



CHKP

CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED

中港照相器材集團有限公司

(Stock Code: 1123)



2018/19

Annual Report 年度業績報告

Corporate Profile

公司概況

China-Hongkong Photo Products Holdings Limited (the “Company”) and its subsidiaries (the “Group”) spares no effort in delivering exceptional, premium products and services in its specialised fields of photography and imaging solutions, skincare products, and consumer and professional electronic products and installation services - satisfying and exceeding the expectations of customers across the region.

The Group has a long-established business partnership with Fujifilm Japan, operating as the sole authorised distributor of FUJIFILM photography products in Hong Kong and Macau since 1968 and ASTALIFT skincare products in Hong Kong since 2010. The Group also operates retail businesses in Hong Kong, providing photofinishing and imaging solutions and products through its Fotomax retail chain and selling consumer electronics products and household electrical appliances under its AV Life, Life Digital and Wai Ming Electrical brand names. The Group further leverages its expertise in audio and visual (AV) products by delivering professional products to wholesalers and providing professional AV advisory and custom design and installation services to customers. In August 2015, the Group acquired a 49% stake in the Hong Kong operations of kikki.K, an international retail chain that sells premium Scandinavian-designed stationery, gifts and homeware products. This move further enables us to provide customers with high-quality products and services suited to modern urban lifestyles.

In parallel with ensuring customer satisfaction, the Group’s mission is also to fulfill its commitment to shareholders by achieving steady, prudent growth and return on investment, and to create sustainable value for stakeholders and the community.

Shares of China-Hongkong Photo Products Holdings Limited are listed on The Stock Exchange of Hong Kong (HKSE: 1123).

中港照相器材集團有限公司(「本公司」)及其附屬公司(「本集團」)致力於在攝影及影像解決方案、護膚產品以及消費及專業電子產品及安裝服務的專業領域提供卓越的優質產品及服務，充分滿足並超越區內顧客的期望。

集團與日本富士為長久的業務夥伴，自1968年以來一直作為FUJIFILM攝影相關產品於香港及澳門的唯一認可經銷商經營，自2010年以來亦為其ASTALIFT護膚產品於香港的唯一認可經銷商。集團亦於香港經營零售業務，通過其快圖美零售連鎖店提供沖印及影像解決方案和產品，並以AV Life生活影音、Life Digital生活數碼及偉明電業品牌銷售消費電子產品及家用電器。集團進一步利用其於影音產品方面的專業知識，向批發商提供專業產品，並為顧客提供專業的影音顧問及訂製、設計及安裝服務。於2015年8月，本集團收購kikki.K於香港業務49%的股權，kikki.K是一間銷售優質北歐設計文具、禮品及家居用品的國際零售連鎖店。這進一步使我們能夠為客戶提供適合現代都市生活方式的優質產品及服務。

在確保顧客滿意程度的同時，集團的使命亦是致力取得持續穩健增長，為投資帶來回報，為持份者及社區創造可持續價值，從而履行其對股東的承諾。

中港照相器材集團有限公司的股份於香港聯合交易所有限公司上市(聯交所：1123)。

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Five Years Financial Summary

五年財務摘要

Consolidated statement of financial position as at 31 March

於3月31日的綜合財務狀況表

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Non-current assets	非流動資產					
Property, plant and equipment	物業、廠房及設備	77,192	81,712	68,325	74,717	83,189
Investment properties	投資物業	235,580	227,235	194,240	190,785	177,185
Goodwill and trademarks	商譽及商標	-	-	-	-	58,595
Other non-current assets	其他非流動資產	13,815	12,867	13,745	12,870	14,187
		326,587	321,814	276,310	278,372	333,156
Current assets	流動資產					
Inventories	存貨	198,549	192,301	154,343	158,002	196,675
Contract assets, trade receivables, prepayments, deposits and other receivables	合約資產、貿易應收賬項、預付款項、按金及其他應收賬項	109,283	79,641	80,510	98,639	72,741
Amount due from an associate	應收一間聯營公司款項	-	29,105	21,825	10,169	-
Cash and bank balances	現金及銀行結餘	198,178	219,486	241,180	260,701	270,192
Other current assets	其他流動資產	-	10	618	765	21
		506,010	520,543	498,476	528,276	539,629
Current liabilities	流動負債	155,454	121,756	99,625	107,314	104,136
Net current assets	流動資產淨值	350,556	398,787	398,851	420,962	435,493
Total assets less current liabilities	資產總額減流動負債	677,143	720,601	675,161	699,334	768,649
Non-current liabilities	非流動負債	34,985	29,156	26,408	29,961	29,494
Equity attributable to owners of the Company	本公司擁有人應佔權益	640,423	690,309	646,900	668,309	739,707
Non-controlling interests	非控制性權益	1,735	1,136	1,853	1,064	(552)
Net assets/Total equity	資產淨值/權益總額	642,158	691,445	648,753	669,373	739,155

Consolidated Income Statement for the years ended 31 March

截至3月31日止年度的綜合收益表

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Revenue	收益	959,045	929,839	852,510	886,668	966,658
(Loss)/profit before income tax	除所得稅前(虧損)/利潤	(44,122)	44,546	(19,095)	(65,846)	(31,447)
Income tax (expense)/credit	所得稅(開支)/抵免	(2,239)	(5,399)	448	(3,018)	(2,377)
Non-controlling interests	非控股權益	(330)	(941)	(789)	(1,616)	535
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/利潤	(46,691)	38,206	(19,436)	(70,480)	(33,289)
Dividends	股息	-	-	-	-	(11,853)
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)	(3.94)	3.22	(1.64)	(5.95)	(2.81)
		%	%	%	%	%
Debt to equity ratio	債務與資本比率	-	-	-	-	-
Return on equity	資金回報率	(7.29)	5.53	(3.00)	(10.55)	(4.50)
Dividend pay-out ratio	派息率	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	(35.61)
Current ratio	流動比率	325.50	427.53	500.35	492.27	518.20

Information for Investors

投資者資料

LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited: 1123

上市及股份代號

香港聯合交易所有限公司：1123

SHARE INFORMATION

Board lot: 2,000 shares

Issued shares as at 31 March 2019: 1,185,318,349 shares

股份資料

買賣單位：2,000股

於2019年3月31日的已發行股份：1,185,318,349股

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

香港股份過戶登記處

卓佳登捷時有限公司
香港灣仔
皇后大道東183號
合和中心54樓

FINANCIAL CALENDAR

Financial Year end

31 March 2019

Announcement of final results

27 June 2019

Closure of Register of Members – Annual General Meeting

13 – 16 August 2019
(both days inclusive)

Annual General Meeting

16 August 2019

財務日誌

財政年度完結

2019年3月31日

末期業績公告

2019年6月27日

暫停辦理股份過戶登記 – 股東週年大會

2019年8月13日至16日
(包括首尾兩日)

股東週年大會

2019年8月16日

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投資者關係聯絡資料及網站

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電郵：enquiry@chinahkphoto.com.hk
網站：www.chinahkphoto.com.hk

Fuji Photo Products – 50th Anniversary Celebration

富士攝影器材 - 50 週年金禧紀念活動

Fuji Photo Products Co., Ltd., incorporated in 1968, is the sole agent to distribute FUJIFILM photography products in Hong Kong and Macau for 50 years. It has dominated the film photography market since the time of film, and has been transforming and innovating for half a century, and now achieving its leading position in the photography market. Fuji Photo Products Co., Ltd. has worked seamlessly with Fujifilm Japan for half a century. They jointly celebrated the Golden Anniversary and that was largely due to the diligent work of the three generations of Sun's. With the inheritance and innovation, they were able to keep track of the market dynamics.

1968 年成立的富士攝影器材有限公司，50 年來一直是 FUJIFILM 攝影產品在香港及澳門的獨家代理。自菲林時代已經雄霸菲林攝影市場，半世紀以來不斷轉型創新，成就至今在攝影市場上的龍頭地位。富士攝影器材有限公司與日本 Fujifilm 合作無間半世紀，同度金禧，全賴孫氏三代耕耘，傳承毋忘創新，捉緊市場變化。



Photography X-hibition – “Inheritance and Change” Light and Shadow of Fuji Photography of Half a Century

攝影藝術展——「傳·變」富士攝影半世紀的光影

In celebration of the 50th anniversary of the establishment of Fuji Photo Products Co., Ltd., Fuji's 50th Anniversary Celebration and Photography X-hibition was held at the Fringe Club, Central on 21 June 2018.

適逢富士攝影器材有限公司成立 50 週年，富士於 2018 年 6 月 21 日假中環藝穗會舉行 50 週年金禧紀念活動暨攝影藝術展。

From left to right: Mr. Fumio Yashiro, managing director of FUJIFILM Hong Kong Limited; Dr. Dennis Sun, Chairman of the Group; Mr. Stanley Sun, Vice Chairman and CEO of the Group; Mr. Ryan Sun, COO of the Group.

左至右：FUJIFILM Hong Kong Limited 總經理 Fumio Yashiro 先生；集團主席孫大倫博士；集團副主席及行政總裁孫道弘先生；集團首席營運總監孫道照先生。



Upon the 50th Anniversary Celebration and Photography X-hibition, Fuji Photo Products introduced the following five activities immediately, including the Lucky Draw of celebrating the establishment of Fuji 50th Anniversary, FUJIFILM x Magnum Photos Photography Project "HOME", the Hong Kong International Photo Festival (HKIPF), PhotoVALE 2018 and Hong Kong Institute of Professional Photographers Ltd (HKIPP) - Annual Exhibition 2018. Fuji Photo Products has been contributing to the society and industry for many years, tremendously supporting to the promotion of photographic culture and arts, facilitating the expansion of the industry market.

繼是次 50 週年金禧紀念活動暨攝影藝術展後，富士攝影器材在 2018 年度還緊隨著五個活動，包括富士建業 50 週年大抽獎、FUJIFILM x Magnum Photos 「HOME」相展、香港國際攝影節 HKIPF、香港·攝谷 2018 以及香港專業攝影師公會一年度展覽 2018。富士攝影器材多年來致力回饋社會及業界，大力支持攝影文化及藝術活動，推動業界擴大市場空間。

FUJIFILM x Magnum Photography Project "HOME"

FUJIFILM x Magnum 「HOME」相展

FUJIFILM and Magnum Photos had collaboratively launched a large-scale of a photography project "HOME" roving exhibition – Hong Kong in August. 16 famous Magnum photographers were invited to take part in the exhibition, and around 190 pieces of work based on the theme of "HOME" were on display.

FUJIFILM與Magnum Photos合作舉辦大型攝影展「HOME」巡迴展覽-香港站將於8月舉辦。展覽邀請了16位知名Magnum攝影師參與，展出約190幅以「家」為題的攝影作品。



PhotoVALE 2018 and HKIPP-Annual Exhibition 2018

「香港·攝谷」2018 及香港專業攝影師公會一年度展覽

PhotoVALE included three major projects: product exhibitions, photography demonstrations and exhibitions and lectures, which allowed the public to further understand the working environment, working pattern and photography life of professional photographers through experience sharing.

「香港·攝谷」透過三大項目：產品博覽、攝影示範、展覽及講座，讓公眾進一步認識專業攝影師的工作環境、模式及攝影生活，一同分享經驗，展望未來。



HKIPF- Provoke

香港國際攝影節

HKIPF focuses on a different theme in each edition, introducing noteworthy photographers, trends, and movements, and discusses different cultural and historical issues and social and human development through images.

香港國際攝影節，每屆舉辦不同主題展覽，將攝影世界最具獨特性、創造性的名字，最值得關注的視覺文化思潮現象引進香港，借影像呈現不同文化歷史議題，審視不同社會人文狀況。



FUJIFILM DIGITAL CAMERA



X-T3
September 2018

X-T3 interchangeable lens digital camera is the fourth generation of the "X" series. X-T3 features the new back-side illumination of 26.1 megapixels X-Trans™ CMOS 4 sensor and high-speed image processing engine X-Processor 4. The image processor speed is 3 times faster than the existing model, offering the highest image quality and most accurate autofocus function of the entire "X" series. The ability to track moving objects and the blackout-free continuous shooting have been improved. To meet professional photographers' needs, X-T3 is the world's first mirrorless camera with the ability to record onto 4K/60fps 10-bit film.

X-T3 可換鏡頭數碼相機是X系列第四代型號。X-T3配備全新背照式2610萬像素 X-Trans™ CMOS 4 感應器及高速影像處理器X-Processor 4，其處理影像的速度比現有型號快大約3倍，實現X系列相機中最高影像質素及最精準的自動對焦功能。其追蹤移動主體的能力及連拍無黑屏模式亦得以提升。為了符合專業攝像師的需求，X-T3 是世界第一部無反相機可錄製4K/60fps 10-bit 的影片。



XF10
July 2018

XF10 camera features with high-class, lightweight and portable, is the latest model in the "X" series. XF10 is light, portable and small, it weighs approximately 280g. It is equipped with the same 24.2 megapixels APS-C sensor which features in FUJIFILM X-T100 interchangeable lens digital camera. XF10 offers high image quality and is easy-to-use; it is most suitable for daily use and travel photography.

XF10高級輕便型數碼相機是X系列最新型號相機。XF10輕便、小巧約280g，配備與FUJIFILM X-T100可換鏡頭數碼相機相同的2,420萬像素APS-C感應器。XF10具有高影像質素及簡單操作；最適合拍攝日常及旅遊風景照片。



GFX 50R
November 2018

GFX 50R; adopts rangefinder style, with 51.4 megapixels image sensor, an X-Processor Pro high-speed image processing engine. It has a compact and lightweight body and weighs only 775g, just 46mm thick, making GFX 50R ideal for street snapshots, photo documentary and portrait photography.

GFX 50R；採用旁軸觀景器的設計，配備5,140萬像素影像感應器、高速影像處理器X-Processor Pro。其小巧、輕便的機身，僅重775g，最薄僅46mm，令GFX 50R成為街拍、紀實攝影和人像攝影的理想工具。



X-T30
March 2019

X-T30 interchangeable lens digital camera features the 26.1 megapixels X-Trans™ CMOS 4 sensor and high-speed image processing engine X-Processor 4, with increased autofocus (AF) speed. It is designed with focusing lever which enables users to quickly change focus point.

X-T30可換鏡頭數碼相機，配備2610萬像素 X-Trans™ CMOS 4 感應器及高速影像處理器X-Processor 4，提升了自動對焦功能(AF)的速度。採用了對焦點的設計，用家可輕易轉換對焦點。

FUJIFILM INSTAX

INSTAX SQUARE SQ20
October 2018

New hybrid instant camera instax SQUARE SQ20 is added a new function to its shooting mode, which is "Frame Grab". Apart from featuring the functions of editing and processing images, it allows you to capture the best moment of moving subjects and showcases a sense of action to an image. Other features, including: sequence, film mode, double exposure, split mode, filters with partial color mode and so on.

全新混合式即影即有相機 instax SQUARE SQ20 增加了一項新功能“動態模式”攝影模式，除了圖像編輯和處理的特色功能外，還可以輕鬆打印移動主體的最佳時刻，打造動態照片。其他功能有：序列濾鏡、菲林底片模式、雙重曝光、分割模式、濾鏡局部色彩模式等等。





INSTAX SQUARE SQ6

July 2018

instax SQUARE SQ6, featuring a retro-style, continues the feature of square format film, adding three coloured (orange, purple and green) filters to create the retro-style for photography. Fujifilm introduces new colored instax SQUARE SQ6 this season, which are blush gold, pearl white and graphite gray. With matte black body, it shows the unique style, suitable for yuppies with various style.

富有復古氣息的instax SQUARE SQ6，其延續正方形相紙特色，新增橙、紫、綠三款外置濾鏡，為照片增加復古韻味。今季instax SQUARE SQ6推出全新配色，以高雅的玫瑰金、珍珠白及石墨灰，搭配啞光的黑色機身，盡顯型格味道，適合不同風格的時尚男女。

INSTAX MINI PINK PANTHER INSTANT FILM

November 2018

INSTAX SQUARE BLACK INSTANT FILM

June 2018



ASTALIFT

SCALP FOCUS SERIES

Jun 2018



ASTALIFT silicone-free scalp focus shampoo and conditioner containing 20nm particles of Human-Type Nano Ceramide. It penetrates into hair instantly for supplementing the hair ceramide which decreases with age and UV rays, recovering hair follicles to strengthen the ability of storing water. Hair becomes shiny, resilient and strong!

ASTALIFT頭皮護理洗髮水及護髮素以無矽配方，配合只有20納米細胞間脂質，瞬間滲透至髮絲，補充因年齡增長、紫外線導致流失的頭髮細胞間脂質，修復角質層以加強儲存水分，重現光澤、彈性及強韌秀髮！

BB CREAM SPF 50+ PA++++

Jun 2018



Combining 60% water, Beauty essence and BB Cream by our proprietary technology. BB Cream will splash of wondrous hydration when apply it on your face for smoothing fine lines and dry skin. Adding the moisturizing ingredient - Human-Type Nano Ceramide of ASTALIFT "JELLY AQUARYSTA", the hydration can be last for 10h to keep your skin hydrated and moisturized even without makeup.

獨家技術將60%水分、美容液及BB Cream混合，一抹爆出補濕美容液，即時為肌膚撫平細紋及乾燥位置。加入ASTALIFT皇牌「啫喱保濕精華」中的補濕成分——細胞間脂質，達至10小時水潤效果，即使卸妝後都能擁有水光肌！

NEW NIGHT CHARGE CREAM

Sep 2018



ASTALIFT "Night Charge Cream" has the Cream Mask texture with high-efficiency Nano moisturizing and hydrating-locking ingredients such as "3 types of collagen", "royal jelly", "squalene" etc. It continues injecting moisture and nutrients during bedtime, and locks in the skin to restore hydrating and soft skin overnight.

ASTALIFT「晚間修護霜」以面膜狀Cream Mask質感，配合「3種骨膠原」、「蜂王漿」、「角鯊烯」等高效納米補濕鎖水成分，睡眠間持續注入水分養分，並鎖緊在肌膚內，一夜重拾水潤柔軟的肌膚！

ESSENCE DESTINY S

Oct 2018



ASTALIFT "Essence Destiny" contains the proprietary ingredient "Nano Resveratrol EX" for repairing and strengthening mesh collagen. With multi-high-efficiency moisturizing ingredients, skin becomes moist, shiny, firm and elastic after used. Collagen score enhances 1.3 times in 4 weeks continuous used, it becomes firm and elastic.

ASTALIFT「命運精華素」以獨家成分「納米白藜蘆醇EX」，修護及強化骨膠原網。配合多種高效補濕成分，使用後肌膚水潤有光澤，重現緊緻、彈性光芒！4星期提升1.3倍骨膠原密度*，重現緊緻彈性！

FUJIFILM GFX 50R Outdoor Photography Exhibition – <GFX 50R x Stanley Wong x Yam Tat Wah x miss bean >

FUJIFILM GFX 50R 戶外相展 – <GFX 50R x 又一山人 x 任達華 x miss bean >

The Curator of the Art Photography Exhibition, Stanley Wong, a famous artist, together with Mr. Yam Tat Wah, a television and movie actor and amateur photographer and Miss Bean, a photographer, jointly created a unique artistic concept with the refined images under FUJIFILM professional camera GFX50R, and brought these distinguishable images out of the gallery, integrating with the bustling town.

藝術攝影展的策展人-著名藝術家又一山人，聯同影視紅星暨攝影愛好者任達華先生，以及攝影師Miss Bean，一同透過FUJIFILM 專業相機GFX50R細膩的影像，演繹出獨一無二的藝術概念。並將他們別樹一格的作品帶出藝廊框框，融入熙來攘往的鬧市。



Stanley Wong
又一山人

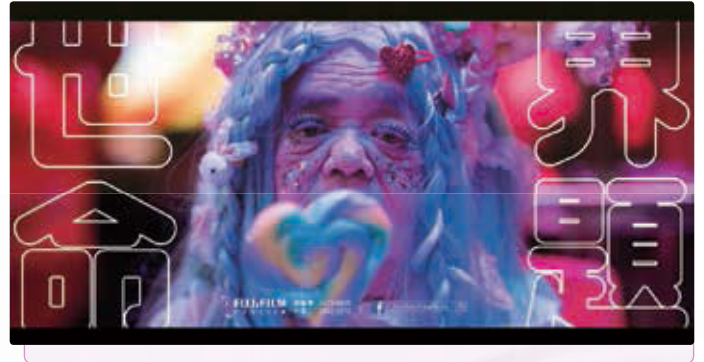
Yam Tat Wah
任達華



miss bean

FUJIFILM

DIGITAL CAMERA XF10



DIGITAL CAMERA X-T3



DIGITAL CAMERA X-T30



Advertisements Review

廣告巡禮

FOTOMAX



ASTALIFT



AV Life



Awards and Sponsorships

獎項及贊助

AWARDS

獎項

“9th Your Choice @ Focus 2018 Hong Kong White Collar’s Most Favourite Brand”

「第九屆 Your Choice @ Focus 2018 年度香港白領最喜愛品牌大獎」Your Choice Award 2018



PCM Best of I.T. APS-C and M4/3 format Interchangeable Lens Digital Camera Award 2018 - FUJIFILM X-T3

PCM Best of IT Award 2018 I.T. 至專 APS-C 及 M4/3 片幅可換鏡頭數碼相機大獎 — FUJIFILM X-T3

SPONSORSHIPS

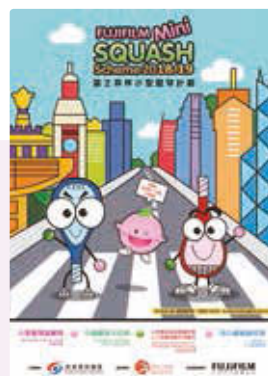
贊助

Greening for the Chest Scheme 2017/18

環保為公益計劃

FUJIFILM and Fotomax have sponsored “Greening for the Chest” for years, with an aim to encourage schools and companies/institutions to create a cleaner and greener environment for the new generation while also raising funds for the Community Chest.

富士及快圖美多年贊助「環保為公益」，旨在鼓勵學校及公司／機構為新一代建立一個更清潔及綠化的環境，並同時為公益金籌募善款。



FUJIFILM Mini SQUASH Scheme 2018/19

富士菲林小型壁球計劃

This is the 21st year organizing the FUJIFILM Mini SQUASH Scheme which is organized by Hong Kong Squash and subvented by the Leisure & Cultural Services Department. In the past twenty years, a total of over 250 primary schools and over 90,000 school children and teachers participated in the scheme.

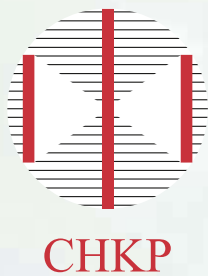
由香港壁球總會主辦、康樂及文化事務署資助及富士菲林冠名贊助之「富士菲林小型壁球計劃」已踏入第21個年頭。在過往20年，此活動共吸引了超過250多間小學及九萬多名師生參與。

Chairman's Statement

主席報告

“I believe the Group can approach the next 50 years with as much as confidence and optimism as it showed in its first 50.”

「本人相信，集團可展現出有如過去 50 年的信心和樂觀態度步入未來 50 年。」



Dr. Sun Tai Lun Dennis
Chairman
孫大倫博士
主席

The year 2018 marked the 50th anniversary of the Group's appointment as the sole authorised distributor of FUJIFILM photography products in Hong Kong and Macau. Over the past half-century, we have witnessed the remarkable evolution of the industry, in particular the shift from physical film to digital photography. Even within the digital medium, we have seen significant changes over the years. The first FUJIFILM digital camera was released in 1988; but since then, many of the functions of those early compact digital cameras have largely been taken over by mobile phones. Nowadays, the mirror-less medium format of the digital camera has proved a winner among professionals and amateurs alike.

Digital cameras did not immediately replace traditional ones. In fact, sales of FUJIFILM photography film reached their peak as late as 1999, when 16.5 million rolls were sold every month in Hong Kong and the Mainland. Today, FUJIFILM digital cameras make the most significant contribution to the Group's sales of photographic products, but film has not completely disappeared. FUJIFILM released its first instant camera and associated film in 1998, introducing a new industry trend that has remained popular to the present day.

2018年是集團獲委任為FUJIFILM攝影產品於香港及澳門的唯一認可經銷商的50週年。於過去半個世紀，我們目睹了此行業的顯著發展，特別是從實體菲林到數碼攝影的轉變。即使在數碼媒體內，我們亦見證多年來的重大變化。第一部FUJIFILM數碼相機於1988年推出；但自此，早期小型數碼相機的許多功能大部分已被手機所取代。如今，無反數碼相機已贏得專業人士及業餘愛好者歡心。

數碼相機並非立即取代傳統相機。事實上，FUJIFILM攝影菲林的銷售直至1999年才達到頂峰，當時於香港及內地每月銷售1,650萬卷。如今，FUJIFILM數碼相機為集團的攝影產品銷售作出了最大貢獻，但菲林並非完全消失。FUJIFILM於1998年推出第一部即影即有相機及相關菲林，引入至今依然流行的新行業趨勢。

After 50 years as an authorised distributor of FUJIFILM photography products, the Group has established Hong Kong as one of the brand's top 10 markets worldwide while maintaining a strong relationship with Fujifilm Japan. It has achieved this impressive result through its willingness to change and adapt with the times. For example, in the 1990s, we were active in sponsoring the popular Miss Hong Kong Pageant. In the 2000s, we moved to producing powerful advertising endorsed by celebrities like Mr. Aaron Kwok, Ms. Miriam Yeung and Ms. Kelly Chen. Then, from around 2010 onwards, we started embracing a more aesthetic and artistic tone with our advertising series (in Chinese "浪攝流"), featuring popular, globally recognised photographers. This latest shift has seen us position the brand as a professional photographer's brand engaged in serious dialogue on social and environmental issues.

The Group's efforts to stay abreast of changing preferences and markets are evident in how other areas of its business have grown. For example, in early 2000, we took over Fotomax and introduced photofinishing to our range of business activities. In 2014, the Group made the strategic decision to purchase the AV Life Group, which sells high-end televisions and electrical appliances. We saw these moves as logical extensions of our core business, enabling us to use our existing expertise to provide customers with high-quality products and services suited to modern urban lifestyles.

After operating in Hong Kong for five decades, we have seen our share of market fluctuations and economic challenges. In each case, we adjusted our operations and successfully found a way through. The year under review was not a smooth one for many businesses in Hong Kong, and the Group was no exception. In particular, tensions arising from the escalating US-China trade war led to a weakening of the Renminbi and stock market fluctuations, both of which had direct impacts on the Group's results. These effects were especially noticeable in the second half of the year. However, powerful marketing efforts and strategic price adjustments helped us finish the year without experiencing a fall in revenue. In fact, the Group recorded revenue of HK\$959 million, representing year-on-year growth of 3.1%. Behind this figure, though, was a fall in gross margin to 22.7% this year, down from 23.9% last year. Our bottom line also shrank.

To address these challenges, the Group continued to optimise store numbers during the year and focus on maximising individual store performance. For Fotomax, this involved opening five stores and closing six underperforming ones, leaving a total of 63 stores at year-end. For AV Life, we opened one store and closed two stores for a total of 14 stores. Apart from these strategic adjustments, the Group undertook a number of other initiatives to improve its core sales drivers. This included further diversifying the product ranges across its business segments; hiring and training staff to maintain the Group's professional service image; and strategically exploring new promotional approaches through both traditional and online marketing channels. We also continued to seek out potential high-margin products to supplement some of our lower-margin staple products.

集團於過去50年作為FUJIFILM攝影產品的認可經銷商，已將香港打造為該品牌的全球十大市場之一，同時與日本富士保持著良好的合作關係。集團取得此驕人成果有乃其樂意作出改變，適應時代。例如，於1990年代，我們積極贊助廣受歡迎的香港小姐選美活動。於2000年代，我們開始製作強勢廣告，邀請到郭富城先生、楊千嬅小姐及陳慧琳小姐等名人代言。其後，自2010年左右開始，我們邀得廣受歡迎的全球知名攝影師合作，以「浪攝流」廣告系列展現出更美觀及藝術色彩的氛圍。此新轉變讓我們將品牌定位為用於拍攝社會及環境議題等嚴肅題材的專業攝影師品牌。

集團努力跟上不斷變化的偏好和市場，從其業務其他領域的茁壯發展可見一斑。例如，於2000年初，我們接管快圖美並將沖印服務引入我們的業務活動範圍。於2014年，集團作出策略性決策，收購銷售高檔電視及電器的AV Life集團。我們視該等舉動為核心業務的合理延伸，讓我們能夠利用既有的專業知識，為客戶提供適合現代都市生活方式的高質量產品和服務。

我們在香港經營已有五十年，見證過市場波動及經濟挑戰。在各情況下，我們調整營運並成功找到出路。本回顧年度對於香港的許多企業而言並不順利，集團亦不例外。特別是中美貿易戰升級引發的緊張局勢，導致人民幣貶值和股市波動，兩者均對集團的業績產生直接影響。該等影響於下半年尤其明顯。然而，透過強大的營銷工作及策略性價格調整，我們在收益無出現下跌的情況下為本年度劃上句號。事實上，集團錄得收益港幣9.59億元，同比增長3.1%。不過，另一方面，毛利率由上一年度的23.9%下降至本年度的22.7%，壓低我們的盈虧底線。

為應對該等挑戰，集團於本年度繼續優化店舖數量，著重於持續提升各店舖的表現。就快圖美而言，我們開設了五間新店，並關閉六間表現欠佳的店舖，年底共有63間店舖。就AV Life而言，我們開設了一間新店，並關閉兩間店舖，共有14間店舖。除了該等策略性調整外，集團亦採取了一系列其他措施以改善推動銷售額的核心因素，包括進一步拓展業務分部的產品範圍；僱用和培訓員工以維持集團的專業服務形象；及戰略性地拓展傳統和線上營銷渠道的新推廣方法。我們亦繼續物色潛在的高利潤產品，以彌補部分低利潤的主力產品。

The photography market has changed significantly since 1968, and many of today's technologies are completely different. But one thing that has not changed, I believe, is the passion almost everyone has for photography. Who does not love taking pictures and sharing them with friends and family? This makes me totally confident in the future of the photography business, and of the Group's place in this future. In addition, having diversified our business lines over the years and strategically expanded our scope, we have several new directions available for development in the future. With all this in place, and with our extensive experience in the Hong Kong market to draw on, I believe the Group can approach the next 50 years with as much confidence and optimism as it showed in its first 50.

THANKS & ACKNOWLEDGEMENTS

Having served the people of Hong Kong for so long, we would like to offer our warmest thanks to all those who have contributed to the Group's success over the years – especially on this anniversary occasion. Special thanks are due to our investors, who loyally support us as we navigate changing times and chart new directions. Our business partners have worked hard on our behalf, and our frontline sales staff and backend administrators also have given their all to help us maintain momentum and push forward, for these we are most grateful. Finally, I would like to thank our devoted customers, who continue to choose our high-quality products and excellent service despite keen competition in the market. With everyone's continued support, I firmly believe we can look forward to a solid year ahead as we strive to deliver strong performances across all our business segments.

自1968年以來，攝影市場經歷了重大變化，當今許多技術已截然不同。但本人相信，有一點並無改變，正是幾乎所有人對攝影的熱情。誰不愛拍照並與朋友和家人分享？因此本人對攝影業務的未來以及集團的未來境況充滿信心。此外，透過多年來多元化地發展業務線並且策略性地擴大業務範圍，我們已有幾個可供未來發展的新方向。綜合上述各項，憑藉我們在香港市場的豐富經驗，本人相信，集團可展現出有如過去50年的信心和樂觀態度步入未來50年。

鳴謝

為香港市民服務良久，我們特別值此五十週年之際，衷心感謝為集團多年成功作出貢獻的所有人士。特別感謝我們的投資者在我們應對不斷變化的時代和制定新方向時忠實地支持我們。我們的業務合作夥伴代表我們努力工作，而我們的前線銷售人員及後台管理人員亦全力協助我們保持發展勢頭並向前發展，對此我們非常感激。最後，本人感謝我們的忠實客戶，儘管市場競爭激烈，仍然繼續選擇我們的優質產品和優秀服務。有賴各人的持續支持，本人深信，當我們力求所有業務分部實現強勁業績時，未來一年定能更上一層樓。

Management Discussion and Analysis

管理層討論及分析

OVERALL REVENUE AND RESULTS

Throughout the year under review, consumer sentiment was affected by fluctuations in the stock market and the Renminbi exchange rate, both of which resulted primarily from developments in the US-China trade war. This had a knock-on effect on the Group's performance. In the first half of the year, sales grew 5.0% compared to the same period last year; in the second half, following the escalation of the US-China trade war, growth slowed to just 1.4%. Although the Group's consolidated revenue for the whole year increased by 3.1% to HK\$959 million this year from HK\$930 million last year, the Group recorded a net loss attributable to shareholders of HK\$46.7 million against a net profit of HK\$38.2 million for 2017/18. A number of factors contributed to this loss. For example, the Group responded to the weak retail market by offering strategically competitive prices to consumers on a number of its electronic goods, especially televisions and cameras. This led to a fall in gross profit margin to 22.7% from 23.9% the previous year. In addition, the Group undertook extensive promotional activities to celebrate the 50th anniversary of Fuji Photo Products, a brand reinforcement exercise aimed at long-term growth. This led to 38.2% increase in advertising and marketing expenses. At the level of non-core operating items, the Group recognised a provision for impairment of the amount due from an associate of HK\$32.7 million during the year because the credit risk of such amount is considered high. In addition, the Group experienced a decrease in valuation gains from its investment properties, recording just HK\$8.9 million this year compared to HK\$37.4 million last year due to a weaker property market. Moreover, due to the depreciation of its Renminbi bank deposits, the Group incurred an exchange loss of HK\$4.1 million this year against an exchange gain of HK\$3.5 million last year. Finally, the Group recorded an increase in its provision for long service payments of HK\$3.0 million compared with a decrease of HK\$1.7 million last year, a change that was largely due to volatility in global stock markets. All these non-core operating items, affected by macro-economic factors, hit the Group's bottom line. Excluding these non-core operating items, net loss attributable to shareholders for the year amounted to HK\$15.7 million (2017/18: HK\$4.4 million loss).

The Board of Directors does not recommend the payment of any final dividend for the year.

整體收益及業績

於整個回顧年度內，消費者信心受到主要因中美貿易戰動向所致的股市和人民幣匯率波動影響。這對集團的業績造成連鎖反應。今年上半年，銷售額較去年同期增長5.0%；下半年，隨著中美貿易戰加劇，增長放緩至僅1.4%。儘管集團全年的綜合收益由去年的港幣9.30億元增加3.1%至今年的港幣9.59億元，集團卻錄得股東應佔淨虧損港幣4,670萬元，而2017/18年度則錄得淨利潤港幣3,820萬元。造成此虧損的因素有多個。例如，集團就多款電子產品(尤其是電視和相機)向消費者提供更具策略性競爭力之價格，以應對疲弱的零售市場。這導致毛利率由去年的23.9%下降至22.7%。此外，集團亦進行了廣泛的宣傳活動，慶祝富士攝影器材成立50週年，此乃旨在實現長期增長的品牌強化舉措。這導致廣告及市場推廣開支增加38.2%。在非核心經營項目方面，集團於本年度確認應收一間聯營公司款項減值撥備港幣3,270萬元，原因為該金額的信貸風險較高。此外，由於房地產市場轉弱，集團的投資物業估值收益減少，今年僅錄得港幣890萬元，去年則為港幣3,740萬元。再者，由於人民幣銀行存款貶值，集團於本年度產生匯兌虧損港幣410萬元，去年為匯兌收益港幣350萬元。最後，由於全球股市波動所影響，集團錄得長期服務金撥備增加港幣300萬元，而去年則減少港幣170萬元。所有這些受宏觀經濟因素影響的非核心經營項目，均為集團業績帶來沉重打擊。撇除該等非核心經營項目，本年度股東應佔虧損淨額為港幣1,570萬元(2017/18年：虧損港幣440萬元)。

董事會不建議就本年度派發任何末期股息。



MERCHANDISING

Photographic Products

The Group's sales of digital cameras and accessories rose 18.3% year on year. The primary drivers for this increase were the launches of a number of popular new high-end digital cameras in the second half of the year, including the X-T3, the GFX 50R and the X-T30, which were enthusiastically welcomed by consumers even though Hong Kong's overall retail atmosphere weakened significantly in the third quarter. Strong sales for these new items led to a 34.6% increase in sales of digital cameras and accessories in the second half of the year compared to the same period in the previous year.

As mentioned, several new digital cameras were introduced to the market during the year, including GFX System and X System models. One highlight was the FUJIFILM X-T100, rolled out in May 2018, which includes a high-magnification electronic viewfinder and a powerful 24.2 megapixel APS-C size sensor (14 times bigger than image sensors for conventional smartphones) despite weighing just 448g. Another was the GFX 50R, launched in November 2018, which offers ultra-high image quality due to its 51.4 million-pixel, medium-format G Format image sensor and X-Processor Pro high-speed image processing engine. Other new digital cameras launched during the year included the XF10 (July 2018), the X-T3 (September 2018) and the X-T30 (March 2019). Supplementing these were several new high-spec lenses, namely the MKX (June 2018), the XF (October 2018), the XF8-16mmF2.8 R LM WR (November 2018) and the GF (February 2019). The Group supported all of these products with strong marketing and promotional efforts, including product launch conferences and advertisements in eye-catching locations.

Sales for the Group's instant products, on the other hand, continued to fall. Sales of instax cameras dropped 29.4% in value and 29.7% in quantity, while sales of instax films decreased 32.9% in value and 33.8% in quantity as compared to the same period last year. This was driven partly by a lack of new model launches during the year compared to the previous year, and partly by an influx of parallel-

產品銷售

攝影產品

集團的數碼相機及配件銷售額同比增長18.3%。此增長的主要推動因素為今年下半年推出一系列暢銷的新型高檔數碼相機，包括X-T3、GFX 50R及X-T30，儘管香港的整體零售氛圍於第三季度大幅減弱，仍受消費者熱烈追捧。該等新產品銷售強勁，令數碼相機及配件於下半年的銷售額較去年同期增長34.6%。

如上所述，年內推出了幾款新型數碼相機，包括GFX系統及X系統型號。焦點之一為2018年5月推出的FUJIFILM X-T100，其配以高倍率電子取景器和功能強大的2,420萬像素APS-C尺寸傳感器（較傳統智能手機的圖像傳感器大14倍），僅重448克。另一個為2018年11月推出的GFX 50R，配備5,140萬像素、中畫幅G格式圖像傳感器和X-Processor Pro高速圖像處理引擎，可提供超高圖像質量。年內推出的其他新款數碼相機包括XF10（2018年7月）、X-T3（2018年9月）和X-T30（2019年3月）。此外，有幾款全新高規格鏡頭推出，分別為MKX（2018年6月）、XF（2018年10月）及XF8-16mmF2.8 R LM WR（2018年11月）和GF（2019年2月）。集團透過強大的營銷及推廣工作推廣上述每一款產品，包括產品發佈會及於當眼地點放置廣告。

另一方面，集團的即影即有產品銷售額繼續下滑。於上年同期比較，instax相機的銷售價值下跌29.4%，銷量下跌29.7%，而instax菲林的銷售價值下降32.9%，數量下降33.8%。部分原因為與去年相比，今年缺乏新型號推出，另一部分原因則為平行進口產品湧入對集團的型號造成價格壓力。然



imported products that exerted price pressure on the Group's models. However, some new models did appear during the year. These included three instax cameras in square format: the instax SQUARE SQ6 (July 2018), the instax SQUARE SQ6 x Taylor Swift Edition, and the instax SQUARE SQ20 (October 2018). Alongside these were two new instax film options: instax SQUARE black (June 2018) and instax mini Pink Panther (November 2018).

In the light of the relatively weak market for instax products, the Group moved to clear excess stocks through strong discounting initiatives. It also engaged in targeted marketing initiatives to boost sales, including a global collaboration on the marketing of the new instax SQUARE 6 x Taylor Swift Edition. In October 2018, the Group launched its instax SQUARE SQ20 at a high-profile press conference, and in November and December 2018, it ran a series of Wood Art Workshops that showed participants how to use instax photos to create stylish decorative items for the home.

This year marked the 50th anniversary of the Group being named the sole authorised distributor of FUJIFILM photography products in Hong Kong and Macau. In celebration of this significant anniversary, and to reinforce its position as a pioneer in the photography industry in the region, the Group carried out a number of brand management events during the year. These included running the FUJIFILM x Magnum Photos "Home" Photo exhibition in August 2018, and participating in the Hong Kong International Photo Festival exhibitions "Photo Vale 2018" (October 2018) and "Provoke" (October-December 2018).

For the year ahead, the significant digital camera to be launched by FUJIFILM is the GFX100, scheduled to launch in June 2019. For instax products, new initiatives planned include the launch of a new rental service for instax mini 8 cameras, targeted at events and one-off programme base users and running from May to July 2019. We expect this new service to provide a new channel for reaching one-off as well as new instax users. In the same period, the Group will be carrying out an intensive trade promotion of the instax SQUARE SQ6 and launching new instax mini films incorporating popular licensed characters from the Disney films "Toy Story 4" and "Frozen 2".

Skincare Products

Despite Hong Kong's highly competitive skincare market and the fact that the Group's skincare business mainly operates online, the Group was able to achieve stable sales growth of 9.1% for this business segment during the year under review. Much of this growth came from sales made through the Group's own ASTALIFT website (48.0% of the total), while a further 34.1% was achieved from sales through the AEON consignment counter and the Group's FUJIFILM Studio store.

New customers were attracted by the Group's decision to lower the minimum order for free delivery to HK\$800 during the year as well as the launch of a free trial kit. In aggregate, online sales grew 12.0% over the previous year. The number of new members registering during the year increased 4.7%, resulting in total membership of 21,000 at year-end. With growing membership, the Group has been able to expand its product range and offer more personalised products and services to its customers.

而，今年仍有推出若干新型號，其中包括支援方形構圖攝影的三款instax相機：instax SQUARE SQ6(2018年7月)、instax SQUARE SQ6 x Taylor Swift Edition和instax SQUARE SQ20(2018年10月)。除此之外亦有兩款新instax菲林：instax SQUARE黑邊(2018年6月)和instax mini Pink Panther(2018年11月)。

鑑於instax產品的市場相對疲弱，集團透過強勢的折扣活動清理過剩庫存。集團亦開展針對性營銷活動以刺激銷售，包括對全新的instax SQUARE 6 x Taylor Swift Edition的全球營銷合作。於2018年10月，集團在備受矚目的新聞發佈會上推出了instax SQUARE SQ20，並於2018年11月和12月舉辦了一系列木藝工作坊，向參加者展示如何使用instax相片為家居打造時尚的裝飾品。

今年為集團成為FUJIFILM攝影產品於香港及澳門的唯一認可經銷商的50週年。為慶祝這一重要週年紀念，並鞏固其作為所在地區攝影業先驅的地位，集團於年內舉辦了多項品牌管理活動。其中包括於2018年8月舉辦FUJIFILM x Magnum Photos「Home」攝影展以及參加香港國際攝影節展覽「攝谷2018」(2018年10月)和「Provoke」(2018年10月至12月)。

於來年，FUJIFILM將主力推出的數碼相機為GFX100，計劃於2019年6月推出。instax相機方面所籌劃的新舉措包括新推出針對活動及一次性方案用家的instax mini 8相機的租賃服務，時間為2019年5月至7月。預期此項新服務將成為接觸一次性用戶和新用戶的新渠道。與此同時，集團將為instax SQUARE SQ6進行密集的貿易推廣，並推出印有迪士尼電影「反斗奇兵4」和「冰雪奇緣2」的人氣授權卡通人物的新instax mini菲林。

護膚產品

儘管香港護膚市場競爭激烈，而且集團的護膚業務實際上亦主要於網上經營，但集團此業務分部於回顧年度內能實現達9.1%的穩定銷售增長。此增長主要來自集團自家ASTALIFT網站的銷售額(佔總數的48.0%)，另外34.1%乃來自透過AEON專櫃和集團的FUJIFILM Studio店舖進行的銷售。

集團於年內決定將免費送貨的最低訂單金額減至港幣800元以及推出免費試用套裝，吸引了新客戶。總體而言，線上銷售額較去年增長12.0%。年內註冊的新會員數量增加4.7%，年底會員總數達到21,000人。隨著會員數量增加，集團能擴展其產品範圍，並為客人提供更多個人化的產品和服務。

The Group maintains very strict inventory management, controlling inventory through strategic marketing campaigns and careful procurement practices. This enables it to eliminate low-productivity SKUs quickly while simultaneously introducing new items with promising sales potential. During the year, ASTALIFT expanded its product range to include haircare products in addition to its skincare and cosmetics lines, a move that has seen it emerge as an all-round beauty brand with a stable of approximately 60 SKUs. The Group markets the range according to a “low cost, high returns” strategy that includes word-of-mouth advertising, much of it in the form of product reviews by popular KOLs who receive free trial kits. Elsewhere, the Group conducted seasonal advertising and product promotions on Facebook and the ASTALIFT website.

