balance of Level 3 instruments is as follows:

有關金融工具估值的重大不可見輸入數據的概述如下：

第三層工具結餘年內的變動如下：

		2020 2020年
		HKD'000 千港元
Opening balance 期初結餘		—
Incremental investment 增量投資		5,000
Fair value change recognised in profits or loss 於損益中確認的公平值變動		195
Closing balance 期末結餘		5,195

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33. PARTICULARS OF PRINCIPAL SUBSIDIARIES

At the end of each reporting period, the Company has indirect equity interests in the following principal subsidiaries:

33. 主要附屬公司的詳情

於各報告期末，本公司於以下主要附屬公司擁有間接股權：

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立／成立地點 及日期	Place of operations 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 ／註冊資本	Equity interest attributable to the Group 本集團應佔股權		Principal activities 主要活動
				At 31 March 於3月31日	2019	
				2020 2020年	2019年	
卓薈珠寶(深圳)有限公司 Zhouhui Jewellery	PRC 18 November 2011	PRC	HK\$8,000,000	100%	100%	Manufacture of jewellery 生產珠寶
卓薈珠寶(深圳)有限公司	中國 於2011年11月18日	中國	8,000,000港元			
Chuk Fung Jewellery Manufactory Limited	Hong Kong 7 November 2003	Hong Kong	HK\$10,000	100%	100%	Investment holding 投資控股
卓豐珠寶首飾廠有限公司	香港 於2003年11月7日	香港	10,000港元			
W-Rich Company Limited	Hong Kong 29 November 2011	Hong Kong	HK\$1	100%	100%	Procurement, marketing and promotion, distribution and wholesale of jewellery 珠寶採購、市場推廣及宣傳、分銷及批發
智達行有限公司	香港 於2011年11月29日	香港	1港元			
Chong Fai Group Holdings Company Limited	Hong Kong 7 January 2000	Hong Kong	HK\$10,000	100%	100%	Procurement, marketing and promotion, distribution of jewellery and trading of recycled gold products 珠寶採購、市場推廣及宣傳、分銷及回收黃金產品貿易
創輝集團控股有限公司	香港 於2000年1月7日	香港	10,000港元			

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33. PARTICULARS OF PRINCIPAL SUBSIDIARIES

— continued

33. 主要附屬公司的詳情 — 續

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立地點 及日期	Place of operations 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	Equity interest attributable to the Group 本集團應佔股權		Principal activities 主要活動
				At 31 March 於3月31日	2019	
				2020 2020年	2019年	
Chong Fai Jewellery & Gold Company Limited	Hong Kong 14 March 1997	Hong Kong	HK\$20,010,000	99.99%	99.99%	Procurement, marketing and promotion, distribution, retail of jewellery
創輝珠寶金行有限公司	香港 於1997年3月14日	香港	20,010,000港元			珠寶採購、市場推廣及宣傳、分銷、零售
King Jewellery & J Company Limited	Hong Kong 28 May 2012	Hong Kong	HK\$1	100%	100%	Procurement, marketing and promotion, distribution and wholesale of jewellery
皇室珠寶玉器有限公司	香港 於2012年5月28日	香港	1港元			珠寶採購、市場推廣及宣傳、分銷及批發

None of the subsidiaries had issued any debt securities at the end of the year or anytime during the year.

概無附屬公司於年終或於本年度任何時間發行任何債務證券。

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34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

34. 本公司財務狀況表

		2020 2020年	2019 2019年
		HK\$'000 千港元	HK\$'000 千港元
Non-current asset	非流動資產		
Investments in subsidiaries (Note)	於附屬公司的投資(附註)	—	—
Current assets	流動資產		
Other receivables	其他應收款項	—	20
Bank balances and cash	銀行結餘及現金	1,202	45,936
Amount due from a subsidiary	應付一間附屬公司款項	37,349	—
		38,551	45,956
Current liabilities	流動負債		
Other payables	其他應付款項	10	8,054
Amount due to a subsidiary	應付一間附屬公司款項	13,878	13,161
		13,888	21,215
Net current assets	流動資產淨值	24,663	24,741
Net assets	資產淨值	24,663	24,741
Capital and reserves	資本及儲備		
Share capital	股本	7,500	7,500
Reserves	儲備	17,163	17,241
Total equity	權益總額	24,663	24,741

Note: The amount of the investments in subsidiaries are less than HK\$1,000.

