



T S L 謝瑞麟

HONG KONG

2016/2017

INTERIM REPORT 中期報告

STOCK CODE 股份代號:417

Let's keep our

FINGERS

CROSSED

讓我們憧憬未來!

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FINGER LANGUAGE

Show your love and attitude
all through your fingers



CORPORATE INFORMATION 公司資料

EXECUTIVE DIRECTORS

Yau On Yee, Annie (*Chairman & Chief Executive Officer*)
Ng Yi Kum, Estella (*Deputy Chairman, Chief Strategy Officer & Chief Financial Officer*)
Chan Lambert Lap Yip (*Deputy Chief Executive Officer — Commercial*) (resigned on 1 June 2016)

NON-EXECUTIVE DIRECTORS

Erwin Steve Huang (*Deputy Chairman*)
Wang Guosheng

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chui Chi Yun, Robert
Chan Yue Kwong, Michael
Chow Chee Wai, Christopher

COMPANY SECRETARY

Ng Yi Kum, Estella

AUTHORISED REPRESENTATIVES

Yau On Yee, Annie
Ng Yi Kum, Estella

AUDIT COMMITTEE

Chui Chi Yun, Robert (*Chairman*)
Chan Yue Kwong, Michael
Chow Chee Wai, Christopher

REMUNERATION COMMITTEE

Chow Chee Wai, Christopher (*Chairman*)
Chui Chi Yun, Robert
Chan Yue Kwong, Michael
Yau On Yee, Annie
Ng Yi Kum, Estella (*appointed on 10 May 2016*)

NOMINATION COMMITTEE

Chan Yue Kwong, Michael (*Chairman*)
Chow Chee Wai, Christopher
Yau On Yee, Annie

EXECUTIVE COMMITTEE

Yau On Yee, Annie (*Chairman*)
Ng Yi Kum, Estella
Chan Lambert Lap Yip (*resigned on 1 June 2016*)

LEGAL ADVISERS

As to Hong Kong law:
Reed Smith Richards Butler
20/F., Alexandra House, 18 Chater Road, Central, Hong Kong

As to Bermuda law:
Conyers Dill & Pearman
Room 2901, One Exchange Square, 8 Connaught Place, Central, Hong Kong

執行董事

邱安儀 (*主席及行政總裁*)
伍綺琴 (*副主席及首席策略暨財務官*)
陳立業 (*副行政總裁 — 業務*) (於2016年6月1日辭任)

非執行董事

黃岳永 (*副主席*)
王國盛

獨立非執行董事

崔志仁
陳裕光
周治偉

公司秘書

伍綺琴

授權代表

邱安儀
伍綺琴

審核委員會

崔志仁 (*主席*)
陳裕光
周治偉

薪酬委員會

周治偉 (*主席*)
崔志仁
陳裕光
邱安儀
伍綺琴 (於2016年5月10日獲委任)

提名委員會

陳裕光 (*主席*)
周治偉
邱安儀

執行委員會

邱安儀 (*主席*)
伍綺琴
陳立業 (於2016年6月1日辭任)

法律顧問

香港法律：
禮德齊伯禮律師行
香港中環遮打道18號歷山大廈20樓

百慕達法律：
Conyers Dill & Pearman
香港中環樂樂廣場8號交易廣場第1期2901室

AUDITORS

Ernst & Young

Certified Public Accountants

22/F, CITIC Tower, 1 Tim Mei Avenue, Central, Hong Kong

PRINCIPAL BANKERS

Industrial Bank of Taiwan Co., Ltd.

Suites 3210-14, 32/F., Tower 6, The Gateway, Harbour City,
9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong

Bangkok Bank Public Company Limited

28 Des Voeux Road Central, Hong Kong

China CITIC Bank International Limited

80/F., International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong

The Bank of East Asia, Limited (Taipei Branch)

10/F., Taipei Financial Center, No. 88, Dunhua North Road, Taipei, 10551, Taiwan

Hang Seng Bank Limited

20/F., 83 Des Voeux Road Central, Hong Kong

DBS Bank (Hong Kong) Limited

16/F., The Centre, 99 Queen's Road Central, Hong Kong

Dah Sing Bank, Limited

35/F., Dah Sing Financial Centre, 108 Gloucester Road, Hong Kong

PRINCIPAL SHARE REGISTRAR

Codan Services Limited

Clarendon House, 2 Church Street,
Hamilton HM11, Bermuda

HONG KONG BRANCH SHARE REGISTRAR

Tricor Secretaries Limited

Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Ground Floor, Block B, Summit Building, 30 Man Yue Street, Hunghom, Kowloon, Hong Kong

STOCK CODE

417

WEBSITE

www.tslj.com

核數師

安永會計師事務所

執業會計師

香港中環添美道1號中信大廈22樓

主要往來銀行

台灣工業銀行股份有限公司

香港九龍尖沙咀廣東道9號海港城
港威大廈6座32樓3210 – 14室

盤谷銀行

香港德輔道中28號

中信銀行(國際)有限公司

香港九龍柯士甸道西1號環球貿易廣場80樓

東亞銀行有限公司(台北分行)

台北市10551敦化北路88號台北金融中心大樓10樓

恒生銀行有限公司

香港中環德輔道中83號20樓

星展銀行(香港)有限公司

香港中環皇后大道中99號中環中心16樓

大新銀行有限公司

香港告士打道108號大新金融中心35樓

股份過戶登記總處

Codan Services Limited

Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda

香港股份過戶登記分處

卓佳秘書商務有限公司

香港皇后大道東183號合和中心22樓

註冊辦事處

Clarendon House, 2 Church Street,
Hamilton HM 11, Bermuda

香港主要營業地點

香港九龍紅磡民裕街30號興業工商大廈地下B座

股份代號

417

網址

www.tslj.com

A close-up photograph of a hand with several rings. The hand is positioned as if about to grasp something, with the index and middle fingers extended. The background is a bright, out-of-focus window with a grid pattern. The lighting is soft and natural, highlighting the skin and the details of the jewelry.

Embracing change
while prudently
PLANNING AHEAD

穩中求變 籌劃未來

RESULTS 業績

The board of directors (the “Board”) of Tse Sui Luen Jewellery (International) Limited (the “Company”) announces the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 31 August 2016. The interim results for the six months ended 31 August 2016 have been reviewed by the Company’s audit committee (the “Audit Committee”).

謝瑞麟珠寶(國際)有限公司(「本公司」)董事會(「董事會」)公佈本公司及其附屬公司(「本集團」)截至2016年8月31日止六個月之未經審核綜合中期業績。截至2016年8月31日止六個月之中期業績已由本公司之審核委員會(「審核委員會」)審閱。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS 綜合損益賬

For the six months ended 31 August 2016
截至2016年8月31日止六個月

		Six months ended 31 August 截至8月31日止六個月		
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)	
		Notes 附註		
Turnover	營業額	5	1,549,954	1,752,574
Cost of sales	銷售成本		(796,253)	(955,303)
Gross profit	毛利		753,701	797,271
Other income and (losses)/gains, net	其他收入及(虧損)/收益, 淨額		(5,482)	5,379
Selling and distribution expenses	銷售及分銷費		(597,968)	(666,864)
Administrative expenses	行政費用		(87,933)	(73,364)
PROFIT FROM OPERATIONS	經營盈利		62,318	62,422
Finance costs	財務費用	7	(34,419)	(30,607)
PROFIT BEFORE TAX	除稅前盈利	6	27,899	31,815
Income tax expense	所得稅費用	8	(16,180)	(16,415)
PROFIT FOR THE PERIOD	本期間盈利		11,719	15,400
ATTRIBUTABLE TO:	應佔盈利部份:			
Owners of the Company	本公司擁有人		11,739	15,457
Non-controlling interests	非控股股東權益		(20)	(57)
			11,719	15,400
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔每股盈利			
Basic and diluted	基本及攤薄	10	5.6 cents 港仙	7.3 cents 港仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收入報表

For the six months ended 31 August 2016
截至2016年8月31日止六個月

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
PROFIT FOR THE PERIOD	本期間盈利	11,719	15,400
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss to be reclassified to profit or loss in subsequent years:	日後可能重新分類至損益賬之其他全面虧損項目：		
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	(25,600)	(47,712)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	本期間其他全面虧損，扣除稅項	(25,600)	(47,712)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	本期間全面虧損總額	(13,881)	(32,312)
Attributable to:	應佔全面收入總額：		
Owners of the Company	本公司擁有人	(13,861)	(32,279)
Non-controlling interests	非控股股東權益	(20)	(33)
		(13,881)	(32,312)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 August 2016
於2016年8月31日

		Notes 附註	At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	4	138,080	139,441
Intangible assets	無形資產		99	99
Other asset	其他資產		500	500
Prepayments and deposits	預付款及按金	13	42,681	43,379
Time deposits	定期存款		34,884	71,429
Deferred tax assets	遞延稅項資產		54,308	50,692
			270,552	305,540
CURRENT ASSETS	流動資產			
Inventories	存貨	11	1,627,332	1,607,509
Trade receivables	應收賬款	12	217,335	254,642
Prepayments, deposits and other receivables	預付款、按金及其他應收款	13	157,513	115,517
Tax recoverable	可收回稅項		15,721	7,649
Time deposits	定期存款		163,736	181,891
Cash and cash equivalents	現金及現金等價物		267,354	202,549
			2,448,991	2,369,757
CURRENT LIABILITIES	流動負債			
Trade payables	應付賬款	14	(347,851)	(271,633)
Other payables and accruals	其他應付款及應計費用	15	(242,639)	(244,471)
Derivative financial instruments	衍生金融工具		-	(3,648)
Gold loans	黃金租賃	16	(79,295)	(98,849)
Interest-bearing bank and other borrowings	計息銀行及其他貸款		(614,860)	(610,925)
Convertible bonds	可換股債券	17	(359,159)	(12,500)
Dividend payable	應付股息		(5,469)	-
Finance lease payables	應付融資租賃		(408)	(1,632)
Tax payable	應付稅項		(22,133)	(23,967)
			(1,671,814)	(1,267,625)
NET CURRENT ASSETS	流動資產淨值		777,177	1,102,132
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,047,729	1,407,672

		Notes 附註	At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
NON-CURRENT LIABILITIES	非流動負債			
Other payables and accruals	其他應付款及應計費用	15	(6,447)	(6,656)
Convertible bonds	可換股債券	17	-	(336,041)
Finance lease payables	應付融資租賃		-	(88)
Employee benefit obligations	僱員福利義務		(10,922)	(17,863)
Deferred tax liabilities	遞延稅項負債		(20,353)	(16,346)
			(37,722)	(376,994)
NET ASSETS	資產淨值		1,010,007	1,030,678
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益總額			
Issued capital	已發行股本	18	(52,584)	(52,584)
Reserves	儲備		(957,568)	(978,219)
			(1,010,152)	(1,030,803)
Non-controlling interests	非控股股東權益		145	125
TOTAL EQUITY	權益總額		(1,010,007)	(1,030,678)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the six months ended 31 August 2016
截至2016年8月31日止六個月

		(Unaudited) (未經審核)											
		Attributable to owners of the Company 本公司擁有人應佔									Non-controlling interests 非控股股東		Total equity 權益總額
Notes 附註	Issued capital 已發行股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Share option reserve 購股權儲備 HK\$'000 港幣千元	Capital reserves 資本儲備 HK\$'000 港幣千元	Exchange fluctuation reserve 外匯變動儲備 HK\$'000 港幣千元	Equity component of convertible bonds 可換股債券之權益部分 HK\$'000 港幣千元	Retained profits 保留盈利 HK\$'000 港幣千元	Proposed dividend 擬派股息 HK\$'000 港幣千元	Total 合共 HK\$'000 港幣千元	Non-controlling interests 非控股股東 權益 HK\$'000 港幣千元	Total equity 權益總額 HK\$'000 港幣千元		
At 1 March 2015 於2015年3月1日	52,584	123,365	17,169	146,143	108,794	8,600	630,322	7,782	1,094,759	(451)	1,094,308		
Profit for the period 本期間盈利	-	-	-	-	-	-	15,457	-	15,457	(57)	15,400		
Other comprehensive loss for the period: Exchange differences on translation of foreign operations 本期間其他全面虧損： 換算海外業務之匯兌差額	-	-	-	-	(47,736)	-	-	-	(47,736)	24	(47,712)		
Total comprehensive loss for the period 本期間全面虧損總額	-	-	-	-	(47,736)	-	15,457	-	(32,279)	(33)	(32,312)		
Equity-settled share option arrangement 以股權結算的購股權安排	19	-	1,257	-	-	-	-	-	1,257	-	1,257		
Approved final dividends (2014/15) 已批核末期股息(2014/15)	9	-	-	-	-	-	-	(7,782)	(7,782)	-	(7,782)		
Proposed interim dividend (2015/16) 擬派中期股息(2015/16)	9	-	-	-	-	-	(3,155)	3,155	-	-	-		
At 31 August 2015 於2015年8月31日	52,584	123,365	18,426	146,143	61,058	8,600	642,624	3,155	1,055,955	(484)	1,055,471		

		(Unaudited) (未經審核)										
		Attributable to owners of the Company 本公司擁有人應佔										
Notes	Issued capital	Share premium	Share option reserve	Capital reserves	Exchange fluctuation reserve	Equity component of convertible bonds	Retained profits	Proposed dividend	Total	Non-controlling interests	Total equity	
附註	已發行股本 HK\$ '000 港幣千元	股份溢價 HK\$ '000 港幣千元	購股權儲備 HK\$ '000 港幣千元	資本儲備 HK\$ '000 港幣千元	外匯變動儲備 HK\$ '000 港幣千元	可換股債券之權益部分 HK\$ '000 港幣千元	保留盈利 HK\$ '000 港幣千元	擬派股息 HK\$ '000 港幣千元	合共 HK\$ '000 港幣千元	非控股股東權益 HK\$ '000 港幣千元	權益總額 HK\$ '000 港幣千元	
At 1 March 2016	於2016年3月1日	52,584	123,365	17,169	146,143	28,310	8,600	649,163	5,469	1,030,803	(125)	1,030,678
Profit for the period	本期間盈利	-	-	-	-	-	-	11,739	-	11,739	(20)	11,719
Other comprehensive loss for the period:	本期間其他全面虧損											
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	(25,600)	-	-	-	(25,600)	-	(25,600)
Total comprehensive loss for the period	本期間全面虧損總額	-	-	-	-	(25,600)	-	11,739	-	(13,861)	(20)	(13,881)
Equity-settled share option arrangement	以股權結算的購股權安排	19	-	(1,321)	-	-	-	-	-	(1,321)	-	(1,321)
Approved final dividend (2015/16)	已審核末期股息(2015/16)	9	-	-	-	-	-	(5,469)	(5,469)	-	-	(5,469)
Proposed interim dividend (2016/17)	擬派中期股息(2016/17)	9	-	-	-	-	-	(3,155)	3,155	-	-	-
At 31 August 2016	於2016年8月31日	52,584	123,365*	15,848*	146,143*	2,710*	8,600*	657,747*	3,155*	1,010,152	(145)	1,010,007

* These reserve accounts comprise the consolidated reserves of HK\$957,568,000 (29 February 2016: HK\$978,219,000) in the consolidated statement of financial position.