With its skincare portfolio producing a strong performance for the year, the Group is optimistic about a number of planned upcoming initiatives. These include the launches of new products D-UV Clear White Solution SPF50+ PA++++ and New White Essence Infil, both scheduled for April 2019. Going forward, the Group intends to continue running this segment at minimal cost given the highly competitive business environment in the beauty industry. E-commerce will remain the main sales channel, but the Group will also look for other opportunities to enhance its brand presence, such as cost-effective pop-up or roadshow locations. It will also work to promote cross-platform sales. For example, the free trial kit for new customers can be redeemed online, but there is also the option for pick-up at AEON counters and FUJIFILM Studio, which is helping boost traffic and sales at these locations.

Consumer Electronic Products and Household Appliances

First-half sales for this segment surged 10.1% compared to the same period last year, but they then subsided in the second half as the US-China trade war intensified and investment markets in Hong Kong weakened. As a result, the Group recorded full-year growth of 4.2% in this business segment. In line with its effective store optimisation strategy, the Group made the strategic decisions to close two underperforming stores during the year and open one new store in a promising location. The number of stores operating under this business sector at year-end was 14 (under the AV Life, Life Digital and Wai Ming brand names). Same-store sales grew 18.7% for the year.

One positive effect of closing low-productivity stores was that the Group was able to reduce its rental expenses. The occupancy cost-to-sales ratio for this segment fell to 10.9% this year from 12.2% last year. The store reduction also helped reduce staff costs, with the staff cost-to-sales ratio improving to 8.0% this year from 8.2% last year. The bulk of sales for this sector came from audio and visual products such as televisions, 79.9% this year compared to 77.6% last year. A further 15.4% (2017/18: 16.6%) came from large-sized home appliances like refrigerators, washing machines and air conditioners, while 4.7% (2017/18: 5.9%) came from communication products and small consumer electronics products.

The Group has worked hard in recent years to position itself, through its AV Life brand, as a pioneering supplier of high-end audio and visual equipment. To achieve this, it introduces prestigious AV brands to the

集團維持非常嚴格的存貨管理，透過策略性營銷活動和審慎的採購做法控制存貨。這有助快速淘汰低生產率的單品，同時引入具有良好銷售潛力的新產品。年內，ASTALIFT擴大其產品範圍，除護膚品和化妝品系列外，亦新增了護髮產品，因而令其成為一個全方位的美容品牌，擁有約60件單品。集團根據「低成本、高回報」策略進行推廣，其中包括口碑廣告，大部分乃由收到免費試用套裝的人氣關鍵意見領袖作出產品評論。另一方面，集團在Facebook和ASTALIFT網站上進行季節性廣告和產品促銷。

鑑於集團的護膚產品組合於年內的表現強勁，集團對即將推出的多項舉措持樂觀態度。其中包括推出新產品D-UV Clear White Solution SPF50+ PA++++和全新亮白精華素，兩者均計劃於2019年4月推出。展望未來，由於美容行業的商業環境競爭激烈，集團計劃繼續以最低成本經營此分部。電子商務仍將是主要的銷售渠道，但集團亦會尋求其他機會以提升其品牌影響力，例如具成本效益的限時店或路演地點。集團亦將促進跨平台銷售。例如，新客戶的免費試用套裝可於線上兌換，亦可選擇於AEON專櫃和FUJIFILM Studio索取，有助於提高該等地點的人流和銷售額。

消費電子產品及家用電器

此分部的上半年銷售額較去年同期增長10.1%，但於下半年隨著中美貿易戰升溫和香港投資市場疲軟而從高位下降。因此，集團於此業務分部錄得4.2%全年增長。貫徹有效的店舖優化策略，集團於年內作出策略性決策，關閉兩間表現欠佳的店舖，並於有潛力的地點開設一間新店舖。於年末，此業務分部的店舖數量為14間（以AV Life生活影音、Life Digital生活數碼及偉明電業品牌經營）。同店銷售額於年內增長18.7%。

關閉低生產力商店的一個正面影響為集團能夠減少其租賃開支。此分部的佔用成本與銷售比率由去年的12.2%下跌至今年的10.9%。縮減店舖數目亦有助於降低員工成本，員工成本與銷售比率由去年的8.2%改善至今年的8.0%。此分部的大部分銷售額來自影音產品如電視，今年佔79.9%，去年佔77.6%。另外15.4%（2017/18年：16.6%）來自雪櫃、洗衣機及冷氣機等大型家用電器，而4.7%（2017/18年：5.9%）來自通訊產品和小型消費電子產品。

近年來，集團一直致力透過其AV Life品牌將自身定位為高檔影音設備的先驅供應商。為此，集團向市場推出著名的影音品牌，並為前線員工提供全面

market and provides comprehensive product training to frontline staff to ensure that they are equipped with the latest professional product knowledge and expertise. It also focuses on ensuring that customers receive a seamless, one-stop solution that includes professional product advice, product testing and measurement, ordering, payment, delivery and installation plus follow-up maintenance as required. The Group supplements all of this with high-tech yet ultra-comfortable stores that provide a unique shopping experience. For example, many stores have been redesigned to incorporate audio and visual rooms equipped with surround-sound systems and a wide range of speakers and home theatre systems, showcasing the very latest in home entertainment. This is being backed by on-going efforts to manage inventory and boost sales through marketing and promotional campaigns, including social media advertising and joint promotions with department stores.

Since big-ticket items in this business segment tend to be particularly vulnerable to economic uncertainty, the Group is adopting an especially cautious and prudent approach toward both its store strategies and product management in the current market environment. This involves closely monitoring store performances and market trends and adjusting the product portfolio accordingly, for example by applying strategic pricing policies. Another product portfolio management tool is the Group's electronic product catalogue, which is available at stores to help customers order products that are not displayed on the spot. In the coming year, the Group plans to introduce another digital initiative in the form of an e-shop that will enable customers to order online. This initiative is scheduled to roll out in the second or third quarter of 2019/20.

Moreover, the Group plans to upgrade its customer relationship management system in order to better understand its valued customers and find ways to interact more closely with them. Utilising customer data analytics, the plan is to recognise deeper shopping patterns and trends, and then mobilise online and offline resources to support corresponding cross-platform promotions. As part of this process, the Group will leverage the outstanding reputation of its physical stores to promote its online business while also utilising social media and online payment platforms to develop new business.

B-to-B Commercial and Professional Audio and Visual Products

The Group's specialist business-to-business AV products segment achieved stable performance for the year, recording 0.5% growth despite relatively significant declines in sales of Frame TVs and projectors. Demand for Frame TVs has weakened since a rush of sales last year when they first hit the market, resulting in a year-on-year sales drop of 30.4%. Projector sales fell by 18.5% as some display functions were replaced by advanced LED display technology. The Group was able to compensate for these decreases by rapidly rolling out other new products such as LED TVs, hospitality TVs and monitors, which saw sales increases of 31.9%, 19.4% and 13.1%, respectively. In addition, sales of audio systems rose an impressive 88.8%, primarily because the Group was granted the distribution rights for certain renowned audio brands in early 2018. Another highlight of the year was the acquisition of distribution rights for the Samsung Flip

的產品培訓，以確保員工擁有最新的專業產品知識和專門知識。集團亦致力於確保客戶獲得無縫的一站式解決方案，包括專業產品建議、產品測試和量度、訂購、付款、交付和安裝以及必要的後續保養，輔以高科技且超舒適的店舖，提供獨特的購物體驗。例如，多間店舖經過重新設計，融合配備環繞聲系統和各種揚聲器和家庭影院系統的音響室，展示最新家庭娛樂。此外，集團透過營銷和促銷活動(包括社交媒體廣告和與百貨公司的聯合促銷)持續管理存貨和刺激銷售。

由於此業務分部的大額商品往往特別容易受到經濟不明朗因素的影響，因此集團在當前市場環境下對其店舖策略及產品管理採取特別小心及審慎的態度。這涉及密切監控店舖表現和市場趨勢並相應調整產品組合，例如透過應用策略性定價政策。另一個產品組合管理工具為集團於店舖裝置的電子產品目錄，此有助客戶訂購現場未展示的產品。來年，集團計劃以電子商店形式推出另一項數碼舉措，以便客人於線上下單，此舉措計劃於2019/20年度第二季度或第三季度推出。

此外，集團計劃升級其客戶關係管理系統，以更好地了解其實貴客戶，並尋找與彼等更緊密互動的方法。計劃為利用客戶數據分析，識別更深層次的購物模式和趨勢，然後調動線上和線下資源，以支持相應的跨平台促銷。作為此過程的一部分，集團將利用其實體店的卓越聲譽來推廣其線上業務，同時利用社交媒體和線上付款平台開發新業務。

企業對企業商用及專業影音產品

儘管畫框電視及投影機的銷售額相對大幅下滑，但集團的專業企業對企業影音產品分部今年業績穩定，錄得0.5%增長。畫框電視自去年首次推出市場掀起的銷售熱潮以來的需求減弱，導致銷售額同比下降30.4%。由於投影機的部分顯示功能被先進的LED顯示技術取代，銷售額下降18.5%。集團透過迅速推出其他新產品(如LED電視、軟客電視和顯示器)彌補上述降幅，該等新產品的銷售額分別增長31.9%、19.4%和13.1%。此外，音響系統的銷售額顯著增長88.8%，主要因為集團於2018年初獲

interactive digital flipchart. This product, designed to enhance creative thinking, collaboration and innovation, is expected to be welcomed by enterprise clients. The Group has also been active in its role as distributor by collaborating with suppliers and product agents to promote new products to potential customers, mainly by organising product launch events. The Group plans to sustain this momentum in the year ahead by staying abreast of new LED technology, especially its potential for large-scale commercial display. Another promising area is hospitality TV, given that many hotel projects are currently underway across the region.

SERVICING

Photofinishing and Technical Services

As the demand for traditional photo printing continues to fall, the Group has been active in rolling out new imaging products and services to push sales from other angles. It has also channeled resources into enhancing customer shopping experience. As a result of these initiatives, total sales under this segment increased steadily by 2.1%. In terms of store presence, six underperforming Fotomax stores were closed during the year while another five were opened in various locations, resulting in a total of 63 stores in operation at year-end against 64 at the end of the previous year. However, the occupancy cost-to-sales ratio rose to 23.4% this year compared to 22.8% last year due to a 3.2% increase in total floor area across all stores as the Group moved to enhance product displays and customer space. On average, each store was equipped with 3.2 digital kiosks, which enable customers to upload files or copies of photos. The kiosks also serve as direct marketing and online shopping promotional tools.

Number of photo prints fell by 7.6% year on year. To broaden the possibilities for print sales, the Group revamped its mobile printing software and introduced new kiosk software that enables customers to download their photos directly from mobile and social media platforms via Wi-Fi for printing. This simple, hassle-free process is encouraging more customers to consider printing out their favourite photos.

During the year, the Group once again ran online and in-store seasonal promotions and supported them through partnerships with popular third-party online platforms such as HKTV Mall and HoKo Buy, which enabled customers to make online bulk print purchases. These promotions attracted a strong response from the public and boosted year-on-year photo print sales for the promotion period by 23.6%. Overall, online sales continued to grow in importance, increasing 26.2% compared to last year. Apart from online ordering of standard photo prints, the Group also saw significant online orders for specialty and seasonal items such as Christmas cards as well as Chinese New Year cards and fai chun decorations.

As mentioned before, the Group has been proactive in introducing new imaging products and services to address market changes. For example, Fotomax has gained a strong reputation for the quality and convenience of its ID photo service and experienced steady sales growth as a result. This year, sales were up by 10.4% over the previous year. To continue this momentum, Fotomax has supplemented its Total Satisfaction Guarantee with improvements to the photo-taking experience, for instance by making upgrades to its

得若干知名音響品牌的分銷權。今年的另一個亮點是獲得了三星Flip互動式數碼白板的分銷權。該產品旨在增強創造性思維、協作和創新，預期將受到企業客戶歡迎。集團亦積極發揮分銷商的角色，與供應商及產品代理商合作，主要透過舉辦產品發佈活動，向潛在客戶推廣新產品，集團計劃在未來一年保持這一勢頭，及時了解新的LED技術，特別是其用於大規模商業展示的潛力。另一個有潛力的領域為款客電視，因為本地目前有許多酒店項目正在進行中。

服務

沖印及技術服務

由於傳統相片打印需求持續下降，集團因而一直積極推出新的影像產品及服務，從其他角度推動銷售。集團亦將資源投放於增強客戶購物體驗。由於採取了上述舉措，此分部的總銷售額穩步增長2.1%。於店舖數量方面，今年有六間表現欠佳的快圖美店舖關閉，另有五間店舖於不同地點開張，年底共有63間營運中的店舖，而去年年底共有64間。然而，隨著集團提升產品展示及客戶空間，店舖的總樓面面積增加3.2%，因此今年的佔用成本與銷售比率上升至23.4%，而去年則為22.8%。平均而言，每家店舖的自助式數碼站為3.2台，讓客戶能夠上傳文件或相片副本。自助式數碼站亦可用作直接營銷和線上購物的推廣工具。

相片沖印數量同比下降7.6%。為了擴大沖印銷售的可能性，集團已改進其手機沖印軟件，並推出新的自助式數碼站軟件，讓客戶能夠透過Wi-Fi直接從手機和社交媒體平台下載相片進行沖印。其過程簡單、輕鬆，鼓勵更多客戶考慮沖印出自己喜歡的相片。

於本年度內，集團再次開展網上和店內季節性促銷活動，並透過與HKTV Mall及HoKo Buy等受歡迎的第三方線上平台合作，為客戶提供線上批量購買服務。該等促銷活動吸引了公眾的強烈反響，促銷期間的相片沖印銷售額同比提高23.6%。整體而言，線上銷售的比重日益上升，較去年增長26.2%。除了線上訂購標準相片沖印外，集團錄得大量網上訂單訂購特色及季節性商品，例如聖誕賀卡、中國新年賀卡及揮春裝飾品。

如上述所言，集團一直積極推出新的影像產品及服務以應對市場變化。例如，快圖美在證件相片服務的質量和便利性方面贏得良好的聲譽，並實現了穩定的銷售增長。今年，銷售額較去年增長10.4%。為了延續這一勢頭，快圖美透過改進拍照體驗以增補其完全滿意的承諾服務，例如透過升級店內證件

in-store ID photo rooms for increased customer privacy. These and other enhancements, such as the provision of downloadable copies of ID photos, have helped Fotomax stand out in this niche market. As at year-end this year, 33 Fotomax stores had separate ID photo rooms. This number is expected to increase to 38 in the year ahead.

The Group's DocuXpress document solution service has also continued to gain ground in the market. Total sales for this service were up by 24.7% for the year, boosted by the launch of new DIY kiosk software for document output that provides customers with an even more efficient and seamless ordering experience. Meanwhile, the personalised image gift service, Gift Plus, recorded a small sales increase of 3.4% by riding on effective "Back to School" promotions and various seasonal events. Gift Plus also continued to leverage the strength of its various character licences, such as those for popular Sanrio and Disney characters, to produce attractive imaging accessories and gifts such as albums and photo frames.

During the year, the Group also launched a new version (Version 4) of its well-known Year Album. This new version offers more choices than ever in terms of themes and album design, as well as flexible sizes (A4 or A5) and pagination (from 16 to 48 pages). Strong promotion and attractive discounts and redemption coupons drove a 16.4% increase in Year Album sales compared with last year.

To further optimise its store space, Fotomax entered into agreements to provide fulfilment services for other businesses. For example, this year Fotomax expanded its number of stores providing Tradelink customs declaration service counters to 36 from just 4. In addition, Fotomax introduced new digital payment services, including wechat and Alipay, to expand payment options for customers. This move also enables Fotomax to benefit from collaborative marketing campaigns with these leading payment service providers.

The Group continues to work on achieving the right amount and exposure of Fotomax stores in order to maximise returns. Currently, the Group believes there are slightly too many stores, so it plans to close a further seven outlets in the year ahead with the aim of having 56 stores in operation at the end of the 2019/20 financial year. It will also devote energy to developing its B-to-B markets further, targeting corporate customers and party planners with the aim of providing them with imaging solutions and printed party accessories. As e-commerce grows in importance, the Group will continue to revamp the Fotomax website and kiosks to simplify the ordering process. It also plans to shorten the delivery time for online photo prints from two days to one day to meet customer expectations. New Fotobook series will also be launched to increase the product choices available to customers.

Professional AV Advisory and Custom Design and Installation Services

This business segment, which has grown steadily in recent years, achieved a 11.3% year-on-year sales increase. The Group now enjoys very solid relationships with product suppliers, subcontractors and customers, which are providing a strong foundation for future business development. The Group is now also able to offer competitively priced and up-to-date products combined with excellent service, and it is building a stable of key clients comprising universities,

拍攝室以增加客戶隱私。此等及其他改進(例如提供可供下載的證件相片副本)均讓快圖美在此利基市場中脫穎而出。於本年底, 33間快圖美店舖擁有獨立的證件相拍攝室。此數字期望於未來一年增加至38間。

集團的DocuXpress文件解決方案服務亦繼續於市場佔據一席之地。由於新的文件輸出自助站軟件推出, 為客戶提供了更加高效和無縫的訂購體驗, 提高本年度此服務的總銷售額24.7%。同時, 透過有效的「返學套裝」促銷和各種季節性活動, 個人化影像禮品服務Gift Plus的銷售額增長3.4%。Gift Plus亦繼續利用各種卡通人物專利權的優勢, 例如人氣的Sanrio和迪士尼角色, 製作精美的影像配件和禮品, 如相簿和相框。

年內, 集團亦推出其知名「賞」簿服務的新版本(第4版)。新版本在主題和相簿設計方面提供比以往更多的選擇, 以及靈活的尺寸(A4或A5)和分頁(從16到48頁)。透過強勢促銷和具吸引力的折扣和兌換優惠券, 「賞」簿服務的銷售額較去年增長16.4%。

為了進一步優化店舖空間, 快圖美簽訂為其他企業提供履約服務的協議。例如, 今年快圖美將提供貿易通海關報關服務櫃檯的店舖數量從4間增加至36間。此外, 快圖美推出新的數碼付款服務, 包括微信和支付寶, 增加客戶的付款選項。此舉亦讓快圖美透過與該等領先付款服務供應商的協作營銷活動受益。

集團繼續致力於達到適當數量的快圖美店舖和曝光度, 以實現最大化回報。目前, 集團認為店舖數量略多, 因此計劃於未來一年再關閉七間店舖, 目標是在2019/20財政年度末達到56間店舖。集團亦將投放精力進一步發展其企業對企業市場, 針對企業客戶和派對策劃者, 旨在為彼等提供影像解決方案和印刷派對飾品。隨著電子商務的重要性日益增加, 集團將繼續改進快圖美網站和自助式數碼站, 以簡化訂購流程。集團亦計劃將線上相片沖印的交付時間從兩天縮短至一天, 以滿足客戶的期望。另將推出新的Fotobook系列, 以增加客戶的可選產品。

專業影音顧問及訂製、設計及安裝服務

近年來, 此業務分部穩步增長, 銷售較去年增長11.3%。集團現與產品供應商、外判商和客戶建有穩固關係, 為未來業務發展奠定堅實的基礎。集團現能提供於價格上具競爭力及最新的產品和優質服務, 並正建立穩定的主要客戶, 包括大學、學校、

schools, hospitals, Government departments, hotels and international commercial enterprises. Commercial customers contributed 61.5% of the segment's sales for the year, with the remaining 38.5% coming from non-commercial clients such as hospitals, schools and NGOs.

There are a number of important market opportunities arising for this segment, including major developments taking place in new commercial districts in Kowloon East (e.g. the old Kai Tak Airport, Kwun Tong and Kowloon Bay), projects under the Government's 10-year hospital development plan and several new hotels. To ensure it is a competitive player when bidding for these projects, the Group will be looking to grow its force of experienced salesmen and project managers and to expand its after-sales maintenance services.

OUTLOOK

In a fast-moving world, the Group believes it is important that its product offerings – across all business segments – do not lag behind current tastes and trends. To this end, it is aiming to achieve faster product rollout and higher traffic in the year ahead by offering high-volume, trendy, profitable products as soon as they are available on the market. This will involve regularly adjusting the Group's product portfolio and accelerating product launches whenever possible while also replacing low-productivity SKUs with high-productivity ones. In individual business segments, the Group will continue its profitable, longstanding association with Fujifilm Japan and further strengthen the FUJIFILM brand in the region. The in-house Fotomax design team will be strengthened, while relationships with suppliers of AV Life stores will be enhanced to ensure that new products and services are introduced quickly. In the areas of professional AV products and professional AV advisory and custom design and installation services, the Group will continue to negotiate for distribution rights for high-potential items.

The Group will remain cautious about expanding its store network, across all its business segments, especially given the uncertain economic environment. Its aim is to find the right balance between maintaining a wide brand presence and minimising rental costs. To this end, the Group will continue to optimise its retail network in the year ahead by closing underperforming stores where necessary.

As e-commerce becomes increasingly important for many businesses, the Group will look to strengthen its entire e-commerce system, in particular by launching an e-shop for its AV Life brand and by revamping the existing Fotomax website to enhance the customer experience in online interaction and shopping. More generally, the Group will seek to enhance its overall efficiency and logistics flow through greater focus on e-commerce operations, reducing its operating costs in the process. This will involve undertaking increased backend data analysis, including analysis of customer and sales data, in order to improve the Group's marketing campaigns and sales strategies, develop cross-platform promotions and generally enhance its brand influence among consumers.

As part of this focus, the Group will strengthen its business development team to improve the quality of its big data analysis and help it become more customer-centric. Using the latest technology and data analysis tools, the team will strive to gain a better understanding of market trends and customer preferences as the bases for new product sourcing and marketing strategies. Special focus will be placed

醫院、政府部門、酒店及國際商業企業。商業客戶佔此分部年內銷售額的61.5%，其餘38.5%來自醫院、學校和非政府組織等非商業客戶。

此分部面臨多個重要的市場機遇，包括東九龍新商業區(例如舊啟德機場、觀塘及九龍灣)的主要發展項目、政府十年醫院發展計劃下的項目以及幾間新酒店。為確保在競投該等項目時成為具競爭力的參與者，集團將努力發展旗下經驗豐富的銷售人員和項目經理團隊，並擴大其售後保養服務。

展望

世界瞬息萬變，集團相信確保其產品供應—包括所有業務分部—不落後於當前潮流和趨勢相當重要。為此，集團旨在透過適時於市場提供大量、時尚及高利潤的產品，從而於未來一年能做到更快推出產品和提高其流量。這將涉及定期調整集團的產品組合，盡可能加速產品發佈，同時利用高生產率的單品取替低生產率單品。於各個業務分部，集團將繼續與日本富士保持盈利的長期合作，並進一步於本地加強FUJIFILM品牌。內部快圖美設計團隊將有所加強，同時增強與AV Life店舖供應商的關係，以確保快速推出新產品和服務。在專業影音產品及專業影音顧問及訂製、設計及安裝服務方面，集團將繼續就高潛力項目的分銷權進行磋商。

集團將繼續審慎擴展其所有業務分部的店舖網絡，特別是面臨經濟環境不明朗之際。其目標為在保持廣泛的品牌影響力與盡量減少租賃成本之間找到適當的平衡點。為此，集團將於未來一年繼續優化其零售網絡，並在必要時關閉表現欠佳的店舖。

隨著電子商務對許多業務的重要性日益增加，集團將努力加強其整個電子商務系統，特別是為其AV Life品牌推出電子商店，並透過重整現有的快圖美網站改善客戶的線上互動和購物體驗。總體上，集團將更加注重電子商務營運，努力提高整體效率和物流流程，以降低經營成本。這將涉及進行更多後台數據分析，包括分析客戶和銷售數據，以改善集團的營銷活動和銷售策略，開發跨平台促銷，廣泛提高其於消費者之間的品牌影響力。

作為此重點的一部分，集團將加強其業務發展團隊，以提高其大數據分析的質量，更加以客戶為中心。團隊將利用最新技術和數據分析工具，努力深入了解市場趨勢和客戶偏好，作為新產品採購和營

on social media platforms to build the trust of certain target groups, including the younger generation. Another move will be to integrate customer databases from different business segments, thus creating a single mega-database for cross-brand promotion and marketing.

The Greater Bay Area is a high-growth region that holds vast long-term potential for businesses in Hong Kong. Although it is still early days, the Group is studying a number of possibilities for business development across the Greater Bay Area in the future.

Overall, despite posting a net loss for the year, the Group's operations continued to make forward strides in several important areas. Management is confident that once these short-term economic headwinds clear, the Group's multi-segment business portfolio will be well placed to grow in Hong Kong and, potentially, the wider Greater Bay Area – meeting the needs of a variety of customer groups with high-quality goods and services that are perfectly suited for modern urban lifestyles.

CORPORATE CULTURE

The Group prides itself on a corporate culture based on robust governance principles. This means its processes and decision-making are transparent and accountable, and they are reviewed on a regular basis to remain in line with international best practices. Our corporate culture also carries on a tradition of fostering positive working relationships at every level of our enterprise, including with business partners, suppliers, customers and staff.

STAFF DEVELOPMENT AND TRAINING

To remain at the forefront of the fields in which it operates, the Group strives to keep its staff well trained and highly skilled at every level. As some of its business segments deal with the latest developments in IT and computing, the Group invests resources to ensure that staff receive the training they need to stay abreast of rapidly changing landscapes. This involves offering in-house training courses as well as training provided by qualified external parties. More details of the staff development and training can be found in the Environmental, Social and Governance (“ESG”) Report on pages 37 and 38.

SOCIAL RESPONSIBILITY

During the year, the Group engaged in a number of corporate social responsibility initiatives to show its commitment to Hong Kong and to help those in need. The Group continued its longstanding support of the local squash scene by sponsoring the Fujifilm mini-squash scheme 2018/19, introducing youngsters to the benefits of the game. Once again, the Group was proud to donate to the The Community Chest of Hong Kong's “Greening for the Chest” programme, with donations going toward helping the needy and promoting the importance of maintaining a clean, green environment for future generations. More details of the Group's community investment can be found in the ESG Report on pages 41 and 42.

銷策略的根基。集團將特別重視社交媒體平台，以建立若干目標群體的信任，包括年輕一代。另一項舉措是整合來自不同業務分部的客戶數據庫，從而為跨品牌推廣和營銷創建一個單一的大型數據庫。

大灣區乃高增長區域，為香港企業提供巨大的長期潛力。雖然目前尚處於初期階段，但集團正在研究未來大灣區業務發展的多種可能性。

整體而言，儘管本年度出現淨虧損，但集團的業務繼續在多個重要領域取得進展。管理層有信心，一旦該等短期經濟逆風轉向明朗，集團的多個分部業務組合將有利於在香港和可能在更寬廣的大灣區發展 – 提供完美適合現代都市生活方式的優質商品和服務以滿足各種客戶群的需求。

企業文化

集團的企業文化建基於健全的管治原則，並以此為傲。集團的流程及決策具透明度及問責性，且定期予以檢討，以持續符合國際最佳做法。我們的企業文化建基於促進企業各個層面（包括業務夥伴、供應商、客戶及員工）的工作關係的傳統。

員工發展及培訓

為保持業內領先地位，集團致力讓各階層員工訓練有素並具有精湛技能。由於部分業務分類涉及資訊科技及電腦的最新發展，集團投放資源以確保員工接受到及時了解迅速變化的局勢所需的培訓，這包括提供內部培訓課程以及由合資格外部人士提供的培訓。有關員工發展及培訓的更多詳情載於環境、社會及管治報告第37頁及第38頁。

社會責任

年內，集團參與多項企業社會責任舉措，展示其對香港的承擔及幫助有需要人士。集團延續其對本地壁球運動的長期支持，贊助富士菲林小型壁球計劃 2018/19，向年輕人介紹壁球的好處。集團再次為香港公益金的「環保為公益」活動捐款引以為傲，捐款用於幫助有需要人士及推廣為下一代維持清潔、綠色環境的重要性。有關本集團社區投資的更多詳情載於環境、社會及管治報告第41頁及第42頁。

Executive Directors' Information

執行董事資料

DR. SUN TAI LUN DENNIS CHAIRMAN

Dr. Sun Tai Lun Dennis, BBS, JP, aged 68, is the Chairman of the Group, responsible for the overall management and strategic business development of the Group. He joined the management team of the Group in 1976 and has over 40 years of experience in the photographic products industry.

Dr. Sun is the Honorary Chairman of the Hong Kong Photo Marketing Association, Life Honorary Advisor of the Photographic Society of Hong Kong, Vice Patron of The Community Chest of Hong Kong.

Dr. Sun is the Honorary President of The Hong Kong Management Association. He is also an independent non-executive director of Hanison Construction Holdings Limited. He was awarded the Bronze Bauhinia Star in 1999 and appointed Justice of the Peace in 2002.

Dr. Sun holds a Bachelor's degree in Pharmacy from the University of Oklahoma, USA and a Doctorate degree in Philosophy in Business Administration from Southern California University for Professional Studies. He is the Honorary Fellow of the City University of Hong Kong and Chapter Honoree of the City University of Hong Kong Chapter of Beta Gamma Sigma. He is the son of Mr. Sun Chieh Yeh, former Honorary Chairman and founder of China-Hongkong Photo Products Holdings Limited. He is also the father of Mr. Sun Tao Hung Stanley, an Executive Director, Deputy Chairman and Chief Executive Officer of the Group, and Mr. Sun Tao Hsi Ryan, an Executive Director and Chief Operating Officer of the Group.

MR. SUN TAO HUNG STANLEY DEPUTY CHAIRMAN & CHIEF EXECUTIVE OFFICER

Mr. Sun Tao Hung Stanley, aged 41, is the Deputy Chairman and Chief Executive Officer of the Group. He joined the Group in 2005 and is currently responsible for the supervision of the overall marketing and sales areas as well as the Group's business development. He is also the Managing Director of Fuji Photo Products Co., Ltd., one of the subsidiary companies of the Group. Prior to joining the Group, Mr. Sun has worked in Fuji Photo Film Co., Ltd., both in Japan and the United States of America, where he conducted marketing work for their imaging business. Mr. Sun holds a Bachelor of Science degree and a Master of Business Administration degree from Cornell University, Ithaca, New York, USA. He is the elder son of Dr. Sun Tai Lun Dennis, Chairman and an Executive Director of the Group, and the elder brother of Mr. Sun Tao Hsi Ryan, an Executive Director and the Chief Operating Officer of the Group.

孫大倫博士 主席

孫大倫博士，BBS，JP，現年68歲，為本集團之主席，負責集團的整體管理及策略業務發展事宜。孫博士於1976年加入集團管理層，並於照相產品業累積超過40年經驗。

孫博士為香港攝影業商會永遠名譽會長，香港攝影學會永遠名譽顧問，香港公益金名譽副會長。

孫博士為香港管理專業協會榮譽主席，亦為興勝創建控股有限公司獨立非執行董事。孫博士於1999年獲頒銅紫荊星章，更於2002年獲委任為太平紳士。

孫博士持有美國奧克拉荷馬州大學藥劑學學士學位及美國 Southern California University for Professional Studies商業管理博士學位，亦是香港城市大學榮譽院士及香港城市大學Beta Gamma Sigma分會榮譽會員。他是前任集團榮譽主席兼創辦人孫建業先生之子。他亦是集團執行董事、副主席兼行政總裁孫道弘先生及集團執行董事兼首席營運總監孫道熙先生之父親。

孫道弘先生 副主席及行政總裁

孫道弘先生，現年41歲，為本集團之副主席及行政總裁。孫先生於2005年加入集團，現時負責監督集團之整體市場推廣及銷售範疇與集團業務發展。孫先生亦為集團之其中一間附屬公司—富士攝影器材有限公司之董事總經理。在加入集團前，彼曾分別於日本富士及其美國分公司任職，專責影像產品之市場推廣事宜。孫先生擁有美國康奈爾大學理學士學位及工商管理碩士學位。他是集團主席及執行董事孫大倫博士之長子，亦是本集團執行董事及首席營運總監孫道熙先生之兄。

MR. SUN TAO HSI RYAN
CHIEF OPERATING OFFICER

Mr. Sun Tao Hsi Ryan, aged 37, graduated from Widener University, Pennsylvania, USA with double degrees in Accounting Business Administration and Hospitality Management. Besides, he had spent 3 years in a military academy in his high school years. Mr. Sun is a member of The Y. Elites Association (“YEA”) and a vice president of the Business Development Research Association in YEA. He is also the chairman of Raimondi Alumni Association. Mr. Sun is currently a Managing Director of Fotomax (F.E.) Limited, a subsidiary of the Group. With effect from 1 April 2019, Mr. Sun has been appointed as Chief Operating Officer of the Group, responsible for the Group’s operation management, particularly in IT and logistics sectors. Mr. Sun is the second son of Dr. Sun Tai Lun Dennis, the Chairman and an Executive Director of the Group, and the younger brother of Mr. Sun Tao Hung Stanley, an Executive Director, the Deputy Chairman and the Chief Executive Officer of the Group.

MS. CHAN WAI KWAN RITA
CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Ms. Chan Wai Kwan, Rita, aged 41, was appointed as an Executive Director and Chief Financial Officer of the Group with effect from 1 April 2019. Ms. Chan joined the Company in 2005 as Accounts Manager and Company Secretary, responsible for financial reporting, tax and investment advisory, internal control and company secretarial matters. Prior to joining the Company, Ms. Chan had worked in one of the “Big 4” accounting firms in Hong Kong for 6 years. She has over 15 years of professional experiences in auditing, accounting and financial management. Ms. Chan holds a Bachelor of Business Administration (Honours) degree in Professional Accountancy from The Chinese University of Hong Kong. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and a graduate of its 2018 Financial Controllership Programme. After her appointment as an Executive Director and Chief Financial Officer, Ms. Chan continues to be the Company Secretary of the Group.

孫道熙先生
首席營運總監

孫道熙先生，現年37歲，畢業於美國賓夕法尼亞州威得恩大學，擁有工商管理會計系學士及酒店管理系學士雙學位。此外，彼於其中學時期曾於美國一所軍事學府修業3年。孫先生為香港菁英會會員，並擔任該會工商發展研究會之副主席。彼亦為高主教校友會會長。孫先生現為集團附屬公司快圖美(遠東)有限公司之董事總經理。自2019年4月1日起，孫先生獲委任為集團營運總裁，負責本集團之營運管理，特別是資訊科技及物流領域。孫先生是集團主席兼執行董事孫大倫博士之次子，亦即是集團執行董事、副主席及行政總裁孫道弘先生之弟弟。

陳蕙君女士
首席財務總監及公司秘書

陳蕙君女士，現年41歲。陳女士於2019年4月1日獲委任為集團之執行董事及首席財務總監。陳女士於2005年加入本公司擔任會計部經理及公司秘書，負責財務報告、稅務及投資諮詢、內部監控及公司秘書事宜。於加入本公司以前，陳女士曾於香港一家「四大」會計師事務所工作六年。彼擁有超過十五年核數、會計及財務管理之專業經驗。陳女士擁有香港中文大學專業會計(榮譽)工商管理學士學位。彼為香港會計師公會資深會員並為其2018年度財務總管課程之畢業生。在其獲委任為執行董事及首席財務總監後，陳女士繼續擔任本集團之公司秘書。

Non-executive Director's Information

非執行董事資料

MR. FUNG YUE CHUN STEPHEN

Mr. Fung Yue Chun Stephen, aged 43, Mr. Fung was appointed as the Non-executive Director of the Company on 8 April 2015. He is currently a member of the audit committee of the Company. Mr. Fung joined the Fung Group in 2001. He is the founder and CEO of Fung Kids Fashion (Holding) Limited, overseeing the children's apparel, footwear and accessories retailing business. He has extensive experience in the retail industry and holds positions as a director of Fung Retailing Limited, the director of Toys"R"Us Asia and a director of Suhyang Networks Co., Ltd. Starting from 2019, Mr. Fung has been appointed as the Fung Group's China President, focusing on driving group-wide businesses in China and promoting the Fung Group brand.

Shortly after Mr. Fung obtained a Bachelor of Arts in Economics from Boston College, he started working in an internet incubator in New York. He then joined a private equity firm, focusing on the consumer products vertical. Upon completion of his MBA degree from the International University of Japan, Mr. Fung joined Aetos Japan, a real estate fund located in Tokyo, as the Vice President of Reporting and Portfolio Management. Thereafter, Mr. Fung returned to Hong Kong and took up the role as the Chief Financial Officer of Toys"R"Us Asia.

馮裕津先生

馮裕津先生，現年43歲。馮先生於2015年4月8日獲委任為本公司非執行董事，亦為本公司審核委員會成員。馮先生於2001年加入馮氏集團，彼為利童服飾(控股)有限公司的創始人兼行政總裁，掌管兒童服裝、鞋類及配飾零售業務。彼於零售行業擁有豐富經驗，並擔任馮氏零售集團有限公司董事、玩具「反」斗城亞洲董事及Suhyang Networks Co., Ltd.董事。自2019年起，馮先生獲委任為馮氏集團中國區總裁，專注於推動馮氏集團在中國的業務增長並強化馮氏集團品牌。

馮先生自波士頓學院獲得經濟學文學士學位後，開始在紐約的互聯網孵化中心工作。隨後，彼加入一間私募基金公司，專注於消費性產品。取得日本國際大學工商管理碩士學位後，馮先生加入位於東京的日本房地產基金公司，名為Aetos Japan，擔任資產匯報及組合管理副總裁一職。此後，馮先生回港擔任玩具「反」斗城亞洲的財務總監。

Independent Non-executive Directors' Information

獨立非執行董事資料

MR. AU MAN CHUNG MALCOLM

Mr. Au Man Chung Malcolm, aged 70. Mr. Au was appointed as the Independent Non-executive Director of the Company on 6 July 1994. He is currently the chairman of the remuneration committee, a member of the audit committee and a member of the nomination committee of the Company. Mr. Au holds a Bachelor of Science degree in Chemical Engineering and a Master of Science degree in Food Science both from the University of Wisconsin, USA and a Master of Business Administration degree from the University of Toronto, Canada. Mr. Au has over 30 years' experience in management. Mr. Au is an independent non-executive director of Convenience Retail Asia Limited.

MR. LI KA FAI DAVID

Mr. Li Ka Fai David, aged 64. Mr. Li was appointed as the Independent Non-executive Director of the Company on 15 September 2004. He is currently the chairman of the audit committee, a member of the nomination committee and a member of the remuneration committee of the Company. Mr. Li is currently the deputy managing partner of Li, Tang, Chen & Co. CPA (Practising). He is also a fellow of the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, UK, as well as The Institute of Chartered Accountants in England & Wales. He is an independent non-executive director, the chairman of the audit committee and a member of the nomination committee and a member of the remuneration committee of Cosmopolitan International Holdings Limited, an independent non-executive director, a member of the audit committee, a member of the nomination committee and the chairman of the remuneration committee of China Merchants Port Holdings Company Limited, an independent non-executive director, a member of the audit committee and a member of the remuneration committee of AVIC International Holding (HK) Limited, an independent non-executive director, the chairman of the audit committee, a member of the nomination committee and a member of the remuneration committee of Goldlion Holdings Limited, an independent non-executive director and the chairman of the audit committee of Shanghai Industrial Urban Development Group Limited and an independent non-executive director and the chairman of audit committee of Wai Yuen Tong Medicine Holdings Limited.

MR. LIU HUI ALLAN

Mr. Liu Hui Allan, aged 62. Mr. Liu was appointed as the Independent Non-executive Director of the Company on 28 June 2007. He is currently a member of the audit committee of the Company. Mr. Liu graduated from the Beijing University of International Business and Economics and the Westminster University of United Kingdom. Mr. Liu has over 30 years of experience in foreign direct investments in China, especially in the consumer and retail sectors. He was formerly the president of The China Retail Fund LDC, a direct investment fund he founded in 1996, co-sponsored by American International Group. Mr. Liu has also been a partner of the private equity business of PAG, a Pan Asian asset management group managing US\$20 billion. Mr. Liu is currently serving as a partner of an US asset management company, Versant Group and its Asia chairman.

DR. WONG CHI YUN ALLAN

Dr. Wong Chi Yun Allan, GBS, MBE, JP, aged 68. Mr. Wong was appointed as the Independent Non-executive Director of the Company on 28 October 1997. He is currently the chairman of the nomination committee, a member of the audit committee and a member of the remuneration committee of the Company. Dr. Wong is the chairman and the group chief executive officer of VTech Holdings Limited, co-founded the group in 1976. Dr. Wong holds a Bachelor of Science degree in Electrical Engineering from The University of Hong Kong, a Master of Science degree in Electrical and Computer Engineering from the University of Wisconsin and an Honorary Doctorate of Technology from The Hong Kong Polytechnic University. He is the deputy chairman and an independent non-executive director of The Bank of East Asia, Limited, and an independent non-executive director of Li & Fung Limited and MTR Corporation Limited.

區文中先生

區文中先生，現年70歲。區先生於1994年7月6日獲委任為本公司獨立非執行董事。彼現為本公司薪酬委員會主席、審核委員會成員及提名委員會成員。區先生持有美國威斯康辛大學頒發之化學工程科學士學位及食品營養科學碩士學位及加拿大 University of Toronto 頒發之工商管理碩士學位。區先生於管理方面累積逾30多年經驗。區先生是利亞零售有限公司的獨立非執行董事。

李家暉先生

李家暉先生，現年64歲。李先生於2004年9月15日獲委任為本公司獨立非執行董事。彼現為本公司審核委員會主席、提名委員會成員及薪酬委員會成員。李先生現為李湯陳會計師事務所副執行合夥人。此外，李先生亦分別為香港會計師公會執業資深會計師、英國特許公認會計師公會和英格蘭及威爾斯特許會計師公會資深會員。李先生現為四海國際集團有限公司之獨立非執行董事、審核委員會主席、提名委員會會員兼薪酬委員會會員、招商局港口控股有限公司之獨立非執行董事、審核委員會會員、提名委員會會員兼薪酬委員會主席、中國航空工業國際控股(香港)有限公司之獨立非執行董事、審核委員會會員兼薪酬委員會會員、金利來集團有限公司之獨立非執行董事、審核委員會主席、提名委員會會員兼薪酬委員會會員、上海實業城市開發集團有限公司之獨立非執行董事兼審核委員會主席、以及位元堂藥業控股有限公司之獨立非執行董事兼審核委員會主席。

劉暉先生

劉暉先生，現年62歲。劉先生於2007年6月28日獲委任為本公司獨立非執行董事。彼現為本公司審核委員會成員。劉先生畢業於北京對外經濟貿易大學及英國西敏寺大學。劉先生在外資直接於中國投資方面(特別是消費及零售業)擁有逾30年經驗。劉先生曾任The China Retail Fund的總裁，該基金於1996年成立並為彼與美國國際集團共同保薦的國際直接投資基金。劉先生亦曾擔任PAG私募股權業務的合夥人，該機構為管理200億美元資產的泛亞資產管理集團。目前彼為Versant集團(一間美國資產管理公司)的合夥人及其亞洲區主席。

黃子欣博士

黃子欣博士，GBS, MBE, JP, 現年68歲。黃博士於1997年10月28日獲委任為本公司獨立非執行董事。彼現為本公司提名委員會主席、審核委員會成員及薪酬委員會成員。黃博士為偉易達集團主席兼集團行政總裁，於1976年創立偉易達集團，為集團聯席創辦人。黃博士持有香港大學電機工程學士學位、麥迪遜威斯康辛大學電機及電腦工程學士學位及獲香港理工大學頒授榮譽科技博士學位。彼為東亞銀行有限公司副主席及獨立非執行董事，及利亞有限公司和香港鐵路有限公司獨立非執行董事。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

The Group is pleased to present its fifth Environmental, Social and Governance (“ESG”) Report (the “Report”). This Report specifies the Group’s ESG performance for the financial year 2018/19 (1 April 2018 to 31 March 2019) (the “Reporting Period”), which runs consistent with the Annual Report of the Group. The Group adopted the materiality principle in the planning and preparation of the Report. Unless otherwise stated, the Report focuses on the retail and distribution businesses as they have the most significant impact on the investors and other stakeholders.

There was no significant change in the scope of this Report from that of 2017/18.

ABOUT THE GROUP

The Group is principally engaged in the retail and distribution businesses in Hong Kong. Through its subsidiaries, the Group provides photographic products, consumer electronics, household appliances and skincare products, in addition to photofinishing and technical services across multiple sectors and industries. Over the years, the Group’s excellent brand management in FUJIFILM, Fotomax, ASTALIFT, AV Life, etc. and together with the experienced management team have established an excellent reputation and continued growth in the market.

ESG APPROACH AND STRATEGY

The Group’s ESG philosophy is to ensure environmental and social interests are promoted while the Group seeks to create long-term value for stakeholders that grows in tandem with the Group’s business and sustainable development.

This year, the Group established the ESG Committee, comprising members of senior management and chaired by the Group’s Chief Operating Officer, is able to instil a culture of ESG awareness and promote ESG practices across the Group.