附註：於附屬公司投資的金額少於1,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY — continued

Movement of the Company's reserves:

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日 (註冊成立日期)	—	(8,151)	(8,151)
Loss and total comprehensive expense for the period	虧損及期內全面開支總額	—	(9,850)	(9,850)
Capitalisation Issue	資本化發行	(5,625)	—	(5,625)
Issue of shares upon listing	於上市後發行股份	54,375	—	54,375
Expenses incurred in connection with the issue of shares upon listing	有關於上市後發行股份的已產生開支	(13,508)	—	(13,508)
At 31 March 2019	於2019年3月31日	35,242	(18,001)	17,241
Loss and total comprehensive expense for the period	虧損及期內全面開支總額	—	(78)	(78)
At 31 March 2020	於2020年3月31日	35,242	(18,079)	17,163

As at 31 March 2020, the Company had distributable reserve of approximately of HK\$17,163,000 (2019: HK\$17,241,000), calculated under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Such amount includes share premium which may be distributable provided that immediately following the date on which the dividend is proposed, the Company will be in a position to pay off its debts or when they fall due in the ordinary course of business.

本公司儲備的變動：

	Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
於2018年4月1日 (註冊成立日期)	—	(8,151)	(8,151)
虧損及期內全面開支總額	—	(9,850)	(9,850)
資本化發行	(5,625)	—	(5,625)
於上市後發行股份	54,375	—	54,375
有關於上市後發行股份的已產生開支	(13,508)	—	(13,508)
於2019年3月31日	35,242	(18,001)	17,241
虧損及期內全面開支總額	—	(78)	(78)
於2020年3月31日	35,242	(18,079)	17,163

於2020年3月31日，本公司擁有可分配儲備約17,163,000港元(2019年：17,241,000港元)，乃根據開曼群島公司法第22章(1961年法例3，經綜合及修訂)而計算得出。倘於緊隨建議分派股息的日期後，本公司能夠清償於一般業務過程中到期之債項、有關金額包含可予分派的股份溢價。

35. EVENT AFTER THE REPORTING PERIOD

The outbreak of the 2019 Novel Coronavirus ("COVID-19") and the subsequent quarantine measures and travel restrictions imposed in worldwide countries in 2020 may have impact on the Group's sales in jewellery business. As at the date of issuance of these consolidated financial statements, the directors of the Company are still assessing the impact that the COVID-19 will have on the Group's operations. In response to the market situation, the Group took immediate actions to minimise operating costs, revise capital expenditure plans and maintain sufficient banking facilities to fund working capital needs.

35. 報告期後事項

2019新型冠狀病毒(「2019冠狀病毒病」)的爆發以及於2020年於世界各國實施的後續隔離措施及旅行限制或對本集團的珠寶銷售業務造成影響。於該等綜合財務報表刊發日期，本公司董事仍正評估2019冠狀病毒病將對本集團的經營造成的影響。為反映市場情況，本集團採取直接行動以盡量減少經營成本、修訂資本開支計劃及維持充足的銀行融資以為營運資金需求提供資金。

FINANCIAL SUMMARY

財務概要

For the year ended 31 March 2020 截至2020年3月31日止年度

RESULTS

業績

For the year ended 31 March

截至3月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Revenue	收益	119,869	175,589	173,020	203,464
(Loss)/Profit before tax	除稅前(虧損)/溢利	(6,854)	3,908	8,012	9,881
Income tax credit/(expense)	所得稅抵免/(開支)	1,370	(1,685)	(3,177)	(6,008)
(Loss)/Profit for the year	年內(虧損)/溢利	(5,484)	2,223	4,835	3,873

ASSETS AND LIABILITIES

資產及負債

At 31 March

於3月31日

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Total assets	資產總值	137,335	157,471	138,196	144,363
Total liabilities	負債總值	(55,730)	(69,692)	(84,813)	(89,233)
Total equity	權益總額	81,605	87,779	53,383	55,130



創輝珠寶集團控股有限公司
Chong Fai Jewellery Group Holdings Company Limited