* 此等儲備賬目組成綜合財務狀況表之綜合儲備港幣957,568,000元(2016年2月29日:港幣978,219,000元)。

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the six months ended 31 August 2016
截至2016年8月31日止六個月

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
	Notes 附註		
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Profit before tax	除稅前盈利	27,899	31,815
Adjustments for:	調整：		
Finance costs	財務費用	7 34,419	30,607
Interest income	利息收入	(3,343)	(3,983)
(Gain)/loss on disposal of items of property, plant and equipment	棄置物業、機器及設備項目 (利潤)/虧損	6 (21)	39
Depreciation	折舊	6 28,582	28,013
(Reversal)/recognition of equity-settled share option expense	(回撥)/確認以股權結算之 購股權費用	6 (1,321)	1,257
Movements in employee benefit obligations (Reversal of provision)/provision for impairment of inventories	員工福利義務之變動 (撥備回撥)/撥備存貨至可變 現淨值	6 (6,941)	-
Fair value loss/(gain) on gold loans designated at fair value through profit or loss	指定為按公平價值訂定盈虧之 黃金租賃的公平價值淨 虧損/(收益)	6 9,788	(106)
Fair value loss on derivative financial instruments	衍生金融工具的公平價值淨 虧損	6 806	-
		87,677	88,560
(Increase)/decrease in inventories	存貨(增加)/減少	(36,701)	180,258
Decrease/(increase) in trade receivables	應收賬款減少/(增加)	35,643	(18,770)
Increase in prepayments, deposits and other receivables	預付款、按金及其他應收款增加	(46,866)	(28,064)
Increase in trade payables	應付賬款增加	79,094	12,128
Increase in other payables and accruals	其他應付款及應計費用增加	1,989	11,190
Decrease in derivative financial liabilities	衍生金融工具負債減少	(4,454)	-
Cash generated from operations	經營業務產生的現金	116,382	245,302
Hong Kong profits tax paid	已付香港利得稅	(565)	(874)
Taxes paid other than Hong Kong	已付香港以外地區稅項	(24,666)	(18,577)
Net cash flows generated from operating activities	經營業務產生之現金流量淨額	91,151	225,851

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	投資活動之現金流量 已收利息	3,343	3,983
Decrease/(increase) in time deposits with original maturity of more than three months when acquired	存放時到期日多於三個月之定期存款減少/(增加)	48,809	(55,397)
Purchases of items of property, plant and equipment	購買物業、機器及設備項目	(30,567)	(22,791)
Proceeds from disposal of items of property, plant and equipment	棄置物業、機器及設備項目所得款項	2,610	91
Net cash flows generated from/(used in) investing activities	投資活動產生/(所用)之現金流量淨額	24,195	(74,114)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from new trade finance	融資活動之現金流量 新增貿易融資所得款項	49,793	8,682
Repayment of trade finance	償還貿易融資	(70,431)	(64,094)
Proceeds from new bank loans	新增銀行貸款所得款項	66,512	58,340
Repayment of bank loans	償還銀行貸款	(39,605)	(103,363)
Proceeds from new gold loans	新增黃金租賃	5,722	56,248
Repayment of gold loans	償還黃金租賃	(33,255)	-
Repayment of other loans	償還其他貸款	(2,334)	-
Capital element of finance lease payments	融資租賃付款的本金部分	(1,312)	(1,342)
Interest paid	已付利息	(23,774)	(21,587)
Interest element of finance lease payments	融資租賃付款的利息部分	(27)	(85)
Net cash flows used in financing activities	融資活動所用之現金流量淨額	(48,711)	(67,201)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the reporting period	現金及現金等價物之增加淨額 於報告期初之現金及現金等價物	66,635	84,536
Effect of foreign exchange rate changes, net	外幣匯率變動影響，淨值	202,549	125,681
		(1,830)	(5,121)
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD			
	於報告期末之現金及現金等價物	267,354	205,096
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the consolidated statement of financial position	現金及現金等價物結存分析 綜合財務狀況報表所列之現金及現金等價物	267,354	205,096

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange” and the “Listing Rules”, respectively) and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the Group’s financial statements for the year ended 29 February 2016. These condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all HKFRSs, HKASs and Interpretations).

1. 編製基準

本中期財務報告已根據香港聯合交易所有限公司《證券上市規則》(分別簡稱為「聯交所」及「上市規則」)的適用披露規定及香港會計師公會頒佈之《香港會計準則》(「香港會計準則」)第34號 — 「中期財務報告」之規定編製。

本中期財務報告包括簡明綜合財務報表及經選定的說明附註。附註包括對自本集團截至2016年2月29日止年度財務報表刊發以來所發生的重要事件及交易以瞭解本集團之財務狀況變動及集團表現。本簡明綜合中期財務報表及其附註並不包括按照《香港財務報告準則》(「香港財務報告準則」)規定編製完整財務報表所需之所有資料(包括所有香港財務報告準則、香港會計準則及詮釋)。

1. BASIS OF PREPARATION (continued)

These condensed consolidated financial statements have been prepared under historical cost convention, except for derivative financial instruments and gold loans which have been measured at fair value.

These condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the Group's financial statements for the year ended 29 February 2016, except for the adoption of the following revised HKFRSs which become effective for accounting periods beginning on or after 1 March 2016 as disclosed in note 2 below.

1. 編製基準(續)

本簡明綜合財務報表，除衍生金融工具及黃金租賃以公平價值計量，乃按歷史成本常規法編製。

除下文附註2所披露於2016年3月1日或以後開始之會計期間生效之經修訂之香港財務報告準則被採納外，本簡明綜合財務報表已按照本集團截至2016年2月29日止年度之財務報表的同一會計政策編制。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards for the first time for the current period's condensed consolidated financial statements:

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011) *Investment Entities: Applying the Consolidation Exception*

Amendments to HKFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*

HKFRS 14 *Regulatory Deferral Accounts*

Amendments to HKAS 1 *Presentation of financial statements: Disclosure initiative*

Amendments to HKAS 16 and HKAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*

Amendments to HKAS 16 and HKAS 41 *Agriculture: Bearer Plants*

2. 會計政策及披露之變動

本集團已於本期間之簡明綜合財務報表首次採納下列經修訂之報告準則：

香港財務報告準則第10號、
香港財務報告準則第12號
及香港會計準則第28號
(2011年)修訂本 投資實體：應用編製
綜合報告之例外
情況

香港財務報告準則第11號修
訂本 收購聯合營運權益之
會計處理

香港財務報告準則第14號 監管遞延賬戶

香港會計準則第1號修訂本 呈報財務報表：披露
主動性

香港會計準則第16號及香港
會計準則第38號修訂本 澄清可接受折舊及
攤銷的方法

香港會計準則第16號及香港
會計準則第41號修訂本 農業：結果實的植物

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
<i>Annual Improvements 2012-2014 Cycle</i>	Amendments to a number of HKFRSs

The adoption of the above revised HKFRSs has had no significant financial effect on these condensed consolidated financial statements and there have been no significant changes to the accounting policies applied in these condensed consolidated financial statements.

2. 會計政策及披露之變動(續)

香港會計準則第27號(2011年)修訂本	獨立財務報表內之權益法
2012年至2014年週期之年度修改	多項香港財務報告準則之修訂

採納以上經修訂之香港財務報告準則對本簡明綜合財務報表並無重大財務影響，而本簡明綜合財務報表應用之會計政策概無重大變動。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註 (續)

3a. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on business nature and has three reportable operating segments as follows:

- (a) Retail Business (including Hong Kong, Macau, Mainland China and Malaysia);
- (b) Wholesale Business; and
- (c) Other Businesses.

Retail Business includes direct retail sale of jewellery products to end consumers through the physical outlets carrying the trademark of TSL| 謝瑞麟. It also includes the service fee income received from provision of retail management services to other retailers.

3a. 經營分部資料

就管理而言，本集團乃按業務性質劃分業務單位，並有三個可呈報經營分部如下：

- (a) 零售業務（包括香港、澳門、中國內地及馬來西亞）；
- (b) 批發業務；及
- (c) 其他業務。

零售業務包括經由附有 TSL| 謝瑞麟商標之實體店舖零售銷售予消費者之珠寶產品，當中亦包括提供零售管理服務予其他零售商所收取之服務收入。

3a. OPERATING SEGMENT INFORMATION (continued)

Wholesale Business includes wholesale sale of jewellery products to customers.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that finance costs and income tax expense are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3a. 經營分部資料(續)

批發業務包括批發珠寶產品予客戶。

管理層按本集團經營分部之個別業績作出監督，以作出資源分配及評估表現之決策。分部表現乃按可呈報分部盈利／(虧損)進行評估，即計算經調整的除稅前盈利／(虧損)。經調整的除稅前盈利／(虧損)之計算方式與本集團除稅前盈利計算方式一致，惟財務費用及所得稅費用則不包括在其計算當中。

內部銷售及轉讓乃根據銷售予第三者之售價作為通用市價。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

3a. OPERATING SEGMENT INFORMATION (continued)

3a. 經營分部資料(續)

Six months ended 31 August 2016 截至2016年8月31日止六個月		Retail Business 零售業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Wholesale Business 批發業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Other Businesses 其他業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Total 總計 HK\$'000 港幣千元 (unaudited) (未經審核)
Segment revenue:	分部營業額：				
Sales to external customers	銷售珠寶予外來客戶	1,297,745	186,474	52,116	1,536,335
Other revenue	其他收入	13,619	-	-	13,619
		1,311,364	186,474	52,116	1,549,954
Segment results:	分部業績：	20,417	30,754	11,147	62,318
<i>Reconciliation:</i>	<i>調節：</i>				
Finance costs	財務費用				(34,419)
Income tax expense	所得稅費用				(16,180)
Profit for the period	本期間盈利				11,719

3a. OPERATING SEGMENT INFORMATION (continued)

3a. 經營分部資料 (續)

Six months ended 31 August 2015 截至2015年8月31日止六個月		Retail Business 零售業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Wholesale Business 批發業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Other Businesses 其他業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Total 總計 HK\$'000 港幣千元 (unaudited) (未經審核)
Segment revenue:	分部營業額：				
Sales to external customers	銷售珠寶予外來客戶	1,547,922	176,659	13,499	1,738,080
Other revenue	其他收入	14,494	-	-	14,494
		1,562,416	176,659	13,499	1,752,574
Segment results	分部業績：	42,477	27,991	(8,046)	62,422
<i>Reconciliation:</i>	<i>調節：</i>				
Finance costs	財務費用				(30,607)
Income tax expense	所得稅費用				(16,415)
Profit for the period	本期間盈利				15,400

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

3b. GEOGRAPHICAL INFORMATION

3b. 地區資料

Revenue from external customers

外來客戶營業額

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
Hong Kong and Macau	香港及澳門	592,084	867,629
Mainland China	中國內地	934,093	860,190
Other countries	其他國家	23,777	24,755
		1,549,954	1,752,574

The revenue information above is based on the location of the customers.

上述營業額資料乃按客戶所在地區劃分。

4. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 August 2016, the Group acquired items of property, plant and equipment with aggregate cost of HK\$30,567,000 (six months ended 31 August 2015: HK\$22,791,000). Items of property, plant and equipment with net book value of HK\$2,589,000 were disposed of during the six months ended 31 August 2015 (six months ended 31 August 2015: HK\$130,000), resulting a gain on disposal of HK\$21,000 (six months ended 31 August 2015: loss on disposal of HK\$39,000).