REPORTING PRINCIPLES

This Report fulfils all the “comply or explain” provisions with the disclosure of mandatory Key Performance Indicators (KPIs) as well as some recommended KPIs stipulated in the ESG Reporting Guide – as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. According to the guideline, the following principles are underpinned:

1. Materiality:

ESG issues that have major impacts on investors and other stakeholders must be set out in this Report.

2. Quantitative:

If the KPIs have been established, they must be measurable and applicable to valid comparisons under appropriate conditions. They must also be able to describe the purpose and impacts of quantitative information.

3. Balance:

This Report must provide an unbiased picture of the ESG performance of the Group. It should avoid selecting, omitting, or presenting formats that may inappropriately influence a decision or judgment by the reader.

關於本報告

本集團欣然提呈集團第五份環境、社會及管治報告（「本報告」）。本報告具體說明集團於2018/19財政年度（2018年4月1日至2019年3月31日）（「報告期間」）的環境、社會及管治表現，與集團年報報告期一致。集團於規劃及編製本報告時採用了重要性原則。除另有指明外，本報告重點關注零售及分銷業務，因為該等業務對投資者及其他持份者的影響最重大。

本報告的範圍與2017/18年相比並無重大變動。

關於集團

集團主要於香港從事零售及分銷業務。透過其附屬公司，集團除了為多個界別及行業提供沖印及技術服務外，亦提供攝影產品、消費電子產品、家用電器及護膚產品。多年來，憑藉FUJIFILM、快圖美、ASTALIFT、AV Life等優秀品牌管理以及經驗豐富的管理團隊，集團已建立良好聲譽並於市場持續增長。

環境、社會及管治方針及策略

集團的環境、社會及管治理念乃確保環境及社會利益得以促進，同時集團致力為持份者締造配合集團業務增長及可持續發展的長遠價值。

本年度，集團成立了環境、社會及管治委員會，由高級管理層成員組成，並由集團首席營運總監擔任主席，能夠在整個集團內灌輸環境、社會及管治意識文化並推廣環境、社會及管治實踐。

報告原則

本報告履行「不遵守就解釋」的規定，當中已對香港聯合交易所有限公司證券上市規則附錄27之環境、社會及管治報告指引所載之強制性關鍵績效指標以及若干建議關鍵績效作出披露。根據該指引，應當遵循下列原則：

1. 重要性：

當環境、社會及管治的相關事宜會對投資者及其他關聯方產生重要影響時，本報告須作出匯報。

2. 量化：

如有訂立關鍵績效指標，該指標須可予以計量並於適當情況下作出有效對比，而所訂立的指標亦須闡述其目的及影響。

3. 平衡：

本報告須不偏不倚地呈報集團在環境、社會及管治方面的表現，以及避免不恰當地誤導讀者決策或判斷的選擇、遺漏或呈報格式。

4. Consistency:

This Report should use consistent and disclose statistical methodologies to allow meaningful comparisons of related data over time. Any changes to the methods used must be specified in the Report.

FEEDBACK

The Group welcomes any comments or suggestions regarding this Report and the Group's ESG performance at esg@chinahkphoto.com.hk.

STAKEHOLDER ENGAGEMENT

As part of its business strategy, the Group communicates with stakeholders in an open, honest and positive manner to review and update the key areas identified as important to the Group's business operations. This involves a variety of communication channels, such as survey and regular engagement sessions to develop sustainability plans in line with the business strategy.

This year the Group identified stakeholders' expectation on the social aspects, encompassing workplace and community, including employment & labour standards, welfares, health & safety, development & training, product responsibility, anti-corruption and community investment. These key considerations, aligned with the Group's guiding principles and values have been further addressed in the Report.

A. Environment

The Group acknowledges that the year-to-year increase in Greenhouse Gases ("GHG(s)") in the Earth is closely related to the recent extreme weathers, including heavy rains, floods, droughts, heat wave, etc. (i.e. global climate change), is one of the most concerned environmental issues by the United Nations and the governments. Therefore, the Group adopts various low-carbon and emission reduction measures to achieve the reduction in electricity, fuels, and other resources consumptions. There was no breach of local environmental laws and regulations during the Reporting Period.

1. Mitigation of Air and GHG Emissions

As the Group is principally engaged in the local retail and distribution businesses which does not emit significant discharges, such as nitrogen oxides, sulphur oxides, and respirable suspended particulates or any significant volume of hazardous or non-hazardous waste.

The Group's major source of air emission come from fuel consumed by the Group's vehicles for distribution to shops and customers. During the Reporting Period, the Group owns 5 trucks. In 2018/19, the Group had taken the initiative in reducing emissions by replacing EURO V trucks with more environmental friendly EURO VI standard.

In addition, fuel consumptions are one of the sources of GHG emissions. In order to minimise air and GHG emissions, the Group established operational protocols to ensure the effective use of vehicles.

4. 一致性：

本報告使用一致的披露統計方法，使相關數據日後可作有意義的比較。若統計方法於日後有所變更，亦須在報告中註明。

反饋

集團歡迎有關本報告及集團環境、社會及管治表現的意見或建議，請電郵至 esg@chinahkphoto.com.hk。

持份者參與

作為其業務策略的一部分，集團以開放、誠實及積極的方式與持份者溝通，以檢視及更新已識別為對集團業務營運而言屬重要的主要範疇。這涉及各種溝通渠道，例如調查及定期參與會議，以制定符合業務策略的可持續發展計劃。

本年度，集團已識別持份者於社會方面(涵蓋工作環境及社區)的期望，包括僱傭及勞工準則、福利、健康與安全、發展與培訓、產品責任、反貪污以及社區投資。這些主要考慮因素與集團的指導原則及價值觀一致，於本報告內進一步詳述。

A. 環境

集團注意到地球溫室氣體逐年增加與近年的暴雨、洪水、乾旱、熱浪等極端天氣(即全球氣候變化)密切相關，此乃聯合國與各國政府最關心的環境問題之一。因此，集團採取各種低碳及減排措施，以減少電力、燃料及其他資源消耗。於報告期間，概無發生違反當地環境法律法規的情況。

1. 減少廢氣及溫室氣體排放

由於集團主要從事本地零售及分銷業務，該等業務不會造成大量排放物(例如氮氧化物、硫氧化物及可吸入懸浮粒子)或任何大量危險或非危險廢物。

集團的主要廢氣排放來源為集團用作派送至店舖及客戶的車輛所消耗的燃料。於報告期間，集團擁有5架貨車。於2018/19年，集團已採用更環保的歐盟六期貨車取代歐盟五期貨車，主動減少排放。

此外，燃料消耗為溫室氣體排放的來源之一。為盡量減低廢氣及溫室氣體排放，集團已建立運作程序以確保有效使用車輛。

Type of Air Emissions 廢氣排放類型	Emission Source 排放來源	Emission (in tonnes) 排放量(以噸計)	
		2018/19	2017/18
SOX 硫氧化物	Vehicles fuel consumption 車輛消耗燃料	0.37	0.37
NOX 氮氧化物	-ditto- 同上	262.37	323.25
PM 懸浮粒子	-ditto- 同上	25.39	32.04
Total 總計		288.13	355.66

Table 1 – Air Emissions during the Reporting Period

表1 – 報告期間的廢氣排放量

Scope of GHG Emission 溫室氣體排放範圍	Emission Source 排放來源	Emission (In tonnes of CO ₂ e) 排放量 (以噸二氧化碳當量計)		Intensity (Emission/Employee) 密度 (排放量/僱員)		Total Emission (In percentage) 總排放量 (以百分比計)		
		2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	
Scope 1								
範圍1								
Direct Emission 直接排放	Vehicles Fuel Consumption 車輛消耗燃料	59.89	60.80	0.13	0.13	4.5%	4.1%	
Scope 2								
範圍2								
Indirect Emission 間接排放	Electricity 電力	1,233.60	1,390.39	2.60	2.86	94.0%	94.6%	
Scope 3								
範圍3								
Other Indirect Emission 其他間接排放	Paper Waste 廢棄紙張	19.49	19.15	0.04	0.04	1.5%	1.3%	
Total 總計		1,312.98	1,470.34	2.77	3.03	100%	100%	

Table 2 – Green House Gas Emissions during the Reporting Period

表2 – 報告期間的溫室氣體排放量

The total GHG generated by the Group during the Reporting Period was approximately 1,310 tonnes (2017/18: 1,470 tonnes) of carbon dioxide equivalent (tCO₂e), with an intensity of approximately 3 tonnes per employee of carbon dioxide equivalent (2017/18: 3 tonnes), comprising of fuel consumption by the Group's vehicles, electricity, as well as paper waste.

於報告期間，集團產生的溫室氣體總量約為1,310噸(2017/18年：1,470噸)二氧化碳當量，密度約為每名僱員3噸(2017/18年：3噸)二氧化碳當量，包括集團的車輛消耗燃料、電力以及廢棄紙張。

KNOW MORE

According to the World Bank Data*, globally the average CO₂ emissions per capita is 4.97 tonnes. In the United States, average CO₂ emissions per capita is 16.5 tonnes, while China is 7.5 tonnes and Hong Kong is 6.4 tonnes.

* Statistic based on World Bank Data captured on "CO₂ emissions (metric tons per capita)", released in 2014.

知多一點點

根據世界銀行數據*，全球人均二氧化碳排放量平均為4.97噸。在美國，人均二氧化碳排放量為16.5噸，中國為7.5噸，香港為6.4噸。

* 根據2014年發佈的「二氧化碳排放量(人均公噸數)」世界銀行數據的統計數據。



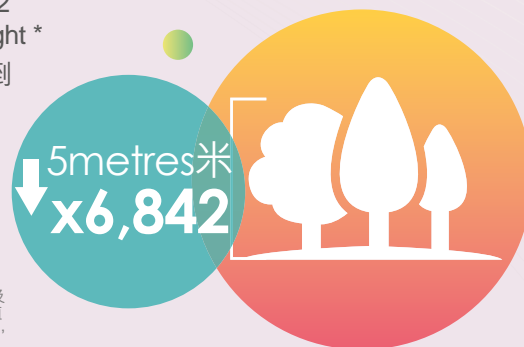
-11%*

GHG emissions in 2018/19
2018/19年的溫室氣體排放
*compared to 2017/18 figure
與2017/18年數據相比

GHG reduction in 2018/19 is equivalent to planting 6,842 new trees that are able to reach at least 5 meters in height *
2018/19年溫室氣體減排量相當於種植6,842棵能夠達到至少5米高的新樹木*

* Calculation based on the emission factor set out in the "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes)" published by the Environmental Protection Department in February 2010 (the Carbon Audit Guidelines). 23kg carbon dioxide will be removed by a newly planted tree that can reach at least 5m in height per year. Newly planted trees referred to those trees planted within the physical boundary of the audited buildings/premises after the beginning stage of construction of the concerned buildings/premises. Please refer to page 20 of the Carbon Audit Guidelines for details.

* 根據環境保護署於2010年2月公佈的「建築物（商業、住宅或公共用途）的溫室氣體排放及減除的核算和報告指引」所載的排放系數計算（碳審計指引）。每棵至少達到5米的新種植樹木每年可去除23克二氧化碳。新種植的樹木指在有關建築物／處所建造的初期階段後，在經審核的建築物／處所的實際邊界內種植的樹木。詳情請參閱碳審計指引第20頁。



2. Energy Consumption and Conservation

In order to reduce carbon dioxide and other air emissions generated by electricity consumption, the Group achieved considerable reduction on electricity used by replacing and concentrating all physical servers into a general virtual server and by replacing all lights bulbs with LED light bulbs in retail shops. The Group had also reduced fuel consumption by placing signs to remind employees of idle vehicles. The Group also has various sustainable procurement measures to advocate green product awareness. For instance, choosing computers which are easy to upgrade, recycle and contain low levels of contaminating metals (cadmium, lead and mercury).

During the Reporting Period, total electricity consumption from the Group's operation was approximately 2,233,570 kWh (2017/18: 2,371,130 kWh), approximately 4,710 kWh per employee (2017/18: 4,880 kWh), in addition to the total fuel consumption by the Group's vehicles was approximately 22,690 litres (2017/18: 23,040 litres), with an intensity of approximately 50 litres per employee (2017/18: 50 litres per employee).

2. 能源消耗及節約

為減少電力消耗所產生的二氧化碳及其他廢氣排放，集團將所有實體伺服器替換及集中於單一通用虛擬伺服器，及將所有零售店舖的全部燈泡替換為發光二極管燈泡，顯著減少用電。集團亦放置標貼提醒僱員停車熄匙，以減少耗用燃料。集團亦採取多項可持續採購措施，提倡綠色產品。例如，選購易於升級、回收及有毒金屬（鎘、鉛和汞）含量低的電腦硬件。

於報告期間，集團營運過程的總用電量約為2,233,570千瓦時（2017/18年：2,371,130千瓦時），密度約為每名僱員4,710千瓦時（2017/18年：4,880千瓦時），另外，集團車輛的總燃料耗用量約為22,690公升（2017/18年：23,040公升），密度約為每名僱員50公升（2017/18年：50公升）。

Resources 資源	Unit 單位	Consumption 消耗量		Intensity (Consumption/Employee) 密度(消耗量/僱員)	
		2018/19	2017/18	2018/19	2017/18
Electricity 電力	kWh 千瓦時	2,233,571.77	2,371,126.18	4,712.18	4,878.86
Water 水	m ³ 立方米	1,166.26	810.74	2.46	1.67
Fuel 燃料	L 公升	22,689.70	23,037.27	47.87	47.40

Table 3 – Resources Consumption during the Reporting Period

表3 – 報告期間的資源消耗量

KNOW MORE

According to the World Bank Data*, on average the electric power consumption in Hong Kong is 6,083 kWh per capita. Iceland consume the highest (53,832 kWh), while Haiti consume the least (39 kWh).

* Statistic based on World Bank Data captured on "Electric power consumption (kWh per capita)", released in 2014.

知多一點點

根據世界銀行數據*，香港的人均電力消耗量平均為6,083千瓦時。冰島消耗量最多(53,832千瓦時)，而海地消耗量最少(39千瓦時)。

* 根據2014年公佈的「電力消耗(人均千瓦時)」世界銀行數據的統計數據。

3. Mitigation of Waste

The Group adheres to the principles of waste management and strives to properly handle and dispose of waste generated from business activities. In order to reduce environmental impacts, waste reduction and facilitating ways to encourage more reuse and recycling are on the Group's agenda.

There were approximately 120 tonnes of hazardous waste (2017/18: 130 tonnes) and 4 tonnes (2017/18: 4 tonnes) of non-hazardous waste discharged from the Group's operation in the Reporting Period. The annual emission intensity of hazardous and non-hazardous waste was 0.3 tonne (2017/18: 0.3 tonne) and 0.01 tonne (2017/18: 0.01 tonne) per employee respectively. In view of the increase of chemical waste along with the growing business, the Group applies the principle of "Waste Reduction at Source" to mitigate waste generation. The controls and measures are listed below:

- Waste handling processes and policies are reviewed by the Group regularly.
- Each department of the Group is required to conduct waste segregation before disposal.
- Chemical waste is collected and processed by licensed chemical waste collectors.
- Other wastes generated in general operation, for instance, photographic paper, paper, metal foil, fluorescent tubes, photocopier cartridges and batteries, are collected and processed by waste recyclers.

3. 減少廢棄物

集團堅持廢棄物管理原則，並致力妥善處理及處置來自業務活動所產生的廢棄物。為減少環境影響，減少廢棄物及鼓勵重用及循環再用乃集團的應辦事項。

於報告期間，集團營運過程排放約120噸有害廢棄物(2017/18年：130噸)及4噸無害廢棄物(2017/18年：4噸)。有害及無害廢棄物的年度排放密度分別為每名僱員0.3噸(2017/18年：0.3噸)及0.01噸(2017/18年0.01噸)。隨著業務不斷增長，化學廢棄物增加，集團應用「源頭減廢」原則以減少廢棄物產生量。監控及措施列於下表：

- 廢棄物處理流程及政策由集團定期審閱。
- 集團各部門須於處置廢棄物前進行分類。
- 化學廢棄物由持牌化學廢棄物收集商收集。
- 一般營運中產生的其他廢棄物由廢棄物回收商收集及處理。例如：相紙、紙張、金屬薄片、光管、影印機墨盒及電池。

Type of Waste 廢棄物類型	Emission Source 排放來源	Amount of Waste (In tonnes) 廢棄物量(以噸計)		Intensity (Emission/Employee) 密度(排放量/僱員)	
		2018/19	2017/18	2018/19	2017/18
Hazardous waste 有害廢棄物	Photofinishing Solution 沖印服務	123.66 ¹	129.12 ¹	0.25	0.27 ¹
Non-hazardous waste 無害廢棄物	General Operation 一般營運	4.06	3.99	0.01	0.01
Total 總計		127.72	133.11	0.26	0.28

Table 4 – Amount of Hazardous and Non-hazardous Waste during the Reporting Period

表4 – 報告期間的有害及無害廢棄物量

KNOW MORE

In Hong Kong, on average each person disposes 0.52 tonne municipal solid waste per year.

* Statistic based on “Monitoring of Solid Waste in Hong Kong – Waste Statistics for 2017” released by HKSAR Environmental Protection Department. Annual municipal solid waste disposal rate 1.45 kg/person, comprising domestic waste, commercial waste and industrial waste.

知多一點點

在香港，平均每人每年棄置0.52噸城市固體廢物。

* 根據香港特區環境保護署所公佈「香港固體廢物監察一二〇一七年廢物統計數字」的統計數據。每年城市固體廢物棄置率為1.45公斤/人，包括家居廢物、商業廢物及工業廢物。

4. Reduction of Water Usage

The Group’s business involves a negligible consumption of water. During the Reporting Period, water consumption was approximately 1,170 cubic metres (2017/18: 810 cubic metres) with an intensity of 2 cubic metres (2017/18: 2 cubic metres) per employee. Since the Group is aware of the importance of water resources to the earth’s environment, it closely monitors water usage and posts water conservation signs in its offices to raise water-saving awareness.

5. Use of Packaging Materials

The need to better manage and reduce waste has become a significant global concern, heightened by the widespread awareness of how plastic waste is damaging the natural environment and affecting the health and survival of living species. For many years, the Group have sought to minimize, reuse and reduce packaging materials

The Group’s use of packaging materials mainly stemmed from carton boxes, bubble wrap and plastic wrap. In 2018/19, the Group reduced carton box usage by 46% through active recycle and reuse in the warehouse and shops. The Group will continue to explore different initiatives to recycle and reuse materials.

4. 減少用水

集團業務不需要消耗太多的水源。於報告期間，耗水量約為1,170立方米(2017/18年：810立方米)，密度為每名僱員2立方米(2017/18年：2立方米)。由於集團深知水資源對地球環境的重要性，因此會密切監察用水情況，並於辦公室張貼節水標誌，以提高節水意識。

5. 使用包裝物料

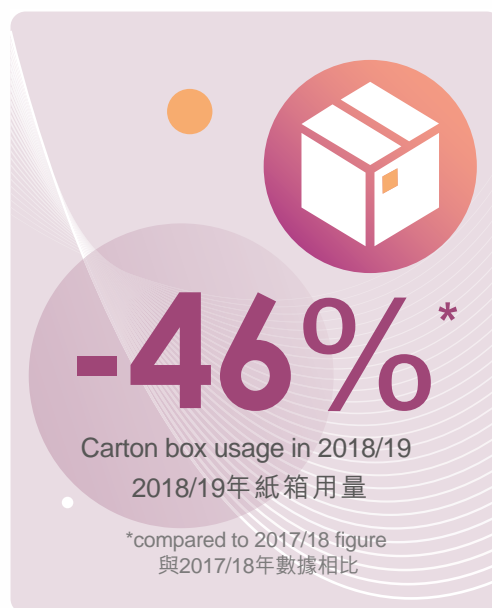
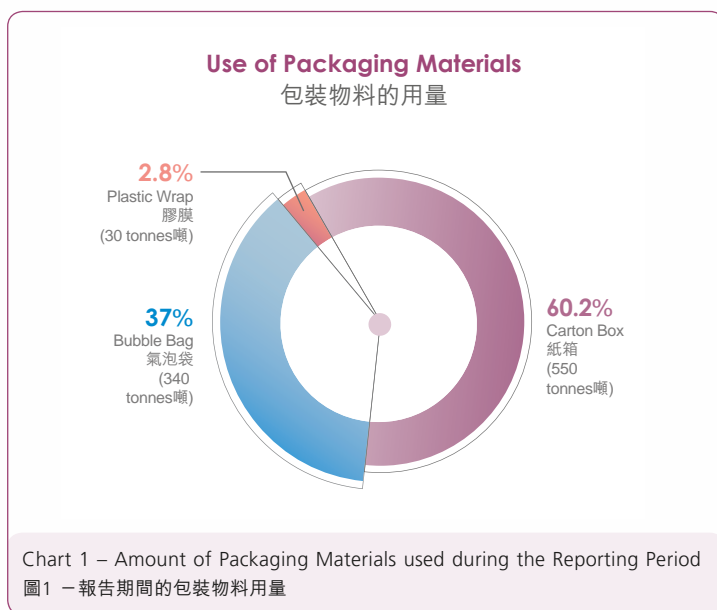
大眾意識到塑料廢物如何破壞自然環境及影響生物物種的健康和生存，因此更好地管理及減少浪費的需要已成為全球關注的重大問題。多年來，集團一直致力於節約、重用及減少包裝物料。

集團使用的包裝物料主要為紙箱、氣泡膜及膠膜。於2018/19年，集團透過在倉庫及店舖積極回收及重用，減少了46%紙箱使用量。集團將繼續探索不同措施以回收及重用物料。

1 The hazardous waste figure related to photo finishing solution for 2017/18 was adjusted due to the relevant vendor used an incorrect volume of container to calculate the figure. Hazardous waste intensity for 2017/18 was also adjusted accordingly. 2017/18年收費沖印服務的相關有害廢棄物數據已予調整，乃由於相關供應商計算有關數據的單位不準確。2017/18年的有害廢棄物密度數據亦已予相應調整。

The Group promotes the minimum use of packaging materials in all business activities. During the Reporting Period, approximately 920 tonnes (2017/18: 1,390 tonnes) of packaging materials were used, including carton box (approximately 550 tonnes; 2017/18: 1,020 tonnes), bubble bag (approximately 340 tonnes; 2017/18: 310 tonnes) and plastic wrap (approximately 30 tonnes; 2017/18: 60 tonnes).

集團在所有業務活動推廣盡量少用包裝物料。於報告期間，所用的包裝物料約為920噸(2017/18年：1,390噸)，包括紙箱(約550噸；2017/18年：1,020噸)、氣泡膜(約340噸；2017/18年：310噸)及膠膜(約30噸；2017/18年：60噸)。



6. The Environment and Natural Resources

With respect to the business nature and activities, the impact of the Group on the environment and natural resources is insignificant. Yet the Group continuously identifies, assesses and manages potential adverse impacts on the environment, and strives to maintain a balance between business development and ecological environment for long-term sustainable development and to ensure compliance with relevant laws and regulations.

6. 環境及自然資源

關於業務性質及活動方面，集團對環境及自然資源所造成的影響並不重大。然而，集團持續致力維護產業與生態環境間之平衡，追求長期持續發展，對環境的潛在不利影響作識別、評估並管理，且確保符合相關法律及法規。

B. Social

Along with the commitment of “Employee is the most valuable asset and the key to the business growth and success”, the Group devoted substantial resources to create a fair, safe and healthy working environment for the employees. The Group articulated policies and guidelines to support an effective training system which expanded the horizons for employees’ career development and encouraged their personal growth.

B. 社會

集團秉持著「僱員是最珍貴的資產及業務增長與成功的關鍵」的信念，已投放大量資源為僱員營造公平、安全及健康的工作環境。集團建有明確的政策及準則支持有效的培訓系統，拓展了僱員職業發展範圍及鼓勵僱員個人成長。

The Group’s social policy adheres to the following principles:

集團的社會政策堅守以下原則：

1. Respect the Employee

All employees’ fundamental equality of dignity and rights is to be respected so that they are treated justly and equitably. Employees who demonstrate outstanding work initiatives are identified and cultivated to reach their greatest potential.

1. 尊重僱員

所有僱員的尊嚴和權利平等的基本原則應得到尊重，僱員受到公平公正的對待。工作表現出色的僱員獲得肯定和栽培，以讓僱員發揮最大潛力。

2. Aspire to Perfection

Together with the delivery of the highest product quality to customers, all employees are encouraged to provide their best service in achieving excellence.

2. 追求完美

向客戶提供最高質素的产品之餘，鼓勵所有僱員提供最佳服務，追求卓越。

3. Serve the Community

Employees shall delight and satisfy every customer by providing attentive service. The Group maintains a peaceful and harmonious working atmosphere and advocates a modest and humble lifestyle.

4. Contribute to the Society

All employees are encouraged to fulfil the obligations to promote social prosperity through participating in social welfare activities and comply with the law.

1. Employment and Labour Standards

The Group is committed to providing a fair and safe work environment with equal opportunities regardless of nationality, race, religion, gender, age, physical abilities, pregnancy or family status. Fairness, honesty and integrity are emphasised in the process of recruitment, dismissal and promotion as part of the principle of equal opportunity.

The Group revises policies and procedures regarding anti-discrimination, recruitment and promotion, dismissal and rest period regularly. During the Reporting Period, the Group had no reported incidents of discrimination or other employment-related issues.

2. Labour Rights and Welfares

The Group's internal management policy was developed in accordance with the applicable laws and regulations related to labour standards. In addition to the basic rights stipulated in Hong Kong legislation, the Group provides employees with various welfare and benefits. Employees are entitled to a discretionary performance bonus, mandatory provident fund, medical welfare and hospital allowance, various types of paid leaves (marriage, study and examination, compensation, paternity, maternity and funeral leaves) in addition to annual leave and sick leave. Details regarding employees' responsibilities and rights are set out in the Staff Handbook to ensure transparency of information. The Group's essential policies and procedures are also included in the Staff Handbook which is reviewed and updated regularly.

Attracting the best skills and talent is essential to the development of the business. In order to ensure that employees are rewarded fairly based on their contribution, the Group continually reforms and improves its employee compensation policies and systems and fully considers increasing employee compensation. The Group endorses a comprehensive performance appraisal system under which promotion opportunities and salary adjustments are based on individual work performance. Based on this equitable principle, the system successfully motivates employees and promotes the realisation of self-value.

As at the end of the Reporting Period, there were 474 employees (2017/18: 486) in the Group's workforce. The majority of the Group's employees located in Hong Kong. No child labour or forced labour was recruited by the Group. During the Reporting Period, the Group strictly complied with the relevant labour laws.

3. 服務社區

僱員提供周到的服務，讓每位客戶感到稱心滿意。集團維持和平、和諧的工作氣氛，倡導謙虛謙遜的生活方式。

4. 為社會貢獻

鼓勵所有員工通過參與社會福利活動履行促進社會繁榮的義務，並遵守法律。

1. 僱傭及勞工準則

集團致力提供公平而安全的工作環境，並為不同國籍、種族、宗教、性別、年齡、體能、懷孕狀況或家庭背景的員工提供平等機會。基於平等機會的原則，我們在招聘、解僱及晉升的過程中，均十分強調公平、誠信及正直等價值。

集團定期修訂有關反歧視、招聘和晉升、解僱和休息時間的政策和程序。於報告期間，集團並未接獲歧視事件或其他就業相關事件的舉報。

2. 勞工權利與福利

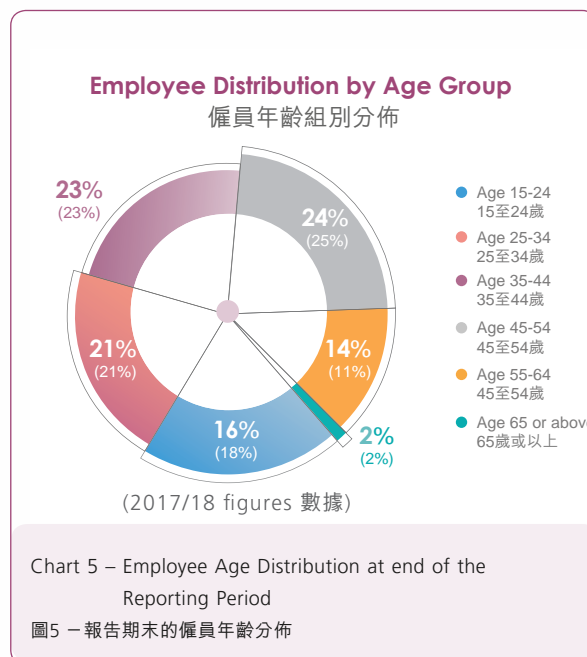
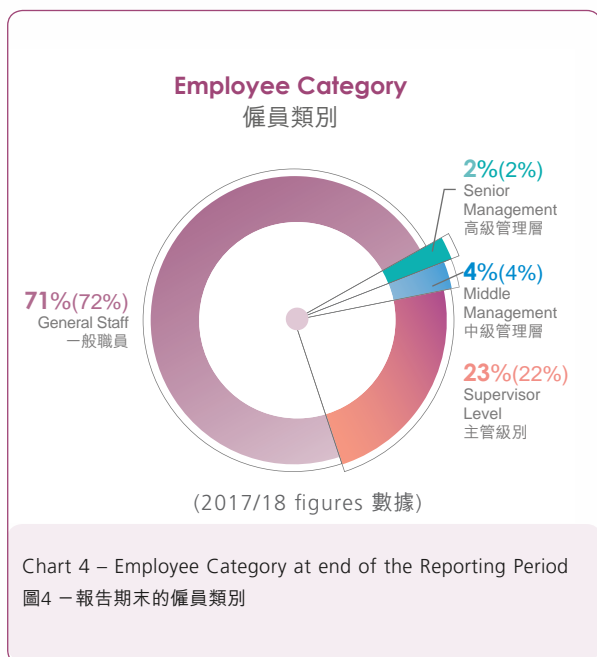
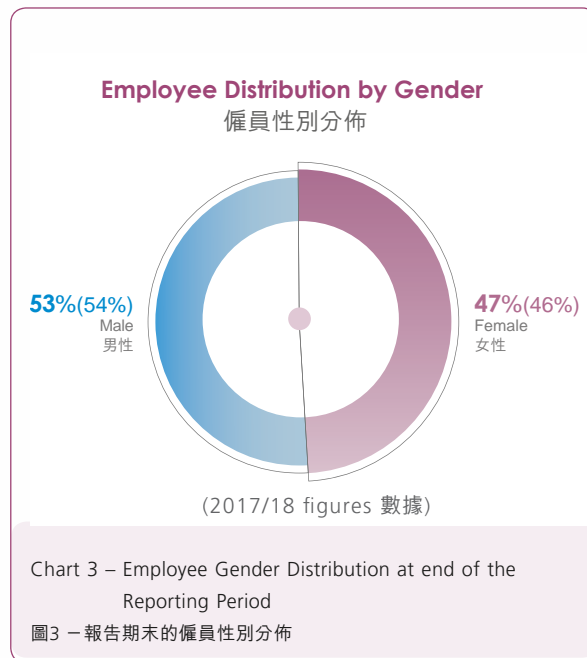
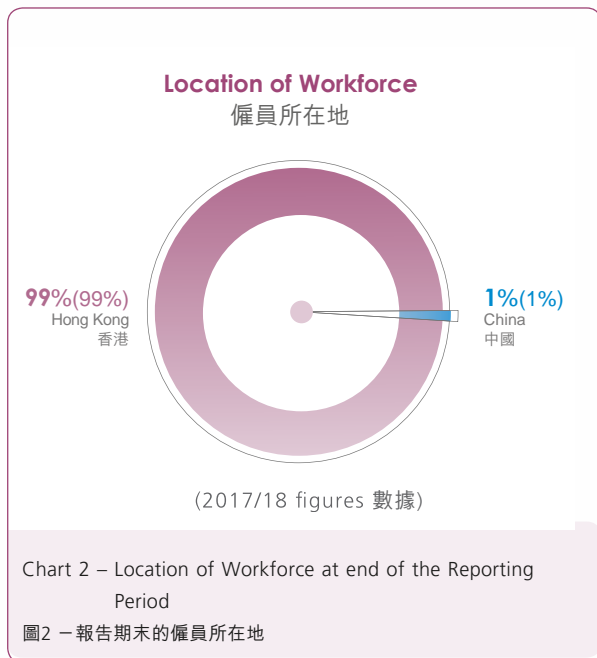
集團的內部管理政策乃根據與勞工標準相關的適用法律及法規制定。除香港法律規定的基本權利外，集團亦為員工提供各種福利待遇。僱員有權享有酌情表現花紅、強制性公積金、醫療福利和醫院津貼、年假和病假以外的各類帶薪休假(婚假、學習及考試假、補假、待產假、產假和喪假)。有關僱員責任及權利之詳情載於《員工手冊》，以確保資訊透明度。《員工手冊》亦載有集團重要的政策及程序，並定期檢討及更新。

吸納一流的技能及人才對業務的發展至關重要。為確保僱員根據其貢獻獲得公平報酬，集團不斷改革和完善員工薪酬政策及體系，充分考慮員工薪酬增長。集團支持完善的表現評核制度，根據個別工作表現調整晉升機會及薪金。基於這一公平原則，該制度成功激勵員工，促進自我價值的實現。

於報告期間末，集團有474名僱員(2017/18年：486名)。集團的大部分僱員均位於香港。集團並無招聘童工或強迫勞工。於報告期間，集團嚴格遵守相關勞動法。

The employee compositions are illustrated as follows:

僱員組成如下：



3. Employee Health and Safety

The Group strives to provide a healthy and safe working environment for the employees. Under the guidance and laws recommended by the Labour Department and Occupational Safety and Health Council, the Group sets out safety measures and procedures to prevent potential occupational risks during business operations. To effectively manage and mitigate such health and safety risks, the Group develops and implements appropriate health and safety measures, such as advocates the smoke-free culture through establishing smoke-free policy and regularly encourages employees to participate in health workshops.

The Group also takes responsibilities for the occupational health and safety in the offices by appointing external cleaning companies to conduct annual cleaning (carpets, dust filters of air-conditioners and fan) for stores and offices.

In the daily operations of the Group, the risk of work injury mainly arises from manual handling operations. In order to protect employees and to minimise the risk involved, the Group advocates safe manual handling operations through the provision of satisfactory working conditions, good working practices, proper use of mechanical aids and protective devices, adequate safety and health information, and sufficient safety training.

4. Development and Training

To support employees to leverage their talents and develop their skills and competencies, the Group provides development programs that focus on broadening professional knowledge, technical skills and enhancing productivity.

As such, the Group has developed and implemented a number of comprehensive training schemes for the employees. During the Reporting Period, the Group provided 1,558 hours for employee training (2017/18: 1,411 hours). The following is an overview of the wide ranges of training schemes.

- On-Board Training Scheme – This scheme enables new hires to understand the history, mission, structure, welfares policies, and corporate social responsibilities of the Group.
- Training Scholarship Scheme – This scheme encourages the employee to pursue continuing education and take part in work-related training courses.
- Mandatory Training Scheme – This scheme aims at enriching employees' experience and broadening their knowledge of industry intelligence. The Group will assign the employees to participate in external seminars and product launch activities if necessary.
- Operation and Job Skill Training Scheme – This scheme is designed to provide employees with the skills and job knowledge to meet the standard of the Group.

3. 僱員健康和安

集團盡力為僱員提供健康及安全的工作環境。集團根據勞工處和職業安全健康局建議的指引和法律，制定安全措施及程序，以預防業務營運中的潛在職業風險。為有效管理和減輕有關健康和安風險，集團制定並實施適當的健康和安全措施，例如通過制定無煙政策倡導無煙文化，並定期鼓勵員工參加健康講座。

集團亦對辦公室的職業健康和安負責，委任外部清潔公司進行店舖及辦公室的年度清潔(地毯、空調及風扇濾塵器)。

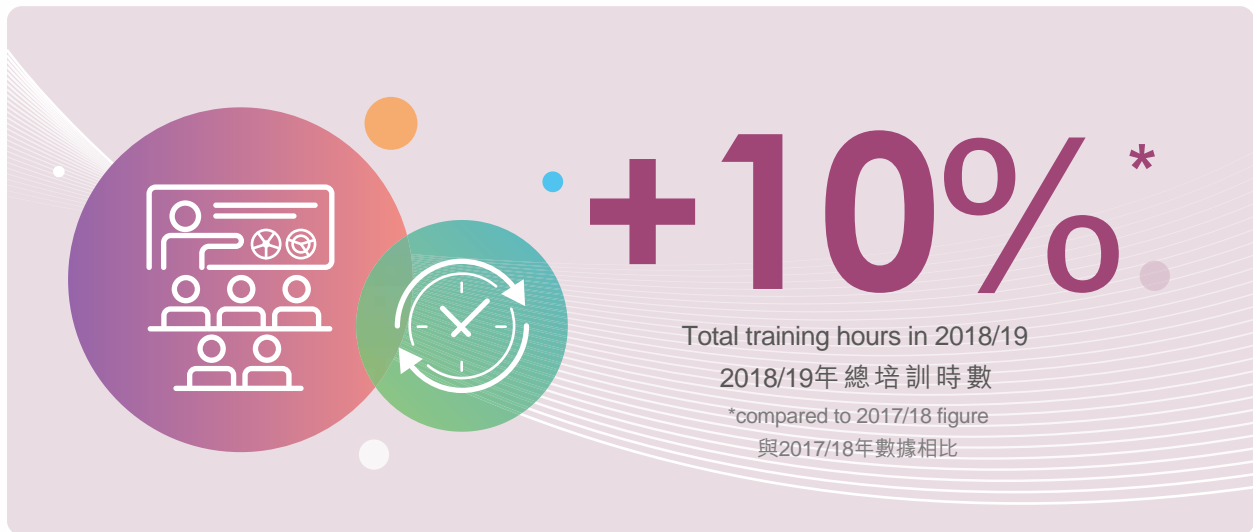
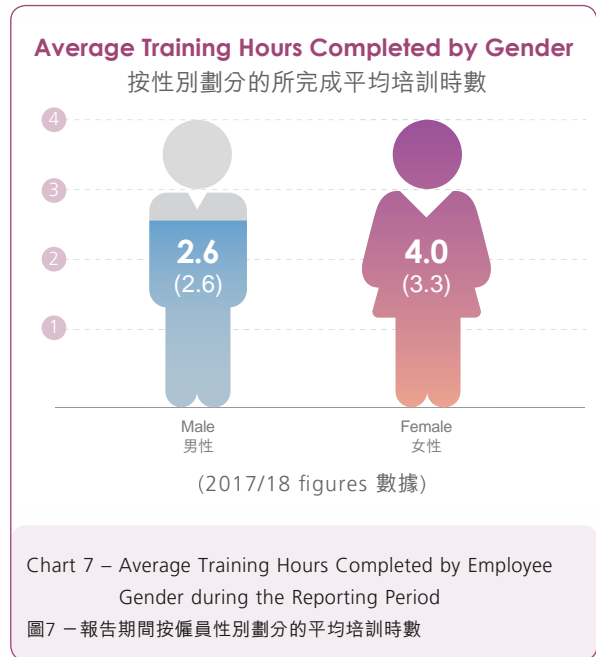
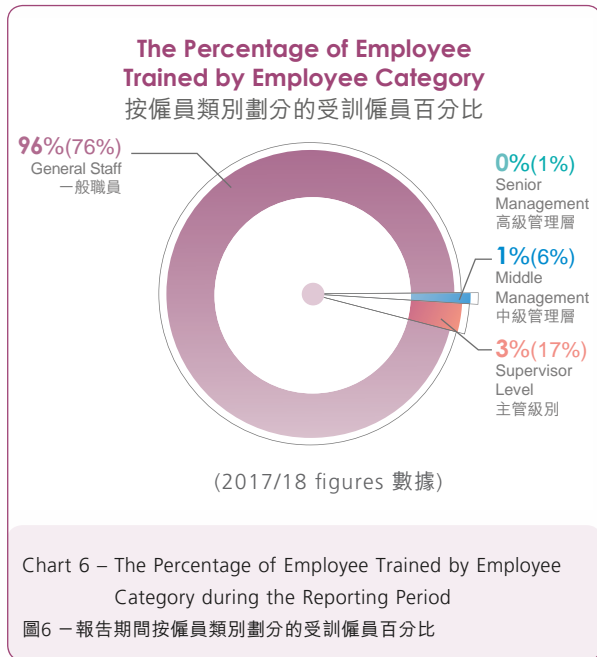
在集團的日常經營中，工傷風險主要來自體力處理操作。為了保護僱員，盡量減少相關風險，集團通過提供理想的工作條件、良好的工作實踐、正確的機械輔助設備和保護裝置用法、充足的安全和健康資訊以及足夠的安全培訓，倡導安全的體力處理操作。

4. 發展及培訓

為了支持僱員發揮才能及發展技能和能力，集團提供著重於拓寬專業知識、技術技能和提高生產力的發展計劃。

因此，集團為僱員制定並實施多項全面培訓計劃。於報告期間，集團提供約1,558小時員工培訓(2017/18年：1,411小時)。以下為多種培訓計劃的概述。

- 在職培訓計劃 – 此計劃可讓新員工了解集團的歷史、使命、架構、福利政策和企業社會責任。
- 培訓獎學金計劃 – 此計劃鼓勵僱員繼續接受持續教育並參加與工作有關的培訓課程。
- 強制性培訓計劃 – 此計劃旨在豐富員工的經驗並拓展彼等對行業情報的了解。如有必要，集團將派員參加外部研討會和產品發佈活動。
- 運作及工作技能培訓計劃 – 該計劃旨在為員工提供符合集團標準的技能和知識。



5. Supply Chain Management

The Group adheres to communication, cooperation and joint growth in its supplier management policy. Through communications, the Group achieves strengthened cooperation with suppliers and therefore, enhancing their capability to supply environmentally friendly products. The Group has set up a comprehensive supply chain monitoring system to evaluate suppliers' production capacity and quality and access whether they meet the Group's requirements on multiple aspects such as environmental protection and labour practices. The Group evaluates the performance of its suppliers annually to make improvement requests.

5. 供應鏈管理

集團堅持其供應商管理政策之溝通、合作及共同增長。集團透過與供應商之溝通，加強合作，從而提升彼等供應環保產品之能力。集團已建立全面的供應鏈監控系統，以評估供應商的生產能力及質素，以及彼等是否符合集團在環保及勞工常規等多方面的要求。集團每年評核其供應商之表現，提出改進要求。

6. Green Procurement

The Group works with customers, partners and suppliers to improve performance in the supply chain, adopting standards and best practices, and providing sustainable design, manufacturing, product and packaging options. As such, the Group formulated policies and measures that gives priority to the procurement of green products, such as furniture made with chipboards, photocopiers and printers with energy efficiency labels, recyclable laser printer cartridges and recycled paper folders.

Some of the ways the Group help customers source items with sustainability attributes include:

Customers

The Group promotes environmental protection to the customers. Refills are available for some products in the skincare segment. In order to avoid hazardous damage to the environment, electronic waste from electronic products and household appliances segment is delivered to recyclers for further processing before disposal. During the Reporting Period, in addition to encouraging customers to reduce the use of plastic bags, the Group is considering to replace traditional plastic bags with environmental-friendly shopping bags.

Partners

The Group works with Fujifilm Japan, one of the Group's suppliers for photofinishing and processing equipment, cameras and films, upholds environmental protection and focuses on the chemical composition of the products.

Supply Chain

The Fotomax business only purchases paper from Forest Stewardship Council (FSC) certified suppliers. The Group regards FSC as the gold standard in responsible forestry. FSC is one of the most universally recognised certification systems that prohibit the use of genetically modified trees, prevents the conversion of natural forest to plantations and requires a precautionary approach to the management of areas with high conservation value.

Green Building

In an effort to the Group's pursuit of green design and installation services, the Group is certified as green buildings under independent third-party rating system – Leadership in Energy and Environment Design (LEED) award granted by the U.S. Green Building Council. The Group strongly believes in the importance of preserving the environment and has therefore committed to developing practices that conform to environmental protection.

6. 綠色採購

集團與客戶、合作夥伴及供應商合作，採用標準及最佳做法以及提供可持續設計、製造、產品和包裝選項，與提高供應鏈績效。因此，集團制定了政策及措施，優先採購以木屑膠合板製造的傢俱、附貼能源效益標籤的影印機及打印機、可循環再用的鐳射打印機墨盒及再造紙文件夾等綠色產品。

集團幫助客戶採購具可持續性產品之方法包括：

客戶

集團向客戶推廣環保。護膚產品業務分部產品推出替換裝。為避免對環境造成危害，電子產品和家用電器分部的電子廢棄物會交予回收商作進一步處理後棄置。於報告期間，除鼓勵客戶減少使用膠袋外，集團正考慮以環保購物袋取代傳統膠袋。

合作夥伴

集團與日本富士(集團的相片沖印設備、相機及菲林供應商之一)合作，堅持環保，並關注產品的化學成分。

供應鏈

快圖美業務僅向森林管理委員會(FSC)認證的供應商購買紙張。集團視FSC為林業責任的黃金標準。FSC是最普遍公認的認證體系之一，禁止使用基因改造的樹木，防止天然森林改為種植園，並採取預防措施管理具有高保護價值的區域。

綠色建築

集團致力推行綠色設計及安裝服務，並獲得獨立第三方評級體系認為綠色建築—獲美國綠色建築委員會授予領先能源與環境設計(LEED)獎項。集團堅信保護環境的重要性，因此致力於制定符合環保要求的做法。

7. Product Responsibility

The Group is committed to providing quality products and services to customers. To this end, the Group has established rigorous policies and procedures for the production and sales of products to ensure compliance with all applicable laws and regulations. The product responsibility attributes are listed as follows:

- The Group provides suppliers with market updates and customer feedbacks through regular meetings.
- Suppliers must improve quality according to the latest market demand.
- Major suppliers must acquire international safety certificates to prove their products meet the safety standards.
- The Group's repairs, maintenance and quality testing services are in compliance with international standards.
- The product value resulted from complaints shall not exceed 0.03% of the total turnover value.

During the Reporting Period, there was no reported case of non-compliance with relevant laws and regulations in regard to product responsibility.

8. Anti-Corruption

The Group advocates honest operation and fair competition, and expects all employees to observe the highest ethical, personal and professional standards. The Group has developed a sound risk management code and internal control code to ensure that all employees comply with the Group's rules in daily operations.

The Group has established and implements an internal integrity system to strengthen the integrity of employees in governance practices. In addition, the Group has specifically formulated a sound whistleblowing system to encourage all employees to report acts that are harmful to the Group's interests or any unlawful acts. Employees are encouraged to contact the internal audit team directly at any time to seek guidance in sensitive situations or to report the suspicious case. The internal audit team will investigate possible violations in any suspicious case.

The Group has an internal audit team which provides clear guidelines against misconduct such as bribery, corruption, embezzlement, insider trading and theft of the Group's assets to ensure that employees can report matters of concern through various channels in an absolutely confidential manner.

Where a case of misconduct is found out to be true after investigation, the Group will take appropriate corrective measures and disciplinary action against the person(s) involved. If the case involves criminal elements, the Group will refer the case to the competent authority. During the Reporting Period, the Group complied with relevant laws and regulations in relation to anti-corruption. In addition, no allegations of corruption were made against the Group.

7. 產品責任

集團致力為客戶提供優質產品及服務。為此，集團已制定嚴格的產品生產及銷售政策及程序，以確保符合所有適用法律及法規。產品責任如下：

- 集團通過定期會議向供應商提供市場動態和客戶反饋。
- 供應商必須因應最新市場需求改善質量。
- 主要供應商必須獲得國際安全證書以證明其產品符合安全標準。
- 集團的維修、保養和質量檢測服務符合國際標準。
- 投訴涉及的產品價值不超過總營業額的0.03%。

於報告期間，概無關於產品責任方面不遵守相關法律法規的舉報。

8. 反貪污

集團提倡誠實經營及公平競爭，並期望所有員工恪守最高的道德、個人及專業操守準則。集團已制定完備的風險管理守則及內部控制守則以確保所有員工於日常運作中均遵守集團的規則。

集團已制定並實施內部廉政制度，加強員工清正廉潔的管治操守。此外，集團特別制定了完善的舉報制度，鼓勵所有員工報告損害集團利益或不法的行為。集團鼓勵僱員隨時直接聯繫內部審計團隊，在敏感情況下尋求指導或報告可疑案件。內部審計團隊將調查可疑案件中的可能違規行為。

集團設有內部審計團隊，就有關不當行為，例如賄賂、貪污舞弊、挪用、內幕交易、盜竊集團資產等行為提供清晰指引，確保其員工可以絕對保密的方式透過不同渠道就其關注的事項進行通報。

如調查個案屬實，集團將會採取合適的糾正措施和對涉事人作出紀律處分，倘若事件涉及刑事成分，集團會轉交有關當局處理。於報告期間，集團遵守反腐敗方面的相關法律法規，並無遭受腐敗指控。

9. Community Investment

Followed by the principle of “Caring the Community, Giving back to the Society”, the Group is dedicated to protecting the environment and serving the needy, especially children and youth through active participation in the area of cultural, sports and arts events. In addition, the Group plays an active role in community engagement, including charitable organizations and local organizations. For instance, The Community Chest of Hong Kong, Hong Kong Employment Development Service, Hong Kong Squash and The Hong Kong Management Association.

In addition, the top management of the Group also takes up the leading role in many reputable charities. Dr. Sun Tai Lun Dennis, Chairman of the Group who is also the Vice Patron of the Community Chest of Hong Kong; Mr. Sun Tao Hung Stanley, Deputy Chairman and Chief Executive Officer of the Group, is the Board of Director and Executive Committee Member of the Community Chest of Hong Kong.

During the Reporting Period, the Group contributed to the following donations, sponsorship and participated in various charity events.

Society

- The Community Chest – “Friends of The Community Chest 2018-2020 Chairman Sponsorship 2018-2020”
- The Community Chest – “Unchained Melodies at the Peninsula 2018-2020”
- The Community Chest – “Wine for Millions 2019”
- The Community Chest – “Skip Lunch Day 2019”
- The Community Chest – “Greening For The Chest 2018/2019- FMX Sales Raising”
- The Community Chest – “Greening For The Chest 2018/2019-Chairman’s Sponsorship”
- The Community Chest – “Green Day 2018”
- The Community Chest – “Dress Casual Day 2018”
- The Community Chest – “Celebrities Sing for the Chest III 2018”
- Chi Heng Foundation – “Chi Heng Ball 2018”
- Community Development Enhance Fund Limited for promoting community development

9. 社區投資

集團遵循「關愛社區，回饋社會」的原則，透過積極參與文化、體育和藝術活動，致力保護環境，為有需要人士(尤其是兒童和青少年)提供服務。此外，集團社區參與方面積極發揮作用，包括慈善組織及地方組織。例如香港公益金、香港職業發展服務處、香港壁球總會及香港管理專業協會。

此外，集團的高層管理人員亦在許多知名慈善機構擔任主導角色。集團主席孫大倫博士是香港公益金的名譽副主席；而集團副主席及行政總裁孫道弘先生是香港公益金的董事及執行委員會成員。

於報告期間，集團作出以下捐贈、贊助並參與多個慈善活動。

社會

- 公益金 – 「公益金之友2018-2020主席贊助2018-2020」
- 公益金 – 「輕歌曼舞半島夜2018-2020」
- 公益金 – 「百萬名釀為公益2019」
- 公益金 – 「公益行善「折」食日2019」
- 公益金 – 「環保為公益2018/2019 — FMX 籌款義賣」
- 公益金 – 「環保為公益2018/2019 — 主席贊助」
- 公益金 – 「公益綠識日2018」
- 公益金 – 「便服日2018」
- 公益金 – 「萬眾同心公益金III 2018」
- 智行基金會 – 「智行基金會慈善籌款晚會2018」
- 社區發展推動基金有限公司 – 促進社區發展

Sports Development

- The Dragon Foundation – “10th Golf Tournament 2018”
- Hong Kong Squash – “Fujifilm Mini-Squash 20th Anniversary Video (2018)”
- Hong Kong Squash – “Hong Kong Squash Open 2018”
- Hong Kong Squash – “Annual Sponsorship”
- Discovery Bay Recreation Club Limited – “DBRC Charity Tennis Cup 2018”
- Zonta Club of Hong Kong II Foundation Limited – “Zonta Club of Hong Kong II – Charity Golf & Dinner 2018”

Child, Youth and Student Care

- JEMS Learning House – “9th JEMS Charity Carnival 2018”
- YMCA HK – “Child Development Fund “Boss” Mentorship Scheme 2018/19”
- Ten Percent Donation Scheme Foundation – “Ten Percent Donation Scheme Annual Charity Ball 2018”

Art Culture

- Design Trust – “Design Trust/Ambassadors Ball 2018”

Others

- The Hong Kong Management Association – “HKMA/TVB Awards for Marketing Excellence 2019”
- The Hong Kong Management Association – “HKMA/TVB Awards for Marketing Excellence 2018”

體育發展

- 龍傳基金 – 「第10屆高爾夫球慈善賽2018」
- 香港壁球總會 – 「富士菲林小型壁球計劃20週年影片(2018)」
- 香港壁球總會 – 「香港壁球公開賽2018」
- 香港壁球總會 – 「年度贊助」
- 愉景灣康樂會 – 「愉景灣康樂會慈善網球賽2018」
- Zonta Club of Hong Kong II Foundation Limited – 「香港崇德社二社 – 慈善高爾夫球及晚宴2018」

關懷兒童、青少年和學生

- JEMS Learning House – 「第9屆JEMS慈善嘉年華2018」
- 香港中華基督教青年會 – 「兒童發展基金「展才創富」師友計劃2018/19」
- 十分關愛基金會 – 「十分關愛基金會週年慈善晚宴2018」

藝術文化

- 信言設計大使 – 「香港設計大使籌款晚宴2018」

其他

- 香港管理專業協會 – 「HKMA/TVB傑出市場策劃獎2019」
- 香港管理專業協會 – 「HKMA/TVB傑出市場策劃獎2018」

Risk Management and Internal Control

風險管理及內部監控

During the year ended 31 March 2019, the Group has complied with Principle C.2 of the Corporate Governance Code by establishing appropriate and effective risk management and internal control systems. Management is responsible for the design, implementation and monitoring of such systems, while the Board of Directors (the "Board") oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described in the sections below:

RISK MANAGEMENT SYSTEM

The Group adopts a risk management system which manages risks associated with its business and operations. The system comprises the following phases:

- Identification: Identify business objectives, risks that could affect the achievement of objectives and ownership of such risks.
- Evaluation: Analyze the likelihood and impact(s) risks and evaluate the risk portfolio accordingly.
- Management: Consider risk responses, ensure effective communication to the Board and on-going monitor of the residual risks.

Based on the risk assessments conducted in 2018/19, no significant risk was identified.

INTERNAL CONTROL SYSTEM

The Group has in place an internal control system which is compatible with the COSO (Committee of Sponsoring Organizations of the Treadway Commission) 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follow:

- Control Environment: A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.
- Risk Assessment: A dynamic and iterative process for identifying, analyzing risks and forming a basis for determining how risks should be managed in order to achieve the Group's objectives.
- Control Activities: Action established by policies and procedures to ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- Information and Communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- Monitoring: Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

截至2019年3月31日止年度，集團已遵守企業管治守則第C.2條原則，建立適當及有效之風險管理及內部監控系統。管理層負責該等系統之設計、實施及監控，而董事會（「董事會」）負責監督管理層持續執行其職責。風險管理及內部監控系統之主要特點於下文各節說明：

風險管理系統

集團採納與其業務及營運相關風險之風險管理系統。該系統包括以下階段：

- 識別：識別業務目標及可能影響目標實現之風險以及風險歸屬。
- 評估：分析風險之可能性及影響，並據此評估風險組合。
- 管理：考慮風險回應措施，確保與董事會有效溝通並持續監控剩餘風險。

根據2018/19年度的風險評估，並未識別重大風險。

內部監控系統

集團設有內部監控系統，與COSO (Committee of Sponsoring Organizations of the Treadway Commission) 2013年框架相符。該框架使集團能夠實現經營的效力及效率、財務報告的可靠性及適用法律法規的遵循之目標。該框架的組成如下所示：

- 監控環境：為集團於進行內部監控提供基礎之一套準則、程序及架構。
- 風險評估：識別及分析風險以及為釐定如何管理風險提供基礎之不斷轉變而反復之過程，以實現集團目標。
- 監控活動：根據政策及程序確立之行動，以確保執行管理層為減低風險以達成目標所作出之指示。
- 資訊及溝通：為集團提供進行日常監控所需資訊之內部及外部溝通。
- 監控：持續及獨立評估以確定內部監控之各組成部分是否存在及運作正常。

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- Access of information is restricted to a limited number of employees on need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- Executive Directors are the only designated persons to speak on behalf of the Group when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted in 2018/19, no significant control deficiency was identified.

INTERNAL AUDITORS

The Group has an Internal Audit ("IA") function, which is consisted of professional staff with relevant expertise (such as Chartered Accountant). The IA function is independent of the Group's daily operations and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

According to the established plan, reviews of risk management and internal control systems are conducted annually and the results are reported to the Board via Audit Committee.

EFFECTIVENESS OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is responsible for risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board's review which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, the Group's ability to respond to changes in its business and the external environment, and (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems.

The Board, through its review and the review made by IA function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate in 2018/19. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

為加強集團處理內幕消息的系統，以及確保其公開披露的真實性、準確性、完整性及及時性，集團亦採納及執行內幕消息政策及程序。集團已不時採取若干合理措施，以確保有適當的防範措施以避免違反集團有關的披露要求，其中包括：

- 資料在需要知情的基礎上，僅限供少數僱員接觸。擁有內幕消息的僱員須充分認識彼等的保密義務。
- 集團進行重大協商時，會簽訂保密協議。
- 執行董事是與媒體、分析員或投資者等外界人士溝通時代表集團發言的指定人士。

根據2018/19年度的內部監控檢討，並未發現重大監控不足。

內部審計師

集團設有內部審計(「內部審計」)職能，由具備相關專業知識的專業員工(例如專業會計師)組成。內部審計職能獨立於集團日常運作，並通過面談、巡視及進行效力測試，對風險管理及內部監控進行評估。

根據計劃，每年對風險管理及內部監控系統進行審查，並通過審核委員會將結果報告至董事會。

風險管理及內部監控系統的有效性

董事會負責集團的風險管理及內部監控系統，確保每年對該等制度的有效性進行審查。董事會進行審查時已作出多方面的考慮，其中包括(但不限於)：(i) 自上次年度審查後，重大風險性質及程度的改變，以及集團於其業務及外部環境中應對變化的能力；及(ii)管理層持續監督風險及內部監控系統的範圍及質量。

董事會通過其審查和審計職能與審核委員會的審查，認定2018/19年度風險管理和內部監控系統均屬有效及適當。然而，該等制度旨在管理而非杜絕未能實現業務目標的風險，並且只能就防止重大失實陳述或損失提供合理而非絕對的保證。資源、員工資歷及相關員工的經驗視作足夠，提供的培訓項目及預算亦屬充裕。

Corporate Governance Report

企業管治報告

The Board of Directors (the “Board”) of the Company is pleased to present this Corporate Governance Report in the Group’s Annual Report for the year ended 31 March 2019.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to achieving high corporate governance standards.

During the year, the Company has applied the principles set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

The Board is of the view that the Company has complied with the code provisions as set out in the CG Code throughout the year ended 31 March 2019.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding Directors’ dealings in the Company’s securities (the “Code of Conduct”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Code of Conduct throughout the year ended 31 March 2019.

The Company has also established written guidelines (the “Employees Written Guidelines”) no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

BOARD OF DIRECTORS

The Board oversees the Group’s businesses, strategic decisions and performance and should take decisions objectively in the best interests of the Company.

The Board should regularly review the contribution required from a Director to perform his responsibilities to the Company, and whether the Director is spending sufficient time performing them.

Board Composition

The Board currently comprises nine Directors, consisting of four Executive Directors, one Non-executive Director and four Independent Non-executive Directors.

本公司董事會(「董事會」)欣然提呈本集團截至2019年3月31日止年度年報內之本企業管治報告。

企業管治常規

本公司董事會致力於實現高水平企業管治準則。

本年度，本公司已應用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14企業管治守則(「企業管治守則」)所載之原則。

董事會認為，於截至2019年3月31日止整個年度內，本公司已遵守企業管治守則內所載之守則條文。

進行證券交易之標準守則

本公司已就董事買賣本公司證券採納條款不寬鬆於上市規則附錄10所載上市發行人之董事進行證券交易之標準守則(「標準守則」)之本身操守守則(「操守守則」)。

經向全體董事具體查詢後，各董事確認，彼等於截至2019年3月31日止年度一直遵守操守守則。

本公司亦已就可能擁有本公司未公開股價敏感資料之僱員進行證券交易設立條款不寬鬆於標準守則之書面指引(「僱員書面指引」)。

本公司並不知悉有任何僱員未有遵守僱員書面指引。

董事會

董事會監管本集團之業務、策略決策及表現，作出之客觀決定應符合本公司最佳利益。

董事會應定期檢討董事向公司履行職責所需付出的貢獻，以及有關董事是否付出足夠時間履行職責。

董事會組成

董事會現由九名董事組成，包括四名執行董事、一名非執行董事及四名獨立非執行董事。

Executive Directors

Dr. Sun Tai Lun Dennis

(Chairman and Member of Nomination Committee and Remuneration Committee)

Mr. Sun Tao Hung Stanley

(Deputy Chairman and Chief Executive Officer)

Mr. Sun Tao Hsi Ryan (appointed on 1 April 2018)

Ms. Chan Wai Kwan Rita (appointed on 1 April 2019)

Non-executive Director

Mr. Fung Yue Chun Stephen

(Member of Audit Committee)

Independent Non-executive Directors

Mr. Au Man Chung Malcolm

(Chairman of Remuneration Committee and Member of Audit Committee and Nomination Committee)

Mr. Li Ka Fai David

(Chairman of Audit Committee and Member of Nomination Committee and Remuneration Committee)

Mr. Liu Hui Allan

(Member of Audit Committee)

Dr. Wong Chi Yun Allan

(Chairman of Nomination Committee and Member of Audit Committee and Remuneration Committee)

Ms. Ng Yuk Wah Eileen has resigned as an Executive Director of the Company on 31 March 2019.

The biographical information of the Directors and the relationships between the Directors are set out and disclosed in the section headed "Executive Directors' Information", "Non-executive Director's Information" and "Independent Non-executive Directors' Information" on pages 24 to 27 of the Annual Report for the year ended 31 March 2019.

Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer are held by Dr. Sun Tai Lun Dennis and Mr. Sun Tao Hung Stanley respectively. The Chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The Chief Executive Officer focuses on the Group's business development and daily management and operations generally.

執行董事

孫大倫博士

(主席以及提名委員會及薪酬委員會成員)

孫道弘先生

(副主席兼行政總裁)

孫道熙先生(於2018年4月1日獲委任)

陳蕙君女士(於2019年4月1日獲委任)

非執行董事

馮裕津先生

(審核委員會成員)

獨立非執行董事

區文中先生

(薪酬委員會主席以及審核委員會及提名委員會成員)

李家暉先生

(審核委員會主席以及提名委員會及薪酬委員會成員)

劉暉先生

(審核委員會成員)

黃子欣博士

(提名委員會主席以及審核委員會及薪酬委員會成員)

吳玉華女士已於2019年3月31日辭任本公司執行董事。

董事之履歷資料及董事間之關係載於及披露於截至2019年3月31日止年度之年報第24至第27頁之「執行董事資料」、「非執行董事資料」及「獨立非執行董事資料」內。

主席及行政總裁

主席及行政總裁之職位分別由孫大倫博士及孫道弘先生擔任。主席發揮領導作用並負責董事會之有效運作及領導。行政總裁主要負責本集團之業務發展、日常管理及一般營運。

Independent Non-executive Directors

During the year ended 31 March 2019, the Board at all times exceeded the requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the Independent Non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors are independent.

Appointment and Re-election of Directors

The Non-executive Directors including Independent Non-executive Directors of the Company are appointed for a specific term of three years, subject to renewal after the expiry of the then current term.

The Company's Bye-laws provides that all Directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after appointment.

Under the Bye-laws of the Company, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three of a multiple of three, the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. The retiring Directors shall be eligible for re-election.

At the forthcoming annual general meeting of the Company, Mr. Sun Tao Hung Stanley, Mr. Au Man Chung Malcolm and Mr. Liu Hui Allan shall retire by rotation at the annual general meeting pursuant to the Company's Bye-laws. In addition, Ms. Chan Wai Kwan Rita, who has been appointed by the Board on 1 April 2019, shall hold office until the annual general meeting pursuant to the Company's Bye-laws. Mr. Sun Tao Hung Stanley, Mr. Liu Hui Allan and Ms. Chan Wai Kwan Rita, being eligible, will offer themselves for re-election at the annual general meeting. The Board has been informed by Mr. Au that he will not offer himself for re-election as an Independent Non-executive Director at the Annual General Meeting due to retirement. Following Mr. Au's retirement, Mr. Au will cease to be the chairman and a member of Remuneration Committee, a member of each of Audit Committee and Nomination Committee with effect from the conclusion of the Annual General Meeting. Mr. Au has confirmed that he has no disagreement with the Board and there are no matters relating to his retirement that need to be brought to the attention of the Shareholders or the Stock Exchange.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Group; and is collectively responsible for directing and supervising the Group's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

獨立非執行董事

於截至2019年3月31日止年度，董事會一直超逾上市規則有關委任最少三名獨立非執行董事(相當於三分之一董事會成員)之規定，而其中一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。

本公司接獲各獨立非執行董事根據上市規則第3.13條所載之獨立性指引就其獨立性發出之年度確認書。本公司認為，全體獨立非執行董事均為獨立人士。

委任及重選董事

非執行董事(包括本公司獨立非執行董事)之特定任期為三年，且須於當時目前任期屆滿後重續。

本公司之公司細則規定，所有獲委任填補臨時空缺之董事應在獲委任後之首次股東大會上由股東選舉。

根據本公司之公司細則，於每屆股東週年大會上，當時為數三分之一(或如人數並非三或三的倍數，則最接近但不低於三分之一)的董事均須輪值退任，惟每名董事須至少每三年退任一次。退任董事可符合資格膺選連任。

根據本公司之公司細則，孫道弘先生、區文中先生及劉暉先生須於本公司應屆股東週年大會上輪值退任。此外，根據本公司之公司細則，陳蕙君女士(於2019年4月1日獲董事會委任)將任職至應屆股東週年大會為止。孫道弘先生、劉暉先生及陳蕙君女士均合資格且願意於應屆股東週年大會上膺選連任。董事會獲區先生告知，彼因退休而不會於股東週年大會上膺選連任獨立非執行董事。區先生退任後將不再擔任薪酬委員會主席及成員、審核委員會及提名委員會各自的成員，自股東週年大會結束起生效。區先生已確認彼與董事會並無任何意見分歧，亦無任何與其退任有關的事宜須提請股東或聯交所注意。

董事會及管理層之職責、問責及貢獻

董事會應承擔領導及控制本集團的責任；並集體負責指導及監管本集團之事務。

董事會直接(及間接透過其各委員會)領導及指導管理層，其工作包括制定策略及監督管理層執行情況、監控本集團營運及財務表現，以及確保設有完備的內部監控及風險管理系統。

All Directors have carried out duties in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its shareholders at all times.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Group. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Group are delegated to the management.

LIABILITY INSURANCE FOR THE DIRECTORS AND OFFICERS

The Company purchases annually the Directors and officers' liability insurance for members of the Board and officers to provide protection against claims arising from the lawful discharge of duties by the Directors and officers.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Group and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills.

The record of continuous professional development relating to Director's duties and regulatory and business development that have been received by the Directors for the year ended 31 March 2019 are summarized as follows:

全體董事已遵照適用法例及法規真誠履職及一直符合本公司及其股東利益。

董事會對涉及政策事宜、策略及預算、內部監控及風險管理、重大交易(特別是可能涉及利益衝突之交易)、財務資料、委任董事及本集團其他重大運作事宜的所有重要事宜保留決策權。有關執行董事會決策、指導及協調本集團日常營運及管理之職責轉授予管理層。

董事及高級職員責任保險

本公司每年為董事會成員及高級職員購買董事及高級職員責任保險，為董事及高級職員依法履職過程中可能產生的賠償責任提供保障。

董事持續專業發展

董事應留意法規發展及變動，以有效履行其責任及確保向董事會持續提供全面和相關的貢獻。

各新委任董事於首次獲委任時均已獲得正式、全面兼特為其而設之就任指引，以確保董事適當瞭解本集團之業務及運作，並全面知悉根據上市規則及有關監管規定董事須承擔之職責及責任。

董事應參與適當的持續專業發展，發展並更新其知識及技能。

截至2019年3月31日止年度，董事已接獲有關董事職責以及監管及業務發展的持續專業發展記錄概述如下：

Directors	董事	Type of Training ^{Note} 培訓類型 ^{附註}
Executive Directors	執行董事	
Dr. Sun Tai Lun Dennis	孫大倫博士	A, B
Mr. Sun Tao Hung Stanley	孫道弘先生	A, B
Mr. Sun Tao Hsi Ryan	孫道熙先生	A, B
Ms. Ng Yuk Wah Elieen (resigned with effect from 31 March 2019)	吳玉華女士 (自2019年3月31日起辭任)	A, B
Non-executive Director	非執行董事	
Mr. Fung Yue Chun Stephen	馮裕津先生	A, B
Independent Non-executive Directors	獨立非執行董事	
Mr. Au Man Chung Malcolm	區文中先生	A, B
Mr. Li Ka Fai David	李家暉先生	A, B
Mr. Liu Hui Allan	劉暉先生	A, B
Dr. Wong Chi Yun Allan	黃子欣博士	A, B

Note:

Types of Training

- A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops
- B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties.

The list of the chairman and members of each Board committee is set out under "Board of Directors" on page 46.

Audit Committee

The Audit Committee comprises one Non-executive Director, namely Mr. Fung Yue Chun Stephen, and all Independent Non-executive Directors namely Mr. Li Ka Fai David (Chairman of the Committee), Mr. Au Man Chung Malcolm, Mr. Liu Hui Allan and Dr. Wong Chi Yun Allan (including one Independent Non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise).

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code and are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request. The primary functions of the Audit Committee include the following:

- To monitor integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them.
- To act as key representative body for overseeing the Company's relation with the external auditors, and to be primarily responsible for making recommendation to the Board on the appointment, re-appointment and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors, and to consider any questions of their resignation or dismissal.
- To review the Company's financial controls, internal controls and risk management systems.

During the year ended 31 March 2019, the Audit Committee held two meetings to review the interim and annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and relevant scope of works and arrangements for employees to raise concerns about possible improprieties.

The Audit Committee also met the external auditors twice without the presence of the Executive Directors.

Remuneration Committee

The Remuneration Committee comprises four members, namely, Mr. Au Man Chung Malcolm (Chairman of the Committee), Mr. Li Ka Fai David, Dr. Sun Tai Lun Dennis and Dr. Wong Chi Yun Allan, the majority of them are Independent Non-executive Directors.

附註：

培訓類型

- A: 參加培訓課程，包括但不限於簡介會、研討會、會議及講習班
- B: 閱讀相關新聞提示、報章、期刊、雜誌及有關刊物

董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，以監督本公司事務之特定範疇。所有本公司之董事委員會訂有特定書面職權範圍，釐清其權力及職責。

各董事委員會之主席及成員名單已於第46頁之董事會中列載。

審核委員會

審核委員會由一名非執行董事(即馮裕津先生)及全體獨立非執行董事(即李家暉先生(委員會主席)、區文中先生、劉暉先生及黃子欣博士)(包括一名具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事)組成。

審核委員會之職權範圍不遜於企業管治守則所載條款，並載於本公司及聯交所網站，並可應股東要求查閱。審核委員會的主要職責包括以下各項：

- 監察本公司的財務報表以及年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱其中所載有關財務申報的重大判斷。
- 擔任監察本公司與外聘核數師之間關係的主要代表；及主要負責就外聘核數師的委任、續聘及罷免向董事會提供建議；及批准外聘核數師的薪酬及聘用條款；及處理任何有關其辭職或辭退的問題。
- 檢討本公司的財務監控、內部監控及風險管理制度。

於截至2019年3月31日止年度，審核委員會舉行了兩次會議，以審閱中期及年度財務業績及報告，以及有關財務匯報、營運及合規控制、風險管理、內部監控系統及內部審核功能的效能、外部核數師的委任、聘任非審核服務以及安排僱員就可能的不當行為提出舉報的重大事宜。

審核委員會亦在執行董事避席的情況下與外聘核數師舉行兩次會議。

薪酬委員會

薪酬委員會由四名成員組成，即區文中先生(委員會主席)、李家暉先生、孫大倫博士及黃子欣博士，大部份成員均為獨立非執行董事。

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code and are posted on the Company's website and the Stock Exchanges' website and are available to shareholders upon request. The primary functions of the Remuneration Committee include the following:

- To make recommendations to the Board on the Company's policy and structure for all Directors' and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy.
- To make recommendations to the Board on the remuneration packages of individual Executive Directors and the senior management.
- To review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.

During the year ended 31 March 2019, the Remuneration Committee met once to review the remuneration policy and structure of the Company and determine the annual remuneration packages of the Executive Directors and the senior management and other related matters. The Human Resources Department is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee will consult the Chairman and/or the Chief Executive Officer of the Company about these recommendations on remuneration policy and structure and remuneration packages.

Nomination Committee

The Nomination Committee comprises four members, namely Dr. Wong Chi Yun Allan (Chairman of the Committee), Mr. Au Man Chung Malcolm, Mr. Li Ka Fai David and Dr. Sun Tai Lun Dennis, the majority of them are Independent Non-executive Directors.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code and are posted on the company's website and the Stock Exchange's website and are available to shareholders upon request. The primary function of the Nomination Committee include the following:

- To review the structure, size and composition of the Board and make recommendations regarding any proposed changes.
- To identify suitable candidates for appointment as Directors.
- To assess the independence of Independent Non-executive Directors.
- To make recommendations to the Board on appointment or re-appointment of and succession planning for Directors.

薪酬委員會之職權範圍不遜於企業管治守則所載條款，並載於本公司及聯交所網站，並可應股東要求查閱。薪酬委員會主要職責包括以下各項：

- 就本公司全體董事及高級管理人員的政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議。
- 就個別執行董事及高級管理人員的薪酬待遇向董事會提出建議。
- 檢討及批准因執行董事及高級管理人員喪失或終止職務或委任而須向其支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多。

於截至2019年3月31日止年度，薪酬委員會曾舉行一次會議，以檢討本公司的薪酬政策及架構及釐定執行董事與高級管理人員年度薪酬待遇以及其他相關事宜。人力資源部負責收集及管理人力資源數據，並向薪酬委員會提出推薦意見以供考慮。薪酬委員會將就有關薪酬政策及架構以及薪酬待遇之推薦意見諮詢本公司主席及／或行政總裁。

提名委員會

提名委員會由四名成員組成，即黃子欣博士(委員會主席)、區文中先生、李家暉先生及孫大倫博士，大部份成員均為獨立非執行董事。

提名委員會之職權範圍不遜於企業管治守則所載條款，並載於本公司及聯交所網站，並可應股東要求查閱。提名委員會的主要職責包括以下各項：

- 檢討董事會的架構、人數及組成，並就任何擬作出的變動提出建議。
- 物色可擔任董事的合適人選。
- 評核獨立非執行董事的獨立性。
- 就董事委任或重新委任以及繼任計劃向董事會提出推薦意見。

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the year end 31 March 2019, the Nomination Committee held two meetings to review the structure, size and composition of the Board and the independence of the Independent Non-executive Directors, and to consider the qualifications of the retiring directors standing for election at the annual general meeting. The Nomination Committee considered an appropriate balance of diversity perspective of the Board is maintained.

Board Diversity Policy

The Company has adopted a Board Diversity Policy on 23 November 2018 which sets out the approach to achieve diversity of the Board and is available on the website of the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

Pursuant to the Board Diversity Policy, the Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that the Board maintains a balanced diverse profile. In relation to reviewing and assessing the Board composition and the nomination of Directors, the Nomination Committee is committed to diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional and industry experience.

The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered.

The Board will consider setting measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

At present, the Nomination Committee considered that the Board is sufficiently diverse and the Board has not set any measurable objectives.

於評估董事會組成時，提名委員會將考慮董事會成員多元化政策所載各因素，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識以及行業及地區經驗。提名委員會將於必要時討論及同意達致董事會成員多元化的可衡量目標，並推薦予董事會以供採納。

就物色及挑選合適董事人選而言，向董事會提出人選建議前，提名委員會將考慮相關人選之性格、資格、經驗、獨立性，以及在適當時考慮在執行企業策略及達至董事會多元化方面所必要之其他相關條件。

於截至2019年3月31日止年度，提名委員會曾舉行兩次會議，以檢討董事會之架構、人數及組成以及獨立非執行董事之獨立性，以及考慮於股東週年大會上重選之退任董事之資格。提名委員會認為董事會組成在多元化方面維持適當平衡。

董事會成員多元化政策

本公司已於2018年11月23日採納董事會成員多元化政策，其中載列達成董事會多元化的方法，該政策刊載於本公司網站。本公司意識到並接納多元化董事會的好處，並認為董事會層面日益多元化乃是維持本公司競爭優勢不可或缺的因素。

根據董事會成員多元化政策，提名委員會將每年檢討董事會的架構、規模及組成，並就任何為配合本公司的公司策略而對董事會作出的變動提出建議，並確保董事會維持均衡的多元化形象。在檢討及評估董事會組成及董事提名方面，提名委員會致力於各層面的多元化，並會考慮多個方面，包括但不限於性別、年齡、文化及教育背景、專業資格、技能，知識以及區域及行業經驗。

本公司旨在使董事會成員多元化方面能保持適當平衡，以切合本公司業務發展並致力於確保各層面(由董事會而下)的招聘及甄選均按適當的架構程序進行，以便招徠多元背景的人選供委聘。

董事會將考慮設定可計量的目標，以實施董事會成員多元化政策，並不時檢討該等目標，確保目標合適並確定其達成進度。

目前，提名委員會認為董事會已充分多元化，而董事會並未設定任何可計量的目標。

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness.

Director Nomination Policy

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a Director Nomination Policy on 23 November 2018 which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director Nomination Policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- Requirements of Independent Non-executive Directors on the Board and independence of the proposed Independent Non-executive Directors in accordance with the Listing Rules; and
- Commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

The Director Nomination Policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings. Saved as the disclosure in the section headed "Changes in Directors' Information" on page 64 of this Annual Report, there was no change in the composition of the Board.

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code.

During the year ended 31 March 2019, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Written Employee Guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

提名委員會將酌情審閱董事會多元化政策，以確保其有效性。

董事提名政策

董事會已將其甄選及委任董事的職責及權力授予本公司提名委員會。

本公司已於2018年11月23日採納董事提名政策，其中載列有關提名及委任本公司董事的甄選準則及程序以及董事會繼任計劃考慮因素，旨在確保董事會成員具備切合本公司業務所需的技能、經驗及多元化觀點以及董事會的穩定性及維持董事會的領導角色。

董事提名政策載列評估建議候選人是否適合董事會及對董事會的潛在貢獻之因素，包括但不限於以下各項：

- 品格及誠信；
- 資格，包括專業資格、技能、知識及與本公司業務及企業策略相關的經驗；
- 全方面的多元化，包括但不限於性別、年齡(18歲或以上)、文化及教育背景、族裔、專業經驗、技能、知識及服務年限；
- 根據上市規則，董事會需包括獨立非執行董事的規定及候選人是否被視為獨立；及
- 作為本公司董事會及／或董事轄下委員會成員履行其職責的可用時間及相關利益之承諾。

董事提名政策亦載列甄選及委任新董事及於股東大會上重選董事的程序。除本年報第64頁「董事資料變動」一節所披露者外，董事會組成並無變動。

提名委員會將酌情審閱董事提名政策，以確保其有效性。

企業管治職能

董事會負責執行企業管治守則第D.3.1條所載的職能。

於截至2019年3月31日止年度，董事會已檢討本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司有關遵守法律及監管規定的政策及常規、遵守標準守則及僱員書面指引的情況以及本公司遵守企業管治守則及本企業管治報告中的披露情況。

ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

The attendance record of each Director at the Board and Board Committee meetings and the general meetings of the Company held during the year ended 31 March 2019 is set out in the table below:

董事及委員會成員出席記錄

各董事出席截至2019年3月31日止年度舉行的董事會及董事委員會會議以及本公司股東大會的出席記錄載列如下：

Name of Director	董事姓名	Attendance/Number of Meetings 出席率/會議舉行次數					Annual General Meeting 股東 週年大會	Other General Meetings (if any) 其他股東 大會(如有)
		Board 董事會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會			
Dr. Sun Tai Lun Dennis	孫大倫博士	4/4	2/2	1/1	N/A 不適用	1/1	N/A 不適用	
Mr. Sun Tao Hung Stanley	孫道弘先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	N/A 不適用	
Mr. Sun Tao Hsi Ryan	孫道熙先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	N/A 不適用	
Ms. Ng Yuk Wah Eileen	吳玉華女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	N/A 不適用	
Mr. Fung Yue Chun Stephen	馮裕津先生	4/4	N/A 不適用	N/A 不適用	2/2	0/1	N/A 不適用	
Mr. Au Man Chung Malcolm	區文中先生	2/4	1/2	1/1	1/2	0/1	N/A 不適用	
Mr. Li Ka Fai David	李家暉先生	4/4	2/2	1/1	2/2	1/1	N/A 不適用	
Mr. Liu Hui Allan	劉暉先生	4/4	N/A 不適用	N/A 不適用	2/2	0/1	N/A 不適用	
Dr. Wong Chi Yun Allan	黃子欣博士	4/4	2/2	1/1	2/2	1/1	N/A 不適用	

Apart from regular Board meetings, the Chairman also held meetings with the Independent Non-executive Directors without the presence of other Directors during the year.

年內，除常規董事會會議外，主席亦在其他董事避席的情況下與獨立非執行董事召開數次會議。

Directors' Responsibility in Respect of the Financial Statements

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group for the year ended 31 March 2019.

董事須就財務報表承擔之責任

董事知悉其須負責編製本集團截至2019年3月31日止年度之綜合財務報表。

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

董事並不知悉任何重大不確定因素涉及可能對本集團持續經營能力造成重大疑惑之事件或情況。

The statement of the independent auditors of the Group about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 66 to 72.

本集團獨立核數師有關其就綜合財務報表須承擔之申報責任之聲明載於第66至第72頁之「獨立核數師報告」內。

The Audit Committee has the same view with the Board regarding the selection and re-appointment of external auditors.

審核委員會與董事會對甄選及續聘外聘核數師意見一致。

The Group's annual results for the year ended 31 March 2019 have been reviewed by the Audit Committee.

本集團截至2019年3月31日止年度之年度業績已由審核委員會審閱。

Auditors' Remuneration

The remunerations paid to the Group's external auditors in respect of audit services and non-audit services for the year ended 31 March 2019 is HK\$1,500,000 and HK\$662,000 respectively.

核數師之薪酬

本集團就截至2019年3月31日止年度支付予外聘核數師有關核數服務及非核數服務之薪酬分別為港幣1,500,000元及港幣662,000元。

Company Secretary

The Company Secretary reports to the Chairman and is responsible for providing advice to the Board for ensuring the Board procedures are followed. For the year ended 31 March 2019, the Company Secretary has taken no less than 15 hours of relevant professional training duly complied with the training requirement under Rule 3.29 of the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee, assists the Board in leading the management and overseeing its design, implementation and monitoring of the risk management and internal control systems.

More details of the risk management and internal controls are disclosed in the section "Risk Management and Internal Control" on pages 43 to 44.

SHAREHOLDERS' RIGHTS

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

Convening a Special General Meeting by Shareholders

Special general meetings may be convened by the Directors on requisition of shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company. If within twenty-one days of such deposit the Directors fail to proceed to convene such meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting in accordance with Section 74(3) of the Bermuda Companies Act 1981.

Putting Forward Proposals at General Meetings

Pursuant to Section 79 of the Bermuda Companies Act 1981, shareholders representing not less than one-twentieth of the total voting rights of all shareholders; or not less than 100 shareholders may make requisition in writing to the Company:

- (a) to give to shareholders of the Company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;

公司秘書

公司秘書向主席報告，並負責向董事會提供建議，以確保遵守董事會程序。截至2019年3月31日止年度，公司秘書已妥為遵守上市規則第3.29條有關培訓的規定接受不少於15小時的相關專業培訓。

風險管理及內部監控

董事會確認知悉其負責風險管理及內部監控系統並檢討其成效之責任。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

董事會全面負責評估及釐定本集團達成策略目標時所願意接納的風險性質及程度，並設立和維持合適而有效的風險管理及內部監控系統。

審核委員會協助董事會開展管理工作並監督董事會設計、實施及監管風險管理及內部監控系統。

風險管理及內部監控的更多詳情披露於第43至44頁「風險管理及內部監控」一節內。

股東權利

為保障股東權益與權利，本公司應就各重大個別事宜(包括選出個別董事)於股東大會提呈獨立決議案。所有於股東大會提呈之決議案將根據上市規則以投票方式表決，投票結果將於各股東大會結束後在本公司及聯交所網站內刊載。

股東召開股東特別大會

董事可應於遞呈請求當日持有不少於本公司有權於本公司股東大會上投票之繳足股本十分之一的股東的請求召開股東特別大會。倘於有關遞呈後21日內，董事未有召開該大會，則遞呈請求人士或佔彼等總投票權逾半之任何一名遞呈請求人士，可根據百慕達1981年公司法第74(3)條自行召開大會。

於股東大會上提呈議案

根據百慕達1981年公司法第79條，佔全體股東總投票權不少於十分之一的股東或不少於100名股東可向本公司提出書面呈請：

- (a) 向本公司有權收取下一屆股東週年大會通告之股東告知於該大會上任何可能正式動議及擬動議之決議案；

(b) to circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

CHANGES IN CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the year ended 31 March 2019. An up-to-date version of the Company's Bye-laws is available on the Company's website and the Stock Exchange.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with shareholders and in particular, through annual general meetings and other general meetings. At the annual general meetings, Directors (or their delegates as appropriate) are available to meet shareholders and answer their enquiries.

Shareholders may send their enquiries or requests at any time to the following:

Address: 8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road, Tsuen Wan, Hong Kong
(For the attention of the Board of Directors/Company Secretary)
Fax: (852) 2409 0294
Email: enquiry@chinahkphoto.com.hk

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

Policies relating to Shareholders

The Company has in place a Shareholders' Communication Policy to ensure that shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness.

The Company has adopted a Dividend Policy on 23 November 2018 on payment of dividends. The Company intends to distribute 30-70% of its annual net profit as dividends to its shareholders, subject to the financial conditions of the Company and the Group and the conditions and factors as set out in the Dividend Policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to the shareholders' approval.

(b) 向有權獲發送任何股東大會通告之股東傳閱不超過1,000字之陳述書，以告知於該大會上提呈之決議案所述事宜或將處理之事項。

向董事會作出查詢

股東可透過將書面查詢發送至本公司的方式向本公司董事會作出任何查詢。本公司通常不會處理口頭或匿名的查詢。

組織章程文件變動

於截至2019年3月31日止年度，本公司之組織章程文件概無變動。本公司之最新版本公司細則可於本公司網站及聯交所查閱。

與股東及投資者溝通

本公司認為，與股東有效溝通對促進投資者關係及加深投資者對本集團之業務表現及策略瞭解至關重要。本公司盡力保持與股東之間的對話，尤其是透過股東週年大會及其他股東大會。股東週年大會上，董事(或彼等之代表(如適用))將出席與股東見面並回答彼等之提問。

股東可於任何時間透過以下方式發送查詢或要求：

地址：香港荃灣德士古道220-248號荃灣工業中心8字樓
(註明收件人為董事會／公司秘書)

傳真：(852) 2409 0294

電郵：enquiry@chinahkphoto.com.hk

為免生疑，股東須將正式簽署之書面要求、通知或聲明或查詢(視情況而定)之正本遞交並發送至上述地址，並提供彼等全名、聯絡詳情及身份證明，方為生效。股東資料可能根據法律規定而予以披露。

與股東相關之政策

本公司已設有股東通訊政策以確保股東之意見及關注得到適當解決。本公司定期審閱該政策以確保其有效性。

本公司已於2018年11月23日就派付股息採納股息政策。本公司擬將30-70%年度淨利潤作為股息分派予其股東，惟視乎本公司及本集團之財務狀況以及股息政策所載之條件及因素而定，董事會可於財政年度建議及／或宣派股息以及任何財政年度之末期股息均須經股東批准。

Report of the Directors

董事會報告

The Directors have pleasure in presenting their Annual Report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in (i) the marketing and distribution of photographic developing, processing and printing products and sale of photographic merchandises, skincare products, consumer electronic products and household appliances; and (ii) the provision of technical services for photographic developing and processing products, professional audio-visual advisory, custom design and installation service. There were no significant changes in the nature of the Group's principal activities during the year ended 31 March 2019.

RESULTS AND FINAL DIVIDEND

The Group's results for the year ended 31 March 2019 and the state of affairs of the Company and the Group as at that date are set out in the consolidated financial statements on pages 73 to 146.

The Board does not recommend any payment of a final dividend for the year ended 31 March 2019 (2018: Nil).

BUSINESS REVIEW

A review of the Group's business activities as required by Schedule 5 to the Companies Ordinance (Cap. 622) of Hong Kong, including a fair review of the Group's business as well as future development in the Group's business can be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on pages 12 to 23 of this Annual Report.