4. 物業、廠房及設備

於截至2016年8月31日止六個月內，本集團新購了數項物業、廠房及設備，相當於港幣30,567,000元(截至2015年8月31日止六個月：港幣22,791,000元)。於截至2016年8月31日止六個月內，本集團棄置了數項賬面淨值港幣2,589,000元的物業、廠房及設備(截至2015年8月31日止六個月：港幣130,000元)，產生棄置利潤港幣21,000元(截至2015年8月31日止六個月：棄置虧損港幣39,000元)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

5. TURNOVER

The principal activities of the Group are the manufacture, sale and marketing of jewellery products and the provision of service. Turnover represents the sales value of jewellery products sold to customers, net of value added tax and discount, and service income. An analysis of turnover is as follows:

5. 營業額

本集團的主要業務是製造、銷售及推廣珠寶首飾及提供服務。營業額為扣除增值稅及折扣後銷售予客戶之珠寶首飾的銷售價值之淨值及服務收入。營業額之分析如下：

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
Sales of jewellery products	銷售珠寶首飾	1,536,335	1,738,080
Service income	服務收入	13,619	14,494
		1,549,954	1,752,574

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

6. 除稅前盈利

本集團之除稅前盈利已扣除／(計入)：

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
Cost of goods sold*	銷貨成本*	798,444	954,385
(Reversal of provision)/provision for impairment of inventories	(撥備回撥)／撥備存貨至 可變現淨值	(2,191)	918
Depreciation	折舊	28,582	28,013
Minimum lease payments in respect of operating leases**	經營租賃之最低租賃付款**	94,723	108,268
Employee benefit expense (including directors' remuneration):	僱員福利開支(包括董事酬金)：		
Wages, salaries and other benefits (Reversal)/recognition of equity-settled share option expense	工資、薪金及其他福利 (回撥)／確認以股權結算 之購股權費用	292,505 (1,321)	277,225 1,102
Pension scheme contributions***	法定供款退休計劃供款***	4,107	4,573
		295,291	282,900

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

6. PROFIT BEFORE TAX (continued)

6. 除稅前盈利(續)

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
Equity-settled share option expense to service providers	提供給服務供應商的以股權結算之購股權費用	–	155
Fair value loss/(gain) on gold loans designated at fair value through profit or loss****	指定為按公平價值訂定盈虧之黃金租賃的公平價值淨虧損／(收益)****	9,788	(106)
Fair value loss on derivative financial instruments****	衍生金融工具的公平價值淨虧損****	806	–
(Gain)/loss on disposal of items of property, plant and equipment	棄置物業、廠房及設備項目之(利潤)／虧損	(21)	39
Foreign exchange differences, net	淨匯兌差額	1,174	1,189

6. PROFIT BEFORE TAX (continued)

- * *Cost of goods sold includes HK\$47,059,000 (2015: HK\$46,965,000) relating to employee benefit expense, depreciation, and operating lease payments, which are also included in the respective type of expenses disclosed separately above.*
- ** *Not including commission payments in relation to sales counters in department stores and shopping malls.*
- *** *At 31 August 2016, there were no forfeited contributions available to the Group to reduce its contributions to pension scheme in future years (2015: Nil).*
- **** *These amounts are included in "Other income and (losses)/ gains, net" in the consolidated statement of profit or loss. The purpose of the above gold loans and derivative financial instruments entered into by the Group is to manage the Group's gold price exposure. Such loans and contracts did not meet the criteria for hedge accounting.*

6. 除稅前盈利(續)

- * 銷貨成本中包括為數港幣47,059,000元(2015年：港幣46,965,000元)的僱員福利開支、折舊及經營租賃費用，有關金額亦已分別記入以上所列各類相關開支中。
- ** 不包括支付予銷售專櫃相關的百貨公司及商場的佣金。
- *** 於2016年8月31日，本集團並無已失效供款可沖減未來年度的退休計劃供款(2015年：無)。
- **** 綜合損益賬上「其他收入及(虧損)／收益，淨額」中已包含此等金額。上述黃金租賃及衍生金融工具旨在管理本集團之黃金價格風險。該等租賃及合約並不符合對沖會計處理之條件。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

7. FINANCE COSTS

An analysis of finance costs is as follows:

7. 財務費用

財務費用之分析如下：

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
Interest on bank loans, overdrafts and other loans	銀行貸款·透支及其它貸款的利息	8,842	8,021
Interest on convertible bonds	可換股債券的利息	23,118	21,435
Interest on finance leases	融資租賃的利息	27	85
Interest on gold loans	黃金租賃的利息	2,432	1,066
		34,419	30,607

8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2015:16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable other than Hong Kong have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

8. 所得稅費用

香港利得稅乃根據本期間源於香港之估計應課稅盈利，按適用稅率 16.5% (2015年：16.5%) 計算。集團於香港以外經營之應課稅盈利則按其所在地的適用稅率計算稅項。

		Six months ended 31 August 截至 8 月 31 日止六個月	
		2016 2016 年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015 年 HK\$'000 港幣千元 (unaudited) (未經審核)
Current — Hong Kong	本期 — 香港	426	1,774
Current — Other than Hong Kong	本期 — 香港以外	15,543	16,558
Deferred	遞延	211	(1,917)
		16,180	16,415

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

9. DIVIDENDS

9. 股息

		Six months ended 31 August 截至 8 月 31 日止六個月	
		2016 2016 年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015 年 HK\$'000 港幣千元 (unaudited) (未經審核)
Interim dividend of HK\$0.015 (2015: HK\$0.015) per ordinary share declared	已宣佈派發之中期股息 每股普通股港幣 0.015 元 (2015 年：港幣 0.015 元)	3,155	3,155
2014/15 approved final dividend of HK\$0.037 per ordinary share	2014/15 已批核末期股息 每股普通股港幣 0.037 元	–	7,782
2015/16 approved final dividend of HK\$0.026 per ordinary share	2015/16 已批核末期股息 每股普通股港幣 0.026 元	5,469	–
		8,624	10,937

The interim dividend was not recognised as a liability as at 31 August 2016 and 2015 because it was declared after the end of the reporting period.

中期股息乃於報告期末後宣佈派發，故於 2016 年及 2015 年 8 月 31 日均無確認為負債。

10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to owners of the Company of HK\$11,739,000 (2015: HK\$15,457,000), and the weighted average number of ordinary shares of 210,336,221 (2015: 210,336,221) in issue during the period.

No adjustment has been made to the basic earnings per share amounts presented for the periods ended 31 August 2016 and 2015 in respect of a dilution as the impact of the share options and convertible bonds outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

10. 本公司擁有人應佔每股盈利

每股基本盈利金額乃按本期間本公司擁有人應佔盈利港幣11,739,000元(2015年：港幣15,457,000元)及本期間已發行普通股之加權平均股數210,336,221股(2015年：210,336,221股)計算。

由於截至2016及2015年8月31日止期間，本集團發行的購股權及可換股債券具有反攤薄效應，故無需對期內之每股基本盈利作出調整。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

11. INVENTORIES

11. 存貨

		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Raw materials	原材料	74,284	125,445
Work in progress	在製品	114,181	66,556
Finished goods	製成品	1,438,867	1,415,508
		1,627,332	1,607,509

12. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

Within 1 month	1個月內
1 to 2 months	1至2個月內
2 to 3 months	2至3個月內
Over 3 months	超過3個月

12. 應收賬款

於報告期末，根據發票日期及已扣除有關撥備的應收賬款之賬齡分析如下：

At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
195,982	234,656
6,526	9,177
5,216	2,784
9,611	8,025
217,335	254,642

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

12. TRADE RECEIVABLES (continued)

The Group's retail sales are normally made on cash basis. Credit card receivables from financial institutions in respect of retail sales are aged within one month. Apart from retail customers, the Group allows an average credit period from 30 to 90 days to other customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing in general.

None of the above amounts is either past due or impaired. The amounts included in the above balances relate to receivables for which there was no recent history of default.

12. 應收賬款(續)

本集團的零售銷售一般以現金交易。就零售銷售而言，來自財務機構之應收信用卡賬款之賬齡少於一個月。除零售客戶外，本集團向其他客戶提供平均30至90天之賒賬期。本集團力求嚴密控制未收回之應收賬款以降低信貸風險。逾期結餘由管理層定期作出審閱。鑑於本集團的應收賬款來自大量分散之客戶，故並無重大集中的信貸風險。本集團並無就其應收賬款結餘持有任何抵押品或推行其他加強信貸措施。應收賬款一般均為免息。

上述金額既無逾期亦無已作減值。包含在上述結餘之金額為近期並無違約記錄之應收賬款。

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

13. 預付款、按金及其他應收款

		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Prepayments	預付款	101,892	61,960
Deposits	按金	90,315	85,605
Other receivables	其他應收款	7,987	11,331
		200,194	158,896
Long-term prepayments and deposits classified as non-current assets	分類為非流動資產之 長期預付款及按金	(42,681)	(43,379)
		157,513	115,517

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

14. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

14. 應付賬款

於報告期末，應付賬款根據發票日期計算之賬齡分析如下：

		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Within 1 month	1個月內	85,508	77,969
1 to 2 months	1至2個月內	78,160	73,069
2 to 3 months	2至3個月內	67,622	37,419
Over 3 months	超過3個月	116,561	83,176
		347,851	271,633

The trade payables are non-interest-bearing.

應付賬款均為免息。

15. OTHER PAYABLES AND ACCRUALS

15. 其他應付款及應計費用

		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Other payables	其他應付款	51,800	42,882
Customer deposits	客戶訂金	67,868	81,877
Provision for liabilities	負債撥備	24,404	12,372
Accruals	應計費用	105,014	113,996
		249,086	251,127
Other payables and accruals classified as non-current	分類為非流動負債之 其他應付款及應計費用	(6,447)	(6,656)
		242,639	244,471

Other payables and accruals are non-interest-bearing.

其他應付款及應計費用均為免息。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

16. GOLD LOANS

16. 黃金租賃

		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Secured gold loans	黃金租賃 — 有抵押	46,721	74,214
Unsecured gold loans	黃金租賃 — 無抵押	32,574	24,635
		79,295	98,849
Contracted interest rate	合約利率	3.0% – 4.0%	3.0% – 5.2%
Original maturity	原到期日	within 1 year 1年內	within 1 year 1年內

The amounts represent borrowings from banks and the amounts payable are pegged with gold prices.

As at 31 August 2016, the gold loans of HK\$46,721,000 (at 29 February 2016: HK\$74,214,000) were secured by several pledged time deposits of the Group totalling HK\$43,314,000 (at 29 February 2016: HK\$54,238,000) as disclosed in note 20(b) below.

該款項指銀行借貸，而應付款項與黃金價格掛鈎。

於2016年8月31日，上述黃金租賃當中港幣46,721,000元(於2016年2月29日：港幣74,214,000元)以本集團相當於港幣43,314,000元(於2016年2月29日：港幣54,238,000元)之若干定期存款作為抵押，詳情於以下附註20(b)中披露。

16. GOLD LOANS (continued)

Gold loans are borrowed to reduce the impact of fluctuation of gold prices on gold inventories. However, the criteria for hedge accounting are not fully met. Gold loans are designated as financial liabilities at fair value through profit or loss as they are managed and their performance are evaluated on a fair value basis, in accordance with a documented risk management and investment strategy, and information about the gold loans is provided on that basis to the Group's top management.

17. CONVERTIBLE BONDS

16. 黃金租賃(續)

借入黃金租賃的目的為減低黃金價格波動對黃金存貨之影響。然而，有關黃金租賃未能完全符合對沖會計處理之條件。鑑於黃金租賃乃根據既定風險管理及投資策略按公平價值基準管理及評估表現，故獲指定為按公平價值訂定盈虧之財務負債，而有關該等黃金租賃之資料乃按同一基準提供予本集團之高層管理人員。

17. 可換股債券

		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Convertible bonds	可換股債券	359,159	348,541
Non-current portion	非流動部份	—	(336,041)
Current portion	流動部份	359,159	12,500

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

17. CONVERTIBLE BONDS (continued)

On 20 April 2012, the Company issued to CDH King Limited (“CDH”) five-year term convertible bonds with a principal amount of HK\$250,000,000 under which CDH has the right to convert the bonds into ordinary shares of the Company (the “Shares”) at an initial conversion price at HK\$6.40 per Share (the “Convertible Bonds”) at any time during the conversion period, subject to anti-dilutive adjustments. The Convertible Bonds are unsecured and subordinated to all present and future non-equity linked indebtednesses of the Company. Any equity-linked debt securities issued or to be issued are subordinated to the Convertible Bonds unless the prior approval of CDH is obtained. The net proceeds are intended to be used by the Company for general corporate development and general working capital requirements.

The Convertible Bonds bear interest at the rate of 5% per annum which are due every year, and mature on the date falling on the fifth anniversary of the issue date.

17. 可換股債券(續)

於2012年4月20日，本公司發行予CDH King Limited (「CDH」) 本金金額為港幣250,000,000元五年期之可換股債券，CDH有權於轉換期內隨時以其可換股債券轉換為本公司的普通股(「股份」)，並可作反攤薄調整。初步換股價為每股港幣6.40元(「可換股債券」)。可換股債券是無抵押及從屬於所有現在及將來本公司的非權益掛鉤債務，任何已發行或未發行之權益掛鉤債務證券均從屬於可換股債券，除非事先獲得CDH批准。本公司擬把所得款項淨額用於一般企業發展及營運資金需要。

可換股債券每年到期的年利率為5%及於發行日的第五年到期。

17. CONVERTIBLE BONDS (continued)

The Company shall redeem the outstanding principal of the Convertible Bonds at the redemption amount representing an internal rate of return of 12% per annum on the fifth anniversary of the issue date of the Convertible Bonds.

The fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without a conversion option. The residual amount is assigned as the equity component and is included in shareholders' equity.

As at 31 August 2016, a total of 39,062,500 (at 29 February 2016: 39,062,500) Shares would have been allotted and issued if all the Convertible Bonds were converted in full. There was no conversion during the period (six months ended 31 August 2015: Nil).

17. 可換股債券(續)

本公司須於可換股債券之發行日期起計第五年以相等於每年12%之內部回報率之金額贖回可換股債券的所有本金。

負債部分的公平價值乃採用於發行日當日同等及並無附帶轉換權的債券之市場利率來計算。剩餘部分均分配為權益部分，並包括於股東權益中。

於2016年8月31日，合共39,062,500股(於2016年2月29日：39,062,500股)股份將可因可換股債券的悉數轉換而予以配發及發行。本期間內並無任何股債轉換(截至2015年8月31日止六個月：無)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

18. SHARE CAPITAL

18. 股本

		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Authorised: 1,500,000,000 ordinary shares of HK\$0.25 each	法定： 1,500,000,000 股每股面值 港幣 0.25 元之普通股	375,000	375,000
Issued and fully paid: 210,336,221 ordinary shares of HK\$0.25 each	已發行及繳足： 210,336,221 股每股面值 港幣 0.25 元之普通股	52,584	52,584

19. SHARE OPTION SCHEME

The Company's share option scheme was adopted by shareholders of the Company on 26 November 2003 ("2003 Share Option Scheme"). On 1 March 2013, 15,850,000 options were granted to the directors, employees and service providers of the Group pursuant to the 2003 Share Option Scheme in respect of their contributions to the strategic development of the Group. The exercise price of the options is HK\$4.13 per Share, which is the highest of (i) the closing price of HK\$4.13 per Share as stated in the Stock Exchange's daily quotation sheets on the date of grant; and (ii) the average closing price of HK\$4.08 per Share as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of HK\$0.25 per Share on the date of grant.

The Group reversed equity-settled share option expense of HK\$1,321,000 during the period ended 31 August 2016 (six months ended 31 August 2015: recognised expense of HK\$1,257,000) as a result of changes in estimation of the number of share options expected to vest.

19. 購股權計劃

本公司股東於2003年11月26日採納本公司購股權計劃(「2003年購股權計劃」)。本公司根據2003年購股權計劃，於2013年3月1日就本集團之董事、僱員及服務供應商對本集團策略發展的貢獻向其授出15,850,000份購股權。授出購股權之行使價為本公司每股股份港幣4.13元，有關價格乃以下各項之最高者：(i)股份於授出日期聯交所發出每日報價表所示收市價每股港幣4.13元；及(ii)股份於緊接授出日期前五個交易日聯交所發出每日報價表所示平均收市價每股港幣4.08元；及(iii)於授出日股份面值每股港幣0.25元。

由於估計預期歸屬的購股權數目有變，本集團於截至2016年8月31日止六個月回撥相當於港幣1,321,000元之購股權費用(截至2015年8月31日止六個月：確認費用港幣1,257,000元)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

20. PLEDGE OF ASSETS

- (a) The Group entered into banking facility arrangements with two banks pursuant to which certain land and buildings in Hong Kong with aggregate carrying value as at 31 August 2016 of HK\$52,770,000 (at 29 February 2016: HK\$53,678,000) are mortgaged by way of a first legal charge, as security for, inter alia, all obligations and liabilities, actual or contingent, from time to time owing by the Group to the banks.
- (b) As at 31 August 2016, time deposits of the Group denominated in RMB and totalling equivalent to HK\$43,314,000 (at 29 February 2016: HK\$54,238,000) have been pledged to secure several gold loan contracts outstanding at the end of the reporting period.
- (c) As at 31 August 2016, time deposits of the Group denominated in RMB and totalling equivalent to HK\$155,306,000 (at 29 February 2016: HK\$179,558,000) have been pledged to secure standby letters of credit relating to a cross border treasury arrangement.

20. 資產抵押

- (a) 本集團與兩間銀行訂立銀行借貸融資安排，據此安排，本集團以第一法定押記的方式將於2016年8月31日總賬面值港幣52,770,000元(於2016年2月29日：港幣53,678,000元)之若干在香港的土地及樓宇作抵押，以作為(其中包括)本集團不時結欠該等往來銀行之所有實際或有負債及債務之抵押品。
- (b) 於2016年8月31日，本集團以人民幣作為單位及相當於港幣43,314,000元(於2016年2月29日：港幣54,238,000元)之定期存款已作若干於報告期末結欠之黃金租賃合約之抵押品。
- (c) 於2016年8月31日，本集團以人民幣作為單位及相當於港幣155,306,000元(於2016年2月29日：港幣179,558,000元)之定期存款已作抵押，以取得銀行發出備用信用狀作跨境財務安排之用。

21. MATERIAL RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the six months ended 31 August 2016:

- (i) TSL Manufacturing and Distribution Limited (“TSL M&D”), a subsidiary of the Company, purchased raw materials and finished goods from Rosy Blue Hong Kong Limited (“Rosy Blue HK”) amounting to HK\$171,062,000 (2015: HK\$122,845,000). At 31 August 2016, the amount due to Rosy Blue HK by TSL M&D was HK\$99,911,000 (29 February 2016: HK\$42,367,000).
- (ii) TSL M&D purchased raw materials and finished goods from Rosy Blue Jewellery (HK) Ltd (“Rosy Blue J(HK)”) amounting to HK\$969,000 (2015: HK\$405,000).

21. 關連人士交易

(a) 除已於本財務報表其他部分詳載之交易外，本集團於截至2016年8月31日止六個月內與其關連人士進行以下重大交易：

- (i) 本公司旗下一間附屬公司 — 謝瑞麟製造及分銷有限公司（「謝瑞麟製造及分銷」）向 Rosy Blue Hong Kong Limited（「Rosy Blue HK」）購入相當於港幣171,062,000元（2015年：港幣122,845,000元）的原材料及製成品。於2016年8月31日，謝瑞麟製造及分銷應付 Rosy Blue HK 的款項為港幣99,911,000元（於2016年2月29日：港幣42,367,000元）。
- (ii) 謝瑞麟製造及分銷從 Rosy Blue Jewellery (HK) Limited（「Rosy Blue J(HK)」）購入相當於港幣969,000元（2015年：港幣405,000元）的原材料及製成品。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

21. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

(iii) Tse Sui Leun (Guangzhou) Jewellery Company Limited (“TSLGZ”), a subsidiary of the Company, purchased raw materials and finished goods from Guangzhou Rosy Blue Jewellery Co Ltd (“Rosy Blue GZ”) amounting to HK\$21,650,000 (2015: HK\$16,656,000). At 31 August 2016, the amount due to Rosy Blue GZ by TSLGZ was HK\$14,584,000 (29 February 2016: HK\$10,398,000).

(iv) Excellent Ford Development Limited (“EF”), a subsidiary of the Company, sold raw materials to TSLGZ through Rosy Blue (Shanghai) Diamond Company Limited (“Rosy Blue SH”), an authorised diamond trading company in the PRC, amounting to HK\$325,325,000 (2015: HK\$109,613,000).

21. 關連人士交易(續)

(a) (續)

(iii) 本公司旗下一間附屬公司 — 謝瑞麟(廣州)珠寶有限公司(「謝瑞麟廣州」)從廣州藍玫瑰珠寶有限公司(「廣州藍玫瑰」)購入相當於港幣21,650,000元(2015年:港幣16,656,000元)的原材料及製成品。於2016年8月31日,謝瑞麟廣州應付廣州藍玫瑰的款項為港幣14,584,000元(於2016年2月29日:港幣10,398,000元)。

(iv) 本公司旗下一間附屬公司 — 福銳發展有限公司透過一間中國認可鑽石貿易公司 — 藍玫瑰(上海)鑽石有限公司(「藍玫瑰上海」)向謝瑞麟廣州出售相當於港幣325,325,000元(2015年:港幣109,613,000元)的原材料。

21. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

- (v) (i) Mr. Tse Tat Fung, Tommy (“Mr. Tommy Tse”), the spouse of Ms. Yau On Yee, Annie (“Ms. Annie Yau”), the Executive Director of the Company, has been employed by a subsidiary of the Company as the Deputy Chief Executive Officer — Supplies; (ii) Mr. Tse Sui Luen (“Mr. Tse Senior”), the father of Mr. Tommy Tse and father-in-law of Ms. Annie Yau, has been employed by a subsidiary of the Company as the Founder. During the reporting period, remuneration of HK\$669,000 (2015: HK\$669,000) and HK\$744,000 (2015: HK\$722,000) were paid to Mr. Tommy Tse and Mr. Tse Senior respectively.
- (vi) Notional charge of equity-settled share option expense of HK\$97,000 (2015: HK\$195,000) and HK\$64,000 (2015: HK\$129,000) were accrued for share options granted to Mr. Tommy Tse and Mr. Tse Senior respectively.

21. 關連人士交易(續)

(a) (續)

- (v) (i) 謝達峰先生被本公司旗下一附屬公司聘任為副行政總裁 — 貨品供應，謝達峰先生為本公司執行董事邱安儀女士之配偶，(ii) 謝瑞麟先生被本公司旗下一附屬公司聘任為創辦人，謝瑞麟先生為謝達峰先生之父親及邱安儀女士之家翁。於報告期內，分別支付謝達峰先生港幣669,000元(2015年：港幣669,000元)及謝瑞麟先生港幣744,000元(2015年：港幣722,000元)的酬金。
- (vi) 就謝達峰先生及謝瑞麟先生授出購股權之已計提名義股權結算購股權費用分別為港幣97,000元(2015年：港幣195,000元)及港幣64,000元(2015年：港幣129,000元)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

21. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

Rosy Blue HK, Rosy Blue J(HK), Rosy Blue GZ, and Rosy Blue SH are subsidiaries of Prime Investments S.A., a preference shareholder of Partner Logistics Limited (“Partner Logistics”), whose board of directors is controlled by Mr. Tommy Tse, the ultimate controlling party and substantial shareholder of the Company. The transactions in respect of items (i) to (iv) and (vi) were not continuing connected transactions under Chapter 14A of the Listing Rules. In the opinion of the directors of the Company, the transactions were carried out on normal commercial terms and in the ordinary course of business.

The related party transactions in respect of item (v) above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. Since the amounts in respect of item (v) are below de minimis threshold for the purposes of Rule 14A.76 of the Listing Rules, item (v) is fully exempt from shareholders’ approval, annual review and all disclosure requirements under the Listing Rules.

21. 關連人士交易(續)

(a) (續)

Rosy Blue HK、Rosy Blue J(HK)、廣州藍玫瑰和藍玫瑰上海均為Prime Investments S.A. (其為Partner Logistics Limited (「Partner Logistics」)的優先股股東)之附屬公司。Partner Logistics董事會由謝達峰先生控制，彼為本公司最終控股人士以及是本公司主要股東。上述第(i)至(iv)和(vi)項交易根據上市規則第14A章並不構成一項持續關連交易。本公司董事認為，該等交易在日常業務過程中按正常商業條款進行。

上述項目(v)之關連人士交易構成上市規則第14A章所界定之持續關連交易。由於項目(v)的金額低於上市規則第14A.76條的最低豁免水平，項目(v)獲豁免股東批准、年度審核、及上市規則之披露規定。

**21. MATERIAL RELATED PARTY
TRANSACTIONS** (continued)

(b) Compensation of key management personnel of the Group:

21. 關連人士交易(續)

(b) 本集團主要管理人員酬金：

		Six months ended 31 August 截至8月31日止六個月	
		2016 2016年 HK\$'000 港幣千元 (unaudited) (未經審核)	2015 2015年 HK\$'000 港幣千元 (unaudited) (未經審核)
Short term employee benefits	短期僱員福利	4,991	4,604
Equity-settled share option arrangement	以股權結算之購股權安排	(869)	518
Post-employment benefits	僱用後福利	23	27
		4,145	5,149

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

22. COMMITMENTS

At 31 August 2016, capital commitments in respect of items of property, plant and equipment were as follows:

22. 承擔

於2016年8月31日，就物業、廠房及設備的資本承擔如下：

	At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Contracted, but not provided for	4,089	675
已簽約，但未作撥備		

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

23. 金融工具之公平價值及公平價值等級

除若干賬面值合理地與公平價值相若之財務工具外，本集團的財務工具之賬面值與其公平價值如下：

		Carrying amounts 賬面值		Fair values 公平價值	
		At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)	At 31 August 2016 於2016年 8月31日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 29 February 2016 於2016年 2月29日 HK\$'000 港幣千元 (audited) (經審核)
Financial liabilities	財務負債				
Derivative financial instruments	衍生金融工具	–	3,648	–	3,648
Gold loans	黃金租賃	79,295	98,849	79,295	98,849
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	614,860	610,925	614,860	610,925
Convertible bonds	可換股債券	359,159	348,541	385,542	375,884
Finance lease payables	應付融資租賃	408	1,720	408	1,720
		1,053,722	1,063,683	1,080,105	1,091,026