Certain financial key performance indicators which complement and supplement our financial disclosures are set out on page 2.

FINANCIAL SUMMARY

A summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on page 2.

FINANCIAL RESOURCES

The financial position of the Group remained sound and healthy during the year ended 31 March 2019. As at 31 March 2019, the Group's cash and bank balances were approximately HK\$198 million with a zero gearing ratio. Trade receivables of approximately HK\$52 million were recorded as at 31 March 2019, while inventories were approximately HK\$199 million.

董事茲提呈本公司及其附屬公司(「本集團」)截至2019年3月31日止年度之董事會年度報告及已審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。本集團主要從事(i)推廣及經銷攝影、沖印及印刷產品，以及銷售照相商品、護膚產品、消費電子產品及家用電器；及(ii)提供照相沖印產品技術服務、專業影音顧問訂製、設計及安裝服務。本集團之主要業務性質於截至2019年3月31日止年度內並無重大變動。

業績及末期股息

本集團截至2019年3月31日止年度之業績以及本公司和本集團於當日之業務狀況載於綜合財務報表第73至146頁。

董事會不建議就截至2019年3月31日止年度派付任何末期股息(2018年：無)。

業務審視

按照香港公司條例(第622章)附表5所規定，有關集團年內業務之回顧及有關集團未來業務發展之討論載於本年報第12至23頁之「主席報告」及「管理層討論及分析」兩節。

完善及補充財務披露的財務狀況相關關鍵表現指標載於第2頁。

財務摘要

本集團最近五個財政年度之已公布業績及資產、負債及非控股權益之摘要載於第2頁。

財務資源

於截至2019年3月31日止年度，本集團之財務狀況保持穩健。本集團於2019年3月31日之現金及銀行結餘約為港幣1.98億元，資產負債比率為零。貿易應收賬項於2019年3月31日錄得約港幣5,200萬元，存貨則約港幣1.99億元。

HUMAN RESOURCES

The Group had 474 employees (2018: 486), remunerated largely based on industry practice, including provident funds, insurance and medical benefits. The Group also adopted a discretionary bonus programme determined annually based upon the performance of the Group and the employees.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment, and investment properties of the Group during the year ended 31 March 2019 are set out in Notes 13 and 14 to the consolidated financial statements, respectively. Further details of the Group's investment properties are set out on page 147.

SHARE CAPITAL

There were no movements in either the Company's authorised or issued share capital during the year ended 31 March 2019. Details of the Company's share capital is set out in Note 26 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 March 2019 are set out in Note 27 to the consolidated financial statements and in the consolidated statement of changes in equity on page 77, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2019, the Company did not have any reserves available for distribution, as computed in accordance with the provisions of the Companies Act 1981 of Bermuda (as amended). The Company's share premium account and capital redemption reserve account of HK\$490,378,000 and HK\$1,619,000, respectively, may be distributed in the form of fully paid bonus shares.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2019.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into during the year or subsisted at the end of the year.

人力資源

本集團員工數目為474名(2018年：486名)，員工之酬金多數按照行業慣例釐訂，酬金包括公積金、保險及醫療福利。本集團亦有採納一個每年按照本集團及僱員表現而釐訂之非強制性花紅制度。

物業、廠房及設備及投資物業

本集團於截至2019年3月31日止年度之物業、廠房及設備及投資物業變動詳情分別載於綜合財務報表附註13及14。本集團投資物業之進一步詳情載於第147頁。

股本

本公司法定或已發行股本於截至2019年3月31日止年度內概無變動。本公司股本詳情載於綜合財務報表附註26。

儲備

本公司及本集團在截至2019年3月31日止年度內之儲備變動詳情分別載於綜合財務報表附註27及第77頁之綜合權益變動表。

可分派儲備

於2019年3月31日，本公司根據百慕達1981年公司法(經修訂)的規定計算，並沒有可作派發儲備。本公司股份溢價賬及資本贖回儲備分別為港幣490,378,000元及港幣1,619,000元亦可用以派發繳足股款之紅股。

優先購股權

本公司之公司細則或百慕達法例均無規定授予優先購股權致令本公司須向現有股東按持股比例發行新股。

購買、贖回或出售本公司之上市證券

於截至2019年3月31日止年度內本公司及其任何附屬公司並無購買、贖回或出售本公司任何上市證券。

股票掛鈎協議

年內並無訂立股票掛鈎協議而於年結時亦無仍然有效之股票掛鈎協議。

CHARITABLE CONTRIBUTIONS

During the year ended 31 March 2019, the Group made charitable contributions totalling HK\$284,000.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers and the largest customer accounted for 16.8% and 5.8% of the Group's total sales for the year, respectively. Purchases from the Group's five largest suppliers and the largest supplier accounted for approximately 77.2% and 32.9% of the Group's total purchases for the year, respectively.

None of the Directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers.

DIRECTORS

The Directors who held office during the year ended 31 March 2019 and up to the date of this report were:

Executive Directors:

Dr. Sun Tai Lun Dennis (*Chairman*)
Mr. Sun Tao Hung Stanley (*Deputy Chairman and Chief Executive Officer*)
Mr. Sun Tao Hsi Ryan (appointed on 1 April 2018)
Ms. Ng Yuk Wah Eileen (resigned on 31 March 2019)
Ms. Chan Wai Kwan Rita (appointed on 1 April 2019)

Non-executive Director:

Mr. Fung Yue Chun Stephen

Independent Non-executive Directors:

Mr. Au Man Chung Malcolm
Mr. Li Ka Fai David
Mr. Liu Hui Allan
Dr. Wong Chi Yun Allan

In accordance with the Company's Bye-laws 110, Mr. Sun Tao Hung Stanley, Mr. Au Man Chung Malcolm and Mr. Liu Hui Allan shall retire and Mr. Sun Tao Hung Stanley and Mr. Liu Hui Allan, being eligible, offer themselves for re-election at the forthcoming annual general meeting. Mr. Au Man Chung Malcolm will not offer himself for re-election at the forthcoming annual general meeting.

In accordance with the Company's Bye-laws 101, Ms. Chan Wai Kwan Rita shall offer herself for re-election at the forthcoming annual general meeting.

Ms. Ng Yuk Wah Eileen resigned on 31 March 2019 as Executive Director of the Company. Ms. Ng Yuk Wah Eileen has confirmed that she has no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders or the Stock Exchange.

CONFIRMATION OF INDEPENDENCE

The Company has received annual confirmations of independence from all Independent Non-executive Directors pursuant to Rule 3.13 of the Listing Rules and considers all the Independent Non-executive Directors to be independent.

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors are set out on pages 24 to 27 of the Annual Report.

DIRECTORS' SERVICE CONTRACTS

The Company entered into a service contract with each of the following Directors for their provision of management services to the Group:

Dr. Sun Tai Lun Dennis
Mr. Sun Tao Hung Stanley
Mr. Sun Tao Hsi Ryan
Ms. Chan Wai Kwan Rita

慈善捐款

於截至2019年3月31日止年度內，本集團的慈善捐款共達港幣284,000元。

主要客戶及主要供應商

於回顧年內，本集團五位最大客戶及最大客戶之購貨額分別佔年內本集團營業額16.8%及5.8%。本集團五位最大供應商及最大供應商之購貨額分別佔年內本集團購貨總額約77.2%及32.9%。

並無本公司董事或其任何聯繫人士或董事所知任何擁有本公司已發行股本5%或以上之股東在本集團最大之五個客戶及供應商中擁有任何實際權益。

董事

截至2019年3月31日止年度及截至本報告日期之董事如下：

執行董事：

孫大倫博士(主席)
孫道弘先生(副主席及行政總裁)
孫道熙先生(於2018年4月1日獲委任)
吳玉華女士(於2019年3月31日辭任)
陳蕙君女士(於2019年4月1日獲委任)

非執行董事：

馮裕津先生

獨立非執行董事：

區文中先生
李家暉先生
劉暉先生
黃子欣博士

根據本公司之公司細則第110條，孫道弘先生、區文中先生及劉暉先生將會告退，孫道弘先生及劉暉先生願在下屆股東週年大會上膺選連任。區文中先生將不會於下屆股東週年大會上膺選連任。

根據本公司之公司細則第101條，陳蕙君女士願在下屆股東週年大會上膺選連任。

吳玉華女士於2019年3月31日辭任本公司之執行董事。吳玉華女士已確認彼與董事會並無任何意見分歧，亦無任何與本公司有關的事宜須提請股東或聯交所注意。

確認獨立性

本公司已接獲所有獨立非執行董事根據上市規則第3.13條就其獨立性發出之年度確認函，並認為所有獨立非執行董事均為獨立人士。

董事簡歷

董事簡歷詳情載於年報第24至第27頁。

董事服務合約

本公司已與下列各董事訂立服務合約，向本集團提供管理服務：

孫大倫博士
孫道弘先生
孫道熙先生
陳蕙君女士

Each service contract for each of the Executive Directors (except Ms. Chan Wai Kwan Rita) has a remaining unexpired term of 12 months as at 31 March 2019 and is subject to the termination by either party upon giving three months' notice to the other party.

The service contract for Ms. Chan Wai Kwan Rita has a remaining unexpired term of 12 months as at 1 April 2019 and is subject to the termination by either party upon giving three months' notice to the other party.

Apart from the foregoing, no Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISIONS

The Company's Bye-laws request that all Directors and officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty.

Directors' and officers' liability insurance is arranged to cover all the Directors and officers of the Group against any potential costs and liabilities arising from claims brought against them.

DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors on a named basis during the year ended 31 March 2019 are set out in Note 33 to the consolidated financial statements.

REMUNERATION POLICY

Remuneration Policy of the Group is reviewed regularly, making reference to market condition and performance of the Group and individual staff (including the Director). The Remuneration Policy and remuneration packages of the Directors and management team are reviewed by the Remuneration Committee and the Board which are detailed in the paragraph headed "Remuneration Committee" under the Corporate Governance Report on pages 49 and 50.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its holding companies or subsidiaries was a party during the year ended 31 March 2019.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2019, the interests and short positions of the Directors in the Shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

於2019年3月31日，各執行董事(陳蕙君女士除外)的各服務合約期限尚餘12個月，任何一方均可向另一方提早3個月發出通知而終止合約。

於2019年4月1日，陳蕙君女士的服務合約期限尚餘12個月，任何一方均可向另一方提早3個月發出通知而終止合約。

除上述者外，擬於應屆股東週年大會上膺選連任之董事並無與本公司訂有本公司不能在一年內終止而不作賠償(法定賠償除外)之服務合約。

獲准許之彌償保證條文

按本公司之章程細則規定，本公司全體董事及高級人員，均可從本公司的資產及利潤獲得彌償，該等人士就各自的職務或執行其職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害。

本集團已安排全體董事及高級人員的責任保險，以就全體董事及本集團之高級人員被提出之申索所產生之任何潛在成本及負債向彼等提供保障。

董事酬金

於截至2019年3月31日止年度內董事薪酬詳情按記名方式載於綜合財務報表附註33。

薪酬政策

本集團的薪酬政策是參考市況和本集團與個別員工(包括董事)表現而定期檢討。董事及管理團隊的薪酬政策和薪酬組合由薪酬委員會及董事會檢討，詳情載於第49頁及第50頁企業管治報告「薪酬委員會」一段。

董事於重大合約中之權益

於截至2019年3月31日止年度內並不存在本公司或其任何控股公司或其附屬公司參與對本集團業務屬重大而本公司董事直接或間接擁有重大權益之合約。

董事於股份及相關股份之權益及淡倉

於2019年3月31日，按照本公司根據證券及期貨條例(「證券及期貨條例」)第352條存置之登記冊所示，或本公司及香港聯合交易所有限公司(「聯交所」)根據上市發行人董事進行證券交易之標準守則(「標準守則」)以其他方式獲知會者，董事於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份及相關股份中擁有之權益及淡倉如下：

Long positions in ordinary shares of the Company:**本公司普通股好倉：**

Name of Director	Note	Number of shares held, capacity and nature of interest 持有股份數目、身份及權益性質				Total	Percentage of the Company's issued share capital 佔本公司 已發行股本之 百分比
		Directly beneficially owned 直接 實益擁有	Founder of a trust 信託創辦人	Beneficiary of a trust 信託 受益人	Interest of spouse 配偶權益		
董事姓名	附註					總計	
Dr. Sun Tai Lun Dennis 孫大倫博士	(i) - (iii)	1,000,000	700,034,214	11,242,000	220,000	712,496,214	60.11%
Mr. Sun Tao Hung Stanley 孫道弘先生	(iv) & (v)	–	–	711,276,214	–	711,276,214	60.01%
Mr. Sun Tao Hsi Ryan 孫道熙先生	(iv) & (v)	–	–	711,276,214	–	711,276,214	60.01%
Mr. Fung Yue Chun Stephen 馮裕津先生	(vi)	–	–	70,000,000	–	70,000,000	5.90%
Ms. Ng Yuk Wah Eileen (resigned on 31 March 2019) 吳玉華女士 (於2019年3月31日辭任)		250,000	–	–	–	250,000	0.02%

Long positions in shares and underlying shares of associated corporations:**相聯法團股份及相關股份之好倉：**

Name of Director	Name of associated corporation	Relationship with the Company	Shares	Number of shares held	Capacity and nature of interest	Percentage of the associated corporation's issued share capital 佔相聯法團已發行股本之百分比
董事姓名	相關法團名稱	與本公司關係	股份	持有股份數目	身份及權益性質	
Dr. Sun Tai Lun Dennis 孫大倫博士	Searich Group Limited	Company's immediate holding company 本公司之直接控股公司	Ordinary shares (note (i)) 普通股(附註(i))	25	Beneficiary of a trust 信託之受益人	25%
	–ditto–	–ditto–	Ordinary shares (note (ii)) 普通股(附註(ii))	75	Founder of a trust 信託創辦人	75%
	同上	同上	普通股(附註(ii))			
				100		100%
Dr. Sun Tai Lun Dennis 孫大倫博士	Fine Products Limited	Company's ultimate holding company 本公司之最終控股公司	Ordinary shares (note (ii)) 普通股(附註(ii))	103,000,000	Founder of a trust 信託創辦人	100%

Notes:

- (i) Dr. Sun Tai Lun Dennis is deemed to be interested in a total of 11,242,000 shares in the Company directly held by Dago Corporation, which is a company incorporated in the British Virgin Islands and is owned by Trident Trust Company (B.V.I.) Limited in its capacity as the trustee of The Dennis Family Trust, a discretionary trust established for the benefit of Dr. Sun Tai Lun Dennis and his family members. Dago Corporation also holds 25% of the issued share capital of Searich Group Limited.
- (ii) Dr. Sun Tai Lun Dennis is deemed to be interested in 700,034,214 shares in the Company held by Fine Products Limited by virtue of him being the founder of The Sun Family Trust which holds the entire issued share capital of Fine Products Limited. 75% of the issued share capital of Searich Group Limited is held by Fine Products Limited. Details of the interest of Fine Products Limited and Searich Group Limited in the Company can be found in the section "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.
- (iii) Dr. Sun Tai Lun Dennis is deemed to be interested in 220,000 shares of the Company through the interests of his spouse, Ms. Tang Sau Ying Betty who inherited the said shares from her mother's legacy in 2014.
- (iv) Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan are deemed to be interested in a total of 11,242,000 shares in the Company directly held by Dago Corporation, which is a company incorporated in the British Virgin Islands and is owned by Trident Trust Company (B.V.I.) Limited in its capacity as the trustee of The Dennis Family Trust, a discretionary trust established for the benefit of Dr. Sun Tai Lun Dennis and his family members including Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan. Dago Corporation also holds 25% of the issued share capital of Searich Group Limited.
- (v) Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan are deemed to be interested in a total of 700,034,214 shares in the Company held by Fine Products Limited by virtue of being beneficiaries of The Sun Family Trust which holds the entire issued share capital of Fine Products Limited. 75% of the issued share capital of Searich Group Limited is held by Fine Products Limited. Details of the interest of Fine Products Limited and Searich Group Limited in the Company can be found in the section "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.
- (vi) Mr. Fung Yue Chun Stephen is deemed to be interested in 70,000,000 shares of the Company held by HSBC Trustees (C.I.) Limited by virtue of him being a beneficiary of a trust of which HSBC Trustees (C.I.) Limited act as trustee. Details of the interest of HSBC Trustees (C.I.) Limited in the Company can be found in the Section "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.

Save as disclosed above, as at 31 March 2019, none of the Directors of the Company and any of its associates had registered an interest or short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of part XV of SFO) that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (i) 孫大倫博士被視作合共擁有本公司11,242,000股股份之權益。該等股份由一間於英屬處女群島註冊成立之公司Dago Corporation直接持有。Dago Corporation為Trident Trust Company (B.V.I.) Limited (作為代表孫大倫博士及其家族成員利益而設立之酌情信託The Dennis Family Trust之受託人身份)所擁有。Dago Corporation亦持有Searich Group Limited已發行股本25%。
- (ii) 由於孫大倫博士是The Sun Family Trust之創辦人，該信託持有Fine Products Limited之全部已發行股本，故孫大倫博士被視為擁有Fine Products Limited所持有之700,034,214股本公司股份之權益。Searich Group Limited之已發行股本75%由Fine Products Limited持有。Fine Products Limited及Searich Group Limited所持本公司權益之資料詳見下文「主要股東及其他個人於股份及相關股份之權益及淡倉」一節。
- (iii) 孫大倫博士被視為透過配偶鄧秀英女士之權益而擁有220,000股本公司股份之權益。該220,000股本公司股份為鄧秀英女士於2014年從其先母之遺產中繼承。
- (iv) 孫道弘先生及孫道熙先生被視作合共擁有本公司11,242,000股股份之權益。該等股份由一間於英屬處女群島註冊成立之公司Dago Corporation直接持有。Dago Corporation為Trident Trust Company (B.V.I.) Limited (作為代表孫大倫博士及其家族成員(包括孫道弘先生及孫道熙先生)利益而設立之酌情信託The Dennis Family Trust之受託人身份)所擁有。Dago Corporation亦持有Searich Group Limited已發行股本25%。
- (v) 由於孫道弘先生及孫道熙先生是The Sun Family Trust之受益人，該信託持有Fine Products Limited之全部已發行股本，故孫道弘先生及孫道熙先生被視為擁有Fine Products Limited持有之700,034,214股本公司股份之權益。Searich Group Limited之已發行股本75%由Fine Products Limited持有。Fine Products Limited及Searich Group Limited所持本公司權益之資料詳見下文「主要股東及其他個人於股份及相關股份之權益及淡倉」一節。
- (vi) 由於馮裕津先生是一個信託之受益人，HSBC Trustees (C.I.) Limited擔任該信託的受託人，故馮裕津先生被視為擁有HSBC Trustees (C.I.) Limited持有之70,000,000股本公司股份之權益。HSBC Trustees (C.I.) Limited所持本公司權益之資料詳見下文「主要股東及其他個人於股份及相關股份之權益及淡倉」一節。

除上文所披露者外，於2019年3月31日，本公司董事及彼等之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份及相關股份中概無註冊擁有權益或淡倉，而須根據證券及期貨條例第352條載入該條所述之登記冊內；或根據標準守則須知會本公司及聯交所。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section "Directors' Interests and Short Positions in Shares and Underlying Shares" above, at no time during the financial year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its holding companies or subsidiaries a party to any arrangement to enable the Directors or their associates to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any body corporate.

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

At 31 March 2019, other than the interest of the Directors as disclosed in the section "Directors' Interests and Short Positions in Shares and Underlying Shares" above. The following interests and short positions in the shares and the underlying shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions of substantial shareholders who were entitled to exercise or control the exercise of 5% or more of the voting power at any general meeting of the Company:

有權行使或控制行使本公司任何股東大會上5%或以上之投票權之主要股東之好倉：

Name of shareholder 股東名稱	Capacity and nature of interest 身份及權益性質	Number of ordinary shares held 持有普通股數目	Note 附註	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
Dr. Sun Tai Lun Dennis 孫太倫博士	Beneficial owner 實益擁有人	1,000,000		0.08%
	Beneficiary of a trust 信託受益人	11,242,000	(i) & (ii)	0.95%
	Founder of a trust 信託創辦人	700,034,214	(i) & (ii)	59.06%
	Interest of spouse 配偶權益	220,000		0.02%
		712,496,214		60.11%
Fine Products Limited	Beneficial owner & interest of a controlled corporation 實益擁有人及受控法團權益	700,034,214	(i) & (ii)	59.06%
Search Group Limited	Beneficial owner 實益擁有人	600,034,214	(i) & (ii)	50.62%
Trident Trust Company (B.V.I.) Limited	Trustee 信託人	711,276,214	(i) & (ii)	60.01%
Ms. Tang Sau Ying Betty 鄧秀英女士	Beneficial owner 實益擁有人	220,000		0.02%
	Interest of spouse 配偶權益	712,276,214	(ii) & (iii)	60.09%
		712,496,214		60.11%
Mr. Sun Tao Hung Stanley 孫道弘先生	Beneficiary of a trust 信託受益人	711,276,214	(iv)	60.01%
Mr. Sun Tao Hsi Ryan 孫道熙先生	Beneficiary of a trust 信託受益人	711,276,214	(iv)	60.01%
Mr. Fung Yue Chun Stephen 馮裕津先生	Beneficiary of a trust 信託受益人	70,000,000	(v), (vii) & (viii)	5.90%

董事收購股份或債權證之權利

除上文「董事於股份及相關股份之權益及淡倉」一節所披露者外，本財政年度內並無董事或其各自之配偶或未成年兒女獲授可藉購入本公司之股份或債權證而獲益之權利，彼等亦無行使任何該等權利。本公司、其任何控股公司或其附屬公司亦無訂立任何安排致使董事或其聯繫人通過收購本公司或任何其他法人團體的股份或債權證以取得利益。

主要股東及其他個人於股份及相關股份之權益及淡倉

於2019年3月31日，除上文「董事於股份及相關股份之權益及淡倉」一節所披露之董事權益外，按照本公司根據證券及期貨條例第336條規定備存之權益登記冊所載，下列人士持有本公司股份及相關股份之權益及淡倉：

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

主要股東及其他個人於股份及相關股份之權益及淡倉 (續)

Long positions of other substantial shareholders:

其他主要股東之好倉：

Name of shareholder	Capacity and nature of interest	Number of ordinary shares held	Note	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
股東名稱	身份及權益性質	持有普通股數目	附註	
Mr. Fung Kwok Lun William 馮國綸先生	Interest of a controlled corporation 受控法團權益	70,000,000	(vi), (vii) & (viii)	5.90%
Fung Retailing Limited 馮氏零售集團有限公司	Beneficial owner 實益擁有人	70,000,000	(vi), (vii) & (viii)	5.90%
Fung Holdings (1937) Limited 馮氏控股(1937)有限公司	Interest of a controlled corporation 受控法團權益	70,000,000	(vi), (vii) & (viii)	5.90%
King Lun Holdings Limited 經綸控股有限公司	Interest of a controlled corporation 受控法團權益	70,000,000	(vi), (vii) & (viii)	5.90%
HSBC Trustee (C.I.) Limited	Trustee 信託人	70,000,000	(vii) & (viii)	5.90%

Notes:

- (i) 100,000,000 shares representing 8.44% of the Company's shares in issue are directly owned by Fine Products Limited. The remaining 600,034,214 shares are owned by Searich Group Limited, in which Fine Products Limited holds 75% of its issued share capital. Fine Products Limited is a company incorporated in the British Virgin Islands and is owned by Trident Trust Company (B.V.I.) Limited in its capacity as the trustee of The Sun Family Trust.
- (ii) Such interests have been included as the interests of Dr. Sun Tai Lun Dennis.
- (iii) Ms. Tang Sau Ying Betty is deemed to be interested in 712,276,214 shares of the Company through the interests of her spouse, Dr. Sun Tai Lun Dennis.
- (iv) Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan are deemed to be interested in a total of 711,276,214 shares in the Company by virtue of being beneficiaries of The Sun Family Trust and The Dennis Family Trust.

附註：

- (i) 該100,000,000股股份(佔本公司已發行股份之8.44%)由Fine Products Limited直接擁有。餘下之600,034,214股股份由Searich Group Limited擁有，而Fine Products Limited則擁有該公司已發行股本75%。Fine Products Limited為一間於英屬處女群島註冊成立之公司，並為Trident Trust Company (B.V.I.) Limited以The Sun Family Trust信託人身份所擁有。
- (ii) 該等權益已包括在孫大倫博士之權益之內。
- (iii) 鄧秀英女士被視為透過配偶孫大倫博士之權益而擁有712,276,214股本公司股份之權益。
- (iv) 孫道弘先生及孫道熙先生憑藉其身為The Sun Family Trust及The Dennis Family Trust之受益人被視為擁有合共711,276,214股本公司股份之權益。

- | | |
|---|--|
| <p>(v) Mr. Fung Yue Chun Stephen is deemed to be interested in a total of 70,000,000 shares of the Company by virtue of him being a beneficiary of a trust of which HSBC Trustee (C.I.) Limited act as trustee.</p> | <p>(v) 馮裕津先生憑藉其身為一個由HSBC Trustees (C.I.) Limited擔任受託人的信託之受益人被視為擁有合共70,000,000股本公司股份之權益。</p> |
| <p>(vi) The interests of Mr. Fung Kwok Lun William are held via a chain of controlled corporations, namely Fung Retailing Limited, Fung Holdings (1937) Limited and King Lun Holdings Limited (which is 50% owned by Mr. Fung Kwok Lun William).</p> | <p>(vi) 馮國綸先生之權益乃透過一系列受控法團而持有，即馮氏零售集團有限公司、馮氏控股(1937)有限公司及經綸控股有限公司(由馮國綸先生擁有50%)。</p> |
| <p>(vii) The interests of HSBC Trustee (C.I.) Limited are held via a chain of controlled corporations, namely Fung Retailing Limited, Fung Holdings (1937) Limited and King Lun Holdings Limited (which is 50% owned by HSBC Trustee (C.I.) Limited).</p> | <p>(vii) HSBC Trustee (C.I.) Limited之權益乃透過一系列受控法團而持有，即馮氏零售集團有限公司、馮氏控股(1937)有限公司及經綸控股有限公司(由HSBC Trustee (C.I.) Limited擁有50%)。</p> |
| <p>(viii) The interests of Mr. Fung Kwok Lun William and HSBC Trustee (C.I.) Limited as mentioned in the above notes (vi) and (vii) refer to the same block of shares in the Company.</p> | <p>(viii) 上述附註(vi)及(vii)所述馮國綸先生及HSBC Trustee (C.I.) Limited之權益指同一批本公司股份。</p> |

Save as disclosed above, as at 31 March 2019, no person, other than the Directors of the Company, whose interests are set out in the section "Directors' Interests and Short Positions in Shares and Underlying Shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

CHANGES IN DIRECTORS' INFORMATION

Changes in information of Directors which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

1. Mr. Sun Tao Hsi Ryan was appointed as an Executive Director with effect from 1 April 2018.
2. Ms. Ng Yuk Wah Elieen resigned as an Executive Director with effect from 31 March 2019.
3. Ms. Chan Wai Kwan Rita was appointed as an Executive Director with effect from 1 April 2019.

Save as disclosed above, during the period under review and up to the date of this report, there is no other change in information of Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

除上文所披露者外，於2019年3月31日，除本公司董事外(其權益載於「董事於股份及相關股份之權益及淡倉」一節)，概無其他人士於本公司股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第336條作出記錄。

足夠公眾持股量

根據本公司公開可獲得之資料及據董事所知，於本報告日期公眾人士持有本公司已發行股本總額最少25%。

董事資料變動

根據上市規則第13.51B(1)條須予披露的董事資料變動載列如下：

1. 孫道熙先生獲委任為執行董事，自2018年4月1日起生效。
2. 吳玉華女士辭任執行董事，自2019年3月31日起生效。
3. 陳蕙君女士獲委任為執行董事，自2019年4月1日起生效。

除上文所披露者外，於回顧期間及直至本報告日期，概無其他根據上市規則第13.51B(1)條須予披露的董事資料變動。

AUDITOR

The consolidated financial statements for the year ended 31 March 2019 have been audited by Messrs. PricewaterhouseCoopers.

PricewaterhouseCoopers will retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Sun Tai Lun Dennis
Chairman

Hong Kong
27 June 2019

核數師

本公司於截至2019年3月31日止年度綜合財務報表經由核數師羅兵咸永道會計師事務所審核。

羅兵咸永道會計師事務所將於應屆股東週年大會退任，並合資格且願意接受續聘。

代表董事會

孫大倫
主席

香港
2019年6月27日



羅兵咸永道

To the Shareholders of China-Hongkong Photo Products Holdings Limited

(incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of China-Hongkong Photo Products Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 73 to 146, which comprise:

- the consolidated statement of financial position as at 31 March 2019;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致中港照相器材集團有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

中港照相器材集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第73至146頁的綜合財務報表，包括：

- 於2019年3月31日的綜合財務狀況表；
- 截至該日止年度的綜合收益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映貴集團於2019年3月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

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BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

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

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

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

KEY AUDIT MATTERS (Continued)

Key audit matters identified in our audit are summarised as follows:

- Provision for inventories
- Valuation of investment properties

Key Audit Matters**Provision for inventories**

Refer to Note 2.13, 4(i), 17 to the consolidated financial statements

As at 31 March 2019, the Group held inventories of HK\$198,549,000. A net provision for inventories of HK\$880,000 was charged to the consolidated income statement for the year ended 31 March 2019. As described in the accounting policy in Note 2.13 to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value.

The Group's inventories are subject to changing consumer demands and market trends, increasing the level of judgement involved in estimating provision for inventories.

We focused on this area as judgement is required to assess the appropriate level of provisioning for items which may be ultimately written off or sold below cost as a result of a reduction in consumer demand particularly in light of the current volatile retail market situation. Such judgement includes management's estimation of the sales projection and inventory provision.

How our audit addressed the Key Audit Matter

We performed the following procedures to evaluate the provision for inventories.

- Understood and tested the key controls over the sales projection of inventories which was based on a consistent process as in previous years;
- Evaluated the key assumptions of the sales projection by reference to the historical sales records and discussion with operational management;
- Assessed the appropriateness of the Group's inventory provisioning policy with respect to the inventories by category based on ageing together with the historical sales records which reflected the expected life cycle of similar products;
- Discussed with management to understand indicators of slow moving inventories identified and obtained evidence for these explanations;
- Compared the net realisable value of the inventories held at year end, on a sample basis, to latest selling prices by examining the sales invoices; and
- Tested the accuracy of ageing profile of inventories used in the inventory provision and recalculated the inventory provision as at year end based on the Group's provisioning policy.

Based on the above procedures performed, we found the key assumptions of management in determining the provision for inventories to be supported by available evidence.

關鍵審計事項(續)

我們在審計中識別的關鍵審計事項概述如下：

- 存貨撥備
- 投資物業估值

關鍵審計事項**存貨撥備**

請參閱綜合財務報表附註2.13、4(i)及17

於2019年3月31日，貴集團持有存貨港幣198,549,000元。就存貨作出的撥備淨額港幣880,000元已於截至2019年3月31日止年度的綜合收益表中扣除。如綜合財務報表附註2.13的會計政策所述，存貨按成本與可變現淨值兩者之較低者入賬。

貴集團的存貨受日益轉變的消費者需求及市場趨勢影響，增加了對存貨估計撥備所涉及的判斷水平。

由於須就最終因消費者需求下降(尤其是鑑於目前零售市況波動)而撇銷或按低於成本的金額出售的項目評估作出撥備的適當水平，因此我們專注於此領域。有關判斷包括管理層對銷售預測及存貨撥備的估算。

我們的審計如何處理關鍵審計事項

我們執行以下程序以評估存貨撥備。

- 了解及測試根據與過往年度貫徹一致的過程對存貨銷售預測採取的主要控制措施；
- 經參考過往銷售記錄及與營運管理層的討論，評估銷售預測的主要假設；
- 根據賬齡情況連同反映類似產品預期壽命周期的過往銷售記錄，就按類別劃分的存貨評估貴集團存貨撥備政策的合適性；
- 與管理層討論了解已識別滯銷存貨的指標，並就該等解釋獲取證據；
- 通過審視銷售發票，將年末所持存貨的可變現淨值與最近期售價進行抽樣比較；及
- 測試存貨撥備所用的存貨賬齡情況的準確性，並根據貴集團的撥備政策，重新計算年末的存貨撥備。

根據所執行的上述程序，我們認為管理層在釐定存貨撥備方面的主要假設得到現有憑證所支持。

KEY AUDIT MATTERS (Continued)

Valuation of investment properties

Refer to Note 2.9, 4(iii) and 14 to the consolidated financial statements

Management has estimated the fair value of the Group's investment properties to be HK\$235,580,000 at 31 March 2019, with a revaluation gain for the year ended 31 March 2019 recorded in the consolidated income statement of HK\$8,908,000. Valuations by an independent external valuer were obtained in order to support management's estimates. The valuations are dependent on certain key assumptions that require significant judgement, such as adjusted passing rents and yields.

We focused on this area due to the significant amount of revaluation gain recorded for the year and the significant management judgment used to evaluate the fair value of the Group's investment properties.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's valuations of investment properties included:

- Evaluating of the independent external valuer's competence, capabilities and objectivity;
- Using our in-house valuation experts to assess the appropriateness of the valuation methodologies used by the valuer and the reasonableness of the key assumptions adopted for the valuations based on our knowledge of the local property market; and
- Checking on a sample basis the rents and yields applied by making reference to available comparable market data.

We found the key assumptions applied in the valuations of investment properties as at year end to be supported by available evidence.

關鍵審計事項(續)

投資物業估值

請參閱綜合財務報表附註2.9、4(iii)及14

管理層估計，貴集團的投資物業於2019年3月31日的公平值為港幣235,580,000元，而截至2019年3月31日止年度的綜合收益表錄得的重估收益為港幣8,908,000元。為支持管理層作出的估計，管理層取得獨立外聘估值師作出的估值。該等估值視乎若干關鍵假設，且須重大判斷，如經調整現時租金及收益。

我們關注此方面的原因是年內錄得大額重估收益及應用了重大管理層的判斷以評估貴集團投資物業的公平值。

我們的審計如何處理關鍵審計事項

我們對管理層的投資物業估值執行的程序包括：

- 評估獨立外聘估值師的才能、能力及客觀性；
- 利用我們的內部估值專家，並根據我們對本地物業市場的知識，評估估值師所採用的估值方法的恰當性及估值所採用的關鍵假設之合理性；及
- 按抽樣基準，參考現有的可資比較市場數據，以檢查所採用的租金及收益。

我們認為年末的投資物業的估值中所應用的關鍵假設由所得憑證支持。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督貴集團的財務報告過程。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chow Shiu Hay, Antonio.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 June 2019

核數師就審計綜合財務報表須承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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

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

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

出具本獨立核數師報告的審計項目合夥人是周兆熙。

羅兵咸永道會計師事務所
執業會計師

香港，2019年6月27日

Consolidated Income Statement

綜合收益表

For the year ended 31 March 2019
截至2019年3月31日止年度

		Note	2019	2018
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收益	6	959,045	929,839
Cost of sales	銷售成本	7	(741,743)	(707,370)
Gross profit	毛利		217,302	222,469
Other income and gains	其他收入及收益	6	15,961	15,887
Changes in fair value of investment properties	投資物業公平值變動	14	8,908	37,403
Selling and distribution costs	銷售及分銷費用	7	(145,725)	(143,797)
Advertising and marketing expenses	廣告及市場推廣開支	7	(23,915)	(17,310)
Administrative expenses	行政開支	7	(83,933)	(70,106)
Impairment loss on amount due from an associate	應收一間聯營公司款項減值	16	(32,720)	-
Operating (loss)/profit	經營(虧損)/利潤		(44,122)	44,546
Share of results of an associate	應佔一間聯營公司業績		-	-
(Loss)/profit before income tax	除所得稅前(虧損)/利潤		(44,122)	44,546
Income tax expense	所得稅開支	10	(2,239)	(5,399)
(Loss)/profit for the year	本年度(虧損)/利潤		(46,361)	39,147
(Loss)/profit attributable to:	(虧損)/利潤歸屬於:			
Owners of the Company	本公司擁有人		(46,691)	38,206
Non-controlling interests	非控制性權益		330	941
			(46,361)	39,147
(Loss)/earnings per share attributable to owners of the Company for the year	本年度本公司擁有人應佔每股(虧損)/盈利	11		
Basic	基本		(HK3.94 cents港仙)	HK3.22 cents港仙
Diluted	攤薄		(HK3.94 cents港仙)	HK3.22 cents港仙

The above consolidated income statement should be read in conjunction with the accompanying notes.

Details of the dividends are set out in Note 12.

上述綜合收益表應與隨附附註一同閱覽。

股息詳情載於附註12。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2019
截至2019年3月31日止年度

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
(Loss)/profit for the year	本年度(虧損)/利潤	(46,361)	39,147
Other comprehensive (loss)/income:	其他全面(虧損)/收入		
<i>Item that may be reclassified to profit or loss</i>	<i>可重新分類至損益之項目</i>		
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	(3,971)	5,203
Other comprehensive (loss)/income for the year	本年度其他全面(虧損)/收入	(3,971)	5,203
Total comprehensive (loss)/income for the year	本年度全面(虧損)/收入總額	(50,332)	44,350
Attributable to:	歸屬於：		
Owners of the Company	本公司擁有人	(50,662)	43,409
Non-controlling interests	非控制性權益	330	941
		(50,332)	44,350

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes. 上述綜合全面收益表應與隨附附註一同閱覽。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2019
於2019年3月31日

		Note	2019	2018
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	77,192	81,712
Investment properties	投資物業	14	235,580	227,235
Deposits	按金	20	13,729	12,753
Deferred tax assets	遞延稅項資產	25	86	114
Total non-current assets	非流動資產總額		326,587	321,814
Current assets	流動資產			
Inventories	存貨	17	198,549	192,301
Contract assets	合約資產	18	7,485	–
Trade receivables	貿易應收賬項	19	51,713	47,669
Amount due from an associate	應收一間聯營公司款項	16	–	29,105
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬項	20	50,085	31,972
Tax recoverable	可收回稅項		–	10
Cash and bank balances	現金及銀行結餘	21	198,178	219,486
Total current assets	流動資產總額		506,010	520,543
Total assets	資產總額		832,597	842,357
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	26	118,532	118,532
Reserves	儲備	27	521,891	571,777
			640,423	690,309
Non-controlling interests	非控制性權益		1,735	1,136
Total equity	權益總額		642,158	691,445

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應與隨附附註一同閱覽。

Consolidated Statement of Financial Position (Continued)

綜合財務狀況表 (續)

As at 31 March 2019
於2019年3月31日

		Note	2019	2018
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Accrued liabilities	應計負債	24	5,727	1,021
Deferred tax liabilities	遞延稅項負債	25	29,258	28,135
Total non-current liabilities	非流動負債總額		34,985	29,156
Current liabilities	流動負債			
Trade and bills payables	貿易應付賬項及票據	23	82,291	60,133
Contract liabilities	合約負債	22	15,174	–
Accrued liabilities and other payables	應計負債及其他應付賬項	24	48,203	50,758
Tax payable	應付稅項		9,786	10,865
Total current liabilities	流動負債總額		155,454	121,756
Total liabilities	負債總額		190,439	150,912
Total equity and liabilities	權益及負債總額		832,597	842,357
Net current assets	流動資產淨值		350,556	398,787
Total assets less current liabilities	資產總額減流動負債		677,143	720,601

The financial statements on pages 73 to 146 were approved by the Board of Directors on 27 June 2019 and were signed on its behalf.

刊載於第73頁至146頁的財務報表已於2019年6月27日獲得董事會批准，並授權由下列董事代表簽署。

Sun Tai Lun Dennis

Chairman

孫大倫

主席

Sun Tao Hung Stanley

Deputy Chairman and CEO

孫道弘

副主席及行政總裁

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應與隨附附註一同閱覽。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2019
截至2019年3月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium account ¹	Capital redemption reserve ¹	Exchange fluctuation reserve ¹	Asset revaluation reserve ¹	Retained earnings ¹	Total	Non-controlling interests	Total equity
		股本	股份溢價	資本贖回儲備	匯兌變動儲備	資產重估儲備	保留盈利	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Balance at 1 April 2017	於2017年4月1日結餘	118,532	490,378	1,619	(111)	25,387	11,095	646,900	1,853	648,753
Profit for the year	本年度利潤	-	-	-	-	-	38,206	38,206	941	39,147
Other comprehensive income:	其他全面收入：									
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	-	-	-	5,203	-	-	5,203	-	5,203
Total comprehensive income	全面收入總額	-	-	-	5,203	-	38,206	43,409	941	44,350
Total transactions with owners of the Company, recognised directly in equity:	與本公司擁有人進行的交易總額，直接於權益確認：									
Dividends	股息	-	-	-	-	-	-	-	(1,658)	(1,658)
Balance at 31 March 2018	於2018年3月31日結餘	118,532	490,378	1,619	5,092	25,387	49,301	690,309	1,136	691,445
Change of accounting policies (Note 2.2)	會計政策變動(附註2.2)	-	-	-	-	-	776	776	332	1,108
Restated total equity as at 1 April 2018	於2018年4月1日總權益(經重列)	118,532	490,378	1,619	5,092	25,387	50,077	691,085	1,468	692,553
Loss for the year	本年度虧損	-	-	-	-	-	(46,691)	(46,691)	330	(46,361)
Other comprehensive loss:	其他全面虧損：									
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	-	-	-	(3,971)	-	-	(3,971)	-	(3,971)
Total comprehensive (loss)/income	全面(虧損)/收入總額	-	-	-	(3,971)	-	(46,691)	(50,662)	330	(50,332)
Total transactions with owners of the Company, recognised directly in equity:	與本公司擁有人進行的交易總額，直接於權益確認：									
Dividends	股息	-	-	-	-	-	-	-	(63)	(63)
Balance at 31 March 2019	於2019年3月31日結餘	118,532	490,378	1,619	1,121	25,387	3,386	640,423	1,735	642,158

¹ These reserve accounts comprise the consolidated reserves of HK\$521,891,000 (2018: HK\$571,777,000) in the consolidated statement of financial position.

¹ 此等儲備賬包括於綜合財務狀況表之綜合儲備港幣521,891,000元(2018年：港幣571,777,000元)。

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與隨附附註一同閱覽。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2019
截至2019年3月31日止年度

	Note	2019	2018
	附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Cash flows from operating activities			
(Loss)/profit before income tax		(44,122)	44,546
Adjustments for:			
Interest income	6	(2,218)	(2,663)
Depreciation of property, plant and equipment	7	20,705	19,167
Losses/(gains) on disposals of property, plant and equipment	7	615	(7)
Provision/(reversal of provision) for inventories	7	880	(6,684)
Changes in fair value of investment properties	14	(8,908)	(37,403)
Impairment loss on amount due from an associate		32,720	–
		(328)	16,956
Changes in working capital			
Increase in inventories		(11,094)	(31,274)
Increase in contract assets		(7,485)	–
Decrease/(increase) in trade receivables		1,030	(6,830)
(Increase)/decrease in deposits, prepayments and other receivables		(19,078)	8,646
Increase in trade and bills payables		22,158	18,394
Increase in contract liabilities		12	–
Increase/(decrease) in accrued liabilities and other payables		14,989	(1,962)
Cash generated from operations		204	3,930
Hong Kong profits tax refunded		42	2,759
Hong Kong profits tax paid		(1,549)	(386)
Overseas taxes paid		(328)	(324)
Net cash (used in)/generated from operating activities		(1,631)	5,979

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述綜合現金流量表應與隨附附註一同閱覽。

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表 (續)

For the year ended 31 March 2019
截至2019年3月31日止年度

		Note	2019	2018
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Cash flows from investing activities	投資活動之現金流動			
Interest received	已收利息		2,218	2,663
Purchases of property, plant and equipment	購入物業、廠房及設備	13, 34	(14,627)	(26,092)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項		89	82
Decrease in non-pledged time deposits with original maturity of more than three months	原到期日超過三個月之無抵押定期存款減少	21	1,795	30,969
Advances to an associate	向一間聯營公司的墊款		(3,615)	(7,280)
Net cash (used in)/generated from investing activities	投資活動(所用)/所得之現金淨額		(14,140)	342
Cash flows from a financing activity	融資活動之現金流動			
Dividend paid and net cash used in a financing activity	已付股息及融資活動所用之現金淨額		(821)	(820)
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目之(減少)/增加淨額		(16,592)	5,501
Cash and cash equivalents at beginning of year	年初現金及現金等值項目		192,075	182,800
Exchange (losses)/gains on cash and cash equivalents	現金及現金等值項目之匯兌(虧損)/收益		(2,921)	3,774
Cash and cash equivalents at end of year	年終現金及現金等值項目	21	172,562	192,075

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附附註一同閱覽。

1 GENERAL INFORMATION

China-Hongkong Photo Products Holdings Limited (the “Company”) is a limited company incorporated in Bermuda. The registered office of the Company is located at Canon’s Court, 22 Victoria Street, Hamilton, HM 12, Bermuda. The principal place of business of the Company is located at 8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road, Tsuen Wan, Hong Kong.

The Company and its subsidiaries (the “Group”) is principally involved in (i) the marketing and distribution of photographic developing, processing and printing products and sale of photographic merchandises, skincare products, consumer electronic products and household appliances; and (ii) the provision of technical services for photographic developing and processing products, professional audio-visual advisory and custom design and installation services.

In the opinion of the Directors, the immediate holding company of the Company is Search Group Limited and the ultimate holding company of the Company is Fine Products Limited. Both of the holding companies are incorporated in the British Virgin Islands.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 一般資料

中港照相器材集團有限公司(「本公司」)為一間於百慕達註冊成立之有限公司。本公司註冊辦事處位於Canon’s Court, 22 Victoria Street, Hamilton, HM 12, Bermuda。本公司之主要營業地址為香港荃灣德士古道220-248號荃灣工業中心8樓。

本公司及其附屬公司(「本集團」)主要從事(i)推廣及經銷攝影、沖印及印刷產品，以及銷售照相商品、護膚產品、消費電子產品及家用電器；及(ii)提供照相沖印產品技術服務、專業影音顧問訂製、設計及安裝服務。

董事認為，本公司的直接控股公司為Search Group Limited及最終控股公司為Fine Products Limited。兩間控股公司均於英屬處女群島註冊成立。

本公司以香港聯合交易所有限公司主板為第一上市地。

除非另有註明，本綜合財務報表乃以港幣(「港幣」)呈報。

2 主要會計政策概要

編製綜合財務報表之主要會計政策載列如下。除另行說明外，該等政策於各期間內一致地應用。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation

(i) Compliance with HKFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) and requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622.

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of investment properties, which are measured at fair value.

(iii) New standards, amendments to standards and interpretation adopted by the Group

The Group has applied the following new standards, amendments to existing standards and interpretation for the first time for their financial year beginning on 1 April 2018:

Detailed impact of adoption of HKFRS 9 and HKFRS 15 are disclosed in Note 2.2. The adoption of other new and amended standards and interpretation did not have any material impact on the current period and any prior periods.

Annual Improvements Project	Annual Improvements 2014-2016 Cycle
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HKFRS 15 (Amendments)	Clarification of HKFRS 15
HKAS 40 (Amendments)	Transfers of Investment Property
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

2 主要會計政策概要(續)

2.1 編製基準

(i) 遵守香港財務報告準則及香港公司條例

本集團綜合財務報表乃按香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)及香港公司條例(第622章)(「香港公司條例」)披露規定而編製。

(ii) 歷史成本法編製

綜合財務報表乃按歷史成本法編製，惟重估投資物業按公平值計量。

(iii) 本集團採納之新訂準則、準則修訂本及詮釋

本集團已於2018年4月1日開始之財政年度首次應用以下新訂準則、現有準則的修訂本及詮釋：

採納香港財務報告準則第9號及香港財務報告準則第15號的詳情影響於附註2.2披露。採納其他新訂及經修訂準則及詮釋對本期間及任何過往期間並無任何重大影響。

年度改進項目	二零一四年至二零一六年週期之年度改進
香港財務報告準則第2號(修訂)	股份支付交易的分類及計量
香港財務報告準則第4號(修訂)	應用香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益
香港財務報告準則第15號(修訂)	香港財務報告準則第15號的澄清
香港會計準則第40號(修訂)	投資物業轉讓
香港(國際財務報告詮釋委員會)第22號	外幣交易及預付代價

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(iv) New standards and amendments to existing standards and interpretation that have been issued but not effective and have not been early adopted by the Group

		Effective for annual periods beginning on or after			於以下日期或 之後開始年度 期間生效
Annual Improvements Project (Amendments)	Annual Improvements 2015-2017 Cycle	1 April 2019	年度改進項目(修訂)	二零一五年至二零一七年 週期之年度改進	2019年4月1日
HKAS 19 (Amendments)	Plan Amendment, Curtailement or Settlement	1 April 2019	香港會計準則 第19號(修訂)	計劃修訂、縮減 或清償	2019年4月1日
HKAS 28 (Amendments)	Long-Term Interests in Associates and Joint Ventures	1 April 2019	香港會計準則 第28號(修訂)	於聯營公司及合營公司 的長期權益	2019年4月1日
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation	1 April 2019	香港財務報告準則 第9號(修訂)	具有負補償之預付款特性	2019年4月1日
HKFRS 16	Leases	1 April 2019	香港財務報告準則 第16號	租賃	2019年4月1日
HK (IFRIC) - Int 23 (New Interpretation)	Uncertainty Over Income Tax Treatments	1 April 2019	香港(國際財務報告 詮釋委員會)一詮釋 第23號(新詮釋)	所得稅處理的不確定性	2019年4月1日
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting	1 April 2020	2018年財務報告的 概念框架	修訂財務報告的概念框架	2020年4月1日
HKFRS 3 (Amendments)	Definition of a Business	1 April 2020	香港財務報告準則 第3號(修訂)	業務的定義	2020年4月1日
HKAS 1 and HKAS 8 (Amendments)	Definition of Material	1 April 2020	香港會計準則第1及 香港會計準則 第8號(修訂)	重大的定義	2020年4月1日
HKFRS 17	Insurance Contracts	1 April 2021	香港財務報告準則 第17號	保險合約	2021年4月1日
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	To be determined	香港財務報告準則 第10號及香港會計 準則第28號(修訂)	投資者與其聯營公司或 合營企業之間的資產 出售或注資	待定

2 主要會計政策概要(續)

2.1 編製基準(續)

(iv) 已頒佈但尚未生效且本集團並未提早採納的新訂準則及現有準則的修訂本及詮釋

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(iv) New standards and amendments to existing standards and interpretation that have been issued but not effective and have not been early adopted by the Group (Continued)

The Group intends to adopt the above new standards, amendments to existing standards and interpretation when they become effective. The Group's assessment of the impact of these new and amended standards and interpretation is set out below.

HKFRS 16 "Leases" — effective for financial years beginning on or after 1 April 2019

Nature of change

HKFRS 16 will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. In the consolidated statement of profit or loss, rental expenses are not recognised while amortisation arising from the right-of-use assets and interest expense on the lease liabilities are recognised.

Impact

Based on management's initial assessment, the initial adoption of HKFRS 16 in the future will result in an increase in the right-of-use assets and the lease liabilities, which is expected to result in a significant increase in both assets and liabilities in the consolidated balance sheet. The adoption will also front-load the expense recognition in the consolidated statement of profit or loss over the period of the leases, as a result of the combination of the interest expenses arising from the lease liabilities and the amortisation of the right-of-use assets as compared to the rental expenses under existing standard.

Date of adoption by the Group

The Group will apply the standard from its mandatory adoption date of 1 April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

There are no other new and amended standards and interpretation that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 主要會計政策概要(續)

2.1 編製基準(續)

(iv) 已頒佈但尚未生效且本集團並未提早採納的新訂準則及現有準則的修訂本及詮釋(續)

本集團擬於生效後採納上述新訂準則、現有準則之修訂及詮釋。本集團對該等新訂及經修訂準則及詮釋的影響的評估載列如下。

香港財務報告準則第16號「租賃」— 自2019年4月1日或之後開始的財政年度有效

變動之性質

香港財務報告準則第16號將導致承租人須在資產負債表中確認幾乎所有租約，此乃由於經營租賃與融資租賃之間的區別被移除。根據新準則，須確認一項資產(使用租賃項目的權利)及支付租金之金融負債。唯一的例外情況為短期及低價值租賃。在綜合損益表中，租賃支出不予確認，而使用權資產產生的攤銷及租賃負債產生的利息支出予以確認。

影響

根據管理層的初步評估，未來初步採納香港財務報告準則第16號將導致使用權資產及租賃負債增加，預期將導致綜合資產負債表中的資產及負債顯著增加。對比現行準則下的租賃支出，由於租賃負債產生的利息支出與使用權資產攤銷相結合，採用新準則也將導致在租賃期內提早在綜合損益表中確認費用。

本集團之採納日期

本集團將於強制採納日期2019年4月1日起應用該準則。本集團擬應用簡易過渡方式，且將不會重列首次採納之前年度之比較金額。

概無其他尚未生效且預期對本集團於本報告期間或未來報告期間的權益及可預見未來交易造成重大影響的新訂及經修訂準則及詮釋。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Change of accounting policies

This note explains the impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers on the Group's financial statements.

The Group applied the modified retrospective approach to adopt HKFRS 9 and HKFRS 15 without restating comparative information. The reclassifications and the adjustments arising from the new accounting policies are therefore not reflected in the restated consolidated statement of financial position as at 31 March 2018, but are recognised in the opening consolidated statement of financial position on 1 April 2018.

(i) HKFRS 9 – impact of adoption

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting. The new accounting policies are set out in Notes 2.11 and 2.14 below.

(a) Classification and measurement of financial instruments

The adoption of HKFRS 9 did not have a significant impact on the classification and measurement of the Group's financial assets. Trade receivables, deposits and other receivables as well as amount due from an associate are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under HKFRS 9. Therefore, reclassification for these instruments is not required. These financial assets continue to be measured at amortised cost and are subsequently measured using effective interest rate method.

2 主要會計政策概要(續)

2.2 會計政策之變動

本附註解釋採納香港財務報告準則第9號及香港財務報告準則第15號對本集團財務報表的影響。

本集團採用追溯調整法採納香港財務報告準則第9號及香港財務報告準則第15號，並未進行重列。因此，因新訂會計政策所引致的重新分類及調整並未反映在2018年3月31日已重述的綜合財務狀況表中，惟確認於2018年4月1日期初綜合財務狀況表內。

(i) 香港財務報告準則第9號 – 採納之影響

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債確認、分類及計量、金融資產減值及對沖會計處理的規定。新會計政策載於附註2.11及附註2.14。

(a) 金融工具分類及計量

本集團採納香港財務報告準則第9號不會對其金融資產的分類及計量造成重大影響。貿易應收賬項、按金及其他應收賬項以及應收一間聯營公司款項乃以收取合約現金流量為目的而持有的資產，並預期會產生僅為支付本金及利息的現金流量。本集團已評估該等金融工具的合約現金流量特徵，並認為其符合香港財務報告準則第9號下的攤餘成本計量標準。因此，毋須對該等金融工具進行重新分類。該等金融資產繼續按攤餘成本計量，且其後採用實際利率法計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Change of accounting policies (Continued)

(i) HKFRS 9 – impact of adoption (Continued)

(a) Classification and measurement of financial instruments (Continued)

There is no impact on Group's accounting for financial liabilities, as the new requirement under HKFRS 9 only affects the accounting for financial liabilities that are designated at fair value through profit or loss of which the Group does not have any.

(b) Impairment of financial assets

The Group has the following types of assets that are subject to HKFRS 9's new expected credit loss model ("ECL model"):

- Trade receivables
- Contract assets
- Deposits and other receivables (excluding prepayments)
- Amount due from an associate

The Group applies the simplified approach to provide expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables from third parties and contract assets. For deposits and other receivables, the impairment provision was limited to 12 months expected losses. Management considered these financial assets to be of low credit risk at the date of initial application.

The Group considers the probability of default upon initial recognition of amount due from an associate and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on amount due from an associate as at the reporting date with the risk of default as at the date of initial recognition.

Based on the assessment performed by the Group, the impact of adopting the ECL model under HKFRS 9 was not significant. Therefore, the Group made no adjustment to the opening balance of retained earnings at the date of initial application.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(i) 香港財務報告準則第9號 – 採納之影響(續)

(a) 金融工具分類及計量(續)

由於香港財務報告準則第9號下的新規定僅影響被指定為按公平價值計入損益的金融負債的會計處理，而本集團並無任何該類金融負債，因此對本集團的金融負債會計處理並無影響。

(b) 金融資產減值

本集團有以下資產受限於香港財務報告準則第9號的新預期信貸虧損模式(「預期信貸虧損模式」):

- 貿易應收賬項
- 合約資產
- 按金及其他應收賬項(預付款項除外)
- 應收一間聯營公司款項

本集團應用香港財務報告準則第9號規定的簡化方法為預期信貸虧損計量損失撥備，該準則允許所有來自第三方之貿易應收賬項及合約資產採用存續期間之信貸損失撥備。對於按金及其他應收賬項，減值撥備以未來12個月之預期信貸虧損為限。管理層認為，於首次應用日期，該等金融資產屬低信貸風險。

本集團於初始確認應收一間聯營公司款項時考慮違約的可能性，並評估於各報告期內其信貸風險是否持續顯著增加。為評估信貸風險是否顯著增加，本集團將應收一間聯營公司款項於報告日期發生違約的風險與於初始確認日期發生違約的風險進行比較。

基於本集團進行之評估，採用香港財務報告準則第9號下之預期信貸虧損模式影響不大。因此，於首次採納日期本集團並無對期初之保留盈利結餘作出調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Change of accounting policies (Continued)

(ii) HKFRS 15 – impact of adoption

The Group has adopted HKFRS 15 “Revenue from Contracts with Customers” from 1 April 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements.

The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail below.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(ii) 香港財務報告準則第15號 – 採納之影響

本集團已自2018年4月1日起採納香港財務報告準則第15號「客戶合約收益」，此導致會計政策之變更及於綜合財務報表中確認之金額之調整。

下表呈列了就每個報表項目的調整。不受影響的報表項目不包括在內。因此，所披露的小計和總計無法根據以下所呈列的數字重新計算得出。所作出的調整會於以下作出更詳盡的解釋。

		31 March 2018 2018年 3月31日 HK\$'000 港幣千元	Reclassificat- ion under HKFRS 15 根據香港 財務報告 準則第15號 重新分類 HK\$'000 港幣千元 (Note 附註 (ii)(b), (iii))	Recognition of sales under HKFRS 15 根據香港 財務報告 準則第15號 確認銷售 HK\$'000 港幣千元 (Note 附註 (d))	1 April 2018 (Restated) 2018年 4月1日 (經重列) HK\$'000 港幣千元
Consolidated statement of financial position (extract) 綜合財務狀況表(摘錄)					
Current assets 流動資產					
Inventories	存貨	192,301	–	(3,966)	188,335
Trade receivables	貿易應收賬項	47,669	–	5,074	52,743
Total assets	資產總額	842,357	–	1,108	843,465
Current liabilities 流動負債					
Contract liabilities	合約負債	–	15,162	–	15,162
Accrued liabilities and other payables	應計負債及 其他應付賬項	50,758	(15,162)	–	35,596
Total liabilities	負債總額	150,912	–	–	150,912
Net assets 資產淨值					
Retained earnings	保留盈利	49,301	–	776	50,077
Non-controlling interests	非控制性權益	1,136	–	332	1,468
Total equity	權益總額	691,445	–	1,108	692,553

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Change of accounting policies (Continued)

(ii) HKFRS 15 – impact of adoption (Continued)

(a) Sales of goods

Under HKFRS 15 the Group concluded that revenue from the sales of products will continue to be recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the products. Therefore, the adoption of HKFRS 15 did not have an impact on the timing of revenue recognition. As receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Sales of goods – customer loyalty programmes

The Group operates loyalty points programmes, which allow customers to accumulate points when they purchase products. The points can be redeemed for free products, subject to a minimum number of points obtained. Prior to the adoption of HKFRS 15, the loyalty programmes offered by the Group resulted in the allocation of a portion of the transaction price to the loyalty programme using the fair value of points issued and recognition of the accrued liabilities in relation to points issued but not yet redeemed or expired. The Group concluded that under HKFRS 15 the loyalty points give rise to a separate performance obligation because they provide a material right to the customers and allocated a portion of the transaction price to the loyalty points awarded to customers based on the relative stand-alone selling price. The accrued liabilities related to these loyalty points programmes were reclassified to contract liabilities.

(c) Rendering of services – provision of technical services for photographic developing and processing products

Under HKFRS 15, the Group concluded that revenue from the provision of the above services will continue to be recognised over time when the services have been rendered. Therefore, the adoption of HKFRS 15 did not have an impact on the timing of revenue recognition of these services.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(ii) 香港財務報告準則第15號 – 採納之影響(續)

(a) 銷售產品

根據香港財務報告準則第15號，本集團確定，來自銷售貨品的收益應在資產之控制權轉讓至客戶時確認，一般於交付產品時。因此，採納香港財務報告準則第15號並無對收入確認的時間構成影響。由於直至到期付款為止只需要時間流逝，故當交付產品時，代價於此時間點成為無條件，所以應收賬款在交付產品時確認。

(b) 銷售產品 – 客戶忠誠計劃

本集團設有忠誠獎賞計劃，客戶可於購買產品時累積分數。積分可用作兌換免費產品，惟受限於所得積分下限。於採納香港財務報告準則第15號前，本集團提供的忠誠計劃為利用已發放積分的公平值，令交易價格的一部份分配至忠誠計劃，並就已發放但未兌換或未到期之積分確認應計負債。本集團認為，根據香港財務報告準則第15號，忠誠積分引致個別的履約責任，原因是其向客戶提供一項重要權利，並按相關獨立售價分配一部分交易價格至授予客戶的忠誠積分。該等忠誠獎賞計劃的相關應計負債已重新分類至合約負債。

(c) 提供服務 – 提供攝影及沖印產品技術服務

根據香港財務報告準則第15號，本集團認為，當提供服務後，來自提供上述服務的收益將繼續隨時間經過確認。因此，採納香港財務報告準則第15號並無對該等服務的收益確認時間構成影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Change of accounting policies (Continued)

(ii) HKFRS 15 – impact of adoption (Continued)

(d) Rendering of services – provision of professional audio-visual advisory and custom design and installation services

The Group provides installation services. These services are sold in bundle together with the sale of audio visual equipment to customers. The installation services can be obtained from other providers and do not significantly customise or modify the products. Under HKAS 18, revenue is only recognised upon completion of the services bundles. Under HKFRS 15, the Group concluded that revenue from the sales of audio visual equipment is recognised at a point in time upon delivery of the product, and revenue from installation service is recognised over time when the services have been rendered. To reflect the change in policy, the Group recognised trade receivables of HK\$5,074,000 and derecognised inventory of HK\$3,966,000, resulting in net adjustment to retained earnings of HK\$776,000 and non-controlling interests of HK\$332,000.

(e) Financing component

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The new accounting policies adopted from 1 April 2018 are set out in Note 2.21.

(iii) HKFRS 15 – presentation of assets and liabilities related to contracts with customers

The Group has also changed the presentation of the following amounts in the statement of financial position to reflect the terminology of HKFRS 15:

- Contract liabilities in relation to receipts in advance from customers were previously presented in accrued liabilities and other payables (HK\$14,646,000 as at 1 April 2018)
- Contract liabilities in relation to customer loyalty programmes were previously recognised in accrued liabilities and other payables (HK\$516,000 as at 1 April 2018, see above Note (ii)(b)).

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

(ii) 香港財務報告準則第15號 – 採納之影響(續)

(d) 提供服務 – 專業影音顧問訂製、設計及安裝服務

本集團提供安裝服務。此等服務隨影音設備一起同捆銷售。安裝服務亦可從其他供應商取得，並不會大幅定制或修改產品。根據香港會計準則18號，收益僅於完成同捆服務時確認。根據香港財務報告準則第15號，本集團認為，來自銷售影音設備的收益將於交付影音設備時確認，而來自安裝服務的收益乃於提供服務時隨時間經過確認。為反映政策變動，本集團確認貿易應收賬項港幣5,074,000元及終止確認存貨港幣3,966,000元，導致對保留盈利港幣776,000元及非控制性權益港幣332,000元作出淨調整。

(e) 融資成分

本集團預期合約中自所承諾貨品或服務轉移予客戶至客戶付款的期限並無超過一年。因此，本集團並無就貨幣時間價值調整任何交易價格。

於2018年4月1日所採納之新會計政策載於附註2.21。

(iii) 香港財務報告準則15號 – 呈列與客戶合約有關的資產及負債

本集團已更改財務狀況表中所呈報以下金額，以反映香港財務報告準則第15號術語：

- 與來自客戶的預收款項有關的合約負債先前列報在應計負債及其他應付賬項中(於2018年4月1日為港幣14,646,000元)。
- 與客戶忠誠計劃有關的合約負債先前列報在應計負債及其他應付賬項中(於2018年4月1日為港幣516,000元，見上文附註(ii)(b))。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.4).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

2 主要會計政策概要(續)

2.3 綜合原則及權益會計處理

(i) 附屬公司

附屬公司均為本集團對其具有控制權的實體(包括結構性實體)。當本集團因參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其領導該實體業務的權力影響此等回報時，本集團即控制該實體。附屬公司自控制權轉移至本集團之日起合併入賬，自控制權終止之日起停止合併入賬。

本集團採用收購會計法將業務合併入賬(見附註2.4)。

集團內公司間交易、結餘及集團內公司間交易的未變現收益會予以對銷。除非有關交易有證據顯示所轉讓資產減值，未變現虧損亦會對銷。附屬公司之會計政策已於需要時作出變動，以符合本集團所採納的會計政策。

附屬公司業績及權益中的非控制性權益分別於綜合收益表、全面收益表、權益變動表及財務狀況表中單獨呈列。

(ii) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權或共同控制權的實體，通常本集團持有20%-50%投票權的股權。於聯營公司的投資於初步按成本確認後以權益會計法(見下文(iii))入賬。

(iii) 權益會計法

根據權益會計法，投資初始以成本確認，其後予以調整以在損益確認本集團享有被投資者在收購日期後的損益份額，以及在其他全面收益確認本集團享有被投資者其他全面收益變動的份額。已收或應收聯營公司股息確認為投資賬面值減少。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting (Continued)

(iii) Equity method (Continued)

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.11.

(iv) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

2 主要會計政策概要(續)

2.3 綜合原則及權益會計處理(續)

(iii) 權益會計法(續)

如本集團享有一項按權益會計法入賬投資的虧損份額等於或超過其在該實體的權益，包括任何其他無抵押長期應收款，本集團不會確認進一步虧損，除非本集團對另一實體已產生債務或已代該另一實體作出付款。

本集團與其聯營公司的交易的未變現收益以本集團於該等實體的權益撇銷。未變現虧損亦予撇除，除非該交易證明所轉讓資產出現減值。於有需要時，以權益會計法入賬被投資者的會計政策已予調整，以確保與本集團採納的政策貫徹一致。

以權益會計法入賬投資的賬面值根據附註2.11所述的政策進行減值測試。

(iv) 擁有人權益變動

本集團將與非控制性權益交易(並不導致喪失控制權)視作與本集團權益擁有人交易。擁有人權益變動導致控制性權益與非控制性權益賬面值之間的調整以反映彼等於附屬公司的相對權益。非控制性權益調整數額與任何已付或已收代價之間的任何差額於本集團擁有人應佔權益中的獨立儲備內確認。

當本集團因喪失控制權或重大影響力而停止合併入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公平值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司之保留權益，其公平值為初始賬面值。此外，先前於其他全面收入確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。此意味先前在其他全面收入確認之金額重分類至損益或根據適用香港財務報告準則之規定／許可轉撥至另一類權益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting (Continued)

(iv) Changes in ownership interests (Continued)

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- (i) fair values of the assets transferred
- (ii) liabilities incurred to the former owners of the acquired business
- (iii) equity interests issued by the Group
- (iv) fair value of any asset or liability resulting from a contingent consideration arrangement, and
- (v) fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- (i) consideration transferred;
- (ii) amount of any non-controlling interest in the acquired entity; and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2 主要會計政策概要(續)

2.3 綜合原則及權益會計處理(續)

(iv) 擁有人權益變動(續)

倘於一間聯營公司的擁有權權益減少但保留重大影響力，則先前於其他全面收入確認的金額僅有一定比例份額重分類至損益(如適用)。

2.4 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論是否已收購權益工具或其他資產。收購一間附屬公司轉讓的代價包括：

- (i) 所轉讓資產的公平值
- (ii) 被收購業務前擁有人所產生的負債
- (iii) 本集團已發行股權
- (iv) 或然代價安排產生的任何資產或負債公平值；及
- (v) 於附屬公司任何先前存在的股權的公平值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債初步按其於收購日期的公平值計量(少數例外情況除外)。本集團根據個別收購交易按公平值或非控制性權益享有被收購實體可識別資產淨值的份額比例確認於被收購實體的任何非控制性權益。

收購相關成本於產生時支銷。

當

- (i) 所轉讓代價；
- (ii) 被收購實體的任何非控制性權益金額；及
- (iii) 先前於被收購實體前的任何股權於收購日期的公平值

超出所收購可識別資產淨值的公平值時，其差額以商譽列賬。倘該等款項低於所收購業務的可識別資產淨值的公平值，則差額將直接於損益中確認為廉價購買。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combinations (Continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.5 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2 主要會計政策概要(續)

2.4 業務合併(續)

倘現金對價的任何部分被延期結算，則未來的應付金額將按交換日的現值貼現。所用貼現率為實體的增量借款利率，即按可資比較的條款和條件自獨立融資方獲得類似借款的利率。或然代價歸類為權益或金融負債。歸類為金融負債之金額其後按公允值重新計量，並於損益內確認公允值變動。

倘業務合併分階段完成，收購方過往於被收購方所持股權於收購日期的賬面值重新計量至收購日期的公平值。該項重新計量所產生的任何收益或虧損，於損益中確認。

2.5 獨立財務報表

附屬公司的投資按成本扣除減值列賬。成本包括投資的直接應佔成本。附屬公司的業績由本公司按已收股息及應收款項入賬。

當從附屬公司的投資收取的股息超過附屬公司在股息宣派期間的全面收益總額，或該投資在個別財務報表的賬面值超過被投資者資產淨值(包括商譽)在綜合財務報表的賬面值時，則須對有關投資進行減值測試。

2.6 分部報告

經營分部按與向主要經營決策者提交的內部報告一致的方式呈報。作出戰略決定的董事會被視為負責分配資源及評估經營分部表現的主要經營決策者。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the consolidated income statement.

All foreign exchange gains or losses are presented in the consolidated income statement on a net basis within "administrative expenses".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Except for investment properties, translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of all of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that statement of financial position;
- (b) income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting currency translation differences are recognised in other comprehensive income.

2 主要會計政策概要(續)

2.7 外幣換算

(i) 功能及呈報貨幣

本集團各實體的財務報表所列項目，乃按該實體經營業務所在的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表乃以本公司的功能及呈報貨幣港幣呈列。

(ii) 交易及結餘

外幣交易均按交易當日的現行匯率換算為功能貨幣。因結算該等交易及因按年結日匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益或虧損一般於綜合收益表確認。

所有外匯損益按淨額基準於綜合收益表「行政開支」項下呈列。

以公平值計量的非貨幣性項目採用公平值釐定當日的匯率換算。按公平值列賬的資產及負債的匯兌差額列報為公平值收益或虧損的一部分。

(iii) 集團公司

採用有別於呈報貨幣之功能貨幣之所有集團實體(當中並無惡性通貨膨脹經濟體系之貨幣)，其業績及財務狀況以下述方式換算為呈報貨幣：

- (a) 所呈列各資產負債表之資產及負債按有關財務狀況表日期之收市匯率換算；
- (b) 各收益表及全面收益表之收入及支出按平均匯率換算(惟倘該平均數並非交易日期適用匯率累計影響之合理概約數字，則收入及支出按交易日期之匯率換算)；及
- (c) 所產生之匯兌差額於其他全面收入確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Leasehold land and buildings	5% or over the remaining lease terms
Furniture, fixtures and leasehold improvements	20% to 33 1/3%
Machinery and equipment	20%
Motor vehicles	20%

The assets' residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains or losses on disposals are determined by comparing the proceeds with carrying amount and are recognised within "selling and distribution costs" and "administrative expenses" in the consolidated income statement.

2 主要會計政策概要(續)

2.8 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及任何減值虧損列賬。歷史成本包括購置項目之直接應佔開支。

僅當與項目有關之未來經濟利益很可能流入本集團，而項目之成本能夠可靠地計量時，後續成本方會計入資產之賬面值或確認為獨立資產(如適用)。被替換部分之賬面值終止確認。所有其他維修及保養於其產生之財政期間內於綜合收益表扣除。

折舊乃採用直線法計算以分配成本或重估金額，扣除預計使用年期之剩餘價值(或倘租賃裝修及若干租賃廠房及設備，則以較短期計算)如下：

租賃土地及樓宇	5%或租約剩餘年期
傢俬、裝置及租賃物業裝修	20%至33 1/3%
機器及設備	20%
汽車	20%

資產之剩餘價值，使用年期及折舊方法於各報告期間末審閱及在適當時進行調整。

倘資產的賬面值大於其估計可收回金額(附註2.10)，則該資產的賬面值即時撇減至其可收回金額。

出售盈虧按所得款與賬面值的差額釐定，並在綜合收益表內的「銷售及分銷費用」以及「行政開支」中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated income statement within "changes in fair value of investment properties".

Any gains or losses on the retirement or disposal of an investment property are recognised in the consolidated income statement in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment" (Note 2.8).

2 主要會計政策概要(續)

2.9 投資物業

投資物業主要由租賃土地和樓宇組成，持有為獲得長期租金收益或作為資本增值或兩者兼備，同時並非由本集團佔用。投資物業初始按成本列賬，包括相關的交易成本及(如適用)借款成本。在初始確認後，投資物業按公平值列賬，公平值指由外部估值師於每個報告日期釐定的公開市值。公平值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整。如沒有資料，本集團利用其他估值方法，例如較不活躍市場的近期價格或貼現現金流量預測法。公平值變動在綜合收益表內記錄為「投資物業公平值變動」。

棄用或出售投資物業之盈虧在棄用或出售當年之綜合收益表中確認。

由投資物業轉為自置物業時，該物業其後核算之認定成本按改變用途當日之公平值入賬。倘本集團持有的自置物業轉為投資物業，本集團依照「物業、廠房及設備與折舊」項下條款將該物業入賬，直至物業用途轉變當日為止，而該物業賬面值與公平值於該日期之差額則根據「物業、廠房及設備」項下條款入賬列作重新估值(附註2.8)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.11 Investments and other financial assets

Accounting policies applied from 1 April 2018 onwards

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 主要會計政策概要(續)

2.10 非金融資產減值

可使用年期不確定之資產無須進行攤銷，並每年須進行減值測試，或倘發生事件或情況變動表示其可能減值時進行更頻繁的減值測試。凡有事件或情況變化顯示賬面值可能無法收回時，則其他資產會進行減值測試。按資產之賬面值超過其可收回金額之差額確認減值虧損。可收回金額為公平值減出售成本與其可使用價值中較高者。就評估減值而言，資產按可單獨分辨現金流量(大部分是獨立於其他資產或資產組合的現金流入)(現金產生單位)最小單位予以分類。於各報告期審視出現減值之非金融資產是否有可能回撥，商譽則屬除外。

2.11 投資及其他金融資產

自2018年4月1日起應用之會計政策

(i) 分類

本集團按以下計量類別對其金融資產進行分類：

- 其後以公平價值計量(且其變動計入其他全面收入或損益)的金融資產，及
- 以攤餘成本計量的金融資產。

該分類取決於主體管理金融資產的業務模式及現金流量的合約條款。

對於以公平值計量的金融資產，其收益和虧損計入損益或其他全面收入。對於非交易性的權益工具投資，其收益和虧損的計量將取決於本集團在初始確認時是否作出不可撤銷的選擇而將其指定為以公平值計量且其變動計入其他全面收入。

本集團當且僅當管理該等資產的業務模式發生變動時方重新分類債務投資。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets (Continued)

Accounting policies applied from 1 April 2018 onwards (Continued)

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income and gains. Impairment losses are presented as separate line item in the consolidated income statement.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised as other gains, net in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

2 主要會計政策概要(續)

2.11 投資及其他金融資產(續)

自2018年4月1日起應用之會計政策(續)

(ii) 確認及取消確認

金融資產之一般買賣在交易日確認。交易日指本集團承諾買賣該資產之日。當收取金融資產現金流量的權利已屆滿或轉讓，且本集團已轉讓所有權的絕大部分風險及回報時，則會取消確認金融資產。

(iii) 計量

於初步確認時，本集團按金融資產之公平值加(倘並非按公平值計入損益之金融資產)直接歸屬於金融資產收購之交易成本計量。按公平值計入損益之金融資產的交易成本於損益支銷。

債務工具

債務工具的後續計量取決於本集團管理該資產的業務模式以及該資產的現金流量特徵。對於持有以收取合約現金流量的資產，如果合約現金流量僅代表對本金和利息的支付，則該資產以攤餘成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的收益和虧損直接計入損益，並列示在其他收入及收益。減值虧損作為單獨的項目於綜合收益表呈列。

權益工具

本集團以公平值對所有權益工具投資進行後續計量。如果本集團管理層選擇將權益工具投資的公平值收益和虧損計入其他全面收入，則當終止確認該項投資時，不會將累計的公平值收益和虧損重新分類至損益。對於股利，當本集團已確立收取股利的權利時，該等投資的股利才作為其他收入而計入損益。

對於以公平值計量且其變動計入損益的金融資產，其公平值變動列示於綜合收益表的其他收入及收益中。對於以公平值計量且其變動計入其他全面收入的權益工具投資，其減值損失(以及減值損失轉回)不與其他公平值變動單獨列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets (Continued)

Accounting policies applied from 1 April 2018 onwards (Continued)

(iv) Impairment

From 1 April 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Impairment losses are presented in the consolidated income statement. For trade receivables and contract assets, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. For the other financial assets, expected credit losses are assessed according to change in credit quality since initial recognition.

Accounting policies applied until 31 March 2018

(i) Classification

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. See Note 31 for details about the financial assets.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade receivables, deposits and other receivables, cash and bank balances and amount due from an associate in the consolidated statement of financial position.

(ii) Recognition, measurement and derecognition

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

2 主要會計政策概要(續)

2.11 投資及其他金融資產(續)

自2018年4月1日起應用之會計政策(續)

(iv) 減值

2018年4月1日起，對於以攤餘成本計量的債務工具投資，本集團就其預期信貸虧損做出前瞻性評估。減值方法取決於其信貸風險是否顯著增加。減值損失列示在綜合收益表中。對於應收賬款，本集團採用香港財務報告準則第9號允許的簡化方法，在初始確認時計量應收賬款整個存續期的預期信貸虧損。對於其他金融資產，預期信貸虧損乃按照自初次確認起的信貸質素變動評估。

直至2018年3月31日應用之會計政策

(i) 分類

本集團將其金融資產分類為貸款及應收賬項。金融資產按購買目的分類。管理層於初步確認金融資產時將其分類。金融資產的詳情見附註31。

貸款及應收賬項指具有固定或可確定款項，但在活躍市場中無報價之非衍生金融資產。該等款項計入流動資產，惟在或預期將在報告期末起計超過12個月結算之款項除外。該等款項乃分類為非流動資產。本集團之貸款及應收賬項包括綜合財務狀況表之貿易應收賬項、按金及其他應收賬項、現金及銀行結餘以及應收一間聯營公司款項。

(ii) 確認、計量及取消確認

金融資產之一般買賣在交易日確認，交易日指本集團承諾買賣該資產之日。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets (Continued) Accounting policies applied until 31 March 2018 (Continued)

(ii) Recognition, measurement and derecognition (Continued)

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

(iii) Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2 主要會計政策概要(續)

2.11 投資及其他金融資產(續) 直至2018年3月31日應用之會計政策(續)

(ii) 確認、計量及取消確認(續)

於初步確認時，本集團按金融資產之公平值加(倘並非按公平值計入損益之金融資產)直接歸屬於金融資產收購之交易成本計量。貸款及應收款項其後利用實際利率法按攤銷成本列賬。

當收取金融資產現金流量的權利已屆滿或轉讓，且本集團已轉讓所有權的絕大部分風險及回報時，則會取消確認金融資產。

(iii) 減值

本集團於各報告期末評估是否有客觀證據表明一項金融資產或一組金融資產出現減值。倘僅因初次確認資產後發生的一宗或多宗事件導致存在客觀減值證據(「虧損事件」)，而該項(或多項)虧損事件對該項或該組金融資產的估計未來現金流量所造成的影響能可靠地估計，則該項或該組金融資產方會出現減值及產生減值虧損。

就貸款及應收款項類別而言，虧損金額乃按資產賬面值與按金融資產原實際利率貼現的估計未來現金流量現值(不包括尚未產生的未來信貸虧損)間的差額計量。資產賬面值會予以遞減，而虧損金額會於綜合收益表內確認。

倘於往後期間，減值虧損金額減少而此減幅可客觀地聯繫至確認減值後發生的事件(例如債務人的信貸評級有所改善)，則先前確認的減值虧損可在綜合收益表撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 19 for further information about the Group's accounting for trade receivables and Note 3.1 for a description of the Group's impairment policies.

2.15 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 Share capital

Ordinary shares are classified as equity.

2 主要會計政策概要(續)

2.12 抵銷金融工具

當本公司擁有抵銷已確認款項的法定強制權利而有意按淨額基準結算或同時變現資產及結算負債，可抵銷金融資產及負債，而其款項淨額於財務狀況表呈報。法定強制權利不受未來事件約束，可在一般營運過程中且於本公司或交易方違約、無力償債和破產的情況下強制執行。

2.13 存貨

存貨以成本與可變現淨值兩者中之較低者入賬。成本乃按加權平均成本基準分配至存貨個別項目。購入存貨的成本乃於扣除退款及折扣後釐定。可變現淨值為於日常業務過程內的估計售價減估計完成所需成本及銷售所需的估計成本計算。

2.14 貿易應收賬項

貿易應收賬項為日常業務過程中出售商品或提供服務而應收客戶的款項。倘預期在一年或以內收回貿易應收賬項及其他應收賬項(或倘屬較長時間，則在業務正常經營週期內)，則其歸類為流動資產。否則，其呈列為非流動資產。

貿易應收賬項初步按無條件收取的有關代價金額確認，除非按公平值確認時其包含重大融資成分。本集團持有貿易應收賬項旨在收取合約現金流量，因此後續採用實際利率法按攤銷成本進行計量。有關本集團貿易應收賬項的進一步資料，請參閱附註19；有關本集團減值政策的資料，請參閱附註3.1。

2.15 現金及現金等值項目

就於綜合現金流量表呈列而言，現金及現金等值項目包括手頭現金、銀行活期存款及可隨時兌換為已知數目現金而無重大價值變動風險之其他短期高流動性投資(原定期限不超過三個月)。

2.16 股本

普通股被分類為權益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Trade, bills and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade, bills and other payables are classified as current liabilities if payment is due within twelve months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

2 主要會計政策概要(續)

2.17 貿易、票據及其他應付賬項

該等金額指財政年度結束前就已提供予本集團的貨品及服務的未償付負債。該等金額為無抵押。倘貿易、票據及其他應付賬項將於報告期後十二個月內支付，則歸類為流動負債。其最初按其公平值確認及其後使用實際利息法按攤銷成本計量。

2.18 即期及遞延所得稅

期內所得稅開支或抵免為就應課稅收入基於各司法權區的適用所得稅率(由暫時性差額導致的遞延稅項資產及負債變動調整)於當前期間應付的稅項。

(i) 即期所得稅

即期所得稅支出根據於本公司附屬公司及聯營公司業務所在及產生應課稅收益的國家於報告期末已頒佈或實質上已頒佈的稅法計算。管理層就適用稅務法例可有不同解釋的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設立撥備。

(ii) 遞延所得稅

遞延所得稅乃按負債法根據綜合財務報表上資產及負債的稅基以及賬面值之間的暫時性差額確認。然而，若遞延所得稅負債來自商譽之初步確認，則不予確認。倘遞延所得稅於交易(業務合併除外)中初步確認資產或負債時產生而於交易時不影響會計或應課稅損益，則不會入賬。遞延所得稅乃採用報告期末已實施或大致實施的稅率(及稅法)釐定，並預期將於變現遞延所得稅資產或清償遞延所得稅負債時採用。

有關按公平值計量的投資物業的遞延稅項負債乃假設該物業將透過出售可完全收回釐定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Current and deferred income tax (Continued)

(ii) Deferred income tax (Continued)

Deferred tax assets are recognised only if it is probable that future taxable profit will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 主要會計政策概要(續)

2.18 即期及遞延所得稅(續)

(ii) 遞延所得稅(續)

遞延所得稅資產僅於可能有未來應課稅溢利可用於動用該等暫時性差額及虧損時方會確認。

倘本公司能控制撥回暫時性差額的時間及該等差額可能不會於可見將來撥備，則不會就外國業務投資賬面值與稅基之間的暫時性差額確定遞延稅項負債及資產。

當有可依法強制執行的權利將即期稅項資產與負債抵銷，而遞延稅項結餘與同一稅務機構相關時，則可將遞延稅項資產與負債抵銷。當實體有可依法強制執行抵銷權利且有意按淨額基準結算或同時變現資產清償負債時，則即期稅項資產與稅項負債抵銷。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項於在其他全面收入或直接於權益中確認的項目有關，在此情況下，稅項亦會分別於其他全面收入或直接於權益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2 主要會計政策概要(續)

2.19 僱員福利

(i) 短期責任

僱員直至報告期末之服務獲確認工資及薪金負債(包括預期在僱員提供相關服務期間結束後12個月內悉數結算的非貨幣福利及累計病假)並按結算有關負債之預期金額計量。負債於資產負債表內呈列為即期僱員福利責任。

(ii) 其他長期僱員福利責任

長期服務假及年假的負債預期不會於僱員提供相關服務之期間結束後十二個月內悉數結清，因此，按直至報告期末就僱員提供服務而將予支付之預期未來款項的現值採用預計單位信貸法計量。當中考慮預期未來工資和薪金水平、員工離職的經驗和服務期。預期未來付款採用優質企業債券(其到期條款及貨幣須盡可能接近估計未來現金流出)於報告期末的市場收益率貼現。因經驗調整及精算假設變動而導致的重估在損益中確認。

倘實體沒有無條件權利可將結算由報告日期起遞延至少十二個月(不論預期實際結算於何時發生)，則責任一概在資產負債表中列作流動負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Employee benefits (Continued)

(iii) Post-employment obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance and a defined contribution occupational retirement scheme (the "ORSO scheme") under the Occupational Retirement Schemes Ordinance, for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the schemes. The assets of both schemes are held separately from those of the Group in independently administered funds. The Group's employer contributions to both schemes vest fully with the employees when contributed into the schemes, except for the Group's employer voluntary contributions to the ORSO scheme, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the ORSO scheme.

2.20 Provisions

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

2 主要會計政策概要(續)

2.19 僱員福利(續)

(iii) 離職後責任

本集團根據強制性公積金計劃條例設立界定供款強制性公積金退休福利計劃及根據職業退休計劃條例設立界定供款職業退休福利計劃(「職業退休計劃」)。根據該等計劃之規則，供款額為僱員基本薪金之某個百分比，並於應繳付時在綜合收益表中扣除。兩個計劃之資產與本集團之資產分開持有，並由獨立運作之基金管理。本集團對兩個計劃之僱主供款於對兩個計劃供款時已全數歸於僱員，惟本集團根據職業退休計劃之條款對職業退休計劃作出之自願性僱主供款，倘有關僱員在全數收歸前離職，則退回本集團所有。

2.20 撥備

當集團因過往事件承擔現有法律或推定責任，而解除責任有可能導致資源流出，且金額能可靠估計，會就法律索償確認撥備。未來經營虧損毋須確認為撥備。

倘有多項類似責任，為清償責任而需資金流出的可能性，乃經整體考慮該債務類別而釐定。即使就包括在同一債務類別內的任何項目而言資金流出的可能性很小，撥備仍予確認。

撥備乃以預期用以償付責任之開支，按反映當時市場對金錢時間價值之評估及該責任之特有風險之稅前費率計算之現值計量。隨著時間增加之撥備金額獲確認為利息開支。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Revenue recognition

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

Accounting policies applied from 1 April 2018

(i) Sales of goods

The Group engages in the wholesales and retail of photographic developing, processing and printing products, photographic merchandises, consumer electronic products and household appliances and online sales of skincare products. These products are sold on their own in separately identified contracts with customers.

The Group's contracts with customers for the sale of products generally include one performance obligation. Revenue from the sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. As receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of goods – customer loyalty programmes

The Group operates loyalty points programmes, which allow customers to accumulate points when they purchase products. The points can be redeemed for free products, subject to a minimum number of points obtained. A contract liability for the award points is recognised at the time of sale. Other income is recognised when the points are redeemed or expired.

(iii) Rendering of services – provision of technical services for photographic developing and processing products

Revenue from the provision of the above services is recognised over time when the services have been rendered.

(iv) Rendering of services – provision of professional audio-visual advisory and custom design and installation services

The Group provides installation services. These services are sold in bundle together with the sale of audio visual equipment to customers. The installation services can be obtained from other providers and do not significantly customise or modify the products. The revenue from the sales of audio visual equipment is recognised at a point in time upon delivery of the product, and revenue from installation service is recognised over time when the services have been rendered.