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy:

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Liabilities measured at fair value:

23. 金融工具之公平價值及公平價值等級(續)

公平價值等級：

下表呈列本集團金融工具之公平價值計量等級：

按公平價值計量之負債：

		As at 31 August 2016 於2016年8月31日 Fair value measurement using 採用中之公平價值計量			
		Quoted prices in active markets 活躍市場報價 (Level 1) (級別1) HK\$'000 港幣千元 (unaudited) (未經審核)	Significant observable inputs 重大可觀察數據 (Level 2) (級別2) HK\$'000 港幣千元 (unaudited) (未經審核)	Significant unobservable inputs 重大難以觀察數據 (Level 3) (級別3) HK\$'000 港幣千元 (unaudited) (未經審核)	Total 合計 HK\$'000 港幣千元 (unaudited) (未經審核)
Financial liabilities	財務負債				
Gold loans	黃金租賃	79,295	-	-	79,295

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy: (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities measured at fair value: (continued)

23. 金融工具之公平價值及公平價值等級 (續)

公平價值等級： (續)

下表呈列本集團金融工具之公平價值計量等級：(續)

按公平價值計量之負債： (續)

		As at 29 February 2016 於2016年2月29日 Fair value measurement using 採用中之公平價值計量			
		Quoted prices in active markets 活躍市場報價 (Level 1) (級別1) HK\$'000 港幣千元 (audited) (經審核)	Significant observable inputs 重大可觀察數據 (Level 2) (級別2) HK\$'000 港幣千元 (audited) (經審核)	Significant unobservable inputs 重大難以觀察數據 (Level 3) (級別3) HK\$'000 港幣千元 (audited) (經審核)	Total 合計 HK\$'000 港幣千元 (audited) (經審核)
Financial liabilities	財務負債				
Derivative financial instruments	衍生金融工具	–	3,648	–	3,648
Gold loans	黃金租賃	98,849	–	–	98,849
		98,849	3,648	–	102,497

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy: (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities for which fair values are disclosed:

23. 金融工具之公平價值及公平價值等級(續)

公平價值等級：(續)

下表呈列本集團金融工具之公平價值計量等級：(續)

按公平價值披露之負債：

		As at 31 August 2016 於2016年8月31日 Fair value measurement categorised into 公平價值計量分類			
		Quoted prices in active markets 活躍市場報價 (Level 1) (級別1) HK\$ '000 港幣千元 (unaudited) (未經審核)	Significant observable inputs 重大可觀察數據 (Level 2) (級別2) HK\$ '000 港幣千元 (unaudited) (未經審核)	Significant unobservable inputs 重大難以觀察數據 (Level 3) (級別3) HK\$ '000 港幣千元 (unaudited) (未經審核)	Total 合計 HK\$ '000 港幣千元 (unaudited) (未經審核)
Financial liabilities	財務負債				
Interest-bearing bank and other borrowings	計息銀行貸款及 其他貸款	-	-	614,860	614,860
Convertible bonds	可換股債券	-	-	385,542	385,542
Finance lease payables	應付融資租賃	-	-	408	408
		-	-	1,000,810	1,000,810

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy: (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities for which fair values are disclosed: (continued)

23. 金融工具之公平價值及公平價值等級 (續)

公平價值等級：(續)

下表呈列本集團金融工具之公平價值計量等級：(續)

按公平價值披露之負債：(續)

		As at 29 February 2016 於2016年2月29日			
		Fair value measurement categorised into 公平價值計量分類			
		Quoted prices in active Markets 活躍市場報價 (Level 1) (級別1) HK\$'000 港幣千元 (audited) (經審核)	Significant observable inputs 重大可觀察數據 (Level 2) (級別2) HK\$'000 港幣千元 (audited) (經審核)	Significant unobservable inputs 重大難以觀察數據 (Level 3) (級別3) HK\$'000 港幣千元 (audited) (經審核)	Total 合計 HK\$'000 港幣千元 (audited) (經審核)
Financial liabilities	財務負債				
Interest-bearing bank and other borrowings	計息銀行貸款及 其他貸款	–	–	610,925	610,925
Convertible bonds	可換股債券	–	–	375,884	375,884
Finance lease payables	應付融資租賃	–	–	1,720	1,720
		–	–	988,529	988,529

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

During the period ended 31 August 2016, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (29 February 2016: Nil).

Management has assessed that the fair values of cash and cash equivalents, time deposits, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to short term maturities of these instruments.

23. 金融工具之公平價值及 公平價值等級(續)

於截至2016年8月31日止期內，並無按公平價值計量之財務負債於級別1及級別2之間調動，及轉入或轉出級別3(2016年2月29日：無)。

管理層已評定現金及現金等價物、定期存款、應收賬款、應付賬款、包含在預付款、按金及其他應收款之財務資產和包含在其他應付款及應計費用之財務負債之公平價值與其賬面值相若，主要由於該等工具將於短期內到期。

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The Group's finance department headed by the Chief Financial Officer is responsible for determining the policies and procedures for their fair value measurement of financial instruments. The finance team reports directly to the Chief Financial Officer. At the end of each reporting period, the finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the Chief Financial Officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

23. 金融工具之公平價值及公平價值等級(續)

由本集團的首席財務總監帶領的財務團隊負責釐定金融工具的公平價值計量之政策和程序。財務團隊直接向首席財務總監彙報。在每次報告期末，財務團隊分析金融工具的價值變動和釐定估值採用的主要數據。估值是經首席財務總監之審閱和批准。

財務資產及負債之公平價值，除了強迫或清盤出售，乃以各方自願的當前交易中該工具可交換之金額入賬。估計公平價值時使用了以下方法及假設：

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) 簡明綜合財務報表附註(續)

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The Group's own non-performance risk for non-current portion of finance lease payables as at 31 August 2016 was assessed to be insignificant. The fair value of the liability portion of the convertible bonds is estimated by discounting the expected future cash flows using an equivalent market interest rate for a similar convertible bond with consideration of the Group's own non-performance risk. The fair values of derivative financial instruments and gold loans is based on open market prices of gold.

24. APPROVAL OF INTERIM FINANCIAL REPORT

This interim financial report was approved by the Board on 27 October 2016.

23. 金融工具之公平價值及 公平價值等級(續)

本集團於2016年8月31日就應付融資租賃的非流動部份面對之不履約風險被評估為非重大。可換股債券的負債部份之公平價值乃採用具有同等市場利率的類同可換股債券，同時考慮到本集團的不履約風險後折算其預計未來現金流量估算。衍生金融工具及黃金租賃之公平價值乃根據開放市場之價格釐定。

24. 本中期財務報告之批核

董事會於2016年10月27日，通過及批核本中期財務報告。

INTERIM DIVIDEND 中期股息

The Board has resolved to declare an interim dividend of 1.5 HK cents per Share for the six months ended 31 August 2016 (2015: 1.5 HK cents per Share) to shareholders whose names appear on the Register of Members of the Company on Friday, 18 November 2016. The interim dividend will be paid on Wednesday, 23 November 2016.

董事會決議宣佈派發截至2016年8月31日止六個月之中期股息每股股份港幣1.5仙(2015年：每股股份港幣1.5仙)予於2016年11月18日(星期五)名列於本公司股東名冊之股東。中期股息將於2016年11月23日(星期三)派發。

CLOSURE OF REGISTER OF MEMBERS 暫停辦理股份過戶登記手續

The Register of Members of the Company will be closed from Thursday, 17 November 2016 to Friday, 18 November 2016, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. (Hong Kong Time) on Wednesday, 16 November 2016.

由2016年11月17日(星期四)至2016年11月18日(星期五)，首尾兩天包括在內，本公司將暫停辦理股份過戶登記手續。如欲符合資格獲派中期股息，股東須於2016年11月16日(星期三)下午四時三十分(香港時間)前將過戶文件連同相關股票送回本公司股份過戶登記分處卓佳秘書商務有限公司辦理登記手續，地址為香港皇后大道東183號合和中心22樓。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論及分析

OVERALL FINANCIAL RESULTS

For the first half of the financial year 2016/2017 (the "First Half"), the Group's sales turnover decreased by 11.6% from HK\$1,753 million to HK\$1,550 million. The profit attributable to owners of the Company declined by 24.1% from HK\$15.5 million to HK\$11.7 million. Earnings per share attributable to owners of the Company were 5.6 HK cents (2015: 7.3 HK cents per share).

The decline in sales and profit attributable to owners of the Company in the First Half was mainly attributable to a significant year-on-year drop in retail sales activity in Hong Kong resulting from a continued reduction in the number of tourists visiting from Mainland China. We believe that the reduction in the number of tourists visiting Hong Kong from Mainland China and also their reduced consumption sentiment was mainly due to the comparatively stronger Hong Kong dollar and the ongoing uncertainties being experienced in both the global and local economic and political arenas. On a more positive note, we are pleased to report that the Group's overall performance was buoyed by the encouraging growth of our Mainland China businesses, especially our franchise business.

整體財務業績

本集團於2016/2017財政年度上半年(「上半年」)之銷售營業額由港幣1,753百萬元減少11.6%至港幣1,550百萬元。本公司擁有人應佔盈利由港幣15.5百萬元下降24.1%至港幣11.7百萬元。本公司擁有人應佔每股盈利為港幣5.6仙(2015年：每股港幣7.3仙)。

本公司上半年銷售及擁有人應佔盈利下降的主要原因是由於中國內地訪港旅客人數持續減少致使本集團於香港零售市場之業績按年大幅下滑。我們相信內地訪港旅客人數及消費意慾下降，主要是由於港元相對強勢、環球及本地經濟以及政局不明朗等因素所致。可幸，中國內地的業務增長令人鼓舞，尤其是其加盟店業務，對本集團之整體表現起了積極的作用。

REVIEW AND OUTLOOK

Retailing Business

Hong Kong and Macau

As mentioned above, in the First Half, our Hong Kong & Macau businesses witnessed a continuation in the drop of the number of tourists visiting from Mainland China together with a weakening in their overall consumption sentiment, all of which conspired to result in a decrease in overall tourist and other customer's spending in these markets. In addition, due to an increase in the gold price of more than 6.9% during the First Half (due to uncertainties in the global economy and the impact of "Brexit"), the total weight of gold sold slipped by almost 27.0%. As a result, the sales turnover in Hong Kong and Macau decreased by 32.6% and same store sales growth for all businesses in the regions decreased 31.4% during the First Half.

In order to offset the effects of the above and to enable the Group to expand sales by exploring new consumer groups and attracting more market attention, the Group introduced limited-time offers on its gold products and developed a number of new products with the aim of enriching our product collections, customer experience as well as to better cater to our different customers' needs.

回顧及前景

零售業務

香港及澳門

如上文所述，上半年中國內地訪港及訪澳之旅客人數持續下滑，以及消費者整體消費意慾疲弱等因素，導致整體旅客及其他顧客於該等市場上的花費相應減少。此外，在上半年期間，金價受到環球經濟不明朗及英國脫歐之影響而被推高超過6.9%，以致售出黃金總重量下跌近27.0%。因此，上半年港澳之銷售營業額下降32.6%及該等地區之整體之同店銷售增長下降31.4%。

為了吸引新的消費群及市場目光以彌補上述提及之影響及擴展營業額，本集團推出限時優惠的足金產品，以及開發不同新產品以豐富其產品系列、顧客體驗及更能迎合不同消費者之需求。

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued) 管理層討論及分析(續)

REVIEW AND OUTLOOK (continued)

Retailing Business (continued)

Hong Kong and Macau (continued)

An example of the above is the Nova collection which was one of the Group's new jewellery design that was positioned to be good value for money and to appeal to the "office lady" clientele. In addition, to reinforce the Group's brand positioning as a wedding expert, our Park Lane flagship store was transformed into a wedding concept jewellery store with a wedding pop-up corner. This project has received a warm reception by wedding customers since its launch in August 2016.

Given the challenging market situation, the Group will keep reviewing and adjusting its store network in Hong Kong in order to reduce its operating costs and to better reach and serve its customers. The renewal of tenancy agreements for our retail shops will also be critically examined to ensure that it is strategically and commercially sensible. During the First Half, there was a downward rental adjustment for shop leases that came up for renewal. Rental expenditure for our Hong Kong and Macau shops dropped by 14.4% in the First Half. Subject to the availability of appropriate locations and a reasonable level of rental expenses, we target to open two new retail stores this year in order to broaden our store network in Hong Kong and maintain a good mix of attractive locations to serve our customers.

回顧及前景(續)

零售業務(續)

香港及澳門(續)

Nova 系列便是本集團其中一項物超所值及為上班一族而設的新珠寶設計產品。此外，為了加強本集團作為婚慶首飾專家之地位，我們將尖沙咀柏麗大道旗艦店打造成嶄新「婚嫁概念珠寶店」，並加設婚嫁臨時專櫃。自 2016 年 8 月推出以來，「婚嫁概念珠寶店」獲婚嫁顧客之廣泛歡迎。

鑑於市場形勢仍具挑戰性，本集團將繼續檢討及調整其在香港的店舖網絡，以減少營運成本及更有效接觸及服務我們的顧客。我們亦會謹慎檢視所有分店的續租，以確保其符合策略及商業效益。於上半年，店舖續租的租金有所下調，香港及澳門店舖之租金開支減少 14.4%。如有合適地點及租金水平合理，我們將計劃於本年度開設兩間新店舖，以擴大本地的銷售網絡及維持具吸引力的銷售地點。

REVIEW AND OUTLOOK (continued)

Retailing Business (continued)

Mainland China

Our retail business in Mainland China grew by 5.0% during the First Half with same store sales growth increasing by 1.5% during this same period. This business accounted for 44.9% of the Group's total turnover.