2 主要會計政策概要(續)

2.21 收入確認

當收入之數額能夠可靠計量；未來經濟利益很有可能流入有關實體；及本集團每項活動均符合具體條件時(如下文所述)，本集團便會將收入確認。

自2018年4月1日起應用之會計政策

(i) 貨品銷售

本公司從事批發及零售攝影、沖印及印刷產品、照相商品、消費電子產品及家用電器及網上銷售護膚產品。該等貨品以各自識別合約出售予客戶。

本集團就銷售產品與客戶訂立的合約一般包括一項履行責任。貨物銷售收益於資產控制權轉讓予客戶的時間點確認，一般為交付貨品時。由於直至到期付款為止只需要時間流逝，故當交付產品時，代價於此時間點成為無條件，所以應收賬款在交付產品時確認。

(ii) 貨品銷售 – 客戶忠誠計劃

本集團設有忠誠獎賞計劃，客戶可於購買產品時累積分數。積分可用作兌換免費產品，惟受限於所得積分下限。積分的合約負債在銷售時確認。其他收入乃於兌換積分時或積分到期時確認。

(iii) 提供服務 – 提供照相沖印產品技術服務

提供上述服務的收益乃於提供服務時隨時間經過確認。

(iv) 提供服務 – 專業影音顧問訂製、設計及安裝服務

本集團提供安裝服務。此等服務隨影音設備一起同捆銷售。安裝服務亦可從其他供應商取得，並不會大幅定制或修改產品。來自銷售影音設備的收益將於交付影音設備時確認，而來自安裝服務的收益乃於提供服務時隨時間經過確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Revenue recognition (Continued)

Accounting policies applied from 1 April 2018 (Continued)

(v) Financing component

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Accounting policies applied until 31 March 2018

- (i) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold; and
- (ii) from the provision of film processing, photofinishing services, professional audio-visual advisory and custom design and installation services, and technical services for photographic developing and processing products, when the services have been rendered.

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2 主要會計政策概要(續)

2.21 收入確認(續)

自2018年4月1日起應用之會計政策(續)

(v) 融資成分

本集團預期合約中自所承諾貨品或服務轉移予客戶至客戶付款的期限並無超過一年。因此，本集團並無就貨幣時間價值調整任何交易價格。

直至2018年3月31日應用之會計政策

- (i) 銷貨方面，在貨物擁有權所附的重大風險及回報已轉移至買家時，確認銷售收入，惟本集團並無對已售貨物維持因擁有貨物而通常享有的管理參與權及實際控制權；及
- (ii) 提供菲林沖曬、照片沖印服務、專業影音顧問訂製、設計及安裝服務及沖印產品技術服務之收入於提供服務時確認。

2.22 每股盈利

(i) 每股基本盈利

基本每股盈利乃按本公司擁有人應佔利潤(不包括普通股以外之任何支付權益成本)除以財政年度內已發行普通股之加權平均股數計算，並就年內已發行普通股的花紅元素作出調整以及不包括庫存股份。

(ii) 每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利時所使用之數字以計及：與潛在攤薄普通股有關之利息及其他融資成本之除所得稅後影響；及假設轉換所有潛在攤薄普通股，則將為尚未行使之額外普通股加權平均數。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Leases (as lessee)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor), including upfront payment made for leasehold land and land use rights are charged to the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

2.24 Leases (as lessor)

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment, or series of payments, the right to use an asset for an agreed period of time.

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset.

Lease income on operating leases is recognised over the term of the lease on a straight-line basis.

2.25 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.26 Interest income

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The main risks arising from the Group's financial instruments are foreign exchange risk, cash flow interest rate risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

(i) Market risk

(a) Foreign exchange risk

The Group is exposed to foreign exchange risk with respect to RMB. The Group manages its foreign exchange risk by performing regular review and monitoring its foreign exchange exposure.

2 主要會計政策概要(續)

2.23 租賃(作為承租人)

凡擁有權之絕大部份風險和回報由出租人保有的租賃，均分類為經營租賃。根據經營租賃作出的付款(扣除出租人給予的任何優惠)，包括就租賃土地及土地使用權作出的前期付款，按租期以直線法於綜合損益表扣除。

2.24 租約(作為出租人)

租約為一份協議，據此，出租人向承租人轉讓於協定期間內使用資產的權利，以交換一筆款項或一連串款項。

當按經營租賃租出資產時，該資產按其性質列入資產負債表。

經營租賃的租賃收入在租賃期內以直線法確認。

2.25 股息分派

就於或財政年度結束之前已宣派但於報告期結束時尚未分派的已宣派任何股息(已適當授權及不再由實體酌情決定)的款項作出撥備。

2.26 利息收入

利息收入作為財務收入呈現，其來自為現金管理目的而持有之金融資產。利息收入將實際利率應用於金融資產賬面總值計算。

3 財務風險管理

3.1 財務風險因素

本集團金融工具所面對之主要風險為匯率風險、現金流利率風險、信貸風險及流動資金風險。董事會檢討及同意管理每項風險之政策，並概述如下。

(i) 市場風險

(a) 匯率風險

本集團面對有關人民幣的匯率風險。本集團藉著定期檢討及監察其匯率風險敞口管理其匯率風險。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(i) Market risk (Continued)****(a) Foreign exchange risk (Continued)**

At 31 March 2019, if HK\$ had weakened/strengthened by 1% (2018: 1%) against RMB with all other variables held constant, loss (2018: profit) for the year would have been HK\$308,000 lower/higher (2018: HK\$320,000 higher/lower), mainly as a result of foreign exchange gains/losses on translation of RMB-denominated cash and bank balances deposited with the banks in Hong Kong.

Monetary assets and liabilities denominated in other currencies are less sensitive to movement in exchange rates as the amounts are not significant to the Group.

(b) Cash flow interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the interest income received on the Group's bank balances. The Group's interest-generating assets are mainly denominated in HK\$, RMB and United States dollars. The Group manages its interest rate risk by regularly monitoring the macro economic factors that may impact on the interest rates.

If the interest rates have been 0.5% (2018: 0.5%) higher/lower while all other variables are held constant, the loss (2018: profit) for the year and total equity would decrease/increase (2018: increase/decrease) by HK\$0.5 million (2018: HK\$0.6 million) due to an increase/decrease in interest income.

(ii) Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. Details of the Group's credit policy are set out in Note 19 to the consolidated financial statements.

The credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents, bank deposits, amount due from an associate, deposits, and other receivables, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

3 財務風險管理(續)**3.1 財務風險因素(續)****(i) 市場風險(續)****(a) 匯率風險(續)**

於2019年3月31日，倘港幣兌人民幣貶值／升值1%（2018年：1%），而其他所有變數維持不變，則年度虧損（2018年：盈利）將減少／增加港幣308,000元（2018年：增加／減少港幣320,000元），主要由於兌換存於香港銀行以人民幣計值之現金及銀行結餘產生匯兌收益／虧損所致。

由於其他貨幣計值的資產及負債對本集團而言微不足道，故有關金額受匯率變動對本集團的影響較小。

(b) 現金流利率風險

本集團所面對之市場利率變動風險主要與本集團銀行結餘所收取之利息收入有關。本集團之利息產生資產主要以港幣、人民幣及美元計值。本集團藉定期監察可能對利率有影響之宏觀經濟因素而管理其利率風險。

倘利率提高／下跌0.5%（2018年：0.5%）而所有其他可變因素維持不變，本年度虧損（2018年：盈利）及股本權益總額將減少／增加（2018年：增加／減少）港幣500,000元（2018年：港幣600,000元），此乃由於利息收入增加／減少所致。

(ii) 信貸風險

本集團僅與經認可及信譽良好之第三方交易。本集團政策規定所有擬以賒賬形式交易之客戶須進行信貸審核程序。另外，本集團會持續監察應收賬項結餘。本集團信貸政策之詳情載於綜合財務報表附註19。

本集團其他金融資產（主要包括現金及現金等值項目、銀行存款、應收一間聯營公司款項、按金及其他應收賬項）之信貸風險，乃來自對方未能歸還之款項，而最大風險等同該等工具之賬面值。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(ii) Credit risk (Continued)

(a) Risk management

The Group limits its exposure to credit risk by placing deposits with financial institution that meet the established credit rating of AA. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The credit risk on cash at bank deposited in Hong Kong is monitored closely by management of the Group who will assess the reputation, the risk of recoverability and the financial information, if any, of the counter parties before placing of deposits. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

(b) Impairment of financial assets

The Group has four types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Contract assets
- Deposits and other receivables (excluding prepayments), and
- Amount due from an associate.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled revenue and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix.

3 財務風險管理(續)

3.1 財務風險因素(續)

(ii) 信貸風險(續)

(a) 風險管理

本集團於達到認可信貸評級AA級的金融機構存款，以限制所承擔的信貸風險。鑒於該等金融機構獲得高信貸評級，管理層預期交易方應能履行責任。

本集團管理層會密切監察香港銀行現金存款的信貸風險，並會在存款前先評估對方的信譽、收回風險及財務資料(如有)。由於本集團僅與經認可及信譽良好之第三方交易，因此毋須提供抵押品。

(b) 金融資產減值

本集團有四類金融資產在預期信貸虧損模型的範圍內：

- 貿易應收賬項
- 合約資產
- 按金及其他應收賬項(預付款項除外)，及
- 應收一間聯營公司款項。

現金及現金等值物亦須符合香港財務報告準則第9號之減值規定，而已識別之減值虧損並非重大。

貿易應收賬項及合約資產

本集團採用香港財務報告準則第9號之簡化方法計量預期信貸虧損，使用所有貿易應收賬項及合約資產以整個存續期作預期虧損準備。

為計量預期信貸虧損，貿易應收賬項及合約資產乃根據共同信貸風險特徵及逾期日數分組。合約資產涉及未入賬收益，且與同類合約的貿易應收賬項具有大致相同的風險特徵。因此，本集團認為，貿易應收賬項的預期虧損率與合約資產虧損率合理地相若。

本集團按相當於整個續期預期信貸虧損的金額(採用撥備矩陣計算)來計量應收賬款損失撥備。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(ii) Credit risk (Continued)****(b) Impairment of financial assets (Continued)**

The closing loss allowances for trade receivables as at 31 March 2019 and 2018 reconcile to the opening loss allowances as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
At 31 March – calculated under HKAS 39	於3月31日—根據香港會計準則第39號計算	727	658
Written off upon adoption of HKFRS 9	因採納香港財務報告準則第9號而撇銷	(727)	–
At 1 April – calculated under HKFRS 9	於4月1日—根據香港財務準則第9號計算	–	658
Exchange differences	匯兌差額	–	69
At 31 March	於3月31日	–	727

The Directors of the Group are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets at amortised cost and amount due from an associate

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

3 財務風險管理(續)**3.1 財務風險因素(續)****(ii) 信貸風險(續)****(b) 金融資產減值(續)**

於2019年及2018年3月31日的應收貿易賬款期終損失撥備與期初損失撥備對賬如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
At 31 March – calculated under HKAS 39	727	658
Written off upon adoption of HKFRS 9	(727)	–
At 1 April – calculated under HKFRS 9	–	658
Exchange differences	–	69
At 31 March	–	727

本集團董事認為毋須就該等結餘作出減值撥備，因為信貸質素並無重大變動，而該等結餘仍被視為可全數收回。本集團並無就該等結餘持有任何抵押品或其他提升信貸措施。

當在合理範圍內並不預期可收回相關款項時，貿易應收賬項會被撇銷。在合理範圍內並不預期可收回相關款項的指標包括(除其他指標外)債務人未能與本集團訂立還款計劃。

應收賬款的減值虧損列作經營利潤內的淨減值虧損。先前已註銷金額的後續回收將記入同一行項目。

按攤銷成本列賬的其他金融資產及應收一間聯營公司款項

本集團於首次確認資產時考慮違約可能性及於各報告期間的信貸風險會否持續顯著增加。為評估信貸風險有否顯著增加，本集團將資產於報告日期的違約風險與於首次確認日期的違約風險進行比較。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(ii) Credit risk (Continued)

(b) Impairment of financial assets (Continued)

Other financial assets at amortised cost and amount due from an associate (Continued)

The credit quality of the other receivables excluding prepayment and amount due from an associate have been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties.

The directors are of opinion that the credit risk of the amount due from an associate has become high. Provision for impairment of HK \$32,720,000 was recognized during the year ended 31 March 2019. See Note 16 for further information about the expected credit loss provision.

Other financial assets at amortised cost include certain deposits and other receivables. These financial assets are considered to be low credit risk primarily because historically they had no history of default and the debtors had a strong capacity to meet its contractual cash flow obligations in the near term. No impairment losses were provided for the years ended 31 March 2019 and 2018.

(iii) Liquidity risk

The Group consistently maintains a prudent financing policy and strives to ensure that it maintains sufficient cash and credit lines to meet its liquidity requirements.

The maturity profile of the Group's financial liabilities as at the end of the year, based on the contractual undiscounted payments, is as follows:

		On demand 按要求償還 HK\$'000 港幣千元	Less than 1 year 少於1年 HK\$'000 港幣千元	Between 1 year to 2 years 1年至2年間 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
31 March 2019	2019年3月31日				
Trade and bills payables	貿易應付賬項及票據	5,331	76,960	–	82,291
Accrued liabilities and other payables excluding non-financial liabilities	應計負債及其他應付賬項(非金融負債除外)	34,222	–	–	34,222
		39,553	76,960	–	116,513
31 March 2018	2018年3月31日				
Trade and bills payables	貿易應付賬項及票據	34,114	26,019	–	60,133
Accrued liabilities and other payables excluding non-financial liabilities	應計負債及其他應付賬項(非金融負債除外)	22,496	–	–	22,496
		56,610	26,019	–	82,629

3 財務風險管理(續)

3.1 財務風險因素(續)

(ii) 信貸風險(續)

(b) 金融資產減值(續)

按攤銷成本列賬的其他金融資產及應收一間聯營公司款項(續)

其他應收款項(不包括預付款項及應收一間聯營公司款項)的信貸質素已參考交易對手違約率的過往資料及交易對手的財務狀況予以評估。

董事認為，應收一間聯營公司款項的信貸風險較高。截至2019年3月31日止年度已確認港幣32,720,000元減值撥備。有關預期信貸虧損撥備的進一步資料，見附註16。

按攤銷成本列賬的其他金融資產包括若干按金及其他應收賬項。該等金融資產被視為信貸風險低，主要源於其並無拖欠款項的紀錄，而債務人有強大實力於短期內履行其合約現金流量責任。截至2019年及2018年3月31日止年度並無就減值虧損計提撥備。

(iii) 流動資金風險

本集團將持續維持穩健之融資政策，並致力確保能維持充裕之現金及信貸狀況，藉以滿足流動資金需求。

本集團於年末按合約非貼現支出之金融負債之到期情況如下：

3 FINANCIAL RISK MANAGEMENT (Continued)**3.2 Capital Management**

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

The Group monitors capital using a current ratio, which is current assets divided by current liabilities. The Group's policy is to keep the current ratio above 100%. Current assets include inventories, contract assets, trade receivables, prepayments, deposits and other receivables, tax recoverable and cash and bank balances. Current liabilities include trade and bills payable, contract liabilities, accrued liabilities, other payables and tax payable.

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Total current assets	流動資產總額	506,010	520,543
Total current liabilities	流動負債總額	(155,454)	(121,756)
Net current assets	流動資產淨額	350,556	398,787
Current ratio	流動比率	326%	428%

3.3 Offsetting financial assets and financial liabilities

No financial assets and financial liabilities were subject to offsetting, enforceable master netting arrangements and similar agreements as at 31 March 2019 (2018: Nil).

3 財務風險管理(續)**3.2 資本管理**

本集團資本管理之主要目標為保障本集團以持續經營方式繼續營運以及維持穩健之資本比率，以支持其業務及盡可能提高股東價值。

本集團因應經濟狀況變動而管理其資本架構以及對此作出調整。本集團可能調整向股東派發之股息、向股東返還資本或發行新股份以維持或調整資本架構。截至2019年3月31日及2018年3月31日止年度，有關資本管理之目標、政策或程序並無變動。

本集團利用流動比率(即流動資產除以流動負債)監察資本。本集團之政策為維持流動比率高於100%。流動資產包括存貨、合約資產、貿易應收賬項、預付款項、按金及其他應收賬項、可收回稅項及現金及銀行結餘。流動負債包括貿易應付賬項及票據、合約負債、應計負債、其他應付賬項及應付稅項。

3.3 抵銷金融資產及金融負債

於2019年3月31日，概無涉及抵銷、可執行淨額結算總安排及類似協議的金融資產及金融負債(2018年：無)。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(i) Provision for inventories

The Group assesses periodically if the inventories have been suffered from any impairment. The Group carries out an inventory review at the end of the reporting period and makes allowance for obsolete and slow moving items. The management estimates the net realisable value for the inventories primarily on the estimated future selling price and market conditions. Where the estimates of the net realisable value are less than expected, a material allowance may arise.

(ii) Useful lives of property, plant and equipment

In determining the useful lives of items of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation or amortisation is made if the estimated useful lives of property, plant and equipment are different from previous estimation. Useful lives are reviewed at each reporting period based on changes in circumstances.

4 重大會計估算及判斷

編製綜合財務報表要求管理層對影響報告期末所呈報之收入、開支、資產與負債金額，及或然負債之披露作出判斷、估算及假設。惟該等假設及估算之不確定性可能會導致在未來需要對受影響資產與負債之賬面值作重大調整。

(i) 存貨撥備

本集團定期評估存貨是否出現任何減值。本集團於報告期末檢查庫存，並對過時及滯銷存貨計提撥備。管理層主要按照估計未來售價及市況估計存貨的可變現淨值。倘估計可變現淨值低於預期，則可能產生重大撥備。

(ii) 物業、廠房及設備之可使用年期

於釐定物業、廠房及設備之可使用年期時，本集團須考慮多項因素，例如因生產變動或改進以致技術或商業環境過時，或資產之產品或服務輸出之市場需求之變動、資產之預期使用量、預期實際耗損、資產之維修保養及對使用資產之法律或類似限制。資產之估計可使用年期乃根據本集團就用作近似用途之類似資產之經驗而定。倘物業、廠房及設備之估計可使用年期與過往估計有所出入，則須作出額外折舊或攤銷。可使用年期乃於各報告期間根據情況變動而進行審閱。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(iii) Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition, location, adjusted to reflect those differences;
- (b) current rents and yields in an active market for properties of similar nature and adjusted for differences (if any); and
- (c) cash flow projections based on reliable estimates of future cash flows from both the unexpired terms of the existing tenancies and the expected cash flows upon the expiry of the leases, supported by terms of any existing lease and other contracts and (when possible) by external evidence including current market rents for similar properties in the same location and condition, and using yields (as discount rates) that reflect current market assessments of the uncertainty in the amount and timing of the cash flows. The principal assumptions for the Group's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs. The carrying amount of investment properties at 31 March 2019 was HK\$235,580,000 (2018: HK\$227,235,000).

(iv) Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

(v) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the loss allowance calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4 重大會計估計及判斷(續)

(iii) 投資物業公平值之估計

倘缺乏同類物業於活躍市場之現有價格，本集團會考慮多方面資料，其中包括：

- (a) 不同性質、狀況、地點的物業當時在活躍市場之價格(須就各項差異作出調整)；
- (b) 類似性質物業於活躍市場的當時租金及收益率，並就差異作出調整(如有)；及
- (c) 根據現有租約未屆滿租期的未來現金流量及租約屆滿時的預期現金流量的可靠估計所作現金流量預測，此項預測以任何現有租約及其他合約之條款以及(在可行情況下)外來證據(包括地點及狀況相同之類似物業現有市場租值)為憑證，並採用可反映有關現金流量金額及時間不明朗因素當時市場評估之收益率(作為貼現率)。本集團公平值估計之主要假設包括與地點及狀況相同之類似物業有關之當前市場租值、適當貼現率、預期未來市場租值及未來保養成本。投資物業於2019年3月31日的賬面值為港幣235,580,000元(2018年：港幣227,235,000元)。

(iv) 非金融資產減值

本集團於各報告期末評估所有非金融資產有否任何減值跡象。當有跡象顯示賬面值未必可收回時，亦會檢測非金融資產有否減值。當資產或現金產生單位的賬面值高於其可收回金額(即資產或現金產生單位的公平值減銷售成本及其使用價值兩者的較高者)便會出現減值。公平值減銷售成本的計量乃基於經公平磋商且具約束力的同類資產銷售交易的數據，或可觀察市價減出售資產的遞增成本。計算使用價值時，管理層須估計資產或現金產生單位的預估未來現金流量，並選用合適的貼現率計算該等現金流量的現值。

(v) 金融資產減值

金融資產的虧損撥備基於對違約風險和預期虧損率的假設。本集團根據過往歷史、現有市場狀況以及各報告期間末的前瞻性估計，作出假設並進行減值計算。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(vi) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and deductible temporary differences arising from impairment on inventories and depreciation of property, plant and equipment to the extent that it is probable that taxable profit will be available against which the losses and deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in Note 25 to the consolidated financial statements.

5 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (i) the merchandise segment engages in the marketing and distribution of photographic developing, processing and printing products and the sale of photographic merchandises, skincare products, consumer electronic products and household appliances;
- (ii) the service segment engages in the provision of technical services for photographic developing and processing products, professional audio-visual advisory and custom design and installation services;
- (iii) the investment segment comprises the Group's businesses in investment properties and other investment businesses; and
- (iv) the corporate and others segment comprises the Group's corporate income and expense items.

The chief operating decision-maker of the Group has been identified as the Board of Directors. The Board of Directors monitors the results of its 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 income tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before income tax except that interest income and share of results of an associate are excluded from such measurement.

Segment assets exclude deferred tax assets, tax recoverable, cash and bank balances and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and other unallocated corporate liabilities as these liabilities are managed on a group basis.

4 重大會計估算及判斷(續)

(vi) 遞延稅項資產

遞延稅項資產乃就因存貨減值及物業、廠房及設備折舊而產生之所有未動用稅項虧損及可扣稅之暫時性差額而確認，直至將可能有應課稅利潤可用作對銷虧損及可扣稅之暫時性差額可予動用。管理層須根據未來應課稅利潤之可能時間及水平連同日後稅務計劃策略，就釐定可予確認之遞延稅項資產金額作出重大判斷。進一步詳情載於綜合財務報表附註25。

5 經營分類資料

就管理目的而言，本集團已按產品及服務劃分業務單位，四個可呈報的經營分類如下：

- (i) 產品銷售分類從事推廣及經銷攝影、沖印及印刷產品，以及銷售照相商品、護膚產品、消費電子產品及家用電器；
- (ii) 服務分類從事提供攝影及沖印產品的技術服務、專業影音顧問訂製、設計及安裝服務；
- (iii) 投資分類包括本集團投資物業的業務及其他投資業務；及
- (iv) 企業及其他分類，包括本集團的企業收支項目。

本集團之主要經營決策者為董事會。董事會獨立監察各業務分類的業績，以作出有關資源分配及表現評估的決定。分類表現乃根據可呈報分類的利潤／(虧損)(即計量經調整除所得稅前利潤／(虧損))評估。經調整除稅前利潤／(虧損)乃與本集團除所得稅前利潤／(虧損)貫徹計量，惟有關計量並不包括利息收入及應佔一間聯營公司業績。

分類資產不包括遞延稅項資產、可收回稅項、現金及銀行結餘及其他未分配企業資產，原因為該等資產乃按集團整體基準管理。

分類負債不包括應付稅項、遞延稅項負債及其他未分配企業負債，原因為該等負債乃按集團整體基準管理。

5 OPERATING SEGMENT INFORMATION (Continued)

Intersegment sales and transfers are transacted at cost plus a mark-up of approximately 6.72% to 23.55% (2018: 6.72% to 35.24%).

(a) Operating segments

		Merchandise 產品銷售		Service 服務		Investment 投資		Corporate and Others 企業及其他		Eliminations 註銷		Consolidated 綜合	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Segment revenue:	分類收益：												
Sales to external customers	外界客戶之銷售	796,276	778,585	162,769	151,254	-	-	-	-	-	-	959,045	929,839
Intersegment sales	分類間之銷售	30,668	30,855	3,241	2,613	-	-	-	-	(33,909)	(33,468)	-	-
Other income and gains	其他收入及收益	8,112	8,930	-	-	21,505	52,495	355	99	(7,321)	(10,897)	22,651	50,627
Total	總計	835,056	818,370	166,010	153,867	21,505	52,495	355	99	(41,230)	(44,365)	981,696	980,466
Segment (loss)/profit	分類(虧損)/利潤	(15,447)	822	(171)	3,062	(19,303)	43,167	(11,419)	(5,168)	-	-	(46,340)	41,883
Interest income	利息收入											2,218	2,663
Share of results of an associate	應佔一間聯營公司業績											-	-
(Loss)/profit before income tax	除所得稅前(虧損)/利潤											(44,122)	44,546
Income tax expense	所得稅開支											(2,239)	(5,399)
(Loss)/profit for the year	本年度(虧損)/利潤											(46,361)	39,147

5 經營分類資料(續)

分類間之銷售及轉讓按成本值加上約6.72%至23.55%(2018年:6.72%至35.24%)之附加值計算。

(a) 經營分類

		Merchandise 產品銷售		Service 服務		Investment 投資		Corporate and Others 企業及其他		Consolidated 綜合			
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018		
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元		
Assets and liabilities	資產及負債												
Segment assets	分類資產	299,463	267,366	53,965	46,544	228,025	252,965	52,880	55,872	634,333	622,747		
Unallocated assets	未分配資產									198,264	219,610		
Total assets	總資產									832,597	842,357		
Segment liabilities	分類負債	121,591	83,759	14,260	9,977	10,454	10,707	5,010	6,631	151,315	111,074		
Unallocated liabilities	未分配負債									39,124	39,838		
Total liabilities	總負債									190,439	150,912		
Other segment information:	其他分類資料：												
Depreciation (Note 7)	折舊(附註7)	6,441	7,440	10,284	7,732	-	-	3,980	3,995	20,705	19,167		
Capital expenditure ¹ (Note 13)	資本開支 ¹ (附註13)	11,402	22,287	5,383	2,822	-	-	947	983	17,732	26,092		
Changes in fair value of investment properties (Note 14)	投資物業公平值變動(附註14)	-	-	-	-	(8,908)	(37,403)	-	-	(8,908)	(37,403)		
Provision/(reversal of provision) for inventories (Note 7)	存貨撥備/(撥備回撥)(附註7)	880	(6,684)	-	-	-	-	-	-	880	(6,684)		
Impairment loss on amount due from an associate	應收一間聯營公司款項減值	-	-	-	-	32,720	-	-	-	32,720	-		

¹ Capital expenditure consists of additions to property, plant and equipment.

¹ 資本開支包括添置物業、廠房及設備。

5 OPERATING SEGMENT INFORMATION (Continued)

(b) Geographical information

An analysis of the Group's revenue by location in which the transaction took place is as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收益		
Hong Kong	香港	958,997	929,627
People's Republic of China ("PRC")	中華人民共和國(「中國」)	48	212
		959,045	929,839

An analysis of the Group's non-current assets (other than deferred income tax assets and deposits) by location of assets is as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Non-current assets	非流動資產		
Hong Kong	香港	183,340	177,070
PRC	中國	129,432	131,877
		312,772	308,947

(c) Information about a major customer

Revenue of approximately HK\$55,837,000 (2018: HK\$49,667,000) was derived from sales by the merchandise segment to a single customer.

5 經營分類資料(續)

(b) 地區資料

按交易所在地劃分之本集團收益分析如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Revenue from external customers		
Hong Kong	958,997	929,627
People's Republic of China ("PRC")	48	212
	959,045	929,839

按資產所在地劃分之本集團非流動資產(遞延所得稅資產及按金除外)分析如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Non-current assets		
Hong Kong	183,340	177,070
PRC	129,432	131,877
	312,772	308,947

(c) 有關一名主要客戶之資料

收益中約港幣55,837,000元(2018年：港幣49,667,000元)乃產品銷售分類銷中售予單一客戶之銷售額。

6 REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents (i) the net invoiced value of goods sold, after allowances for returns and trade discounts; and (ii) income from the rendering of technical services for photographic developing and processing products, professional audio-visual advisory and custom design and installation services.

An analysis of revenue, other income and gains is as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Revenue	收益		
Sale of goods	產品銷售	796,276	778,585
Income from the rendering of services	提供服務之收入	162,769	151,254
		959,045	929,839
Timing of revenue recognition	收益確認的時間		
At a point in time	某個時間點	823,451	802,281
Over time	隨時間經過	135,594	127,558
		959,045	929,839

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Other income and gains	其他收入及收益		
Interest income on bank deposits	銀行存款之利息收入	2,218	2,663
Gross rental income from investment properties (Note 14(a))	租金收入總值(附註(14(a)))	7,192	7,680
Rental income from equipment	租用設備的收入	915	108
Interest income from an associate	來自一間聯營公司的利息收入	1,283	1,009
Others	其他	4,353	4,427
		15,961	15,887

6 收益、其他收入及收益

收益亦即本集團之營業額，指(i)銷售貨品之發票淨值(已扣除退貨及折扣撥備)；及(ii)提供攝影及沖印產品技術服務、專業影音顧問訂製、設計及安裝服務之收入。

收益、其他收入及收益之分析如下：

7 EXPENSES BY NATURE

		Note	2019	2018
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Cost of inventories sold	銷售存貨成本		656,588	634,754
Cost of services provided	提供服務成本		46,922	45,037
Auditor's remuneration	核數師酬金			
Audit services	審核服務		1,500	1,504
Non-audit services	非審核服務		662	662
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	13	20,705	19,167
Advertising and marketing expenses	廣告及市場推廣開支		22,277	15,474
Minimum lease payments under operating leases on land and buildings	根據經營租賃就土地及樓宇支付的最低租賃款項		58,771	60,493
Losses/(gains) on disposals of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)		615	(7)
Provision/(reversal of provision) for inventories	存貨撥備/(撥備撥回)		880	(6,684)
Legal and professional fee	法律及專業費用		2,056	1,361
Employee benefit expense	僱員福利開支	8	114,925	109,170
Foreign exchange differences, net	匯兌差額，淨額		4,148	(3,476)
Others	其他		65,267	61,128
Total cost of sales, selling and distribution costs, advertising and marketing expenses and administrative expenses	銷售成本、銷售及分銷費用、廣告及市場推廣開支及行政開支合計		995,316	938,583

7 按性質分類開支

8 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

			2019	2018
			HK\$'000 港幣千元	HK\$'000 港幣千元
Wages and salaries	工資及薪金		107,398	106,474
Pension costs – defined contribution plans	退休金成本 – 界定供款計劃		7,527	2,696
			114,925	109,170

8 僱員福利開支(包括董事酬金)

8 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

Note:

No forfeited contributions are available to reduce the contribution payable by the Group in future years.

The Group has sponsored various defined contribution plans for its employees in the PRC. These plans are organised by the relevant municipal and provincial governments based on certain percentage of the relevant employees' monthly salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further constructive obligation for post-retirement benefits beyond the contributions made.

The Group has also sponsored a defined contribution scheme which is managed by an approved trustee registered under Mandatory Provident Fund Schemes Ordinance (the "MPF Ordinance") for its employees in Hong Kong. Both the Group and its employees in Hong Kong are required to contribute a maximum of 5% (2018: 5%) of each individual's relevant income or a limited amount as prescribed by the MPF Ordinance. The assets of the scheme are held separately from those of the Group and independently administered.

9 FIVE HIGHEST PAID INDIVIDUALS

The five highest paid employees during the year included three (2018: four) Directors, details of whose remuneration are set out in Note 33. Details of the remuneration of the remaining two (2018: one) non-Directors, highest paid employee for the year were as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	2,564	1,569
Pension costs – defined contribution plans	退休金成本 – 界定供款計劃	36	18
		2,600	1,587

The non-Director, highest paid employee's remuneration fell within the following band:

		Number of employees 僱員人數	
		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
HK\$1,000,001 to HK\$2,000,000	港幣1,000,001元至港幣2,000,000元	2	1

8 僱員福利開支(包括董事酬金)(續)

附註：

並無已沒收供款可用作扣減本集團於未來年度應付的供款。

本集團已為其中國僱員參與多個界定供款計劃。該等計劃由相關省市政府管理，按相關僱員每月收入之若干百分比作出供款。市級及省級政府承諾根據這些計劃為所有現有及未來退休僱員承擔退休福利責任。除作出供款外，本集團就退休後利益無進一步的推定責任。

本集團亦為其於香港的僱員設立界定供款計劃，有關計劃由根據強制性公積金計劃條例(「強積金條例」)註冊的核准受託人管理。本集團及其香港僱員均須按強積金條例所訂明按僱員相關收入最多5%(2018年：5%)或上限金額作出供款。計劃的資產與本集團的資產分開持有，並獨立管理。

9 5位最高薪酬人士

年內5位最高薪酬僱員包括3位(2018年：4位)董事，其薪酬詳情已在本文附註33披露。年內其餘2位(2018年：1位)非董事及最高薪酬僱員之薪酬詳情如下：

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	2,564	1,569
Pension costs – defined contribution plans	退休金成本 – 界定供款計劃	36	18
		2,600	1,587

酬金收入在下列範圍之非董事及最高薪酬僱員如下：

		Number of employees 僱員人數	
		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
HK\$1,000,001 to HK\$2,000,000	港幣1,000,001元至港幣2,000,000元	2	1

10 INCOME TAX EXPENSE

For the year ended 31 March 2019, Hong Kong profits tax has been provided for at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong.

On 21 March 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No.7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. For the year ended 31 March 2019, only one subsidiary of the Group is entitled to this tax benefit. The profits of other Group entities incorporated in Hong Kong not qualifying for the two-tiered profit tax regime are continued to be taxed at the flat rate of 16.5%.

Taxation on profits assessable for the year in the PRC has been calculated at the rates of tax prevailing in the location in which the Group operates.

10 所得稅開支

截至2019年3月31日止年度，香港利得稅根據在香港賺取之估計應課稅利潤，按稅率16.5% (2018年：16.5%)計提撥備。

於2018年3月21日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。該條例草案於2018年3月28日經簽署生效，並於翌日在憲報刊登。

根據利得稅兩級制，合資格公司就利潤首港幣2,000,000元按8.25%之稅率繳納稅項，而超過港幣2,000,000元以上之利潤將按16.5%之稅率繳納稅項。截至2019年3月31日止年度，本集團僅有一間附屬公司可享受這項稅務優惠。於香港註冊成立而不符合利得稅兩級制資格之其他集團內實體則繼續按16.5%之劃一稅率計算。

本年度中國應課稅利潤的稅項按本集團經營業務之地區現行稅率計算。

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Current tax – Hong Kong	當期稅項 – 香港		
Charge for the year	年內計提	403	610
Over provision in prior years	往年超額撥備	(408)	(344)
Current tax – PRC	當期稅項 – 中國		
Charge for the year	年內計提	861	843
Over provision in prior years	往年超額撥備	–	(96)
		856	1,013
Deferred tax (Note 25)	遞延稅項(附註25)	1,383	4,386
Income tax expense	所得稅開支	2,239	5,399

10 INCOME TAX EXPENSE (Continued)

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to (losses)/profits of the consolidated entities as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
(Loss)/profit before income tax	除所得稅前(虧損)/利潤	(44,122)	44,546
Tax calculated at domestic tax rates applicable to profits in respective countries/regions	按各國家/地區利潤適用當地稅率計算之稅項	(6,968)	9,158
Over provision in prior years	往年之超額撥備	(408)	(440)
Income not subject to tax	免繳稅收入	(2,432)	(10,141)
Expenses not deductible for tax purpose	不可扣稅支出	6,778	3,871
Tax losses for which no deferred tax asset was recognised	未確認遞延稅項資產之稅項虧損	5,287	4,192
Utilisation of previously unrecognised tax losses	抵銷過往未確認之稅項虧損	(18)	(1,241)
Tax expense	稅項開支	2,239	5,399

10 所得稅開支(續)

有關本集團除所得稅前(虧損)/利潤之稅項與採用加權平均稅率適用於綜合實體(虧損)/利潤而產生之理論稅額之差額如下：

11 (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on:

		2019	2018
(Loss)/profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔(虧損)/利潤(港幣千元)	(46,691)	38,206
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	1,185,318,349	1,185,318,349
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)	(3.94)	3.22

11 每股(虧損)/盈利

每股基本(虧損)/盈利根據以下項目計算：

No adjustment has been made to the basic (loss)/earnings per share amounts presented for the years ended 31 March 2019 and 2018 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

由於本集團於截至2019年及2018年3月31日止年度並無已發行潛在攤薄普通股，故並未就該等年度呈列之每股基本(虧損)/盈利作出攤薄調整。

12 DIVIDENDS

The Board of Directors does not recommend the payment of any dividend for the year ended 31 March 2019 (2018: Nil).

12 股息

董事會不建議就截至2019年3月31日止年度派發任何股息(2018年：無)。

13 PROPERTY, PLANT AND EQUIPMENT

13 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 港幣千元	Furniture, fixtures and leasehold improvements 傢俬、裝置及 租賃物業裝修 HK\$'000 港幣千元	Machinery and equipment 機器及設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2018	於2018年4月1日					
Cost	成本	89,469	98,972	65,719	6,545	260,705
Accumulated depreciation and impairment	累計折舊及減值	(43,989)	(81,135)	(48,238)	(5,631)	(178,993)
Net book amount	賬面淨值	45,480	17,837	17,481	914	81,712
Year ended 31 March 2019	截至2019年3月31日止年度					
Opening net book amount	年初賬面淨值	45,480	17,837	17,481	914	81,712
Additions	增加	-	15,623	380	1,729	17,732
Disposals	出售	-	(73)	(631)	-	(704)
Depreciation charge (Note 7)	折舊開支(附註7)	(4,218)	(13,485)	(2,511)	(491)	(20,705)
Exchange realignment	匯兌調整	(755)	-	(88)	-	(843)
Closing net book amount	年末賬面淨值	40,507	19,902	14,631	2,152	77,192
At 31 March 2019	於2019年3月31日					
Cost	成本	88,213	103,499	58,733	6,663	257,108
Accumulated depreciation and impairment	累計折舊及減值	(47,706)	(83,597)	(44,102)	(4,511)	(179,916)
Net book amount	賬面淨值	40,507	19,902	14,631	2,152	77,192

13 PROPERTY, PLANT AND EQUIPMENT (Continued)

13 物業、廠房及設備(續)

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 港幣千元	Furniture, fixtures and leasehold improvements 傢俬、裝置及 租賃物業裝修 HK\$'000 港幣千元	Machinery and equipment 機器及設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 April 2017	於2017年4月1日					
Cost	成本	82,584	92,432	78,061	6,480	259,557
Accumulated depreciation and impairment	累計折舊及減值	(39,100)	(83,981)	(62,966)	(5,185)	(191,232)
Net book amount	賬面淨值	43,484	8,451	15,095	1,295	68,325
Year ended 31 March 2018	截至2018年3月31日止年度					
Opening net book amount	年初賬面淨值	43,484	8,451	15,095	1,295	68,325
Additions	增加	-	21,334	4,758	-	26,092
Transfer (Note 14)	轉讓(附註14)	5,070	-	-	-	5,070
Disposals	出售	-	(75)	-	-	(75)
Depreciation charge (Note 7)	折舊開支(附註7)	(4,344)	(11,877)	(2,565)	(381)	(19,167)
Exchange realignment	匯兌調整	1,270	4	193	-	1,467
Closing net book amount	年末賬面淨值	45,480	17,837	17,481	914	81,712
At 31 March 2018	於2018年3月31日					
Cost	成本	89,469	98,972	65,719	6,545	260,705
Accumulated depreciation and impairment	累計折舊及減值	(43,989)	(81,135)	(48,238)	(5,631)	(178,993)
Net book amount	賬面淨值	45,480	17,837	17,481	914	81,712

Included in the Group's leasehold land and buildings are leasehold land and buildings situated in the PRC with an aggregate net book amount of HK\$15,462,000 (2018: HK\$17,901,000) as at 31 March 2019 and are held under medium term leases. As the related prepaid land lease payments cannot be allocated reliably between the land and building elements, the entire lease payments are included in the cost of leasehold land and buildings as property, plant and equipment in accordance with the provisions of HKAS 17. The remaining leasehold land and buildings of the Group are situated in Hong Kong and are held under medium term leases.

Depreciation expense of HK\$2,788,000 (2018: HK\$2,929,000) has been charged in "cost of sales", HK\$9,683,000 (2018: HK\$8,543,000) has been charged in "selling and distribution costs", and HK\$8,234,000 (2018: HK\$7,695,000) has been charged in "administrative expenses".

於2019年3月31日，位於中國之租賃土地及樓宇總賬面淨值為港幣15,462,000元(2018年：港幣17,901,000元)，已根據中期租約列入本集團之租賃土地及樓宇當中。由於有關預付土地租金不能可靠地於土地及樓宇之間作出分配，故根據香港會計準則第17號之條文，全部租金已列入租賃土地及樓宇之成本內，成為物業、廠房及設備。本集團其餘之租賃土地及樓宇均位於香港，並根據中期租約持有。

折舊開支港幣2,788,000元(2018年：港幣2,929,000元)、港幣9,683,000元(2018年：港幣8,543,000元)及港幣8,234,000元(2018年：港幣7,695,000元)已分別於「銷售成本」、「銷售及分銷費用」及「行政開支」扣除。

14 INVESTMENT PROPERTIES

14 投資物業

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
At fair value	按公平值計算		
Opening balances	年初結餘	227,235	194,240
Transfer to property, plant and equipment (Note 13)	轉撥至物業、廠房及設備 (附註13)	-	(5,070)
Net gain from fair value adjustment	公平值調整之收益淨額	8,908	37,403
Exchange realignment	匯兌調整	(563)	662
Closing balance	年末結餘	235,580	227,235

The Group's investment properties are held under the following lease terms:

本集團之投資物業按以下年期之租約持有：

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Medium term leases in the Hong Kong ¹	位於香港之中期租約物業 ¹	118,140	111,450
Medium term leases in the PRC ¹	位於中國之中期租約物業 ¹	110,303	108,215
Long term leases in the PRC ¹	位於中國之長期租約物業 ¹	7,137	7,570
		235,580	227,235

¹ Medium term leases are for period ranging from 10 to 50 years while long term leases are for period over 50 years.

¹ 中期租約年期介乎10年至50年，而長期租約年期則超過50年。

(a) Amounts recognised in profit and loss for investment properties

(a) 投資物業於損益確認之金額

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Gross rental income (Note 6)	租金收入總值(附註6)	7,192	7,680
Direct expenses (including repairs and maintenance) arising on rental-earning investment properties	賺取租金之投資物業產生之直接開支(包括維修及保養)	(1,264)	(1,121)
		5,928	6,559

As at 31 March 2019, the Group had no unprovided contractual obligations for future repairs and maintenance (2018: Nil).

於2019年3月31日，本集團並無已訂約但未撥備之未來維修及保養責任(2018年：無)。

(b) Fair value hierarchy

An independent valuation of the Group's investment properties was performed by the valuer, Chung, Chan & Associates, to determine the fair value of the investment properties as at 31 March 2019 and 2018. The revaluation gains or losses are included in "changes in fair value of investment properties" in the consolidated income statement. The following table analyses the investment properties carried at fair value, by valuation method.

(b) 公平值層級

估值師衡量行(Chung, Chan & Associates)已就本集團之投資物業進行獨立估值，以釐定投資物業於2019年及2018年3月31日的公平值。重估盈虧計入綜合收益表「投資物業公平值變動」內。下表載列按估值方法劃分的按公平值列賬之投資物業分析。

14 INVESTMENT PROPERTIES (Continued)**(b) Fair value hierarchy (Continued)**

Recurring fair value measurements	經常性公平值計量		
Investment properties:	投資物業：		
– Industrial building units – Hong Kong	– 工業樓宇單位 – 香港	118,140	111,450
– Commercial office units – PRC	– 商業辦公室單位 – 中國	117,440	115,785
		235,580	227,235

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There was no transfer between Level 1, 2 and 3 during the year.

The following table presents the changes in investment properties with fair value measurements using significant unobservable inputs (level 3) for the years ended 31 March 2019 and 2018.

For the year ended 31 March 2019

		截至2019年3月31日止年度		
		PRC 中國	Hong Kong 香港	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Opening balance	年初結餘	115,785	111,450	227,235
Net gain from fair value adjustment	公平值調整之收益淨額	2,218	6,690	8,908
Exchange realignment	匯兌調整	(563)	–	(563)
Closing balance	年末結餘	117,440	118,140	235,580
Total gains for the year included in the consolidated income statement, under "changes in fair value of investment properties"	年內總收益(計入綜合收益表「投資物業公平值變動」內)	2,218	6,690	8,908

14 投資物業(續)**(b) 公平值層級(續)**

Fair value measurements using significant unobservable inputs
使用重大不可觀察
輸入值計量的公平值
(Level 3) (Level 3)
(第3級) (第3級)
2019 2018
HK\$'000 HK\$'000
港幣千元 港幣千元

本集團的政策是於導致轉移的事件或情況轉變發生當日確認公平值層級各級別之間的轉移。年內並無第1級、第2級及第3級之間的轉移。

下表載列截至2019年及2018年3月31日止年度，使用重大不可觀察輸入值計量公平值(第3級)的投資物業之變動：

14 INVESTMENT PROPERTIES (Continued)

(b) Fair value hierarchy (Continued)

For the year ended 31 March 2018

		PRC 中國 HK\$'000 港幣千元	Hong Kong 香港 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Opening balance	年初結餘	98,040	96,200	194,240
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	–	(5,070)	(5,070)
Net gain from fair value adjustment	公平值調整之收益淨額	17,083	20,320	37,403
Exchange realignment	匯兌調整	662	–	662
Closing balance	年末結餘	115,785	111,450	227,235
Total gains for the year included in the consolidated income statement, under "changes in fair value of investment properties"	年內總收益(計入綜合收益表「投資物業公平值變動」內)	17,083	20,320	37,403

(c) Valuation process of the Group

The Group's investment properties were revalued at HK\$235,580,000 (2018: HK\$227,235,000) as at 31 March 2019 by Chung, Chan & Associates, independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued. Certain of the investment properties are leased to third parties under operating lease arrangements, further summary details of which are included in Note 28(a) to the consolidated financial statements.

The Group's finance department reviews the valuations performed by the independent valuer for financial reporting purposes. The finance department reports directly to the chief operating decision-maker. Discussions of valuation processes and results are held between the chief operating decision-maker, finance department and the independent valuer on a regular basis.

At each financial year end the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuations movements when compared to the prior year valuation report; and
- Holds discussions with the independent valuer.

Changes in Level 3 fair values are analysed at each reporting date between the chief operating decision-maker, finance team and the independent valuer.

14 投資物業(續)

(b) 公平值層級(續)

截至2018年3月31日止年度

	PRC 中國 HK\$'000 港幣千元	Hong Kong 香港 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
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(c) 本集團的估值過程

本集團之投資物業由獨立專業合資格估價師衡量行(Chung, Chan & Associates) (此估值師持有相關認可專業資格，並對所估值的投資物業的地點和領域有近期經驗)於2019年3月31日重新估值為港幣235,580,000元(2018年：港幣227,235,000元)。若干投資物業已按經營租約安排租予第三方，其他摘要詳情已載於綜合財務報表附註28(a)。

本集團財務部就財務報告目的審閱獨立估值師作出的估值，並直接向主要經營決策者報告。主要經營決策者、財務部及獨立估值師定期討論估值過程及結果。

財務部於每個財政年度末：

- 核實獨立估值報告的所有重大輸入值；
- 對比上年度估值報告評估物業估值變動；及
- 與獨立估值師進行討論。

主要經營決策者、財務部及獨立估值師於各報告日期就第3級公平值變動作出分析。

14 INVESTMENT PROPERTIES (Continued)**(d) Valuation techniques****Fair value measurements using significant unobservable inputs**

Fair values of investment properties of the Group are generally determined using the income capitalisation method which largely uses unobservable inputs and taking into account the significant adjustment on market yields. These significant unobservable inputs include:

Description	Fair value at 31 March 2019 (HK\$'000) 於2019年3月31日之公平值 (港幣千元)	Valuation Technique 估值方法	Unobservable inputs 不可觀察輸入值	Range of unobservable inputs 不可觀察輸入值之範圍	Relationship of unobservable inputs to fair value 不可觀察輸入值與公平值之關係
Industrial units – Hong Kong	118,140	Income capitalisation method	Passing rents	HK\$8.6 – HK\$14.8 per month per square foot	The higher the passing rents, the higher the fair value
工業樓宇單位 – 香港	118,140	收入資本化法	現時租金	每月每平方呎港幣8.6元至港幣14.8元	現時租金越高，公平值越高
			Yields	2.70% – 3.95%	The higher the yield, the lower the fair value
			收益率	2.70% – 3.95%	收益率越高，公平值越低
Office units – PRC	117,440	Income capitalisation method	Passing rents	Renminbi (‘RMB’) 21.7–RMB82.6 per month per square meter	The higher the passing rents, the higher the fair value
辦公室單位 – 中國	117,440	收入資本化法	現時租金	每月每平方米人民幣 (「人民幣」) 21.7元至人民幣82.6元	現時租金越高，公平值越高
			Yields	1.20% – 2.91%	The higher the yield, the lower the fair value
			收益率	1.20% – 2.91%	收益率越高，公平值越低
Description	Fair value at 31 March 2018 (HK\$'000) 於2018年3月31日之公平值 (港幣千元)	Valuation Technique 估值方法	Unobservable inputs 不可觀察輸入值	Range of unobservable inputs 不可觀察輸入值之範圍	Relationship of unobservable inputs to fair value 不可觀察輸入值與公平值之關係
Industrial units – Hong Kong	111,450	Income capitalisation method	Passing rents	HK\$7.1 – HK\$13.8 per month per square foot	The higher the passing rents, the higher the fair value
工業樓宇單位 – 香港	111,450	收入資本化法	現時租金	每月每平方呎港幣7.1元至港幣13.8元	現時租金越高，公平值越高
			Yields	2.63% – 4.50%	The higher the yield, the lower the fair value
			收益率	2.63% – 4.50%	收益率越高，公平值越低
Office units – PRC	115,785	Income capitalisation method	Passing rents	RMB21.7– RMB80.9 per month per square meter	The higher the passing rents, the higher the fair value
辦公室單位 – 中國	115,785	收入資本化法	現時租金	每月每平方米人民幣21.7元至人民幣80.9元	現時租金越高，公平值越高
			Yields	1.20% – 3.23%	The higher the yield, the lower the fair value
			收益率	1.20% – 3.23%	收益率越高，公平值越低

There were no changes to the valuation techniques during the year. There are inter-relationships between unobservable inputs.

14 投資物業(續)**(d) 估值方法****使用重大不可觀察輸入值計量公平值**

本集團投資物業的公平值一般以收入資本化法(即主要採用不可觀察輸入值)釐定，並計及市場收益率的重大調整。該等重大不可觀察輸入值包括：

估值方法年內並無變動。不可觀察輸入值相互之間存在關係。

15 SUBSIDIARIES

Particulars of the principal subsidiaries at 31 March 2019 are as follows:

15 附屬公司

於2019年3月31日之主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及法律實體性質	Issued ordinary share capital 已發行普通股本	Ownership interest held by 以下人士所持的所有者權益		Principal activities and place of operation 主要業務及營業點
			the Company 本公司	non- controlling interests 非控股權益	
			Direct 直接	Indirect 間接	
Callas Investments Limited 嘉麗詩投資有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
China-Hongkong Photo Retail Limited 中港照相零售有限公司	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	Ordinary share US\$1 普通股1美元	-	100%	- Investment holding in Hong Kong 於香港從事投資控股
China-Hongkong Graphic Arts Products Limited 中港印刷器材有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	100%	- Marketing and distribution of printing products in Hong Kong 於香港推廣及經銷印刷產品
C.Y. Sun Holdings Limited	British Virgin Islands, limited liability company 英屬處女群島，有限責任公司	Ordinary share US\$10,000 普通股10,000美元	100%	-	- Investment holding in Hong Kong 於香港從事投資控股
E-Max Service Limited 萬皇工程服務有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	100%	- Provision of installation service for household appliances in Hong Kong 於香港提供家用電器安裝服務
Emmy Technology Development Limited 艾美科技發展有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	70%	30% Provision of professional audio-visual advisory and custom design and installation services in Hong Kong 於香港提供專業影音顧問及訂製、設計及安裝服務
Fotomax (F.E.) Ltd. 快圖美(遠東)公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary share HK\$1,000,000 普通股港幣1,000,000元	-	100%	- Provision of photographic developing and processing services and retail of photographic merchandise in Hong Kong 於香港提供攝影及沖印服務及攝影器材零售
Fuji Life Science Products Limited 富士生命科技產品有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Retail of skincare products in Hong Kong 於香港從事護膚產品零售
Fuji Photo Products Company Limited 富士攝影器材有限公司	Hong Kong, limited liability company 香港，有限責任公司	Ordinary share HK\$10,000,000 普通股港幣10,000,000元	-	100%	- Marketing and distribution of photographic developing and processing products in Hong Kong and Macau 於香港及澳門推廣及經銷攝影及沖印產品

15 SUBSIDIARIES (Continued)

15 附屬公司(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及法律實體性質	Issued ordinary share capital 已發行普通股本	Ownership interest held by 以下人士所持的所有者權益		Principal activities and place of operation 主要業務及營業點
			the Company 本公司	non- controlling interests 非控股權益	
			Direct 直接	Indirect 間接	
Great Earnings Investments Limited 溢進投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Majestic Income Limited 高息有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Orderly Mind Enterprises Limited 精幹企業有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Orient City Properties Limited	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Palace Glory Limited 滿堂有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Pride High Company Limited 傲翔有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Pro Audio Development Limited 專業影音發展有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	70%	30% Wholesales of audio and visual products in Hong Kong 於香港批發影音產品
Sky Rich (Asia) Limited 天富(亞洲)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Sky Year Resources Limited 天業資源有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Wai Ming Electrical Development Limited 偉明電業發展有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	60%	40% Retail and wholesales of consumer electronic products and household appliances in Hong Kong 於香港從事消費電子產品及家用電器 零售及批發
YCY International Limited 擎天國際有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	100%	- Retail and wholesales of consumer electronic products and household appliances in Hong Kong 於香港從事消費電子產品及家用電器 零售及批發

15 SUBSIDIARIES (Continued)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及法律實體性質	Issued ordinary share capital 已發行普通股本	Ownership interest held by 以下人士所持的所有者權益		Principal activities and place of operation 主要業務及營業點
			the Company 本公司	non- controlling interests 非控股權益	
			Direct 直接	Indirect 間接	
弘開數碼科技(上海)有限公司	PRC, limited liability company 中國, 有限責任公司	Ordinary share US\$150,000 普通股150,000美元	-	100%	- Marketing and distribution of printing products in the PRC 於中國推廣及經銷印刷產品
擎美電子科技(上海)有限公司	PRC, limited liability company 中國, 有限責任公司	Ordinary share US\$150,000 普通股150,000美元	-	100%	- Provision of professional audio-visual advisory and custom design and installation services in the PRC 於中國提供專業影音顧問及訂製、設計及安裝服務

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affect the results for the year or form a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

In the opinion of the Directors that there is no non-controlling interests that are material to the Group.

16 AMOUNT DUE FROM AN ASSOCIATE

Unlisted shares, at cost	非上市股份, 按成本計算
Amount due from an associate	應收一間聯營公司款項
Less: Provision for impairment (Note a)	減: 減值撥備(附註a)

15 附屬公司(續)

上表所列乃董事認為對本集團本年度業績有重大影響或佔本集團淨資產主要部份之本公司附屬公司。董事認為列出其他附屬公司之詳情會使篇幅過於冗長。

董事認為, 並無對本集團而言屬重大之非控制性權益。

16 應收一間聯營公司款項

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份, 按成本計算	-	-
Amount due from an associate	應收一間聯營公司款項	32,720	29,105
Less: Provision for impairment (Note a)	減: 減值撥備(附註a)	(32,720)	-
		-	29,105

16 AMOUNT DUE FROM AN ASSOCIATE (Continued)

The amount due from an associate is unsecured, interest bearing at 2% to 5% (2018: 2% to 5%) per annum on balances as at each month-end. A summary of transactions with an associate are as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Management fee from an associate	來自一間聯營公司的管理費	-	948
Interest income from an associate	來自一間聯營公司的利息收入	1,283	1,009

These transactions are carried out at terms mutually-agreed between the parties involved in the transactions. The carrying amount of the amount due from an associate approximates its fair value.

Note a:

The Board of Directors are of the opinion that the credit risk of the amount due from an associate is considered to be high because the associate has been incurring losses and has net deficit as at 31 March 2019, which, has become uncertain that continuing financial support can be provided by the associate's holding company to enable the associate to settle this balance. Provision for impairment of HK\$32,720,000 (2018: Nil) was recognised during the year ended 31 March 2019.

There are no contingent liabilities relating to the Group's interest in an associate.

As at 31 March 2019 and 2018, details of the Group's interest in an associate are as follows:

Name	Place of incorporation and operations	Issued ordinary share capital	Percentage of equity attributable to the Group 本集團應佔股本權益百分比	Principal activities	Measurement method
名稱	註冊成立及營業地點	已發行普通股股本	股本權益百分比	主要業務	計量方法
kikki.K Retail (H.K.) Limited	Hong Kong	Ordinary share HK\$300,000	49%	Retail of stationery, life-style gifts and home fashion products	Equity
	香港	普通股港幣300,000元	49%	從事文具、生活禮品及家居潮流產品零售	權益

16 應收一間聯營公司款項(續)

應收一間聯營公司款項為無抵押、以每月底結餘按2%至5% (2018年：2%至5%) 年利率計息。與一間聯營公司的交易概要如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Management fee from an associate	-	948
Interest income from an associate	1,283	1,009

該等交易乃按參與交易各方共同協定的條款進行。應收一間聯營公司款項之賬面值與其公平值相若。

附註a：

董事會認為，應收一間聯營公司款項的信貨風險較高，原因為該聯營公司於2019年3月31日產生虧損並錄得淨虧絀，不確定該聯營公司的控股公司能否提供持續的財務支助讓聯營公司結清此結餘。截至2019年3月31日止年度，已確認減值撥備港幣32,720,000元(2018年：無)。

概無與本集團於聯營公司之權益有關之或然負債。

於2019年及2018年3月31日，本集團於一間聯營公司之權益詳情如下：

16 AMOUNT DUE FROM AN ASSOCIATE (Continued)

Summarised financial information of the Group's associate is as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Total assets	資產總額	5,572	4,005
Total liabilities	負債總額	36,344	28,306
Revenue	收益	12,664	19,219
Loss for the year	年內虧損	(6,471)	(10,693)

17 INVENTORIES

The Group's inventories principally consist of photographic developing, processing and printing products, skincare products, consumer electronic products and household appliances for resale.

The cost of inventories amounted to HK\$656,588,000 (2018: HK\$634,754,000) and a provision for inventories of HK\$880,000 (2018: reversal of provision of HK\$6,684,000) were included in "cost of sales".

18 CONTRACT ASSETS

Contract assets are initially recognised for revenue earned from professional audio-visual installation services as the receipt of consideration is conditional on successful completion of installation service. Upon completion of installation service, the amounts recognised as contract assets are reclassified to trade receivables.

The expected timing of recovery or settlement for contract assets as at 31 March 2019 is within one year.

Significant changes in contract assets

Contract assets have increased as the Group has provided more installation services. No loss allowance for contract assets was recognised following the adoption of HKFRS 9.

16 應收一間聯營公司款項(續)

本集團聯營公司之財務資料概要如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Total assets	5,572	4,005
Total liabilities	36,344	28,306
Revenue	12,664	19,219
Loss for the year	(6,471)	(10,693)

17 存貨

本集團之存貨主要為供轉售之攝影、沖印及印刷產品、護膚產品、消費電子產品及家用電器。

存貨成本港幣656,588,000元(2018年：港幣634,754,000元)及存貨撥備港幣880,000元(2018年：撥回撥備港幣6,684,000)乃計入「銷售成本」。

18 合約資產

鑒於能否收到代價須視是否成功完成安裝服務而定，故合約資產在提供專業影音安裝服務所賺取收益時進行初始確認。完成安裝服務後，確認為合約資產的金額乃將重新分類至貿易應收賬項。

於2019年3月31日，合約資產的預期收回或結算時間為一年內。

合約資產之重大變動

由於本集團提供更多安裝服務，故合約資產有所增加。根據香港財務報告準則第9號概無合約資產的損失撥備。

19 TRADE RECEIVABLES

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Trade receivables	貿易應收賬項	51,713	48,396
Less: loss allowances	減：損失撥備	-	(727)
		51,713	47,669

The Group's trading terms with its customers are either on a cash basis or on credit. For credit sales, the credit period is generally 15 to 30 days, except for certain well-established customers where the terms are extended to 120 days. Each customer has a maximum credit limit pre-approved by senior management. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

As at 31 March 2019 and 2018, balances are relating to a large number of diversified customers.

The ageing analysis of the trade receivables as at the end of the year, based on the payment due date and net of impairment, is as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Current	即期	31,078	30,617
1 to 3 months	1至3個月	18,487	16,071
Over 3 months	3個月以上	2,148	981
		51,713	47,669

(i) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amounts are considered to be the same as their fair values and are denominated in HK\$.

(ii) Impairment and risk exposure

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. Note 3.1(ii)(b) provides for details about the calculation of the allowance.

Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in Note 3.1(ii)(b).

19 貿易應收賬項

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Trade receivables	51,713	48,396
Less: loss allowances	-	(727)
	51,713	47,669

本集團與客戶之交易主要以現金或賒賬方式進行。就賒賬銷售而言，信貸期一般為15至30日，但部份信貸良好的長期顧客賬期可延長至120日。每位客戶均有最高信貸限額，並由高級管理層預先批准。本集團致力嚴格控制未償還之應收賬款，並設有信貸控制部門以盡量減低信貸風險。高級管理層定期檢視逾期賬款。

於2019年及2018年3月31日，結餘乃與多位不同客戶有關。

按付款到期日計算，以下為扣除減值後貿易應收賬項於年末之賬齡分析：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Current	31,078	30,617
1 to 3 months	18,487	16,071
Over 3 months	2,148	981
	51,713	47,669

(i) 貿易應收賬項的公平值

由於流動應收賬項期限較短，其賬面值視為等同於其公平值，並以港幣計值。

(ii) 減值及風險

本集團應用香港財務報告準則第9號規定的簡化方法計量預期信貸損失撥備，其規定使用整個生命期的損失撥備計提所有貿易應收賬項及合約資產。附註3.1(ii)(b)提供有關計量撥備的詳情。

有關貿易應收賬項減值及本集團的信貸風險載於附註3.1(ii)(b)。

20 NON-CURRENT DEPOSITS, CURRENT PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

20 非流動按金、流動預付款項、按金及其他應收賬項

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Current portion	流動部分		
Deposits, other receivables	按金、其他應收賬項	41,953	23,634
Prepayments	預付款項	8,132	8,338
		50,085	31,972
Non-current portion	非流動部分		
Deposits	按金	13,729	12,753

Due to the short-term nature of the other current receivables, their carrying amounts are considered to be the same as their fair values. Note 3.1(ii)(b) sets out information about the impairment of financial assets and the Group's exposure to credit risk.

由於其他流動應收賬項期限較短，其賬面值視為等同於其公平值。附註3.1(ii)(b)載列有關金融資產減值及本集團信貸風險的資料。

21 CASH AND BANK BALANCES

21 現金及銀行結餘

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Non-pledged time deposits with original maturity of over three months	原到期日超過三個月之無抵押定期存款	25,616	27,411
Cash and cash equivalents in the consolidated statement of cash flows:	綜合現金流量表內之現金及現金等值項目：		
Cash and bank balances	現金及銀行結餘	84,210	65,737
Non-pledged time deposits with original maturity of less than three months	原到期日少於三個月之無抵押定期存款	88,352	126,338
		172,562	192,075
		198,178	219,486

At the end of the year, the cash and bank balances of the Group denominated in RMB amounted to HK\$29,888,000 (2018: HK\$37,351,000) deposited with the banks in the PRC. RMB is not freely convertible into other currencies, however, under PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於年末，本集團以人民幣計值之現金及銀行結餘存於中國境內之銀行約港幣29,888,000元（2018年：港幣37,351,000元）。人民幣並不能自由兌換為其他貨幣，惟根據中國之《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過特許進行外匯業務之銀行將人民幣兌換為其他貨幣。

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and over one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the Group's cash and cash equivalents approximate their fair values.

存於銀行之現金根據銀行每日存款利率賺取浮動利息。根據本集團對即時現金需求之急切性，短期定期存款由一日至一年以上不等，以分別賺取不同之定期利息。銀行結餘存於信譽良好且並沒有近期違約紀錄之銀行。本集團現金及現金等值項目之賬面值與公平值相若。

22 CONTRACT LIABILITIES

		2019	1 April 2018
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Receipt in advances from customers	預收客戶款項	14,616	14,646
Customer loyalty programmes	客戶忠誠計劃	558	516
		15,174	15,162

(i) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

22 合約負債**(i) 有關合約負債的已確認收益**

下表列示本報告期間所確認與結轉合約負債有關的收益金額。

		2019
		HK\$'000
		港幣千元
<i>Revenue recognised that was included in the contract liability balance at the beginning of the year</i>		
<i>於年初已確認收益之合約負債結餘</i>		
Receipt in advances from customers	預收客戶款項	14,505
Customer loyalty programmes	客戶忠誠計劃	117

All services contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated these unsatisfied contracts is not disclosed.

所有服務合約為期一年或更短。按香港財務報告準則第15號所允許，分配至該等未履約合約的交易價格並無披露。

23 TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables at the end of the year, based on the date of goods purchased and services rendered, is as follows:

23 貿易應付賬項及票據

根據購買貨品及獲得服務之日期計算，貿易應付賬項及票據於年末之賬齡分析如下：

		2019	2018
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 3 months	3個月以內	80,151	27,240
Over 3 months	3個月以上	2,140	32,893
		82,291	60,133

The Group's trade and bills payables are non-interest-bearing and are normally settled on 30-day terms. The carrying amounts of the Group's trade and bills payables approximate their fair values.

本集團之貿易應付賬項及票據為免息，且通常須於30日期限內繳訖。本集團貿易應付賬項及票據之賬面值與公平值相若。

24 ACCRUED LIABILITIES AND OTHER PAYABLES

The Group's other payables are non-interest bearing and have general terms of less than 3 months. The carrying amounts of the Group's other payables approximate to their fair values.

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Receipt in advance	預收款項	-	14,646
Other payables	其他應付賬項	17,388	15,353
Dividend payable to non-controlling interests	應付股息予非控制性權益	80	838
Accrued expenses	應計開支	36,462	20,942
Total	總計	53,930	51,779
Less: Non-current accrued liabilities	減：非流動應計負債	5,727	1,021
Current portion	流動部分	48,203	50,758

24 應計負債及其他應付賬項

本集團之其他應付賬項為免息，其一般期限少於3個月。本集團之其他應付賬項之賬面值與公平值相若。

25 DEFERRED TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Deferred tax assets	遞延稅項資產	86	114
Deferred tax liabilities	遞延稅項負債	(29,258)	(28,135)
Deferred tax liabilities – net	遞延稅項負債 – 淨額	(29,172)	(28,021)

The gross movements in deferred tax liabilities and assets, without taking into consideration the offsetting of balances within the same tax jurisdiction, during the year are as follows:

25 遞延稅項

遞延稅項資產及遞延稅項負債的分析如下：

在並無計入抵銷於相同稅務司法管轄區內的結餘下，年內遞延稅項負債及資產的總變動如下：

25 DEFERRED TAX (Continued)**Deferred tax liabilities**

		Revaluation of investment properties	Depreciation allowance in excess of related depreciation expense	Total
		重估投資物業	超過相關折舊費用之折舊免稅額	總計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1 April 2017	2017年4月1日	21,491	2,080	23,571
Charged/(credited) to the consolidated income statement during the year (Note 10)	年內於綜合收益表扣除/(計入)(附註10)	4,271	(5)	4,266
Exchange realignment	匯兌調整	298	-	298
At 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	26,060	2,075	28,135
Charged to the consolidated income statement during the year (Note 10)	年內於綜合收益表扣除(附註10)	1,114	241	1,355
Exchange realignment	匯兌調整	(232)	-	(232)
At 31 March 2019	於2019年3月31日	26,942	2,316	29,258

Deferred tax assets

		Unrealised profit from inventories
		未變現存貨利潤
		HK\$'000
		港幣千元
At 1 April 2017	2017年4月1日	(234)
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入(附註10)	120
At 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	(114)
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入(附註10)	28
At 31 March 2019	於2019年3月31日	(86)

Deferred tax assets are recognised for tax loss carrying-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. At 31 March 2019, the Group did not recognise deferred tax assets of HK\$70,147,000 (2018: HK\$65,012,000) in respect of tax losses amounting to HK\$418,512,000 (2018: HK\$388,345,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in subsidiaries with uncertain future operating profit streams.

遞延稅項資產乃就結轉之稅項虧損確認，惟以有可能透過日後之應課稅利潤變現有關稅項利益為限。於2019年3月31日，本集團並無就稅項虧損港幣70,147,000元(2018年：港幣65,012,000元)確認遞延稅項資產港幣418,512,000元(2018年：港幣388,345,000元)，此款項可抵銷產生虧損公司未來之應課稅利潤。由於該等虧損及可扣減暫時性差額乃於錄得不確定未來經營利潤之附屬公司出現，故並未就其確認遞延稅項資產。

25 DEFERRED TAX (Continued)

The unrecognised estimated tax losses are analysed by years from expiring as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
With no expiry date	無屆滿日期	66,929	62,257
Within 5 years	五年內	3,218	2,755
		70,147	65,012

At 31 March 2019, there was no significant unrecognised deferred tax liability (2018: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

25 遞延稅項(續)

按屆滿年期分析之未確認估計稅項虧損如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
於2019年3月31日，就本集團附屬公司之未匯出盈利產生之應付稅項而言，乃由於此該等款額匯出時，本集團並無額外之稅項負債，故並無重大未確認遞延稅項負債(2018年：無)。	66,929	62,257
本公司向其股東派付股息概無帶來所得稅後果。	3,218	2,755
	70,147	65,012

於2019年3月31日，就本集團附屬公司之未匯出盈利產生之應付稅項而言，乃由於此該等款額匯出時，本集團並無額外之稅項負債，故並無重大未確認遞延稅項負債(2018年：無)。

本公司向其股東派付股息概無帶來所得稅後果。

26 SHARE CAPITAL Shares

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Authorised: 2,000,000,000 (2018: 2,000,000,000) ordinary shares of HK\$0.10 each	法定： 普通股2,000,000,000股(2018年： 2,000,000,000股)每股面值港幣1角	200,000	200,000
		Number of ordinary share of HK\$0.10 each 每股面值港幣 1角普通股數目	Share capital HK\$'000 股本 港幣千元
Issued and fully paid	已發行及繳足		
At 31 March 2018 and 31 March 2019	於2018年3月31日及2019年3月31日	1,185,318,349	118,532

27 RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statement of changes in equity on page 77 of the consolidated financial statements.

27 儲備

本集團儲備以及其於本年及過往年度之變動，載於綜合財務報表第77頁之綜合權益變動表。

28 OPERATING LEASE ARRANGEMENTS**(a) As lessor**

The Group leases its investment properties (Note 14) under operating lease arrangements, with leases negotiated for terms ranging from 1 to 3 years (2018: 1 to 3 years). The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 March 2019, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Within one year	1年內	5,723	5,601
In the second to fifth year, inclusive	2至5年(包括首尾兩年)	3,057	4,441
		8,780	10,042

(b) As lessee

The Group leases certain of its retail outlets under operating lease arrangements. Leases for retail outlets are negotiated for terms ranging from 1 to 3 years (2018: 1 to 3 years). Certain non-cancellable operating leases are based on the higher of a fixed rental and contingent rent based on sales of the retail outlets pursuant to the terms and conditions as set out in the respective agreements. As the future sales of these retail outlets could not be accurately determined, the relevant contingent rent has not been included below and only the minimum lease commitments have been included.

At 31 March 2019, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Within one year	1年內	49,831	47,650
In the second to fifth years, inclusive	2至5年(包括首尾兩年)	35,615	37,570
		85,446	85,220

28 經營租約安排**(a) 作為出租人**

本集團根據經營租約安排租出其投資物業(附註14)，經磋商訂定租期為1至3年不等(2018年：1至3年)。租約條款亦一般規定租戶須支付擔保按金及根據當時市況定期調整租金。

於2019年3月31日，本集團就與租戶訂立之不可撤銷經營租約而可於未來收取之最低租金總額到期情況如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Within one year	5,723	5,601
In the second to fifth year, inclusive	3,057	4,441
	8,780	10,042

(b) 作為承租人

本集團按經營租約安排承租若干零售門市物業，物業租期經磋商訂定為期1至3年(2018年：1至3年)。根據各自協議所載條款及條件，若干不可撤銷之經營租約基於固定租金及基於零售門市物業之銷售的或然租金之較高者作出。由於該等零售門市物業之未來銷售無法準確確定，以下並未計入相關或然租金，惟僅計入最低租約承擔。

於2019年3月31日，本集團就不可撤銷之經營租約而須於未來支付之最低租金總額到期如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Within one year	49,831	47,650
In the second to fifth years, inclusive	35,615	37,570
	85,446	85,220

29 CAPITAL COMMITMENT

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	546	130

30 RELATED PARTY TRANSACTIONS

Other than those disclosed elsewhere in the consolidated financial statements, the Group has the following significant related party transactions carried out in the normal course of the Group's business during the year.

The Group's key management personnel are the Directors of the Company. Further details of Directors' remuneration are included in Note 33 to the consolidated financial statements.

31 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the year are as follows:

Financial assets at amortised cost

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Trade receivables	貿易應收賬項	51,713	47,669
Deposits and other receivables	按金及其他應收賬項	55,682	36,387
Cash and bank balances	現金及銀行結餘	198,178	219,486
Amount due from an associate	應收一間聯營公司款項	-	29,105
		305,573	332,647

Financial liabilities at amortised cost

		2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Trade and bills payables	貿易應付賬項及票據	82,291	60,133
Accrued liabilities and other payables (excluding non-financial liabilities)	應計負債及其他應付賬項 (非金融負債除外)	34,222	22,496
		116,513	82,629

29 資本承擔

年末已簽約但尚未產生的資本開支如下：

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Property, plant and equipment	546	130

30 關連人士交易

除於綜合財務報表其他部份所披露者外，年內本集團於本集團之正常業務過程中進行了下列重大關連人士交易。

本集團之主要管理人員為本公司董事。董事酬金之進一步詳情載於綜合財務報表附註33。

31 以類別劃分之金融工具

各類金融工具於年末之賬面值如下：

以攤銷成本入賬之金融資產

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Trade receivables	51,713	47,669
Deposits and other receivables	55,682	36,387
Cash and bank balances	198,178	219,486
Amount due from an associate	-	29,105
	305,573	332,647

以攤銷成本入賬之金融負債

	2019 HK\$'000 港幣千元	2018 HK\$'000 港幣千元
Trade and bills payables	82,291	60,133
Accrued liabilities and other payables (excluding non-financial liabilities)	34,222	22,496
	116,513	82,629

32 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY 32 本公司之財務狀況表及儲備變動

		Note	2019	2018
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司投資		601,461	603,918
Current assets	流動資產			
Prepayments and other receivables	預付款項及其他應收賬項		259	253
Cash and cash equivalents	現金及現金等值項目		567	772
Total current assets	流動資產總額		826	1,025
Total assets	資產總額		602,287	604,943
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本		118,532	118,532
Reserves	儲備	(a)	481,524	484,241
Total equity	權益總額		600,056	602,773
LIABILITIES	負債			
Current liabilities	流動負債			
Accrued liabilities and other payables	應計負債及其他應付賬項		2,231	2,170
Total liabilities	負債總額		2,231	2,170
Total equity and liabilities	權益及負債總額		602,287	604,943

The statement of financial position of the Company was approved by the Board of Directors on 27 June 2019 and was signed on its behalf.

本公司之財務狀況表已於2019年6月27日獲得董事會批准，並授權由下列董事代表簽署。

Sun Tai Lun Dennis
Chairman
孫大倫
主席

Sun Tao Hung Stanley
Deputy Chairman and CEO
孫道弘
副主席及行政總裁

32 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Note

(a): Movement of reserves of the Company

附註

(a): 本公司之儲備變動

		Share premium account 股份溢價賬 HK\$'000 港幣千元	Capital redemption reserve 資本贖回儲備 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2017	於2017年4月1日	490,378	1,619	130	(5,381)	486,746
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額	-	-	-	(2,505)	(2,505)
At 31 March 2018 and 1 April 2018	於2018年3月31日及 2018年4月1日	490,378	1,619	130	(7,886)	484,241
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額	-	-	-	(2,717)	(2,717)
At 31 March 2019	於2019年3月31日	490,378	1,619	130	(10,603)	481,524

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda (as amended), a company may make distributions to its members out of the contributed surplus in certain circumstances.

本公司之實繳盈餘為所收購附屬公司股份之公平值超逾本公司就此作出交換而發行之股份之面值之部分。根據百慕達1981年公司法(經修訂)，一間公司可於若干情況下自實繳盈餘向其股東作出分派。

33 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

(A) Directors' emoluments

The remuneration of every director is set out below:

For the year ended 31 March 2019:

Name of directors	Fees	Salary	Discretionary bonus	Employer's contribution to a retirement benefit scheme	Estimated money value of other benefits	Total	
董事姓名	袍金	薪金	非強制性花紅	僱員之退休福利計劃供款	其他利益的估計	總額	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
	(Note (i))	(Note (ii))	(Note (ii))	(Note (ii))			
	(附註(i))	(附註(ii))	(附註(ii))	(附註(ii))			
Sun Tai Lun Dennis	孫大倫	150	1,200	40	18	–	1,408
Sun Tao Hung Stanley	孫道弘	110	1,865	651	18	–	2,644
Ng Yuk Wah Eileen (Note (iii))	吳玉華(附註(iii))	110	1,200	40	18	–	1,368
Sun Tao Hsi Ryan (Note (iv))	孫道熙(附註(iv))	110	720	24	17	–	871
Au Man Chung Malcolm	區文中	220	–	–	–	–	220
Li Ka Fai David	李家暉	280	–	–	–	–	280
Liu Hui Allan	劉暉	140	–	–	–	–	140
Wong Chi Yun Allan	黃子欣	220	–	–	–	–	220
Fung Yue Chun Stephen	馮裕津	140	–	–	–	–	140
Total	總計	1,480	4,985	755	71	–	7,291

33 董事利益及權益(香港法例第622章《公司條例》第383條《公司(披露董事利益資料)規例》(第622G章)及香港上市規則就董事之利益及權益規定之披露)

(A) 董事酬金

各董事酬金載列如下：

截至2019年3月31日止年度：

33 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

(A) Directors' emoluments (Continued)

For the year ended 31 March 2018:

Name of directors	Fees	Salary	Discretionary bonus	Employer's contribution to a retirement benefit scheme	Estimated money value of other benefits	Total
董事姓名	袍金	薪金	非強制性花紅	僱員之退休福利計劃供款	其他利益的估計貨幣價值	總計
	HK\$'000 港幣千元 (Note (i)) (附註(i))	HK\$'000 港幣千元 (Note (ii)) (附註(ii))	HK\$'000 港幣千元 (Note (ii)) (附註(ii))	HK\$'000 港幣千元 (Note (ii)) (附註(ii))	HK\$'000 港幣千元	HK\$'000 港幣千元
Sun Tai Lun Dennis	孫大倫	150	1,200	25	18	1,393
Sun Tao Hung Stanley	孫道弘	110	2,399	36	18	2,563
Ng Yuk Wah Eileen (Note (iii))	吳玉華(附註(iii))	110	1,116	23	18	1,267
Tang Kwok Tong Simon	鄧國棠	110	978	20	9	1,117
Au Man Chung Malcolm	區文中	210	-	-	-	210
Li Ka Fai David	李家暉	260	-	-	-	260
Liu Hui Allan	劉暉	130	-	-	-	130
Wong Chi Yun Allan	黃子欣	210	-	-	-	210
Fung Yue Chun Stephen	馮裕津	130	-	-	-	130
Total	總計	1,420	5,693	104	63	7,280

33 董事利益及權益(香港法例第622章《公司條例》第383條《公司(披露董事利益資料)規例》(第622G章)及香港上市規則就董事之利益及權益規定之披露)(續)

(A) 董事酬金(續)

截至2018年3月31日止年度：

Name of directors	Fees	Salary	Discretionary bonus	Employer's contribution to a retirement benefit scheme	Estimated money value of other benefits	Total
董事姓名	袍金	薪金	非強制性花紅	僱員之退休福利計劃供款	其他利益的估計貨幣價值	總計
	HK\$'000 港幣千元 (Note (i)) (附註(i))	HK\$'000 港幣千元 (Note (ii)) (附註(ii))	HK\$'000 港幣千元 (Note (ii)) (附註(ii))	HK\$'000 港幣千元 (Note (ii)) (附註(ii))	HK\$'000 港幣千元	HK\$'000 港幣千元
Sun Tai Lun Dennis	孫大倫	150	1,200	25	18	1,393
Sun Tao Hung Stanley	孫道弘	110	2,399	36	18	2,563
Ng Yuk Wah Eileen (Note (iii))	吳玉華(附註(iii))	110	1,116	23	18	1,267
Tang Kwok Tong Simon	鄧國棠	110	978	20	9	1,117
Au Man Chung Malcolm	區文中	210	-	-	-	210
Li Ka Fai David	李家暉	260	-	-	-	260
Liu Hui Allan	劉暉	130	-	-	-	130
Wong Chi Yun Allan	黃子欣	210	-	-	-	210
Fung Yue Chun Stephen	馮裕津	130	-	-	-	130
Total	總計	1,420	5,693	104	63	7,280

33 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

(A) Directors' emoluments (Continued)

Note:

- (i) Emoluments paid to or receivable by these Directors in respect of their services as Directors to the Group.
- (ii) Emoluments paid to or receivable by these Directors in respect of their management services to the Group.
- (iii) Resigned on 31 March 2019.
- (iv) Appointed on 1 April 2018.

(B) Directors' retirement benefits and termination benefits

None of the Directors received or will receive any retirement benefits or termination benefits during the year (2018: Nil).

(C) Consideration provided to or receivable by third parties for making available directors' services

During the year ended 31 March 2019, the Group did not pay consideration to any third parties for making available directors' services (2018: Nil).

(D) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

As at 31 March 2019, there are no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and controlled entities with such directors (2018: Nil).

(E) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year. (2018: Nil)

34 CASH FLOW INFORMATION

Significant non-cash transaction

The Group entered into rental agreement in respect of certain of its retail outlets located in Hong Kong under operating leases. Pursuant to the terms and conditions of the rental agreements, the Group is required to restore the retail outlets to the conditions as stipulated in the rental agreements at the end of the lease terms. During the year, the Group has accrued and capitalised the estimated reinstatement cost of HK\$3,105,000 for such obligations (2018: Nil).

33 董事利益及權益(香港法例第622章《公司條例》第383條《公司(披露董事利益資料)規例》(第622G章)及香港上市規則就董事之利益及權益規定之披露)(續)

(A) 董事酬金(續)

附註：

- (i) 董事就其擔任本集團董事之服務已獲支付或應收之酬金。
- (ii) 董事就其擔任為本集團提供管理服務已獲支付或應收之酬金。
- (iii) 於2019年3月31日辭任。
- (iv) 於2018年4月1日獲委任。

(B) 董事退休福利及終止僱用福利

年內概無董事已收取或將收取任何退休福利或終止僱用福利(2018年：無)。

(C) 就提供董事服務向第三方提供或彼等應收的代價

截至2019年3月31日止年度，本集團概無就提供董事服務向任何第三方支付代價(2018年：無)。

(D) 有關以董事、其受控法團及其關連實體為受益人的貸款、準貸款及其他交易的資料

於2019年3月31日，概無以董事、其受控法團或受控實體為受益人的貸款、準貸款及其他交易安排(2018年：無)。

(E) 董事於交易、安排或合約的重大權益

本公司概無訂立與本集團業務有關，而本公司董事直接或間接擁有重大權益且於年末或年內任何時間存在的重大交易、安排及合約。(2018年：無)

34 現金流量資料

重大非現金交易

本集團就其經營租賃項目下位於香港的某些商舖訂立租賃協議。根據租賃協議的條款及條件，本集團須於租約完結時令該等商舖恢復至租賃協議所訂明的狀態。年內，本集團已就有關責任累計及資本化估計復修成本港幣3,105,000元(2018年：無)。

Details of Investment Properties

投資物業詳情

As at 31 March 2019

於2019年3月31日

Location 位置		Category of lease 租約類別	Existing use 現時用途
Unit D on the 1st Floor and Car Park Space Nos. 16 and 17 on the Ground Floor and Car Park Space No. 10 on the Lower Ground Floor Eldex Industrial Building 21 Ma Tau Wai Road Hunghom Kowloon Hong Kong	香港 九龍 紅磡 馬頭圍道21號 義達工業大廈1樓D單位、 地下停車位16及17號及 地下低層停車位10號	Medium term leasehold 中期租約	Warehouse 貨倉
8th Level, Donghai Commercial Centre 588 Yan An East Road Huang Pu District Shanghai People's Republic of China	中華人民共和國 上海 黃浦區 延安東路588號 東海商業中心8樓	Medium term leasehold 中期租約	Commercial 商業
Units 2301, 2303, 2305 and 2307 on 23rd Floor, Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	香港 新界 德士古道220-248號 荃灣工業中心23樓 2301、2303、2305及2307室	Medium term leasehold 中期租約	Commercial 商業
Unit No. 6 on 6th Floor together with Vehicle Parking Spaces Nos. 37, 51 and 60 on Ground Floor, Block C Ko Fai Industrial Building No. 7 Ko Fai Road Kowloon Hong Kong	香港 九龍 高輝道7號 高輝工業大廈6樓6室及 C座地下車輛停泊號碼37、 51及60號	Medium term leasehold 中期租約	Commercial 商業
Units 2511-16 on 25th Floor and Vehicle Parking Space No. 23 on 1st Floor Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	香港 新界 德士古道220-248號 荃灣工業中心25樓 2511-16室及 1樓車輛停泊號碼23號	Medium term leasehold 中期租約	Commercial 商業
Whole of 27th Level and Car Parking Space Nos. 37, 38 and 39 Guang Fa Bank Building No. 83 Lower Long Lin Road Dongshan District Guangzhou Guangdong Province People's Republic of China	中華人民共和國 廣東省 廣州市 東山區 農林下路83號 廣發金融大廈 27樓全層及停車位37、 38及39號	Medium term leasehold 中期租約	Commercial 商業
Units 1401-1408 on 14th Level Jin Cheng Zhong Xin 4th District, Fang Qun Garden Fang Zhuang District Beijing People's Republic of China	中華人民共和國 北京 方庄芳群園第四區 金城中心 14樓1401-1408室	Medium term leasehold 中期租約	Commercial 商業
Unit No. 4 on Levels 17/18 together with Car Parking Space No. 10 on 1/F Golden Bridge Mansion 2077 Yan An Road West Changning District Shanghai People's Republic of China	中華人民共和國 上海 長寧區 延安西路2077號 金橋大廈 17/18樓4室及 1樓停車位10號	Long term leasehold 長期租約	Commercial 商業
Unit C-13, C-14, C-15 An'Xin Building Heping Main Road (Yanjiang 4th Road), Haikou Hainan Province People's Republic of China	中華人民共和國 海南省 海口市 和平大道(沿江4路) 安信大廈 C-13、C-14、C-15室	Long term leasehold 長期租約	Commercial 商業

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Sun Tai Lun Dennis (*Chairman*)
Sun Tao Hung Stanley (*Deputy Chairman and Chief Executive Officer*)
Sun Tao Hsi Ryan (appointed on 1 April 2018)
Ng Yuk Wah Eileen (resigned on 31 March 2019)
Chan Wai Kwan Rita (appointed on 1 April 2019)

NON-EXECUTIVE DIRECTOR

Fung Yue Chun Stephen

INDEPENDENT NON-EXECUTIVE DIRECTORS

Au Man Chung Malcolm
Li Ka Fai David
Liu Hui Allan
Wong Chi Yun Allan

COMPANY SECRETARY

Chan Wai Kwan Rita

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China (Asia) Limited
MUFG Bank, Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITOR

PricewaterhouseCoopers

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

PRINCIPAL OFFICE IN HONG KONG

8th Floor Tsuen Wan Industrial Centre
220-248 Texaco Road
Tsuen Wan, Hong Kong

董事會

執行董事

孫大倫(主席)
孫道弘(副主席及行政總裁)
孫道熙(於2018年4月1日獲委任)
吳玉華(於2019年3月31日辭任)
陳蕙君(於2019年4月1日獲委任)

非執行董事

馮裕津

獨立非執行董事

區文中
李家暉
劉暉
黃子欣

公司秘書

陳蕙君

主要銀行

中國銀行(香港)有限公司
中國工商銀行(亞洲)有限公司
株式会社三菱UFJ銀行
香港上海滙豐銀行有限公司

核數師

羅兵咸永道會計師事務所

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

香港主要辦事處

香港荃灣
德士古道220-248號
荃灣工業中心8樓



China-Hongkong Photo Products Holdings Limited

中港照相器材集團有限公司

8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road,

Tsuen Wan, Hong Kong

香港荃灣德士古道220-248號荃灣工業中心8樓

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ANNIVERSARY
1968-2018

www.chinahkphoto.com.hk

CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED
中港照相器材集團有限公司
(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)