During the First Half, our franchised store business in Mainland China continued to expand. 16 new stores were opened under the Group's franchising model, representing a net increase of franchised stores from 83 to 98 which, when coupled with our 197 self-operated stores, meant the Group had 295 stores in total in Mainland China extending its footprint to 105 cities. The Group will regularly review its store network and increase the store opening pace to better reach and serve our customers.

The Group continues to put more focus on the development and expansion of our end-user market and on our unique brand positioning of quality design and craftsmanship. The Group will also continue to explore the possibility of further cooperations with various fashion or jewellery industry participants with a view to offering our customers more unique lines of jewellery products.

回顧及前景 (續)

零售業務 (續)

中國內地

於上半年，本集團於中國內地的零售業務增長5.0%，
同店銷售增長為1.5%，佔本集團總營業額44.9%。

於上半年，我們在中國內地的加盟店業務繼續擴張，
於本集團加盟模式下新增16間加盟店，使加盟店數
目的淨增長由83間至98間，連同我們旗下197間自
營店舖，本集團在中國內地共設有295間店舖，覆蓋
105個城市。本集團將定期檢討其店舖網絡，並計劃
加快開店步伐，以更有效接觸及服務我們的顧客。

本集團繼續以開發及擴大「自用市場」、獨特優質設
計之品牌定位及工藝為焦點。本集團亦會繼續探討
與不同時裝及珠寶業界合作的可能性，以推出更多
獨特的珠寶產品系列予我們的顧客。

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued) 管理層討論及分析(續)

REVIEW AND OUTLOOK (continued)

Retailing Business (continued)

Mainland China (continued)

The Group believes that the appetite for luxury jewellery for personal use in Mainland China by the rising middle class will remain strong. The rising disposable income, in particular among the female population, and the rising women's job market participation rate, is the strong force behind this belief.

Malaysia

Our Malaysia retail business dropped by 8.4% during the First Half. The Group seized an opportunity to open a brand new retail shop in Subang Jaya, Selangor in June 2016 so as to enhance the sales network in Malaysia. Looking ahead, the Group remains optimistic but at the same time prudent towards the growth prospects of this business. Should the opportunity arise, it will seek to open another one to two more stores in Malaysia in the forthcoming year.

Wholesale Business

As previously mentioned, 16 new stores were opened under the Group's franchising model during the First Half bringing the total number of franchised stores to 98 as at 31 August 2016. The Group will continue to explore more opportunities to work with local business partners to facilitate a more rapid growth of the Group's franchise store sales network. The Group is looking forward to increasing its franchise sales network and shop opening momentum shall be maintained in Mainland China in the forthcoming years.

回顧及前景(續)

零售業務(續)

中國內地(續)

本集團相信中國內地崛起的中產階層對自用奢華珠寶的需求依然強勁。可支配收入上升，尤其是中國女性，以及女性就業市場參與率不斷攀升，成為珠寶消費背後的強大動力。

馬來西亞

馬來西亞零售業務於上半年錄得8.4%之跌幅。本集團把握商機於2016年6月在雪蘭莪梳邦再也市開設一間新店舖以擴大馬來西亞的銷售網絡。展望未來，本集團對該業務之增長前景保持樂觀審慎。若有機會，本集團將爭取來年於馬來西亞再開設一至兩間店舖。

批發業務

如前述，於上半年，16間新店舖按本集團之加盟模式開設。於2016年8月31日，加盟店之總數已增至98間。本集團將繼續發掘更多機會與地方業務夥伴合作，以推動本集團之加盟店銷售網絡加快增長。本集團現正期望於未來數年維持開設新店舖的步伐，以擴大其加盟銷售網絡。

REVIEW AND OUTLOOK (continued)

Other Business

The Group further extended its e-business platform during the First Half with the result that turnover for this period increased by 5 times when compared with turnover achieved in the same period last year. The Group will continue to explore more new channels to complement its existing e-business platform and the Group's brand.

The Group expects that its e-business channel will be able to maintain this high growth rate in the second half of this year.

FINANCIAL STRUCTURE

Capital expenditure, comprising mainly store renovation and expansion, furniture & fixtures and machinery, incurred during the First Half amounted to approximately HK\$31 million (2015: HK\$23 million), which was mainly financed by borrowings and funds generated from internal resources.

As at 31 August 2016, the Group's interest-bearing liabilities decreased to HK\$1,054 million from HK\$1,060 million as at 29 February 2016. Net borrowings (total interest-bearing liabilities less cash and cash equivalent and time deposits) decreased from HK\$604 million to HK\$588 million.

回顧及前景(續)

其他業務

本集團於上半年進一步擴大其電子商貿平台，因而本期間的營業額較上一年度同期所得的營業額增長五倍。本集團將繼續發掘更多新渠道，務求與現有的電子商貿平台及集團品牌相輔相成。

本集團預期本年度下半年電子商貿渠道將能保持該高增長率。

財務結構

於上半年內，資本開支合共約港幣31百萬元(2015年：港幣23百萬元)，主要用於店舖翻新及擴充、傢具、裝置及機器。該等開支大部份透過內部資源及借貸撥資。

於2016年8月31日，本集團之計息負債由2016年2月29日之港幣1,060百萬元減至港幣1,054百萬元。淨借貸(總計息負債減現金及現金等價物及定期存款)由港幣604百萬元減至港幣588百萬元。

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued) 管理層討論及分析(續)

FINANCIAL STRUCTURE (continued)

The net gearing ratio (the ratio of total interest-bearing liabilities (less cash and cash equivalents and time deposits) to total equity) slightly decreased from 59% to 58% during the First Half and is at a healthy level. All borrowings of the Group are denominated in Hong Kong dollars or RMB. Interest on bank borrowings is calculated on either the inter-bank interest rate or the prime rate or the benchmark interest rate while interest on convertible bonds is fixed.

As at 31 August 2016, the Group had time deposits and cash and bank balances and undrawn banking facilities of approximately HK\$466 million and HK\$173 million respectively which, in the opinion of the directors, should be sufficient to meet the Group's present working capital requirements.

On 13 September 2016, certain subsidiaries of the Company as borrowers together with the Company as guarantor entered into a five-year syndicated loan facilities agreement with four leading international financial institutions. Pursuant to which term loan facilities in the aggregate amount of HK\$573 million, inclusive of an exercised greenshoe option upsize of HK\$23 million, has been granted to the borrowers for a term of 5 years from the date of the first utilisation of such facilities. The Board is of the opinion that entering into this facilities agreement provides a stabilized basis of general working capital to the Group.

財務結構(續)

上半年淨負債比率(即計息負債總額(減現金、現金等價物及定期存款)與權益總額之比率)由59%略減至58%，屬穩健水平。本集團全部借貸以港幣或人民幣為單位。銀行借貸之利息按銀行同業拆息或最優惠利率或基準利率計算，而可換股債券之利息為固定息率。

於2016年8月31日，本集團之定期存款及現金及銀行結餘以及未動用銀行融資分別約為港幣466百萬元及港幣173百萬元，董事認為足以應付本集團目前營運資金需求。

於2016年9月13日，本公司若干附屬公司作為借款人及本公司作為擔保人與四間主要國際銀行訂立一項五年期銀團貸款信貸協議。據此，借款人獲授予總額為573百萬港元的定期貸款，其中包括獲行使的23百萬港元超額貸款，自首次提用該信貸之日起，為期五年。董事會認為該信貸協議之簽訂為本集團提供穩定流動資金。

EXCHANGE RATES

During the First Half, the transactions of the Group were mainly denominated in local currencies and United States dollars. The impact of any fluctuation in the exchange rate of these currencies to the Group is minimal.

CHARGE ON GROUP ASSETS AND CONTINGENT LIABILITIES

- (a) The Group entered into banking facility arrangements with two banks pursuant to which certain land and buildings in Hong Kong with aggregate carrying value as at 31 August 2016 of HK\$52,770,000 (at 29 February 2016: HK\$53,678,000) are mortgaged by way of a first legal charge, as security for, inter alia, all obligations and liabilities, actual or contingent, from time to time owing by the Group to the banks.
- (b) As at 31 August 2016, time deposits of the Group denominated in RMB and totalling equivalent to HK\$43,314,000 (at 29 February 2016: HK\$54,238,000) have been pledged to secure several gold loan contracts outstanding at the end of the reporting period.

匯率

於上半年內，本集團主要以當地貨幣及美元為交易單位。此等貨幣之匯率波動對本集團影響輕微。

集團資產抵押及或有負債

- (a) 本集團與兩間銀行訂立銀行借貸融資安排，據此安排，本集團以第一法定押記的方式將於2016年8月31日總賬面值港幣52,770,000元(於2016年2月29日：港幣53,678,000元)之若干在香港的土地及樓宇作抵押，以作為(其中包括)本集團不時結欠該等往來銀行之所有實際或或有負債及債務之抵押品。
- (b) 於2016年8月31日，本集團以人民幣作為單位及相當於港幣43,314,000元(於2016年2月29日：港幣54,238,000元)之定期存款已作若干於報告期末之黃金租賃合約之抵押品。

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued) 管理層討論及分析(續)

CHARGE ON GROUP ASSETS AND CONTINGENT LIABILITIES (continued)

- (c) As at 31 August 2016, time deposits of the Group denominated in RMB and totalling equivalent to HK\$155,306,000 (at 29 February 2016: HK\$179,558,000) have been pledged to secure standby letters of credit relating to a cross border treasury arrangement.

The Group did not have any material contingent liabilities not provided for in the financial statements as at 31 August 2016.

HUMAN RESOURCES

As at 31 August 2016, the total number of employees of the Group was approximately 3,390 (29 February 2016: 3,420). The change was mainly due to normal staff turnover, minor headcount adjustment of sales teams in Hong Kong and delayed recruitment in light of the uncertain business environment. There were no major changes in human resource policies.

Employees are rewarded on a performance basis with reference to market rates. Other employee benefits include medical cover and subsidies for job-related continuing education. Retail frontline staff are provided with formal on-the-job training by internal senior staff and external professional trainers. There are discussion forum and in-house seminars for experience sharing.

集團資產抵押及或有負債(續)

- (c) 於2016年8月31日，本集團以人民幣作為單位及相當於港幣155,306,000元(於2016年2月29日：港幣179,558,000元)之定期存款已作抵押，以取得銀行發出備用信用狀作跨境財務安排之用。

於2016年8月31日，本集團並無任何重大或有負債未於財務報表中撥備。

人力資源

於2016年8月31日，本集團共聘用約3,390名僱員(2016年2月29日：3,420名)。人手變動主要由於正常員工流動、香港銷售團隊員工數目微調及因營商環境不明朗而延遲招聘所致。人力資源政策並無重大變動。

僱員待遇按工作表現及參考市場水平釐定。其他僱員福利包括醫療保險及工作相關持續進修津貼。內部高級職員及外聘專業導師會向前線零售員工提供正統在職培訓。公司內部亦舉辦經驗分享會議及研討會。

HUMAN RESOURCES (continued)

Notwithstanding the foregoing, human resources policies, capital structure, financial policies, exposure to foreign exchange rates, capital expenditure planning, contingent liabilities and charges on Group's assets did not differ materially during the period under review from the information presented in the last annual report.

人力資源(續)

除上述者外，於回顧期內，有關人力資源政策、資本結構、財務政策、外幣匯率風險、資本開支計劃、或有負債及本集團資產抵押等方面，均與上一份年報所披露資料無重大差異。

OTHER INFORMATION 其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 August 2016, the interests and short positions of the directors and chief executive and/or their respective associates of the Company 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 (“SFO”)), which were required to be notified to the Company and the Stock 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 required to be entered in the register maintained by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), were as follows:

董事及最高行政人員於本公司之股份、相關 股份及債權證的權益及淡倉

於2016年8月31日，本公司董事及最高行政人員及／或彼等各自之任何聯繫人士擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所(包括根據以上條例有關條文已接受或被視為已接受的權益及淡倉)的本公司及其任何相聯法團(按證券及期貨條例第XV部之定義)股份、相關股份及債權證的權益及淡倉，或須根據以上條例第352條登記於由本公司存置之登記冊，或須根據上市公司發行人進行證券交易的標準守則(「標準守則」)知會本公司及聯交所的本公司及其任何相聯法團(按證券及期貨條例第XV部之定義)股份、相關股份及債權證的權益及淡倉如下：

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (continued)

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉(續)

(i) Interests and long positions in issued shares of the Company

(i) 於本公司的已發行股份之權益及好倉

Name of Director 董事姓名	Ordinary shares of HK\$0.25 each 每股面值港幣0.25元的普通股						Approximate percentage of total issued share capital* 佔已發行股本總數概約百分比*
	Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益	Derivative interest (share options) 衍生工具權益 (購股權)	Short interest 淡倉	Other interest 其他權益	
(i) Yau On Yee, Annie 邱安儀	100,000	152,960,917 (Note 附註 1) 4,000 (Note 附註 1)	–	1,210,000 (Notes 附註 2 & 3) 1,210,000 (Notes 附註 2 & 3)	–	–	73.92%
(ii) Erwin Steve Huang 黃岳永	100,000	–	–	–	–	–	0.05%

* The percentage was calculated based on 210,336,221 ordinary shares in issue as at 31 August 2016.

* 百分比是按於2016年8月31日已發行210,336,221股普通股計算。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (continued)

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉(續)

(i) Interests and long positions in issued shares of the Company (continued)

(i) 於本公司的已發行股份之權益及好倉(續)

Notes:

附註：

1. 152,960,917 ordinary shares are held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Blink Technology Limited is wholly and beneficially owned by Mr. Tse Tat Fung, Tommy, the spouse of Ms. Yau On Yee, Annie, an Executive Director of the Company. By virtue of the SFO, Ms. Yau On Yee, Annie is deemed to be interested in all the shares held by Partner Logistics Limited.

4,000 ordinary shares were bought by Mr. Tse Tat Fung, Tommy on the Stock Exchange. By virtue of the SFO, Ms. Yau On Yee, Annie is deemed to be interested in all the shares held by Mr. Tse Tat Fung, Tommy.
2. 1,210,000 share options were granted to each of Ms. Yau On Yee, Annie and Mr. Tse Tat Fung, Tommy on 1 March 2013. By virtue of the SFO, Ms. Yau On Yee, Annie is deemed to be interested in all the share options of the Company granted to Mr. Tse Tat Fung, Tommy.
3. Duplication occurred in respect of the same blocks of share options as separately set out under section (ii) "Interests in underlying shares of the Company".

1. 152,960,917股普通股乃由Partner Logistics Limited持有，該公司由謝達峰先生（為本公司執行董事邱安儀女士之配偶）全資實益擁有之Blink Technology Limited擁有及控制。根據證券及期貨條例，邱安儀女士被視為持有由Partner Logistics Limited持有之所有股份之權益。

謝達峰先生於聯交所購買4,000股普通股。根據證券及期貨條例，邱安儀女士被視為持有由謝達峰先生持有之所有股份之權益。
2. 於2013年3月1日，分別授予邱安儀女士及謝達峰先生本公司之1,210,000股份之購股權。根據證券及期貨條例，邱安儀女士被視為持有由謝達峰先生持有之所有購股權之權益。
3. 購股權一項重列於「(ii)於本公司相關股份的權益」。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (continued)

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉(續)

(ii) **Interests in underlying shares of the Company**

As at 31 August 2016, the directors of the Company had interests in option to subscribe for shares of the Company as follows:

(ii) 於本公司相關股份的權益

於2016年8月31日，本公司董事持有可認購本公司股份的購股權權益如下：

Name of Director 董事姓名	Date of Grant (dd/mm/yyyy) 授出日期 (日/月/年)	Number of share options 購股權的數目						Outstanding as at 31 August 2016 於2016年 8月31日結餘	Exercise price 行使價格	Vesting/ Exercise Period (dd/mm/yyyy) 歸屬期/行使期間 (日/月/年)
		Outstanding as at 1 March 2016 於2016年 3月1日結餘	Granted during the period 期內授出	Exercised during the period 期內行使	Cancelled during the period 期內註銷	Lapsed during the period 期內失效	Outstanding as at 31 August 2016 於2016年 8月31日結餘			
Yau On Yee, Annie 邱安儀	01/03/2013	1,210,000	-	-	-	-	1,210,000	HK\$4.13 (Note.附註)	15%: 01/09/2014 – 29/02/2020 15%: 01/03/2015 – 29/02/2020 30%: 01/03/2016 – 29/02/2020 40%: 01/03/2017 – 29/02/2020	

Note:

The closing price of the Company's shares traded on the Stock Exchange on 1 March 2013 was HK\$4.13, being the date on which the relevant options were offered for grant.

附註：

本公司股份於2013年3月1日(即有關購股權之要約授予日期)在聯交所錄得之收市價為港幣4.13元。

OTHER INFORMATION (continued) 其他資料(續)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (continued)

Other than as disclosed above, as at 31 August 2016, none of the directors, chief executive and their respective associates of the Company, had any other interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which required notification to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive of the Company is taken or deemed to have taken under such provisions of the SFO); or which were required pursuant to section 352 of the SFO to be entered into the register maintained by the Company; or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company or the Stock Exchange.

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

As at 31 August 2016, the interests, all being long positions, of any substantial shareholders or other persons (not being directors or chief executive of the Company) in the shares and/or underlying shares of the Company which have been disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉(續)

除上文所披露者外，於2016年8月31日，並無本公司的董事、最高行政人員及彼等之聯繫人士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之本公司或其任何相聯法團(定義見證券及期貨條例第XV部)股份、相關股份及債權證之權益或淡倉(包括根據證券及期貨條例有關條文任何董事或最高行政人員所擁有或被視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入本公司存置之登記冊，或根據上市規則內所載之標準守則須知會本公司及聯交所之權益及淡倉。

主要股東及其他人士於本公司股份及相關股份中擁有的權益與淡倉

於2016年8月31日，任何主要股東或其他人士(並非本公司的董事或最高行政人員)在本公司股份及／或相關股份中擁有已根據證券及期貨條例第XV部第2及3分部的規定向本公司作出披露，及已根據證券及期貨條例第336條須記入本公司備存的登記冊內的權益(均為好倉)如下：

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

主要股東及其他人士於本公司股份及相關股份中擁有的權益與淡倉(續)

Name 名稱	Capacity 身份	Ordinary shares of HK\$0.25 each 每股面值港幣0.25元的普通股		Approximate percentage of total issued share capital* 佔已發行股本總數 概約百分比*
		Number of share options 購股權數目	Number of ordinary shares 普通股股份數目	
(i) Partner Logistics Limited (Note 附註 1)	Beneficial owner 實益擁有人	–	152,960,917	72.72%
(ii) Blink Technology Limited (Note 附註 1)	Interest of controlled corporation 受控制公司權益	–	152,960,917	72.72%
(iii) Tse Tat Fung, Tommy (Note 附註 1) 謝達峰	Interest of controlled corporation 受控制公司權益	–	152,960,917	72.72%
	Interest of spouse 配偶擁有權益	1,210,000	100,000	0.62%
	Beneficial owner 實益擁有人	1,210,000	4,000	0.58%
(iv) Prime Investments S.A. (Note 附註 2)	Interest of controlled corporation 受控制公司權益	–	152,960,917	72.72%
(v) Rosy Blue Investments S.à.R.L. (Note 附註 2)	Interest of controlled corporation 受控制公司權益	–	152,960,917	72.72%
(vi) Asiya Trust Co. Pte. Limited (Note 附註 2)	Trustee 信託人	–	152,960,917	72.72%
(vii) Viraj Russell Mehta (Note 附註 2)	Settlor of discretionary trust 酌情信託之財產授予人	–	152,960,917	72.72%
(viii) CDH King Limited (Notes 附註 3 & 4)	Beneficial owner 實益擁有人	–	39,062,500 (Note 附註 3)	18.57%
(ix) CDH Fund IV, L.P. (Note 附註 4)	Interest of controlled corporation 受控制公司權益	–	39,062,500 (Note 附註 3)	18.57%
(x) CDH IV Holdings Company Limited (Note 附註 4)	Interest of controlled corporation 受控制公司權益	–	39,062,500 (Note 附註 3)	18.57%
(xi) China Diamond Holdings IV, L.P. (Note 附註 4)	Interest of controlled corporation 受控制公司權益	–	39,062,500 (Note 附註 3)	18.57%
(xii) China Diamond Holdings Company Limited (Note 附註 4)	Interest of controlled corporation 受控制公司權益	–	39,062,500 (Note 附註 3)	18.57%

* The percentage was calculated based on 210,336,221 ordinary shares in issue as at 31 August 2016.

* 百分比是按於2016年8月31日已發行210,336,221股普通股計算。

OTHER INFORMATION (continued) 其他資料(續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Notes:

- 152,960,917 ordinary shares are held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Blink Technology Limited is wholly and beneficially owned by Mr. Tse Tat Fung, Tommy, the spouse of Ms. Yau On Yee, Annie, an Executive Director of the Company. By virtue of the SFO, Blink Technology Limited, Ms. Yau On Yee, Annie (her deemed interest is disclosed under the section "Directors' and Chief Executive's Interests and Short Positions in shares, Underlying Shares and Debentures of the Company") and Mr. Tse Tat Fung, Tommy are deemed to be interested in all the shares held by Partner Logistics Limited.

100,000 ordinary shares are held by Ms. Yau On Yee, Annie resulting from the exercise of share options of the Company on 10 July 2009. By virtue of the SFO, Mr. Tse Tat Fung, Tommy is deemed to be interested in all the shares held by Ms. Yau On Yee, Annie.

1,210,000 share options of the Company are held by Ms. Yau On Yee, Annie. By virtue of the SFO, Mr. Tse Tat Fung, Tommy is deemed to be interested in all the share options of the Company held by Ms. Yau On Yee, Annie.

Another 1,210,000 share options of the Company are held by Mr. Tse Tat Fung, Tommy and 4,000 shares were bought by him in the Stock Exchange.

主要股東及其他人士於本公司股份及相關股份中擁有的權益與淡倉(續)

附註:

- 152,960,917 股普通股由 Partner Logistics Limited 持有，該公司由謝達峰先生(為本公司執行董事邱安儀女士之配偶)全資實益擁有之 Blink Technology Limited 擁有及控制。根據證券及期貨條例，Blink Technology Limited、邱安儀女士(彼被視為持有股份之權益之詳情載於「董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉」部份內)及謝達峰先生被視為持有由 Partner Logistics Limited 持有之所有股份之權益。

100,000 股普通股(於 2009 年 7 月 10 日行使購股權而產生)由邱安儀女士持有。根據證券及期貨條例，謝達峰先生被視為持有由邱安儀女士持有之所有股份之權益。

1,210,000 股份之購股權由邱安儀女士持有。根據證券及期貨條例，謝達峰先生被視為持有由邱安儀女士持有之所有購股權之權益。

另外 1,210,000 股份之購股權由謝達峰先生持有及另 4,000 股普通股以其名義於聯交所購買。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Notes: (continued)

2. *These ordinary shares, relating to the same block of shares mentioned in note 1 above, are held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Prime Investments S.A. is the preference shareholder of Partner Logistics Limited. Prime Investments S.A. is wholly owned by Rosy Blue Investments S.à.R.L., which in turn is wholly owned by Asiya Trust Co. Pte. Limited. Mr. Viraj Russell Mehta is the settlor and a beneficiary of a discretionary trust (the "Trust"), which in turns holds the entire interest in Rosy Blue Investments S.à.R.L. through Asiya Trust Co. Pte. Limited, as trustee of the Trust. By virtue of the SFO, each of Prime Investments S.A., Rosy Blue Investments S.à.R.L., Asiya Trust Co. Pte. Limited and Mr. Viraj Russell Mehta, is deemed to be interested in all the shares held by Partner Logistics Limited.*
3. *Pursuant to the subscription agreement dated 31 March 2012 (the "Subscription Agreement") entered into between the Company and CDH King Limited ("CDH"), the Company has issued to CDH, a principal amount of HK\$250,000,000 five-year term convertible bonds (the "Tranche 1 Bonds") on 20 April 2012 under which CDH could convert the Tranche 1 Bonds into 39,062,500 ordinary shares of the Company with an initial conversion price at HK\$6.40 per share during the conversion period.*

主要股東及其他人士於本公司股份及相關股份中擁有的權益與淡倉(續)

附註：(續)

2. *此等普通股為上述附註1所提及的由Partner Logistics Limited持有之相同股份，該公司由Blink Technology Limited擁有及控制。Prime Investments S.A.為Partner Logistics Limited的優先股股東，並由Asiya Trust Co. Pte. Limited全資擁有的Rosy Blue Investments S.à.R.L.全資擁有，Viraj Russell Mehta先生作為酌情信託(「信託」)之財產授予人及受益人，透過Asiya Trust Co. Pte. Limited(該信託之信託人)全資擁有Rosy Blue Investments S.à.R.L.。根據證券及期貨條例，Prime Investments S.A.、Rosy Blue Investments S.à.R.L.、Asiya Trust Co. Pte. Limited及Viraj Russell Mehta先生均被視為持有由Partner Logistics Limited持有之所有股份之權益。*
3. *根據本公司與CDH King Limited(「CDH」)於2012年3月31日訂立之認購協議(「認購協議」)，本公司於2012年4月20日發行本金金額為港幣250,000,000元五年期之可換股債券予CDH(「第一批債券」)，據此CDH可以初步換股價每股港幣6.40元於轉換期內將第一批債券轉換成39,062,500股本公司普通股。*

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Notes: (continued)

3. (continued)

Subject to the full conversion of the Tranche 1 Bonds, the shareholding percentage of CDH in the enlarged share capital of the Company would become 15.66% and of parties (i) to (vii) would change from 72.72% to 61.33%. Details of which are set out in the Company's announcement dated 31 March 2012 and note 17 to the consolidated financial statements of this interim report.

Under the Subscription Agreement, the Company had an option to elect to issue to CDH and CDH had conditionally agreed to subscribe for Tranche 2 bonds convertible into shares of the Company in an aggregate principal amount of HK\$200,000,000 (the "Tranche 2 Bonds"). CDH has filed a disclosure form to the Company on 19 December 2013 to notify its ceased interests in the Tranche 2 Bonds in an aggregate amount of HK\$200,000,000, and therefore its interest in the share capital of the Company was decreased from 32.80% to 18.57%.

4. *CDH is wholly-owned by CDH Fund IV, L.P., which in turn is owned as to 0.07% by CDH IV Holdings Company Limited, which in turn is owned as to 80% by China Diamond Holdings IV, L.P., which in turn is owned as to 1% by China Diamond Holdings Company Limited.*

主要股東及其他人士於本公司股份及相關股份中擁有的權益與淡倉(續)

附註：(續)

3. (續)

緊隨悉數轉換第一批債券條件發生後，CDH於經擴大本公司股本之持股比例為15.66%，而相關(i)至(vii)所列人士的持股比例則從72.72%下降至61.33%。詳情載於本公司日期為2012年3月31日之公告及本年報之綜合財務報表附註17。

按認購協議，本公司有權選擇發行予CDH及CDH已同意在若干條件下認購第二批總本金額為港幣200,000,000元的可換股債券(「第二批債券」)。CDH已於2013年12月19日遞交予本公司一份其不再持有總值港幣200,000,000元第二批債券權益之披露通知；因此，其於本公司股本之權益比例由32.80%下降至18.57%。

4. CDH由CDH Fund IV, L.P.全資擁有，而CDH Fund IV, L.P.由CDH IV Holdings Company Limited擁有0.07%，而CDH IV Holdings Company Limited由China Diamond Holdings IV, L.P.擁有80%，而China Diamond Holdings IV, L.P.由China Diamond Holdings Company Limited擁有1%。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Other than as disclosed above, as at 31 August 2016, the Company had not been notified of any persons who had interests or short positions in the shares and/or underlying shares of the Company, which were required to be recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

CHANGES OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of information on the directors of the Company (the "Directors") are as follows:

- Mr. Chan Yue Kwong, Michael, an independent non-executive director of the Company, ceased to be a member of the General Committee of Employers' Federation of Hong Kong with effect from 1 April 2016; and
- Mr. Chan Lambert Lap Yip has resigned as an executive director of the Company and a member of Executive Committee of the Company and the Group's Deputy Chief Executive Officer — Commercial with effect from 1 June 2016.

主要股東及其他人士於本公司股份及相關股份中擁有的權益與淡倉(續)

除上文所披露者外，於2016年8月31日，本公司並無獲告知有任何人士擁有本公司股份及／或相關股份之權益或淡倉而須根據證券及期貨條例第336條備存於本公司的登記冊內。

根據上市規則第13.51B(1)條的董事資料變動

根據上市規則第13.51B(1)條，本公司之董事資料變動如下：

- 本公司獨立非執行董事陳裕光先生於2016年4月1日起停任香港僱主聯合會理事會成員；及
- 陳立業先生自2016年6月1日起，辭任本公司之執行董事及執行委員會成員，及本集團之副行政總裁 — 業務。

SHARE OPTION SCHEME

The 2003 Share Option Scheme was expired on 25 November 2013, the Company adopted a new share option scheme (the “2016 Scheme”) at the Company’s annual general meeting held on 21 July 2016. Unless otherwise cancelled or amended, the 2016 Scheme will remain in force for 10 years from the said adoption date. As at the date of this report, no share option has been granted under the 2016 Scheme since it has been adopted.

Subsequent to the expiry of the 2003 Share Option Scheme, no further option can be granted thereunder but in all other respects, the provisions of the 2003 Share Option Scheme shall remain in force and all options granted prior to such expiry shall continue to be valid and exercisable in accordance therewith.

購股權計劃

2003年購股權計劃已於2013年11月25日屆滿，本公司於2016年7月21日舉行之本公司股東週年大會上採納一項新購股權計劃(「2016年計劃」)。除非另有註銷或修訂者外，2016年計劃將從該日起計10年內保持有效。自採納2016年計劃直至本報告日期為止，概無根據2016年計劃授出購股權。

2003年購股權計劃屆滿後，將不會據此進一步授出購股權，惟2003年購股權計劃之條文於所有其他方面均仍然有效，而所有於有關終止前已授出之購股權將繼續有效及可按計劃予以行使。

SHARE OPTION SCHEME (continued)

The movements in the share options under the 2003 Share Option Scheme during the six months ended 31 August 2016 (the "Reporting Period") were set out as follows:

Name or category of participant 參與人士類別及姓名	Date of grant (dd/mm/yyyy) 授出日期 (日/月/年)	Number of share options 購股權數目					Outstanding as at 31 August 2016 於2016年 8月31日結餘	Exercise price 行使價	Vesting/Exercise period (dd/mm/yyyy) 歸屬期/行使期 (日/月/年)
		Outstanding as at 1 March 2016 於2016年 3月1日結餘	Granted during the period 期內授出	Exercised during the period 期內行使	Cancelled during the period 期內註銷	Lapsed during the period 期內失效			
Employees 僱員									
In aggregate (合計)	01/03/2013	8,400,000	-	-	-	(2,600,000)	5,800,000	HK\$4.13 (Note) 港幣4.13 (附註)	15%: 01/09/2014–29/02/2020 15%: 01/03/2015–29/02/2020 30%: 01/03/2016–29/02/2020 40%: 01/03/2017–29/02/2020
Sub-total 小計		8,400,000	-	-	-	(2,600,000)	5,800,000		
Service providers 服務供應商									
In aggregate (合計)	01/03/2013	800,000	-	-	-	-	800,000	HK\$4.13 (Note) 港幣4.13 (附註)	15%: 01/09/2014–29/02/2020 15%: 01/03/2015–29/02/2020 30%: 01/03/2016–29/02/2020 40%: 01/03/2017–29/02/2020
Sub-total 小計		800,000	-	-	-	-	800,000		
Total 總數		9,200,000	-	-	-	(2,600,000)	6,600,000		

Note:

The closing price of the Company's shares traded on the Stock Exchange on 1 March 2013 was HK\$4.13, being the date on which the relevant options were offered for grant.

購股權計劃(續)

截至2016年8月31日止六個月內(「報告期」)，根據2003年購股權計劃而授出的購股權之變動情況列於下表：

附註：

本公司股份於2013年3月1日(即有關購股權之要約日期)在聯交所錄得之收市價為港幣4.13元。

OTHER INFORMATION (continued) 其他資料(續)

SHARE OPTION SCHEME (continued)

Details of share options granted to the Directors and the relevant movement(s) during the Reporting Period are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company" in this interim report.

Save as disclosed above, no share option was granted, exercised, cancelled or lapsed during the Reporting Period.

Details of the grant of options pursuant to the 2003 Share Option Scheme have been disclosed in the Company's announcement dated 1 March 2013 and note 19 to the consolidated financial statements in accordance with the Listing Rules.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the Reporting Period.

購股權計劃(續)

於報告期內授予本公司董事購股權的詳細資料及相關變動載列於本中期報告「董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉」部份。

除上所披露者外，於報告期內，並無購股權獲授出、行使、註銷或失效。

根據2003年購股權計劃而授出購股權之詳情，本公司已按上市規則規定於2013年3月1日之公告及本中期綜合財務報表附註19披露。

購買、出售或贖回本公司的上市證券

於報告期內，本公司或其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS

As disclosed in the Company's announcement dated 13 September 2016, the Company as guarantor and certain subsidiaries of the Company as borrowers (the "Borrowers") entered into a facilities agreement (the "Facilities Agreement") with Industrial Bank of Taiwan Co., Ltd. acting as mandated lead arranger, facility agent, original lender and security agent, pursuant to which term loan facilities in the aggregate amount of HK\$573,000,000 (the "Facilities"), inclusive of an exercised greenshoe option upsize of HK\$23,000,000, has been granted to the Borrowers for a term of 5 years from the date of the first utilisation of the Facilities.

Pursuant to the Facilities Agreement, among other things, it will be an event of default if (a) Ms. Yau On Yee, Annie, the spouse of Mr. Tse Tat Fung, Tommy (being the controlling shareholder of the Company) ceases to (i) be the Chairman of the Board, (ii) have control of the Company (which includes the right to determine the composition of a majority of the Board); or (b) Ms. Yau On Yee, Annie and her immediate family members, together, ceases to (i) be, directly or indirectly, the single largest shareholder of the Company, or (ii) have the ability to cast, or control the casting of 60% or more of the maximum number of votes that may be cast at any general meeting of the Company.

控股股東須履行的特定責任

本公司於2016年9月13日的公告所披露，本公司作為擔保人及其若干附屬公司作為借款人與台灣工業銀行股份有限公司作為受託牽頭經辦行、信貸代理人、原借貸人以及質押代理人，訂立一項信貸協議「(信貸協議)」。據此，本公司獲授予總額為573,000,000港元的定期貸款「(該信貸)」，其中包括獲行使的23,000,000港元超額貸款，自首次提用該信貸之日起，為期五年。

根據信貸協議，倘出現相關情況，將產生違約事件，其中包括：(a) 邱安儀女士，為謝達峰先生(其為本公司之控股股東)之配偶，不再(i)擔任董事會主席一職，(ii)擁有本公司之控制權(包括決定董事會大部份成員組成的權利)；或(b) 邱安儀女士及其直系家屬成員共同不再(i)是本公司直接或間接之單一大股東；或(ii)具能力投出或控制投出在本公司任何股東大會上可投出之最高票數的60%或以上。

OTHER INFORMATION (continued) 其他資料(續)

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS (continued)

Upon the occurrence of such an event of default which is continuing, the agent under the Facilities Agreement may, and shall if so directed by the majority of the lenders, cancel the Commitments (as defined in the Facilities Agreement) or any part thereof, and/or declare all or part of the loans outstanding under the Facilities together with accrued interest and other amounts be immediately due and payable, and/or declare all or part of the loans outstanding under the Facilities be payable on demand, and/or exercise any or all of its rights, remedies, powers or discretions under the Finance Documents (as defined in the Facilities Agreement), as the case may be.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code of the Listing Rules

The Company is committed to the establishment of good governance practices and procedures. During the Reporting Period, the Company has applied the principles and complied with all of the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Listing Rules, except for the deviation of code provision A.2.1 of the CG Code as expressly stated below.

控股股東須履行的特定責任(續)

倘該違約事件持續發生，如獲多數借貸人的指示，代理人可在信貸協議下及視情況而定，取消該貸款承諾(定義見信貸協議)或其部份；及／或宣佈該信貸下未償還的貸款的全部或部份金額，連同應計利息及其他款項即時到期及須予償還；及／或宣佈該信貸下未償還的貸款的全部或部份金額在要求下須予償還；及／或按信貸文件(定義見信貸協議)行使任何或所有的權利、補償方案、權力或酌情權。

企業管治

遵守上市規則之企業管治守則

本公司致力制定良好企業管治常規及程序。於報告期內，除以下所披露守則條文A.2.1外，本公司一直應用上市規則附錄14所載《企業管治守則》(「企業管治守則」)之原則及遵守全部守則條文。

CORPORATE GOVERNANCE (continued)

Code provision A.2.1

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separated and clearly established and set out in writing. During the Reporting Period, the roles of the Chairman and the Chief Executive Officer of the Company were performed by Ms. Yau On Yee, Annie. The Board considered that the current management structure had operated efficiently. According to the Company's practice, all major strategic decisions are taken by the Board, or relevant committee of the Board, as duly constituted.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company, namely, Mr. Chui Chi Yun, Robert, Mr. Chan Yue Kwong, Michael and Mr. Chow Chee Wai, Christopher. Its terms of reference are in compliance with the provisions set out in the CG Code.

The Audit Committee has reviewed the Company's unaudited consolidated financial statements and interim report for the Reporting Period, including the accounting principles and practices adopted by the Group, and discussed with management regarding auditing, risk management, internal control and financial reporting matters.

企業管治 (續)

守則條文 A.2.1

企業管治守則之守則條文A.2.1規定主席與行政總裁的角色應有區分，應清楚界定並以書面列載。於報告期內，本公司主席與行政總裁的角色均由邱安儀女士擔任。董事會認為現時管理層架構有效地運作。惟本公司之實務規定所有主要決策乃由董事會或正式組成之董事會相關委員會作出。

審核委員會

審核委員會由本公司三名獨立非執行董事崔志仁先生、陳裕光先生及周治偉先生組成，其職權範圍符合管治守則所載條文。

審核委員會已審閱本公司截至報告期內的未經審核中期綜合財務報表及中期報告，包括本集團採納的會計原則及準則，並與管理層討論有關審核、風險管理、內部監控及財務報告等事宜。

OTHER INFORMATION (continued) 其他資料(續)

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Specific enquiry has been made with all Directors and the Directors have confirmed compliance with the required standard as set out in the Model Code during the Reporting Period.

By Order of the Board
Yau On Yee, Annie
Chairman

Hong Kong, 27 October 2016

董事進行證券交易之標準守則

本公司已採納上市規則附錄十之標準守則，作為本公司有關董事進行證券交易之操守準則。本公司已向全體董事作出特定查詢，本公司董事均確認彼等於報告期內遵守載列於標準守則所規定之標準。

承董事會命
邱安儀
主席

香港，2016年10月27日

TSE SUI LUEN JEWELLERY (INTERNATIONAL) LIMITED

(Incorporated in Bermuda with limited liability)

謝瑞麟珠寶(國際)有限公司

(於百慕達註冊成立之有限公司)

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